

Ms Katie Hodson-Thomas; Ms Sheila McHale; Chairman; Dr Elizabeth Constable; Mrs Judy Hughes; Mr Martin Whitely; Mr Trevor Sprigg; Mr Paul Papalia; Mr Tony Simpson

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**Division 48: Western Australian Tourism Commission, \$52 780 000 -**

Mr M.J. Cowper, Chairman.

Ms S.M. McHale, Minister for Tourism.

Mr R.J. Muirhead, Chief Executive Officer, Tourism Western Australia.

Mr P.G. Kealley, Manager, Accounting and Financial Services.

Mr D.P. Etherton, Executive Director, Industry Development and Visitor Servicing.

Mr D. van Ooran, Executive Director, EventsCorp.

**Ms K. HODSON-THOMAS:** My question relates to service and appropriation funding on page 872 of the *Budget Statements* and to service 2, "Event tourism". We are all aware that with the axing of Rally Australia event tourism has decreased. That is reflected in the *Budget Statements* under service 2. The estimated actual in 2006-07 was \$21.4 million as opposed to the 2007-08 budget estimate of \$13.284 million. Can the minister provide a breakdown of the 16 major events and the 29 regional events that took place during the last financial year? What is anticipated in the next financial year? If the minister cannot provide that information today, I would be happy if she chooses to provide it by way of supplementary information. Further, can the minister provide any analysis on the benefits of those events?

**Ms S.M. McHALE:** I thank the member for her question and for her great interest in tourism. I will explain the variance first. There is a difference of \$8.1 million. There have been several decreases. There is a compensating reduction of both expenditure and revenue related to Rally Australia. There is a reduction as a result of supplementary funding in relation to the Red Bull Air Race. The Red Bull Air Race will be funded via a redirection of Rally Australia funds. We have allocated Rally Australia funding to the Red Bull event. In 2006, we secured additional funding for the Red Bull event. There was also a one-off supplementary funding in 2006-07 for Rally Australia, which was provided to meet the increased costs of the final event. Additional funds in 2006-07 include \$100 000 for surf-lifesaving championships, the reversal of non-recurrent carryover, increased cost escalation and non-cash adjustments and the redirection of Rally Australia funding to offset the shared service procurement reform. The pluses and minuses account for the decreasing \$8.1 million. The member wanted to know about the events in 2006-07.

[10.30 am]

**Ms K. HODSON-THOMAS:** I think they are listed further in the budget papers. It states that there are 16 major events and 29 regional events. Would we be able to obtain the information by way of supplementary information?

**Ms S.M. McHALE:** I can give it to the member now. Among 2006 the regional events were the Multiplex Avon Descent; Discover the Round, which relates to Kalgoorlie-Boulder; the Anaconda Adventure Race in Dunsborough; Wave Rock Festival; the twenty-first annual Golden Breed Longboard Titles; the Gascoyne Dash; the British Auto Classic; the Northam International Festival; the Blessing of the Fleet; the Margaret River Wine Region Festival 2006; the 2006 Cactus Games; and the Manjimup Cherry Harmony Festival. The ones for 2007 are the Iluka Busselton Jetty Swim; the Bunbury International Jazz Festival; the Boyup Brook Festival; the 2007 Geographe Bay Race Week; Taste Great Southern; the Nannup Music Festival, the Channel Seven Crabfest; the Mandurah-Bunbury Carnival; the Harvey Harvest Festival; the Festival of the Wind in Esperance; Big Moon Rising; the All Australian Car Day; the 2007 Quit Forest Rally; the Ningaloo Whaleshark Festival; the Argyle Diamonds Ord Valley Muster; the Albany Weekend 2007 Classic Motor Event; the Kalbarri Canoe and Cray Carnival; and the Balingup Medieval Carnival. The major events for 2006-07 are the National Veterans Men's Hockey Championship; Telstra Rally Australia; Audi Etchell World Championships; World Ultimate Club Championships; Red Bull Air Race; Ironman WA; Gravity Games; Cricket City Perth Ashes Test; Velux 5 Oceans Yacht Race; Hyundai Hopman Cup; XXXX Gold Beach Cricket, Aussie 2007; Australian Surf Lifesaving Championships; Margaret River Pro; Busselton Half Ironman; and there is a rugby test coming up in June. There is also the Vodafone Beach Volleyball.

**Ms K. HODSON-THOMAS:** May I have that document tabled?

**Ms S.M. McHALE:** I have just given members the information.

**Ms K. HODSON-THOMAS:** I was wondering whether we could see how much was allocated to each event.

**Ms S.M. McHALE:** I am very happy to provide the information now.

**Ms K. HODSON-THOMAS:** Is that by way of supplementary information? I do not want it read out now because it delays the process for other members to ask questions.

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**Ms S.M. McHALE:** I have the information here. Supplementary information is only for information I cannot provide on the day. If the member wants information, I am happy to provide it.

**Ms K. HODSON-THOMAS:** I will put the question on notice.

**The CHAIRMAN:** If the minister is not willing to provide information to the member, she will have to put it on notice.

**Ms S.M. McHALE:** I am happy to provide it to the member.

**Ms K. HODSON-THOMAS:** I do not want to delay the process when other members have questions.

**Ms S.M. McHALE:** I am happy to provide information now. Supplementary information is only when I do not have the information here.

**Ms K. HODSON-THOMAS:** The minister understands that questions and answers should be short. I do not see why she cannot provide information by way of supplementary information so that other members can ask questions.

**The CHAIRMAN:** I recommend that the question be put on notice. There seems a reluctance by the minister to provide information.

**Ms S.M. McHALE:** With respect, Mr Chairman, I am very happy to provide information; that is the whole issue.

**The CHAIRMAN:** We are losing time in this committee.

**Ms K. HODSON-THOMAS:** Provide as supplementary or table the document.

**The CHAIRMAN:** Member, please! Is the minister able to provide the document to the member?

**Ms S.M. McHALE:** I am happy to table it if tabling is part of estimates. If members would like me to table the information, I am happy to do so.

**The CHAIRMAN:** If the minister is prepared to.

**Ms S.M. McHALE:** I am very happy to do so.

**Dr E. CONSTABLE:** I refer to page 876 and the key efficiency indicators, which I am very interested in. There seems to be an enormous gap from the budgeted amount. The line item states "Ratio of the Commission's spend to the value of projected direct expenditure generated by events (future years)". For the 2006-07 budget it was \$1 to \$5.15. What is estimated at the end of the financial year is \$1 to \$2.90. That is a gap of \$2.25. We have the same problem for the ratio of the commission's spend to the value of direct expenditure and the media impact generated by events. There is a gap of \$2.10. Someone has got that very wrong if the estimate 12 months ago was so high and the actual - after 11 or 12 months - is about half. Can the minister explain who got that wrong and why it is so different from what was estimated?

**Ms S.M. McHALE:** I thank the member for her question. I am informed that the 2006-07 budget ratio of \$1 to \$5.15 has been revised down because the initial target was set during an exceptional year when the Rugby World Cup was hosted in Australia, which resulted in EventsCorp returning a higher than usual result.

**Dr E. CONSTABLE:** When did it return that higher than usual result? The year before does not indicate that. The year before was \$2.84 and \$3.01.

**Ms S.M. McHALE:** In 2005-06, the actual outcome of \$1 to \$2.84 was not the target.

**Dr E. CONSTABLE:** It is not reaching the targets; the question is: why?

**Mr R.J. Muirhead:** I am trying to remember the year the Rugby World Cup was held. I think it was 2003. We set the targets based on the outcome of that. There was an exceptional return on that event. That target was pitched at \$1 to \$5.15 based on that outcome. In retrospect I think it was an inappropriate target to set. Last year we got an actual of only \$1 to \$2.84 across all events.

**Dr E. CONSTABLE:** Last year being 2005-06?

**Mr R.J. Muirhead:** Yes, and this year of 2006-07 we are anticipating getting \$2.90 in economic impact for every dollar invested.

**Dr E. CONSTABLE:** I did not hear the numbers for 2005-06.

**Mr R.J. Muirhead:** The figures for 2005-06 are in the budget papers. It shows a return of \$2.84 for every dollar.

**Dr E. CONSTABLE:** I have a supplementary question: was it just a matter of not judging or estimating accurately what might happen this year?

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**Ms S.M. McHALE:** The best way of answering is to say that the target was unrealistic.

**Mrs J. HUGHES:** I refer to the major policy decisions outlined at page 871. They show that there is a significant amount of funding allocated to the Perth Convention Bureau. Can the minister advise how the money will be spent, and what are the anticipated outcomes?

**Ms S.M. McHALE:** I thank the member for Kingsley. This is a very significant investment in business tourism in Western Australia. We have provided an additional \$11.9 million over five years, which will be combined with existing government support of \$1 million per annum. That totals almost \$17 million over the next five years. The majority of the funding will be used to attract large conferences; that is, those involving more than 900 people. The focus of how the money will be used is to increase sales efforts and destination promotions worldwide, and to increase bid funding to secure those large-scale business conferences and events, some of which cost a significant amount of money to secure a bid. The funding will help make the Perth Convention and Exhibition Centre more viable. It will also be a boon, we believe, for the other convention venues, such as the Esplanade Hotel Fremantle and Burswood, as well as the PCEC. We are currently finalising the contract with the Perth Convention Bureau.

[10.40 am]

**Mr M.P. WHITELY:** The first dot point under “Major Initiatives For 2007-08” refers to the Red Bull Air Race; both the success of the event this year and some innovations for next year. Can the minister outline how that event has contributed to the Western Australian economy, and how similar event tourism contributes to Western Australia?

**Ms S.M. McHALE:** I thank the member for Bassendean for his question. Most people would acknowledge that the Red Bull Air Race was a terrific event for Western Australia. In terms of the economic impact, visitors spent nearly \$13 million and the media coverage impact generated a further \$1.1 million. That was a significant return. The plans for 2008 are shaping up now. It will be a two-day event with a different format. There will be a knockout format and improved event infrastructure. As last year was the first time Western Australia had hosted the air race, there were lessons to be learnt, and we will be improving the event infrastructure. It is great that this series is extending to other new destinations, including London, Rio de Janeiro and Interlaken. This puts Perth very much on the international map. Every time there is a Red Bull Air Race there will be an opportunity to promote Perth and Western Australia. It was estimated that an extra 9 000 visitors came to Western Australia, and overall there was a \$14 million return in economic and media impact for the state. When I was in Europe recently I met the founder of Red Bull, and we had very positive discussions about how Red Bull sees the event here in Perth. He was very delighted with the event, and we are looking at whether there is capacity to extend the event beyond the next two years.

**Mr T.R. SPRIGG:** I refer to the key efficiency indicators on page 876, and the ratios of expenditure and income generated. It seems somewhat ludicrous now that Rally Australia was sacked on the basis of one dollar investment for every five dollars return, as I understand it, and now we are back to a ratio of \$2.90 return for every \$100 invested. How can the minister justify letting go Rally Australia with those figures?

**Ms S.M. McHALE:** I think the member for Murdoch has got the ratio of investment to return wrong, if I heard him say one to five.

**Mr T.R. SPRIGG:** I understand completely the direct expenditure generated by the event; I have not got it wrong.

**Ms S.M. McHALE:** I think the ratio was one to 1.5, so perhaps I can clarify that with the member. If he thinks the return on investment was five dollars for every dollar invested for Rally Australia, he is wrong.

**Mr T.R. SPRIGG:** It depends whether the figures are fudged.

**Ms S.M. McHALE:** I do not fudge figures, so if the member is making that sort of accusation, we will not get very far. The investment in Rally Australia was \$6.3 million, and the economic impact return was \$9.3 million. If the member can work that out as five dollars return on one dollar investment, he is using a different calculation and computer.

**Mr T.R. SPRIGG:** Some things have not been included in that figure, such as the value of television coverage.

**Ms S.M. McHALE:** The economic return on investment is 1.5. If we can deal with fact we might get somewhere, so I will repeat it again. The contract budget for Rally Australia was \$6.3 million. The economic impact result of \$9.3 million, for those who have some ability in mathematics, is a ratio of one to 1.5, not one to five.

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**Mr T.R. SPRIGG:** Can the minister confirm that that figure of \$9.3 million included all the original derivations of the income, such as television coverage? I know that they were not included. No value of overseas television exposure is included in that amount.

**Ms S.M. McHALE:** The impact of media for an investment of \$6.3 million was \$465 363.

**Mr T.R. SPRIGG:** Is that the value of international television exposure?

**Ms S.M. McHALE:** That is the total, independently evaluated media impact. It is not something that Tourism WA pulled out of a hat; it was independently evaluated by measuring the media in core markets. The independently evaluated figure was \$465 363, with an EventsCorp contract investment budget of \$6.3 million.

**Ms K. HODSON-THOMAS:** My question relates to the major policy decisions on page 871, and the line item for regional tourism organisations. I ask this question in relation to a matter that I put on notice to the minister on 20 March about the funding for each regional tourism organisation. The minister said that the budget would be released on 10 May, and that she would provide me with figures on the funding for the five regions at this Estimates Committee. I am now asking the minister to expand on what each region will receive in this financial year.

**Ms S.M. McHALE:** I thank the member for her question, and I remember her earlier question. The total funding for regional tourism organisations is \$2.954 million, with an additional \$100 000 to be used for contingencies. That \$2.9 million includes \$600 000 that has been secured for 2007-08. The five regional tourism organisations receive an equal share of that \$2.9 million.

**Ms K. HODSON-THOMAS:** Will they get an equal share of that amount? That has not been reflected in the figures for the previous four years that the minister provided to me.

**Ms S.M. McHALE:** I will provide some further information. In previous years, the regional tourism organisations were allocated different amounts of funding. When there was a review in 2005 or 2006, the RTOs themselves said that they should have equal amounts of money. There is one rider, which is the south west. I will ask the chief executive officer to give further details.

[10.50 am]

**Mr R.J. Muirhead:** What the minister says is absolutely correct. A decision has been made that they will get equal funding, with the one rider that Australia's south west will not go backwards in funding. It may have a marginal differential this year, although, ultimately, if the funding goes up, it will be equal. However, the principle is that there will be an equal division of funding between the five regional tourism organisations.

**Ms K. HODSON-THOMAS:** As a follow-up question, in the last financial year it received \$620 000, so it would be going backwards.

**Mr R.J. Muirhead:** Who would be going backwards?

**Ms K. HODSON-THOMAS:** Australia's south west. Is that what the minister is saying?

**Ms S.M. McHALE:** No, it will not go backwards.

**Ms K. HODSON-THOMAS:** Does the ability of RTOs to obtain funding from other areas impact on their bottom line in receiving funding from the state government?

**Ms S.M. McHALE:** No, absolutely not. The whole idea is that RTOs use the government funding that they receive as leverage from other sources. Membership-based organisations would be eligible for federal funding and local government funding. If they secure \$500 000, we do not reduce our money. That money is assured and is written into the contract that we have with the RTOs.

**The CHAIRMAN:** Earlier the minister said that she was going to table a document. Does she wish to do that now?

**Ms S.M. McHALE:** I am happy to table it. I was going to hang on to it in case other questions were asked.

**The CHAIRMAN:** Perhaps the minister can table it at the end of the division?

**Ms S.M. McHALE:** Yes, I am very happy to table it at the end of the division.

**Dr E. CONSTABLE:** My question relates to the outcomes and key effectiveness indicators listed on page 873. The second outcome is for an enhanced tourist industry, infrastructure and product base. I am very interested in the figures on visitor satisfaction. How was that figure of 50 per cent satisfaction arrived at? It seems to me that if there was 50 per cent satisfaction by parents at schools, patients in hospitals and so on, we would be pretty worried about it. I wonder where that figure of 50 per cent has come from. How many visitors were targeted to

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give that information? What percentage of the visitors to Western Australia provided that information? How was the research done to get to that point? How many visitors were dissatisfied?

**Ms S.M. McHALE:** I will ask the CEO to give the details in answer to that question.

**Mr R.J. Muirhead:** In answer to the first part of the question, the member will note that the measure is for visitors who were highly satisfied. This market research was conducted on a seven-point scale, so 50 per cent of visitors have to give an answer in the top seventh, which is a very difficult figure to reach in market research. People generally push their responses down lower.

**Dr E. CONSTABLE:** How many people were questioned?

**Mr R.J. Muirhead:** I am not sure of the survey numbers. The survey was done by an independent market research company. We would normally look for a survey number that gives us confidence at a 95 percentile level. I am not sure of the total numbers, but it is a level that gives us statistical significance.

**Dr E. CONSTABLE:** I would like to know what percentage of the total number of visitors were questioned. Was it a systematic survey or was it based on people volunteering information?

**Ms S.M. McHALE:** I will ask Mr Muirhead to answer the question.

**Mr R.J. Muirhead:** It will be a tiny percentage of the six million-plus visitors to the state. The number of people surveyed will probably be in the realm of about 500, but they are properly randomly surveyed. It is not voluntary; it is not self-completion. They are intercepted with various forms, so it is a proper, valid survey as done by market -

**Dr E. CONSTABLE:** I disagree that 500 out of six million people are even worth looking at. The second part of my question was: how many were dissatisfied in that survey of 500 people?

**Ms S.M. McHALE:** We do not have the information with us. I am informed that we can provide it, and I am happy to provide it by way of supplementary information.

**Dr E. CONSTABLE:** It is a five-point scale, so if the minister is going to provide supplementary information, can I have all the results for the 500 people?

**Ms S.M. McHALE:** Yes.

**The CHAIRMAN:** I clarify that the minister will provide the member for Churchlands with some documentation about the survey mentioned in her question. Is that correct?

**Ms S.M. McHALE:** Yes, that is right.

*[Supplementary Information No B2.]*

**Mr P. PAPALIA:** I refer to the second dot point of the major achievements listed on page 876, which highlights the 29 regional events that we heard about in a previous question. Can the minister please inform us what kind of support was provided and will that be continued in 2007-08?

**Ms S.M. McHALE:** Yes. I thank the member. I have already referred to the specific events, and the quantum will be tabled. The funding for 2006-07 was \$248 000, which is without the goods and services tax. Broadly, those events are worth millions to the economy. They are particularly important to regional Western Australia and, indeed, to the member's electorate. The events do not require significant amounts; for example, we provided \$20 000 for the Avon Descent, \$15 000 for the 2006 Cactus Games in Bunbury and \$15 000 for the Geopraphe Bay Race Week. Those amounts, of themselves, are not significant, but they add up to a significant amount of money. The returns to the local economies in restaurants, hotels and other tourism products are significant. These regional events are very good investments. Small amounts of money can be distributed throughout the state. We know that the events contribute significantly to the economy and also add to the social fabric of the local communities. I can assure the member that funding will continue in 2007-08. The funding is approximately \$300 000, without GST, and a second round of funding will close on 17 August. It is a slight increase from 2006-07.

**Mrs J. HUGHES:** My question relates to the last dot point under "Major Achievements For 2006-07" on page 874. It highlights that domestic visitors spent \$3.3 billion in the year ending December 2006 and that international visitor expenditure was a record \$1.32 billion. How does this compare with previous years, and to what does the minister attribute these impressive results?

**Ms S.M. McHALE:** I thank the member for Kingsley. What is important to tourism operators is not only the number of people who come to Western Australia, but also the amount of money that they spend and the amount of money that therefore goes into the profits of organisations. It is important to remember that point, as we spend a lot of time arguing about whether the numbers have gone up or down; and they vary for very good

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reasons. What is important is the yield; the money that people spend when they come to Western Australia is what counts. The latest spend results from both the domestic and international markets are at their highest levels ever. Domestic spend has grown by \$700 million since December 2000. That is the highest on record. The international spend has grown by \$87 million since December 2005 and it has grown by \$288 million since December 2000. Both indicators are the highest on record. Why do we think this has happened? We have been marketing the state through “The Real Thing” campaign. I know that members of the opposition think it has failed, but, contrary to their assertions, “The Real Thing” campaign, which has been working in three markets, has had a significant impact. When I was in London, the feedback from the United Kingdom tourism market was that “The Real Thing” campaign had made a difference and that people understood that Western Australia had something to offer. When other places such as Malaysia, Istanbul, the Northern Territory and Tasmania are being advertised and marketed incredibly aggressively, Western Australia must be there; otherwise we will become invisible. The brand marketing has contributed to that increase. The United Kingdom, New Zealand and the eastern seaboard are the three areas where we have used “The Real Thing” campaign, and it has resulted in increases in inbound tourism markets. The feedback, not from me but from the industry in Europe, was that “The Real Thing” is working. That, coupled with cooperation with the industry, has also had an impact; that is, the tactical stuff such as partnering with Qantas, partnering with German travel agents or partnering with German wholesalers. Therefore, it has been a combined marketing strategy. It has also been, I think, a reflection of some of the other initiatives that have occurred over the past two to three years, particularly in the European market, which is still our biggest market. It is a market that we have to continue to work at, because if we do not, other potential markets will come in and take up our visitors. The spend has been very positive, and we are certainly looking at how we can continue to attract high yield; that is, people who have time and money to spend in Western Australia.

[11.00 am]

**Mr M.P. WHITLEY:** On page 875, the second and third dot points refer to Tiger Airways commencing operations out of Perth and Emirates increasing its operations from Perth. Can the minister outline whether any other initiatives are in place to secure additional airlines to increase the services?

**Ms S.M. McHALE:** The introduction of Tiger Airways is very good for Western Australia, and we are delighted that we were able to secure from 23 March the commencement of flights. The announcement that Tiger Airways would go to daily flights as of May means that we can look again at the Singapore market. Tiger Airways connects through to a range of other destinations and routes throughout Asia, so it really links Western Australia to that market. Emirates has recently been granted an increase in its entitlements in Australia of 35 services a week over the next five years, and Emirates plans to increase its daily services to three. I had the opportunity to meet with the chairman of Emirates in Dubai, and had a very productive meeting with the sheik, who expressed his intention to try to raise the number of daily flights to four. We are working assiduously now to certainly get the number of flights to three. His vision, which was great to hear, was to raise the number of daily flights to four, which would be fantastic for Perth. I think that reflects the relationship that we have with Emirates.

We have about \$500 000 annually that we can use to secure additional airline capacity. Our primary markets are China and South Korea. When we were in China last year we talked, and whenever we get the opportunity we talk, to the airlines about having a nonstop direct flight to Perth. That would certainly make Western Australia more competitive in the China market. We are currently in negotiation with Tiger Airways about the recently announced domestic service to try to secure a low-cost carrier internally or domestically. As the member knows, Tiger Airways announced that Melbourne would be its hub, and it is currently looking for domestic flights and domestic routes that it could offer. Perth has not been excluded from that, and we have been having negotiations with Tiger Airways.

**Ms K. HODSON-THOMAS:** My question relates to page 876 and to the key efficiency indicators that the member for Churchlands raised before. The minister made a comment - I am sure she will correct me if I am wrong - that an independent analysis of that was done. Is that correct, minister? Was the ratio of the commission’s spend to the value of projected direct expenditure generated by events independently assessed?

**Ms S.M. McHALE:** When I talked about independent assessment, my comment was about the media impact of Rally Australia. That was done by an independent media research company, and the economic impact was assessed independently.

**Ms K. HODSON-THOMAS:** It was done independently.

**Ms S.M. McHALE:** Yes. These targets were set by EventsCorp.

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**Ms K. HODSON-THOMAS:** If I might just follow up on that - I apologise to other members - many of us are still reflecting back on Rally Australia. At that stage, the former Minister for Tourism, Hon Mark McGowan, stated that it was a dollar spend for a \$5 return. Now we are focusing on this, thinking it is the same. I am just seeking some clarification from the minister of whether it is one and the same, because if it is, something is amiss.

[Mr A.P. O’Gorman took the chair.]

**Ms S.M. McHALE:** They are not linked. The member is right when she says that the former minister talked about one to five. However, they vary. The assessment of an event is based on both economic and media impact, and other -

**Mr T.R. SPRIGG:** The economic impact will be the same. It does not matter -

**Ms S.M. McHALE:** We have to look at how an event is used to promote and market the state.

**Mr T.R. SPRIGG:** Absolutely.

**Ms S.M. McHALE:** That is what we are trying to do. Therefore, the role of the media and the vision that we have as a result of an event are very important. If people had seen the vision from the Red Bull Air Race, they would have seen images of Perth, Western Australia.

**Mr T.R. SPRIGG:** And we did not with Rally Australia?

**Ms S.M. McHALE:** We did not get it with Rally Australia, no.

**Mr T.R. SPRIGG:** Vision of Perth?

**Ms S.M. McHALE:** No.

**Mr T.R. SPRIGG:** How often did the minister go to it - down to the Swan River?

**Ms S.M. McHALE:** There was no television footage of Perth, Western Australia, as a result of Rally Australia. People saw the race, but they did not see images of Western Australia. I repeat: the independent assessment of Rally Australia showed an immediate return or an immediate impact of \$463 000 for a \$6.3 million investment. The decision to axe Rally Australia is one that was a long time coming. It was made on solid reasons that we as a government thought that the money that was invested into Rally Australia was not the most effective, productive and efficient investment of that money, and the decision was made to terminate it. We have to make those decisions from time to time. For the information of members, I have just been informed that no other state has yet committed to picking it up. I think that tells us something.

**Ms K. HODSON-THOMAS:** I thought the Queensland government had committed to it.

**Ms S.M. McHALE:** No. The media reports indicated that, and *The West Australian* corrected it the next day. It has not.

**Ms K. HODSON-THOMAS:** I will follow up on that. We have been calling on the minister for some time to have an independent review of the act. I think that this highlights the need for that. Under the act, it is prescribed that every five years there will be a review. I wonder whether the minister can advise us when she will conduct an independent review.

[11.10 am]

**Ms S.M. McHALE:** I am happy to answer the question. Will the member refer to the page number?

**Ms K. HODSON-THOMAS:** The question we were talking about in terms of key efficiency indicators is a classic example of where one would ask the minister to examine her agency and have an independent review, as prescribed in the Western Australian Tourism Commission Act; therefore, it is the key efficiency indicators on page 876.

**Ms S.M. McHALE:** I think it is a long bow, but I am happy to answer the question. The act was reviewed and amendments were made in 2003. The member was not quite right in her questions about a review. The act does not stipulate that it needs to be reviewed every five years. The act actually stipulates that it needs to be reviewed five years after the commencement of the act. At the time of the amendments to the act, no review provision was inserted. I understand that my colleague Hon Ljiljana Ravlich indicated broad support for a review. If a review is to take place, it will be done five years after the amendments were made, which was in 2003. I therefore would not be looking at a review in 2007, but I am very happy to consider a review five years after the last review was implemented, and that will be 2008.

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**Mr T.R. SPRIGG:** I refer to the third part of the first dot point on page 871. Given the competition for tourism and the need for a vibrant and attractive city, does the minister support the Liberal Party's plans to develop the foreshore from the Narrows Bridge around to East Perth and over to Burswood in an effort to attract tourists?

**Ms S.M. McHALE:** I thank the member for his question. I pay tribute to the work being done by the Minister for Planning and Infrastructure. She, like I am, is very dynamic in the way she sees the development of the city. I certainly support the Minister for Planning and Infrastructure's work around the William Street foreshore development there. I think we will see some exciting opportunities for the opening up of the river there. I therefore support any opportunity that increases the capacity of our infrastructure and the vibrancy and attraction of Perth, Western Australia. That is why we have committed to a theatre. That is why we are looking at social infrastructure, such as the Western Australian Museum. We are urging investors to look at new hotel developments. That is why we have Landbank; that is why we have invested significant amounts of money into the rail system; and that is why I am delighted now that the Minister for Planning and Infrastructure will be doing some work around the foreshore just near the convention centre.

**Mr T.R. SPRIGG:** I have a further question. What are the government's foreshore redevelopment plans associated with tourism, and how much money has been allocated in this year's budget for them?

**Ms S.M. McHALE:** That is a question more appropriately directed to the estimates of the Minister for Planning and Infrastructure. If the member wants -

**Mr T.R. SPRIGG:** So the minister has no plans, in other words, for tourism and she had no input.

**Ms S.M. McHALE:** If the member wants that sort of detail, I suggest his questions be more appropriately directed to the estimates committee dealing with that.

**Mrs J. HUGHES:** I note at the fourth dot point on page 879 that the minister had launched and started implementation of the Listening Looking Learning program for the Aboriginal tourism strategy. Will the minister please provide me with an idea of how this program has developed, what progress it has made and what plans there are for the following year?

**Ms S.M. McHALE:** The Aboriginal tourism strategy was launched last year. We are, in our view, leading the nation in Indigenous tourism development. We have approximately \$200 000, which is new money, to develop Indigenous tourism. We have appointed an Indigenous tourism officer. A pilot project has commenced in the Dampier peninsula, which involves about 10 Indigenous tourism operators. The best way that we can support the Indigenous tourism project is by helping Aboriginals to build their business - their product - and to capacity-build so that they have a product that is reliable and one that can be marketed internationally. We have also provided \$60 000 financial support to the Western Australian Indigenous Tourism Operators Committee. We support the Indigenous tourism conference, which this year was hosted by Alice Springs and will be back in Broome next year. That was a Western Australian initiative. We also appointed two Indigenous experts in tourism to the Tourism Commission board, which was the first time ever that we had Indigenous people on the Tourism Commission.

**Mr P. PAPALIA:** I refer to the dot point at the bottom of page 876 under major achievements. The minister has referred to the funding for the Australian Surf Life Saving Championships. In my electorate, the Secret Harbour Surf Lifesaving Club hosted an event the weekend prior to that event to entice surfboat crews from around the country to go there and stay longer in the state. The surf club did not receive funding, as the Surf Life Saving Championships were already funded. I wonder whether the minister would consider allocating some funding, as that club has won for the next two years the same event that it hosted this year. The event occurs a week prior to the Australian Surf Life Saving Championships and draws clubs and boat crews from around the country for an additional week in the state. It seems to me to be a suitable event that we could support underneath the banner of the major event.

**Ms S.M. McHALE:** Could the member just tell me again the name of the club?

**Mr P. PAPALIA:** The Secret Harbour Surf Lifesaving Club. The event is called the Indian Ocean Challenge and is a surfboat championship. A lot of the boat crews then go on to compete in the championships in Scarborough.

**Ms S.M. McHALE:** We would be happy to look at whether that event is eligible for regional events funding. We think it probably would be. Therefore, the best way we could assist the member is to look at the grants money -

**Mr P. PAPALIA:** The club did not receive funding this year.

**Ms S.M. McHALE:** It did not?

Ms Katie Hodson-Thomas; Ms Sheila McHale; Chairman; Dr Elizabeth Constable; Mrs Judy Hughes; Mr Martin Whitely; Mr Trevor Sprigg; Mr Paul Papalia; Mr Tony Simpson

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**Mr P. PAPALIA:** No.

**Ms S.M. McHALE:** It might not know that money is available, rather than it having applied and been rejected. We will provide information to the member that he can send to the Secret Harbour Surf Lifesaving Club.

**Mr A.J. SIMPSON:** I refer to page 872, line item 2, event tourism funding. Given that there was a significant reduction in event tourism funding for 2007-08, will the minister support the Liberal Party's plan to examine the possibility of V8 supercar racing through the central business district, along with the foreshore, as one option? It will help to revitalise the city.

**Ms S.M. McHALE:** I thank the member for his question. I explained earlier in answer to a question the reasons for that variation. It is the responsibility of the organisation to lodge an application for V8 supercar racing around Perth. We are very happy to investigate the economic impact of a V8 supercar event. I am not in the business of saying, yes, we will fund this one, or, no, we will not fund that one, as the member would agree with me that that would be ministerial interference. A new proposal has not yet been received. I am very happy for the member to go to Australian Vee Eight Supercar Company - AVESCO - and suggest that it lodges an application. The application would be rigorously assessed. EventsCorp had conversations with AVESCO in 2001. At that stage it did not warrant support. Various related reports are interesting. The Australian Capital Territory's Auditor General's report into the ACT V8 street car race revealed that it had had negative economic results for the ACT. The five-year contract agreement was terminated after two years. I am happy to receive an application and happy for the member to indicate to AVESCO that it will be rigorously assessed. The member should know that AVESCO has previously lodged applications that were assessed to not be viable. However, if there is any new information, it will be assessed.

[11.20 am]

**Ms K. HODSON-THOMAS:** My last question relates to the Hyundai Hopman Cup, referred to on page 877. It relates to a question without notice I asked the minister last week or the week before with respect to the agreement. The minister indicated at that time that the agreement had not yet been signed off and that she anticipated it would happen in August. I wonder whether the minister can confirm that that is currently the case, or whether it has been signed off in the meantime.

**Ms S.M. McHALE:** I thank the member for her interest in this area. These negotiations are quite complex. They involve the Burswood Entertainment Complex - the Tourism Commission is not the only party. In my answer to the member, I indicated August as a conservative estimate; if I had said two to three weeks and we had not delivered, the member would have been on my back!

**Ms K. HODSON-THOMAS:** Yes!

**Ms S.M. McHALE:** Rightly so! The August date was a conservative estimate. My agency has done everything it needs to do. I have been briefed that the proposed contract will go to the International Tennis Federation president on Friday. There are still negotiations to take place between Burswood and the ITF. They are negotiations to which the government is not party; the member needs to understand that. The negotiations between Hopman and Burswood are important. The ITF president will consider the draft contract on Friday. If the negotiations between Burswood and Hopman have not been completed, I do not know whether the ITF president will make a final determination on Friday. However, we are hopeful that this work will certainly be completed by June or July. I am not going to give the member a definitive date for these negotiations. The new owners of Burswood have a different view about sponsorship to the previous owners; they are obviously intense commercial negotiations. It would be foolish of me to say that we can finish these negotiations or, indeed, control them. However, we are hopeful that the negotiations will be resolved by June. The August date was a conservative, low-risk date.

**The appropriation was recommended.**

**Ms K. HODSON-THOMAS:** Mr Chairman, the minister was going to table a document at the conclusion of that division.

**Ms S.M. McHALE:** To avoid my having to read out every single number, I table the calendar of supported events for 2006-07, rounds 1 and 2, and the agreed events for 2007.

**The appropriation was recommended.**

*Meeting suspended from 11.25 to 11.40 am*