

GENERAL PURPOSE STANDING COMMITTEE NO. 4

Wednesday 2 September 2015

Examination of proposed expenditure for the portfolio area

TRADE, TOURISM AND MAJOR EVENTS, SPORT

UNCORRECTED PROOF

The Committee met at 9.00 a.m.

MEMBERS

The Hon. R. Borsak (Chair)

Ms J. Barham
The Hon. D. J. Clarke
The Hon. M.S. Mallard
The Hon. S. C. Moselmane

The Hon. B. Taylor
The Hon. L. J. Voltz
The Hon. M. S. Veitch

PRESENT

The Hon. Stuart Ayres, *Minister for Trade, Tourism and Major Events, and Minister for Sport*

CHAIR: Welcome to the public hearing for the inquiry into the budget estimates 2015-2016. Before I commence I acknowledge the Gadigal people who are the traditional custodians of this land. I also pay respect to the elders past and present of the Eora nation and extend that respect to other Aboriginals present. I welcome Minister Ayres and accompanying officials to this hearing. Today the Committee will examine the proposed expenditure for the portfolios of Trade, Tourism and Major Events and Sport. Today's hearing is open to the public and is being broadcast live via the parliamentary website. A transcript of today's hearing will be placed on the Committee's website when it becomes available.

In accordance with broadcasting guidelines, while members of the media may film or record Committee members and witnesses, people in the public gallery should not be the primary focus of any filming or photography. I also remind media representatives that they must take responsibility for what they publish about the Committee's proceedings. It is important to remember that parliamentary privilege does not apply to what witnesses may say outside of their evidence at the hearing. I urge witnesses to be careful about any comments they may make to the media or to others after they complete their evidence as such comments may not be protected by parliamentary privilege if another person decides to take action for defamation. The guidelines for the broadcast of proceedings are available from the secretariat.

There may be some questions witnesses could only answer if they had more time or certain documents to hand. In these circumstances, witnesses are advised that they can take a question on notice and provide an answer within 21 days. Any messages from advisers or members' staff seated in the public gallery should be delivered through the Chamber and support staff or the Committee secretariat. Minister, I remind you and officers accompanying you that you are free to pass notes and refer directly to your advisers seated at the table behind you. Transcripts of this hearing will be available on the web from tomorrow morning. Finally, I ask everyone to turn off their mobile phones for the duration of the hearing.

All witnesses from departments, statutory bodies or corporations will be sworn prior to giving evidence. Minister, I remind you that you do not need to be sworn as you have already sworn an oath to your office as member of Parliament. As there are a large number of witnesses we are not able to accommodate all witnesses at the main table. We will swear all witnesses at the beginning of the hearing, including those seated at the table behind the main table. For those witnesses I ask that when they respond to questions they come forward with their nameplates and change places with a witness at the table.

PAUL DOORN, Executive Director, Sport and Recreation, Office of Sport,

MATT MILLER, Chief Executive, Office of Sport,

DUNCAN CHALLEN, Executive Director, International Trade and Investment, Department of Premier and Cabinet,

SANDRA CHIPCHASE, Chief Executive Officer, Destination NSW,

JANETT MILLIGAN, Executive Director, Venues NSW, Office of Sport, and

ALAN MARSH, Chief Executive Officer, Sydney Olympic Park Authority, sworn and examined:

SIMON DRAPER, Deputy Secretary, Economic Policy, Department of Premier and Cabinet, affirmed and examined:

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

The Hon. LYNDIA VOLTZ: Mr Draper is here in his role as Deputy Secretary, Department of Premier and Cabinet. How does that relate to your portfolio?

Mr STUART AYRES: The trade and investment branch is now located in the Department of Premier and Cabinet, so he is here to cover those functions.

The Hon. LYNDIA VOLTZ: So he has oversight of Trade?

Mr STUART AYRES: Yes.

The Hon. LYNDIA VOLTZ: Okay. Minister, where is John Brogden's report on venues?

Mr STUART AYRES: It has been submitted to the Government and it will be assessed by Cabinet.

The Hon. LYNDIA VOLTZ: Then why was the Premier on Channel 7 last night announcing that the Government is intending to buy Homebush stadium?

Mr STUART AYRES: I do not think the Premier was on Channel 7 last night announcing he was intending to buy Homebush stadium, to use your words. I am fairly confident that the quotes used by the Premier last night were about getting on with the job and I think there was another quote but I do not believe there was any reference to ANZ or to Stadium Australia.

The Hon. LYNDIA VOLTZ: So in fact you are saying that the Channel 7 report was incorrect last night; that the Government is not buying Homebush stadium?

Mr STUART AYRES: No, that is not what I said. You asked me about the Premier's comments.

The Hon. LYNDIA VOLTZ: I listened to the Premier's comments and I listened to the news program. I think it was pretty clear that the Premier was saying that the Government intended to buy Homebush stadium.

Mr STUART AYRES: With respect, I do not believe that the Premier's comments on that news report made any reference to ANZ Stadium.

The Hon. LYNDIA VOLTZ: So the Government does not intend to buy Homebush stadium?

Mr STUART AYRES: No, that is not what I said.

The Hon. LYNDIA VOLTZ: That is not what you said?

Mr STUART AYRES: Yes, that is correct.

The Hon. LYNDIA VOLTZ: Okay. So you do not know whether you are buying Homebush stadium?

Mr STUART AYRES: The Government is assessing a heads of agreement that has been provided to it by both owners of ANZ Stadium as well as the Sydney Cricket and Sports Ground Trust. That is subject to evaluation by the Government. Whether it includes acquisition of the individual asset or acquisition of the business is subject to evaluation by Government.

The Hon. LYNDIA VOLTZ: So you have a heads of agreement before you?

Mr STUART AYRES: That is correct.

The Hon. LYNDIA VOLTZ: Between the Sydney Olympic Park and Sydney Cricket Ground trust?

Mr STUART AYRES: No.

The Hon. LYNDIA VOLTZ: Sorry—between the people who currently have management of the Homebush stadium and the Sydney Cricket Ground trust.

Mr STUART AYRES: That is correct. Stadium Australia—or its commercial name, ANZ—has commercial ownership of a lease. There is a heads of agreement between the Sydney Cricket and Sports Ground Trust and the owners of that lease to allow for that lease to come back to government. That is being assessed by Government at this stage.

The Hon. LYNDIA VOLTZ: So why would the Government buy the lease of the Homebush stadium?

Mr STUART AYRES: There are a number of reasons why we would consider doing that: first, if the owner had made an offer to bring that asset back to government earlier than the existing lease period. There also may be reasons for the Government wanting to consolidate the management and operations of stadia under a single governance model. Also we might want to consolidate the operation of the ANZ stadia into one of the other governing bodies—that is, Venues NSW or the Sydney Cricket and Sports Ground Trust—to provide greater efficiencies. It is critical that Sydney, and particularly New South Wales, stays competitive in the premium sports content market and we have the most efficient use of taxpayer funds.

The Hon. LYNDIA VOLTZ: Did Stadium Australia make an offer to bring it back to government?

Mr STUART AYRES: Yes. I understand in 2012 it made an unsolicited proposal to government to do that. At that stage the Government did not agree on that unsolicited proposal. In this stage, the two trusts brought that heads of agreement to government for assessment.

The Hon. LYNDIA VOLTZ: So they did not agree in 2012 and that, I assume, was because of cost.

Mr STUART AYRES: I think you would have to ask Treasury about the assessments. I was not the Minister at the time and we have continued with the process.

The Hon. LYNDIA VOLTZ: The figure that is being discussed is \$132 million to buy out the Stadium Australia lease. Would that be a ballpark figure?

Mr STUART AYRES: If you want to speculate on that figure, you can speculate as much as you like.

The Hon. LYNDIA VOLTZ: So you are spending \$132 million. Let us just guess that is the figure—

Mr STUART AYRES: You can choose to guess, but I will not.

The Hon. LYNDIA VOLTZ: —to consolidate Sydney Olympic Park and the Sydney Cricket and Sports Ground Trust.

Mr STUART AYRES: The Stadium Australia operation is a very valuable operation to the State. It is a sound commercial operation. It has had good profit over the past couple of years and continues to be an

important part of the tourism and sports landscape in this State. It makes a significant economic contribution to the State. I will give you an example. Peak content such as the recent visit of English Premier League teams Chelsea and Tottenham and the Chelsea event generated in excess of \$10 million in visitor expenditure for the State. This is an important asset.

The Hon. LYNDIA VOLTZ: It is a sound commercial asset, so why would the lessees want to sell it back to government? Why would the Government not invest in upgrading the stadium? If it is a difference between \$132 million of taxpayers' money and \$30 million invested for an upgrade, would that not be a good spend by government?

Mr STUART AYRES: I think you have to look at the long-term landscape. If you are talking about an incredibly competitive position, right now we have a position in New South Wales where you have individual stadiums competing for business. That competition for business may be to the detriment of business for New South Wales. I think this is an incredibly immature approach by the Stadium Australia management group. It has done an outstanding job in managing that asset. It knows the asset comes back to government in about 16 years' time.

The Hon. LYNDIA VOLTZ: In 2031.

Mr STUART AYRES: That is an incredibly difficult time for a business like that to be able to amortise long-term investment back into its asset. It has reasonably identified that the short time left on its lease makes it difficult for it to invest in that and it has decided to make some proposals to the Government, which we are considering.

The Hon. LYNDIA VOLTZ: How will the football codes such as the National Rugby League [NRL], Australian Rugby League [ARL] and Australian Rugby Union [ARU] feel about negotiating with a government monopoly on stadiums?

Mr STUART AYRES: A government monopoly on stadiums is a government entity that ensures that we provide the right assets for the right games. We ensure that we provide the economic conditions that allow the franchises that work within all those competitions, whether it is Australian Football League, NRL, ARU, not to mention Football Federation Australia [FFA] and a number of other users of those facilities that go well beyond sports, such as what is often referred to in the industry as guest content. Stadium Australia this year won the world's best guest or non-sport event.

The Hon. LYNDIA VOLTZ: That is good. Codes at the moment can come into Sydney in a competitive market. As you know, codes will go to stadiums based on the best deal they are getting and there is competition between the stadium at Homebush and the stadium of the Sydney Cricket and Sports Ground Trust, and the codes like that because essentially that is how they get a good deal for their sports. How will that happen if they are dealing with a government monopoly?

Mr STUART AYRES: I do not believe that the landscape in Sydney has been beneficial to sports. In fact if you look at the position we find ourselves in now, over a considerable time we have seen deterioration in the quality of our assets. There has been very little investment of any significant nature into consolidating content, ensuring that we have venues that allow franchises to be successful. We know that a number of the grounds that we have do not meet existing building codes. We also know that there is extreme pressure on the financial viability of franchises and we want to make sure we have the facilities to do that.

The Hon. LYNDIA VOLTZ: So you are going to invest in all the stadiums in New South Wales, are you?

Mr STUART AYRES: No, that is not what I said.

The Hon. LYNDIA VOLTZ: No, you are going to consolidate.

Mr STUART AYRES: I said that consolidation of content provides for the opportunity to invest in better facilities.

The Hon. LYNDIA VOLTZ: The only way you can consolidate content is if events do not go to other venues.

Mr STUART AYRES: If events do not go to other venues?

The Hon. LYNDIA VOLTZ: Yes. When you talk about consolidation of content that is how you are going to get your economies of scale. What does that mean for suburban grounds? What does that mean for Leichhardt Oval and Campbelltown Oval?

Mr STUART AYRES: Those grounds are not owned by the New South Wales Government.

The Hon. LYNDIA VOLTZ: That is right, but they compete with it, do they not?

Mr STUART AYRES: Indeed they do, yes.

The Hon. LYNDIA VOLTZ: Indeed, there is a lot of unrest in places such as Campbelltown about the nature of the games they get for the NRL because it is far more attractive for them to go to Homebush or the Sydney Football Stadium than out to suburbia.

Mr STUART AYRES: The point that you should focus on is the capacity to ensure the franchises, the clubs that people are incredibly passionate about have every opportunity to survive. The other point I make is that we are not talking about a Sydney-only marketplace; we are talking about national competitions—

The Hon. LYNDIA VOLTZ: Yes.

Mr STUART AYRES: —that are able to attract content to different facilities, different cities to meet the demands and requirements of the fans, and we need to ensure that we have the best possible facilities. That is exactly the stadia strategy that the New South Wales Government is employing and has been employing since 2012.

The Hon. LYNDIA VOLTZ: You have a heads of agreement between the Sydney Cricket and Sports Ground Trust and Stadium Australia. Have you discussed that with the chair of Sydney Olympic Park and established what impact it might have?

Mr STUART AYRES: The chair of Sydney Olympic Park?

The Hon. LYNDIA VOLTZ: Yes, Sydney Olympic Park trust.

Mr STUART AYRES: No, I have not discussed a commercial-in-confidence agreement between the Sydney Cricket and Sports Ground Trust and Stadium Australia with the chair of Sydney Olympic Park.

The Hon. LYNDIA VOLTZ: So it will come as a surprise to the Sydney Olympic Park Authority that there is a heads of agreement between the Sydney Cricket and Sports Ground Trust and Stadium Australia?

Mr STUART AYRES: No, I do not think it will come as a surprise.

The Hon. LYNDIA VOLTZ: Do you not?

Mr STUART AYRES: No, I do not.

The Hon. LYNDIA VOLTZ: You think they are well versed in that, do you?

Mr STUART AYRES: I think that they are fully aware of the nature of how Stadium Australia operates.

The Hon. LYNDIA VOLTZ: Has there ever been an occasion when the Sydney Cricket and Sports Ground Trust had control of any venue at Sydney Olympic Park?

Mr STUART AYRES: It played a significant role in the design and build phase of a number of the assets there.

The Hon. LYNDIA VOLTZ: Did it ever have control of an asset at Sydney Olympic Park?

Mr STUART AYRES: Not to my knowledge, but I—

The Hon. LYNDIA VOLTZ: I can tell you that it did.

Mr STUART AYRES: The aquatic centre?

The Hon. LYNDIA VOLTZ: Perhaps you would like to check—

Mr STUART AYRES: The aquatic centre?

The Hon. LYNDIA VOLTZ: No. Perhaps you would like to check with one of your departmental people.

Mr STUART AYRES: I am happy to take the question on notice.

The Hon. LYNDIA VOLTZ: If you are going to take that question on notice maybe you can ascertain whether there were any problems with the Sydney Olympic Park Authority having assets controlled by the Sydney Cricket and Sports Ground Trust.

Mr STUART AYRES: If you have a question, you should ask it. I am not quite sure what you are asking.

The Hon. LYNDIA VOLTZ: I did ask the question. I asked you whether the Sydney Cricket and Sports Ground Trust has ever had control of any venues at Sydney Olympic Park?

Mr STUART AYRES: It has had operational arrangements at venues at Sydney Olympic Park in the past, but it does not have ownership of them.

The Hon. LYNDIA VOLTZ: Were there any concerns about the Sydney Cricket and Sports Ground Trust controlling venues at Sydney Olympic Park?

Mr STUART AYRES: None that have been raised with me—

The Hon. LYNDIA VOLTZ: None have been raised with you?

Mr STUART AYRES: —since I have been Minister.

The Hon. LYNDIA VOLTZ: But there is experience of it. Did it run smoothly?

Mr STUART AYRES: There is no evidence before me since my time as Minister of anyone raising any concerns around the operational management at Sydney Olympic Park.

The Hon. LYNDIA VOLTZ: Let us go to the two venues and how they are successful. Sydney Cricket and Sports Ground Trust has had the ability to build venues for major sports on the lands surrounding it. It has built a venue for ARU, a venue for rugby league and a venue for cricket. A constant complaint coming from the management of Telstra Stadium at Homebush is that it does not have the capacity outside its stadium to accommodate the sports it wants with the facilities it wants because it owns the stadium and not the lands around it.

Mr STUART AYRES: I think you will find a commercial arrangement exists between the Stadium Australia Group and Sydney Olympic Park that precludes development without the consent of the Stadium Australia Group in what is often referred to as the red zone or the area of land immediately surrounding Stadium Australia.

The Hon. LYNDIA VOLTZ: Indeed, the Sydney Cricket and Sports Ground Trust has an advantage, does it not, because it has land it can develop?

Mr STUART AYRES: I do not agree with that point at all.

The Hon. LYNDIA VOLTZ: You do not agree with that point?

Mr STUART AYRES: No. I would say Sydney Olympic Park provides ample opportunity for sports to make their home at Sydney Olympic Park. It is the home of—

The Hon. LYNDIA VOLTZ: In fact the Canterbury Bulldogs tried to make Sydney Olympic Park their home and to get access to the venues but they had extreme difficulty doing so. The venue to which they were trying to get access is run by the Sydney Cricket and Sports Ground Trust.

Mr STUART AYRES: I think you will find that the Canterbury Bulldogs have a very successful facility at Belmore. It is their training venue. They have a fantastic community outreach facility. If you asked them whether they preferred to be at Sydney Olympic Park or their current location for training and playing home matches, Raelene Castle would be a good person to talk to.

The Hon. LYNDIA VOLTZ: Did they not move back to Belmore because the arrangements with Sydney Olympic Park that the Sydney Olympic Park Authority was trying to set up for them fell over at a venue that was operated by the Sydney Cricket and Sports Ground Trust?

Mr STUART AYRES: That would be a question for Raelene Castle. It is not a commercial arrangement.

The Hon. LYNDIA VOLTZ: It is a question with respect to how Sydney Olympic Park—I understand that the venues come under your authority—and the two venues that compete with each other operate. If the Government purchases Sydney Olympic Park at Homebush Stadium, will it be making arrangements for these sports to be accommodated there in the way that the Sydney Cricket and Sports Ground Trust does, or will the Sydney Cricket and Sports Ground Trust continue to have that advantage?

Mr STUART AYRES: For starters, I think you have to determine what the Government decides to do with governance arrangements.

The Hon. LYNDIA VOLTZ: Let us just go to the governance arrangements then. I want to ask one question. Did you see the Channel 7 news program last night?

Mr STUART AYRES: Yes.

The Hon. LYNDIA VOLTZ: I noted that in that program Alan Jones commented that there was an expectation that stadiums will not compete with each other as this will save a tremendous amount of money. Who will save a tremendous amount of money?

Mr STUART AYRES: I think Alan Jones's words were to the effect that there was an exorbitant amount of funds spent by stadiums competing with each other. I think the point that Alan Jones was making was that at the moment we have an arrangement where stadiums in New South Wales compete against each other rather than competing against other cities, that is, Melbourne, Adelaide, Perth, Brisbane, Singapore, Hong Kong and Auckland. Mr Jones makes a very valid point that when using taxpayer assets and using taxpayer funds to maintain those assets we should have all of New South Wales as our primary focus, not just an individual stadium.

The Hon. LYNDIA VOLTZ: What you are saying is that we have an oversupply of venue capacity in New South Wales?

Mr STUART AYRES: There is no doubt about that.

The Hon. LYNDIA VOLTZ: There is no doubt about that. Is the Government intending to build a 55,000-seat stadium at Moore Park? Are you going to replace the existing facility or are you going to build a new facility?

Mr STUART AYRES: The Government is working through the development of its stadia strategy. It has allocated funds out of Rebuilding NSW to start that project. I indicated earlier in my evidence that it has received a report from John Brogden. John Brogden's committee included representatives from the Stadium

Australia Group, the Sydney Cricket and Sports Ground Trust and Venues NSW. That report has been provided to Government and is being considered by Cabinet.

The Hon. LYNDIA VOLTZ: You say you have been allocated funds. How much has been allocated in funds?

Mr STUART AYRES: We have publicly announced that we will allocate a minimum of \$600 million from the Rebuilding NSW funds to start the delivery of the stadia strategy.

The Hon. LYNDIA VOLTZ: The Channel 7 program last night said that the Baird Government expects the codes to contribute financially to the upgrade of the Sydney Olympic Park venue. Are you expecting the codes to put in money to that \$600 million or to the \$1.3 billion that was announced?

Mr STUART AYRES: My strong view is that the Government needs to determine what its long-term investment strategy is and it needs to work with stakeholders right across the sporting landscape. They are the providers of content or the hirers of those venues. Those hirers reflect the cash flow that makes those venues viable. This has to be a partnership between Government and all of the people who utilise those venues. Without that partnership we cannot deliver the assets that the people of New South Wales demand.

The Hon. LYNDIA VOLTZ: So you are not expecting the codes to contribute financially in any way to the building or refurbishment of those two stadiums?

Mr STUART AYRES: I am not going to rule in or out any particular commercial arrangement.

The Hon. LYNDIA VOLTZ: So you may be expecting them to.

Mr STUART AYRES: I am not expecting anything other than that we have content in stadiums we build, or there would be no reason to build stadiums.

The Hon. LYNDIA VOLTZ: Can you at least rule out that you will not use any land that is part of the Moore Park and Centennial Parklands or any land that is part of the Parramatta Park Trust.

The Hon. SHAYNE MALLARD: Point of order: I would think that this is a question for the Environment estimates because—

The Hon. LYNDIA VOLTZ: You are wrong, because it is about the venues.

The Hon. SHAYNE MALLARD: The lands are not part of the portfolio.

The Hon. SHAOQUETT MOSELMANE: There is no point of order.

CHAIR: Order!

The Hon. LYNDIA VOLTZ: Stop wasting time, Shayne. There has been a report on the front page of the *Sydney Morning Herald* that the venue strategy is looking at this. Can you rule out that no Moore Park or Centennial Parklands or Parramatta Park Trust lands will be used in any of the rebuilding or for new stadiums under your strategy?

Mr STUART AYRES: We will deliver a stadium infrastructure strategy that will allow us to build the stadiums that this State requires.

The Hon. LYNDIA VOLTZ: The people of New South Wales want to know that you are not taking away land which has been set aside for the people of New South Wales as open space to build stadiums on. I am asking you to rule out that Moore Park or Centennial Parklands will be touched and the Parramatta Parklands.

Mr STUART AYRES: I am confident that any stadium position that we announce will be able to deliver a stadium at Moore Park on existing sportsground trust lands. Any engagement that we have through the delivery of that stadium will include significant consultations with landholders adjoining it, including the Centennial and Moore Park trusts. I would point out to the Committee that these two trusts have had a very

long-term position in this city. They provide two crucially important public spaces and they must work closely together.

The Hon. LYNDIA VOLTZ: That is nice but we have not seen the Brogden report. When are you going to release that to the public? At the moment, the only thing we have received from the Brogden report is the initial report that you were in fact planning on building on all the parklands.

Mr STUART AYRES: I do not think you can attribute that to the Brogden report if you have not seen it.

The Hon. LYNDIA VOLTZ: When will we see it in the public domain? When does the public get a look at this before you make a decision to start spending \$600 million or \$1.3 billion of taxpayer money on stadiums, when we have already agreed that we have an excess of capacity?

Mr STUART AYRES: The point around the stadia strategy is very clear. We have been saying—

The Hon. LYNDIA VOLTZ: No, when are we going to see the report?

The Hon. BRONNIE TAYLOR: Point of order.

The Hon. LYNDIA VOLTZ: The question is quite clear.

CHAIR: Order! There is a point of order.

The Hon. BRONNIE TAYLOR: The Minister needs to be allowed to finish his answer before the Hon. Lyndia Voltz starts asking another question.

The Hon. LYNDIA VOLTZ: To the point of order: The question is quite clear. When will we see the John Brogden report? I appreciate that the Hon. Bronnie Taylor wants to run cover for the Minister but it is quite a simple question and I would like quite a simple answer.

The Hon. BRONNIE TAYLOR: The question is clear. The Minister needs to be allowed to answer the question before another question is put.

CHAIR: Order! Does the Minister want to respond to that last question?

Mr STUART AYRES: Can you repeat it?

The Hon. LYNDIA VOLTZ: When will the public see the Brogden report?

Mr STUART AYRES: I have already given evidence today to say that the Brogden report is before Cabinet.

The Hon. LYNDIA VOLTZ: It is before Cabinet but I want to know when people in the public domain are going to see what Cabinet is deciding. Cabinet is going to make a decision. No-one has any say on that. We will just get this report released into the public domain without the public having an opportunity to comment.

Mr STUART AYRES: I think it would be an incredibly naive position to take to say that the Government, once it has made a decision about its clear investment intent about the delivery of those assets, would exclude community consultation and engagement with key stakeholders. Of course we will talk to the community. Of course we will talk to key stakeholders about delivering the infrastructure that the community is demanding.

Ms JAN BARHAM: Minister, I am seeking clarification about the \$51 million extra funding that is available for tourism this year and wondering if you can provide a breakdown as to how that money will be spent.

Mr STUART AYRES: In relation to the total quantum?

Ms JAN BARHAM: Your press release says that there is \$51 million to grow tourism across the State. I am interested in the allocation across the State in terms of regional areas versus the Sydney metropolitan area, and the breakdown of marketing versus product development, infrastructure or—

Mr STUART AYRES: The first point I would make is that the funding that is allocated to Destination NSW is demand focused. It is demand driven so it is highly unlikely that, out of those funds, we will allocate funding towards infrastructure. This is an issue that we need to continue to look at. There is a close working relationship between the supply side of tourism and the demand drivers that we are heavily focused on. That \$51 million will be split across tourism activities as well as event strategies. We have delivered the bulk of Destination NSW funds—I would say it was all of Destination NSW funds—across those two areas: events and tourism strategy. There is a regional breakdown that will come from that.

There is not a designated figure where we hypothecate a certain amount of funds to regional New South Wales versus a certain amount of funds to metropolitan Sydney. We take our approach on a case-by-case basis. We run quite a rigorous assessment around the values of events. This has been incredibly useful for Destination NSW. It means that we end up with a distribution of funds that drive overnight visitor expenditure and overnight visitor stays, which is where we have benchmarked our key performance requirements. Destination NSW is doing quite a good job at this.

Ms JAN BARHAM: So there is not a specific breakdown for marketing versus the Destination NSW and application process.

Mr STUART AYRES: No, there will be marketing engaged across those funds, there is no doubt about that. We run significant demand-driving campaigns. There is a direct amount of funding called the Regional Visitor Economy Fund. There is a quarantined component of that that goes to regional tourism organisations and there is also a competitive tendered arrangement that allows for entities right across the tourism sector to pitch for those funds. They will often lead to co-contributed funds from Destination NSW for marketing campaigns and targeted activity.

Ms JAN BARHAM: You are aware from the tourism inquiry that reported to Parliament in 2014 that there were concerns raised by regional tourism operators about the application process for the Regional Visitor Economy Fund. There was support given by you for Recommendation 1 from that inquiry to review the effectiveness of that funding program. Is that in train? Is it due at any time in the future? Are there any changes to be made to that process?

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Mr STUART AYRES: I am going to offer some comments here, but I think Sandra Chipchase might also want to offer some more specific comments. Yes, there is continued work in the regional tourism space. It is incredibly important to us. We also run the regional visitor flagship program, which is another funding source available to regional centres. I have also asked a subcommittee of the board of Destination NSW, which is chaired by John Hartigan, to conduct a review into the delivery of services through regional New South Wales, particularly with a focus on the regional tourism structure. We have seen a number of those regional tourism organisations [RTOs], to use the abbreviated term, under some pressure. We do not believe that we have an optimal environment that is operating across regional tourism. I think there are a number of good recommendations that came out of your 2012 report. We have implemented a number of them. I think Sandra Chipchase might also want to make further comments.

Ms CHIPCHASE: Sure. As the Minister said, that review of regional tourism organisations, the funding, is underway. The RTOs are all coming in and they have been invited to submit their comments and also have face-to-face meetings. Also other industry groups are coming on board like the Caravan and Camping Industry Association and the New South Wales tourism advisory groups. We have all sorts of different sectors of the tourism industry that are all coming in and having their say. There have been some really great suggestions. We are looking at taking those on board and then making recommendations back to government of changes to the application process and also structures.

Ms JAN BARHAM: Do you have a process for addressing concerns raised by some of the regional providers about the lag time in doing the review, which means that they are unable to access funds for important projects that do not currently fit within the program definition?

Ms CHIPCHASE: Sure. Just on that, the application process is opening. While this review is underway, people can still apply for funding and they can apply for quarantine funding for RTOs. They can also apply for contestable funding and that is for product development as well as marketing campaigns and activities. The operation of tourism and the promotion of this State will continue, even once that review is underway.

Ms JAN BARHAM: Do you have a process for exceptional circumstances within that? I know that on the North Coast there is some concern about the requirement to have all parties with a management plan to deliver to that process, and that is not in fact how it works.

Mr STUART AYRES: Yes. One of the things that we have done, particularly with councils and for RTOs, is to ask them to establish a destination management plan. I recognise that individual entities who are applying for quarantine funds may not have a destination management plan, but most of those entities will have a sound business plan and a clear marketing strategy. If you are going to have co-opted funds from Destination NSW, which is effectively taxpayer funds co-opted into supporting tourism in those locations, we want to make sure that your marketing strategy is sound. I think one of the hallmarks of Destination NSW [DNSW] is its capacity to work with individual organisations in making sure they get maximum value for the dollar. I recognise your point, particularly in regional New South Wales, relating to the requirements that have been historically applied to the Regional Visitor Economy Fund [RVEF], which have not always made it easy for those organisations to access funds. That is fundamentally one of the reasons, along with the governance structures of RTOs, why I have asked the board of Destination NSW to conduct a detailed review into regional tourism.

Ms JAN BARHAM: I would like to ask about the Aboriginal Tourism Action Plan and the results of that. What programs were funded in the last financial year?

Mr STUART AYRES: As you are aware, we have an Aboriginal Tourism Action Plan. About 80 per cent of those actions currently have been completed or are ongoing based on their recommendations. That accounts for about 21 of the 26 recommendations. Destination NSW has employed an Aboriginal tourism specialist to work with organisations. We continue to explore and look at opportunities to continue to deliver on all those recommendations. I have also asked Sandra Chipchase, to which she can attest in a couple of minutes if she wishes, to look at new opportunities that exist around Aboriginal tourism, particularly in Western Sydney. We have funded significantly into an Aboriginal festival historically, but that organisation chose not to continue the funding arrangement that we offered as part of our original contract, which would be Corroboree.

Ms JAN BARHAM: You are referring to Corroboree?

Mr STUART AYRES: Yes.

Ms JAN BARHAM: I have forgotten the name of the other one but I will come back to it.

Mr STUART AYRES: Yes.

Ms JAN BARHAM: With that expenditure, do you have a breakdown for the regions?

Mr STUART AYRES: A breakdown on Aboriginal tourism?

Ms JAN BARHAM: On the Aboriginal program?

Mr STUART AYRES: I do not have that, but I can take it on notice the part that relates to what our historical expenditure has been.

Ms JAN BARHAM: Last year—and I do not have with me—I think I asked about the training programs and skills development within that?

Mr STUART AYRES: Do you want to make some comments on that?

Ms CHIPCHASE: Yes, sure. One of the key activities since last year's two-day New South Wales Aboriginal tour operators networking workshop was that we provided financial resources and support for the development of the Aboriginal Tour Operators Council [NATOC]—the development of its three-year business plan. It is a fantastic product and there is really good will, but we needed to consolidate and bring that together.

We provided support for that. The New South Wales Aboriginal tour operators envisage that NATOC will become a strong industry-led voice for Aboriginal tourism in New South Wales. NATOC aims to encourage cooperative marketing between New South Wales Aboriginal tourism experiences and to support the development of its operators to ensure we are getting sustainable, vibrant and authentic product and, as a longer-term goal, to have export-ready product available. There is tremendous interest, as you would be aware, among overseas markets in Aboriginal tourism and increasingly here in Australia. Our sector specialist for Aboriginal tourism represents Destination NSW on the Indigenous tourism group, and that is a national group established as part of the Australian Government's Tourism 2020 strategy.

Mr STUART AYRES: I know your time has expired, but if the Chair would allow, I make the point that we have also supported tourism accommodation, Australia's Hotel Careers Expo. I know that that organisation is particularly focused on ensuring that it is able to capture the strong demand for Aboriginal tourism. I am expecting that, through the work that it does, there is a particular focus on making hotel careers attractive to Aboriginal people.

The Hon. LYNDIA VOLTZ: Minister, has there been any cost-benefit analysis regarding purchasing back Homebush stadium?

Mr STUART AYRES: The Government is assessing the heads of agreement that has been provided to it by those two entities. That will undergo a rigorous due diligence process. That process has been separated into an initial assessment of the heads of agreement and then a more detailed due diligence process will be undertaken as would be the normal process that would be undertaken when you are making any significant transaction or acquisition of a business.

The Hon. LYNDIA VOLTZ: You have not done a cost-benefit analysis?

Mr STUART AYRES: No. I have just said that we are doing the assessment of the heads of agreement.

The Hon. LYNDIA VOLTZ: You are saying that you have done an initial assessment on the heads of agreement?

Mr STUART AYRES: No. I just said that we were doing a detailed assessment. The assessment includes two stages: The assessment of the heads of agreement and the valuations, and then you will see detailed due diligence on those individual businesses. This is a pretty standard process where you assess the businesses in this State that you wish to acquire. After you have made that determination, you would then undertake a detailed due diligence.

The Hon. LYNDIA VOLTZ: So you do your assessment on the heads of agreement and then you are going to do a detailed due diligence on the heads of agreement. That is what you just said, yes?

Mr STUART AYRES: Yes, that is a pretty standard process.

The Hon. LYNDIA VOLTZ: Right. At this point you have not done any cost-benefit analysis.

Mr STUART AYRES: No. I think it would be reasonable to assume that in a detailed due diligence of any business and also in the acquisition of any business you would assess whether that business was going to be profitable for the State.

The Hon. LYNDIA VOLTZ: You are saying you have done the detailed due diligence.

Mr STUART AYRES: No, that is not what I have just said.

The Hon. LYNDIA VOLTZ: No, I know. That is exactly right. You said you are going to do a detailed due diligence and, as part of that detailed due diligence, you would do a cost-benefit analysis. My question is: At this point, you have not done a cost-benefit analysis.

Mr STUART AYRES: No. I have said that we are assessing their heads of agreement.

The Hon. LYNDIA VOLTZ: Right. Have you done a cost-benefit analysis?

Mr STUART AYRES: No. I said we are assessing the heads of agreement.

The Hon. LYNDIA VOLTZ: Right. So you have not done a cost-benefit analysis.

Mr STUART AYRES: I think, Lynda, it is fair to say that when you assess the heads of agreement that talks about valuations, you will assess whether that is a fair and reasonable valuation and in the best interests of the taxpayer.

The Hon. LYNDIA VOLTZ: Why did it require a heads of agreement between the Sydney Cricket and Sports Ground Trust and the stadium and who initiated the heads of agreement?

Mr STUART AYRES: This is made external of government. The Sydney Cricket and Sports Ground Trust is a statutory authority. It is incredibly independent of government, and it operates under its own—

The Hon. LYNDIA VOLTZ: The Sydney Cricket and Sports Ground Trust?

Mr STUART AYRES: Yes. It operates under its own legislation. It is a commercially sound entity with very little ongoing operational funding that comes from government and a private entity in the Stadium Australia Group, which manages the Stadium Australia business.

The Hon. LYNDIA VOLTZ: Are you saying it is the Sydney Cricket and Sports Ground Trust, not government?

Mr STUART AYRES: That is correct. Both those entities sat down together and they created a heads of agreement that they brought to government. I think it is a prudent approach by those two organisations, rather than attempting to enter into a commercial transaction without government having any knowledge of that, that they do that initial work and then they bring that to government for assessment.

The Hon. LYNDIA VOLTZ: So the Government had no idea that the Sydney Cricket and Sports Ground Trust was doing a heads of agreement with the stadium.

Mr STUART AYRES: No. I think the Government was aware that the two organisations had been in discussion with each other.

The Hon. LYNDIA VOLTZ: So it provided no support to the formulation of the heads of agreement?

Mr STUART AYRES: Who?

The Hon. LYNDIA VOLTZ: The Government.

Mr STUART AYRES: No.

The Hon. LYNDIA VOLTZ: It was done independently. Some \$29 million has just been spent on Parramatta stadium upgrade and now you are talking about pulling it down.

Mr STUART AYRES: That \$29 million has not been spent. The Government announced that \$29 million would be invested into Parramatta. That was broken across a number of different areas, including upgrades to the turf, the change rooms and safety features and included a significant amount of expenditure out of that \$29 million to increase the capacity by upgrading the northern and southern stands or hills to create seating. I will ask Ms Milligan for specific figures, but I think we have expended of the order of \$9 million—in fact, it is \$9.6 million of that.

I asked that we do not continue with the remainder of that development. Once the Rebuilding NSW announcement was made about the intent to invest a minimum of \$600 million, I thought that would lead to unnecessary expenditure at Parramatta so I asked for the works, once the initial works around change rooms, safety and turf upgrades were completed, not to go ahead. That is why there are no seats on the northern and southern ends of Parramatta stadium. If the Government chose to redevelop the stadium it would have been a waste of taxpayer funds.

The Hon. LYNDIA VOLTZ: When did you ask that they stop construction?

Mr STUART AYRES: When the Government made its decision or when it became clear that the Government was going to allocate funds out of our Rebuilding NSW strategy to the development of stadia.

The Hon. LYNDIA VOLTZ: When was that?

Mr STUART AYRES: Before the election. I would have to go back and check the exact date.

The Hon. LYNDIA VOLTZ: In November last year, 2014, it was announced in the *Daily Telegraph* that you were spending \$29 million and the work would start in a week. The election was in March.

Mr STUART AYRES: Work started at Parramatta. Make no mistake: There have been changes and improvements to the turf, changes to the safety conditions at the stadium and upgrades to players' amenities. That work started because it was contracted to start. I made the decision that when the Government had a clear position around its intent to invest in stadia, which at the time I freely admit included the prospect of Parramatta but was not guaranteed, I thought it was a prudent decision to halt the works at a natural stage through the development of that, before we started to dig up hills at Parramatta and put seats down, should the Government decide, in its wisdom—after it was endorsed by the people of New South Wales to take Rebuilding NSW to the public and be accepted at an election—that we should not build 4,000 seats at the side of the stadium, only to knock them down when we decide to rebuild the whole thing.

The Hon. LYNDIA VOLTZ: In the run-up to the election you announced that you would spend \$29 million on putting in an additional 4,000 seats and the work would begin.

Mr STUART AYRES: It was not in the run-up to the election. It had been announced.

The Hon. LYNDIA VOLTZ: It was in November 2014.

Mr STUART AYRES: It had been announced long before I became the Minister for Sport.

The Hon. LYNDIA VOLTZ: In November 2014 the *Daily Telegraph* stated that you would invest \$29 million and that you were putting in 4,000 seats. Then at some stage before the election the Government announced its stadium policy and spending was stopped.

Mr STUART AYRES: No. I think you have some parts of your timeline, with all due respect—

The Hon. LYNDIA VOLTZ: I am happy for you to clarify the timeline for us. I would like that.

Mr STUART AYRES: The initial assessment around investments at Parramatta came from a contribution of funds that included Federal Government contributions by the then Federal Labor Government to upgrade Parramatta stadium. That total of \$29 million also includes funding from the State Government, which came out of the trust that existed at that stadium before its trust arrangements were altered, and also a contribution from Parramatta council is included in that \$29 million. That arrangement was put in place long before I became the Minister. The contracts for that stadium upgrade had continued to work through the process. Obviously we got to a point where part of the work had started, and before we spent any more funds on a stadium that would potentially be redeveloped in a much larger state I stopped the funds being expended.

The Hon. LYNDIA VOLTZ: Did the announcement of John Brogden undertaking a report on the venues—the heads of agreement between the stadium at Homebush and the Sydney Cricket and Sports Ground Trust—predate the fact that the Government knew that heads of agreement was underway?

Mr STUART AYRES: No. The request for John Brogden to chair a working group of the stadium operators to find a coherent and clear pathway for investment across, at the very least, three governance entities and how the Government would expend the minimum of \$600 million that it had publicly allocated to this project took place or started before the Government received a heads of agreement offer, for want of a better term, from those two entities.

The Hon. LYNDIA VOLTZ: I did not say "received"; I said "knew about" the heads of agreement.

Mr STUART AYRES: I can clearly state that the work of the Brogden committee had started well before the Government received a heads of agreement. It did not decide.

The Hon. LYNDIA VOLTZ: You have provided the Sydney Cricket and Sports Ground Trust with \$5.8 million to do a master plan?

Mr STUART AYRES: There is \$5.8 million appropriated in this year's budget to the Sydney Cricket and Sports Ground Trust to continue the work on its development.

The Hon. LYNDIA VOLTZ: To continue the work on its development.

Mr STUART AYRES: Yes.

The Hon. LYNDIA VOLTZ: According to the budget papers, the \$5.8 million is for a master plan.

Mr STUART AYRES: Yes. That master plan is the development of that precinct.

The Hon. LYNDIA VOLTZ: Yes. One would assume the master plan that is contingent upon the heads of agreement with the stadium alliance and John Brogden's report.

Mr STUART AYRES: No. The Sydney Cricket and Sports Ground Trust has been in a continual state of development around improving its facilities. It has been redeveloping its facilities for a long time. It recently updated a stand at the SCG. It continues to do work around how to improve the delivery of services, including upgrades to both the stadiums there, and my expectation is that it will continue to do that.

The Hon. LYNDIA VOLTZ: Indeed, there has been investment. Did the New South Wales Government invest in stand upgrades at the Sydney football stadium?

Mr STUART AYRES: Not at the Sydney football stadium.

The Hon. LYNDIA VOLTZ: There has been no investment of money into the Sydney football stadium by the New South Wales Government?

Mr STUART AYRES: Not to my knowledge. All that work comes out of the trust's operational expenditure.

The Hon. LYNDIA VOLTZ: You might want to check that that is the case.

Mr STUART AYRES: Sydney football stadium.

The Hon. LYNDIA VOLTZ: That all that money has come from the Sydney Cricket and Sports Ground Trust, and there has been no allocation of funding from the New South Wales Government.

Mr STUART AYRES: For the Sydney football stadium?

The Hon. LYNDIA VOLTZ: Yes, for the football stadium.

Mr STUART AYRES: Yes.

The Hon. LYNDIA VOLTZ: Your department might want to check that because there have been upgrades funded by the State Government.

Mr STUART AYRES: At the Sydney football stadium?

The Hon. LYNDIA VOLTZ: Yes.

Mr STUART AYRES: Into grandstands?

The Hon. LYNDIA VOLTZ: Yes.

Mr STUART AYRES: Are you sure you are not mixing the Sydney football stadium with the Sydney cricket ground?

The Hon. LYNDIA VOLTZ: No, because they increased the capacity of corporate.

Mr STUART AYRES: I am happy to correct the record if I am wrong on this, but I am confident that investments into the Sydney football stadium—

The Hon. LYNDIA VOLTZ: Will you take it on notice?

Mr STUART AYRES: I will take it on notice.

The Hon. SHAOQUETT MOSELMANE: Can you confirm whether the NSW Trade and Investment centre and country embassy will close, or will it be relocated?

Mr STUART AYRES: What is often referred to as the country embassy is currently located on level 47 of the MLC Centre. The current lease expires in March 2016. Largely that is about us trying to obtain a better value lease position for all our operations. It has been a longstanding position of this Government that it tries to lower the lease requirements. I understand that, as part of the work that we are undertaking in relocating those functions currently on level 47 of the MLC Centre, we will be endeavouring to ensure that the Country Embassy functions continue to take place in the location to which we relocate.

The Hon. MICK VEITCH: Did you make the decision, Minister? Was it your decision?

Mr STUART AYRES: To relocate level 47?

The Hon. MICK VEITCH: Yes.

Mr STUART AYRES: No, the decision was made by the Department of Premier and Cabinet to find a more appropriate lease position considering the incredibly high cost, and in the relocation of those functions from level 47 we will endeavour to ensure that the capacity that is currently called the Country Embassy continues.

The Hon. MICK VEITCH: Yes, it is a very successful enterprise.

Mr STUART AYRES: Indeed.

The Hon. MICK VEITCH: Were you consulted about the closure of the Country Embassy in its current site?

Mr STUART AYRES: No, the issue is not the closure of the Country Embassy on level 47. The issue is the fact that the Government is no longer continuing its lease on the entire floor.

The Hon. MICK VEITCH: So you are going to relocate it?

Mr STUART AYRES: That is correct.

The Hon. MICK VEITCH: Where are you going to relocate it?

Mr STUART AYRES: Probably 52 Martin Place, where most of the function is going to from level 47.

The Hon. MICK VEITCH: Will there be equivalent floor space?

Mr STUART AYRES: I cannot give you a guarantee of the exact floor-space ratios, but I can take the question on notice and give you what we are providing.

The Hon. MICK VEITCH: We would be happy for you to take that on notice. What consultation about the relocation has taken place with the people of country New South Wales who use the current Country Embassy?

The Hon. SHAYNE MALLARD: It is just across the road.

Mr STUART AYRES: I am not familiar with any consultation by my Trade and Investment branch. A large number of the functions of the Country Embassy essentially rely on the Department of Industry and Department of Primary Industries. I am not sure whether they have had any engagement with stakeholders—that is a good question for Minister Blair and Minister Roberts. We will be endeavouring, through the relocation of our site, and given that they have been located largely with the team relocating to 52 Martin Place—

The Hon. SHAOQUETT MOSELMANE: The communities were not consulted. You have seen news stories on Channel 7 and Prime7 saying that people who have used the facility for the past 20 years did not even know. If they had not sought a renewal of their lease they would not have known that the lease is about to be shut down.

Mr STUART AYRES: We are moving and everyone is moving from that site.

The Hon. SHAOQUETT MOSELMANE: But the people who have used it for the past 20 years had no idea that you were moving.

Mr STUART AYRES: I am happy to work with those people to make sure that they still have access to facilities that will allow them to do business in metropolitan Sydney.

The Hon. MICK VEITCH: Do any of the regional tourism operators use the Country Embassy?

Mr STUART AYRES: If they have they have not raised that point with me. I do not have a line of sight on their individual use. I know a number of regional businesses and mayors use the site. It is an easily accessible piece of floor space in the central business district [CBD] and a perfectly functional office space. We hope we will be able to continue to allow them to use office space in our new location.

The Hon. SHAOQUETT MOSELMANE: How much was the lease?

Mr STUART AYRES: I would have to take that on notice. I do not know that off the top of my head.

The Hon. SHAOQUETT MOSELMANE: How much have you saved by moving to new premises?

Mr STUART AYRES: Honestly, I would have to take that on notice. I do not have that available off the top of my head.

The Hon. MICK VEITCH: I do not pre-empt my questions for other Ministers, as you would be aware, so Minister Blair need not be too worried as I will be asking other questions.

The Hon. BRONNIE TAYLOR: He will be looking forward to that.

The Hon. MICK VEITCH: You wait; he will be worried.

The Hon. LYNDIA VOLTZ: Minister, I return to stadiums. Will the \$600 million that is being allocated include money for upgrades to stadiums such as WIN Stadium and Newcastle?

Mr STUART AYRES: We have a stadia strategy position that is very clear about our capacity to invest in facilities that provide the best opportunities for us to secure and maintain content in New South Wales. We know we have a high number of tier 2 facilities. Hunter and WIN are part of our Venues NSW operation and will continue to be part of our long-term strategy. I cannot rule out or rule in where the Government will spend any of the funds it appropriates towards any stadium until it has made a final decision.

The Hon. LYNDIA VOLTZ: If you are saying that Homebush and Sydney Cricket and Sports Ground Trust are upgrades and you have been happy to talk about a range of things and even have a heads of agreement in place for those stadiums within the city, why has there been no consideration for Wollongong and Newcastle?

Mr STUART AYRES: I think it is incorrect to say that there is no consideration. We are talking about the facilities where we need to prioritise our investment. That does not mean—

The Hon. LYNDIA VOLTZ: You already know what you are doing in the city, that you have a heads of agreement and are going to buy out the lease on the Homebush stadium.

Mr STUART AYRES: No, I do not know that. A number of people have come to us, like the Sydney Cricket and Sports Ground Trust and the Stadium Australia Group which has proposed a heads of agreement that allows for the facilitation of Stadium Australia Group to come back under management and ownership early in its lease. We have made very clear from 2012, when we released our first iteration of the stadium strategy, that we were speaking clearly about the need to consolidate where taxpayers invest their funds into facilities owned by taxpayers. Those two stadiums, Hunter and WIN, are included in that strategy.

The Hon. LYNDIA VOLTZ: Is Central Coast included?

Mr STUART AYRES: It is not owned by the New South Wales Government.

The Hon. LYNDIA VOLTZ: I know it is not, but neither is the one at Homebush.

Mr STUART AYRES: The asset is owned by the New South Wales public.

The Hon. LYNDIA VOLTZ: No, it will be owned by the New South Wales Government in 2031.

Mr STUART AYRES: No, the asset is owned and it is currently leased to Stadium Australia Group.

The Hon. LYNDIA VOLTZ: So there is no consideration for Central Coast?

Mr STUART AYRES: It is not part of the New South Wales stadia strategy.

The Hon. LYNDIA VOLTZ: After you have spent all the money on the city stadiums, you may have money left to allocate to Wollongong and Newcastle? Money is being allocated to the Sydney Cricket and Sports Ground Trust, \$5.8 million to do a master plan. Every year money is allocated to the Sydney Cricket and Sports Ground Trust to do upgrades. When was the last time the Government put money in for a master plan for and upgrade of Wollongong stadium?

Mr STUART AYRES: We invested \$31 million recently in WIN Stadium, in this term of government, to build an entirely new grandstand. It is quite a nice grandstand, if you want to come and look at it.

The Hon. LYNDIA VOLTZ: Is it like the \$29 million you allocated to Parramatta?

Mr STUART AYRES: If you want me to compare them, I would say that we have completed the grandstand at WIN—in fact, I was there recently to watch a St George-Canberra Raiders game where I spoke to the venue operation board. It was very happy with the completed grandstand, unlike Parramatta where we chose to save funds.

The Hon. LYNDIA VOLTZ: So you think WIN will be fine and that you have invested enough in it?

Mr STUART AYRES: No, that is not what I said. The very clear message is that New South Wales for a long time has not had a coherent investment strategy around stadia. We need to ensure that you have an understanding of what investments are required to sustain these venues over a long period. We do have in the city of Sydney the largest preponderance of tier two stadia anywhere in the country—50 per cent.

The Hon. LYNDIA VOLTZ: Sydney is the biggest city in Australia, so that is hardly surprising, is it?

Mr STUART AYRES: Fifty per cent of tier two stadia across the country are located in Sydney. We have an overallocation of tier two stadia and that has compromised our ability to deliver good quality facilities. That in turn compromises our ability to secure premium content as well as the capacity to ensure franchises have facilities that allow them to survive.

The Hon. LYNDIA VOLTZ: Which tier two stadia do you expect to disappear?

Mr STUART AYRES: I do not expect any tier two stadia to disappear. The stadia strategy we released in 2012 clearly states that the Government's clear and coherent investment strategy around stadia will focus its investment on assets that it owns. It needs to work with owners and operators of those tier two facilities to ensure that they do have a life relevant to their local and regional communities. That is a clear part of the stadia strategy—in fact, Belmore Sports Ground is a really good example of a community that has established a centre of excellence for the professional team that calls that facility home. It has established community outreach.

The Hon. LYNDIA VOLTZ: We have already ascertained why that has happened. We know the reason they are there is that their attempt to get into Sydney Olympic Park failed.

Mr STUART AYRES: Does that mean you want to move the Bulldogs from Belmore to Sydney Olympic Park?

The Hon. LYNDIA VOLTZ: I am telling you the Bulldogs themselves attempted to move from Belmore to Sydney Olympic Park.

Mr STUART AYRES: Do you want to move the Bulldogs from Belmore to Sydney Olympic Park?

The Hon. LYNDIA VOLTZ: I am telling you the Bulldogs attempted to sign a contract to move into Sydney Olympic Park and it failed. They could not get in there so they made a decision to go to Belmore. You can dress that up however you like, but that is the reality. These organisations that have tried to co-locate within the stadium have not been able to do so.

Mr STUART AYRES: I will back the Bulldogs fans and say they would be pretty happy with their team being based at Belmore and playing their home games at Olympic Park.

The Hon. SHAYNE MALLARD: And the Rabbitohs are there as well and they are happy too.

The Hon. LYNDIA VOLTZ: The Rabbitohs are happy not to be at Redfern Oval and everyone is happy.

The Hon. SHAYNE MALLARD: Yes, they won a Grand Final.

The Hon. LYNDIA VOLTZ: That is good. The reality is that we should have more rugby league teams and our larger codes not co-located in big stadiums but out in suburban ones?

Mr STUART AYRES: An optimal arrangement would be for us to have a maximum number of games that allows those franchises to create a strong commercial position so that they survive in those stadiums, attract good crowds, provide a good quality experience and good access, and that they have the capacity to increase and enhance their corporate support, which is a fundamental part but not the only part of what they do. All of those things are important. The New South Wales Government 2012 stadia strategy clearly states that while they may play more games in larger and more modern stadiums, we want them to stay closely connected to their communities. That is one of the reasons most National Rugby League [NRL] teams have a centre of excellence or community centre strategy.

The Hon. LYNDIA VOLTZ: If the Tigers play at Leichhardt Oval it costs them about \$30,000, but if they play at Homebush they will be paid \$25,000. What is in their commercial interests?

Mr STUART AYRES: I think they make the decision to play the games where they want to.

The Hon. LYNDIA VOLTZ: You said it was about commercial viability. From a commercial viability perspective it would be best to play at Homebush.

Mr STUART AYRES: There is no doubt that it would be more commercially sound to stay in a large and more modern stadium where more tickets can be sold, where fans have a better experience and where more people can be encouraged to support the franchise.

The Hon. LYNDIA VOLTZ: How does the venue strategy work if it is not attracting more events?

Mr STUART AYRES: It has to attract more events; that is the basis of the investment. I would have thought that that was a reasonable position.

The Hon. LYNDIA VOLTZ: What are the big events at these stadiums?

Mr STUART AYRES: This year we hosted the English Premier League champions Chelsea and Tottenham. I alluded earlier to events like Monster Jam Australia, which involved monster trucks and which won the award for the best guest event at a stadium in the world. It was the best non-sporting event held in any stadium in the world. It was an outstanding result. We also hosted major events such as the State of Origin grand final, cricket matches, including test cricket matches, and the final of the Asian Cup, which was a raging success. A number of major events have been held and we will continue to chase them.

The Hon. LYNDIA VOLTZ: How much did the Government expend in attracting, for example, the State of Origin to New South Wales?

Mr STUART AYRES: We have a commercial arrangement with the NRL.

The Hon. LYNDIA VOLTZ: Yes, you do, because that is how you get them to come to the stadium.

Mr STUART AYRES: The Stadium Australia Group also has a commercial arrangement and that question would be better directed to that organisation. We have a number of commercial arrangements with all of the codes, not only the NRL. We have a well-known and publicised commercial arrangement with the NRL in relation to grand finals that was signed by former Minister Ian Macdonald.

The Hon. LYNDIA VOLTZ: What about the Australia Rugby Union [ARU]? When is the next Bledisloe Cup and where will it be held?

Mr STUART AYRES: The ARU has a commercial arrangement with the Stadium Australia Group that ensures that the Bledisloe Cup is played at its stadium until 2021. That is not a commercial position—

The Hon. LYNDIA VOLTZ: So the Bledisloe Cup will be held every year at Homebush?

Mr STUART AYRES: That is the subject of a commercial arrangement between the ARU and the Stadium Australia Group.

The Hon. LYNDIA VOLTZ: It is your commercial arrangement, is it not? What has the Government put in place to bid for the Women's World Cup?

Mr STUART AYRES: In which sport?

The Hon. LYNDIA VOLTZ: Soccer.

Mr STUART AYRES: I do not have any information about the bid for the Women's World Cup with me. I can take that question on notice. However, in taking that question on notice, I will not provide any commercial information that reveals the Government's hand on the quantum of funds that it would make available, particularly in a competitive tender process.

The Hon. LYNDIA VOLTZ: Have you spoken to the Fédération Internationale de Football Association [FIFA] about New South Wales bidding to host the Women's World Cup?

Mr STUART AYRES: I have not spoken to FIFA myself. I will take that question on notice and provide the details.

The Hon. LYNDIA VOLTZ: What progress has been made on bidding to host the Formula 1 Australian Grand Prix?

Mr STUART AYRES: The Government made an election commitment to establish a bid committee. That committee is being led by Rod McGeoch, who is well known for his involvement in sporting events in Sydney and his long history with the Olympics. We will continue to seek advice from him through the development of that bid. I also flag that, as the current owner of the Formula 1 Australian Grand Prix,

Melbourne has the opportunity to extend its lease. The Premier and the Government have made clear that we would like to host that event in Sydney. We will continue to work with the Formula One Group while the event is being hosted in Melbourne to ensure that we have every chance of attracting it to Sydney.

The Hon. LYNDA VOLTZ: You also made an election commitment to bid for the Women's World Cup. When will you establish a bid committee for that event?

Mr STUART AYRES: I have already said that I will provide that information on notice.

The Hon. LYNDA VOLTZ: Have you sent representatives to France and Switzerland to meet with FIFA to discuss that event?

Mr STUART AYRES: I will provide that information on notice.

The Hon. LYNDA VOLTZ: Application forms to hold boxing events, particularly amateur events, are available online. A number of boxing coaches, particularly in rural and regional areas, do not have access to the internet. Frankly, they are not the youngest boxing coaches in the world and they do not have the ability to apply online. What processes have been put in place to assist those coaches?

Mr DOORN: The legislation was enacted in December last year and we have put in place a range of education procedures to address access, particularly web-based access. We have distributed information to registered and non-registered people and people previously involved in the industry. We have provided a hotline number and people can come in person to Sydney Olympic Park and we will walk them through the application process. If anyone has concerns about accessing the information, they can contact us directly.

The Hon. LYNDA VOLTZ: They are in existing gyms and do not have access to the internet. How will they know that?

Mr DOORN: We have communicated widely with people who worked under the former legislation. I will take the question on notice with regard to the full communication procedure. However, people have been able to phone and we have been able to help them.

The Hon. LYNDA VOLTZ: How many organisations have been approved to issue amateur permits?

Mr STUART AYRES: Since the commencement of the Act, 938 combatants have been registered and 324 industry participants and promoters have been registered. In addition, 68 permitted contests were held between 1 January and 30 July. Of them, 40 were amateur only, 14 were pro-am and 14 were professional only.

The Hon. LYNDA VOLTZ: I asked how many organisations had been registered to issue amateur permits.

Mr DOORN: I will take that question on notice.

Mr STUART AYRES: I clarify that 324 industry participants and promoters have been registered.

The Hon. LYNDA VOLTZ: The Minister should take my question on notice.

Mr DOORN: You are referring to sanctioning bodies and the like.

The Hon. LYNDA VOLTZ: Yes.

Ms JAN BARHAM: How many drownings or rescues have taken place over the past five years involving non-New South Wales citizens?

Mr STUART AYRES: I do not have the individual figure, but I can draw on some historical knowledge. It indicates a higher preponderance of non-New South Wales residents, particularly people from a non-Anglo background—and I use that term reluctantly. However, as I said, I do not have an individual figure, but I will seek that information.

Ms JAN BARHAM: That was a major issue raised during the inquiry conducted by General Purpose Standing Committee No. 3 into tourism in local communities. The committee recommended that Destination NSW include a surf safety message on its website. I have searched the website for any such message, but I could not find one. The visitor safety site also does not have a surf safety message. Surely it would be a high-profile issue. You agreed to do it.

Ms CHIPCHASE: Yes, and we did.

Ms JAN BARHAM: But it certainly does not feature prominently.

Ms CHIPCHASE: It is definitely there. We will look at the link and send it to you. We will see whether it needs to be more prominent. We also deal with water safety and swimming in billabongs and rivers. We try to get that message out to ensure that people surf between the flags and so on.

Ms JAN BARHAM: Because one of the concerns that was raised is that Surf Life Saving NSW has developed a really good program, an app. Despite it not being a recommendation of the inquiry, I wonder whether or not you have considered the fact that you might promote that, as we know that it is a major issue.

Mr STUART AYRES: I am more than happy to look at that. I can also say that Royal as opposed to Surf Life Saving also have a number of programs around working with community groups and councils around water safety messages. Because this is not just a beach issue; it is also a freshwater issue that includes dams and rivers as well.

Ms JAN BARHAM: But it certainly is a beach issue when there is so much promotion about our beaches. For that reason, I wonder why financial support for the provision of surf life saving facilities is not part of Destination NSW programming.

Mr STUART AYRES: That is because it is part of the Sport portfolio.

Ms JAN BARHAM: Is it?

Mr STUART AYRES: I can easily attribute to that, given you get lucky enough to have all of those in one Minister.

Ms JAN BARHAM: That is right.

Mr STUART AYRES: We allocate annually \$2 million to the delivery of surf life saving infrastructure. It is one of the largest single allocations of funds for sporting infrastructure that we offer to community facilities. Last year we worked with Surf Life Saving through some of those funds to develop an infrastructure management plan. I could get you a more detailed list around where those funds have been expended since we have been running that surf life saving infrastructure fund.

Ms JAN BARHAM: That is for infrastructure, not for the provision of the actual physical human services of having lifesavers on the beach.

Mr STUART AYRES: That is correct. That is an infrastructure-specific fund.

Ms JAN BARHAM: Are you aware that the Department of Lands, which used to contribute and support council funding of those services no longer does even though it manages tourism facilities in beach locations?

Mr STUART AYRES: I do not have a line of sight on what Lands is doing with its budget.

Ms JAN BARHAM: Can you explain why it would not be a factor for an application to Destination NSW funding?

Mr STUART AYRES: One of the reasons why I do not think that it would be terribly successful is that the funding that we allocate to Destination NSW [DNSW] is focused around providing opportunities to drive tourism investment. I recognise that you are looking at the importance of a safety message. What I will commit to doing is looking at the most appropriate program or department across government where they can

apply for that support. But without wanting to be too blunt, I do not think that type of application would be successful at DNSW because it is not focused on driving tourism activity.

Ms JAN BARHAM: It could drive them away though, with it not being there.

Mr STUART AYRES: There is no doubt that we have to work very, very closely with communities around what takes place right across New South Wales to make sure that the environment that we offer any tourist is as hospitable as it can be. Safety messages are an important part of that.

Ms JAN BARHAM: Safety is one of the major issues for many people considering travel. Another recommendation from the tourism inquiry that the Government did support was the issue of financial assistance grants that come from Federal Government. A number of councils came before that inquiry and referred to the impact of that additional load of tourism. They love having tourism. It is not a negative about tourism, it is the pressures it puts on local communities. That factor is not part of the consideration for accessing Commonwealth financial assistance grants. Fit for the Future does not seem to be assessing that either. Neither do regional distribution formulas that the State Government calculates around hospital services and such. As tourism Minister, are you willing to fulfil a commitment given about supporting councils who are seeking to have that additional pressure factored into their applications for funding through the Commonwealth and through the State Government?

Mr STUART AYRES: I would be willing to talk to any council that wants to seek guidance or support from us around applications. We have a very clear open-door policy around working with local government and tourism entities. What I would say, however, is that I do not think that councils should be viewing the visitor economy as a cost burden. It is crucially important that they see—

Ms JAN BARHAM: But for a council it is a burden. It is a substantial burden because they do not receive the funds directly themselves—businesses do, but not councils.

Mr STUART AYRES: Indeed. I have no doubt that you could make an argument that the visitor economy is not spending a direct contribution back into councils. But I would say that the sustainment of businesses that do pay rates into communities—largely in communities that have their largest economic or service economies driven out of tourism—is something that requires collaboration across all tiers of government. I recognise that there are costs associated, but we should be very clear about making sure that right across the community we see the visitor economy as a positive to a community, not a negative.

Ms JAN BARHAM: Yes, but when there is a cost burden or impact it is of concern to some. The Blue Mountains, Shoalhaven, Cessnock and North Coast communities all stated that this is one of the ongoing pressures that could, and in some cases does lead to a discontent within the general community about the subsidisation.

Mr STUART AYRES: I think it is a valid point to recognise that in a number of what we might refer to as holiday locations or holiday communities the population of those communities swells in their peak season—whether that is a peak winter season, a peak summer season or a peak spring season—and that does put pressure on the services that are offered in that community. That needs to be balanced against the economic benefits that that peak season provides for that community as well.

Ms JAN BARHAM: I think it is an ongoing issue that there seems to be a misunderstanding about the balancing of those benefits. But you are right; the alpine communities raised that issue as well. They also raised the issue of climate change and the impact that climate change might have on their tourism attractions. Are you aware of that and do you have any idea of how that can be assisted?

Mr STUART AYRES: No individual entity since I have been the tourism Minister has raised specifically the issue of climate change around the delivery of their services. I am not going to deny that it is something that occupies the mind of particularly someone who has a beachfront property or runs an alpine skiing resort. I think climate change is real and it is something that the Government needs to consider around its individual responses. We will work with, as we do, local governments' individual tourism entities across a broad spectrum of issues. Climate change would be included in that.

Ms JAN BARHAM: Thank you. One of the other recommendations was around the funding issue for tourist communities. Reference was made to the special rate variation that applied. I think the recommendation

was that it was supported in principle and that there be a program of support for councils that were wishing to make that application. Have we seen any increase in councils taking advantage of the State Government's opportunities around that?

Mr STUART AYRES: I understand that councils are talking with Destination NSW around special rate variations. Just recently I visited Terrigal where I spoke with Gosford council. It has a special rate variation [SRV] in place. It is a very well-considered SRV that has been incredibly well communicated to its community. It understands the value of that rate variation and the capacity to invest in tourism activities. I also understand that that SRV goes a long way to contributing that council's allocation of funds to the Central Coast regional tourism organisation. I suggest it is a really good example of a council that understands the value of the visitor economy.

Ms JAN BARHAM: It is. Thank you. I will ask a Sport question. Are you aware of the community support for the Ballina sports centre?

Mr STUART AYRES: Loosely. I will admit that I have had some discussions with the former member. I also had some discussions—I say with a smile on my face—with our candidate.

Ms JAN BARHAM: With the current member?

Mr STUART AYRES: But I have not had any discussions—she has not approached me about a specific. She has written. I must admit I do not have a clean line of sight on the correspondence, but we would be more than happy. The other thing I would say to you is that we have a program called Future Needs of Sport, which is exactly the note someone just handed to me.

Ms JAN BARHAM: Is that a new program?

Mr STUART AYRES: Yes. It is effectively a research project that allows us to engage with councils and sports—we have been doing this for 12 months—to collect the data from councils and sports around where they see their future requirements. My strong view is that the appropriation of funds should be based on some degree of evidence and engagement with both local communities and the governing bodies of those sports that have a very clear understanding of what their requirements are. We have had quite a good response from councils. I could give you on notice an exact figure of how many councils have responded. I do not know whether Ballina has put a submission in, but we would encourage them to do so.

Ms JAN BARHAM: Thank you.

The Hon. LYNDIA VOLTZ: Minister, going back to the stadia strategy, can you confirm whether Wentworth Park is part of the Government's considerations? Will Wentworth Park receive any investment for its stadium facilities?

Mr STUART AYRES: Wentworth Park is not a stadium or sporting facility that is owned by the New South Wales Government.

The Hon. LYNDIA VOLTZ: I know that.

Mr STUART AYRES: If you are referring to the dog track that is there, I think a lease arrangement exists. It is not a facility that comes under my portfolio and it was not included in the—

The Hon. LYNDIA VOLTZ: It is not included, that is my question.

Mr STUART AYRES: It was not included in the 2012 strategy and it is not subject to consideration as part of our investments at this stage. However, if there is a proposal for an upgraded facility at Wentworth Park or anywhere else, we would consider it.

The Hon. LYNDIA VOLTZ: It is not being considered as part of John Brogden's report?

Mr STUART AYRES: That is a question for John Brogden.

The Hon. LYNDIA VOLTZ: He has wide latitude to look at any facility anywhere in the State.

Mr STUART AYRES: I understand that one area that was forecast through engagements with sports is indoor facilities. I do not believe there is any recommendation that refers to geographical location.

The Hon. LYNDIA VOLTZ: I want to go to tourism for a moment. You announced \$110 million for tourism infrastructure.

Mr STUART AYRES: I did not announce \$110 million for tourism infrastructure. I think it was announced by the previous Minister.

The Hon. LYNDIA VOLTZ: It is part of the budget allocation?

Mr STUART AYRES: It is not a part of my budget appropriation. The Regional Tourism Infrastructure Fund was allocated to the Minister for Regional Development.

The Hon. LYNDIA VOLTZ: Are you coordinating with the Minister for Regional Development about that?

Mr STUART AYRES: I will always work with my colleagues when they want to spend money on anything that will support tourism in New South Wales.

The Hon. LYNDIA VOLTZ: Is it unusual that it is being done that way?

Mr STUART AYRES: No. Given that the bulk of those funds are going to infrastructure developments in regional New South Wales I think it is reasonable that the Minister who received responsibility for regional development was allocated those funds.

The Hon. LYNDIA VOLTZ: It is more to do with physical infrastructure to support numbers rather than tourism information centres, any of those kinds of—

Mr STUART AYRES: Yes, that is correct. It would be reasonable to say that it is a regional infrastructure fund and that is where the focus will be. That is why the delivery of those funds has been given to the Minister for Regional Development. It is his responsibility. We will work with him through its development.

The Hon. LYNDIA VOLTZ: In respect of tourism, what are our major markets at the moment? What is the largest group, and then the second and third?

Mr STUART AYRES: We have had some fantastic visitor results. Only this morning we were able to publish results that indicated, once again, that New South Wales is still the number one tourist location anywhere in the country. Our largest source market in the past 12 months has been China. Annually we now have more than 500,000 people coming from China. It continues to be a very strong growth market for us.

The Hon. LYNDIA VOLTZ: Our biggest market is China?

Mr STUART AYRES: At the moment, that is correct.

The Hon. LYNDIA VOLTZ: And then?

Mr CHALLEN: New Zealand.

The Hon. LYNDIA VOLTZ: New Zealand, which used to be our biggest market.

Mr CHALLEN: Yes.

The Hon. LYNDIA VOLTZ: Yes, and after New Zealand?

Mr CHALLEN: It depends on the year, but our top 10 are—

The Hon. LYNDIA VOLTZ: Just the top three. Is it still the United Kingdom?

Mr STUART AYRES: China, New Zealand and the United Kingdom.

Mr CHALLEN: Correct.

The Hon. LYNDIA VOLTZ: We have had some exceedingly good news in the past year because the Australian dollar has plummeted and it is now at 70¢ to \$US1, so we would expect to see an increase in visitor numbers as a result.

Mr CHALLEN: It means that everywhere else the United States dollar is a driver of tourism worldwide. If it goes up, they tend to stay home more. The comparisons work in our favour. There has also been a lot of work done in the United States. You would have seen the numbers increase out of the United States. We got the *NBC Today* show exclusively for Sydney. That was a great tourism promotion done in conjunction with Qantas. That was another big plus. It also means that if our dollar decreases it becomes more expensive to promote overseas. We have an advantage in that our visitors can spend more while they are in New South Wales, but it also means that when we are promoting internationally the cost of doing business increases. It is just the way it goes.

The Hon. LYNDIA VOLTZ: That is why we have seen an increase in funding in tourism, but essentially that will be eaten up by the increased costs?

Mr CHALLEN: Well, you cannot always make those assumptions. For example, in the case of the *NBC Today* show, having that specific promotion meant that we got an increase in incremental visitors through Qantas, which was an extra 30 per cent above and beyond what it would normally deliver. Promotions can deliver increased visitor numbers. Major events, whether it is major league baseball, or the soccer, or a Handa opera on Sydney Harbour, can also drive business. It is a complex, nuanced industry, but we would hope that our improved value for money proposition in New South Wales would work in our favour.

Mr STUART AYRES: I would also add that it is crucially important. This is one of the benefits of having a well-resourced and focused organisation such as Destination NSW, which is focused on driving and growing the visitor economy. You start to build some insulation around things like currency fluctuations. If we relied solely on the price of the Australian dollar to drive tourism, I think you would say that we had a very poor tourism strategy. It is about having very targeted and focused activities across key markets. It is also about establishing very close working relationships with important international partners and a really good example of that is our recent partnership with an organisation called Ctrip in China, which is the largest online tourism and booking agency in that country. It has more than 250 million registered users. That is the type of activity that will allow us to insulate ourselves from any currency fluctuations that largely New South Wales does not have any capacity to control.

The Hon. SHAOQUETT MOSELMANE: How much of the New South Wales budget is spent on advertising for Destination NSW?

Mr STUART AYRES: On advertising?

The Hon. SHAOQUETT MOSELMANE: Yes, for Destination NSW?

Mr STUART AYRES: We had a total budget of \$176 million appropriated to us this year. Our marketing expenditure that we budgeted for this year was \$19.84 million.

The Hon. LYNDIA VOLTZ: That is the New South Wales Government alone, not a mix of the operators?

Mr STUART AYRES: No, that is just our contributions.

The Hon. LYNDIA VOLTZ: Will you commit to delivering infrastructure upgrades to support the growing demand for natural tourism?

Mr STUART AYRES: As I was saying before, the key focus for Destination NSW is about driving demand. We spend a lot of time directly targeting tourists. The funding that is allocated to Destination NSW is not allocated specifically to the development of individual pieces of infrastructure. We would need to take that with a business case to Government and ask it to appropriate funds on a case-by-case basis.

The Hon. LYNDIA VOLTZ: I have a quick question about access to transport in tourism for people with a disability. Can you update me as to where you are on strategies in respect to increasing access?

Mr STUART AYRES: Disability access is a core component of how we deliver improvements in tourism. One of the highlights most recently was having a disability advocate work closely with us through the Vivid festival. I was able to meet with that person on the launch night. As a specific case study on accessibility, we received strong feedback on the work that we were able to do across Vivid. It continues to be an important part of how we approach all of our events. Destination NSW prides itself on being able to work closely with disability advocates right across the community. I think our work in the Vivid Festival is a really good example of that.

Ms JAN BARHAM: I wonder whether Destination NSW has a role to play in the expansion of the Gold Coast Airport. Are you involved in those discussions?

Ms CHIPCHASE: Yes we are. We have been working very closely with the Gold Coast Airport for many years. We have been supporting services—for example, when Virgin increased its promotions we worked with the North Coast around that. We have taken advertising. We are certainly very keen on the international market because that is a great opportunity for the North Coast of New South Wales. We also recently organised for two speakers at a conference at Byron Bay—I think it is happening in November—from the Commonwealth Games on the Gold Coast. We see that as another great opportunity for New South Wales. We are already starting those relationships to see where we can leverage that major event for our State.

Ms JAN BARHAM: Are you aware of a time frame for the future expansion of the airport to accommodate additional flights coming in?

Ms CHIPCHASE: We do know some of the flights that have already been announced and some of the discussions that are underway. We will have a representative from the Gold Coast Airport here next week to have discussions.

Ms JAN BARHAM: Am I right that some of the earlier predictions were that there would be a runway expansion by 2017 to facilitate those extra flights coming in?

Ms CHIPCHASE: That is my understanding. I do not have the plans. One of the reasons we are having the meeting next week is to start to map that out. We see it as a great opportunity for our State.

Ms JAN BARHAM: Will you have the ability to track how many people are coming in? They are coming into another State but we all know that they turn right and come into New South Wales.

Ms CHIPCHASE: We have the same figures as every State with the national visitor survey and the international visitor survey. A great way for us to be able to track that is through our travel packaging. When we are working with international travel wholesalers or the airlines we can track exactly the number of bookings and the number of nights spent in New South Wales, because that is what we need to be reporting on.

Mr STUART AYRES: I thought I might let you know that in the figures that have just been released—literally in the last half hour—by the Federal tourism Minister, the North Coast received 292,000 visitors in the past 12 months, which was an increase of 9.3 per cent.

The Hon. LYNDIA VOLTZ: That is because it is too expensive to go overseas.

Ms JAN BARHAM: In terms of the focus on doubling tourism stays I know that there is a bit of an issue. Does that factor in the day trips? We all know that there are a lot of day trips. You are calling for a target of doubling overnight visitor stays.

Ms CHIPCHASE: Expenditure, yes.

Ms JAN BARHAM: I think that is one of the measures used to access the funds. You are asking for a criterion to be met that discounts other issues. Am I right in saying that? That is what I have heard in some of my discussions with North Coast tourism operators.

Mr STUART AYRES: It is a fair observation, particularly when you have organisations that are looking to access competitive funds and where part of the criteria—not the only criteria—is focused on driving additional expenditure into the State. We should not lose sight of that but one of the terms of references or the key focuses of the review into regional tourism is around our funding requirements and whether we have the right metrics. The same points that you have heard on the North Coast have been relayed to me across New South Wales. They say, "We find the one-size-fits-all approach a little difficult and we are looking for something that allows us to tailor our product to our community."

That is an area that the current review is looking into. That is a reasonable point. What we cannot afford to compromise on is the capacity to drive tax-payer investments into areas that will drive expenditure. I am prepared to look at recognising how that expenditure is measured, so that it does not necessarily always have to be an overnight hotel stay. I think that is important. You mentioned in one of your earlier questions collaboration with individual entities. That is why having really strong business and marketing strategies, and understanding who those tourism bodies are targeting, is really important for us. So when we co-opt funds to support those entities we know that those funds are going to well-placed and well-targeted marketing campaigns.

Ms JAN BARHAM: I think it is a unique situation for the Far North Coast—the Tweed and Byron Bay and through to Lismore and Ballina—where the day trip is so short that an overnight stay is not necessary. If there were some way to capture that then that would be a bonus.

Mr STUART AYRES: One of the points that I would raise is that this is exactly the reason we ask councils to create a destination management plan—so that they understand really clearly what their market looks like and how it is segmented. When you are leveraging from one tourism region into day trippers, if you do not have a focussed plan on how to do that then the capacity for us to support that organisation with taxpayer funds has to be compromised. We want to have a really clear understanding around where those funds are going and how they are going to drive increased economic activity, because that is the financial and economic benefit of tourism, long before you get to any of the social benefits.

Ms JAN BARHAM: I know that Ms Chipchase is aware of the beautiful Brunswick Heads area and its very successful play around simple pleasures. Are you aware that at the moment there is community concern around the fact that the State, through the development of its caravan parks and crown reserves, is impacting on the industry's desire to retain a simple pleasure branding and reality to that town? It feels that it is now at odds and competing, on a non-level playing field, with the State in that tourism industry sector.

Mr STUART AYRES: I have not had anyone raise that with me but I am happy to take it on notice and look at it in more detail.

The Hon. LYNDIA VOLTZ: With regard to Sydney Olympic Park, could you inform me what land sales have taken place in the past 12 months and, just for the record, the breakdown between what is returned to Sydney Olympic Park and what is put back into general revenue.

Mr STUART AYRES: I do not have that information readily available or right in front of me, but I can take it on notice.

The Hon. LYNDIA VOLTZ: With respect to women's sport can you inform me what the department is doing at the moment with regard to the increasing disparity between women athletes' pay and conditions, and those of male athletes?

Mr STUART AYRES: The key focus for the Office of Sport in New South Wales is divided into three main areas including sport development, which includes increasing participation and improving the governance of sport in New South Wales. But we are also focused on high-performance pathways, which include organisations like the NSW Institute of Sport. And we are very focused on improving the quality of facilities right across the community. That is one of the reasons we started the process around the Future Needs for Sport. As for increasing women's participation and engagement in sport across all of those areas, that is a key focus for us. It continues to be around improving the quality of governance and encouraging sports to have governance programs that increase women's participation.

We are also working through the Future Needs for Sport process and working closely with councils around improving accessibility for women in local and community facilities. In fact, we funded Womensport

NSW to conduct investigations and work with councils to develop a female-friendly infrastructure program. One of the lines I often use is that if you want to increase accessibility or the number of women in your club the first question you should ask is: Do you have a female-friendly change room and does the facility you offer your club members open the door and make it friendly for women? Womensport is doing that work. It is working very closely with Sport NSW. We continue to play a leadership role in that regard. I will always advocate that women are treated equally—as they should be—across all sports. Do I set prize money or salaries? No, I do not. Will I continue to advocate that women should be paid more for their work? Yes, I will.

The Hon. LYNDA VOLTZ: While you were advocating that, what discussions have you had with the major codes?

Mr STUART AYRES: We have spoken on a regular basis about the capacity to continue to improve accessibility and the quality of performance in women's sport. The New South Wales Institute of Sport [NSWIS] is a world leader in its high performance management and continues to be with the performance and training of its athletes. The National Rugby League [NRL] conducts a program that is very much focused on improving accessibility for women in their sport. They run a national team and we continue to support that work. I see even in the media today that there is discussion around the Australian Football League [AFL] also looking at bringing in a national women's competition. That would be something that I would be more than happy to support.

The Hon. LYNDA VOLTZ: That is bringing in a national women's competition, but I am talking about the disparity between what professional male athletes get and what professional female athletes get.

Mr STUART AYRES: Like I said before, I do not set the salaries for individual athletes. What I will always do is advocate that women and men are treated as equally as possible.

The Hon. LYNDA VOLTZ: Do you maintain a women's department within the Department of Sport?

Mr STUART AYRES: A women's department?

The Hon. LYNDA VOLTZ: There used to be a women's sports section within the Department of Sport and Recreation.

Mr STUART AYRES: There is an organisation that is not part of the department. It is called Womensport and Recreation NSW.

The Hon. LYNDA VOLTZ: No. Womensport has always existed and it is different to what has been there in the past. A section within the Department of Sport and Recreation has specifically been geared towards the promotion of women and women's sport, and equity.

Mr STUART AYRES: The promotion of women's sport and equity for women in sport is a key focus of our agency. It does not require a separate entity. In fact, it should be part of the central thinking of every organisation that exists in the New South Wales Government.

The Hon. LYNDA VOLTZ: It should be, but as you know, women's pay equity has been growing under this Government. It increased 5 per cent on average weekly earnings just in the previous 12 months. It is certainly an area that is significant. If there is one area that appears to be very male orientated, it is within the realms of Sport. For example, we spent most of the morning talking about stadium policy. Essentially the stadium policies are centred around codes that are male dominated.

Mr STUART AYRES: I would have been more than happy to talk about the Australian Diamonds, who are in Martin Place at 1 o'clock. I invite every member of the community to come down and congratulate one of the best Australian sports teams we have ever seen.

The Hon. LYNDA VOLTZ: All right, let us take the Diamonds. What is the comparison between what the Diamonds earn and what the men's basketball team earns?

Mr STUART AYRES: I do not know what the Australian netball association pays its players and I do not know what the national basketball team is paid.

The Hon. LYNDIA VOLTZ: What is the largest sport that is played in New South Wales?

Mr STUART AYRES: Active participation?

The Hon. LYNDIA VOLTZ: Yes.

Mr STUART AYRES: I do not have that exact figure. I think you would find it would fluctuate between—

CHAIR: It is Australian netball.

Mr STUART AYRES: Yes. It would fluctuate between—

CHAIR: What does the Australian netball team get paid?

Mr STUART AYRES: I think you will find it will fluctuate, based on individual surveys around peak participation. But netball is an incredibly well-attended sport; so are sports like the rugby league; so is cross-country, or golf, or swimming. There are a number of people that actively participate in a healthy lifestyle that may not be participating in a formal sporting environment, but we are still encouraging them to do so.

The Hon. LYNDIA VOLTZ: Yes, but we do have major sports that are getting major funding—I mean, consistently major funding. What I am asking is: Where is the analysis that looks at how you create more equity in that within your department?

Mr STUART AYRES: Like I said before, it is not a single entity, nor should it be. The capacity to increase the participation of women in a healthy active lifestyle and increase participation of women in sport is a focus of the entire department, not a separate organisation.

The Hon. LYNDIA VOLTZ: Perhaps you could take it on notice and provide the Committee with any reports you have done in the past 12 months in regard to women's sport and equity.

Mr STUART AYRES: I can take on notice the work, if there has been any specific program that might have been appropriated or allocated funds. But I emphasise my point again: This is not a separate issue. This is not a men's and women's segregated department. This is about growing athletic participation right across the State. I would have thought 51 per cent of the population of this State, or close enough to it, should be a key focus of my department, and it continues to be so.

The Hon. LYNDIA VOLTZ: But 51 per cent of the sporting facilities around the State are not being used by women, are they?

Mr STUART AYRES: What do you mean by that?

The Hon. LYNDIA VOLTZ: If you went out and did an assessment of all the sporting facilities across the State, would you say that 51 per cent of all sporting facilities across the State are being used by women?

Mr STUART AYRES: I think it would be a fairly bold statement to say that it is not very close to equal distribution.

The Hon. LYNDIA VOLTZ: Would you?

Mr STUART AYRES: Yes, I would. I think open recreational parklands, sporting fields—

The Hon. LYNDIA VOLTZ: I said "sporting facilities".

Mr STUART AYRES: —netball courts, basketball centres, and netball centres; I think you would see a breakdown of participation in those facilities roughly equal to the breakdown right across the State.

The Hon. LYNDIA VOLTZ: Okay. You would be happy to take that on notice and provide those figures for me, would you?

Mr STUART AYRES: If those figures exist.

The Hon. LYNDIA VOLTZ: If those figures exist, you will provide them for me.

Ms JAN BARHAM: Minister, I recently went to Gloucester for the first time and it was beautiful.

Mr STUART AYRES: Yes.

Ms JAN BARHAM: I met with some tourism operators. There is the Tourism—Advancing Gloucester [TAG] group. A number of those operators are part of the anti-coal seam gas [CSG] protest movement up there. Have you met with them? Are you aware of their concerns about the future of their industry and the impact of coal seam gas in that area and what it might do?

Mr STUART AYRES: I have not met with them. I am not aware of a meeting request, but I will not rule out that they have not made a request. But I would be more than happy to discuss with them their concerns. I would also say that as far as tourism is concerned, we want to make sure that we have an appropriate balance and use right across land use in New South Wales. Tourism is not immune to any of the other challenges and conflicts that exist around land use.

Ms JAN BARHAM: Can I just read a quote?

CHAIR: Yes, read the quote.

Ms JAN BARHAM: This is the quote:

TAG believes that CSG mining works hard against the scenic beauty of Gloucester, adding a slow uglification—

which is a new word—

to a region long-recognised for its beauty; it destroys productive farming land; and it detracts from the tourism experiences of the town.

Those are their concerns. I will follow up with you.

Mr STUART AYRES: I am happy to take those concerns and talk to them about it, but largely I think the key point here is that tourism is not immune to any of the challenges that exist around conflicting land use in New South Wales.

CHAIR: At this juncture, we will conclude this session. Minister, I thank you and your officers for attending. I note that you have taken a number of questions on notice. You have 21 days in which to respond. We have concluded a little early but I think we had just about exhausted the time allotted for questions. Thank you very much for attending.

Mr STUART AYRES: Thank you.

(The witnesses withdrew)

The Committee proceeded to deliberate.
