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# The Case for the Adelaide 2026 Commonwealth Games

Commonwealth Games Australia  
September 2020



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# Hosting the 2026 Commonwealth Games supports South Australia's ambitions to drive long term growth and opportunity and elevate its international brand



**\$2.5bn**

*Estimated upper band of additional economic boost for South Australia before, during and after the Games*

**\$790m**

*In trade deals and investments to South Australia*

**\$150m+**

*Federal Government investment in sports infrastructure*

**\$1.1bn**

*Estimated South Australian Government investment to stimulate the economy, comprising: \$650m in operating costs, \$100m in Games security and \$350m in infrastructure*



## Examples of benefits from past Games:

**250,000**

*Additional hotel visitor nights before, during and after Gold Coast 2018 with a Games time occupancy of 88%*

**25%**

*Increased tourism visitation to the Gold Coast in the three years after hosting the Games*

**21,000**

*Additional employment in Queensland from the Gold Coast 2018 Commonwealth Games*

**87%**

*Games related contracts awarded to local businesses*



*Sporting participation in Victoria increased by 10% as a result of the Melbourne 2006 Commonwealth Games*

# The 2026 Commonwealth Games can inspire, grow and support recovery of the South Australian economy in the lead up to, during, and after the Games



## Announcement and pre-Games investment



## Hosting the Games



## Post-Games benefits

Between 2021 and 2026, the South Australian Government promotes the Games and invests into supporting infrastructure including a new Games Village or villages

2020

2021

2022

2026

2030

Announcement of the Games in Adelaide boosts morale, pride and confidence

The Birmingham 2022 Commonwealth Games Queen's Baton Relay provides a platform for trade, investment and tourism promotion for Adelaide and South Australia

Promotional event hosted in Australia House in London and opportunities to showcase South Australia's local products including food and wine

Adelaide host the Australian leg of the Queen's Baton Relay

Establishment of South Australian hospitality and networking venue in Birmingham

At the Birmingham 2022 Commonwealth Games Closing Ceremony, the Commonwealth Games Flag will be handed to the South Australian Government.

4 years of events and opportunities in the lead up to the Games will build upon these events

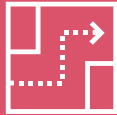
The Games boost South Australia's and Adelaide's profile internationally reaching up to worldwide TV audience of 1.5 billion

Continued post Games benefits from tourism, trade, and investment as a result of international profile

Opportunity to repurpose the Games Village or villages into sustainable and affordable housing or community spaces

Benefits from accelerated infrastructure programs and better connectivity in Adelaide

# The 2026 Commonwealth Games in Adelaide will drive long term growth and opportunity



## 1. Delivery of the Games aligns to the Sports Infrastructure Plan and other key Government objectives

The Games should be seen as a potential key driver of Adelaide's wider long term strategy not a stand-alone event. For example, Manchester used the Games as a catalyst for its wider regeneration of East Manchester and to drive transformation of how it delivered local public services. \$725 million in improvements to road, heavy and light rail infrastructure on the Gold Coast were accelerated for the 2018 Commonwealth Games.



## 2. Leaving a legacy for Adelaide and South Australia that will last generations

To maximise the long term benefits of hosting the Games, potential legacy outcomes should be planned from the outset (e.g. the post-Games use of new capital assets). There should also be clear legacy leadership, governance and accountability from the outset to ensure that legacy is at the heart of Games planning. For example, the Gold Coast athlete's village was well aligned with the wider Trade 2018 strategy and became an integral part of the wider Gold Coast Health and Knowledge Precinct development which will support up to 26,000 jobs.



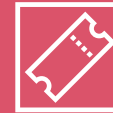
## 3. Put Adelaide and South Australian communities at the heart of the Games

The feel-good factor in the build up to and during the Games is an important benefit which requires local communities to be engaged from the outset. Any antipathy towards the Games puts these benefits at risk and could detract from the positive image Adelaide wishes to project internationally. Plan the use and integration of Games assets' (volunteers, QBR, teams and athletes, festivals and ceremonies) across Adelaide communities to drive social and community benefits, and shared experiences that enhance social cohesion. The Games align perfectly with the recently announced 'Game On' strategy and will act as a catalyst to achieving the Government's objectives.



## 4. Establish partnerships at all levels of government, the private sector and the third sector to combine and lever funds to achieve wider policy objectives

The Games helps to achieve a wide set of benefits which are key objectives for a range of organisations. As such, a number of different public, private and charity organisations may be willing to contribute to Games funding. Moreover, existing budgets can be re-allocated to the costs of hosting the Games and existing investment plans can be accelerated.



## 5. Use the Games as a platform to boost other non-sports events

To help achieve Adelaide's wider objectives, the Games provides a valuable platform for a range of non-sports events before, during and after the Games. For example, a year-long programme of cultural events was held in the run up to the Manchester and Glasgow Commonwealth Games in 2002 and 2014 respectively. Further, the UK Government is planning a three years UK Trade and Investment Programme centred in Birmingham and the West Midlands and a UK-wide Cultural Festival running throughout 2022, which is being led by the Birmingham 2022 team.



## 6. Momentum and growth into the future

To sustain the benefits from the Games, it is important for the Games to continue to drive benefits in the years after the Games, for example by hosting follow-on events in Games venues. For example:

- Glasgow 2014 Commonwealth Games adopted this strategy successfully, securing the inaugural European Championships in 2018 and the Tissot UCI Track Cycling World Cup in 2019
- Gold Coast 2018 also secured a number of high profile events, including the 2018 World Triathlon Series Grand Final, the 2019 and 2021 Track Cycling World Cup and the 2020 Bowls Championships. The success of Gold Coast 2018 Commonwealth Games is a key driver behind the South East Queensland bid for the 2032 Olympic Games.

# 1 Introduction and approach

Gold Coast 2018  
XXI COMMONWEALTH GAMES

 Griffith  
UNIVERSITY

# Introduction and scope of this report

## Context

Commonwealth Games Australia's (CGA's) vision is pursuing sporting excellence while connecting with communities.

To support this vision, CGA has five strategic priorities being:

- Delivering Team Success
- Connecting with Communities
- Presenting a Powerful Brand
- Leading the Way
- Hosting Great Games.

CGA is currently engaging with the South Australian Government on a potential candidature for Adelaide to host the 2026 Commonwealth Games.

This report is to assist initial discussions as part of a broader engagement with the South Australian Government.





# We have applied five key steps to develop this report

**1** **Understand the baseline context** (e.g. social, economic and environmental conditions) of Greater Adelaide\* and South Australia.

**2** **Review South Australia's ambitions** in the short, medium and longer-term.

**3** **Assess South Australia's existing strategies and plans** set out by the Government for achieving its ambitions.

**4** **Identify how hosting the Games can support** South Australia's ambitions, strategies and plans.

**5** **Use evidence from past Commonwealth Games** to assess the value from hosting the Games.

## The rest of the report covers:

- Section 2 – provides an overview of the strategic context of South Australia and showcases its capacity for hosting major international events. It then outlines the strategic plans and priorities of the South Australian Government to which the 2026 Commonwealth Games will align, bringing growth and opportunity.
- Section 3 – sets out the case for the 2026 Commonwealth Games in Adelaide, detailing the investment and economic benefit that the state stands to gain. The remainder of this section details supporting evidence from past Games that illustrates how their host cities have benefited economically and socially.

\* Mentions of 'Adelaide' throughout this document refer to Greater Adelaide metropolitan area.

## 2 Strategic context & alignment

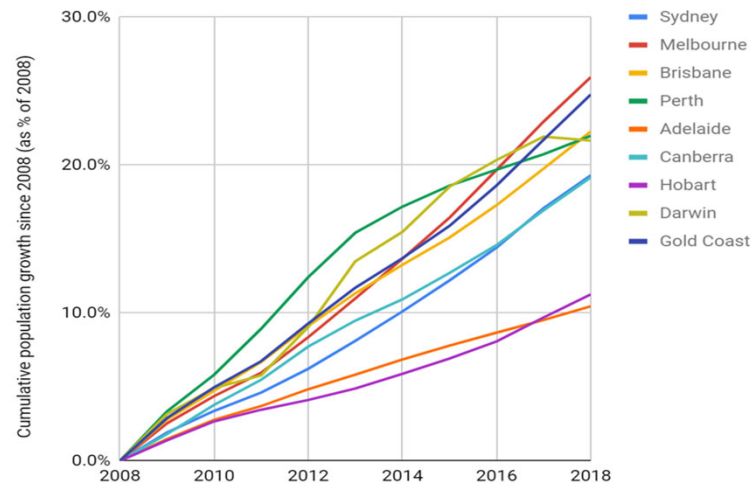


# South Australia’s experience with prior similar sporting events positions it well for the 2026 Commonwealth Games

South Australia’s position and experience with world class sporting events make it well placed to host the 2026 Commonwealth Games.

Over the past 20 years, South Australia has experienced population growth at a rate of approximately 0.9% per year, with around 1.74 million residents as at the last census. South Australia’s economy as a whole has grown by an average of 2.1% per annum from 1990 to 2018, representing 5.7% of the Australian gross domestic product (GDP) in 2018. South Australia contributes around \$61,965 per capita. The South Australian economy continues to transform, with the Government prioritising plans and initiatives to enable trade and investment growth in key industry sectors, and setting an ambitious target for population growth.

**Figure 2: Capital city population growth**



Greater Adelaide is home to around 1.3 million residents in 2018. It is ranked fifth most populous city in Australia, and was voted as the tenth most liveable city in the world in 2018.

Adelaide is well placed to host the 2026 Commonwealth Games. As a tourist destination Adelaide had around 4.4 million international visitor nights in 2017-18. The State of South Australia has also attracted global attention being ranked 5th in the Lonely Planet’s Top Regions in 2017.

Over recent years, Adelaide has shown its capacity to host major world class events several times including:

- Sports – UCI Pro Tour Down Under, Test Cricket, World Police and Fire Games, Australian Swimming Championships, Oceania Championship Track Cycling, Australian Masters Games, International Leg Rugby 7’s, AFC Women’s Football Final, Superloop Adelaide 500 - Super Cars
- Other: Adelaide Film Festival, Adelaide Fringe Festival (Annual, second largest Fringe globally), Adelaide Festival - celebrating arts and culture.

# In a post COVID-19 environment, the prospect of hosting the 2026 Commonwealth Games will boost confidence and propel Adelaide's recovery

## Economic and social impact of COVID-19

- In response to the COVID-19 pandemic, the South Australian Government has reaffirmed its commitment to supporting infrastructure program and supporting job creation as part of the recovery. This recovery process highlights the need for good governance and continued leadership to address the impacts of the pandemic.
- With the onset of lockdown laws and border closures, the COVID-19 pandemic has had a negative impact on the economic performance across Australia, and led to poorer economic outcomes.
- Despite government support programs and some jobs recovery in June; seasonally adjusted employment increased by 210,800 people between May and June, the unemployment rate rose from 7.1% to 7.4%, according to the Australian Bureau of Statistics.
- During the same period the unemployment rate reached 8.8% in South Australia, the highest of any state or territory.
- The Australian economy contracted by 0.3% in seasonally adjusted chain volume terms in the March quarter 2020, with expectations for a further contraction in the June quarter.
- Decline in local employment, tourism, business confidence and the flow of goods and services between States.

## What does this mean for Adelaide?

- Whilst the 2026 Commonwealth Games remains a few years away, a successful bid by South Australia would be the catalyst for increased business and consumer confidence starting as early as 2021.
- In the wake of the 2020 bushfires and COVID-19 pandemic, Adelaide and South Australia will require an event which will grab the world's attention and help the tourism sector to recover and grow. Adelaide's announcement as host of the 2026 Commonwealth Games will send a powerful signal that South Australia is open for business and welcomes visitors from around the world.
- The 2026 Commonwealth Games aligns with the priorities of these strategies in helping the South Australian economy recover from COVID-19 impacts, by increasing trade, tourism, jobs, and improving Adelaide's standing as a sporting hub nationally and internationally through the hosting of the multiple events associated with the Games.
- During the recovery period, events like the 2026 Commonwealth Games have potential to support the ambitions of Adelaide and South Australia.

### Sources:

ABS 6202.0 – Labour Force, Australia, June 2020  
South Australian Government, Media Releases, Budget Impact of COVID 19  
The Case for the Adelaide 2026 Commonwealth Games  
PwC

# The 2026 Commonwealth Games is strongly aligned to strategies for South Australia and Adelaide

Strategies for South Australia	Key focus	Alignment with the 2026 Commonwealth Games
Government of South Australia's 30 Year Plan for Greater Adelaide	Transform Greater Adelaide, to create a more liveable, competitive and sustainable future for all it's citizens. Drive and show case innovation and technology.	Hosting the Games supports physical, economic and social regeneration and transformation of areas across host cities and their wider regions
Infrastructure South Australia 20 year strategy	The Strategy takes a state-wide view and aims to achieve the following objectives; sustained economic and jobs growth, planned population growth, connected and productive regions. a vibrant, global Adelaide and enviable liveability. There is also an increased focus on resilience and flexibility in light of the bushfires of 2019-20 and the COVID-19 crisis.	The Games will elevate Adelaide's standing and brand as a vibrant global city with the capacity to host international sporting and cultural events.
South Australia's Sport and Recreation Infrastructure Plan	The Plan will identify a strategic response to issues related to the provision of infrastructure for sport and recreation to support overall objectives such as increasing levels of participation, improving services, creating jobs and economic growth. The Plan will also feed into the 20- Year State Infrastructure Strategy being developed by Infrastructure SA to assist the South Australian Government to plan, identify and prioritise major infrastructure across the State.	The Games will accelerate the upgrade of facilities in Adelaide, improve ease of access to citizens through infrastructure, and encourage more participation in sport and wellbeing.
The South Australian Visitor Economy Sector Plan 2030	The South Australian Visitor Economy Sector Plan sets out the ambitions for the South Australian Government to grow this industry from \$6.8 billion in 2018 to \$12.8 billion by 2030.	The Commonwealth Games directly supports this plan through promotion of the South Australia as a destination pre and post Games, as evidenced from past Games, with tourism being a key driver even after the Games.
Game on: Getting South Australia Moving	Game On seeks to provide a shared vision and common platform for the sport and recreation sector in South Australia. Game On will change the mindset of South Australians by investing in areas that guarantee physical activity to work around people's lives. It will also build system resilience and capacity, connecting investment in infrastructure, high performance and events.	The Games will help improve the levels of physical activity opportunities across the state, leading to stronger outcomes in community wellbeing, liveability and economic productivity.
Strategies for Adelaide	Key focus	Alignment with the 2026 Commonwealth Games
City of Adelaide Strategic Plan (2016–2020)	Enrich Adelaide's lifestyle, boost its growth and create a smart, globally connected city to meet the needs of an ever advancing world. Four themes are critical to the realisation of the plan's vision: smart, green, liveable, creative.	Better sporting infrastructure, participation and events will contribute to the lasting health and wellbeing of Adelaide's residents, making it a more liveable city. The Games will also contribute to visitor growth and the global strengthening of Adelaide's brand.
City of Adelaide Transport and Movement Plan (2012–2022)	Improve the transport network to increase accessibility and create a safe, people-friendly city. Key strategies: green travel, efficient services, cycling and walking.	Sporting spaces, walking and cycling tracks are among the range of infrastructure for which the Games will encourage Adelaide to be a more active and liveable place. Compact Games will promote active transport between sport venues.

# The 2026 Commonwealth Games supports a number of the export focused growth sectors to drive Adelaide's growth in the future

## South Australia's Growth State

The South Australian Government has set out its vision to transform the State into a Growth State, propelling the annual growth to 3%.

The driving force behind this vision is the focus on nine key priority sectors based on their potential to meet increasing interstate and global demand, attract investors and leverage competitive advantages.

The South Australian Government has renewed its commitment to support those sectors through trade and investment, skills and innovation, infrastructure land, water and environment.

## Key Priority Sectors

- 
1. Tourism
  2. International education
  3. Defence industry
  4. Food, wine and agribusiness
  5. Hi-Tech
  6. Health and medical industries
  7. Energy and mining
  8. Space industry
  9. Creative industries.

## Alignment with the 2026 Commonwealth Games

The hosting of the 2026 Commonwealth Games will directly contribute towards driving the growth and vision for South Australia's as it will:

- provide a range of opportunities to boost South Australia's international profile with potential announcement in 2021 and a range of international events in the lead to the 2026 Commonwealth Games
- boost tourism, trade, and investment by promoting Adelaide and South Australia as a destination not only for the Games, but in the lead up to, and post the Games
- promote Adelaide as an international education hub to students from across the Commonwealth nations
- showcase the food, wine and agribusiness through the unique platform offered by the Games pre, during and post the Games
- support creative industries through championing the best of South Australia's unique culture, including celebrating vibrant Aboriginal and multicultural traditions.

## Trade, tourism and investment opportunities at the Birmingham 2022 Commonwealth Games

In addition to directly aligning to the focus export sectors, the 2026 Commonwealth Games provides an opportunity for South Australia to foster trade and investment relationships through participation in the Birmingham 2022 Commonwealth Games. The government can foster opportunities for South Australian companies in the food and wine sectors to become involved in the Birmingham 2022 Commonwealth Games as partners and suppliers. This would include the UK Government backed 2022 Trade, Tourism and Investment Programme, an opportunity for showcasing and the development of long term trade relationships.

### Sources:

South Australian Government (2019), Growth State.

The Case for the Adelaide 2026 Commonwealth Games






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# There are five key ambitions for South Australia which support hosting the 2026 Commonwealth Games

Drawing on the key plans and strategies identified, the following five key priorities/ambitions were defined for the 2026 Commonwealth Games for Adelaide:

Ambitions	Desired outcomes
 <p><b>Support economic and employment growth</b></p>	<ul style="list-style-type: none"> <li>• Invest in South Australia’s long term infrastructure needs and services</li> <li>• Foster economic growth and support the long term recovery from COVID-19</li> <li>• Provide more jobs for the state of South Australia</li> </ul>
 <p><b>Improve confidence, trade and tourism</b></p>	<ul style="list-style-type: none"> <li>• Foster a hub for foreign trade and investment into Adelaide</li> <li>• Attract domestic and international tourists</li> <li>• Boost consumer and business confidence</li> <li>• Opportunities for involvement in the Birmingham 2022 Trade, Tourism and Investment Programme</li> </ul>
 <p><b>Improve infrastructure, liveability and accessibility</b></p>	<ul style="list-style-type: none"> <li>• Develop new housing in designated areas close to transport links to meet the community’s changing needs</li> <li>• Improve accessibility within Adelaide by expanding light rail and encouraging use of public transport</li> <li>• Make communities healthier and safer by encouraging green spaces, cycling and walking</li> </ul>
 <p><b>Boost global scope and international presence</b></p>	<ul style="list-style-type: none"> <li>• Become a centre for music, arts and culture</li> <li>• Capitalise on Adelaide’s ability to host major international events</li> <li>• Improve visitor growth and the global strengthening of Adelaide’s brand</li> <li>• Boost South Australia’s tertiary education sector</li> </ul>
 <p><b>Ensure sustainability and resilience</b></p>	<ul style="list-style-type: none"> <li>• Encourage a minimal carbon footprint, focusing on protecting resources, and being resilient to climate change</li> <li>• Improve flexibility and resilience of communities and policy responses in the wake of bushfires and the COVID-19 pandemic</li> </ul>

### 3 The economic case for the 2026 Commonwealth Games





# Investing in the 2026 Commonwealth Games generates a range of economic, social and environmental benefits

Investment in the 2026 Commonwealth Games will generate a range of economic, social and environmental benefits as follows:



# Three broad categories can be used to categorise the required financial investment for the 2026 Commonwealth Games

## Commonwealth Games Financial Investment categories

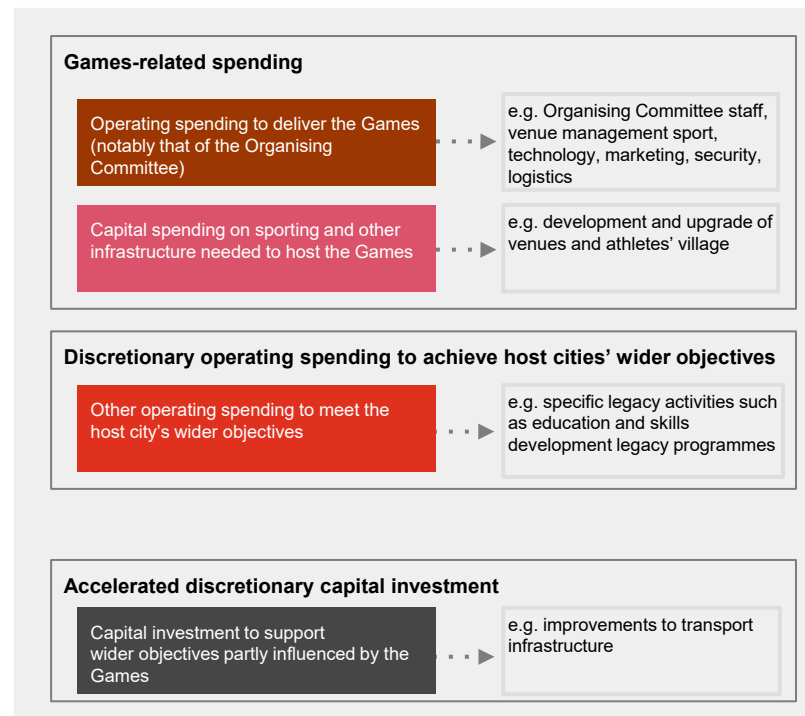
In the planning, hosting, and delivery of the Commonwealth Games, there are three broad categories of financial costs and spending being:

- Games related spending which reflect direct costs incurred as a result of the Games being hosted by the City.
- Discretionary operating operational spending which reflect the spending to achieve wider objectives.
- Accelerated discretionary capital spending which have been committed and planned for wider objectives and is brought forward as a result of the Games.

Figure 3 provides an overview of the type of expenditure associated with the Games.

The distinction across the three broad categories is important as this influence the nature of the benefits which can be attributed to the Games itself.

Figure 3: Games expenditure categories



Source: PwC Master report on the Commonwealth Games Value Framework, December 2019.

Notes:

1. Care is needed when comparing the impact of past Games on GDP because the approaches adopted and the time periods included vary significantly. Nevertheless, a comparison of the estimated economic return from public investment in recent Commonwealth Games has been done. The results should be viewed only as indicative, as a more detailed analysis would be required to improve the consistency of the information used.

3. The figures presented are based on PwC analysis to identify all Games-related costs that were funded by the public sector. The analysis is based on data from public sources. The figures exclude discretionary operating expenditure and accelerated and otherwise enhanced capital investment to achieve host cities' wider objectives (e.g. large infrastructure and transportation programmes).

The Case for the Adelaide 2026 Commonwealth Games

# Adelaide's sporting infrastructure and experience positions it well to host the 2026 Commonwealth Games

Adelaide is well placed to host the 2026 Commonwealth Games with sporting infrastructure that can accommodate a majority of sports and supporting transport infrastructure that enables easy travel to the venues. The key sport infrastructure includes:

- Adelaide Oval – main stadium
- Adelaide Convention Centre
- Coopers Stadium
- Priceline Stadium
- Super Drome
- South Australia Aquatics and Leisure Centre.
- Wayville Showgrounds
- Santos Stadium
- Entertainment Centre
- State Hockey Centre
- Karen Rolton Oval.

Our discussions with CGA suggest that the existing sporting infrastructure in Adelaide will be able to accommodate the needs for the various sporting events for the 2026 Commonwealth Games. The transport infrastructure consists primarily of the following:

- Labelled the '20 minute city' with quick access to all areas of the city
- Existing light and heavy rail system connecting the city. Vision to expand the network and plan to replace all heavy rail with light rail
- International Airport (over 8 million passengers annually) with ease of accessibility from Adelaide City
- One freeway and three expressways connect the suburbs in Greater Adelaide to the city centre
- O-Bahn busways in place.

Based on a high level assessment and CGA's preliminary assessment, it is envisaged that the following key facilities may be required:

- a new Games Village or villages
- upgrades and refurbishments to existing sport venues
- other associated minor improvements required.

In addition, the identified infrastructure spend are projects which have been identified as part of the Sports Infrastructure Plan and as such would seek to bring forward these investments as required.

***Adelaide is well positioned to achieve positive economic returns given its current infrastructure to support the 2026 Commonwealth Games***

Sources: Census Data (2016), Economy i.d; Adelaide, Atlas i.d., Sgsep; Economic Performance of Australian Cities and Regions (2016-17), Australian Bureau of Statistics. All data reported from 2018 unless stated otherwise.

# The 2026 Commonwealth Games will provide a catalyst for investment through Games related spending

## Indicative expenditure for the 2026 Commonwealth Games

An indicative expenditure plan has been developed for the 2026 Commonwealth Games for Adelaide, drawing on past evidence and a high level assessment of potential investment required. These were provided by CGA.

Table 1 provides a summary of the proposed investment required for the 2026 Commonwealth Games. For the 2026 Commonwealth Games, it is estimated that additional revenue and funding of around \$390 million can be generated through consumer and business spending, and Federal Government funding.

**Table 1: Indicative financial spend for 2026 Commonwealth Games**

Cost type	Basing of estimates	Other funding sources	Cost to SA Government	Total
Operating (see note 1)	This is drawn from the 2018 Gold Coast estimates and includes more recent changes and improvements in delivery model	\$240 m	\$650 m	\$890 m
Games security (incl COVID-19 precautions)			\$100 m	\$100 m
Infrastructure (see note 2)	High level estimates of upgrades and new sporting infrastructure and a Games village	\$150 m	\$350 m	\$500 m
<b>Total</b>		<b>\$390 m</b>	<b>\$1,100 m</b>	<b>\$1,490 m</b>

## Notes:

<sup>1</sup> Third party contributions includes commercial revenues, sponsorship, ticket sales, and broadcast rights fees. It is further noted that the estimates assumes additional revenue and funding sources which are generated as a result of the Games.

<sup>2</sup> In addition, historically, the Federal Government has contributed around \$160 to \$180 million to the host State, reducing the potential total capital expenditure to around \$350 million for the South Australian Government.

Based on Adelaide's existing sports/event infrastructure (taking into account venues to be retired), CGA estimates that the capital spend on infrastructure would only be of the order of \$500 to \$600 million, including a new Games Village or villages.

The South Australian Government's investment of \$1.1 billion will be spread indicatively over the six years from 2021 to 2026.

# Adelaide can benefit from efficiencies with implementation of a new delivery model for Commonwealth Games

## The Games Delivery Model Efficiencies

The Commonwealth Games Federation (CGF) is implementing an improved delivery model for future Games including Birmingham 2022 and 2026 Commonwealth Games.

This delivery model is enabling the Games to be delivered more efficiently, in less time and at reduced levels of operating cost and risk, whilst maintaining the high levels of quality and service for Games stakeholders and Games Family that have been experienced in recent Commonwealth Games.

The improved delivery model for the Games is leveraging the following:

- greater consistency and continuity of delivery between each Games including development of revised principles with reduce venue footprints, overlay and technology requirements
- provision of Games expertise; people, IT systems
- continuity of sponsors across key delivery areas of the Games such as Host Broadcasting, Timing Scoring and Results, Games Technology systems, Digital Delivery, Games Services and Temporary infrastructure.

For instance, for the Birmingham 2022 Commonwealth Games, the Organising Committee has been able to leverage these new efficiencies to utilise only 82 person years of resource by Spring 2020 as compared to the Gold Coast 2018 Commonwealth Games which had utilised 217 person years, equivalent to 2.6 times more than for Birmingham.

## What does this mean for Adelaide?

- The indicative operating cost profile includes a 20% reduction with the new cost efficiencies achieved through an improved delivery model being implemented.
- As the Games delivery model matures for 2026, there is expected to be further efficiencies that may eventuate and result in further cost reduction for the operating expenditures.
- Greater flexibility regarding the Games Village solution is also a feature of future Commonwealth Games. As the 2026 Commonwealth Games Host, Adelaide has the opportunity to deliver an athlete and team official housing solution across multiple sites, including new residential developments and existing accommodation. This solution provides a lasting legacy for the city.

# The development of a Games Village or villages stands to be sustainable, affordable and future-fit

## Opportunities from investment into a Games Village or villages

Investment in a Games Village or villages could be repurposed post the Games for affordable and sustainable housing, and other community benefits.

Flexibility in the way that athletes and officials accommodation requirements are met will also ensure that the provision of an Athletes Village is tailored to reflect Adelaide's long-term new housing needs and ensure that there is no 'over development' of housing, purely to meet the Games Requirements.

Development of the Games Village in host cities has also accelerated community regeneration. For instance, the development of the Games Village and a number of venues in the East End area of Glasgow helped to transform the area and improve the wellbeing of the local community. From 2012 – 2016, neighbourhood satisfaction in East Glasgow increased from 70% to 83%, Those feeling safe walking in the area after dark increased from 52% to 72%, and community involvement rose from 37% to 45%.

In the Glasgow 2014 Commonwealth Games, the athlete's village was part of the wider Clyde Gateway regeneration in East Glasgow (alongside improvements to the public transport network): it was converted into 700 affordable sustainable home, and a 120-bed care home. The Melbourne 2006 village was converted into 1000 sustainable residences, 100 units of social housing and a new aged-care care facility to meet housing demands in the city.



# Evidence from the Gold Coast Games suggests that Adelaide GVA will increase by up to \$2.5 billion

## Anticipated benefits

Evidence from recent Commonwealth Games have contributed to job creation and an expansion of economic activity in their respective cities.

Evidence from the past Commonwealth Games has shown a positive return on public sector investment for hosting. Measured as a boost to Gross Value Added (GVA), the economic benefit ranges from 1.3 for Gold Coast in 2018 to 3.2 for Manchester in 2002.

These figures illustrate the expansion of economic activity that the Games support, which can further contribute to the a post COVID-19 recovery for the State.

**Table 2: Economic returns from past Games**

	Manchester 2002	Melbourne 2006	Glasgow 2014	Gold Coast 2018
Employment	23,000	13,600	16,800	21,000
Public sector investment (Local, State and Federal)	\$615 m	\$1,040 m	\$799 m	\$1,635 m
Gross Value Added	\$2,170 m	\$1,976 m	\$1,581 m	\$2,372 m

**Source:** PwC Master report on the Commonwealth Games Value Framework, December 2019.

**Notes:**

1. Care is needed when comparing the impact of past Games on GDP because the approaches adopted and the time periods included vary significantly. Nevertheless, a comparison of the estimated economic return from public investment in recent Commonwealth Games has been done. The results should be viewed only as indicative, as a more detailed analysis would be required to improve the consistency of the information used.

3. The figures presented are based on PwC analysis to identify all Games-related costs that were funded by the public sector. The analysis is based on data from public sources. The figures exclude discretionary operating expenditure and accelerated and otherwise enhanced capital investment to achieve host cities' wider objectives (e.g. large infrastructure and transportation programmes).

The Case for the Adelaide 2026 Commonwealth Games

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Adelaide is well placed to deliver the Games with existing infrastructure, and the expenditure for stadia and other works will be lower than previous Games. The state will, however, reap similar benefits in economic activity from trade tourism, and spending associated with the Games.

Evidence from the Gold Coast 2018 Commonwealth Games suggests that Adelaide GVA can increase by up to \$2.5 billion as a result of hosting the Games. This \$2.5 billion estimate represents the upper range of incremental Gross State Product that will stem from visitor spend in the economy, government stimulus and additional flow on effects in the supply chain.

All the host cities have made discretionary operating expenditures to meet their legacy objectives. The resources have been committed to initiatives such as additional 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.

The Gold Coast 2018 Commonwealth Games also benefited from 'in-kind' contributions from various tiers of government. 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. The Queensland Government and the City of Gold Coast contributed both cash and in-kind (i.e. non-monetary, such as staff, services, etc) towards discretionary operating spending related to the Games. These in-kind contributions went towards a range of city services and legacy initiatives.

# South Australia’s ambitions and the potential benefits of hosting the 2026 Commonwealth Games are closely aligned

Evidence from previous Commonwealth Games suggest that there are eight key areas of benefits to the host City which are aligned to the key ambitions for Adelaide.

## Adelaide and SA Government ambitions

- 
**Support economic and employment growth**
- 
**Improve confidence, trade and tourism**
- 
**Improve infrastructure, liveability and accessibility**
- 
**Boost global scope and international presence**
- 
**Ensure sustainability and resilience**

South Australia and Adelaide can use the Games to accelerate and enhance their ambitions; hosting the Games can have a positive **impact on the economy and community, supporting the recovery journey for the State.**

## Potential economic, environmental and social benefits of Hosting the Games:

- 1 Creates assets and generates economic activity which drives benefits in the short and long term
- 2 Attracts incremental funding and mobilises resources to the benefit of host cities and regions
- 3 Builds and ‘showcases’ the city’s economic profile and positions it as a desirable place to live, work, study, visit and invest
- 4 Supports physical, economic and social regeneration and transformation
- 5 Strengthens trade, investment and tourism links with other parts of the Commonwealth and the rest of the world
- 6 Promotes community sports participation and elite sporting success
- 7 Inspires community pride and confidence
- 8 Encourages communities to adopt positive behaviours

The following slides will illustrate how these five key elements of Adelaide and South Australia’s ambitions are strategically aligned to the benefits that come from hosting the Games. We consider past evidence from Manchester, Melbourne, Glasgow and Gold Coast to illustrate these economic, social and sustainable benefits.



# Support for economic and employment growth



## Outcomes/impacts achieved by past host cities

- The Games-related operating expenditure was \$1 billion in the Melbourne 2006 Commonwealth Games, \$901 million in the Glasgow 2014 Commonwealth Games, and \$1.4 billion in the Gold Coast 2018 Commonwealth Games.
- Capital expenditure has ranged from \$135 million in the Glasgow 2014 Commonwealth Games to \$528 million in the Gold Coast 2018 Commonwealth Games. The differences in spend reflect the extent and quality of existing infrastructure, each city's objectives and appetite to invest.
- For the Gold Coast 2018 Commonwealth Games, it is estimated that Queensland's economy will benefit from a boost of up to \$2.5 billion over a nine year period from 2013 to 2022. The estimated value add to the Queensland economy is driven by a net stimulus of \$3.4 billion, of which the contribution of the government (primarily Queensland Government) amounted to \$1.4 billion. The economic activity stems from construction, operating, and miscellaneous spending, as well as inbound tourism, foreign investment and trade. It is also estimated to create over 21,000 years of full-time employment in the same period.

## Potential benefits

- 1 Capital and operating expenditure of hosting the Games in other cities has driven economic expansion, up to a 3.2 fold return on investment.
- 2 Incremental funding from public and private sources benefit Adelaide with new assets and support creation of more jobs.
- 4 Investment in infrastructure and the Games will support recovery and regeneration post COVID-19, and long term infrastructure needs for South Australia.
- 5 Part of this economic activity has come from trade, investment, and tourism spend from visitors to host cities.

**Sources:** See Commonwealth Games Value Framework report (December 2019). All figures are presented in GBP millions at 2018 prices.

# Improved confidence, trade and tourism



## Outcomes/impacts achieved by past host cities

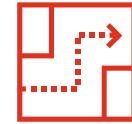
- By using its Trade 2018 program and putting the Games Village at the heart of the Gold Coast Health and Knowledge Precinct, the Gold Coast 2018 Commonwealth Games was able to diversify the local economy so it was less reliant on tourism by promoting its health, technology and innovation sectors.
- As a result of its Trade 2018 programme, the Queensland Government reached a deal with the Chinese-backed Torch to invest in health facilities in the Precinct.
- Gold Coast 2018 Commonwealth Games was estimated to provide an annual \$41 million boost to investment and \$170 million boost to exports from the Trade 2018 programme in the four years after the Games.
- Inbound tourism to Glasgow rose by 22% in the Games year with a further 26% growth over the subsequent three years compared to an 18% fall in the four years prior to the Games: this was partly the result of attracting major international sporting events and additional high-profile non-sporting events enabled by the Games.
- In the past Games, 87% of Games-wide contracts have been awarded to local businesses.
- Over the four years following the Gold Coast 2018 Commonwealth Games, post Games events are estimated to contribute up to an additional 250,000 visitor nights.

## Potential benefits

- 3 Showcasing Adelaide as the Host City can lead to innovation in different sectors, and can boost its profile nationally and abroad.
- 5 The Games provide opportunities to support local businesses.  
The Games have strengthened international trade, investment and visitor growth through tourism.

**Sources:** See Commonwealth Games Value Framework report (December 2019). All figures are presented in GBP millions at 2018 prices.

# Improved infrastructure, liveability and accessibility



## Outcomes/impacts achieved by past host cities

- The Melbourne discretionary investments focused on upgrading transport infrastructure with the largest project costing \$36 million.
- The Glasgow city council used the 2014 Games to accelerate investment in transport infrastructure (\$858 million) and regeneration of the East End (\$174 million). The majority of the funding for these investments was provided by the Scottish Government.
- For the Gold Coast 2018 Commonwealth Games, an investment of \$371 million extended the Gold Coast light rail by 7.3km to connect to the heavy rail at Helensvale Station. Additional investment included \$145 million for the heavy rail duplication of 8.2km of single track, \$148 million towards the acceleration of major road upgrades across Gold Coast. The Games also accelerated investment in the light rail link access to Brisbane: Stage 1 saw \$1.6 billion invested, whilst Stage 2 saw further investment of A\$500 million with planning for Stage 3 underway. Interviews with stakeholders indicated an increase in the proportion of trips which rely on public transport in the Gold Coast, from 3% in 2011 to 9% in 2019 and this is partly attributed to improved connectivity accelerated by hosting the Games.
- Evidence from the Gold Coast 2018 Commonwealth Games shows that sports participation increased by 5 percentage points in Queensland between 2016 and 2018.
- In Glasgow, the Games also boosted sports participation. There was a 98% increase seen in adult health and fitness memberships of the Glasgow Club Health. Memberships in Commonwealth sports with associations in Scotland (especially netball, hockey, squash, gymnastics) increased by 10% following the Games.
- Approximately \$928 million was invested in advancing infrastructure in Glasgow, including airport improvement works, road and rail transport links and an extension of the existing light rail network.

## Potential benefits

- 3 Showcasing the host cities as accessible and liveable.
- 4 Regeneration and transformation in the form of infrastructure investment and development.
- 6 Encouraging additional community sports participation and membership.
- 7 Better community integration through clubs and activities.
- 8 Better community engagement with health and fitness associations.

**Sources:** See Commonwealth Games Value Framework report (December 2019). All figures are presented in GBP millions at 2018 prices.

# A boost for global scope and international presence



## Outcomes/impacts achieved by past host cities

- Glasgow saw an 18% fall in annual tourism numbers in the four years prior to the Games, compared to a 22% rise in the Games year and a further 26% growth over the next three years.
- Between 2014 and 2017, 57 international sports events were held in Commonwealth Games venues in Glasgow and eight more events in Commonwealth sports were held in other venues. They were estimated to add \$49.8 million to the economy.
- Glasgow hosted a programme of cultural events alongside the Commonwealth Games: \$25 million was invested in community engagement and cultural events as part of the Culture 2014 programme and \$25 million was invested in ensuring Legacy outcomes in support of 202 cultural, community, sport and other programmes.
- Following the Games, Glasgow secured several high profile events including the 2015 Turner Prize and 2014 MTV Europe Music Awards, which helped to raise Scotland's rank in the cultural dimension of the national brands index from 19<sup>th</sup> in 2014 to 16<sup>th</sup> in 2016.

## Potential benefits

- 3 Showcasing host cities as desirable places increased tourism and visitation.
- 5 Host cities have improved other links to the rest of the world with other cultural events.
- 6 Hosting the Games has promoted sporting participation.
- 7 Community pride and confidence has been bolstered in host cities like Glasgow through its national brands index rating.

**Sources:** See Commonwealth Games Value Framework report (December 2019). All figures are presented in GBP millions at 2018 prices.

# Improved sustainability and resilience



## Outcomes/impacts achieved by past host cities

- The development of the Games Village and a number of venues in the East End area of Glasgow helped to transform the area and improve the wellbeing of the local community. From 2012 to 2016, neighbourhood satisfaction in East Glasgow increased from 70% to 83%, Those feeling safe walking in the area after dark increased from 52% to 72%, and community involvement rose from 37% to 45%.
- In the Glasgow 2014 Commonwealth Games, the athlete's village was part of the wider Clyde Gateway regeneration in East Glasgow (alongside improvements to the public transport network): it was converted into 700 affordable sustainable home, and a 120-bed care home.
- The Melbourne 2006 Commonwealth Games Village was converted into 1,000 sustainable residences, 100 units of social housing and a new aged-care care facility to meet housing demands in the city.
- The Gold Coast 2018 Commonwealth Games were ISO 20121 Event Sustainability Management Systems accredited. They were also the first to measure the impact on carbon emissions and 100% of carbon emissions generated during the Games were offset, totalling 1164 tonnes of CO<sub>2</sub>e. Further:
  - 1.7 million single-use plastic water bottles were saved as a result of free water refill stations across games
  - only reusable bags were available at all official merchandise stores
  - no straws, plastic bags, cigarette butts or balloons were found in venue waste audits
  - the Gold Coast 2018 Commonwealth Games achieved Level 4 and 5 competency in ISO 204000 Sustainable Procurement.

## Potential benefits

- 4 The Games supported physical and social regeneration in Glasgow through neighbourhood safety.
- 7 Community pride and confidence has improved with more community involvement and satisfaction.
- 8 Communities have adopted positive behaviours with better performance in emissions, recycling, waste, and sustainable residences.

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