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## **GENERAL PURPOSE STANDING COMMITTEE NO. 2**

**Wednesday 26 October 2011**

**Examination of proposed expenditure for the portfolio area**

### **SPORT AND RECREATION**

**The Committee met at 4.45 p.m.**

#### **MEMBERS**

The Hon. M. A. Ficarra (Chair)

The Hon. J. Barham  
The Hon. D. Clarke  
The Hon. P. Green

The Hon. S. Moselmane  
The Hon. P. Phelps  
The Hon. L. Voltz

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#### **PRESENT**

**The Hon Graham Annesley, *Minister for Sport and Recreation***

**Office of Communities**  
**Ms Carol Mills, *Chief Executive Officer***

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**CORRECTIONS TO TRANSCRIPT OF COMMITTEE PROCEEDINGS**

Corrections should be marked on a photocopy of the proof and forwarded to:

**Budget Estimates secretariat  
Room 812  
Parliament House  
Macquarie Street  
SYDNEY NSW 2000**

**CHAIR:** I declare this hearing of General Purpose Standing Committee No. 2 into the budget estimates for 2011-12 open to the public. I welcome Minister Annesley and Ms Carol Mills to the hearing. Today the Committee will examine the proposed expenditure for the portfolio of Sport and Recreation. Before we commence with questions I will make some comments about procedural matters. In accordance with the Legislative Council guidelines for the broadcast of proceedings, only Committee members and witnesses may be filmed or recorded. People in the public gallery should not be the primary focus of any filming or photographs. In reporting the proceedings of this Committee, media representatives must take responsibility for what they publish or what interpretation they place on anything that is said before the Committee. The guidelines for the broadcast of proceedings are available on the table by the door. Any messages from attendees in public gallery should be delivered through the Chamber and support staff or the Committee clerks.

Minister, I remind you and the officer accompanying you that you are free to pass notes and refer directly to your advisers while at the table. I remind everyone to turn off their mobile phones. Transcripts of this hearing will be available on the website from tomorrow morning. The Committee has resolved that answers to questions on notice must be provided within 21 days. Normally all witnesses from departments, statutory bodies or corporations need to be sworn or affirmed prior to giving evidence. Minister, I remind you that you do not need to be sworn as you have already sworn an oath as a member of Parliament. Ms Mills has also been sworn in at a previous budget estimates hearing earlier today.

**CAROL MILLS**, Chief Executive Officer, Office of Communities, on former oath:

**CHAIR:** I declare the proposed expenditure for the portfolio of Sport and Recreation open for examination.

**The Hon. LYNDA VOLTZ:** Minister, have you met with Justin Taunton?

**Mr GRAHAM ANNESLEY:** No, I do not believe so.

**The Hon. LYNDA VOLTZ:** You do not think you have met with him at all?

**Mr GRAHAM ANNESLEY:** Will you repeat the name?

**The Hon. LYNDA VOLTZ:** Justin Taunton, who is Deputy Mayor of Hills shire.

**Mr GRAHAM ANNESLEY:** No, I do not believe so.

**The Hon. LYNDA VOLTZ:** Do you think it is appropriate for Mr Taunton, as an employee of the member for Londonderry, to be paid to lobby on behalf of the Parramatta Eels, which organisation relies on the use of State Government venues?

**Mr GRAHAM ANNESLEY:** Are you asking me for an opinion?

**The Hon. LYNDA VOLTZ:** I am asking if you think it is appropriate.

**CHAIR:** But he has not met the person.

**Mr GRAHAM ANNESLEY:** You are asking me for a personal opinion. It is not relative to my portfolio.

**CHAIR:** It is a personal opinion.

**The Hon. LYNDA VOLTZ:** Why is Parramatta Stadium being included in the Venues NSW Trust but not the sporting venues at Sydney Olympic Park, such as the State Sports Centre and the athletics centre, nor the venues at Western Sydney Parklands, such as the equestrian centre, the shooting centre and Eastern Creek raceway?

**Mr GRAHAM ANNESLEY:** The three venues that were chosen initially to be included in Venues NSW—Parramatta Stadium, Ausgrid Stadium at Newcastle and WIN Stadium at Wollongong—were chosen because of the similarities in the nature of their use, the size of the venues and the fact that they already have existing authorities controlling them. The legislation, which is currently before Parliament, provides me with an opportunity to add additional venues should I see fit. But at this stage, in order to get the new authority up and running, I felt it most appropriate to go with the three venues that often compete with each other for events and that also provide the best opportunities for cost efficiencies and procurement advantages as they use very similar facilities.

**The Hon. LYNDA VOLTZ:** Who is the chair and who are the members of the Combat Sports Authority?

**Mr GRAHAM ANNESLEY:** The current members of the Combat Sports Authority are Chair Denis Fitzgerald, Mr Kevin Greene, Mr Chris Gardiner, Mr Chris Downey, Ms Jill Baptist and Dr Justin Paoloni.

**The Hon. LYNDA VOLTZ:** So that is down from two women to one woman?

**Mr GRAHAM ANNESLEY:** Yes, from the previous members.

**The Hon. LYNDA VOLTZ:** What is the background of Mr Denis Fitzgerald?

**Mr GRAHAM ANNESLEY:** Mr Denis Fitzgerald is the former Chief Executive Officer of the Parramatta Rugby League Club, a former member of New South Wales Rugby League, a former rugby league player, an alderman on Parramatta City Council from 1987 to 1991, a trustee of the Parramatta Stadium Trust from 1989 to the present day, Chairman of the Parramatta Liquor Accord from 2003 to 2009, and a director of the Sydney Olympic Park Authority from 2009 to the present day.

**The Hon. LYNDA VOLTZ:** Minister, have you received any advice regarding the sale or lease of sport and recreation camps from your department?

**Mr GRAHAM ANNESLEY:** A proposed sale or lease?

**The Hon. LYNDA VOLTZ:** Have you received any advice regarding the sale or lease of sport and recreation camps from your department?

**Mr GRAHAM ANNESLEY:** We have had discussions about a whole range of issues and potential matters that might be reviewed in the future, but at this stage no decisions have been made about the types of action.

**The Hon. LYNDA VOLTZ:** Minister, will you guarantee that there will be no sale or lease of sport and recreation camps under the O'Farrell Government?

**Mr GRAHAM ANNESLEY:** Obviously I cannot guarantee that.

**The Hon. LYNDA VOLTZ:** Will you leave the age at which boys can register to become an amateur boxer at the current level of 14 years, or will you reduce the age level?

**Mr GRAHAM ANNESLEY:** At this point in time there are no plans to review that decision.

**The Hon. LYNDA VOLTZ:** So you are not reviewing any age limits on boxing?

**Mr GRAHAM ANNESLEY:** Not at this stage, no.

**The Hon. LYNDA VOLTZ:** In an article in last weekend's *Sun-Herald* there was an indication that age limits on boxing would be reviewed.

**Mr GRAHAM ANNESLEY:** I know the article to which you are referring, but I do not believe that is right.

**The Hon. SHAOQUETT MOSELMANE:** The successful Tackling Violence program has been funded only to the end of the financial year. Will you commit to continuing to support that program to its current level?

**Mr GRAHAM ANNESLEY:** I cannot commit right now. An evaluation process is currently underway. Obviously any future funding will be dependent on the outcome of that evaluation.

**The Hon. SHAOQUETT MOSELMANE:** When do you expect the evaluation to finish? In view of time constraints I will ask another question whilst Ms Mills looks for the answer to that question. Under the existing structure for Wollongong, Hunter and Parramatta stadiums there are 17 board members, of which at least seven receive no remuneration. Under the new Venues NSW Trust and its underlying advisory board there will be 32 members, all of whom will receive remuneration. Will the new board significantly increase the cost and number of board advisory members?

**Mr GRAHAM ANNESLEY:** At this stage I have made no firm decision on the remuneration to the local advisory councils. If I do decide to remunerate them it will be on the basis of the standard government daily rate.

**The Hon. LYNDA VOLTZ:** Currently only 10 members receive remuneration. With the new board more members will receive remuneration, is that correct?

**Ms MILLS:** I will answer the question using the advice that the department has provided to the Minister. We believe that the structure that will be put in place will be cost-effective and will not result in significant additional costs of administration. In fact, as the Minister alluded to, we have not yet made a final determination in our advice on the councils, but the membership of the Venues NSW board will not be large in the first instance and has been costed within our budget.

**The Hon. SHAOQUETT MOSELMANE:** Is the remuneration included in legislation?

**Mr GRAHAM ANNESLEY:** No, it is not.

**The Hon. SHAOQUETT MOSELMANE:** Given that existing trusts such as Wollongong run without any budget from the New South Wales Government, what will Venues NSW do to attract more sporting events, and will they have access to Events NSW funding as part of this restructure?

**Mr GRAHAM ANNESLEY:** The objective of Venues NSW is to create better efficiencies, better economies of scale across venues that often compete against each other for events and are often played one off against the other by event organisers in order to negotiate a better deal. There are also potential efficiencies around procurement of services that these venues use, for example, catering, ticketing and various other aspects of their operations. So the entire objective of this change is to try to return a better financial position to the taxpayers, hopefully to make them operate on a more commercially viable basis so that they then have the ability to support more community-based events through better efficiencies with their commercial events.

**The Hon. LYNDA VOLTZ:** Do you think there are enough women on sporting boards?

**Mr GRAHAM ANNESLEY:** I think there is always the opportunity to increase the number of women should they be appropriately qualified for appointment.

**The Hon. LYNDA VOLTZ:** Why did you remove Catherine Harris from the Sydney Cricket and Sports Ground Trust, and should she have been replaced with a woman, as there is now only one woman of the 14 members of the Sydney Cricket and Sports Ground Trust?

**Mr GRAHAM ANNESLEY:** I did not remove Catherine Harris from the cricket ground trust. She did not seek reappointment because she felt there could possibly be a conflict of interest with her hopefully upcoming position as a commissioner of the new NRL commission.

**The Hon. LYNDA VOLTZ:** Should she have been replaced with a woman?

**Mr GRAHAM ANNESLEY:** I think appointments should be based on merit.

**The Hon. LYNDA VOLTZ:** So there were no women with merit that could have replaced her?

**Mr GRAHAM ANNESLEY:** I did not suggest that. I said I think appointments should be based on merit.

**The Hon. LYNDA VOLTZ:** So there are 14 members, one of whom is a woman.

**Mr GRAHAM ANNESLEY:** Correct.

**The Hon. LYNDA VOLTZ:** Currently in the school sports program—I understand that the program itself falls within the purview of the Minister for Education—girls are missing out on participating in sports such as OzTag. What actions will you take as the Minister for Sport and Recreation to ensure that school sports programs reflect equal opportunities for boys and girls? Would you support a coeducational competition at primary school level if individual boys and girls teams cannot be fielded?

**Mr GRAHAM ANNESLEY:** I would support any initiative if it increased participation in sport, whether it be male or female. Obviously I will be working as closely as I can with the Minister for Education to try to use the education system to do that. My objective as Minister for Sport and Recreation is to try to increase participation and the health and social benefits that go along with that.

**The Hon. LYNDA VOLTZ:** What is the capital expenditure for sports infrastructure in your department?

**Mr GRAHAM ANNESLEY:** Capital is \$11.9 million.

**The Hon. LYNDA VOLTZ:** You made a grant to western Sydney soccer stadium. Did it come out of that capital expenditure?

**Mr GRAHAM ANNESLEY:** This was the election commitment?

**The Hon. LYNDA VOLTZ:** Yes.

**Mr GRAHAM ANNESLEY:** No. The Government's election commitments are being funded through the new club grants scheme, which is currently accruing. Those grants will not be made until sufficient funds have accrued in the club grants scheme to fund them.

**The Hon. LYNDA VOLTZ:** So these are coming from actual clubs funding?

**Mr GRAHAM ANNESLEY:** From money that is accruing in the club grants scheme.

**The Hon. SHAOQUETT MOSELMANE:** In relation to the question I asked earlier, I am not sure whether Ms Mills has an answer.

**Ms MILLS:** In answer to your question about the timing of the review of Tackling Violence, that will be concluded in December and advice will be provided to the Minister at that time on the future directions for the program. If I can comment on that, it is presently funded by a number of government agencies, not only the Minister's portfolio, and that will obviously be part of the consideration moving forward. Can I give a supplementary answer to the capital question?

**The Hon. LYNDA VOLTZ:** Sure.

**Ms MILLS:** As the Minister correctly answered, \$11.9 million is the capital budget within the portfolio this year. That relates specifically to properties that are owned or administered by the department. In addition to that, we have a significant grant program which is for the purpose of capital as well, which includes such things as the Centre of Excellence for netball under construction at Sydney Olympic Park.

**The Hon. LYNDA VOLTZ:** What is the budget allocation under the grants program?

**Ms MILLS:** For the grants for capital programs, the example I just gave plus our grants are \$31.7 million in total: \$10 million to Netball Australia for this financial year for the construction; \$9.2 million to support the administration of the Institute of Sport; \$6.3 million to complete WIN Stadium upgrade; \$2 million for Hockey New South Wales to upgrade greater metropolitan and regional hockey facilities; \$2 million to complete the Eastern Creek raceway upgrade project; \$1.7 million to complete upgrade works at Bradman Oval; \$500,000 to support athletes competing in the London Olympic Games; and \$17 million in general regular grants programs administered by the department for sport and recreation purposes.

**The Hon. LYNDA VOLTZ:** Given that obviously there are now no caps in regional sports facility grants and that the Community Partnership Program is now run out of the Department of Premier and Cabinet, would you think it was more appropriate, given the structure of sport and recreation, that that program was run through Sport and Recreation?

**Ms MILLS:** The Office of Communities administers that program on behalf of the Premier's department. So we utilise our knowledge and expertise in grants administration for sports, recreation and other grant areas in running that program on the Premier's behalf.

**The Hon. LYNDA VOLTZ:** Now there is no longer any regional sport facility grants program and capital assistance program—

**Ms MILLS:** There is still a grants program to the same value which includes programs within the Sport and Recreation area for capital. In 2009 we conducted a review of the grant programs within Sport and

Recreation and in 2010 we implemented a consolidation of some of those grants to make it more straightforward for organisations to bid and to ensure that our programs were targeted to high-need areas. So there remains a program for capital grants within Sport and Recreation, in addition to the Premier's grant program to which you just referred.

**The Hon. LYNDA VOLTZ:** Are they open to local government and community and sporting organisations?

**Ms MILLS:** That is correct, yes.

**The Hon. LYNDA VOLTZ:** When will they be open for applications?

**Ms MILLS:** The 2010-2011 grants program was actually opened in March this year, earlier than normal. They are closed and, given that we have a new Minister, we are presently providing advice to him on priorities for that program.

**The Hon. PAUL GREEN:** I refer to the Good Sports Program. The Good Sports Program is a national initiative of the Australian Drug Foundation which helps sports clubs change their culture to become more focused on young people and families and less on the consumption of alcohol at high risk levels. It is currently operating in a number of States across Australia with about 4,000 clubs involved. Is the Minister aware of any State funding towards this initiative? If so, how much? Will the Minister continue to support such a program in the future? If not, why not? And are you aware of any other initiatives like this that the State is providing support for, particularly in rural communities?

**Ms MILLS:** We are obviously aware of the Good Sports Program and representatives of Good Sports have met with agency representatives at various times. There are a number of programs that target exactly the same outcome you have just spoken about, particularly in Aboriginal communities. All of our grants are modelled on a competitive basis. On many occasions they are in partnership with the Australian Sports Commission. Thanks to that partnership arrangement we have a number of programs providing a similar outcome. We intend to continue supporting these objectives, whether that be through a specific program such as Good Sports or an equivalent run by another non-government organisation.

**The Hon. PAUL GREEN:** The question is: Does the New South Wales Government put any funding towards the Good Sports program? You can take that on notice. I would just like to know whether we are contributing anything to it. It is a great initiative for New South Wales.

**Ms MILLS:** Yes, I will take that on notice, but not through our portfolio.

**Mr GRAHAM ANNESLEY:** It is certainly supported in principle. In fact only last Sunday I attended a local presentation for a football club in my electorate that received accreditations, being the first in the local area. We certainly support the program.

**The Hon. PAUL GREEN:** It is an excellent program.

**Ms MILLS:** Can I suggest that in our answer we provide information on similar programs that are already operating in New South Wales?

**The Hon. PAUL GREEN:** Yes, please. In a totally different area, in our local government area of Shoalhaven sport in particular goes through the roof, depending on what code wins. For example, when the Swans win the AFL goes through the roof and there is an increased need for AFL fields. If the Socceroos win they want more fields. Soccer is one of the fastest, if not the biggest, growth sports for us, particularly girls soccer. Are you aware that when councils throughout New South Wales prepare land for sporting ovals, if there are native vegetation implications, the compensation that the State asks for environmental values is 16 to 1? That in particular is crippling the opportunity for local governments that have bush issues around their local fields, which many of those sporting areas have. First, are you aware of this issue? Secondly, if you are aware of it, are you having discussions about how we might address this complication to increase the opportunity, given the health of the community with obesity, diabetes and heart disease? Are you aware of these offsets that are required for the building of sporting fields?

**Mr GRAHAM ANNESLEY:** This is specifically through local government?

**The Hon. PAUL GREEN:** Through local government.

**Mr GRAHAM ANNESLEY:** I am not specifically aware of that. I will have to take that on notice.

**The Hon. PAUL GREEN:** I turn to sports tourism. Many local government areas are losing manufacturing and stuff like that and utilising the heritage of their area and selling the cultural aspects. Many are turning to sports tourism. Do you have any plans to perhaps join up with the tourism Minister and put together some joint grants? This would give local government areas across New South Wales the opportunity to get some grants to get some sporting events out in their area.

**Mr GRAHAM ANNESLEY:** My department administers the International Sporting Events Grants Program. We provide funding for local regional events. We have a relatively modest amount by events standards of \$300,000 a year, and there is an independent process of assessing the viability and commercial and regional opportunities that those sorts of events would deliver. In 2010-2011 28 events were funded. That helps tourism in regional areas, which often are not able to bid for the larger events.

**The Hon. PAUL GREEN:** I turn to asset maintenance and grants for fit-outs of local sporting clubs. Quite a lot of the clubs out in local regional areas use their kitchens as a first port of call for making a few dollars for the club. What grants are available and what are your intentions in terms of perhaps increasing that opportunity of sporting groups to apply for grants to fit out their local amenities and cafeterias and stuff where they make their bottom line dollars?

**Mr GRAHAM ANNESLEY:** We have currently have the Sport and Recreational Facility Grant Program, which we referred to earlier. The announcement of those applications is pending and that provides an opportunity for sporting associations and clubs to apply for those sorts of upgrades that you are talking about. I have to say, unfortunately, they are massively oversubscribed. I think this year we had about \$2.5 million available for about \$40 million worth of requests. So clearly there will be a number of disappointed organisations that will be unsuccessful. I think that those opportunities are supplemented to a degree by the Community Partnerships Program, which we also referred to earlier. But as Minister I would like to see as much funding available for sporting facilities as possible.

**The Hon. PAUL GREEN:** You have brought up the Community Partnerships Program, the funding for which has decrease in this budget, over the term of four years. If you have only \$2.5 million is that not a clear indication that the amount needs adjusting? They are not just city-centric sporting clubs, these are sporting clubs right across New South Wales that need a hand. Would it not be wise to readjust this? Is that the intention? Are you going to look at that?

**Mr GRAHAM ANNESLEY:** Obviously, I would like to get as much funding as possible through the budget process to enhance sports facilities. However, there are a lot of competing priorities in Government budgets and it is my job to present the case to increase the amount of funding for sport, and I will be doing my best to do that.

**The Hon. PAUL GREEN:** I know that a lot of sporting clubs go to the local government area for a bit of help. They are not interested in a free ride: they are quite open to interest-free loans. They just need five or ten years to pay the loan off. What sort of systems do you have open for that assistance? Do you have any?

**Ms MILLS:** We do have a few initiatives that assist organisations in that situation, through a loans scheme.

**The Hon. PAUL GREEN:** Interest free?

**Ms MILLS:** A mix. There are different models but, yes. I guess fundamentally we have found that to be generally successful over the years. But often organisations have not been able to repay at the rate that they originally estimated. The problem with that is that that means that full refunding has not been available for other work while projects are coming through. So we have recommended to the Minister that it is again timely for us to actually explore that, to make sure that the criteria remain appropriate in contemporary terms and that we do not in the future have a difficulty with having to renegotiate those loans or extend the period to an unreasonable degree. Whilst the number is small relative to the overall success of the program, nonetheless it is effectively a

floating pool of two types—an underwriting of a loan or provision of a low-cost loan to an organisation. We need to get best use of those funds into the future.

**The Hon. PAUL GREEN:** I have a question relating to a totally different issue, yet again. Are you aware of how many spinal cord injuries are sports-related? In saying that, how much funding has been allocated to increase public awareness of the potential risks of spinal cord injury? How might these incidences be reduced? Do you have any allocated funds for a public information program on this issue?

**Mr GRAHAM ANNESLEY:** To the best of my knowledge, there is no specific funding for that. It would obviously cross over into the Health portfolio as well.

**The Hon. PAUL GREEN:** Is there a chance of taking the question on notice and providing me with statistics of New South Wales figures on spinal cord sporting injuries?

**Mr GRAHAM ANNESLEY:** Absolutely. We will take that on notice.

**CHAIR:** We will begin Government members' allocation of time and, with the indulgence of the Committee, once that has concluded we will terminate the budget estimates. Minister, I am concerned about potential threats of match fixing. We have seen ugly reports from overseas jurisdictions and we have seen allegations interstate and also within this State. What are the potential dangers of match fixing to the financial future and wellbeing of sport and recreation, in your view?

**Mr GRAHAM ANNESLEY:** In my view—and I am on the record, certainly in *Hansard* in relation to this matter—there is no bigger threat to the integrity of sport, especially professional sport, than match fixing and illegal betting. Unfortunately, there has been enormous growth in gambling on sports events. There is particular concern over the rising prevalence of exotic-type betting, or betting on negative aspects of the sport, which have the potential to lead us down the path towards organised crime, as we have seen overseas. Any sport with a question mark over its integrity will not enjoy public confidence and over time will become nothing more than a sideshow, lacking the type of credibility that actually defines what sport is all about.

On 10 June this year the Federal Minister for Sport, other State and Territory sports ministers and I approved a national policy on match fixing in sport, which aims to preserve integrity in sport. At our most recent meeting on 30 September, Ministers endorsed the proposed model to give effect to the national policy and agreed to refer the model to their Cabinets or relevant Ministers for consideration and implementation. The key features of that model are that the organisers of sporting organisations or an event can apply to the relevant State or Territory regulator to become sports controlling bodies and enter into an integrity agreement with betting agencies. The integrity agreement will set out the bet types and information-sharing arrangements. Where integrity agreements exist, regulators will set the minimum baseline for bet types or events, and the sports controlling body will have the right to veto bet types over and above this baseline.

When organisers choose not to become sports controlling bodies, State and Territory gaming regulators will continue to be responsible for all betting approvals for their sport. Sporting organisations that receive government funding will be required to meet integrity benchmarks as agreed under the national policy. The Attorneys-General, right at this moment, are considering nationally uniform laws and penalties to deal with this worldwide threat to sport. I will continue to work closely with my State and Commonwealth counterparts as well as my Cabinet colleagues to do everything possible to ensure that the threat of match fixing is confronted head-on to protect not only the integrity of sport but also the significant financial contribution that sport makes to the community.

**The Hon. DAVID CLARKE:** Can you explain the financial benefits being achieved at Sydney Olympic Park?

**Mr GRAHAM ANNESLEY:** Thank you for the question. There are two key areas in which the Sydney Olympic Park Authority has a positive impact on the New South Wales budget situation. Every year facilities at Sydney Olympic Park see some 5,000 events hosted within the park precinct, which represents an average of 13 events per day and more than 12.5 million people annually. World-class sporting infrastructure is obviously critical to attracting national and international events, not to mention the associated economic impact that flows from such events. The facilities at Sydney Olympic Park are integral to enhancing the State's prospects of winning bids in a very competitive marketplace.

The ANZ Stadium hosts more than 40 major events per year, including State of Origin, the Bledisloe Cup, rugby Tests, soccer internationals, and the AFL and NRL Premiership matches. In fact, just a few weeks ago more than 81,000 fans, as we all know, packed the ANZ Stadium to watch the NRL Grand Final between the Sea Eagles and Warriors. Similarly, the Allphones Arena, which was formerly known as the Acer Arena, hosts more than 150 concerts, conferences and other events each year. The venue regularly features in the world's top three most successful indoor venues. Billboard ranked it at No. 3 in 2010 while *Venues International* magazine ranked it No. 2 for revenue behind London's O2 Arena, and ahead of New York's Madison Square Garden. The showground hosts more than 400 events every year ranging from concerts and bull-riding competitions to fashion shows, event launches, exhibitions and music festivals.

The Royal Agricultural Society of New South Wales hosts the Sydney Royal Easter Show, as we would all know. It is the largest annual event of the Southern Hemisphere, attracting some 900,000 visitors and generating an economic benefit to the State in excess of \$500 million each year. The showground's capabilities were recognised on 6 October when it was awarded the title of the Best Venue of 2010 at the Australian Event Awards, which coincidentally is held at Sydney Olympic Park. The Tennis Centre hosts Sydney's only annual major international tennis event, the Sydney International, in January. It hosts many other competitions throughout the year interspersed with events such as dance parties and conferences. The WatervieW Convention Centre is a favoured site for conferences and receptions, with weddings in the surrounding Bicentennial Park now a major activity.

The Sydney Olympic Park Sports Centre hosts everything from sports to debates and school formals to exhibitions and corporate functions. It is the home of the New South Wales Swifts netball team and it is also home to the New South Wales Hall of Champions—a very popular venue for a wide variety of functions. The Athletics, Aquatic and Hockey centres host a wide variety of events from international sporting competitions to school carnivals, while the Hockey Centre regularly plays host to the Australian hockey teams. The Armoury gallery, which is located within the Newington Armoury precinct, hosts a series of popular free art exhibitions throughout the year. The Artexpress exhibition of Higher School Certificate artworks attracts more than 10,000 visitors, while the Operation Art exhibition has attracted well in excess of 5,000 visitors to see children's art, some of which is destined for the Children's Hospital at Westmead.

The park's open spaces play host to the Kid's in the Park school holiday program, which offers more than 50 different activities every school holiday period, ranging from activities such as kite building and writing workshops to soccer clinics and skateboard riding. The park's open spaces also are in demand for community activities, ranging from Australia Day activities to community and religious festivals. In a few short months the Sydney showground's main arena will become the home venue for the new Western Sydney Giants AFL team. Current expansion underway will increase attendance capacity from 13,000 to 25,000, which obviously will enhance its use for the Royal Easter Show and provide Sydney with another major outdoor venue.

Served by quality public transport and infrastructure, Sydney Olympic Park remains the nation's events hub. It is able to host everything from an international sports or concert event to a business conference or a gathering of small children who are just flying kites during the school holidays. A key component of this legacy is the creation of a self-sustaining town centre that has been built around a high-quality commercial hub to drive employment and contribute to the State's economic growth. Under the stewardship of the Sydney Olympic Park Authority, the park has experienced significant commercial development. More than 130 organisations are now located within the park, including a significant number of major commercial organisations, such as the Commonwealth Bank, Fujitsu, Watpac Constructions, the Accor Group, QBE Insurance and Samsung. The park now has a daily working population of more than 11,000, which I am sure would surprise some, and is set to increase significantly in forthcoming years as a number of major commercial developments come to fruition.

Four major commercial developments are currently under construction, with more planned including a 13,000 square metre \$40 million commercial development now underway comprising a five-storey commercial office and retail complex. The commitment to ensuring a vibrant retail environment within the town centre means the park's working population is provided with a diverse range of food and service options that are located conveniently close to their workplaces. Very soon the first residents will relocate into the park. In early 2012 stage one of Australia Towers will become operational.

Stage one, incorporating 216 apartments in two towers of 24 and 16 storeys, is a \$64 million project currently nearing completion. It includes a childcare centre and retail outlets, further enhancing the quality of local facilities. A \$20 million dollar, 77 room serviced apartment complex is scheduled for completion in late 2012 adding to the more than hotel 800 rooms currently available within the town centre. In total, the

developments are worth more than \$300 million dollars in private sector investment. A total of more than \$1 billion in private sector development projects have been approved since the 2000 Olympic Games.

By 2030 the Sydney Olympic Park Master Plan will see a daily population of 50,000 workers, students and residents, plus hosting an additional 25,000 daily visitors. All of these developments, together with a number of projects in the initial stages of negotiation or planning, emphasise the success of the park in the eyes of the business and development sectors. The progress of the Sydney Olympic Park Authority in accordance with its Master Plan is delivering a significant contribution to the State's economy, as well as a sporting, business, and residential precinct the State can be proud of.

**The Hon. DAVID CLARKE:** Will the Minister explain what initiatives have been introduced in relation to his portfolio that will directly improve budget revenues and expenditure?

**Mr GRAHAM ANNESLEY:** I think it is fair to say sport and recreation play a vital role in just about every person's life at one stage or another and for that reason it is absolutely critical the New South Wales Government has a fundamentally well-structured policy on key elements of the portfolio to ensure good governance in the best interests of the wider community. To that end I have made it a priority to have a comprehensive understanding of the current funding programs and their objectives, and more particularly to ensure the programs are meeting the needs of the community whilst ensuring value for taxpayer investment. This process of understanding and meeting the needs of the community has also been applied to areas involving government-controlled authorities that oversee the day-to-day running of key facilities across the State.

I referred earlier to the Venues NSW legislation currently before the Parliament, which is a good example as it has been specifically designed to achieve the benefits of a consolidated approach to commercial and efficiency opportunities whilst maintaining a local focus to meet community expectations. Local communities, events and employment will be the beneficiaries as Venues NSW will drive an agenda of maximizing venue utilisation and revenue in the Hunter, Illawarra and Western Sydney. An improved bottom line will allow those venues to reinvest in their facilities and to a large degree become more financially self-sufficient, which in turn will have a positive impact on future budgets.

Another by-product of Venues NSW is that better financial outcomes will support more community events that do not necessarily provide the same level of profitable return as other commercial events. In a similar vein I highlighted in my budget release that an NSW Stadium Strategy will be developed to guide strategic planning, and help respond to stakeholder expectations whilst addressing community needs. The strategy will guide government investment in facilities with the aim to improve community access, promote multi-purpose usage, ensure better facilities for participants and spectators, and enhance the competitive position of New South Wales when bidding for both domestic and international events. A key component of developing the strategy will be consulting with stakeholders, including people who use the venues, sporting clubs, venue hirers, local councils, owners and operators.

In September the Office of Communities appointed KPMG to develop the strategy, which is anticipated to be completed before the end of the year, as the chief executive officer mentioned earlier. I am confident the strategy will result in a comprehensive plan for future stadium investment in New South Wales. What this will mean for sporting venues and clubs is the Government will not be reactionary when it comes to investing taxpayer funds in sporting infrastructure and instead will have a comprehensive plan in place to guide future investment. It will also help ensure New South Wales has the right mix of venues available whilst at the same time maximise value for taxpayer investment.

With a similar objective of ensuring an improved return on investment and value for money I have asked my department to review all existing funding agreements and grant programs, some of which I referred to earlier. As a person who has spent more than four decades in sport as a participant and administrator, I can truly empathise with the financial plight of sporting organisations, many of which operate on the smell of an oily rag, and I only wish I had a cheque book with a never ending supply of zeros to help them all. Unfortunately that is not the reality.

We are currently forced to deal with a grants system where demand massively outweighs supply and I am currently examining whether there are better ways of consolidating some of the current grant schemes to better filter applications whilst increasing the amount available for distribution. In summary, Venues NSW, a review of the grants and funding programs, and a stadium strategy are only the first steps aimed at improving

efficiency, financial viability, and operational effectiveness in my portfolio that are all designed to reduce the financial pressure on future New South Wales budgets.

**The Hon. Dr PETER PHELPS:** I congratulate the Minister and the department on securing the Australian Judo Championships for New South Wales for the next three years and for not only doing that but for doing it for Wollongong where they will be held, indicating their strong support not only for amateur sport in this State but also support in rural and regional New South Wales, which has long been neglected by the previous Government.

**CHAIR:** Do you seek a response from the Minister?

**The Hon. Dr PETER PHELPS:** You can take it as a comment.

**The Hon. DAVID CLARKE:** Minister, do you see benefits for Wollongong arising from that event?

**Mr GRAHAM ANNESLEY:** There are benefits for all communities when they host events. I think that they will benefit certainly from an economic point of view.

**CHAIR:** I thank the Minister and Ms Carol Mills and all the advisers who are here for attending this hearing and imparting information to us.

**(The witnesses withdrew)**

**The Committee proceeded to deliberate.**

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