

**Division 59: Western Australian Sports Centre Trust, \$38 851 000 —**

Ms W.M. Duncan, Chairman.

Mr T.K. Waldron, Minister for Sport and Recreation.

Mr D. Etherton, Chief Executive Officer.

Mr R. Picardo, Director, Corporate Services.

Mr M. Cutler, Chief of Staff, Office of the Minister for Sport and Recreation.

[11.30 am]

**The CHAIRMAN:** I give the first question to the member for Albany.

**Mr P.B. WATSON:** The second last dot point on page 701 of the *Budget Statements* refers to managing the significant growth of the asset portfolio and ensuring the best management. What was the financial performance of Perth Arena for the first seven months?

**Mr T.K. WALDRON:** I will throw to David Etherton for the financials. However, Perth Arena has been a huge success. In the first six months of its operation, it hosted 55 events with more than 500 000 patrons attending, making it one of the busiest venues of its type in the world. Those events mainly consisted of concerts and sporting events, including the largest Hyundai Hopman Cup crowd for both a single session and the total tournament.

**Mr M.P. MURRAY:** A great Labor Party project!

**Mr T.K. WALDRON:** I congratulate the Labor Party. It is a good project. It probably cost a lot more and could have been planned a lot better, but in the end it has been a good project and it is going well. It has held the largest ever attendance of a Perth Wildcats basketball game and the largest attendance of a West Coast Fever basketball game. It is now on the map. The important thing about the financials is that Perth Arena is now on the map for national acts and promoters. As with any facility, the best endorsement is by word of mouth. People have been extremely happy with it, including the promoters, the performers and the public. The acoustics and sight lines are really good and significant corporate revenue has been raised through the suites and sponsorship arrangements. I was fortunate to attend the opening night of the Pink concert, and I also saw basketball played there but I was away for the Hopman Cup. Perth Arena is fantastic. The precinct around it is great and once the sinking of the railway is complete, it will be even better.

**Mr D. Etherton:** We do not have the audited figures for 2012–13 but we will get them in 19 days. It is estimated that Perth Arena will perform better than the original forecast. Syme Marmion and Co did a business case for it six years ago and it is estimated that it has performed significantly better than expected, but we do not have the audited figures yet.

**Mr P.B. WATSON:** How can we get those figures?

**Mr T.K. WALDRON:** I will look at what we can make available when we get those figures. I will provide whatever I can when those audited figures are received. AEG Ogden runs the facility.

**Mr M.P. MURRAY:** One thing wrong with the arena is that it needs signage. Many overseas people have their photos taken at the front of the arena and it badly needs the word “Perth” on it.

**Mr T.K. WALDRON:** That is a good point. I understand that two new signs will be going up soon, both of which will read “Perth Arena”. Is that correct?

**Mr D. Etherton:** Yes. Two very large signs will go up. One will go up at the front and one will face the freeway. They will be up in the next couple of months.

**The CHAIRMAN:** I ask the minister to define the information he will provide by way of supplementary information.

**Mr T.K. WALDRON:** I will provide as much detail as I can from the audited figures for Perth Arena for the first seven months until 30 June.

[*Supplementary Information No A5.*]

**Dr A.D. BUTI:** I refer to page 702 of the *Budget Statements* and to the percentage of visitors whose expectations were met or exceeded by VenuesWest services. This is the appropriate place for me to talk about Champion Lakes Regatta Centre, which is controlled by VenuesWest. As the minister knows, we have had ongoing dialogue for a while. VenuesWest is trying to address the issue of contamination of the water facility at certain times, and the minister provided an answer to a question on notice on 6 August that showed how many times it

has been closed before and after VenuesWest took control. Can the minister provide a further update on how he is trying to address this problem?

**Mr T.K. WALDRON:** Up-front, \$1.8 million has been budgeted in 2013–14 and 2014–15 to undertake capital improvement projects to address the issues. We are dinkum about it. I understand that GHD has been appointed to undertake a study on improved nutrient management. Obviously we are committed to implement its findings. I will ask David to comment in a minute, but basically the salinity levels continually increase. That is due to the annual flow of brackish water from the Yarragadee aquifer. The water exits the lake by evaporation, which does not remove the salt content. There is a big surface, and the bigger the surface area, obviously, the more evaporation there is. A small discharge into Wungong Brook occurs during winter but a method of discharging a greater volume of the brackish water is required to manage the salinity level of the lake and to assist with the management of nutrient build-up. That mainly involves stormwater inflows and big rains when there are lots of contaminants with birds defecating around the place, which can sometimes make the nutrient level too high. We have committed \$1.8 million to do the project and we want to make sure that we do it right. I do not want to waste that money. We need to ensure that we achieve an improvement. I will hand over to David Etherton to provide more detail.

**Mr D. Etherton:** I do not have much to add. We have appointed GHD and it is commencing its work. Once we get answers from GHD, we will act. It is a matter of GHD going through the process of looking at the nutrient discharge and arriving at the best way to fix it. We will act promptly as soon as we get that information. As the minister said, we have put the money aside in preparation for that and we need to make sure that we spend it in the right way.

**Mr T.K. WALDRON:** Since VenuesWest took over the facility, it has been enthusiastic about it. The facility will gradually improve. The Department of Sport and Recreation spent money on some of the buildings. I really like the facility. I have made it clear to VenuesWest that the lack of shade is an issue. However, there are restrictions on what can be done, due to the power lines on the side of the highway. Restrictions are also in place on where trees can be planted so that they do not affect the water for the rowing facility. I have to be careful but we need more shade for the spectators. I hope that some of the money we are allocating will initially address that in part, but I hope to address it more fully in the future.

**Mr C.D. HATTON:** I refer to the expansion of Arena Joondalup under the “Asset Involvement Program” on page 704 of the *Budget Statements*. How will the \$20 million committed to the expansion of Arena Joondalup benefit sporting groups in the northern suburbs?

[11.40 am]

**Mr T.K. WALDRON:** As I said during the division on sport and recreation, the growth of the northern suburbs near Joondalup has been identified. They have grown quickly, and keeping up-to-date facilities to service the increased population has been a real challenge. To help address that, we intend to spend some of the money here, which includes \$600 000 to expand the netball courts. I do not know whether the member for Balcatta has been to Joondalup. It is packed. As sports minister, it is great to see the facility being used. The \$600 000 for the netball courts is in this year’s budget, as is \$400 000 for a second rugby pitch. The rugby club up there is very strong. Previously, we put money into the rugby facilities to upgrade them, but the pitch itself is really important. Eleven million dollars has been allocated to relocate the Wanneroo Wolves basketball team, which is a big club. I had a good look at its facilities and although they are okay, they are old and have been there for a long time. In this modern era, the team is restricted in what it can do. The relocation will involve the sale of that land when the team moves to Joondalup. A further \$8 million has been allocated for a new facility for the West Perth Football Club, which is greatly needed. West Perth left Leederville Oval many years ago. The arena oval is the best surface in the Western Australian Football League. West Perth has had a problem generating income. It has to work with the whole facility and probably feels as though it does not have its own home or its own clubrooms. This investment will be a boost to sport in not only Joondalup, but also the northern corridor because people right across the northern suburbs will utilise it. I think it will cement West Perth’s future there—once and for all it will be cemented. The Wolves have over 3 000 playing members, so it certainly demands some improvement. Part of that commitment includes a commitment of \$4 million from the City of Joondalup. Arena Joondalup comes under the auspices of VenuesWest and it adds to all the other facilities that we are doing. Members just pass over it, but with the netball facility, the waste facility, Wanneroo Raceway, nib Stadium and previously the basketball and rugby facilities, a heck of a lot has been done to sporting facilities and this will add to that.

**The appropriation was recommended.**