

OPTUS STADIUM — OPERATING COSTS

663. Hon COLIN TINCKNELL to the Leader of the House representing the Minister for Sport and Recreation:

- (1) Can the minister please explain why Optus Stadium's operating costs will amount to a \$54.5 billion debt, requiring the government to step in and fund it, with taxpayers' money, over the next three years?
- (2) Why is there such a staggering blowout on operating costs when the stadium is seemingly very well patronised?
- (3) What is being done to manage and rectify this problem?
- (4) How much do private companies like Spotless stand to make from contracts to provide hospitality and other services to the stadium?

Hon SUE ELLERY replied:

I thank the honourable member for some notice of the question.

- (1)–(2) There has been no \$54.5 billion blowout in operating costs for the stadium. The increased expenditure in 2019–20 budget papers of \$54.5 million is partially offset by additional revenue in those papers of \$37.7 million over the period 2018–19 to 2020–21.

Revenue and expense estimates were originally established for Optus Stadium in 2015–16. Since that time, estimates have been updated on a number of instances. In the 2018–19 budget process, substantial additional revenue was included, resulting in a reduction in appropriation of \$29.8 million. Collectively, those two sets of adjustments mean that we are currently budgeting for Optus Stadium to cost less over the forward estimates than originally forecast back in 2015–16.

- (3) As I have outlined, the figure represents the series of adjustments as the venue goes through its first year of operations. Optus Stadium has had an amazing first year and we are in the midst of one of the best years of sport and entertainment in Western Australia's history. As the stadium is projected to cost the state less than originally forecast in 2015–16, no rectification is required.
- (4) The profitability of private companies that supply Optus Stadium is not information that the state government has access to.