

# MINISTER FOR TOURISM AND SPORT AND RECREATION, AND MINISTER FOR WOMEN

## OVERVIEW

<i>Agency</i>	<i>Budget 2005-06 \$m</i>	<i>Budget 2006-07 \$m</i>	<i>Variation %</i>
<b>Sydney Olympic Park Authority</b>			
Total Expenses .....	88.7	94.1	6.1
Capital Expenditure .....	26.5	24.1	-9.3
<b>Centennial Park and Moore Park Trust</b>			
Total Expenses .....	18.9	22.8	20.8
Capital Expenditure .....	8.2	8.2	...
<b>Luna Park Reserve Trust</b>			
Total Expenses .....	1.4	0.8	-40.7
Capital Expenditure .....	...	...	...
<b>State Sports Centre Trust</b>			
Total Expenses .....	4.5	4.8	6.4
Capital Expenditure .....	0.1	0.4	794.0
<b>Total, Minister for Tourism and Sport and Recreation, and Minister for Women</b>			
Total Expenses .....	<b>113.5</b>	<b>122.5</b>	<b>7.9</b>
Capital Expenditure .....	<b>34.8</b>	<b>32.7</b>	<b>-6.0</b>

In addition to the agencies listed above, the Minister is also supported by the following agencies:

- ◆ Department of State and Regional Development (Section 2) for the Tourism portfolio area;
- ◆ Department of the Arts, Sport and Recreation (Section 3) for the Sport and Recreation portfolio area; and
- ◆ Premier's Department (Section 2) for the Women's portfolio area.

## **SYDNEY OLYMPIC PARK AUTHORITY**

The Sydney Olympic Park Authority (SOPA) operates under the *Sydney Olympic Park Authority Act 2001* to manage the long-term future of Sydney Olympic Park.

In this role SOPA is responsible for the management and economic development and use of Sydney Olympic Park and for the promotion and co-ordination of sporting, educational, recreational, cultural, commercial and tourist activities.

### **RESULTS AND SERVICES**

The Authority contributes to delivering returns (financial, economic and social) on the Government's investment in Sydney Olympic Park and achieving a lasting Olympic legacy; establishing the Park as a national centre for health, leisure and well-being; and establishing a sustainable community. Key result areas include:

- ◆ Improving Government's financial return on investment within the Park.
- ◆ Increasing visitation and use of the Park.
- ◆ Creating a world-class urban parkland in central Sydney.
- ◆ Achieving sustainable urban development outcomes.

Results for the Authority are achieved through services covering: maintenance of parklands, public infrastructure, and government owned sports venues within the Park; managing property and car park operations; marketing, advertising and events management; urban planning and approvals; and environmental management and monitoring.

Achievements over the past year include: \$100 million in precinct land sale transactions, including commercial office developments and agreement to develop a five-star hotel; a 16.9 per cent increase in visitation to the Park; and recognition of the Sydney SuperDome as a successful indoor entertainment arena.

### **RECENT DEVELOPMENTS**

The Sydney Olympic Park township is expected to attract approximately 40,000 workers and residents over the next 20 years. A viable economy will be built around six themes of sport; education; health, leisure and well-being; science and technology; culture, the arts and entertainment. The sale and development of land is expected to generate over \$200 million in land sales, and \$2 billion in private sector investment in the Park.

The private sector will develop the first phase of new residential and commercial development on four sites over the next five years. The cost to the private sector is approximately \$470 million and confirms confidence in the unique living and working environment the Park offers.

A Plan of Management has been prepared for the 430 hectares of surrounding parklands and capital works are continuing for improvement of this open space.

SOPA is responsible for the budget funding of Government owned sports venues within the Park, and is the custodian of funds for the maintenance of the Sydney Showground.

Under the terms entered into by the NSW Government with the private sector, Telstra Stadium and the Sydney SuperDome are subject to long-term leases until 2031. SOPA progressively recognises ownership of these assets until the end of the lease period, at which time they revert to the Government.

Investment properties relating to the Royal Agricultural Society were transferred to the Society to correctly recognise the nature of these assets, resulting in reduced net assets for SOPA.

## **STRATEGIC DIRECTIONS**

Sydney Olympic Park continues to play a vital role in hosting the State's icon sporting and show events and supports the State's ability to host future major national and international events.

SOPA will establish a sustainable community that demonstrates best practice in social and environmental management. This will include a world class water recycling scheme, innovative examples of energy management, high-quality urban and architectural design and integrated social housing models.

A Parklands Foundation, established as a subsidiary corporation of SOPA, will commence operations during 2006-07. It will attract individual and corporate sponsors and focus on enhancing management of the Parklands and boosting visitation to the Park.

## **2006-07 BUDGET**

### **Total Expenses**

Operating expenses in 2006-07 are estimated at \$94.1 million, with depreciation accounting for \$33.6 million of this amount. Government funding of the operating budget is \$36.9 million.

The majority of expenses relate to maintaining the venues, parklands, and common areas within the Park.

### **Capital Expenditure**

The Authority's 2006-07 capital program is \$24.1 million. The major components of the program are \$10 million for the Town Centre Car Park and \$7 million for further development of Millennium Parklands including landscaping, picnic facilities, shade structures, cycleways, educational technology and supporting infrastructure.

## **CENTENNIAL PARK AND MOORE PARK TRUST**

The Centennial Park and Moore Park Trust is responsible for a highly used area of open space in Sydney, known as the Centennial Parklands. The Parklands comprise Centennial Park, Moore Park, Queens Park, Fox Studios Australia, the Entertainment Quarter, the Hordern Pavilion and Royal Hall of Industries, and the Centennial Parklands Equestrian Centre. The Trust operates in a complex and changing business environment, balancing conflicting demands for recreation and leisure use, protection of parklands, financial sustainability, and equity of access.

### **RESULTS AND SERVICES**

Centennial Parklands aims to deliver a diverse range of leisure experiences by balancing opportunities to participate in recreational activities and maintaining sustainable open space. Services provided by the Trust which contribute to these results include:

- ◆ protecting and enhancing of the Parklands;
- ◆ providing high quality recreation and cultural opportunities; and
- ◆ improving safety and accessibility.

## **RECENT DEVELOPMENTS**

Total expenses for the Trust have increased during the last five years from \$16.7 million in 2001-02 to around \$20.9 million in 2005-06. This reflects additional costs associated with the Trust gaining responsibility for additional assets including Fox Studios, Entertainment Quarter, Hordern Pavilion, Royal Hall of Industries in 1998 and the facilities at Moore Park Golf Course in 2004. Other cost impacts relate to improvements to the maintenance of the Parklands, the introduction of services to address environmental and public safety issues and a range of business activities to improve financial viability.

A seven year program commenced in 2002-03 for improvements and maintenance of building and infrastructure assets in the Parklands. Achievements in 2005-06 include:

- ◆ upgrade of 3.6 kilometre Grand Drive footpath, replacement of water main under path and replacement of three toilet amenities in Centennial Park;
- ◆ upgrade of tennis and netball surfaces and lighting in Moore Park;
- ◆ repairs to built assets such as the Hordern Pavilion roof, golf course facilities and utility services; and
- ◆ restoration of high use/visibility assets through the heritage stone program for fences, gates and statues.

## **STRATEGIC DIRECTIONS**

The Trust's key objective for the next four years is positioning the Parklands as the leader in providing a diverse range of leisure experiences to the people of New South Wales and beyond. Priority areas for the Trust in 2006-07 include:

- ◆ aligning strategic planning and asset management with the objectives of the Parklands;
- ◆ increasing recognition for the positioning and direction of the Parklands;
- ◆ targeting additional leisure related markets and products; and
- ◆ developing new businesses in the Parklands and build up existing businesses.

## **2006-07 BUDGET**

### **Total Expenses**

Total expenses in 2006-07 are estimated at \$22.8 million. Included in this amount is \$4.8 million for depreciation and \$0.5 million for asset maintenance of buildings and infrastructure in the Parklands.

### **Capital Expenditure**

The Trust's capital program for 2006-07 is \$8.2 million. It is the fifth year of the planned seven year Park Improvement Plan estimated at \$49.5 million. Major works for 2006-07 include \$4.1 million for Visitor Information and Services and \$1.9 million for Transport and Access.

## **LUNA PARK RESERVE TRUST**

The role of the Luna Park Reserve Trust is to manage the land and other assets of Luna Park Reserve.

### **RECENT DEVELOPMENTS**

In February 2001, the Sydney Harbour Foreshore Authority was appointed to manage the affairs of the Luna Park Reserve Trust (LPRT). Historically, the Trust's expenditure has been for administration, legal and other fees. Expenditure is now related to the SHFA's role in managing the ongoing lease held by the operator of Luna Park, Luna Park Sydney Pty Ltd.

The Park reopened to the public in April 2004 and with the reopening, commercial lease terms between LPRT and Luna Park Sydney Pty Ltd apply. Total lease revenue is expected to be \$1.1 million in 2006-07, slightly below the \$1.3 million budgeted in 2005-06.

## **2006-07 BUDGET**

### **Total Expenses**

The Trust's expenses are expected to be \$0.8 million in 2006-07, compared to \$1.4 million budgeted in 2005-06. This reduction reflects a decrease in depreciation following the recognition of certain assets as investment properties under Australian Equivalents to International Reporting Standards. Apart from maintenance contributions to the Heritage Infrastructure Fund, the remaining costs are either administrative or compliance related.

## **STATE SPORTS CENTRE TRUST**

The State Sports Centre Trust operates three major venues at Sydney Olympic Park and provides affordable world-class facilities to the sporting community. The Trust is mostly self-funded and balances the need to give sporting groups priority access to its facilities with the need to generate a commercial return on the venues and assets it controls.

### **RECENT DEVELOPMENTS**

The Trust's key financial challenge is to increase revenues from its commercial activities at a rate equivalent to the growth in expenses. To achieve this objective, the Trust has developed a diversity of product offerings for the commercial event market. The Trust has also grown revenues by increasing participation in sport and recreation programs run within its venues.

### **STRATEGIC DIRECTIONS**

The Trust will endeavour to enhance the quality of events staged in its venues through continual improvement of the venues and a range of value added services such as video production, in-house display, recording and broadcast of events. The long term objective is to attract larger audiences as well as tapping new sources of revenue for both venue hirers and itself. The Trust is also exploring ways to make better use of idle capacity at off-peak times by offering competitive packages to users who can offer a strategic fit with the venues. The enhancement of the Trust's function spaces planned for 2006-07 will increase the yield from commercial functions staged within the Sydney Olympic Park Sports Centre.

### **2006-07 BUDGET**

#### **Total Expenses**

Total Trust expenses, estimated at \$4.8 million in 2006-07, will be used to operate and maintain the Centre's sporting facilities and facilitate increased usage wherever possible.

#### **Capital Expenditure**

In 2006-07, the Trust will spend up to \$447,000 on a facilities upgrade and the replacement of sporting equipment.