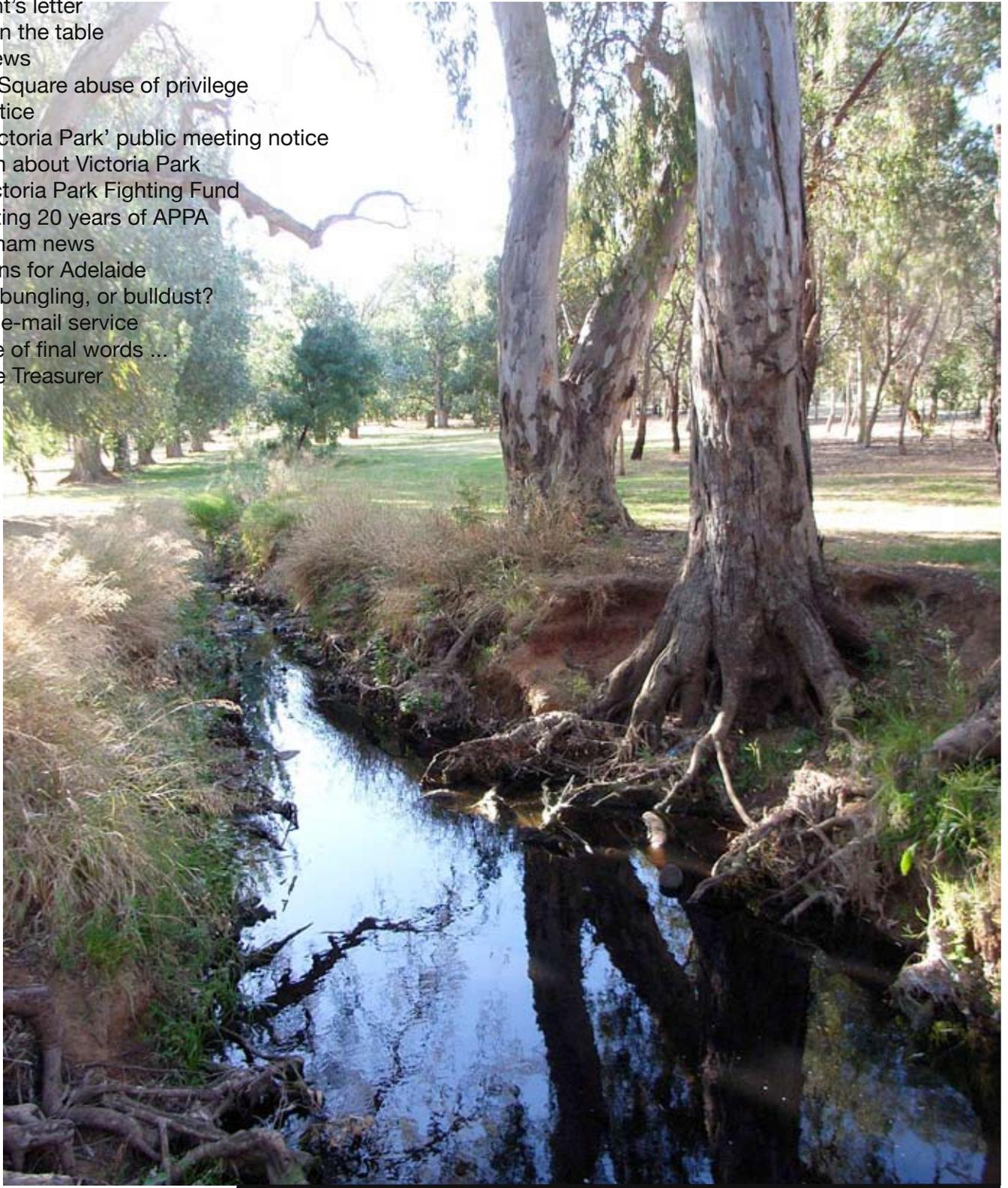


# PARKLANDSNEWS

March 2007 Number 26

## Contents

President's letter  
Issues on the table  
Other news  
Victoria Square abuse of privilege  
AGM notice  
'Save Victoria Park' public meeting notice  
The truth about Victoria Park  
Save Victoria Park Fighting Fund  
Celebrating 20 years of APPA  
Cheltenham news  
No Thorns for Adelaide  
Benefit, bungling, or bulldust?  
Use our e-mail service  
A couple of final words ...  
From the Treasurer



# President's letter

Welcome to 2007—it looks like being a busy year! As you know, we have a fight on our hands over the proposed concept plan for a very large multi-function centre for horse racing and motor racing events at Victoria Park. APPA is opposed to permanent facilities on the Parklands because, once built, they are there forever, and this particular proposed development is enormous, being a quarter of a kilometre long and up to four storeys high in places. To gain an idea of the size, think of the 'Titanic'; or walk along North Terrace past the library, museum and art gallery—it is larger than these put together.

There will be other references in this issue of the *Parklands News* that will outline what we intend to do about raising public awareness about this monstrosity. Let me, here, warn our politicians that for a government which was elected on a policy of protecting the Parklands after the debacle of the Wine Centre (built by the previous government), there could be a heavy backlash as promises are again broken. Not that the Adelaide City Council is immune from this potential backlash as it will be the lease giver, and the Labor government has indicated that it will not go ahead with the proposal if the council opposes the multi-function centre. So what are the opinions of the council members? Public declarations on how they will vote are few and far between. It is time for them to stand up and be counted.

## ISSUES ON THE TABLE

- Parklands legislation implementation
- World Heritage listing
- Land grab at Victoria Park
- Biodiversity survey
- Heritage listing of 1889 Arbor Day plantings
- Adelaide Bowling Club's activities
- Hurtle Square redevelopment
- Britannia intersection land grab
- Dying elms and other trees
- SACA car park push
- Alienated Parklands
- Bakewell Bridge
- Watering regime during drought

Front cover: Parklands Creek south of Elm Avenue, South Parklands  
Photo taken November 2006 by Gunta Groves

It is rather cynical of the government to begin the three-month community consultation just before Christmas with all its holiday season diversions and finish it just after the Clipsal 500 V8 car event.

Also, at the same time just before Christmas, the government announced (that is, 're-announced' several times over) that the five-and-a-half hectares of land currently occupied by SA Water will become a 'forest park'. This is not new because 22 years ago Commissioner Tomkinson in a 'Review of opportunities for returning land occupied by Crown Agencies in the Adelaide City Parklands' recommended this area be returned. It has nothing to do with Victoria Park and some of us are cynical enough to consider this as a softening-up ploy.

While our focus is on Victoria Park, let us not forget there are other potential threats to the Parklands brewing with developers eyeing off derelict Parklands west of the Morphett Street Bridge, and Bonython Park to be assaulted again by Cirque du Soleil.



Finally, let me congratulate Ian Gilfillan, our Deputy President, for his appointment to the Board of the Park Lands Authority. There will be those of us who hope that this new body will fulfil its first principle detailed in the new Act, namely to look after the Parklands so that they, 'as far as reasonably appropriate, correspond to the general intentions of Colonel William Light in establishing the first Plan of Adelaide in 1873'.

*Jim Daly*

## Other news

### Sports hubs

The Office for Recreation and Sport has produced a State Level Sporting Facilities Strategic Plan 2007–2017 which mentions the development of 'Sports hubs in the Adelaide Parklands'. One is planned to be at Victoria Park, another at the Adelaide Oval and a third is not located anywhere specifically. A disturbing feature of the draft report is that the proposals are contained in a 'state level sporting facilities' plan, meaning that significant built facilities are proposed on Parklands. No details of financial allocations are contained in the report. APPA has lodged a formal submission opposing these sports hubs until more details are known.

### Future of V8 car racing

One of the many phone calls received about Victoria Park and the proposed multi-function centre development was from a former motor sport official opposing the proposal. He was angry that the present arrangements are more than adequate for a street circuit and he suggested that the V8 car race could go

the same way as the Formula 1 event, leaving us with an expensive permanent white elephant. His argument is that at the moment it is a two-marque event for Holden and Ford car manufacturers. If one of these companies (which are both under financial pressure) pulled out, we could have only Fords or only Holdens racing around the circuit—hardly competitive.

### New Authority meets

The Adelaide Park Lands Authority Board met for the first time on Wednesday 7 February 2007. The first leave for a member of the public to address the Board was given to Kelly Henderson, who acquitted herself very well.

The Victoria Park redevelopment proposal was discussed but the specific plans for the proposed building had not been made available to Board members. Let's hope that they will be kept in the loop more effectively in the future.

*Jim Daly*

**NEXT NEWSLETTER DEADLINE: 30 APRIL 2007**

# VICTORIA SQUARE ABUSE OF PRIVILEGE



Above: South-east quadrant of Victoria Square at the beginning of the Tour Down Under week. Cars occupied the spaces on the west and east sides of the tram tracks.

Photos taken by Gunta Groves.

**Why aren't these cars in car parks? The city is full of car parks that could be used—one is even just around the corner. Instead, Victoria Square is turned into a car park to suit the organisers and participants in the Tour Down Under.**

No-one seems to see the irony of insisting that these cars should be located so close to where one supposes the participants stay so that they don't need to walk

too far. And yet we are talking about participants engaging in an activity that promotes itself as healthy because it requires a bit of effort.

Poor Victoria Square! It is forever being criticised for not being a beautiful space for people and for looking daggy. So what does our Adelaide City Council do? It leases it out to the Tour Down Under for a car park!



Above: Entrance to the south-east quadrant of Victoria Park which became a fenced car park during January 2007. Security staff ensured that the public was not welcome. Even just a few days of cars driving on the dry surface resulted in a dust-bowl.

This treatment of Victoria Square as just another venue for events is indicative of the attitude that will be taken by the ACC in Victoria Park. Both Victoria Square and Victoria Park are part of the Parklands and as such should be treated with care and preserved. The councillors, when elected, take on that responsibility but few of them seem to realise it.

Gunta Groves

Adelaide Parklands Preservation Assoc Inc

## ANNUAL GENERAL MEETING

**Sunday 29 April 2007**

**10.30am for 11am start**

**Disability Information and  
Resource Centre  
195 Gilles Street, Adelaide**

Tea and coffee available from 10.30am

## 'Save Victoria Park' Public Meeting

**Tuesday 20 March 2007, 7pm**

**TPI Assoc SA  
318 South Tce, Adelaide  
(cnr Hutt St and South Tce)**

***Hear more about the  
outrageous proposal to  
'Rann-sack' Victoria Park***

# THE TRUTH ABOUT VICTORIA PARK

Ignore the architectural fantasies presented by the government in this current public consultation phase. The final reality will be more like Melbourne's Albert Park building for the F1 race, but bigger. The Albert Park building is only three storeys high, whereas the proposed building for Victoria Park is four storeys for a part of its quarter-kilometre length. Ignore, also, the description of the building as a 'grandstand'. There is nothing 'grand' about it and it certainly doesn't seat too many people. The very limited seating provided is demountable and takes up a tiny fraction of the building's length. The annual erection and dismantling of grandstands and corporate boxes for the motor race will still have to happen and will take at least four months.

The truth is that the proposed building will be a multi-function centre that provides corporate and government suites for wining and dining the 'big end of town'. There is even a 'Premier's penthouse in the Parklands' on the top level. When the motor race is not on, those facilities will make a 'grand' function centre for all kinds of events and for SAJC activities.

Remember, also, when viewing the fantasies, that there is no adequate indication of car parking, lighting for security and night-time events, or fencing to obviate the public liability risks when the SAJC increases its race calendar at Victoria Park four-fold.

**Mike Rann's government and the Adelaide City Council intend putting up a four-storey multi-function centre in Victoria Park.**

**Tell them 'NO'.**

**Use the contacts below to tell the Rann Government and the Adelaide City Council that this is not acceptable. Public consultation closes 31 March 2007.**

Website for Department for Transport, Energy and Infrastructure  
Follow the prompts to complete the feedback form online  
<http://www.dtei.sa.gov.au/vicpark>

Website for Adelaide City Council  
Click on 'contact the council' to give feedback  
<http://www.adelaidecitycouncil.com.au>

E-mail the Department for Transport, Energy and Infrastructure  
[dtei.upark@saugov.sa.gov.au](mailto:dtei.upark@saugov.sa.gov.au)

Telephone a member of the DTEI Victoria Park Project Team  
**1300 728 116**

Write to the Department for Transport, Energy and Infrastructure  
**DTEI, Office of Major Projects and Infrastructure,  
Victoria Park Project, PO Box 1, Walkerville SA 5081**

Write to the Adelaide City Council  
**The Right Honourable Lord Mayor of Adelaide,  
Michael Harbison  
Adelaide City Council, GPO Box 2252, Adelaide SA 5001**

## The case against

The first unveiling of the 'masterplan' was in October 2004 when the Adelaide City Council invited public responses to its Draft Community Land Management Plan for Victoria Park and Bakkabakkandi (Park 16). Just like the current one, that 'masterplan' entrenched motor sport in the Parklands and gave the South Australian Jockey Club (SAJC) a brand new facility, courtesy of the taxpayers of SA and ratepayers of Adelaide.

The draft plan has still not been finalised despite the public consultation because the ACC claims to be waiting on the government.

The 'masterplan' must not go ahead for the following reasons.

- Victoria Park belongs to the people of Adelaide. It is part of the Adelaide Parklands, which are held in trust for the people of Adelaide. The current managers of the Parklands, including Victoria Park, are the Adelaide City Council (ACC).
- Victoria Park does not belong to the ACC, or to the State Government, or to the SAJC.
- The SAJC is selling something it owns (Cheltenham Park Racecourse) and moving into something it doesn't own (Victoria Park).
- The government has no legal right to develop anything in the Adelaide Parklands.
- The proposed multi-function building entrenches motor sport in the Parklands. The Motor Sport Act does not allow permanent facilities to be erected for motor racing by the Motor Sport Board.
- The huge investment in the proposed development of Victoria Park, regardless of who pays for it, will have to be justified with more and more events. Pity the poor people who will be affected by the noise, road closures and more.
- The continuous parade of events will stop the rightful users of Victoria Park from doing what the Parklands are held in trust for: active recreation, and enjoyment of the natural and cultural heritage of the Parklands.

**Please use all the avenues provided to protest at this illegal and outrageous development proposal.**

*Gunta Groves*

# SAVE VICTORIA PARK FIGHTING FUND

The campaign to save Victoria Park from the development aspirations of the government, Adelaide City Council, the Motor Sport Board and the South Australian Jockey Club is going to be long and expensive.

The APPA committee members have already put in their own resources and will continue to do so, and some people have donated previously. However, some aspects of the campaign will cost money, and lots of it.

APPA has received generous and significant donations recently, due to the 'masterplan' being revealed. More money is needed, so please consider donating to ensure that APPA puts up the best fight possible.

**You can donate by:**  
**sending a cheque or money order, made out to**  
**'Adelaide Parklands Preservation Assoc Inc', or**  
**making an electronic payment into the APPA bank account:**  
**BSB: 015-310 Account no: 4063-53172**

**Postal address: The Treasurer, APPA, PO Box 3040 Rundle Mall, Adelaide SA 5000**

*The Adelaide Parklands and future generations  
will thank you*

## ***Celebrating 20 years of APPA***

Despite the gloom of current issues affecting the Parklands, there is a very significant and happy occasion coming up.

On 20 April 1987, a public meeting unanimously voted to form the Adelaide Parklands Preservation Association, so 2007 marks 20 years of APPA's existence. The Association grew out of a need to protect the integrity of the Parklands and has continued to be relevant in its role of preserving Colonel Light's vision of a green belt surrounding Adelaide for the active recreation of its citizens.

To mark this milestone, the Governor of South Australia, Marjorie Jackson-Nelson AC CVO MBE, is making the Ball Room of Government House available for an afternoon reception for APPA's members and invited guests.

If you are a member and would like to attend this significant occasion, please fill in the details on the form accompanying this newsletter and return it to APPA *by post*. Unfortunately, the number of people is limited so be quick with your postal responses. You will then receive official invitations from the Governor.

### **WHAT?**

Reception celebrating 20 year anniversary of APPA

### **WHERE?**

Government House

### **WHEN?**

Friday 20 April 2007, 5-6pm

*Gunta Groves*

## **CHELTENHAM NEWS**

The saga of the sale of the Cheltenham Racecourse by the SAJC has implications for Victoria Park, both in terms of the SAJC using the sale money to facilitate its ambitions in Victoria Park and in terms of the notice taken by government of community consultations.

The results of the community consultation on the future of Cheltenham Racecourse were revealed recently in *The Advertiser* (24 Jan 2007, p 23). More than 360 people responded in the consultation. Most people did not want the area re-zoned as residential. The most popular choice was for the creation of parks: one in the centre and one on the corner of Cheltenham Parade and Torrens Road.

Typically, and perhaps predictably, the government appears to be pushing ahead with its plans to make it a residential area.

*Gunta Groves*

# *No Thorns for Adelaide*

A poem by Kyle Penick

Remember the Wine Centre  
They said would be a fine centre  
But it's just a fancy loo, we shouted it would not do  
Forgetting all those lessons learned here comes the deja-vo

APPA fought against it, we knew it wasn't right  
Flush the WC declared our catch phrase for the fight  
Promises of roses, promises of wine  
Lots of car parking, promised all is fine

But now it's just a wicked thorn among the tangled vine  
And who among its past support will admit their part this crime  
Money spent money wasted, it's not the pollied dime  
Mike Rann supported it, his opposition time

The cork was drawn on bottles  
We all know the rest  
Adelaide's National Wine Centre  
Did not pass the test

The spacious open vistas of Victoria Park await  
And once again the man named Rann will soon decide their fate  
The eyes of the despoilers have seen this priceless gem  
There's profit in development but only for them

Who owns the dollars from this kind of game  
Parliament should know the players to name  
Conflicts of interest were concerns in the past  
If it's the same today you would be aghast

Our priceless Parklands much in demand  
Light's vision honoured hue  
The V-8s have seen better days  
Few pay those petrol dues

Now out in the suburbs the traffic's a creeping  
Drivers are swearing, their cars overheating  
Twenty minutes longer to work each day  
Close roads to the city so a few boys can play

The F-18s fly over, there's shaking on the ground  
Sheep in their paddocks run desperately all around  
Mighty engines rumble, exhaust and smoke away  
In Adelaide Zoo the birds in aviaries try to fly away

Patients at Parkwynd trying to mend  
Emergencies at Wakefield must get past the bend  
East Terrace residents losing their dreams  
88 decibels indoors is reason for screams

The CBC kiddies, it's no place to stay  
Their playground's all seating, their oval's affray  
Down with the big kids on Wakefield they go  
Sacrifice education for a binge drinking show

And when the race is over the hoons are on the town  
Breaking all the road rules, spinning wheels around  
A few they die but whose to cry, mixed alcohol and speed  
Our streets still the raceway, Mallala could fill the need

Money spent money wasted, no more need be slew  
Auditor General cost-benefit audit the V-8 race  
Canberra and Victoria did theirs too  
Guess what they discovered—the propaganda wasn't true

Our parks are for children to play at their games  
Our parks are for leisure relaxing our pains  
Our parks are for running or remembering we ran  
Our parks are for walking with Lassie in hand

Our parks are for quiet in searching our lives  
Our parks are for sharing thoughts with husbands or wives  
Our parks are for softness, cool nights, morning dew  
Our parks are for weekends, an Oz bar-b-que

Our parks are for nature to see what should grow  
Our parks are for possums with little ones in tow  
Our parks are for magpies who swoop in the spring  
Our parks are for lorikeets who really can't sing

Our parks are for insects we hope go buzzing by  
Our parks are there for crawling things those that cannot fly  
Our parks are for majestic trees, cool shade from summer sun  
Our parks are for grassy lawns and many kinds of sport or fun

But most of all our parks are for those who live here all the day  
And not for the dollars some visitors will pay  
Leaving lots of rubbish then going away  
Thousands of those plastic ties are lying here to stay

Our parks are for people and all things above  
But Parkland motor racing deserves a northward shove  
We can have a few concerts, we can have the big event  
But please take those fancy racing cars to a Mallala tent

Under Liberals it was coming  
We knew they would stab us in the chest  
But Labor's knife of betrayal  
Cuts deeper than the rest

Mike promised to protect our unique Parklands  
Adelaide and Norwood won't be Labor after your ugly grandstand  
Contemplate your future Jane as an Independent voice  
Keep your values not your Ministry if you have to make a choice

No permanent buildings should mar our public rights  
This course of action will be the pits and cause an awful fight  
Keep blinkers on the horses Mike and ride the heritage roan  
You will be elected once again keeping Adelaide our home

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## References:

1. *South Australian Parliamentary Debates—National Wine Centre Act 1997 and National Wine Centre Amendment Act 1998*
2. *Third Report of Economic and Finance Committee—Inquiry into the Public Accountability of the Australian Formula One Grand Prix Board May 1992*

# Benefit, bungling, or bulldust?

## How many millions of dollars have South Australian taxpayers contributed over the years, via the South Australian Grand Prix and Motor Sport Boards, to the Formula One Constructors Association (FOCA) and companies behind the scenes who manage, market and promote V8 Supercar<sup>1</sup> races?

With a recent Labor government announcement<sup>2</sup> of a proposal for contribution of a further \$45 million of public funding towards a \$55 million redevelopment of Victoria Park that includes construction of a 'two-faced' permanent, 250m long, 4-storey high motor sport and horse-racing industries structure in the Adelaide Park Lands,<sup>3</sup> it is time to obtain an independent performance audit (cost-benefit analysis) of the South Australian Motor Sport Board, the V8 Clipsal 500, and their predecessors. Before motor sport 'special events' receive any further handouts, the public is entitled to know whether or not the V8 car races warrant any level of public funding, particularly since it appears that a major beneficiary of such magnificent public benevolence, Vee Eight Supercars Australia (VESA), does not seem to be contributing a cent towards the cost of proposed infrastructure.

There should be no more taxpayer-funded free lunches for industries and commercial ventures such as the Grand Prix and V8 car races which abuse our Park Lands with structures, admission fees and fences.

In South Australia, much-touted 'benefits' of the Adelaide Grand Prix and Clipsal 500 have been stated in terms of 'economic activity'. It may very well be the case in South Australia, as occurred in the ACT, that the public funds spent on V8 car races 'may have greater value if used in other ways or if left in the hands of taxpayers' or applied to other government spending such as 'schools, hospitals, police or roads or tax cuts which return money to private individuals to spend as they choose.'<sup>4</sup>

### Dark days in public policy

It is not surprising that government has been reluctant to allow an independent inquiry into the potentially negative net economic benefits of motor sport in our Park Lands. After all, these events have their origins in the infamous 1984 Labor Government which sowed the seeds of the State Bank disaster. The Hon M D Rann and Mr Atkinson, who were

members of Parliament in the dark days after the State Bank collapse, should recall Mr Becker's statement on the tragic consequences:

*If it is analysed fully, it is an absolute tragedy that this interest is being paid by the long-suffering taxpayers of South Australia while people are being denied affordable housing, beds in hospitals when they want them and the opportunity to obtain worthwhile employment.<sup>5</sup>*

The State Bank's director, Tim Marcus Clark, was also Chairman of the South Australian Grand Prix Board, now known as the South Australian Motor Sport Board. In the wake of the State Bank collapse, the Motor Sport Board expected to continue to run at a loss, underwritten by public money:

*... it is unlikely that the Grand Prix will record operating profits. Rather the Board expects to maintain its financial results within the parameters of a \$2 million [1985 dollars] loss per year. This figure derives from the basic criteria for the financial operations of the Board set on 30<sup>th</sup> October 1984 by the then Premier Mr Bannon.<sup>6</sup>*

For 1991, the Board's losses exceeded \$3 million. In 1992, an inquiry into the Public Accountability of the Australian Formula One Grand Prix Board found that from its inception the Board had received federal and state financial assistance totalling \$24.634 million. Between 1985 and 1991, the operating losses reported by the Grand Prix Board exceeded \$9.5 million.<sup>7</sup> Whilst losses resulting from these operations may not be as spectacular as the State Bank \$3.15 billion collapse, the cumulative costs may yet approach that figure if there is an on-track or track-side disaster. According to the Victorian State Coroner in relation to the inquest into a death at Melbourne's Albert Park track, various legal duties may apply to race organisers, and 'warnings to spectators on tickets or at entry gates cannot avoid these various responsibilities'.<sup>8</sup>

The Adelaide City Council's appointment of CEO Mal Hemmerling and Council's subsequent commissioning of concept plans for a motor sport building in Victoria Park should also be examined. In January 1984, Dr Mal Hemmerling was appointed by the South Australian government to lead negotiations with the Formula One Constructors' Association (FOCA) in London. In February, the Premier John Bannon, Dr Hemmerling and Crown Law representative Lyndon Owen met with the FOCA chief Bernie Ecclestone in

London to agree on terms for a contract to stage the Australian Formula 1 Grand Prix from 1985 to 1991.<sup>9</sup> In December 1984, the South Australian Parliament passed legislation<sup>10</sup> to establish the Grand Prix Board and enable the Grand Prix to be raced in the streets of Adelaide. In addition to being appointed as Executive Director of the Grand Prix Board under a contract executed by Premier Bannon on 22 September 1986, with a term until 1 March 1997,<sup>11</sup> Hemmerling held positions as chairman of Goodsports Pty Ltd, Arena Promotional Facilities (Aust) Pty Ltd and the Road and Traffic Committee.<sup>12</sup> According to Bannon, Hemmerling 'undertook other paid work through his company Hemmerling International Pty Ltd, in the form of Business, Grand Prix, and Rally consulting' and when the scope of the Act was extended by Parliament, in December 1988 (to allow provision of advisory, consultative and managerial services), the Board moved into this area and the 'agreed fee payable to Hemmerling International Pty Ltd for the transfer of these rights was \$90,000 for 1991/92 ... indexed by CPI each year'.<sup>13</sup>

### Performance audit finds public expense not justified

It has been argued that public funding of V8 street race proposals did not make 'financial sense' or 'didn't stack up financially'. This is to be expected. In July 2002, the ACT Auditor-General's Office Performance Audit Report on the Canberra V8 car races concluded that the V8 car races (then two years into a five-year contract) failed to provide a net economic benefit. The estimated direct financial cost to taxpayers was \$29.2 million, or \$292 per household. The results of the performance audit shocked the ACT government and further races were cancelled. Instead of net economic benefits, net losses of several millions had occurred and were predicted for future races, and the public expense could not be justified.

Under a performance audit, Adelaide's V8 car race, the Clipsal 500, sponsored by the South Australian Motor Sport Board (SAMSB) would be expected to suffer the same fate.

The ACT's equivalent of the SAMSB, Canberra Tourism and Events Corporation (CTEC), contracted with AVESCO<sup>14</sup> to run V8 races in Canberra. The South Australian Government and Motor Sport Board assert the 'benefits' of the Clipsal 500, as had CTEC. A performance audit found that the results of CTEC's

Continued from page 7

evaluations had a number of problems, including exaggerating gross benefits rather than reporting net benefits, overestimating visitor expenditure, and counting costs as benefits. According to the performance audit, the 2000 and 2001 races had significant negative economic results for the ACT. The Cabinet submission which recommended that Cabinet agree to the conduct of the races was found to be inaccurate, incomplete, to contain simple numerical errors, exaggerate the estimated net benefits from the car race by one-third, exaggerate estimated visitor impact on spending by over 50 per cent, and include 'arbitrary and unjustified assumptions' favouring the project with 'assumed publicity benefits' and growth rates which seemed 'implausible'.<sup>15</sup>

In addition to several other flaws, the Auditor-General found CTEC evaluations departed from accepted methodology for conducting economic impact studies, had not taken into account the direct financial flows such as public funds spent to establish and run the event, had incorrectly included benefits which would have occurred regardless of the car race, and incorrectly included costs as benefits.

Other states are not blind to the financial folly of staging motor sport. According to Geoffrey Harris, V8 Supercars' street race proposals were opposed by other states on the basis that they did not make 'financial sense' or 'didn't stack up financially'.<sup>16</sup>

*The Queensland government put a stop to plans for the Townsville race, proposed from 2008, because it did not believe the event made financial sense. The state's Sports Minister, Andrew Fraser, says the initial approach was for a one-off capital injection of \$11 million from the government, but it believes the event would cost it and the Townsville City Council significantly more ... 'Our analysis shows that the capital works alone to stage the event are estimated at \$24.7 million and annual operating contributions totalling \$3 million would be required by the government and the council', Fraser says ... The Townsville red light comes against a background of a street race proposal also having been rejected for Fremantle in Western Australia on the grounds it didn't stack up financially, and more recently cynicism about the Bahrain round that may have made money for the V8 organisers and teams but drew next to no spectators and was telecast around midnight.*

On the basis of the South Australian Parliamentary Inquiry into the Public Accountability of the Australian Formula

One Grand Prix<sup>17</sup> (1992), the Australian Government's Productivity Commission's Inquiry into State Assistance<sup>18</sup> (1996), and the ACT Auditor-General's Report on V8 Car Races in Canberra<sup>19</sup> (2002), it is expected that the South Australian Grand Prix and the V8 car race Clipsal 500 would not be able to demonstrate a positive net economic benefit to the state if a cost-benefit assessment or performance audit was carried out.

According to the report of the National Competition Policy Review inquiry into the SA Motor Sport Act<sup>20</sup> (2004), the adjusted benefit to cost ratio for the 1985 Grand Prix was estimated to be between 1.36:1 and 1.56:1 and was, therefore, claimed to demonstrate that the Grand Prix did better than just about any other use of money and, in particular, by comparison with farming (a value-added multiplier of 1.005), and home building (multiplier of 1.273). This convenient outcome is contradicted by the Productivity Commission inquiry comparison of long-term effects of the Adelaide and Victorian Grand Prix.

The impact of the Adelaide Grand Prix on South Australia, as calculated by the Productivity Commission, identifies a significantly lower multiplier—only 0.97—indicating that South Australians might get a better return from putting public funding into farming or housing rather than funding a motor race in Adelaide's Park Lands.

In any event, the magic of multipliers has been called into question by the Productivity Commission, referring to it as a:

*... trap into which proponents of selective industry support often fall ... the seeming science by which investment ripples are transformed into tidal waves of economic activity. In reality the science of multipliers is the economics of the free lunch. Looked at another way, while public funds devoted to a project will have multiplier effects, those public funds would also have had multiplier effects if spent on other purposes, or left in the hands of taxpayers to be spent on the things that they value.<sup>21</sup>*

## Conclusion

In the absence of an independent performance audit, South Australians should be very sceptical of any Motor Sport Board or government claims that public funding of the V8 car races produces 'economic benefits' for the state. Calls for financial accountability are justified by strong evidence in other jurisdictions, including nationally, which indicate that public funding may have provided more economic benefit if it had

not been pumped into Grand Prix or V8 car races.

In avoiding performance audits, governments fail to observe a basic duty of care to ensure that underwriting the costs of motor sport is a financially sound use of public money. With South Australia desperately needing funds for water, schools, hospitals and essential infrastructure, it would be foolish to spend public money on V8 car races if these are nothing more than very expensive parties for rev-head politicians and corporates. Given the fact that the seeds for the State Bank disaster were being sown by the same government that established the high octane party venue on the eastern Park Lands, it would be foolish not to secure a cost-benefit analysis to safeguard the state from financial folly.

## References and notes

- 1 Vee Eight SuperCars Australia (VESA), formerly Australian Vee Eight SuperCar Company Pty Ltd (AVESCO), the joint venture between Touring Car Entrants Group (TEGA) and Sports & Entertainment Limited (SEL)
- 2 <http://www.ministers.sa.gov.au/news.php?id=1108>
- 3 [http://www.transport.sa.gov.au/transport\\_network/victoria\\_park/index.asp](http://www.transport.sa.gov.au/transport_network/victoria_park/index.asp)
- 4 ACT Auditor-General's Office Performance Audit Report, V8 Car Races in Canberra—Costs and Benefits, July 2002, p 40
- 5 Hansard South Australian House of Assembly Thursday 7 October 1993
- 6 Parliament of South Australia, Third Report of the Economic and Finance Committee, Inquiry into the Public Accountability of the Australian Formula One Grand Prix, 9 September 1992, p 8
- 7 Itemised as deficits except 1988: 1985 (\$1,616,000); 1986 (\$1,500,000); 1987 (\$54,000); 1988 surplus \$41,000; 1989 (\$1,392,000); 1990 (\$1,921,000), and 1991 (\$3,134,000)
- 8 Victorian Coroner's Inquest into the Incident at the 2001 Grand Prix, 8 February 2002, Case no 621/01, p 58
- 9 Fosters Australian Formula One Grand Prix Media Guide, FIA, 1998
- 10 Australian Formula One Grand Prix Act 1984, as amended, now known as the South Australian Motor Sport Act
- 11 Letter from J C Bannon, Premier of South Australia, dated 26 August 1992
- 12 Fosters Australian Formula One Grand Prix Media Guide
- 13 Bannon, 26 August 1992
- 14 Vee Eight SuperCars Australia (VESA), formerly AVESCO
- 15 V8 Car Races in Canberra—Costs and Benefits, July 2002, p 48
- 16 Geoffrey Harris, Motorsport: Townsville V8 race KO'd, Midweek motorsport report, December 6, 2006 <http://editorial.carsales.com.au/car-review/2227359.aspx> accessed 31 January 2007
- 17 Parliament of South Australia, Third Report of the Economic and Finance Committee
- 18 Productivity Commission, Inquiry into State Assistance
- 19 Performance Audit of the V8 Car Races in Canberra
- 20 Department of Premier and Cabinet, National Competition Policy Review of the South Australian Motor Sport Act 1984, Adelaide SA, March 2004
- 21 <http://www.pc.gov.au/speeches/cs20021106/cs20021106.tf>

Kelly Henderson

*Editor's note: The author has used the historic form of referring to the Parklands; that is, 'Park Lands'.*

# USE OUR E-MAIL SERVICE

Some people have already seen the light (pun intended) and sent in their e-mail addresses. If you would like to receive the *Parklands News* by e-mail as a PDF, fill in the form below and mail it to:

Adelaide Parklands Preservation Association Inc  
PO Box 3040 Rundle Mall  
Adelaide 5000.

You can also download PDFs of the current and immediate past ten newsletters from our Web site at <[www.adelaide-parklands.org](http://www.adelaide-parklands.org)>.

E-mailing newsletters to members saves us printing and mailing costs.

*Gunta Groves*

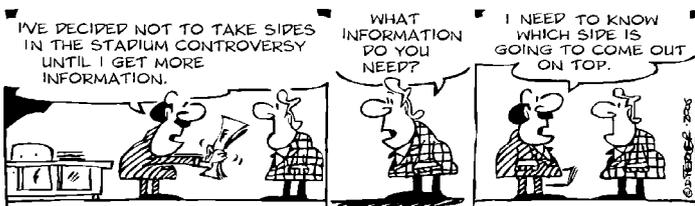
**I would like to receive the *Parklands News* by e-mail instead of in the post.**

My e-mail address is: .....

Name ..... Signature .....

Address .....

## A COUPLE OF FINAL WORDS ...



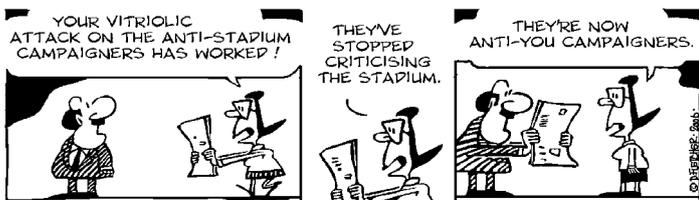
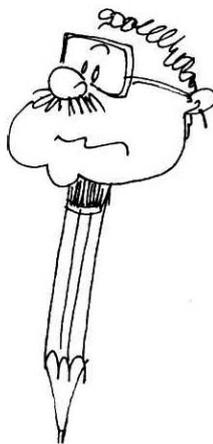
David Fletcher was born in England in 1952. At school he excelled at drawing cartoons in the margins of his maths book and falling asleep.

On leaving school he studied production engineering for five years then jumped on an aircraft bound for New Zealand where he's lived ever since.

He was employed as an illustrator and cartoonist by New Zealand's largest daily newspaper the *New Zealand Herald* for three years. But for the last twenty years he's been pretending to work from home as a comic strip artist. He draws a daily strip called *The Politician* and several weekly strips including *The TV Kids* which appears in the *TV Guide*. His cartoons are syndicated to Europe, Britain, Africa, Australia and New Zealand.

David lives in Auckland with his wife and two children.

People still keep asking him when is he going to get a proper job.



## From the Treasurer

A warm welcome to our new members, many of whom have been motivated to join APPA by the Rann government's proposed 'Rann-dalisation' of Victoria Park.

The proposal must be more than disappointing for all those South Australians who believed the Rann-led opposition and two subsequent Rann governments when they went to elections promising no more commercial development in our Parklands, as well as promising strengthened protection for them.

One MLC has described on radio the proposed multi-function development as an act of 'pure bastardry' by the Rann government. I'm sure you all agree.

As your Association approaches its 20th anniversary on 20 April 2007, the proposed development in Victoria Park is certain to become a defining moment in APPA's history and the history of our much abused Parklands.

Accordingly, I draw your attention to the 'Save Victoria Park' appeal advertised elsewhere in this newsletter. Your generous response to this appeal is urgently sought. As you know, APPA operates on the annual subscription fees of its members and the generosity of its elected committee members.

Your personalised 2007-08 membership renewal is enclosed with this newsletter. Your prompt renewal (and hopefully donation) will enable APPA to fund a major campaign to alert ALL South Australians to the latest threat to our precious Parklands. It is important to raise sufficient funds to take this matter not only to the court of public opinion but also appropriate civil courts of law, if that becomes necessary.

The Rann government believes it can renege on undertakings because the public is apathetic about its Parklands. We intend to demonstrate that the government is mistaken.

*Philip Groves*

## MEMBERSHIP APPLICATION/RENEWAL FORM 2006-07

Adelaide Parklands Preservation Assoc Inc PO Box 3040 Rundle Mall Adelaide SA 5000

Name .....

Address .....

Telephone ..... E-mail ..... Date .....

- |   |  |
|---|--|
| <input type="checkbox"/> \$20 single (full rate)  | <input type="checkbox"/> Renew                                 |
| <input type="checkbox"/> \$25 family (full rate)  | <input type="checkbox"/> New                                   |
| <input type="checkbox"/> \$30 corporate           | <input type="checkbox"/> Send <i>Parklands News</i> via e-mail |
| <input type="checkbox"/> \$15 single (concession) |  |
| <input type="checkbox"/> \$20 family (concession) | <input type="checkbox"/> Donation \$.....                      |

### Method of payment

- Cheque attached       Money order attached       Tick if receipt required

### OBJECTIVES OF THE ASSOCIATION ARE TO ENSURE THAT:

- the Parklands be available for use by the general public
- the public should, so far as practicable, have free and unrestricted access to the Parklands
- the Parklands should be reserved as a place for public recreation, leisure and enjoyment
- alienated areas of the Parklands are restored for recreational use, preferably as open space
- the character of the Parklands as a place dividing the City of Adelaide from the suburbs should be preserved
- the Parklands should be preserved and maintained in a manner that enhances their special place in the design of the City of Adelaide
- the amenity of the Parklands is not impaired by inappropriate development of nearby lands.

I agree to be bound by the Constitution of the Association. Signature .....

Please make cheque/money order payable to: Adelaide Parklands Preservation Association Inc (not 'APPA')  
Send to: Adelaide Parklands Preservation Assoc Inc, PO Box 3040 Rundle Mall Adelaide SA 5000

03/07

### Committee 2006-2007

President: Jim Daly  
Deputy President: Ian Gilfillan  
Secretary: Kyle Penick  
Treasurer: Philip Groves

#### Committee members:

Jan Davis  
Gunta Groves  
Mike Hudson  
David Plumridge AM  
Michael Sando  
Julian Stefani  
John Underwood

#### Auditor

David Carver, BK Partners

#### Web Master

Peter Austin

#### Patron

Bruno Krumins AM

### DISCLAIMER

The information in this publication is presented in good faith to members of APPA Inc. While the information is believed to be correct, APPA Inc takes no responsibility for its accuracy. No liability is accepted for any statements of opinion or any error or omission. Although advertising material is accepted for this newsletter, such acceptance does not imply endorsement by APPA Inc.

## REMINDERS

Respond ASAP to the invitation to celebrate 20 years of APPA

Come to the 'Save Victoria Park' public meeting on 20 March 2007

Respond to the Victoria Park public consultation by 31 March 2007

Come to the AGM on Sunday 29 April 2007

Donate to the 'Save Victoria Park' Fighting Fund

### Contact

#### News, comments, articles and Web site suggestions:

Gunta Groves (Newsletter Editor)  
PO Box 3040 Rundle Mall  
Adelaide SA 5000  
Telephone/facsimile: 8223 1360  
E-mail: ggroves@chariot.net.au

**Next newsletter copy deadline:**  
30 April 2007

#### Advertising:

Kyle Penick (Secretary)  
Telephone: 8336 6593

#### Information about APPA:

Jim Daly (President)  
Telephone: 8267 4192

#### Membership:

Membership of the Association is open to all who support the objectives of the Association. Members receive the *Parklands News* four times a year.

The membership year is 1 April to 31 March.