

CORRECTED PROOF
GENERAL PURPOSE STANDING COMMITTEE NO. 3

Friday 12 October 2012

Examination of proposed expenditure for the portfolio areas

**TOURISM, MAJOR EVENTS, HOSPITALITY AND RACING,
THE ARTS**

The Committee met at 9.00 a.m.

MEMBERS

The Hon. N. Blair (Acting-Chair)

The Hon. J. Ajaka
Ms J. Barham
The Hon. P. Green
Dr J. Kaye

The Hon. S. Mitchell
The Hon. L. Voltz
The Hon. S. Whan

PRESENT

The Hon. George Souris, *Minister for Tourism, Major Events, Hospitality and Racing, and Minister for the Arts*

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**

ACTING-CHAIR: I declare this hearing for the public inquiry into the budget estimates for 2012-13 open to the public. I welcome Minister Souris and accompanying officials to this hearing. Today the Committee will examine the proposed expenditure for the portfolios of Tourism, Major Events, Hospitality, Racing and the Arts. The portfolios will be examined as follows: Hospitality and Racing from 9.00 a.m. to 10.00 a.m., the Arts from 10.00 a.m. to 10.45 a.m., Major Events from 11.00 a.m. to 12.00 noon, and Tourism from 12.00 noon to 1.00 p.m. Before we commence I will make some comments about procedural matters. In accordance with the Legislative Council's 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 photos. In reporting the proceedings of this Committee you must take responsibility for what you publish or what interpretation you 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 advisers or members of staff seated in the public galley must be delivered through the Chamber and support staff or the committee clerks. Minister, I remind you and the officers accompanying you that you are free to pass notes and refer directly to your advisers seated at the table behind you. Transcripts of this hearing will be available on the web from tomorrow morning. The House has resolved that answers to questions on notice must be provided within 21 days. I remind everyone to please turn off their mobile phones. All witnesses from departments, statutory bodies or corporations will be sworn prior to giving evidence. Minister, you do not need to be sworn as you have already sworn an oath as a member of Parliament. Mr Paterson, you do not need to be sworn because you were sworn in for a previous committee on Tuesday.

ELIZABETH TYDD, Executive Director, Office of Liquor, Gaming and Racing, sworn and examined:

MARK PATERSON, Director General, Department of Trade and Investment, Regional Infrastructure and Services, on former oath:

ACTING-CHAIR: I declare the proposed expenditure for the portfolios of Tourism, Major Events, Hospitality and Racing, and the Arts open for examination. Minister, as there is no provision for you to make an opening statement before the Committee commences questioning we will begin with questions from the Opposition, we will then go to the crossbench and then to the Government.

Mr GEORGE SOURIS: May I ask a procedural point: The opening session is Hospitality and Racing. Do you propose to apportion the two portfolios?

The Hon. STEVE WHAN: We had not.

ACTING-CHAIR: We are doing both in that session. The first hour will be questions in relation to Hospitality and Racing.

The Hon. STEVE WHAN: I am sure you will be right.

Mr GEORGE SOURIS: Yes.

The Hon. STEVE WHAN: My first question is in relation to The Star casino. As a Minister representing a regional area, does it concern you that \$8.5 million of the regional relocation grants has been redirected to meeting a Government obligation to The Star casino?

Mr GEORGE SOURIS: That question has already been asked of the Minister who is responsible for that entire area and I do not propose to add anything further to what my colleague the Deputy Premier has already answered.

The Hon. STEVE WHAN: You do not have any view as a representative in the Parliament of rural and regional New South Wales?

Mr GEORGE SOURIS: Mr Acting-Chair, I believe that this question has already been asked of the responsible portfolio Minister and an answer has been provided. I do not propose to add to or comment upon the answer already given at a previous estimates hearing.

The Hon. STEVE WHAN: Minister, have you spoken to Peter Grimshaw since he resigned from his position on 3 April 2012?

Mr GEORGE SOURIS: No.

The Hon. STEVE WHAN: Have you provided any reference for positions of employment?

Mr GEORGE SOURIS: No.

The Hon. STEVE WHAN: Are you aware of anyone in your office or department who has been in contact with Mr Grimshaw?

Mr GEORGE SOURIS: No.

The Hon. STEVE WHAN: Are you aware if Mr Grimshaw is doing work for any Government Minister, including yourself?

Mr GEORGE SOURIS: He is not doing any for me and I am not aware of anything else.

The Hon. STEVE WHAN: Minister, in your work as Minister for Racing have you had discussions with trainers or breeders in the Hunter over the last year regarding their attitudes and response to the Government's land use planning strategy?

Mr GEORGE SOURIS: Could you say that again? Did you say "breeders"?

The Hon. STEVE WHAN: As Minister, have you had any discussion with trainers or breeders in the region you represent in the Hunter regarding their response to the Government's land use planning strategies?

Mr GEORGE SOURIS: First of all, not with trainers unless incidental discussions have been held at a race meeting, and that quite possibly could have happened. Let me say that I interpret that question as being a formal appointment or a meeting in my office or a meeting in someone else's office. The answer is that I not only have the ministerial role, as you just described, but also as the member for Upper Hunter I have spoken to, I would imagine, virtually every breeding operation large and small that is in my electorate. I have received views on many occasions that essentially oppose the increasing prevalence of mining exploration and coal seam gas—but not production, because none of that has occurred yet—and petroleum exploration activity that is associated with coal seam gas.

I have on every occasion carried the representations of those views to the relevant Minister. Principally they have been representations relating to the Minister for Mineral Resources in relation to exploration licences, the extension of exploration licences, the conditions and those sorts of matters. Or to the Minister for Planning in relation to development applications that may or may not have been lodged and generally speaking various representations along the way that perhaps would cover a year and a half, or since the change of Government, indeed earlier than that, that would relate to the general topic of strategic lands, as you have just described it. As the member for Upper Hunter I have never hesitated to carry whichever view it is that has been asked of me to carry to the relevant Minister.

The Hon. STEVE WHAN: Have any of the relevant organisations expressed the view to you that the Government's land use policy does not meet its pre-election commitments?

Mr GEORGE SOURIS: I have read that on a number of occasions and undoubtedly that may or may not be a view they hold. I cannot account for views that other people other than myself hold.

The Hon. STEVE WHAN: Are they right in that view?

Mr GEORGE SOURIS: I do not see how I could give you a tangible or feasible answer. Only that strategic land generally is a very controversial area and there are proponents on either side of that issue that are pushing or pulling towards their point of view or away from the opposing point of view. As I said, it is my role not to necessarily judge those views but to make sure that every one of those views has equal carriage from me to the relevant place that it should go. I do not believe I have ever hesitated and I most certainly have never

given an opinion to favour or not favour a particular view. Therefore, whether or not I have carried those representations, as I say, I act impartially as every local member ought to in these matters.

The Hon. STEVE WHAN: Have any of them expressed to you the view that you personally have not lived up to the pre-election commitments that you made to them about this issue?

Mr GEORGE SOURIS: I do not instantly recall whether or not a constituent of mine has expressed that to me personally. I do not doubt that they may or may not have those views; that is a different issue. But I cannot immediately recall that. In any case, these are ministerial estimates and you are really asking me questions about—

The Hon. STEVE WHAN: About racing.

Mr GEORGE SOURIS: It is about racing now?

The Hon. STEVE WHAN: I am about to move to racing, because I hear mutterings from the Acting-Chair.

Mr GEORGE SOURIS: I will allow you to turn it into a racing question. The member of Parliament for each electorate is not the issue at these estimates hearings.

The Hon. STEVE WHAN: Minister, I want to ask you some questions about inspectors from the Office of Liquor, Gaming and Racing. Are inspectors from the Office of Liquor, Gaming and Racing subject to the Government's labour expenses cap?

Mr GEORGE SOURIS: These are operational matters, and I would prefer to hand that question to the director general.

Mr PATERSON: The answer to that question is yes.

The Hon. STEVE WHAN: What will be the impact on the number of inspectors as a result of the labour expenses cap? Will the number of inspectors be cut?

Mr PATERSON: That is not finally determined. As I answered to questions asked earlier in the week, the final position going forward in relation to these areas is the result of an ongoing review. A number of different Change Management plans are in place, so I cannot give you a definitive answer to the question.

The Hon. STEVE WHAN: How many inspectors are there at the moment in the department? If you have not got that figure at hand, you can take the question on notice?

Ms TYDD: I do not have that figure on hand at the moment.

The Hon. STEVE WHAN: Could you take the question on notice?

Ms TYDD: Yes.

The Hon. STEVE WHAN: At what stage will the Change Management Plan or plans that involve that area be finalised, and at what stage will you know the impact on the number of inspectors, if there is any?

Mr PATERSON: We are working through that and a number of other budget-related issues with respect to the Office of Liquor, Gaming and Racing. I cannot with certainty give a clear time as to when that will be finalised. There are a number of complex interlinking issues that are associated with that area. So we are continuing to work on it.

Mr GEORGE SOURIS: The director would like to add to that answer.

Ms TYDD: I am happy to provide the Committee with further information about the actual operational achievements, particularly of the compliance branch, in the past twelve months that have been delivered as a result of more adequately trained and equipped inspectors. I would like to take the Committee through some of those significant achievements.

The Hon. STEVE WHAN: I would like to focus on where we are going in the future and particularly, if we could, whether or not the changes through the labour expenses cap will impact the number or quality of compliance activities that are being undertaken by the department or will be undertaken by the department, particularly given that the Minister and the Government have made commitments to increase compliance activity in certain areas.

Mr PATERSON: The labour expense cap impacts all areas of the portfolio, but we cannot be clear at this stage because it is not the only issue that is budget related; it is one of the measures that impacts on the portfolio, and we are continuing to work that issue through. So we cannot give a definitive answer to that question at this time.

The Hon. STEVE WHAN: Minister, in 2010-11 Arrowfield Stud donated \$7,500 to the National Party and \$5,000 to the Liberal Party. Do you see it in any way as a conflict of interest or a conflict with the commitments made before the election to have appointed Mr Messara as Chairman of Racing NSW?

Mr GEORGE SOURIS: I was not aware of any donation that you refer to. However, the question of appointments to the board of Racing NSW was handled at arm's length by me, which was by the appointment of an independent selection committee. I did not offer names to that committee. The committee placed advertisements in the newspaper and applicants were then assessed and interviewed. There was an independent probity auditor involved and I asked the committee to provide me with a recommendation of names for appointment, not a range of names from which I would choose but literally the recommended appointments' names; and, in order, the recommendation of the committee should that if one of those recommended names no longer wish to pursue, then which name would be the next substitute, and then the next substitute.

I also asked the committee to recommend to me the chairman, not to recommend two or three names from which I would choose but to in fact recommend the chairman; and then to recommend a name should that person subsequently have changed his or her mind and not wished to continue with the application. Therefore the entire process of the appointment of the board of Racing NSW was completely independent and completely at arm's length from me.

The Hon. STEVE WHAN: I move to greyhounds now. Has your office or the department had any consultation with Greyhound Racing NSW in respect of recent allegations of corruption and allegations about involvement of bikie gangs in the industry?

Mr GEORGE SOURIS: Involvement of?

The Hon. STEVE WHAN: Motorcycle gangs.

Mr GEORGE SOURIS: I cannot personally give any information. I have had no—

The Hon. STEVE WHAN: So you personally—

Mr GEORGE SOURIS: I personally, no. But just wait a moment.

Ms TYDD: The reference is, I expect, around the media reports of recent times.

The Hon. STEVE WHAN: Yes.

Ms TYDD: I have no direct knowledge of any approaches from the greyhound racing industry in respect of that issue.

The Hon. STEVE WHAN: Minister, are you concerned about those allegations and—it does not sound like it—can you clarify whether you have taken any steps to investigate or ascertain whether further action should be taken to investigate any of those allegations?

Mr GEORGE SOURIS: I was not personally aware of allegations. I would imagine allegations should be made formally to either the Office of Liquor, Gaming and Racing or the governing body. I have had discussions with the Chair of Greyhound Racing NSW and the Chief Executive Officer, but there are processes that once again leave me at arm's length from those allegations. I am getting a better answer now. If I can

answer you specifically in relation to those media allegations, which, as I say, have not been formally presented to me in any way, but those media allegations of corruption and illegal practices in the racing industry. I am determined that the integrity arrangements for the New South Wales racing industry must be best practice.

The controlling bodies are responsible for oversighting the rules of racing and the day-to-day operation of racing stewards, drug testing and also licensing and registration. Since the March 2011 election the Government has made fresh appointments to the boards of the controlling bodies, including Racing NSW, Harness Racing NSW and Greyhound Racing NSW, and each has been made aware of the primary importance of integrity and committed to its implementation. I have stressed that anyone with information of corruption should provide it to the racing stewards, the racing codes' governing bodies or to the police. I distinctly recall having said that on a number of occasions to media inquiries. In addition to the three controlling bodies, New South Wales has an integrity auditor for the greyhound and harness codes, and there is an Integrity Assurance Committee for the thoroughbreds.

These bodies are charged with investigating complaints about racing officials and act independently of both government and the racing industry. New South Wales also has a Racing Appeals Tribunal, whose principal role is to hear appeals against the decisions of racing stewards. The tribunal is chaired by retired magistrate David Armati. As a further level of integrity management, the Australian Racing Board is responsible for coordinating the rules of racing and other integrity issues, and policy at a national level. In respect of a number of articles that have appeared, written by journalist Natalie O'Brien and appearing in the 12 August edition of the *Sun-Herald*, Greyhound Racing NSW referred on an urgent basis the specific allegations concerning swabbing to the Greyhound Racing Integrity Auditor, Graham Gorrie, and at that time provided me, my office, a report to that effect.

The Hon. STEVE WHAN: Do you feel comfortable with how things are going?

Mr GEORGE SOURIS: I believe there are significant processes independent of each other and, of course, at arm's length from any political process. As they stand I am always open to ensuring that either they are of the highest standards or if there are matters that need to be considered from a policy perspective that they come forward.

The Hon. STEVE WHAN: I am sure you would have received representations, as I have as shadow Minister, from the greyhound industry about the current model agreement for distribution of revenue from the TAB. Do you have a view on whether or not the current distribution is a fair distribution and have you taken any steps to address the concerns that are being raised by the greyhound industry?

Mr GEORGE SOURIS: I am rather surprised that a Minister from the previous Government would raise this question which goes to the heart of decisions taken and agreements entered into during that period.

The Hon. STEVE WHAN: I am asking you for your view; I am not making a judgement on it. I am asking you whether you have had those same representations on whether you have a view on it.

Mr GEORGE SOURIS: You have not yet heard my answer. You could even get an answer if you would just wait.

The Hon. LYNDIA VOLTZ: Maybe we would, if we did not get a preamble with the answer.

Mr GEORGE SOURIS: The Inter-Code Deed is a commercial agreement entered into by the three codes of racing—thoroughbred, harness and greyhound—on 22 February 1998. I distinctly remember being in opposition on that date and I also distinctly remember that your party supervised all this and finally presented legislation to privatise the TAB. Perhaps you could ask Mr Egan how he led the Government on those occasions. But the agreement is a binding agreement of those three codes. It was made, as I said, when the New South Wales TAB was privatised in 1998 and its term is linked to the 99-year racing distribution agreement between the racing industry and Tabcorp. It determines the percentage of TAB distributions to be allocated to each code of racing.

The Government is not a signatory to the deed and was not involved in its drafting. Amendments to the deed require the unanimous support of all signatories and the signatories, as I have already said, are the three codes of racing. I am aware of the argument put forward that the greyhound racing industry is disadvantaged under the present inter-code funding arrangements as returns to the greyhound industry code from TAB

distributions do not reflect the level of betting turnover that the code generates. The Government does not intend to intervene in a private agreement that was settled between the parties in good faith. Essentially it is a matter for the racing industry and the parties that were engaged in signing a binding agreement prior to the previous Government's privatisation of the TAB.

The Hon. PAUL GREEN: Minister, are you aware of the progress of the Royal Randwick Racecourse Master Plan and where it is up to? If so, could you report back?

Mr GEORGE SOURIS: The funding arrangements for the \$150 million redevelopment of Royal Randwick and the \$24 million capital project at Rosehill were made in late 2010 and underpin the merger of the Australian Jockey Club and the Sydney Turf Club. An independent quantity surveyor, WT Partnership, has been appointed by Racing NSW to monitor and report on the Randwick development. Progress payments of over \$17.6 million have been made in respect to the Randwick project and another amount in respect to Rosehill. But you are asking me specifically about Randwick. Features of the Randwick project include the complete reconstruction of the paddock and Queen Elizabeth II grandstand and the construction of an area to be named the Theatre of the Horse.

The Randwick works are expected to be completed to a level to enable handover and official opening for the 2013 Sydney Autumn Carnival, which is late March or early April, with practical completion in June that year. On 10 May 2012 the Australian Turf Club announced that it had entered into an agreement with the international company Toga Hotels for the construction and management of a 170-room, four-star hotel at Randwick Racecourse. The hotel will be located along Alison Road at the end of the main straight, with views over the racetrack towards the winning post and across Centennial Park to the city skyline. The hotel will be operated by Toga Hotels, which is responsible for the management of 52 hotels across Australia, New Zealand and Europe under the recognised brands of Medina, Adina and Vibe hotels and Travelodge. The \$150 million funding for Royal Randwick is provided by Tabcorp. I do not know whether that level of depth is required.

The Hon. PAUL GREEN: Any information that you have would be helpful.

Mr GEORGE SOURIS: The \$150 million funding for the Royal Randwick project is being provided by Tabcorp. In return, the former Government provided Tabcorp with exclusive operation of the Trackside computer-simulated racing game until 2097 and a wagering tax-free threshold of up to \$5 million per year until the end of the 2033-34 financial year on this form of betting activity. In addition, the thoroughbred racing industry has foregone its entitlement to revenues derived from Trackside. The arrangements minimise any commercial risks to the taxpayer as the \$150 million is a prepayment to the racing industry of future Trackside racing industry revenues.

The Hon. PAUL GREEN: How much gambling revenue is generated throughout racing events in New South Wales annually?

Mr GEORGE SOURIS: We believe the question relates to wagering taxation, which is approximately \$200 million per annum.

The Hon. PAUL GREEN: What proportion of this goes back into programs with initiatives for problem gamblers?

Mr GEORGE SOURIS: The question of problem gamblers is dealt with in relation to the Responsible Gambling Fund.

The Hon. PAUL GREEN: Nothing of that goes into it; it is a separate—

Mr GEORGE SOURIS: Just a moment. The Responsible Gambling Fund has three main areas of activity: awareness and education about responsible gambling; provision of counselling services; and research. In 2011-12 that fund spent \$13.584 million and it was subdivided as \$11.895 million to support the delivery of counselling services to people with gambling-related problems and those close to them; \$1.019 million to increase the community's understanding of the nature of gambling and potential for harm and to help options available; and \$0.76 million on research projects to increase our understanding of problem gambling and to assess the effectiveness of preventative measures.

The budget papers indicate that in 2012-13 a sum of \$15.4 million will flow into the Responsible Gambling Fund from the responsible gambling levy payable by the operator of the Sydney casino.

The Hon. PAUL GREEN: Can you elucidate further on what programs these are and what data feedback you get in judging whether these responsible gambling methods are successful?

Mr GEORGE SOURIS: I have a feeling that this will end up being a commitment to provide a list. I am able to give you a general answer but if you require an itemised list of each item I will have to obviously—

The Hon. PAUL GREEN: You can take that question on notice.

Mr GEORGE SOURIS: I will have to do that. But let me at least give you the general answer that I can. Most people who gamble do so responsibly, but for some it can cause problems not only for them but also for their families and the community. There is sound evidence that early intervention initiatives can prevent people from becoming problem gamblers and the community support model is widely regarded as the best approach to address these problems. Early intervention encompasses prevention, community awareness, harm minimisation, and treatment strategies. I have already given this figure but I will give it again. The Responsible Gambling Fund is providing \$1.019 million for early intervention, prevention, and a community engagement strategy for problem gambling in New South Wales. This ongoing program supports self-help initiatives, develops social media, and targets community groups at risk for problem gambling. In 2010 the Office of Liquor, Gaming and Racing launched Counsellor Sam's blog, which provides readers with more detailed responses to questions on problem gambling.

In 2011-12 this service attracted 10,925 unique visitors. In addition, the Responsible Gambling Fund funded services to deliver a range of early intervention initiatives, including working with schools and other education institutions, promoting responsible gambling through local media, and collaborating with health services and community groups to promote their services. The fund also provided \$475,200 to support a strategy for culturally and linguistically diverse communities. In addition to print and online materials and advertising, a DVD *What's Gambling Really Costing You?* has been produced in six community languages. Finally, in 2012 I launched the \$2.79 million Aboriginal awareness-raising program as part of the Gambling and Aboriginal People Strategy. This aims to engage Aboriginal communities on the issue of problem gambling and provide culturally appropriate resources. Tenders are being sought for delivery of the strategy, and the program will commence very early in the new year. In any case, you have asked for the list.

The Hon. PAUL GREEN: If you could put that on notice that would be fine.

Mr GEORGE SOURIS: It is a regular question that has to be provided every estimates committee hearings, so we will do the same again this year.

Dr JOHN KAYE: Minister, last year you were asked about the appointment and subsequent resignation of Mr Brian Ross to what is now the Independent Liquor and Gaming Authority [ILGA]. As you will recall, at the time of appointment Mr Ross was a former chief executive of the Australian Hotels Association [AHA] and he resigned three days into his term. You had said that he had been recommended to you but you declined last year to tell the Committee who approached you to recommend Brian Ross as an appointment to ILGA. Can you now tell us who approached you to appoint Brian Ross to ILGA?

Mr GEORGE SOURIS: Mr Chair, during question time in the Legislative Assembly this issue received, I do not know how many, but many questions that were directed at both me and/or the Premier. There have been a number of answers of which I presently would no longer be familiar. I refer Dr Kaye to the *Hansard* for the Legislative Assembly in that time because all those questions received an answer at the time and undoubtedly would provide him with an answer to his present inquiry.

Dr JOHN KAYE: Thank you for that, except in none of the answers to those questions did you answer the question that I just posed to you. That question is the following: Who recommended Mr Ross to you? You might not recall which is fine, but to say that you have answered elsewhere is simply incorrect.

Mr GEORGE SOURIS: No, I did not say—

Dr JOHN KAYE: You are declining to tell us who recommended him?

The Hon. JOHN AJAKA: Point of order: I do not think it is appropriate for Dr John Kaye in effect to assume how the Minister will answer the question. He should allow the Minister to answer the question.

ACTING-CHAIR: Order! The Minister should be given ample time at least to begin to answer the question.

Dr JOHN KAYE: That would be good. Let us start again. Do you recall who approached you to recommend Brian Ross as an appointee to ILGA?

Mr GEORGE SOURIS: Mr Chair, I really am not sufficiently familiar with whatever answers may have been given and whether or not a particular question that is being posed now was the subject of Legislative Assembly proceedings more than a year ago. Really it is outside the period of reference for these current estimates. I am unable to recall and I am unfamiliar—

Dr JOHN KAYE: You cannot recall?

Mr GEORGE SOURIS: I certainly cannot recall.

Dr JOHN KAYE: Will you undertake to answer the question on notice if you cannot recall who approached you?

The Hon. SARAH MITCHELL: Point of order: The Minister has answered the question that has been asked by Dr John Kaye.

Dr JOHN KAYE: I am asking a separate question.

The Hon. LYNDA VOLTZ: To the point of order: The member is simply asking the Minister to take a question on notice because he is saying now that he cannot recall. That is perfectly within the purview of the Committee.

Dr JOHN KAYE: The Minister says he cannot recall which is surprising, given the significance of what happened subsequently. But let us let that ride. All I am asking is whether he will take that question on notice and get back to me after going through his records and finding out who recommended an appointment to the Independent Liquor and Gaming Authority—the most important independent regulator of the industry.

Mr GEORGE SOURIS: Mr Chairman, I do not know whether you would be willing to rule on the question of the current estimates?

ACTING-CHAIR: I am. The Minister is free to answer the question as he sees fit. If the Minister believes he has answered the question I imagine that that is his answer.

Dr JOHN KAYE: Minister, all I am really asking is whether you will go through your records and see if you can find who made the recommendation. You cannot remember now. I am taking it that you have forgotten for some reason. All I am asking is whether you will take that question on notice.

Mr GEORGE SOURIS: I would be prepared to collate for you the material that was gleaned through the Legislative Assembly and forward it to the Committee.

Dr JOHN KAYE: So the answer is no?

Mr GEORGE SOURIS: Mr Chairman, I really would rather my answer stand on its own merits. I do not need to be doubly interpreted every time.

Dr JOHN KAYE: My next question is with respect to the same position that was filled by Mr Brian Ross. It is now a year since Mr Ross resigned. The argument that you put last year was that Mr Ross's position was supernumerary: you needed to expand the position because of the liquor amendment three strikes legislation and you needed somebody with specialised expertise. To my understanding no-one has been appointed to fill the position vacated by Mr Ross. Is that correct?

Mr GEORGE SOURIS: That is correct and the department is currently managing the appointment process. The question of workload and the need for separation of issues is emerging and will emerge. There are presently not quite 30 strikes administered and another similar amount that are awaiting determination. The issue for the need to consider appointments to the Independent Liquor and Gaming Authority will undoubtedly come to fruition. It is, as I said, presently under consideration and under management by the department.

Dr JOHN KAYE: It has been under consideration for 12 months since Mr Ross resigned?

Mr GEORGE SOURIS: I would say that the anticipated workload has been slower coming forward but the number of strikes is now speeding up. Quite a significant process is involved in the administration of a strike, particularly relating to a period from the date of the incident and processes that are involved, including the appeal mechanisms that are available for the need for this to come to fruition. But I can assure the Committee that it is actively under consideration.

Dr JOHN KAYE: When you appointed in Mr Ross 12 months ago, you were not sure then whether there was any need for his appointment?

Mr GEORGE SOURIS: I was fairly sure then that there was a need for an additional member—

Dr JOHN KAYE: But not now?

Mr GEORGE SOURIS: —of the Independent Liquor and Gaming Authority. That need remains established and, as I said, the department is considering the management of the matter into the immediate future.

Dr JOHN KAYE: Minister, I will move to the issue of the integrity auditor for the greyhound racing industry. I understand that Mr Landa, the former Ombudsman, has resigned. Can you explain to us whether you are satisfied with the operation of the legislation with respect to the integrity auditor?

Mr GEORGE SOURIS: Mr Chairman, I did allude to a number of those issues already in a previous answer, but specifically in relation to Mr Landa, I received a letter from Mr David Landa on 25 May 2012 requesting a meeting regarding issues in greyhound racing. However, I am advised that he resigned from his role as integrity auditor for greyhound racing on 3 April 2012. I am further advised that the Greyhound Racing New South Wales Chairman, Eve McGregor, offered to meet Mr Landa, and that her offer was declined. On 7 June 2012, Greyhound Racing New South Wales announced that it had appointed Graham Gorrie to the position of greyhound racing integrity auditor.

Dr JOHN KAYE: I understand from what you say that Mr Landa wrote to you and said that he would be happy to meet with you, and that he would like to put to you a number of issues about the current failings of the legislation. You declined to meet with him. Why did you decline to meet with him?

Mr GEORGE SOURIS: I have just given you the sequence of dates. In the previous month Mr Landa had resigned as the integrity auditor. The matter primarily interfaces with Greyhound Racing New South Wales. In particular, the chair of Greyhound Racing New South Wales did offer to meet Mr Landa, but that offer was declined. Consequently, the focus of attention really should and did turn to consideration of the early as possible replacement of Mr Landa, which occurred on 7 June.

Dr JOHN KAYE: But it is your legislation, Minister. He had criticisms of your legislation.

The Hon. SARAH MITCHELL: Point of order: The time for questions from Dr Kaye has expired. I ask that the Government now take its time for questions.

ACTING-CHAIR: Order! I uphold the point in order. I call the Hon. John Ajaka.

The Hon. JOHN AJAKA: Good morning, Minister. Earlier you were answering one of the questions of the Hon. Paul Green and you were indicating how the Government is addressing problem gambling. Do you have any further information that could elucidate the answer previously given?

The Hon. STEVE WHAN: It is a bummer when they pre-empt your Dorothy Dixier, isn't it.

ACTING-CHAIR: Order!

Mr GEORGE SOURIS: The format and process of the estimates committee has not altered between the previous administration and the current administration. I thank the Hon. John Ajaka. Problem gambling can affect all parts of the community. Most people who gamble do so responsibly, but for some it can cause problems, not only for them but also for their families and the wider community. The New South Wales Government is committed to combating problem gambling by providing a range of education and support services that are designed to address the harms that can cause irresponsible gambling, encourage responsible gambling, and increase community resilience.

There is sound evidence that early intervention initiatives can prevent people from becoming problem gamblers. Early intervention encompasses prevention, community awareness, harm minimisation and treatment strategies. In June the Government's 2012-13 budget allocated \$15.4 million through the Responsible Gambling Fund towards providing high-quality problem gambling counselling services, programs that are designed to raise awareness, particularly among the more vulnerable sectors of the population, and research to inform future policy directions. This support will see more than \$12 million towards front-line counselling and support services in New South Wales to help problem gamblers and their families. This support includes \$10.6 million for face-to-face counselling and support at the 46 Gambling Help services that operate at more than 200 locations around the State.

Other allocations include \$800,000 for the Gambling Helpline, which is 1800 858 858, and provides confidential counselling and referral services 24 hours a day, seven days a week; \$150,000 for an accreditation program for all Gambling Help and counselling services in New South Wales. This accreditation program requires all services to be assessed against an agreed set of standards, ensuring that the highest quality of service is provided to problem gamblers and their families in New South Wales; \$80,000 to help the University of Sydney pilot two advanced cognitive therapy training workshops to better equip problem gambling counsellors in working with clients affected by problem gambling; \$237,600 for a culturally and linguistically diverse problem gambling awareness campaign for multicultural communities; \$290,000 to Gambling Research Australia, which is a partnership between the Commonwealth, State and Territory governments, to initiate and manage a national gambling research program to support problem gambling research efforts. Research is a vital part of the work being undertaken to combat problem gambling as it informs the development of our programs.

In 2011-12, \$670,000 from the Responsible Gambling Fund was spent on gambling-related research. Over the past five years, over \$2.8 million has been spent. Around half that funding has been provided to support the national gambling research program, which is called Gambling Research Australia. The other half of the funding has been spent on New South Wales-specific research, including the largest survey of gambling and problem gambling in New South Wales and a needs analysis of problem gambling counselling and treatment services. According to the Centre for Gambling Education and Research, problem gambling is prevalent in approximately 2 per cent of the mainstream population across Australia, but in Aboriginal communities that figure is averaging 15 per cent, with some communities experiencing over 30 per cent prevalence. The harm associated with gambling is linked to the abuse of alcohol and other drugs, financial distress, domestic violence, neglect of children, home eviction and other health and welfare issues.

The New South Wales Government is committed to helping to address this important social issue through programs that effectively can meet the specific needs of Aboriginal communities. That is why we introduced the three-year \$4.05 million Gambling and Aboriginal People Strategy to target problem gambling in New South Wales Aboriginal communities. The strategy is being developed for implementation early next year. It focuses on community engagement, education and awareness, problem gambling screening, counselling and support services, training, and cadetships for Aboriginal problem gambling workers. The \$1.5 million will be spent over three years to establish the Aboriginal Problem Gambling Counsellor Cadetship Program. Under the cadetship program, \$500,000 a year will be allocated for training, mentoring and placement of Aboriginal workers within Gambling Help counselling services to deliver community education support in Aboriginal communities.

In addition to funding allocated to the Gambling and Aboriginal People Strategy, \$192,940 has been provided for a six-month extension to the New South Wales Aboriginal Safe Gambling Service, run by former Newcastle Knights footballer and problem gambling counsellor, Ashley Gordon. This program currently is being provided to more than 30 communities. A further \$50,000 also has been allocated to develop and promote problem gambling resources and marketing communications for Aboriginal communities. The community support model is widely regarded as the best approach to address these problems. Responsible Gambling Fund services deliver a range of early intervention initiatives, including working with schools and other education

institutions, promoting responsible gambling through local media and collaborating with health services and community groups to promote their services. In particular, counselling services have been recognised for the support they provide to problem gamblers and their families. New South Wales' problem gambling counselling services provided a total of 19,819 counselling sessions to 4,237 clients in 2010-11.

I am pleased to announce that \$48.1 million will be committed over four years from July 2013 to provide counselling services to address problem gambling. This represents an overall average increase in annual direct funding to gambling and counselling services of 5 per cent. This is the largest allocation since the inception of the scheme and demonstrates the Government's commitment to the issue. Commencing on 1 July 2013 with \$10.9 million and allowing for 6 per cent indexation a year, the funds will be allocated as follows: \$11.6 million, 2014-15; \$12.3 million, 2015-16; and \$13 million, 2016-17. This new funding model will ensure that people in need across New South Wales and their families will have access to free problem gambling counselling services.

To develop this new model we consulted widely with the counselling services sector and examined data about gambling prevalence, as well as access to counselling, in 128 of the State's local government areas. This will mean that levels of service provision are based on sound evidence. The new model will also ensure that the needs of people in remote and regional communities are recognised and supported. A tendering process for the provision of counselling services across the State is being developed and is expected to be completed early next year. For people battling a gambling problem, substantial help is available.

In May this year, during Responsible Gambling Awareness Week, I launched a DVD developed in six languages as part of the New South Wales Government's Culturally and Linguistically Diverse Problem Gambling Awareness Campaign. The DVD is available in Mandarin, Cantonese, Vietnamese, Arabic, Greek and Italian to help multicultural communities tackle problem gambling. Responsible Gambling Awareness Week 2012 was a chance for people to reflect on why they gamble and the impact it may be having on their lives and loved ones. While the week was an important opportunity for raising awareness, we need to recognise that gambling can be a problem for some people and their families every day of the year. By openly discussing the issue of problem gambling, people with gambling problems can take that important first step towards getting help. The New South Wales Government is helping people to take this step through its Responsible Gambling Fund.

The Hon. JOHN AJAKA: I take you to the area of alcohol. Will you inform the Committee of some of the Government's achievements in alcohol regulation?

Mr GEORGE SOURIS: The New South Wales Government has introduced a range of measures over the past 12 months which clearly demonstrate the serious approach we take to liquor compliance and regulation. We are committed to ensuring responsible service and consumption of alcohol in our State's licensed venues to reduce intoxication and associated community impacts. I have a number of measures that I would now like to go to. First of all is the Sydney liquor freeze. In June I announced an extension of the Sydney liquor freeze for a further six months. The freeze has been in place in three areas of the city of Sydney since 25 June 2009. The goal of the freeze is to reduce alcohol-related violence in areas within the Sydney local government area, which takes in the precinct of Kings Cross; the Oxford Street Darlinghurst precinct; and the central business district south precinct. One of the main reasons behind extending the freeze is to allow for the completion of research, which is currently underway, into the cumulative impact of liquor licence density.

Part one of the review of the freeze has been completed by the Allen Consulting Group. The review is the first stage of a larger piece of research into liquor licence density in New South Wales. The review has involved thorough consultation with residents, community-based resident action groups, as well as various other government agencies including NSW Police, NSW Health, the Department of Planning and Infrastructure, the local council and businesses. Further, the report confirmed that the Sydney local government area has the highest number of liquor outlets in New South Wales and that assault rates are significantly higher in the three precincts I mentioned than in other parts of Sydney. I will get back to density in a moment after I highlight a few other Government initiatives to demonstrate how all of the Government's initiatives will work together.

First, I refer to Kings Cross. Recently the New South Wales Government announced a series of measures in the cross-agency Kings Cross plan of management to reduce alcohol and related violence and improve safety in Kings Cross. The Government has undertaken a whole-of-government approach to cleaning up the Cross. This plan is separate to the decision taken independently by the director general of the Department of Trade and Investment following an audit of all 54 licensed venues in Kings Cross. Following the audit the

director general announced he was proposing to impose conditions on these venues. I understand the director general wrote to licensees advising them of the conditions and invited submissions from licensees if they wished to raise any concerns.

The King's Cross plan of management announced by the Premier involves further controls on the operation of licensed venues, including new security measures and enhanced responsible service of alcohol requirements. Other measures announced in the plan include Operation Rushmore, which involves high-visibility policing in the precinct over summer, targeting alcohol-related violence and antisocial behaviour. In addition, drug detection dogs will be used in the Kings Cross area without police first having to obtain a warrant. This new police power will also be extended to all metropolitan and intercity train lines. The extended use of drug detection dogs will assist police to crack down on the use and supply of illegal drugs.

Transport will also be improved, with extra bus services, meaning a bus to Central station every eight minutes and to Town Hall every 15 minutes between 1.00 a.m. and 5.00 a.m. More security guards will be deployed on taxi ranks and we will also be introducing a trial of prepaid taxis. This will provide a safer and more efficient management of taxis to reduce waiting times. Linked identification scanners will also be introduced to licensed premises in Kings Cross. That means if a person is ejected from one venue, he or she can be banned from other licensed venues in the precinct that night. A sobering up centre will be set up to service Kings Cross.

The Kings Cross liquor accord will be further expanded to take in about 100 extra licensed venues in Potts Point and Elizabeth Bay. Separate to the Sydney liquor freeze, a freeze on new liquor outlets in the expanded Kings Cross precinct would be extended until 24 December 2015. A new category of small bar liquor licences, which will limit venues to 60 patrons or less and prohibit gaming machines, will be introduced. This will not apply to existing venues. This category of licence application will be exempt from the freeze I previously referred to.

I would like now to refer to the three strikes regime. A key part of the Government's plan to tackle alcohol-related violence has been the introduction of a three strikes disciplinary scheme for the State's licensed venues, which commenced on 1 January 2012. The scheme has been actively targeting offenders who repeatedly breach the most serious Liquor Act offences, including intoxication and underage drinking. Venues that incur a first strike are effectively on a good behaviour bond for three years, as any further convictions for key liquor offences in that period could lead to second and third strikes being incurred. Remedial measures in the form of licence conditions can be imposed where venues incur a strike.

A third strike can result in licence suspension for up to 12 months, licence cancellation and a moratorium on a new liquor licence being granted at the venue for up to 12 months, or disqualification of a licensee for any period. For registered clubs, a third strike can result in disqualification of a club secretary, dismissal of any or all of the club directors or the appointment of an administrator to manage the club. As at 8 October 2012, 20 venues have incurred strikes. Penalty notices have been issued in respect of a further 27 offences that are pending, awaiting a result from a court decision, payment of a penalty notice or an enforcement order issued by the State Debt Recovery Office. A register of strikes is available online. The Office of Liquor, Gaming and Racing works with licensed venues that incur strikes to assist the licensee to implement measures to reduce the risk of further liquor offences and strikes.

I would like to go back to the issue of density research that I referred to earlier. The Government is committed to reducing the harm associated with irresponsible alcohol use through the development of strategic liquor policy informed by relevant evidence and research. As I mentioned earlier, the density research currently underway is an important project that will assist in future decision-making by the Office of Liquor, Gaming and Racing in the areas of licensing and enforcement. Another key piece of work currently being undertaken is the review of the violent venues scheme, which has operated since 2008. I have announced this review on a number of occasions. This project provides an opportunity to consider whether the types of conditions imposed on liquor licences are helping to drive down alcohol-related violence or whether other measures are more appropriate. Both projects, which will be concluded by the end of 2012 and early 2013 respectively, will provide robust evidence for future policy development. One objective of the New South Wales Government is to reduce the culture of excessive drinking.

I was pleased to announce in August that the Office of Liquor, Gaming and Racing is in the final stages of developing an internet-based alcohol education resource for secondary school students in partnership with the New South Wales Curriculum and Learning Innovation Centre in the Department of Education and

Communities. This resource supports the Government's focus on individual responsibility and will provide students with the information they need to make safe choices about alcohol consumption. This valuable tool demonstrates the New South Wales Government's commitment to a broad strategy to change the drinking culture of young people and educate them about the dangers associated with excessive alcohol consumption. It is anticipated that this resource will be rolled out to New South Wales government high schools in time for term one next year, and to independent Catholic and other schools following its launch.

The Hon. JOHN AJAKA: Would you take the rest of the question on notice and provide the answer for that?

Mr GEORGE SOURIS: Thank you, Mr Ajaka. I do have other remarks, which I will provide.

(The witnesses withdrew.)

MARY DARWELL, Executive Director, Arts NSW, Department of Trade and Investment, Regional Infrastructure and Services, affirmed and examined:

ACTING-CHAIR: We will now move to the Arts portfolio.

Mr GEORGE SOURIS: Mr Chair, I do not know whether this is helpful, but Major Events and Tourism are almost inextricably combined. My recommendation is to do what we did in the first session, otherwise I am happy with the format presented.

The Hon. LYNDA VOLTZ: We are fine with that. It makes sense.

ACTING-CHAIR: The only issue is that Dr Kaye is listed as doing Major Events and Ms Barham is here for Tourism.

The Hon. LYNDA VOLTZ: Maybe they are the same people. The department has them together so perhaps they will run together.

Mr GEORGE SOURIS: I think it is impossible to separate them.

The Hon. LYNDA VOLTZ: Yes, you cannot separate them. Minister, on 7 September 2011 in the *Sydney Morning Herald* in regards to the Parramatta arts precinct you stated that "the Government is assessing all options for the arts precinct". How does the announcement by your Government in the State Property Authority newsletter "Tenant Talk" that "the SPA has taken on the management of the Parramatta jail site while preparing it for sale" affect that assessment? When will you commit to the Parramatta arts precinct?

Mr GEORGE SOURIS: I have been advised that the State Infrastructure Strategy identifies three key arts projects. I am not sure which ones you referred to particularly. I have been advised that future uses of those sites, including also the old Kings School—did you mention that?

The Hon. LYNDA VOLTZ: That is part of the Parramatta arts precinct, yes.

Mr GEORGE SOURIS: It is part of it, okay. They will be examined in the context of the broader north Parramatta Government precinct master plan to be prepared by Urbangrowth NSW.

The Hon. LYNDA VOLTZ: How does the sale of Parramatta jail work into that master plan?

Mr GEORGE SOURIS: The director will answer that.

Ms DARWELL: The matter is being managed by the Department of Planning and Infrastructure. There is an interagency working group that has been established and Arts NSW is on that working group, which is assisting in developing the terms of reference for the master planning process.

The Hon. LYNDA VOLTZ: But the announcement of the sale of the jail already pre-empts the master plan?

Ms DARWELL: I think the various uses of the site are a matter appropriately directed to the Minister for Planning and Infrastructure.

The Hon. LYNDA VOLTZ: We will move on. Minister, when will the Government fund \$7 million of the \$21 million Newcastle Art Gallery redevelopment as promised by Tim Owen, MP, on 14 September 2012?

Mr GEORGE SOURIS: The New South Wales Government through Arts NSW provided \$134,000 towards the redevelopment under the 2011 Arts Funding Program. This issue relates not only to the Newcastle regional art gallery but also to Albury. Two regional art galleries are receiving the attention of the Government, but I will refer to Newcastle. To date, the New South Wales Government has not made further funding commitment to the redevelopment. I am aware that the Federal Government has provided funding to both galleries under its Regional Development Australia Fund. I am aware also that the Commonwealth Government offers funding on the basis that its funding is matched in Newcastle and Albury. The councils

matched the Federal Government's investments towards its gallery redevelopments. Newcastle and Albury councils are to be congratulated on securing and matching the funding. However, currently no New South Wales Government funding is available to support these very worthy projects due to the tight fiscal environment, however much we would all like to assist those two galleries. I have visited both galleries and was greatly impressed by them. My most recent visit to Newcastle Art Gallery—

The Hon. LYNDA VOLTZ: Sorry, Minister, we are very short on time. I have the answer now: You said you were not committing to that because of the fiscal budget. Sophocles said, "Whoever neglects the arts when he is young has lost the past and is dead to the future." As Minister for the Arts, are you not tremendously concerned that your Government no longer will fund fine art courses in TAFE?

Mr GEORGE SOURIS: These matters are in the Education portfolio and I am not the relevant Minister.

The Hon. STEVE WHAN: You must have a view as Minister for the Arts?

The Hon. LYNDA VOLTZ: We will move on. Are you concerned that many workers in live theatre, film and television have been forced to establish themselves as freelance or contract employees, leaving them without any leave or sick leave provisions? What are you doing to address this?

Mr GEORGE SOURIS: I think these matters pertain to operational and/or industrial relations matters.

Ms DARWELL: These are matters for the individual enterprises themselves.

The Hon. LYNDA VOLTZ: Minister, 90 per cent of artworks held by the New South Wales Art Gallery are in storage. Should not some of these artworks be loaned out around regional galleries in New South Wales until they are needed for exhibition?

Mr GEORGE SOURIS: My instant answer is that I happen to be fully aware that they are indeed, but let me check if I have a more detailed answer.

The Hon. LYNDA VOLTZ: Maybe if there is a list it can be taken on notice and provided later?

Mr GEORGE SOURIS: I think I can provide quite a detailed answer, but the prima facie answer is, yes, indeed they are.

The Hon. LYNDA VOLTZ: Minister, recently the Federal Government provided \$12.8 million to attract the film *Wolverine* to Australian shores. How much did the New South Wales Government contribute?

Mr GEORGE SOURIS: I am sorry to say that I cannot advise you of that figure because of commercial contractual aspects.

The Hon. LYNDA VOLTZ: Minister, why is the Government discontinuing the \$5 million Screen NSW Production Investment Fund contributions to the New South Wales Film and Television Office which could result in up to 40 hours of high-end television production being lost in New South Wales?

Mr GEORGE SOURIS: Screen NSW will continue to invest in the development and production of local screen projects. In 2011-12, \$6.5 million was invested in 32 screen productions leveraging an estimated spend of more than \$99 million in New South Wales and creating more than 4,300 local jobs. Already this year \$1.61 million has been invested in 10 new screen projects which will generate \$20.62 million—

The Hon. LYNDA VOLTZ: I seek clarification. I asked about the \$5 million Screen NSW Production Investment Fund contributions. I am not sure which funding you are specifically referring to now because you have not defined that.

Mr GEORGE SOURIS: A number of descriptions follow.

The Hon. LYNDA VOLTZ: I have only 15 minutes for the Arts and I would like to know about the \$5 million Screen NSW Production Investment Fund. That is what my question is about.

Mr GEORGE SOURIS: I can finally refer to that. It would be irrelevant unless it is placed in context.

The Hon. LYNDA VOLTZ: That is the question to which I am seeking an answer. My question relates specifically to the \$5 million Screen NSW Production Investment Fund.

Mr GEORGE SOURIS: There is no need to be so aggressive about it.

The Hon. LYNDA VOLTZ: I have only 15 minutes.

Mr GEORGE SOURIS: Okay. I am entitled to offer you an answer.

The Hon. LYNDA VOLTZ: An answer to the question that I asked.

Mr GEORGE SOURIS: It is not my role to engage in your machine-gun-like questioning.

The Hon. LYNDA VOLTZ: It is not machine-gun-like questioning; you have not once addressed my question.

ACTING-CHAIR: Order! The member has asked the Minister a question and the Minister is in the process of providing an answer. I remind members that interjections are disorderly at all times.

Mr GEORGE SOURIS: What I just referred to provides more money to the screen sector. It simulates creative and business partnerships across industries locally and with screen sectors nationally.

The Hon. LYNDA VOLTZ: Point of order: My point of order relates to relevance. Mr Acting-Chair, I ask you to bring the Minister back to the question. My question relates specifically to the Screen NSW Production Investment Fund. We have spent a lot of time on this issue already without addressing it at all.

The Hon. JOHN AJAKA: To the point of order: The Minister clearly was being generally relevant. It is not for the Hon. Lynda Voltz to dictate how the Minister should answer a question that she asks. Further, the only reason the member is running out of time is that she is spending two-thirds of her time interjecting.

The Hon. LYNDA VOLTZ: Further to the point of order: I am entitled to ask questions about specific issues. I am entitled to take points of order relating to relevance. I appreciate that Government members are keen to interject to protect the Minister, but I would like an answer to my question.

ACTING-CHAIR: Order! The Minister can choose to answer the question as he sees fit as long as he is being generally relevant. He was being generally relevant. There is no point of order.

Mr GEORGE SOURIS: Thank you, Mr Acting-Chair. As the member has no appetite for the answer that I am offering, the director general has suggested to me that he would like to make a contribution as well. We will see how he goes.

Mr PATERSON: Screen activity in New South Wales was supported for a number of activities. The explicit question raised by the member was in reference to a time-limited program that was funded not out of the arts program but out of the strategic investment program, which concluded on 30 June.

The Hon. LYNDA VOLTZ: Under the current criteria for regional conservatorium funding, New South Wales arts funding is limited to those conservatoriums that receive funding through the Department of Education and Communities regional conservatorium funding program. Minister, do the criteria not greatly disadvantage emerging conservatoriums from regional areas such as the Conservatorium Mid North Coast which is on the threshold of funding but which receives little upfront seeding recognition funding. Do the criteria not also greatly disadvantage regional conservatoriums not centrally located around a large city or town?

Ms DARWELL: The criteria apply only to the regional conservatoriums that are currently funded and recognised through the Department of Education and Communities.

The Hon. LYNDA VOLTZ: Is it your view that for emerging conservatoriums, in particular, conservatoriums such as the Conservatorium Mid North Coast which covers large areas and does not have central towns, that disadvantages those kinds of regions?

Ms DARWELL: One of the challenges is always the distribution of resources between and within the regions. Music projects can receive funding—not necessarily by regional conservatoriums—through other aspects of the funding program.

The Hon. LYNDA VOLTZ: Touring programs?

Mr GEORGE SOURIS: We are, of course, limited as to the amount of funding. A number of regional conservatoriums are seeking to expand their activities. The amount of funding is determined mostly through the education portfolio, as you would know.

The Hon. LYNDA VOLTZ: The New South Wales Government, in partnership with local governments in western Sydney, jointly invested over \$55 million in western Sydney art facilities capital infrastructure between 2002 and 2010. Minister, how much has been invested since that time? Those figures were from your website.

Mr GEORGE SOURIS: We will have to take that question on notice and get an answer to you.

The Hon. LYNDA VOLTZ: Why is such a large proportion of this year's budget dedicated to already established institutions, such as the Sydney Opera House at \$135 million, the State Library at \$85 million, the Australian Museum, Art Gallery NSW and the Powerhouse Museum?

The Hon. JOHN AJAKA: Don't you like the Opera House?

The Hon. LYNDA VOLTZ: I do like them. Why are organisations such as Screen NSW, which contributes a significant amount, receiving only modest amounts such as \$9.9 million? The real question is why is most of the bulk of the funding grouped around those organisations?

Mr GEORGE SOURIS: In the main funding has been maintained along the profile operated under by the previous Government. The five cultural institutions to which you refer are the premier cultural institutions of New South Wales. They are located historically within close proximity of the central district of the State's capital, that is true, but that is not to say that any of them neglect either the greater metropolitan area or the regional network. I would be able to provide you with a comprehensive answer to the way in which the whole of New South Wales benefits from the activities that are funded by the cultural institutions.

The Hon. LYNDA VOLTZ: You can take that question on notice.

The Hon. PAUL GREEN: Minister, what are you doing to help regional and rural arts promotion?

Mr GEORGE SOURIS: Regional New South Wales has more cultural and artistic opportunities and events than ever before. I am very proud of the fact that from March 2011 the new Government has recognised that about one-third of the State lives in country areas and that they are entitled—not only entitled but also it is to the benefit of culture generally—to be strongly involved in the Government's programs. Under the NSW 2021 strategic target plan we have set a target to increase participation in arts and cultural activities in regional and rural New South Wales by 10 per cent over the next four years. According to the latest census, almost 20,000 people in regional New South Wales were employed in the cultural sector. The annual arts funding program spreads artistic opportunity across regional and rural areas by providing funding to individuals and arts organisations for a diverse range of arts projects and programs.

Our investment includes support for regional galleries, museums, writers' centres, conservatoriums, educational programs, travelling exhibitions, and the performing arts. Changes were made to the 2013 Arts Funding Program to enhance opportunities for regional organisations. Only regional organisations are able to apply for funds towards capital redevelopment, innovative partnerships to encourage arts, and cultural development in the regions. These changes will build on the support given to regional arts and cultural organisations in 2011-12, when more than \$8.3 million was allocated to support 112 organisations and individuals in regional New South Wales to deliver 167 programs and projects through the 2012 Arts Funding Program. The Liberal-Nationals Government also contributed more than \$100,000 to each of the 14 regional arts boards, a total of more than \$1.5 million for regional arts initiatives. Regional arts boards will also be funded in 2012-13. The Government also provided operational and devolved funding of \$703,250 to Regional Arts NSW as the peak advocacy and support organisation for arts in the regions.

As well, \$1.2 million was provided to Museums and Galleries NSW as the leading agency to develop, support and promote regional, community and public museums across New South Wales. In addition to the support provided to Museums and Galleries NSW, the Government directly supports a network of regional museums and galleries across the State. In 2011-12 this Government supported 19 regional galleries across New South Wales by providing \$974,694 for programs and projects. The Government also provided \$525,330 to 10 regional museums and keeping places to deliver programs and projects in 2011-12. Arts funding was also provided to the State's regional conservatoriums in 2011-12 with \$718,276 going towards their operations, ensuring local people have access to quality music from these conservatoriums. Arts NSW also provided \$1.46 million to the Department of Education and Communities to supplement the core program funding of the regional conservatoriums. This supplementary funding will continue in 2012-13.

The Hon. PAUL GREEN: Minister, sorry to interrupt, but I see you have a number of pages in front of you. Could I be more specific with the question? What schemes are available to help local government promote arts?

Ms DARWELL: Local government facilities are eligible to apply for funding through the Arts Funding Program, so there is support for many of the regional galleries in partnership with local government. In addition, there is library funding.

The Hon. PAUL GREEN: But there is no apportioning for local government's own pool?

Mr GEORGE SOURIS: Not specifically. In any given year, depending on how applications come and are assessed, there could be a proportion of local government applicants who are successful. Next year it could be more.

The Hon. PAUL GREEN: That is fine. Minister, can you update the Committee on any foreign artistic tours in New South Wales this year?

Mr GEORGE SOURIS: Do you mean like a Picasso exhibition?

The Hon. PAUL GREEN: International, yes, things like that. If you want to take the question on notice, that is fine.

Mr GEORGE SOURIS: I think there is a good answer but I cannot instantly gather the information.

The Hon. PAUL GREEN: That is fine, and if you want to get to me on that that would be great.

Mr GEORGE SOURIS: Yes.

The Hon. PAUL GREEN: Can you inform the Committee how much the New South Wales Government has subsidised the Opera House for the period 2011-12?

Mr GEORGE SOURIS: I will ask the Director General in a moment to give that answer. But I would simply prefer to refer to it as an investment rather than a subsidy. The Opera House is one of the world's leading attractions and is responsible directly for underpinning thousands and thousands of jobs throughout New South Wales in the hospitality and tourism sector, in the cultural sector, and in so many ways I cannot begin to describe. So I really do prefer to consider any contribution that the people of New South Wales make as an investment which yields very substantial dividends across the whole of the State.

Mr PATERSON: The bulk of the money being expended at the present time in relation to the Opera House is capital works. Of the figure mentioned earlier in relation to support for the Opera House, \$89.6 million is in capital works, and the dominant part of those capital works are about the vehicle access and pedestrian safety precinct activity which is currently being undertaken. There are a number of other capital works investments and there is an ongoing endowment of support provided to the Opera House. But the overwhelming majority of revenue generated and expended in the Opera House is own-source revenue. In the ballpark of about 80 per cent of their total expenditure is own-source revenue outside the capital program.

The Hon. JAN BARHAM: Minister, in relation to the creative industries issue and with reference to the question asked by the Hon. Lynda Voltz about TAFE courses, my question is whether or not you were consulted about the significance of those courses and the impact on the arts in the region, particularly given that

on the North Coast five years of work has gone into a creative industries strategy, which identified as a strategic priority the training and fine arts course, the loss of which will greatly disadvantage the North Coast?

Mr GEORGE SOURIS: The portfolio that I have is one where tourism can be made to apply to virtually every Government decision. The arts generally can be made to have a relevance to virtually every Government decision. Perhaps racing does not quite get there, but it does in a way. So my role is during Government discussions—and some of them of course include Cabinet discussions—to be mindful of the portfolio areas that I represent, and where there are relevant impacts to do so. But, as I am sure you understand, Cabinet considerations are not subject to public disclosure.

The Hon. JAN BARHAM: Can the arts community rely on you to be an advocate for them in this regard, particularly considering the long-term work that has gone into developing strategies for creative industries development?

Mr GEORGE SOURIS: The arts community is enjoying the best advocate they have had since 1995.

The Hon. JAN BARHAM: In relation to this particular issue, I do not think they are. Minister, can you advise the Committee of the outcomes of the summit Keeping Places and Beyond, which was held at CarriageWorks in September 2011?

Ms DARWELL: The Keeping Places and Beyond summit was funded by Arts NSW to support the peak organisation Museums and Galleries NSW to bring together a number of Aboriginal leaders and the community to discuss ways to improve and support keeping places regionally and locally. Museums and Galleries NSW has prepared a report, which I think is now publicly available, and we are working with them on recommendations that arose from the meeting. Many of the recommendations are matters for community to look at as well as organisations such as Museums and Galleries NSW.

ACTING-CHAIR: Order! Could all members be mindful that their conversations make it very difficult for Hansard to hear and report the proceedings.

The Hon. JAN BARHAM: Is there a budget allocation for the implementation of those report recommendations?

Ms DARWELL: In last year's budget an additional \$1 million was allocated for initiatives to support developments in the area of Aboriginal arts and culture. Should there be any need for funding for matters, that is the allocation that would be looked at.

The Hon. JAN BARHAM: You are saying \$1 million extra was allocated last year.

Ms DARWELL: Decisions for allocations this year are matters for the Minister.

The Hon. JAN BARHAM: But it was identified last year.

Mr PATERSON: Could I just add to that response that it is not within this Minister's part of the department, but the Government established an industry action plan looking at the creative industries as one of the six identified areas of core strategic strengths within the New South Wales economy. A broad industry group is developing a 10-year plan for the creative industries and I expect that they will report in the latter part of this year or early next year. But there is an independent activity going on in relation to the creative industries and the important contribution that they make.

The Hon. JAN BARHAM: So that might well identify that the work that has been put in by North Coast Arts is now being undermined by the TAFE decision?

Mr PATERSON: I did not know that it would necessarily conclude that, nor would I necessarily focus attention on that explicit program in the northern areas, but it does look at the creative industries collectively and the development of a 10-year plan in relation to those creative industries.

The Hon. JAN BARHAM: Can you advise whether or not there has been an increase in funding for libraries? I note that last year the Minister identified his particular interest and support for libraries. Are we seeing New South Wales come out of its dire situation as providing low funding for State public libraries?

Mr GEORGE SOURIS: Last year there was an additional amount, which was the fulfilment of an election commitment. But I can give you a slightly more general answer that indeed we are committed to public libraries and we recognise that libraries play a very important role in communities and provide a range of vital community services. I have been a very strong advocate all my life of the role that public libraries play, especially in rural areas, and especially having been on local government I know the direct relationship that libraries have with the tiers of government. In the lead-up to the State election the Government announced the Revitalising Regional Libraries policy and the 2012-13 budget continues to deliver on this promise, which included the \$2 million increase in funding for regional libraries over four years to support library services and programs in rural and regional libraries through a Small Grants Program and an additional \$2 million over four years to fast track the rollout of wireless hotspots in rural and regional locations. The Government has otherwise maintained the level of public library funding in the 2012-13 budget with total funding for public libraries of \$26.5 million.

The Hon. JAN BARHAM: With performing arts festivals, does funding come from your Arts Funding Program or is it under Tourism?

Mr GEORGE SOURIS: That is not a bad question. The answer is yes and yes. But in respect of the arts component, what you are referring to is that Destination NSW sometimes invests in a project, sometimes it is both, but from the arts perspective—

Ms DARWELL: The Arts Funding Program supports the Sydney Festival, the Biennale of Sydney and the Sydney Writers Festival and Screen NSW supports the Sydney Film Festival. In addition, festivals can apply through the Competitive Arts Funding Program for project funding under the current guidelines.

The Hon. JAN BARHAM: Can I ask about programs such as one that is of particular interest, the Music Outback Foundation? I understand that they have made an application and they are seeking funding. It is about working with Aboriginal communities in outback New South Wales. Is there specific program funding for Aboriginal arts development in regional New South Wales?

ACTING-CHAIR: Would you like to take that question on notice as the member's time has expired?

Mr PATERSON: Can we answer it quickly?

Ms DARWELL: Last year there was an Aboriginal Regional Arts Fund which was directly targeted at regional development of Aboriginal organisations. Depending on the project, that may or may not be eligible.

Mr GEORGE SOURIS: But Aboriginal-based applicants nonetheless appear in the full range of funding programs.

The Hon. SARAH MITCHELL: Minister, can you advise the committee what the Government is doing to promote and encourage screen production in New South Wales?

Mr GEORGE SOURIS: Our creative industries—including our screen industry—lie at the crossroads between the arts, business and technology, and our creative economy is widely regarded as a key to New South Wales and Australia's global competitiveness. The New South Wales Government believes creative industries will be a key driver of growth, exports, productivity, innovation and competitiveness over the next decade and beyond. That is why we have formed a Creative Industries Taskforce: to help develop a 10-year strategic industry action plan to deliver economic growth and support a sustainable and vibrant creative industries sector, including our screen industry.

Sydney and New South Wales offer the undisputed film and television production hub in Australia, with cutting-edge innovation across all the forms of moving image: film, television, online, gaming and cross-media content. The New South Wales Government recognises the significant economic benefits of a thriving screen industry, with major film projects generating—both directly and indirectly—employment and business opportunities. I am proud to say that New South Wales is the premier production destination in Australia and home to the majority of the country's finest producers, directors, actors, crew and post-production houses. The State is home to about half of the national industry. We are determined to support and build upon this impressive base.

In the last financial year, the New South Wales Government, through Screen NSW, committed \$6.5 million towards attracting 32 new screen productions—including major feature films and television series—to be made here in New South Wales. These productions are estimated to generate \$99 million in investment for the State's economy and create more than 4,300 local jobs. Furthermore, the 2012-13 New South Wales budget has also provided almost \$10 million in recurrent and capital funding for Screen NSW, including funding to build a new location images database to support pitches for international and national film and television productions for our State. This in on top of one-off funding for major films such as *The Great Gatsby* and *The Wolverine*, which is currently in production.

The quality of screen productions produced in New South Wales was recently demonstrated through a gem of a film appropriately called *The Sapphires*, which opened with great acclaim to a worldwide audience. It was screened here in the New South Wales Parliament and a number of people were able to enjoy a pre-release viewing of this great film. For members of the committee who have not seen *The Sapphires*, I can truly recommend it. Set in 1968, it is about four young, talented Australian Aboriginal girls from an outback setting who live with racism, learn about love, friendship and war when their all-girl group, The Sapphires, entertains US troops in Vietnam.

The Sapphires was filmed in Sydney and Albury with development finance, production investment and a Regional Filming Fund Grant from the New South Wales Government through Screen NSW. I must point out that the son of one of our members, the member for Albury, performed the hand piece associated with the piano playing in that film. In the six weeks since its release *The Sapphires* has made over \$12.2 million at the Australian box office alone and is currently the most successful Australian film of 2012. *The Sapphires* is also making news overseas. It had an incredibly successful screening at the Telluride Film Festival in the USA, a very successful gala with a standing ovation at the Toronto International Film Festival in September, and was the only Australian feature film selected for this year's Cannes Film Festival, where it received a 10-minute standing ovation.

The Sapphires has had enormous interest overseas with Hollywood heavyweights, with The Weinstein Company buying the release rights for most of the world. One of the film's stars, Jessica Mauboy, was named female artist of the year for the second year running at the annual Deadly Awards in Sydney on 25 September. Screen NSW identified very early in the life of this film its enormous potential to captivate audiences in Australia and around the world. Some of New South Wales's finest filmmakers—director Wayne Blair and producers Rosemary Blight and Kylie du Fresne, as well as many other cast and crew—brought the story to life on screen and made it the success it has become. Importantly, *The Sapphires* is the third Screen NSW-funded Indigenous film in four years to be selected for Cannes, with *Samson & Delilah* and *Toomelah* screening to acclaim in 2009 and 2011.

The Sapphires was just one of the feature films to benefit from production finance through Screen NSW in 2011-12. As well as *The Sapphires*, six more feature films were supported by Screen NSW in 2011-12, as well as 12 television drama projects, 11 factual programs and two cutting-edge multi-platform productions.

There have been other major successes from this Screen NSW funding, with New South Wales filmmaker Cate Shortland's film *Lore* taking out the Grand Prize at the Locarno Film Festival in Switzerland and screened at the prestigious Toronto International Film Festival, along with *The Sapphires* and another New South Wales film, *Storm Surfers 3D*, which is currently screening in cinemas and receiving considerable critical acclaim. *Lore* was recently selected as the Australian entry for consideration for Best Foreign Language Film for the Academy Awards to be announced in early 2013.

A number of new feature films are currently being produced in New South Wales, confirming this State as number one when it comes to creative projects. New screen productions, which include feature films, television series and documentaries, will bring more than \$20 million in direct production expenditure to New South Wales, creating more than 1,000 jobs. Leading Australian actor turned writer Joel Edgerton, together with *The Sapphires* producer Rosemary Blight and the creative team behind the Academy Award nominated Australian film *Animal Kingdom*, are behind new feature film projects for New South Wales. The Blight-Edgerton feature film *Felony* and a new film by producer Liz Watts and director David Michod called *The Rover*, starring Robert Pattinson alongside Australian actor Guy Pearce, are two new productions to receive support from the New South Wales Government through Screen NSW.

We also currently have New South Wales director Jonathan Teplitzky working in Sydney on post-production of his major film *The Railway Man* starring Colin Firth and Nicole Kidman, and production about to begin on *Tracks* starring Mia Wasikowska and produced by our own Academy Award winning producer Emile Sherman. Furthermore, we have *The Wolverine* filming here with Hugh Jackman and his team based at Fox Studios and filming around Sydney for the next several months. We also have production continuing in New South Wales on the Lego animated movie, and we have post-production continuing on *The Great Gatsby* prior to its scheduled release in mid-2013. The New South Wales world-class film industry will have the continued and enthusiastic support of the New South Wales Government. We remain committed to helping promote innovation in screen content and technology, and championing the contribution that the New South Wales screen industry makes to our culture, economy and society.

The Hon. SARAH MITCHELL: Thank you for that very comprehensive answer, particularly in relation to the movie *The Sapphires*. I saw it last week when it came to Gunnedah. It is a wonderful movie. Can I now ask you to outline to the Committee some of the international achievements of New South Wales arts companies?

Mr GEORGE SOURIS: New South Wales is home to world-class arts and cultural organisations. Several New South Wales funded arts companies have been in the international spotlight in recent months. The role of these companies as cultural ambassadors for New South Wales and Australia cannot be understated. As part of the United Kingdom Cultural Olympiad, Lilyfield-based Legs on the Wall presented *The Voyage*, a free outdoor theatre spectacle that delighted audiences of 15,000 in Birmingham in June. I was delighted to attend a pre-departure performance of *The Voyage* at Lilyfield. Their presentation in the United Kingdom was part of the 2012 London Olympics.

Also in the United Kingdom dance organisation the Shaun Parker Company produced *Spill* as part of an outdoor dance program. Using existing children's playground equipment as the set for new dance choreography the Shaun Parker Company took dance to the heart of the community, touring the production to 30 parks from May to July. The Sydney Theatre Company production of *Uncle Vanya* was a critical and box office success here and toured to the Lincoln Center Festival in New York in July. New York audiences and critics praised the production for its exceptional cast, innovative adaptation and insightful direction. The *New York Post* said:

Cate Blanchett wowed audiences this week in her husband Andrew Upton's adaptation of 'Uncle Vanya' at the Lincoln Center Festival.

The company also received outstanding praise for its production of *Gross und Klein (Big and Small)*, which was staged in London as part of the Cultural Olympiad to rave reviews, and toured France, Austria and Germany earlier in 2012. It was really interesting that Cate Blanchett's performance in English in Germany received such critical acclaim. I had the privilege of meeting the German Minister for the Arts last week in Sydney. We were able to reflect on the great success that was. London newspaper the *Guardian* said:

... an exciting Sydney Theatre Company production that yields a tumultuous performance from Cate Blanchett is met with wild enthusiasm.

Other success stories for New South Wales performing arts companies include Belvoir's *The Book of Everything*, a work for young people that toured to the prestigious New Victory Theater in New York in April. The production was very well received, with the *New York Post* describing it as, "One of the best shows in town." Belvoir's production of Ibsen's *The Wild Duck* was also selected for the International Ibsen Festival in Oslo. Recent performances there received standing ovations every night. In June the Australian Ballet took to the stage in New York for the Lincoln Center's fiftieth anniversary celebrations. New York audiences gave them a rapturous reception for the American premiere of Graeme Murphy's critically acclaimed reimagining of *Swan Lake* and three works under the title *Infinity*, which included a collaboration with Stephen Page, artistic director of the New South Wales Bangarra Dance Theatre. I was very proud to see Stephen Page receive a Helpmann Award in recent weeks.

The Sydney Symphony Orchestra played to packed houses for its tour of Japan and Korea at the end of 2011. The orchestra's full ensemble of 96 musicians performed eight concerts during the 11-day tour which marked the orchestra's first visit to Korea in its 79-year history. The Sydney Symphony will be touring China in October 2012 to mark the fortieth anniversary of diplomatic relations between Australia and China. The Australian Chamber Orchestra completed an extensive European tour in late 2011, performing nine concerts in seven countries over 12 days. Under the direction of Richard Tognetti, the 17 string and seven wind players

thrilled audiences and were invited to perform for Prince Charles in the State apartments of St James's Palace. Of the Australian Chamber Orchestra, the *Guardian* said, "... if there's a better chamber orchestra in the world today, I haven't heard it". Not to be outdone by performing arts companies, 4A Centre for Contemporary Asian Art was invited to present at the Sydney Pavilion at the ninth Shanghai Biennale as part of the inaugural Inter-City Pavilions project.

The Hon. SARAH MITCHELL: Thank you, Minister. Would you like to provide the rest of that answer on notice to the Committee?

Mr GEORGE SOURIS: I will.

(The witness withdrew.)

(Short adjournment)

SANDRA CHIPCHASE, Chief Executive Officer of Destination NSW, sworn and examined:

CHAIR: Before we move to examine the portfolio of Major Events, the Committee would like to take a moment in silence to commemorate the tenth anniversary of the Bali bombings.

Members and officers of the Committee stood in their places as a mark of respect.

The Hon. STEVE WHAN: Minister, I have a few questions regarding the rebuild of the Convention and Exhibition Centre at Darling Harbour from the point of view of Destination NSW and the future of events during the period. Are you confident that the site that has been identified at Glebe can accommodate all expected annual functions that are generally held at the convention centre?

Mr GEORGE SOURIS: I am confident that that is the best option that we have. I have not been directly involved in that, but I know the purpose of your question. It is important that we keep intact our clients and that the conferences are able to continue. I am sure there will be one, two or perhaps three very big conferences that will have to go away temporarily. It will be a task that will have to be undertaken to re-attract them and indeed others. But, if I understand the question, yes indeed, the concern is to ensure that we keep a viable industry going as best we can. From my observation, that is the best option. There are some other options around the city as well for smaller and lesser conferences, but I reiterate that I was not actually directly involved in selecting particular sites or anything like that.

The Hon. STEVE WHAN: Ms Chipchase, what involvement has Destination NSW had with the infrastructure in planning for this provision?

Ms CHIPCHASE: I have been asked to sit on the project steering committee for the new Sydney International Convention, Exhibition and Entertainment Precinct Project. I have been involved at a committee level. Agencies such as Business Events Sydney have provided Infrastructure NSW with a list of events that are coming to town and ones that perhaps need to be relocated. They have provided significant input into the evaluation process.

The Hon. STEVE WHAN: Are you expecting the CeBIT conference, which usually is held annually at Darling Harbour, to be hosted at Glebe Island?

Ms CHIPCHASE: That is a matter for CeBIT to have a look at those facilities. As you might be aware, there was a request for tender put out and an expression of interest for the interim facilities when the centre closes. Ideally everybody would love to keep CeBIT here in Sydney. My understanding is that the managing director of CeBIT has been taken to the site and that discussions are still occurring between CeBIT and Infrastructure NSW.

The Hon. STEVE WHAN: Are you directly involved in those discussions? Is Destination NSW involved in those discussions?

Ms CHIPCHASE: No.

The Hon. STEVE WHAN: Would it not be appropriate for Destination NSW to be involved in that? It is a very significant conference, is it not?

Ms CHIPCHASE: It is, but ultimately it becomes a commercial arrangement. For CeBIT it has to be a very sufficient space with facilities for breakout rooms and so on. My understanding is that there has been a lot of detailed work and discussions between CeBIT and Infrastructure NSW about looking at alternative sites.

Mr PATERSON: I make the observation that both the development of the new convention facility and the interim facility are responsibilities of Infrastructure NSW. It is an independent authority that is managing both contractual arrangements on behalf of government. I am a member of the board of Infrastructure NSW so there is close alignment between our portfolio interests and the work that is being managed by Infrastructure NSW. But the tender process for the interim facility has not concluded. Being able to identify the final design and capability is not yet finally resolved in terms of the interim facility. There is an identified location, but the physical structure that will exist on that site is not yet resolved.

The Hon. STEVE WHAN: I certainly take the point that Infrastructure NSW is doing it, but I think Destination NSW, with its prime objective being to attract events to New South Wales, should be quite intimately involved in that process.

Ms CHIPCHASE: As I said, I sit on the steering committee. I also had input into the expression of interest [EOI] document.

The Hon. STEVE WHAN: The Visitor Economy Taskforce identified increasing participation and enhancing skills and training as one of the issues for the visitor economy in New South Wales. One of the assessments I have seen from unions regarding the workforce at the convention centre in Darling Harbour is that there will be some 1,000 that they expect to maybe lay off during the period of the rebuild. What action has Destination NSW or the Government taken to ensure that the workforce stays engaged in the tourism industry and their skills are not lost to the industry?

Ms CHIPCHASE: There have been several discussions between the current management of the Sydney Convention and Exhibition Centre and Infrastructure NSW about how those workers' jobs can be transferred or how those skills can be moved over. My understanding is that they are working through that at the moment. Once the successful tenderer has been announced for the project, there are a number of staff who I think have already started to put their curriculum vitae [CV] together to be able to transfer them to new operators. Obviously a critical component over the next 12 months until the centre closes at the end of next year is to make sure that people have continued employment and that New South Wales can continue to operate the conferences and exhibitions that we have already won for the city. A number of discussions already are taking place as to how they can effect that. That might mean that the retention of some bonuses are an issue once again between the operators and whoever the new proponents will be.

The Hon. STEVE WHAN: So that I can get a clear understanding, is the operation of the Glebe facility part of the tender process, or has that already been decided?

Mr PATERSON: There are two separate processes going on. There is a process in relation to the redevelopment of the convention and exhibition activity at Darling Harbour.

The Hon. STEVE WHAN: Yes, I understand that.

Mr PATERSON: That is one set of tender processes. There is a separate process that will be going to the marketplace in relation to the interim facility at Glebe Island. So they are two separate processes.

The Hon. STEVE WHAN: I understand they are separate, but the process for Glebe Island specifically, is it already determined who the operator will be?

Mr PATERSON: No it is not.

The Hon. STEVE WHAN: Is that part of the tender process?

Mr PATERSON: It is going to the marketplace at the present time. So, that decision has not been taken yet.

The Hon. STEVE WHAN: What are the time frames of the tender process for Glebe Island compared to the time frame for construction and ceasing of conference and convention operations at Darling Harbour?

Mr PATERSON: I cannot be precise in relation to the timing because, as I said, it is a project managed by Infrastructure NSW, outside of our portfolio. But it is expected that the interim facility will be able to seamlessly take over from the activities of the current facility when it concludes. So, it is expected we will be able to manage the closure of the existing facility, which is at the end of 2013, and that then moves into the construction and redevelopment phase, and the interim facility will be able to provide continuity in relation to convention and, particularly, large exhibition space, which is what a lot of Glebe Island will be focused on.

The Hon. STEVE WHAN: You are confident that that timing is on track?

Mr PATERSON: I am confident that at the present time that timing is on track.

The Hon. STEVE WHAN: Minister, or Mr Paterson, are you aware of the Memory Lines sculpture at Darling Harbour, which is a memorial sculpture, and whether that will be affected by the redevelopment?

Mr PATERSON: I do not know the answer to that question.

Mr GEORGE SOURIS: I do not either.

Ms CHIPCHASE: My understanding is that any public works or art that need to be relocated while construction happens may be replaced. But that is way down the track at the moment.

The Hon. STEVE WHAN: It is a workers' memorial sculpture, and I understand there has been some exchange of correspondence.

Mr PATERSON: It is the responsibility of the Minister for Planning and Infrastructure, and that question should be directed to him.

The Hon. STEVE WHAN: How much has the Government identified for 2012-13 for the musical strategy?

Mr GEORGE SOURIS: I have been anticipating I would have to say this. These are contracts and we cannot say how much. We cannot divulge this stuff. I just say to you, though, depending on any particular year, depending on what musicals are available for premiering, some of these are timing issues, some musicals premiere and last for eight weeks, which is the initial season, and some go for four months.

The Hon. STEVE WHAN: But is there an overall allocation in your budget?

Mr GEORGE SOURIS: No, there is not a compartmentalised allocation within the overall Destination NSW budget.

The Hon. STEVE WHAN: Are you able to tell us—and I note your comment—how much Destination NSW invested in the production of *An Officer and a Gentleman* and what the financial return was from that?

Mr GEORGE SOURIS: I can tell you the financial return was in the order of \$5 million, but I cannot answer the first part of your question, I am sorry.

The Hon. STEVE WHAN: Is there some way for the taxpayers to know that they got a good deal?

Mr GEORGE SOURIS: *An Officer and a Gentleman* is regarded as a success. It was contracted to run for eight weeks and did so. It did not extend but fulfilled its contractual obligations. The assessment of its return to the economy, as I said, has given a figure, which I do not see anywhere on here, but \$5 million is the figure I have in my head. As well as that, only recently at the Helpmann Awards, Australia's premiere performing arts awards, it was able to win a Helpmann Award for best supporting male actor.

The Hon. STEVE WHAN: I understand this is not a new issue for you, but the issue is how do you make a judgement for people outside of that confidential information as to whether something has been a successful investment?

Mr GEORGE SOURIS: Some events are more successful than we are contracted to or even anticipate; others fulfil their obligations. We have not had a major event that we have invested in that has not fulfilled its contractual obligations. In respect of *An Officer and a Gentleman*, 6,780 visitors from interstate or overseas came to New South Wales, and these visitors generated 20,996 bed nights and delivered an economic impact of \$5.363 million. In addition to that, the particular musical continues to cement the role of New South Wales as the centre of musicals and the centre of first-run musicals, premiering musicals, whether they are first-run musicals or existing successful musicals from elsewhere in the world. This particular one was a first-run musical. Another first-run musical will also occur, and that is *Strictly Ballroom*. That not only will be a first-run but will premiere here in New South Wales. Once again, the assessment can only be judged before an event, not after the event. We regard that one in particular, *An Officer and a Gentleman*, as being successful though not greatly in excess of our anticipation, having run for the eight weeks it was contracted to run.

The Hon. STEVE WHAN: I look forward to *Strictly Ballroom* coming on.

Mr GEORGE SOURIS: We might see you on one of these occasions.

The Hon. STEVE WHAN: I saw *Jersey Boys*. I did not see *An Officer and a Gentleman*. Can I ask you about the International Triathlon Union Triathlon, for which the contract has expired and the Government, or Destination NSW, has decided it will not be bidding for this. I understand the figures for the triathlon were that over the period of the contract it returned about \$10 million in benefits for New South Wales. The Minister for Roads and Ports made it very clear in Parliament that he believed the triathlon was too much trouble, too much disruption, for Sydney to have. Did you share his view? Are you disappointed that the Government is not able to continue to host the International Triathlon Union Triathlon?

Mr GEORGE SOURIS: The question that falls within my area of responsibility is the Destination NSW component, whether it is a worthwhile event. That is one aspect. The question is whether taxpayers' funds ought to be invested in respect of Destination NSW, which is a tourism organisation, so it is about visitor night expenditure. Destination NSW assessment of the business case indicated the net economic impact of the 2012 event had declined from the 2011 event and that the economic outcomes estimated to be generated by the event in future years were not commensurate with the level of funding requested. To that extent, I point out something that I know you already know: That there is a board. Destination NSW makes its decisions and recommendations itself and it has a board, which works independently, of course. It is not a government department, the board is not a government department, it is a board. Destination NSW must allocate its financial resources to events it believes assist the Government to meet its goal of doubling overnight visitor expenditure to New South Wales by 2020.

The Hon. STEVE WHAN: Surely the triathlon provided more than visitor numbers? It provided quite significant international television coverage of the event. Is that something that is taken into account by Destination NSW in its assessment?

Mr GEORGE SOURIS: I think the Chief Executive Officer of Destination NSW might deal with the criteria and the assessment process.

Ms CHIPCHASE: Obviously there are several factors. Economic impact is primary, but there are a number of other factors. Publicity is one, profile is one, community impact, ability to attract other events. Is it unique to Sydney? Is it unique to New South Wales? Is it unique to Australia? Are other events similar? As you would be aware, there are numerous road races and marathons held around the world and held within Australia, in New South Wales and, indeed, Sydney. Unfortunately, in the case of this event, it did not deliver against the core key performance indicators commensurate with the level of investment that we had. I am sure you are aware we have an in-tray of all sorts of fantastic events looking for investment. Unfortunately, in this case, it just did not deliver well enough against the level of investment. So, that was the decision the board made.

The Hon. STEVE WHAN: Is Destination NSW or the Government considering or had any contact with Formula 1 regarding bidding for the Australian Formula 1 Grand Prix when Melbourne's contract runs out in 2015?

Mr GEORGE SOURIS: No.

The Hon. STEVE WHAN: None at all?

Ms CHIPCHASE: No.

Mr GEORGE SOURIS: Not that I am aware of.

The Hon. STEVE WHAN: Have you been approached by anybody to find out whether the New South Wales Government is interested?

Mr GEORGE SOURIS: Not formally.

Ms CHIPCHASE: No. People will send emails and tell me, "It's a really good idea. Why don't you go and bid for it?" It is a \$66 million exercise and at the moment that amount of money on one event is outside my budget.

The Hon. STEVE WHAN: What new major events has Destination NSW secured this year? I note today's announcement that the Gay Rugby World Cup is coming, which is great news for Sydney. Was Destination NSW involved in securing that? What other events have you managed to secure?

Mr GEORGE SOURIS: Do you want to know which ones?

The Hon. STEVE WHAN: Perhaps you could table a list?

Mr GEORGE SOURIS: I am quite happy to answer you. I just wanted to be sure that you are asking me for events.

The Hon. STEVE WHAN: I want to know what new major events you have secured over the past year?

Mr GEORGE SOURIS: I have it. *Strictly Ballroom* on 23 May 2011—these are contractual dates.

The Hon. STEVE WHAN: I would be happy if you want to table the list.

The Hon. PAUL GREEN: Minister, with all due respect, I would like the answer to Mr Whan's question and, secondary to that, could you tell me which events New South Wales does not have that you would like to secure?

Mr GEORGE SOURIS: Oh, my goodness.

The Hon. STEVE WHAN: Obviously not the Formula 1 Grand Prix.

Mr GEORGE SOURIS: That is an extremely hard question. Let me just answer you generally. We have to attract a mixture. We are not out there only for sport, musicals or whatever.

The Hon. PAUL GREEN: Give me a mixture.

Mr GEORGE SOURIS: It is important to ensure that we stimulate as many sectors as we can as part of the New South Wales Government strategy to continue building our economy by driving tourism, trade and investment to New South Wales. Destination NSW was successful in securing 38 new events for Sydney and New South Wales from March 2011 to 30 September 2012. This means that on average more than one new event was secured each month. These events included the successful Sydney International Art Series, which featured two new exhibitions in 2011-12—Picasso: Masterpieces from the Musée National Picasso, Paris, and Rafael Lozano-Hemmer's "Records". In 2012-13 this series will feature "Francis Bacon: Five Decades" at the Art Gallery of New South Wales and Anish Kapoor at the Museum of Contemporary Art. They were launched simultaneously and will run accordingly. Musical theatre features strongly, including *Annie* and *An Officer and A Gentleman*. A couple of weeks ago we had the Australian premiere of *Legally Blonde*. I did not see you there.

The Hon. STEVE WHAN: I did not get an invitation.

Mr GEORGE SOURIS: I am devastated to hear that. I will make sure you get one for *The Addams Family*.

The Hon. STEVE WHAN: There may be too many familiar faces.

Mr GEORGE SOURIS: I will expect to see you there. Coming up is the world premiere of Baz Luhrman's *Strictly Ballroom* as well as the return of *The Lion King*, which last played in New South Wales in 2005. The memorable "Handa the Opera on Sydney Harbour" debuted in March 2012 running for three weeks only with 18 performances attracting 40,000 people. New sporting events secured last year to take place this year include the start of the 10-year Bledisloe Cup deal and the historic one-off Castrol Edge International between the Qantas Wallabies and Scotland at Hunter Stadium, Newcastle. Sydney also secured the Yonex Australian Open—Grand Prix Gold Badminton event in 2012. Soon to commence at the Australian Museum will be a blockbuster exhibition, "Alexander the Great: 2000 Years of Treasures" featuring the largest collection from the acclaimed State Hermitage Museum of St Petersburg ever to tour Australia. In January and February 2013 the Paris Opera Ballet will perform an exclusive Sydney performance of *Giselle*.

The Hon. PAUL GREEN: Which events have we not got that you would like to secure, for example, the top three or five?

Ms CHIPCHASE: I would prefer not to say specifically because that plays our hand to our competitors. If they know we are even in the game the price goes up.

The Hon. PAUL GREEN: That is fair enough. Tell me later.

The Hon. JOHN AJAKA: Good answer.

The Hon. PAUL GREEN: We just heard that we are not reinvesting in the triathlon; I suggest that can go to Jervis Bay. What other major events are we not going to invest in that will not hurt our competitive edge?

Mr GEORGE SOURIS: By definition, for a new event to come on means others must have expired their contract. Indeed, they have a contractual arrangement; it is not an indefinite arrangement or lifetime commitment to annual funding. They are then assessed as to their performance. Whatever new arrangements that generates then it is determined. You asked specifically for the events that did not continue?

The Hon. PAUL GREEN: I imagine that there is a whole list, but just give me the top three.

Mr GEORGE SOURIS: Destination NSW receives many proposals for high-value and high-profile events. These events have the potential to deliver strongly against Destination NSW's economic strategic marketing and community criteria but, naturally, some more than others. In this competitive environment and to keep expenses in line with the context of finite investment resources, decisions need to be made on the basis of what events deliver the best return.

The Hon. PAUL GREEN: Minister, I am running out of time. I think we know the context of why we cannot reinvest. Can you perhaps name a couple in which we are not reinvesting, apart from the triathlon?

Mr GEORGE SOURIS: *Master Chef Live* would be an example. In December 2011 the event owner advised that funding would not be continued following completion of the contract. On that particular one in any case the event organisers had already made their decision because of real estate, rent, et cetera. That would be an example.

The Hon. PAUL GREEN: Obviously, Sydney is a popular venue, we have just heard, for international conferences and will be more so in the future. The Seventh World Congress of Families will be held in Sydney in May next year. What initiatives does the Government have to attract international conferences to other parts of the State outside Sydney, Newcastle and Wollongong?

Mr GEORGE SOURIS: Business Events Sydney is charged with that in particular. I do not have sufficient answer to that question.

Ms CHIPCHASE: I am happy to answer that question. One of the areas nominated in the Economy Taskforce report is concentration on building conferencing for regional New South Wales. Currently, many regional tourism organisations work with Destination NSW on identifying potential pieces of business. Sporting events and conferences are a key driver. Unfortunately, with the global financial crisis, a lot of corporate conferencing business has either been put on hold or people are saving money and holding meetings within their own offices.

We are cognisant of the fact that for business events regional areas need the correct infrastructure because, ultimately, this is a business led by infrastructure—airports within driving distance of major hubs; accommodation; audiovisual support, particularly if they have a very complex meeting and might be having a lot of digital technology with which they need support; as well as whether partners are involved. Generally speaking we always promote regional New South Wales for pre and post conferencing for major conferences in places such as Newcastle, Wollongong and Sydney. In addition, regional areas such as Dubbo are getting an increased share for events such as the Local Government and Shires Association conferences and association business in particular of that nature.

The Hon. PAUL GREEN: You mentioned that since the global financial crisis [GFC] it has closed down. Have you got statistics of how much that corporate market has closed down?

Ms CHIPCHASE: Not with me.

The Hon. PAUL GREEN: Could you take that on notice?

Ms CHIPCHASE: Yes.

Dr JOHN KAYE: Could I ask the Minister with respect to the V8 Supercar races; the contract expires at the end of this year.

Mr GEORGE SOURIS: Next year.

Dr JOHN KAYE: The end of 2013.

Mr GEORGE SOURIS: There are two more events to be held, this year and 2013.

Dr JOHN KAYE: Minister, have you begun any work on negotiations for the next round of contracts?

Mr GEORGE SOURIS: No, I have not.

Dr JOHN KAYE: What steps will you take to address criticisms in the June 2010 Auditor-General's report of the previous Government's development of the contract with V8 Supercars?

Mr GEORGE SOURIS: The issue will arise in the course of next year. Therefore, the assessment of its benefits, the assessment of what the Auditor-General may or may not have said and what negotiations transpire—none of which have commenced that I have had any involvement with—will all have to come out in the wash ultimately as to whether or not this event is able to negotiate a continuation or not.

Dr JOHN KAYE: I asked you on notice in May of this year, and you answered in June of this year, whether you would consider doing analysis—

Mr GEORGE SOURIS: You are pointing out a quick turnaround.

Dr JOHN KAYE: No, I am not. Your turnaround was over the allowable time. I asked on 10 May and you replied on 14 June, you were one day over the allowable date but I chose not to pursue the matter. I was asking in respect of transferring the V8 Supercar race from Homebush to Eastern Creek. I asked if you had given any consideration to attaining the costing for transferring the annual race to Eastern Creek International Raceway which I should have referred to as Sydney Motorsport Park. I was outdated in my language.

Mr GEORGE SOURIS: The new name, yes.

Dr JOHN KAYE: Why did you say you would not even give consideration to it?

Mr GEORGE SOURIS: I have not been asked—that is the first part of the answer. Has the Government taken steps to attain the costing? The answer is, no, we have not. Has the Government taken steps to ascertain costing for the transfer? No, I have not. I do not know if anything internally within the department has happened.

Ms CHIPCHASE: No.

Dr JOHN KAYE: I said, "If not, will the Government consider doing so?" Your answer was, no, you would not consider doing so. You are not even considering the issue of Eastern Creek.

Mr GEORGE SOURIS: It is not for me to initiate a transfer from one location to another location. It is only for the Government to consider whether or not the current occupant wishes to commence negotiations, prospectively extending the contract in the existing location. The applicant may wish to open some sort of dialogue in relation to moving the event from one location to a different location. If that is the case we will certainly analyse all those costs and so on. No, we are not proactively out there trying to find a way of moving

them, just as we are not proactively out there ensuring they remain in the same location. During the period leading up to when the contract expires, which is at the end of 2013, and when that is finalised we will publicly explain what it is that finally was decided. No decision has been made and no negotiations have been undertaken.

Dr JOHN KAYE: The Auditor-General had a series of very strong criticisms of the previous Government and, in particular, then State development Minister Ian Macdonald. The criticisms included that there was no business case or an inadequately developed business case for financial assistance or other contributions. The analysis of the alternatives of Sydney Olympic Park, which was Eastern Creek International Raceway, now known as Sydney Motorsport Park, was not adequately carried out—it was not done at all—and there was no comprehensive analysis of the costs such as administration or impacts on the environment. Minister, are you going to undertake that if New South Wales provides financial assistance to the next round of contracts with respect to the V8 Supercar races this time around there will be an adequate and rigorous business case and analysis of the alternatives and comprehensive analysis of all costs?

Mr GEORGE SOURIS: First of all, an inherited contract is what we found when we assumed Government. We really had no choice but to continue to fulfil the contract that had been signed. I can assure you that Destination NSW is a strong organisation. It is not subject to the sorts of ministerial pronouncements from afar that former Minister Ian Macdonald undertook, not only with this V8 event but other events as well. I do not operate dictatorially. Destination NSW is charged, together with its board, with considering every application, undertaking all assessments, including the costing that you would be referring to. But not only that, it would consider it prior to making any recommendations about contract extension, funding or whatever it is that is under application.

Dr JOHN KAYE: Minister, will you be asking Destination NSW and its board to be mindful of the criticisms made by the Auditor-General and to make sure if there is a second contract and financial assistance and other contributions to support that second contract that all of those matters will be addressed?

Mr GEORGE SOURIS: I am not trying to be smart in my reply to you, but I would expect Destination NSW to do all those things. Unless all aspects and costing are considered I do not believe that Destination NSW would be able to make a proper recommendation. I say yes, but not because I would identify some particular aspect; I would expect Destination NSW to consider it and other aspects—including the ones you named.

Dr JOHN KAYE: Minister, would you be comfortable for Ms Chipchase to comment on that?

Ms CHIPCHASE: I am more than happy to. We would do that as a matter of course for any event proposition that we are presented with, or if we are looking at extending a contract or renegotiating a new contract. We are obliged to compare apples with apples. We would have to look at what was the cost, would we be able to amortise any additional costs, for example, of any assets that were Government owned assets across a period of time, and the issues obviously that were raised in that report we would have to address again.

Mr PATERSON: Could I make one point of clarification. You asked a question in relation to examining alternative sites. Both in relation to the specific question and more generally more often than not Destination NSW will be examining a proposal from an event proponent and it would not, as a matter of course, examine all potential alternatives that a proponent of an event may have. It is not explicitly that you would examine alternatives to an event proponent's proposal. You would have to examine the detail of the proposal and business case and how it is stacked up but you would not automatically undertake a detailed examination of where—if you were running it—you might run it as an alternative event because invariably these things come forward for a proponent for a particular case. You have to assess the proposal in relation to the proponent's bid, not how you would run it if you decided to run it differently.

Dr JOHN KAYE: I was doing well until you said that, Mr Paterson. Unfortunately, my time has expired.

The Hon. JOHN AJAKA: Minister, can you provide the Committee with an update on the success of Vivid Sydney in 2012?

Mr GEORGE SOURIS: Vivid Sydney is an annual festival of light, music and ideas, featuring the spectacular illumination of the Sydney Opera House sails. It is a world-class festival where the best, brightest

and most innovative talent in the creative industries from New South Wales and overseas come to play with light, music and ideas that dazzle and amaze. Vivid Sydney is one of the signature events in the NSW Events Calendar developed by Destination NSW, with the New South Wales Government as the major sponsor. It has now become the largest annual festival of its kind in the Southern Hemisphere, showcasing Sydney as the creative industries hub of the Asia Pacific region.

In 2012, Vivid Sydney featured more than 60 light installations and large-scale projections around The Rocks and Circular Quay, including interactive, energy-efficient light sculptures and "Lighting the Sails" by German project artists URBANSCREEN at Sydney Opera House, along with illuminated skyscrapers and buildings. Vivid LIVE at Sydney Opera House featured 29 events, including 11 Australian premieres, two world premieres and an astounding line-up of local and international artists coming exclusively to Sydney. The Vivid LIVE music program attracted more than 32,000 people to 26 ticketed events over 10 days and generated \$2.4 million in gross box office. Audiences also connected with Vivid LIVE at Sydney Opera House on the web, with more than 1.2 million views of exclusive online content, including 900,000 views of performances live streamed through social media.

Destination NSW also ran a social media campaign on Weibo, China's most popular micro-blogging site, with more than 4,000 Chinese visitors coming to Sydney during Vivid as a result. Vivid Sydney 2012 also had more than doubled the number of creative industry business events since its inception four years ago. The new Vivid Ideas Exchange, located at the Museum of Contemporary Art, hosted an industry-curated program and was the creative hub of Vivid Sydney 2012. Highlights from the Vivid Ideas program included a partnership with the Sydney Film Festival and innovative technology and fashion companies from around the world. The Vivid Ideas Exchange attracted more than 7,900 visitors attending 14 days of talks, workshops and networking events. Vivid Sydney industry events were attended by more than 98,000 people.

Now in its fourth year, Vivid Sydney has become an international success story, reinforcing Sydney's position as Australia's global tourism and events city. Vivid Sydney was also recently ranked as one of the world's top ten ideas festivals by the influential *Guardian* newspaper in the United Kingdom. And the success of Vivid Sydney is evident in the growing numbers of visitors it has attracted each year: in 2010 Vivid Sydney attracted 300,000 visitors; in 2011 this grew to more than 400,000 visitors; and in 2012 Vivid Sydney was visited by more than half a million people over 18 days. In 2012 this has represented a 25 per cent year-on-year increase. As the major investor in the festival, the New South Wales Government is committed to supporting and growing Vivid Sydney, an event that has been truly embraced by Sydneysiders and visitors alike and has been acclaimed internationally.

The Hon. JOHN AJAKA: Minister, can you update the Committee on the success of the Handa Opera on Sydney Harbour?

Mr GEORGE SOURIS: The *La Traviata* Handa Opera on Sydney Harbour exceeded all expectations and by any definition was an absolute triumph. The Liberal-Nationals Government's investment through Destination NSW was rewarded with a runaway success first up and will be a sure-fire success in the ensuing two years to come. This year's production exceeded its sales target, which was \$6 million, and more than half the audiences of 40,000 who attended one of the 17 performances was new to opera. The fact that so many first-timers attended the event is remarkable and will open up not only new audiences for cultural offerings but enrich those who will experience it for the first time.

This Government, through Destination NSW, invested in Handa Opera on Sydney Harbour because of its potential to stimulate cultural tourism. Opera Australia focused on attracting the markets of China, Hong Kong, Singapore, New Zealand and the west coast of North America. London's *Guardian* newspaper profiled the 10 major cultural tourism cities in the world and Handa Opera on Sydney Harbour was rated as the number one event in the world. It was rated above the most famous opera houses in the world, such as, La Scala, Covent Garden and the Metropolitan in New York. The fact that the major United Kingdom broadsheet made such a statement highlights the Government's foresight in backing this unique project.

Handa Opera on Sydney Harbour was a mammoth project involving more than 750 people, including 140 artists, 570 staff and crew and 60 volunteers. It was performed on a stage suspended on Sydney Harbour. It was watched by millions worldwide on television and recently won six major awards, including the major prize, Event of the Year, at both the Australian Event Awards and the Helpmann Awards for live performance. At the recent Helpmann Awards, Handa Opera on Sydney Harbour also took out Best Scenic Design, Best Female

Performer in an Opera, Best Sound Design and Best Special Event. This was a great result for all involved and I congratulate Opera Australia.

The economic benefits of this major event resonate far beyond the final curtain call, with the New South Wales Government's three-year investment in Handa Opera on Sydney Harbour expected to add \$100 million to the New South Wales economy. This is a clear demonstration that the arts does more than enrich the soul and society—it stimulates the economy through tourism and job creation. I very much look forward to the return of Handa Opera on Sydney Harbour in 2013 with the production of *Carmen*, which will be directed by Ms Gale Edwards. I am thrilled that locals and visitors to our harbour city will again have the chance to be captivated by one of the world's most popular operas, the unforgettable *Carmen*, with the world's most breathtaking backdrop. Bizet's *Carmen* is a spectacular production with great characters, a gripping storyline and superb music, which will appeal to both opera enthusiasts and those experiencing opera for the first time, or maybe the second time if they attended this year.

I congratulate Opera Australia's departing Chief Executive Officer Adrian Collette and Artistic Director Lyndon Terracini on remaining true to their objective of delivering three seasons of the greatest operas ever written, all staged in one of the most spectacular settings on earth—Sydney's magnificent harbour. Dr Haruhisa Handa deserves special recognition for his generous sponsorship of the event's namesake through his charitable organisation, the International Foundation for Arts and Culture. Opera Australia has again assembled a world-class creative team and cast for *Carmen*, including internationally-renowned director Gale Edwards and celebrated designer Brian Thomson, who was responsible for the spectacular *La Traviata* set. Indeed, he won one of the Helpmann awards.

The upcoming season of *Carmen* is poised to build on the success of *La Traviata* and will remind audiences both here and overseas why Sydney is Australia's global events city and home of the performing arts. I am confident that *Carmen* will attract huge levels of interest, showcasing our creative talent to local and international audiences. The economic benefits of Handa Opera on Sydney Harbour resonate far beyond the finality of the program. Based on 18 performances and a capacity this time round of 54,000, Destination NSW expects that \$20 million in new money will be driven into the New South Wales economy throughout the *Carmen* season. Investing in events that have such a bold vision is a priority for the New South Wales Government to ensure our State is the number one events destination in Australia.

The Hon. JOHN AJAKA: Minister, you were asked by the Hon. Steve Whan and the Hon. Jan Barham a number of questions about Destination NSW securing major events. Are you pleased with the performance of Destination NSW in the past 12 months?

Mr GEORGE SOURIS: I thank Mr Ajaka for his question.

The Hon. STEVE WHAN: If he says "No" it is going to be uncomfortable, is it not?

The Hon. JOHN AJAKA: Please continue, Minister.

Mr GEORGE SOURIS: It has been more than a year now since we established Destination NSW to lead the nation's tourism and major events sector. I must say that Destination NSW has risen to the challenge the New South Wales Government set in making this State number one again. A conservative estimate from Destination NSW indicates that the 2011 New South Wales major events calendar alone brought in more than \$600 million in new money for the State, and this year is even bigger and better.

The *Australian Financial Review* recently published data showing New South Wales secured 40.1 per cent of gross ticket revenue from live shows in 2011 compared with Victoria's 29.5 per cent. Katrina Strickland wrote, "Melbourne may bang on about being the cultural capital, but in audience terms, Sydney beats the pants off it." That is the result of this Government's concerted efforts to greatly boost tourism through major events, and it is working. New South Wales has now regained its rightful position as number one when it comes to the securing and staging of major events, be they sporting, cultural or theatrical.

For example, Vivid Sydney was visited by more than half a million people over 18 days, representing a 25 per cent year-on-year increase. It was named as one of the top 10 ideas festivals in the world. Destination NSW events calendar over the past year has played a major role in driving the State's reputation as the nation's leading tourism and events State and greatly boosting the visitor economy. Destination NSW not only has secured major sporting events such as the Bledisloe Cup from 2012 to 2021, the 2014 FIFA World Cup Qualifiers, the 2013 British and Irish Lions Rugby Tour, the Tabcorp Inter Dominion Championships from

2013-15 and the Sydney International Rowing Regatta in 2013 and 2014, just to name a few, but also has put New South Wales on the world map as a premier musical and blockbuster exhibition destination.

I am advised that a six-month run of a successful stage production contributes about \$20 million to the State's economy. Destination NSW has successfully secured new musicals, including *An Officer and a Gentleman*, *Strictly Ballroom*, *Legally Blonde*, *The Addams Family* and the return of the *Lion King*, just to name a few. Recently celebrated producer Rodney Rigby said he was delighted to be bringing the Australian premiere of *The Addams Family* to now "Australia's leading tourism and events city", which is quite an endorsement.

Destination NSW also secured the Harry Potter exhibition at the Powerhouse Museum, the Picasso exhibition at the Art Gallery of New South Wales, and the Rafael Lozano-Hemmer exhibition at the Museum of Contemporary Art, each breaking attendance records. We also secured the Anish Kapoor exhibition at the Museum of Contemporary Art and the Francis Bacon exhibition at the Art Gallery of New South Wales, both part of Sydney's International Art Series, as well as the much anticipated Alexander the Great exhibition at the Australian Museum, all of which are taking place later this year.

Thanks to the O'Farrell-Stoner Government's efforts, Sydney has won many international accolades, including selection by *Travel and Leisure* readers as the top Australasian city, together with a long list of other international honours over the past 18 months. These include the number one city in the *Condé Nast Traveller* Readers' Choice awards, Lonely Planet's World Best Summer City award and the world's best festival and major events city by the International Festival and Events Association. These are tributes to our local tourism and events industries, which continue to develop new and exciting experiences to keep New South Wales at the forefront with international visitors.

Destination NSW has also supported and provided funding to a number of regional events both individually and as part of its regional flagship events program. Significant investment saw elements of Surfest 2012 achieve a Six-Star World Qualifying Series event status, putting Newcastle on the international surfing arena. I am advised that Newcastle and the Hunter are reaping the benefits of events and festivals which are worth about \$700 million to local economies over the past 12 months.

The Government has established an annual calendar of events for Newcastle and the Hunter that includes international surfing competitions, international rugby, World Cup Soccer qualifiers, many other top sporting events and the nation's biggest international country music festival. This is a fantastic recognition of the hard work that the New South Wales Government and the City of Newcastle have put into transforming Newcastle into a world-class event destination. In fact, last September I announced that both Sydney and Newcastle have been selected as 2012 world festival and event cities by the International Festivals and Events Association and that is a real tribute to this Government's successful efforts to make New South Wales number one again.

The Wollongong Gran Fondo cycling event secured by Destination NSW will also help to put the South Coast on the cycling calendar. A strong focus in marketing and supporting regional New South Wales has helped increase the appeal of Regional NSW by 7 per cent since June last year. The strength of the appeal also is increasing, with surveys showing that those rating Regional NSW as 10 out of 10 has lifted from 6 per cent in June 2011 in that quarter to 10 per cent in the current quarter, thanks partly to our commitment to regional events.

New South Wales is also now number one when it comes to business events. Business Events Sydney achieved one of the most successful financial periods, securing 103 business events in the 2011-12 financial year, worth about \$225.6 million to the New South Wales economy. This is a record number of event wins and a 21 per cent increase on the previous year's economic impact results. In fact, it is the third highest economic delivery in the organisation's history. In March I announced that the New South Wales economy would get an injection of \$211 million from 59 business events to take place in Sydney between now and the end of the year and that month alone would see \$40 million in economic value for New South Wales, with nine international business events taking place.

Sydney's ongoing success as a business events destination is a clear indication of the harbour city's appeal and this Government's commitment, which extends beyond our strong leisure industry to the State's broad strengths across commerce, creativity, culture, natural beauty and of course our strong internationally recognised knowledge base. This result from Business Events Sydney confirms our State's global reputation for excellence and also the organisation's expertise in securing valuable events for Sydney. I am advised that the

2011-12 financial year also broke records for Business Events Sydney's expanding Asian business where a total of 33 events with an estimated economic impact of \$91 million were secured, which will see almost 19,000 corporate clients travel from the region in the coming years.

Opportunities for the business events sector in Asia continue to grow and so do Business Events Sydney successes in this market. We are proactively pursuing the opportunities that exist with organisations in South Asia and North Asia. Some highlight events secured by Business Events Sydney in 2011-12 include the Perfect China Leadership Seminar of 2013, with 3,500 delegates worth an estimated economic impact of \$20.9 million, the IUCN World Parks Congress 2014, with 3,000 delegates worth an estimated \$23.6 million and the Twelfth Congress of the International Society for Organ Donation and Procurement 2013 with 400 delegates worth an estimated \$1.5 million.

I conclude by pointing out that last September I launched the Sydney and New South Wales events calendar to June 2013. It is full of events for Sydney and the regions. It is well worth pursuing and will demonstrate just how successful the Government has been in promoting, enhancing and developing the major events industry and making New South Wales number one again.

ACTING-CHAIR: We will now move to the portfolio of Tourism. We will start with Opposition questions.

The Hon. STEVE WHAN: Minister, I want to ask you some questions about one of your programs. This is a program that has helped to fund Bessie the cow. You probably remember being the first person to milk Bessie the fibreglass cow in your electorate in the Hunter Valley.

Mr GEORGE SOURIS: I cannot imagine what you want to know.

The Hon. STEVE WHAN: I am not going to ask you about your technique. Bessie the fibreglass cow is a tourist attraction for Hunter Belle Cheese. Bessie is being funded by two grants from the Regional Tourism Product Development Funding Program—stream one where she got \$50,000 and stream two where she got \$70,000. In total \$120,000 went to Bessie and the associated dairy facilities. Given that this money was handed over by the Government to regional tourism organisations and regional tourism organisations have distributed that, in what way can members of Parliament find out or be assured that this money is well spent and is good value for money?

Mr GEORGE SOURIS: First of all, the assessment allocation, the choice of programs, was conducted at arm's length, of course—you have already virtually acknowledged that point. The question you raise is a good point that it is an obligation of government to assess the success or otherwise of its various funding programs. That really would apply to every avenue of government, not just tourism. The importance of doing so, of course, is to introduce rigour, but to ensure that therefore future programs may be able to be enhanced, modified, adjusted to ensure that they do maximise the benefit to New South Wales.

The Hon. STEVE WHAN: I asked a series of questions on notice about this program to find out specifically the organisations that these funds had gone to, their ABNs, and to find out what accountability mechanisms had been put in place. The response I got for all those questions was that the money had been handed over to the RTOs and under an agreement with the RTOs it was up to the RTOs to report on that. The point is that the reports on that do not come to Parliament, so there is a slab of taxpayers' funds that members of Parliament cannot inquire into the accountability of and I want to know whether that is appropriate and whether or not, specifically, the Auditor-General has been asked for an opinion on that.

Mr GEORGE SOURIS: They come to Parliament via questions such as you have just asked. I personally do not know the direct answer to that.

Ms CHIPCHASE: It is no secret about what projects received what level of funding; that is readily available. Secondly, some of the grants, particularly the Government's \$5 million grant for regional product development, the KPI was: Was that product delivered, yes or no? With many of those it was either the development of a website or it might have been signage. So in many cases it was a physical asset: Was it delivered, yes or no?

The Hon. STEVE WHAN: Does Destination NSW determine whether that funding has been used for the appropriate purpose? Are you actually following up?

Ms CHIPCHASE: Yes, we are. In some cases, if they are building a particular attraction or renovating a particular attraction, it is: Are the works completed or not? Yes, we are because in order to get their funding they have to provide us with a report. Not everybody has completed their report, not every project has been completed, but we can certainly give you a rundown of what projects have been completed and what are still underway.

Mr GEORGE SOURIS: We certainly have not diminished any assessment that was underway under the previous administration.

The Hon. STEVE WHAN: Minister, I would argue the point on that because it is very unusual for a program where government funds go out for the actual return for the accountability mechanisms not to be directly back to the government. In this case Ms Chipchase said that it was publicly available who had got the grants. It is not always clear on your website as to what organisation got the grant. Can I give you an example of whether something is appropriate? This is a project—and I am not saying that these projects are not worthwhile; they probably are—but this is a project that I am aware of where \$48,000 was provided to enhance the lighting along Lake Jindabyne for the Lake Light Sculpture area. That footpath and the lighting are owned by the shire

council, but the shire council was not the recipient of this grant. Can you tell me whether you think that it is appropriate that an organisation that is not actually the owner of the asset has received funding to improve the asset?

Mr GEORGE SOURIS: We had better not exclude the electorate of Monaro from future considerations.

The Hon. STEVE WHAN: The project is a good project. What I am asking you is: Do you believe the accountability processes are correct when that is not actually the owner of the asset, and what work do you put in to make sure that the organisation that got the grant was properly constituted?

Ms CHIPCHASE: Through the grants process if people are asking for, in this case, product development funding, there is a panel: the RTOs make recommendations as to which project should be supported. Once those projects move forward, as I said to you earlier, a lot of these are about physical assets—in this case, lighting, building bike tracks and so on. So again we have to have proved that the projects actually happened. We have to then have a look at if they were linked to a specific KPI around visitation, what impact has there been around that. It is hard for me to go through every—

The Hon. STEVE WHAN: In the reporting to you will you get that specific performance information provided to Destination NSW for each individual project?

Ms CHIPCHASE: As I said earlier, most of the projects are about the completion of a physical asset. So, yes, we would want to know—

The Hon. STEVE WHAN: Will that be reported in your annual report for each individual allocation?

Ms CHIPCHASE: Some of the projects have not been delivered, but certainly as they come along we would be giving a rundown of whether the projects were delivered or not.

Mr GEORGE SOURIS: You asked a legitimate question. There is no issue.

The Hon. STEVE WHAN: My point is that as shadow Minister, as you will appreciate as a long-term shadow Minister, I need to be able to see that that money has been spent appropriately. Along the same line, the performance criteria put in place says \$100,000 has gone to the Hydro Majestic Hotel for the new Omni Dome Theatre. As anyone who has driven past there recently would know, the major redevelopment is closed at the moment and looks to be sometime in the future. What time frame do you have on expenditure of this money for people to put in place these tourism enhancements?

Ms CHIPCHASE: In most cases works have to have been commenced during the financial year. In some cases they ask us can they move money between financial years.

The Hon. STEVE WHAN: Has there been a request in that case?

Ms CHIPCHASE: I am not aware that that has happened in that particular case.

The Hon. STEVE WHAN: Would you be able to take that on notice and find out?

Ms CHIPCHASE: Absolutely.

The Hon. STEVE WHAN: Minister, I know that with the first round of projects in this they were determined by the RTOs and the second round was for larger amounts of money generally. Do you as the Minister, or your office, have a role in signing off on the particular allocations?

Ms CHIPCHASE: It depends. Have you got a specific example?

The Hon. STEVE WHAN: Particularly round two—regional tourism product development funding stream 2, where most of the amounts of money were larger than the first round.

Ms CHIPCHASE: The process for that is we write a ministerial briefing note and alert the Minister to that. In some cases the amounts of money are within my delegation to sign off or in my executive team's delegation.

The Hon. STEVE WHAN: Can you provide for stream 2 the details of the organisations, not just the names of the projects, that have received the funding and their ABNs and relevant information so that we can identify them?

Ms CHIPCHASE: Sure. It depends on whether they are a statutory authority or an ABN.

The Hon. STEVE WHAN: If they are a local government organisation, if you can find that out, because it is not clear on a number of those areas—what the status is of the Cockatoo Institute (Film and Television), for example. I do not want to specifically name things because I am not trying to cast any aspersions on any of those organisations; it is simply that the accountability needs to be in place.

Ms CHIPCHASE: So I am clear: You are looking for the ABNs—

The Hon. STEVE WHAN: For the ABNs or other information on the details of the organisation that has received the funding.

Mr GEORGE SOURIS: For stream 2?

The Hon. STEVE WHAN: For stream 2.

Mr GEORGE SOURIS: That is good because stream 1 is—

The Hon. STEVE WHAN: From the RTOs.

Mr GEORGE SOURIS: I understand, it is just that stream 1 is a lot.

The Hon. STEVE WHAN: It is still all taxpayers' funds so it is quite important.

The Hon. STEVE WHAN: And I know that Bessie the cow is completed because the Minister has milked her.

Mr GEORGE SOURIS: You are milking it too.

The Hon. LYNDA VOLTZ: Minister, I would like to ask some questions about some events. On events that are being funded, there is the Touch Football Australia package.

Mr GEORGE SOURIS: We are talking about events now?

The Hon. LYNDA VOLTZ: Originally we agreed that we could go across.

Mr GEORGE SOURIS: I suggested that, but we did not do it.

The Hon. JAN BARHAM: That was us.

Mr GEORGE SOURIS: That is because of The Greens.

The Hon. STEVE WHAN: We have one question on which we just want to follow up.

The Hon. LYNDA VOLTZ: I want to understand the criteria for the touch football package. How does the criteria for the Touch Football World Cup, which I understand is hoping to get 150 teams and maybe 4,000 spectators into Port Macquarie where the Nationals have been held for the past five years, compare with events such as the Aboriginal knockout competition, which regularly has 20,000 spectators attending the final, or an event such as the Ella Sevens in Coffs Harbour?

Ms CHIPCHASE: Visitor nights are the key criteria, but obviously not every event in New South Wales comes to us and asks for funding. Some events get funding from the Sports portfolio, some from the Arts portfolio, some from Communities, so it depends which of the events have come to us and what level of support they have asked for.

The Hon. LYNDA VOLTZ: I refer to visitor nights. I understand that the knockout event only gets Federal Government funding, not State Government funding. Did you look at the visitor nights for the touch football event in the World Cup in Scotland?

Ms CHIPCHASE: Sorry, could you repeat the question?

The Hon. LYNDA VOLTZ: Did you make an assessment of the visitor nights at the World Cup in Scotland and teams that attended because it was an event of that region—they would not attend other regions and are unlikely to attend an Australian regional event—and weigh that up in the assessment of the Touch Football World Cup package?

Ms CHIPCHASE: With any event that we have we look at intrastate, interstate and international visitation. In some cases it will be a day-tripper—a market—so obviously we are looking for the maximum overnight stays that are possible. It is also whether the event is unique to that particular region. Any event that has an international history, whether they have been in Europe or the United States or Asia, South Africa or South America, we look at what numbers that event achieved. We also look at where the teams are from. Some sports have a very large local market for a particular sport. Others are a much more international sport. In every case we try to get a history of the event, what numbers they produce, and in the case of events that have never been offshore before, that will have an impact on visitor night numbers. Some events will really drive international visitation. Some might have a bigger television audience. We are looking also at what those deals are. For touch football, I would have to look at the exact numbers. My recollection is that we have funded a number of regional events. I have an idea it may just be Sydney, but I can have a look at that and come back to you with specific information.

The Hon. LYNDA VOLTZ: And could you check to establish whether you have funded rugby sevens tournaments? Obviously we have a number of big international rugby sevens tournaments. If any of those have been funded—

Ms CHIPCHASE: Not in the past 12 months that I am aware of, but I will come back to you.

The Hon. STEVE WHAN: The Infrastructure NSW report recently concluded that Sydney would need a second airport within the next 20 years and it suggested that, as that airport is being built, Richmond airport should be used as an interim solution. Do you agree with that from a tourism point of view?

Mr GEORGE SOURIS: I think those questions have been asked of the Premier—

The Hon. STEVE WHAN: I was particularly interested in tourism.

Mr GEORGE SOURIS: I suggest that you look at the answers the Premier has given and the undertakings, if any, to provide further information.

The Hon. STEVE WHAN: The Premier has made it clear that he does not support building a second Sydney airport. Do you think that is a smart decision from a tourism point of view in New South Wales?

Mr GEORGE SOURIS: My perspective can come only from the preparation—not that I did it myself—of the Visitor Economy Taskforce and the task we have set ourselves to double overnight visitor expenditure by 2020, and that did not include consideration of a second Sydney airport, so I do not give it any consideration beyond that immediate goal.

The Hon. STEVE WHAN: The Visitor Economy Taskforce suggests that curfews should be changed for Sydney airport. Do you agree with that?

Mr PATERSON: It does not actually say that.

Ms CHIPCHASE: No, it does not talk about curfews. It does not say that curfews should change. It says that the aircraft movements should be changed.

The Hon. STEVE WHAN: Sorry, yes, aircraft movement caps, the number of aircraft per hour. Minister, do you agree with that recommendation?

Mr GEORGE SOURIS: Let me tell you all the recommendations that I agree with about Sydney airport. The final report put forward recommendations. In respect of agreeing or disagreeing, the Government is putting together a whole-of-government response to the Visitor Economy Taskforce, which is yet to come, but the three items in particular to which I would like to refer are the need for the Commonwealth Government to relax the current restrictions on aircraft movements at Sydney airport to facilitate growth in visitor arrivals, the need for a whole-of-government New South Wales aviation strategy, including incentives and marketing, to improve air services frequency and add new routes, which access and service target markets, and the strategy should address access into Newcastle, Canberra and Coolangatta airports as well as Sydney. The third item is the need for urgent action to be taken to address the issue of ground transport access to Sydney airport.

The Hon. STEVE WHAN: You mentioned in answers to previous questions the importance of China as a developing market for tourism. I noted figures recently that showed Chinese tourism expanding significantly to New South Wales. I hesitate to ask because it could be a long answer, but what specific measures are Destination NSW and the Government putting in place to enhance the Chinese market, and have you, as tourism Minister, visited China to assist with that promotional effort—and perhaps you could answer the second part of my question first?

Mr GEORGE SOURIS: We will give you a very brief answer now because we might not later on.

The Hon. STEVE WHAN: Just tell me the second part. Have you, as tourism Minister, visited China as part of the promotional efforts?

Mr GEORGE SOURIS: No, I have not. I have not visited anything.

The Hon. LYNDA VOLTZ: You should; you are the tourism Minister.

The Hon. STEVE WHAN: I think it is quite important that we engage with that market.

The Hon. JOHN AJAKA: His job is to bring tourists here.

The Hon. LYNDA VOLTZ: Yes, but you cannot do that if you do not go.

Mr GEORGE SOURIS: You are aware that the Premier has undertaken such—

The Hon. STEVE WHAN: Yes, he has. In view of the fact that it has been explained to me that there will be another question along those lines, I will move on to something else in the time that I have left. There were comments in the Visitor Economy Taskforce, as I understand it, about the slow process of developing new hotels in Sydney. Are you concerned that hotel development is taking time and do you believe that major hotel development should be given State significant development status?

Mr GEORGE SOURIS: Those planning issues really are best directed to the Minister for Planning. State significant aspects are certainly not within my portfolio, but I can confirm that there is a need for increased accommodation, not only at the five-star level but at other levels, and it is important for tourism. The time has expired in any case.

The Hon. JAN BARHAM: Can you clarify the status of the Visitor Economy Taskforce report and whether or not you have endorsed all the recommendations?

Mr GEORGE SOURIS: I think it would be better to answer you by saying that the Government will present its response to the Visitor Economy Taskforce [VET] and the question obviously is whether it covers areas outside the Tourism portfolio, so it intends to be a whole-of-government response to the Visitor Economy Taskforce.

The Hon. JAN BARHAM: Is there a time frame?

Mr GEORGE SOURIS: By the end of this year.

The Hon. JAN BARHAM: In the aspects of appeal to visitors to New South Wales and residents it is interesting that nature has come up as the highest appeal. In light of that I wonder how your responsibilities carry to the matter of shooting in national parks. Will any sort of alert go out or will a warning be given to people who are travelling to our nature areas? The bow hunters claim they believe that people should perhaps wear orange clothing. Will the Government take any position, perhaps at the airports, letting people know that they should wear orange if they are going to go out and explore nature in New South Wales?

Mr GEORGE SOURIS: Destination NSW has not undertaken any marketing or promotion for activities that involve hunting in national parks. Destination NSW has not provided funding to organisations through its Regional Tourism Partnership Program that promote hunting in national parks, nor has it had any request from industry to list new products on the State Tourism Data Warehouse, which feeds its primary consumer website, *visitnsw.com*. Destination NSW promotes all national parks and associated products on its consumer website, *visitnsw.com*, and works closely with the National Parks and Wildlife Service in marketing and promotion of national parks in New South Wales. In regard to the management of aspects relating to shooting in national parks you would best be served directing those questions to the appropriate Minister.

The Hon. JAN BARHAM: My interest is the whole-of-government approach and your saying so in response to the Visitor Economy Taskforce [VET]. Here we have evidence of why people are attracted to New South Wales, and the fact that they may be at risk. While you are attracting people to come to visit our nature will they be warned about the risks they might face if they go into our national parks?

Mr GEORGE SOURIS: It is not within my portfolio to—

The Hon. JAN BARHAM: So who will be advising them?

Mr GEORGE SOURIS: It is not within my portfolio to examine every avenue of activity in New South Wales that might attract a tourist and to start issuing alerts about the wearing of orange T-shirts all over the place. Crossing the street in George Street, Sydney, would be such a risk.

The Hon. JAN BARHAM: The report has identified nature as having the highest appeal. We have another arm of Government allowing an activity that may pose a risk to visitors to our parks and to New South Wales. Are we doing nothing to inform them? We inform them about surfing risks.

Mr GEORGE SOURIS: Why would you not ask that question of the person responsible for the management of national parks?

The Hon. JAN BARHAM: Because I am sure that if I asked a question of that person—

ACTING-CHAIR: Order! The Minister has answered the question three times now. I have been listening very carefully. I think it would best if the member moved on to another question. The line of questioning now is not related to the Minister's portfolio area. It is an operational question that should be directed to the relevant Minister.

The Hon. JAN BARHAM: Minister, under your authority are warnings or advice given to people about the risks associated with surf safety or any of those matters?

Mr GEORGE SOURIS: Once again, if the surf beach in question is owned by the National Parks and Wildlife Service then it would give such warnings. If it is owned by local government it would give such warnings.

The Hon. JAN BARHAM: Local government does not own any beaches.

Mr GEORGE SOURIS: The Minister for Tourism does not own any beaches and therefore has no jurisdiction around issues to do with public liability or water safety, or whatever it happens to be.

The Hon. JAN BARHAM: So you do not issue any general—

Ms CHIPCHASE: We have information on the website about what the flags mean on a beach and, particularly for some of our visitors from Asia or Europe who may not be as surf aware, we have information about the danger of rips and so on. That information is there. Similarly, when we have any of our familiarisation programs where we are bringing international media or we might be bringing travel trade wholesalers into New South Wales, as part of their information pack before they get here we alert them to things like being aware of the sun, because obviously it is a lot hotter, and surf safety as well.

The Hon. JAN BARHAM: Does there appear in the budget a specific fund for that promotion or any support for not only a statewide but also a national fund to do that? I am not sure whether you are aware, but unfortunately most of the deaths and the rescues are associated with Asian visitors.

Ms CHIPCHASE: Correct, and that is why it is important to put that information into foreign languages, which is what we do. We work with the Federal authorities on that, Tourism Australia in particular, to make sure that before visitors get here they are getting information in their language wherever possible.

The Hon. JAN BARHAM: Thank you for clarifying my earlier point about the importance of advising people of risks. In relation to caravan parks the VET referred to the release of more Crown land suitable for visitor economy purposes including caravan parks and tourist parks. What measures will the Minister adopt to maintain the affordability of these areas rather than seeing Crown lands perhaps leased out or onsold for high profit, high-use tourism?

Mr GEORGE SOURIS: The management of the Crown estate is not in my portfolio but if there are any aspects—

The Hon. JAN BARHAM: It is in the VET though.

Mr GEORGE SOURIS: Yes, I realise all that.

Ms CHIPCHASE: That would be a planning activity, number one, as to where that development might happen. Number two, by their very nature caravan parks and motor homes tend to be at a lower price point than obviously motels, hotels, resorts and so on. We work very closely with the New South Wales Caravan and Camping Industry Association. I imagine it would be a very strong advocate to ensure that for all its members, no matter where they are—whether it is a coastal area, in a snow region or an inland national park area, or by a lake—that the affordability of caravan and camp sites remains within the reach of the average Australian.

The Hon. JAN BARHAM: In relation to another point from the task force which has been about reducing the constraints of higher penalty rates on the accommodation sector, has the Minister made any representations in relation to this or established a position in response? Can I add a similar question that might be in the same area in your folder—

Mr GEORGE SOURIS: In looking at the information I have it does not directly relate to your question so I think you are probably on the right money to go to another point.

The Hon. JAN BARHAM: I will put that question on notice then.

ACTING-CHAIR: Can I just clarify whether the Minister will take that last question on notice?

The Hon. JAN BARHAM: I will put it in as a question, yes.

The Hon. PAUL GREEN: Minister, a pretty important question for children is when the Wet 'n' Wild park will be finished?

Mr GEORGE SOURIS: Next summer; not this summer.

The Hon. PAUL GREEN: Do we have some dates?

Mr GEORGE SOURIS: Next summer means hopefully around about now next year.

The Hon. PAUL GREEN: Is it on budget?

Mr GEORGE SOURIS: It is a private sector project.

The Hon. PAUL GREEN: It is 100 per cent private, is it? It is not a public-private partnership?

Mr PATERSON: It is private.

The Hon. PAUL GREEN: I am not 100 per cent versed on the whole project. Going back to what the Hon. Steve Whan was saying about China, is the Minister aware of the Shaolin temple in the Shoalhaven that has submitted a part 3A application and its importance in relation to future tourism? I imagine that you would be aware of this because you have a goal of lifting tourism by 7 per cent by 2020. I imagine that this project would be one of those key projects in New South Wales that, if it can be pulled off, so to speak, it is projected as bringing well over 100,000 tourists into Australia from China alone. You would not need to go to China; they would come here, as the Hon. John Ajaka was suggesting.

Mr GEORGE SOURIS: I do not have specific information about it. I am aware of it. In fact, I have visited that location, but I do not have any information I can give you relating to the progress of the part 3A application.

The Hon. PAUL GREEN: That is fine. I just wanted to make sure of that, given your projection of 7 per cent by 2020.

Mr GEORGE SOURIS: I do not think there is anything that this portfolio is dealing with and therefore I do not really have knowledge of planning matters and/or local government matters.

The Hon. PAUL GREEN: That is okay.

Mr GEORGE SOURIS: I regard it as a good location to visit, particularly for tourists. I have been one myself.

The Hon. PAUL GREEN: That is a no-brainer. The Shoalhaven is the biggest overnight destination outside Sydney. I obviously do not expect you to be on top of the planning side of it but I expect you to ensure that someone is holding these people's hands and leading them through the process because otherwise it will be absolutely detrimental to the statistic of 7 per cent that you are aiming for by 2020.

Mr GEORGE SOURIS: We would like to be as positive as we can in whichever area. I do not think we have been asked to do anything in relation to this matter.

The Hon. PAUL GREEN: That is my point and I draw it to your attention. Secondly, I wanted to see whether you are being proactive. I understand it is not your area but I imagine that in the best interests of the future of tourism it is something in relation to which you would have your finger on the pulse. Are you aware of the Shoalhaven motor sport facility and how it is progressing?

Mr GEORGE SOURIS: No.

Mr PATERSON: This issue was raised in estimates on Tuesday, I think, and the detail relating to it. As you are aware, there are some very complex issues associated with title. It is not something that falls within Minister Souris's responsibilities.

The Hon. PAUL GREEN: Not directly, but indirectly. The Minister has a goal of raising tourism by 7 per cent by 2020. I think you need to be aware of the seed that has been planted and watered and you need to help nurture it within your Government because it crosses over different portfolios. Hence the reason I raise it because I definitely believe it will help you achieve your goal for tourism.

ACTING-CHAIR: Order! This has been answered and we are straying into debating points. I suggest that the member should move on to another line of questioning.

The Hon. PAUL GREEN: The Minister will also be aware of the issue of a second Sydney airport or a very fast train from Canberra. What is the Minister planning to do to move massive numbers of tourists around New South Wales if we do not have a second airport or a very fast train?

Mr GEORGE SOURIS: If Sydney Airport could operate within its present constraints to world's best practice, and it is pretty obvious some transport issues associated with the airport could be improved, then a multi-decade strong future can be accommodated at the existing Sydney Airport. A number of the recommendations of the Visitor Economy Taskforce go to that. Our principal problem seems to be a certain Federal Minister who is located nearby. Unfortunately that is hampering tourism and business development and hampering the future of many jobs in our city and our State. The recommendations made by the Visitor Economy Taskforce to the Federal Government have a very significant roadblock on the way to proper decision-making emanating from the Federal sphere.

The Hon. PAUL GREEN: It is like plaque in the artery, Minister. If it is not dealt with there is no doubt it will cause the New South Wales economy to have a heart attack in the long term if these strategic infrastructure decisions are not made. Can you comment on how events such as the World Firefighters Games have built the international profile of Sydney? When is it coming?

Ms CHIPCHASE: Events that have global membership or global reach certainly lift the profile of any destination. We have seen that with events such as the World Rally Championship in Coffs Harbour. That has certainly raised that region's profile internationally, particularly given that it is televised. The World Firefighters Games are a chance for us not only to honour the people who put their lives at risk every day but also to undertake skills development and, in the case of the World Firefighters Games, to build international networks. Regardless of whether it is a sporting or cultural event or indeed a business event where we are bringing the great minds of the world such as scientists or medical professionals into our cities and towns, these international events are fantastic for profile, networking and of course, if there is a high international component, particularly good for the economy because they have the highest daily spend.

The Hon. PAUL GREEN: How do you propose to lift tourism by 7 per cent by 2020?

Mr GEORGE SOURIS: It is an aspect that deserves some attention, for sure. We have our goal of doubling overnight visitor expenditure by 2020. By the way, it is also the goal of Tourism Australia to do exactly the same nationally. Is it a very strong, ambitious target? Yes, it is. We certainly did not want to have to increase it by 20 per cent and then run around boasting that we did that. I think it is utterly appropriate that the goal we have set is a very hard one indeed and we have to set about pursuing that. Yes, there have been a number of aspects that have had an effect. The Australian dollar is a very good example, and global financial crises. All have to be embraced to achieve our goal.

The present growth rate is 2.7 per cent and we need to reach 7 per cent. I have no doubt whatever that what you have said is a very accurate assessment. There is no one answer to that, whether it be the cocktail of major events or whether it be aspects to do with the Visitor Economy Taskforce report, in which it referred to investment in revitalising destinations, infrastructure and transportation. It comes down to simple things like signage. I take this opportunity to tell the Committee of my favourite sign in New South Wales. It is next to Parliament House. If you are northbound on the Eastern Distributor you are confronted with a choice of turning left to Sydney north or turning right to North Sydney. I cannot imagine how anyone who does not know the exact route and know exactly what to do would get to the right location.

ACTING-CHAIR: Unfortunately time has expired. Would you take the rest of that question on notice and provide the information?

Mr GEORGE SOURIS: Yes.

The Hon. PAUL GREEN: And change that sign?

Mr GEORGE SOURIS: Yes. Government members may wish to allow me to table a statement relating to China tourism, which was foreshadowed in my earlier discussion with Mr Whan, and forgo any further questions.

The Hon. STEVE WHAN: I am happy with that.

ACTING-CHAIR: The Committee seems to be happy with that. Will you table the document?

Mr GEORGE SOURIS: I will, provided the Committee agrees.

Leave granted.

Document tabled.

CHAIR: Thank you Minister and your officials for attending the hearing. I remind you that the answers to the questions that you have taken on notice must be returned within 21 days of receipt of the questions.

(The witness withdrew.)

The Committee proceeded to deliberate.
