

TRANSCRIPT

SELECT COMMITTEE ON THE 2026 COMMONWEALTH GAMES BID

Inquiry into the 2026 Commonwealth Games Bid

Melbourne – Monday 9 October 2023

MEMBERS

David Limbrick – Chair

Joe McCracken – Deputy Chair

Melina Bath

David Davis

Jacinta Ermacora

Michael Galea

Sarah Mansfield

Tom McIntosh

Rikkie-Lee Tyrrell

WITNESS

Allen Garner, former Chief Executive Officer, Office of the Commonwealth Games.

The CHAIR: All evidence taken is protected by parliamentary privilege as provided by the *Constitution Act 1975* and provisions of the Legislative Council standing orders; therefore the information you provide during the hearing is protected by law. You are protected against any action for what you say during this hearing, but if you go elsewhere and repeat the same things, those comments may not be protected by this privilege. Any deliberately false evidence or misleading of the committee may be considered a contempt of Parliament.

All evidence is being recorded. You will be provided with a proof version of the transcript following the hearing. Transcripts will ultimately be made public and posted on the committee's website.

For the Hansard record, can you please state your name and any organisation that you are appearing on behalf of.

Allen GARNER: My name is Allen Garner. I am appearing on behalf of the Office of the Commonwealth Games. My previous role was CEO of the Commonwealth Games.

The CHAIR: Thank you, Mr Garner. I will just briefly introduce our committee members that are here. So I am David Limbrick, upper house Member for South-East Metro.

Melina BATH: Melina Bath, Eastern Victoria Region. Hello.

David DAVIS: David Davis.

Joe McCracken: Joe McCracken, Western Victoria.

Michael GALEA: Hello. Michael Galea, South-Eastern Metropolitan

Sarah MANSFIELD: Sarah Mansfield, Western Victoria.

Tom McIntosh: Tom McIntosh, Eastern Victoria.

The CHAIR: Thank you, Tom.

I welcome you to give some opening comments and ask that they be kept to a maximum of 10 minutes to ensure that we have time for any questions. Thank you.

Allen GARNER: I have not prepared a lengthy opening address. I have already heard what the Secretary said this morning and seen their submissions, and my recollections would accord generally with what has been said there. As Mr Ada would have said, I was the CEO. I commenced in about mid-November in 2022 and was in that role through to the end of August in 2023. I was seconded across from the Major Transport Infrastructure Authority to effectively look closely at the delivery operations of the games. Delivery is my background, construction is my background – so to have a robust review of the delivery of the games.

The CHAIR: Okay. Thank you. We might start with questions then. At what point did it become apparent to you that there might be problems with the cost or benefits analysis that was presented in the business case originally?

Allen GARNER: I am not sure there was a specific point. There was an awareness from the start that there were going to be some cost pressures and some challenges in the scope, but then there were other parts of the scope that had not been addressed. So you can look at it in pockets or you can look at it as a whole. As a whole,

some time into 2023, when we started assembling the various components that made up the bid together, it was apparent that there was going to be a significant shortfall.

The CHAIR: What was the basis of that? Because in discussions earlier today we spoke about how there might have been changes in the methodology – in how those costs were put together – or also different inputs or scope to those costs, so there might have been extra scope or some of the things may have been more expensive than anticipated. What was the main driver for those costs being far larger than the initial estimates?

Allen GARNER: There are a lot of significant drivers that feed into it. You can start from the top down. The biggest areas that moved were the games villages – a significant cost increase. The major venues – there was a cost increase, which the government had announced previous even to me coming along, the cost of those. And the organising committee costs to run the games had gone up. So three big pockets. Then underneath that there are a lot of minor parts that make that up.

The CHAIR: You are saying with the accommodation, that that was one of the major costs, but what was driving that? Why were the initial estimates so far off? Were the construction costs higher than expected, or are we talking about land acquisitions being higher than expected? What was the main driver?

Allen GARNER: It is a mixture of things that make up those costs. The costs were built up by Development Victoria, and they had been tasked with doing that. We were overseeing that. But from what we could see and where it came from, the building costs themselves were going to be more expensive, particularly given the cost in construction that had happened over the previous 12 to 18 months – costs were rising substantially.

The sites themselves – each site was different and had a different challenge. There was cultural heritage in some areas that had to be worked through that constrained what you might be able to build on or not build on. There was contamination in another area. And then there was what made up the villages and the content of the villages. The goal was to have a certain amount of them able to be resold for community social housing and also private housing. The balance was then to be made up with temporary accommodation, or relocatable accommodation, if you like, that would be relocated elsewhere into regional Victoria post the games. So all of those constraints sort of feed in and change the shape and the nature, and there was a constant iterative process by DV as we tried to work the costs down as to what that optimal mix might be.

The CHAIR: You mentioned just then the cultural heritage assessments. Could you give an example of where that became something that contributed to costs? What sort of scenario?

Allen GARNER: Yes. In the major venues – in Geelong, for example, the site was found to be a significant site. So the area that was initially thought you would be able to construct on then had to be reduced. I should add: we had not landed all the final approvals, but we were progressively adjusting as we could see those approvals coming forward. So the site area and what you build on what, what construction you were going to undertake in that area, changed.

The CHAIR: What was significant, though, that reduced the amount? You said something was culturally significant on a site.

Allen GARNER: Yes.

The CHAIR: And that reduced the amount of the land?

Allen GARNER: It reduces the space and the land use availability, the same as –

The CHAIR: What sort of thing was significant, though? What was actually significant on that site?

Allen GARNER: The way you might look at the car park. In the village's case, because it is smaller, you might go more multistorey, looking at units and compacted space rather than homes – the size and scale of the homes. It was a variety of elements and aspects that were constantly being adjusted depending on the footprint that we were able to build on and the requirements of the accommodation – of how many athletes were required to be accommodated at the villages.

The CHAIR: Maybe I did not phrase my question very well. I understand the impacts of having something culturally significant on the site, but what was actually culturally significant about the site that meant that you

could not use parts of it? There must have been some sort of assessment that said, 'Well, this part – there's something significant about this, therefore we can't use it.' What was actually significant? Could you give an example?

Allen GARNER: I am cautious about what I say, respecting the cultural elements of it. Down in Geelong there was a significant area identified that had been part of early settlement and areas where traditional owners had been kept and locked up, and it had a significant impact on them. It was an area that might have been destroyed and lost. They did not want that area to be destroyed and lost; they wanted that to be noted and part of the cultural heritage and mapping of their area. So then we would respond to that by saying, 'Well, we can change what we do, and we can move and not work in that area or not work in that area.'

The CHAIR: So parts of the sites were identified as being –

Allen GARNER: Some are much more significant. Some might have remains or significant elements of remnants. So there were a number of different ways they were significant.

The CHAIR: One of the other things that we spoke a bit about this morning related to the business case other than costs was the projected benefits. Did you have any role in looking at whether those benefits were realisable and how they might be realised as part of the infrastructure rollout?

Allen GARNER: No, we had not got to that point. That was an exercise that we were going to have to do. With the games being funded and progressing with an increased budget, then we were going to do a piece of work that was involved with reviewing all of those benefits, but at that point in time we had not actually commenced that.

The CHAIR: So the initial benefits that were in the business case – the plan was to review those after it got to a certain point?

Allen GARNER: After. Update the benefits.

The CHAIR: Yes, and then update it and see what benefits were actually going to be realised. But my understanding is some of those benefits still should be realised even now, because they are still rolling out some of the regional infrastructure. Given that the original cost estimates were so far off, do you have confidence that those benefits can be realised as well?

Allen GARNER: I cannot really comment on that. I am not close to the benefits, and I have not been doing the work going forward on what is going to replace the games programs. I have not been a part of that.

The CHAIR: All right. Thank you, Mr Garner. I will pass to Mr McCracken.

Joe McCRACKEN: Sure. Are you okay if I call you Allen? Is that all right?

Allen GARNER: Yes.

Joe McCRACKEN: Cool. Thanks, Allen. First question: when did you first become aware that the budget, instead of being \$2.6 billion, was around \$6.865 billion? When did you first become aware of that?

Allen GARNER: I am not aware of the number \$6.85 billion. I am aware that that has been published, but that is not a number that I had awareness of. We were working on a budget against the business case, and there are other elements that add in, I am assuming, to make up that \$6.85 billion number.

Joe McCRACKEN: You would not have a clue how that figure was reached?

Allen GARNER: I was not party to any discussions when that figure was finalised.

Joe McCRACKEN: The government have said that the Commonwealth Games offices identified the cost increases and DTF and DPC have sort of reviewed them. So you guys did not identify any costs at all?

Allen GARNER: We worked through and updated the costing on each component of it, and then we pulled all of that together in a submission. Over and above that, there were other department costs that were being

developed in parallel that would be associated with the games, whether that was going to be a games cost or whether that was going to be funded.

Joe McCracken: What is the submission that you just referred to then? Who was that to?

Allen Garner: It was a cabinet submission to the government.

Joe McCracken: When? Do you know when abouts that was?

Allen Garner: It went in March. April I think it was considered, just initially and then later on again.

Joe McCracken: Was it one or maybe a series of them because of the revisions?

Allen Garner: Yes, the initial decision was not accepted, and it was asked for more work to be done.

Joe McCracken: Are you able to provide copies of those submissions at all?

Allen Garner: I am personally unable to do that. I can refer that back to the department, who would have all of that information.

Joe McCracken: I sort of get the sense that you might have requested more funding as costs escalated. Is that fair to say, through the submission process?

Allen Garner: The submission process was updated to the budgets and what flows from that. If the budget is approved, then there will be funding that would be requested following that.

Joe McCracken: Okay. All right. In terms of the athletes villages, I come from Ballarat, and that was a fairly topical one at the former saleyards there. Would you say that the \$1 billion that is now costed is fair and reasonable as opposed to the initial business case, which was \$250 million, I think.

Allen Garner: It is a fair and reasonable representation of what we in the end were going to build and deliver.

Joe McCracken: So it would cost a billion, you think?

Allen Garner: Yes.

Joe McCracken: Okay.

Allen Garner: Sorry, not Ballarat, the whole village –

Joe McCracken: All of them. Not just Ballarat, all of them, yes.

Allen Garner: All of the villages, yes. All the information that DV were able to ascertain would indicate that was the likely cost. We had not actually market tested any of those costs. That was the phase we were in process doing.

Joe McCracken: Do you know how much it would have cost to remediate the saleyards site in Ballarat, by any chance, or are you happy to take that on notice?

Allen Garner: Not off the top of my head, but I am happy to take that on notice. There was work done and allowance within those costs for that work.

Joe McCracken: Do you know if the assumptions on those costings were made based on housing being portable or permanent or some sort of mixture?

Allen Garner: They were all a mixture from site to site, and the final mixes had not been approved or signed off by government. As I said earlier, it was moving depending on the number of athletes needing to be accommodated versus what you could do in a traditional house versus what you could do in a relocatable building. The legacy to leave behind was to not do harm in any of those areas, it was to enhance the areas. So you take away the relocatables and utilise them for a benefit in another area where there is a need.

Joe McCracken: I know one of the front pages of the Ballarat *Courier* said that there was going to be no permanent housing at the site in Ballarat – it was going to be all relocatable housing, which is probably not a great mix if you are looking to have a permanent housing solution.

Allen Garner: I can explain why that would be the case, if you would like to understand.

Joe McCracken: Yes, please.

Allen Garner: There was a buffer zone in that area where it was located.

Joe McCracken: Eureka Concrete, you are quite right.

Allen Garner: The buffer had to be clear. There was a plan to clear that area by the council. It is part of the council's growth area. They want housing development through that area because it is adjacent to – I cannot remember the name of the big park.

Joe McCracken: Vic Park.

Allen Garner: Vic Park. A lot of work was done to try – it was optimistically hopeful that the buffer zone would be reduced or the tenants moved in time for the games. For that program the council had a 10- or 15-year time line, as it turned out, compared with the games time line. The solution was still to make it able to be housed, to remove the contamination, to upgrade that and set it up and initially use relocatable houses which could be relocated somewhere else. And then as the site improved and the buffer zone was removed, housing could be rebuilt.

Joe McCracken: Did you guys know the cost at all of doing the remediation work, the decontamination?

Allen Garner: Yes. An assessment of all of that was included as an estimate.

Joe McCracken: Are you able to provide that?

Allen Garner: I would be able to provide that, but I would have to go and –

Joe McCracken: Oh, please take it on notice, but if you are able to provide that, that would be great.

Allen Garner: I will take that on notice. I would offer that through the department initially. They have got all the records info, but if you want me personally to bring that, I can.

Joe McCracken: That would be great, because we were told a number of times that the government is still working through the detail, and that can mean anything, so to have that information would be absolutely critical, I think. That is good. Thank you for that. In terms of the construction of the houses, do you know if any locals were able to tender for them at all? I did see the tender documents – they did go out.

Allen Garner: Tenders had not closed. The goal was to use regional builders for all elements of the games as best as we possibly could in the housing area. There were companies that were based in all the regions that covered the scope, so we were expecting we would get good representation from –

Joe McCracken: Were there any overseas or international tenderers at all?

Allen Garner: Not that I can recall, no. I can confirm that if you like.

Joe McCracken: Yes, please. I just had a few locals say to me that they were not able to tender and it was almost a done deal between an international consortium. I would be interested to get more detail on that.

Allen Garner: I do not have awareness of that.

Joe McCracken: Yes, that is fair enough. In terms of the preferential agreements – I should not call them agreements, but arrangements with the unions. Can you talk a bit about that?

Allen GARNER: There was no arrangement in place with the unions currently. There was an approach towards the latter part of, I cannot remember, April or May for the unions to have a Commonwealth Games agreement. Some early discussion that had taken place in that regard.

Joe McCracken: Was that with your office or was it with – with who?

Allen GARNER: It was generally through our office and a group that we had put together.

Joe McCracken: My time is up, sorry. Thanks.

The CHAIR: Thank you, Mr McCracken. I will pass to Mr Galea.

Michael GALEA: Thank you, Chair. Good afternoon, Mr Garner. Thank you for joining us. The costings document that was released by the government on the date of the cancellation announcement on 18 July stated:

The Office of the Commonwealth Games have identified significant additional cost pressures to the budget that have been reviewed by the Department of Treasury and Finance and the Department of Premier and Cabinet. These could amount to approximately \$2 billion ...

One of the factors that is then elaborated upon is regional supply constraints and broader inflationary pressures across the economy. I note that you touched on that in I think it was your answer to Mr Limbrick as well. Could you tell us a little about what these challenges are and how they emerged for construction projects and particularly the ones that might not have been anticipated at the business case stage?

Allen GARNER: Sure. Where to start? From what I understand, at the business case stage it was generally put together by pro-rataing off previous games as best information – the 2006 games and other games. One of the challenges with that would be that it did not really anticipate doing it in regional Victoria and it did not anticipate that there would be four village sites, if we are talking about the villages for a minute, so that changes the nature and the complexity. The cost challenges come in the regions from availability of contractors and their resources to be able to do that. There is a potential risk that you actually have to bring people into the regions to do the construction to meet the time line because of the urgency of the time line. Then that presents accommodation problems, so there is a balance between how you pull that together. Labour costs were a potential challenge and emerged more strongly later on as the discussion about the games agreement transpired – getting materials, and satisfactory materials, to each of the areas, given there were also challenges with, you might recall, the bushfires and the floods. There were regional flood recovery programs, so there were concerns as we did more work. Despite the industry saying they were ready and willing and able, research through DV would indicate that there were some challenges with that capacity, so they were reflected as risks in the costings.

Michael GALEA: And were there particular supply chain issues that were affecting the regional model as well?

Allen GARNER: Yes, that is what I am saying. Yes, it was getting the materials out to the regions, and the resources.

Michael GALEA: Yes. And the time lines – you specifically mentioned difficulties in getting people out there. The time lines clearly were not manageable. What do you think would have been a more manageable time frame in retrospect? You mentioned the issues around getting labour into the regions.

Allen GARNER: I do not know what a reasonable time frame would be. We were working to the games having to happen on a certain date, and that is an immovable date, so you start reflecting everything else that you conceive as a program to achieve that date, which might mean then you are doing weekend work, you are doing more days a week, you might get into night-shift work and you might get into what we call 24/7, where it is just persistent to hit a certain date. That is a challenge with any immovable date: the closer you get to it, the less manoeuvrability and flexibility you have got. Our advice was that it was still achievable, where we were in the games schedule, but there is a risk that the only way you can recover time is to put more effort and more resources into recovering time. There is a compounding effect in the regions of more people coming into regional towns and accommodation challenges. That adds more costs, so you get a compounding effect that flows.

Michael GALEA: Sure. And you mentioned the villages being the substantial cost of this. Was this the major issue with regard to villages, or was it other parts of the delivery as well? So in terms of these cost pressures and these supply chain issues, was this mostly affecting the villages or were there other –

Allen GARNER: That was the main effect on the villages. On the three major sites, those costs had been increased, so there was substantial risk with those, but they had been reflected in an updated number from the original business case when I had arrived.

Michael GALEA: Sorry, what I meant to say is that the villages were probably the most significant part of those cost issues, but were there other elements of delivery that also had issues?

Allen GARNER: Yes. I am just saying the major venues on top of that would attract a cost risk if it played out that there were resource and material constraints.

Michael GALEA: Thank you. And the costing document also talked about hyperescalation, which was driven by those compressed time lines, as you just talked about. You obviously have a lot of experience in this field, from a construction background, as well. Were the construction projects, from a technical perspective – and we have sort of I think come close to this – still deliverable?

Allen GARNER: Yes. In our view at the time they were still deliverable. The market was indicating it thought it could deliver within those time lines, so we were reasonably confident, but the opportunity for levers to pull to extend time or do any of those things did not exist. So that is what drives your risk and drives the risk of hyperescalation: when the industry knows the client has a fixed date. The industry also allows to achieve that date, and that is maybe a greater cost than they might normally allow.

Michael GALEA: So the less of those other levers you have, the higher those other risks, as you say, and the costs.

Allen GARNER: Yes.

Michael GALEA: Cool. Thank you. Thank you, Chair.

The CHAIR: Thank you, Mr Galea. I shall now pass to Mr Davis.

David DAVIS: A couple of questions here. You mentioned and I understand you were there until August 2023, and I just want to understand what date you were there first. I did not quite hear that.

Allen GARNER: The middle of November. I cannot recall the exact date. I could find that for you.

David DAVIS: I just want to go back to some evidence we heard this morning. We understand they were reviewing the costs of the games from about November or December onwards, through DJSIR in particular, through to the early part of the year. Was that why you were brought across, because of those skills?

Allen GARNER: Yes. That was a key task that I was tasked with when I came across, because of my construction –

David DAVIS: So they were well aware that these things were problematic at that point?

Allen GARNER: Well, they were aware there were challenges. Part of the problem is we knew we were having a games, we knew how many events, we started to know where they were going to be, but all these things were moving, so it needed to be clarified and consolidated.

David DAVIS: I think you said there were updated costs from the original by the time you arrived. What was the updated cost at the time you arrived?

Allen GARNER: So the three major venues had announced 400 and whatever – three sites. I have forgotten off the top of my head. I can check it. They had announced the three major sites; that was an increase on the original budget that was in the business case.

David DAVIS: Right. And the number there was what?

Allen GARNER: The increase?

David DAVIS: Yes.

Allen GARNER: I could not tell you off the top of my head.

David DAVIS: Could you find that out for us? Thank you. So just to understand further, we also heard that the department put in submissions, and submissions were going to various committees and so forth in April. Did you brief the minister – any of the ministers – through that April, May, June period prior to 13 June?

Allen GARNER: Yes.

David DAVIS: Which ministers did you brief?

Allen GARNER: I briefed Minister Allan.

David DAVIS: Minister Shing?

Allen GARNER: Minister Shing, yes.

David DAVIS: What dates?

Allen GARNER: Oh, it was regular. We had regular briefings.

David DAVIS: Weekly? Fortnightly?

Allen GARNER: Roughly fortnightly. It varied a little bit, but yes, roughly.

David DAVIS: And you apprised them of the financial problems that were developing?

Allen GARNER: There were discussions progressively about the scope. So we did not sit at each meeting and look at the whole bucket and work our way through it; we would look at villages and issues with villages, and the meeting might be about the planning issues or it might be about the scope or the number. So it was progressive; there was not a big, whole picture that was unfolding.

David DAVIS: But my point is they knew that there were financial problems, and you briefed them perhaps fortnightly.

Allen GARNER: There were briefings in regard to the increasing costs.

David DAVIS: Yes. The government published estimates that indicated that your office indicated \$2 billion in additional cost pressures, which bumped the narrative up to \$7 billion. On what date were these additional cost pressures identified by your office, the additional lift to \$7 billion?

Allen GARNER: The \$7 billion is not a number that I am familiar with.

David DAVIS: You are not familiar with it?

Allen GARNER: But advising, that was through June. Around about June we started to crystallise a number of the additional significant risks. The government was keen to understand the deliverability and the certainty and the confidence and what it would take to have that confidence, and what the risks are that go with that over and above what we had already identified.

David DAVIS: And what did the ministers say when you pointed out to them that the original cost estimates – item by item, in effect – were wrong and had to be updated? What did they say at that point?

Michael GALEA: Chair, on a point of order, this goes directly to matters of executive privilege.

David DAVIS: No, it does not.

Michael GALEA: It does.

David DAVIS: Addressing a minister is not executive privilege – not at all. A minister being briefed by their department, by an agency – that is not executive privilege.

Michael GALEA: That is directly in breach of executive privilege.

David DAVIS: No, it is not. Agencies briefing their ministers is not necessarily executive privilege at all.

The CHAIR: I will allow Mr Garner to answer, keeping in mind any issues around executive privilege.

Allen GARNER: Yes, and I will talk generally about meetings. So the minister would hear information, and then she would seek further information or she would seek to consult with cabinet or others and to formalise those submissions.

David DAVIS: And the \$4.5 billion submission that was made in and around April, you were instrumental in helping frame that?

Allen GARNER: Yes, I was.

David DAVIS: And why was it not accepted? Was there a reason given?

Allen GARNER: No. I have no clear understanding. I was not in any of the meetings – not that I could talk to it.

David DAVIS: It was not accepted. It came back down that it was not accepted.

Allen GARNER: Well, the costs were above the budget, and so when it was not accepted there was more work requested to be done across a range of areas to look at alternative strategies – how could you squeeze the lemon so to speak – to improve the cost and then what strategies might you be able to put in place to mitigate the costs.

David DAVIS: So perhaps if I could just ask you: what was the last budget submission or the last budget document that you were involved in the preparation of?

Allen GARNER: That that went through in July. That was to the ERC in July.

David DAVIS: In July. So the last figure that is floating around in the public domain, if I can say, the \$6 billion to \$7 billion figure, is actually not a figure that you were involved with?

Allen GARNER: Not in that sense, no.

David DAVIS: What was the last figure that you were involved with as an overall estimate cost?

Allen GARNER: That was a cabinet submission.

David DAVIS: Sorry?

Allen GARNER: That was a cabinet submission, so I would have to seek advice.

David DAVIS: So was it \$4.5 billion, or was it more?

Allen GARNER: I would have to seek advice.

David DAVIS: You would have to seek advice. Well, maybe we can have that advice. If you are able to provide it, we will have it; otherwise please explain why not.

I should ask some other questions here. The caravan industry – there are media reports that your office approached the caravan industry to discuss a footing for caravans being involved and what the bill might be. Is that correct?

Allen GARNER: It is not correct that it was my office. The organising committee, it is my understanding, was having discussions with that sector.

David DAVIS: And was that then incorporated into the costings, the involvement of caravans as an option?

Allen GARNER: I could not comment on that. The organising committee was costing up all the elements on the delivery of the games, and the detail that is within that – I could not answer that without referring it to Mr Weimar.

David DAVIS: Thank you. You said that in terms of the March–April documents it was initially considered not accepted, more work to be done. What steps did you take at that time on the ‘more work’? How did you progress that?

Allen GARNER: We worked with the organising committee and with central agencies to develop a range of scenarios for consideration, scenarios such as combining events closer together to minimise the number of different sites you had to establish and set up. The temporary set-up of each site was quite expensive, and there was a lot of that. Could we reduce the number of hubs from four to three? What impact might that have?

David DAVIS: And was there an iterative process with the two ministers at that point?

The CHAIR: Mr Davis, you are out of time.

David DAVIS: Okay.

The CHAIR: Thank you, Mr Davis. I will pass to Mr McIntosh.

Tom McINTOSH: Thanks, Allen. Thanks for being here today. Thanks for answering questions. To talk to someone with a construction background – I worked in construction myself from basically the first decade of this century, so 2001 to 2010, and I was regionally based. So I listen to a lot of this and the conversation going on, what you are saying. Some of my reflections are: we saw I think a low level of investment in regional Victoria during the 90s when I started my apprenticeship and worked. We travelled to Melbourne for work. It was a very different time for working in construction in the regions, and I was just reflecting on where we have found ourselves in recent years.

So in the previous panel I was talking about – Eastern Victoria is my region. It is very different, where we have had a number of things influence demand for workers. Obviously we have had record low unemployment. We have had the fires and floods around the state and increasing demand for regional house construction. Obviously out of COVID we got a lot of people moving to the regions. We have had the Ukraine war, which has created inflation around the world, so we are seeing fuel prices, construction material prices – basically everything has surged.

So I suppose just to reflect upon that, if you look at, say, recent decades versus where we have been in the last 12 months from a construction price perspective, I would just be interested in your reflections on how unique this moment is for costs and then with the regional package and the investment we discussed previously – whether that be tourism or sports infrastructure or housing – just those costs going forward and without this time frame, this solid time frame, this immovable time frame that you discussed earlier, what that will mean for cost pressures on delivering that regional games package and if you would think that there would be an easing of pressure or an easing of inflation around those investments.

Allen GARNER: I guess you are sort of asking me a personal opinion or a view rather than a factual question.

Tom McINTOSH: I think just given your experience, yes.

Allen GARNER: Just from my experience, if you release the time constraint then that should improve the outcome of the opportunity – subject to how long you take, because then inflation takes over as you take longer. Yes, it should improve them.

Tom McINTOSH: And do you think that will have more of an impact on the supply from material supply chains or from a labour perspective, getting workers out to deliver that work on the ground? Do you see that one or more of those would have an easing of pressure?

Allen GARNER: Well, it would depend on the program, and I am not close, I am not across the program and how you roll programs that work out. Obviously if it is more controlled and it is spread more broadly, then it should be able to be much greater managed by the regional resources that are in each of the locations, but I have no visibility of where that program is going. I have not been a part of it.

Tom McINTOSH: Yes. We have heard earlier that there will be a broader spread across the regions of that work, so hence I would expect there would be less pinch points on certain areas of the regions. Thank you for that. Thanks, Chair.

The CHAIR: Thank you. I would like to pass to Ms Mansfield now, please.

Sarah MANSFIELD: Thank you. I was just wondering, did your office at any stage appear before any form of parliamentary oversight committee to give evidence – for example, PAEC or any of those committees?

Allen GARNER: No, not in relation to the department.

Sarah MANSFIELD: No. The department appeared, but your office at no stage had any opportunity to provide that.

Allen GARNER: The department in relation to the office, no.

Sarah MANSFIELD: Okay. And when was your office first established? You said you were appointed in November.

Allen GARNER: I do not know. I would have to find that date out. It was sometime in 2022. But I can take that on notice, or the department can advise on that.

Sarah MANSFIELD: Okay. All right. And you reported directly to the Secretary of the department. When did you first raise your own concerns with the Secretary about potential cost or scope issues with the games?

Allen GARNER: That would have been I guess probably sometime early in 2023, early this year, after having some time to look at it – that there were going to be some challenges.

Sarah MANSFIELD: Okay. And when you first took on the role, presumably you were presented with the business case to have a look at. Given your background in construction and I guess major projects, did you have any concerns at the time when you looked at that business case?

Allen GARNER: I did not look at the business case in any detail. I looked at the financials – we were actually tasked with finalising the scope first to understand what we were looking at. So the problem was more forward-looking, not comparing with where we were backwards, so I do not have –

Sarah MANSFIELD: So you did not actually look at the business case.

Allen GARNER: Not in detail in that regard.

Sarah MANSFIELD: Okay. All right. Because I think earlier you referred to, I guess, the program of work sort of being based on that business case.

Allen GARNER: Yes, that was the starting point. So we had a budget that that presented, with activities. Subsequent to that there were decisions of government that added additional activities in, and it was progressively being updated.

Sarah MANSFIELD: All right, but you did not go back and look at that original business case at any point?

Allen GARNER: Not at that point.

Sarah MANSFIELD: Okay. You mentioned before as well that we had a business case but there were many moving parts which made working out the exact cost and the scope difficult. Again, in your experience with major projects, is it normal for something to proceed with so many moving parts or unanswered questions? Is that normal for these sorts of things?

Allen GARNER: Pretty much. It is always challenging in business cases – people’s best estimate and understanding with the information they have at the time, and then progressively you always get new information or different information, or different circumstances unfold. This was probably more complex than anything that I had experienced, mainly because of all the people that were in the chain – we had to get approval via the international sporting federations that that site and that set-up and that structure that we were going to run was acceptable for their event before we could go through and work out what we were going to build. There were consistent iterative processes in each and every one of the venues and all of the sports to land what was going to be the final, deliverable scope. And that was still not fully finalised; it was getting tighter and tighter. It was just an extensive amount of work and a lot of moving parts that informed the total costing for the project.

Sarah MANSFIELD: Reflecting on that experience, do you feel that for something as complex as this perhaps it would be beneficial to do more work on some of those aspects that might be missing or try and nail down more detail before committing to a project like this?

Allen GARNER: You can always do more, and you can do better. It is usually time lines that dictate what you are doing for any particular project. Obviously, the games were late – normal games, you would normally have six or seven years as a build-up. Victoria took over the games on a shorter time line. It was achievable, but there was a lot of work that had to be done and a lot of moving parts to pull together.

Sarah MANSFIELD: In the work your office did, did you seek any information from local governments, particularly in the host cities, about, for example, potential venues and local information about their capacity to host the games?

Allen GARNER: There was quite a bit of that done. A fair bit was done in the time before I arrived and a lot was done through the organising committee and also SRV and Regional Sport Victoria, who were also actively strongly coordinating. So there was a lot of discussion with each of the councils on their preferred area, their preferred opportunity. Sites were explored and rejected or accepted based on constraints and how it fitted within the time line, but there were quite significant discussions.

Sarah MANSFIELD: You said sites were accepted or rejected based on constraints. What were some of those considerations?

Allen GARNER: Some would be just the sheer area. Once you identified the village in this site, now we know how many events, we know how many athletes, we know what size village, it won’t fit on that site, so that is one constraint that you have ruled out. Others might be that you have to procure the site, and procuring a site over a short time line might not have been achievable. The Ballarat site had contamination – there was an active thought of can we deal with that or cannot deal with that in the time line? But it was accepted still as the best opportunity in Ballarat. That was how that landed.

Sarah MANSFIELD: And did the state government present any preferences for locations for villages or other major infrastructure?

Allen GARNER: Well, the state made all the decisions, so the information was provided to the state to make decisions on options and sites. But again, the major ones had occurred before I arrived, so I was not party to those.

Sarah MANSFIELD: You mentioned before, though, when you were looking at all the different options for sites – were some of those preferred by government, as far as you were aware, prior to decisions being made?

Allen GARNER: I do not know; you will have to ask government, from their perspective. It was just satisfying criteria to hold an event, and this is what goes with it, there is this option or this option, and committees took decisions to decide what option was preferred, and that went through a governance process.

Sarah MANSFIELD: Thank you.

The CHAIR: Thank you, Dr Mansfield. We will go to Ms Bath.

Melina BATH: Thank you very much, Chair. Thank you for appearing before us today. We are trying to unpick a sandwich here and it is squashed together and it is very challenging to find out the facts; that is how I

feel at the moment. My question to you: you started in November 2022 and completed your work in August 2023, that is correct?

Allen GARNER: Yes.

Melina BATH: Thank you. I want to talk about the cancelling of the games and when you first understood that the games were mooted to be – the potential of being cancelled. Did you have any indication from DJSIR or DPC to investigate the potential for cancellation of the games?

Allen GARNER: No.

Melina BATH: You had no indication?

Allen GARNER: No.

Melina BATH: When did you find out? Did you find out with the rest of the public, or what date did you find out?

Allen GARNER: Very close – the evening before the announcement.

Melina BATH: So the evening before the announcement on, what are we, 18 July?

Allen GARNER: I will have to check the date, but yes, it was the evening before the announcement.

Melina BATH: Yes, okay. So you were not a party to any of the information around the external lawyers being tasked to investigate this, from your factor of infrastructure delivery? This is not something you were aware of?

Allen GARNER: No.

Melina BATH: And you were not asked to prepare any documents to provide to the government about any cancellation?

Allen GARNER: No.

Melina BATH: So, in effect, with the greatest respect, you were kept in the dark about this – you were still marching along with your remit to deliver the infrastructure, is that correct?

Allen GARNER: Yes, we were focused on delivering.

Melina BATH: Thank you. In relation to the board of Victoria 2026 and the organising committee, Ms O'Neal wrote to the then games minister Jacinta Allan on 4 April 'highlighting the critical time lines for decision making' in their submission that is before us. Did your office make any similar submissions or representations to the government on these critical time lines? Did you make a written submission to the government saying 'We're not going to meet these?'

Allen GARNER: No, we did not write the government at any point. As far as not meeting it, we have never said we would not meet it. Our submissions to government were all done through cabinet submissions, updating costs. As to the time lines Mr Ada talked to earlier today, March–April and June–July were the two key dates where a document was provided. Inside that, that information was provided around the need and timing to get a decision.

Melina BATH: And then you said you would have regular fortnightly briefings with either or both of the ministers, Shing and Allan. Could you provide to the committee a list of the dates of those? Can you look back through your diary and provide a list of the dates of those meetings?

Allen GARNER: I would be able to talk to the department and do that.

Melina BATH: Thank you.

Allen GARNER: I gather Mr Ada is already collecting that kind of information; we attended the same meetings.

Melina BATH: Thank you. You spoke about updating the costs by the time it arrived in terms of the three major sites, and then there were extra sites. At what point from November 2022 did you start to flag that these time lines were going to be very challenging and would require additional resources to meet that deadline of March 2026?

Allen GARNER: That was progressive throughout the period from early in 2023 right up to the day it was cancelled.

Melina BATH: Sure. Thank you. So far we have heard about the accommodation shortfalls and actually inhabiting people in the regions external to the villages. Did you become aware that you may not be able to accommodate everybody in the prescribed Commonwealth Games villages?

Allen GARNER: The villages themselves only contain the athletes, yes.

Melina BATH: And coaches or the like.

Allen GARNER: Some, yes.

Melina BATH: So in relation to the other members of the Commonwealth Games teams –

Allen GARNER: The workforce, right.

Melina BATH: That is right. Did you look at other local providers, like local motels or the like?

Allen GARNER: The organising committee – that was in their area of remit, and they did a lot of work in that area, but I cannot strictly speak to that.

Melina BATH: That is fine. Thank you. In relation to the tenders, I think you mentioned a games agreement with the unions. Can you expand on that? And if tenders were being required to accommodate unions in every agreement, in every build, to ensure that various unions were associated with the build of the villages, what sorts of cost imposts would that have had?

Allen GARNER: There were no tenders with requirements for unions. Each of the organisations have their own industrial agreements, so there was no specific games requirement with what was issued out to tender. Those discussions came post initially putting out to market the initial housing packages, and we were about to put out the major venue packages, so that came at about that time.

Melina BATH: But you spoke about games agreements. Could you just –

Allen GARNER: Yes, the unions approached us, the office of the Comm Games, about a games agreement, similar to what was in place in 2006 for the Commonwealth Games.

Melina BATH: But do you have detail of what that looked like?

Allen GARNER: No. They were preliminary discussions and general requests to apply an agreement on similar terms as major projects would apply in Melbourne.

Melina BATH: And can you just potentially provide those comments or advice to this committee in relation to which unions – CFMEU, ETU, the plumbing unions? Do you have a list of which ones?

Allen GARNER: We do, yes. They are referred to as the big union groups, so they are the building industry groups.

Melina BATH: So you might just provide the list to us?

Allen GARNER: Yes.

Melina BATH: Thank you very much. In relation to the \$2 billion that the departments provided on the additional cost pressures, which is listed there, it speaks to – and you have mentioned some of them – hyperescalation driven by compressed time lines, regional supply constraints and broader inflationary pressures. In relation to the shutting down of the native timber industry as a supply chain of hardwood to the industry, can you talk to if and when in the villages there would have been hardwood used in the construction of those buildings?

Allen GARNER: I cannot really talk to that. Development Victoria did the work. How the buildings were going to be constructed – it may have been timber or it may have been steel. There were portable or relocatable buildings that were going to be part of that construction. The actual material make-up – I cannot speak to that.

Melina BATH: So when were you going to find out about the plans for construction? When was that going to be in your time line – for the villages?

Allen GARNER: In what sense?

Melina BATH: Well, the villages would have been constructed with material. When was it in your time line to learn about what that material was – the design and materials of the buildings?

David DAVIS: The potential risks of supply.

Allen GARNER: Well, architecturally it was mapped out, and architectural consultants were working for us. As far as knowing whether it was going to be timber or steel frame, we would not be involved in that until construction is underway or have a view generally in a contracting sense. That would be contracted to the industry, and they have to comply with a set of standards. As long as they comply, whatever material within the realms of what is specified is up to each individual contractor.

Melina BATH: It is interesting they have talked about regional supply constraints in here, yet with the greatest respect, you are saying that you did not have any eyes – you were not aware of what the construction was going to look like, what buildings were going to exist or what they were going to look like, and yet the government has put in here and said that there were going to be supply constraints. I am just trying to understand the increasing associated costs, when really there was no clarity around these villages.

The CHAIR: Ms Bath, I am afraid we are out of time.

Melina BATH: Thank you.

The CHAIR: Thank you. I will cross to Ms Tyrrell.

Rikkie-Lee TYRRELL: Thank you. With regard to the calculation of accommodation shortfalls, was the OCG aware of the government's future housing taxes, such as the Airbnb tax, which would have significantly limited available properties in regional Victoria?

Allen GARNER: I cannot speak for the government. The OCG did not have any awareness.

Rikkie-Lee TYRRELL: Okay. That is all right.

The CHAIR: Is that your only question?

Rikkie-Lee TYRRELL: There is one. Have you – never mind. Sorry, it has come and gone.

The CHAIR: Okay. That is fine. Ms Ermacora, I might pass to you.

Jacinta ERMACORA: Thank you. I just need a moment, sorry.

The CHAIR: Certainly. Whilst Ms Ermacora is getting her notes together, I will just pass to Mr McCracken for one question first.

Joe McCracken: Oh, one question – all right. You might have to come back to me again.

The CHAIR: Choose the best one, please.

Joe McCracken: I am just trying to think. This \$6.865 billion figure that you guys had nothing to do with – I just cannot understand. I get the sense that you have just been kept in the dark about the costings and your focus was primarily on the delivery of the games, whether it is accommodation or transport or whatever. Would that be a fair statement?

Allen Garner: No.

Joe McCracken: What would be?

Allen Garner: We were fully focused on the costing, and it was part of the job to bring those costs to government. There were just broader elements than were in our control that impacted on that, so we provided advice in packages.

Joe McCracken: Well, if that is the case, how did you not know about the \$6.865 billion costing then?

Allen Garner: I have not seen that number assembled.

David Davis: Sorry?

Joe McCracken: He said he had not seen that number.

Allen Garner: I have not seen how that was assembled. That may have been assembled from information we provided to government; it may have been done differently. We were not party –

Joe McCracken: I mean, do you accept the costings – that the original business case for the athletes villages was \$250 million, and it has gone out by more than four times to \$1.023 billion?

Allen Garner: Yes.

Joe McCracken: I am just trying to figure out which parts you have and which parts you have not had an awareness of then, because that cost escalation, which I just talked about then with the athletes villages, forms part of the increase of costs to \$6.865 billion. I mean, there are athletes villages and there are competition venues, operations, temporary overlays, transport, police and security, and a contingency of \$200 million. I guess I will ask it in a different way: are there any areas of the Comm Games costs that you did not have any awareness of?

Allen Garner: I refer to my earlier comments. There was the police, and the oversight of policing was being developed outside of what we were doing. The OC was having discussions about how that policing was quite a significant cost element. The department of transport were working up solutions for moving people to and from Melbourne, but they had to understand what the need and what the requirements were. It was the same with the police. These were all iterative things, where they needed to know what the final scope was going to be before there was a cost. My understanding was and the initial view and assumption was that departments would deal with that within the normal funding for their programs of work.

Joe McCracken: So it was part of their normal funding; it was not extra and above.

Allen Garner: There was a nominal amount inside the business case, and then this was extra.

Joe McCracken: I mean, I just do not understand how all that can be the case with these extreme cost blowouts. How is there quite a significant number that you just are not aware of?

Allen Garner: I am not aware of how that was assembled. I have not seen that done. It may well be information that we provided. Hyperescalation, industrial risks, was the information we provided.

Joe McCracken: But you are not sure if it is or not?

Allen Garner: I cannot answer what was in that number. I would have to go back and seek advice from other agencies.

Joe McCracken: Are you happy to do that?

Allen GARNER: I can ask.

Joe McCracken: Okay.

The CHAIR: Thank you, Mr McCracken. We will go to Ms Ermacora.

Jacinta ERMACORA: Thank you. Little bit of an internet problem, but it seems to be okay now. I just want to go to the regional package again. I know that the regional package includes a regional workforce accommodation fund, and as we transition from Commonwealth Games projects to the regional package, do you have any comment about how this fund would support that and ease the pressures that you discussed earlier?

Allen GARNER: I have not really been involved or associated with that, so that would just be asking for an opinion. I would rather not.

Jacinta ERMACORA: Sure, yes. The additional range of scope requests for the private or public stakeholders for the games – do you think that it would have been worth the cost of building additional rail infrastructure, for instance, just for the games?

Allen GARNER: I did not see the work, but my understanding is the work indicated that it did not stack up to do it just for a games event only.

Jacinta ERMACORA: Yes, that would make sense. And your relationship with local councils in the planning and development of the games infrastructure – how did that go?

Allen GARNER: That was quite good. There were different relationships with each of the councils, and the amount of discussion and how we engaged changed over time. In the latter part we developed a group where the council CEOs, Jeroen and I would meet monthly and talk about where we were going and how it was all unfolding. It was pretty open and pretty cordial, and all councils were very, very supportive.

Jacinta ERMACORA: And you had visits around the region and stakeholder engagement as well?

Allen GARNER: Yes, we went around to all of the hub sites and held a number of engagements explaining where we were up to, what we were doing, what was expected and how they could be involved, and the community response was pretty overwhelming – very, very positive and very excited.

Jacinta ERMACORA: I did not hear that answer, sorry.

Allen GARNER: Would you like me to repeat that?

Jacinta ERMACORA: Yes, if that is okay.

Allen GARNER: Yes. So we went around to all of the regional hubs and ran forums and engagement forums with council and with all the local sporting clubs. Anybody or any group who had an interest in the games was invited to come along and attend and hear the status and what was intended. They were received very well. There was a lot of excitement in all of the communities, and a lot of support and looking forward to the games.

Jacinta ERMACORA: Yes. Thank you.

The CHAIR: Thank you, Ms Ermacora. I have got a question myself. There was discussion about the inflationary effects of the cost of labour and materials that go into these projects, and that was clearly a big contributing factor to the increase in the estimated overall cost. In a totally different inquiry, we came across the phenomena where the government is effectively competing with itself because we have lots of Big Build and other infrastructure projects that have nothing to do with the Commonwealth Games. In your mind, was that a significant factor in the increase in the labour and materials costs? Because we have all these other projects happening all over the city at the moment, obviously that is going to cause demand for labour and materials, which of course would increase prices. It sort of makes sense that if you are going to add more projects on top of that, that would contribute to the inflationary effects. Is that something that was a factor in the escalation of the overall estimates in your view?

Allen GARNER: I can speak from my general experience. It flows through significantly. It starts particularly in Melbourne, in my experience, so pressure comes on Melbourne. If there is not much happening in the regions, then you get the regional contractors coming to Melbourne and joining, and more workforce moving into Melbourne and less availability in the regions. Then slowly pricing and impacts translate in reverse back out to new projects in the regions. There is no doubt on the eastern seaboard of Australia there are a significant load of projects – not just in Victoria but in New South Wales and Queensland. The big contractors obviously are across the lot, so they do influence each other. Supply of big materials – steel in particular is a massively unpredictable product – the cost of fuel and all of those things work together to drive the cost up in basically a supply-and-demand situation.

The CHAIR: Another thing that I would have expected would potentially change the costs is because in any project – I have worked in project management for a while too – you can change the time, the scope or the costs, but you cannot change all of them at once, or you cannot keep them all fixed. On this one we could not change the time. It was locked in because we knew it had to be done by a certain date. Do you think that contractors that were tendering for this, when they were doing estimates, would have been putting in some sort of risk premium because they knew that it needed to get done before a certain date? If they were running late, you mentioned before, they might have had to get workers on night shift or they might have to do all sorts of stuff like that. Do you think that they were pricing in contingency, which would have blown out the overall costs? Is that a factor as well, do you think?

Allen GARNER: That was certainly what was starting to get reflected in some of our contingency calculations. The industry – some people say they are gaming it. The reality is the government is asking them to hit a date, and there is no give or take on this date. They will have to price and reflect that price properly in, and it is a matter of what view contractors take in that regard. Sometimes you get people that are optimistic, but most, given the amount of work and the opportunities to do work, contractors were picking the projects they would like to do rather than looking to government to keep them going.

The CHAIR: Yes, it is like the contractors control the prices. But then on the other hand the scope is something that you were looking at. My understanding is that there were discussions with the government: ‘How can we change the scope of this?’ Some things may have been brought to the city or maybe they could have dropped some things and that sort of stuff. Was that changing of the scope – was there nothing significant enough that would make the games feasible? What sort of efforts did you go through to do modelling of scope changes so that you might be able to make it cheaper overall?

Allen GARNER: There was a reasonable amount of work done between us and the OC to look at options to reduce the number down, which were put to government. At the moment I would have to take advice on how much of that I could share at this point in time. I am happy to pursue that and advise. We looked at a range of things, from small to quite significant, which would impact how the games were run.

The CHAIR: It seems like one of the core things that drove the inflation of the costs here was the decision to make it a regional games. There are sort of unique challenges there, because you are having to build new infrastructure and you have got a more remote workforce, many of whom you just said before were already travelling into the city on big construction jobs because they could get good money on those jobs, and therefore it needs to be very attractive for them to go back again. So the entire concept of having a regional games itself introduced unique project management and financial challenges. Would that be correct?

Allen GARNER: Yes, it is much more challenging than doing it in Melbourne from that perspective. Trying to squeeze the games into Melbourne is another whole different challenge. As much as we have lots of infrastructure, it is very, very heavily used.

The CHAIR: We have a little bit of time left. I might go back to Mr Davis; I believe he has a couple more questions.

David DAVIS: Thank you again for your evidence, Mr Garner. I just want to go back to this issue of the briefings with Minister Allan and Minister Shing. You were there from late in 2022 through to August in 2023 – I make that about nine months, roughly 36 weeks, maybe 40 weeks. That is 18 to 20 meetings across that time. Is that a rough estimate that is close to right?

Allen GARNER: Look, I could not tell you. I do not know. It is probably a bit on the high side.

David DAVIS: It might be in the 20s or something like that.

Allen GARNER: I would have to find that out and confirm that.

David DAVIS: It is not five or 10? It is more than that?

Allen GARNER: Yes.

David DAVIS: So these are very regular briefings – about each fortnight. Minister Allan is there often, Minister Shing there as well – am I correct in presuming that?

Allen GARNER: Later Minister Shing, when she was appointed, was there. They varied – sometimes Minister Allan was not there and Minister Shing was there, sometimes they were both there and sometimes it was just Minister Shing. It was a mix.

David DAVIS: Sometimes Jeroen Weimar was there?

Allen GARNER: Most times.

David DAVIS: And the Secretary of the department as well?

Allen GARNER: After he commenced, yes. Not always.

David DAVIS: Yes. And the previous one before that, or for the previous iteration of the department.

Allen GARNER: Yes, although because we had an election and a change in government, there was from November through till December not much activity; we were just doing our own work. The main thing started back in February and the New Year when that cycle started.

David DAVIS: And you discussed – I think in an ‘iterative way’ is the kind of way you tried to describe it – a number of the cost issues. You talked about accommodation. Venues were discussed. Did you talk about options for moving the games or something of that nature – less of the games in the country, more in Melbourne? Was that in the iterative discussion?

Allen GARNER: There was a request that came after an April submission from cabinet to do some work and provide advice, which we did do.

David DAVIS: On that matter? On the matter of –

Allen GARNER: On options.

David DAVIS: whether you could move some options, including moving parts of it to Melbourne?

Allen GARNER: Yes.

David DAVIS: Yes. Or all of it to Melbourne?

Allen GARNER: We did not look at that.

David DAVIS: You did not do that. Or most of it to Melbourne?

Allen GARNER: I would have to seek advice on how much –

David DAVIS: You do not remember?

Allen GARNER: I would have to seek advice and look at the notes on what we did and did not do.

David DAVIS: Did you take notes in those meetings?

Allen GARNER: There were minutes for meetings, yes.

David DAVIS: The formal minutes for the meetings – taken by who, someone from the department?

Allen GARNER: Yes.

David DAVIS: Who was that?

Allen GARNER: It varied from meeting to meeting to meeting.

David DAVIS: Right. But we have established that accommodation, venues and different options – Melbourne, or how much was in the city and how much was in the country – were discussed. We have established that Jeroen Weimar was there and usually the Secretary.

Allen GARNER: No, sorry, can I just correct you. The options were not discussed at meetings with the minister; that came from a decision back from government when they rejected the April thing to do more work. We did that work and provided that up through another cabinet –

David DAVIS: And some of those options were looked at at that time. Did you brief the minister, or ministers, on some of those options?

Allen GARNER: There were some discussions, but not as a whole. That is my recollection.

David DAVIS: But it was discussed?

Allen GARNER: Somewhat.

David DAVIS: Some options were discussed.

Allen GARNER: Different parties were doing different works.

David DAVIS: Right. I just want to understand this. So there is developing concern about the cost. A submission asking for much more money goes to a cabinet subcommittee. That is not accepted. You are asked to go and do more work. You actually do a range more work, including looking at some options and ways that this can be dealt with, including having less in the country and more in Melbourne, including looking at different accommodation options and including looking at different venues. Did you look at the number of sports? Was that part of it that you were aware of? Was that discussed at the meetings that you were at?

Allen GARNER: Not that I can recall. There was clear initial guidance that the number of events and where they were was initially to be left as they were and to look at options around those things.

David DAVIS: Right.

Allen GARNER: And then later on there were more high-level gross options just for consideration, or more scenarios.

David DAVIS: Were you given copies of the minutes that were taken at these roughly fortnightly meetings?

Allen GARNER: They will be in the department's system.

David DAVIS: Were you provided with them? Were they circulated to you as part of the process?

Allen GARNER: It was just a regular update. No, I did not review minutes. We would take actions, and then we would work on the actions.

David DAVIS: Actions. So did you keep a list of the actions from those meetings?

Allen GARNER: They will be in the department's system.

David DAVIS: Yes. All right.

Allen GARNER: There were appropriate actions, yes.

David DAVIS: You were given a list of actions that you were undertaken to do?

Allen GARNER: No, I was not given a list of actions. There were notes taken in the meeting.

David DAVIS: And there were no actions for you to take out of those meetings?

Allen GARNER: There would be actions that the team would have to undertake.

David DAVIS: And how were they communicated to you, then?

Allen GARNER: I was in the meeting.

David DAVIS: You were in the meeting. So you took down some notes, or the minutes over here recorded the actions? I just want to understand the communication that is going on here and how direction is being given.

Allen GARNER: The minutes would be taken, then they would be distributed to the executives in the team and actions would be followed up.

David DAVIS: Including you.

Allen GARNER: If I had an action to follow up, yes. Generally, I would be the one presenting after the actions had been undertaken.

David DAVIS: Okay. Can you provide us with those minutes or those action items that you had been sent?

Allen GARNER: I will seek advice on that.

The CHAIR: Thank you, Mr Davis. Dr Mansfield.

Sarah MANSFIELD: Thank you. Just going back to some of the questions I was asking earlier about decision-making around appropriate locations for different aspects of the games infrastructure, at any stage prior to a lot of the deliberations that have just been focused on from that April point onwards where you were providing advice about different options – prior to that – did your office provide any advice to government about preferred locations for different parts of the infrastructure, so the villages, the sporting infrastructure? Was that a function of your office to provide recommendations for where you felt that should be located?

Allen GARNER: As I said, the bigger pieces were done before my time. At that point the organising committee and the office of the Comm Games were one early unit formed. My understanding is there was advice, but I cannot tell you specifically. I have not looked at or seen the advice.

Sarah MANSFIELD: Okay. So in your time there was no advice provided to government about the best venues for different –

Allen GARNER: There was. It was very down in the small – ‘We want to hold a venue here for squash; do we put squash there or there in Bendigo?’ That was about the level I was down to. Most of the sites had already been identified and we had just said, ‘This one is a better priority than that’ on a few sites. The OC – on the temporary sites there was a little bit more discussion, but they were all temporary sites. It was more what is best for the games or what the games committees all thought and what the government might approve.

Sarah MANSFIELD: Did your office have decision-making power over where those things would be located, or was that something that ultimately government decided?

Allen GARNER: No, that was referred to government.

Sarah MANSFIELD: Okay. And were there any instances where the government’s decision differed from your recommendations?

Allen GARNER: Not that I can recall.

Sarah MANSFIELD: Okay. All right. That is all. Thank you.

The CHAIR: Thank you, Dr Mansfield. I believe Mr McCracken has another question.

Joe McCracken: I have still got a few more questions on these costings that got to the \$6.865 billion. I had a look at your organisational chart – I have got it here. What oversight did the executive director of strategy and oversight actually provide in terms of costings?

Allen Garner: That role was not – it was more the finance person that was doing that work.

Joe McCracken: In terms of costings, then, did they have any involvement at all with that?

Allen Garner: The team assembled all costings. We did not do the detailed costing; we assembled costing that was submitted to government.

Joe McCracken: I know there are other roles here like the director of commercial and director of the Commonwealth Games village site. The costings have gone from \$250 million to \$1.023 billion. Did they have any knowledge of the costings on that?

Allen Garner: Various people were involved with various elements, so it was broken up. Development Victoria were doing the costings on all of the villages, and the team was providing oversight working with them on planning and approvals and the like.

Joe McCracken: So Development Victoria did the costings for it?

Allen Garner: That is correct.

Joe McCracken: Right, okay. So that is probably where the \$6.865 billion comes from, I am guessing.

Allen Garner: No, they did not do the overall cost numbers, they did the villages and the major venues.

Joe McCracken: Did the chief commercial finance and assurance officer have anything to do with the costings at all?

Allen Garner: They assembled the costings.

Joe McCracken: Executive director, commercial contracts; executive director, budget and finance – I am just trying to flesh it out.

Allen Garner: All people involved in those activities for various elements or various aspects.

Joe McCracken: I just do not understand how there are so many roles to do with finance and no-one knows the costings and how we got to that point.

Allen Garner: Sorry, we do understand the costings we provided. I did not see how that number that you are talking to was made up – that is all.

Joe McCracken: Well, it looks like it is made up, based on what we hear, because no-one can tell me how we got there. There are all these little parts to it, but how we got to this figure – I cannot for the life of me figure out how we got to that. There are all these different finance roles in the organisation, from commercial to an actual director for Commonwealth Games village sites, and I am not getting anything about how we got to that costing. I mean, forgive me, but you can understand why I am a bit frustrated. Is there anything you can do to help me to have an understanding about how this costing was reached through you guys at all, or were you just given it?

Allen Garner: I will have to talk to the department and have a discussion about what the number is. I have left and I do not have any documents. I do not have anything in front of me that you are referring to or what that means.

Joe McCracken: I am happy to provide it if he wants. But I am looking, and there are one, two, three, four, five, six, at least seven separate roles to do with finance there, plus yourself as the former CEO now – eight different roles. It just staggers me, really, that we cannot figure out how that costing came to be.

Michael Galea: On a point of order, Chair, I would like to ask if it is appropriate that witnesses be handed documents on the spot during a hearing.

The CHAIR: Yes, that was not circulated. What is that document? Is that from the media release from the –

Melina BATH: It is this, isn't it?

Joe McCracken: Yes.

The CHAIR: Where is that from? Is that publicly available?

David Davis: Yes, it is a publicly available document.

Melina Bath: Yes. It is state government sourced costings on the \$6.8 billion.

The CHAIR: Okay. All right. So it is publicly available.

Melina Bath: It is a public document.

Joe McCracken: Yes, I am not handing out any private information. I just want a straight answer. That is all.

Tom McIntosh: Sorry, Chair. Was that released during the time in which Mr Garner was in his role? Would he be expected to have seen that in the time in his role?

David Davis: Or at least some of the background for it.

Joe McCracken: July 2023.

Tom McIntosh: I am just asking, because if there is a document that we are putting in front of Mr Garner, whether he should be expected to be across that detail, I am just not sure.

The CHAIR: Yes. I am not sure that –

Melina Bath: Chair, the Commonwealth Games village increased by about 300 per cent. It should have been in the remit of the Chief Executive Officer, who was in charge of infrastructure. The top line there should not be a surprise.

The CHAIR: I will allow Mr Garner to respond.

Allen Garner: I will just reiterate what I said earlier: I have not been a party or sat down or reviewed the assembly of those numbers. I am not saying they are incorrect. I am not saying they are not factual. I am not saying they are not based on information we provided to the government. But I was not a party and have not reviewed the assembly of those numbers is all I am saying.

The CHAIR: Okay.

Allen Garner: And then after that I would have to seek advice on privilege in relation to actual information.

The CHAIR: All right. We might just have one final question from Mr Davis – just one final point.

David Davis: Just a very simple thing: are you employed still in government somewhere? Where are you employed now?

Allen Garner: I am unemployed.

David Davis: You are looking for work. Thank you. That is fine. I was just trying to understand.

Melina Bath: Good luck.

Joe McCracken: I do not mean to go hard on you. I am just incredibly frustrated. Sorry, I am just really frustrated.

The CHAIR: All right. At that point, I would like to thank you, Mr Garner, for appearing today. You will get a copy of the transcript to review in about a week, before it is published on the website. The committee will now break until 2:20 pm. Thank you very much.

Witness withdrew.