

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 7216. Notice is also being provided to the Auditor General, as required under Section 82 of the *Financial Management Act 2006*. The attached Question on Notice 7216 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 Perth International Arts Festival 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. Tourism WA 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 reason for not providing the financial information:

Tourism WA competes to develop and secure events for Western Australia (WA) in both the highly competitive national and international markets. The release of funding information into the public domain compromises Tourism WA's ability to successfully negotiate with and develop world class events for WA and would provide other Australian States/Territories or competing overseas destinations which have similar competing visitation and event objectives with an unfair advantage. If funding information became public an event or potential event may be lost to another Australian jurisdiction or competing overseas destination, and the funding required to secure an event may be increased substantially should another destination seek to attract the event and offer a larger amount to support the event activity or bid. This would have a considerable adverse effect on Tourism WA's business, professional, commercial and financial affairs, as well as those of associated third parties, such as event holders.

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 Perth International Arts Festival, because Tourism WA's Sponsorship Agreement with the University of Western Australia (UWA) is for the opening event over three years, the release of the sponsorship funding amounts could impede the UWA's capacity and 'bargaining power' to negotiate with event holders to attract world-class artists to perform in WA in the future. Other competing States with arts events at similar times, e.g. Sydney and Adelaide, could try to outbid the UWA for these internationally renowned acts if the funding amounts were publicly available. This could also affect Tourism WA's relationship with the UWA and the agency's ability to work with the PIAF organisers might be compromised.

In addition to the above, in October 2011 I wrote to the Auditor General in relation to Legislative Assembly Parliamentary Questions on Notice 6062 and 6167 which sought funding information. The Auditor General's Section 82 report, "Opinion on Ministerial decisions not to provide information to Parliament on the amount of funding Tourism WA provided for some events" was taken into consideration when responding to this Parliamentary Question.

This Government takes very seriously its responsibility to grow visitor numbers and the State's event business by developing and implementing 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

13 APR 2012

Attached

The Australian

A Day in Pompeii - Australia's most popular museum exhibition

- by: *Michaela Boland, National arts writer*
- From: *The Australian*
- October 26, 2009 12:00AM

THE Melbourne Museum closed its doors last night on the most popular museum exhibition ever seen in Australia, A Day in Pompeii.

Since it opened on June 25, one in 10 Victorians, or 325,000 people, visited the collection of films about, and artefacts from, the lost city of ancient Roman times. The figure exceeded the museum's projected audience by 60 per cent.

"I'm delighted to be wrong," said Patrick Greene, chief executive of the Melbourne Museum.

"We've never had an exhibition beyond 170,000 before."

Sydney's Powerhouse Museum, by comparison, said the 2003 Star Wars exhibition was the most popular it ever staged, attracting 230,000 visitors.

The National Gallery of Victoria earlier this month reported 330,000 visitors to its Salvador Dali Liquid Desire exhibition, which like Pompeii was badged as a Melbourne Winter Masterpiece and given marketing support by the Victorian Major Events Co and Tourism Victoria.

The Victorian government will not disclose how much these exhibitions cost to mount or what the gross box office figures are on the grounds they are commercial-in-confidence.

"We don't release the cost and conditions of securing these major cultural events as it would provide rival cities with an unfair advantage," said a spokesman for Arts Minister Lynne Kosky.

However, unlike some previous Winter Masterpieces exhibitions, which were imported from foreign museums and galleries, both the Dali and Pompeii shows were unique to Melbourne, a credit to the local curators who worked for many years developing them.

But having been developed within the local institutions, other institutions, both local and overseas, are unable to compete for them.

"An exhibition like this cost a number of millions to put on," Dr Greene said.

Melbourne Museum has also managed to offset its costs by selling the exhibition to Wellington's Te Papa museum, after which Pompeii will most likely enjoy a season in Singapore.

The Australian

SA vows to fight move by Victoria government

- by: *Michael Owen*
- From: *The Australian*
- March 24, 2011 10:42AM

THE Rann government says it is taking seriously the latest threat by Victoria to poach its premier motorsport event.

As reported in *The Australian* today, the Victorian government will consider poaching Adelaide's successful Clipsal 500 to replace the Australian Grand Prix if it loses the Formula One race.

South Australian Motor Sport Minister Kevin Foley said the threat should not be downplayed.

"We take any threat to the Clipsal 500 seriously - it is the single biggest event in the V8 supercar calendar," he said.

"But I am confident Clipsal will continue to be a great event in Adelaide."

Melbourne is contracted for the Grand Prix until 2015, the same year as Adelaide's contract for the V8 Supercar event is up for grabs.

The Kennett government poached the Grand Prix from Adelaide 15 years ago.

Related Coverage

- [Victoria eyes SA's V8 race Adelaide Now, 24 Mar 2011](#)

Victoria has lost more than \$250m since it secured the Grand Prix, while the Clipsal 500, which South Australia started 12 years ago as a replacement for Formula One, is currently the only V8 Supercar race to make a profit.

Victorian Major Events Minister Louise Asher said the Clipsal 500 could be a major event of benefit to Victoria.

"Victoria is the major events capital of Australia, we host outstanding major events and compete globally to secure major events," she said.

However, Ms Asher said the government would not discuss details of its "potential future bid".

Legendary international motorsport caller Murray Walker last week said the Adelaide event was "the greatest touring car event in the world, in my opinion", with more than 280,000 people at the Adelaide street circuit on the weekend.

South Australian opposition motor sport spokesman Martin Hamilton-Smith said the Baillieu government was eyeing off the Clipsal 500, after it ordered a comprehensive study to help it weigh up the cost of hosting the Grand Prix against the financial benefits.

"The Victorian government is looking at the success of the Clipsal 500 here and saying 'we could set up the same track, we could do the same theme each year'," he said.

"If they won the Clipsal 500 they could save themselves about \$45m a year and get the same crowd numbers in their capital city."

PERTH INTERNATIONAL ARTS FESTIVAL — EVENTSCORP FUNDING

7216. Mr J.N. Hyde to the Minister for Tourism

In relation to Eventscorp funding of the Perth International Arts Festival, I ask:

- (a) what is the annual funding of the four year sponsorship agreement;
- (b) how many interstate visitors did Eventscorp expect to attract to Western Australia each year from the sponsorship as per the sponsorship agreement;
- (c) how many international visitors did Eventscorp expect to attract to Western Australia each year from the sponsorship as per the sponsorship agreement; and
- (d) will the Minister table the sponsorship agreement between Eventscorp and the Festival; and
 - (i) if not, why not?

Dr K.D. HAMES replied:

- (a) Tourism Western Australia (Tourism WA) competes to develop and secure events for Western Australia (WA) in both the highly competitive national and international markets. The release of funding information into the public domain compromises Tourism WA's ability to successfully negotiate with and develop world class events for WA and would provide other Australian States/Territories or competing overseas destinations which have similar competing visitation and event objectives with an unfair advantage. If funding information became public an event or potential event may be lost to another Australian jurisdiction or competing overseas destination, and the funding required to secure an event may be increased substantially should another destination seek to attract the event and offer a larger amount to support the event activity or bid. This 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.

Specifically in relation to the Perth International Arts Festival, Eventscorp's relationship with the University of Western Australia (UWA) and its ability to work with the organisation in the future might be compromised because the public release of financial information could impact on UWA's 'bargaining power' when negotiating to stage and bring in artists from around the world.

In particular, as the Sponsorship Agreement with UWA is for the opening event, the release of the sponsorship funding amounts could impede UWA's capacity to negotiate with event holders to attract similar world-class events to perform in WA. Other competing states with arts events at similar times, e.g. Sydney and Adelaide, could try to outbid UWA for these internationally renowned acts if the funding amounts were publicly available.

I will notify the Auditor General's office as per section 82 of the Financial Management Act 2006 that the answer to this question does not include funding amounts.

- (b) The Sponsorship Agreement does not identify the number of interstate visitors expected to be attracted to the event.
- (c) The Sponsorship Agreement does not identify the number of international visitors expected to be attracted to the event.
- (d) [See paper 4624.] for a copy of the Sponsorship Agreement omitting funding information as indicated in answer (a).
 - (i) Not applicable.