

LEGISLATIVE ASSEMBLY
Question on notice

Thursday, 8 September 2011

6127. Mrs M.H. Roberts to the Minister for Tourism.

I refer to the Minister's Answer to the Question Without Notice in Parliament on Thursday, 1 September 2011 regarding regional event funding, and I ask:

(a) could the Minister please itemise the events and funding amounts Tourism Western Australia is providing in the:

- (i) Mid West;
- (ii) South West;
- (iii) Great Southern;
- (iv) Pilbara;
- (v) Wheat belt;
- (vi) Peel;
- (vii) Goldfields-Esperance
- (viii) Gascoyne; and
- (ix) Kimberley?

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 6127. Notice is also being provided to the Auditor General, as required under Section 82 of the *Financial Management Act 2006*. Attached question 6127 provides a description of information being provided.

In respect to the request to itemise the funding contributed by Tourism Western Australia (Tourism WA) for events supported by the agency, including those funded through the Royalties for Regions (RforR) Regional Events Program, 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 event holders, which consider their business arrangements with Government as being commercially sensitive.

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

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 surfing, cricket, rugby and soccer events. The impact would likely be that WA would lose both 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 events business by developing and implementing strategies such as the RforR Regional Events Program. As such it undertakes appropriate action to protect the investment of taxpayers' funds in these events.

Yours sincerely

A handwritten signature in black ink, appearing to be 'KH', with a long horizontal line extending to the right.

Dr Kim Hames MLA
DEPUTY PREMIER
MINISTER FOR TOURISM

Attached

31 OCT 2011