



GREG SAYS...

On the future of golf: "Cities have grown out and around these golf courses. Take Eastern Golf Club in Melbourne for example. Fifty years ago it was on the outskirts of Melbourne. Now members realised their club could avoid ever being in financial distress again if they stepped up to the plate and developed the original site. They got approval to rezone it and once you have that development approval in your hand, you have value in that property because you can go sell it. In Eastern's case they could go and get some land and build a club to their liking and put a bunch of cash in their pocket."



Ironically, Darebin City Council passed a motion in support of the golf course remaining undeveloped.

Kingston Links Golf Club at Rowville, 27 kilometres south-east of Melbourne, may be redeveloped into a residential estate with up to 800 houses. The flood-prone 18-hole layout has been up for sale in recent years. The Brisbane-based owner would see a financial windfall if the 67-hectare property is rezoned from special use to general residential by Knox Council.

Meanwhile, several Melbourne clubs on private land have relocated (or are seeking to have land rezoned) in order to secure their future on another site with a contemporary golf facility. For example, Keysborough Golf Club is set to reap \$100 million from developer Intrapac if the Andrews government gives approval for the land to be rezoned for residential development.

But it's the predicament of courses on council property that is cause for concern. In Melbourne, a lot of councils have a higher level of involvement in the day-to-day operation of golf facilities. That is, they own/provide the maintenance service or may be exposed to the operating outcomes.

So when a golf course loses money, the council loses money. The councils are more passive in Sydney, where clubs tend to run the golf course.

Council golf is cheap golf and it's not overly profitable for the operator. So as many golf assets get older, there is little or no investment strategy. And many of these council-owned golf facilities weren't built on a sound financial model in the first place.

Up until recently, golf has been out of sight, out of mind. But the game is played by just six per cent of the population. And government, local and state, now see better value in parks and pools.

A BIG AUSTRALIA MEANS A SMALLER FOOTPRINT FOR GOLF

More and more people will continue to pour into our major cities, placing a premium on recreational green space. The population of Melbourne will pass five million by about 2021. By the early 2050s, it is estimated the greater metropolitan area will have eight million residents. According to demographer Bernard Salt: "There will be

more growth in Australia's biggest cities over the next 30 years than in the biggest cities of the developed world."

Writing in *The Australian*, Salt said "it is hard to identify any developed-world city that is projected to record a higher percentage increase in population than Perth, Brisbane, Melbourne and Sydney by mid-century".

The reason, Salt says, is the controversial Big Australia policy, which has lifted net overseas migration from about 100,000 per year to 180,000 over the past decade.

"Sydney and Melbourne are officially expected to accommodate another three million residents by the mid-2050s; south-east Queensland and Perth are expected to add another two million each."

Historically, golf's stakeholders weren't concerned about the prospect of alternative land use on golf courses. They've been caught out largely by the combination of golf's declining participation level and a vocal outcry from other sporting bodies. In the case of Warringah, it faced a concerted lobbying effort by the whole district.

"Golf hasn't done a very good job of convincing government of its benefits," says industry expert Jeff Blunden. "Government councillors, ultimately, listen to those who make the most noise. If you make a lot of noise with a compelling argument and you represent a fair whack of the community, you virtually get what you want."

Golf courses will be under increasing pressure to justify their land usage, especially if they don't have ownership of that land. Decisions will be made on what the community needs most by ambivalent government officials.

"A lot of them will have no emotional attachment to golf whatsoever. They like the green element. They like the tree element.