

Division 25: Sport and Recreation, \$142 488 000 —

Mr M.J. Cowper, Chairman.

Mr J.C. Kobelke, Minister for Sport and Recreation.

Mr R.J. Alexander, Director General.

Mr W.L. Emmeluth, Director, Business Management.

Mr D.J. Parrick, Finance Manager.

The CHAIRMAN: I call the member for South Perth.

Mr J.E. McGRATH: My question relates to the line item “Item 61 Contribution to Community Sporting and Recreation Facilities Fund”. The actual spending for 2006-07 was \$5.2 million, and the budget for 2007-08 was \$16.2 million but only \$9.7 million was actually spent. What changes has the government made to its approach to the program delivery process to ensure that the government will deliver \$17.25 million, as promised for this financial year?

Mr J.C. KOBELKE: One of the difficulties in the current climate is that funds are awarded but the organisations responsible for the construction simply cannot source the contractors, particularly in regional areas, to get the project underway, and therefore they cannot receive progress or final payments. As the member can see, the general level of funding in each of the out years is \$9.151 million. That figure has been the same for some years—certainly since we increased it in 2001, when the present government was elected. I am keen to try to increase it further, but that is currently what is budgeted each year. The figure of \$16.2 million in 2007-08 means that there was carryover because the money had not been spent. Of that, only \$9.7 million was spent. This year, we are taking account of what is on offer; that is, what has been awarded for projects, keeping in mind that the CSRFF offers one-third of the cost of the project, with special allowance for some Indigenous projects. We hope that we can actually get through more of that in the coming year. Being cognisant of the fact that we are simply not getting the spend, the amount that we allocated in February and March of the current year was \$10.5 million. Knowing that we have only \$9 million of new money during the year, to try to get new projects underway, and knowing that they are likely to underspend, we allocated \$10.5 million from a base budget of \$9 million.

Mr J.E. McGRATH: Is the minister saying that the underspend is due to the inability of the sporting clubs to get the work completed or their inability to raise their share of the necessary funds, given that I gather that local governments also contribute?

Mr J.C. KOBELKE: There is a whole range of reasons. I am quite impressed with the work that the Department of Sport and Recreation does with potential applicants. I am sure the member receives, as I do, approaches from local organisations claiming that they did not receive any money from the CSRFF. When we make inquiries, we find that they had not actually done all the hard work to present a case to show that their project really was a goer. They were just hoping to get the money and then they were going to go around cap in hand and pick up more money. In working up the projects before they are assessed, the department is very keen to be able to see that the project really works and that it has a good chance of getting off the ground. Despite that, we find that the money may not be there; what they told the department turns out to be not quite as sturdy or as robust as it first appeared. In other cases, the organisation changes its mind, and that can lead to a deferral. The Shire of Kojonup came to the department and was awarded money for the resurfacing of tennis courts. The shire later came back and said that that was not really the project it wanted. It had a bid in for something else, but because of the layout and bringing facilities together, it needed to do that project first. The department looks at requests like that, and in a small number of cases—it is not done as a general rule—will reallocate the money. That can lead to delays or to an underspend because something different is being done. There are myriad reasons why applications change. As I have indicated, the department is very strong on trying to work with applicants and local governments to make sure that the real business case work has been done so that the projects can go ahead.

Mr G. WOODHAMS: I am trying to find a line item attached to the country sport enrichment scheme.

Mr J.C. KOBELKE: It is certainly in the budget for the Department of Sport and Recreation, so I think it is appropriate that we have a question about it.

Mr G. WOODHAMS: My question is: where would that budget allocation be? If the minister can find it, can he give me a comparison between last year and this year?

Mr J.C. KOBELKE: It comes from these sports lotteries account. There is an annual budget of \$225 000. This year will see the fiftieth Western Australian Football League game played in the country under that enrichment scheme. In the past few weeks I have been to two of those games—in Kalgoorlie and Geraldton. They were both fantastic events with really strong local community support. It is a very worthwhile project in giving people in

regional areas, and some of the smaller country towns from time to time, an opportunity to see that higher level of football from the WAFL. They are great community events. Over the years, the sports enrichment program has funded Wildcats basketball, Perth Lynx women's basketball, Perth Glory soccer, Perth Orioles netball, Margaret River surfing, an Yvonne Goolagong tennis tour and a range of other events.

[8.10 pm]

Mr G. WOODHAMS: The figure is \$225 000 this year. Does the minister know what it was, by comparison, last year?

Mr J.C. KOBELKE: It was \$225 000 last year and will be again this year.

Mr G. WOODHAMS: What WAFL team does the minister support?

Mr J.C. KOBELKE: East Perth! One of the things I am not happy with is that of all the country games I have watched, none has involved East Perth.

Mr J.E. McGRATH: I do not know whether the minister was at a game a couple of weeks ago when the East Fremantle Football Club team played at Geraldton. The attendance was nearly as great as that at the AFL game on the Gold Coast. I thought it was a good fillip for Western Australian football.

I refer to page 443 and to service 1, "Infrastructure and Organisational Development". Why has funding for the infrastructure projects such as the state netball centre been deferred from 2007-08 to 2008-09? What will this funding produce, and is it part of Netball WA's proposal for Challenge Stadium? Which other projects have been deferred until the election year?

Mr J.C. KOBELKE: No projects have been deferred until the election year. There has been \$5 million in the budget for a number of years for a state netball centre. A fair bit of planning has been done. The site that was being worked on was immediately adjacent to, and on the south side of, Challenge Stadium, on the McGillivray Oval and in the University of Western Australia sports park. I and the government are strongly committed to this. Huge cost escalations have meant that the whole project has been reassessed. I hope that will not hold it up for very long, because I certainly want to see it go ahead, and I know that the Premier is keen to see it go ahead. It is a state netball training centre, and it is not to have a large exhibition court, yet because of where it is located and the extra infrastructure that will be required, the price is many, many times more than the \$5 million. I expect that a lot more than \$5 million will be spent, but we are going back to see how we can deliver it, and I trust we will have a decision on that some time in the coming year.

The CHAIRMAN: I have a question from the chair. I refer to page 444 and to the major initiatives for 2008-09, the second dot point of which reads —

Preparation of a master plan for recreational access to dams, rivers, reservoirs and water catchments in the South West will be advanced. Further, the establishment and allocation of the \$10 million Recreation Offset Trust Account will be progressed arising out of the Government's decision to convert Logue Brook Dam for irrigation/drinking water usage.

The minister may well be aware that I am acutely interested in this issue. Could the minister explain what is proposed in relation to access to nearly 50 per cent of the state's forests that have been quarantined from use by Western Australians?

Mr J.C. KOBELKE: Thank you, Mr Chairman. I appreciate that you do have a very direct interest in this matter. We need you and the community there to be working to make sure we get the best outcomes. With the closure of Logue Brook Dam, in addition to the money that the Water Corporation would have spent to compensate affected businesses and other interested parties in that area, there was \$600 000 to put in place the plan for south west recreation relating to water bodies. That is basically from the Collie area up towards Jarrahdale—all through that area. The Department of Sport and Recreation is doing that. There is a \$10 million trust fund to help put in place the facilities that come out of that study. I am hoping that can move fairly quickly, because studies that have been done previously impinge on that same area. Therefore, we really need the community to come on board to look at the options, put in place the plan and then start to put in place the facilities, using that \$10 million. The other part of your question, Mr Chairman, alluded to the use of the catchment areas. That is caught by policy 13, which relates to the use of surface catchment areas. The Department of Water is undertaking that review. It will look to see how bushwalkers and others can access and use that land. They can already use it, but there are certain conditions on it. All that will be reviewed in a different process being driven by the Department of Water regarding policy 13.

The CHAIRMAN: Further to that, the minister will appreciate that he has a number of portfolios, one of which is counterintuitive to the other. On the one hand, he has Water Corporation responsibilities relating to water catchments and locking up areas that are restricted for recreational purposes.

Mr J.C. KOBELKE: I think that is a great strength, because if I did not have an interest in both water and sport and recreation, I suspect that we would have got nowhere near \$10 million for the trust fund, plus the other moneys that are there, to make sure that we can provide reasonable replacement facilities. In addition, of course, there was about \$3.5 million in round figures for Lake Kepwari in the Collie area, which comes under the South West Development Commission, to make sure that that can be improved as another water body for water sports, such as water skiing etc.

Mr J.E. McGRATH: I promise I will not refer again to Logue Brook Dam, because I do not even know where it is. I refer to the Logue Brook recreation offset trust account. What will \$3.3 million in allocated payments for 2008-09 be spent on? Will preference be given to recreational facilities and activities for Logue Brook Dam over other claims for tourist facilities in the wider area?

Mr J.C. KOBELKE: That is why we are preparing the south west recreational master plan. We really want the proper work to be done, with full community and stakeholder involvement, before we commit any of that money. The question suggested that some of the money might go to Logue Brook. There is no basis for that at all. The issue is that the money will be for replacement facilities elsewhere. A small amount of money will potentially be going towards perhaps some picnic spots just downstream of Logue Brook, but not in the catchment, because the whole of Logue Brook and the catchment area will become a drinking water supply, which means that there can be minimal or no use of that area. Again, the review of policy 13, which deals with access, will dictate to what extent bushwalkers or others can use it, but there will not be designated picnic spots in the catchment area. I think the member's question suggested that. An amount of the order of \$3 million is compensation for those people who are adversely affected by the closure. That is a ballpark figure, because it must be worked out in negotiations. There is approximately \$3.5 million for Lake Kepwari, which is near Collie. In addition to that, there is \$600 000 for the study. There is a \$10 million recreation trust fund. The Shire of Harvey is suggesting that that should go to some sort of tourist facility to attract business into the area. I personally think that is not all that likely. However, if the result of the recreation master plan was that there was strong community and stakeholder support, it would not be ruled out. The whole thrust is to provide replacement facilities for those people who are moved off Logue Brook. A major tourist facility would not seem, in my view, to meet that need, but it is open to the report to suggest that.

The CHAIRMAN: Further to that question, what has been done by the government to assist the largest waterskiing club in Australia, that being the Logue Brook Water Ski Club, to host the June state championships?

[8.20 pm]

Mr J.C. KOBELKE: I will have to take that question on notice because I have not been approached on that issue.

Mr G. WOODHAMS: I refer to the first dot point under "Significant Issues and Trends" on page 439 of the *Budget Statements*. That dot point can be considered in conjunction with the inspiration that came from the 1956 Olympic Games and the 1962 Commonwealth Games, particularly in Western Australia, which resulted in the significant building of swimming pools around regional Western Australia. Not all those pools were of Olympic size or built to an Olympic standard, but a lot were built. Many of those pools are now ageing, as the minister would appreciate. A lot of local governments are struggling, in a sense, to fund the refurbishment of those pools. Would the government consider providing a special assistance fund to local governments that have such pools? That would certainly fit neatly within the criteria of the first dot point. Is it possible for the government to look at that arrangement, or even the traditional funding arrangement of a third and a third and a third, or something similar?

Mr J.C. KOBELKE: The member has touched on a very real problem. One of my key sports was swimming, so I have spent a lot of time in and around swimming pools and I appreciate the benefits derived from swimming. Many of our country towns have put a lot of money into providing those facilities for their citizens. As the member quite rightly pointed out, many of those pools in smaller country towns have reached the end of their useful life and local authorities are now required to spend large amounts of money on a total rebuild of them or must close them down. That is of great concern, particularly in those towns that have experienced a reduction in their population and therefore their rate base. They find it very difficult. It really does not help them very much to say that the community sporting and recreation facilities fund is available, because that will fund only up to a third of the cost. A number of councils have applied and received money under the CSRFF, but for many towns, that is simply not enough money and they cannot carry that burden. This is a growing problem. The government does not have a special fund to assist them, but the issue of what can be done in the future is certainly on our minds. The issue, as in all things, is to balance all the competing demands and to decide what else to push out if we are to give higher priority to these pools. There are also planning issues. The department is involved in helping local authorities plan what to do. Sometimes the expectation or hope of people in those areas may be a little overambitious. We all know that local governments pretty well everywhere have to spend a huge amount of

money on maintaining their pools. They are quite a big drain. What I mean by overambitious is that people sometimes want 50-metre pools when there will be only a very small level of usage of the pool, yet huge maintenance costs are involved. The department tries to get them to consider and work towards having a 25-metre pool. Often the love of the 50-metre pool makes it hard for local communities to let go of that idea and prevents them from reaching a more rational decision on what is affordable. That is just one aspect of the planning issues the department has to try to help local communities and authorities deal with. The member rightly pointed out a problem. The government is seeking to be part of the solution. It really needs a lot more money than is currently designated in that area.

Mr J.E. McGRATH: My next question relates to page 448 of the *Budget Statements* and the new major stadium, which we are all very excited about. My first question is: will the \$13.5 million allocated to a new planning office be spent on the Department of Health offices in Subiaco formerly occupied by Neale Fong?

Mr J.C. KOBELKE: I have no idea.

Mr J.E. McGRATH: Is it a possibility?

Mr J.C. KOBELKE: It certainly has not been put to me.

Mr J.E. McGRATH: Will funds be available for complementary facilities at Members Equity Stadium, and what are the details of this commitment?

Mr J.C. KOBELKE: The government maintains a two-stadium policy. We will have a major multipurpose stadium at Kitchener Park, Subiaco, which will be primarily for Australian Rules football but will clearly also be adaptable for use by rugby, soccer and, potentially, cricket. That is the major stadium. Members Equity Stadium is a rectangular stadium that has a current seating capacity of a bit over 18 000. We are not getting attendance for rugby or soccer events anywhere near that capacity. The recommendation of the major stadium report was that we should wait until there is a sound business case for any further major expenditure on Members Equity Stadium. The reality is that we have to set priorities. Being committed to well over \$1 billion for the multiuse stadium really squeezes out any major money for Members Equity Stadium. Clearly, we do not have a business plan to enable expenditure there. The government has provided funding just in the last few months for planning. Nearly \$400 000 of that is being used, in conjunction with the Town of Vincent, on some important work that needs to be done. If the member was present for the opening of Members Equity Stadium, he would know that the lights went out. There is a problem with the transformers and the delivery of power, which meant that the air conditioning and the kitchens could not be run at the same time. Money has now been provided to ensure the upgrade of the power supply and to undertake some other work that needs to be done. The government is certainly cognisant of the importance of Members Equity Stadium. It is a fantastic stadium. Some people would clearly like it to be upgraded both in terms of its capacity and the quality of its facilities. However, as I said, that will have to wait until there is a business plan to support that work. Clearly, it would have to be deferred given the major expenditure on the multiuse stadium.

Mr J.E. McGRATH: Will funds be available for the proposed Western Australian Cricket Association centre of excellence? What are the details of the government's commitment to that program?

Mr J.C. KOBELKE: No application has been made to government for that. The government is well aware that the association is considering a major redevelopment of the WACA ground. The government is supportive of that move and trusts that the partnership between the WACA and a private developer will prove fruitful and that an upgrade of the WACA ground will be funded from the construction of high-rise developments on surrounding parts of the ground. That would necessitate moving the practice wickets elsewhere. Members will be aware that the University of Western Australia has a close relationship with the WACA and is supportive of cricket. For some time, UWA and the WACA have spoken about establishing a cricket centre of excellence at McGillivray Oval or the UWA Sports Park, which is adjacent to all the developments the government is putting in place at AK Reserve. Again, the government is very supportive of that in principle. Under construction in that general area is a new state basketball stadium and a new athletics stadium. The government is also advancing planning for a new rugby training centre and a home for RugbyWA. In that planning, the government has been cognisant of the fact that land is available for the university and the WACA to establish a cricket centre of excellence. The government will certainly work cooperatively with them so that this project will come about. No application has been made to government on how it might be involved in assisting that development.

Mr P. PAPALIA: I refer to service 1, "Infrastructure and Organisational Development". In particular, I refer to the third dot point from the bottom of page 445 under "Major Initiatives For 2008-09" on the intention to coordinate the development of a state trail bike strategy. I am very pleased to see that. It is long overdue. There is a great demand for some sort of facility but no-one seems to want it in their backyard. Can the minister confirm that he will engage with some key community interest groups, such as the Motorcycle Riders Association of Western Australia or other such groups that have potentially done a lot of work on where these

facilities could go and how they could be managed, to ensure that their interests and the interests of riders will be involved?

[8.30 pm]

Mr J.C. KOBELKE: This is a major issue. While there has been a 66 per cent increase in the sale of trail and quad bikes, there has been a reduction in the areas in which they can be used. This has led to a range of problems in various areas because people are riding bikes illegally on roads and in parks, which is causing a lot of complaints primarily because of noise and safety concerns, particularly when they are ridden adjacent to residential areas. Unfortunately, there have been a reasonable number of fatalities when people have ridden bikes in bush areas. It is a major issue. I congratulate Mr Alexander and the Department of Sport and Recreation because they have been proactive in trying to address the problem. They have been consulting organisations, and those consultations are well advanced and will result in a plan to establish an area that can be used by those who ride trail bikes. The department has contracted Trail Bike Management Australia through Motorcycling Western Australia to develop a state trail bike strategy. The strategy is being funded jointly by the Department of Sport and Recreation, the Department of Environment and Conservation, the Department for Planning and Infrastructure, the Department of Local Government and Regional Development and the Western Australian Planning Commission. The department has brought the government agencies together to form a partnership. The final draft should be completed in a few weeks. Hopefully, it will provide a way forward. It will not necessarily provide a panacea, because of the difficulty in finding an area for trail bikes. However, a commitment from so many players means that we will formulate a plan that should help resolve some of the problems.

Mr P. PAPALIA: Have metropolitan local governments been involved in the process to determine whether such an area will be close to the city so that it can be easily accessed?

Mr J.C. KOBELKE: The councils have received protests from residents. They were involved in the process because it will be a continuing problem if nothing is done. It is a matter of trying to find a better fit, although there will still be complaints in some areas.

Mr R.J. Alexander: All local governments have been asked for their input. Of course, not a lot of space is available in the metropolitan area. Naturally, we are looking for areas in which the bikes can be ridden without offending nearby people. That has been taken into consideration. The member is quite right when he says that there is a “not in my backyard” mentality. Locating an area is difficult. However, we are well advanced in doing that. There is no option other than to find a place for people to participate in those activities. If we do not, they will do it anyway.

Mr A.J. SIMPSON: It is a big issue in the community. The riding of off-road motorbikes is a big issue in my area of Serpentine-Jarrahdale, particularly in the hills at the back of Byford and through the Darling Scarp. One proposition that has been made is to licence all motorbikes in WA, even off-road bikes. In that way a chassis or engine number would end up in the Department for Planning and Infrastructure’s system, which would do two things. First, it would identify a bike and, second, it would stop the rebirthing process, because at the moment stolen parts cannot be tracked. Should trail bike riders and off-road motorcycle riders be allowed to use a certain area, or should they be allowed to use an open area, such as the Gnangara pine forest and the area off Thomas Road in Kwinana? The latter option encourages antisocial behaviour, car theft and the lighting of fires.

Mr J.C. KOBELKE: I thank the member for his comments. I have not seen the draft strategy. However, because the Department of Sport and Recreation has been talking widely with the groups, the ideas regarding the type of location and how it will be controlled will be a part of the efforts to develop positive outcomes. The member referred to some form of licensing. I spoke with individuals recently who have been involved in the strategy and they were strongly of the view that we need a licensing system. We will wait to see what the strategy offers. We will respond if that is one of the recommendations.

The CHAIRMAN: Is there any prospect of money being made available should a parcel of land be identified relatively quickly? Sometimes we have to grab opportunities when they present. If a parcel of land were found and it came under the auspices of Motorcycling Western Australia and adhered to the relative insurance provisions, could money be made available relatively promptly?

Mr J.C. KOBELKE: I am impressed with how the Department of Sport and Recreation stretches the money in its budget. It provides money for a range of sporting facilities. I cannot give any guarantee about how quickly money could be made available. It would have to be properly planned to ensure that it was workable. There is also the community sporting and recreation facilities fund. That is something that the government would look to support, but it would need to ensure that the proper planning was done first.

Mr G. WOODHAMS: The third dot point under “Major Achievements For 2007-08” on page 443 of the *Budget Statements* states that an analysis of CSRFF funding was undertaken over the past six years. Is the allocation to the CSRFF able to keep pace with the cost of building in the metropolitan area and regional Western Australia?

Building any sort of facility is far more expensive this year than it was last year and it will be more expensive next year. How is the government managing to keep the CSRFF in line with increased building costs?

Mr J.C. KOBELKE: Unfortunately, the reality is that it is not. As I indicated earlier, it is a fixed amount. We increased it when we came to government in recognition of what the member outlined. It has not received any annual increases. Therefore, the real value of that money has declined. That is clearly of concern.

Mr G. WOODHAMS: Is it possible to think about an increase?

Mr J.C. KOBELKE: I do more than think about it. I lobby and argue for it. However, it has to win against all the other competing demands across government.

Mr A.J. SIMPSON: What was the value of the applications that were received last year? How much was funded?

Mr J.C. KOBELKE: The applications that were awarded at the start of this year totalled \$10.5 million out of \$27 million worth of applications. I have been advised more than once by the director general that there is a lot more demand. People are aware that there is little money for huge demand, and that potentially discourages applicants who might otherwise come forward. The demand could be greater than the \$27 million in requests.

[8.40 pm]

Mr J.E. McGRATH: I refer to page 439 of the *Budget Statements* and the mission statement for the Department of Sport and Recreation —

Enhance the quality of life of Western Australians through their participation and achievement in sport and recreation.

I refer to the imminent demise of the V8 Supercar series in Perth and ask: what is the brief and time line for the consultants appointed recently to inquire into motorsport facilities in Western Australia? How much will GHD consultants be paid, and what is being done to retain the V8 Supercar series in Perth after next year? The minister knew that question was coming, did he not?

Mr J.C. KOBELKE: I did. I thank the member for South Perth for signalling it on the radio. Clearly, the government is keen to retain V8 Supercars as an annual event in Perth. There is a contract with the WA Sporting Car Club at Barbagallo Raceway until next year, so there will be an event next year. AVESCO, the owner of the V8 Supercar event, has indicated publicly that, after that, it is likely it will take it away from Perth because it is not happy with a number of arrangements relating to Barbagallo Raceway. Those issues relate to safety on the track and the current pit arrangements, which AVESCO finds inadequate. It also wants to be able to do business with the current owners in a more productive way. There are some issues regarding the current ownership and management structures. I met AVESCO people when they were here for the recent V8 event, and they indicated that they very much wanted to keep Perth on the circuit and that they would certainly be willing to work with us to try to do that. No undertaking was given that the race would continue after 2009. However, if we could meet what AVESCO saw as reasonable requests, it would want to continue.

For some years, this government has been very keen for Barbagallo Raceway to be upgraded to meet the required standards. It is almost two years since we requested the Sporting Car Club to come forward with a master plan for the track and to engage with us about how it could be funded. Since that time, the club has gone through three CEOs in about 12 months and numerous changes have been made to the committee. The club has not been able to provide any response to our request. The car club has a long-term lease, which therefore gives it quite a degree of ownership. It is not possible to impose on the club what must be done. The government, therefore, has limited ability to dictate what should happen on the track. We have not attempted to do that, but we can no longer wait on the Sporting Car Club to come forward with a master plan. Therefore, as the question implied, the Department of Sport and Recreation has sought to get someone to undertake the required work so that we will have a better idea of what can be done and how it can be done. I have the terms of reference to be given to the consultants. A lot of organisations want to be involved in the study and, in fact, want to do it. There is a lot of interest in this. If we were to call for expressions of interest or contract someone to do it, it would take months longer. We have therefore met the requirements of government and gone to the panel to get someone to do the work. There is a pre-approved panel of people who can do this work, and GHD has been appointed to undertake the work.

The initial focus for GHD is to establish what needs to be done in the short term for the continuation of V8 racing beyond the current 2009 commitment and to find out what the V8 event owners want for the current concerns to be resolved. That will perhaps take a bit longer than their time line, but we will engage them in that. Stage 1 is a site condition and needs assessment at Barbagallo Raceway. Stage 2 is to examine the required improvements at and business case for Barbagallo Raceway, including the best management and government structure. Stage 3 deals with the master plan and includes examination of other motorsport opportunities—

ancillary business activities such as driver training education and automotive engineering. The scope of that could be amended to reflect new information as that process goes forward. We clearly want to get on with it. We want to engage the Sporting Car Club in a very positive way to make sure we can deliver, because it simply has not been able to do it. We hope that the club will see this as a way forward to not only retain the V8 Supercar event, but also put the whole organisation on a much better footing so that the potential of what I think is a great track can be achieved.

In reply to the member's question about the cost, having selected GHD off the panel and given it the terms of reference, we need to complete that engagement before we can work out how much time it will take and what will be required, and that will determine the cost. That is part of the process. At this stage, the cost has not been determined, but that will come out of finalisation of how GHD goes about the work we have laid out in the terms of reference that I just covered very briefly in my answer.

Mr J.E. McGRATH: How optimistic is the minister that he will reach some sort of outcome in time to save the Perth leg of the V8 series after next year?

Mr J.C. KOBELKE: I am very much committed to making sure we have it continue here. Having met with AVESCO, I know that AVESCO wants it to remain here but has certain requirements. Its claims are not being met. We need to address those requirements so that the event will continue to come back here. However, we will do that only if we make sure that the Sporting Car Club and Barbagallo Raceway are on a much sounder footing so that they can give that certainty to not only the V8 Supercar event but also a range of other user groups to potentially get more use of the track. That will feed into the club's financial position and, on that basis, there will be a premium motorsport facility.

I have met with the City of Wanneroo, and it is very positive about retaining the track. I am concerned that if we go through all this work and a lot of money is spent on bringing the track up to the required standard, it must be there well into the future. The potential threat is urban encroachment. Currently, there is a major industrial area and a golf course to the south, a rural area to the north and pine forest to the east, so it is ideally located. If the city is keen to keep it there, we can deal with the planning issues to stop encroachment of non-compatible usage. When it was first built, it was way out in the bush and transport was a problem, which was a concern to the V8 Supercar organisers. With the freeway pushing north and roads coming in, it is much more accessible than are some of the tracks in other parts of Australia.

I am not closed to the idea of a new track being established somewhere else. However, the difficulty with that is that it would be starting from scratch. The government would not be the major funder of it and we would have to go through all the environmental clearances to obtain the land. I have made it clear to interested parties that we will give serious consideration to an alternative proposal, but I am sceptical about whether it could be delivered in a timely way to ensure we have a high quality track and are able to retain the V8 Supercar event.

Mr A.J. SIMPSON: The second dot point under "Major Initiatives For 2008-09" on page 444 states —

Preparation of a master plan for recreational access to dams, rivers, reservoirs and water catchments in the South West will be advanced. Further, the establishment and allocation of the \$10 million Recreation Offset Trust Account . . .

With regard to the whitewater park in Champion Lakes, has the Department of Sport and Recreation taken over responsibility for the 10-year promise that the Water Corporation made to the alternative canoeing facilities that were lost when Harvey Dam was built?

Mr J.C. KOBELKE: We have been through this a few times, but I am happy to repeat it.

Mr A.J. SIMPSON: I understand where the minister is heading regarding the actual commitment of \$10 million from the Water Corporation. We had this discussion with the former member for Murdoch during a matter of public interest debate.

Mr J.C. KOBELKE: The answer is no. DSR does not have the money because it was never approved by any government. During the last Liberal government the Water Corporation gave some undertakings for a whitewater park for Canoeing WA. Canoeing WA was funded by the Water Corporation to do a range of feasibility studies. When none of them came up, the Water Corporation basically walked away from it.

[8.50 pm]

Mr A.J. SIMPSON: When the minister says that none of them came up, does he mean they were not viable?

Mr J.C. KOBELKE: They never proved economically viable.

Mr A.J. SIMPSON: As a whitewater park?

Mr J.C. KOBELKE: Yes.

Mr A.J. SIMPSON: As a whitewater park to operate in any form at all or just at Champion Lakes?

Mr J.C. KOBELKE: Champion Lakes was not on the scene at the time. This was prior to Champion Lakes. The feasibility studies did not stack up. The Water Corporation said that it had put in money—hundreds of thousands of dollars; I cannot remember the exact amount—to help with the development of that plan, but it was clearly not a goer. However, at no time did any government—either the former Court government or this government—commit to \$10 million or whatever amount of money towards it. I certainly think it would be a great facility if we could build it, but it must be commercial. What has happened in more recent times is that the Armadale Redevelopment Authority has tried very hard, through some funding that it thought might be available by land gifting or land access, to get it up at Champion Lakes. It again found, when it called for expressions of interest, that no-one was willing to take it on, because it cannot work without a very large subsidy, and there is currently no subsidy coming forward other than the type of subsidy that was available through access to land. Although the proposal is not completely dead, a range of different people have had real problems finding the funding to make it work. I visited the one at Penrith in New South Wales.

Mr A.J. SIMPSON: Yes, I have too; it is quite a good one.

Mr J.C. KOBELKE: I was shown around that one and, again, I came away with the view that it is very difficult to make a whitewater park work. The one at Penrith is basically breaking even or running at a loss and, of course, it was built for the Sydney Olympics.

Mr A.J. SIMPSON: Yes, it was.

Mr J.C. KOBELKE: So it did not have to deal with the capital costs. Even so, it is very difficult to make it work. The Penrith one makes most of its money through whitewater rafting for kids or for corporate events, and it uses that to keep the place running so that canoeists can have use of it at a very low cost. There are, therefore, real difficulties in getting a centre like that to work. I would love to see it work but, unfortunately, that is the situation we are in at the moment.

The CHAIRMAN: Members, the question is the appropriation for division 25 be recommended.

The appropriation was recommended.