

PERTH STADIUM — VENUESLIVE MANAGEMENT SERVICES — CONTRACT

Statement by Minister for Sport and Recreation

MS M.J. DAVIES (Central Wheatbelt — Minister for Sport and Recreation) [2.30 pm]: I rise to inform the house that the state yesterday signed a contract with VenuesLive Management Services, formerly known as Stadium Australia Operations, to operate Perth Stadium. Formal signing of the contract means VenuesLive commences as operator of Perth Stadium, providing more than 18 months to prepare for its opening in early 2018. VenuesLive has already been involved with Westadium in the final design aspects of the stadium since being appointed preferred operator four months ago. This will assist a smooth transition into the venue's operational phase. The state government's stadium team has worked with VenuesLive to ensure that the contract maximises stadium content, delivers world-class events and returns the best value for Western Australians. The contract covers everything from how catering is delivered to how the stadium will be kept safe for patrons, and defines the working relationship between VenuesLive and Westadium. Signing of the contract is another milestone in the stadium project time line and allows other elements, such as key user agreements and event bookings, to progress.

VenuesLive's operator bid represented the best value for money for the state on behalf of taxpayers. The contract is performance based with a profit-sharing deal that means both parties are incentivised to optimise stadium revenue so commercial successes are realised. The contract is structured so that VenuesLive will pay the state a fixed amount each year from stadium income to cover operational costs in respect of the design, build, finance and maintain project. After VenuesLive pays for its costs, the remaining net income will be shared between the state and VenuesLive in agreed proportions. Modelling shows that over the initial 10-year period of this contract, stadium income is projected to cover all operational costs. A key feature of the bid was the depth and breadth of proposed events to be held at Perth Stadium and the strategies to secure them. As a result, it is expected that, on average, 40 events a year will be held. The stadium project definition plan, which was based on extensive modelling by the state and supported by KPMG, forecast 32 to 37 events a year. State government agencies VenuesWest and Tourism WA will work with VenuesLive to help secure an exciting blend of sporting, music and other live entertainment. To manage such a breadth of content, one of VenuesLive's first priorities is to recruit 70 full-time operational staff and an additional workforce of 1 750 for events. Recruitment for Perth Stadium's chief executive officer starts today.

In coming days the Treasurer will release further information about the state's contract with Westadium, including the annual schedule of payments to Westadium over the 25-year contract and the breakdown between construction and operating costs. We will also be releasing the state's contract with VenuesLive, minus the commercial-in-confidence terms, in coming weeks. Similar to the government's contract with the operator of Perth Arena, we will not be releasing confidential commercial details that would compromise the ability to market and commercialise the venue.

I have every confidence that VenuesLive's operation of Perth Stadium will transform the live sport and entertainment experience in WA and I look forward to the exciting content program it will deliver.