

LEGISLATIVE ASSEMBLY
Question on notice

Tuesday, 6 September 2011

6062. Mr J.N. Hyde to the Minister for Tourism.

In relation to the State funding being provided for a non-televised live show derived from Top Gear at Burswood Dome, I ask:

(a) what amount of Government funding is being provided by Eventscorp for this performance; and

(i) if the Minister will not reveal the amount of government funding, why not;

(b) what other sources of Government funding or sponsorship, and from which Government Departments and Agencies, are being funnelled into the three-performance season of Top Gear; and

(i) if the Minister will not reveal the sources or the amounts, why not;

(c) what other Government Departments or Agencies are referred to in the Memorandum Of Understanding (MOU) and/or funding agreement between Eventscorp and the owners of Top Gear;

(d) is the Minister aware that the Top Gear stage show has already been staged in Melbourne, Brisbane and Sydney;

(e) what number of Asian tourists and from what countries are indicated in Eventscorp's business case to justify the Government's investment in Top Gear; and

(f) does the Minister stand by his Answer to Question Without Notice 512 on 30 August 2011, indicating that 385 million people will be watching a show filmed here in Western Australia?

Answer

Section 82 Notice – Financial Management Act 2006

Pursuant to Section 82 of the *Financial Management Act 2006*, I give notice to both houses that I am unable to provide an answer to part (a) of Legislative Assembly Question on Notice 6062. Notice is also being provided to the Auditor General, as required under Section 82 of the *Financial Management Act 2006*. Attached question 6062 provides a description of information being provided.

In respect to the request to provide the funding contributed by Tourism Western Australia (Tourism WA) for the Top Gear Live Theatre Shows supported by the State Government, I have not included in my answer the quantum provided by Eventscorp (a division of Tourism WA). I have considered the public interest in releasing this information and while the public has a general right of access to information held by government agencies, this right has to be balanced against the need to protect the financial and commercial affairs of the State.

The standard industry practice worldwide is for financial and contractual information related to events to be kept strictly confidential. Eventscorp is unaware of any other Australian jurisdiction or competing overseas destination that makes this type of information publicly available. The enclosed article in the 26 October 2009 edition of *The Australian*, "A Day in Pompeii – Australia's most popular museum exhibition", provides an insight into the approach taken by the Victorian State Government and states - "*We don't release the cost and conditions of securing these major cultural events as it would provide rival cities with an unfair advantage*".

I give the following reasons for not providing the financial information:

1. Tourism WA competes to develop and secure events for Western Australia in the highly competitive national and international markets. The release of funding information into the public domain compromises Tourism WA's ability to successfully negotiate and develop world class events for WA and would provide rival host destinations, which have similar competing visitation and event objectives, with an unfair advantage. For example, if funding information became public, an event may be lost to a competing destination where that destination sought to poach the event by making a larger funding offer to the event holder, or the WA Government might need to increase its financial support to secure/retain the event. Another scenario is that an event holder might substantially increase the fees required to secure an event if they had knowledge of what the Government was prepared to pay to host events. These possibilities would have a considerable adverse effect on Tourism WA/Eventscorp's business, professional, commercial and financial affairs, as well as those of associated third parties, such as Brand Events (event holder of the Top Gear Live Theatre Shows).

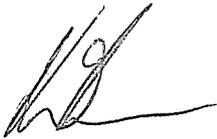
The highly competitive events environment is demonstrated in the enclosed article in the 24 March 2010 edition of *The Australian*, "SA vows to fight move by the Victoria government" which details how the Victorian Government tried to poach a South Australian Government sponsored event. The reality of working in a highly competitive and commercial environment is that failure to keep commercially sensitive information out of the public domain could result in a popular event becoming increasingly vulnerable to the poaching activities of national and international entities.

Specifically in relation to the Top Gear Live Theatre Shows, Eventscorp's relationship with Brand Events and its ability to work with the company in the future might be compromised because the public release of financial information could impact on Brand Events' 'bargaining power' when negotiating to stage future Top Gear Live Theatre Shows in other cities around the world.

2. Eventscorp's reputation and ability to negotiate low costs and favourable contractual terms and conditions with event holders would be compromised if this information was made public because other States or jurisdictions would then demand similar business arrangements with the event holders. This situation particularly applies to events that are held in more than one location within Australia and overseas, such as the Top Gear Live Theatre Shows. The impact would likely be that WA would lose its appeal as an event host and its ability to negotiate lower costs with current or prospective event holders, which may decline the opportunity to work with the Western Australian Government.

This Government takes very seriously its responsibility to grow visitor numbers and the State's event business by developing and implementing appropriate strategies, including a diversified events calendar. As such it undertakes appropriate action to protect the investment of taxpayers' funds in these events.

Yours sincerely



Dr Kim Hames MLA
DEPUTY PREMIER
MINISTER FOR TOURISM

Attached

31 OCT 2011