



# **Triple Bottom Line Assessment of the XVIII Commonwealth Games**

## **Executive Summary**

**October 2006**

**Report to The Office of Commonwealth  
Games Coordination**

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# CONTENTS

|   |               |
|---|---------------|
| <b>EXECUTIVE SUMMARY</b>                      | <b>iii</b>    |
| The Commonwealth Games: origins and purpose   | iii           |
| Delivering the Games                          | v             |
| Vision and objectives                         | v             |
| Organisation                                  | vii           |
| Hosting a great event                         | vii           |
| Building lasting infrastructure               | ix            |
| Economic impacts                              | x             |
| Social impacts                                | xi            |
| Environmental impacts                         | xii           |
| Triple bottom line assessment                 | xiii          |
| Conclusion                                    | xiv           |
| <br><b>Attachment A</b>                       | <br><b>xv</b> |
| <i>KPI Scorecard Assessments</i>              | <i>xv</i>     |
| A.1 Hosting a great event                     | xv            |
| A.2 Delivering lasting infrastructure         | xviii         |
| A.3 Delivering lasting economic benefits      | xix           |
| A.4 Delivering lasting social benefits        | xxii          |
| A.5 Delivering lasting environmental benefits | xxiv          |

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# EXECUTIVE SUMMARY

This triple bottom line assessment of the 2006 Commonwealth Games in Melbourne, by Insight Economics, was commissioned by the Office of Commonwealth Games Coordination (OCGC). In making an overall evaluation of the event, it draws substantially on separate assessments, undertaken by other consultants, of the net economic, social and environmental impacts of the Games.

Insight Economics' major objective has been to produce a systematic, thorough and credible assessment of how the Victorian Government planned for and organised the Games. To this end, the consultants have scrutinised many documents and interviewed a large number of stakeholders.

Having said that, it is pleasing to be able to conclude that the 2006 Commonwealth Games were a considerable success. They were well organised, they brought great pleasure to a large number of people and generally were a credit to the people of Melbourne and Victoria. After the Games, both the visitors who left Melbourne and the hosts who remained generally 'felt good' about the shared experience. Achievable objectives were set in regard to the economic, social and environmental impact of the Games and these were largely met. The Festival Melbourne2006, of which little was expected early on in the process and which had a very limited budget, turned out to be highly successful and created a strong sense of inclusion in the Games throughout the city. In terms of the economics of the Games, they came in within what was a reasonable budget for an event of this kind and the Games' economic benefits are estimated to have exceeded their costs. This report finds that the Games achieved the objectives set out by the Government, and provides some minor recommendations for improving the delivery of future major events.

## **The Commonwealth Games: origins and purpose**

The Commonwealth Games, held every four years, is a significant international event. About 4,500 athletes from 71 countries compete in nearly 250 individual events. The constituent nations, however, are extremely diverse. The only common factor that

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draws them together is that almost all of them were, in the recent past, subject to British rule.<sup>1</sup>

First held in 1930, when the British Empire was at its apogee, the Games were originally conceived both as a showcase for Britain's imperial reach and to celebrate the sporting foundations of the Empire. Now that the imperial sun has set and the ex-colonies regularly defeat the mother country on the sporting field, the continuing relevance of what are now the Commonwealth Games is a tribute to our capacity to adapt and adjust to totally different circumstances. The contemporary Games bring together a truly eclectic group of independent nations that share an Anglophone tradition, some common elements in their cultural heritage and a general aspiration (not always delivered) to a democratic form of government and the rule of law.

In practical terms, the coming together of over seventy countries with diverse cultures and political systems to join in elite competitive sport appears much more likely to enhance the level of understanding between the members of the global village than to diminish it. Beyond that, the Games provide the opportunity for a host community to promote itself to a wider international audience and to form the deeper relationships which lie at the heart of business and political success in the global economy. Indeed, if we subscribe to the view of the revisionist historian, Niall Ferguson, that the British Empire represented the first cornerstone of what we now know as globalisation, the contemporary Games have a highly relevant role that builds on the best features of that legacy.<sup>2</sup>

#### EXHIBIT 1 – MELBOURNE 2006 XVIII COMMONWEALTH GAMES OPENING CEREMONY



Source: M2006

Despite these benefits, however, most communities would be reluctant to host the Commonwealth Games on a *pro bono* basis. While the Games may indeed be a 'good thing' and provide an opportunity for relationship building, they would clearly be

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<sup>1</sup> Mozambique is the only member of the Commonwealth that has never had any constitutional link to the British Empire or a Commonwealth member country.

<sup>2</sup> Ferguson, Niall, *Empire: How Britain Made the Modern World*, Allen Lane, London, 2003.

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better still if the host city derived a net benefit from staging them rather than incurring an enduring net debt.

## Delivering the Games

As well as meticulous planning and good organisation, any major event needs a modicum of luck in order to be truly successful. The Melbourne Games, staged in March 2006, enjoyed a particular run of good fortune. The sun shone, there was no hint of a terrorist threat, after initial signs of indifference Melburnians flocked to the Games and the public transport system ran like clockwork. Of course, to some extent you make your own luck. March is probably the most reliable month in terms of Melbourne's weather, the security precautions were highly effective and the transport operators performed at their peak. While most things that could be done were done nevertheless, misfortunes could have occurred in any of these and other areas.

Melbourne is a city that specialises in hosting major annual sporting events. Apart from the Boxing Day Test and the AFL Grand Final, the Grand Prix at Albert Park and the Australian Tennis Open at Melbourne Park each represent one in a series of similar international events and the Australian versions are rated very highly worldwide. Yet the Commonwealth Games was the largest event to be held in Melbourne in half a century and, apart from the Sydney Olympics in 2000, also the biggest in Australia over that period.

In bidding for the right to host the Commonwealth Games, governments incur a significant risk. A considerable investment in infrastructure and facilities is required. This investment may not generate a satisfactory return if the costs blow out or attendances fall short of expectations. Apart from the economics of the Games, even the intangible effects may be negative if, for example, the transport systems break down, the resident population is not supportive or the weather is bad. In these circumstances, visitors can leave a city in a surly mood and with a negative impression. In some instances, host cities have not seen a positive quantifiable economic return from hosting the Commonwealth Games. In those cases, the *post-hoc* justification for staging the event has often relied on the assumption of intangible gains, in terms perhaps of an enhanced reputation for the particular city or various social benefits.

There are two key questions to be addressed in this triple bottom line assessment. Did the outcomes from the Melbourne Commonwealth Games achieve the original government objectives? From the perspective of the Victorian community as a whole, did the considerable investment in the Games, made on their behalf, pay off?

## Vision and objectives

The bid for the Commonwealth Games was lodged by the Kennett Government in the mid-1990s. The decision by the Commonwealth Games Association to award the Games to Melbourne was announced in the caretaker period just before the 1999 election brought the Bracks Government to power. Both parties, however, had given their full support to the Games bid.

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The new Victorian Government saw the Games as offering an opportunity to reinforce Melbourne's place as the major events capital of Australia and to capture a range of associated economic benefits. In addition to their economic objectives, the Bracks Government also viewed the Games as a platform for building social capital and contributing to environmental outcomes. Potential avenues toward achieving these objectives included:

- addressing social policy objectives, such as improving accessibility, diversity and community participation;
- respecting the rights of indigenous communities;
- engaging Victorian communities in both sporting and cultural events;
- increasing sporting participation;
- developing a sustainable environmental framework for the Games; and
- maximising the education benefits from the staging of the Games.

**EXHIBIT 2 – MELBOURNE VOLUNTEERS AND THE VICTORIAN MINISTER FOR THE COMMONWEALTH GAMES**



Source: M2006

The State government's vision for the Commonwealth Games was that:

The Games will be a landmark in Melbourne's history with long term benefits for all Victorians, Australians and the Commonwealth.

Within the framework of this overarching vision, the Victorian Government summarised its objectives as being threefold:

- to host a great event;
- to deliver lasting infrastructure; and
- to deliver lasting social, environmental and economic benefits to the Victorian community.

These objectives, together with goals for safety, financial responsibility and the enhancement of the profile of Commonwealth nations, were enshrined in the *Commonwealth Games Arrangements Act* (2001).



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## Organisation

The Government appointed Justin Madden as Minister for the Commonwealth Games and established the Melbourne 2006 Commonwealth Games Corporation (M2006) with a strong Board chaired by Ron Walker. The Office of Commonwealth Games Coordination (OCGC) was also established within the Victorian public service to deliver the Games at a cost of around \$1.1 billion (less than had been spent on the Manchester Games four years earlier). The OCGC, located within the Department for Victorian Communities and with a staff of around 600 at its peak, was charged with designing and overseeing the implementation of the Games in collaboration with M2006 and for coordinating efforts across and within Government.

The OCGC was also responsible for overseeing the whole of Games budget, which included planning and implementing the capital works program. Structures within the OCGC were developed to scope and plan precinct and venue utilisation, develop strategies for the achievement of ongoing benefits for Victoria, develop the Festival Melbourne 2006 cultural program, communicate key messages and ensure the adequacy of new and existing infrastructure. Ongoing consultations were held to ensure stakeholder involvement and influence as appropriate.

Apart from the highly publicised withdrawal of Commonwealth Government funding for the MCG re-development, the cooperation between the two levels of government was good. The State Government contributed around \$691 million to the provision of the Games and the Commonwealth made important financial and in-kind contributions, including in particular security resources.

About 13,150 volunteers assisted at Games time. Without their contribution it is difficult to see how events of this kind could successfully be delivered within a reasonable budget.

At the outset it should be noted that both M2006 and the OCGC maintained a fairly low profile throughout the operational phase. In some ways this is a mark of success and suggests that a management job was executed in a way that avoided the constant media speculation and political interventions that affected the work of the Sydney Olympics Organising Committee leading up to 2000.

## Hosting a great event

In terms of the first objective, with over 4,000 elite athletes coming to Melbourne, the 2006 Commonwealth Games were clearly always going to be a ‘great event’. The relevant question is ‘how great were they relative to their potential?’

The Games were attended by a number of dignitaries, including from overseas the Queen, the British Prime Minister, the US Secretary of State and the Commonwealth Secretary-General. The Melbourne Cricket Ground, now completely re-developed into a world class stadium, provided the main arena for the Games and for the opening and closing ceremonies. The Opening Ceremony on 15 March 2006 was grand in its scale and creative in its content — the flying tram, the fireworks and the inclusion of the Yarra River will remain in many people’s memories — with one theme that many non-Melburnians would have found arcane, centred on a local



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cartoonist's mythical duck. Overall, the reaction to both the opening and closing ceremonies was positive and they featured prominently in the media in the various nations of the Commonwealth.

Large and enthusiastic audiences watched the Games. The standard of competition was high, including in flagship events such as the Men's 100 metre sprint, where the world record holder, Asafa Powell, won Gold in a world class field. Six world records were broken at the Games, all in the pool. For the local audience there was sufficient Australian success and drama to maintain a high level of interest. In the pool the women's team was dominant, with Leisel Jones's three breaststroke victories and Libby Lenton's five Gold Medals being exceptional performances. In track and field Jana Pittman's win in the 400 metre hurdles and Kerryn McCann's Marathon victory were high points, while Scott Martin, winner of the Men's Discus, became a cult figure as a result of a series of advertisements. Regional centres also hosted sporting events, with a keen interest in the basketball in Ballarat, Bendigo, Geelong and Traralgon.

### EXHIBIT 3 – HOSTING A GREAT EVENT



Source: M2006

This was only the second Commonwealth Games to include events for elite athletes with a disability (EAD). The EAD program was expanded to 12 events, which were all watched by large crowds. Matthew Cowdrey won two EAD finals and distinguished himself in an unexpected way by being the only Australian male swimmer to win Gold.

The crowds for the Games were significantly larger than in Manchester in 2002 and revenue from ticket sales was also much greater. Crowds of over 80,000 were regularly seen at the MCG in the evening sessions. Even in the mornings, when heats were being held, there was nearly always a full house in the pool and large crowds at the MCG. Some observers considered the tickets were overpriced, but for an economist 'equity is often in the eye of the beholder' and the fact remains that ticket sales were high. Some free tickets were provided, mainly for volunteers, but this was usually for morning events where there would not have been a full house anyway. While in retrospect it can be argued that some tickets for the opening and closing ceremonies were too expensive, designing the appropriate pricing policy is a difficult art in advance of an event for which there are few recent precedents. Although the

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Games complied with all relevant legislation, one lesson is that there is some scope for improving ticket allocation at future major events in order to enhance community perceptions of fairness.

The success of the cultural events held under the Festival Melbourne2006 probably exceeded many people's expectations. In the words of one of the organisers, the objective of the Festival Melbourne2006 was 'to expose a cultural Commonwealth alive with arts, culture and energy'.<sup>3</sup> The events were free and were held both in Melbourne and in regional centres, with the performances in the Public Domain areas being particularly popular. Crowds of over 250,000 were attracted to the Festival Melbourne2006 on some days. Never before had a host city attempted such an ambitious cultural festival yet the budget was only around \$12 million for the core festival. The Festival Melbourne2006 was unquestionably a considerable success that enhanced perceptions of the overall excellence of the Games.

Overall, there is substantial evidence to support the contention that the Games were perceived as a success by Victorians, other Australians and international audiences. The 'feel good' sensation in the city at the time was confirmed by post-Games market research that indicated that Victorians felt considerable pride in successfully hosting the Games. Over 90 per cent of overseas visitors stated that they would return to Melbourne or recommend it as a place to visit. By all accounts (although not documented) the Commonwealth Games Federation was happy with the outcomes, with the President, Michael Fennell, stating that the Melbourne Games were 'simply the best'.

The Games programs were well organised and executed, with strong community engagement and the enthusiastic participation of large crowds. The Festival Melbourne2006 involved the city in a way not before seen at a Commonwealth Games. In our assessment, the State Government clearly met its first objective — hosting a great event.

## **Building lasting infrastructure**

Much of the budget for the Games was devoted to investing in new and improved facilities in order for Melbourne to be capable of hosting a great event. Overall, the investments came in within budget. The size of the investment appears to have been appropriate in the sense that the facilities provided for the Games were clearly more than adequate for their purpose. But it is important in such events to ensure that capital expenditures do not create 'white elephants', such as a brand new stadium that will have limited usefulness beyond the Games.

By and large, the public and private investment in infrastructure catalysed by the Games has left a significant and positive legacy to the Victorian community. While some of these facilities may have been provided anyway at some future time, the Games at least provided the opportunity to bring the investment forward. The new and improved facilities will provide benefits well into the future, both in terms of their enjoyment by Victorians and their ability to contribute to the attraction of future major events. One obvious example of this is the fact that the MCG can now

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<sup>3</sup> Dow, Rob, Director, Cultural and Entertainment Programs.

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accommodate significantly larger crowds for flagship events like the AFL Grand Final in September and the Boxing Day cricket test match.

Major investment expenditures included:

- Athletes Village (including a \$35 million social housing investment);
- the re-development of the MCG;
- the Olympic Park Athletics Track;
- Melbourne Sports and Aquatic Centre; and
- the State Netball Hockey Centre.

Most projects came in on or below budget. The only projects that were substantially over budget were the Melbourne Sports and Aquatics Centre and the William Barak Bridge.

There was also an investment in regional sporting and cultural infrastructure regional, with substantial Government funding being spent, for example, on improving basketball facilities in Ballarat, Bendigo, Geelong and Traralgon.<sup>4</sup>

The Games also leveraged significant spending by the private sector. The KPMG Economic Impact Assessment has shown that total construction activity, including private sector spending on major events venues, Commonwealth Games budget capital works expenditure funded by the Victorian Government, Athletes Village expenditure (treated as an operational expense in the Commonwealth Games budget) funded by the Victorian Government, and investments in other infrastructure by the Victorian Government not included in the Commonwealth Games budget (such as upgrades to regional basketball venues, shooting venues and the MCG Athletics Track) amounted to \$1,524 million in (undiscounted) nominal terms over the period 2002 to 2006. All these facilities will be available for the Victorian community into the future.

The Games are assessed as having delivered on their second objective — building lasting infrastructure.

## **Economic impacts**

There are a number of ways in which major events such as the Commonwealth Games have an impact on the local economy. First, there are the direct effects, which may have a number of positive impacts, such as investment expenditure and tourist expenditure, and negative effects, such as the fact that taxation is higher than it may otherwise have been. There are also indirect effects, however, resulting from the flow-on of expenditures through the economic system. Finally, there are a number of intangible effects that may translate into direct and indirect impacts down the track, such as the goodwill created by business relationships and tourism.

In terms of the direct impact of the Games on the Victorian economy, international and interstate tourism targets were exceeded. Tourism expenditure was estimated to

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<sup>4</sup> These investments were funded outside the Commonwealth Games budget, but were catalysed by the Games.

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be roughly \$252 million, resulting in better tourism outcomes than any other major event Melbourne has hosted.

A credible assessment of the economic outcomes, however, requires the estimation of the *total* impact of the activity associated with the Games, including both the direct and indirect effects. The total impact of the direct and indirect effects can only be estimated with any accuracy through the use of a computable general equilibrium (CGE) economic model.

Economic modelling undertaken by KPMG using the highly regarded Monash Model suggests that the total economic benefits of the Games exceeded the costs to the Victorian community. The modelling results showed that increased investment in capital works, operational expenditure by all levels of Government and tourist spending contributed to a positive stimulation of the Victorian economy. Relative to a business-as-usual base case over the 20 year period to 2022, the modelling showed that the Games activity led to:

- Victoria's GSP being higher by \$1.6 billion in real NPV<sub>7%</sub> terms;
- Victorian consumption, which is a proxy for economic welfare, being higher by \$1.3 billion in real NPV<sub>7%</sub>; and
- the creation in Victoria of an additional 13,600 full time jobs.

Because of the difficulty in measuring future returns on the public investment, it may also be that the benefits of the Games were under-estimated in the CGE modelling exercise. For example, the modelling assumed that the Games were funded by borrowing rather than current revenue and also made no allowance for potential economic benefits to Victoria in the future from future events that can be held, or larger crowds accommodated, as a result of infrastructure improvements.

In total, the economic benefits of the Games were significant. There also may be considerable unquantified benefits that will come from an enhanced profile for Victorian businesses. There are already early indications that Victorian businesses may secure contracts for the 2010 Delhi Commonwealth Games. More than 60 per cent of international Business Club Australia (BCA) members that participated in the Melbourne 2006 BCA events reported increased awareness of Melbourne, Victoria and Australia as places to do business. In addition, 55 per cent of domestic BCA members placed a 'high' or 'very high' probability of securing export sales to key markets within two years time. The value of the business relationships formed during the Games and also the benefits to 'Brand Melbourne' from the successful staging of the event are impossible to quantify but may be significant.

## Social impacts

Reflecting the strong emphasis placed on social outcomes as a key objective for the Games, the social programs were extensive. Social benefits are expected to be delivered through the:

- *Volunteering legacy of the Games.* The benefits of the Games volunteer program are expected to extend into the future, particularly in Victoria. The Department

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for Victorian Communities has reported that more than half of the Games volunteers — 7,000 people — have indicated they want to keep volunteering.

- *Increased interest in attending future cultural and art events.* In Victoria, market research undertaken by Quantum Market Research showed that 38 per cent of stakeholders and 32 per cent of the general public reported a great or moderate increase in willingness to attend future arts and cultural events.
- *Increased willingness to participate in community events.* Market research suggested that 41 per cent of the general public and 44 per cent of stakeholders indicated some level of desire to participate in a community event in the future.
- *Education program.* Market research showed that 80 per cent of the general public felt that the Games had been successful in encouraging involvement in schools.
- *Increased participation in sport.* Market research showed that the Games-time programs aimed at increasing sports participation had resulted in modest increases within the community in willingness to increase their participation in sport.

Overall the evidence suggests that the Games generated social benefits for Victorians. While the value of these benefits, and how long they will endure, is difficult to assess, the outcomes appear to be positive.

## Environmental impacts

The environmental programs delivered through the Games were directed towards achieving both short term ecological objectives and lasting behavioural change. The main programs were WaterWise, Carbon Neutral and Low Waste.

As a result of the WaterWise initiatives:

- 18,000 trees were planted;
- four hectares of wetlands were constructed in Royal Park adjacent to the Games;
- rainwater collection systems and other conservation infrastructure were constructed at several venues; and
- more than \$55,000 was raised for a clean water project in East Timor.

Under the Carbon Neutral program, approximately one million trees were planted to offset the impact of the Games on greenhouse gas emissions. The planting of the trees involved approximately 2,000 volunteers and took place across Victoria. The tree plantings in many cases also increased biodiversity in the region and reduced salinity. The Carbon Neutral plan also required that:

- the Athletes Village be built to a six-star energy rating;
- Green Power be sourced for the Games;
- bicycle facilities be available at all Games venues;
- increased public transport be available for ticket holders; and
- for fuel efficient vehicles to be used on Games business.

The Low Waste programs involved a number of initiatives aimed at raising awareness about waste minimisation among not only Games attendees, but also among suppliers

and venue operators. Analysis by CES found that the goal of significant waste minimisation was achieved: 40 per cent less waste was produced at the venues than was projected to occur (only 598 tonnes of waste were produced compared to the forecast 1,600 tonnes) and of this waste approximately 57 per cent was recycled (by weight). The Athletes Village recycled 60 per cent of its waste by weight, and the City of Melbourne recycled 52 per cent by weight. The Public Domain Waste Management Program was the only area to have underperformed substantially relative to its target, achieving a recycling rate of 26 per cent.

While it is difficult to assess whether any lasting behavioural change will result from the environmental programs, overall these programs achieved their targets.

## Triple bottom line assessment

Drawing on the analysis presented above, the triple bottom line assessment of the Games is summarised in Exhibit 4.

**EXHIBIT 4 – TRIPLE BOTTOM LINE ASSESSMENT OF THE GAMES**

| Opportunities for better delivery of major events | Earlier rollout of business leveraging programs  |   | Better recycling at venues building on Melbourne 2006 lessons  |
|---|--|---|--|
| Lasting Benefits of the Games achieved            | <i>Lasting relationships</i> <ul style="list-style-type: none"> <li>Increased local capability</li> <li>Enhanced economic relationships, export sales and foreign awareness of Australian business opportunities</li> <li>Indications of future tourism</li> <li>Promotion of Melbourne as a 'can do' place</li> </ul> | <i>Behavioural change</i> <ul style="list-style-type: none"> <li>Volunteering legacy</li> <li>Greater social inclusion and connectedness</li> <li>Greater social awareness</li> </ul> | <i>Behavioural change</i> <ul style="list-style-type: none"> <li>Greater awareness of environmental issues</li> <li>Greater willingness to benefit environment</li> <li>Knowledge transfer in construction trades</li> <li>Increased uptake of technology</li> </ul> |
| Immediate Benefits of the Games achieved          | Tourist targets were met<br>Businesses reported feeling prepared for Games<br>Significant economic stimulation   | Significant participation in sporting and Festival Melbourne 2006<br>Strong family involvement<br>Mix of metro and regional events  | Games were low waste<br>Games were water wise<br>Games achieved carbon neutral targets   |
|   | <b>Economic</b>  | <b>Social</b>   | <b>Environmental</b>   |

Given the size and complexity of the Commonwealth Games and the conscious effort to break new ground in a number of directions, it would be surprising if there had not been some lessons learned. The two that stand out concern ticketing and the business programs. There would appear to be scope for revisions to ticketing policies to improve sales to overseas markets and to reduce community perceptions of unfairness. There are also indications that a roll out of business-related programs up to six months earlier than occurred would have increased the number of businesses able to take advantage of the Games.

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## Conclusion

Overall, post Games research shows that Victorians were very positive about the Games and felt that through them Victoria's strengths had been showcased effectively to the Commonwealth. The KPI scorecard analysis (attached) indicates that all the objectives of the Victorian Government were achieved.

In short, the Melbourne 2006 Commonwealth Games were a great event that was very well organised and that provided enduring benefits for all Victorians, Australians and the Commonwealth of Nations.



# Attachment A

## KPI Scorecard

### Assessments

#### A.1 Hosting a great event

| KPI   | Outcome  | Evidence to support assessment  | KPI Achieved, Nature of Benefit |
|---|--|---|---------------------------------|
| <b>Participation KPIs</b>                           |  |   |                                 |
| Strong ticket sales and event attendance at sports  | 2.1 million attendees, 1.5 million tickets sold  | Quantum Market Research<br>Visitation Research,<br>M2006 data                               | ✓                               |
| Strong attendance at Festival Melbourne2006         | 2.0 million attendees  | Quantum Market Research<br>Visitation Research,<br>OCGC public domain<br>attendance records | ✓                               |
| Events accessible to all socio-economic backgrounds | Tickets sold in all Commonwealth nations, in all price categories<br>Free tickets given to carers of persons with accessibility needs, 1.5 per cent tickets reserved for persons with accessibility needs.<br>Rating of 8.3 of 10 among stakeholders that venues were accessible<br>Rating of 8.0 of 10 among general public that venues were accessible | M2006 ticket sales,<br>Quantum Market Research<br>Post Games attitudinal survey research    | ✓✓                              |
| Athlete participation from all Commonwealth nations | 4,500 athletes from all 71 nations   | M2006 reporting   | ✓✓                              |

| KPI   | Outcome  | Evidence to support assessment  | KPI Achieved, Nature of Benefit |
|---|--|---|---------------------------------|
| Regional dispersion of the Games  | Livesites, cultural programs and sporting events (basketball etc) held in regional centres Geelong, Ballarat, La Trobe Valley, Bendigo   | OCGC, M2006 reporting   | ✓✓                              |
| Majority sense of involvement in the Games  | 75 per cent of stakeholders<br>53 per cent of general public   | Quantum Market Research<br>Post Games attitudinal survey research   | ✓✓                              |
| <b>Performance KPIs</b>   |  |   |                                 |
| Event attendees felt safe   | 98 per cent of stakeholders<br>96 per cent of general public   | Quantum Market Research<br>Post Games attitudinal survey research   | ✓                               |
| Majority sense of advocacy for Games  | 93 per cent of stakeholders<br>87 per cent of general public   | Quantum Market Research<br>Post Games attitudinal survey research   | ✓                               |
| High awareness of Games events by general public and stakeholders                         | 100 per cent of stakeholders<br>100 per cent of general public   | Quantum Market Research<br>Post Games attitudinal survey research   | ✓                               |
| Majority perception among general public, stakeholders that Games were worthwhile to hold | 93 per cent of stakeholders<br>87 per cent of general public   | Quantum Market Research<br>Post Games attitudinal survey research   | ✓                               |
| Majority perception among general public, stakeholders that Games were a success          | 93 per cent of stakeholders<br>86 per cent of general public   | Quantum Market Research<br>Post Games attitudinal survey research   | ✓                               |
| Strong sense of pride in the event  | Rating of 7.6 of 10 among stakeholders<br>Rating of 7.6 of 10 among general public   | Quantum Market Research<br>Post Games attitudinal survey research; Research commissioned by the City of Melbourne       | ✓                               |
| Majority enjoyment of Games reported  | 88 per cent of stakeholders<br>75 per cent of general public   | Quantum Market Research<br>Post Games attitudinal survey research   | ✓                               |
| Majority rating public transport systems well   | 97 per cent of stakeholders (Quantum Market Research)<br>84 per cent of general public (Quantum Market Research)<br>90 per cent of all people riding the trams rated the transport services as 'good' or 'excellent' (PTD) | Quantum Market Research<br>Post Games attitudinal survey research; Dept of Transport Public Transport Division research | ✓✓                              |
| Majority rating road systems well   | 88 per cent of stakeholders<br>80 per cent of general public   | Quantum Market Research<br>Post Games attitudinal survey research; Research commissioned by the City of Melbourne       | ✓                               |

| KPI  | Outcome  | Evidence to support assessment                                    | KPI Achieved, Nature of Benefit |
|--|--|---|---------------------------------|
| Strong rating Festival Melbourne2006 was well delivered                                    | Rating of 8.3 of 10 among stakeholders<br>Rating of 7.9 of 10 among general public   | Quantum Market Research<br>Post Games attitudinal survey research | ✓                               |
| Strong rating Games venues were accessible and well equipped with amenities                | Rating of 8.3 of 10 among stakeholders<br>Rating of 8.0 of 10 among general public   | Quantum Market Research<br>Post Games attitudinal survey research | ✓                               |
| Majority sense of involvement in the Games   | 75 per cent of stakeholders<br>53 per cent of general public   | Quantum Market Research<br>Post Games attitudinal survey research | ✓                               |
| Whether the Games came in on budget  | Games delivered under budget by \$50 million excluding security costs, by \$79 million including security costs  | OCGC budget reporting   | ✓                               |
| Indications of increased sport participation   | 77 per cent of stakeholders<br>84 per cent of general public   | Quantum Market Research<br>Post Games attitudinal survey research | ✓✓                              |
| Majority perception among general public, stakeholders of benefits to Victorian businesses | 57 per cent of stakeholders<br>61 per cent of general public   | Quantum Market Research<br>Post Games attitudinal survey research | ✓✓                              |
| Increased willingness to use public transport  | 58 per cent of stakeholders<br>53 per cent of general public   | Quantum Market Research<br>Post Games attitudinal survey research | ✓✓                              |
| Increased willingness to volunteer in the future   | 77 per cent of stakeholders<br>84 per cent of general public   | Quantum Market Research<br>Post Games attitudinal survey research | ✓✓                              |
| Majority perception of significant economic impact   | 60 per cent of stakeholders<br>61 per cent of general public   | KPMG Economic Impact Assessment                                   | ✓✓                              |
| Majority perception of fairness in ticketing   | 47 per cent of stakeholders<br>45 per cent of general public   | Quantum Market Research<br>Post Games attitudinal survey research | ✗                               |
| Compliance with Sports Event Ticketing (Fair Access) Act (2002)                            | CAV reported a high level of compliance with Act, and concluded where non-compliance occurred, no material impact on transparency or access eventuated | CAV, 2006, Final Compliance Monitoring Report                     | ✓                               |
| <b>Profile KPIs</b>  |  |   |                                 |
| Commonwealth Games Federation views on success of the Games                                | CGF President Michael Fennell communicated CGF's views of Melbourne Games as 'simply the best'   | M2006 communications  | ✓                               |
| Interstate and international   | 60,125 international visitors,   | Quantum Market Research   | ✓✓                              |

| KPI  | Outcome  | Evidence to support assessment  | KPI Achieved, Nature of Benefit |
|--|--|---|---------------------------------|
| tourist number met/exceeded targets  | 57,010 interstate visitors excluding athletes and officials – exceeded targets for both visitor categories set by Tourism Victoria   | Visitation Research, City of Melbourne Commonwealth Games Outcome reporting |                                 |
| Increased profile for Melbourne in Australia and internationally, in particular as a sporting and events capital | 1.5 million television audience (M2006), contracts for Delhi Games awarded to Victorian firms (DIIRD), 85 per cent of Melbournians felt that Melbourne's reputation as the events capital of Australia had been enhanced (CoM)   | Melbourne 2006, OCGC, DIIRD, Research commissioned by the City of Melbourne | ✓✓                              |
| Stakeholder perceptions of a positive legacy, contributing to higher quality of life for Melbourne residents     | 81 per cent of Melbournians felt the Games had left a positive legacy that would improve the quality of life for Melbourne residents; 80 per cent of Melbournians felt that there had been an improvement in the appearance of Melbourne, with 36 per cent feeling it had been a 'great' improvement | Research commissioned by the City of Melbourne                              | ✓✓                              |

## A.2 Delivering lasting infrastructure

| KPI   | Outcome  | Evidence to support assessment         | KPI Achieved, Nature of Benefit |
|---|--|--|---------------------------------|
| <b>Appropriately conceived and delivered</b>                                  |  |  |                                 |
| Scope of capital works ensure all Games events were held                      | All works were delivered on time for the Games   | M2006, DVC 2006 Special Purpose Report | ✓                               |
| Commonwealth Games budget Capital Works were delivered on budget in aggregate | See Table 6.6  | DVC 2006 Special Purpose Report        | ✓                               |
| Works were delivered on time  | All works were delivered on time for the Games   | M2006, DVC 2006 Special Purpose Report | ✓                               |
| Significant use of local firms in construction works                          | 87 per cent of M2006 expenditure went to local firms.<br>84 cents of every dollar spent on uniforms was from local manufacturers, exceeding 70 cents target.<br>Of 4 major infrastructure projects, \$522m went to | ICN statistics                         | ✓✓                              |

| KPI  | Outcome   | Evidence to support assessment  | KPI Achieved, Nature of Benefit |
|--|---|---|---------------------------------|
|  | local firms.  |   |                                 |
| Best practice in environmental sustainability incorporated into construction works | Venues equipped with water and energy efficient fixtures. See Appendix A for a full list of standards.  | Environment Report Card   | ✓✓                              |
| Works were undertaken in metro and regional Victoria                               | Works undertaken in Melbourne, Geelong, Ballarat, Bendigo, and La Trobe, and other local council areas  | M2006, DVC 2006 Special Purpose Report  | ✓✓                              |
| <b>Accessible to the community</b>   |   |   |                                 |
| Works were undertaken in metro and regional Victoria                               | Works undertaken in Melbourne, Geelong, Ballarat, Bendigo, and La Trobe, and other local council areas  | M2006, DVC 2006 Special Purpose Report  | ✓✓                              |
| Works accessible to the community, used by the community                           | Rating of 8.3 of 10 among stakeholders venues were accessible and well equipped with amenities<br>Rating of 8.0 of 10 among general public were accessible and well equipped with amenities | DVC 2006 Special Purpose Report, OCGC transfer of knowledge documents, stakeholder consultations, Quantum Market Research | ✓✓                              |
| Works expected to be used for future events  | All major event venues improved for the Games have subsequent major events planned  | Victorian Government major events strategy statements, stakeholder consultations  | ✓✓                              |
| Majority perceptions the Games investments had improved Melbourne's appearance     | 80 per cent felt of Melbournians that there had been an improvement in the appearance of Melbourne, with 36 per cent feeling it had been a 'great' improvement                              | Research commissioned by the City of Melbourne  | ✓✓                              |

### A.3 Delivering lasting economic benefits

| KPI  | Outcomes  | Evidence to support assessment       | KPI Achieved, Nature of Benefit |
|--|---|--------------------------------------|---------------------------------|
| <b>Maximising immediate economic benefits of the Games</b> |   |                                      |                                 |
| Significant economic impacts                               | Gross State Product (GSP) \$1.6 billion higher than counterfactual<br>Consumption \$1.3 billion higher than counterfactual<br>FTE employment 13,584 higher than counterfactual on | KPMG 2006 Economic Impact Assessment | ✓✓                              |

| KPI  | Outcomes   | Evidence to support assessment  | KPI Achieved, Nature of Benefit |
|--|--|---|---------------------------------|
|  | average.   |   |                                 |
| Local content goals achieved   | 87 per cent of M2006 expenditure went to local firms.<br>84 cents of every dollar spent on uniforms was from local manufacturers, exceeding 70 cents target.<br>Of 4 major infrastructure projects, \$522m went to local firms.                | ICN statistics  | ✓✓                              |
| Majority indications that most businesses felt prepared for the Games  | 61 per cent of business respondents felt prepared.<br>31 per cent of business respondents felt prepared.<br>Four in five businesses reported having undertaken operational or marketing actions as a result of the Business Ready information. | Research commissioned by the City of Melbourne, Business Ready Program Evaluation | ✓                               |
| Perceived significant economic benefits by stakeholders  | 60 per cent of stakeholders<br>61 per cent of general public   | Quantum Market Research Post-Games attitudinal survey research                    | ✓✓                              |
| <b>Building local capability</b>   |  |   |                                 |
| Local content goals achieved   | 87 per cent of M2006 expenditure went to local firms.<br>84 cents of every dollar spent on uniforms was from local manufacturers, exceeding 70 cents target.<br>Of 4 major infrastructure projects, \$522 m went to local firms.               | ICN statistics  | ✓✓                              |
| <b>Maximising local procurement</b>  |  |   |                                 |
| Local content goals achieved   | 87 per cent of M2006 expenditure went to local firms.<br>84 cents of every dollar spent on uniforms was from local manufacturers, exceeding 70 cents target.<br>Of 4 major infrastructure projects, \$522m went to local firms.                | ICN statistics  | ✓✓                              |
| Strong indications that businesses felt the Business Ready kits were useful, and that businesses felt prepared for the Games | Four in five businesses reported having undertaken operational or marketing actions as a result of the Business Ready information.   | Business Ready Survey prepared for the City of Melbourne                          | ✓                               |
| Majority indications that businesses felt prepared for the Games   | 61 per cent of business respondents felt prepared<br>31 per cent of business respondents felt prepared   | Business Ready Survey prepared for the City of Melbourne                          | ✓                               |

| KPI  | Outcomes   | Evidence to support assessment                                 | KPI Achieved, Nature of Benefit |
|--|--|--|---------------------------------|
| Majority perceptions of significant economic benefits by stakeholders  | 60 per cent of stakeholders<br>61 per cent of general public   | Quantum Market Research Post-Games attitudinal survey research | ✓✓                              |
| Examples of businesses securing contracts for Games, with overseas Games   | Several local firms have secured contracts to supply the Delhi Games.  | DIIRD case study reports                                       | ✓✓                              |
| <b>Future visitor attraction</b>   |  |  |                                 |
| Strong indications of future repeat visits to Melbourne  | 71 per cent of overseas visitors and 67 per cent of interstate visitors said attending the games has made it more likely they will return to Victoria one day.   | Quantum Market Research  | ✓✓                              |
| <b>Investment attraction, enhanced economic relationships</b>  |  |  |                                 |
| Substantial indications that business benefits programs increased networks   | 57 per cent indicated that there was an increase in interstate and international awareness of the capabilities of Australian industry, with 21 per cent indicating a 'significant' impact and 40 per cent indicating 'some' impact.  | Orima Research, Business Club Australia Members Survey Report  | ✓✓                              |
| Strong approval for BCA services by members  | 67 per cent rated BCA services as 'good'<br>24 per cent rated BCA services as 'adequate'<br>82 per cent indicated they would participate in future events.   | Orima Research, Business Club Australia Members Survey Report  | ✓                               |
| Good indications business benefits programs increased awareness of Australian business opportunities by overseas firms | More than 60 per cent international BCA members reported increased awareness of Melbourne, Victoria and Australia as places to do business.  | Orima Research, Business Club Australia Members Survey Report  | ✓✓                              |
| Strong indications business benefits programs increased foreign investment opportunities                               | The BCA results indicated that BCA respondents that expected export sales to begin within two years time, and place a high probability of the sales eventuating: <ul style="list-style-type: none"> <li>24 per cent of those that expected export sales placed a 'very high' probability of these sales occurring (85 per cent chance of occurring, or greater);</li> <li>31 per cent of those that expected export sales placed a 'high' probability of these sales occurring (60 to 85 per cent chance of</li> </ul> | Orima Research, Business Club Australia Members Survey Report  | ✓✓                              |



| KPI   | Outcomes   | Evidence to support assessment                                 | KPI Achieved, Nature of Benefit |
|---|--|--|---------------------------------|
|   | occurring)   |  |                                 |
| BCA event targets met                                     | All targets for BCA forums were achieved<br>30 per cent of all members receiving business matching services. | BCA Melbourne 2006 reporting                                   | ✓✓                              |
| Increased relations with other nations                    | Several city-to-city memoranda concluded (Ballarat, Melbourne etc).  | Local council Memoranda of Understanding and Letters of Intent | ✓✓                              |
| <b>Building Melbourne and Victorian brand recognition</b> |  |  |                                 |
| Media reporting targets met                               | All BCA targets achieved   | BCA Melbourne 2006 reporting                                   | ✓✓                              |
| Editorial value targets met for Games coverage            | All BCA targets achieved   | BCA Melbourne 2006 reporting                                   | ✓✓                              |
| Increased relations with other nations                    | Several city-to-city memoranda concluded (Ballarat, Melbourne etc).  | Local council Memoranda of Understanding and Letters of Intent | ✓✓                              |

## A.4 Delivering lasting social benefits

| KPI   | Outcome  | Evidence to support assessment   | KPI Achieved, Nature of Benefit |
|---|--|--|---------------------------------|
| <b>Social inclusion — greater community participation and connections enhanced</b>      |  |  |                                 |
| Significant sense of pride, confidence and optimism amongst general public              | Rating of 7.6 of 10 among stakeholders<br>Rating of 7.6 of 10 among general public | Quantum Markets Post-Games Attitudinal Research; City of Melbourne post-Games research | ✓✓                              |
| Majority sense of involvement in the Games  | 75 per cent of stakeholders<br>53 per cent of general public                       | Quantum Markets Post-Games Attitudinal Research; City of Melbourne post-Games research | ✓✓                              |
| Significant numbers of Melbournians attended the sporting events of the Games           | 2.1 million attendees to sporting events   | Quantum Markets Post-Games Attitudinal Research  | ✓                               |
| Significant participation in local community activities (including Queen's Baton relay) | See Chapter 4 case studies   | OCGC, M2006, Quantum Markets Post-Games Attitudinal Research                           | ✓✓                              |
| Strong family participation in the Games  | The average number of children per party was around two                            | Quantum Markets Post-Games Attitudinal   | ✓✓                              |

| KPI  | Outcome  | Evidence to support assessment   | KPI Achieved, Nature of Benefit |
|--|--|--|---------------------------------|
|  | The average group size was five (rounded)  | Research   |                                 |
| Majority sense of fun and friendliness at the Games  | 97 per cent of stakeholders<br>95 per cent of general public   | Quantum Markets Post-Games Attitudinal Research; City of Melbourne post-Games research | ✓                               |
| Majority sense of schools involvement  | 74 per cent of stakeholders<br>80 per cent of general public   | Quantum Markets Post-Games Attitudinal Research  | ✓✓                              |
| Majority perceptions the Games had encouraged greater sport participation  | 77 per cent of stakeholders<br>84 per cent of general public<br>November 2005 ERASS results showed that 10 per cent of Victorian respondents had been encouraged to take up additional physical activity as a result of the Games.<br>February 2006 ERASS results showed that 13 per cent of Victorian respondents had been encouraged to take up additional physical activity as a result of the Games. | Quantum Markets Post-Games Attitudinal Research; ERASS                                 | ✓✓                              |
| <b>Community Awareness</b>   |  |  |                                 |
| Significant numbers of Melbournians attended the Festival Melbourne 2006 cultural events of the Games                              | 2.0 million persons attended cultural events, nearly equal to sports attendees (2.1 million).  | OCGC, M2006, Quantum Markets Post-Games Attitudinal Research                           | ✓✓                              |
| Majority perceptions the Games had increased cultural understanding/connectedness  | 69 per cent of stakeholders<br>62 per cent of general public   | Quantum Markets Post-Games Attitudinal Research; City of Melbourne post-Games research | ✓✓                              |
| Strong perceptions the Games had ensured accessibility to Games events and activities for people with disabilities or access needs | Rating of 8.3 of 10 among stakeholders<br>Rating of 8.0 of 10 among general public   | Quantum Markets Post-Games Attitudinal Research  | ✓✓                              |
| Increased willingness to attend a cultural event   | 51 per cent of stakeholders<br>49 per cent of general public   | Quantum Markets Post-Games Attitudinal Research  | ✓✓                              |
| Increased willingness to participate in a community event or activity  | 44 per cent of stakeholders<br>41 per cent of general public   | Quantum Markets Post-Games Attitudinal Research  | ✓✓                              |
| <b>Volunteering Legacy</b>   |  |  |                                 |
| High levels of volunteering at the event (i.e. larger than Manchester)   | 13,153 volunteers, compared to 10,000 at Manchester  | OCGC Volunteer reports   | ✓✓                              |

| KPI  | Outcome  | Evidence to support assessment                        | KPI Achieved, Nature of Benefit |
|--|--|---|---------------------------------|
| Majority perceptions the Games had encouraged volunteering | 77 per cent of stakeholders<br>84 per cent of general public | OCGC; Quantum Markets Post-Games Attitudinal Research | ✓✓                              |
| Increased willingness to volunteer post-Games              | 60 per cent of stakeholders<br>57 per cent of general public | Quantum Markets Post-Games Attitudinal Research       | ✓✓                              |

## A.5 Delivering lasting environmental benefits

| KPI   | Outcomes   | Evidence to support assessment                             | KPI assessment, nature of benefit |
|---|--|--|-----------------------------------|
| <b>Minimise water usage</b>   |  |  |                                   |
| Waterwise goals met   | All waterwise goals met. See Appendix A.   | Environment Report Card                                    | ✓✓                                |
| Education and training goals met  | All waterwise goals met. See Appendix A.<br>Commonwealth Games curriculum materials were sent to 2400 schools in Victoria. Environmental education materials were included for students at all levels.   | Environment Report Card                                    | ✓✓                                |
| Significant integration of environmental goals into other Games programs                    | Significant incorporation of waterwise initiatives into capital works, volunteering etc. See Appendix A.   | Office for Commonwealth Games Coordination program reports | ✓✓                                |
| Games systems and processes goals met   | Venue Environmental Management Plans were implemented at all venues and pre-Games checks were completed for all venues.  | Environment Report Card                                    | ✓✓                                |
| Indications among general public of increased willingness to act to benefit the environment | 56 per cent stakeholders<br>60 per cent general public   | Quantum Markets Post-Games Attitudinal Research            | ✓✓                                |
| Indications among industry to sustain environmental awareness measures beyond Games         | Examples include Green Plumbers, future contract indications.<br>Toyota Australia was the foundation member of ECO-Buy Business. Thirteen other businesses have since joined the program, and a further 39 business are formally considering membership. See Appendix A. | Environment Report Card                                    | ✓✓                                |

| KPI   | Outcomes   | Evidence to support assessment                  | KPI assessment, nature of benefit |
|---|--|---|-----------------------------------|
| <b>Minimise energy usage</b>  |  |   |                                   |
| Carbon Neutral goals met  | All carbon neutral goals met. See Appendix A.  | Environment Report Card                         | ✓✓                                |
| Games systems and processes goals met   | Venue Environmental Management Plans were implemented at all venues and pre-Games checks were completed for all venues.  | Environment Report Card                         | ✓✓                                |
| Indications among general public of increased willingness to use public transport           | 58 per cent stakeholders<br>53 per cent general public   | Quantum Markets Post-Games Attitudinal Research | ✓✓                                |
| Indications among general public of increased willingness to act to benefit the environment | 56 per cent stakeholders<br>60 per cent general public   | Quantum Markets Post-Games Attitudinal Research | ✓✓                                |
| Indications among industry to sustain environmental awareness measures beyond Games         | Examples include Green Plumbers, future contract indications.<br>Toyota Australia was the foundation member of ECO-Buy Business. Thirteen other businesses have since joined the program, and a further 39 business are formally considering membership. See Appendix A. | Environment Report Card                         | ✓✓                                |
| <b>Minimise waste</b>   |  |   |                                   |
| Low Waste goals met   | Low waste goals met with the exception of some venue recycling targets. See Appendix A.  | Environment Report Card                         | ✓✓                                |
| Games systems and processes goals met   | Venue Environmental Management Plans were implemented at all venues and pre-Games checks were completed for all venues.  | Environment Report Card                         | ✓✓                                |
| Indications among general public of increased willingness to act to benefit the environment | 56 per cent stakeholders<br>60 per cent general public   | Quantum Markets Post-Games Attitudinal Research | ✓✓                                |

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