

The Parliament of the Commonwealth of Australia

Olympics 2000
...and the Winner Is?

Report by the House of Representatives
Standing Committee on Industry,
Science and Technology

June 1995

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PREFACE

The House of Representatives Standing Committee on Industry, Science and Technology is one of eight general purpose standing committees established pursuant to Standing Order 28B of the House of Representatives. Each of the general purpose standing committees corresponds in its area of interest with a Federal Government department or group of departments. In the case of the Industry, Science and Technology Committee those departments are: Industry, Science and Technology; Small Business, Customs and Construction; Primary Industries and Energy; Resources; Industrial Relations and Tourism.

Under the Standing Orders the Committee is empowered to inquire into and report on any matters referred to it by either House or a Minister, including any pre-legislation proposal, bill, motion, petition, vote or expenditure, other financial matter, report or paper. In addition, annual reports of government departments and statutory authorities stand referred automatically to the relevant Committee for any inquiry the Committee wishes to make.

On 7 October 1993 the then Minister for the Environment, Sport and Territories, the Hon. Ros Kelly MP, requested the Industry Science and Technology Committee to inquire into and provide advice on: the implications for Australian industry arising from the staging of the Olympics in the year 2000; impediments to the development of these opportunities; and appropriate action which the Commonwealth might take to maximise the benefits to Australia from these opportunities.

The inquiry was advertised on 16 October 1993, and interested organisations were invited to provide submissions to the Committee. The terms of reference are set out immediately following the Preface.

Much of the work of this inquiry was undertaken by a Sub-Committee chaired by Mrs Mary Easson MP, and including as members the Hon. Bruce Reid MP and Mr Laurie Ferguson MP. I wish to thank these members, in particular, for their time and effort.

The 2000 Olympic Games to be held in Sydney offer significant opportunities to a range of industries in Australia. In the course of this inquiry it has become clear that many companies and individuals are already preparing to capitalise on these opportunities. However, the Committee has also found that there is a need to focus on maximising opportunities for long term industry development.

The Committee received evidence on opportunities in tourism, construction, broadcasting and communications, environmentally sustainable development, sports related industries and merchandising. The Olympic Games also offer opportunities for employment and skills development.

Possible impediments to the development of opportunities arising from the Sydney Olympic Games were identified as the requirements of Sydney, insufficient information being available to industry on potential opportunities and a lack of a coordinated response to Games related issues.

To assist industry to capitalise on the Olympic Games and to help overcome any impediments to this the Committee has recommended a coordinated Commonwealth/NSW Government strategy. A number of initiatives of both the NSW and Commonwealth Governments, some of which are already focussed on the Olympics, and some of which currently have a more general focus, should be linked to maximise the availability and dissemination of information on the Games and also information on relevant government industry assistance programs.

The Committee received 69 submissions and 97 exhibits in the course of the inquiry. Five public hearings were held in Sydney, Melbourne and Canberra. Thirty-four witnesses appeared before the Committee, recording over 300 pages of evidence.

I wish to thank all those who gave their time and effort to contribute to the inquiry.

Hon. Alan Griffiths, MP
Chair
June 1995

TERMS OF REFERENCE OF THE INQUIRY

The House of Representatives Standing Committee on Industry, Science and Technology is undertaking an inquiry into the year 2000 Olympic Games with particular reference to:

- (a) the implications for Australian industry arising from the staging of the Olympics in the year 2000 including opportunities for:
- promoting tourism, Australian industry to participate in the preparation for and conduct of the Games, expanding Australian exports particularly in services and value added industries,
 - forging closer links between business and sport in Australia,
 - forging closer links with the Asia/Pacific region in sport and through sport in broader commercial, social and economic matters,
 - enhancing the export potential of Australian sporting and sports related products and services including the programs and services of the Australian Sports Commission, and
 - demonstrating the economic and social benefits of environmentally sound planning and development;
- (b) impediments to the development of these opportunities; and
- (c) appropriate action which the Commonwealth might take to maximise the benefits to Australia from these opportunities.

In referring this matter to the Committee the Minister for the Environment, Sport and Territories, the Hon. Ros Kelly, MP, said:

"In considering this matter, the Committee of Inquiry should be mindful of three distinct phases relating to the Sydney 2000 Olympics:

- the seven years of infrastructure development and athlete preparation leading to the 2000 games;
- the several weeks of competition and pre-competition and the associated influx of spectators, media, etc in the year 2000; and
- the long term post-Olympic period."

MEMBERSHIP OF THE COMMITTEE

37TH PARLIAMENT

Chairman (to 10 May 1994):	Mr A R Bevis MP
Chairman (from 10 May 1994):	Hon A G Griffiths MP
Deputy Chairman	Hon N B Reid MP
Members:	Mr R E Charles MP
	Mr P R Cleary MP
	Mr M R Cobb MP
	Mr B T Cunningham MP
	Mrs M Easson MP
	Hon M J Evans MP (from 22 September 1994)
	Mr L D Ferguson MP
	Mr R H Horne MP (to 22 September 1994)
	Hon L S Lieberman MP
	Mr A A Morris MP
	Mr G M O'Connor MP
Secretary:	Mr P McMahon
Research Officer:	Mr B Egan
Other staff who assisted the Committee in the course of the inquiry:	
	Mr R Cavanagh
	Ms M Fisher
	Ms H Fyfe
	Mrs F Wilson
	Mr J Winton

ACRONYMS/ABBREVIATIONS

AFP	Australian Federal Police
AIS	Australian Institute of Sport
AOC	Australian Olympic Committee
AQIS	Australian Quarantine Inspection Service
ASC	Australian Sports Commission
ASF	Australian Sports Foundation
ATC	Australian Tourist Commission
ATP	Australian Technology Park
AUSFAC	Australian Sport and Recreation Facilities Advisory Committee
BTR	Bureau of Tourism Research
CES	Commonwealth Employment Service
CIST	Construction Information Science and Technology
DEET	Department of Employment, Education and Training
EPAC	Economic Planning Advisory Council
FAC	Federal Airports Corporation
FACTS	Federation of Australian Commercial Television Stations
GDP	Gross Domestic Product
GEMS	Government Electronic Marketplace Service
HDTV	High Definition Television
IOC	International Olympic Committee
ISO	Industrial Supplies Office
ISONET	Industrial Supplies Office Network
NIC	National Innovation Centre
OBIS	Olympic Business Information Service
OCA	Olympic Coordination Authority
RTDP	Commonwealth Regional Tourism Development Program
SOCOG	Sydney Organising Committee for the Olympic Games
UTS	University of Technology, Sydney
VICSPORT	Sports Federation of Victoria Inc.

SUMMARY

1. This report from the Committee on its inquiry into opportunities for Australian industry arising from the 2000 Olympic Games has focused on areas of opportunity, potential impediments and possible strategies to maximise the benefits to Australia from the Games.

2. The Committee has made 17 recommendations for actions to be taken by the Commonwealth and NSW Governments and the Olympic Games organisers. In making these recommendations the Committee is aware that it is the NSW Government which has the primary responsibility for the Sydney Olympics. The Committee does not wish to be seen to be telling the NSW Government how to do this. Where action is recommended it is not intended that, if implemented, any adverse consequences would result for the preparation for and organisation and staging of the Sydney Olympic Games.

3. It is hoped that all levels of government in Australia will cooperate to ensure that the potential opportunities offered by the Games are realised. The recommendations are listed immediately after this summary in the order in which they appear in the report.

MAJOR FINDINGS

Strategic opportunities

4. With the direct effects of preparing for and staging the Games estimated to bring a net addition of over \$7 billion to Australia's GDP over the next decade, it is clear that the Olympic Games will have a positive impact on Australia's economy. However, despite potential opportunities offered across the spectrum of Australian industry, the overall impact of the Games on Australia's GDP over the next ten years is estimated at less than 0.2%.

5. From the evidence given to the Committee over the course of this inquiry, two broad tasks exist for the Commonwealth to foster Olympic Games generated benefits. Firstly, there is a need for the Government to take action to ensure that, to the extent that it is within the Commonwealth's power, any impediments to Australian industry maximising opportunities from the Games are removed. Secondly, where Commonwealth action can help industry to capitalise on potential opportunities, or where opportunities to foster new products and technologies exist, the strategies must be designed to help these things occur.

Tourism

6. The tourism industry has a major opportunity to benefit from the Sydney Olympic Games. It should not be assumed, however, that the Olympic Games will be the major influence on inbound tourism over the next decade. Factors such as a major forecast increase in tourism from Asia are expected to overshadow the Olympic Games. The Olympics, nevertheless, will be a significant tourism event. The Government has recognised this with the announcement in May 1995 of a \$100 million tourism promotion to 11

countries which aims to boost inbound tourism numbers in the lead up to the Sydney Olympics.

7. The prediction of inbound Olympic Games generated tourism, is a difficult and controversial task. Evidence from similar major events held around the world points to a potential problem with a deterrent effect being created by fears of increased prices, crowds, transport problems etc. during the event.

8. The Committee believes that the tourist industry is very much aware of the opportunities offered by the Olympic Games and will be well prepared. Government action could, however, help by providing additional funds for a marketing campaign based around the Games and for detailed research to be undertaken into the likely impact of the Olympics on Australian tourism.

9. The meetings and exhibition industries are experiencing a marked increase in demand for conferences, meetings, conventions and exhibitions leading up to 2000 as a result of Sydney being awarded the Olympics. There is, however, concern about the availability of venues and the lack of adequate forecasting information upon which to base planning.

10. The Committee has recommended that further research be undertaken, in cooperation with the private sector, addressing the needs of these industries and that incentives be provided for the development of multi-purpose venues incorporating meeting and exhibition facilities.

Construction

11. Seventy-five major construction projects worth in excess of \$1.8 billion are directly attributable to the Olympic Games. While it is clear that the construction industry will benefit from the Games the long term legacy for this industry is uncertain. Australia will not only be judged in a sporting context at the 2000 Games but also on the construction of venues and other infrastructure. There is a major challenge but also a great opportunity in the Games construction program.

12. Innovation in construction methods and industrial relations has already been exhibited in the development of the excellent Aquatic Centre at Homebush Bay.

Opportunities from new technology

13. There is considerable potential for new technology to be developed and promoted in association with the Sydney Olympic Games. This is one of the great benefits of winning the right to host the Games. Ultimately however, the decision to proceed with new technology for developments associated with the Games must be balanced against budgetary constraints

14. The Olympic Games can act as a catalyst to drive innovation and improvements in the level of technology across the construction industry. To help achieve this the Committee supports a study to establish the feasibility of and the funding requirements to develop a Construction Information Science and Technology strategy for the Olympic Games construction program.

15. There are significant challenges and opportunities in the broadcasting and communications fields as a result of the awarding the Olympic Games to Sydney. New technologies to be used include optical fibre, compressed digital video, multimedia, interactive media, digital television, wide screen production and high definition television.

16. While the host broadcaster will have to provide a signal in the new media, these technologies will not automatically be available for Australian viewers. The high start-up cost and long time for returns to be gained, will be a major impediment to Australian television networks pioneering these services here.

17. There is potential for niche market opportunities for domestic and export industry development arising from being at the forefront of new broadcasting and communications technologies. The Committee has recommended that the Commonwealth Government establish a strategy to introduce new technologies in Australia in time for the Sydney Olympic Games.

18. The Australian Technology Park (ATP) is a major development being sponsored by the University of Sydney, the University of NSW and the University of Technology, Sydney. The goal of the ATP is to become the key technology park for the Asia-Pacific region.

19. The ATP is considering the establishment of a committee to promote research for Olympic suppliers, assist local companies with tendering and identify opportunities for Australian industry from exposure and marketing. The Committee supports this proposal and hopes that other similar organisations will seek similar involvement with the Olympic Games.

20. The Committee has decided to follow up the issue of funding for a National Innovation Centre at the ATP in its inquiry into innovation.

Environmentally sustainable development

21. A key feature of the Sydney Olympic Bid was the adoption of environmental guidelines which commit the city to: energy conservation and the use of renewable resources; water conservation; waste avoidance and minimisation; protecting human health; and protecting significant natural and cultural environments.

22. If the environmental guidelines are successfully adopted opportunities will be created for Australian industry to be at the forefront of meeting a rapidly expanding world demand for environmental goods and services.

23. There is contamination in parts of Homebush Bay and a remediation project has been underway for several years. It is important to remember that the regeneration of Homebush Bay was one of the primary reasons for its selection as the Olympic site.

24. The Committee believes it is very important not only that the environmental guidelines for the Games are adhered to, but also that the public can be confident of this. Commonwealth monitoring of adherence to the Games environmental guidelines is recommended with the objective being that the application of these guidelines leads to a world class innovative environmental development.

25. The development of environmentally friendly technologies will be a key factor in achieving long term improvement in environmental management from the Sydney Olympics. One area in which there is considerable potential is solar technology. The combination of Australian designed solar cogeneration technology and improved solar collectors offer the potential to make solar energy a viable commercial alternative to other power sources. The Olympic Games present an ideal showcase for this technology.

Sport and Industry

26. It is ironic that in the Asia-Pacific region, where Australia wants to build a good commercial reputation, we are so well known for our sporting prowess. This prowess is the result of a highly successful and technically excellent sporting program pioneered in this country by the Australian Institute of Sport.

27. The Combination of Australia's recognised advanced and successful capability in sport and the awarding of the 2000 Olympic Games to Sydney offers opportunities for significantly improving links with the Asia-Pacific region in sport, and through these links, opportunities for improved commercial, social and economic relationships.

28. The Committee believes that existing efforts to build export markets for sporting goods and services should be given a higher priority by the Commonwealth Government in the lead up to the Sydney Olympic Games.

29. Information on sporting facilities in Australia will be required by overseas teams and individuals wishing to train and acclimatise prior to the Games. The Committee believes that it is important that this development is coordinated to ensure that the maximum value is gained. The Australian Sport and Recreation Facilities Advisory Committee (AUSFAC) is well placed to provide information to international sporting organisations and local and state governments within Australia about what is available and what is needed. This should assist with spreading the benefits of the Games around the country.

30. To encourage more private sector funding for sport in the lead up to the Sydney Olympic Games the Committee believes that donations to the Australian Sports Foundation should continue to attract 100 per cent tax deductibility. In addition, Olympic lotteries with a percentage of revenue going to sport are recommended.

31. As part of a strategy to link Australian industry with the Olympic Games the Committee has proposed that an appropriate ministerial council should consider the holding of an International Sports and Industry Trade Fair in 1999 in an Australian capital city.

Merchandising

32. A number of submissions to the Committee commented on Olympic Games merchandising and the strong feeling in the community that Games related merchandise should be Australian made.

33. The Committee believes that in the long term, the high visibility of Australian made products at the Sydney Olympics could have a considerable positive effect on Australia's manufacturing image overseas. However, to legislate a mandatory Australian made regime

may create problems when necessary items are not produced here and could also cause difficulties with Olympic "TOP" sponsorship arrangements. Such legislation would also have revenue implications for SOCOG and could result in higher prices.

34. A preferable alternative would be for SOCOG to provide interested parties with access to a list of companies and individuals given licences to use Sydney Olympic Games symbols and terminology.

Focus on Sydney

35. State and Territory governments outside NSW are concerned that the build up to the games, and, in particular, infrastructure improvements in the host city will take funds that would otherwise have been distributed elsewhere in Australia. The Olympic Games will inevitably result in an emphasis on NSW.

36. Large projects such as the heavy rail link between Sydney airport and the eastern distributor have been on and off the agenda for years. The Olympics has focussed attention on infrastructure needs in Sydney.

37. The former NSW Government had been actively encouraging private sector involvement in the Games through its Partnership 2000 scheme. One major benefit of this is that less money is required from Government budgets. Revelations about a probable shortfall in revenue from the post-Olympic sale of the athletes village have, however, cast some doubt over the extent of private sector participation in the Olympic Games construction program.

38. The Economic Planning Advisory Council (EPAC) has recently produced a report on private sector involvement in infrastructure which stresses the need to consider a range of issues before opting for a particular method of providing infrastructure. Build Own Operate Transfer (BOOT) projects may be the best option in some cases but other methods such as public provision, contracting out or full privatisation may have advantages over BOOT when a proper assessment is made.

39. Inadequate transport arrangements are a major potential impediment to tourism and other industries hoping to benefit from the Olympic Games. The decision to proceed with the completion of the new Sydney West Airport by the Year 2000 is important in this regard as it will provide the flexibility to cope with higher than projected levels of demand for aviation services. It is important that other transport associated with the airports is adequate to meet demand.

Lack of information

40. Limited access to information to enable involvement in tendering on projects, sponsorship and the use of insignia is another potential problem.

41. A concern of the Committee is that the imperative to complete a major Olympic preparation program may adversely affect commitments to provide opportunities for Australian industry. To help maintain commitment to Australian industry the Committee

has recommended that information on the level of Australian industry involvement in the Sydney Olympic Games should be made publicly available.

42. Information is also required in relation to Olympic sponsorship and the use of Olympic symbols. The protection of Olympic symbols is critical because sponsorship rights for the Olympic Games are worth many millions of dollars - a large part of the Games' budget. The Senate Legal and Constitutional References Committee recently undertook an inquiry into this issue. The Committee supports, in principal, the recommendations of the *Cashing in on the Sydney Olympics* report of this inquiry which aim to strengthen Commonwealth legislative protection for Olympic insignia and terminology.

43. Some international sponsorship arrangements could potentially have an impact on both SOCOG's revenue and Games organisation as well as Australian companies owing to international sponsorship determined by the IOC taking precedence over local arrangements. There is also potential for confusion if information on sponsorship requirements is not made widely available.

44. Initiatives of the NSW Government such as the Olympic Business Information Service (OBIS) and a number of seminars and conferences on the Olympic Games have helped to improve industry's access to information on the Sydney Olympics. The Committee believes, however, that more should be done.

Lack of coordination

45. The lack of a coordinated national response to the opportunities offered by the Olympic Games is also a potential impediment. Many State and Commonwealth departments and agencies, industry associations, business groups, community groups, the trade union movement and sporting organisations will be pursuing opportunities generated by the Olympics. Coordination is needed to avoid different groups counteracting each other as well as duplication of effort. The recently announced initiative of the NSW Government for an Olympic Business Roundtable will provide a focus for discussion of these issues.

Meeting skill requirements

46. A balance needs to be found between maximising employment opportunities for Australians from the Olympics and being realistic about not training people for jobs which will only exist for a short period. This will vary from industry to industry.

47. The Committee supports the need for a detailed study of the skills needed in all aspects of the Games. This study would, however, only be a starting point. To maximise the employment opportunities offered by the Olympic Games will require a strategy to be developed which involves constant attention and liaison with industry sectors.

The role of government

48. The Committee believes that there are 4 areas where there is a role of Government in the Olympic Games: coordination; promotion of ideas and discussion with and within industry; the provision of information services; and procurement.

49. In relation to the first of these, the establishment of the Olympic Coordination Authority (OCA) within NSW has greatly improved the situation in the Olympic host State. Other states are pursuing their own Olympic agendas and this may lead to some duplication. This is unavoidable under Australia's federal system of Government. However, the Committee believes that industry has a right to expect that all levels of Government will be working together to maximise the opportunities from the Olympic Games. If requested, the Commonwealth should be ready to respond and help.

50. The promotion of ideas and discussion with and within industry, as well as a coordinated response to Olympic Games opportunities, will be facilitated by the establishment of the Olympic Business Roundtable. The Committee is keen to see this body have a truly national focus. The inclusion in its membership of an ISONET representative and business people of national significance, with some coming from outside Sydney will assist in this regard.

51. An area in which there is considerable potential is the provision of information services. Until recently the provision of information services on the Olympic Games was rather poor. The establishment of OBIS has provided a significant improvement. However, there is considerable potential in this area with recent government initiatives in the area of electronic commerce and the provision of information on industry support programs in electronic form.

52. Commonwealth initiatives such as BizHelp if linked with the NSW Government's Olympic Business Information Service (OBIS) and ideally, an electronic commerce system, would provide industry with better access to information on the Olympic Games and at the same time information on any relevant government assistance programs.

53. Olympic Games one stop shops across Australia operating from existing information services offices and utilising on-line information are recommended by the Committee to improve the provision of information on the Games.

54. In relation to the application of procurement policy the Committee believes that, NSW Government initiatives to maximise Australian industry involvement in the Olympic Games are more than adequate. The only major practical improvements would be the extension of electronic commerce services, the inclusion of a statement on SMEs in the guidelines for local industry participation plans, and the adoption of two envelope tendering procedures.

RECOMMENDATIONS

Recommendation 1

The Committee recommends that the Commonwealth Government and the private sector provide additional funding to the Australian Tourist Commission for a marketing campaign, based around the Olympic Games. The campaign would commence immediately after the Atlanta Olympics conclude and would be given a strong emphasis during the staging of the Sydney Games.

Recommendation 2

The Committee recommends that the Bureau of Tourism Research, in cooperation with the private sector, address in its Olympic Games research the needs of the meetings and exhibition industries to provide information on which to base planning.

Recommendation 3

The Committee recommends that the Planning, Housing and Local Government Ministerial Council, as the appropriate body, give urgent consideration to the means by which governments can encourage the development of multi-purpose venues.

Recommendation 4

The Committee recommends that the Commonwealth Government, in consultation with the NSW Government, bring industry groups together to undertake a study to establish feasibility of and the funding requirements to develop a Construction Information Science and Technology strategy for the Olympic Games construction program. If found viable, an Olympic CIST program should be developed. If not, investigation of other possible CIST pilot projects should be undertaken.

Recommendation 5

The Committee recommends that, if it becomes apparent in due course that it may be possible for new broadcasting technologies to be introduced into Australia in time for the Olympic Games, the Commonwealth Government, in consultation with the broadcasting industry, establish a strategy to ensure that this occurs.

Recommendation 6

The Committee recommends that the Commonwealth Government establish a mechanism to monitor adherence to the environmental guidelines of the Sydney Olympic Games and provide assessment reports to NSW State and Commonwealth Parliaments.

Recommendation 7

The Committee recommends that Austrade, in consultation with the Australian Sports Commission, promote the availability of Australian sporting expertise to countries in the Asia/Pacific region and elsewhere with the aim of developing the export market for Australian sporting goods and services

Recommendation 8

The Committee recommends that existing lottery agencies periodically conduct Olympic theme lotteries in the years leading up to the Games with an agreed percentage of lottery revenue to be diverted into Olympic sports funding.

Recommendation 9

The Committee recommends that an appropriate ministerial council consider the holding of an International Sports and Industry Trade Fair in 1999 in an Australian Capital City.

Recommendation 10

The Committee recommends that interested parties should have access to a list of companies and individuals given licences to use Sydney Olympic Games symbols and terminology.

Recommendation 11

The Committee recommends that, consistent with undertakings given by Governments at both State and Commonwealth levels, there should be information on the level of Australian industry involvement in the Sydney Olympic Games made available. Copies of the details of this involvement should be provided periodically to the NSW Parliamentary Committee with responsibility for the Olympic Games.

Recommendations 12 and 13

The Committee recommends that:

- . following consultation with SOCOG and industry, a study be undertaken by the Department of Employment, Education and Training, to determine the employment skills needs arising from the hosting of the Olympic Games; and
- . SOCOG provide projections concerning the need for volunteer assistance for the staging of the Sydney Olympic Games.

Recommendation 14

The Committee recommends that the NSW Government consider extending the role of the Olympic Business Roundtable to encompass a national focus and include in its membership prominent business people based outside NSW and a representative of the newly established national ISONET.

Recommendation 15

The Committee recommends that an electronic commerce system be developed for the Olympic Games at least to the level of provision of information with the expansion of the system to be undertaken in stages as electronic commerce is further developed by the NSW and Commonwealth Governments.

Recommendation 16

The Committee recommends that:

- . an on-line Olympic information service be established linking OBIS, BizHelp and relevant electronic commerce services as they become available;
- . Olympic Games one stop shops be established across Australia, utilising the on-line service through government information offices such as OBIS in NSW industry and business associations; and
- . the one stop shops and on-line service be referral points for businesses to the Industrial Supplies Offices.

Recommendation 17

The Committee recommends that the NSW Government consider the inclusion of SME development criteria in its local industry participation plans for Olympic projects, and the adoption of a two envelope approach for evaluating these plans, similar to that used by the Commonwealth Government.

CHAPTER 1

INTRODUCTION

1.1 In undertaking this inquiry the Committee has been aware that it is the NSW Government which has the primary responsibility for the Sydney Olympics. The Committee does not wish to be seen to be telling the NSW Government how to do this. Where action is recommended it is not intended that, if implemented, any adverse consequences would result for the preparation for and organisation and staging of the Sydney Olympic Games. The Committee has, however, closely examined the opportunities offered to Australian industry by the Sydney Olympics and has received evidence from a broad range of people across the spectrum of economic activity in Australia.

1.2 Perhaps the strongest plea that should be made in the context of the Olympics is for cooperation between all levels of government in Australia to ensure that the potential opportunities offered by the Games are realised. It is this cooperative approach which the Committee has endeavoured to promote in this report.

ORGANISATION OF THE SYDNEY OLYMPICS

1.3 It is important to understand the role of the various bodies involved in the Olympic Games Organisation in order to discuss the implications for industry arising from the Sydney Olympic Games and strategies which might be employed to maximise the opportunities offered. The Olympic Games will involve all levels of government, sporting, business, community and environment groups as well as the Sydney Organising Committee for the Olympic Games (SOCOG), the Australian Olympic Committee (AOC) and the International Olympic Committee (IOC). Even at this early stage, still more than five years out from the Games, most of the organisational structure is in place.

Sydney Bid

1.4 On 23 September 1993 at Monaco Sydney won the right to host the Year 2000 Games. The other bidding cities were Beijing, Berlin, Istanbul and Manchester. The Sydney bid was undertaken by Sydney Olympics 2000 Bid Limited, a company funded jointly by the private and public sectors.¹ Membership of the bid comprised people from local, state and Commonwealth government, business, the AOC and the IOC. The Premier of NSW was the Bid Company President and the Prime Minister was its Patron. Mr Rod McGeoch was Chief Executive.

1.5 Immediately upon the awarding to Sydney of the right to host the Games, the President of the IOC, Mr Juan Antonio Samaranch, the Premier of NSW, the Hon. John Fahey MLA, the Lord Mayor of Sydney, Cr Frank Sartor and the President of the AOC,

1 Sydney 2000 Fact Sheets, Sydney Organising Committee for the Olympic Games, January 1994 p 3

Mr John Coates, signed the host city contract. This binds the key parties (the IOC, AOC, NSW Government and Sydney City Council) to the staging of the Games in Sydney.²

Sydney Organising Committee for the Olympic Games (SOCOG)

1.6 The first stage in the Games organisation was the establishment of SOCOG. This Committee consists of a similar membership to the Sydney Bid Company (with some additions to bring more commercial expertise), and is the successor to that organisation. The President and Chief Executive of SOCOG is Mr Gary Pemberton. In relation to the role of SOCOG, Mr Alan Hoskins, Manager, Logistics for SOCOG told the Committee that: "The primary objective of SOCOG is to organise and stage the Games of the 27th Olympiad in Sydney in the year 2000 in a financially sound and responsible manner."³

1.7 SOCOG has a fully funded budget of \$1½ billion for this task. Revenue will be raised primarily through the sale of media rights, Olympic marketing and ticket sales.⁴ The major activities of SOCOG are as follows:

- organising accommodation and transport for competitors, team officials and media;
- organising the sports program for the Games, including the preparation and operation of all venues and facilities;
- organising the cultural program which commences on 1 January 1997 and continues over the period of the Olympiad to 2000;
- establishing a marketing program in consultation with the IOC and AOC; and
- preparing host broadcaster, TV and radio facilities and other information services.⁵

International Olympic Committee (IOC)

1.8 The IOC has the general role of ensuring that the Sydney Olympics are held within the parameters outlined in the Sydney bid. SOCOG reports periodically to the IOC on its progress. One aspect of the IOC's role which will have a major impact on the revenue for the Sydney Olympics is its international sponsorship or "TOP" program. A matter of some concern to the Committee is the potential for the IOC to affect SOCOG's revenue through these exclusive international sponsorship arrangements (see page 48).

Australian Olympic Committee (AOC)

1.9 The AOC is responsible for organising the participation of the Australian team at the Sydney Olympic Games. The AOC was also responsible for selecting Sydney as the city to apply to the IOC to host the Games. The AOC normally has complete control over

2 Hoskins, A: Transcript p 6

3 *ibid.*

4 *ibid.*

5 *ibid.*, pp 7-8

Olympic marketing within Australia. However, during the period leading up to the Games this role will be shared with SOCOG as the organising committee must raise a large proportion of its revenue from marketing.⁶

NSW Government

1.10 While SOCOG is responsible for organising the post construction preparation and operation of all venues and facilities for the Games, the construction of venues and other facilities and infrastructure associated with the Olympics is under the responsibility of the NSW Government. The Olympic construction program is examined in Chapter 2 (see page 17). The funding of these projects is not part of the Games budget. An analogy has been made to a theatre with the NSW Government having the role of building developer and owner and SOCOG being responsible for putting on the show.

1.11 Until recently a number of NSW Government agencies were involved with different aspects of the Olympic Games organisation. The Government in NSW elected in March 1995 has centralised the Olympic program under a Minister for the Olympics (the Hon. Michael Knight MLA) supervising a body called the Olympic Coordination Authority (OCA). The establishment of the OCA has brought about the amalgamation of five bodies: the Office of Olympic Coordination in the Premier's Department, the Olympic Construction Authority, the Homebush Bay Corporation, and sections of the Department of Sport and Recreation and the Department of Planning.

1.12 Other recent initiatives of the NSW Government have been the establishment of an Olympic Business Roundtable and Olympic Business Information Service (OBIS). The Olympic Business Roundtable, with industry and government membership, will examine how the state can best take advantage of the business opportunities presented by the staging of the Games⁷. The OBIS, which will operate as part of the NSW Government Information Service, will provide regular information to business regarding Olympic projects, dates and contact details, tender processes and shortlisted tenderers of projects with private sector participation.⁸

Commonwealth Government

1.13 The Prime Minister has two representatives on SOCOG. The Commonwealth has also contributed \$150 million towards the NSW capital works budget for the cost of the Homebush Bay facilities.⁹ The coordination of the Commonwealth's role in the preparation for and staging of the Games is being undertaken by an interdepartmental committee established within the Department of the Prime Minister and Cabinet.¹⁰ In addition, a number of Commonwealth departments and agencies are directly involved in the Olympic Games organisation.

6 *ibid.*, p 13

7 Maximising Economic Benefits from the Sydney Olympics, media release, Premier of New South Wales, 6 March 1995

8 Olympic Business Information Service, pamphlet, NSW Government, March 1995

9 Arnaudon, S: Transcript p 223

10 *ibid.*

- *Department of Defence*

1.14 The Commonwealth Department of Defence will have the task of ensuring that the land on the Western side of the Homebush Bay site, which is currently the site of the Newington Armaments Depot, is prepared and transferred to enable the development of the Olympic Village to proceed.¹¹

- *Department of Foreign Affairs and Trade*

1.15 The Department of Foreign Affairs and Trade was actively involved during the bid process, providing support for the lobbying of IOC delegates. The creation of a consul-general's position in Atlanta Georgia, host of the 1996 Olympic Games, has also been of assistance to SOCOG and Australian businesses involved with or seeking involvement with the Olympics.¹²

- *Department of Employment, Education and Training*

1.16 DEET is seeking to be responsible, through the Commonwealth Employment Service (CES), for the large scale recruitment of Olympic Games workers.¹³

- *The Australian Sports Commission*

1.17 The Sports Commission has been provided with \$135 million by the Commonwealth to implement the Olympic Athletic Program which has the goal of ensuring that Australia finishes within the top 5 countries in the Sydney Olympics with 20 gold medals.

- *Department of Immigration and Ethnic Affairs, Australian Customs Service, Australian Quarantine Inspection Service (AQIS), Federal Airports Corporation (FAC), and Australian Federal Police (AFP).*

1.18 The Department of Immigration and Ethnic Affairs will be required to facilitate the entry of tourists, sports-people and delegates for the Games, employees with skills which are in short supply, and migrants under the Business Skills Category.¹⁴ The Customs Service, AQIS and FAC will also be required process Olympics related visitors. The AFP will assist with security arrangements.

1.19 Apart from those directly involved in the preparation for and staging of the Olympics, a number of other Commonwealth departments and agencies, such as the Department of Tourism, the Australian Tourist Commission, the Department of Industry, Science and Technology, and the Department of Communications and the Arts are preparing for the impact of the Olympic Games on areas within their responsibility.

1.20 The Committee believes that Commonwealth Government initiatives such as Bizlink and ISONET would be of great assistance in providing assistance for Australian industry in the context of the Olympic Games. These programs are discussed in Chapter 4 (see page 57).

11 Hoskins, A: Transcript p 29

12 *ibid.*, p 16

13 Department of Employment, Education and Training: Submission 48 pp 1-2

14 Department of Immigration and Ethnic Affairs: Submission 51 p 1

STAGING OF THE SYDNEY OLYMPICS

1.21 The Sydney Olympic Games will be the biggest Games since the modern Olympics began. Competition will be held in at least 25 sports¹⁵ with a total of 15,000 athletes and officials expected to attend.¹⁶ The Games will be held between 16 September and 1 October 2000. Some features of the Sydney Olympic Games will be:

- for the first time in Olympic history, all athletes will be housed in the Olympic Village at Homebush Bay;¹⁷
- the majority of venues will be within 30 minutes of the Olympic Village;¹⁸
- all events, with the exception of some preliminary soccer matches to be held in other capital cities, will be held in Sydney;¹⁹
- competition in 14 sports will be held at Homebush Bay, 5 at Darling Harbour, 2 at Moore Park, 2 at Eastern Creek, 2 at Penrith Lakes, 2 at Parramatta, and 1 at Rushcutters Bay (Yachting), Holsworthy (shooting), and the Royal National Park Audley (cycling road races);²⁰
- the Sydney Olympic Games will be held at the culmination of a four year cultural program, and will also coincide with the Sydney International Youth Camp. In addition, in March 2000 the World Congress on Sports Sciences will be held in Sydney;²¹
- 15,000 media people are expected to converge on Sydney for the Games. The media will require 90,000 square metres of floor space; and
- on every night of the Games 220,000 additional people are expected to be staying in Sydney.

IMPACT OF THE GAMES

1.22 To date little analysis has been made of the economic benefits flowing from the Games but it can be stated that the Games present a significant opportunity. The most detailed study to be undertaken to date of the likely economic impact of the Sydney Olympic Games remains the KPMG Peat Marwick study undertaken for the Sydney Bid²². The fact that the KPMG Peat Marwick study was undertaken for the Sydney Bid has could lead to the conclusion that it presented the most optimistic picture of the benefits from the Games. However, in relation to tourism (a major expected beneficiary from the Games), the KPMG study appears to have been too conservative in its estimates. Further research in this area has sharply increased the expected number of Olympic Games generated visitors (see page 9).

15 SOCOG: Exhibit 21 p 3

16 Hoskins, A: Transcript p 7

17 SOCOG: Exhibit 27, vol 2 p 4

18 *ibid.*

19 *ibid.*

20 *ibid.*

21 *ibid.*, p 333

1.23 Apart from the tourism industry, the KPMG study remains the most comprehensive yet undertaken for the Sydney Olympics. KPMG Peat Marwick predicted that the Sydney Olympic Games will have a positive impact on the Australian economy.²³ The net impact on Australia's GDP over the next decade is most likely to be around \$7.3 billion and approximately 156,000 new jobs will be created.²⁴ The increase in economic activity will be generated by the following:

- the construction of Olympic facilities and costs associated with the staging of the games which will be funded from outside sources (eg television rights); and
- international visitors being attracted to Australia because of the Games.²⁵

1.24 The KPMG study did not include the impact of the locally funded component of the Olympics or additional construction activity brought forward because of the Games. These factors will make the economic impact even greater.²⁶

1.25 The study identified the "induced visitor effect" as "by far the most important impact associated with the Olympics."²⁷ Hosting the Olympic Games creates a major marketing vehicle to boost international tourism. This opportunity is discussed in Chapter 2 (see page 13).

1.26 The Committee notes the finding by KPMG Peat Marwick that the Commonwealth Government can expect an additional \$2 billion in taxation revenue over the period 1991-2004 as a result of the Olympic Games.²⁸

1.27 The broader economic consequences of the Games identified by KPMG are:

- a small effect on inflation;
- an additional \$3.5 billion added to net export earnings between 1994 and 2004;
- exchange rate unlikely to be affected; and
- unlikely to create labour shortages but possibly will create certain skill shortages (see page 52).²⁹

1.28 In the long term, benefits identified in the study include: a number of new international standard sporting facilities which will benefit both the Sydney community and the nation; increased tourism; and business development³⁰. Long term costs were noted as: financial costs in operating the sporting venues in the long term and environmental pressures from an

22 Sydney Olympics 2000: Economic Impact Study, Volume 1, KPMG Peat Marwick in association with the Centre for South Australian Economic Studies, May 1993.

23 *ibid.*, Executive Summary.

24 *ibid.*

25 *ibid.*

26 *ibid.*

27 *ibid.*

28 *ibid.*

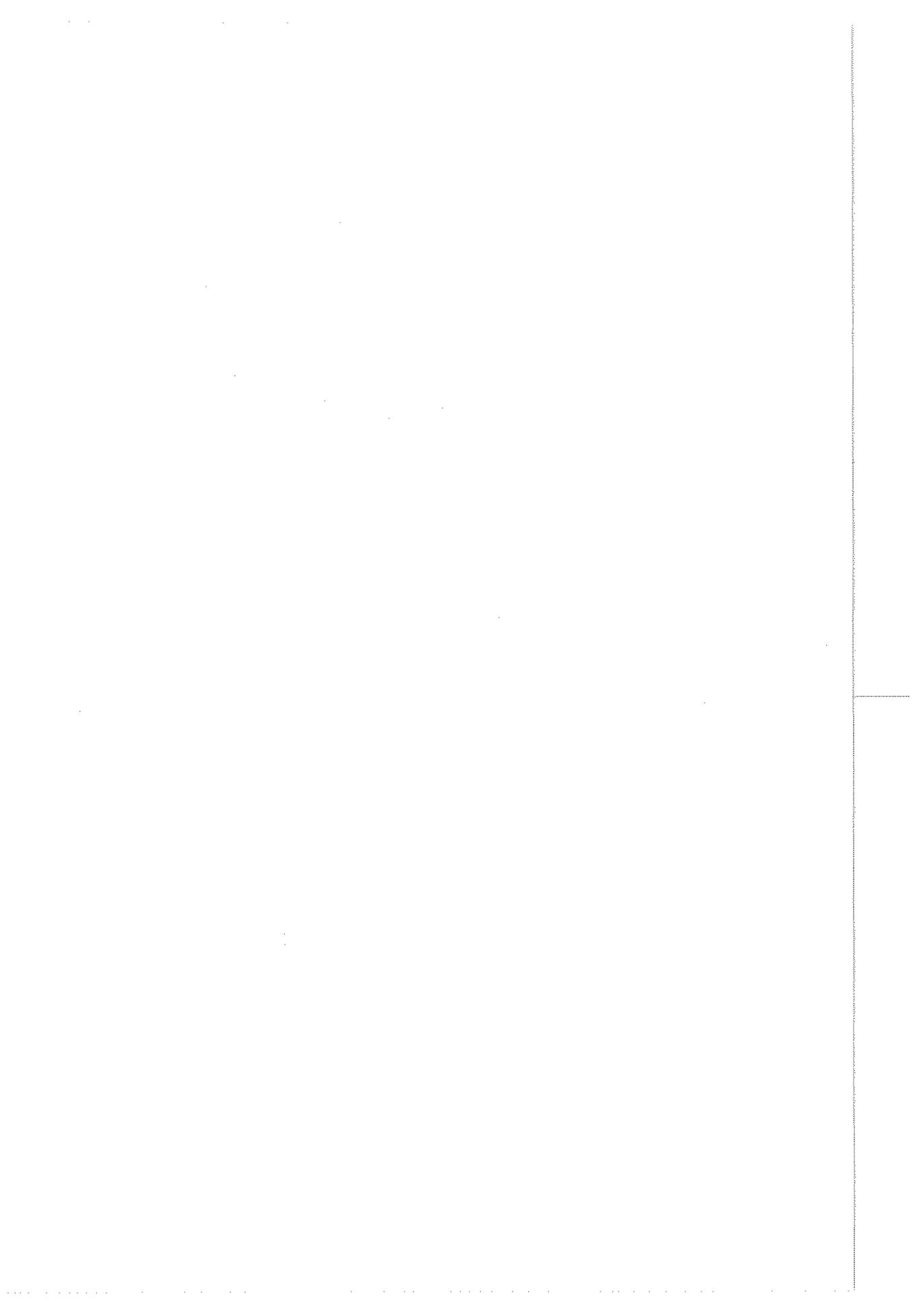
29 *ibid.*

30 *ibid.*

increase in international tourism.³¹ The study concluded that "both of these costs are controllable".³²

31 *ibid.*

32 *ibid.*



CHAPTER 2

STRATEGIC OPPORTUNITIES

2.1 With the direct effects of preparing for and staging the Games forecast to bring a net addition of over \$7 billion to Australia's GDP over the next decade, it is clear that the Olympic Games will have a positive impact on Australia's economy. Discounting some major unforeseen problem, there is an opportunity for substantial benefits to flow from the Games in terms of increased tourism and construction activity. However, despite potential opportunities offered across the spectrum of Australian industry, the overall impact of the Games on Australia's economy will be relatively small.

2.2 It is important to view the economic impact of the Olympic Games in perspective. A \$7 billion addition to Australia's GDP over ten years would produce a total increase of less than 0.2%. The Olympic Games must be seen in perspective as significant, particularly for certain industries. Economically, the Games will be far more important to Sydney than the rest of Australia.

2.3 From the evidence given to the Committee over the course of this inquiry, two broad tasks exist for the Commonwealth to foster Olympic Games generated benefits. Firstly, there is a need for the Government to take action to ensure that, to the extent that it is within the Commonwealth's power, any impediments to Australian industry maximising opportunities from the Games are removed (impediments are discussed in Chapter 3). Secondly, where Commonwealth action can help industry to capitalise on potential opportunities, or where opportunities to foster new products and technologies exist, the strategies must be designed to help these things occur. This chapter discusses the strategic opportunities in a number of industries which have been identified during the inquiry.

TOURISM

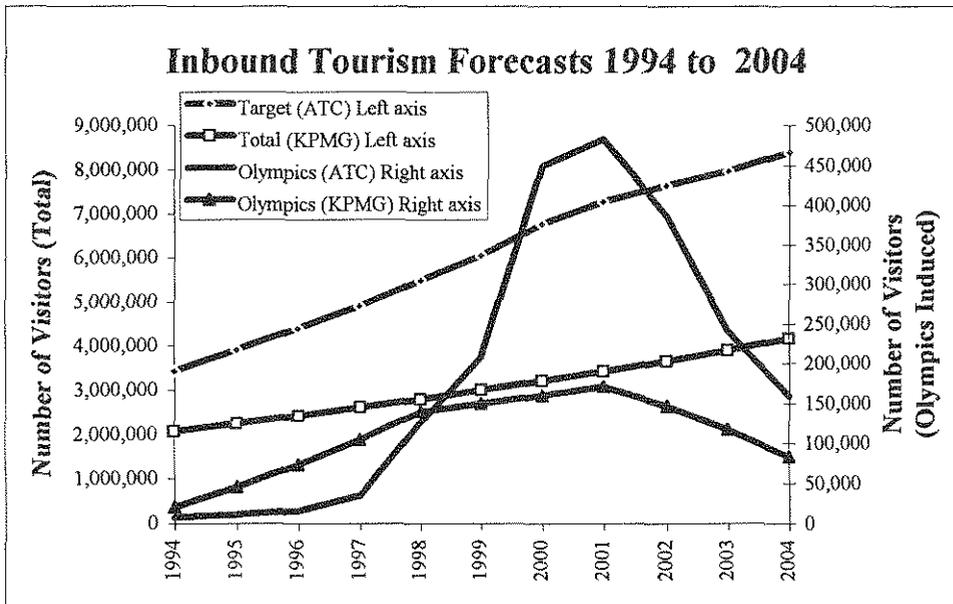
Predictions

2.4 One of the biggest beneficiaries of the Olympic Games will be the tourism industry. The Olympic Games presents the Australian tourism industry with a magnificent marketing opportunity. The Australian Tourist Commission estimates that an additional 2.1 million visitors could be induced to visit Australia between 1994 and 2004 as a result of the Sydney Olympic Games.³³ These visitors are likely to spend an average of 30 days in Australia, of which 14 days will be spent outside Sydney/NSW.³⁴

33 Australian Tourist Commission, *Olympics to Spur Tourism Surge*, Media Release, 3 August 1994 p1

34 *ibid.*

2.5 There have been two forecasts published for inbound tourism to Australia generated by the 2000 Olympic Games: the KPMG Peat Marwick Study produced for the Olympic bid in May 1993³⁵ and projections made by the Australian Tourist Commission in August 1994 for "Tourism Market Potential Targets"³⁶. The two forecasts are very different with the ATC's projection for 2.1 million extra visitors being considerably in excess of the 1.2 million forecast by KPMG Peat Marwick. This can partly be attributed to the baseline figure of total arrivals, from which KPMG Peat Marwick arrived at their Olympic Games forecast, being derived from an earlier ATC projection which has subsequently been revised sharply upwards. The following chart displays inbound tourism forecasts:



2.6 The revised ATC total inbound tourism targets have been given some confirmation by the Tourism Forecasting Council whose December 1994 forecasts are very close to the ATC figures³⁷. As the ATC targets are based on more up to date forecasting information they should be more accurate than the KPMG Peat Marwick projections. What is clear from both forecasts, however, is that the Olympic Games will generate only a small percentage of total arrivals. The ATC forecasts a peak of 6.6% of total arrivals being 'Olympic Games induced' in 2000 and 2001. The impact of the Olympic must be seen in the context of strong growth in arrivals from Asia which will more than double the current inbound tourism numbers over the next ten years.³⁸ Olympic Games generated tourism will ride the crest of a wave of tourists who in the normal course of events would still have travelled to Australia..

35 KPMG Peat Marwick, Op.cit, Vol 2, Appendix B

36 Australian Tourist Commission, Op.cit.

37 Tourism Forecasting Council, *Tourist Arrivals to Reach 6.3 Million by Year 2000*, Media Release, 6 December 1994, p 1

2.7 The Olympic Games should therefore be viewed in perspective as an important event for the tourist industry but not the main focus for the industry. There is still, however, a need for significant attention to be paid to the Olympic Games, particularly as a marketing vehicle and international showcase.

2.8 The prediction of inbound Olympic tourism is a difficult and controversial task. There are many variables affecting Olympic Games generated tourism such as the position and size of the host city and country, the overall tourism situation in the host country and the world at the time of the event, other events happening in the world at the time and the marketing strategies used by the local tourism industry. One submission to the Committee, by Dr N Leiper of Southern Cross University and Dr C M Hall of the University of Canberra, actually argued that Australia could experience a decline in tourism at the time of the Games.

2.9 The argument of Drs Leiper and Hall is based upon the history of inbound tourism at hallmark events such as the 1984 Los Angeles Olympic Games, the 1981 wedding of Charles and Diana in London, and the 1987 America's Cup Defence in Fremantle and Perth. All of these events experienced a significantly lower level of inbound tourism than was predicted³⁹. The reason for this is that for every hallmark event a number of people are attracted and a number are repelled. Those repelled are motivated primarily by perceptions of a place being less pleasant because of the event. Widely held perceptions of increased crowds, congested traffic movements, higher prices, lower standards of service, 'rip-off' merchants et cetera help to fuel this repulsion.⁴⁰ This phenomenon is known in the tourist industry as the 'displacement effect'.

2.10 SOCOG, the NSW Government, and the Australian tourist industry have taken steps to avoid many of the problems mentioned here. Transport strategies are being developed to minimise congestion, price control agreements are already in place in relation to accommodation and planning has already commenced to maximise the level of service to visitors. However, despite these efforts, some prospective visitors may still perceive that these problems will exist.

2.11 The level of service to visitors is critical to the success of the Games for tourism in the long term. From the point of entry to Australia to departure, the welcome and service delivery will be where Australia will be judged by many visitors. The Sydney Meet and Greet Service for international visitors was established at Sydney Airport and cruise terminals in 1994. Recently this service won an award from the Pacific Asia Travel Association. In May 1995 it was expanded to include a city host scheme in the streets of Sydney. This type of service will be invaluable for Olympic visitors in the year 2000. The Committee encourages governments at all levels to realise the long term benefits to Australia which could be gained by giving financial support to services such as this in the lead-up to the Olympic Games.

2.12 The transport area is a potential problem as Sydney is sometimes perceived as being congested (see page 45). In addition to causing problems for the staging of the Games,

38 *ibid.*

39 Lieper, N, & Hall, C: Submission 27, p 4

40 *ibid.*, p 5

inadequate transport arrangements would deter potential tourists and leave a bad impression on those who do visit. It is critical that Sydney has adequate transport arrangements to cope with Olympic visitors. The NSW and Commonwealth Governments need to work together to ensure that the necessary planning and development occurs. Olympic tourism marketing strategies must also include consideration of the potential deterrents to visitors associated with the Games.

2.13 The Australian Tourist Commission dismissed the Leiper and Hall argument, finding "their research to be rather light and their conclusions unsubstantiated."⁴¹ The Committee agrees that the Leiper and Hall submission is a somewhat superficial assessment, but it does point to an issue that needs to be addressed. Mr Barry Jones of the Bureau of Tourism Research told the Committee that it is primarily an issue of managing perceptions, that governments at state and Commonwealth levels are aware of the potential problem in this area and that programs are being developed to ensure that Sydney does not suffer the same fate as Los Angeles in 1984⁴²

Strategies in Place

2.14 Maximising the opportunities offered by the Olympic Games to the tourism industry will therefore require careful management and planning. There are a number of strategies being developed within the tourism industry in this regard.

2.15 *The key activity in attracting a large number of Olympic Games induced visitors will be marketing. Tourism marketing in Australia may have suffered somewhat in the past due to a mixed message being sent out from the national marketing body (the Australian Tourist Commission) and its various state equivalents:*

Under federalism, states and territories have the right of independent marketing activity for tourism around the world. In fact they practiced that during the 1980s. The view of Australia for much of the world is as one country, as Australia. So individual state marketing tends more to confuse than to generate tourism. There is very little knowledge or interest of political borders because tourists do not see political borders as important in their decision-making processes. There has been a relatively high degree of duplication as well. We have believed this for some time, as I think many of the states have believed underneath, that some cooperation and some single direction in our approach, certainly at initial levels, would achieve a better result.⁴³

2.16 In 1994, a scheme called Partnership Australia came into being. This scheme has all states and territories and the Commonwealth working together to coordinate and focus tourism marketing efforts.⁴⁴ The Committee believes that the Partnership Australia scheme will be of great assistance to the marketing of the Sydney Olympic Games overseas.

41 Hutchison, J: Transcript p 127

42 Jones, B: Transcript pp 300-301

43 Hutchison, J: Transcript p 131

44 *ibid.*

2.17 In May 1995 Federal Tourism Minister, the Hon. Michael Lee MP, announced a directional statement for tourism which included \$100 million over the next three years for new global television and print campaigns aiming at increasing tourism numbers in the lead up to the Olympic Games. Other initiatives included in the statement were:

- a new global logo for Australian tourism promotion overseas;
- the establishment of a new Olympic unit within the ATC which will coordinate tourism marketing activities associated with the Olympics; and
- a major cultural promotion to be staged at the 1996 Atlanta Olympics

Olympics Marketing Campaign

2.18 In relation to marketing strategies some interesting and innovative approaches have been identified in the course of this inquiry. One example which is worthy of exploration was used effectively in Barcelona:

We have spoken to SOCOG about some clever things that have been done by other Olympic organisers, such as the Spaniards. They concluded a deal with the NBC which provided Barcelona, the city, the opportunity to have television coverage throughout the United States two years in advance of the games. This was written into the worldwide network grants. Barcelona produced its own set of ads and ran them in the United States for two years very successfully.⁴⁵

2.19 SOCOG has indicated that it is supportive of the concept of having a similar commitment incorporated into media rights for Sydney. However, the critical consideration with such commitments is the revenue bottom line. All such commitments have a cost to the media organisation, which is effectively built into the bid for rights. One media organisation may be able to offer "free" tourism marketing coverage as part of its bid in an effort to win coverage rights over a competitor which is able to offer more money. In such situations SOCOG must make the final judgment as to the value of non-financial incentives built into a bid. With revenue being of critical importance to SOCOG its view of the value of such non-financial components is likely to be somewhat different to a major beneficiary such as the tourism industry.

2.20 The Committee does not wish to make any recommendations which, if implemented, would adversely affect SOCOG's key mechanism for raising revenue. It is important that SOCOG is aware of the potential benefit to tourism of incorporating media coverage of Sydney/Australia in media rights contracts, and the Committee is satisfied that such commitments will be given proper consideration. If ultimately, they are not incorporated, SOCOG will have to defend this decision.

2.21 Another marketing success was achieved for the Atlanta Olympic Games without any effort on the marketing agencies part at all. Immediately prior to the closing ceremony at Barcelona an English broadcaster ran a short feature on Atlanta across most of Europe including its history, current situation, points of interest and details of preparations for the

45 *ibid.*, pp 135-136

Olympic Games. This report was valued in advertising terms at \$US 7 million but it cost Atlanta nothing because it was produced by a foreign broadcaster simply as a response to interest in the next Olympic host city.⁴⁶ It is very difficult to engineer such opportunities.

2.22 The distribution of a media package on Sydney/Australia at the Atlanta Olympic Games, perhaps as part of the recently announced cultural promotion to be held there, would be a proactive initiative to capitalise on expected interest in the subsequent host city.

2.23 Marketing strategies will also need to encourage people to travel beyond Sydney to other parts of Australia. The Committee is confident that tourism authorities, with their comprehensive and detailed approach, will address these issues. The Commonwealth Regional Tourism Development Program (RTDP), for example, has been established to improve the capability of rural and regional Australia to attract tourists.⁴⁷ Encouragement of nature based and indigenous tourism, sports tourism (particularly in connection with the Olympics), cultural tourism, tourism shopping and conventions is also being pursued.⁴⁸

2.24 Overall, the Committee believes that the tourist industry is very much aware of the opportunities offered by the Olympic Games and will be well prepared. There are, however, a couple of areas where Government action could help to maximise these opportunities.

2.25 Despite the excellent efforts of the Australian Tourist Commission to market Australia as a destination and the benefits that the Partnership Australia scheme can bring to the ATC's marketing strategy, the Committee believes that the Olympics are significant enough to the tourist industry for additional funding to be granted for a marketing campaign based around the Games. Building on the recently announced ATC campaign to spend \$100 million targeting 11 countries over the next three years, this campaign would have a goal of enticing visitors to travel beyond Sydney/NSW and to spend at least several weeks in Australia. The campaign would also be focussed on building a long term increase in inbound tourism. The campaign would commence immediately after the Atlanta Olympics conclude and would be given a strong emphasis during the staging of the Sydney Games.

2.26 An example of a successful domestic marketing campaign to encourage visitors to stay for a longer period is the Victorian Spring Racing Carnival campaign. The average length of stay for visitors has been increased from the few days around the Melbourne Cup to several weeks following a campaign based around the entire spring racing carnival, rather than just Cup-day.

2.27 The Staging of the Olympic Games in Sydney presents Australia with a once in a lifetime opportunity for tourism marketing. Showcasing Australia is in these circumstances assumes critical importance. The Committee notes the importance placed on the Olympics by the ATC with its establishment of a specialist Olympic unit. In the period leading up to the Olympics the Government should err on the side of generosity when funding bodies such as the ATC. Additional funding to improve the ability of the ATC to undertake its vital role of selling Australia's imagery to the world is clearly justified in this context.

46 Planning for the Olympics Event: the Atlanta Experience, speech delivered at Tourism and the Olympic Games Conference, 27 October 1994

47 Department of Tourism: Submission 59 p 8

48 *ibid.*, pp 9-12

Recommendation 1

2.28 The Committee recommends that the Commonwealth Government and the private sector provide additional funding to the Australian Tourist Commission for a marketing campaign based around the Olympic Games. The campaign would commence immediately after the Atlanta Olympics conclude and would be given a strong emphasis during the staging of the Sydney Games.

Tourism Research

2.29 The Committee notes the work of the Bureau of Tourism Research. However, the Committee was also surprised to discover that, for such an important industry, there is comparatively little information on which to base future planning. The nature of the tourist industry, with its reliance on a complex mix of economic cycles, exchange rates, airfares, marketing and personal impressions et cetera, makes future trends particularly difficult to predict. In addition, the industry has grown very quickly in Australia, and there has been little time to develop the comprehensive forecasting information which is available to many other industries.

2.30 Again, considering the significance of the Olympic Games to the tourism industry, the Committee believes that emphasis should be placed on tourism research.

Meetings and Exhibition Industries

2.31 The meetings industry is a very profitable part of the tourism industry sector which is estimated to be worth \$1.3 billion to Australia each year.⁴⁹ The average conference delegate spends three times that of the average tourist per day.⁵⁰ The exhibitions industry is also growing and profitable and shares many of the needs and problems of the meetings industry.

2.32 The Olympic Games is a powerful magnet for international meetings and exhibitions. Over \$1 billion worth of meetings, conventions and conferences have been already booked to coincide with the Olympic Games. Barcelona experienced a 25 per cent increase in meetings in the year following the 1992 Olympic Games.⁵¹ This moved Spain from the 7th to the 3rd ranked conference destination in Europe.

2.33 The opportunities for the meetings and exhibitions industries arising from the Sydney Olympics are therefore considerable. There is, however, concern about the availability of venues:

49 Meetings Industry Association of Australia: Submission 36 p 1

50 *ibid.*

51 Holliday, B: Transcript p 146

Both conferences and exhibitions are finding it increasingly difficult to find suitable times to hold their events. This is resulting in Australian organisers *holding events offshore and international conferences using other Asian destinations* thereby losing valuable export revenue and limiting our employment opportunities.

For our industry to take advantage of this increased level of interest in Australia as a meeting destination more venue space needs to be built - especially in Sydney....⁵²

2.34 The Meetings Industry Association of Australia also expressed concern about the need for research to be undertaken to establish what resources will be needed to cater for Olympic Games generated demand:

If we had a good grasp on what happened in Los Angeles and Barcelona, and what is happening in Atlanta we could look at our members' services and identify any shortfalls or even any oversupply so that all our industry is ready and able to be prepared for any eventuality.⁵³

2.35 Research undertaken by the BTR should address the needs of the meetings and exhibition industries; however, the Committee believes that these industries should take some of the responsibility for this research themselves. A combined Government and industry effort is needed. In relation to venue space, this research will also be a valuable tool for planning purposes.

2.36 The Committee believes that there is often not enough thought given when major sporting and entertainment facilities are being planned to the possibility of incorporating into designs the flexibility needed for meetings, exhibitions, conventions and conferences to be held at these venues. Incorporating this flexibility in planning can add considerable value to developments as has been clearly demonstrated at places such as Darling Harbour.

2.37 Incorporating meeting/exhibition facilities into developments does not, however, need to be confined to major developments. Even relatively small constructions can provide increased returns and bring business to an area through such design flexibility. The Committee believes that all levels of government should actively encourage the development of multi-purpose venues of varying sizes to enable the maximum benefit to be gained for both the developer and the meetings and exhibition industries.

52 Meetings Industry Association of Australia: Submission 36 p 2

53 *ibid.*

Recommendation 2

2.38 The Committee recommends that the Bureau of Tourism Research, in cooperation with the private sector address in its Olympic Games research the needs of the meetings and exhibition industries to provide information on which to base planning.

Recommendation 3

2.39 The Committee recommends that the Planning, Housing and Local Government Ministerial Council, as the appropriate body, give urgent consideration to means by which governments can encourage the development of multi-purpose venues.

CONSTRUCTION

2.40 Seventy-five major construction projects worth in excess of \$1.8 billion, currently either underway, planned, or completed are directly attributable to the Olympic Games.⁵⁴ This figure does not include projects such as the Badgery's Creek Airport and road and rail improvements which have been brought forward to be ready for the Olympic Games. The NSW Government is committed to a preference for Australian industry in the construction program.⁵⁵ It is clear that the construction industry will benefit greatly from the Olympic Games. What is not clear is what the long term legacy of the Games will be for this industry. Australia will not only be judged in a sporting context at the 2000 Games but also on the construction of venues and other infrastructure. There is a major challenge but also a great opportunity in the Games construction program.

Olympic Games Projects

2.41 Recent comments have been made that certain Olympic Games construction projects, such as the main stadium, are slightly behind schedule. It is important that a sense of urgency is maintained in the Olympic Games construction program. The world spotlight which accompanies the Olympic Games makes the potential damage to Australian industry of not completing these projects on schedule too great to risk allowing deadlines to become very tight.

2.42 Olympic Games construction projects under the Partnership 2000 scheme are carefully planned. For all Olympic construction projects certain actions must be taken by the responsible NSW Government agency prior to issuing a call for proposals. This includes developing performance specifications, a time schedule, a financial feasibility study, an

54 Victorian Government: Exhibit 54 p 46

55 *ibid.*, p 48

economic evaluation, a post Olympic market study, and obtaining the approval of the Capital Works Committee of Cabinet.⁵⁶ As at May 1995 the status of the Olympic Games construction program is as follows:

- **Existing or Completed**⁵⁷

- ⇒ *Sydney Entertainment Centre (basketball).*
- ⇒ *Sydney Convention Centre (weightlifting).*
- ⇒ *Sydney Exhibition Centre (boxing, judo and table tennis).*
- ⇒ *Sydney Football Stadium (football preliminaries, individual showjumping).*
- ⇒ *Sydney International Athletic Centre (track and field warm-up and training).*
- ⇒ *State Sports Centre (fencing).*
- ⇒ *State Hockey Centre (hockey).*
- ⇒ *Parramatta Football Stadium (football quarter and semi-finals).*
- ⇒ *Rushcutters Bay (yachting).*
- ⇒ *Eastern Creek Raceway (road cycling time trial).*
- ⇒ *Sydney International Aquatic Centre (swimming, diving, water-polo).*

- **Under Construction**⁵⁸

- ⇒ *Penrith Lakes canoeing and rowing course.*

- **To be Constructed**^{59 60 61 62}

- ⇒ *Stadium*

- Call for proposals issued August 1994, responses by October 1994.
- consortia tendered.
- Shortlist of 3 announced in January 1995 - detailed documents being prepared.
- Shortlisted consortia are: CRA/Baulderstone; Lend Lease/Transfield/SCG; and Multiplex/MCG.
- Specifications: 60-100,000 permanent capacity (80,000 for Olympics); 400m synthetic track; field event areas; appropriate for future usage for football (rugby codes primarily- ie rectangular pitch); electronic scoreboard and video screen; hospitality boxes; roofing options; and access by rail line.
- Decision expected by August, contracts by November and commencement in May 1996.
- Completion target - mid 1999.

- ⇒ *International Broadcast Centre (IBC)*

- Call for proposals issued November 1994.
- Shortlist not yet announced.

56 Price Waterhouse: Exhibit 72, p 2
 57 NSW Government: Exhibit 66, p 2
 58 ibid.
 59 Price Waterhouse: Exhibit 72, pp 2-4
 60 NSW Government: Exhibit 66, pp 4-8
 61 Azarias, P: Exhibit 78, pp 4-7
 62 SOCOG: Exhibit 28, p 24

- Specifications: to provide facilities for the host broadcasters and visiting television and radio representatives; total floor area of up to 50,000m²; host and visiting broadcasters 30,000m²; radio 3,500m²; central control area 3,400m²; accreditation, information, administration 5,000m²; leisure, dining and retail 3,500m²; Telecom exchange 4,000m²; 200 dedicated parking spaces; located as close to CBD as possible; future use as communication facility for television, video, computer and communications related industries; must conform with the requirements of the IOC Media Commission.
- Responses due in June, detailed assessment in July and contracts in December.
- Completion target - mid-1999.

⇒ *Velodrome*

- Call for proposals issued December 1994, responses due March 1995.
- Government objectives narrow - for cycling and other sports which can be accommodated within cycling's needs. During the Paralympic Games it will be used for table tennis.
- Specifications: sited at Sydney Olympic Park Homebush Bay; 6,000 seats (3,000 permanent, 3,000 temporary); 250m indoor timber track.
- Shortlist by June, response in November, agreement January.
- Completion target - mid 1998.

⇒ *Tennis Centre*

- Call for proposals issued September 1994, responses due February 1995.
- Specifications: used for the full Olympic and Paralympic Games' tennis competitions; siting at Sydney Olympic Park; Centre Court—10,000 temporary seats; Match Court 1—4,000 permanent seats; Match Court 2—2,000 temporary seats; Match Courts 3 to 9—200 (minimum) temporary seats; training and warm-up courts; future use as training and competition venue with a high level of general recreation use; potential ultimate development of around 40 courts.
- Completion target - mid 1999.

⇒ *Baseball Centre*

- Call for proposals issued December 1994, responses due February 1995.
- Specifications: The two competition fields will be used for preliminary and final rounds of Olympic Games baseball; siting at Sydney Olympic Park; field 1—10,000 seats (2,000 permanent and 8,000 temporary); field 2—4,000 temporary seats; a third temporary field for warm-up and training; future use as a permanent facility for competition and sports development.
- Completion target - mid 1999.

⇒ *Equestrian Centre*

- Call for proposals issued December 1994, response due April 1995.
- Specifications: Olympic use as venue for dressage, showjumping and the three-day event; siting at Eastern Creek; single arena for jumping and dressage - 20,000 temporary seats; endurance courses for three-day event; stables and training facilities; adjacent accommodation for grooms; future use as a centre for competition and training from local to international standard and it is expected that other compatible uses will be identified.

- Completion target - late 1999.

⇒ *Coliseum, Sports Halls, Indoor Sports Centre*

- These venues have been delayed pending the outcome of a study into exhibition space in Sydney. This study will recommend the scale and type of space needed for long term use which is also compatible with Olympic needs.
- Events to be held in these venues are: artistic gymnastics, handball, volleyball, badminton and table tennis as well as Paralympic Games events.
- Call for proposals expected in May or June 1995.
- Completion target - mid 1999.

⇒ *Shooting Centre*

- Call for proposals issued March 1995.
- Specifications: sited at Holsworthy; indoor 10m range; 50m rifle range; 10m running target; finals stadium; 25m range; combined Olympic trap and skeet.
- Completion target - early 1997

⇒ *Villages*

- The Olympic villages have been completely re-examined in a study being undertaken by a group of three large Australian construction companies (Lend Lease, Delfin and Mirvac). This study is attempted to determine the best mix of dwellings between higher densities (3 storey walk-up), medium densities (townhouses), and low density (conventional freestanding houses). Recent reports indicated that there would most likely be a shortfall between construction cost and ultimate revenue from sale of the dwellings. Private sector funding ideas are being sought from developers, designers and construction companies.
- The requirements for the villages are: 87 hectare site; housing for 15,000 athletes, 1,500 technical staff and 3,000 media; 2,500 units; a post-games population of 6,000.
- The villages are by far the largest project on the Olympic construction program.
- Call for proposals expected in July or August 1995. It is not presently clear whether tenders will be called for all aspects of all the villages or whether separate tenders will be called for.
- Completion target - early 2000

⇒ *Commercial Centre*

- Call for proposals for design, construction, finance and maintenance and operation expected December 1995
- Adjacent to Town Square Homebush Bay, the Commercial Centre is expected to reflect a sports theme and have a mix of retail and commercial uses.
- The estimated value of the centre is around \$100m.

⇒ *The Brickpit*

- Ideas are still being explored for the Brickpit at Homebush Bay. Possibilities include: a theme park; a fun park; tennis courts; a car park; a music bowl; and a rainforest. A large gathering of architects and other designers met in 1994 to present ideas for the Brickpit. The results of these discussions are being consolidated for presentation to the OCA in June 1995.

- Bids will be sought from the private sector for design, construction, finance and management and operation. As yet no date has been set for this.

⇒ *Water Cycle and Energy Infrastructure*

- In line with the environmental guidelines (see page 29) water and energy supply to the main Olympic site is expected to utilise innovative means to deliver environmentally friendly services.
- Proposals have not yet been sought on this but a number of ideas are being discussed including solar energy, cogeneration and water recycling (see pages 32-33)

Innovation

2.43 Unlike most comparable building programs the Olympic Games offers the additional opportunity of a world showcase for the end product. The opportunities for winning major contracts around the world as a result of building the Olympic Stadium, Swimming Complex or even Glebe Island Bridge, over which much of the Olympic traffic will flow, are substantial. Innovative constructions which fulfil and even exceed requirements and, importantly, are completed within time and budget constraints should be expected.

2.44 There is some evidence that this approach has been adopted with the excellent aquatic centre at Homebush Bay. The aquatic centre is an innovative construction which will have a range of uses apart from those related to Olympic competition. The depth of the training pool may be varied to allow for community uses such as learn to swim classes and swimming for the disabled and elderly. A community pool complex at the centre includes lazy river rides, artificial beaches and different levels of wading pools.⁶³

2.45 In addition to a novel construction, an innovative approach was taken by Civil and Civic to work practices, particularly in relation to sub-contracting. Significant cost savings were achieved and efficiencies gained on the project through the institution of a skills based promotional system in place of the traditional trade classification method and other initiatives aimed at developing multi-skilling.⁶⁴ The practice of multi-skilling in the construction industry should be encouraged.

OPPORTUNITIES FROM NEW TECHNOLOGY

2.46 There is considerable potential for new technology to be developed and promoted in association with the Sydney Olympic Games. This is one of the great benefits of winning the right to host the Games. Ultimately however, the decision to proceed with new technology for developments associated with the Games must be balanced against budgetary constraints. The potential pitfalls of enthusiastically pursuing new technologies to capitalise on the showcase aspects of the Olympics were demonstrated in Montreal, the 1976 Olympic host city. The pursuit of the latest and best technologies without regard to cost was a key factor in the financial failure of these Games - an event for which the citizens of Quebec are still paying.

2.47 The opportunities outlined below are only a small number of the potential opportunities for development of technologies in association with the Olympics. Many of these are yet to be identified. It is important to pursue these opportunities, but they should be pursued with caution.

Construction Information Science and Technology (CIST)

2.48 The NSW Government approach of calling for private sector interest and ideas in major public projects is supported by the Committee. This approach brings stronger financial discipline but also appears to result in more innovative and (with sporting facilities) multi-purpose venues which have a better long term earnings potential for the private investor and are more useful for the community.. A submission to the Committee from the School of Building Studies at the Sydney University of Technology (UTS), however, states:

Building and construction is a conservative industry, with a comparatively poor record of innovation in many of its most basic practices and materials, a below average rate of productivity growth and slow technology transfer...Therefore significant progress in construction information science and technology offers the opportunity to create a competitive advantage for the Australian industry in regional markets for construction services estimated at over a trillion dollars annually.⁶⁵

2.49 A 2.0 % increase in construction productivity in Australia would, according to the Industry Commission, result in a 10% addition to GDP.⁶⁶ The UTS submission asserts that Australia is lagging behind many comparable countries in the development of Construction Industry Science and Technology (CIST).⁶⁷ According to UTS, CIST has achieved "breakthrough leaps in performance across an immensely broad spectrum of activities".⁶⁸ To ignore this development would have implications for the international competitiveness of the Australian construction industry.

2.50 Mr Gerard de Valence (from the UTS) warned the Committee of the potential consequences of lagging behind best practice in the construction industry:

64 Roberts, P: *Olympian task for an innovator*, Financial Review, 27 June 1994, p 25

65 School of Building Studies, UTS: Submission 28 p 1

66 *ibid.*

67 *ibid.*, p 3

68 *ibid.*

The last point very rarely talked about in this context is that over the last decade we have seen an increasing overseas share in the ownership of the Australian construction industry - at least they have brought capital into the industry and imported technology from overseas. While foreign ownership is not in itself a bad thing, this trend, unless changed, will mean that there will be no Australian companies capable of undertaking major projects in Australia by the end of the decade. The implications of this in the Olympic context are fairly significant as well. I point to examples of countries like England, where virtually an entire industry is run by foreign companies because they have the ability to carry the reform process through, usually successfully.⁶⁹

2.51 The Olympic Games offer an opportunity to develop CIST across the building industry in Australia. The development to date has been ad hoc and, due to the conservatism of the industry generally, very slow.⁷⁰ The Olympic construction program is of an appropriate size and diversity to allow the development of a CIST strategy. The UTS lists the benefits of CIST to the Olympic program as including:

increased productivity, reduced project times, innovative engineering models, better documentation and communication, faster and easier introduction of new materials and design concepts as well as management methods.⁷¹

2.52 To implement a CIST strategy for the Olympic construction program seed capital and infrastructure funding is needed. The estimated cost of this is uncertain but would be only a fraction of the value of the building and construction work associated with the Olympics.⁷² The uncertainty arises because more work is required to determine which of a number of possible approaches is appropriate for the Olympic program.

2.53 The technical key to developing a CIST strategy is the software which is used to connect the IT systems of the bodies involved in the program (known as middleware). A major impediment to the development of CIST in Australia has been that industry has been told in the past that it must standardise its systems. This has understandably been resisted owing to fears of losing control of choice of software to an outside source.⁷³ The development of middleware can overcome this problem. However, this technology is very new and it is difficult to estimate accurately what it would cost to develop it for the Olympic Games construction program.⁷⁴ A short feasibility study should be able to establish this. However, the decision to proceed needs to be made soon as the Olympic construction program is already underway.

2.54 Finland and Canada have committed large amounts of money to the development of construction technology as part of their industry policies.⁷⁵ The Committee believes that the

69 de Valence, G: Transcript p 37

70 *ibid.*, p 38

71 School of Building Studies, UTS: Submission 28 p 9

72 *ibid.*

73 de Valence, G: Transcript p 40

74 *ibid.*, p 39

75 *ibid.*, p 41

Commonwealth, in consultation with the NSW Government, should use the Olympic Games as a catalyst to develop CIST in Australia.

Recommendation 4

2.55 The Committee recommends that the Commonwealth Government, in consultation with the NSW Government, bring industry groups together to undertake a study to establish the feasibility of and the funding requirements to develop a Construction Information Science and Technology strategy for the Olympic Games construction program. If found viable, an Olympic CIST program should be developed. If not, investigation of other possible CIST pilot projects should be undertaken.

Broadcasting and Communications

2.56 There are significant challenges and opportunities in the broadcasting and communications fields as a result of the awarding of the Olympic Games to Sydney. Historically, the Olympics and similar major sporting events such as the World Cup soccer have been used to introduce new technology in broadcasting and communications. At the 1956 Olympic Games television was introduced to Australia, including live coverage of the Games.⁷⁶ New technologies which will be used at the Sydney Games include optical fibre, compressed digital video, multimedia, interactive media, digital television, wide screen production and High Definition Television (HDTV).⁷⁷ There will be a number of challenges associated with the introduction of some of these technologies to Australia, but also many opportunities for industry development.

2.57 The major challenge with many of these technologies is judging which technology will become a commercial success and is therefore the right one in which to invest. With High Definition Television, for example, there will be a significant investment required by industry to establish the infrastructure needed to make HDTV possible. There is also a significant investment required by the consumer to purchase a HDTV receiver. Commercial realities suggest that Australia, with its relatively small market, will find it difficult to pioneer the adoption of these new technologies. Mr Richard Barton, Deputy General Manager, Federation of Australian Commercial Television Stations (FACTS), told the Committee:

76 Land, J: *Challenges and Opportunities: The Telecommunications Event; an Olympic boost to communications infrastructure*, Paper delivered at Sydney 2000 AIC Conference, 21-22 March 1994 p 1

77 FACTS: Submission 46 p 3

Economically, it is very hard to see how the commercial television industry can devote too much to starting up digital television because it will take a long time before there is any return from it. It is going to be a very large cost. The commercial advertising return to the stations will not change very much. They will have to provide parallel services to the marketplace. That will split their audience and make it more difficult to earn the commercial revenue. So the whole thing is sort of in the melting pot as to how we can economically make that step.⁷⁸

2.58 Whether or not Australia adopts digital and HDTV in time for the Sydney Olympic Games, FACTS is certain that other countries will expect a signal in the new medium:

Mr Hitchen talked about wide screen television, and, yes, we all believe that the Olympics will be forced into high screen television. If nothing else, the previous winter Olympics in Japan will certainly be all high definition television. The Japanese have the manufacturing capacity for that.

For our industry to go wide screen television is somewhat traumatic because we do not have the means of showing it to our public. The only incentive is in terms of overseas sales of the product. Our broadcasters generally do not have the direct rights to the overseas sales....I would like to see at least some broadcasting of digital television starting up, at least in the main cities, by the time of the Olympics....But the cost to the industry is a *very major problem that it is very conscious of and very worried about.*⁷⁹

2.59 For Australia to be among the world leaders in new broadcasting technologies at the time of the Sydney Olympics offers significant export opportunities in the rapidly growing Asia-Pacific region:

At the moment I do not think there is any doubt that we are regarded as good at what we do. We are also part of the Asian broadcasting union. As we are experts in the area in television broadcasting, I think the Asians can certainly look to us and say, 'They do it well'. What we have to do is take advantage of the technology that will be used - and it will be wide screen television for some nations and high definition television - to get the expertise so that we can not only remain good at what we are doing now but also become good in this new media....⁸⁰

2.60 Telecom believes that the year 2000 would be the ideal time to launch HDTV in Australia:

78 Barton, R: Transcript p 119

79 *ibid.*, pp 119-120

80 Hitchen, E: Transcript p 116

If HDTV is launched as a new product, the big markets will be Japan and the United States. But it has always been indicated that Australia is a wonderful testbed to launch HDTV. We are great innovators; we accept innovation quickly. Our record has been so. There are 280 camera positions structured for the Sydney Olympics. Each one will carry high definition signals. It is up to the unilaterals, or local broadcasters by that time. If they want to carry high definition television, the carriage will be available to them.⁸¹

2.61 The development of new broadcasting technologies offers niche market opportunities to industry in the rapidly developing Asia-Pacific region, but is commercially difficult. The Commonwealth Government is already developing a strategy for the implementation of digital broadcasting. However, this strategy relies largely on developments overseas.

2.62 At the present time it is too early to be able to make a definitive judgment about the future of digital and High Definition television, etc, in Australia. The industry is endeavouring to clarify the situation in this regard. The Commonwealth Government should continue to set the parameters of what must be available on free-to-air television, but beyond this, very little can be done immediately to assist industry to make the right choices about the new media. If the new broadcasting technologies are available overseas by 2000 they should be available in Australia, even if only to a small audience initially (as television was in 1956). If it becomes apparent in due course that it may be possible for new broadcasting technologies to be introduced here for the Olympics, the Commonwealth should take action, to ensure that this occurs. The benefits of being able to showcase the new media at the Games justifies a degree of extra effort to bring their introduction forward.

Recommendation 5

2.63 The Committee recommends that, if it becomes apparent in due course that it may be possible for new broadcasting technologies to be introduced into Australia in time for the Sydney Olympic Games, the Commonwealth Government, in consultation with the broadcasting industry, establish a strategy to ensure that this occurs..

2.64 The requirement of the Olympic Games for leading edge technology in broadcasting and communications offers significant industry development opportunities. Telecom has already commenced work on the infrastructure requirements specified in the Sydney Bid:

Construction of the macro-infrastructure has commenced which will provide the incentive for Australian industry to participate in new products in the form of network suppliers, equipment suppliers, information providers, interactivity, telecommuting, cable TV and video on demand.⁸²

81 Denton, D: Transcript p 219

82 *ibid.*, p 215

2.65 The volume of demand in these areas will create opportunities for new suppliers and manufacturers to enter the market. It is possible that companies may establish manufacturing in Australia to cater for Olympic requirements as, with the volume of demand created by the Games, this becomes more cost effective than importing.

2.66 The Olympic telecommunications infrastructure being built by Telecom will benefit a range of industries:

These include: medical, as remote diagnostics will be available between venues and hospitals; security, as wide band links will enable sophisticated remote interactive systems to be used; transport, where both fixed and mobile products will control all aspects; accreditation, where all control points will be linked to central databases for image/data retrieval; immigration and customs, where there will be high speed clearance systems; emergency services, which will use secure high capacity systems; sports and tourism, which will have multi-media information systems; regional headquarters, where the telecommunication hubbing in Sydney will encourage regional headquarters to locate in Sydney, and the Games will create a massive international/national hub; media, which will benefit from the large quantity of wide band digital circuits and also from the equipment and studios established in the international broadcast centre; and the Olympic village will become a showpiece for accommodation in the next century.⁸³

2.67 The telecommunications infrastructure will allow for a quantum leap in technology applications across a broad range of industries. It is important that Australian industry become involved in this development as the long term gains can be substantial. Telefoncia, the company which built the telecommunications infrastructure for the 1992 Barcelona Olympic Games, has subsequently been able to open up new export markets:

Telefoncia has changed its perspective. You may have picked up that it is now a big investor in South America. The technology it developed for the Barcelona games has now translated into huge investments in South America. Telefoncia is becoming a leader in technology in that particular market because of its affiliation with the Spanish-speaking world in South America.⁸⁴

2.68 As part of its development of telecommunications infrastructure for the Olympic Games Telecom has spoken to around 40 Australian and international companies. One issue is being consistently raised. John Hunter, Manager, Sydney 2000 Olympics for Telecom Australia told the Committee:

83 *ibid.*, p 216

84 *ibid.*, p 218

A common thread coming through is the need to uniformly identify products which we believe the Olympics can promote. We have seen many times individual firms identify products but they get lost in the system. There has not been a unified push. We hope that in our line of business, telecommunications, we can act as some sort of coordinator, and make sure that we all agree on certain products which are going to be winners and then push in a uniform way, rather than by direct competition.⁸⁵

2.69 The Committee strongly supports the approach of Telecom in the identification and promotion of ideas and products which have potential in the context of the Olympics. A coordinated approach to this issue is needed across the spectrum of industry. The NSW Government's Olympic Business Roundtable would provide an appropriate mechanism to foster this type of approach for all industries involved in the Games. The Roundtable is discussed in Chapter 4 (see page 55).

The Australian Technology Park

2.70 The Australian Technology Park (ATP) is a major development, currently under construction on 14 hectares of NSW Government land at Eveleigh (South-West of the Sydney CBD). The Park is sponsored by the University of Sydney, the University of NSW and the University of Technology, Sydney. Initial funding has also been received from the NSW Government and the Commonwealth Government through the Building Better Cities program.⁸⁶

2.71 The goal of the ATP is to become the key technology park for the Asia-Pacific region. The concept of the Park is based on the highly successful University City Science Centre in Philadelphia.⁸⁷

2.72 As part of its Olympic involvement, the ATP has proposed that a committee be formed to: "...identify opportunities for industry arising from the staging of the Olympic Games. The committee would be responsible for liaising between SOCOG, the universities, the ATP, industry suppliers to SOCOG and sponsors to the Olympic Games."⁸⁸ The Committee supports this concept and encourages the ATP to proceed with the establishment of this committee. Other technology parks and academic and research bodies organisations may also wish to become involved in the Olympic Games in a similar way.

2.73 The ATP has suggested to the Committee that the Commonwealth could increase its involvement in the Park with the development of a proposed National Innovation Centre (NIC). The proposed NIC is aimed at providing a facility for the incubation of new businesses in high value added industries, in areas such as computer software and telecommunications.

2.74 An opportunity exists for the issue of funding for the NIC to be further investigated in the context of national innovation policy. However, as the Committee has not had the

85 Hunter, J: Transcript p 221

86 Forgan, T: Submission 53 p 7

87 Forgan, T: Transcript p 87

88 Forgan, T: Supplementary Submission 53.1 p 3

opportunity to take evidence from other sources on the NIC, it undertakes to pursue the issue of funding for the NIC as part of its inquiry into innovation.

ENVIRONMENTALLY SUSTAINABLE DEVELOPMENT

2.75 A key feature of the Sydney Olympic bid was the adoption of environmental guidelines. The adoption of these guidelines was seen as an important factor in the success of the Bid. Subsequently, the Olympic Movement has moved to include the environment as the third tier of olympicism. The tiers will be sport, culture and the environment.⁸⁹ In future, all cities bidding to host the Olympic Games will need to include environmental considerations in their plans.

Environmental Guidelines

2.76 The environmental guidelines for the Sydney Olympic Games commit the city to:

- energy conservation and the use of renewable energy sources
- water conservation
- waste avoidance and minimisation
- protecting human health with appropriate standards of air, water, and soil quality
- protecting significant natural and cultural environments.⁹⁰

2.77 The environmental guidelines have presented a challenge to the authorities responsible for Olympic Games construction. The Olympic Games requirements are in excess of anything attempted in NSW previously. The stringent requirements were adopted because offering a world leading environmental approach was necessary to win the right to host the Games. Ms Karla Bell, then representative of Greenpeace, told the Committee:

It is no good just doing a bit of energy conservation because they have been doing that in Europe for 20 years because of the heating bills. You have to leapfrog technologies, and you have to move into renewable technologies. It is no good doing tertiary treatment on sewage just because we only do primary at Malabar. They have been doing that in Europe for years too. The Germans could claim that. What you have to do is waste water recycling et cetera.⁹¹

2.78 The environmental development of the Sydney Olympics is proposed to include:

- water recycling;
- solar energy;
- energy efficient appliances;
- recycling of surplus heating from airconditioners;

89 Bell, K: Transcript p 158

90 SOCOG: Exhibit 39 p 1

91 Bell, K: Transcript p 158

- emphasis on public transport and transport efficiency;
- low energy buildings;
- waste recycling;
- the use of non-toxic materials;
- use of building techniques which minimise the need for chemical pest control;
- protection of the environment at construction sites;
- preservation of existing landscape features;
- rehabilitation of wetlands;
- management plans for the protection of natural ecosystems;
- recyclable packaging;
- recycling bins at Games venues;
- maximised use of electronic information (to minimise paper wastage); and
- noise control at all sites.⁹²

2.79 In addition to the measures mentioned above, all companies tendering for construction facilities are required to "submit details demonstrating how they will satisfy the requirements of the environmental guidelines"⁹³. Selection of components for new projects will take into account life-cycle costing and the environmental implications of manufacture, use and disposal,⁹⁴ and every company tendering for a merchandising contract will need to provide information on the environmental aspects of product manufacture, use and disposal.⁹⁵

2.80 The implications of the environmental plans for the Sydney Olympics are considerable. If the guidelines are followed, a new benchmark for environmental excellence will be set. Opportunities exist for Australian industry to be at the forefront of meeting a rapidly expanding world demand for environmental goods and services. Following the environmental guidelines will not be an easy task. The Committee is confident, however, that the commitment of Olympic organisers to the task, combined with the demonstrated preparedness of Australians to accept change, will lead to their successful implementation.

Environmental Problems

2.81 Containment and remediation of pollutants at Homebush Bay is a major exercise for which the Homebush Bay Corporation was primarily responsible until recently. This will now be part of the responsibilities of the Olympic Coordination Authority (OCA). There are commercial and export opportunities arising from a successful transformation of an industrial site which has been subject to considerable pollution into a major community facility capable of being the primary site for an Olympic Games.

92 SOCOG: Exhibit 39 pp 13-22

93 *ibid.*, p 14

94 *ibid.*

95 *ibid.*, p 21

2.82 The containment of pollutants at Homebush Bay has been the subject of some controversy. Questions about site remediation were put to Ms Karla Bell of Greenpeace, who explained the reasons behind the strategy adopted:

...we recommended to the Homebush Bay Corporation - this was also during the bidding phase - that it deal with the problems on site. You would create a political nightmare if you dug the stuff up and took it somewhere else. Where the contamination is, our view is that you need to lock it in in terms of the protection of the biodiversity⁹⁶

2.83 It is important to remember when considering the environmental problems at Homebush Bay that one of the primary reasons for its selection as the proposed Olympic site was the opportunity to regenerate an important site in the inner-west of Sydney. Part of this regeneration is to deal with the legacy of industrial use of this site. There are considerable opportunities in successfully regenerating a contaminated site in such an important position in a major city. The types of problems encountered at Homebush Bay are common throughout the world. The technologies and methods employed in Sydney will, with the Olympic spotlight, be given world attention..

2.84 In this context, selling the success of the remediation project is critical. Controversy over the environmental credentials of the Sydney Olympics has the potential to damage public confidence in the Games and to adversely affect Australia's international reputation on environment issues. In addition, commercial opportunities will disappear if the environmental guidelines are not seen to have been successfully implemented. To help ensure, not only that the environmental standards set for the Sydney Olympic Games are met, but that the Australian and international communities are convinced of this, the Commonwealth Government should become involved.

2.85 The Commonwealth Government needs to monitor adherence to the environmental guidelines to ensure that they are being met and also to provide a separate assessment of this to the public. The objective of the Commonwealth Government should be to ensure that the application of the Olympic Games environmental guidelines leads to a world class innovative environmental development in Sydney which not only showcases Australia's commitment to the environment but also Australian prowess in engineering, energy efficiency and urban planning.

Recommendation 6

2.86 The Committee recommends that the Commonwealth Government establish a mechanism to monitor adherence to the environmental guidelines of the Sydney Olympic Games and provide assessment reports to NSW State and Commonwealth Parliaments.

Solar Technology

2.87 One of the major opportunities arising from the environmental guidelines for the Sydney Olympics is for new technology to be showcased. The development and demonstration of commercially viable, environmentally friendly technologies is also an important factor in achieving a long term improvement in environmental management from the Sydney Olympics. There are a number of potential new industries arising from the development of technology associated with the environmental guidelines for the Sydney Olympic Games.

2.88 One area in which there is considerable potential is solar technology. Dr David Mills, Vice-President, International Solar Energy Society, gave evidence to the Committee on the plans for the inclusion of solar technology in the Olympic Games development:

The intention is to supply energy as much as possible from the rooftops of the major buildings at such a rate that it would equal the amount of energy used by the site over the long term. Because this is clean energy, which we would be feeding into the grid and using the grid as, in effect, a kind of storage medium, we would not be adding any net pollution to the atmosphere over the lifetime of the buildings. That element, combined with the tertiary treatment of water and other things, means that this is really the first sort of complete sustainable urban development ever proposed. There has never been anything like this before. I do not think people quite understand what a revolution that is.⁹⁷

2.89 There are two types of solar technology proposed, primarily for the Homebush Bay site: the world's first "*solar cogeneration* (combined heat and power) plant, providing both electricity and hot water to the Olympic site,"⁹⁸ and a new solar collector, which is considerably more efficient than previous collectors. The combined technologies, together with improvements in passive technology and general energy efficiency, offer the potential to make solar energy a viable commercial alternative to other power sources:

The passive technology used would be state of the art - 'passive' meaning designing the building so that it makes best use of the solar without any extra systems being added. We would also need to use the most advanced hot water systems on the village and other buildings which need hot water. These will be similar to the systems that we will be bringing onto the market in the next few years. What we anticipate for that market is a drop in price of between 25 and 30 per cent - up to a third or so - and about a 22 per cent performance increase. That will have a big effect on the cost effectiveness of the energy. We now believe that, in that time frame, we may not need a subsidy in the domestic market for that kind of technology anymore, in the sense that it may be competitive with the cheapest off-peak rates in cities such as Sydney.⁹⁹

97 Mills, D: Transcript p 176

98 Mills, D: Submission 15 p 1

99 Mills, D: Transcript p 177

2.90 There is considerable potential for the development of an export industry from this form of solar technology. Unlike current 'desert' solar energy technologies, solar cogeneration technology is suitable for places where water vapour and pollution scatter the light, such as much of Asia. The potential for commercially viable solar energy in this rapidly developing region is enormous.

2.91 The proponents of solar technology for the Olympic Games site foresee an impediment which the Commonwealth can help to overcome in relation to planning. To make the site a viable environmentally sound urban development it is claimed that an energy audit is needed before other detailed planning is undertaken:

The nature of planning for an environmental urban development is that you have to do some things in reverse. You have to look at your energy planning far before you look at the detailed architectural planning. Right now we just plonk buildings down and then we provide the energy services as an *afterthought* to a large extent. We do not know what the energy consumption is going to be on the site because we do not know what buildings are going to be on the site. That simply has not been decided to a large degree.¹⁰⁰

2.92 According to Dr Mills, an energy audit of the site is needed now to allow energy planning to proceed. To provide a platform for an innovative 'environmental urban development', proper planning should require the addressing of energy requirements up front.

SPORT AND INDUSTRY

2.93 Australia has had remarkable success in international sport. Our athletes are world renowned. For a country with a relatively small population Australia is well inside the top ten Olympic nations. This country has had individual and team world champions in recent years in a range of sports including: rugby; hockey; netball; swimming; cycling; rowing; junior basketball; triathlon; cricket; squash; shooting; track and field; martial arts; boxing and ten pin bowling. This list is by no means exhaustive. Australia's sporting success is also very visible in the Asia-Pacific region:

...we are clearly the sporting power of the Asian region, other than China. Even when you put China into the equation, in many sports - particularly the non-Olympic sports - we are well ahead of China... Those sorts of facts are well known in Asia. They know we have the expertise and they know we are good at sport. As those countries emerge rapidly, with their strong GDP growth at the moment, they are looking to sport as a new avenue for national pride and they are looking to us for our expertise.¹⁰¹

2.94 It is ironic that in a region in which Australia wants to build a good commercial reputation we are so well known for our sporting prowess. This prowess did not happen by accident, however. Australia did have an advantage in sport over most of the world

100 *ibid.*, p 175

101 Arnaudon, S: Transcript p 235-236

immediately following World War II. The infrastructure of Australia was not badly affected by the war in comparison with most of Europe and Asia. As a consequence our athletes were able to develop to a level which gave them considerable success for most of the 1950s and 1960s. However, by the 1970s this advantage had disappeared and in many sports, particularly Olympic sports, Australia had fallen behind what could be described as 'best practice'.¹⁰²

2.95 Australia's slide from prominence in international sport presented a considerable challenge. To help reverse the slide the Australian Institute of Sport was established in 1981. This event was a watershed in sport in Australia. The adoption of a modern professional approach which the AIS pioneered in Australia, together with programs encouraging community involvement, has radically changed sport in this country. The legacy of this change today is a highly successful and technically excellent sporting program which is the envy of the world:

Australia is one of a small number of countries in the world that has implemented a national approach to the development of sport at all levels from 'grass roots' participation to the preparation of elite athletes. The Australian approach to sport development is viewed with interest at the international level. This focus on Australia was intensified as a consequence of our outstanding results at the 1992 Barcelona Olympic Games, after which came a flurry of interest in what the Australian Sports Commission was doing to support sport in this country.¹⁰³

2.96 The combination of Australia's recognised advanced and successful capability in sport and the awarding of the 2000 Olympic Games to Sydney offers opportunities for significantly improving links with the Asia-Pacific region in sport, and through these links, opportunities for improved commercial, social and economic relationships.

Closer regional links in Sport

2.97 Australia can sell its sporting expertise in human resources, products, technology and services. Our reputation, expertise and facilities can also be used to attract people here for education, training and sports tourism.¹⁰⁴ In 1992 the Australian Sports Commission commissioned KPMG Management Consulting to undertake an assessment of the opportunities for the export of Australian sports services. This study found that there was potential to increase the 1991/92 export dollar revenue from sports services by around 400% to \$85 million by 1996/97.¹⁰⁵ Major markets were identified in New Zealand, Japan, Europe, the USA, South East Asia, Hong Kong, the Middle East and the UK.¹⁰⁶ In relation to the long term, KPMG concluded:

102 Daly, J, *Quest for Excellence: The Australian Institute of Sport*, AGPS, Canberra 1991 pp 1-2

103 Australian Sports Commission: Submission 62 p 69

104 *ibid.*, pp 69-70

105 Australian Sports Commission: Exhibit 20 p 9

106 *ibid.*

Specifically, and looking to the long term, there is scope to build commercial opportunities for sport services from the position of supplier of international cultural and aid programs. By building 'brand Australia' recognition through sport aid, scope then exists in rapidly developing economies to on-sell services on the basis of a developed and strong image.¹⁰⁷

2.98 The Government has recognised the potential for export of Australian sports services with the establishment of an interdepartmental taskforce to provide advice on the enhancement of both cultural and commercial sporting and recreational links.¹⁰⁸ The terms of reference for the taskforce are to report on, inter alia:

- the extent and nature of Australian sporting links with Asia;
- market potential in the identified regional economies;
- the supply capacity to service the identified demand; and
- strategies and approaches to be implemented on a country-by-country basis.¹⁰⁹

Sports diplomacy

2.99 Opportunities also exist for Australia's sporting activities to be combined with commercial initiatives in Asia to assist Australian companies entering new markets in the Asia-Pacific region. Developing sporting ties with countries can lead to improved relations in trade and between governments. The close relationship that Australia enjoys with most Commonwealth countries is maintained in part through regular sporting contact. The development of similar contact with other countries has the potential to foster business relationships and generate a better understanding between Australian and other people. Tom Sermani, an AIS coach and joint managing director of Oceania Sports Marketing, a company involved in improving regional sporting and business ties, is promoting the opportunities in this area:

Indonesia is striving for sporting excellence and this can help with business interests. With the right marketing and sponsorship, sporting contacts can create opportunities in other areas and lead to much closer relationships.¹¹⁰

2.100 The awarding of the Olympic Games to Sydney has provided Australia with the perfect sports marketing vehicle. The opportunity for regional promotion offered by the Olympics is unrivalled by almost any other world event. Countries in the region are looking at Australia's sporting facilities and expertise already. What is needed is a strategy to link this increased interest into other areas such as trade, business and government relationships. The concept of sports diplomacy offers this.

2.101 Existing sporting links have been forged through the 'Aussie Sport' program for use in schools, sports education, coaching and sports science and medicine,¹¹¹ as well as

107 *ibid.*

108 Australian Sports Commission: Submission 62 p 72

109 *ibid.*

110 Reeves, C, *It's a Goal*, Golden Wing magazine No. 103, April 1994 p 7

existing contacts through competition. The Australian Sports Commission has recommended to the Committee that, to strengthen and capitalise upon these links, increased funding is needed for the provision of sporting expertise and programs to other countries and the promotion of this expertise.

2.102 The Committee believes that the export of Australian sporting goods and services should be given a higher priority by the Commonwealth in the lead up to the Sydney Olympic Games. Existing efforts in this area should be strengthened. The skills and experience of the Australian Sports Commission are important in this context.

Recommendation 7

2.103 The Committee recommends that Austrade, in consultation with the Australian Sports Commission, promote the availability of Australian sporting expertise to countries in the Asia/Pacific region and elsewhere with the aim of developing the export market for Australian sporting goods and services.

Development of sporting facilities

2.104 All 31 Olympic sports are expected to hold at least one international event in Australia prior to the 2000 Olympic Games.¹¹² In addition, many athletes and teams are expected to spend time in Australia training and acclimatising prior to these events and the Games themselves. Currently, however, there is no central register of sporting facilities available across Australia for these needs.

2.105 The problem of lack of information about Olympic requirements poses a potential impediment to maximising opportunities arising from the Olympic Games in a range of areas. This problem is discussed in Chapter 3 (see page 46). In this instance, however, the Australian Sport and Recreation Facilities Advisory Committee (AUSFAC) has knowledge of sporting facilities throughout Australia, and could provide information to both international sporting organisations about what is available, and to local and state governments within Australia about what is needed. The dissemination of information on a broad range of facilities across the country should assist with spreading the benefits to places outside Sydney, Melbourne and Canberra.

Investment in Sport

2.106 Government funding for sport in Australia is important but it will never fully provide for all sports needs. It is not surprising, considering the level of interest in sport in this country, that private sector funding is also considerable; however, this funding is mainly confined to the higher profile sports such as cricket and the various football codes.

111 Australian Sports Commission: op. cit., pp 76-81.

112 Australian Sports Commission: Submission 62 p 75

Lower profile sports are more reliant on government funding, and tend to suffer more from financial problems.

2.107 Ironically, it is some lower profile sports in Australia such as badminton and volleyball, which are very popular in Asia.¹¹³ Attracting more private sector support for these sports would help to improve their links with business and, if funding was directed towards competition being held with Asian countries, could also help to develop sport and business links with these countries.

2.108 Attracting private sector support for lower profile sports has been a difficult task. The Australian Sports Foundation (ASF) has been successful in attracting some funding for sport but has been criticised by sporting groups for not doing enough:

There is considerable scope for the ASF to be involved in any schemes which will seek to maximise the contribution to sport from private industry. The ASF could be more accessible, more imaginative and more entrepreneurial.¹¹⁴

2.109 One means of encouraging more private sector funding in sport is through tax concessions. There is currently a 100 per cent tax deduction available for sport funding. Sporting groups argue that this percentage needs to be increased:

...one of the reasons it [the Australian Sports Foundation] has not been as successful as anticipated is because the tax incentives have not been sufficient....I understand there is an anomaly in that one of the arts groups gets 125 or 150 per cent, and is extremely successful. It could be a combination of factors; it may be the promotion of it, as well. There may not be a significant understanding by the sports bodies of how to use it. But the evidence that comes forward and the comments that are regularly made are that the tax incentives are not sufficient.¹¹⁵

2.110 The Confederation of Australian Sport¹¹⁶, the Australian Sports Commission¹¹⁷ and the Sports Federation of Victoria¹¹⁸ all recommended to the Committee that an increased tax incentive be made available for private sector sports funding. The Committee believes, however, that giving regard to the current fiscal situation, an increase in the percentage of deductibility cannot be justified.

2.111 The Australian Sports Commission made the additional suggestion that donors to the Australian Sports Foundation be allowed to advertise the fact that they are helping with the Olympics. This would provide further encouragement. Additional financial assistance for athletes would certainly help Australia's Olympic preparations. However, it is difficult to envisage SOCOG approving such a scheme as it would most likely attract firms looking for

113 Reeves, C., op.cit.

114 *Target 2000: A White Paper for Australian Sport*, Confederation of Australian Sport, September 1992, p 28

115 Harrison, A: Transcript p 202

116 Confederation of Australian Sport: Submission 58 p 1

117 Australian Sports Commission: Submission 62 pp 32-33

118 Harrison A: Transcript p 202

ambush marketing opportunities. The words and symbols associated with the Olympic Games are very carefully protected to maximise the value of Olympic sponsorship which is a key component of SOCOG's revenue. Allowing donors to the ASF to use Olympic terminology based on a donation of a fraction of that which would be required to purchase sponsorship rights, apart from being damaging to SOCOG's revenue, would contradict the Government's stated commitment to protecting Olympic symbols and terminology.

2.112 If the Sydney Olympics make a profit most of this money will be distributed to Australian sport. Therefore undertaking an action to provide extra funds for sport which would be detrimental to SOCOG's revenue raising efforts could ultimately be counter-productive. The Committee wishes to encourage donors to the Australian Sports Foundation. However, any requests to advertise this by association with the Olympic Games should be channelled through the appropriate marketing programs managed by SOCOG.

Olympic Lottery

2.113 Another proposal for sports funding which has widespread support in the sporting community is the establishment of a national Olympic lottery. This method of sports funding is used in many countries including New Zealand, Belgium, the Czech Republic, Denmark, Germany, Italy, Portugal, Spain, Switzerland and the UK.

2.114 The concept of a national sports lottery has been on and off the agenda for a number of years. The principal difficulty with establishing such a lottery has been getting the agreement of all states to proceed. Existing lotteries are controlled by the states and all would have to agree for a national sports lottery to proceed. There are some signs that agreement on the lottery may now be possible. While there remains some resistance to the sports lottery concept in some states, the Australian Sports Commission has been asked by the Sport and Recreation Ministers' Council to investigate off budget fund raising for sport¹¹⁹. A short term lottery to be held specifically in connection with the Olympic Games would be the most likely option to gain acceptance

2.115 In its submission to this inquiry the ASC stated:

There is now not only a need to raise additional funding for sport, but there are mechanisms for national lotteries which are already being established by the relevant state lottery authorities. In short, there is no Constitutional impediment to a National Sports Lotto and sound practical reasons for its adoption.¹²⁰

2.116 A fully subscribed weekly 'Olympic Lotto' would generate around \$150 million per year¹²¹. This money would be directed towards Olympic sports in the lead up to the 2000 Games. However, the Committee has doubts as to whether a separate lottery, in addition to the existing lotteries, is either viable or acceptable to the state based lottery control authorities. A more practical option would be for the existing lottery agencies to

119 Australian Sports Commission: Submission 62 p 28

120 *ibid.*, p 29

121 *ibid.*, p 30

periodically conduct Olympic theme lotteries (with the prior approval of SOCOG to advertise the Olympic connection) with an agreed percentage of lottery revenue to be diverted into Olympic sports funding. The role of these lotteries could be reviewed subsequent to the Games and, if they are continued, non-Olympic sports should then be considered for funding from lottery revenue.

Recommendation 8

2.117 The Committee recommends that existing lottery agencies periodically conduct Olympic theme lotteries in the years leading up to the Games with an agreed percentage of lottery revenue to be diverted into Olympic sports funding.

Australian Sports and Industry Trade Fair

2.118 There have been a number of proposals for an expo or trade fair to be conducted in association with the Olympic Games. The concept of a commercial event coinciding with the Olympics to gain international attention for Australian industry is supported by the Committee. However, the 2000 World Expo host will be Hannover in Germany so any Australian event cannot be an official 'expo'.

2.119 The Committee has received evidence supporting the establishment of a Sports and Industry Trade Fair which would combine sporting events with a trade and industry 'expo'. A number of submissions have supported variations on this idea. However, the Committee believes that consideration should be given to holding this event in another capital city in the interest of spreading the benefits more widely. The Committee notes that such the holding of such a fair has been proposed for Melbourne. These issues should be considered by an appropriate ministerial council. The Committee considers either the Sport and Recreation Ministers' Council or the Industry, Technology and Regional Development Council could undertake this task.

Recommendation 9

2.120 The Committee recommends that an appropriate ministerial council consider the holding of an International Sports and Industry Trade Fair in 1999 in an Australian capital city.

MERCHANDISING

2.121 A number of submissions to the Committee commented on Olympic Games merchandising. There is a strong feeling in the community that merchandise associated with the Sydney Olympics should be Australian made. The NSW Labor Council submission states:

...all material, including souvenirs, equipment, uniforms, etc., associated with the Year 2000 Olympics should be made in Australia and, consequently, specific legislation should be developed and passed which ensures that this occurs. We understand that during the 1988 Seoul Olympics, the Government of Korea passed special legislation to ensure that any item that was used in Korea, or sold in Korea in relation to the Olympics, had to be made in that country. This experience should be investigated and adopted by the Australian Government in consultation with the New South Wales Government.¹²²

2.122 There may be problems in enforcing such legislation when necessary items are not produced in Australia. Problems may also occur with international Olympic "TOP" sponsorship arrangements (see page 48). In addition, restricting the licensing of Olympic products to Australian made items could have a detrimental effect on SOCOG's revenue and may also result in higher prices for some goods.

2.123 SOCOG is committed under the provisions of the SOCOG Act "to use its best endeavours to ensure that preference is given to the use of Australian goods, services and materials."¹²³ The Committee is satisfied that SOCOG will use its best endeavours to maximise Australian content in merchandising without needing the imposition of restrictive legislation. To enable SOCOG's efforts in this area to be evaluated interested parties should have access to a list of the companies and individuals given licences to use Sydney Olympic Games symbols and terms.

2.124 The availability of such details would provide additional incentive for SOCOG to ensure that the goal of maximising Australian involvement is being pursued.

Recommendation 10

2.125 The Committee recommends that interested parties should have access to a list of companies and individuals given licences to use Sydney Olympic Games symbols and terminology.

2.126 The Existing NSW Government procurement guidelines and local industry participation plan will help to maximise opportunities for local industry participation in Olympic projects (see page 60). When combined with SOCOG's commitment to using Australian goods, services and materials, and the recommendations in this report these initiatives will provide Australian companies with a regime which strongly encourages their involvement. Ultimately, however, the extent of this involvement will depend on Australian industry's ability and willingness to meet the inherent challenges of competing against the worlds best for contracts, licences et cetera.

2.127 In the long term, the high visibility of Australian made products at the Sydney Olympics could have a considerable positive effect on Australia's manufacturing image

122 Labor Council of NSW: Submission 44 p 2

123 SOCOG: Exhibit 26, p 4

overseas. Products should be developed and marketed which display quality and are also uniquely Australian. This approach was successfully adopted in Norway for the 1994 Winter Olympic Games at Lillehammer. Several Norwegian companies produced a range of high quality unique Olympic products which differed from traditional souvenirs. The result was a higher national profile for Norway and an agreement for access to the profitable North American market.¹²⁴

CULTURAL OLYMPIAD

2.128 A major part of the Sydney Olympic Games will be the cultural Olympiad. The concept of a cultural Olympiad derives from ancient Greece where sport, art religion and politics were together viewed as "manifestations of the harmoniously educated man"¹²⁵ Cultural programs have been included in modern Olympic Games since they began in 1896. These programs had developed by the Barcelona Games in 1992 into a cultural Olympiad consisting of a four year program of events leading up to the Olympic Games.

2.129 The Atlanta and Sydney Olympic Games will follow the example of Barcelona with each city staging four year cultural Olympiad's. The Sydney Cultural Olympiad, to be staged from 1997 to 2000 will consist of four distinct themes:

1997 will feature "The Dreaming", a celebration of the world's indigenous cultures, of which that of the Australian Aborigines is the oldest known.

In 1998, "A Sea Change" will focus on historic global movements of exploration and settlement, commemorating men and women as immigrants, explorers, adventurers or fugitives from war and suffering.

In 1999 "Reaching the World" will take the best work of Australia's creative artists and performers to other nations, taking with them messages of hope and goodwill and an invitation to the people of the world to come to Sydney to celebrate the 2000 Olympics.

The Cultural Olympiad concludes with the "Harbour of Life", a great festival of all nations, beginning on Friday 1 September (to coincide with the opening of the Olympic Village) and continuing until late October 2000.¹²⁶

2.130 The common theme of the Cultural Olympiad will be "hope and optimism", the possibility of human betterment in the millennium to come, building a better and peaceful world".¹²⁷

2.131 Cultural medals will be presented at the Sydney Olympics in the categories of theatre, dance, music, opera, visual arts, film, video, architecture and design.

124 Lillehammer Olympic Organising Committee: Exhibit 59 pp 10-11

125 SOCOG, Cultural Olympiad Information Kit, April 1995, p 1

126 *ibid.*, p 4

127 *ibid.*

2.132 The budget for the Cultural Olympiad is \$20 million. SOCOG has established a Cultural Committee chaired by Mr Donald McDonald AO, General Manager of the Australian Opera, to oversee the cultural component of the Games.

2.133 The Committee views the Cultural Olympiad as an exciting event which will present Australian culture and our artists and performers to the world. The promotion of this country's world renowned arts community in this way will provide a marvellous opportunity for Australia both culturally and economically.

CHAPTER 3

POSSIBLE IMPEDIMENTS TO THE DEVELOPMENT OF OPPORTUNITIES

FOCUS ON SYDNEY

3.1 State and territory governments outside NSW are concerned that the build up to the games and, in particular, infrastructure improvements in the host city will take funds that would otherwise have been distributed elsewhere in Australia. The Northern Territory Government's submission states:

With the focus on Sydney in the year 2000, there is also the probability that with the finite Commonwealth funds being available to assist the States and Territories, the requirement for the Commonwealth to channel funds to NSW to underpin the Games could deflect money which may otherwise have been available to develop northern Australia.¹²⁸

3.2 The fear that large quantities of additional Commonwealth funds will be required to underpin the Games is, in the opinion of the Committee, unfounded. Alan Hoskins of SOCOG addressed this issue in evidence given at a public hearing:

I am not aware that additional funding is even an issue at this stage. Because the SOCOG Games budget was prepared with such rigour, essentially was fully funded and remains so, as I understand it, particularly with the growth in and the strength of the media sales recently seen with the selling of the Atlanta TV rights. All of our forecasts - the IOC confirmed this recently - for media revenue and marketing revenue remain very conservative indeed.¹²⁹

3.3 Subsequent developments have confirmed early speculation that television rights fees are likely to exceed predictions. There is some doubt, however, about revenue from marketing and sponsorship meeting the budget target. The most likely scenario appears to be that any shortfall in marketing revenue will be compensated by revenue from television rights fees.

INFRASTRUCTURE

3.4 While the staging of the Games itself is unlikely to draw funding away from the rest of Australia, there will almost certainly be pressure for infrastructure improvements in Sydney beyond those proposed in association with the Games bid. The Olympic Games will provide a strong argument for people lobbying for improvements in facilities and infrastructure in Sydney.

3.5 The Committee is aware that Sydney's infrastructure is in need of improvement in certain areas, such as transport infrastructure and sporting facilities. Many of the problem areas are being addressed as part of existing building programs. Sydney's sporting facilities, for example, will be greatly improved by the Olympic Games construction program. Many of these sporting facilities will have the flexibility for a range of community uses. The aquatic centre provides a good example of this (see page 21).

3.6 There are a range of infrastructure projects which have been brought forward because of the Olympic Games. Some important projects such as the Glebe Island bridge and the third runway at Sydney airport are fully funded and nearing completion. Other undertakings, such as new Rivercats for the City/Homebush link and the Central Station/Pymont tram line are part of the Olympic Games requirements and must be funded. Large projects, such as the heavy rail link between Sydney airport and the city and the eastern distributor have been on and off the agenda for many years.

3.7 Finding a way to fund these large infrastructure projects has been a considerable challenge for government. With the extra urgency created by the Olympics, the pressure for additional Commonwealth funding will increase. Innovative solutions to the infrastructure challenges in Sydney are needed.

3.8 A range of innovative funding arrangements are now available for government for infrastructure development. In recent years the private sector has become more involved in this area. The advantage of this approach for government is that it allows for infrastructure development to be brought forward without increased budgetary pressures.

3.9 The former NSW Government established the Partnership 2000 scheme to promote private sector involvement in Olympic Games construction projects. This scheme will encourage private sector delivery of infrastructure where comparative analysis shows a greater net benefit to the community than would be the case with public sector development.¹³⁰ As part of evaluating participants in the scheme consideration will be given to the public interest, Olympic and post-Olympic uses of facilities, environment and land use planning and local industry participation. Limited contributions by the NSW Government will be considered on a case-by-case basis and, if no private sector participation can be attracted to a project, traditional public sector delivery processes will be adopted.¹³¹ The recently elected NSW Government has shown support for this concept. However, recent revelations about problems with raising sufficient revenue from a private sector developed Olympic Village have cast some doubt over the likely extent of private sector involvement in Olympic developments.

3.10 Private sector involvement in infrastructure has been the subject of a comprehensive inquiry by the Economic Planning Advisory Council (EPAC). The interim report of EPAC's Private Infrastructure Task Force was presented in May 1995.¹³² The EPAC report stresses

129 Hoskins, A: Transcript p 30

130 NSW Premier's Department, Office of Olympic Coordination: *Partnership 2000: An Opportunity for Private Sector Investment, Olympic Venues, Facilities & Villages*, August 1994, p. 12.

131 *ibid.*, pp 13-14.

132 EPAC: *Private Infrastructure Task Force: Interim Report*, May 1995.

the need to consider a range of issues before opting for a particular method of providing infrastructure:

Construction and operating risk, revenue risk and regulatory risk all need to be analysed and an assessment made whether public provision, contracting out, BOOT-type schemes or full privatisation best meet the particular risk characteristics of a project. Indeed unless the risk profile matches the form of provision, private sector involvement may represent a false economy.

In particular, where the public sector is better able to control or manage risk, and where the transactions or establishment costs are high, private sector equity involvement is unlikely to offer significant gains beyond those available from public provision with efficient contracting out.¹³³

3.11 The Task Force identified six areas where policy improvement is needed to maximise the economic and social benefit from infrastructure projects:

- Getting the planning framework right;
- allocating risk correctly;
- recognising social and environmental impacts;
- providing tax neutrality;
- seeking competitive providers; and
- ensuring responsive capital markets.¹³⁴

Transport

3.12 Transport issues associated with the Olympic Games are currently the subject of an inquiry by the House of Representatives Standing Committee on Transport, Communications and Infrastructure. The first report of this inquiry which covers "the adequacy of existing and planned aviation services and infrastructure",¹³⁵ identifies potential problems with domestic terminal capacity and the road system at Sydney Kingsford Smith Airport.¹³⁶ The Transport, Communications and Infrastructure Committee is undertaking further inquiries into land transport services and infrastructure and communications issues associated with the Olympic Games.

3.13 As there is a separate parliamentary inquiry underway, the Committee does not wish to pursue these issues in detail for this report. However, as inadequate transport arrangements are a major potential impediment to tourism and other industries hoping to benefit from the games, some comment is necessary.

3.14 The Committee notes the decision to proceed with the completion of the new Sydney West Airport at Badgery's Creek by the Year 2000. A fully operational Sydney West

133 *ibid.*, p 3

134 *ibid.*, pp 2-4

135 House of Representatives Standing Committee on Transport, Communications and Infrastructure: *Report of Inquiry into the Sydney 2000 Olympics - The adequacy of existing and planned aviation services and infrastructure*, November 1994

136 *ibid.*, pp 21-24.

Airport will provide the flexibility to cope with higher than projected levels of demand for aviation services.

3.15 A further issue is the transport links between Sydney, Brisbane and Melbourne. The awarding of the Olympic Games to Sydney has renewed speculation about the possibility of fast rail services between Australia's capital cities. The Victorian and ACT Governments are both (separately) pursuing fast train options.

3.16 The Committee believes that fast train services between Brisbane and Sydney and Melbourne and Sydney could reduce the pressure on Sydney's airport(s) as visitors will be able to fly into Melbourne and Brisbane and be only a few hours train ride from Sydney. However, the Olympic Games should not be the determining factor in proceeding with what are very expensive infrastructure projects as the Olympics generated traffic simply cannot justify this expenditure. However, if a decision is taken to proceed with fast train links on other grounds, the completion of these links prior to the 2000 Olympics would have considerable advantages.

3.17 The Sydney-Mascot heavy rail link is, in the Committee's opinion a particularly important project. It will considerably improve transport services to and from Australia's major arrival point for international visitors (Kingsford-Smith Airport). One benefit of its completion by the time of the Olympics would be a distinctly more favourable initial impression of Australia to visitors. This could translate into an increase in inbound tourism which would benefit the entire nation. Again the main justification for this infrastructure must be factors other than the Olympics, but once the decision has been taken to proceed, completion in time for the Games should be a priority.

LACK OF INFORMATION

Awarding of Contracts

3.18 Another aspect of the focus on Sydney and NSW flowing from the Olympics which has generated concern, is the possibility that the majority of contracts will be gained by firms based in the Sydney region. The Committee does not expect that there will be a deliberate bias against tenderers outside the immediate region, nor does it believe that the advantages of sourcing locally should be ignored when contracts are being awarded. Limited access to information to enable involvement in tendering on projects, sponsorship and the use of insignia, however, is a potential problem which would be felt most keenly in regions of Australia remote from where all the activity is taking place. The Queensland Government submission states:

It is important that industry across Australia is provided with a level playing field when competing for tenders associated with the supply of materials connected with the Games. In order to facilitate this, it would be appropriate for the New South Wales Government, in conjunction with the Australian Olympic Committee, to produce a special procurement manual, which does not discriminate against interstate suppliers with respect to purchases of materials for use in connection with the Games...it would be beneficial to establish a register of all potential materials of significant use either in the lead up to or in the conduct of the Games. This register should be distributed to the various appropriate national or State industry associations and made available to their members upon request. All contracts of a substantial nature should be advertised nationally.¹³⁷

3.19 The Australian Chamber of Manufactures is also concerned that information identifying requirements for all Games material and equipment should be made available to manufacturers to enable them to be alerted to the opportunities which may be open and to plan accordingly.¹³⁸ The Victorian Government also identifies the need for this sort of information to be made available.¹³⁹ Government has a clear role here to provide information to industry. Discussion of and recommendations on this issue are in Chapter 4 (see page 56)

3.20 The issue of awarding Olympic Games contracts needs clarification. The Committee is aware of the problems that can be encountered in this area from its recent inquiry into Commonwealth Government purchasing policies.¹⁴⁰ A major concern of the Committee is that the imperative to complete a major Olympic preparation program will adversely affect commitments to provide opportunities for Australian industry. Information is needed by Australia industry to enable maximum involvement and it should also be necessary for government to document the extent of Australian industry involvement in the Games. The NSW Industrial Supplies Office considered that an impediment to Australian industry involvement results from there being: "No well known and broad political or policy commitment to obtaining, documenting and auditing Australian industry involvement."¹⁴¹

3.21 It becomes very difficult to monitor the effectiveness or extent of implementation of a policy of maximising Australian industry involvement in the Games if no documentation is being kept on the level of this involvement. With the NSW Government and SOCOG focussed on the preparation for the Games, monitoring the level of Australian industry involvement may not be given a high priority. The pressure of public opinion following the release of documentation on Australian industry involvement will help to ensure that other imperatives are balanced against commitments in this area. The knowledge that this information is being collected would also encourage commitment to maximising Australian involvement. Procurement issues are examined further in Chapter 4 (see page 60).

137 Queensland Government: Submission 55 p 3

138 Australian Chamber of Manufactures: Submission 29 p 3

139 Victorian Government: Submission 63 pp 5-6

140 House of Representatives Standing Committee on Industry, Science and Technology: *Australian Government Purchasing Policies: Buying our Future*, First Report, , March 1994

141 NSW Industrial Supplies Office: Submission 68 p 2

Recommendation 11

3.22 The Committee recommends that, consistent with undertakings given by Governments at both State and Commonwealth levels, there should be information on the level of Australian industry involvement in the Sydney Olympic Games made available. Copies of the details of this involvement should be provided periodically to the NSW Parliamentary Committee with responsibility for the Olympic Games.

Olympic Symbols and Sponsorship

3.23 Information is also required in relation to Olympic sponsorship and the use of Olympic symbols. Olympic insignia protection was the subject of a recent inquiry by the Senate Legal and Constitutional References Committee. The *Cashing in on the Sydney Olympics* report which resulted from this inquiry makes a number of recommendations aimed at strengthening Commonwealth legislative protection for Olympic insignia and terminology.¹⁴² The Committee provides in principal support for the thrust of these recommendations, some of which are summarised below:

- additional measures be taken to secure commercial property rights for SOCOG;
- specific purpose legislative measures be introduced to facilitate SOCOG's ability to obtain urgent injunctions against contravention of commercial property rights;
- courts be able to require an offender to place corrective advertisements;
- a specified range of Olympic words, sounds and images be protected until 30 June 2001;
- designations lawfully used prior to the enactment of protective legislation should be provided with appropriately drafted exemptions but that these exemptions be lost if the marks are not used commercially for a period of six months to a year, and that exemptions only extend to goods in the same class as are currently being used;
- exemptions be extended to the dissemination of factual information which does not imply an official sponsorship connection where none exists;
- measures be taken to prevent the importation of goods which seek to ambush market the Olympic Games;
- the Olympic Insignia Protection Act be amended to extend protection to an expanded list of words as requested by the AOC, subject to appropriate exemptions for existing users; and
- SOCOG monitor applications for trade marks internationally to object to breaches of their rights.¹⁴³

142 Senate Legal and Constitutional References Committee: *Cashing in on the Sydney Olympics: Protecting the Sydney Olympic Games from Ambush Marketing*, Report, March 1995, pp 118-123

143 *ibid.*

3.24 The protection of Olympic symbols is critical because sponsorship rights for the Olympic games are worth many millions of dollars - a large part of the Games' budget. The international sponsors, under the "TOP" sponsorship program of the IOC, currently include Coca-Cola, Visa, Bausch/Lomb, Kodak and Matsushita/Panasonic. TOP sponsors will contribute an estimated \$US90 million to the Sydney Olympic Games' budget.¹⁴⁴ It is unlikely that any Australian companies will be able to afford sponsorship at this level. Australian companies will have the opportunity, however, to participate in the next level of sponsorship/marketing which will involve becoming an official supplier of product to the Games.¹⁴⁵ This is expected to bring in several hundred million dollars for the Games' budget. There is potential for problems in this area as Alan Hoskins explained to the Committee:

The IOC and the international sponsors take precedence. So if the IOC has already sold the rights internationally on a worldwide basis then those companies have the rights also for the same product category within Australia at the time of the Games. I guess down the track we will have to explain to Australian industry that those arrangements are in place. Our marketing plan is currently being developed to identify appropriate product categories and so on.¹⁴⁶

3.25 The Committee is concerned that TOP sponsorship arrangements, entered into unilaterally by the IOC (ie without SOCOG approval), could adversely affect SOCOG's revenue and even create problems for the organisation of the Sydney Games. A hypothetical example of the potential problem has the IOC granting TOP sponsorship rights for Sydney to a major foreign based international telecommunications corporation. Under normal TOP arrangements Telecom would then be precluded from becoming a local sponsor - a result which would cost SOCOG an estimated \$80 million in revenue, and also endanger much of the essential work which Telecom would normally provide for the organisation and staging of the Olympic Games, on a goodwill basis predicated upon sponsorship rights. Some of this work can only be undertaken by Telecom in Australia.

3.26 The above example is a hypothetical worst case and the Committee finds it difficult to believe that such a damaging situation for SOCOG would be allowed to occur by the IOC. SOCOG should take a proactive role in this situation to anticipate potential problem areas, such as telecommunications, so that these can be raised with the IOC at the earliest possible stage.

3.27 It is likely that SOCOG will seek a small number of high-value sponsors.¹⁴⁷ These companies will no doubt be well aware of the value of what they are purchasing and the associated restrictions. However, the existence of an information and referral point for people inquiring about the use of Olympic symbols and insignia and Olympic sponsorship remains important. This provides smaller businesses, who may be genuinely ignorant of the restrictions, an additional place to find information, and also provides larger businesses,

144 Hoskins A: Transcript p 13

145 *ibid.*

146 *ibid.*

147 *ibid.*

who may be contemplating ambush Olympic marketing, less justification to plead ignorance (see information services section, page 56).

3.28 Lack of information has the potential to adversely affect Australian industry's ability to maximise its involvement in the Sydney Olympic Games. Until recently, information on the Games was difficult to obtain. A number of agencies were responsible for different aspects of the planning and development for the Games but there was no single easily accessible point where businesses and individuals could obtain information. The former NSW Government established an "Olympic Business Information Service"(OBIS) in early

1995.¹⁴⁸ As part of the NSW Government Information Service OBIS will provide a database for interested companies to register with and receive regular information on the latest Olympic developments such as important dates, the tender process etc. There have also been a number of conferences and seminars on aspects of the Olympic Games and industry involvement.

3.29 The Committee commends these initiatives. The Committee is concerned, however, that businesses based outside Sydney/NSW may not have the same access to or awareness of OBIS and other NSW Government initiatives to provide information on the Olympics (see information services section, page 58).

LACK OF COORDINATION

3.30 Impediments may also arise because of the lack of a coordinated national response to the opportunities offered by the Olympics. A range of governments, businesses, groups and individuals will have an interest in pursuing opportunities generated by the Olympics. There is considerable potential for duplication of effort. In addition, the Committee is concerned that many good ideas could be lost without a proper forum for discussion and promotion.

3.31 The Committee has received some good suggestions during the course of this inquiry from a diverse range of sources. A number of these have resulted in recommendations for Government action. This inquiry has, however, been held at the very beginning of preparation for the Olympics, and, despite having been advertised widely, has identified only a small sample of the likely opportunities offered by the Sydney Olympic Games. As the preparation for the Games continues, many more possibilities will emerge. What is needed is a body to identify, foster and promote Olympic opportunities on an ongoing basis. The NSW Government's Olympic Business Roundtable has the potential to provide coordination for industry and also a forum for promotion and discussion of ideas (see page 55).

Duplication of Effort

3.32 Duplication of effort is another potential problem. Similar programs undertaken by different governments, or even different departments within the same government, have the potential to cause confusion and inefficiency. They are likely to be far less effective than programs coordinated between governments and industry groups under a strategic framework.

3.33 KPMG Peat Marwick (which undertook the economic impact study for the Sydney Olympic bid) commented on the need for information and coordination:

Equally the Australian private sector needs to become strategic in its thinking and coordinated in its approach to maximise the potential benefits flowing to it, and through it, to the community at large. KPMG has been approached by a number of corporations looking to use our Economic Impact Study as a starting point for strategically positioning themselves to maximise the spin-offs from the Games. This needs to be encouraged but, currently, there is a lack of information about the potential impacts and a lack of co-ordination at a national level to help Australia take advantage of the opportunity offered to it.¹⁴⁹

3.34 The recent NSW Government initiative of an Olympic Business Roundtable would provide a focus for discussion of these issues. The Committee's vision for the Roundtable's role in this area is discussed in chapter 4 (see page 55).

MEETING SKILL REQUIREMENTS

Skill Shortages

3.35 KPMG Peat Marwick has estimated that approximately 156,000 jobs will be created by the Sydney Olympic Games.¹⁵⁰ What is not clear is how many of these jobs will be filled by Australians. It will be inevitable that skill shortages will occur in certain areas, and that people will be brought in from overseas to undertake certain highly skilled tasks. In relation to broadcasting for example:

...in the end, the host broadcaster [will] include something like 3,000 people. We do not have 3,000 people who we could put into host broadcasting in this country....A lot of these people will come from overseas.¹⁵¹

3.36 It is conceivable that enough people could be trained between now and the Year 2000 to take up many of these broadcasting positions; however, after the Olympic Games are over, there would be an oversupply of people in broadcasting. A number would be able to find work overseas, something that has some benefits for Australia if these people gain a good reputation in their field. Unfortunately though, most would not find employment using their broadcasting skills. A balance needs to be found between maximising employment opportunities for Australians from the Olympics and being realistic about not training people for jobs which will only exist for a short period. This will vary from industry to industry.

149 KPMG Peat Marwick: Submission 33 p 2

150 *Sydney Olympics 2000: Economic Impact Study*, Volume 1, KPMG Peat Marwick in association with the Centre for South Australian Economic Studies, May 1993, p 3

151 Hitchen, E: Transcript pp 108, 116

Language Skills

3.37 Unprecedented levels of language skills will be required for the Olympic Games because of the large number of visitors from non-English speaking countries. The National Languages and Literacy Institute commented:

On the positive side, the Olympic bid has already highlighted the diverse language skills and cultural understanding available in Sydney and throughout Australia, thanks to post-War migration. However, a detailed study of how these skills can best be turned to Australia's advantage needs to be conducted if this skills base is to be put to use and not to remain notional.¹⁵²

3.38 The KPMG Peat Marwick economic impact study prepared for the Sydney Olympic Bid predicted that generally there will be sufficient skilled labour to meet the demands created by the Olympic Games. The possibility of some skill shortages, however, was acknowledged:

It is our view that...there will be sufficient labour supply in NSW and/or Australia to meet the needs associated with staging the Olympics. However, we cannot discount the possibility of selected occupations being in short supply....¹⁵³

Employment and Skills Study

3.39 The Committee supports the needs for a detailed study of the skills needed not only in the area of languages but in all aspects of the Games. The development of language skills for the Olympics would have long term advantages for the inbound tourism industry in particular. An employment study focussing on the Olympic Games is being planned by the Department of Employment, Education and Training. The Department cautioned the Committee, however, about the usefulness of information gained from a study such as the one proposed:

I think it is important to appreciate, though, that such a modelling approach can only provide a broad implication for what the likely employment effects will be in the future.¹⁵⁴

3.40 The study would only be a starting point. To maximise the employment opportunities offered by the Olympic Games will require constant attention and liaison with industry sectors. The Committee is concerned that the employment study has not yet commenced and has no definite date for commencement. Given that the study will take some time,¹⁵⁵ the Committee believes that it should commence immediately.

152 The National Languages and Literacy Institute of Australia: Submission 5 p 3

153 KPMG Peat Marwick., Op cit., p 28

154 Andrews, L: Transcript p 258

155 *ibid.*

Volunteers

3.41 An estimated 35,000 volunteers will be needed for the Sydney Olympic Games.¹⁵⁶ *These people will be asked to undertake a range of duties, mostly associated with assisting visitors.* The method of recruitment and training of these volunteers and the full range of duties to be undertaken has not yet been finalised.

3.42 The use of volunteers is essential for the successful staging of the Games and was a feature of several recent Olympics. Already 100,000 people have expressed an interest in becoming a volunteer for the 2000 Games. Volunteers will benefit from the experience through gaining skills and working on a unique event.

3.43 The Committee believes that, while it may be too early to begin organising and training volunteers, there needs to be more detail made available about what these people will be doing, so as to ensure that employment opportunities are not being lost and training needs can be addressed.

Recommendations 12 and 13

3.44 The Committee recommends that:

- **following consultation with SOCOG and industry, a study be undertaken by the Department of Employment, Education and Training, to determine the employment skills needs arising from the hosting of the Olympic Games; and**
- **SOCOG provide projections concerning the need for volunteer assistance for the staging of the Sydney Olympic Games.**

CHAPTER 4

THE ROLE OF GOVERNMENT

4.1 The major task for the Committee from this inquiry is to consider what role government should play in the Olympic Games. The Sydney Games themselves are a partnership between the private and government sectors. Most of the development associated with the Games will be undertaken by the private sector, but the NSW Government is underwriting the Olympics, and both the NSW and Commonwealth Governments have provided funding.

4.2 Apart from the direct involvement in the funding and underwriting of the Olympics the Committee has identified four areas where government involvement in the Olympics is either essential or desirable:

- coordination;
- promotion of ideas and discussion with and within industry;
- the provision of information services; and
- procurement.

4.3 In relation to the first of these the establishment of the Olympic Coordination Authority (OCA) within NSW is a positive development which is supported by the Committee. The previous situation of a number of different departments having responsibility for parts of the Olympics made little sense on efficiency grounds and presented businesses with a complex and confusing bureaucratic structure to deal with.

4.4 The Committee believes that coordination of efforts to maximise opportunities for industry would also be beneficial. Some industries, such as tourism, are working well in this regard. However, the States are pursuing their own agendas independently in relation to Olympic opportunities. Many States have opened offices in Sydney and have established offices and agencies in an effort to capitalise on Olympic benefits. This competition between States may be viewed by some as healthy, but it has a potential downside involving duplication of effort and mixed messages being sent out. Bickering between state governments over the Olympics would not assist industry. To a large extent this is unavoidable under Australia's federal system and Commonwealth Government action to attempt to coordinate activities in this area would most likely result in resentment and reduced cooperation.

4.5 Without general support a national coordinated response to Olympic opportunities would be impossible. Despite this, the Committee believes that industry has a right to expect that all levels of government will be working together on the Olympics.

OLYMPIC BUSINESS ROUNDTABLE

4.6 The Committee believes that improved coordination of responses to Olympic opportunities will be better served by greater industry involvement in this process. To this end the Committee strongly endorses the decision of the recently elected Carr Government in

NSW to proceed with the proposal of its predecessor for the establishment of an Olympic Business Roundtable.

4.7 The original roundtable proposal included industry and government representatives and was designed to consider how NSW can best take advantage of business opportunities presented by the staging of the Olympic Games in Sydney. The Committee believes that, while remaining in NSW, the role of the Olympic Business Roundtable should be extended to focus on national opportunities. Its membership should include business-people of national significance, some of whom are based outside NSW, and should also have input at the Commonwealth level through the inclusion of an ISONET representative (see ISONET section below).

4.8 The refocussing of the Business Roundtable proposal will enable industry, in partnership with government, to provide advice on the best means of coordinating efforts to maximise the benefit from the Olympics. This body would also provide a forum for the promotion of ideas and discussion with and within industry about Olympic opportunities. The Australian Sports Commission notes in its submission to the Committee that the South Korean Government formed a similar body to the Olympic Business Roundtable prior to the Seoul Olympics and that a permanent body along these lines also exists in Germany.¹⁵⁷

Recommendation 14

4.9 The Committee recommends that the NSW Government consider extending the role of the Olympic Business Roundtable to encompass a national focus and include in its membership prominent business people based outside NSW and a representative of the newly established national ISONET.

INFORMATION SERVICES

4.10 An area in which the Committee believes there is considerable scope for government action to assist industry to capitalise on Olympic opportunities is the provision of information services. In Australia in 1995 a new information era is rapidly emerging. The consolidation and widespread transmission of large volumes of information on a previously inconceivable scale is becoming commonplace. Increased access to computers and to networks such as the Internet, combined with an increasingly computer-literate society, are creating opportunities for government to disseminate information to more people and to target this information more accurately.

4.11 In the context of the Olympic Games, this means that government can provide industry with more accurate, up-to-date and better targeted information on Olympic developments and other relevant information about industry assistance programs et cetera. To this stage, in relation to the Olympic Games, very little has been done in this area. However, a number of information services initiatives at State and Commonwealth levels have potential application in

the Olympic context. Action is required to link these initiatives to provide industry with the best possible access to all relevant information.

Olympic Business Information Service (OBIS)

4.12 The NSW Government established the Olympic Business Information Service (OBIS) in February 1995. The purpose of OBIS is to provide a comprehensive public information service on Olympic games product and service requirements. Businesses which register with the OBIS database receive a regular update on Olympic developments. OBIS is an extension of the existing NSW Government Information Service¹⁵⁸. Prior to the establishment of OBIS the provision of information on Olympic developments was rather ad hoc and, in the opinion of the Committee, below what the community is entitled to expect from the organisers of such an important event. Since OBIS is only a recent initiative it is not possible to make any judgment of its success. However, it can definitely be considered a step in the right direction.

BizLink

4.13 The Commonwealth Government's AusIndustry initiatives, in particular, could be of considerable assistance to industry in the context of the Sydney Olympics. AusIndustry was the Government's response to the message that the delivery and quality of government programs was inadequate as they were too complex and often difficult to access. AusIndustry complements other existing business programs by offering a single gateway for referral services about industry improvement programs.

4.14 A key part of AusIndustry is the BizLink program which provides businesses with information on the complete suite of Federal, State and Local business support programs. The first initiative of BizLink is an information database (BizHelp) delivered through computer technology. This offers the opportunity for business service providers such as banks or accountants to obtain up-to-date information for clients. BizHelp, which is distributed on computer diskette, is updated quarterly. Around 1400 copies of BizHelp have been distributed so far to government agencies at Commonwealth, State and Territory and local level, Federal MPs, industry and business associations, accountants, lawyers, banks and other business advisers.

4.15 Future BizLink projects include a module focussing on business assistance services and chambers of commerce and a module to provide a directory of small business training resources.

4.16 The Committee believes that the BizHelp database and other BizLink initiatives would be useful tools for businesses seeking involvement in the Olympic Games to find out what relevant assistance programs are available and to provide a contact for pursuing involvement in these programs.

ISONET

4.17 The state based Industrial Supplies Offices are an initiative funded by Commonwealth and State governments which focus primarily on promoting import replacement and retention of manufacturing opportunities in Australia. The Industrial Supplies Offices' (ISOs) main role is to maximise the local content in Government and industry purchases by identifying local industry capabilities.

4.18 The ISOs have been very successful, largely because they are staffed by people with appropriate technical skills. ISO officers are likely to be aware not only of what is currently manufactured, but also general industry capability to produce a new or modified good or service. Recently a national organisation called ISONET was established. ISONET will enable better communication between the state ISOs. A planned early initiative of ISONET is the development of a national industry capability database. This database will enable better access to ISO consultants across the country.

4.19 The Committee strongly supports ISO involvement in the Olympic Games. The NSW Government is involving the NSW ISO in Olympic Projects (see Application of procurement policy below). The involvement of ISONET would assist with the identification of industry capability nationwide.

Electronic Commerce

4.20 In April 1995 the Commonwealth Government announced its policy for the implementation of electronic commerce.¹⁵⁹ Electronic commerce is a general descriptive term for the electronic exchange of information for the conduct of business and administration. By 1997 the Commonwealth plans to have electronic commerce for purchasing implemented. This will involve all Commonwealth Government departments committing to a whole of government approach in adopting electronic data interchange, electronic mail, facsimile transfer, continuous acquisition and life cycle support and electronic catalogue and directory systems.¹⁶⁰

4.21 An important part of the Government's policy is the Government Electronic Marketplace Service (GEMS). GEMS will provide on-line information on Government purchasing through the Internet's World Wide Web. Ultimately this service is intended to include: advertisement of bid opportunities; the distribution of bid documents and information on contracts awarded and purchases; supplier profiles; procurement guidelines; standard contract clauses; a secure electronic tender box and a monitoring and statistics gathering facility.¹⁶¹ These services will be phased in from 1996 onwards.

4.22 The Olympic Games offer an opportunity to pioneer many of the elements of electronic commerce on a manageable scale. A form of electronic commerce for the Games construction

159 Commonwealth of Australia, *Electronic Commerce: Commonwealth Government Statement of Direction*, AGPS, April 1995.

160 *ibid.*, pp 2-3

161 Le Fevre, L, *The Commonwealth's Intentions for Electronic Commerce in Purchasing*, presentation, 11 May 1995.

program has been proposed to the Committee in the form of Construction Information Science and Technology (CIST) (see page 21). While a full electronic commerce system would have benefits in the Olympic Games context, particularly as a technological showcase, the Committee accepts that even five years out from the Games, there may not be time to fully develop such embryonic concepts. At the very least, however, the information services aspects of electronic commerce should be adopted. Further developments could be considered as electronic commerce is developed generally by the NSW and Commonwealth Governments, where, if appropriate, the Olympic Games could be the pilot project for these initiatives.

Recommendation 15

4.23 The Committee recommends that an electronic commerce system be developed for the Olympic Games at least to the level of provision of information, with the expansion of the system to be undertaken in stages as electronic commerce is further developed by the NSW and Commonwealth Governments.

One Stop Shop

4.24 The key to maximising the potential of the information services described above is providing a link between them. An appropriate place to focus all these services is OBIS. When businesses approach OBIS for information on the Olympics, perusal of the BizHelp database at the same time could identify appropriate assistance programs for their area of interest. As well as providing these databases on diskettes an on line service should be developed linking the OBIS database, Bizhelp and a range of electronic commerce services as they become available. This service could then be made available through government information service offices in the states and territories and relevant Commonwealth Government shopfronts. Industry and business associations could also set up Olympic information offices using the on-line service.

4.25 OBIS and other offices offering Olympic information services around the country would become "One Stop Shops" for the Olympic Games. Anyone with an interest in exploring business opportunities from the Olympics would have access to relevant up to date information, at numerous sites across the country, or from directly connecting to the on-line service. There are no practical impediments to the development of Olympic one stop shops and on-line services. Given the interest in the Games, a solid customer base for this service would be assured. The key to the success of these information services is strong commitment from the State and Commonwealth Governments and SOCOG. A high priority must be given to getting these services implemented.

4.26 A strong link should also be created between the one-stop-shops and the ISONET. Where shop fronts are established, ISO referrals could be made by staff. The on-line service, utilising BizHelp would provide information on the ISOs for interested parties.

*Recommendation 16***4.27 The Committee recommends that:**

- **an on-line Olympic information service be established linking OBIS, Bizhelp and relevant electronic commerce services as they become available;**
- **Olympic Games one stop shops be established across Australia, utilising the on-line service through government information offices such as OBIS in NSW and industry and business associations;**
- **the one stop shops and on-line service be referral points for businesses to the Industrial Supplies Offices.**

APPLICATION OF PROCUREMENT POLICY

4.28 NSW Government Procurement and Disposal Guidelines state that "policy in relation to preference for Australian and New Zealand products will be applied"¹⁶² The SOCOG Act specifies a primary objective of the organising committee as being: "to use its best endeavours to ensure that preference is given to the use of Australian goods, services and materials."¹⁶³ It is clear that both major organisations involved in procurement for the Sydney Olympic Games have a stated commitment to source products, services and materials from within Australia.

4.29 The NSW Government Procurement and Disposal Guidelines¹⁶⁴ emphasise the importance of:

- value for money, taking into account quality, reliability, timeliness, service, initial and ongoing costs, and policy in relation to preference for Australian and New Zealand products;
- purchasing staff possessing skill and knowledge, acting with impartiality, fairness, and honesty and complying with the law;
- bidders acting lawfully and honestly;
- opportunities to bid or pre-qualify to bid not being unduly restricted; and
- proper accounting and audit procedures being followed to ensure that procurement and disposal decisions can match and are seen to match expectations.¹⁶⁵

4.30 NSW Government preference policy in relation to Australian and New Zealand products includes the application of a 20% surcharge on foreign products (New Zealand is treated the

162 NSW Government: Exhibit 65, p 10

163 SOCOG: Exhibit 26, p 4

164 NSW Government: Exhibit 65

165 *ibid*, pp 10-11.

same as Australia under the policy)¹⁶⁶. Preference surcharges were abolished in Commonwealth procurement several years ago. However, while there may be some debate about the economic merits of these surcharges, in the context of the Olympic Games, they provide a definite advantage to Australian industry.

4.31 The NSW Government preference policy applies to the \$1.8 billion Olympic Games construction program. SOCOG's procurement budget is considerably smaller than that of the NSW Government in relation to the Games. While the organising committee is not bound to impose a preference surcharge, it is compelled under the SOCOG Act to give preference to Australian products.

4.32 Despite strong preference policies, staging an event of the size and profile of the Olympic Games will mean that, due to considerations such as value for money and availability of expertise and resources, some contracts will inevitably be awarded to overseas companies. To further maximise the benefit to Australian industry from the Sydney Olympics the incorporation of industry development criteria in tender assessment is needed.

4.33 The NSW Government in its invitation and calls for proposals for Olympic projects has required the inclusion of local industry participation plans with proposals:

Local industry participation refers to all those activities undertaken in Australia (and New Zealand) relating to the development, design, construction and management of the facility. It includes all those activities which the proposer undertakes as well as those it contracts out to other parties either directly or indirectly related to the project.¹⁶⁷

4.34 Proposers are required to describe in their local industry participation plan how they intend to identify and maximise opportunities for local industry participation. Consultation with the NSW ISO is encouraged in developing plans. The plans are expected to contain the following:

- a statement on how the plan meets the requirement of maximising opportunities for local industry participation
- advice on how actions outlined in the plan fit into the proposers global/regional strategy and the potential impact on future investment in the region;
- arrangements for consultation with industry to identify local capability and provide information;
- arrangements for the identification of potential uses for local proven and new technologies which can be showcased;
- description of existing arrangements with government, suppliers and industry development agreements and how these will be developed;
- organisational arrangements which will alert people involved in the project to the need to maximise local industry participation;
- a description of investment or other projects which would proceed as a result of the proposal being successful (eg establishment of regional headquarters);

166 *ibid.*, p 44

167 NSW Government: Exhibit 76, p 1

- arrangements for managing requirements and performance monitoring; and
- elements of the plan which the proposer wishes to negotiate as specific items in an agreement.¹⁶⁸

4.35 The guidelines for local industry participation plans outlined above are very similar to those for industry impact statements now required by the Commonwealth Government for relevant purchases over \$10 million. The only major difference which the Committee believes would improve the NSW guidelines is the inclusion of a statement on involvement of small to medium enterprises (SMEs). These are firms in the manufacturing sector with an annual turnover of less than \$20 million and less than 50 employees. Commonwealth guidelines emphasise the need: "to take account of the types of activities undertaken by SMEs and downstream benefits that could be provided to SMEs through participation in the project."¹⁶⁹

4.36 The proposals in local industry participation plans will be evaluated according to their: content and comprehensiveness; feasibility; cost effectiveness; level of economic impact; commitment; and contractibility.¹⁷⁰

4.37 It is not clear how local industry participation plans will be evaluated against technical and pricing aspects of a proposal. The Committee believes that the method recently adopted by the Commonwealth Government of "two-envelope" tendering should be applied. Bidders are required to submit offers in two envelopes. One envelope containing details of how the tender meets functional specifications as well as contractual and pricing details, and the other including ANZ industry development proposals.¹⁷¹ Both envelopes may be evaluated by one committee, or two separate evaluation teams can be established. The Department of Industry, Science and Technology must be involved in evaluating the industry development envelope.¹⁷² A similar approach should be considered by the NSW Government for Olympic projects.

Recommendation 17

4.38 The Committee recommends that the NSW Government consider the inclusion of SME development criteria in its local industry participation plans for Olympic projects, and the adoption of a two envelope approach for evaluating these plans, similar to that used by the Commonwealth Government.

4.39 In addition the NSW Government is considering a program to "promote and showcase Australian technologies in Olympic projects"¹⁷³. This program would aim to: provide advice on proven local technologies with showcase potential; approve funding for the trialing of local

168 *ibid.*, pp 1-2

169 Purchasing Australia, Commonwealth Department of Administrative Services, Commonwealth Procurement Circular CPC 95/2: Industry impact statements and two envelope tendering, p 10

170 NSW Government: Exhibit 76, pp 3-4.

171 Purchasing Australia, Commonwealth Department of Administrative Services, Commonwealth Procurement Circular CPC 95/2: Industry impact statements and two envelope tendering, p 5

172 *ibid.*, p 6

173 NSW Government: Exhibit 76, p 3

technologies; and strengthen links between technology developers, government and project managers.

4.40 The Committee is satisfied that the procurement policies of the NSW Government and SOCOG will maximise opportunities for Australian industry involvement in the Games. The only major practical improvements would be the extension of electronic commerce services, which are already available in NSW for common user contracts, the inclusion of a statement on SMEs in the guidelines for local industry participation plans, and the adoption of two envelope tendering procedures.

Hon. Alan Griffiths, MP
Chair
June 1995

APPENDIX I

CONDUCT OF THE INQUIRY

On 7 October 1993 the then Minister for the Environment, Sport and Territories, the Hon. Ros Kelly MP, requested the Industry Science and Technology Committee to inquire into and provide advice on: the implications for Australian industry arising from the staging of the Olympics in the year 2000; impediments to the development of these opportunities; and appropriate action which the Commonwealth might take to maximise the benefits to Australia from these opportunities.

The Committee advertised the inquiry nationally in major metropolitan newspapers. In addition, submissions were sought directly from relevant Commonwealth Government Ministers, State governments and industry.

The Committee has received 69 submissions (not including supplementary submissions) which are listed at Appendix II. In addition the Committee has received 97 exhibits are listed at Appendix IV.

Five public hearings were held in Sydney, Melbourne and Canberra. Thirty-four witnesses appeared before the Committee and over 300 pages of evidence was recorded. The witnesses are listed in Appendix III. The transcript of all the evidence is available for inspection at the Committee Office of the House of Representatives and at the National Library of Australia.

APPENDIX II

LIST OF SUBMISSIONS

S N	DATE	PERSON OR ORGANISATION
1.	19/10/93	Mr John R Le Mare Proprietor Aladdin's Inbound
2.	17/10/93	Ms Val Dolan 26 Morandoo Ave MOUNT KEIRA NSW 2500
3.	19/10/93	Mr Max Mueller
3.1	25/10/93	Supplementary submission
3.2	01/11/93	Supplementary submission
3.3	06/11/93	Supplementary submission
4.	20/10/93	Mr K N Dunstan Manager Tourism Techniques
5.	18/10/93	Mr Joseph Lo Bianco Director The National Languages & Literacy Institute of Australia Ltd
6.	25/10/93	Mr Harry Johnson Kingfisher Centre
7.	20/10/93	Mr W E Filler Managing Director Crush Pacific Industries

SUBMISSION NO	DATE	PERSON OR ORGANISATION
8.	22/10/93	Mr Eberhard Bendix
9.	18/10/93	Mr Justin McDonnell
10.	21/10/93	S. Paul Akon
11.	17/11/93	Ms Judy Hines A/g Assistant Secretary Industry and Services Policy Dept. of Industry, Science & Technology
12.	16/11/93	Ms Lorrie Faust Feedertube
13.	14/11/93	Ms Kate Bowler Peter Isaacson Publications Pty Ltd
14.	22/11/93	Mr Greg Chambers Vice President Exhibition Industry Association of Australia
15.	25/11/93	Dr David Mills International Solar Energy Society
16.	25/11/93	Mr A Dulex Special Projects Manager Siemens Ltd
17.	23/11/93	Mr David Shilbury Senior Lecturer Faculty of Management Bowater School of Management and Marketing
18.	23/11/93	Mr Bob Welch Executive Director Western Australian Sports Federation

SUBMISSION No	DATE	PERSON OR ORGANISATION
19.	25/11/93	Mr Mark Shepherd Executive Director Australian Society of Sport Administrators
20.	22/11/93	Mr David G Taylor Chief Executive State Chamber of Commerce
21.	25/11/93	Mr John Odgers Craft Australia
22.	25/11/93	Dr Andrew Johnson Signature Mouthguards Pty Ltd
23.	26/11/93	Mr N R Abei 7 Corang Crescent Ferry Hills Qld
24.	26/11/93	Mr Alan Chenoweth President Australian Institute of Landscape Architects National Office
25.	25/11/93	Mr Peter Vulcan Director Monash University
26.	26/11/93	Mr Godfrey Santer Australia Tourist Commission
27.	26/11/93	Dr Neil Leiper Centre for Tourism Faculty of Resource Science and Management Southern Cross University
27.1	26/07/94	Dr Neil Leiper Supplementary Submission

SUBMISSION NO	DATE	PERSON OR ORGANISATION
28.	26/11/93	Mr Hamish MacLennan, Associate Professor of Building & Gerard de Valence Lecturer School of Building Studies University of Technology Sydney
29.	26/11/93	Mr Allan Handberg National Chief Executive Australian Chamber of Manufactures
30.	28/11/93	Mr Tom Worthington Director Community Affairs Board Australian Computer Society Inc
31.	26/11/93	Ass. Prof. Gary Prosser The University of New England
32.	24/11/93	Dr Alan D Roberts Associate Professor Centre for Sports Studies University of Canberra
33.	25/11/93	Mr R J Lumley KPMG Peat Marwick Management Consultants
34.	25/11/93	Mr Robert W. Lutton Shortland Branch ALP
35.	25/11/93	Mr R M Scholefield The Australian Council for Health, Physical Education and Recreation Inc. (ACHPER)
36.	24/11/93	Mr Brian Holliday Meetings Industry Assoc. of Australia National Council

SUBMISSION No	DATE	PERSON OR ORGANISATION
37.	26/11/93	Mr Mark McElligott Australian College of Sports Education
38.	29/11/93	Mr Peter Mathieson Australian Stainless Steel Development Association
39.	25/11/93	<u>CONFIDENTIAL SUBMISSION</u>
40.	23/11/93	Dr Kunwar Raj Singh Tourism Development Consultant
41.	30/11/93	Ms Karla Bell Greenpeace Australia National Office
42.	30/11/93	Mr Peter Fitchett National Liaison Delegate Australian Leisure Institute
43.	CANCELLED	
44.	29/11/93	Mr Peter Sams Assistant Secretary Labor Council of NSW
45.	01/12/93	Ms Anne Marie Harrison Chief Executive Officer Sports Federation of Victoria Incorporated (Vicsport)
46.	20/12/93	Mr R M Barton Federation of Australian Commercial Television Stations (FACTS)
47	03/12/93	Mr J R Holmes Corporate Secretary Telecom Australia

SUBMISSION No	DATE	PERSON OR ORGANISATION
47.1	10/08/94	Supplementary Submission
48.	24/11/93	Mr D Volker Secretary Department of Employment Education and Training
49.	07/12/93	Mr Ian Fayman Managing Director Australian Dyeing Company
50.	01/12/93	Mr Robert Dykes AUSFAC Australian Sport & Recreation Facilities Advisory Committee
51.	09/12/93	Mr C Conybeare Secretary Department of Immigration and Ethnic Affairs
52.	23/12/93	Mr G H Homer
53.	24/12/93	Mr Tom Forgan Project Director The Australian Technology Park Sydney Limited
53.1	03/08/94	Supplementary Submission
54.	31/12/93	Ms Robyn Kruk Acting Director-General The Cabinet Office New South Wales
55.	24/12/93	Mr Ross Willims Acting Director-General Office of the Cabinet Queensland

SUBMISSION No	DATE	PERSON OR ORGANISATION
56.	19/01/94	Mr Peter Conran Department of the Chief Minister Northern Territory
57.	25/01/94	Ms Fiona MacDonald Dimension Graphics P/L
58.	01/02/94	Mr Dene Moore Confederation of Australian Sport Inc
59.	02/03/94	Ms Helen Williams Secretary Department of Tourism
60.	16/03/94	Mrs Jean Lumsden M S 264 22 Childers Road / BUNDABERG QLD 4670
61.	29/03/94	Mr Neville Stevens Secretary Department of Communications and the Arts
62.	12/04/94	Mr J A Ferguson Executive Director Australian Sports Commission
62.1	13/05/94	Mr S Arnaudon Director Sports Development & Policy Australian Sports Commission
63.	12/04/94	K P Baxter Secretary Department of the Premier & Cabinet
63.1	29/08/94	Supplementary Submission from Dept of Business & Employment

SUBMISSION NO	DATE	PERSON OR ORGANISATION
64.	13/04/94	Mr G Dempster Executive Director Department of the Environment Sport and Territories
65.	26/04/94	Mr Peter O'Clery Chief Executive Australian Tourism Association
66.	24/06/94	Mr Stephen Baker MP Acting Premier SOUTH AUSTRALIA
67.	25/07/94	Hon Ray Groom Premier TASMANIA
68.	30/08/94	Mr Jeff Moran Senior Consultant NSW Industrial Supplies Office Ltd PO Box 504 Drummoyne NSW 2047
69	24/05/95	Mr Peter Barda Chief Executive Officer Construction Industry Development Agency GPO Box 5047 SYDNEY NSW 2001

APPENDIX III

LIST OF HEARINGS AND WITNESSES

Sydney, 3 August 1994

Sydney Organising Committee for the Olympic Games

Mr A Hoskins, Manager, Logistics

Sydney University of Technology

Mr G de Valence, Lecturer

Labor Council of NSW

Mr P Sams, Secretary

NSW State Chamber of Commerce

Mr B Alchin, President

Mr S Saunders, Small Business and Professions Manager

Australian Technology Park Sydney Limited

Mr T Forgan, Project Director

Mr N Yeates, Consultant

Sydney, 4 August 1994

Federation of Australian Commercial Television Stations (FACTS)

Mr R Barton, Deputy General Manager

Mr E Hitchen, Engineering Consultant

Australian Tourist Commission

Mr J Hutchison, Managing Director

Ms C Hancock, General Manager, Operations

Meetings Industry Association of Australia

Mr B Holliday, Chairman, National Council

Mr C Hoskinson, President, NSW Branch

Ms J Bazell

Greenpeace

Ms Karla Bell, Olympic Coordinator and Consultant

International Solar Energy Society

Dr D Mills, Vice-President

Melbourne, 10 August 1994

Victorian Department of Business and Employment

Mr F Unger

Sports Federation of Victoria Inc. (Vicsport)
Ms A Harrison, Chief Executive Officer
Mr L Tighe, Board Member

Telecom Australia
Mr D Denton, General Manager
Mr J Hunter, Manager, Sydney 2000 Olympics

Canberra, 31 August 1994

Australian Sports Commission
Mr S Arnaudon, Director, Sports Development and Policy
Ms C Steffen, Senior Sports Consultant

Department of Employment, Education and Training
Mr B Preiss, Deputy-Secretary
Ms L Hale, First Assistant Secretary, Employer and Industry Programs
Division
Mr L Andrews, Director, Education and Training Analysis Section
Mr F Rouse, Director, NSW Business Centre

Department of the Environment, Sport and Territories
Mr G Dempster, Executive Director, Office of Sport and Recreation
Ms D Gayler, Assistant Secretary, Environment Protection Partnerships
Branch, Environment Protection Agency
Mr B Rowe, Director, Policy Development and Research, Office of Sport and
Recreation

Canberra, 1 September 1994

Department of Industry, Science and Technology
Mr J McLucas, Assistant Secretary, Services and Small Business Policy Branch

Department of Tourism
Mr R Spurr, Acting First Assistant Secretary, Tourism Division
Ms J Harrison, Assistant Secretary, International and Industry Development
Mr B Jones, Director, Bureau of Tourism Research

APPENDIX IV

LIST OF EXHIBITS

Exhibit Title/Document

No

1. Correspondence from Mr Harry Johnson, Kingfisher Centre, Zillmere Qld relating to an Olympic Games stamp competition.
2. T-Shirts find their place in the sun, article in New Scientist Magazine, 28 August 1993, page 19.
3. "The Aspley Recycler", publication of the Kingfisher Centre, Zillmere Qld.
4. Industry Commission, Report No. 6 of 1991, chapter on waste management and recycling, pages 53-54.
5. Correspondence and press clippings from Mr M Mueller, Albury NSW
6. *Australian Leisure*, official publication of the Australian Leisure Institute, Vol. 4— June 1993 No. 3, September 1993
7. *Welcome to Australia: the continent of contrasts*, publication of Australian Forms Advertising, attachment to submission No. 39 (in confidence)
8. Monash University Accident Research Centre, annual report 1992
9. *Environmental Guidelines for the Summer Olympic Games*, Environment Committee, Sydney Olympics 2000 Bid Ltd.
10. *Energy in the Olympic Village*, Greenpeace briefing paper
11. *Strategy for a Sustainable Sydney*, Greenpeace paper.
12. *Rib Loc Roundup*, Rib Loc Australia Pty Ltd, newsletter, July 1992.
13. *Making the right choices in industry: alternatives to CFCs and other ozone depleting chemicals*, Greenpeace paper, 1992.
14. *Homebush Bay: a renewed environment comes to life*, Homebush Bay Corporation brochure and information sheets
15. Correspondence and documents (2) from Mr Vivian Duus relating to translation and interpreting services, 24 December 1993.
16. Sydney Olympics 2000 Facts Sheets, A summary of Sydney's plans for the Games of the XXVIIIth Olympiad in the Year 2000, Sydney Organising Committee for the Olympic Games (SOCOG), January 1994.
17. *Target 2000: A White Paper for Australian Sport*, Confederation of Australian Sport, September 1992.
18. Confederation of Australian Sport, Annual Report 1993.

19. *Implications for Queensland's technology-based industries arising from the year 2000 Olympics*, project proposal, Daniel Lai, Alex McGill, Marion Pender, Master of Technology Management degree programme, Griffith University, March 1994.
20. *An assessment of the opportunities for the export of Australian sports services*, final report, KPMG Management Consulting, March 1993.
21. *The Sydney spirit* journal of SOCOG July 1994
22. *The Olympic movement* pamphlet of International Olympic Committee
23. *Supporting the Dream* pamphlet of the IOC
24. *Building up to the 2000 Olympics* a pamphlet of SOCOG
25. *Olympic Charter* IOC 1994.
26. *Sydney organising Committee for the Olympic Games Act 1993 No. 67* (NSW)
27. *General Information* Sydney 2000 Olympic Bid
28. *Progress report to the 15th General Assembly of the Association of Summer Olympic International Federations*. Paris June 1994
29. *SOCOG progress report to the IOC 102nd session Lillehammer February 1994*.
30. *SOCOG Economic Impact Study* KPMG Peat Marwick May 1993.
31. *Australian technology Park Sydney Limited* a joint proposal by the University of NSW University of Sydney , the University of Technology Sydney and the NSW Government.
32. *Olympics to Spur Tourism Surge* media release by the Australian Tourist Commission.
33. *Meetings Industry Olympics Forum* State Sports Centre, Homebush (20 April 1994, transcript)
34. Letter from Maunsell Pty Ltd to Greenpeace re: Cityrail Proposed Olympic Corridor.
35. *Strategy for a sustainable Sydney* Greenpeace Australia 1993.
36. Speech by Karla Bell to the Olympic Business Opportunities Seminar, Melbourne 5th August 1994.
37. Letter from Director-General, International Olympic Committee to Karla Bell re: Participation in the Centennial Olympic Congress
38. *Sydney 2000 Rail Options* document
39. *Environmental Guidelines for the summer Olympic Games* - Greenpeace Australia September 1993.
40. *Telecommunications overview of the Sydney 2000 Olympic Games*.

41. *Australian Technology Park Business Plan and Feasibility Study and Detailed Implementation Plan* for ATP Sydney Limited, May 1994.
42. *Australian Sports Foundation*, documents prepared by the Sports Federation of Victoria inc. (VICSPORT), together with attachments.
43. Meetings Industry Association of Australia, general information.
44. *Olympic Athlete Program*, Australian Sports Commission
45. *The National Sport and Recreation Statistical Initiative*, Statistical Working Group (SWG, Sport and Recreation Ministers Council).
46. *The National Sport and Recreation Industry occupational Structure*, draft of the first edition, June 1994.
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48. *The Australian Sport and Recreation Industry: Available Data and Sources*, draft of the first Edition, June 1994.
49. *Australian Sports Directory*, 1st edition April 1994
50. *International Visitor Survey*, Annual 1992, Bureau of Tourism Research, 1993.
51. *A Language and Cultural Policy* for the Sydney 2000 Olympic Games by Joseph Lo Bianco A paper presented to Committee for the Economic Development of Australia 25 August 1994. Seminar: Coping with the commitment - The Sydney 2000 Olympic Games.
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53. *Regional Tourism Development Program 1994 - 95 Guidelines*. Commonwealth Department of Tourism.
54. *Opportunities for Business and the Sydney 2000 Olympic Games HOW VICTORIAN ENTERPRISES CAN BENEFIT*. Seminar Friday 5 August 1994 Melbourne Sports and Entertainment Centre Olympic Park, presented papers and workshop summaries. Department of Business and Employment Victoria.
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The "greening" of the Olympics
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- 5 Bulletins produced for the Ministry of Foreign Affairs. Printed in February 1994.
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 58. *The National and International Significance of the 1994 Winter Olympic Games*, by the Minister of Cultural Affairs (Norway), Ms. Ase Kleveland
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 62. Ot.prp. nr. 68 (1992-93). *Om midlertidig lov om beskyttelse av det olympiske symbol og det olympiske emblem m.m.* Tilrading fra Kulturdepartementet av 2. April 1993, godkjent i statsrad samme dag.
 63. Information from the Atlanta Committee for the Olympic Games. (dated 7 November 1994). Lindsay Thomas, Director, State Government Relations, Cindy Gillespie Director Federal Government Relations.
 64. *Olympic Business Information Service: NSW Government supporting the business team*, pamphlet.
 65. Procurement & Disposal Guidelines. A guide to inviting, assessing and selecting tenders and other offers, NSW Government, February 1995
 66. *Partnership 2000, Olympic Venues, Facilities & Villages. An Opportunity for Private Sector Investment*, NSW Government, August 1994
 67. Guidelines: Sites of National Tourism Significance Program, Commonwealth Department of Tourism.
 68. *Tourist arrivals to reach 6.3 million by year 2000.* Joint press release by the Federal Minister for Tourism and the Chairman of the Tourism Forecasting Council, Dec. 1994
 69. *Economy of the 1992 Barcelona Olympic Games.* Dr Ferran Brunet Universitat Autònoma De Barcelona, April 1994
 70. *The Economic Impact on the State of Georgia of Hosting the 1996 Olympic Games*, prepared for Atlanta Committee for the Olympic Games by Jeffrey M Humphreys & Michael K Plummer, August 1992
 71. *Opportunities for Private Sector involvement in the Olympics*, a paper prepared by John Bastian, Director, Infrastructure Services Group, Price Waterhouse.

72. *Opportunities in Olympics 2000 Projects*: Presentation to the Swiss Chamber of Commerce and Industry, John Bastian, Director Infrastructure Services Group, Price Waterhouse, 14 February 1995
73. *Labor's Policy on the Olympics* prepared by the New South Wales Branch of the ALP in February 1995
74. *The Olympic Games - Price Waterhouse Experience*
75. *Homebush Bay Masterplan in Perspective*. Homebush Bay Corporation
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77. *Homebush Bay Development Corporation Annual Report 1993-1994*
78. *Opportunities for German Business in the Sydney 2000 Olympic Games*
79. *A tale of Two Olympic Cities*: Visit to Los Angeles and Montreal by the Public Accounts Committee, Report No. 84, October 1994
80. Public Accounts Committee: Infrastructure Management and Financing in New South Wales. Volume 1: *From Concept to Contract - Management of Infrastructure Projects*. Report No. 73, July 1993
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85. *Measuring Up or Muddling Through: Best Practice in the Australian Non-Residential Construction Industry*, Construction Industry Development Agency, March 1995
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88. *Pre-Qualification Criteria*, for Consultants. Construction Industry Development Agency, published March 1995
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91. *Transforming Construction the total project approach*, managing change - achieving integrated solutions. Construction Industry Development Agency, published December 1994
92. *Building Best Practice in the Construction Industry*, a Practitioner's Guide. Construction Industry Development Agency, published October 1993
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95. *Sydney organising Committee for the Olympic Games*, cultural committee terms of reference, 21 December 1995
96. *Sydney organising Committee for the Olympic Games*, cultural committee biographies of members
97. *Sydney 2000*, media release: Cultural committee announced, 13 December 1995

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