

GENERAL PURPOSE STANDING COMMITTEE NO. 3

Friday 28 October 2011

Examination of proposed expenditure for the portfolio areas

TOURISM, MAJOR EVENTS, HOSPITALITY AND RACING, ARTS

The Committee met at 9.00 a.m.

MEMBERS

The Hon. N. Maclaren-Jones (Chair)

The Hon. J. G. Ajaka
The Hon. J. Barham
The Hon. N. Blair

The Hon. P. Green
The Hon. Dr John Kaye
The Hon. L. J. Voltz
The Hon. S. J. R. Whan

PRESENT

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

Department of Trade and Investment, Regional Infrastructure and Services

Mr M. Paterson, *Director General*

Mr B. Buffier, *Deputy Director General*

Ms E. Tydd, *Executive Director, Office of Liquor, Gaming and Racing*

Ms M. Darwell, *Executive Director, Arts NSW*

Destination NSW

Ms S. Chipchase, *Chief Executive Officer*

CORRECTIONS TO TRANSCRIPT OF COMMITTEE PROCEEDINGS

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

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

CHAIR: I declare this hearing of the inquiry into the budget estimates 2011-2012 open to the public. I welcome the Minister and accompanying officials to the hearing today. The Committee will examine the proposed expenditure for the portfolios of Tourism, Major Events, Hospitality and Racing and Arts. In accordance with the Legislative Council guidelines for the broadcasting of proceedings, only Committee members and witnesses may be filmed or recorded. People in the public gallery should not be the primary focus of any filming or photographs. In reporting the proceedings of this Committee the media must take responsibility for what they publish or what interpretation they place on anything that is said before the Committee. The guidelines for the broadcast of proceedings are available at the table at the front door.

Any messages from attendees to the public gallery should be delivered through the Chamber and support staff or Committee clerks. I also remind the Minister and the officers accompanying him that they are also free to pass notes and refer directly to advisers while they are at the table.

The Committee has agreed that the tourism portfolio will be examined between 9.00 a.m. and 10.00 a.m.; the Arts portfolio will be examined from 10.00 a.m. until 10.45 a.m., followed by a 15-minute break. Major events will be examined from 11.00 a.m. to 12.00 p.m. and Hospitality and Racing examined from 12.00 p.m. to 1.00 p.m. We have also agreed that the time allocation for questions will be divided equally between the Opposition, Government and the crossbench. Transcripts from this hearing will also be available on the web as of tomorrow morning. The House has resolved that any questions taken on notice must be provided within 21 days. I also remind everyone to please turn off their mobile phones.

All witnesses from departments, statutory bodies and corporations will be sworn in prior to giving evidence. I remind the Minister that he does not need to be sworn in, as he has given an oath as a member of Parliament. Mr Buffier and Mr Paterson, if he joins us, will not need to be sworn in, as they have also been sworn in at a previous General Purpose Standing Committee No. 3 hearing. All other witnesses will be asked in turn to state their full name, job title and agency and swear an oath or take an affirmation.

BARRY BUFFIER, Deputy Director General, Department of Trade and Investment, Regional Infrastructure and Services, on former oath:

ELIZABETH TYDD, Executive Director, Office of Liquor, Gaming and Racing, Department of Trade and Investment, Regional Infrastructure and Services, and

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

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

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

The Hon. STEVE WHAN: Minister, could you start off by telling the Committee what your role will be in the development of the White Bay Cruise Terminal East, and whether you can give us any information at the moment about timetables for the development of the terminal facilities at White Bay?

Mr GEORGE SOURIS: Thank you, Mr Whan. I make the point that the overall cruise sector is experiencing very dramatic growth and there is a very great demand for berthing facilities, both east and west of the Sydney Harbour Bridge. I am sure everybody understands the obvious, that some cruise ships—in fact a growing number of cruise ships—are now so large that they cannot pass beneath the Sydney Harbour Bridge and, whilst the sector is growing in both those ships that can and those ships that cannot, nonetheless additional berthing facilities will be required, on both the eastern and western sides. There were 150 cruise ship visits into Sydney Harbour in 2010-2011—the busiest season on record—an increase of 26 per cent on 2009-2010, and it was the first time passenger numbers broke the 300,000 mark.

I do not think anybody could deny the impact of the growing importance of the cruise ship sector on tourism, on the economy of New South Wales and on jobs. A very large ship was berthed at Circular Quay yesterday for a relatively short period—for a day or a day and a bit—and unfortunately it was not helpful that the customs union decided to be uncooperative and passengers were required to remain on board for most of the time they were in Sydney. When they were finally able to come ashore, it was for a much-reduced time. I know it is a crude point, but that means these passengers were able to make a rather reduced economic impact. Upon embarkation, once again the passengers had to endure considerably long queues for many hours until the ship finally departed at approximately 7.00 p.m. It is that type of experience that we really cannot afford to have happen to our tourism sector. Those visitors are high-end, high-yield visitors. They are here for a very short time and, as I said, the economic impact of these mega ship arrivals—

The Hon. STEVE WHAN: Minister, I am sorry, all the information is interesting, but can I just draw you back to my question and ask whether you have an active role in the White Bay redevelopment, or is it with Planning? If you have an active role in it, can you tell us what the timetable is for the development? I am also interested to know if you have information on what transport arrangements will be put in place for getting passengers from White Bay into other city destinations?

Mr GEORGE SOURIS: Thank you, Mr Whan. In directly replying to those points I am neither the Minister for Planning nor the Minister for Transport. I am sure you know that, by the way you asked the question.

The Hon. STEVE WHAN: I wanted to confirm what your role is. Then, how will the tourism sector have an input into the planning for White Bay? Would you like to outline how the future users of the White Bay terminal will have an input into the design and planning process and how you, as tourism Minister, will have an input into that process?

Mr GEORGE SOURIS: Undoubtedly the stakeholders are being consulted by all areas of government that are relevant. Our role—as is your role—relates to the performance of our tourism sector and the availability of ready transport and ready access; the ease with which the facilities will operate, including Customs, and, in the end, the experience that the tourists have.

I am not a member of any particular task force but in relation to my department's role in advocating for the tourism sector I can indicate that when we established Destination NSW and the Visitor Economy Taskforce, the issues that you just raised that pertain to the cruising sector are an area in which we expect the Visitor Economy Taskforce especially to deliberate. The chief executive of Destination NSW is a member of that board and has been involved in the relevant consultations of the type that you have just asked about. I will ask Ms Chipchase to add further to that answer.

Ms CHIPCHASE: Thank you, Minister. The Visitor Economy Taskforce has appointed 14 individual chairs for 14 sectors and the cruise sector has its own group. Richard Doyle has been appointed as the chair of that group and he has been briefed by the Visitor Economy Taskforce. That briefing took place one week ago. Mr Doyle will be consulting all of the relevant players within the cruise industry. In addition, all those people who are on the advisory group will have the ability to go to their constituents or to their key contacts to gain input. In addition to that, you may be aware that the Government launched the Have Your Say website. Individual citizens of the State and in the city will be able to have their own say about issues relating to any development at White Bay and, indeed, to the cruise industry generally.

The Hon. STEVE WHAN: Coming back to the White Bay point, perhaps you could take this question on notice. What I really want to know is exactly what the formal process is for the tourism industry and the users having an input into the planning process for White Bay. Perhaps that is something on which you could provide some more detailed information later, if you could.

Ms CHIPCHASE: I would be happy to take that question on notice. But as I mentioned earlier, everybody has an opportunity to feed into that process.

The Hon. STEVE WHAN: But with the planning process, obviously there is a lot that is not in the public eye in the planning and the scoping and so on that is being done by government. What I am trying to ascertain here is that the tourism sector, the users sector, is directly involved at the start of this process and right the way through.

Ms CHIPCHASE: Again, for those 14 sectors, there is one that is related specifically to the cruise industry. In relation to White Bay, again through the Have Your Say website, people will be able to have an input.

The Hon. LYNDIA VOLTZ: Minister, given that the tourism industry has raised significant concerns about the lack of a transport link between White Bay and the city, have you raised this with the Minister for Planning in regard to White Bay?

Mr GEORGE SOURIS: I have not personally but as you just heard there are a number of avenues of access.

The Hon. LYNDIA VOLTZ: I heard that but will you raise it directly with the Minister for Planning? It is fundamental to making White Bay work.

Mr GEORGE SOURIS: There is not much point in having a range of agencies that are involved in the consultation process, directly involved both on task forces and through the planning process itself, if I am to make some kind of a political statement by announcing that I will write a letter.

The Hon. LYNDIA VOLTZ: I am not asking for a political statement.

Mr GEORGE SOURIS: You are asking me to write a letter to the Minister for Planning.

The Hon. STEVE WHAN: Stay in touch.

The Hon. LYNDIA VOLTZ: I am saying that the tourism industry over a number of years has raised concerns, if you put a passenger terminal into White Bay, about how passengers will access the city. This has been in industry for a long time. If you have not written to the Minister for Planning, will you approach the Minister for Planning about the need to include those links as part of the White Bay development?

Mr GEORGE SOURIS: I think we have answered this question in a number of ways. I have already expressed, in answer to the earlier question, that the issue of transport is of most relevance to the visitor

experience. To the extent that I have said that and to the extent that my agencies are involved in all those consultations, there is no point in you wondering whether I now, as a result of your question, will write a fresh letter. It is already under process, extensively and intensively.

The Hon. STEVE WHAN: Thank you, Minister. I think we have gone far enough on that. Can I ask you about the Regional Tourism Product Development Funding Program? I understand that the deadline for submissions is Monday. I am just wondering if you can tell us whether any regional tourism organisations are yet to provide their submissions for funding.

Mr GEORGE SOURIS: I will give you some answers, but as to the receipt of submissions, you are asking whether or not there were regional tourism organisations that have yet to lodge an application, despite the closing date.

The Hon. STEVE WHAN: Yes, to take up the funds.

Mr GEORGE SOURIS: I know now, and I can tell you now, that I do not think any of us will be able to give an answer of that nature. You are referring to the \$5 million, are you?

The Hon. STEVE WHAN: Yes, the grants of \$250,000 to each, or the first stage.

Mr GEORGE SOURIS: Yes. I just wanted to make sure.

The Hon. STEVE WHAN: Yes, it is the first stream.

Mr GEORGE SOURIS: At this point I am still literally rolling out the payment of those \$250,000 injections into each of the regional tourism organisations. I have thus far given only one—in your former electorate, actually.

The Hon. STEVE WHAN: Yes. I saw the picture in the paper.

Mr GEORGE SOURIS: Yes, and there will be, of course, others. By then it is literally in the hands of the regional tourism organisation itself. The closing date is 31 October—yes, you are quite right, it is a few days away. But in particular I am not sure whether that is the point at which I would intervene. My point of intervention is to ensure that the purpose for which the allocated funds are used is in the development of tourism product, not in administration and those sorts of ways.

The Hon. STEVE WHAN: What I want to know is whether anyone is likely to miss out—any of the regional tourism operators.

Mr GEORGE SOURIS: No.

The Hon. STEVE WHAN: So the closing date for submissions, even if they are not ready, will not make a regional tourism organisation miss out?

Mr GEORGE SOURIS: Mr Whan, your question or your explanation was whether any regional tourism organisation would miss out.

The Hon. STEVE WHAN: Yes.

Mr GEORGE SOURIS: The answer to that is absolutely no. They are all to be allocated this amount of money. The applications you are referring to are the applications from those regional tourism organisations applying for the application of those funds.

The Hon. STEVE WHAN: Right. With the second stream for large projects, I notice that that also has a 31 October closing date. How many applications have been received so far for that second-stream funding?

Mr GEORGE SOURIS: At this point I would not have such information to give you. I think it is a good question but it is not information that I have.

The Hon. STEVE WHAN: Could you take that question on notice? What I am getting at here is do you think the 31 October date is realistic for people to come in with major submissions like this?

Mr GEORGE SOURIS: It has been foreshadowed for a very long time and there has been a lot of discussion. I have attended many of the various regional tourism organisation events. I do not think it has been a secret, but I would be disappointed, as no doubt you would be—which is the reason you are asking the question—if there was a good submission that did not make it. I am sure that if there are any of those submissions they can make an initial submission and follow through beyond that point. So I do not believe that the deadline of 31 October—we will call it a deadline—will pose a problem. I am not aware of any organisations that believe they will not be able to meet the deadline and who, therefore, have made representations to me to extend the deadline. So at this stage, unless you have some particular piece of information, I do not have any cause to be worried about the date of 31 October.

The Hon. STEVE WHAN: Thank you, Minister. The budget papers state that employee-related expenses in your department are decreasing from approximately \$5.4 million to approximately \$5.2 million. In the budget papers I have to say it is rather difficult to see where the transfers of staff are going with the creation of the new Destination NSW. They seem to state that for 2010-11 actual full-time employees were 310 and the forecast figure for this year is 255. Can you tell us whether there has been a reduction in staff as part of the creation of Destination NSW? If so, how many? Have any staff members been made redundant?

Ms CHIPCHASE: With the creation of the new organisation at the moment three former staff from Events NSW have resigned and left but nobody else has left.

The Hon. STEVE WHAN: Will you provide the overall staffing numbers for last year compared to the staffing Destination NSW will have in 2011-12?

Ms CHIPCHASE: No, I cannot.

The Hon. STEVE WHAN: The full-time equivalent?

Ms CHIPCHASE: The full-time equivalent is about 130. We have a number of staff who work part time, and people assist us from time to time in contract roles. At the moment we are undergoing a review of all the functions and the positions with the aim of creating an organisation that will deliver the Government's goal of doubling the visitor expenditure by 2020. It is our intention to have that consultation with staff as we develop those plans further. But at this stage no staff, apart from the three who handed in their resignations, have left.

The Hon. STEVE WHAN: Will you provide on notice a document which makes it clear what last year's full-time equivalent was compared to this year? When departments change it makes it difficult to track that through.

Mr GEORGE SOURIS: That is the explanation, but I will ask the deputy director general for further information.

Mr BUFFIER: The figure of 255, to which I think you were referring, is for the service group of Tourism, Gaming and Arts, and Destination NSW is not in that figure because it is a separate statutory entity. But we can take that on notice and clarify what those numbers are.

The Hon. STEVE WHAN: It is not clear in the budget papers what the forecast expenditure on tourism marketing is for the 2011-12 financial year. Will you provide the Committee with information on how much the budget has allocated for tourism marketing for the financial year?

Ms CHIPCHASE: The difficulty in answering that question—I am more than happy to give you detailed information—is that because we are merging the two organisations we have event marketing and we have tourism marketing. Now that we have both organisations merged a lot of the event marketing is also promoting Destination NSW. Again I am more than happy to provide a run-down. Would you like that by interstate and international?

The Hon. STEVE WHAN: In terms of marketing, will you take on notice and give us a like-by-like comparison to last year similar to what you are doing with the employment figures?

Ms CHIPCHASE: Absolutely.

The Hon. STEVE WHAN: Minister, how will Destination NSW relate to our regional tourism organisations? Do you see any change in the relationship? Particularly, what will the structure of the relationship be? Will regional tourism bodies still be confident about setting their own directions in the long term?

Mr GEORGE SOURIS: As you know, the complexion of the new Government is very much regional focussed. I, as the Minister for Tourism, am from a region and it is the regions that I believe are in need of extra special attention. I cannot say that I was all that pleased with what I observed as the relationship between the former Government and the regional tourism organisations such that to an extent I felt that they were quite literally underresourced and underutilised. I was not really satisfied there was sufficient interaction and consultation. One particular commitment the Government made, which was the subject of your second question, was to enhance the regional tourism budget by the \$5 million about which you asked. In year one that effectively doubled the support that the Government was to give to regional tourism and literally directly through the regional tourism organisations compared to the year immediately prior to that.

That is a very clear indication of what we expect, that the regional tourism sector is able to expand significantly and will assist us greatly in our ultimate goal which is to double visitor tourism expenditure by the year 2020. Three distinct funding programs are there to help grow regional tourism: the Regional Tourism Partnership Program, the Regional Tourism Development Program and the Regional Flagship Events Program. The three-year Regional Tourism Partnership Program provides \$5.133 million—that is the \$5 million to which I referred earlier—per calendar year to regional tourism organisations and the forum of regional tourism organisations. Funds from this program are used to assist the regional tourism organisations with operational costs and funding for the marketing of regional New South Wales, matched dollar for dollar by the Tourism industry. The program was due to end on 31 December 2011. I recently approved the extension of this funding through to June 2012, the conclusion of the budget year.

Separately to the above, Destination NSW and Tourism Victoria have worked together, along with representatives from industry and local government, to create the Murray Regional Tourism Board which will manage the marketing and development of tourism along the Murray River. There are really a number of cross-border issues and tourism is obviously one of them. That was one reaction to the cross-border issues on that particular border. Destination NSW and Tourism Victoria have now signed an agreement that commits to funding support for the new board until 30 June 2013.

The new \$5 million Regional Tourism Product Development Program officially opened for applications on 28 September 2011. I realise that is a little bit in the past because we are coming up to the closing date any moment now, but I am pleased that I have that piece of information to give you. I think it allowed a couple of days more than a whole month, so I think it was adequate time. The overall goal of the program is to create, grow and enhance tourism products available across regional New South Wales which will, in turn, help to attract more visitors. We know, as well as gateway arrivals through the capital city and the airports, the higher number of arrivals to our State drive across one of our borders. There is no doubt that regional tourism is utterly important and integral to our whole tourism effort.

The Regional Flagship Events Program provides funding specifically to help market and promote events in regional New South Wales. The program offers one-year grants of \$10,000 or grants of \$20,000 each year for three years. This year \$412,000 was provided to assist and market 21 regional events—17 of which received funding and four events continued their triennial funding. Some examples of these—there are many more and even one in my electorate that I would like to add—are Lithgow Flash Gift, the Dorriggo Folk and Blue Grass Festival, Byron Bay International Film Festival, Wings over Illawarra, the Grenfell Henry Lawson Festival of Arts and Moree on a Plate.

I add to those examples the Dungog Film Festival. It is an official, accredited major event. It is the only all Australian film festival in Australia. I specially wanted to mention it because it is in my electorate and I am very proud of it. In addition, Destination NSW continues to develop and invest in year-round marketing campaigns to promote destinations and key experiences in regional New South Wales to keep it high on the list of preferred holiday destinations.

The Hon. JAN BARHAM: It is good to hear about your interest in regional tourism. Are you aware that some communities, and therefore councils, bear the costs associated with tourism? Have you any plans to inject money into councils to help them to deal with these infrastructure impacts and costs?

Mr GEORGE SOURIS: I appreciate the point you have made. I served on Singleton Shire Council, so I know exactly what you are talking about. It is a partnership and much of the tourism effort is multi-layered. It includes the Federal Government and some of the campaigns that it conducts. However, not every local government is the same. It is difficult to provide a full answer because they are so different. Local government concentrates on local efforts. Efforts such as visitor information centres and the like are usually the responsibility of local government, whereas the regional tourism effort and, in particular, major events, fall to the State Government. However, we do look for these partnerships and I know that a number of applications have been lodged and there may be more in the pipeline. There is no reason that local government would not be involved in some of those applications that are already in or coming in for one or other of the programs.

The Hon. JAN BARHAM: But the industry has no responsibility for the impact on infrastructure that councils must manage. People involved in tourism often complain about the standard of infrastructure in areas like mine, where tourism has such a huge impact. They also have an input into State Government marketing without any consultation with the local government authority.

Mr GEORGE SOURIS: Our effort is in tourism rather than infrastructure. I do not—

The Hon. JAN BARHAM: Is it not an essential part of tourism to ensure there are good facilities?

Mr GEORGE SOURIS: It is an essential part, but we do not have a capital funding stream for infrastructure. Where would Byron be without the wonderful tourism sector it has?

The Hon. JAN BARHAM: Residents ask where they would be.

Mr GEORGE SOURIS: But I am not here to answer questions about planning or environmental issues.

The Hon. JAN BARHAM: It is a really important part of tourism to have an awareness of a host community that delivers the asset for the industry. We have regional tourism bodies that have no regard for the impacts on local government.

The Hon. JOHN AJAKA: Point of order: I appreciate where the honourable member is coming from, but her questions do not relate to this portfolio and the Minister has made that clear. The honourable member is straying outside the Minister's area of responsibility by continuing to ask these questions.

The Hon. LYNDIA VOLTZ: To the point of order: These questions have been asked in every budget estimates committee dealing with tourism that I can recall, specifically with regard to the impact of tourism on local communities.

The Hon. NIAL BLAIR: To the point of order: The honourable member is correct. However, the question was asked and I believe that the Minister said that funding for infrastructure is not part of his portfolio. The question has been asked and I believe it has been answered and we should move on.

Mr GEORGE SOURIS: I do not have anything I can add other than to emphasise the importance of tourism to New South Wales. We do not have a capital funding stream.

CHAIR: I uphold the point of order. The Minister has answered the question. The Hon. Jan Barham should either rephrase the question or move on to another question.

The Hon. JAN BARHAM: I will move on to another question directly related to tourism. Does the Minister have a position on the vexed issue of holiday lets—that is, the use of residential dwellings for tourism purposes without local government approval and at odds with the approved tourism sector, which is suffering because it is competing with a non-regulated area? This is another long-term issue that has not been addressed.

Mr GEORGE SOURIS: The chief executive officer of Destination NSW can provide information about the role of some other agencies. However, as members appreciate, these are planning matters and not part of my portfolio responsibility. We do not have all of the information the member wants, but I believe she is using tourism very obliquely for local purposes.

Ms CHIPCHASE: I presume you are referring to illegal holiday letting.

The Hon. JAN BARHAM: I do not know that there is any legal holiday letting in terms of the use of dwelling houses.

Ms CHIPCHASE: It is fair to say that concerns have been raised in the tourism industry about unaccredited individuals and groups offering holiday letting. There has been a lot of publicity about backpacking lodges which have been set up without accreditation and which are not part of a national association or, indeed, do not have the appropriate occupational health and safety certification. That is a major concern.

To that point, numerous industry associations—for example, the National Tourism Alliance, the New South Wales Tourism Industry Council, the Tourism and Transport Forum and the New South Wales branch of the Australian Hotels Association—have had meetings about implementing some form of regulation and accreditation and they are investigating what the industry can do to encourage people to get the appropriate qualifications to be listed on accommodation websites and to ensure consumers are protected. While it is not strictly speaking in our bailiwick, we are certainly interested in this issue and will do whatever we can to ensure better standards of accommodation across the State.

The Hon. JAN BARHAM: I know that Tourism NSW did have input into the position taken by the Department of Planning. I do not know whether Mr Bates is still in the department, but he knows that issue well. What is happening with the Aboriginal Tourism Action Plan? Has it been implemented and what consultations have taken place?

Mr GEORGE SOURIS: As we know, tourism can create employment opportunities and contribute to economic self-sufficiency for Aboriginal people and provide economic and social benefits for New South Wales. Importantly, tourism is more than just a business for Aboriginal communities; it is a vehicle to celebrate and share their culture with non-Aboriginal people. Research tells us that international visitors are keen to have an authentic Aboriginal cultural experience and that there is potential for growth in the domestic market.

An important initiative being undertaken by Destination NSW is the development of the Aboriginal Tourism Action Plan. The action plan will identify ways in which Destination NSW, other government agencies and the tourism industry can partner with the Aboriginal tourism sector to deliver successful outcomes. In delivering the action plan, consultation has been undertaken with more than 20 governments at the Federal, State and local levels and with Aboriginal business and peak organisations, including the New South Wales Aboriginal Land Council and the tourism industry. The key priorities of the plan focus on building Aboriginal business capacity and facilitating mainstream tourism partnership opportunities.

One action that will feature in the final plan is the Aboriginal tour guide program. This is now being piloted in Sydney, with the intention of conducting further programs in regional New South Wales. This program supplements TAFE training with on-the-job work experience with government and private sector tourism operators, creating strong links to potential employment opportunities. The action plan will also link with the tourism strategy being developed by the Visitor Economy Taskforce. The Government is committed to the principle that will be enshrined in the action plan that the development of Aboriginal tourism occurs in a manner which Aboriginal people endorse and which respects their cultural identity.

The Hon. JAN BARHAM: When will that action plan be completed? Last year's estimates committee identified the same position. Consultations had been carried out.

Mr GEORGE SOURIS: Yes, the action plan has been completed. Dealing with some of the recommendations, it is not quite ready for launch, but I can say it is reasonably imminent that it will be released.

The Hon. JAN BARHAM: Will the Minister be considering the development of State eco-accreditation standards for New South Wales?

Mr GEORGE SOURIS: Once again, the Visitor Economy Taskforce is dealing with that area.

Ms CHIPCHASE: Again, a chair has been appointed and there will be consultation. If people or industry groups have ideas, that sounds interesting and I would be more than happy to have a chat with you about it later. The Visitor Economy Taskforce will be a key driver in this area and, as you would be aware, we

have some wonderful national parks in this State and an accreditation system can only enhance what we are doing.

CHAIR: The honourable member's time has expired.

The Hon. PAUL GREEN: I am from the Shoalhaven and we have quite a lot of the same experiences as Byron. Following on from the Hon. Jan Barham, to help domestic tourism, has the Minister considered including tourism appreciation in the education program in line with recommendation 15 of the Ecotourism Australia discussion paper, "Tourism for the Future"?

Mr GEORGE SOURIS: Education as in the Department of Education and Communities?

The Hon. PAUL GREEN: An education program in tourism appreciation.

The Hon. JAN BARHAM: For operators, I think.

The Hon. PAUL GREEN: You can take the question on notice, if you would like to.

Mr GEORGE SOURIS: Yes.

The Hon. PAUL GREEN: In terms of the Aboriginal tourism action plan, will tourist areas get a draft plan to be able to speak to recommendations before it is formalised as a report?

Ms CHIPCHASE: My understanding is that there was a lot of consultation as part of the development of that plan. You might also be aware that the Visitor Economy Taskforce has a separate Aboriginal tourism group to look at what are the issues and what are the impediments to growing product. For example, we have an issue with not having sufficient Aboriginal guides for some of our key attractions and national park areas, so it is a question of how we can link with existing State programs and Federal Government programs to develop educational opportunities for Aboriginal people to be able to interpret their own stories and their own environments.

As part of that plan, again a lot of pre-consultation was undertaken. As part of the Visitor Economy Taskforce, if you have specific issues or initiatives that you would like to raise, we are looking for fresh ideas, new ideas, so if you have something that you think would be particularly relevant to your own area or even across the State, we are more than happy to hear it. Again, individual contacts for sector-specific interests will be available to all parliamentarians so that you have direct access.

The Hon. PAUL GREEN: We probably have lots of ideas, we just do not have much resource, particularly financial, so I hope there is opportunity in terms of more grants to kick those programs off or to be assisted by local regional tourism organisations. Going back to the points of order about infrastructure and tourism, I do not think you can separate those. I understand that infrastructure in terms of capital works is not for the Minister, but I dare say, with sea level rise, climate change and adaptation, Shoalhaven has about 109 beaches, many of which are visited, and they have amenity blocks and services leading to those blocks, and pathways, and all of those things contribute to the tourism experience.

I hope that, while you are not directly linked in terms of capital works, something that would be very much on your mind is how you are going to address certainly coastal needs of New South Wales in terms of tourism experience because it will potentially be affected in some shape or form by those predictions. In terms of rural tourism, I note that visitor numbers in domestic visitation to rural areas are declining. Australians are obviously going abroad, given the value of the dollar, and therefore rural tourism is no longer as competitive as those other destinations. What actions are you putting in place to address this and to help rural tourism?

Mr GEORGE SOURIS: I have some statistics that do not quite bear out what you have just said. It is not a simple thing, and I know that statistics do not necessarily tell the entire story, but the fact sheet I have here says that New South Wales attracted 24.1 million domestic overnight visitors for the year ending June 2011, which was an increase of 5.3 per cent on last year. Those visitors contributed \$13.1 billion to the New South Wales economy. I do have other statistics about international business and so on, but the particular point you made was about domestic tourism and the information I have is that there has been a 5.3 per cent increase in numbers on the previous year.

The Hon. PAUL GREEN: I appreciate that there may be an increase, but most of those could be going to the Shoalhaven or other major spots, it does not mean that they are all going to rural areas.

Mr GEORGE SOURIS: I realise that. These are the estimates hearings of New South Wales and you are asking a very specific question. I can simply tell you that in terms of domestic visitation, New South Wales had its strongest domestic tourism growth in eight years, but I do appreciate the point you make.

The Hon. PAUL GREEN: Do you have something more direct about what you are doing in rural areas, about initiatives in rural areas? It is fantastic that we are seeing growth; that is very important.

Mr GEORGE SOURIS: I can give you an answer, but if you are expecting every point to be relating directly to the Shoalhaven it might be a little difficult.

The Hon. PAUL GREEN: I said rural areas.

Mr GEORGE SOURIS: As I said, I can give you an answer, but most of your questions have been quite tailored. This Government understands that New South Wales is more than just Sydney. We have invested in regional events to support local jobs for local communities. Since March we have invested in four new major events in regional New South Wales as well as 21 small events through our Regional Flagship Events Program. I have some examples. I do not have a specific Shoalhaven example, but I can give you a lot of other examples and there may well be some that are directly relevant.

The Hon. PAUL GREEN: Minister, I meant rural areas, and we are regional. I really just wanted to see what you were doing in the west and north-west.

Mr GEORGE SOURIS: Perhaps the best thing to give you is some information on a region-by-region basis, which will indicate to you a significant level of expenditure that we have undertaken within regional tourism organisation areas, so area by area. Those figures are: South Coast, \$560,000; Snowy Mountains, \$440,000; Riverina \$245,000; Hunter, \$490,000; mid North Coast, \$522,000; Northern Rivers, \$468,000; inland, \$1.18 million—and you will appreciate the vastness of that particular regional tourism organisation area; Central Coast, \$400,000; Blue Mountains, \$325,000; Central New South Wales I do not have a figure for immediately; Lord Howe, \$145,000; and for the Forum of Regional Tourism Organisations [FORTO] itself, \$233,000. As well as that, and this figure is seemingly low but it applies to only a short part of the year, for the Murray Regional Tourism Board, \$90,000.

The Hon. PAUL GREEN: The next question refers to the Government and the caravan and camping industry, which is obviously going great guns. It has increased by 13 per cent to March 2011, which is about 10.3 million visitor nights. Can you advise how the \$300,000, which is part of that grant, will be divided and, more specifically, what is the criterion for how it will be spent?

Mr GEORGE SOURIS: I cannot personally tell you that.

Ms CHIPCHASE: I do not have the allocation for the caravan and camping funds in front of me. I will take that on notice, but what specifically are you looking for?

The Hon. PAUL GREEN: Can you advise the Committee how it will be divided up through New South Wales? What is the criterion of expenditure when applying for a grant? It is awesome to see the increase to 10.3 million nights. Are we building on the strengths of the regions? For instance, we know if we can build on those strengths that the dollar tends to outflow to the local communities closer to those regions. Do we have a strategy for building on those strengths?

Ms CHIPCHASE: Yes. Because of the involvement of organisations such as the Forum of Regional Tourism Organisations, who sit with us on the assessment of all grants, it gives us the chance to help build capability and capacity within regional New South Wales. If organisations wanting to apply for grants are struggling with how to frame their paperwork, we are giving them advice on how to develop key performance indicators. Obviously we are very interested in return on investment. We want to make sure that taxpayers are getting value for money.

As the head of the agency I want to ensure that my team is giving assistance to all of the people in the tourism industry in regional New South Wales to become more export ready. To achieve the 2020 goal we must

attract more interstate and international visitors in the first instance, but in order to do that we have to have the product. We not only have to have the right product, we have to have people trained to deliver the product and we have to ensure that our product is competitive on a national and international basis. As I mentioned earlier, part of the grant program is about building the capacity and capabilities of individuals and helping them with tracking in research to understand how they need to develop their product. What are customers looking for? What markets they should be targeting and, if they do not have a lot of money, how to access the new digital markets.

I attended the Golden Backpack Awards held last night. Almost everyone in that room last night is using social media or some form of digital media to communicate their message. Again, we need to be at the forefront of that. We need to ensure that people in New South Wales regional areas have access to that sort of digital marketing expertise and that they are also trained and skilled in how to get their information up quickly. We have a lot of owner operators, a lot of small business operators who are running fantastic events, tours and accommodation but they simply do not have the resources. We need to be able to assist them to plug into a bigger marketing arm to get that information out.

The goal of Destination NSW is to build the capacity to make people more export ready and to give them access through our visitor media program. It is very important that we publicise what is out there. By bringing media from interstate and overseas—whether travel media, health and wellness media or business media—and getting them out to our regions we will help to build a broader story for New South Wales.

The Hon. NIALL BLAIR: I am conscious that Government members have kindly allowed most of their time to be given to other members, but I do have one question that I particularly want to ask. Minister, will you provide the Committee with some information on regional events in New South Wales?

Mr GEORGE SOURIS: The New South Wales Government understands that tourism is the lifeblood of many of our regional towns. Events can help raise an area's profile and help a city, town or region add to the visitor experiences and attractions available to tourists. This, in turn, can increase visitor numbers and, importantly, leads to economic benefit. In regional New South Wales the value of tourism is more than \$8.9 billion in overnight visitor expenditure, based on nearly 18 million overnight visitors. The New South Wales Government is committed to supporting events that create local jobs and provide a boost to regional economies even further.

Under the Regional Flagship program, one-year grants of \$10,000 or grants of \$20,000 each year for three years are provided to successful campaigns and activities to support the marketing and advertising of events. Events supported through this program are run by local communities and involve local producers, artists, craftspeople, sportspeople and musicians. The 2012 Regional Flagship Event funding round received a record 118 expressions of interest from events across the State. The assessment panel invited 54 events to submit a detailed application. This year's recommendations include support for events in every region of New South Wales except for Lord Howe Island, which did not submit any events for the 2012 program.

In 2012 some 28 events throughout regional New South Wales will receive an annual one-off grant of \$10,000, while four events will receive funding of \$20,000 each year for three years. I am happy to announce some of the events and activities to receive grants for 2012. The Casino Beef Week Festival has secured \$10,000. Beef Week is a celebration of the culture and success of the beef cattle industry in the Richmond Valley. This signature event now runs for 10 days and hosts approximately 70 events. It is one of the most widely known and popular regional festivals, with over 37,000 people converging on Casino to attend events during that week.

Kiama Rugby Sevens has also secured \$10,000 for its 2012 tournament. Kiama Rugby Sevens has grown from a community game into a statewide event focused in Kiama. The Byron Bay International Film Festival, which celebrates the spirit of Byron Bay and the North Coast through the universal medium of independent film, has also secured funding of \$20,000 each year for the next three years. The festival has built upon Byron's international reputation as a centre for creativity and eco-living, enhanced by a vibrant and informed multicultural community.

Tumbafest—which is Tumbarumba's annual festival of music, wine and food—has secured \$20,000 each year for the next three years. The aim of the event is to deliver a high-quality festival, which will appeal to locals and attract visitors to the region. It is also an opportunity to showcase the town of Tumbarumba with its panoramic views of the Snowy Mountains. Tumbafest provides great economic benefits to Tumbarumba

through increased overnight visitation, which benefits accommodation providers, restaurants, cafes, clubs, hotels and local shops.

Another 24 other regional events have secured grants under the Regional Flagship Events program—too many to mention today. This Government is committed to growing regional tourism and it has delivered on its election promise of additional funding for regional New South Wales. As well as the Regional Flagship Events program, the Government has a number of other funding programs to assist in the growth regional tourism such as the Regional Tourism Partnership program and the new Regional Tourism Product Development program.

The three-year Regional Tourism Partnership program provides \$5.133 million per calendar year to regional tourism organisations and to the Forum of Regional Tourism Organisations. Funds from this program are used to assist regional tourism organisations with operational costs and funding for the marketing of regional New South Wales, matched dollar-for-dollar by the tourism industry. This program was due to end on 31 December 2011. However, I am happy to say—as I mentioned in answer to a previous question—I have approved the extension of this funding through to June 2012.

In addition, Destination NSW and Tourism Victoria worked together, along with representatives from industry and local Government, to create the Murray Regional Tourism Board. Destination NSW and Tourism Victoria have signed an agreement that commits to funding support for the new board until 30 June 2013. The new \$5 million Regional Tourism Product Development program officially opened on 28 September 2011 for applications and will close this Monday. The overall goal of the program is to create, grow and enhance tourism products available across regional New South Wales, which, in turn, will help to attract more visitors.

The New South Wales Government also continues to develop and invest in year-round marketing campaigns to promote destinations and key experiences in regional New South Wales to keep it high on the list of preferred holiday destinations. Through Destination NSW, the Liberal-Nationals Government supports the development of visitor numbers through the regional calendar of events, and we look forward to adding to this bumper crop in 2012. We are committed to supporting events that create local jobs and boost the regional economy.

The Hon. JOHN AJAKA: What efforts are being made to cater for the growing markets of tourists from China and India?

Mr GEORGE SOURIS: The Government recognises the importance and potential of the high-growth tourism markets of China and India and the role they play for the New South Wales tourism industry and for the economic benefit of the State. China is the fastest growing outbound market in the world, with annual growth of 13.5 per cent between 2006 and 2010 and a stronger increase of 20 per cent in 2010. With the Chinese economy growing very strongly and direct aviation capacity expanding rapidly, the outlook for inbound travel from China is extremely positive in the near and longer term. China is already our most valuable inbound tourism market. In 2010 the China inbound market contributed \$3.25 billion to the Australian economy. By 2020 this market has the potential to contribute \$7 billion to \$9 billion annually.

As an international tourism market for New South Wales, mainland China, as a year end June 2011, is number four for visitors, with 286,100; number one for visitor nights, with 10.8 million nights; and number one for international visitor expenditure of \$1.2 billion. Destination NSW has partnered with two of China's airlines, China Southern Airlines and Hainan Airlines, to conduct cooperative marketing campaigns in China. The Premier, on his visit to China in July 2011, announced that China Southern Airlines will be the official airline of Sydney Festival 2012 and cosponsor events, including the Domain concert Series, the Ferrython, and the free outdoor concert Summer Sounds.

The Hon. JOHN AJAKA: With the consent of the Committee, I ask the Minister to incorporate the remainder of his answer in *Hansard*.

CHAIR: That is fine.

Mr GEORGE SOURIS: By leave, I incorporate the remainder of my answer in *Hansard*.

This significant international sponsorship will help build greater cultural and tourism links between China and NSW.

We have also built partnerships with Qantas, China Eastern and Virgin Atlantic.

Virgin Atlantic and Destination NSW will promote Sydney and *Handa Opera on the Harbour* in a \$300,000 campaign. This partnership includes an exclusive consumer promotion at *Elements*—Hong Kong's largest luxury shopping centre and the most expensive venue of its kind in Hong Kong.

Elements has agreed to provide the venue for the launch promotion of *Handa Opera* on Sydney Harbour at no cost.

In addition, *Elements* will fund a print and on-line campaign to support the promotion of the event at the mall. Travel packages to Sydney incorporating tickets to the event will be promoted through the *Elements* VIP database. The estimated total value for this support is more than \$350,000.

Destination NSW has an office in Shanghai and works with airlines and travel wholesalers, through both traditional and online channels, and Tourism Australia to ensure New South Wales is kept top of mind as a holiday destination.

In addition, Destination NSW conducts its own sales missions to China taking New South Wales tourism product direct to market, and trade familiarisations to New South Wales for Chinese travel buyers to experience the tourism product first hand.

A great example of this work is a familiarisation put together in August by Destination NSW for a very senior representative of Shanghai Bus International Travel—one of the largest wholesalers in China.

Shanghai Bus is keen to further develop its coach tour itineraries, with three overnight stays in regional New South Wales and two nights in Sydney, primarily following the *Legendary Pacific Coast Touring Route*.

This one familiarisation was so successful that Shanghai Bus is sending 28 of its sales agents to experience the very same familiarisation in November in order to be able to more accurately sell the product.

Destination NSW has two sales missions coming up—the first is Tourism Australia's Greater China Mission in November 2011, where we will support New South Wales industry to attend; followed by Destination NSW's Greater China Mission in February-March 2012, where we take tourism product to market.

Destination NSW is also the first State tourism organisation to take advantage of the Chinese interest in golf and is producing a 146-page *Golf Guide Book*, in Chinese, covering 19 major courses in and around Sydney. The guide will also list attractions, hotels and tour activities.

We will also take advantage of an integrated media opportunity with *World Traveller*, and support a media group to Sydney in November-December 2011. The television program will feature six episodes of Sydney and New South Wales through the Shanghai Documentary Channel, as well as magazine and website content and iPad application.

Let me now turn to India.

There was \$826 million in total expenditure from the India market in 2010 into the Australian economy.

Tourism Australia estimates that India has the potential to grow to between \$1.854 billion and \$2.248 billion in total expenditure by 2020.

In year ending June 2011, India was ranked as the 11th largest country market to New South Wales by visitors, and the 6th largest by nights.

The growth for the India market to New South Wales in 2010-11 was 17 per cent, with an additional 10,000 visitors—this was a higher increase than for Australia, which was 11 per cent.

The news for nights was also impressive with an increase for New South Wales of 54 per cent against Australia's increase of 23 per cent.

Destination NSW and Singapore Airlines have signed a memorandum of understanding to work together on cooperative marketing campaigns in the Indian market.

Singapore Airlines departs weekly from six cities in India. It has 51 weekly flights from India to Singapore; and connects with 28 weekly direct flights from Singapore to Sydney. Singapore Airlines is an important partner for Destination NSW in this market.

The memorandum of understanding assists Destination NSW to gain optimal awareness in the market and gain media buy efficiency.

Along with Singapore Airlines, Destination NSW also works closely with Qantas Airlines and Tourism Australia in this market.

Destination NSW and Tourism Australia are working together to support a top rating Indian drama series, produced by Sony TV and Balaji Telefilms, which will be filmed exclusively in New South Wales.

As part of the story, the lead couple travel to Sydney on their honeymoon.

This provides us with an opportunity to showcase the best of Sydney and surrounds, as a honeymoon destination, to the 42 million viewers on the top rating drama series entitled *I love him a lot*.

The Indian cricket team will tour Australia from mid December 2011 to early March 2012. To capitalise on this opportunity, Destination NSW will host up to 12 travel journalists to experience Sydney, integrating the cricket as part of the visit.

Trade familiarisations are also an important element in Destination NSW's promotion of Sydney and New South Wales in India.

An upcoming familiarisation has been developed for Singapore Airlines' India Management, plus their 20 top selling agents from Mumbai and Delhi, and will feature the delegation attending the closing night of *Parramasala*—the international contemporary arts festival that celebrates the global impact of South Asian arts.

Parramasala is held in Parramatta and provides an important opportunity to highlight the cultural assets and diversity of western Sydney.

We continue to work with our partners in the India market and will be in a position in the near future to announce some new initiatives for this important growth market for New South Wales.

Destination NSW staff have provided cultural training, on both China and India, for New South Wales product, increasing their understanding of how to do business in these markets. This will be made available to industry again.

The China and India markets are a priority focus for New South Wales and will assist the Government to meet its goal of doubling overnight visitor expenditure by 2020.

Collectively, Destination NSW and its partners will invest more than \$3 million across both markets to grow the number of visitors to New South Wales from these markets.

CHAIR: Order! Time for questions on the Tourism portfolio has expired. We now move on to the Arts portfolio.

The Hon. STEVE WHAN: In a letter to you dated 3 May 2011 the Lane Cove mayor said, on behalf of the Local Government and Shires Association, that its member believed that State funding of public libraries needs to be addressed as a matter of priority. In a press release the association indicated an increase of \$5.2 million funding for public libraries each year for five years would be appropriate. What increased recurrent funding did this current budget contain for public libraries?

Mr GEORGE SOURIS: The New South Wales Government is committed to our public libraries. We recognise that libraries play an important role in our communities and provide a range of vital community services. In the lead-up to the State election the Government announced our revitalising regional libraries policy, and the 2011-12 budget delivered on this promise. In particular, the budget provides a \$2 million increase in funding for regional libraries over four years to support library services and programs for local communities, and an additional \$2 million over four years to fast-track the roll-out of wireless hot spots in rural and regional locations. This will assist with the roll-out of wi-fi services and increased wi-fi capacity.

Despite a very challenging fiscal environment, we have delivered on this promise. The Government has otherwise maintained the level of public library funding in the 2011-12 budget. Total funding is a record \$26.5 million for the year. I will continue to take advice from the Library Council of New South Wales on public funding needs, and I expect to make a decision on this matter in the near future.

The Hon. STEVE WHAN: Can you clarify that the \$2 million that you mentioned is essentially a continuation of the Country Libraries Fund—with new money in it, I acknowledge—that the previous Government set up, mainly for capital works? Is that right? Was there an increase in recurrent funding levels?

Mr GEORGE SOURIS: Yes.

Ms DARWELL: It is in addition to the Country Libraries Fund, which continues this year.

The Hon. STEVE WHAN: So there has been no real increase in recurrent funding for libraries?

Ms DARWELL: No, there has been the increase to fulfil the election commitments of the Government.

The Hon. STEVE WHAN: Which were essentially capital funding and the second \$2 million you mentioned.

Ms DARWELL: No. It is \$2 million for regional libraries over four years for library services and programs, which is recurrent, and \$2 million for the wireless hot spots.

The Hon. STEVE WHAN: I have attended a number of meetings over the years where Coalition members or candidates came along and said it was disgraceful that library funding was so low and that when they got into government they were sure they would do something about it in terms of recurrent funding. Do you feel that you have let those members down in not providing increases in recurrent funding?

Mr GEORGE SOURIS: We certainly intend to keep our own spotlight on public library funding. However, the immediate period of this new Government was to ensure that all election commitments have been met, and in relation to public libraries we have fulfilled completely our public commitments. Of course, that does not mean that that is our entire interest completed in public libraries. I personally am a very strong advocate of public libraries. Prior to coming to Parliament I was involved directly in the development of some local libraries in my area and I only reiterate my commitment to public libraries. So I can tell you that this is not the end of the story; it is simply a fulfilment of our commitments.

The Hon. LYNDIA VOLTZ: What is the current update of the proposed arts precinct development at the old Kings School site in Parramatta?

Mr GEORGE SOURIS: As the Premier said this week in this place, the previous Labor Government announced the arts precinct without having the \$24.6 million for the site and without even thinking about how it would fund recurrent costs. Its announcement was an election lie. The arts precinct was unfunded at the time of the announcement. The previous Government never had the money to deliver on this promise. Unlike the previous Government, we will not announce something until we know that we can deliver on it. We are currently reviewing the proposal and looking into the costs and benefits associated with it. The community can be assured that the site will stay in public hands. The site is of tremendous heritage value and the public has a right to enjoy the area and have a say in how it is used.

The community's input into appropriate uses for the site is vital. Any future decisions that this Government makes will align with community expectations and sound financial management. We will work with the community, Parramatta City Council, stakeholders and local members to ensure that we get a good sound and funded outcome for the people of Parramatta and beyond. Over \$3.529 million was provided in the 2010-11 budget for arts organisations and projects in western Sydney. In 2011-12 the Government is providing the Sydney Festival with an additional \$500,000 to support the first dedicated program for western Sydney as part of the 2012 Sydney Festival.

The Hon. LYNDIA VOLTZ: You said that the site will remain in public hands. When the Parramatta jail closes will that also remain part of the arts precinct and in public hands?

Mr GEORGE SOURIS: It is not in our portfolio.

The Hon. LYNDIA VOLTZ: But it forms part of that precinct?

Mr GEORGE SOURIS: Maybe, but it is not in my portfolio, and I am sure that that question, vital as it is, can be asked of the appropriate owner, and that is the Minister for Corrective Services and Justice.

The Hon. LYNDIA VOLTZ: Minister, how much funding comes from Arts NSW for the North Coast music conservatorium hub for the area that covers Coffs Harbour to Bulahdelah?

Ms DARWELL: The regional conservatorium program is a core program that is administered by the Department of Education and Communities so the core funding question is one appropriately directed to the Minister or the department. Arts NSW receives allocations, some of which we transfer to the Department of Education and Communities, for its ongoing operations of regional conservatorium. That is a bit more than \$1.4 million. Another about \$700,000 is provided to a competitive grants program for regional conservatoriums.

The Hon. LYNDIA VOLTZ: And that comes out of your portfolio?

Ms DARWELL: And that is within our portfolio.

The Hon. LYNDIA VOLTZ: So how much of that goes to there?

Ms DARWELL: The application process is currently being assessed, the assessment panels have met and we are shortly to submit proposed decisions.

The Hon. LYNDIA VOLTZ: But surely you funded them last time?

Ms DARWELL: Yes we did, but I might have to take that on notice.

The Hon. LYNDIA VOLTZ: If you can take that on notice?

Ms DARWELL: Yes.

The Hon. LYNDIA VOLTZ: So there are no plans to increase funding to those conservatorium hubs throughout New South Wales?

Ms DARWELL: The manner of the allocations within the Arts funding program is one for the Minister. The Department of Education and Communities is the primary funder.

The Hon. LYNDIA VOLTZ: Yes but some comes through Arts?

Ms DARWELL: Yes.

The Hon. LYNDIA VOLTZ: Minister, the creative industry is the fastest-growing industry in New South Wales. What are you doing to ensure investment in the creative arts industry?

Mr GEORGE SOURIS: There is no budget line by that name.

Ms DARWELL: I mean, the Government is undertaking work on the digital economy and many of the conversations around creative industries are simply taking place within the digital economy framework that is being run.

Mr BUFFIER: We do not have a funding program specifically directed to creative arts, but, as Mary Darwell has already indicated, we do fund creative arts across large areas of the portfolio, so it is difficult to put a precise dollar figure on that, but through the film activities through Screen NSW, through the digital economy action plan that we are developing at the moment, there is a whole range of activities that are being funded to quite a substantial amount.

The Hon. LYNDIA VOLTZ: Minister, in opposition the Coalition criticised the Government for spending on overseas trips. In response to a question on notice answered on 28 September, the State Government admitted that it spent \$41,370 in less than five months to send people to international film festivals. While I believe this expenditure can be potentially very valuable, does it not look a bit hypocritical when you look at the Coalition's pre-election comments?

Mr GEORGE SOURIS: I can just tell you that the total expenditure on travel by Screen NSW in 2010-2011 is \$75,000. This is on par with the level of expenditure in the previous year, which was \$75,109. Since 26 March 2011 there have been seven trips undertaken by four Screen NSW executives, at a total cost of \$41,000, to the following screen events: the Cannes International Film Festival, the Toronto International Film Festival, the International Co-Production Showcase held in Los Angeles, the Beijing International Film Festival and the Film Finance Forum @ Screen Singapore. I can indicate to you that the real issue of course, as I see it, is the level of travel by the relevant Minister, and I can indicate to you that this Minister has not undertaken any Government-sponsored overseas travel in any of the portfolios that are a part of my responsibility. I believe that that is a significant contrast to the year before when we can, of course, recall the extravagance of 2008, when the Hon. Linda Burney attended the Cannes Film Festival on behalf of the then arts Minister, Frank Sartor, at a cost of \$35,471 to taxpayers.

The Hon. STEVE WHAN: I think she had a specific purpose.

Mr GEORGE SOURIS: Sadly, only three of the 14 meetings that Linda Burney attended in Cannes were with foreign companies or representatives.

The Hon. LYNDIA VOLTZ: So you have undertaken no overseas travel as part of your portfolio as the Minister for Tourism?

Mr GEORGE SOURIS: I have not undertaken any overseas travel as part of any of the particular portfolios that comprise all of my portfolios. I have been overseas, but that was an entirely private expenditure. There has been no taxpayer-sponsored or Government-related travel that I have undertaken since coming to office.

The Hon. LYNDIA VOLTZ: Can you inform this Committee who did attend the Cannes Film Festival in France?

Mr GEORGE SOURIS: By name?

The Hon. LYNDIA VOLTZ: Yes.

Mr GEORGE SOURIS: I cannot.

Ms DARWELL: We can take it on notice.

Mr GEORGE SOURIS: We will have to. I cannot. We will take that on notice.

The Hon. LYNDIA VOLTZ: Can you inform the Committee if any film contracts were signed as part of those trips to the Cannes Film Festival by Screen NSW?

Mr GEORGE SOURIS: The outcomes from Screen NSW attendance at these events include establishing a relationship between an international investor and a New South Wales producer at Cannes, which resulted in the production of a feature film *Wish You Were Here* and a direct expenditure of \$2 million in the State. Through relationships established at Cannes, New South Wales is the preferred location for a \$14 million feature film production between a French producer and a New South Wales co-partner. Screen NSW played a critical role in achieving this. Screen NSW also successfully developed an ongoing relationship with Legendary Pictures in Los Angeles, the company responsible for *Paradise Lost*, a major project that will generate 1,300 jobs for New South Wales.

The Hon. STEVE WHAN: Minister, in terms of the Government's commitment to film and television, has the film and television office received a similar budget for this year or have there been cuts in the film and television office?

Mr GEORGE SOURIS: In a moment. Can we move on to another topic?

The Hon. STEVE WHAN: While you are thinking about it, have you got anything you can tell us about any involvement the Film and Television Office has at the moment in attracting films to utilise the facilities at Broken Hill?

Ms DARWELL: We will have to take that on notice.

The Hon. LYNDIA VOLTZ: While you are taking ones on notice could you also inform the Committee what community arts projects were funded?

Mr GEORGE SOURIS: I will either have the answer to the first of those three questions, or I am listening to the third—which one is it? Please start again.

The Hon. LYNDIA VOLTZ: What community arts projects were funded in Newcastle in the Hunter region, just the dollar amount? You said \$3.5 million in western Sydney. What is the amount that has been spent in the Hunter region?

Ms DARWELL: I can report that to the Committee but, for example, last year projects that were supported included the renewed Newcastle project. There would have been funding for the Newcastle Gallery.

The Hon. LYNDIA VOLTZ: Community arts projects?

Ms DARWELL: Yes, it is just that there are a number of projects and programs that we have supported in the past.

The Hon. LYNDIA VOLTZ: Could you take it on notice and give us a dollar figure?

Mr GEORGE SOURIS: We just have it now, however, but all right, we will take it on notice. [*Time expired.*]

CHAIR: We will move on to the crossbench, starting with the Hon. Jan Barham.

The Hon. JAN BARHAM: Minister, can you advise on the New South Wales Aboriginal Arts and Cultural Strategy, if there is an update on that, and specifically around the action 3.1, developing an Aboriginal cultural accord? Has that been progressed?

Ms DARWELL: The Minister announced earlier this year \$1 million of funding under the Aboriginal Arts and Cultural Strategy and included in that was a number of programs including a \$100,000 Regional Aboriginal Arts Fund, which successfully funded a number of programs across regional and rural New South Wales. We are still working through. The Aboriginal Arts and Culture Strategy is a four-year strategy and so we are still working through the initiatives there and undertaking internal work around the cultural accord. We certainly have had discussions with the Department of Aboriginal Affairs about the nature and scope of it.

The Hon. JAN BARHAM: In relation to the Keeping Places and Beyond Summit, is the Government committed to implementing the recommendations of that?

Ms DARWELL: We are yet to receive a report from Museums and Galleries NSW on that summit. It was a very successful summit that was held in CarriageWorks. Approximately 120 delegates from across the State attended to discuss ways in which Indigenous cultural expression and keeping places could be better achieved at the local level. I think a number of important outcomes will come from that, but most important is around the networks that were created through that summit and the sharing of knowledge that occurred there and that will occur in the future.

The Hon. JAN BARHAM: What about the timeline for the development of New South Wales arts and culture policy?

Mr GEORGE SOURIS: The New South Wales Government recognises the important role of cultural participation and of cultural identity and heritage in strengthening communities. As promised under NSW 2021, we will develop an arts and cultural policy to set the future direction for support for arts and cultural initiatives and recognise the sector's central economic role as part of the Visitor Economy Action Plan. The State policy will be informed by work that is currently underway by the Australian Government to develop a national cultural policy. The development of a national cultural policy by the Commonwealth is strongly supported and indeed was one of the centrepiece initiatives of the recent cultural Ministers conference that was hosted in New South Wales—in this very room.

Australia needs a national framework for development and investment, and regulation on arts and cultural matters over the next 10 years. We also need agreed national priorities for the arts and areas of cross-government collaboration. Although New South Wales spends more on arts, culture and heritage than any other State or Territory—that being \$751.8 million in 2009-10—the previous State Government had no policy for arts and cultural sector development. Without an arts policy, there is a risk that investment in the arts and cultural activity is un-targeted and opportunistic. A State policy will allow us to articulate the reasons for State investment in the arts and culture. It is the right time for New South Wales and the New South Wales Government to develop a New South Wales arts and cultural policy in consultation with the sector, the cultural institutions and the community.

The Hon. JAN BARHAM: The forum was held in this room. Is there an outcome from that in a publicly available document?

Mr GEORGE SOURIS: There was a communiqué.

The Hon. JAN BARHAM: I must have missed that one.

Mr GEORGE SOURIS: I do not think they have it right here, but there was a communiqué. There were a number of issues, one of which was immunity from seizure, which is a really important issue though perhaps not at the State level. It is a reasonably important issue about whether or not our institutions like the Art Gallery NSW and others are able to attract exhibitions from other countries whereby Australia gives those other countries immunity from seizure by a third party country of those disputed artefacts or artworks, or whatever it is that is in question. Of course I can immediately think of the Parthenon Marbles, if the British Museum were ever to offer an exhibition.

The Hon. STEVE WHAN: Well, you would seize them.

Mr GEORGE SOURIS: Yes, exactly so.

The Hon. STEVE WHAN: Given your history.

Mr GEORGE SOURIS: I might have to actually seize them. There is not presently immunity from seizure by a third party. I imagine that those sorts of exhibitions—I cannot exactly think of the one that was used as an example during the cultural Ministers conference, but Russian art was the example that was used—and it would not be able to tour because of the lack of immunity from seizure in Australia.

The Hon. JAN BARHAM: Minister, I will follow up. Can you advise on the funding allocation for the Short+Sweet Theatre Company? What was the process for determining it as the recipients of that funding?

Mr GEORGE SOURIS: It was an election commitment, but I have further details.

The Hon. JAN BARHAM: Was there a tendering process or any selection process to determine what group received that funding?

Mr GEORGE SOURIS: I do not have the answer because I was not the shadow Minister at the time, but I can only say to you that it was an officially published election commitment which has been fulfilled.

The Hon. JAN BARHAM: But I do not think there was any official publishing of how it was derived.

Mr GEORGE SOURIS: Well, oppositions do not do that. You do not have to do it, either.

The Hon. JAN BARHAM: So you just pluck a company that gets money?

Mr GEORGE SOURIS: No, but the Opposition does not have to account.

The Hon. JAN BARHAM: But the Government does.

Mr GEORGE SOURIS: The Government now, but you are referring to how the election commitment was determined.

The Hon. JAN BARHAM: No, the allocation of funding which has come within this year's budget: How was that determined?

Ms DARWELL: The allocation of funding will be subject to a contract with Short+Sweet which will set out specific key performance indicators, and we will require the same sort of accountability for its performance as we do for any other arts organisation.

The Hon. JAN BARHAM: My interest is how it came to be that organisation and whether there were opportunities open to other organisations?

Mr GEORGE SOURIS: Well, you are asking questions literally back to opposition. You said no, you are not and that you are asking about government, or how it was determined.

Hon. JAN BARHAM: No, I am interested in the funding and how that was determined.

Mr GEORGE SOURIS: The Government has made its election commitments. I think there would have been a more difficult question had we not, but we did.

The Hon. JAN BARHAM: No, I think it is a difficult question about how you arrived at that decision.
[Time expired.]

CHAIR: We will now move on to questions by the Hon. Paul Green.

The Hon. PAUL GREEN: Minister, you outlined your passion for libraries. Could you give us your vision for the library service in New South Wales over the next couple of years?

Mr GEORGE SOURIS: Yes. Thank you, Mr Green. The New South Wales Government recognises the vital role that public libraries play in the State's cultural life. The New South Wales public library network comprises 374 libraries and 23 mobile libraries—all of which are important hubs of learning, socialising and leisure for the community. Libraries are the core of so many communities, as evidenced by the 47 per cent of New South Wales residents having a library card. Our commitment to these important institutions can be seen in a number of actions we have implemented since the election that are designed to strengthen our public library network to the benefit of all.

The Government considers the State Library of New South Wales, our biggest public library, to be one of the greatest in the world. In July, the library's international standing was further boosted when I announced its most important acquisition in more than 80 years that was secured with the support of funding from this Government. The Derby Collection, which is now known as the TAL and Dai-ichi Life Collection, comprises 741 Australian natural history drawings dating back to the 1790s. The iconic collection, of which half has never been seen before, has been held in the private library of an English nobleman's family since 1842. It comprises six albums depicting Australian birds, mammals, fish, flowers and plants.

These impressive watercolours return to New South Wales a truly significant part of its own history. After all, they are primary artefacts in the story of how Australia first entered into European consciousness after colonisation. At that time, of greatest interest was the colony's natural history. The collection is a critical addition to the State Library's unrivalled First Fleet and early settlement collections. This landmark acquisition has brought into public ownership for future generations a collection that is at the heart of the settlement of this nation. By helping us to understand our past and by building on the State Library's great strengths, the purchase of the collection helps us to move into the future.

It is a lasting legacy for the people of New South Wales and indeed Australia. The much anticipated collection will be on show at the State's Mitchell Library by the end of 2011. In fact, it is due to arrive during next month. In the past year nearly one million people visited the State Library and more than three million people logged on to its website. The attraction of this collection is expected to result in a record number of visitors through the doors of the State Library next year. I am delighted that an additional 90,000 people are tipped to see it when it tours regional New South Wales. I am very pleased that I was able to ensure that after its first exhibition in Sydney it would tour the New South Wales regions before it then went interstate.

Furthermore, the digitisation of this collection will further increase its accessibility with images potentially used in exhibition, educational programs and research. The purchase of this collection has been a once-in-a-generation opportunity as there is no comparable collection anywhere in Australia. On behalf of the Government I thank TAL, formerly Tower Australia, and its parent Dai-ichi Life of Japan for sponsoring this acquisition for the benefit of the people of Australia. This joint venture—as I said budget supplementation came from the New South Wales Government during the period since the election—reflects a strong commitment and important cultural link between Australia and Japan, and is the result of co-operation and goodwill by all stakeholders.

The Hon. PAUL GREEN: Minister I appreciate that great collection. However, I wanted to get a vision of libraries in New South Wales. What else will happen outside Sydney?

Mr GEORGE SOURIS: In 2011-12 the Government is investing an extra \$2 million increase in funding for regional libraries over four years to support library services and programs for local communities. The Government has also committed \$2 million over four years to fast track the rollout of wireless hotspots in rural and regional locations across the State, which will assist with the rollout of wi-fi services and increase wi-fi capacity. Since being elected the Government has facilitated vital development opportunities for libraries across the State. In particular, it has worked hard to improve how regional libraries service their communities. In May I introduced new legislation in Parliament to provide greater flexibility in the options for management of

regional libraries. The Library Amendment Bill 2011, to which I understand a great number of members spoke, maybe all of the Committee were involved,—

The Hon. LYNDA VOLTZ: No, we were not involved.

Mr GEORGE SOURIS: You were not—enables councils to pool their resources for library services to implement joint management arrangements. Before this change a single council was delegated the responsibility for management of regional library services across regional local government areas. Now councils have the freedom to use joint accountability and decision-making in the provision of library services if they so choose.

The Hon. PAUL GREEN: I agree that libraries are the hub of the community and are very important. What grants are available for local governments throughout New South Wales to get access to build new libraries? Will you take that question on notice?

Mr GEORGE SOURIS: A different portfolio, but yes.

The Hon. PAUL GREEN: Mobile libraries are also very important in regional and rural New South Wales. Do you propose to increase funding for mobile libraries in the coming years given their importance to isolated towns and villages?

Mr GEORGE SOURIS: In the coming year the budget is the budget. In the next years—

The Hon. PAUL GREEN: What is allocated now?

Ms DARWELL: I will take that question on notice.

Mr GEORGE SOURIS: We will provide an answer to the Committee.

The Hon. NIAL BLAIR: What has the Government achieved for arts in New South Wales? What are its future directions?

Mr GEORGE SOURIS: The Government recognises the importance of the State's vibrant arts and cultural industry and is committed to ensuring it continues to lead the country. The arts, in all its forms, are essential in defining and enriching our lives as individuals and as a community. A strong arts industry fosters a strong creative economy, brimming with investment opportunities. After all, 38 per cent of the national arts workforce is based in New South Wales. State investment in the arts contributes to economic activity, including cultural tourism. The latest figures show that something in the region of 60 per cent of international visitors to Australia seek out cultural attractions as part of their experience, including 1.7 million international cultural and heritage visitors and 3 million overnight domestic cultural and heritage visitors.

Our vision—as outlined in this year's budget—sees an investment of more than \$349 million to support the sector. Of that, we are providing \$58.2 million for the Arts Funding Program. From the city to the bush the Arts Funding Program spreads artistic opportunity across New South Wales supporting everything from theatre groups to dance companies, art galleries to conservatoriums and emerging artists to community projects. Each year this important program supports approximately 400 artists, individuals, and arts and cultural organisations from across the State for creative programs, projects and tours. The budget has also been good news for our world-class cultural institutions. The Art Gallery of New South Wales, the State Library, the Powerhouse Museum, the Australian Museum and perhaps the country's most enduring cultural icon, the Sydney Opera House will receive \$272 million in State Government funding in 2011-12.

The State's screen industry has not been forgotten by the Government. The Government committed \$8.5 million in recurrent and capital funding for Screen NSW in the latest budget, an investment designed to generate creative excellence and commercial growth in the local screen industry. In addition, the Government will continue to actively pursue major footloose film projects for production in New South Wales. Each year the State's screen sector makes a significant social, cultural and economic contribution to New South Wales. It is made up of more than half of Australia's highly skilled creative and technical production professionals and screen businesses. This continues to be a drawcard for film investment.

In August, internationally acclaimed director Baz Luhrmann started filming his 3D adaptation of the classic novel by F. Scott Fitzgerald, *The Great Gatsby* right here in New South Wales. We all know it is continuing. With this production comes a boost of more than \$120 million for the local economy. The Sydney Festival—a highlight on the Australian cultural calendar that draws crowds of approximately 650,000 people each year—will enjoy increased funding in 2012 of \$1.7 million. Of that, \$500,000 has been earmarked for the events expansion in western Sydney. The aim is taking vibrant arts and culture to the heart of greater Sydney. The Government's total investment in the 2012 Sydney Festival, taking into account the uplift, is \$6.75 million.

On our world-famous harbour the establishment of Australia's premier arts precinct at Walsh Bay is a step closer. In July the Minister announced that a shortlist of organisations had been established as potential resident and key users of the iconic pier 2/3 finger Wharf. Discussions with these organisations are well underway. The Government is also consulting other key stakeholders and a master planning process is currently underway. A development application has now been approved by the City of Sydney to allow the facility to be used as a cultural venue in the short term. This will streamline arrangements and facilitate greater use of the precinct ahead of its long-term development. The establishment of a premier arts precinct including the multi-million dollar refurbishment of pier 2/3 will enhance the area's viability as a vibrant, tourist, commercial, residential and business district.

The Government acknowledges how important the State's rich Aboriginal heritage is to the arts and cultural landscape. That is why in May I announced a \$1 million injection of funds to generate new programs, partnerships and jobs in this very important industry under the Aboriginal Arts and Cultural Strategy, including \$200,000 over two years to expand the Message Sticks festival and \$100,000 to an Aboriginal Regional Arts Fund. From visual arts to dance, theatre to music, literature to community partnerships this funding will be shared across all sectors of Aboriginal arts and cultural practice in New South Wales. I am delighted that the Government is on track with the implementation of key election commitments for the arts.

As promised, we have delivered a \$2 million increase in funding for regional libraries and \$2 million to fast-track the rollout of wireless technology to public libraries in rural and regional New South Wales. We have enacted the Library Amendment Act 2011 to ensure that local councils have greater flexibility to provide regional services jointly. The Government has also increased funding for the annual Sculpture by the Sea event. The budget includes an allocation of \$1.2 million over four years to support this accessible and vibrant arts event, which this year will celebrate its fifteenth anniversary and which will feature works done by more than 100 local and international artists. In November Sculpture by the Sea is expected to attract 400,000 locals and visitors to the picturesque two kilometres of coastline from Bondi to Tamarama, which will be transformed into an outdoor gallery. The event is expected to generate about \$60 million for the New South Wales economy.

Participation in the arts is strong in regional New South Wales. More than 85 per cent of the population attended cultural venues and events, which is more than the average for New South Wales as a whole. The New South Wales Government has delivered on a promise to enhance arts and culture in rural areas. Specifically, the Government has committed \$1.5 million for the Short+Sweet theatre regional outreach program over the next four years. Finally, NSW 2021, a new 10-year plan to replace the State Government's Strategic Business Plan, will play a key role in enhancing the arts and cultural industry of New South Wales. It includes key priorities designed to enhance cultural and creative opportunities.

The Government will use this blueprint to increase participation in arts and cultural activities by 10 per cent by 2016, to develop a New South Wales arts and culture policy, to invest in regional arts and cultural development, to increase access to the State Library of New South Wales and to develop partnerships to enhance participation by people with a disability. The Government will continue working hard to ensure that New South Wales remains the number one cultural and creative destination in the country. It will do this through the support of major festivals, our world-class cultural institutions, a suite of arts funding programs, emerging arts precincts and internationally respected arts and organisations all based here in New South Wales.

[Short adjournment]

CHAIR: Now that it is 11 o'clock, we will resume the hearing in relation to the portfolio of Major Events and begin with questions from the Opposition.

The Hon. LYNDIA VOLTZ: Minister, I direct your attention to the glossy document called *Selling Sydney and NSW to the World—A Plan for NSW Tourism*. It is stated in this document that:

The NSW Liberals and Nationals also want NSW to have an ambitious program of major events. In addition to the existing program Destination NSW will bid for the following major events:

The 2015 Annual IMF and World Bank Board of Governors Meeting ...

The Opening Series of the 2014 Major League Baseball Season ...

Minister, you were not successful in securing the IMF meeting. Are you still bidding for the Major League Baseball opening series?

Mr GEORGE SOURIS: The IMF bid has to be mounted by the Federal Treasurer and I do not know if we know the result of that.

Ms CHIPCHASE: No.

Mr GEORGE SOURIS: The result of that is unknown, and we are still active on Major League Baseball.

The Hon. LYNDIA VOLTZ: The document only lists two events. What other major events do you intend to bid for in the next four years?

Mr GEORGE SOURIS: There is a problem in answering that because it could be anything and everything and, in many respects, telegraphing that sort of information is not the best strategy in terms of our competitors, particularly interstate. I can give you some detail, but please appreciate that opportunities come and go. For example, producers in the musical theatre approach the Government from time to time. Quite often an Australian co-producer with either a Broadway or West End musical will approach not only the New South Wales Government, no doubt the Victorian, Queensland and Singapore governments as well, so freshly that creates an opportunity, but I can give you an answer relating to at least the events that we presently know about.

The Hon. LYNDIA VOLTZ: No, I am asking what events you will bid for in the next four years. Do you have any major events that you are bidding for?

Mr GEORGE SOURIS: We certainly would not be—

Ms CHIPCHASE: Flagging it.

Mr GEORGE SOURIS: I do not think that is in the interests of the State.

The Hon. LYNDIA VOLTZ: During the election, Barry O'Farrell sent a letter of support to the Gay and Lesbian Mardi Gras indicating ongoing support, including providing access to performance-based funding as a major event, exemption from user pays charges, help from State Government agencies such as the police, the Roads and Traffic Authority and the ambulance service to work with Mardi Gras to develop new ideas and events around the parade, and allowing government organisations to participate if they wish. Do you still have that support for the Gay and Lesbian Mardi Gras and will your government organisations support it?

Mr GEORGE SOURIS: The Sydney Gay and Lesbian Mardi Gras is one of the most iconic events on the New South Wales master events calendar. The event drives tourism and brings significant economic benefit to the State. Research undertaken on the 2010 Mardi Gras revealed that the event attracts more than 21,000 tourists to New South Wales and generates nearly \$30 million in revenue for the State. The same research showed Mardi Gras had a cumulative press circulation of more than 70 million and a cumulative television new audience of 18 million interstate and in key tourism markets.

Destination NSW has agreed to invest in the 2012 Sydney Gay and Lesbian Mardi Gras event. The 2012 Sydney Gay and Lesbian Mardi Gras event is also incorporated as an element into Destination NSW's overall tourism marketing and promotional campaigns for spring and summer. In addition, Destination NSW will undertake a \$20,000 cooperative tourism campaign in Japan to promote the 2012 event. Destination NSW continues to work with New Mardi Gras on developing and growing the event and on promotional advertising campaigns.

The Hon. LYNDIA VOLTZ: Why Japan, Minister, and not the American market?

Ms CHIPCHASE: All key markets, such as the United States, are targeted through other specific campaigns. To give an example, one of the reasons for Japan is that, as you would be aware, new airline services are starting there, so there is an opportunity to capitalise on Jetstar services. Secondly, there are digital channels through which we can market that target gay and lesbian readership or viewership. There are the family and friends of gay and lesbian travellers, which is another target market for us. In our publicity, right across the globe, this major event is publicised. It is, as the Minister said, an iconic event for Sydney and, as you would no doubt be aware, the United States is the major international market for us.

The Hon. LYNDIA VOLTZ: Given that China has now I think overtaken New Zealand and Japan—correct me if I am wrong—as our major source of overseas visitors, and India is certainly our strategic market, why are we singling out Japan?

Ms CHIPCHASE: This is just a mention of a specific campaign, but again the United States is our major partner and we have specific campaigns for that as well, and I can give you a breakdown if you would like.

The Hon. LYNDIA VOLTZ: No, that is fine.

The Hon. STEVE WHAN: Minister, in answer to a question on notice from me recently, the planning Minister told me that he was expecting the convention and exhibition centre project to be completed in 2016. Are you concerned that the timeframe is slipping from the original promise made by the Government, which was to complete the project in 2015?

Mr GEORGE SOURIS: No, I am certainly not. I think the importance of this project is great and the executive director is involved on the committee. It really is important that we produce the world's best new state-of-the-art convention and entertainment centre for Sydney. You have asked about timings. Expressions of interest opened on 30 September 2011 and will close on 11 November 2011. This process is being managed by the Sydney Harbour Foreshore Authority. Construction of the centre will be completed by late 2016. Business events, including conventions, exhibitions and incentives, are important economic drivers for New South Wales. Destination NSW will actively work with the tourism and events sectors to position Sydney as one of the world's premier business and event destinations.

It is important for New South Wales to have an ambitious program of business events and we will be targeting new events. It is important to plan a program beyond opening day 2016 to ensure that it is a success, not just a successful project. Through Destination NSW, the New South Wales Government will provide significant support to Business Events Sydney, which promotes itself globally as a business events destination, identifies new event opportunities and competes to bring these events to Sydney.

The Hon. LYNDIA VOLTZ: Does that organisation replace the Sydney Convention and Visitors Bureau?

Ms CHIPCHASE: That is its new name.

The Hon. LYNDIA VOLTZ: It is the Sydney Convention and Visitors Bureau rebranded?

Ms CHIPCHASE: Yes, I think it changed its name two years ago.

The Hon. LYNDIA VOLTZ: That is the question I am asking.

Mr GEORGE SOURIS: As at September 2011—just three months into the financial year—Business Events Sydney has secured 40 events, estimated to be worth approximately \$79.6 million, for the New South Wales economy. In 2010-11 Business Events Sydney won 67 events, which will deliver an impressive \$186.5 million in estimated economic income for New South Wales.

The Hon. STEVE WHAN: Minister, I apologise for interrupting you. I appreciate the data on events but I have a couple of specific questions that I want to ask in limited time. When the convention and exhibition centre is completed, will accommodation be available to service a full capacity event in that centre?

Mr GEORGE SOURIS: Do you mean hotel accommodation?

The Hon. STEVE WHAN: Yes.

Mr GEORGE SOURIS: In the vein that you are referring, I personally feel that we will need some additional hotel capacity. We have just witnessed the opening of a five-star hotel: The Darling.

The Hon. STEVE WHAN: Near the casino?

Mr GEORGE SOURIS: Near the casino. I am not sure of the number of rooms or its capacity, but it is a major five-star hotel. It is the first five-star hotel to have been constructed in Sydney in 20 years. The international convention and exhibition centre—you will appreciate that what I say now is subject to expressions of interest and all sorts of design considerations, et cetera—is anticipated to include hotel accommodation as part of the development of the overall precinct, which is to be transferred to Infrastructure NSW for the fulfilment of the project.

The Hon. STEVE WHAN: Is the hotel proposed for the Barangaroo development a critical part of the hotel infrastructure required for the developments around Darling Harbour and the future of tourism?

Mr GEORGE SOURIS: I would say the answer would apply to a hotel development not necessarily in the location. I am not sure whether your question leads to other aspects at Barangaroo because I am not the relevant Minister—

The Hon. STEVE WHAN: I am particularly interested in whether or not Barangaroo—

Mr GEORGE SOURIS: If you would let me finish my answer. I am not the relevant Minister for Barangaroo. What I can tell you from the tourism perspective is that there is a very high occupancy rate in Sydney and that yields are also high. We have a very strong events program and tourism development program. The international convention centre, when completed, will also add to the demand, as will projects such as Barangaroo. Hotel development is an important part of our ability to service the very strong increase in demand that is going to occur over the next decade or more.

The Hon. STEVE WHAN: Has the Government given any thought to the impact on existing businesses around Darling Harbour of having construction for the convention centre taking place at pretty much the same time as the Barangaroo development? What information has been provided to the businesses currently operating around Darling Harbour? What is the Government going to do to ensure that their livelihoods are not negatively affected during the period?

Mr GEORGE SOURIS: That is an excellent question. I personally do not have a full answer because the construction of the convention and exhibition centre is in the hands of Infrastructure NSW. But to the extent that tourism is relevant, the executive director is part of that task force and she will certainly take things such as that question well and truly on board—if it is not already on board. I agree with you that we want to disrupt as little as possible our tourism industry and the many small businesses, particularly those in the general area where significant construction will be taking place. I will ask the executive director to add to that if there is anything additional.

Ms CHIPCHASE: We had a project steering committee meeting at which the issue of communication was raised. The expression of interest documentation specifically says that all tenderers need to outline what their program of works will be so that they can be communicated to surrounding businesses. The broader point was also raised of developing a communication plan to ensure that all of the issues you have just raised are addressed.

The Hon. STEVE WHAN: I know that the project is going to potentially involve the redevelopment of buildings around the site. Is any permanent loss of public open space anticipated as part of the development?

Ms CHIPCHASE: If you refer to the expression of interest documentation you will clearly see that the goal is to have, firstly, world's best facilities and, secondly, to ensure good public access and that transport issues are taken into consideration. Given that the project is still at the expression of interest stage and no tender has been awarded nobody can say what the percentage will be, but certainly public access has been highlighted in the expression of interest documentation, which is publicly available.

The Hon. LYNDIA VOLTZ: The previous Labor Government secured the Australian Open of Surfing at Manly, Telstra Sydney 500 V8 Supercars, the Bledisloe Cup and the rugby league grand final on a 10-year contract. What events has Destination NSW successfully bid for?

Mr GEORGE SOURIS: Did you say that the former Labor Government achieved those things?

The Hon. LYNDIA VOLTZ: The Australian Open of Surfing at Manly, Telstra Sydney 500 V8 Supercars, the Bledisloe Cup and the rugby league grand final on a 10-year contract.

Mr GEORGE SOURIS: I do not think you secured the Bledisloe Cup.

The Hon. LYNDIA VOLTZ: Yes, there was certainly a long-term contract for the Bledisloe Cup. You might want to check with your departmental staff.

Mr GEORGE SOURIS: I must have been at a different launch and a different signing. You are scavenging for past—

The Hon. LYNDIA VOLTZ: I am not scavenging. I am asking what events you have successfully bid for.

Mr GEORGE SOURIS: Attracting and developing major events is a key part of the New South Wales Government strategy to rebuild the New South Wales economy by driving tourism, trade and investment.

The Hon. LYNDIA VOLTZ: That is very good.

Mr GEORGE SOURIS: Feel free to cut me off at any time but you ought to allow me a few paragraphs.

The Hon. LYNDIA VOLTZ: I am asking what events you bid for. Will you just give us the answer?

Mr GEORGE SOURIS: I am doing exactly that.

The Hon. JOHN AJAKA: Point of order: The Minister is clearly answering the question. The honourable member knows better than to continually interrupt.

The Hon. LYNDIA VOLTZ: To the point of order: The question clearly asks what events Destination NSW has successfully bid for. I do not need the history of Destination NSW—we have already had that. I want to know what events Destination NSW has successfully bid for.

The Hon. NIAL BLAIR: To the point of order: To establish the context of the question the member was allowed to list those events she believed the former Government established. The Minister should be given the same opportunity in the context of his answer without being cut off.

CHAIR: The Minister had only begun to answer the question. The Minister will answer the question asked of him in due course.

Mr GEORGE SOURIS: Within the first year of being in Government we have secured the following major sporting and cultural events: Sporting fans have welcomed the Bledisloe Cup 10-year deal, where at least one Bledisloe Cup game will be played in Sydney each year from 2012 to 2021. Sydney is Australia's new home for first-run musicals, including the world premiere of *An Officer and a Gentleman* from May 2012, the Australian premiere of *Annie* from January 2012, the Australian premiere of *The Addams Family* from March 2013, and the world premiere of *Strictly Ballroom* from September 2013. Opera lovers have marked in their diaries the *Handa Opera* on Sydney Harbour, which is to be held annually from March 2012—in the first year we will enjoy *La Traviata*. Another key performance announcement was the Australian World Orchestra concerts held at Sydney Opera House in August this year.

More sporting action will be enjoyed at the first ever Australian Open Surfing to be held in Manly in February 2012 in conjunction with Hurley and Billabong. Sydney was announced to host the Red Bull X Fighters World Tour. The explosive event took place on Cockatoo Island on 17 September this year. The Australian Open Grand Prix Gold, Badminton, will be held at Darling Harbour in April 2012—another event

that we have taken from Melbourne. *Harry Potter: The Exhibition* will showcase at the Powerhouse Museum, Sydney, from November 2011 to March 2012—a Sydney exclusive.

Richard III starring Kevin Spacey at the Lyric Theatre, Sydney, in December 2011 is another exclusive Sydney season. We look forward to welcoming Tiger Woods, who will join an all-star line-up at this year's Australian Open Golf at The Lakes, Sydney, from 10 to 13 November. We enjoyed the Davis Cup world group play-off between Australia and Switzerland at Royal Sydney Golf Club, thanks to the New South Wales Government.

[*Interruption*]

Members need to listen occasionally; then they can have a little go afterwards. We have football covered as well, with Sydney securing three World Cup qualifier games in the lead up to the 2014 FIFA World Cup. Three new major events for the 2011 Crave Sydney International Food Festival were announced this year, with Breakfast on Bondi Beach, Kids Crazy Island Tea Party on Goat Island and the 100 Mile Meal Challenge event, showcasing the best of regional New South Wales produce at Eveleigh Markets. In western Sydney we will host the national NAB AFL Draft to be held in November 2011. Also look out for the brand-new Sydney International Rowing Regatta, including the opening rounds of the Samsung World Rowing Cup at Penrith in 2013 and 2014. Sydney and New South Wales also recently secured the Inter-Dominion for three years from 2013 to 2015 inclusive at Menangle Park.

This Government understands that New South Wales is more than just Sydney. We have invested in regional events to support local jobs for local communities. Since March we have invested in the following new major events in regional New South Wales: the 2015 Touch Football World Cup, including a range of national and international Touch Football events from 2011 to 2015, at several locations across New South Wales, thanks again to the New South Wales Government. A trio of national and international sporting events took place in the Hunter, with the Newcastle Jets 2011-12 A league campaign, the Australian Diamonds versus England Netball test match and Australia versus New Zealand Rugby League test match held in Newcastle at Ausgrid Stadium. We are also investing in the Ironman 70.3, which is a half-marathon event in Port Macquarie. We will continue to support Tamworth Country Music Festival and Awards, Byron Bay Bluesfest, the Wintersun Festival, Commercial Club Albury Gold Cup Carnival, and many others.

The hard work of the New South Wales Government through Destination NSW and its partners was recognised on 4 October when Sydney was declared the world's best festival and event city for a second consecutive year. Destination NSW submitted the entry and Sydney was again deemed the world's best festival and event city for 2011 in the over one million population category. The award was announced at this year's IFEA 56th Annual Convention and Expo in Fort Worth, Texas, United States of America. It is a source of great pride for Sydney to be named as the world's best festival and event city for a second year running, and soon after Sydney was named the world's best city in the Conde Nast Traveller Magazine Reader's Choice Awards. We are focused on strengthening the New South Wales events calendar and upholding our position as the number one tourism and events city and State in Australia.

[*Time expired.*]

Dr JOHN KAYE: Can you tell the Committee how much came from Events to the NRL draft? What was the payment for the NRL draft?

Mr GEORGE SOURIS: The AFL draft.

Dr JOHN KAYE: You said NRL.

Mr GEORGE SOURIS: If I said NRL I apologise. It is the AFL draft. I think the answer is that I cannot because—

Dr JOHN KAYE: Can you take that on notice?

Mr GEORGE SOURIS: No. I do not think I can take it on notice because it is not information we can or are prepared to disclose.

Dr JOHN KAYE: Is it commercial in confidence?

Mr GEORGE SOURIS: It would be a wonderful signal to provide that information to Queensland and other States. I am sorry.

Dr JOHN KAYE: I turn to the V8 Supercar races at Homebush. As I understand it, in the dying days of the Keneally Government there was a review commissioned of the Homebush Motor Racing (Sydney 400) Act 2008 by a company called Kellview. Is that correct?

Mr GEORGE SOURIS: I do not know the answer.

Dr JOHN KAYE: And the person—

Mr GEORGE SOURIS: Just a minute. What was the name of the company?

Dr JOHN KAYE: Kellview Pty Ltd.

Mr BUFFIER: There was a review undertaken. I am not sure of the name of the company.

Dr JOHN KAYE: I am getting that information from answers to questions on notice to us. Who was the person from Kellview who conducted that review?

Mr BUFFIER: I would have to take that on notice.

Dr JOHN KAYE: In answers to questions on notice to us you identified that the person from Kellview who undertook the review was a "former director general for the Department of Tourism, Sport and Recreation and had previously had responsibility for the Sydney Olympic Park Authority and the motor sports licensing legislation".

Mr BUFFIER: Thank you. I think that jogs my memory. Was that Bill Healy who did the review?

Dr JOHN KAYE: No, I am asking you the questions. Was it Bill Healy who did the review?

Mr BUFFIER: I think it was.

Dr JOHN KAYE: It is not my department; it is your department.

Mr BUFFIER: I would have to take that on notice.

Dr JOHN KAYE: In answers to questions on notice you have admitted to us that it was a former director general of the Department of Tourism, Sport and Recreation who did have previous responsibility for the Sydney Olympic Park Authority and for the motor sports licensing legislation. Are you concerned that there was a terrible conflict of interest in that review? Will you undertake to commission a new review from somebody who did not have at least reputation tied up with the Homebush Bay event?

Mr GEORGE SOURIS: I am almost enjoying the question. You could ask for somebody from the previous administration to justify all of that.

Dr JOHN KAYE: No, I am not—

Mr GEORGE SOURIS: I am not aware of that information but we will have to take that on notice and provide you with an answer. I am not aware of the name Bill Healy.

Dr JOHN KAYE: But on the—

Mr GEORGE SOURIS: It does not mean I am presently aware of enough information to give you an answer. I would prefer, and will indeed, give you an answer on notice.

Dr JOHN KAYE: On 14 October this year you tabled, in answer to a question we asked you about this review—it was your answer that identified—

Mr GEORGE SOURIS: That may be the case. In fact, I did not say that that was not. That may well be the case but presently I am not particularly aware of enough information on that aspect, and I do not know if any of my advisers are, as would enable me to give you an answer on that question.

Dr JOHN KAYE: Can we do this hypothetically?

CHAIR: Order! No. The Minister has outlined that he will take the question on notice. Dr John Kaye should move on to the next question.

Dr JOHN KAYE: According to your answers to questions on notice, attendance figures at the Sydney Homebush racing and the V8 Supercar 500 event at Homebush between 2009 and 2010 fell by 18,133 participants. That is a 10 per cent reduction. Are you concerned that the event is losing its popularity?

Mr GEORGE SOURIS: I would be concerned in that and many other aspects, whether it is that alone or anything else. The fact is that there is a contractual obligation to stage the event in that location. The contract provides for that event to occur between 2009 and 2013, and the Government has no intention other than fulfilling those obligations. Beyond that point, there is no decision. There is presently no proposal under investigation or anything like that, but in any case we would not be willing or be in any position to say whether or not the event will occur in any particular location, whether the event will occur at all, or any particular details in relation to funding ahead of any negotiations having even been commenced; in other words they have not.

Dr JOHN KAYE: As Minister for Major Events, would you describe a 10 per cent reduction in one year as a fairly spectacular loss of patronage?

Mr GEORGE SOURIS: Indeed. As I said, I would be interested and concerned about that and maybe lots of other aspects. It was a contract that was signed by the previous administration. It binds the Government, it binds the Crown.

Dr JOHN KAYE: We understand that.

Mr GEORGE SOURIS: It binds the Crown.

Dr JOHN KAYE: Yes, we understand.

CHAIR: Please allow the Minister to answer.

Mr GEORGE SOURIS: As concerned as I might be in that or any other aspect, nonetheless we are contracted to fulfil our obligations to 2013.

Dr JOHN KAYE: What is the total amount of money that goes to the event organisers this year from the New South Wales Government?

Mr GEORGE SOURIS: That cannot be given to you.

Dr JOHN KAYE: Minister, you are aware that the total amount of money over the five-year period—

Mr GEORGE SOURIS: Was \$35 million.

Dr JOHN KAYE: It was \$35 million and was released by the Auditor-General, so the Auditor-General did not see that amount as commercial in confidence.

Mr GEORGE SOURIS: No, that is my dot point three. I am quite happy to confirm that. You have got the right figure; it has been in every newspaper.

Dr JOHN KAYE: The \$35 million?

Mr GEORGE SOURIS: Absolutely.

Dr JOHN KAYE: I know that, Minister. But I really want to know what is the current annual amount? Why is that commercial in confidence when the \$35 million was not commercial in confidence?

Mr GEORGE SOURIS: Because there will obviously be future negotiations with that or maybe another party.

Dr JOHN KAYE: What was the total amount given to V8 Supercars in respect of the initial set-up of the event?

Mr GEORGE SOURIS: I do not know—that was in the previous administration.

Ms CHIPCHASE: I know there was an amount set aside for infrastructure development—I think safety barriers needed to be implemented and there was also a flyover that needed to be put in for public safety, so people could walk from one part of the track to another. But I do not have that specific figure.

Dr JOHN KAYE: You will get back to us on notice with that?

Mr BUFFIER: I need to cut in there, please. This was prior to Miss Chipchase coming on board, and that was confidential within the terms of the agreement so we cannot provide it.

Dr JOHN KAYE: Was the amount of money that Miss Chipchase has referred to part of the \$35 million or in addition to the \$35 million?

Mr BUFFIER: She did not refer to an amount of money, as far as I know.

Ms CHIPCHASE: No.

Dr JOHN KAYE: She referred to the existence of a payment.

Ms CHIPCHASE: As part of that contract.

Dr JOHN KAYE: Sorry, Miss Chipchase. Was that part of the \$35 million?

Ms CHIPCHASE: It is part of producing the event.

Dr JOHN KAYE: Which is part of the \$35 million referred to? Sorry, Mr Buffier, you are instructing Miss Chipchase?

Mr BUFFIER: I am saying that the terms of the agreement preclude us divulging that.

Dr JOHN KAYE: But Miss Chipchase has already told us there was infrastructure establishment money, but she was not able to tell us the amount.

Ms CHIPCHASE: There was no additional payment.

Dr JOHN KAYE: But that was part of the \$35 million?

Mr GEORGE SOURIS: I think you have had sufficient answers to the same sort of question.

Dr JOHN KAYE: No, I asked the question of Miss Chipchase.

Mr GEORGE SOURIS: You might fancy yourself as a Perry Mason but there can be no further information divulged. It is contractual, and that is that.

Dr JOHN KAYE: But Miss Chipchase tells us that there was money—

Ms CHIPCHASE: The amount of money that is there is the amount of money that was contracted and has been spent.

Dr JOHN KAYE: Which is the \$35 million dollars. Thank you, Miss Chipchase. Minister, are you entirely comfortable with the Chilletes promotion that is being used at this year's event?

Mr GEORGE SOURIS: Is that a dancing band or something like that?

Ms CHIPCHASE: Dancing girls.

Mr GEORGE SOURIS: I do not know about any aspect of that.

Dr JOHN KAYE: You are unaware that—

Mr GEORGE SOURIS: I am unaware of that name.

Dr JOHN KAYE: —the V8 Supercars are using, in addition to other bikini models they have used in the past, a group of bikini models and a bikini modelling contest in order to promote both a brand of milk and also the event.

Mr GEORGE SOURIS: I am indeed unaware of the promotional aspects of whatever it is the promoters—the owners and promoters—of this event are doing.

Dr JOHN KAYE: So you are not concerned then about the sorts of promotions they use and that some of these promotions may be damaging—

Mr GEORGE SOURIS: I will put it to you this way—

Dr JOHN KAYE: I will finish my question if you do not mind, Minister. I let you finish your answer; I want to finish my question. You are not concerned about the damage that it will be doing to New South Wales as a major event destination when we are using passé and sexist advertising?

Mr GEORGE SOURIS: These are not aspects that are part of the contractual arrangements. It is not an item that the contract requires ministerial approval for and today was the first day I have heard of the name of the dancing band that you have just referred to. [*Time expired.*]

The Hon. PAUL GREEN: Noting some of the stuff that Dr Kaye has just been mentioning, you talked about the \$35 million investment in that event. What was the expectation of the television rights of that event, the exposure to viewers?

Mr GEORGE SOURIS: Yes, I understand. I can give you the information that I have about the economic assessment—I am quite happy to do that. The initial assessment of the economic benefits of the event—the forecast economic benefits of the event—includes a contribution to the gross State product of up to \$100 million over the five years, an additional 30,000 hotel visitor nights in Sydney each year, an additional \$1.1 million directly from payroll tax generated by the event over the five-year period, and up to 15,000 interstate and international tourists annually. That is the information I have, but I reiterate that this whole contract is one that was inherited by this Government. We have no other decision or option than to fulfil it completely. These are not this Government's projections; these are the projections that we have inherited, together with the contract.

The Hon. PAUL GREEN: Are there any other anticipated outcomes for this contribution of the \$35 million that you are aware of in terms of what the investment gets for New South Wales?

Mr GEORGE SOURIS: I have itemised those and that is the list I have.

The Hon. PAUL GREEN: I am very interested. Obviously you can look at the 18,000 and say it is down by 10 per cent. But you may have increased your viewers on air and have the event exposing New South Wales, which is not a bad investment if you had those stats. That is my point.

Mr GEORGE SOURIS: With things like viewerships and so on, we will do our best to put together an additional suite of information in the way you have mentioned with television viewerships and so on, and maybe there are some more things we can add to that.

The Hon. PAUL GREEN: Thank you. I would be interested in that. You see the NRL and AFL and stuff like that, they might have 5,000 at the ground but there are another 200,000 watching around the State. We must not just take one part of the illustration as being the full picture. I would be interested to know what is the

full picture from that investment of \$35 million. Going back to regional funding—and I am glad you answered one of my questions about what regional events are coming or what regional areas have in terms of events—what are the funding initiatives available to regional rural New South Wales for holding major events?

Ms CHIPCHASE: We will take that on notice. We have the Regional Events Flagship Program so events can ask for, or put in applications for, funding for an annual grant of \$10,000 or, if it is a longer-term grant over a series of years—two to three years—they can ask for \$20,000. Again, we encourage individual communities within regional New South Wales that are looking for event development or incubation funds to apply for those grants.

Mr GEORGE SOURIS: If I may just add, there are events that occur in Sydney but which have a very direct and strong relevance to the regions. I simply point out that the Autumn Racing Carnival—for example, the running of the Derby, Derby Day, the Australian Derby, the Golden Slipper, the Doncaster, the Sydney Cup and so on—are all highly relevant to generating interest and tourism in regional racing, in regional equine breeding and in providing the breeding ground of racing and training. All the country training centres are part of the development of racehorses who eventually reach group one status and these feature events. So it is a wider answer than simply identifying something that occurs exactly in a regional area.

As I said, some of these events are very relevant. International and interstate visitors who attend the Golden Slipper might take the opportunity, even if it is directly equine related and only that, to visit areas of our regions that are directly related to racing or breeding. But then of course there is no reason why those visitors would not extend their stay or indeed participate in some regional tourism rather than simply flying home the day after the running of the Doncaster. In fact, they do not do that. They stay on. It is really up to us all, including people in the regions, to attract the visitors that flagship events bring in to our State.

CHAIR: There being no other questions, we will move to questions from the Government, beginning with the Deputy Chair.

The Hon. NIALL BLAIR: Minister, what can we expect from the Sydney Carnival in April 2012?

Mr GEORGE SOURIS: Moving straight through from racing, that is a very good question. After the spring racing carnival concludes, the racing spotlight will turn to Sydney as anticipation builds for the 2012 Sydney Carnival featuring the AAMI Golden Slipper on the first Saturday in April, which is the Easter holiday weekend next year. The Sydney Carnival is a prestigious event held in Australia's global city and the birthplace of Australian racing. It is a highlight of the New South Wales racing and event calendars, and April is a wonderful time of year to enjoy premium thoroughbred racing in Sydney. As the sporting, entertainment, fashion and social hub of Sydney's autumn, the Sydney Carnival promises an unrivalled racing program featuring time-honoured races across four Saturdays: the AAMI Golden Slipper Day, the David Jones Australian Derby Day, Doncaster Day and the Schweppes Sydney Cup Day.

An important part of the Sydney Carnival is the Inglis Australian Easter Yearling Sale—the flagship event on the annual Inglis calendar which attracts the finest young thoroughbreds in the Southern Hemisphere as well as national and international buyers to Sydney each autumn. Indeed, the sale is the barometer for all thoroughbred interests in Australasia and has become an integral part of our nation's horseracing culture. I have visited the Newmarket area year after year, and I know that the Premier, both now and when he was the Leader of the Opposition, also has visited the area. On a couple of occasions I attended with the Premier at this most important business—and it is a business—in our calendar.

The racing action at Rosehill and Randwick is the perfect trackside complement to the action in the Inglis sales ring where champions of all shapes and sizes have paraded beneath Newmarket's world-famous fig tree. Sydney Carnival is staged by the Australian Turf Club and created through a partnership between Racing NSW, the Australian Turf Club, Destination NSW, Inglis and Tabcorp. Through the Sydney Carnival Committee, which is chaired by Racing NSW, the partners are aiming to create an unparalleled racing event to rival other racing carnivals. The aim is to realise economic, strategic, marketing and community benefits for the State from the Sydney Carnival while also increasing race-day attendance and generally an interest in racing. Already the partnership has achieved fixed carnival dates over 2010-12, with the Golden Slipper on the first Saturday each April, to provide planning, marketing and program certainty each year.

I cite the examples of the placement of the Sydney Carnival on the international racing calendar between the Dubai World Cup at the end of March and the Kentucky Derby in early May; transformation of the

carnival racing content following an extensive multistakeholder event development process; a focus on Golden Slipper and Australian Derby days as the best consecutive days' racing in the Southern Hemisphere; all races on Slipper and Derby days being at least group 3 in status; the development of a new brand, look and feel for the Sydney Carnival; an integrated Sydney Carnival marketing strategy and campaign; and a unified brand message across all stakeholders.

The Sydney Carnival is already in market with the 2012 marketing campaign being progressively rolled out in coming months. Due to the Royal Randwick redevelopment, tickets are strictly limited for the David Jones Australian Derby Day, Doncaster Day and the Schweppes Sydney Cup Day. A sell-out crowd is expected, and early bookings are highly recommended. I ask for the forbearance of the public, particularly the racing public, while Royal Randwick embarks upon an extensive rebuilding project. Racing will be occurring on certain days, particularly those I have just mentioned, but undoubtedly there will be inconvenience because of the rollout of the \$150 million redevelopment of Royal Randwick, which will be underway during those prestigious events.

But there is something about staging those name events at Royal Randwick that even a construction program cannot take away from as far as the importance and heritage of those events being staged there is concerned. Nevertheless, I ask for the forbearance of the racing public. While I am on the topic of redevelopment, I wish the Australian Turf Club all the very best for embarking on this big day.

I will add one more advertisement: Next Saturday, 5 November, will be the farewell day at Royal Randwick. I encourage absolutely everybody, especially those who previously may never have been to Royal Randwick, to go there on this special day to experience not only racing but to have one last look at old Royal Randwick—without being disrespectful, to see what was—and, within a very short period, return to see the transformation that will be Royal Randwick after the redevelopment—the pre-eminent racecourse and unique race facility in all the world, a venue that is located so close to the central business district of a major capital city. That is what we will have in Sydney. What a great foundation it will be for leveraging this event into even greater international standing and status as well as fresh tourism and visitation economic benefits.

The Hon. JOHN AJAKA: Minister, you have touched a little on this topic, but could you advise what Destination NSW has done to secure musical events for Sydney?

Mr GEORGE SOURIS: One or two of these events have been referred to in previous answers, but the question gives me an opportunity to provide a more comprehensive response. Attracting the finest in musical theatre to Australia and Sydney is an important element of the New South Wales Tourism and Events Strategy. Destination NSW estimates that the direct economic impact from internationally renowned musicals is approximately \$3 million a month in new money for New South Wales, or close to \$20 million over a six-month run.

Unlike other events, musicals have a run. The most recent and best example of that would be the staging of *Mary Poppins*. I am very pleased to say that it had a remarkable run in Sydney. The premiere run was held in Melbourne, and Sydney's was the second run. Two important statistics will emerge in a fortnight when a certain statistic is reached. The statistic to which I refer is that the audience will pass the half-million mark in Sydney, which will surpass the Melbourne audience for a premiere run. That is a remarkable achievement.

I must also say that despite its being a second run and despite my personal knowledge that many people from New South Wales went to Melbourne to see the premiere run, nonetheless the significance for such high-class musical theatre in New South Wales is that Melbourne attracted interstate and international visitation to the tune of 38 per cent of its audience whereas in Sydney, despite its being a second run, musicals such as *Mary Poppins*, *Jersey Boys* and others attracted 41 per cent of ticket sales to interstate and international attendees, which is higher than Melbourne's. These events do attract people from around Australia and overseas: They stay in our hotels, visit tourist attractions, and take advantage of all the State has to offer.

The 2011 NSW Events calendar is anticipated to deliver more than \$600 million into the New South Wales economy. Musical theatre features strongly on the calendar and plays a strong role in delivering those benefits to New South Wales. The New South Wales Government has announced the following musicals for Sydney: the Australian premiere of *Annie* in 2012 and the world premiere of *An Officer and a Gentleman* in 2012. I am delighted that that announcement beat both London and New York. I was even more delighted to attend and speak at the launch of the cast to the group-buying audience. The star, Ben Mingay, arrived on stage. I have known him since he was born, a boy from the Hunter Valley, and I have known his family. He is

presently starring in *Jersey Boys* and will be the star in *An Officer and a Gentleman*. There is something about Australian theatre that does develop talent, and I am really pleased to see that.

Other musicals include: the Australian premiere of the *Addams Family* in 2013, a Rodney Rigby production; and the world premiere of *Strictly Ballroom the Musical* in 2013, which also beat London and New York. I particularly want to place on record the Premier's direct and personal involvement in achieving this world premiere and his personal discussions with Baz Luhrmann, the producer. I do not know whether it will happen, but Mr Luhrmann sent our Premier a pair of size 12 male dancing shoes. Apparently the deal for securing this musical involves the utilisation of those shoes. The *Addams Family* became one of Broadway's biggest hits after opening in March 2010—grossing more than \$US62 million in its first 14 months, and consistently placing amongst Broadway's top grossing shows each week.

Strictly Ballroom, already a world-wide cinema hit, re-ignited interest in ballroom dancing both in Australia and overseas. As a result producers in London and New York have been competing for the stage rights to *Strictly Ballroom the Musical* for nearly 20 years. The fact that Sydney secured the premiere, ahead of Broadway and London's West End, is a major theatrical coup. All of these superb events further consolidate Sydney's reputation for securing and promoting world-class musicals and confirm Sydney's position as Australia's leading theatrical destination. Major musical productions inject life, money and professional opportunities into the creative industries of New South Wales. They develop a pool of talent in our State that cumulatively positions our State to attract even more musicals.

It highlights one or two deficiencies that our State needs to address, something that should have been addressed long ago, that is, the need for additional lyric theatre space. Without particularly picking a size but a 1,500 to 2,000 seat capacity would be the obvious size that these major musicals need. We are able to fit these shows in Sydney but most of the producers with whom we have had dealings, the Australian and international producers, particularly from Broadway and the West End, have all indicated the need for additional lyric theatre space in Sydney.

I am pleased to have this opportunity to place on record the interest of the New South Wales Government in encouraging a private sector development of that nature. We will do what we can to assist that. It needs to be a private sector development. We have that need and without trying to create a debate about location, that is not the issue, the issue is the theatre space and seating that is needed in our State to be able to harness the economic benefit that major musical productions are having and will have increasingly for our State's economy.

The Hon. JOHN AJAKA: The Government will forego any further questions in view of the time. Can we move on to Hospitality and Racing, with the consent of all Committee members?

CHAIR: We will now deal with the Hospitality and Racing portfolios.

The Hon. STEVE WHAN: On 9 June the Minister sent an email to one of his advisers about appointments to the Casino, Liquor and Gaming Control Authority Board. Minister, in that email you said, "I've had an approach re: Brian Ross." Who approached you about the appointment of Brian Ross to that board?

Mr GEORGE SOURIS: This question and many others in this area have been asked previously. I will answer in the same way as I have answered in the House previously. Advertisements were placed for positions on the board of the Casino, Liquor and Gaming Control Authority. Those applications were processed by the Office of Liquor, Gaming and Racing in the usual way. An in-principle recommendation was made to Cabinet for Mr Ross and one other to be appointed, subject to a probity check by the Office of Liquor, Gaming and Racing.

Following the probity check the Office of Liquor, Gaming and Racing advised there were no adverse findings. The appointments were subsequently approved by executive council. Mr Ross then resigned the post both verbally and then in writing due to health reasons. As the Premier has previously noted, the Opposition has referred this matter to the Independent Commission Against Corruption. Further consideration of this matter should be left in its hands.

The Hon. STEVE WHAN: Minister, are you not willing to say who approached you, as was revealed by your email to one of your staff members?

Mr GEORGE SOURIS: The answer is as I have given. As the Opposition has referred this matter to the Independent Commission Against Corruption then I have no further information to give you.

The Hon. STEVE WHAN: Minister, have you taken any action to advertise the position left vacant by Mr Ross?

Mr GEORGE SOURIS: Yes.

The Hon. STEVE WHAN: When was that advertised?

Mr GEORGE SOURIS: It has not yet been advertised, but it will be. There is a particular reason for expanding the size and that is that there will be matters that will come before the newly named now Independent Liquor and Gaming Authority that will require matters to be dealt with separately and at arm's length from each other in relation to the Liquor Amendment (3 Strikes) Bill 2011. Therefore there is a need to expand the size of the authority.

The Hon. STEVE WHAN: Earlier you said that probity checks were undertaken, which is something that you have said before. Do you agree that in this case the probity check failed to pick up crucial information about the ineligibility of Mr Ross to sit on the board? What steps have you taken since this incident occurred to strengthen the probity checks conducted by your department?

The Hon. JOHN AJAKA: Point of order: The Minister has made it very clear that this matter has now been referred to the Independent Commission Against Corruption for consideration and that he would not answer any further questions on the issue. The Hon. Steve Whan is simply rewording his question to deal with probity issues that clearly come within the ambit of the Independent Commission Against Corruption inquiry.

The Hon. STEVE WHAN: To the point of order: I am asking for actions that have been taken since this occurred, which are certainly within the scope of the Minister to answer. Nothing in the standing orders prevents me from asking questions about issues that are before the Independent Commission Against Corruption. If the Minister wants to declare an Independent Commission Against Corruption investigation—we do not know if one is taking place—he can give that as his answer but there is nothing to stop me from asking the questions.

CHAIR: The Minister has outlined that he has addressed the issue in relation to Mr Ross. The next question about what steps have been taken can be answered by the Minister.

The Hon. STEVE WHAN: The question related to what steps you have taken since this occurred to strengthen the probity checks conducted by your department.

Mr GEORGE SOURIS: I am not prepared to answer in any other way than I have with regard to matters relating to this area generally. My answer remains that the Opposition, as has been publicised, has referred the matter to the Independent Commission Against Corruption. Therefore, further consideration of it should be left in its hands.

The Hon. STEVE WHAN: Are you familiar with the Premier's memorandum M2011-13 "Lobbying of NSW Government Officials"?

Mr GEORGE SOURIS: I do not think this is an exercise worth pursuing. If the member simply wants to parade a number of questions to receive the same answer—

The Hon. LYNDA VOLTZ: Point of order—

CHAIR: Order! The Minister is speaking.

The Hon. LYNDA VOLTZ: I have a point of order. It is not for Ministers to debate the questions asked by committee members. We have the right to ask questions about the Minister's functions. That is what budget estimates are all about. Ministers should not debate the questions asked by committee members.

CHAIR: The honourable member should ask his questions bearing in mind that wide latitude is allowed. However, his questions should relate to the budget papers or prior expenditure.

The Hon. STEVE WHAN: The memorandum states:

A lobbyist (as defined in the Code) and the employees, contractors or persons otherwise engaged by the lobbyist to carry out lobbying activities are ineligible for appointment to any Government Board or Committee if the functions of the Board or Committee relate to any matter on which the lobbyist ... represents the interests of third parties, or has represented interests of third parties in the 12 months prior to the date of the proposed appointment.

Minister, do you accept that Mr Ross should never have been appointed to the Liquor Casino and Gaming Control Authority due to his activities as a lobbyist on behalf of the Australian Hotels Association?

The Hon. JOHN AJAKA: Point of order: The honourable member is now flouting your earlier decision.

The Hon. STEVE WHAN: There was no decision.

The Hon. JOHN AJAKA: He is clearly asking questions about a matter that has been referred to the Independent Commission Against Corruption. The Minister has made his position clear on this.

The Hon. LYNDA VOLTZ: To the point of order: Budget estimates committee hearings allow members of the upper House to ask questions of Ministers about their functions. There is nothing that prohibits the member asking any question about the Minister's functions. The appointment of board members is part of the Minister's job and the honourable member is well within his rights to ask questions about that matter.

The Hon. PAUL GREEN: To the point of order: From my limited experience, it always comes back to the individual whether he or she wants to cross over the legalities. Given that this matter has been referred to the Independent Commission Against Corruption, I would be very cautious. I understand why the Minister is being cautious and it is his call given that this is subjective and there could be a legal outcome.

The Hon. STEVE WHAN: To the point of order: The Minister can answer if he wishes using the cover of the Independent Commission Against Corruption. However, there is nothing in the procedures covering this committee that prevents me asking questions directly related to the Minister's portfolio.

The Hon. NIALL BLAIR: To the point of order: I acknowledge the point made by the Hon. Steve Whan, but it is my understanding that the Minister has clearly answered this question and any other related questions. I believe that we should move on to further questions.

The Hon. STEVE WHAN: How I use my time is up to me.

CHAIR: The Hon. Paul Green had the call.

The Hon. PAUL GREEN: I have no problem with the Hon. Steve Whan asking the question, but the Minister's reply is appropriate if it he feels that it crosses over the Independent Commission Against Corruption issue. That is a fair point.

CHAIR: There is no point of order. The Minister has answered the question. The Hon. Steve Whan will move on to his next question.

The Hon. STEVE WHAN: According to emails that the Opposition has seen, your office was asked by a journalist what was your understanding about why Mr Ross suddenly resigned from the position. As you said, you believe he resigned because of ill health. Are you convinced that Mr Ross did resign because of ill health given that you said in an email to one of your advisers on 2 September at 6.55 a.m., "When you get in, can you check the resignation status?" and "He has personally let the Premier down badly." Are you still convinced that ill health was the real reason for Mr Ross's resignation?

Mr GEORGE SOURIS: I refer to my previous answer. Madam Chair, I can give it in full or I can simply refer to it in this way; it is up to you.

The Hon. STEVE WHAN: Is it not true that Mr Ross was asked to resign to shield you and the Premier from bad publicity?

Mr GEORGE SOURIS: Madam Chair—

The Hon. STEVE WHAN: So you are not willing to provide any further information at all?

Mr GEORGE SOURIS: As previously noted, the Opposition has referred the matter to the Independent Commission Against Corruption and further consideration should be left in its hands.

The Hon. STEVE WHAN: Have you been contacted by the Independent Commission Against Corruption to answer questions about this case?

Mr GEORGE SOURIS: No.

The Hon. STEVE WHAN: Are you aware of anyone else who has been contacted by the Independent Commission Against Corruption?

Mr GEORGE SOURIS: No.

The Hon. STEVE WHAN: So you are not aware that the Independent Commission Against Corruption is currently considering this matter, only that it has been referred?

The Hon. JOHN AJAKA: Point of order: This Minister cannot answer—in fact, no-one can answer—whether the Independent Commission Against Corruption is considering—

The Hon. STEVE WHAN: That is correct.

CHAIR: I uphold the point of order.

The Hon. STEVE WHAN: Therefore, Minister, it is completely your choice here today whether you want to clarify a number of aspects of this appointment for which you were personally responsible. You have had the opportunity to clarify who approached you about Mr Ross. We know someone approached you about his appointment, but you do not wish to enlighten us as to whom that was. Would you like to tell the Committee whether that person was a member of the Government or a representative of the Australian Hotels Association?

Mr GEORGE SOURIS: The Opposition referred this to the Independent Commission Against Corruption. I know that from the press. Therefore, any further consideration of this matter should be left in its hands.

The Hon. STEVE WHAN: Did you create an additional board position specifically for Mr Ross?

Mr GEORGE SOURIS: No.

The Hon. STEVE WHAN: Given that you are clearly not willing to assist in enlightening us—

The Hon. JOHN AJAKA: Point of order: With all due respect to the honourable member, who is a former Minister, he knows far better than to verbal the Minister in this respect or in any way to imply that the Minister is not assisting the Committee.

The Hon. LYNDIA VOLTZ: He is not answering the question, so it is pretty obvious.

CHAIR: I uphold the point of order. The member will ensure that his questions relate to direct matters.

The Hon. STEVE WHAN: Minister, why did you create an additional board position and appoint two new members when one member was due to leave?

Mr GEORGE SOURIS: As has been said in answer to previous questions and by the Premier and me in answer to questions in another place, the Opposition has referred this matter to the Independent Commission Against Corruption. Therefore, any further consideration of it should be left in its hands.

The Hon. STEVE WHAN: The Independent Commission Against Corruption is not investigating why two members were appointed.

CHAIR: The Minister has answered the question.

The Hon. STEVE WHAN: Minister—

CHAIR: The Minister is speaking.

Mr GEORGE SOURIS: As I said, the Premier has previously noted and I have previously noted—

The Hon. LYNDIA VOLTZ: We are asking you.

Mr GEORGE SOURIS: —in answer to questions in another place that the Opposition has referred this matter to the Independent Commission Against Corruption. Therefore, further consideration of it should be left in its hands.

The Hon. STEVE WHAN: Given your comment that the only reason for Mr Ross's resignation was ill health, does that mean you would consider appointing people who have acted as lobbyists—

The Hon. NIAL BLAIR: Point of order: That is a hypothetical question and I believe it is out of order.

CHAIR: I uphold the point of order. The Minister has addressed these questions previously. The member will move on.

The Hon. STEVE WHAN: I do not believe he has answered this question because I am now asking about future appointments.

The Hon. NIAL BLAIR: Point of order: My point is that this question is hypothetical and I believe it is outside the standing orders. Members should not ask hypothetical questions.

CHAIR: I uphold the point of order.

The Hon. STEVE WHAN: I have one last question on this issue. When you make any future appointments to the authority will you adhere to the lobbyists' code of conduct as published by your Government?

Mr GEORGE SOURIS: And in one final answer, as you know, the Premier and I have on previous occasions noted that the Opposition has referred this entire matter to the Independent Commission Against Corruption—

The Hon. STEVE WHAN: I would have thought yes would have been the safest answer.

Mr GEORGE SOURIS: —and further consideration of it should be left in its hands.

The Hon. LYNDIA VOLTZ: In the Clubs, Liquor and Gaming Machines Legislation Amendment Bill 2011, you made a decision to rename the Casino, Liquor and Gaming Control Authority as the Independent Liquor and Gaming Authority. How does changing the name of the regulatory authority make it more independent, since it is a public office with public funding, appointed by you?

Mr GEORGE SOURIS: The reason for doing that, first of all, was in response to a recommendation made by the original organisation, the Casino, Liquor and Gaming Control Authority. It was a recommendation made to me. The principal reason for it was to introduce the word "Independent", so that it was clearly understood that the Independent Liquor and Gaming Authority was independent of the direct influence or role of the Minister of the day and to differentiate it from the Office of Liquor, Gaming and Racing, which is an organisation that is within the jurisdiction of the Minister compared to the independent role that the Independent Liquor and Gaming Authority has. It is the former Licensing Court of New South Wales, the former Casino Control Authority and the former Casino, Liquor and Gaming Control Authority. They now become the Independent Liquor and Gaming Authority. As I said, the concept is to ensure that it is more clearly identified in separation to the Office of Liquor, Gaming and Racing and as having an independent role.

The Hon. STEVE WHAN: Minister, have you received any declarable gifts from the gaming industry since becoming Minister?

Mr GEORGE SOURIS: Any declarable gifts?

The Hon. STEVE WHAN: Under the guidelines of the Parliament.

Mr GEORGE SOURIS: What are you calling the gaming industry?

The Hon. STEVE WHAN: Those associated with the gaming industry, and pubs and clubs and the whole—

Mr GEORGE SOURIS: Since becoming the Minister, I do not believe so.

The Hon. LYNDA VOLTZ: Minister, have you or any of your staff received tickets to any New South Wales racing events since March 2011?

Mr GEORGE SOURIS: I declare exactly that in my pecuniary interests declaration, but, in my role, I attend various events in the portfolio areas of Tourism, Major Events, Hospitality, Racing and the Arts. I do not know that it is seven days a week, but almost seven days a week attendance at one thing or another, including, as you have just described, race events. I will be attending the farewell race event at Randwick in a fortnight's time and next Tuesday, Melbourne Cup day, I will be attending the running of the Muswellbrook Cup at Muswellbrook, but this is a regular feature of the role with the portfolios that I have.

The Hon. STEVE WHAN: Over the time that you have been Minister, have you or your office provided major event tickets, which have been provided free of charge, to other Ministers or Ministers' offices?

Mr GEORGE SOURIS: This also is a regular occurrence. The people who stage major events sometimes have asked me to invite other Ministers that they have nominated, or they have invited them directly. For example, last night I attended the opening of a stage show and other people were there that they had not asked me to invite, but on other occasions that would be the case. As I said, this is a regular feature. At the NRL grand final, for the NRL itself to ensure that it had a cross-section, there was representation of Government and Opposition and others—Federal and State. That is a normal part of business in this portfolio, and I am surprised that I have not seen you at anything I have attended thus far.

The Hon. STEVE WHAN: I accept that it is a normal part of your portfolio.

Mr GEORGE SOURIS: It is a very important part and you should immerse yourself in the portfolio a little bit more than you have.

The Hon. STEVE WHAN: Do you keep a record of those tickets that are provided gratis to other Ministers' offices?

Mr GEORGE SOURIS: No, I certainly do not. They are not really my invitation, so it is not really a matter for me. But the Ministers themselves no doubt would declare those in their pecuniary interests.

The Hon. STEVE WHAN: Should they be required to, yes.

Mr GEORGE SOURIS: Should they be required to, indeed. I see a lot of Labor Party people. I think you should ask that in your own party room.

The Hon. STEVE WHAN: You mentioned the Muswellbrook races. Have you sought assurances from the Minister for Health that a paramedic is available for events at the Muswellbrook racecourse?

Mr GEORGE SOURIS: No, I have not done that. This matter has emerged only recently. I am hopeful that the industrial dispute that is going on will not come to fruition on Melbourne Cup day, because it is not only Muswellbrook races but races all over the State that occur on Melbourne Cup day. I have made a number of public comments that Melbourne Cup day is a very important event on Australia's calendar. It is iconic. It is a very important event of heritage, it is an event which stands this nation still, and it is an event which, throughout the world, is observed and enjoyed. I certainly ask the union to consider those additional

aspects in staging their industrial dispute. I sincerely hope that it is able to be resolved by that time and that the union withdraws its proposed action as otherwise would impair, in the eyes of the world, the famous Melbourne Cup day of Australia.

CHAIR: The Opposition's time for questions has expired. We will move to the crossbench, starting with Dr John Kaye.

Dr JOHN KAYE: It would be fair to say that the New South Wales Government does not support mandatory pre-commitment on poker machines or gaming machines.

Mr GEORGE SOURIS: It would be fair, and I think I can include the Opposition, can I not? Is the Opposition in favour of mandatory pre-commitment legislation?

Dr JOHN KAYE: Minister, I am actually asking the questions, not you.

Mr GEORGE SOURIS: That is quite okay, I am speculating on the answer.

Dr JOHN KAYE: You may well do so. Minister, your opposition to mandatory pre-commitment is clearly informed by the campaign run by ClubsNSW?

Mr GEORGE SOURIS: That is incorrect.

Dr JOHN KAYE: It is incorrect?

Mr GEORGE SOURIS: The political campaign? No. Our opposition extends to continuing the opposition that the previous Government had, which I believe it has failed to fulfil now that it is in Opposition. I do not know what campaign currently is running that you are referring to.

Dr JOHN KAYE: You are telling me you are unaware that ClubsNSW is running a campaign?

Mr GEORGE SOURIS: No, I did not say that.

Dr JOHN KAYE: You just said you do not know what campaign is currently running.

Mr GEORGE SOURIS: No. The implication is that I do not know what campaign is running as would have influenced our decision some time ago to continue the opposition of the then Government, to join the then Government in opposition, and then when in Government to continue our opposition.

Dr JOHN KAYE: What is your opposition based on?

Mr GEORGE SOURIS: Our opposition is based on a number of facts. First of all, according to the Productivity Commission, a Federal organisation, the level of problem gambling in Australia was 2 per cent of the population 10 years ago and is presently 0.4 per cent of the population. In the meantime, many harm minimisation measures have been instituted, as would have reached this result. The potential imposition of mandatory pre-commitment was a political deal conducted by Mr Wilkie and the Prime Minister, or the Prime Minister potentially, elect, Ms Gillard, to empower the Gillard Government. That is no basis of science or research, that it would indeed achieve what it purports to—

Dr JOHN KAYE: What do you believe the—

Mr GEORGE SOURIS: No, I have nowhere near finished, I am sorry.

Dr JOHN KAYE: I only have 10 minutes.

Mr GEORGE SOURIS: I have nowhere near finished. It is a pointless approach to ask a question like that and then cut it off, if that is what you are going to do. I do have a lot more to say.

Dr JOHN KAYE: I was trying to sharpen your answer so that it is more useful for the Committee.

CHAIR: The Minister does have an opportunity to answer the question.

Mr GEORGE SOURIS: The basis of this is a politically generated issue to empower the Gillard Government. There are a number of other aspects. All of the States have combined to oppose this legislation. It is a matter that relates to State sovereignty. These issues are regulated by the States. The States control the legislation that empowers and licenses the existence of gaming in each jurisdiction. The Commonwealth has offered to fulfil its deal with the Independent from Tasmania by considering legislation comprising the Corporations Law, the telecommunications law and the taxation law, all pieces of legislation which are oblique to the issue.

The legislation is unlikely to be presented to the Federal Parliament even by the middle of next year. In addition, the State's have raised with the Commonwealth the question of taxation compensation, which would run into hundreds of millions of dollars should this be implemented. The Commonwealth has declined to participate in any meaningful discussions about that compensation. It would also involve significant—

Dr JOHN KAYE: Minister, you have just used 40 per cent of my time allocation in answering the question—

CHAIR: Does Dr John Kaye have a question?

Dr JOHN KAYE: I have a number of questions I would like to ask. The Minister has used 40 per cent of my time allocation but I appreciate the Minister's comments. Minister, are you concerned—please say yes or no—about the impact of the legislation on clubs?

Mr GEORGE SOURIS: Madam Chair, I am prepared to answer the question but I object to the yes or no nature of it. I cannot be verballed in this way.

Dr JOHN KAYE: Or I could ask—

Mr GEORGE SOURIS: Why does the member not ask me a long question? It is not right for the member to insist on a style of answer. I will answer the member the best way I can. I cannot participate in the sort of cross-examination that requires a yes or no answer.

Dr JOHN KAYE: I have asked you a very simple question. Are you concerned about the impact on clubs of mandatory pre-commitment?

Mr GEORGE SOURIS: Indeed, I am. I thank the member for rephrasing his question and for accepting my objection. Yes, I am concerned about the impact on clubs. Indeed, I was about to go exactly to that point in answer to your previous question. Undoubtedly this will have an impact on clubs. It will see many clubs close. It will see many clubs forced to amalgamate. It will involve job losses in the many thousands throughout the industry. It will also involve an extraordinary cost to the industry in implementing the provisions that Mr Wilkie and Prime Minister Gillard have agreed to.

Dr JOHN KAYE: What do you think the revenue loss will be to clubs?

Mr GEORGE SOURIS: It is virtually impossible to calculate that. I certainly do not have sufficient resources to calculate the revenue loss. It is potentially unknown, other than that its magnitude will be great. Clubs NSW may be able to provide information in the public domain to a question of that nature, but I certainly do not have sufficient resources to analyse that impact.

Dr JOHN KAYE: Minister, are you concerned that publicly Clubs NSW and Clubs Australia were saying 30 per cent initially and then they raised it to 40 per cent revenue loss, whilst telling their own people that the revenue loss would be between 10 and 20 per cent?

Mr GEORGE SOURIS: I cannot arbitrate on that. I accept that the losses will be of significant magnitude in revenue, employment and in the ability of clubs to provide the sorts of benefits and facilities to the community that they have in the past. It will undoubtedly lead to many clubs that are already marginal for other reasons—including legislation of the previous Government—to close and/or be forced to amalgamate. The question of amalgamation is probably not an area that will see much more growth: the issue in the industry is de-amalgamation.

Dr JOHN KAYE: On 6 April you told the *Daily Telegraph* that you were concerned about billboard advertising, outdoor advertising of gaming opportunities and wagering opportunities, and that you wanted to minimise the exposure to betting for underage and problem gamblers. By the way, I issued a media release supporting you very strongly in that regard.

Mr GEORGE SOURIS: We can work cooperatively when we try.

Dr JOHN KAYE: Well that was—

Mr GEORGE SOURIS: That was in the past, I know.

Dr JOHN KAYE: It was seven months ago that you made those comments. Was that a thought bubble or was that a policy announcement?

Mr GEORGE SOURIS: No, it was very much associated with the growth in gambling that is occurring in our community outside of licensed venues. I was referring in particular to the interstate corporate bookmakers, including betting exchanges—one of which was licensed in the home State of Mr Wilkie: Tasmania—and the extraordinary growth in turnover that those businesses have been able to attract through the internet, iPhones and in other ways. I am also concerned that at venues and on the broadcast medium messages promoting gambling are displayed—the signage at grounds, the in-run commentary of broadcasters and the messages on the screen promoting gambling.

It is a growing concern to me that some of this is within potential regulation at State level; most of it is beyond that regulation. At the recent Council of Australian Governments meeting, which I attended representing New South Wales, the three associated Federal members—the Hon. Jenny Macklin, the Hon. Bill Shorten and the Hon. Stephen Conroy—agreed unanimously with the States that action would be taken legislatively but that initially it would be by way of a code of conduct. One year was given for broadcasts to be wound up and in-run commentary will no longer be tolerated. That is arguably a voluntary position, but it will necessarily become a legislative position in due course.

Dr JOHN KAYE: Within the purview of the State Government is the issue of venue advertising, particularly billboards and electronic billboards at sporting venues.

Mr GEORGE SOURIS: At sporting venues?

Dr JOHN KAYE: Yes, advertising gaming and wagering opportunities.

Mr GEORGE SOURIS: Yes.

Dr JOHN KAYE: Have you caused any investigations within your department as to the legal opportunities for the State to restrict such advertising?

Mr GEORGE SOURIS: Yes, in conjunction with my colleague the Minister for Sport and Recreation. This is an area that is under active consideration within our Government and amongst other Australian governments, including the Commonwealth Government. The visibility of signage that encourages gambling raises two important issues: it exposes both under 18-year-olds and existing problem gamblers to these encouragements. It is not available in licensed venues. I guess the legislation over historical times has been more geared to licensed venues.

The proliferation of gambling online and in other places, and the proliferation of signage at venues other than licensed venues over recent years—mostly in the past five years or so—has attracted not only my attention but also the attention of the Government to do something about it. A lot of action is coming both at State level and, as a result of the Council of Australian Governments agreement, across all jurisdictions. I think your time has expired.

Dr JOHN KAYE: Will you take on notice a request to provide the Committee with information on what action you have taken?

CHAIR: Dr John Kaye's time has expired.

Mr GEORGE SOURIS: Not only that, I think you are able to place questions on notice at the end. You can include that question.

The Hon. PAUL GREEN: How much revenue does the Government receive approximately from the racing industry?

Mr GEORGE SOURIS: Approximately or precisely, I will get the figure for you if we have it—\$165 million.

The Hon. PAUL GREEN: Does that money go to one particular area in terms of general revenue or is given to key areas?

Mr GEORGE SOURIS: There are contributions that go direct to the racing industry but the answer I have given you is consolidated revenue.

The Hon. PAUL GREEN: As to the other money, what sort of money is being put towards problem gambling in these programs associated with the racing industry?

Mr GEORGE SOURIS: It is not particularly specific to any industry, whether it is racing or otherwise. It is in the order of \$14.5 million per annum. It is the responsibility of the Responsible Gambling Fund. There is a committee, under the chairmanship of the Reverend Harry Herbert, and of which Mr Barry Buffier is a member, which decides the general allocation of funds. I recall that about \$10.1 million of it is in front-line gambling. This document splits it up. Do you want the split up?

The Hon. PAUL GREEN: If you have it that would be great.

Mr GEORGE SOURIS: The New South Wales Government is providing \$218,000 this financial year for the national Gambling Help Online service. This successful initiative provides free confidential counselling via email and live messages 24-hours, 7-days a week. Last financial year 12,500 New South Wales residents visited the site, and more than 500 received direct online help. The information is in various locations. The allocation to direct front-line services such as gambling counsellors and so on is \$14.5 million, and \$10.1 million. Funds are also allocated for awareness campaigns and research.

The Hon. PAUL GREEN: You talk about the Productivity Commission and 2 per cent of the population, and now it is about 0.4 per cent of the population. That is problem gamblers. That is not the mum and the kids, dad and the kids and the grandparents have to take the kids while mum looks after dad because he has an issue. It is much more than the 4 per cent effect, of which you would be aware. Clubs obviously have a CBSE program. Are you aware or does the Government have any intention perhaps of giving a compulsory amount of that CBSE to local problem gambling associations? My understanding is that one particular local association would normally get some of the cut but, given the mandatory pre-commitment issue, is now not able to get on that list. I am wondering if there is a way that the Government is thinking about whether a compulsory part of that funding could be directly given to them.

Mr GEORGE SOURIS: At the moment there are two more avenues. One is that part of what will be called Club Grants in future—they have a rename as well—will be able to be applied in the way you have said to external—

The Hon. PAUL GREEN: Is the club grants that 1.5 per cent?

Mr GEORGE SOURIS: No, it is at 2.25 per cent all up. As I said, it may be applied to external agencies, but the clubs and hotels also run their own service. It is a legislative compulsory requirement that they do provide. I did have the two different names. I cannot give it to you straight away. BetSafe is one of them. As I said, they operate that as well as the ones I have referred to.

The Hon. PAUL GREEN: Is the Minister concerned, given the increase in betting, particularly mid-game betting—

Mr GEORGE SOURIS: I am sorry, I did not hear the beginning of your question.

The Hon. PAUL GREEN: In terms of gambling, one thing that has happened in recent times is during football games and stuff like that there is mid-game betting. Does the Minister have an opinion on that? Does the Minister intend to review such methods of gambling?

Mr GEORGE SOURIS: I am more than very concerned. That is a great worry to me because, as I said in answer to an earlier question, it exposes under 18-year-olds and problem gamblers in an environment that is not within a regulatory environment and not within an observable environment, usually at home or walking through a park or whatever, because of the ability of hand-held immediate access. That is a great worry. That is an area that I have asked the Responsible Gambling Fund to consider. Only a few days ago I spoke to Reverend Harry Herbert and I especially asked for what knowledge there was about that area, and Reverend Harry Herbert said that preliminary advice and studies are that it is a similar ratio to the regulated area but they are certainly watching it carefully.

From an enjoyment point of view, I will say something on behalf of the general sport-loving and viewing public. They are annoyed and I am annoyed that broadcasts are interrupted by these encouragements to gambling and I am particularly disappointed that some of these offerings are negative exotic bets. What do I mean by that? Exotic means, other than a win, one team or the other team losing, and the word "negative" means that a certain goal kicker will miss the next goal. It is so unhealthy and it exposes the potential for match fixing. It is not in the interests of the health of the sport, it is certainly not in the interests of viewers, and it is absolutely not in the interests of under 18-year-olds and problem gamblers.

The problem we have is that broadcast commentary or broadcasting is a Federal responsibility. The New South Wales Government cannot legislate or do anything in relation to the broadcast medium. In fact, I remember in prior times with the Greiner Government, I was the Minister for Sport at the time and the question of tobacco sponsorship came up. It was banned by the State but the channel in question substituted electronically the signage that was otherwise not visible around the ground with the relevant signage that it was being paid for to do so. In other words, at a State level we could not influence the resulting broadcast. So it is a matter of the Federal broadcast Act. As I mentioned earlier, the recent Council of Australian Governments agreed to take action on an all-jurisdiction basis. I look forward to what we can do in future to eradicate some of this.

The Hon. PAUL GREEN: Can I have your view on the three strikes legislation?

Mr GEORGE SOURIS: I introduced it. How long is there? I do not know whether to give a quick answer or a long answer.

The Hon. PAUL GREEN: A quick answer.

Mr GEORGE SOURIS: It has been introduced. As you know, it was a commitment during the election campaign that there would be three strikes legislation. It was introduced prior to the winter rise. It was introduced deliberately to be left on the table during that period for consultation. That has been undertaken. There has been extensive consultation, and the final bill has now been introduced into the Parliament. I believe it is in the Legislative Council as one of the next items for debate.

The Hon. STEVE WHAN: It is coming up.

Mr GEORGE SOURIS: I can probably point to two principle changes from the original exposure draft. First, it is a much stronger piece of legislation. It stiffens up the regime because the first exposure required six offences: three for one strike, two for the second strike and one for the third strike, whereas this legislation is three offences, not six. That is a significant change. The second most significant change will be in charges versus convictions.

The original draft had in it that a third strike could not be achieved until all of the offences leading up to the third strike had become convictions. Ultimately it would have relied on that. So the change is that we now will not administer a first or second strike until the conviction has been reached, rather than only the charge. That would be the two most significant changes. It does not alter the result in terms of ultimately the third strike but in terms of strengthening the legislation the number of offences has been reduced and therefore it is much stronger legislation. *[Time expired.]*

The Hon. JOHN AJAKA: We are all aware of the vital role registered clubs play within their respective communities. What is the Government doing to ensure the viability of the registered clubs movement in New South Wales?

Mr GEORGE SOURIS: Clubs are under threat, struggling from a combination of tough economic times and excessive taxes implemented by the previous Government. The New South Wales Government is throwing clubs a lifeline through tax amendments, new club grants scheme and further legislative change. These measures will ensure a strong future for the not-for-profit clubs movement in New South Wales. The New South Wales Government recognises the vital role of local not-for-profit clubs in local communities and the enormous contributions that the club industry makes to our State. Clubs not only provide high-quality facilities and services; they also create jobs, contribute to the economy and support many worthwhile causes such as sporting, social and charitable organisations.

In recent years, the Allen Consulting Group and the Independent Pricing and Regulatory Tribunal have found that New South Wales clubs employ 44,000 people and spend more than \$1.2 billion on wages. Their research has also shown that clubs mobilise 44,000 volunteers in support of their core purposes, and provide 1,550 bowling greens, 366 golf courses, 163 playing fields, 80 gymnasiums and 66 swimming pools.

The New South Wales clubs industry has faced a growing number of challenges in recent years that threaten the contribution they make—and in some cases, their very existence. These challenges include the global financial crisis, increased competition for the entertainment dollar, changing demographics and proposed Federal poker machine reforms. Added to this was an excessively harsh taxing regime levied by the previous Government, which no doubt contributed to the closure of around 100 clubs across our State, and robbed local communities of valuable facilities, services, jobs and financial support.

One of the New South Wales Liberal-Nationals key election commitments was to throw struggling clubs a lifeline. We believe we need to protect and enhance the valuable community support this industry provides across the State and we are delivering on this commitment. In August the Parliament passed the Gaming Machine Tax Amendment Bill 2011. This new taxing structure will benefit nearly 500 clubs across New South Wales and provide an estimated \$200 million in savings over four years. There is no doubt this will save many clubs from extinction, especially in regional and rural New South Wales, where the local club is the backbone of the town. Every job saved in a regional club will result in more money being spent in the local economy and more people choosing to live and raise their families in regional areas.

As part of the amended tax structure we also introduced a new ClubGRANTS scheme. The new scheme increases the tax rebate for registered clubs from 1.5 per cent to 1.85 per cent of gaming machine profits over \$1 million for community support expenditure. It also created a new ClubGRANTS Fund for large scale projects associated with sport, health or community infrastructure. These reforms ensure that 2.25 per cent of registered clubs' profits over \$1 million in a tax year are available as community support expenditure. In other words, ClubGRANTS creates a bigger statewide funding pool, provided by clubs, to assist local community organisations with funding grants. ClubGRANTS is expected to contribute more than \$90 million in increased financial support for community and sporting groups over the next four years.

This tax reform package is simply the first phase of the Government's efforts to strengthen the resilience of New South Wales clubs. The next phase of reform, incorporated in the Clubs, Liquor and Gaming Machines Legislation Amendment Bill 2011—on which a couple of questions have already been asked—provides a framework to help ensure the long-term future of New South Wales clubs. The bill which is currently in the Parliament, back in the lower House, includes key initiatives such as supporting club amalgamation and de-amalgamation by streamlining requirements relating to licences, property and poker machine entitlements, introducing mandatory training for club directors and managers to strengthen their knowledge and skills in improving club operations and financial viability, strengthening the structure and operations of club boards and preventing clubs and their assets falling into the hands of private interests through scrutiny of management contracts between financially vulnerable clubs and private companies.

The New South Wales Government is working closely with the club industry to implement the reforms included in the Strong Clubs, Stronger Communities Memorandum of Understanding with ClubsNSW. This memorandum is the foundation of the new legislation we are introducing. It is telling that when the first bill was before the lower House, 21 Government members were eager to speak in favour of the reforms in support of their local clubs. Why—because the reforms strike the right balance between the obligations of registered clubs and the interests of their members, while helping to ensure their long-term future financial viability.

The Hon. NIALL BLAIR: Minister, I think the Hon. Paul Green might have touched on a little bit of this earlier, but I am actually interested in what the New South Wales Government is doing to target rogue operators in the State's liquor industry and promoting individual responsibility?

Mr GEORGE SOURIS: The Liberal-Nationals Government is sending a strong message to rogue operators that they have no place in the New South Wales liquor industry. The O'Farrell Government is determined to ensure that our liquor licensing regime is not undermined and that alcohol is served and supplied responsibly and in line with community expectations. Through a series of targeted enforcement operations and new policy initiatives the Government is ensuring those who break or attempt to undermine our liquor laws suffer the consequences. We are promoting the need for individual responsibility by strengthening police move-on powers and introducing a new offence of intoxicated and disorderly.

The centrepiece of our tough stance against alcohol-related violence and antisocial behaviour is our comprehensive "Three Strikes and You're Out" policy, targeting rogue licensees repeatedly breaking the liquor laws. Following consultation with the liquor industry and key stakeholders, the Government has announced the final shape of the policy. The scheme simplifies the policy and sends a clear message to rogue licensees—if you commit three serious offences and incur three strikes, you are out. This policy delivers the ultimate sanction to rogue licensees who repeatedly put the safety of patrons and the broader community at risk: loss of licence and disqualification from the industry. The community should not have to tolerate licensees repeatedly committing serious liquor offences that lead to violence, antisocial behaviour and neighbourhood disturbance.

This scheme will ensure these types of venues face severe penalties if they do not reduce intoxication and violence and improve management and compliance standards. Strikes are imposed when a licensed venue is convicted of one of a range of serious offences under the Liquor Act 2007. These offences include permitting intoxication, allowing violent behaviour on the premises, supplying alcohol to a minor or an intoxicated patron, selling alcohol outside authorised trading hours, failing to comply with an official direction, non-compliance with a closure order and breaching key licence conditions. The first strike is automatically imposed upon conviction for an offence and is active for three years. A second and third strike can be imposed upon conviction for further offences that occur within three years of the first offence.

The decision to impose a second strike is made by the Director General of New South Wales Trade and Investment. The Casino, Liquor and Gaming Control Authority—the State's independent statutory body responsible for liquor licensing—will have the power to impose third strikes. When imposing strikes, venue size and capacity, change of licensee and business practices, compliance and incident history, and crime statistics will need to be taken into account. A third strike can result in licence suspension or cancellation, disqualification of a licensee, and a 12-month moratorium on a new liquor licence being granted for the venue. In the case of a registered club a third strike can result in disqualification of a club secretary, dismissal of any or all of the club directors, and the appointment of an administrator. There again these last provisions relating to clubs is certainly a stiffening up of the regime that was initially tabled as the draft legislation.

To provide an escalating response, conditions can be imposed on licensed venues to address the behaviour that led to strikes being incurred. These include bans on glass, responsible service of alcohol marshals, reduced trading hours, lockouts, drink restrictions and extra security measures. Importantly, licensed venues will be able to request reviews of decisions made by the Director General of New South Wales Trade and Investment by the Casino, Liquor and Gaming Control Authority. Any decision made by the Authority can then be reviewed by the Administrative Decisions Tribunal. The Office of Liquor, Gaming and Racing will also maintain a public registry of strikes so that stakeholders and patrons are informed about licensed venues that have incurred strikes.

The "Three Strikes and You're Out" policy complements other measures introduced by the Government to tackle alcohol problems by reinforcing the need for personal responsibility. The New South Wales Government is sending a clear message that a culture permitting excessive consumption, underage drinking and violence and antisocial behaviour is totally unacceptable. People are entitled to enjoy a night out without fear of having their evening ruined by drunken and violent hooligans. That is why the Government has introduced the offence of intoxicated and disorderly and strengthened police move-on powers. We have provided police with further tools to give a measured but escalating response to intoxicated and disorderly conduct.

Police can now issue move-on directions to individuals and prosecute should the offending behaviour continue in any public place. Intoxicated individuals who engage in disorderly conduct in any public place after

being given a move-on direction are now committing an offence. Police are now actively enforcing these powers, which are designed to target individuals who are determined to drink to excess and who then ignore reasonable directions to go home before trouble starts, particularly in our entertainment precincts.

Enforcement operations by the Office of Liquor, Gaming and Racing and New South Wales police are also targeting rogue operators and ensuring that alcohol is not sold and supplied irresponsibly. In the lead-up to schoolies week, authorities have launched a crackdown on minors and fake identity [ID] in pubs and clubs in six police local area commands in popular beachside areas. The Juvenile Drinking Initiative is being rolled out in the Hunter, Newcastle City, Lake Macquarie, Tuggerah Lakes, Brisbane Water and Tweed-Byron local area commands. Uniformed inspectors from the Office of Liquor, Gaming and Racing and licensing and general duties police are conducting high visibility inspections of licensed venues, sweeping for minors and checking IDs. Officers are also ensuring that venue security officers are conducting proper checks at entry points to keep minors out and catch anybody attempting to use a fake ID.

The operation is in response to teenagers bragging on social media sites, such as Facebook and Twitter, about using fake IDs to get into licensed venues and consume alcohol. While most venues do the right thing, clearly some are slipping through the cracks. This operation is targeting high-risk venues to stop minors getting into pubs and clubs, or from accessing alcohol from bottle shops. The operation has identified an emerging trend whereby teenagers are bypassing fake IDs for a borrowed ID from a relative or friend, if they have a similar appearance, but this operation is catching out these people point-blank.

In Newcastle, police caught a 17-year-old girl inside a hotel with a borrowed ID, while another hotel stopped three minors at the door who were attempting to use other people's identification. The message is clear—if you are underage and you are caught unlawfully inside licensed venues, or buying alcohol from a licensed venue, you face a fine of up to \$2,200, and you could even risk spending an additional six months on your P-plates if you use fake ID. Licensees who allow underage drinkers on their premises face a maximum penalty of \$11,000 and 12 months in jail.

The Office of Liquor, Gaming and Racing is also targeting rogue operators who are attempting to bypass or undermine the liquor laws. Unlicensed alcohol operators who are using social media sites, such as Facebook, to advertise home delivery of alcohol 24 hours a day have been in our sights. Under New South Wales liquor laws, the sale of liquor without a licence is illegal, with a maximum penalty of \$11,000 and 12 months imprisonment. A small number of operators were attempting to exploit the limited exemptions that exist for legitimate gift delivery businesses.

Our operations found that they were not delivering gifts; they were simply delivering alcohol with a packet of chips or popcorn in the early hours of the morning. A series of covert operations involving undercover inspectors and police resulted in enforcement action against two operators—the Blind Pig and the Beer Baron—for the alleged unlicensed sale of alcohol and associated offences. This included the issuing of nearly \$5,000 in fines, court prosecution, and the seizure of a delivery vehicle and a substantial amount of liquor.

The Government's proposed amendments to the liquor legislation that is currently before Parliament will stamp out rogue activities by ensuring that vendors must market a genuine gift service, package the gift so that those receiving it know it is a genuine gift, and limit delivery to hours between 7.00 a.m. and 7.00 p.m. At the same time the Office of Liquor, Gaming and Racing and police have targeted unlicensed wholesale businesses. In September authorities seized an estimated \$20,000 in beer, wine and spirits as well as business records from an unlicensed warehouse in Wetherill Park. It was alleged that liquor was being sold without a licence by a business operating from the warehouse to clubs, hotels and other businesses. The Office of Liquor, Gaming and Racing and police will continue to crack down on these unlicensed operations, which increase the risk of alcohol being supplied irresponsibly and falling into the hands of minors. The sale of liquor is subject to a strict licensing regime to minimise the harm associated with alcohol abuse and to protect the public.

The New South Wales Government is determined to protect the integrity of our liquor regulatory system. That is why we undertook decisive action earlier this year to stop an unlicensed venue in Newcastle—the Kensington—from using a caterer's licence to effectively operate as a nightclub. A statutory condition was imposed on the authorisation used by licensed caterers to sell liquor on premises other than their own permanent licensed premises. Now licensed caterers cannot sell or supply alcohol on premises that previously have been refused a liquor licence or extended trading hours in the past two years. The New South Wales Government will continue to take decisive action to reduce alcohol-related antisocial behaviour and violence by targeting both irresponsible licensees and individuals as well as protecting the integrity of our liquor laws.

Earlier I referred to the Liquor Amendment (3 Strikes) Bill 2011 (No. 2), which has been passed by the lower House and forwarded to the Legislative Council. I am hopeful that that legislation will be passed before the onset of the summer season—the season of partying, when P-plate drivers leave school and hit the roads, and the general period that has often been characterised by consumption of alcohol to excess. My message to legislators in the upper House is that we need the legislation and we need to have it passed by both Houses of Parliament so that it can be implemented in time for the forthcoming summer season.

The Hon. LYNDIA VOLTZ: Given that we have been waiting for legislation, we are happy to do that.

CHAIR: Are there any other questions?

The Hon. NIALL BLAIR: We are well and truly informed. We have no further questions.

CHAIR: There being no other questions, I thank the Minister and officers for attending today's hearing.

Mr GEORGE SOURIS: Thank you, Madam Chair, and members of the Committee.

(The witnesses withdrew)

The Committee proceeded to deliberate.
