



**LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL
TERRITORY**

STANDING COMMITTEE ON PUBLIC ACCOUNTS

(Reference: Annual and financial reports 2007-08)

Members:

**MS C LE COUTEUR (The Chair)
MR B SMYTH (The Deputy Chair)
MS J BURCH**

TRANSCRIPT OF EVIDENCE

CANBERRA

WEDNESDAY, 28 JANUARY 2009

**Secretary to the committee:
Ms A Cullen (Ph: 6205 0142)**

By authority of the Legislative Assembly for the Australian Capital Territory

Submissions, answers to questions on notice and other documents relevant to this inquiry that have been authorised for publication by the committee may be obtained from the Committee Office of the Legislative Assembly (Ph: 6205 0127).

APPEARANCES

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Amended 21 January 2009

The committee met at 2.01 pm.

Appearances:

Barr, Mr Andrew, Minister for Education and Training, Minister for Children and Young People, Minister for Planning and Minister for Tourism, Sport and Recreation

Department of Territory and Municipal Services

Shepherd, Ms Simonne, A/g Executive Director, Enterprise Services, Australian Capital Tourism

Byles, Mr Gary, Chief Executive

THE CHAIR: Welcome everyone to this public hearing of the Standing Committee on Public Accounts into the annual report into tourism. I understand you all have your privilege card and all would be aware of the contents of it. Thank you all very much for attending. I will start off. Minister, would you like to make an opening statement?

Mr Barr: Thank you. Very briefly, I thank my departmental officials and their team at Australian Capital Tourism. As you of course have seen from the annual report, it was a very productive year for Australian Capital Tourism. We have had the pleasure of Simonne joining us during that time and it was very good to be able to work with her and to achieve a number of significant advances for tourism in the territory, in particular as we look towards activities in this financial year and to the future. All the work that was begun in 2007-08 continues now and will be the subject of some significant tourism policy releases in the first half of this calendar year. So I thank the committee for the opportunity to appear and look forward to answering questions.

MS BURCH: You have talked about the revenue from Floriade, and that is the subject of a report from Ernst and Young. Is that on the website or can we have a copy?

Mr Barr: For the Floriade event that occurred during the annual report period, I understand that that is publicly available. That would be for Floriade 2007. For the 2008 event, I have released the initial data on the economic impact and the total visitor numbers et cetera earlier this month, and the full report will be available in the next few weeks. There is a formal launch of that and it will then be publicly available. But in terms of the Floriade that is covered by this annual report period, that is available online.

MS BURCH: On that, the numbers seem to be quite high. Can you tell us the benefits to the economy, the impact on overnight stays and what tourism can do to increase that overnight stay to get a bigger dollar?

Mr Barr: The 2007 event created what was then a record for the number of people through the gates, both individuals and repeat visitors, and generated an economic impact in the order of \$20 million. That was slightly down on the 2006 figures, largely because there was a dramatic shift away from overnight stay to daytime. I think the daytime visitors went up something like 40 per cent. People were not staying overnight. That was one of the key reasons in examining how we could improve the

event for 2008.

We looked at establishing some nighttime activities through Floriade NightFest. We are pleased to advise the success of that event and, as was reported for the 2008 event, we were aiming to see almost a 27 per cent increase in overnight stays, as a result, partially, obviously of NightFest but also some other marketing activities that Australian Capital Tourism undertook to get people to come and stay overnight. That then resulted in an increase in the economic impact for the 2008 event, up from \$20 million to about \$25 million.

You can see the real benefit in getting people to stay overnight and to extend their length of stay and that means expanding the range of attractions, events and opportunities therein to provide that compelling reason for people to stay a little longer. NightFest was certainly a very good start on that but by no means is it the single and only answer and we will need to continue to work on extending those people who are coming for a day trip to get them to stay overnight and possibly two nights.

MS BURCH: But we will be able to see the improvements in the two reports?

Mr Barr: Certainly, yes. In the release I issued earlier in the month, that was quite clear. The report showed economic impact up from \$20 million to \$25 million and the correlation with overnight stays.

THE CHAIR: Talking about improvements between the two reports, will the new report have more about the environmental impact of Floriade and getting the people to and from Canberra and the impact of the quite substantial site works of Floriade and the waste issues relating to it?

Mr Barr: My understanding is that the Ernst and Young report looks at the economic impact. It is not really looking at the inputs to Floriade, more at getting results. I can advise, in terms of sustainability issues for Floriade, that a significant advance was made in partnership with the National Capital Authority to access lake water to ensure that all of the watering requirements for the event were able to be met from Lake Burley Griffin. That was a significant advance. In terms of waste management, my understanding is that the broader departmental and ACT government policies on recycling and other waste are in place for Floriade, as is the case for other major events.

MR SMYTH: I notice on page 44, in the last dot point for—

Mr Barr: Is that volume 1?

MR SMYTH: Volume 1, in terms of future directions, it talks about a five-year Floriade strategic plan to shape and guide the future of the event. Where is that at and have you received it?

Mr Barr: No, I am yet to receive that. We have undertaken some further work, as you would be aware, in terms of budget funding initiatives on feasibility studies for expansion of the event and looking at permanent sites. This or another committee has

discussed, in the past, options for where that might expand and we will of course release that report and the others in due course.

MR SMYTH: How much has been spent on the strategic plan and is it an update of the previous strategic plan or is this a first?

Mr Barr: We will take that on notice. I am advised that it is only something that has been done in-house. It is an in-house piece of work rather than an outsourced type of thing. It is self-assessed.

MR SMYTH: And is this an update or is this a brand new document? Is it revising the existing strategic plan?

Ms Shepherd: It is a new document in that it is a five-year plan and I believe it is the first time we have had such a forward looking plan. Floriade has had a plan from year to year, but it is a new five to 10-year looking plan.

THE CHAIR: And given it is a new five to 10-year looking plan, does it include more about environmental sustainability?

Mr Barr: This will be a recurring theme, will it?

THE CHAIR: Yes, this will be a recurring theme. Floriade, in particular, is a plant, flower, gardening festival. Surely we could be composting our organic waste, and that would be a really appropriate thing to do, given what Floriade does.

Ms Shepherd: There are a number of initiatives that have already been in place over the last few years for Floriade in terms of green composting, reusing, recycling, the water initiatives and I would be happy to get our Floriade team to put together some information on what those are. We are also investigating carbon footprinting as well for the event. So there are a number of initiatives that have been undertaken and a number of initiatives that are under consideration. I would be happy to put those forward.

MR SMYTH: Sorry, you did not answer previously: the plan is due when?

Mr Barr: We will advise in due course. There was no date set on when the work is to be completed, so it will come when it is ready.

MR SMYTH: Ms Shepherd, is it near or is it far?

Mr Barr: It will come when it is ready. I will release it when I am ready to release it.

MR SMYTH: Is it next week, is it next month, is it next year?

Mr Barr: I will advise in due course.

MR SMYTH: There must be some idea of its progress. At what point is—

Mr Barr: It will be released when I am happy with it being released. I control the

timing of when I release reports, as the minister. You would be aware of that. You have been a minister before. I am telling you I will advise in due course. I do not have a date now. I will advise in due course. I will release it when I am ready to release it. That is my prerogative as minister.

MR SMYTH: Surely, you must have some vague idea?

THE CHAIR: You must have some idea. This year?

Mr Barr: Sometime this century it will be released, yes.

THE CHAIR: This year?

Mr Barr: I will release it when I am ready to release it.

MR SMYTH: The committee has a right to ask—

Mr Barr: I am aware of the committee's rights and I am telling you I do not have a firm date as to when I will release it. I will release it in the fullness of time, at the appropriate junction.

MR SMYTH: When did the work start on the plan?

Mr Barr: It has been signalled in this annual report that that work commenced.

MR SMYTH: So it has commenced?

Mr Barr: It commenced in that annual report time and will continue and it will be released when I am ready to release it.

MR SMYTH: So it has been going now for at least eight months?

Mr Barr: I have been advised that it did not commence in the 2007-08 financial year. It was commenced in the current financial year.

MR SMYTH: What month did it commence in?

Mr Barr: We will take that on notice.

MR SMYTH: It is a simple question. Perhaps Mr Byles has an idea of when it is likely to appear. Is it a week, is it a month, is it three months, is it half a year?

Mr Barr: As minister, I control when I am going to release a report and I will take advice and I will release it when I am ready to release it.

MR SMYTH: It is not a hard question. It is not a big question.

Mr Barr: It will happen this year.

MR SMYTH: Good; so sometime in the next 11 months?

Mr Barr: Sometime in the next 11, 15, 18, 24 months, two years. I will release it when I am ready to.

MR SMYTH: There is dedication to the portfolio.

Mr Barr: I will work to my timetable, not to yours.

MR SMYTH: I am not setting the timetable; you are. I am asking you: what is the timetable?

THE CHAIR: The question was simply what it was, not prescribing the timetable.

Mr Barr: I have answered the question.

MR SMYTH: NightFest was a new event this year. Was it a success, an outrageous success, a mild success?

Mr Barr: NightFest did not operate during the reporting period for these annual reports but, yes, it did occur in September and October 2008, after this annual report period. I have made various public comments in relation to the event and, yes, I think all reports were that it was received very positively.

MR SMYTH: So it will be back this year?

Mr Barr: That is the advice I am provided at this point, yes.

MR SMYTH: Are you providing that advice or you have been provided with that advice?

Mr Barr: I made that statement publicly.

MR SMYTH: How is NightFest funded? There is a charge?

Mr Barr: Yes, there is an entry fee.

MR SMYTH: The fee is how much?

Mr Barr: It is \$15 dollars for singles, I understand. There are different fee structures depending on family size. It was \$15 for singles or something. I think it might have been \$30 for two adults and two kids. I have got the poster in my office. I am sure someone upstairs will run it down shortly.

MR SMYTH: The number of visitors to NightFest?

Mr Barr: We do have that. It was just short of 30,000. Again, I remind the chair that this is outside the annual report. We are not covering any of the issues in the annual report; we are talking about something for next year.

MR SMYTH: There are only two paragraphs in the annual report.

Mr Barr: Do you want to talk about that? That is what the hearing is about.

MR SMYTH: Well, Floriade is there—

Mr Barr: But NightFest was not part of this annual reporting period.

MR SMYTH: If you read your annual report directions, they talk about the outyears. The annual report directions from your Chief Minister talk about the outyears.

Mr Barr: Refer me to the page in the annual report that mentions NightFest, Mr Smyth.

MR SMYTH: I will refer you to the outyears. I will refer you to the Chief Minister's directions—to pages 4, 6, 13, 18 and 47 of the Chief Minister's directions—that say we can look at the outlook, that say we can look at forecast future needs and expectations, that say we can identify future priorities, likely trends and changes in significant risks and issues, and that say we can look at what the agencies plan to do in response to these risks. Do you want me to keep going?

Mr Barr: Please keep reading.

MR SMYTH: Why don't you go and read your Chief Minister's directions?

Mr Barr: I am very happy for you to read them.

MR SMYTH: You are meant to comply with them. The question is: why haven't you complied? It does raise the question: why haven't you complied with that in your reporting?

Mr Barr: At no point have I not complied with that in any reporting. Where do you suggest that that has not occurred?

MR SMYTH: We will get there in a minute. I have a number of questions here.

Mr Barr: I look forward to that.

MR SMYTH: What was the total income for the NightFest?

Mr Barr: I will take that on notice.

MR SMYTH: Floriade is a free event; NightFest we charge for.

Mr Barr: Floriade has been a free event whilst ever Labor has been in government. You charged for it, and people did not like that very much so the fee was taken off.

MR SMYTH: Floriade is a free event and it has a budget.

Mr Barr: Floriade, daytime, is a free event, yes.

MR SMYTH: NightFest is—

Mr Barr: A ticketed event.

MR SMYTH: A ticketed event for which there is a budget?

Mr Barr: That is correct, yes.

MR SMYTH: Did the payments for attendance meet that which was budgeted?

Mr Barr: No.

MR SMYTH: It did not? What was the shortfall?

Mr Barr: I will have to take that on notice.

MR SMYTH: You do not know how much that was?

Mr Barr: No, because there were obviously variables around the number of people who could physically fit into the park. I do not have the figure in my head that points out what the shortfall was.

MR SMYTH: Does Ms Shepherd have what the shortfall was?

Mr Barr: We can get that information for you.

MR SMYTH: Does Ms Shepherd have the amount of the shortfall?

Mr Barr: We will get that information for you.

MR SMYTH: I am asking Ms Shepherd. Ms Shepherd is here. Does Ms Shepherd know what the amount of the shortfall is?

Mr Barr: I am telling you I can get that information for you. It may be being passed to us right now. I will get that information for you.

THE CHAIR: It is on notice. Mr Barr can't have it all in his head.

MR SMYTH: So if we have not lived within the budget, will the government increase the budget for the coming year?

Mr Barr: No, other than what is already budgeted. There was a budget initially, a couple of years back, that increased funding for Floriade. But no, we will not be increasing the budget for NightFest.

MR SMYTH: So what will happen then? Will NightFest be wound back, will it seek other sources of funding or what is the plan?

Mr Barr: I imagine that a combination of options will be examined and we will look at putting together a budget for an event for 2009.

MR SMYTH: Mr Byles, do you have a number?

Mr Barr: I am advised that the ticket prices were \$15 for an adult, \$10 for a child, \$30 for one adult and two children and \$45 for a family of two adults and two children.

MR SMYTH: Okay. And did we get the shortfall in the funding?

Mr Barr: That information will be coming shortly.

MR SMYTH: We might get that. The old issue of parking: how was the parking handled, given the changed arrangements? Was it successful or not successful?

Mr Barr: It seemed to work very well. The information campaign worked very well. From my observance, having driven past nearly every day, there seemed to be sufficient capacity. Certainly, the community responded very positively to the overall message, which was to try and free up as much of that parking close to Floriade for visitors as possible. It seemed to go very well.

THE CHAIR: Talking about parking, have you any idea how many people came by bus?

Mr Barr: We could possibly find out. By bus, do you mean—

THE CHAIR: I mean locally.

Mr Barr: from a destination locally?

THE CHAIR: Yes.

Mr Barr: ACTION certainly provided services to the event. It could get a bit tricky, in that would you constitute someone who got off at Civic and walked to the event as coming by bus? That is where it can get a little tricky. We may be able to get some information around patronage because there certainly was a dedicated bus stop that was set up. So if ACTION has that data, I can see if we can get hold of it.

MR SMYTH: Obviously, some more numbers are coming, so in the interim, with respect to the new site and the money that was allocated to investigate the expansion, and particularly the new site, what work has been done there and how has it progressed?

Mr Barr: I am advised that there was an expectation in revenue of \$531,000 and that \$287,000 was received in revenue. So the shortfall was \$256,000.

Mr Smyth: \$256,000. So how is that made up? Does that mean the budget has been blown by \$256,000?

Mr Barr: I understand that the department is able to absorb that within the overall tourism area, in its overall budget for the event. Floriade was in the order of about

\$2.4 million. So Floriade operates at a loss; the government subsidises the event to a significant amount. We had hoped that NightFest would generate more revenue than that. However, there were some capacity constraints within Commonwealth Park, particularly in relation to the screening of films. Once you were outside the amphitheatre area, you could not view the screen, so there were limits then placed on the number of people who were allowed in the park.

MR SMYTH: Wasn't that considered before you set your totals?

Mr Barr: It was, but from the exit survey, one of the driving factors was that, whilst the number one thing was seeing Floriade lit up at night, a very strong second was the entertainment around the film screenings. So a certain proportion of people were very interested in just looking at the flowers, but a large number were also particularly focused on coming to the park for the film screening, rather than necessarily looking at the night markets or the other areas. It was determined that it was best to cap the numbers. There were in the order of 5,000 to 6,000 in the park at that time. In terms of future planning, particularly if we are going to have entertainment activities focused around Stage 88, we will need to revise down our attendance figures in terms of how many people we will let into the park.

MR SMYTH: So NightFest came up short by \$256,000. Was the rest of the budget complied with or were there other shortfalls or overspends?

Mr Barr: In relation to NightFest?

MR SMYTH: In relation to the entire Floriade event?

Mr Barr: I am not sure that all of that financial data will be complete yet. I will have to take advice on that.

MR SMYTH: You have not been briefed on this?

Mr Barr: Not on the final. You are talking about this year's Floriade. This financial year has not finished so, no, I have not been briefed on the financials for a financial year that has not finished yet.

MR SMYTH: But the event is over and it has been over for three or four months now.

Mr Barr: No, I have not yet received a financial report on the 2008 Floriade.

MR SMYTH: So there is no reconciliation for pluses and minuses?

MS BURCH: I think that has been answered.

Mr Barr: I have not yet received anything.

MR SMYTH: Is there a reconciliation, Ms Shepherd?

MS BURCH: Mr Smyth, really.

MR SMYTH: We have just discovered that Floriade's budget is out by 10 per cent. If you don't think that is significant, that is fine—

MS BURCH: No, I do, but I also—

MR SMYTH: but now money has to come out of TAMS, which means other things don't get done.

MS BURCH: I do also know that it is not in the financial year and I have questions around other activities besides Floriade.

Mr Barr: You would be aware, Mr Smyth, that the payment invoices take some time and that the financials would not yet be complete for an event of that size, this soon after.

MR SMYTH: So there is not a reconciliation that we can ask for? Is there a reconciliation, Mr Byles, that we could have a—

Mr Barr: I will take advice from the department on what is available and provide that to the committee.

THE CHAIR: Okay. Thank you, Mr Barr. I think that is an adequate answer on the financials, given the timing. You have got estimates. Did you have some more questions about Floriade?

MS BURCH: I am sure there are activities that are part of your brief other than Floriade. Can you tell the committee about some of the activities besides Floriade and whether they were successful in attracting tourism to the ACT?

Mr Barr: It is certainly clear from the financial year national and international visitors survey data that the territory recorded an increase in visits during that reporting period for the annual report. Before Mr Smyth jumps in, I will acknowledge, as I do every time, that we are not at the levels we were at during the year that Sydney hosted the Olympics.

MR SMYTH: Or 2002 or 2003.

Mr Barr: The Olympics are a pretty major event for a country. But we continue to do quite well, particularly in terms of our domestic visitation, against the backdrop of significant difficulties for the domestic tourism industry across Australia.

There is no doubt that a combination of factors are impacting very heavily upon people's desire to travel. One of the more significant pieces of work that we participated in, in conjunction with other jurisdictions and the commonwealth government, has been around unlocking something like 70 million days of unused annual leave that have accrued in this country.

I have commented in this place before that the previous industrial relations system played quite a large part in creating that sort of climate where people would be fearful of taking their full annual leave entitlements. Some flexibility within workplace

agreements actually allowed people to entirely cash out their recreation leave. Whilst that may have some appeal for some people, its downstream impacts on the tourism industry are significant.

So there was a major piece of work done that was commenced, I acknowledge, under the Howard government in its dying days, but it was completed by the incoming federal Labor government, around unlocking those 70 million days, along the lines of a theme campaign based on “no leave, no life”. We have had some success in some of the areas in which we have had campaigns—it has been trialled around Australia—in seeking to get people to use their annual leave. That will be important for the domestic tourism industry.

Recent commentary in relation to international financial conditions has certainly meant that the tourism industry as a whole has had to have a bit of a look at itself in terms of this split in focus between domestic and international tourism. International markets are not particularly strong, so I think we will see a renewed emphasis on domestic tourism, which is a strength for the ACT. Something like 1.9 million to two million of about 2.2 million overnight visitors come domestically. International tourism—

MS BURCH: That is 1.9 of 2 point something?

Mr Barr: Yes, about 1.9 to two million. It varies from year to year, but roughly speaking between 1.9 and two million of our 2.1 to 2.2 million overnight visitors are domestic and our international visitors comprise about 160,000 to 200,000, depending on the year.

THE CHAIR: Do you have a split as to how they got here, whether it be by plane, train, bus or driving? Presumably, this has changed? Would you have information about the impact of petrol prices?

Mr Barr: Yes, it has impacted. Our largest markets domestically are Sydney and regional New South Wales. So the short-stay drive market is our largest. Where we are a beneficiary of a direct airline route, we would also receive reasonably good numbers coming in by air. Rail is not a big component. It would be fair to say that it is an experience in and of itself, but we have more people coming in by bus in terms of interstate visitors than would come by rail.

THE CHAIR: Are you keeping those figures? Presumably, we could see how it has changed?

Mr Barr: We certainly have some data on that. I am not sure of the level of detail, but I will take that on notice and get some advice and if there is anything useful we can provide in terms of that split we will do so.

MR SMYTH: Just on the numbers, can you point to where they are in the annual report?

Mr Barr: That would be Tourism Research Australia, so it is not necessarily data that we own. It may not be recorded in the annual report but it is available online at

Tourism Research Australia.

MR SMYTH: Is there any reason why it is not recorded in the report? Surely, a key indicator of success is how many people visit and the growth or decline.

Mr Barr: There may be some timing issues because it is not our data. I will take advice on that and, if it is possible, that is not an unreasonable request.

MR SMYTH: It is just that in previous annual reports, such as, for instance, the 2005-06 annual report, Australian Capital Tourism has a breakdown of your campaigns and where people came from. It has numbers; it tracks numbers from various countries. We got 24,000 people in 2005 from the UK and in 2006 it was 23,000. The old report used to provide an enormous amount of detail. I think the old report had 116 pages and currently there are 20 paragraphs outlining what happened in the year, out of 250 pages, and there are two pages regarding the future outlook. I just wondered why the government has seen fit to reduce its reporting on tourism by so much.

Mr Barr: That is the way the department has reported with all of its many agencies. I am happy for there to be further information in future annual reports; it does not worry me.

MR SMYTH: Is there a reason, Mr Byles, why it has been cut back so dramatically over the last two years?

Mr Byles: Not to my knowledge. I take on board your suggestion and I will certainly look at it, of course bearing in mind that I will speak to both the Chief Minister, who is the Minister for Territory and Municipal Services, and Mr Barr, to see an appropriate way ahead.

MR SMYTH: It is interesting, if you go, for instance, to volume 1, page 8, the highlights for the department for the 2007-08 year, there is not a mention of tourism. Is there a reason for that?

Mr Barr: Tourism is reported on in other sections of the annual reports and highlights of tourism can be found there.

MR SMYTH: For instance, sport is also reported on in other parts but it gets a small mention. Is tourism not important to the government in that it does not rate a highlight and it is reduced to a bare two pages of information about the activities?

Mr Barr: You are entitled to that view. I disagree.

THE CHAIR: Can I ask a number of questions. At page 39, we have:

The ACT contribution to the above mentioned campaigns totalled \$65,000. The total value ... to the ACT ... was \$1.307 million.

How did we work out that figure? I think it is a brilliant result, but how did we work it out? It is at page 39, the inside paragraph.

Ms Shepherd: It is cooperative marketing; so that is the value of the media and partnership dollars that were leveraged for the contribution. That includes a PR component, which is valued in Singapore through our offices.

THE CHAIR: We did not quite hear all of that.

Ms Shepherd: We do have some representation in Singapore, and that figure effectively represents the money that they have been able to leverage through partnerships with other state tourism bodies, Tourism Australia, retailers, airlines, wholesalers and it includes a PR component. The media valuation is done by that office that generates the cooperative campaigns.

THE CHAIR: I do not think I am understanding it properly. You say money was levered through partnerships. What were these partnerships doing?

Ms Shepherd: As an example of a campaign—and this is just a made-up one—you may, as a tourism body, go into partnership. You may decide that strategically, with a partner, there is a campaign period and that there is a need period for the destination in conjunction with the airlines and wholesalers. So through Tourism Australia and our partnership with the other state tourism bodies, depending on what the campaign activity actually is, and it could be Tourism New South Wales, the airlines, such as Qantas, Singapore Airlines, retailers who are in the market—in any particular market—in Singapore, the wholesalers or inbound tour operators will all agree on a cooperative campaign which funding is then put into. In the Singapore market, Tourism Australia put forward a great slice of the partnership dollars. So those types of cooperative activities are what we work to achieve all the time because they make our dollars go a lot further for our exposure in the market.

THE CHAIR: So effectively you are saying—pardon me if I am just not understanding it—the total expenditure on this campaign was \$1.3 million and we contributed—

Ms Shepherd: I think you will find that that is campaign value, plus PR. I would have to double-check on that. But it is also PR generated. If, for example, we hosted journalists who came and did three double-page spreads there will be a dollar value on that in the Singapore market and that is reported back because, effectively, if we had not done that activity, we would not have received that exposure.

THE CHAIR: But we have no idea of the actual benefit to the ACT, as it were? We have had all this media which is worth whatever, but we do not know what we got?

Mr Barr: But the assessment is, in terms of hosting event X: it generated the equivalent of so much if we had to purchase the publicity. So our \$65,000 investment in these activities has generated the equivalent of that much purchased air time promotion, journalistic line-ups. It is not quite cash for comment; it is the way that the tourism industry works. Part of it probably borders on that. But you do that visiting journalist program; you go and promote your product; and there is a whole industry that is there that you can write about. They will come to your cocktail party and say what a wonderful place Canberra is. Frankly, it does border on cash for comment, but

anyway that is how the industry works.

Ms Shepherd: I was just going to say that is not unusual for the ACT, though; that is standard throughout the world.

Mr Barr: This is the tourism industry.

THE CHAIR: Can I just be clear: that is the media value? We do not have any idea of the value to the ACT economy? It could be that nobody came to Canberra; it could be that a million people did?

Mr Barr: We then get another set of data; that is, the international visitor survey data that gives us an indication of how many people came to the ACT from those other destinations. As I think Mr Smyth alluded to earlier, we used to receive in the order of 22,000 or 23,000 from the UK. I think he was quoting those figures. The most recent data I have was that in 2007 it was 25,000; in 2008 it had risen to 26,000 out of the UK. The USA was 22½ thousand in 2007; 19,000 in 2008. New Zealand increased from 13,600 to just short of 15,000 between 2007 and 2008. Singapore, Malaysia, Thailand and Hong Kong, which is an area we have been focusing on, increased from 12,780 in 2007 to 13,332 in 2008.

MR SMYTH: China?

Mr Barr: China has fallen from 17½ thousand to 13,000; so there has been a significant drop in inbound from China, which is occurring across the country.

MR SMYTH: Will you table that chart with those figures, please?

Mr Barr: They are available on the Tourism Research Australia website; so I will—

MR SMYTH: That is fine. For the benefit of the committee, the inclusion—

Mr Barr: Again, I will have that done. If you are listening upstairs, go to the Tourism Research Australia website, because Mr Smyth's office appears incapable of doing that, and print the figures off for him, please.

THE CHAIR: Mr Barr, please!

MR SMYTH: The throwaway lines are appreciated; it is your style! But there is no need. It is a simple request that the committee have these documents.

THE CHAIR: Please do not make comments like that.

Mr Barr: But you can do this too; you can download from a website. You do not need my office to run around doing that for you.

THE CHAIR: Mr Barr, we do not need those comments, please. If we restrain ourselves to talk about tourism only!

Mr Barr: I am happy to, but my office is not running around being a gopher for

Mr Smyth's office if they cannot print something from the website.

MR SMYTH: It is providing information to a committee.

Mr Barr: Certainly.

MR SMYTH: You can apologise. I am not asking for my personal needs but for the committee, for the consideration of their report.

Mr Barr: I can certainly advise the committee secretary where it can be found and I will get a printed copy or, if you like, an electronic version or electronic publication that is available on line.

MS BURCH: I had a question on the events assistance program. I wanted a few words on that and some of the successful programs and partnerships from Tourism ACT.

Mr Barr: Certainly. This is a major area where Australian Capital Tourism helps smaller and developing events grow and flourish. It has generally supported mass participation in sporting events. That has been probably the largest single category of events that receive funding assistance. I am talking about things like the Kanga Cup, soccer events, futsal championships, those sorts of things, that bring in the order of 3,000 to 6,000 participants to Canberra, plus families, supporters and officials et cetera, often at times of the year that are not peak tourism times. For example, the futsal championships were on in the first week of January. The Kanga Cup is in, I think, the July school holidays in the middle of winter.

There are a number of events that are supported under this program and they do range across sporting, cultural and others. There was an increase in funding for the events assistance program as part of the most recent funding.

MS BURCH: Because it is driven by demand and success of the programs?

Mr Barr: Yes, and the—

MR SMYTH: Cuts in 2006?

Mr Barr: I am not sure there were cuts to event assistance in 2006, but there was a need to re-prioritise expenditure within the overall event assistance area because, when we fund events that are flagship ones that are developing and that are new, we have a desire to be able to fill out the events calendar to try to massage through the peaks and troughs of visitation to the ACT. People are here during federal parliamentary sitting weeks and other major events and often accommodation providers are full or close to full then. There are other times of the year when you need to provide more content.

These event assistance program funding opportunities provide for some of those smaller events. But it ranges up to things like the National Folk Festival, which receives funding.

MS BURCH: Which does bring in people?

Mr Barr: Yes, that is right. So it is not just sport. To be frank, the majority of applications tend to be from sporting organisations wanting to host major national and international championships. But that is not exclusive to sport.

MR SMYTH: On the EAP, is that under review? Did I hear you mention you were reviewing how it was—

Mr Barr: There was a review and certainly, with the extra funding that was provided, we were then able to look at the different categories and the proportions of funding between the flagship events and emerging ones and developing ones. So that did take place. Some more rigorous criteria on the direct tourism benefits—if you like, the bums on seats outcomes or the bums on hotel beds outcomes—were the greater focus. And they were the criteria for the selection committee to then make recommendations to me on which events to support.

MR SMYTH: And has there been a shift in the focus of the EAP? It has been largely used by the community to help the local events. Is there a shift now towards—

Mr Barr: There is a shift towards events that have a demonstrated tourism result. So it is not about supporting local community events; there are sports grants; and there are festival funds in other portfolios that look after and provide support for what I will describe as predominantly community-based events.

My view was, and certainly one very strongly supported by the tourism industry, that we should be leveraging tourism money for events that generate a tourism return. You would be aware of a number of decisions I have taken since I have been minister to unwind some of the significant amounts of money that were spent on dud tourism events that just delivered no return in terms of visits—great events but no tourism return. The Rally of Canberra was one. V8 Supercars is another. We have sought to better prioritise money away from events that were just tourism duds into events that actually deliver a tourism return for the city.

THE CHAIR: You spoke about the Folk Festival a minute ago. I have got a couple of questions or comments in relation to that. Firstly, the Folk Festival does, I think, an exemplary job in terms of recycling things there.

Mr Barr: I understand in other areas of the department it has received awards for that.

THE CHAIR: Yes, exactly. Are you looking at spreading the word from the Folk Festival to other events? Floriade, for instance, does not do as good a job, and other events that the department—

Mr Barr: I am not necessarily sure that is the case.

THE CHAIR: Floriade has disposables. You go the Folk Festival and there is nothing disposable.

Mr Barr: Are you talking in terms of the catering from the suppliers?

THE CHAIR: I am talking specifically in terms of the recycling. I have been to both of them. At the Folk Festival, you bring your own mug; they wash them. At Floriade, it is disposables.

Mr Barr: I see. You get a paper cup for your coffee.

THE CHAIR: The Folk Festival is clearly above Floriade. My question is: given that the Folk Festival is one of the organisations that you are involved with, will you attempt to use the lessons learned from the Folk Festival to spread the message of full recycling through the other events which your department has an influence on?

Mr Barr: Sure. Of course we do not run the Folk Festival.

THE CHAIR: No, I know. But you have an influence.

Mr Barr: To a certain extent, yes. The answer to that question is, yes, we are happy to do that.

THE CHAIR: And my second question relating to the Folk Festival, and the newspapers have told us that their funding has been reduced for this year, is: do you think this will have an impact and is it likely that the government will give them more funding because of this?

Mr Barr: I am not really in the position to provide a comment on what impact it will have. I am not privy to the total budget for their event and what other sources of revenue they might be able to obtain. They are welcome to apply for additional funding.

They currently receive \$40,000, I think it is, under the event assistance program. They are of course welcome to apply for more. I am not in a position, obviously, to guarantee anything. It is a competitive process. But they are a tourism award winning event; they won that category in the regional tourism awards only a matter of months ago; so they certainly have very good standing. It is my preference of course that established events like that become less reliant on government funding rather than more reliant on government funding or else, if you chew up all your available funds supporting existing events, you have very little capacity then to support new and emerging ones.

Having said all of that, we would welcome an application through the usual grants processes but I could not guarantee an outcome for the Folk Festival, like I cannot for any other event that seeks funding through that program.

THE CHAIR: Talking about other events, Summernats is clearly a major tourism event. Am I correct in saying that it does not receive funding?

Mr Barr: It does not receive funding on any regular basis. I understand that they did receive a one-off payment for the year before last, but they have not received any funding through the tourism portfolio for the 2009 event which started on 1 January.

THE CHAIR: So you would not have any figures about its economic impact, given that it is outside your—

Mr Barr: There was a study undertaken, I understand, about four or five years ago by the Chief Minister's Department which showed that, from memory, it had in the order of \$3 million in terms of economic impact. So it is significant without being in the realm of a major event like Floriade. It runs for four days as opposed to Floriade running for a month.

MS BURCH: Just talking about events, and going back to how you promote yourself in tourism, can you tell me a bit about the advertising material that you produced in 2007-08? What sort of material did you use to promote the ACT as a region?

Mr Barr: I understand that the general manager has some information for the committee. This is something we have already brought down.

MS BURCH: One that you prepared earlier; is that right?

Mr Barr: Indeed. We thought it might be useful, as there are two new members of the committee, to see a little bit of what is—

MS BURCH: A lot of what we have spoken about is underpinned by good marketing material.

Mr Barr: Yes, that is right.

MR SMYTH: Don't you love it when questions just have an instant response?

Mr Barr: Indeed.

MR SMYTH: And particularly from a Labor member.

THE CHAIR: You have no interest in marketing material, Mr Smyth?

MR SMYTH: I am more than interested.

Mr Barr: Whilst we are on the subject of our marketing effort, it is worth noting that during the annual report period there was a brand refresh for the "see yourself in Canberra" campaign. You will see on the cover of the material some of the work that was done there. That was done by a local company, Zoo. I think the contract was previously held by a Melbourne-based firm, so Zoo won the tender for that brand refresh and to provide future assistance for Australian Capital Tourism in relation to developing material like that. That new branding has been very positively received. Of course, it built on the strength of the previous campaign. It was not a case of throwing out what we had done before but just of refreshing it.

MS BURCH: So what was the refresh?

Mr Barr: I don't want to use too much industry jargon, Ms Burch. It is something that I will let Ms Shepherd talk about in a minute. I would categorise it as pitching to

a slightly younger demographic. It is very clear that our strengths have been with perhaps the over-40 market, families, cultural tourism appealing to over 55s in particular, and then we had a very strong education tourism market. Where we certainly felt we could get some gains for the city in terms of broadening its appeal was to look at a slightly younger demographic that I will broadly describe as generation X, but we are talking about late 20s through to late 30s.

You will see that some of the images and the look and feel of the publications are skewed to appeal to a slightly younger demographic. There is very sound research behind that in terms of that particular demographic having disposable income and Canberra offering some tourism experiences that would be quite enjoyable for that demographic, and hence the renewed focus there.

I am sure we will cover this at some point later in the hearings, but we have also sought to increase our online marketing presence and to invest money in upgrading the website. So people who are regular visitors to Visit Canberra would have noticed on the website all of this new marketing, new fonts and all the rest of it. There is further work being done that was funded in subsequent budgets around back-of-house content management systems et cetera, and online booking capabilities to improve the functionality of our website.

I am sure that somewhere in the annual report there is a performance measure around the number of visitors to the website. We were targeting something like 660,000 visits and hit well over 770,000, from memory. So it is a growing area and one that I think we need to continue to invest in.

MS BURCH: The e-side of it?

Mr Barr: Yes, very much so. Of course, the material that we produce in a printed form can be made available online and is downloadable in a PDF format, so you will see those sorts of holiday planners and the gourmet guide. The quarterly information around activities for summer, autumn, winter and spring are available online, too. Increasingly, we will see people accessing the material that way rather than the more traditional way of pulling a brochure out of the travel agency, and particularly for that.

MS BURCH: Where does the material go? In here you make mention of Martin Place and other—

Mr Barr: I will ask Simonne to give you a bit of the background on that.

Ms Shepherd: The marketing material is distributed through a number of channels. The visitors centre obviously is a key distribution point for us. Because it is on Northbourne Avenue and it is a drive market, most people call in to the visitors centre. So a great proportion of the collateral material that is produced—the holiday planner et cetera—is distributed through the visitors centre.

We also have distribution partnerships with visitor information centres throughout the region. For example, we have relationships through Tourism New South Wales, through the Albury-Wodonga visitors centre, Tumut et cetera. So if you go down to the visitors centre, you will notice that down one end we stock regional brochures

from those VICs and they reciprocate for us as well. We also train the staff from those visitor centres and vice versa on our product and we on theirs, so that we can recommend them to people, once they have finished at the destination. So a large amount of the collateral material goes through the visitors centre.

We also have partnerships through retail and wholesale travel partners such as coach companies. Quite often we get asked for material and we do assist the convention bureau with providing collateral material for their business events as well. We do have distribution that goes throughout retail and wholesale. It is distributed when we train. For example, if we go into a market and train our retail travel agents, we will use the collateral material then. So it is quite a comprehensive and broad distribution strategy.

There is also consumer-direct through the website. They can download, which is another form of distribution. But if people want, they can ring and we will post them the visitor information guide or any other piece of collateral material that they wish.

MR SMYTH: Just on the e-strategy, I notice that on page 44 you talk about three strategies—the organisational-wide, the significant events and the e-marketing strategy. Where is the e-marketing strategy? We have already discussed the Floriade five-year strategy, and we do not know when it will be delivered; when will the e-marketing strategy be delivered?

Mr Barr: I released that last year. I am surprised you missed it. I might have even had a dorothy dixer in the Assembly. So you weren't paying attention that day. I will provide the committee with a copy of it.

MR SMYTH: And the cost of it was?

Mr Barr: The cost of it, I will have to take on notice.

MR SMYTH: That is okay. The event attraction strategy: where is it?

Mr Barr: It will be released over the next few months.

MR SMYTH: So it is completed?

Mr Barr: Yes.

MR SMYTH: And it was on time and on budget?

Mr Barr: Yes, I am very happy with that. It is a five-year organisational strategy. I advised and had an industry briefing last year on the first quarter of 2009.

MR SMYTH: And it is still on time to be released—

Mr Barr: Absolutely. I just felt it would be appropriate to wait until we come back before releasing such a strategy. I am advised the cost of the e-strategy was \$20,000.

MR SMYTH: How much has been devoted to the other two?

Mr Barr: They were appropriated, I think, in the second appropriation. We will get the figures shortly.

MS BURCH: On the e-strategy, that is a revamp of the website?

Mr Barr: Yes, that involved looking at how we can utilise the internet and email. Certainly, for people who are under 30 or 35, the e-marketing campaigns and utilising internet advertising on sites like Facebook and others tend to be quite effective ways of reaching particular groups who are not accessing mainstream media. The days when you could get a significant audience watching a television channel, and therefore TV advertising was the most effective way of reaching a mass market, are long gone. We would be looking at expanding our use of that sort of marketing technique. The advantage is that it is very cost effective. I note that, other than the emissions that are produced by data centres, it is perhaps more environmentally sound than paper-based distribution.

MS BURCH: Are you able to track your hits—

Mr Barr: Yes, certainly, we are able to monitor in terms of accessing the website. When people sign up for particular promotions we are then able to generate a very effective database of email addresses for people who have expressed interest in Canberra as a destination. We can then repeat contact. Getting that repeat visitation is very important. As most people find, getting people to come to Canberra for the first time often is the really hard part. Once they get here they are amazed at everything that is on offer and they become instant converts to the city.

I certainly found that in talking to some of the people who were visiting for the first time at the Australia Day awards on the weekend. A number of people were amazed at everything we had to offer and had never really thought of Canberra as a tourism destination. Getting them here means you can almost secure them as regular visitors. Obviously, in terms of our education tourism program, you get them young and you hope they will continue to visit.

MR SMYTH: Just on the e-strategy, on page 58 of budget paper No 3 2008-09, it says that the e-strategy and the rebuild of visitcanberra.com.au cost \$300,000. So \$20,000 went on the e-strategy and \$280,000 has gone on rebuilding the website?

Mr Barr: I am getting a nod from the finance officer that that is correct, yes.

MR SMYTH: And that has all been spent?

Mr Barr: I am advised that \$244,000 was spent in the last financial year and about \$400,000 will be spent in this financial year. That is outside that specific appropriation. Of course, you would note that, within the existing funding for the organisation, there is IT and website money anyway. So, yes, all of that money will be expended by the end of this financial year and the bulk of that was expended in the previous one.

MR SMYTH: I do not know whether people have the budget papers, but at the

bottom of the TAMS one, on page 58, there is reference to the Australian Science Festival accommodation. Am I correct in thinking that there is a review of the Science Festival that has—

Mr Barr: That is correct.

MR SMYTH: Is that complete?

Mr Barr: It is, yes.

MR SMYTH: Is that available?

Mr Barr: It will be shortly. I would like to provide it to the Science Festival people first before I release it publicly, but I understand that they will be back from holidays very soon and I might be able to meet with them next week. I will release it after that. I feel it is appropriate to talk to them first before I discuss the contents of it.

MR SMYTH: So that will be out shortly?

Mr Barr: Very soon, yes.

MR SMYTH: The international mountain bike event support: where is that at? I notice that the money has been brought forward—

Mr Barr: I think we might best discuss this on Friday, as it is territory venues and events and sport and rec, not tourism.

MR SMYTH: It is just that the mountain bike event was listed in your tourism policy for the election and is certainly listed in the tourism planner. Perhaps we can go into different detail but is the event on budget, on time? Is it ready to be delivered?

Mr Barr: You would be aware that Apis Consulting, who were the original event partners with CORC, fell over in 2007. So the government has had to step in to provide assistance to run the event. We are working with CORC World Events, which is a company separate from CORC. They have established a company for the delivery of the event; so we will be working with them to deliver the event.

MR SMYTH: What assistance will the government provide?

Mr Barr: The government has provided some budgeted amounts. I do not have them in front of me. We will also need to look at finalising the budget with CORC World Events on what further assistance we provide. There is no doubt that we will have to provide more assistance, partly because there is an anticipated sponsorship shortfall as a result of the global financial crisis. They are anticipating that they will not get the level of sponsorship for the event that they were anticipating back in 2006. We do not know the final figures on that but it is quite clear that the government will have to provide some more support for that event.

MR SMYTH: Do we have an idea?

Mr Barr: I imagine it would be in the order of half a million dollars.

MR SMYTH: Over and above that which has already been promised?

Mr Barr: That is correct, yes.

MR SMYTH: And we are blaming this on Apis and the global financial crisis?

Mr Barr: Yes, that is correct.

MR SMYTH: How is Apis responsible for half a million dollars?

Mr Barr: They were going to be bringing that level of revenue to the event. They are now not, because they folded.

MR SMYTH: So Apis was the managing body?

Mr Barr: I will have to take that on notice. I am not personally involved in the running of any of this. Prior to Apis's collapse, this was an entirely private venture. The person who can answer these questions is Neale Guthrie from Territory Venues and Events. He will be here on Friday so I think it is appropriate to have the appropriate officer here to talk about it because it is in his area of responsibility, not some officer who is here.

MR SMYTH: But you have been briefed on it?

Mr Barr: I have been briefed on it, yes.

THE CHAIR: We can pursue this again on Friday.

MR SMYTH: Yes, sure.

THE CHAIR: If the appropriate person is here.

MS BURCH: I have one general question which I probably should know the answer to, but clearly many people come to the ACT for national capital attractions. The ACT's role in that is purely a marketing one but do you have an idea—and I am sure you have—how many people are coming to the national attractions and how many, in rough proportion, are coming to the things that you fund, like Floriade?

Mr Barr: We have data on the number of visitors who come specifically for Floriade, and that is recorded at page 132 of volume 2 of the annual report. For the 2007-08 financial year, there were 176,899 people who were deemed to have come to Canberra specifically for Floriade. It is difficult to get an absolute figure on people who come for multiple events, in that Floriade might be the primary purpose of their visit but they would also, when they are in Canberra, visit the national institutions.

Some people might be drawn to come, for example, to a major exhibition at the National Gallery but also participate in or attend events that that we partly support. We have Australia Day Live, for example. So it is difficult to get an absolute figure

on who is coming to visit the War Memorial as opposed to who is coming for the Folk Festival but—

MS BURCH: I am not looking for an absolute figure. I know you cannot do that, but my feeling would be that without the national things then—

Mr Barr: Absolutely, yes, and without any doubt.

MS BURCH: Basically our major role is publicising the other things that are happening.

Mr Barr: Without any doubt that is the major role, yes. I am advised the National Capital Attractions Association may have done some research into this in the past. They are not a government agency; they are not something that we control. That might be of use to the committee in terms of being able to find the figure. We do our research based on the destination as a whole and for specific events rather than trying to work out how many people come to Cockington Green and the zoo as opposed to the War Memorial and the National Gallery.

That said, those national institutions have their own visitor targets, performance requirements et cetera. I suppose, if someone has a spare month or two, they might want to pour through all of those reports and do some tabulation on all of the different outcomes. But I think you will find there is a tremendous crossover between activities and—

THE CHAIR: And they all have their own marketing budgets as well?

Mr Barr: Indeed, that is correct, yes.

MS BURCH: Mr Smyth has gone forward once or twice in his questions to you so I thought I would join in just for once.

Mr Barr: Annual report hearings are very rarely about the annual reports, I have found.

MS BURCH: We are in a global economic downturn. There was a second appropriation where we were looking at a stimulus package. Can you tell us a bit about what you are planning for that?

Mr Barr: Certainly.

MS BURCH: And some benefits you expect from that?

Mr Barr: Yes. The Assembly appropriated \$500,000 towards that stimulus package—\$450,000 for additional domestic marketing, \$50,000 in partnership with the Canberra CBD for a shop local, support local retail and hospitality campaign that I think aired over the summer months. It was an early purview of the Chief Minister's Department.

The areas that we are looking at for our campaign are for the remainder of this

financial year, with a particular emphasis on the latter part of the year, and focusing on our key markets in Sydney and regional New South Wales. In a moment I will get Simonne to talk a little bit about funding of tourism in that area. But it was something that the government gave consideration to following the roundtable meetings with industry stakeholders.

There was, I think, a degree of support for that particular campaign, based predominantly, though, on partnership with industry. An example of where this is working effectively is the current summer campaign, “culture shock”, which there is a copy of in the information that was distributed earlier. That is partnership between a couple of national attractions—three, I think—and Australian Capital Tourism. We would work collaboratively to promote particular events and try to attract visitations. So it will be along those lines for events and activities in the latter half of the financial year.

Simonne, do you have anything further to add or have I covered that?

Ms Shepherd: We obviously were looking for a time where we had enough lead time. As I said before, we are very much looking to drive industry partnerships to make sure our dollars go further. It is also of benefit for industry to do that. And when I say “industry” I mean both the industry here in the ACT—hoteliers, tour operators, attractions—and our external distribution partners such as the airlines, the wholesalers and retailers because, effectively, we need the industry here to help put the product together and then we need our distribution partners to actually get the product out to the market.

We are working on the winter period. We found that in July and, I think, the first half of August there is no federal sitting period. That obviously has a great effect on our hotels in the ACT. So we have got a clear six-week period at a time when I think our businesses here in the ACT will really be feeling the pinch both from lack of sitting weeks and the overarching situation with the economy and the financial crisis.

We are working towards a very retail focused, very tactical campaign. It will be a good, sharp, price point. Those details are currently being negotiated with partners, so I cannot give you the campaign at the moment because it is in production but it will be very retail focused to actually drive people here. We will be trying to give them a compelling reason, through a price point but also through the range of activities that will be on offer, and the call to action will be fairly short and sharp to say come and book.

We will do that both consumer direct through our website and we will also be going to our industry partners, through the hoteliers. Hopefully we will be able to convince our wholesale partners to pick that up as well because the power of distribution for someone like Qantas Holidays or Virgin Blue Holidays is immense. Being able to unlock those partnerships and leverage those partnerships for us is going to be of most benefit. That is effectively what we have planned at the moment. As I said, that is all under negotiation with partners at the moment.

MR SMYTH: If I can just go back to the mountain bike event: minister, there is a business case for the event and a business plan, which you have chosen in the past

not to release. Given that it has fallen over and there is at least a half a million dollar shortfall, will you now make the business plan and the business case available to the committee?

Mr Barr: The original business case is a cabinet-in-confidence document but the—

MR SMYTH: That is okay. That can be made available to the committee.

Mr Barr: It can, but I have consistently said I will not. It is irrelevant at this point as the business partner, Apis Consulting, is no longer a functioning body. And certainly once I receive some final advice from CORC World Events and from Territory and Municipal Services and Territory venues and Events in relation to some final costings on the event, it will require an appropriation through this current budget. If the government chooses to support that, at that time it will come forward for consideration by the Assembly and it will be made available during the budget estimates process. But I have got nothing to give you at this point in terms of the future budget because that has not been determined yet.

MR SMYTH: Was there a contract with Apis?

Mr Barr: I will have to take that on notice.

MR SMYTH: And if there is, can that be made available to the committee?

Mr Barr: It will probably be commercial-in-confidence but again I will take that on notice.

MR SMYTH: But again that can still be made available to the committee.

Mr Barr: Yes, but you would understand the sensitivities about commercial-in-confidence documents.

MR SMYTH: I am concerned that there was initially, what, a million dollars worth of funding and we now find that the territory is going to pay another half a million dollars.

Mr Barr: That is not conclusive at this point. It would require an appropriation. It would require me to take a bid through the territory budget process. But that has not been finalised. I am just giving you a ballpark figure of what I understand the shortfall to be as a result of the reduced revenue expectations because of the global financial crisis that is hitting every sporting organisation in the world at the moment.

MR SMYTH: How much money has been made available to CORC so far from the million dollars that was promised?

Mr Barr: Looking at the information I have, it was over four years, with the bulk of the money being in the 2009-10 financial year.

MR SMYTH: That was brought forward this financial year. Initially it was meant to be \$122,000 in 2007-08, \$348,000 in 2008-09 and \$526,000 in 2009-10.

Mr Barr: Yes, the bulk of it was.

MR SMYTH: And nothing in 2011-12. In this year's budget the \$348,000 became \$576,000. Why was that money brought forward and has it been expended?

Mr Barr: I will provide answers to all of these questions at Friday's hearings when I have got the appropriate officials who can give you that information. You are asking in the wrong portfolio. This is not being run in tourism, this is—

MR SMYTH: It is your portfolio.

Mr Barr: Again, reference to an event that we are hosting in the tourism brochure does not mean that the tourism area is running the event. I have indicated that Territory Venues and Events are running the event, and I appear on that on Friday.

MR SMYTH: That is fine; I accept that. But your own tourism policy talks about the world mountain bike championship.

Mr Barr: Brendan, your tourism policy talked about investing \$10 million in a commonwealth asset.

MR SMYTH: Are there outstanding debts—

Mr Barr: How is your tourism policy going, Brendan?

MR SMYTH: Are there outstanding debts that Apis or CORC owe?

Mr Barr: Again, I will answer these questions on Friday when the appropriate officials—

MR SMYTH: Well, I am asking it now.

Mr Barr: I don't have that information, Mr Smyth. I will have it on Friday, when Territory Venues and Events—

MR SMYTH: Look under "M", for mountain bike in the briefing folder; "W", for world championship.

THE CHAIR: Mr Smyth, I think we are going to have to leave that until Friday and pursue it then.

MR SMYTH: Sure.

THE CHAIR: Are there any other questions?

MR SMYTH: Yes. The new autumn event: where is the planning for that and will that be included in the five-year strategic event plan?

Mr Barr: That event is part of an election commitment. You have got that particular

documentation in front of you.

MR SMYTH: I do, about \$5 million of it.

Mr Barr: It is very good to see your level of interest in that. It is a pity you—

MR SMYTH: I am always interested in tourism, Mr Barr.

Mr Barr: It is a pity you were not so supportive last year. Planning has commenced for that. Of course, it is an event that we want to build up towards the centenary of the city in 2013, so it will start small and then build up over time. I have indicated that I would like to see this event in the fullness of time in light of where Floriade is at. Floriade has taken 21 years to get to that level, so you can expect a similar time frame in terms of our planning for the autumn event.

Tourism is undertaking some initial market research on the sort of event that would appeal. We need to ensure that this expenditure on the new event drives tourism and that that work will then lead into the development of the event. Of course, there is not an appropriation for that yet, as the first funding for this new event would come from this year's budget.

MR SMYTH: Given the number of events that already occur in autumn, it is a fairly full calendar. At one end of autumn there is Anzac Day, there is the Canberra Day Festival, the National Folk Festival, the International Music Festival, the Walking Weekend, the wine harvest, the marathon, and the biggest event of the year, the federal budget. The two dead times are winter and summer. Why would we put another event in autumn?

Mr Barr: Industry feedback was that autumn was the preferred time for a new event. A number of the ones you referred to are of one day in duration, which, whilst significant, are one day in duration. A number of the other events that you have listed there have limited, if any, tourism appeal and do not actually return a particularly strong tourism result for the territory.

MR SMYTH: I am sure they will be disappointed to hear you say that.

Mr Barr: The federal budget, whilst it does fill hotels for that night, probably is not—

MR SMYTH: It's called business tourism.

Mr Barr: I do not think its primary focus is—

MR SMYTH: The Folk Festival.

Mr Barr: The Folk Festival is good but it is four days, Mr Smyth. There are 90 or 92 days in autumn.

MR SMYTH: Yes, but there is—

Mr Barr: I know you were desperate for a summer event and that was your policy,

but the industry feedback in that—

MR SMYTH: What was the industry consultation?

Mr Barr: The industry feedback, through stakeholder consultation, through meetings I have had as minister with various representatives, was that autumn was a magnificent time to showcase the city, that most people generally agree that the autumn weather is Canberra at its finest. The changing of the season shows the city in a very attractive setting and that would be a good time to put in place an additional event.

MR SMYTH: Can you detail the consultation for the committee?

Mr Barr: I am not going to detail my diary and personal discussions with tourism stakeholders. You can just take my word for it.

MR SMYTH: Can we? I refer you to your consultation document that describes how consultation should take place.

Mr Barr: Mr Smyth, in determining the Labor Party tourism policy, I am allowed to undertake my own consultations and I am not answerable to you on Labor Party policy. That is the Labor policy—

MR SMYTH: But you are answerable to this committee—

Mr Barr: Would you like—

MR SMYTH: on tourism, Mr Barr.

Mr Barr: Are you proposing that I break the election commitment and not hold the event in autumn?

MR SMYTH: I am not suggesting that at all.

Mr Barr: I did not think so.

MR SMYTH: You know you are in difficulty when you start twisting words.

Mr Barr: Oh, Mr Smyth!

THE CHAIR: Mr Smyth and Mr Barr, can we just restrain ourselves and concentrate on—

MR SMYTH: Well, I'm just asking a question.

THE CHAIR: tourism and forget the—

Mr Barr: It would be my pleasure, Madam Chair, if the shadow minister were capable of such a focus.

THE CHAIR: As I said, Mr Barr, could we just talk about tourism and leave personalities out of it as far as possible.

MS BURCH: Following on from stakeholder consultation, you mentioned earlier roundtable meetings you have had. Can you tell us a bit about those meetings and some of the outcomes?

Mr Barr: We had an initial roundtable meeting with representatives of the tourism sector, from the Chamber of Commerce, the Canberra Business Council, and some involved in the planning and education sectors as well. That resulted in a series of follow-up meetings that I held with stakeholders in each of my portfolio areas—in education, tourism and planning.

The tourism discussion was robust. One of the areas that is in clear need of reform from an industry perspective is its representation and how it represents itself to government. We are perhaps not unique but, given the size of this jurisdiction, to have more than one body seeking to represent the tourism industry does create some difficulties. So one of the discussions with industry representatives involved whether there was a better way for industry to organise itself. Industry stakeholders have undertaken to go away and have a look at how they do that. They will come back to government with a preferred model.

It is not for government to dictate how an industry body represents itself, but I did indicate that it would be preferable for there to be a single united voice for the industry. That was something that I thought they should consider and they have undertaken to do so. That also fed into the structure of the Tourism Ministerial Advisory Council. It is a council that I appointed to advise me on tourism-related matters. It would be fair to say that there were some personality and stakeholder issues around representation on that council.

MS BURCH: Amongst their own industry?

Mr Barr: Indeed, yes. A committee that is of a reasonable size that is broadly representative is your desirable outcome. But sometimes when there are so many stakeholders it is impossible to have every voice in the room. So some people felt that their representative bodies were not necessarily representing their interests as much as they perhaps would have liked. So that discussion took place. It was full and frank. I expressed a personal view.

I think I have put on the record more than once that it would be desirable for industry to have a bit of a look at its own structures. I suggested that the model that the Canberra CBD Ltd has in terms of a board, the capacity to levy its own membership funds and the capacity to come to the table with government, in discussion with government, with its own funding and the capacity to jointly participate in a campaign was a great advantage for Canberra CBD Ltd, and I think we have seen that. A classic example is the most recent campaign which ran over the summer months. I think that is a model that industry should consider, and they are doing it.

MS BURCH: And that is the industry in partnership with the government and ACT Tourism?

Mr Barr: Yes. Joseph Griffiths from the Tourism Industry Council summed it up for me when he said that tourism is everyone's business and it was the responsibility of the industry to try and harness all of the players together in a unified sense. In terms of the direction that Simonne has outlined around Australian Capital Tourism wanting to pursue more industry partnerships, certainly it is a lot easier if you have got one body to work with, and a body that has some funding. It is not the government's responsibility to fund industry bodies. Every other industry body gets its own people and its own—

MS BURCH: Its own peak body.

Mr Barr: Yes. The Canberra Convention Bureau raises half of its funding from its membership and there is a government contribution. That is the sort of partnership model that we should be looking at, going forward. That is something for industry to consider. This is not a socialist command economy. I do not say, "Thou shalt structure yourself that way," but I think it is food for thought for the industry. They undertook to get back to me in the new year.

MS BURCH: And that will come in—

Mr Barr: I am anticipating, when I get together with the industry folk once they are back from their holidays in the next month or so, that we will have some further dialogue on that.

MR SMYTH: On pages 29 and 30 of volume 2 there are the financials for tourism. The note says that this output class now forms part of output class 2, enterprise services. Is it possible to get a breakdown of just the tourism component of enterprise services?

Mr Barr: I think that is output class 3 on page 30, isn't it?

MR SMYTH: No, it was output class 3 but it is now part of output class 2. You will note on page 30 that for 2008 there are no figures for tourism. They are included now on the previous page which, of course, leads to less accountability or ability to scrutinise these numbers. Is it possible to provide to the committee just the tourism numbers for 2008?

Mr Barr: Yes.

MR SMYTH: I note that the description of the class says, "ACT Tourism includes the creation and implementation of a range of marketing and development programs as well as the conduct of a number of events." Can we have a detailed list of what those events are?

Mr Barr: Yes. The major one is Floriade.

MR SMYTH: But there are others?

Ms Shepherd: Outside TVE?

MR SMYTH: Yes.

Ms Shepherd: Floriade and EAP.

Mr Barr: Floriade and the events assistance program are the only—

MR SMYTH: So you can give us a breakdown?

Mr Barr: Yes. That is easy.

MR SMYTH: So you will take those on notice?

Mr Barr: Yes.

MR SMYTH: Is there a reason why it was necessary to include tourism in this class? It now includes everything from Yarralumla Nursery to Capital Linen Service. Again, I make the point that tourism is perhaps our largest private sector industry, yet what you have here is reduced accountability in that the numbers are obscured by being included with a complete list of other functions.

Mr Barr: It is where tourism sits in the department.

MR SMYTH: But two years ago you were having 40 or 50 pages of financials.

Mr Barr: Yes, that is right. Two years ago it was an independent statutory authority. It is now not, as we have debated endlessly.

MR SMYTH: I will keep debating it.

Mr Barr: I know that you have a different position. You want to spend money on admin.

MR SMYTH: No, I do not, and you should not misrepresent my position on these things.

THE CHAIR: Gentlemen, let us just keep on with what is actually happening. Do you have more questions?

MR SMYTH: I have more questions. On a new subject, the Canberra Explorer bus service that the government announced, what consultation was undertaken before that announcement was made?

Mr Barr: That is not in my portfolio responsibilities. That is the minister—

MR SMYTH: It is of interest to the tourism community, though.

Mr Barr: It is a matter for the Chief Minister, who is the Minister for Territory and Municipal Services.

MR SMYTH: Are you aware of a private operator called Mr Williams who runs a service?

Mr Barr: Indeed, yes.

MR SMYTH: And that the government will now be operating in direct competition?

Mr Barr: No, the government will not be operating in direct competition.

MR SMYTH: Why not? It is providing a similar service.

Mr Barr: The nature of that service and its complementarity with the service Mr Williams provides is a matter for Territory and Municipal Services, and that is something you can take up with that minister.

MR SMYTH: As tourism minister, are you concerned that a current tourism operator might be disadvantaged by the actions of the government?

Mr Barr: I would not like to see current tourism operators damaged by the actions of government. I have just been advised that the Chief Minister has met with Mr Williams in their delivery of such a government service. It is arguable, Mr Smyth, that there currently is a public transport service that services most of the national institutions. So Mr Williams has competition already from ACTION buses. Whether the nature of any new service that is provided is competition for Mr Williams is a matter for the minister.

MR SMYTH: Were you, as the tourism minister, informed of this decision?

Mr Barr: Of this election commitment, yes. I was aware of the election commitment, yes.

MR SMYTH: And you do not think it is strange to come into direct competition with a private provider?

Mr Barr: If it was direct competition with a private provider, and depending on the nature of the market and whether it was being sufficiently served. One of the regular complaints that is made in relation to, for example, access to and egress from the airport and from, say, the railway station and where the interstate buses come in is that there is a lack of public transport provision in the territory to link some of those important services or that they could be improved.

MR SMYTH: But taxis are slightly different from a tourist bus operator.

Mr Barr: But there are currently ACTION bus routes that link what we would describe as tourist attractions. So it is possible to get a bus to the War Memorial other than Mr Williams's bus. It is possible to get a bus to Parliament House other than Mr Williams's bus.

MR SMYTH: So as the tourism minister will you take up the issue that Mr Williams has raised as to how this disadvantages his business?

Mr Barr: Mr Williams has met with the Chief Minister. I have raised concerns that we do not undercut a private tourism provider. But my understanding of Mr Williams's service and the possibility of what the government might provide through ACTION buses is that the two can be complementary. Mr Williams does not necessarily operate across significant expanded hours, seven days a week, at all times of the year. He does not necessarily service every tourist attraction. There are a range of possibilities. But in terms of the detail of this, it is a yet-to-be-implemented election commitment that sits in the portfolio of another minister, so I really cannot comment, other than to indicate that—

MR SMYTH: Except that you are the tourism minister.

Mr Barr: Yes, I am the tourism minister. I am aware of the issue you have raised. I would not like to see the government come in and put someone out of business, but I think you would agree, or I hope you would agree and that the committee would understand, that there is a capacity and need within a public transport provision in the territory for enhanced services, and that it would be possible to deliver enhanced services around the parliamentary triangle and to train stations, bus stations, the airport et cetera that would improve tourist connectivity at the same time as improving public transport provision in the city. I do not think it is impossible to do the two.

MR SMYTH: Just for the record, a sentence in a letter from Mr Williams to me reads: "The impact on my business that I have worked for seven days a week to build up over the last seven years would be catastrophic." So perhaps as tourism minister you might continue to take some interest in it.

MS BURCH: I have a question around ACT Tourism as an entity. On page 100, there is a male-female breakdown of staff, but I do not get a sense of the organisation itself and its general manager. Is it hunky-dory or how is it?

Mr Barr: Simonne, would you like to comment on the hunky-doryness of—

MS BURCH: "Hunky-dory" is probably a non-technical term, not even a tourism term.

Ms Shepherd: I am not sure what information you would like, but in terms of the team we have, I cannot give you the exact split but, as with most tourism businesses, we are predominantly female skewed. We are also a younger skew in terms of a total department in terms of the demographics. Tourism, you will find generally, is a very passionate team. It is a very energetic team and it comprises people who really believe that tourism can make a contribution to the community and they love working in that field. That is pretty much representative of the team we have at Australian Capital Tourism.

Mr Barr: So I think that, however you define "hunky-dory", that would be a—

MS BURCH: So what is the number? Here it is shown as tourism and events, and we have got a team of 23. Would that be in Tourism ACT?

Mr Barr: They are a component of Australian Capital Tourism but there are more than 23 staff in Australian Capital Tourism.

MS BURCH: And it is a stable staff?

Ms Shepherd: Predominantly, if they would stop having babies!

MS BURCH: The female work force does have that—

MR SMYTH: I wouldn't have thought that having babies was a stability thing.

Ms Shepherd: No, it is not. We have had a significant amount of staff on maternity leave this year, which obviously has great benefit for both the staff member and for us, in that they do want to come back to work because they love what they do. But it does provide some challenges in terms of finding staff to fill maternity leave positions. But, yes, in the main we have people who generally stay in their roles for a significant period of time.

MS BURCH: Other organisations and entities in town often comment on recruitment and retention, so Tourism ACT is quite positive in that sense?

Ms Shepherd: Yes, I think it is very positive. As I said, most people want to come back after their maternity leave, and the biggest challenge is filling their position while they are away on maternity leave. I am not sure if we have our average length but it would be quite significant. Most of our staff have been there for a significant number of years. We also have a good amount of new recruits to keep fresh blood and a lot of new talent coming through. We have had some great graduates over the last few years, so it is a great team.

MS BURCH: On recruitment and renewal, the local industry is a good supplier of—

Mr Barr: Certainly, having the University of Canberra and the CIT with such strong programs in the tourism area helps; there is no doubting that. It is a great opportunity to advise that CIT wins tourism and hospitality training provider of the year for two years in a row. If it wins the nationals for the third time, it will be a hall of famer. I think we can be justifiably proud of the training focus that we have.

MS BURCH: With respect to the tourism industry itself, are there enough industry trainers and opportunities so that we are meeting the need? You cited hundreds of thousands of tourists coming in.

Mr Barr: Yes. In terms of the public training provision, that is very strong. The private sector also plays a significant role in this area, so you will see a number of the top graduates out of the International Hotel School, the CIT programs and the UC programs being picked up by the industry locally. In fact, of the top students out of the UC program, I recall that one now works for the Canberra Convention Bureau and I have seen another working for Crowne Plaza locally. So there is good retention in the industry locally, recognising, of course, that skills in this area give the students the opportunity to work pretty much anywhere in the world. So it is particularly pleasing to be able to retain the number of people that we do locally.

MR SMYTH: On the staff and their expenses, I note on page 29 that the outcome for 2007 was \$18.3 million and the actual outcome for 2008 has dropped to \$16.4 million. But you are saying there was no loss of staff in tourism?

Mr Barr: You are referring to page 29?

MR SMYTH: Page 29 of volume 2.

Mr Barr: I think you would then be referring to all enterprise services.

MR SMYTH: Yes, that is what I am asking.

Mr Barr: Okay, I understand the point that you make.

MR SMYTH: There is no loss of staff in tourism?

Mr Barr: Not within tourism, no.

MR SMYTH: Okay, so those losses can be explored on Friday.

Mr Barr: Sorry?

MR SMYTH: When Mr Byles returns.

Mr Barr: Are you returning with the Chief Minister?

Mr Byles: I am returning with you, minister.

Mr Barr: Again, in the enterprise services, the bulk of them sit with Territory and Municipal Services, not Tourism, Sport and Recreation.

MR SMYTH: Right, thank you.

Mr Barr: But yes, there have been reductions in staff numbers across TAMS. That is no secret.

MR SMYTH: It was revealed that TAMS is being reviewed by an external accountant. Has that review had any impact on tourism or will the outcomes of that review have any impact on tourism?

THE CHAIR: Would you like to take this on notice?

Mr Barr: No, I was just receiving an update on it as I am not the minister with primary responsibility for this portfolio. I have very small areas within it. The advice I have just received is that it is unlikely to impact on tourism but these matters have not been finalised. It is yet to go to cabinet in terms of the final outcomes of that process. So I will read with interest the cabinet submission when it arrives.

MR SMYTH: Is the review complete?

Mr Byles: Yes, the review is complete and currently we are preparing a brief for government to go forward, which will include some recommendations and a recommended action plan to address the recommendations of the review.

MR SMYTH: When is that likely to go to cabinet?

Mr Byles: I am expecting that should go by late February.

MR SMYTH: The Captain Cook Memorial Fountain: the federal government has reduced the hours of operation of the fountain. I have had some feedback that people are quite disappointed when they come to Canberra and expect to see it when they are standing on Regatta Point or walking across Commonwealth Avenue Bridge. Is there any action on the part of the government to see the restoration of the operating hours of what is really an icon for Canberra?

Mr Barr: It is a matter for the National Capital Authority. I have no jurisdiction over the Captain Cook jet.

MR SMYTH: No, but I am asking: has your government taken any action to ask them to review the decision?

Mr Barr: Yes. I understand the Chief Minister has written to the Minister for Home Affairs or has raised it with the Minister for Home Affairs.

MR SMYTH: And do we have an outcome on that issue?

Mr Barr: It would be a matter for the Minister for Home Affairs to comment on, not for me.

MR SMYTH: As tourism minister, are you concerned at the cuts to the operating hours and what will you do to see them restored?

Mr Barr: That is a matter for the federal government, Mr Smyth. I do not agree with the decision. I do not think it was a good decision. As to whether it is going to have a dramatic impact on tourism, I am not entirely sure that people closely monitor the hours of the Captain Cook jet regarding when they will come and visit. But when they are here, it does tend to be a highlight when they are travelling over Commonwealth Avenue Bridge. It was disappointing that the National Capital Authority chose to achieve its efficiency dividend by cutting the number of hours. I did note that it was a feature of the Australia Day fireworks finale.

MR SMYTH: It was.

Mr Barr: It was very spectacular. But that is a matter for the federal government. We do not provide any funding, and nor should we, to—

MR SMYTH: No, I appreciate all of that. I am just asking: what action are you, as tourism minister, taking to see it restored?

Mr Barr: I will give the home affairs minister a Chinese burn for you, and say what a bad thing it was.

MR SMYTH: Okay; not a dead arm perhaps?

Mr Barr: No, probably just a Chinese burn.

MR SMYTH: It is a shame that you do not take the issue seriously.

Mr Barr: In terms of the bigger picture, Mr Smyth, the number of operating hours—

MR SMYTH: It is all part of the planning structure; it is all part of the bigger picture.

Mr Barr: for the Captain Cook jet is a matter that really does rest with the federal government.

MR SMYTH: All right. That is fine.

Mr Barr: I am not their keeper. It is a matter for them.

MR SMYTH: I know you want to make a cynical response to the questions here. I am simply asking: what have you done and what will you do? It is a simple, straightforward question.

Mr Barr: Well, there is nothing I can do, Mr Smyth.

MR SMYTH: Okay, nothing you can do. Thank you.

Mr Barr: I do not control the National Capital Authority's budget.

MR SMYTH: I didn't suggest that you did.

THE CHAIR: Can we move on? I think we have come to the end of this one.

Mr Barr: Ask me questions where I have a direct responsibility and I am prepared to give you a direct answer.

THE CHAIR: Can we just move on to another item, if there is any?

MR SMYTH: Sure, I have got more. While you were discussing buses, you did mention the taxi industry, which is of enormous concern to the tourism industry. I appreciate that it is handled by a different minister in the main.

Mr Barr: Yes.

MR SMYTH: Can you give the committee an update on what you are doing to ensure there are appropriate taxi services for our local tourism industry?

Mr Barr: The fundamental failure really stems back to a lack of courage on the part of previous governments to undertake the fundamental reforms that are necessary for

the taxi industry.

MR SMYTH: Like what? Detail it, please.

Mr Barr: You commissioned the Freehills review that recommended deregulation. It was a piece of microeconomic reform—

MR SMYTH: Opposed by Bill Wood.

Mr Barr: It was a piece of microeconomic reform. I did note that both you and the Leader of the Opposition felt the need to quiz the Treasurer on an understanding of microeconomic reform. I make the simple observation that it is one thing to ask questions about microeconomic reform; it is another thing to actually achieve something.

MR SMYTH: All right, good. Now, if we could come back to the question—

Mr Barr: You sit there posing these sorts of questions—

THE CHAIR: Can we come back to the question, gentlemen?

Mr Barr: with all of the rhetoric about microeconomic reform, but when it comes to actually delivering on any, zippo.

MR SMYTH: We can discuss my record later. What are you doing as tourism minister to provide an appropriate taxi industry for the local tourism industry?

Mr Barr: As you would be aware, it is not my responsibility as tourism minister to provide a taxi service.

MR SMYTH: These are concerns raised by the industry. What have you done in relation to those concerns?

Mr Barr: These are concerns raised by the industry with the Minister for Transport.

THE CHAIR: I think that probably, all things considered, is a reasonable answer.

MS BURCH: I think so.

THE CHAIR: Are there any other items?

MR SMYTH: I know that the Canberra Convention Bureau provides a different report or their own annual report. The National Convention Centre: the government put significant investment into the upgrade of the convention centre. Can you enlighten the committee as to the results of that?

Mr Barr: The Canberra Convention Bureau advised a significant increase in convention bookings. From memory, it is up something like 200 per cent on last year's figures, which were, of course, impacted by the closure. But they were talking in terms of being significantly up on what had been the long-run outcomes through

this last decade or so. So it would be fair to observe that a \$30 million refurbishment has resulted in more bookings for the convention centre. I know that it was the venue for the national tourism awards that were held in Canberra during the annual report period. I think all concerned considered that to be a tremendous success, not only for the local industry but for Canberra as a major event destination, in terms of being able to host something of that scale. We are very pleased to have been able to deliver such a good event at the newly refurbished centre.

MR SMYTH: And a wonderful event. I compliment it on the evening. It was a great effort. The future of the convention centre and work on a new convention centre: as tourism minister with an interest in that, can you update the committee as to what is happening there?

Mr Barr: Indeed, yes. My understanding is that, with the contribution from the ACT government and the industry contribution, there is the capacity for work to commence on feasibility. The preference, as I understand it, from the Canberra Convention Bureau was for the commonwealth contribution to be there as well.

MR SMYTH: That would be nice.

Mr Barr: It would be nice. It really has come down to a site selection issue. We can do all the feasibility work in the world but until we have settled on a site it does become difficult to approach the commonwealth for an amount of money of that nature without actually having a site. The National Capital Authority's preferred site, as I think you are aware, was in West Basin, although there are a number of different locations there. It is a matter of whether it would be closer to the infamous futsal slab or—

MR SMYTH: It was also tied up in the Griffin legacy money that the Rudd government slashed.

Mr Barr: further around closer to the National Museum, and whether that would require some reclaiming of the lake. So that was one option. Another that has been explored, and will continue to be explored, is the possibility of extending over the road to where the Canberra pool is. That is a significant site and the pool does not occupy all of that. You would be aware, through Sport and Recreation, that following the \$2 million refurbishment, replacing the dome and some minor cover works, upgrades to the pool, the second component of that was a further feasibility study into future aquatic needs in the city, which I am sure we can explore a little bit more on Friday. I understand that the first phase was the refurbishment; the consultancy on the feasibility is for this calendar year. Once that work is complete, the government will then be in a better position to make a decision around the future aquatic needs.

For the committee's benefit, I understand that there are some heritage issues associated with the Olympic pool, so that may preclude any significant redevelopment on that site. It may or may not; that is yet to be tested. Until that work is complete I am not in a position to either rule in or rule out the Olympic pool site as a possibility.

However, all of this has been contingent on a financial model and the available capital for an investment of \$200 million to \$300 million. I might have to take some advice

from the private sector at this point, but I am sure that as shadow treasurer you would be aware that credit is not easy to come by.

MR SMYTH: Not lately.

Mr Barr: Not lately, and that the dream is a bit like Bob Jelly's bridge. Are you familiar with *Sea Change*? He worked very hard for that for some time. But if the private sector finance is not there then this project will not go ahead. It just cannot; it cannot be government funded. It will need private sector involvement. So that is where I understand it to be. The last conversation I had with the Canberra Business Council was just prior to Christmas. Things may have moved on in the intervening four weeks, but that is where I understand it is at.

From a government planning perspective, we will need to finalise the study on the Olympic pool site. If that provides an opportunity to move the pool, we could go to the commonwealth and say, "Well, here's the site," and if the private sector has got the money, then we might be in a position to move ahead with that. I have advised the Convention Bureau that their short-term planning should, of course, be based on the existing infrastructure and we will see how we go in the longer term.

MS BURCH: On page 38, and going back to industry partnerships, there has been some comment about national capital attractions. It talks about relationships with stakeholders. Can you tell us how you maintain and develop them, and the outcomes of those? In a city like Canberra, national attractions would be an important component of tourism.

Mr Barr: Indeed. I have regular meetings with a number of these associations on an individual basis. Also, a number of these associations are represented on the Tourism Ministerial Advisory Council and so come together for meetings of that organisation. Obviously, through Australian Capital Tourism, we also work very closely. Australian Capital Tourism hosts a number of industry forums where the collateral and whatnot for future campaigns is discussed and presented. Opportunities for partnerships are discussed.

We like to, as much as possible, keep a very close working relationship with those organisations—recognising, of course, that from time to time their interests can be mutually exclusive, and that does present some challenges. There is no doubt that, for example, the Hotels Association probably do not have a keen interest in the success of the Wine Industry Association, as they are offering competing products. Cellar doors are not necessarily great for hotels et cetera. So you have to note some competitive tensions in these industries, but we seek to work closely with them throughout the year.

MR SMYTH: I have got one last question. It goes back to Floriade. I wanted to confirm something. You said you had not been briefed on the outcomes of the reconciliation.

Mr Barr: You are talking about the final figures for Floriade 2008?

MR SMYTH: Yes.

Mr Barr: No, I have not had a final report on that yet. I understand we expect to have one shortly, but it was not finalised prior to Christmas and I have only returned from—

MR SMYTH: Have you had a briefing on interim figures?

Mr Barr: I released interim figures as part of the report—

MR SMYTH: As to visitor numbers, yes.

Mr Barr: Yes, and economic impact.

MR SMYTH: But this is in regard to the finances.

Mr Barr: No.

MR SMYTH: Okay, because as you have—

Mr Barr: Other than in relation to NightFest.

MR SMYTH: Yes. Is there any other shortfall or budget blowout for Floriade?

Mr Barr: We are not in a position to advise at this point. Once the final figures are determined, of course, they will be available, as they are every—

MR SMYTH: Some industry sources were bandying about a number for a shortfall of about \$450,000.

Mr Barr: I am not sure which industry sources they are. Would you care to name them?

MR SMYTH: There are always lots of sources.

Mr Barr: Would you like to table that for the committee?

MR SMYTH: So there is no shortfall?

Mr Barr: You do not want to table that for the committee?

MR SMYTH: There is no shortfall?

MS BURCH: I think you have asked the question, Mr Smyth.

Mr Barr: I am not in a position to advise. But I have not had time to report—

THE CHAIR: Mr Smyth, Mr Barr has already said he does not have the figures. So I am afraid that I do not think we can—

Mr Barr: But I am very interested in you tabling those industry—

THE CHAIR: I do not think we can go any further on this issue.

Mr Barr: Name them, please, in the interests of disclosure, Mr Smyth.

MR SMYTH: So Floriade will go ahead this year in its full context, four weeks, NightFest and the like?

Mr Barr: Floriade will go ahead this year, yes, of course.

MR SMYTH: And there is no risk strategy involved around the financing of Floriade this year?

Mr Barr: Floriade received a budget increase, as you would be aware, in the budget before last.

THE CHAIR: Have we any new items or are we—

Mr Barr: Brendan would like to talk about the 1876 figures because he has not quite got a handle on it and has not answered every question.

MR SMYTH: Once we get the numbers from you on the updates—

Mr Barr: Absolutely. We will look forward to it.

MR SMYTH: —we will have that discussion.

THE CHAIR: I think we are finished.

Mr Barr: Apparently the 1784 budget cuts have not been analysed enough yet either.

THE CHAIR: I note there were a number of questions—

MR SMYTH: You have to speak up if you are going to be snide.

THE CHAIR: I note there are a number of questions on notice. Would two weeks be a reasonable time frame for them?

Mr Barr: I imagine that we would be able to, yes.

THE CHAIR: Thank you very much for that.

Mr Barr: Thank you very much. I would like to say it has been a pleasure, but it has been an experience.

THE CHAIR: This hearing is finished. Thank you all for your attendance and forbearance.

The committee adjourned at 3.54 pm.