



Interesting and thought-provoking aspects of the Auditor-General's work and public reports, presented as case studies for teachers and students.

Dunedin stadium

A new rugby stadium sparks a community ruckus.

In November 2005, New Zealand won the right to host the 2011 Rugby World Cup. The victory came with responsibilities, including the need to provide world-class stadiums.

Dunedin's Carisbrook Stadium wasn't up to scratch, so the Dunedin City Council (DCC) and Otago Regional Council (ORC) were exploring options for its upgrade or replacement. Initial public feedback suggested support for an upgraded Carisbrook. Then an independent trust was set up to continue investigations. It recommended a new multi-purpose stadium, with DCC footing almost half the bill – \$91 million.

Public consultation on the proposed stadium took place – though some said not enough – revealing divergent opinions. The biggest sticking point was ratepayer funding of the stadium.

The Office of the Auditor-General (OAG) inquired into the matter because of the amount that ratepayers might need to pay. It found that DCC and ORC had so far been meeting best-practice guidelines for funding non-government organisations.

Despite opponents protesting and taking court action, DCC went ahead with the new stadium. The council believed it would provide the greatest long-term economic and social benefits for the region.

This case study helps students to explore why the council came to this decision. They can discuss issues around public funding of sports stadiums, who benefits most from such projects and the use of loans to fund them. The importance of public consultation is also relevant.

Curriculum links

National Certificate of Educational Achievement (NCEA)

Economics, Level 1	AS 90987 (1.5) – Demonstrate understanding of a government choice where affected groups have different viewpoints
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New Zealand Curriculum (NZC)

Social sciences, Level 6	Economics – Understand that, as a result of scarcity, consumers, producers, and government make choices that affect New Zealand society
Social sciences, Level 7	Economics – Understand how government policies and contemporary issues interact

References

Office of the Auditor-General (2007), *Inquiry into Dunedin City Council and Otago Regional Council's funding of the proposed stadium*, Wellington: Office of the Auditor-General (letter).

Office of the Auditor-General (2006), *Principles to underpin management by public entities of funding to non-government organisations*, Wellington: Office of the Auditor-General.

Hall, C.M. & Wilson, S (2011), "Neoliberal urban entrepreneurial agendas, Dunedin Stadium and the Rugby World Cup: Or 'If you don't have a stadium, you don't have a future'" pp. 133-152 in *Stories of Practice: Tourism Policy and Planning*, ed. Dredge, D. and Jenkins, J. Ashgate, Farnham.

Turei, M. (2009), Is the Dunedin Stadium a financial risk? From the blog: *Economy, Work, & Welfare* (accessed at: <http://blog.greens.org.nz/category/the-issues/economy-work-welfare/>).