

# VERIFIED VERSION

## PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

### Inquiry into budget estimates 2016–17

Melbourne — 19 May 2016

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Mr David Morris — Deputy Chair

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Dr Rachel Carling-Jenkins

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#### Witnesses

Mr John Eren, Minister for Sport,

Ms Kym Peake, Secretary, and

Mr Justin Burney, Assistant Director, Sport and Recreation Infrastructure and Events, Department of Health and Human Services.

**The CHAIR** — I declare open the public hearings for the Public Accounts and Estimates Committee inquiry into the 2016–17 budget estimates. All mobile telephones should now be turned to silent.

I would like to welcome the Minister for Sport, the Honourable John Eren, MP; Ms Kym Peake, Secretary of the Department of Health and Human Services; and Mr Justin Burney, Assistant Director, Sport and Recreation Infrastructure and Events.

All evidence is taken by this committee under the provisions of the Parliamentary Committees Act, attracts parliamentary privilege and is protected from judicial review. Comments made outside the hearing, including on social media, are not afforded such privilege. Witnesses will not be sworn but are requested to answer all questions succinctly, accurately and truthfully. Witnesses found to be giving false or misleading evidence may be in contempt of Parliament and subject to penalty.

Questions from the committee will be asked on a group basis, meaning that specific time has been allocated to members of the government, opposition and crossbench to ask a series of questions in a set amount of time before moving on to the next group. I will advise witnesses who will be asking questions at each segment.

All evidence given today is being recorded by Hansard, and you will be provided with proof versions of the transcript for verification as soon as available. Verified transcripts, presentations and handouts will be placed on the committee's website as soon as possible.

All written communication to witnesses must be provided via officers of the PAEC secretariat. Members of the public gallery cannot participate in the committee's proceedings in any way and cannot photograph, audio record or videorecord any part of these proceedings. Members of the media must remain focused only on the persons speaking. Any filming and recording must cease immediately at the completion of the hearing.

I will now invite the witness to make a very brief opening statement of no more than 5 minutes, and this will be followed by questions from the committee.

### **Visual presentation.**

**Mr EREN** — Thank you, Chair. In trying to be succinct I will refer to some of my notes that are before me. The Andrews government is committed to ensuring that Victoria is recognised as Australia's leading state for sport, with a participation rate that has consistently been above the national average for the last 15 years. Our investments are focused on ensuring community sport infrastructure is available for Victoria's growing population, developing state and national-level facilities that are available to stage high-level competitions and events, and supporting organisations to get on with the job of building sport participation and not being bogged down in red tape.

This budget provides a \$60 million funding boost, building on the \$257.9 million provided in the first budget. This means we have now committed \$318 million over two budgets, and can I just outline what it funds: developing community and strategic sport and recreation facilities, significant sporting events across regional and metropolitan Victoria to support the elite athletes, active participation in sport and recreation, and asset investments.

With Victoria's population growing at around 100 000 people per annum, there is a strong demand for new and improved sporting facilities. Major indoor multipurpose stadiums rank along with aquatic centres as the most significant investments for communities in sporting infrastructure and play a critical role in maintaining high participation rates. This is a landmark new investment in high-value, high-capacity sports infrastructure.

I know it sounds like a cliché, but I do mean it when I say that sport is the glue that binds the social fabric of our society. We are proud to have initiated the country football netball program back in 2005, which now has a strong history of facility investment by providing over \$22 million to 439 projects across the state. This program will continue to enable these facilities to continue to be upgraded and further provide for more participation.

We are also upgrading and developing key sporting facilities in metropolitan Melbourne. As you may know, Chair, Victoria is the major events capital of Australia and the envy of our interstate and international competitors. We are committed to ensuring we stay that way by retaining and increasing our major and significant events calendar. The Significant Sporting Events program received \$4.8 million of funding in the

2014–15 state budget allocated over four years and a further \$2 million over the next two years in the recent budget to continue this important initiative to support sporting events throughout Victoria.

The Significant Sporting Events program complements our highly successful major events strategy. Melbourne is recognised internationally as one of the world's no. 1 event cities, including recently being named as the ultimate sports city of the decade. Over half of the significant sporting events that we attract are delivered in regional Victoria, providing significant economic advantages right across the state. Since the current version of the program opened in May 2014, 153 events have received over \$3 million in funding support.

The Andrews government have an ongoing commitment to increasing women's participation and leadership. To that end we have committed \$10 million, as you may know, towards female-friendly facilities right across the state, \$9.6 million to develop 64 netball courts in inner Melbourne and \$1 million to help implement an inquiry into women and girls in sport and active recreation report.

The 2016–19 Supporting Victorian Sport and Recreation Program collapses nine separate funding programs into one and provides the community sport and recreation sector with an opportunity to build the sustainability and inclusiveness of their sports. We have committed over \$25 million over the next three and a half years to this program. The program also focuses on improving the ability of the community sport and recreation sector to provide support to volunteers, coaches, officials, referees and clubs. It also assists the community sport and recreation sector to become more inclusive, including women, Aboriginals and Victorians with a disability. The government is promoting active communities through funding a range of programs, including ride to school, Premier's Active April, sporting club grants and defibrillators.

We have created an information hub on the Sport and Recreation Victoria website to assist sports to build their integrity capacity. We are developing integrity self-assessment tools for use by sub-elite and community level sports organisations. This will assist and help in identifying potential integrity vulnerabilities within their sporting organisation. We will work with our sports stakeholders to build a shared vision of the future of sport and recreation in this state. I am pleased to inform you our major infrastructure projects across Victoria are progressing well and on time. We are the sporting capital of the nation, and the Andrews government will ensure that we remain that way for a long time to come.

**The CHAIR** — Thank you, Minister. We will commence now with questions from the government.  
Ms Ward until 2.18 p.m.

**Ms WARD** — Welcome, Minister. Welcome, everyone. We might be the sporting capital, but I suggest that my seat is actually the sporting capital within the sporting capital.

**Ms SHING** — Can I disagree with you on that, Ms Ward?

**Ms WARD** — It is not about Gippsland.

**Ms SHING** — This is a subject for another day.

**Ms WARD** — Can I get you to go to budget paper 3, page 79, and there is a line item in there that talks about community sports and events. We are looking at additional money being spent towards community sports and events. Can you explain to us how this money is going to be invested and what new initiatives you are expecting to see come out of this funding?

**Mr EREN** — Thank you very much; it is a very important question. Playing sport of course increases your fitness and your health and that means you will be fit, healthy and happy. Along with that comes, as we always say, 'If you are fit, healthy and happy physically then hopefully you are fit, healthy and happy mentally'. To that end we have added to the \$100 million that we had announced last year some \$46.4 million, and I will try to break that down in terms of the important way that we have strategically targeted this particular funding. The \$6.4 million of that funding will assist grassroots initiatives to increase participation opportunities, and that is of course very important. We know that, for example, we have the largest number of participants in sport in our state, which is a wonderful thing. Some 66 per cent of our residents that are over the age of 15 years are participating in some type of sport or recreation, which is fantastic of course. This funding will further enhance those opportunities to work with sporting organisations to increase that capacity.

We have also been dealing with and talking to a number of stakeholders on the pressures that come to bear with the growing population and a really healthy obsession, if I can call it that, with sport. Of course basketball and the highball sports that we have in stadiums are increasing all the time, whether it is netball or basketball or volleyball or any of those highball sports. So the stakeholders in the last 12 months, since we announced our last budget, have indicated to us that they would really like some funding in relation to buildings and stadiums across the state. To that end we have announced that we will provide \$22 million for a Better Indoor Stadiums Fund. When we say 22 million, that is our money. When you add to that some councils contributing one or two or three times whatever they seek from us and of course other in-kind contributions and other tiers of government's contributions that \$22 million grows into a bigger amount, as we have seen with other funds that we have had. We hope the federal government comes on board with some of these funding arrangements that we currently have. That will go a long way to accommodating our stadium sports that are growing so much. We are so excited about that.

**Ms WARD** — Minister, I know that in my seat, for example, the Eltham Wildcats have received funding for women's change rooms, which is great.

**Mr EREN** — Yes, wonderful club.

**Ms WARD** — And of course I have got a list as long as my arm, my other arm and your arms as well of other clubs within my electorate who also want female friendly change rooms desperately. You have allocated \$10 million for that. Can you explain to us how many clubs have received money? And again I suspect that there is a big list of clubs that are still waiting for additional support as well. It is a pretty important investment.

**Mr EREN** — It has been hugely successful. Of course that funding opportunity never existed before. That is the largest amount of money ever invested in female participation anywhere in the nation, and we are so proud of that fund. Of course so far it has proven to be a huge success. So far we have allocated some \$2.6 million towards female friendly change rooms across the state and that includes 27 projects all up, with a total value cost of the projects to \$17 million worth from the \$2.6 million that we have allocated.

**Ms WARD** — So that is combined with council funding or club funding as well?

**Mr EREN** — Correct — in-kind, council, club contributions and other stakeholders of course. That is how these funds grow. So the \$10 million in actual fact could potentially be by the end of it \$50-\$60 million worth of investment in female participation, which is fantastic.

**Ms WARD** — The budget papers talk about the redevelopment of the Moorabbin Reserve, Elsternwick Park and Carrum Downs reserve. What is the government's role here? How are these projects going to benefit their communities? What is involved?

**Mr EREN** — Of course when we took over government there was a whole mishmash of different problems associated with the various areas of sport. We wanted to act on these concerns and issues that were relevant to our sporting communities and that is why to that end we managed to get a deal where we could potentially have Junction Oval which will be the home of cricket. Along with that it meant that St Kilda needed a new home, the Old Melburnians needed a new home and all of these issues were just hovering around. Of course it took our government to come and rescue the day. Everybody at the outset was very happy at the prospect of St Kilda going back to their spiritual home in Moorabbin and of course we allocated some \$8 million; that was already allocated. We further announced that we would provide an additional \$4 million to bring the total to \$12 million for that, which was requested of us. Of course that meant that that move could go ahead.

Can I just say that the Moorabbin oval will include training and rehabilitation facilities for the St Kilda Football Club and the community. They will see administration facilities, space for meetings and events, and community recreation areas; and additional car parking is planned also. This project is really a true partnership with AFL Victoria, Kingston City Council, Southern Football League and the South Metro Junior Football League. It has worked out quite well. It is not only at the elite end of course, it is also about the grassroots end. That is where these projects are so important, to not forget that we like our elite sports but there needs to be a pathway — some inspiration that is created and the aspirations that are also created. That is why when you have the elite end mixing in with the grassroots it is always great.

**Mr DIMOPOULOS** — Minister, I might pick up from Ms Ward in relation to Kardinia Park. There was funding of 4.8 million in last year's budget and a significant amount in this year's budget — budget paper 3, page 79 — of \$14 million for the Kardinia Park Stadium Trust. I just want to get a sense from you of why this top-up was required and what it is going to be used for.

**Mr EREN** — In relation to that question, can I just at the outset try to explain how important Simonds Stadium or Kardinia Park is not only to this state but indeed to the population of Geelong. It is so critically important. After the completion of this very important stage 4, it will no doubt be the best stadium in the whole nation in terms of regional stadiums.

Once it is completed to stage 5, I have no doubt that it will be the best regional stadium in the world. That is what it is all about. It is about retaining that title of being the sporting capital of not only the nation but the world. To that end we are very proud of our plan of investing some \$70 million towards that very important piece of infrastructure. Can I just also point out that every time Geelong has a game at that wonderful stadium, it is worth about \$3 to 4 million to the local economy, so it creates a huge amount of jobs and through this process of course some 90 jobs have been created through the construction phase and over 300 ongoing jobs once it is completed. It is significant.

To that end, what we want to do is ensure that this ground is a ground which is enshrined in legislation to be the people's ground forever and a day. That is why we proposed that it would have a trust. I want to thank at the outset the steering committee of Steve Bracks, Jane den Hollander, the vice-chancellor of Deakin University, and Steven Gough, CEO of the MCC. They have come up with a model for us which will make sure that this trust is one of the best trusts going around in order to make sure that, like the MCG and other trusts that we have across the state, it could actually attract events, world-class events, to that stadium. That is what this trust is enshrined to do.

**Mr DIMOPOULOS** — Given you raised the trust, I was going to ask you specifically about the trust as well in terms of the make-up, who is on it and why that is important for the future of Simonds Stadium. I note in doing that that I am on a working group that the minister for environment has appointed together with the opposition to review the Caulfield Racecourse Trust, and we are looking at Kardinia Park as an example.

**Mr EREN** — Excellent. Initially in our LFS we have allocated some \$4.8 million. Of course once the steering committee and the very capable three people that I have just mentioned had a good look at it and decided that there were some unseen costs associated with that trust, we are now making sure that it will be a successful trust and have additionally announced that it would be 14 million over four years to make sure that we get this right, because it is so important for the state and it is so important for Geelong of course. Can I just name the very important people that will form the trust: the Honourable Steve Bracks, the chair; Professor Jane den Hollander; Libby Mears; Gillian Costa; Michael Malouf; and Rebecca Casson — all of whom are very important people, movers and shakers in Geelong, who are well connected and well qualified to make sure that this trust is extremely successful going forward.

**Mr DIMOPOULOS** — And in terms of bringing events to the stadium?

**Mr EREN** — Absolutely. It is about content. It is about football, soccer, cricket. We have had those events already. Potentially to have as much content as we can with that very important piece of infrastructure that we have invested lots of amounts of money in over the years.

**The CHAIR** — Order! The Deputy Chair, until 2.29 p.m.

**Mr MORRIS** — Afternoon, Minister. Budget paper 3, pages 79 and 89, and I want to ask you about integrity in sport. Just on that subject, actually, have you taken the bike back yet?

**Mr EREN** — On the record, through you, Chair, I have always said that the bike was going back and at that particular date after the vets ride — of course that bike was on loan — yes, it has gone back.

**Mr MORRIS** — Thank you. I am wondering if you can point to — the budget paper reference I gave you related to initiatives rather than the outputs which of course are later in the budget paper — a single new output or asset in this year's budget or indeed any money that might be in the more general funding that will build on or protect the integrity of sport in Victoria?

**Mr EREN** — Look, it is critically important to maintain — if you want to have the title of being the sporting capital of the world, of course you need a system in place which will accommodate the integrity of sport. To that end, we have not rested on our laurels in relation to making sure that we are on top of some of the issues that may be prevalent in relation to bringing our sport into disrepute, if I can call it that. The department has conducted an integrity in sport program which goes to the fundamental issues relating to integrity issues in sport in Victoria, including gambling, match fixing, doping and the use of illicit substances.

Some of the key achievements of the integrity in sport program — and I would just like to put it on the record, of course, because it is such an important issue — are analysis into betting markets in Victorian sport, providing a better understanding of the scope and breadth of betting occurring at the subelite level and research into how national level initiatives on promoting integrity have impacted Victorian subelite and community level sporting competitions. We have seen some instances in the past of course, as you may be aware, where some overseas betting was occurring at a low-level sporting club and of course we were straight onto that. It happened under your government, as you would appreciate. I commend the government at that time for tackling some of these issues, but we all collectively need to be vigilant in relation to it. It is not just at the elite end, is my point.

The *Victorian Sport Integrity Capability Analysis*, which found that there is a general lack of awareness and understanding of integrity in sport issues in subelite and community level sport, was presented to stakeholders last year. The department is currently working with a group of sports organisations and sports to pilot integrity and self-assessment tools for use by subelite and community level sports organisations to help identify and address some of the potential problems that may exist. On 10 May the department conducted a forum for the state sporting associations at which Victoria University presented and introduced the self-assessment tools. We hope that the clubs and organisations would take advantage of this, of what is now made available, to ensure that they not only protect themselves but indeed their organisations in relation to integrity issues relating to their organisations.

**Mr MORRIS** — You mentioned the integrity in sport program, which was, I think, funded to the tune of 300 000 in the 2014–15 budget. My understanding was that the project only ran for 5 months rather than the full 12 months. I am just wondering whether you can confirm that or provide alternative information, and also whether the 300 000 that was allocated was actually fully expended on that program.

**Mr EREN** — This has gone through the year and, as I have just indicated to you, up until 10 May the department conducted a forum. I am just pointing out that up until 10 May, the continuation of the — —

**Mr MORRIS** — That is what I am asking: if the 300 000 that was allocated in 14–15 was fully expended on that project, and then the work you are referring to presumably built on that?

**Mr EREN** — Well, you have got to build on what you have just spent the money on. You have got to see how the outcomes will occur.

**Mr MORRIS** — Was the 300 000 fully expended?

**Mr EREN** — It is expended in the sense that through the program, once we have now concluded in relation to the works that were conducted, and so what we are now planning to do is implement some of those works that have occurred through that investment that was made. We will watch it very carefully in relation to, thus far, all of the works that have been conducted, how we implement that, how the sporting organisations can access that information that has been collated, and of course how that work is going forward. We will be watching that very carefully.

**Mr MORRIS** — Thanks. Perhaps Ms Peake may be able to arrange confirmation on whether that 300 000 was fully expended on the program that it was intended to.

**Ms PEAKE** — Mr Morris, certainly a lot of that funding has been expended and some of it is supporting the outworking, as the minister has outlined, for those self-assessment tools and engagement with sports across the state.

**Mr MORRIS** — Without prolonging the discussion now, I would appreciate some advice on notice on how much.

**Ms PEAKE** — Sure.

**Mr D. O'BRIEN** — Page 259 of budget paper 3, in the second line item, lists the community facility grants. The number of grants exceeded the target last year and so the target has been increased this year. I just want to know what impact that will have on the allocation, particularly if there is going to be more money brought forward this year and then a resulting drop in funds in the out years.

**Mr EREN** — As has been indicated from the budget papers, the target for state facility projects has been increased to more than nine for 2016–17 in anticipation of the transfer of oversight of the Melbourne Park development to the sport portfolio.

**Mr D. O'BRIEN** — The what, sorry?

**Mr EREN** — The transfer of the oversight of the Melbourne Park redevelopment to the sport portfolio. So when you look at some of the figures that are in the budget papers, the 308 figure in the 2014–15 annual report was an anomaly that reflected a range of one-off programs that were introduced of course by your government. So when you think about some of the lapsing programs that occurred and then the implementation of some of those carryover programs that you had in conjunction with some of the programs that we have announced and the implementation of some of those programs that we have announced, of course you will see a fluctuation of the outcomes.

**Mr D. O'BRIEN** — So is there less money now under the community facility grants?

**Mr EREN** — No, not at all.

**Mr D. O'BRIEN** — You have just said there were more programs under us.

**Mr EREN** — No. What I said was that there were crossovers in terms of some of the programs that you had.

**Mr D. O'BRIEN** — Yes, 308.

**Mr EREN** — And then as we announced our budget and as we implement our budget and allocate moneys of course you will see a bit of a change and a shift in next year's budget as well in relation to the outputs. So, as I have indicated, we are actually putting in a fair bit of money — 100 million last year and 46 million this year — and what you see is that it was actually at the changeover of government and the machinery of government, the changes of department and so forth that occurred through that period, and also in terms of us implementing our policies and investments through the first budget and now the second budget we will see a fluctuation of the outputs next year, which will again change.

**Mr D. O'BRIEN** — Yes, it has dropped. So can I go back to the original question, though? By increasing the target this year, does that mean that more money will be expended in the coming budget year and therefore less in the out years?

**Mr EREN** — No, but if you look back at the performance measures, the target was 130 late in 2014, for example, for small grants, and that is consistent with the target for this year, which we will exceed.

**Mr D. O'BRIEN** — Well, no, last year's target was 130. You exceeded it, so the target has now been raised. That is the question I am asking, though, Minister: is there going to be more money put in to meet that, and will that result in less money in the out years?

**Mr EREN** — Yes, as I have indicated in answer to an earlier question that was asked, there will be more money. There is \$22 million for stadiums.

**Mr D. O'BRIEN** — I am talking specifically about the community facilities grants.

**Mr EREN** — There is \$8 million for the country football-netball program. There is \$2 million for significant sporting events. I can go on and on. Of course there is more money. I have just announced more money.

**Mr D. O'BRIEN** — So that \$46 million that you referred to earlier, that is new money on top of the 100 million from last year?

**Mr EREN** — Yes, that is on top of the 100 million last year.

**Mr D. O'BRIEN** — I will just come back to your answer earlier. I am confused. There were 308 grants in the last year of the coalition government. Why are they not still up at that level?

**Mr EREN** — As you know, Danny, these programs, such as local facilities for local clubs programs, involved large numbers of smaller grants. So when you look at the value of investment that has been made by the two different governments — you know, you can put \$2000 lots by 1000 and you will have more output, but the quality of investment in terms of real, meaningful change in the sporting area is exactly what this government is doing. Do not make the mistake of thinking the outputs are sometimes — —

Because that is very misleading. If you want to talk about outputs we can be mischievous, like the previous government, and have small grants but lots of them and pretend that we are doing more. I mean, it is not how it works.

**Mr D. O'BRIEN** — Well, but it suggests that you are giving a lot bigger chunks of money to less clubs.

**Mr EREN** — No.

**Mr D. O'BRIEN** — That is what you just said.

**Mr EREN** — I am making it very clear.

**Mr D. O'BRIEN** — Sorry, I am finding it difficult to see how it is clear.

**The CHAIR** — Dr Carling-Jenkins, until 2.34 p.m.

**Dr CARLING-JENKINS** — Welcome, Minister. Thank you for your presentation. I was very pleased that you mentioned people with disabilities in one line of your presentation, and that is the point that I would like to pick up on today, particularly around disability-specific sports and disability access to sporting venues. I refer to a couple of the initiatives that are in your purview, for example, the community sports and events — budget paper 3, pages 79 and 88 — and also the Community Support and Infrastructure Fund, which you have spoken to already today. I just wonder if you could talk on the point about how you have taken the needs of people with disabilities into account within these funding streams. I will give you a couple of examples.

With disability-specific sports — for example, wheelchair rugby — they have often been run on a shoestring, reliant on philanthropic grants not government funding, so the anticipation is quite high in the sector with this funding that you have been announcing that that may actually benefit them — the disability-specific sports. My other example is around disability accessibility. I wondered if that was going to be a requirement of the grants that you will be giving. That is not just about being able to get in the door or use the toilets but also being able to use the facilities, so if it is a pool, will they have to have a hoist, hydrotherapy et cetera? If you could just speak to those points, please, Minister.

**Mr EREN** — Sure. Thank you for your question; it is a very important question, Rachel. You really cannot have the label of the sporting capital if you do not look after your vulnerable communities.

**Dr CARLING-JENKINS** — No, you cannot.

**Mr EREN** — That is why to that end when you think about the Access for All Abilities funding that we have, which is an increase from the previous budget — we are allocating \$3.35 million towards the Access for All Abilities program — and when you consider also that 18 per cent of our population is disabled, a significant amount of people, it is a quality-of-life issue.

**Dr CARLING-JENKINS** — Absolutely.

**Mr EREN** — It is certainly something that is on our radar as a government. We want to ensure that the people that live in this wonderful state can enjoy, regardless of their abilities or inabilities, sport in this state. To that end we are looking very carefully at how we can have more inclusiveness in relation to acknowledging the disability sector, and we are working with a number of different organisations through not only the state sporting associations but also the disability sector in relation to how we can improve the lifestyles of the people that are disabled.



To that end there are the support programs which we provide for a range of sports throughout the state. I was pleased to participate just recently with Try Cycling coming to Geelong last year, for example. This is a great example of giving people with a disability renewed, I suppose, avenues to enjoy sport and savour the benefits of a healthy and active lifestyle.

The government has contributed \$3.19 million to construct a universally designed winter sport accommodation at Howmans Gap Alpine Centre to enable more people with disabilities to participate at all levels in the winter sport of their choice. I am not saying that that is where we are going to end; there is going to be a lot more concentration on providing facilities that can accommodate people with disability. As you may know, Rachel, there is the creation of the *Design For Everyone* guide, which is so important. When we design something through the architectural process it is also looked at from the perspective of: is it disability friendly? So there is an online resource featuring the universal design principles, which assists builders and planners to develop spaces like pools and stadiums that are accessible to everyone.

There are another couple of issues I wanted to just raise in relation to that: significant sports events program funding to cricket, which is to the Australian and Victorian blind cricket associations to support the national all abilities cricket championships and the Australian National Blind Cricket Championships. There is more work to be done — there is no question about that — but when we combine our efforts and concentration on making sure that sport is an inclusive activity, we will do more in that area. I look forward to working with the disability sector to make sure that we do more.

**Dr CARLING-JENKINS** — Thank you, Minister; I appreciate that answer.

**The CHAIR** — Ms Shing, until 2.44 p.m.

**Ms SHING** — Thanks, Minister, for coming along. Thank you, witnesses, and thanks for the evidence that you have given to date and for your presentation in relation to the sports portfolio. Minister, I would like to take you to page 79 of budget paper 3 in relation to the significant sporting events fund. This is a key initiative which is intended to create better development of events and to draw important calendar coups, I suppose, to regional Victoria and to the way in which we schedule our year around community sport. What sort of sporting events and, I suppose, carnivals, one-offs and ongoing investments can we see as part of this particular budget initiative, and how are we going to attract sporting events to regional Victoria in a more proactive way?

**Mr EREN** — Thank you very much. Regional Victoria of course plays a huge role in our economies. As the population grows — we know that we are growing at a rate of 1.7 per cent, and that is roughly around 100 000 people per annum — and when you consider that by 2030 we expect that we would be more populated than New South Wales, we need to accommodate the regions to take on some of that population growth.

To that end of course, when you consider events and my other portfolio of tourism and major events, we are really pleased to have announced \$80 million last year in major events, which will secure a lot of events, predominantly around the Melbourne area, but additionally we have announced in major events \$20 million for the regions. When you combine that with this very important funding, this will go a long way to making sure that we have lots of events going forward in regional Victoria.

Since the program was introduced in August 2010 more than 370 events have been supported with over \$7 million of funding, which includes the 2015–16 Australian Gymnastics Championships, the 2016 Australian Amputee Golf Open, the 2015 Para World Sailing Championships, the speed skating world development trophy and of course many more events around regional Victoria — the 2016 national judo championships in Geelong, the 15–16 international junior tennis championships in Traralgon, the 2015–16 Australian national skydiving championships in Nagambie and the 2016 Junior Road National Cycling Championships in Bendigo.

Along with all of the other major events and opportunities that exist we have got to ensure that we actually invest in regional Victoria's infrastructure as well. Think about Bendigo Stadium and the \$5 million we are allocating for that indoor stadium, which will bring lots of events to that region; Eureka Stadium, for example — \$32 million allocated to that wonderful sports precinct; and Simonds Stadium. So you can go right across the state and you will see systematic investments into not only infrastructure which can accommodate this \$2 million in terms of significant sporting events, which will bring events to the regions, which the regions actually depend very much on.

**Ms SHING** — That is my next question, I suppose, Minister. In relation to not just the health benefits and the community benefits that you have talked around in your opening remarks, what are the economic benefits like? You spoke about Geelong and the way in which stadium events there generate significant economic return, but more broadly across regional Victoria, how does an events calendar contribute to economic prosperity? And again budget paper 3, page 79, is the reference there.

**Mr EREN** — It is huge. I have got to say that, again, with my other portfolio, I know that tourism and events are worth about \$10.9 billion to our region, and so every time you give an opportunity for an event in regional Victoria you give an opportunity for them to go back to that region for another time, apart from that event, and so it is introducing a new area to new people. That is why it is so important. These events are worth millions and millions of dollars. We know the value of these events is tremendous to regional Victoria, and that is why we will keep investing in these events. Of course I am really happy about the \$20 million from the other portfolio on top of that when you consider, as I have indicated to you, some of those other events that we have been having. And cycling is really big. We are now becoming the cycling capital of the nation in terms of not only the numbers of people cycling but also the valuable events that we are having right across the state in relation to the cycling events that we have.

**Ms SHING** — The tour earlier this year that covered a lot of regional Victoria was an enormous success as far as exposure to new visitor markets goes.

**Mr EREN** — Absolutely. You are spot on. That is what it is about. There are 4.5 million people in Melbourne that really do not know what exists out there in regional Victoria. And actually having these events — these cycling events, these judo events, these other significant sporting events — in various parts of the state introduces those people from Melbourne, stuck in the concrete jungle, to discover their own backyard in regional Victoria, and that is why this \$2 million added to the previous funding will go a long way to making sure that we have these significant sporting events in our important parts of regional Victoria.

**Mr DIMOPOULOS** — In relation to local sporting clubs, the facilities and pavilion funding, I think there are a number of output initiatives, but I refer to page 79 of BP3. Apologies, I got that wrong; not page 79.

**Ms WARD** — It is referred to in his presentation.

**Mr DIMOPOULOS** — Yes, in fact it is in your presentation. I just wanted to get a sense from you, in terms of the growth in funding, what the budget context is in this year's commitment, as opposed to the previous couple of years, and what the trajectory is of that. I know the major capital grants of, I think, 650 000; is that right, Minister, the partnership with councils — council as the applicant for local pavilion funding? There is a big appetite for it. As Ms Ward said, she has got a list as long as her arms, your arms and everybody else's arms. I just want to get a sense of the growth of that bucket and the trajectory that you expect. I think you also mentioned that the \$10 million fund in another stream — women in sport — yields 50 or 60 million. In this bucket, I am sure it would be a significant yield when you add the club contribution, the council contribution and the state government contribution. Basically, what growth have you seen in that portfolio and what is the quantum of funds invested?

**Mr EREN** — Thanks for your very important question, Steve. Can I just say at the outset that we have secured funding for sport. In the past sports funding was made up of community support infrastructure, which was mainly dependent on a variety of issues relating mainly to the gaming side of it, depending on what the revenue was through that stream. That is how the allocations of sport money were made. So what we have done is actually take away that angst of whether they are going to get enough in the portfolio or not. We have taken that angst out of the guesswork that existed in the past. So what we have done is actually provide some surety going forward, and what we have said is it is 25. You know — put that in the bank — that it is \$25 million every year. And on top of that of course in this year's budget we have announced a further 22 million for the indoor stadiums, 8 million for the country football and netball program and of course \$8 million further for the three initiatives that we have announced.

When you look at it that way, of course, there is more money now that can be accessed in various programs than before, and as I have indicated, as we roll these moneys into actual projects and infrastructure that is going on, we will see the outputs of course tremendously grow over time.

**Ms WARD** — Minister, just quickly, before we finish up — we have only got about a minute to go — I wanted to draw your attention to your presentation where you talked about 9.6 million to develop 64 netball courts in inner Melbourne. Netball has forever, for as long as I can remember, been the poor cousin to basketball. I congratulate you on this initiative, and I am glad that women and girls will finally get an opportunity to play netball in decent facilities. Are you able to give us a little bit more information about this?

**Mr EREN** — Netball is huge, as you know.

**Ms WARD** — It is massive.

**Mr EREN** — And can I just proudly say and put on the record that I was one of the first men in the 1980s who played in a men's netball team.

**Ms WARD** — What position did you play?

**Mr EREN** — Centre; I played centre. It is the largest female participation sport, and when you consider the amount of people not only in terms of the competition itself but also in just, you know — —

**The CHAIR** — Order! Mr Smith, until 2.54 p.m.

**Ms WARD** — Take it on notice, Minister. Thank you.

**Mr T. SMITH** — Welcome, Minister. Budget paper 3, page 259, the Victorian Institute of Sport: why won't the government commit to increasing the target for the number of sports with athletes on VIS scholarships?

**Mr EREN** — Thank you very much for that very important question. We value, obviously, the pathways that people aspire to to one day play elite sports. When you consider the amount of moneys that we are actually investing into sport, we have got to make sure that we have enough talent that is going through the ranks when it comes to the grassroots and then potentially going through the elite pathways. And when you consider, in order to continue delivery outcomes under the Australia's Winning Edge — as the program is called — strategy, which is continuing to drive a change in high-performance sports environment in this country, I have asked for a review to be undertaken of its performance, operations and funding, because it is such an important area. With the Olympics coming up this year, for example, and the amount of talent, Victoria unfortunately is not as great in terms of the elite side of it as in past years. Admittedly, we are just a new government, not even a couple of years in, and we have found this to be a really important issue to make sure that we have pathways leading up to the elite.

So I am looking forward to that strategic planning that will be required to make sure that the elite pathways that we have are proper pathways where we can actually connect from the grassroots through all the way to the elite. This review will inform not only us but investors in how we can invest in the future in this very important program.

**Mr T. SMITH** — This review you are speaking of, this is the Winning Edge review? That is a federal review, correct?

**Mr EREN** — Yes, it is a federal review. What we are doing is actually having our own; each state and territory of course does their own analysis.

**Mr T. SMITH** — So there is a review into the VIS underway in terms of funding?

**Mr EREN** — Yes.

**Mr T. SMITH** — By whom?

**Mr EREN** — Well, in terms of operational — what they are doing right, what they are doing wrong, how it can be — —

**Mr T. SMITH** — Who is conducting that review?

**Mr EREN** — Well, the government.

**Mr T. SMITH** — Which government?

**Mr EREN** — Sorry?

**Mr T. SMITH** — You?

**Mr EREN** — Our government, yes.

**Mr T. SMITH** — So you are reviewing Winning Edge as well, or is that a separate review?

**Mr EREN** — No, no, we are not reviewing Winning Edge. That is part of a broader strategy.

**Mr T. SMITH** — Because that is a federal program.

**Mr EREN** — Yes. So federally they have their own strategy in terms of how they want to refine it and make it a better program, of course without the states, and that is why there is the AIS, the peak body, if you could call it that, and then you have the VIS, the Victorian Institute of Sport — —

**Mr T. SMITH** — Yes, I am well aware of how elite sports funding operates in this country, but what I am trying to get at is: we have the lowest per capita elite sport investment in the nation; we do. Also our share of medals and indeed membership of Olympic teams is going backwards. In the lead-up to the Olympics, particularly now that it is — —

#### **Members interjecting.**

**The CHAIR** — Order! Ms Ward.

**Mr EREN** — With all due respect, Tim, you need to encourage your federal colleagues in relation to making investments in this area. We have been consistent —

**Mr D. O'BRIEN** — He is comparing state by state.

**Mr EREN** — in our investment. Do not forget that you were in government not long ago, and what we have said — —

**Mr T. SMITH** — Minister, if you want me to start talking about federal sports funding, I will.

**Mr EREN** — Can I just say about the moneys that were provided — \$6.7 million to the VIS in the 16–17 budget — why do you not have a look at the history of this funding when you ask these questions? We are doing, within the realm of the VIS, the Victorian side of it, but the AIS needs to do more. The federal government needs to do more in relation to making sure that the states and territories can be — —

**Mr T. SMITH** — Minister, with respect, I am asking questions about Victorian sports funding. I am well aware of the fact that the Howard government, and indeed the Abbott and Turnbull governments, have invested record amounts in terms of sports funding. I want to know about Victorian sports funding.

**Mr EREN** — I have just told you, through the Chair: I cannot be more clear. We know how important the VIS is and that is why we are conducting this review into finding out what has gone wrong — if it has gone wrong — what we can do better, how we can improve the programs and how we can make better our elite pathways, unlike the previous government. Can I just say that the previous government dropped the ball on this issue, and so it is our government at this point in time, through the Chair, wanting to improve the VIS.

**Mr T. SMITH** — Minister, could you perhaps inform the committee who is undertaking this review?

**Mr EREN** — Well, the department of course.

**Mr T. SMITH** — Who is leading it?

**Mr EREN** — If you want specific names, of course we can provide the names.

**Ms PEAKE** — It is being undertaken through the department in partnership with the VIS. As the minister has indicated, on the back of that review — and we had discussions with the VIS just today about this — that

will inform future government decisions on investment, and as a result, government decisions on targets in future budget papers.

**Mr T. SMITH** — Thank you, Secretary. So in terms of the 2016–17 targets for the number of VIS scholarship holders on national teams it is well below the actual that was achieved in 2014–15. So my question is: why is this year's target set lower when the footnote says there has been strong performance by the VIS in developing athletes for national selection?

**The CHAIR** — Mr Smith, is this question to the minister?

**Mr T. SMITH** — Yes.

**Mr EREN** — Well, again I stress the point that I just made. I am not sure if the member is actually listening. We are taking on this review to see how better we can perform in this area, and so once we have concluded this review and the recommendations as a result of that review come through to government then we will look at how we improve our current situation, what funding levels are needed, how we can do the operations of that important work that they do — the VIS — how we can improve on that, how we can get better outcomes and how we can have a smooth transition between the grassroots end to connect to the elite end.

**Mr T. SMITH** — But Minister, your 16–17 target is less than this year's expected outcome. Why?

**Mr EREN** — Finding out what this review will conclude is the important point. So what we want to know is how we can actually improve going forward.

**Mr T. SMITH** — I am not asking about the review. The review is not in the budget.

**Members interjecting.**

**The CHAIR** — Order! Government members!

**Mr EREN** — So we will conduct this review and find out what is needed going forward. Can I just say that having looked at the numbers for 16–17, and of course if you look at the number of sports with athletes, it is the same target as last year and also looking post-Rio.

**Mr DIMOPOULOS** — So what are you talking about?

**Ms WARD** — You are talking to Mr Smith, are you not, Mr Dimopoulos?

**Mr DIMOPOULOS** — Yes.

**The CHAIR** — Order! This is opposition time.

**Mr Dimopoulos interjected.**

**The CHAIR** — Order! Mr Dimopoulos! This is the opposition's time.

**Mr EREN** — So it is the same target. I am not sure what papers you are looking at. When you look at 16–17 and 15–16, it is greater than 20, so I do not see your point.

**Mr T. SMITH** — No, Minister. I am asking about your target for 2016–17 being less than the expected outcome this year.

**Mr EREN** — No, it is not. When you look at it, the 15–16 target is greater than 20, right? Have a look at 15–16.

**Mr T. SMITH** — Minister, I have got the figures here in front of me.

**Mr EREN** — So have I. I am not sure what you are looking at, and the 16–17 target is greater than 20.

**Mr T. SMITH** — Your footnote is talking about strong performance, right? What I am getting at is — —

**Mr EREN** — I am not sure you know how to read these papers.

**Mr T. SMITH** — Minister, I know I can read these papers.

**The CHAIR** — Order!

**Mr EREN** — I am not sure you know how to read these papers.

**Mr T. SMITH** — Minister, I can read these papers.

**The CHAIR** — Order!

**Mr T. SMITH** — I am asking you about setting targets that are going to increase.

**Members interjecting.**

**The CHAIR** — Order!

**Mr D. O'BRIEN** — Can we move on?

**The CHAIR** — Mr O'Brien.

**Mr D. O'BRIEN** — We have got a short amount of time, Chair. Perhaps to the secretary, if you could take this on notice: could we get a breakdown of how much the 46.4 million is to each of the Better Indoor Stadiums Fund, the country football and netball program, the significant sporting events program, Moorabbin Reserve and the relocation of Elsternwick and Carrum Downs pavilions. If we could just get a breakdown of each of those, of the 46 million, that would be appreciated.

**Mr EREN** — Would you like them now?

**Ms PEAKE** — I am happy to take that on notice.

**Mr EREN** — Do you want me to break them down now?

**Mr D. O'BRIEN** — I think we are going to run out of time.

**The CHAIR** — We are running out of time, I am sorry, Minister. Ms Pennicuik, until 3.00 p.m.

**Ms PENNICUIK** — Thank you, Minister, and welcome again to the staff, some of whom have been here for quite a bit of time already over the last two weeks. Minister, I would just like to acknowledge the budget contribution to community sports around quite a few initiatives in here. In particular on one of the issues that was raised by Ms Ward and by Mr Dimopoulos about pavilions, because that is certainly an issue that is raised with me in my conversations with local government. I am not sure whether we got the answer as to how many pavilions are being funded and how many are needed to be funded, because I know that local governments made their lists et cetera. But maybe that is something you could take on notice as an update.

I wanted to move to the government's contribution to the AFL. If you look at the budget papers — for example, budget paper 4, page 52 — the allocation of \$75 million over last year's budget and this year's budget to Simonds Stadium, plus the \$4 million for the Moorabbin stadium in this year's budget, and \$14 million for the Kardinia Park Stadium Trust, which we have mentioned. There is also, I understand, \$15 million going to Eureka Stadium in Ballarat, where I think the Western Bulldogs will be playing some games. That all adds up to around \$108 million over the last, say, two years going towards AFL basically, to assist the AFL and directly to its own stadiums.

So my question is whether you factor the amount of government money that does go to support the AFL and its stadiums et cetera when you approve the allocation of grand final tickets, which you probably know we have an interest in. We know that 30 000 tickets go to competing club members, and the rest really go to corporates, the MCC members, AFL et cetera. Given the significant investment in government funding, I wonder whether you take this into account and whether you would consider increasing that? We would like to see that doubled to 60 000 tickets for club members of the competing clubs in the grand final.

**Mr EREN** — Sure. You have covered a wide range of issues there, and can I just say yes, footy is pretty big. A lot of people play football, and of course they are a major stakeholder in our sports environment, if I can call

it that. In fairness to them, for example, for the country football and netball program, along with the \$8 million that we have announced, some \$800 000 is from the AFL and 200 000 from Netball Victoria. So it is a combined 9 million. So they do actually contribute money towards certain projects, and we cannot dictate to a certain extent to different councils of different areas in relation to the applications that are made to the various funds that are going around from our end. So what they do do as a tier of government is prioritise in terms of what projects they feel are important to their area, are important to their participation rates. And so we try to vary it in certain ways in relation to accommodating the various sports and recreation organisations.

**Ms PENNICUIK** — Sorry Minister, are you talking about pavilions?

**Mr EREN** — Yes.

**Ms PENNICUIK** — That was the question I was happy to have on notice because it is quite detailed.

**Mr EREN** — The pavilions?

**Ms PENNICUIK** — I am really interested in the question about the allocation of AFL tickets to competing clubs in the grand final. Some 30 000 out of the 100 000 available tickets go to the club members who support the clubs all year but are way outnumbered by tickets going to corporates and members of the MCC, AFL members and others. You have direct oversight of that, and a lot of government money goes to support the AFL's venues et cetera.

**Mr EREN** — We would always love to see more people attend sporting events. There is no question about that. We have got the best ground in the world, which unfortunately only accommodates about 100 000 people. In a perfect world, a utopian world, we wish we had a stadium that accommodated 200 000 people, so more people could attend the games. But the AFL — —

**Ms PENNICUIK** — Well, given that it is 100 000 and only 30 per cent of it is going to the actual members of the clubs that are competing in the grand final, the question is: given the amount of money that is provided by government to the AFL, whether you as the minister will consider increasing that allocation? We are saying to around 60 000, but certainly any increase would be welcome.

**Mr EREN** — This is a decision for the AFL in relation to — —

**Ms PENNICUIK** — No, it is a decision for you under the act.

**Mr EREN** — I beg to differ in relation to the — —

**Ms PENNICUIK** — No, it is definitely a decision for the minister under the act. You can change how the tickets are allocated.

**Mr EREN** — What we can do is encourage the various sporting codes to give more access. I mean, it is just a reality. The AFL is an organisation which obviously — —

**Ms PENNICUIK** — The AFL is covered by the act. All the other sporting codes are not necessarily. You have the power to influence that allocation.

**Mr EREN** — So what I have power — —

**The CHAIR** — Order! I would like to thank the witnesses for their attendance: the Minister for Sport, the Honourable John Eren, MP; Ms Peake and Mr Burney. The committee will follow up on any questions taken on notice in writing. A written response should be provided within 14 days of that request.

**Witnesses withdrew.**