

Media Release

The Hon Daniel Andrews MP
Premier



Tuesday, 18 July 2023

COMMONWEALTH GAMES COSTS TOO HIGH AT OVER \$6 BILLION

With significant planning work and extensive market soundings completed, it is now certain that the cost of hosting the Regional Victorian Commonwealth Games will exceed \$6 billion – more than twice the estimated economic benefit the Games would bring our state.

In the face of these numbers, the Victorian Government has made the decision not to proceed with hosting the Commonwealth Games in 2026.

When the Commonwealth Games needed a host city to step in at the last minute, we were willing to help – but not at any price, and not without a big lasting benefit for regional Victoria.

Now the choice couldn't be clearer – \$6 billion is just too much.

The Government has advised the CGF and Commonwealth Games Australia (CGA) that the State will be terminating the Host Agreement.

It is our aim to reach a rapid and amicable resolution of all contractual matters, including a reasonable settlement of costs incurred, to allow the CGF the opportunity to seek an alternative host city for 2026.

Our outstanding project team – led by Organising Committee Chair Peggy O'Neal, Victoria 2026 Commonwealth Games CEO Jeroen Weimar and Office of the Commonwealth Games CEO Allen Garner – have worked tirelessly on a detailed business and cost plan to stage these Games across regional Victoria.

Thanks to the work from the dedicated project teams, we're able to make this decision not to proceed before any major building and supply contracts have been signed, meaning costs incurred to date have been relatively contained. Those costs will be publicly disclosed once negotiations are complete.

The main reason we agreed to host the Games was to deliver lasting benefits in housing, tourism and sporting infrastructure for regional Victoria.

That's why the Victorian Government will deliver a comprehensive **\$2 billion package** to ensure regional Victoria still receives all the benefits that would have been facilitated by the Games – and more.

We know there's no more important issue anywhere in the state right now than housing. Ahead of the Housing Statement to be released later this year – and in addition to our Big Housing Build – we will provide a new **\$1 billion Regional Housing Fund** to deliver more than 1300 new homes across regional Victoria.

The new homes will include a mix of social and affordable housing – and we'll work with councils, regional partnerships and local communities to determine the right mix of stock and locations for each region.

Tourism is a vital part of the regional economy. A new **\$150 million Regional Tourism and Events Fund** will ensure our regions have the best of everything on offer with new events, new attractions and more accommodation.

Every one of the **permanent new and upgraded sporting infrastructure projects** planned as part of the Games will still proceed – and all will be completed as planned.

This includes a new Aquatic Centre at Armstrong Creek, a 6-court indoor stadium at Waurm Ponds, upgrading Eureka Stadium in Ballarat to seat 10,000 spectators, a new community sporting facility at Miners Rest, upgrades to Bendigo Stadium, BMX trails in Shepparton, Gippsland Sports and Entertainment Park, Ted Summerton Reserve in Moe and more.

Now, instead of building temporary facilities for the Games competitions, we'll be able to get on with constructing the final form of these projects and delivering the legacy outcomes – meaning locals will get access to new and upgraded venues sooner than waiting for the Games to be completed.

Not only will regional Victorians get the benefit of these facilities daily, they also mean more opportunities for large-scale events and performances to be held outside of Melbourne. We'll continue to work to ensure local businesses and jobs are at the heart of these investments.

We know community sport is central to life in regional communities. A new **\$60 million Regional Community Sport Development Fund** will deliver new projects – including aquatic centres, indoor stadiums, lighting upgrades and walking and cycling paths – for regional communities across Victoria.

There will also be **\$40 million for an All Abilities Sport Fund** to remove the barriers of entry for people with a disability to get involved in sports through grants, scholarships and mentoring.

Further detail of the \$2 billion regional package will be revealed after consultation with sporting codes, councils, tourism bodies and the community.

Quotes attributable to Premier Daniel Andrews

“We were pleased to be asked to host the 2026 Commonwealth Games – but not at any price. I think all Victorians would agree that more than \$6 billion is just too much.”

“Locals have told us that more places to live and more places to stay across regional Victoria is what really matters – so that's exactly what we'll deliver.”

Quotes attributable to Minister for Commonwealth Games Delivery Jacinta Allan

“Whether it's new venues at Armstrong Creek and Waurm Ponds, major upgrades at Eureka Stadium, Bendigo Stadium, Ted Summerton Reserve or many other smaller projects, every one of the permanent new and upgraded sports facilities will be delivered.”

“We know how hard it is to find affordable housing in so many parts of regional Victoria – that's why we'll deliver more than 1300 new homes with a \$1 billion Regional Housing Fund.”

Quotes attributable to Minister for Commonwealth Games Legacy Harriet Shing

“We'll deliver all the housing, sports infrastructure and tourism legacy benefits for our regions – but without the massive extra cost of hosting the Games.”

“Communities are really enthusiastic about the local projects and outcomes they want to see, and we'll be sitting down with councils, regional partnerships and others over the coming weeks to plan the next steps for all of these projects to ensure locals have their say.”

PERMANENT SPORTING INFRASTRUCTURE PROJECTS FOR 2026

BALLARAT

- **Eureka Stadium**

A new athletics track, stadium expansion by 5,000 permanent seats, with improved accessibility access.

- **Miners Rest**

Construct all-new facility, including competition-grade oval and sports pavilion with carparking, amenities and changerooms.

- **Ballarat Sports and Events Centre**

Updates to the show court and accessibility works.

- **Ballarat train station**

Passenger lifts on both platforms and a connecting pedestrian overpass.

- **Creswick Mountain biking**

Delivering 60 kilometres of world-class mountain bike trails.

BENDIGO

- **Bendigo Bowls Club**

Redevelop five existing bowls and croquet greens, and refurbishment of the existing pavilion.

- **Bendigo Showgrounds**

Additional exhibition shed.

- **Bendigo Stadium**

Four additional sports courts.

SHEPPARTON

- **BMX facilities**

Upgrade facilities to attract more state, national and international competition.

GIPPSLAND

- **Gippsland Regional Indoor Sports Stadium, Traralgon**

Refurbishment of court facilities and other amenity upgrades.

- **Gippsland Sports and Entertainment Park**

Redevelop two pitches and redevelop two pavilions.

- **Morwell Gun Club**

New shotgun trap shooting range, all equipment required for Air Rifle and Air Pistol, and new security fencing.

- **Ted Summerton Reserve in Moe**

Refurbish oval and wicket, redevelop and expand terraces, and accessibility upgrades.

GEELONG

- **Stead Park, Corio**

Upgrade of hockey pavilion, a new pitch and additional permanent seating.

- **New Armstrong Creek Aquatics Centre**

A civic plaza, an enclosed swimming pool, 4 indoor recreational sports courts and associated car parking.

- **New Indoor Sporting Complex at Waurn Ponds**

Multipurpose sports centre with 6 courts, with regional level gymnastics and dance studio, associated car parking.

- **Banyul-Warri Fields, Torquay**

A new training pitch and new seating.