

Division 50: Culture and the Arts, \$153 496 000 —

Mr M.W. Sutherland, Chairman.

Mr J.H.D. Day, Minister for Culture and the Arts.

Ms A. Lucas, Director General.

Mr R. Arnold, Acting Deputy Director General.

Mr T. Loiacono, Chief Financial Officer.

Mr A.D. Ferris, General Manager, Perth Theatre Trust.

[Witnesses introduced.]

The CHAIRMAN: The member for Perth has a question.

Mr J.N. HYDE: In reference to “Total Costs of Services” on page 581 of the *Budget Statements*, what are the current losses in this financial year for the Perth belltower and the Swan Bells Foundation, and what is the projected loss for 2011–12 and the forward years?

Mr J.H.D. DAY: The allocation for the Perth belltower for the next financial year is \$400 000.

Mr J.N. HYDE: What is the figure for the current financial year?

Mr J.H.D. DAY: It is the same amount—\$400 000.

Mr T. Loiacono: For this financial year, the allocation is \$400 000.

Mr J.N. HYDE: I refer to page 579, under the heading “Effective Allocation by Service Agency”, and the reference to ScreenWest. Why has film funding been cut by 33 per cent since 2009–10, with a further cut in 2012–13? I also refer to controlled grants and subsidies on page 589 of the *Budget Statements*. Why has funding also been cut to film projects and screen organisations from \$10.9 million in the 2008–09 budget to just \$7.4 million next year, and to a lousy \$6.7 million in 2012–13? Will the Film and Television Institute’s allocation also be cut within that reduction?

Mr J.H.D. DAY: Some one-off funding was provided for projects undertaken by ScreenWest, but it is not correct to indicate that its general recurrent allocation has been reduced. Funding was provided for specific projects, particularly the partnership with the Australian Broadcasting Corporation, which I agree was very effective, and which I am pleased to say we can continue to some extent. Any examination of ScreenWest’s funding allocations needs to take into account one-off funding that, by definition, comes to an end. This might look like an ongoing reduction, but we are simply getting back to more normal levels of funding allocation. Any suggestion that ScreenWest is not currently undertaking a lot of projects or work is incorrect. I see a lot of decisions and recommendations in relation to the approval of funding for particular projects. I attend quite a lot of screenings undertaken by ScreenWest, and it is a pretty active organisation. I ask the director general to add some additional information.

Ms A. Lucas: Internationally, the film industry is undergoing some downturn worldwide in sales levels. The high Australian dollar is another factor of some of these amounts affecting how and when productions come on and off stream as well.

Mr J.N. HYDE: What accounts for the \$500 000 blow-out between ScreenWest’s estimated and actual budget appropriations in the 2010–11 budget period? Can the minister also address the previous issue regarding FTI’s allocation?

Mr J.H.D. DAY: What is the additional expenditure that the member is referring to?

Mr J.N. HYDE: I refer to the difference between the estimated and the actual budget for 2010–11—a \$500 000 increase.

Mr J.H.D. DAY: On what page is that?

Mr J.N. HYDE: It is on page 579?

Mr J.H.D. DAY: Can the member find whatever he is referring to?

Mr J.N. HYDE: It is the “2010–11 Estimated Actual”.

Mr J.H.D. DAY: What page is the member on?

Mr J.N. HYDE: I am on page 579?

Mr J.H.D. DAY: Page 579.

Chairman; Mr John Day; Mr John Hyde; Mr Chris Tallentire; Mr Albert Jacob; [9.20 Pm]; Mr Paul Miles; Mr Frank Alban

Mr J.N. HYDE: It is the minister's budget!

Mr J.H.D. DAY: I am trying to make sure we are talking about the same thing.

Mr J.N. HYDE: The budget figure was \$3 370 000; the estimated actual is \$3 861 000. That is a \$500 000 increase.

Mr J.H.D. DAY: An internal transfer of \$500 000 in relation to prime-time television funding was transferred from the "Development and Strategy" allocation within the department. I would think that would probably explain that. I am not aware of any reduction in the Film and Television Institute allocation, but that is probably a matter of detail that the ScreenWest board will be making a decision on.

Mr J.N. HYDE: On page 587 under "New Works" is the line item "Art Gallery — Art Acquisition". It is bad enough that the minister has cut art acquisitions from the \$1.536 million the government inherited in 2008–09 to just \$230 000 next year, but why has any acquisitions budget for 2012–13 been totally eliminated? Further, previous budgets have included a final payment in the art gallery legacy fund of \$2.5 million for 2010–11, but there is no mention on page 587 under "Works in Progress". Has the government squibbed on that, or is that unfunded?

Mr J.H.D. DAY: We have not squibbed on anything. There is not a complete elimination of the art gallery's acquisition budget. There is of course the TomorrowFund, which has a goal of reaching \$25 million. The amount contributed to that at this point is about \$19.1 million, including a \$12.5 million contribution from the state government. The gallery needs to raise a further \$3.334 million to trigger the final \$2.5 million contribution from the government. Once that amount is realised, the government's final contribution will bring the endowment to \$25 million in total. That is a capital fund that is well on the way to being fully established, the income from which is available to be used, and is used, for the acquisition of works by the gallery. In addition to that, I am not aware of —

Mr J.N. HYDE: In last year's budget there was the line item of \$2.5 million. If the minister is saying it is still there, where is it now?

Mr J.H.D. DAY: As I understand it, that would have been a payment in relation to the TomorrowFund. Essentially there was a capital payment into the TomorrowFund, the next part of which will be triggered when a further amount is raised by the gallery foundation, which is undertaking this project.

Mr J.N. HYDE: Where, physically, is the \$2.5 million now, because it has not been handed over to the TomorrowFund yet?

Mr J.H.D. DAY: That will be triggered when the additional funding —

Mr J.N. HYDE: I know when it will be triggered, but in last year's budget it was ready for the next triggering—that was the second last \$2.5 million. I cannot see the final \$2.5 million.

Mr J.H.D. DAY: I will clarify that. I am happy to provide that by way of supplementary information. I just want to clarify what the member is seeking.

Mr J.N. HYDE: Where in the budget is the \$2.5 million—the final instalment of the TomorrowFund? The minister has agreed to provide that.

[Supplementary Information No A18.]

Mr J.H.D. DAY: That is on the assumption there is a further \$2.5 million contribution still to be made, which, according to the notes I have here, is the case.

Mr J.N. HYDE: The minister has not addressed the missing \$230 000 for budget year 2012–13.

Mr J.H.D. DAY: There is an allocation of \$230 000 for the current financial year, 2011–12. There is no allocation in the forward estimates for 2012–13. Obviously that is an issue for next year's budget. At the moment we are talking about the budget for 2011–12.

Mr J.N. HYDE: No, there is 2013–14 and there is 2014–15. Therefore, either the government is planning to balance the budget by eliminating the acquisitions for that year or it has made a blue.

Mr J.H.D. DAY: We have not made any blue. As I understand it, it was an adjustment made by Treasury a couple of years ago or so. Obviously it is desirable that that is rectified, but that is an issue for next year's budget. It is not an issue for this year's budget, because the allocation of \$230 000 is clearly there for 2011–12, and we are talking about expenditure of public moneys in 2011–12.

Chairman; Mr John Day; Mr John Hyde; Mr Chris Tallentire; Mr Albert Jacob; [9.20 Pm]; Mr Paul Miles; Mr Frank Alban

Mr J.N. HYDE: Yes, but the minister is telling us that he is going to spend \$230 000 in 2014–15, but he cannot tell us that he is going to spend it in less than 18 months.

Mr J.H.D. DAY: No. That is correct, but that does not mean to say that it will not be dealt with.

Mr J.N. HYDE: It does not mean that it will be done. I think the minister has made a blue and he should admit it.

Mr J.H.D. DAY: The member should not draw any conclusions one way or the other. At the moment I agree that \$230 000 is not indicated for 2012–13, but the expenditure that we are talking about at the moment, which Parliament is considering approving, is for 2011–12, and there is \$230 000 for that financial year.

Mr J.N. HYDE: The minister expects us to believe him on the waterfront for 2014, but we do not have to worry about 2012 for the art acquisitions. The minister cannot have it both ways.

Mr J.H.D. DAY: Obviously that is an issue that will need to be dealt with in the preparation of next year's budget. I am quite sure that I will be requesting that the funds be allocated. That is an issue to be discussed in the budget preparation for next year.

Mr F.A. ALBAN: Halfway down page 587, under "New Works" allocation, I note an allocation of \$5 million has been provided to progress the planning of a new museum. Can the minister detail the reasons for this significant allocation for progressing the next stage of the new museum for Perth?

Mr J.H.D. DAY: Quite clearly there is a need for a proper museum facility in the city centre. It is something that has been needed and recognised now for about 20 years or so. I am very pleased that there is \$5 million in this budget to progress the planning that needs to happen for the construction of a major new facility. These funds will be used for the preparation of a design brief to much more clearly define what should be included in a new facility. In about 12 months or so we would expect to be in a position to conduct a design competition, which will be conducted on an international basis. I imagine there will be quite a bit of interest in designing such a major project. At the end of that process, which will take at least another six months, right through to the end of 2012, probably into the early part of 2013, we will hopefully be in a position to consider in much more detail the funding for the construction of the facility. So, that project is going ahead. Obviously, like the stadium that is being contemplated at the moment, there needs to be a lot more work put into the detail of planning and design, and that is the process that we are about to go through.

[8.50 pm]

Mr C.J. TALLENTIRE: My question refers to page 580, major spending changes. There is \$2.1 million itemised for the Albany Entertainment Centre operating costs for 2011–12 and just \$457 000 for the State Theatre Centre in Northbridge. Although Albany's main theatre is bigger than the Heath Ledger Theatre, why is Albany more expensive, so much so that it needed a special top-up in the quarterly results reported in March 2011? Also, why does the funding cut out on 30 June 2012 when the City of Albany council has not agreed to take over the centre and its \$2.1 million annual costs?

Mr J.H.D. DAY: Albany Entertainment Centre is certainly an impressive new facility, which provides a wonderful benefit for the people of Albany and the Great Southern. However, it is expensive to operate, particularly bearing in mind that it has been open for only six months or so and needs to become fully established. The decision to go ahead with the project was, of course, undertaken when the previous government was in office. The intention and the clear understanding on the part of nearly everyone at the time was that on completion the state government would hand over the project to the City of Albany, which would then take responsibility for operating the facility. However, unfortunately, the City of Albany made it pretty clear during 2010 that it was not in a position to do so; therefore, the state government stepped in and agreed to operate the facility through the Perth Theatre Trust and its contractor, AEG Ogden, and to provide sufficient funding for the centre to become well established in its first two years of operation. The state government through cabinet, therefore, made the decision to allocate \$3.96 million for the period through to 30 June 2012, with the intention that the City of Albany would take responsibility for the centre from that time. In comparing the Albany Entertainment Centre with the State Theatre Centre, obviously the State Theatre Centre is much more heavily used—and effectively used, I might say—than is the Albany Entertainment Centre at the moment. Obviously there is a much bigger population base to sustain activities and performances at the State Theatre Centre than is the case in Albany. Those are the sorts of issues, therefore, that we are facing in Albany. I will ask Mr Ferris to add any additional comment and provide information about Albany.

Mr A.D. Ferris: We are still negotiating the agreements with the City of Albany. One aspect in the discussions with the City of Albany is to ask it to look at the models that Bunbury and Mandurah are using to run their

facilities. We are doing that work with them now, as well as reviewing the costs so that we can come to some agreement.

Mr C.J. TALLENTIRE: I have a further question. Has the City of Albany indicated whether it is prepared to take on that funding from 1 July 2012?

Mr J.H.D. DAY: The City of Albany, unfortunately, has made it pretty clear that it would prefer not to, but from the state's point of view, we consider that it has a significant obligation to take at least a fair degree of responsibility for the Albany Entertainment Centre, given I understand that it was the City of Albany that was keen for the centre to be built. As Mr Ferris has indicated, further discussions are to be undertaken on its future management, but certainly the City of Albany needs to do its fair share.

Mr J.N. HYDE: In relation to significant issues on page 581, is the minister embarrassed that he failed to mention and fund events for the international Year of Chinese Culture in Australia 2011–12, which begins in WA next month? Is the minister embarrassed that while the magnificent National Ballet of China is going to cities on the east coast, it cannot come to China's biggest trading partner, Western Australia, because of venue costs and availability problems in Perth? Will the minister table for us evidence of any event that he is funding for this important cultural year?

Mr J.H.D. DAY: There is some involvement in the international Year of Chinese Culture in Australia. The year being presented by the Chinese government, with the support of the federal Department of Foreign Affairs and Trade and the Department of the Prime Minister and Cabinet, was launched in February this year and will finish in June 2012. It is a reciprocal event to the recent Imagine Australia: Year of Australian Culture in China, which was presented by the Australian government in China and featured several landmark exhibitions of Indigenous art from Western Australia, in particular from the Warburton Arts Project. I think that exhibition is either underway now —

Ms A. Lucas: Yes.

Mr J.H.D. DAY: It is underway in China, so that is a significant achievement, particularly for the Warburton Arts Project and the Indigenous people from the Warburton area and for Western Australia. A number of events have been confirmed for the Experience China program in Australia, as the member indicated, mostly in the eastern states. We are aware of proposals for activities in Perth that are currently being developed by the Chinese Consulate-General of the People's Republic of China in Perth and the Australian Embassy in Beijing and other local Chinese business organisations. So far, the Department of Culture and the Arts has been asked for advice on appropriate venues, and we will continue to provide advice and assistance on arts and culture matters when requested by our state government colleagues at the Chinese desk of the Department of State Development and our Australian government colleagues from the Department of Foreign Affairs and Trade. We are, therefore, certainly prepared to be involved. The Department of Culture and the Arts has indicated a willingness to that effect. I suspect that there may be an issue about what has been offered or made available to Western Australia to some extent.

Mr J.N. HYDE: So, the minister has no budget allocation then?

Mr J.H.D. DAY: There is no particular line item for the Year of Chinese Culture in Australia, but that does not mean to say that we will not be involved. We are always open to sensible propositions.

Mr J.N. HYDE: Item 1, arts industry support, on page 581 shows a savage cut from \$44.8 million in 2010–11 down to \$34.7 million in 2011–12, and down to just \$31.1 million in 2012–13. We all know that the supported companies in WA have been told that the minister is unleashing Armageddon on them in 2012, with his big cuts kicking in following a review of government grant funding by the Economic Audit Committee coupled with the huge venue and electricity hikes under the Barnett government. Can the minister list the funded arts groups and companies that he expects to de-fund by then? Does the minister still believe that there are too many arts companies in WA; and, if so, what criteria will the minister use to evaluate which ones should be supported?

Mr J.H.D. DAY: I can see the figures that the member is relating. What he—conveniently for him—did not point out is the substantial increase in 2010–11 compared with 2009–10. The amount of funding, therefore, has returned to a more usual level. It was increased, artificially to some extent, during 2010–11 because of some special funding arrangements, in particular funding for the West Australian Symphony Orchestra relocation, which was \$7.9 million and which was included in the 2010–11 expenses. There was also a net movement in arts funding from the former Ignite fund as per the original cash flow of \$2 million. In other words, there was some one-off funding that came to an end. There were also some particular one-off funding aspects; for example, the international sculpture competition of the Situate project of \$750 000. There was the WA-commissioned major

Chairman; Mr John Day; Mr John Hyde; Mr Chris Tallentire; Mr Albert Jacob; [9.20 Pm]; Mr Paul Miles; Mr Frank Alban

production series one-off funding of \$750 000. Some of these one-off events explain the increase to \$44.8 million in 2010–11 and why it goes back to \$34.8 million in 2011–12.

[9.00 pm]

Mr J.N. HYDE: What will the minister tell the Economic Audit Committee? Clearly, if the minister is expecting that it will reduce to \$31.1 million, more cuts must be made. What will the minister tell the committee that he is cutting?

Mr J.H.D. DAY: The member is looking further out in the forward estimates. It is dangerous to look too far in the forward estimates because they are exactly that—forward estimates. As we discussed earlier, we are talking about the allocation of funds and approving that allocation for 2011–12. What happens in future years will be another matter. The explanation for the forecast decrease is because, again, some one-off funding will come to an end, particularly out of the former Ignite fund, which was only ever over a four-year period; that accounts for \$2.55 million.

[Mr J.M. Francis took the chair.]

Mr J.H.D. DAY: There is a rationalisation of triennially funded organisations of \$1.15 million. That rationalisation has been discussed publicly previously. It emanated from the Economic Audit Committee recommendations and flows from the fact that grants across all state government funds, including in the science, sport and arts portfolios, were reduced a couple of years or so ago. That is taking some effect. We are working out how that will be managed. The department is giving some consideration to how it will fund the 49 organisations it currently funds. I might ask Ms Lucas to add a little more.

Ms A. Lucas: When we talk about annually or triennially funded organisations, we talk about one particular part of the grants scheme. It is true that 49 arts organisations are funded in that way. Many of those organisations are very small and receive that kind of funding on a historical basis. In fact, most of those organisations tend to do project-by-project work, as opposed to being service organisations. There is a difference in looking at the way historically those organisations have been funded. That is one of the considerations we will look at. Quite a bit of discussion with the sector is needed, and the chamber of arts and culture will also be involved in that consultation.

Mr J.N. HYDE: I refer to “Venue Management Services” on page 584 of the *Budget Statements*, and ask the minister to table the exact breakdown of sources for the very exact budget target of \$13.415 million in income.

Mr J.H.D. DAY: What page is the member looking at?

Mr J.N. HYDE: Page 584, “Venue Management Services”. Can the minister also table the exact sources for the \$12.202 million of income in 2010–11?

Mr J.H.D. DAY: Does the member want to know the source of the income?

Mr J.N. HYDE: Yes; I seek the source of income that enables the minister to come up with such exact figures.

The CHAIRMAN: I am not sure whether the member for Perth is aware, but it is my understanding that the minister cannot table documents in estimates committee.

Mr J.N. HYDE: I will take them by further information.

The CHAIRMAN: We have further questions and we have supplementary questions.

Mr J.N. HYDE: Whatever is the Chairman’s ruling.

The CHAIRMAN: The member will have to make a request for that information, and the minister will have to agree to that request.

Mr J.H.D. DAY: As a general comment, the source of income would come from ticket sales or the portion of ticket sales made by organisations and the various venues managed by the Perth Theatre Trust.

Mr J.N. HYDE: Will the minister provide by way of supplementary information the information that enables him to come up with that figure of \$13.415 million and this year’s figure of \$12.202 million—the breakdowns?

Mr J.H.D. DAY: I am happy to provide that so far as it does not divulge any commercial-in-confidence information that might be sensitive to particular performing arts companies that use the various venues. I would not want to put their positions in jeopardy. I am not suggesting that that will occur through the tabling of information, but I am happy to provide a breakdown with that qualification.

Chairman; Mr John Day; Mr John Hyde; Mr Chris Tallentire; Mr Albert Jacob; [9.20 Pm]; Mr Paul Miles; Mr Frank Alban

The CHAIRMAN: So that we are clear, the minister agrees to provide the supplementary information. I have a clear understanding of what that agreement was in relation to the revenue for the Perth Theatre Trust.

[*Supplementary Information No A19.*]

Mr J.N. HYDE: Who is responsible for the maintenance of the State Theatre Centre? Is the maintenance contracted out? What is the maintenance budget allocation? I will probably go a bit further. I am asking that question in the context of what budget paper No 3 states on page 187 —

An amount of \$13 million will be provided in 2011–12 to meet the final contractual payments and settlement of contractual payments and settlement of contractual disputes related to the new State Theatre Centre ...

As we both know, there are big problems downstairs with water and sewerage; that may be one of the issues in dispute at the moment. I would like to know the differentiation between maintenance and contractual disputes in the early life of the building. How many disputes exist in relation to the new State Theatre Centre and what is the nature of those disputes?

Mr J.H.D. DAY: The member also asked who is responsible for undertaking the maintenance and so on. I will ask Mr Ferris to comment on the information sought.

Mr A.D. Ferris: The State Theatre Centre budget has \$1.6 million allocated to maintenance. Obviously, given that we are still in the warranty period, we are still working through defects and liability. As part of this project, we have invested in a WebFM tool. All the plant and equipment and physical maintenance requirements have been put into one system, and, from that, will come a whole maintenance schedule that will deal with the asset over the life of that plant and equipment. Over the next six months, we will work over a lot of those maintenance contracts. A lot of those maintenance contracts will involve the companies that have installed the equipment in the theatre. We will work through a range of contracting to get the best value for money over the next few years.

Mr J.N. HYDE: Is the minister able to indicate by way of further information how many contractual disputes there are in relation to the building?

Mr A.D. Ferris: The major part of the contract is obviously the construction part. Agreement has been reached with John Holland on the final construction cost of the building. Most of that cost is reflected in the additional \$13 million provided as part of this budget. In terms of the rest of the contracts, management of defects is ongoing. We work through a list of defects with the contractors. None of those defects is of major concern from a construction or building point of view.

Mr J.N. HYDE: The shopfronts on the William Street side, the downstairs ones, appear to be empty; I know there are offices for Perth Theatre Company, Black Swan State Theatre Company and others. Are those offices part of the State Theatre Centre or do they belong to the East Perth Redevelopment Authority as part of the Perth Cultural Centre?

[9.10 pm]

Mr A.D. Ferris: Those two shopfronts are part of the building envelope of the State Theatre Centre. On the Roe Street corner we have the venue management office, and the tenancy next to that is being fitted out as we speak. There has been a basic fit-out there and of the tenancy further up William Street. One will be a cafe-type facility and the other will house the foundation that is currently housed at His Majesty's Theatre.

Mr A.P. JACOB: I refer the minister back to page 580 and under “Major Spending Changes” is “Commonwealth Heads of Government Meeting 2011—Arts Festival” with a budget of \$1 million in total. Could the minister outline what we can expect to see as a result of this funding?

Mr J.H.D. DAY: It is intended that the Perth Cultural Centre precinct public open space will be the centre of major activity as part of CHOGM, and the arts festival in particular. Funding has been allocated within the budget as a whole for that festival and there will be a range of activities. I will ask the director general to provide some more information on what is likely to occur.

Ms A. Lucas: It will be focused on three family events for the community and will be showcasing Perth to the people and CHOGM visitors. There will be a major opening event, a major closing event and another event probably in the city centre. There will be a range of performances and exhibitions, an Indigenous program comprising several landmark Indigenous arts exhibitions and activities and a closing event on the South Perth foreshore. The idea is to keep these, as much as possible, as free community events.

Chairman; Mr John Day; Mr John Hyde; Mr Chris Tallentire; Mr Albert Jacob; [9.20 Pm]; Mr Paul Miles; Mr Frank Alban

The CHAIRMAN: Before I give the member for Gosnells the call, I seek some guidance from members about how they want to allocate the remaining 50 minutes.

Mr J.N. HYDE: I will happy to finish arts by 9.30 pm.

Mr C.J. TALLENTIRE: I refer to the new Broome performing arts centre, which does not appear in the budget papers at page 587, although I believe it should because in previous years there was an allocation of \$6 million. Where has it gone? It was there previously, but is no longer there. Is there an intention to have the centre paid for out of a royalty stream that may eventuate in the future? Given that we are giving a subsidy of \$1.2 million to the Albany Entertainment Centre, is it the government's intention to provide some form of subsidy for the performing arts centre in Broome?

Mr J.H.D. DAY: I understand that a commitment was made by the previous Labor government, which was originally an election commitment before the 2001 election—the member for Perth is nodding—to provide funding for a performing arts centre of some form in Broome. The previous government was in office through to September 2008 and the funds were not used within that time, for whatever reason. In more recent times, certainly within the last six months or so, agreement has been reached with my support, therefore this government has quite consciously maintained the funding commitment that was made previously, even though there has been quite a bit of pressure to do other things with it. I recognise that a commitment had been made and that there was the expectation in Broome that the funds would be available.

There have been a lot of discussions between the department and the Shire of Broome. As I mentioned, I am pleased to say there is now agreement as to how the funds will be used in an effective way and there has been a contract signed between the department and the shire with a project milestone in reporting and payment schedule accepted by both partners. The first two contract payments were made to the shire by February of this year, with reporting requirements having been met. A concept design for the works has been completed. That includes the completion of the tender process to submit architectural services for the project and a structural engineer's and architect's report on the viability of the refurbishment of the Broome Civic Centre. That is what the shire is now focusing on. Although there was consideration given to a range of other possibilities, the intention is to refurbish and upgrade the existing Broome Civic Centre and for the available funds to be used for that purpose. I will ask the director general to provide any more information she may have, as she has been involved in those discussions.

Ms A. Lucas: It has been quite a long journey to establish what is affordable for Broome, particularly for the Broome council. This is probably the best outcome in the process that we have gone through, and we are very pleased that they are now going through this looking at the civic centre, which had always been one of options, even from the very beginning. We are also getting external architectural and technical fit-out advice to check on the reporting, just to be sure that everything is in line.

Mr C.J. TALLENTIRE: In view of all that useful information, why is it not in the budget? Or where is it in the budget?

Ms A. Lucas: We have made some payments.

Mr J.H.D. DAY: I am told that the balance of funds is held in the department's bank account. It does not appear as a separate line item, but it will be contained within the budget.

Ms A. Lucas: It has probably been transferred into the grants fund account, so that is why it is not shown.

Mr C.J. TALLENTIRE: Can the minister direct me to that line item?

Ms A. Lucas: That would be under the arts funding support item.

Mr T. Loiacono: The funding, as it was provided in previous years, does not appear again as a new line item. Funding that is still held is held in the department's bank account and is projected to be spent in future years under grants and subsidies. It appears in the income statement under "Grants and subsidies" on page 589 of the budget papers.

Mr C.J. TALLENTIRE: Within the amount \$36.9 million for "Grants and subsidies" for 2011–12 is the \$6 million for the Broome performing arts centre; is that correct?

Mr J.H.D. DAY: That which has not already been paid over.

Mr C.J. TALLENTIRE: Can the minister confirm that it is still a \$6 million allocation for Broome?

Ms A. Lucas: Yes.

Mr J.N. HYDE: I refer to the third dot point on page 581 of the budget papers and the minister's very loquacious description of the deal with the Museum of Modern Art in New York City. Some of us already firmly

Chairman; Mr John Day; Mr John Hyde; Mr Chris Tallentire; Mr Albert Jacob; [9.20 Pm]; Mr Paul Miles; Mr Frank Alban

believe that the excellent people at the Art Gallery of WA have the ability and stature to deliver masterpiece exhibitions and that it is the government's vision and chequebook that is lacking. Given the massive cuts to acquisitions and no commitment to a new building extension to fully display the gallery's outstanding Indigenous collection, is the minister positioning the Art Gallery to become a mere hall for hire for touring exhibitions? Can the minister please table the full business case, by way of supplementary information, for the deal with MoMA behind the \$7.88 million line item for 2011–12 on page 580 and the figures for forward years?

[9.20 pm]

Mr J.H.D. DAY: It is not at all the case that the Art Gallery is becoming an extension or a hall for hire, as the member for Perth so disparagingly suggested. The concept of visiting or touring exhibitions from international collections is not a new one. I think it is new that there will be such an extensive range of exhibitions—six in total—over three or four years from one major international gallery, the Museum of Modern Art in New York, but it is not new to have international exhibitions. I can certainly recall a number of recent ones such as the Egyptian antiquities and *Monet and Japan*.

Mr J.N. HYDE: Guggenheim.

Mr J.H.D. DAY: There was one from the Guggenheim museum in Venice more recently, but I was going back over a number of years, so it is not a new or an inappropriate concept. I do not have a copy of the business case or information in full at this stage. If the member wants that information, he should seek that through the freedom of information process.

Mr J.N. HYDE: Does the minister have any idea of what he expects the income to be under the MoMA deal? Is the \$7.887 million the net allocation or is it the cost?

Mr J.H.D. DAY: The amount we expect for net public expenditure is about \$6 million. There is a total expected expenditure of about \$26 million, of which \$20 million is expected to be covered through revenue. Obviously, it will be a ticketed series of exhibitions and grants. Eventscorp will provide some support for this series of exhibitions.

Mr J.N. HYDE: How much is the Eventscorp support?

Mr J.H.D. DAY: It is a lot less than the \$6 million specific allocation. That has not been determined in full yet.

Mr P.T. MILES: My question relates again to page 580. I have not heard an answer on this issue yet. The Museum of Modern Art exhibition's funding of more than \$7.8 million is a significant amount for these exhibitions over the coming years. Can the minister explain why these allocations are so significant and perhaps explain what will come here over the coming years?

Mr J.H.D. DAY: As I mentioned, it will be a series of six exhibitions. To my knowledge, it is the first time there has been such an extensive collection from one major gallery. The exact details of the particular exhibition are still to be announced or fully determined. A lot of discussions have been going on between the director of the Art Gallery, Stefano Carboni and his counterpart at MoMA, Glenn Lowry. Those discussions, obviously, have been very effective and productive. As I recall, some of what will be displayed will be twentieth century art. There will be some from the impressionist period, probably an exhibition of some of the major photographic works MoMA has, and a range of other aspects. It will certainly be a big opportunity for Western Australia. It will be the only venue where these works will be displayed or where there will be a MoMA exhibition outside the United States. That is a very significant achievement by the Art Gallery and for Western Australia. It will be, I think, a wonderful opportunity for residents of Western Australia and an opportunity to encourage visitors to Western Australia given—this is why Eventscorp is interested, of course—people travel to destinations to see major cultural events, and this is one of those.

Mr P.T. MILES: Given modern art can be anything, something that I know is pleasing to the younger audience of our great citizens of Perth, WA, is there a possibility of having a Lego exhibition at the Art Gallery? There are some pretty good works in Europe. Will that come at all?

Mr J.H.D. DAY: That is not a proposal that has been raised with me previously. Perhaps it is something that the member would like to arrange to host in his electorate somewhere.

Mr C.J. TALLENTIRE: My question relates to the relationship between the Perth Theatre Trust and AEG Ogden. I am looking at "Item 80 Perth Theatre Trust" on page 579 and "Venue Management Services" on page 584. What is the role of the trust and AEG Ogden in WA, given they both seem to be running the same venues and subsidising the same performances? Is the minister concerned at the duplication, and has he considered outsourcing directly to Ogden? Can he provide the terms of the financial agreement between the government and Ogden and the financial operations of BOCS Ticketing?

Chairman; Mr John Day; Mr John Hyde; Mr Chris Tallentire; Mr Albert Jacob; [9.20 Pm]; Mr Paul Miles; Mr Frank Alban

Mr J.H.D. DAY: I know the arrangements for the management of the major performing arts venues, His Majesty's Theatre, Perth Concert Hall, the State Theatre Centre of Western Australia, the Subiaco Arts Centre and, at least for the time being, the Albany Entertainment Centre. A decision was made a bit over 10 years ago during the late 1990s by the then government to have an outsourcing arrangement in place for the actual operational management of the venues that I mentioned simply because it provides better value for money for taxpayers. The Perth Theatre Trust is the state agency that has responsibility in an overall sense for the management of the venues, and a lot of the day-to-day operations are contracted out. I hope that explains it. BOCS Ticketing is not operated by Ogden, it is directly operated by the Perth Theatre Trust. I will ask Mr Ferris to add a bit more information.

Mr A.D. Ferris: The minister is correct. The contract with AEG Ogden was a five-year contract with two five-year options. That finishes in 2014. As the minister indicated, BOCS Ticketing is run by the Perth Theatre Trust as a separate business arm of the trust.

Mr C.J. TALLENTIRE: Is it possible to get a copy of the financial agreement that exists between the trust and Ogden?

Mr A.D. Ferris: It is my understanding that that is a commercial contract. Any time we released that we would have to ask the principals and directors of AEG Ogden. I do not think that would be normal practice so that contract would not be available due to the commercial sensitivity of the arrangement between the trust and AEG Ogden.

[9.30 pm]

Mr J.H.D. DAY: Again, if there is a particular desire for that, I think it could be sought through the freedom of information process, which allows for those sensitivities to be dealt with.

Mr F.A. ALBAN: I refer to the fifth line item, "Library and Information Services", on page 581. I understand that there is significant ongoing funding for the highly successful Better Beginnings literacy program. Can the minister please update the committee on the latest achievements of this program?

Mr J.H.D. DAY: The Better Beginnings program is successful and has been underway, on a more limited basis, for a number of years. It is intended to provide the opportunity for children in Western Australia, particularly in the preschool age group, to be exposed to books and to reading. I think that when we have children, many of us probably take it for granted that children will be read to from an early age and, unfortunately, that has not been the case in all households. The rationale behind this program is to provide books for, hopefully, all homes with children in Western Australia so that there is a much greater likelihood that children will be read to when they are very young. That is absolutely essential for children to pick up literacy skills, to learn to communicate effectively and to speak and so on, and it is much more likely to occur successfully if they are read to from an early age. In the past 12 months, the program has been extended and expanded to include remote and regional parts of Western Australia, including Indigenous communities. Rio Tinto has provided significant funding support for that expansion to occur and some significant funding is also being provided through the royalties for regions program. The Better Beginnings program is now receiving about \$6.8 million over four years in the 2010–11 budget, including \$2.8 million, as I said, from the royalties for regions program. The evaluation of the program conducted by Edith Cowan University, the results of which were made public about 18 or so months ago, indicated that it has been very successful in encouraging reading activities in families with young children.

The appropriation was recommended.