

BASKETBALL WA — MT CLAREMONT BASKETBALL CENTRE

538. Mr M.P. MURRAY to the Minister for Sport and Recreation:

In respect of the move by Basketball WA from Perry Lakes to Mt Claremont basketball centre and considering the minister's \$1.5 billion pledge to the Perth football stadium, I ask —

- (1) Why has the minister not honoured the agreement with Basketball WA that it will be no worse off by moving from Perry Lakes to the new basketball centre at Mt Claremont?
- (2) Can the minister explain the removal of Basketball WA's revenue streams such as catering, bar takings, function hire and sponsorship opportunities which Basketball WA was formerly receiving at Perry Lakes?
- (3) Why is the minister placing basketball in WA in jeopardy by forcing a \$100 000 per year court hire increase through the government arm of VenuesWest?

Mr T.K. WALDRON replied:

- (1)–(3) I thank the member for his question. First of all, I hear it said, but I am not aware of any promise made, certainly not by me or this government, that basketball would not be any worse off. In fact I do not think that is correct. I will tell the member what has happened. Basketball moved from the old Perry Lakes Stadium, which had served it well for many years, but it had had it; it was obviously going to get knocked over. The state spent over \$40 million developing a new basketball centre, which is fantastic. When Basketball WA moved in there, there was an agreed price of \$8.06 per hour, which is very, very cheap to get them in there and settled in. It had 11 516 court hours. That price was never going to stay at \$8.06. The rate that we charge our sports through hiring facilities is that we try to get a 50 to 60 per cent cost recovery.

Several members interjected.

Mr T.K. WALDRON: Just wait a moment.

The SPEAKER: Thank you, members!

Mr T.K. WALDRON: We have flexibility in that to make sure —

Mr M.P. Murray interjected.

The SPEAKER: Member for Collie–Preston! Other members may have an interest in this. The only person I am interested in is the Minister for Sport and Recreation, and then I will provide the opportunity for the member for Collie–Preston to ask a supplementary question, if he so desires. I do not need to hear from anybody else at this point.

Several members interjected.

Mr T.K. WALDRON: When they started paying, they moved in. After a while Basketball WA came to me and said it was having difficulties with the \$8.06 an hour. I looked at it. I heard its side of the story. I looked at it from VenuesWest's side. There was a difference there. I asked to get an audit and let them operate for 12 months; I let it go for 18 months. I let them operate at \$8.06 for an extra 18 months, which is well below the amount. The audit was disappointing, because the audit did not really show what I wanted it to show—that is, it did not actually show their ability to pay that or their ability to pay more.

Several members interjected.

Mr T.K. WALDRON: I will answer. If you just listen, I will tell you what is going on.

I met with Basketball WA again. I have to say that the former minister, Bob Kucera, was very good in negotiations. We negotiated the price of \$13.80. Remember that everyone else out there is paying over \$30. The price should have gone to around \$17.80. I made a decision, which is a cost to government, to bring the cost back to \$13.80. So they have been operating at \$13.80 an hour since 1 July this year. They then have talked through negotiations with us saying they are having difficulties with it still. I have just spoken with Basketball WA on Friday. I have presented them with a revised position, which I think is extremely generous and should give them comfort going forward. I do not want to expose it because it is with them for the moment. Basketball WA seemed happy to me when I spoke to the president. It will come back to me in the next couple of days.

I think we have done the right thing and we have covered those issues that Basketball WA had. I have also asked the Department of Sport and Recreation to work with Basketball Western Australia over the next nearly two years—Basketball WA has what I have offered it, which is very generous—to see its ability to pay and service its development, which concerned me. Of course, this comes at a cost to the government and the offer I made to Basketball WA has come at another cost to the government. However, I recognise the importance of basketball and we have made moves to try to get a good result here, which I think we have.

