

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into the 2025-26 Budget Estimates

Melbourne – Tuesday 10 June 2025

MEMBERS

Sarah Connolly – Chair

Nicholas McGowan – Deputy Chair

Jade Benham

Michael Galea

Mathew Hilakari

Lauren Kathage

Aiv Puglielli

Meng Heang Tak

Richard Welch

WITNESSES

Steve Dimopoulos MP, Minister for Tourism, Sport and Major Events; and

Matt Carrick, Secretary,

Georgina McCann, Deputy Secretary, Sport and Experience Economy,

Luke Mason, Executive Director, Strategic Infrastructure and Sport Economy,

Brendan McClements, Chief Executive Officer, Visit Victoria,

Penny Guadagnuolo, Acting Executive Director, Tourism and Events Strategy and Reform, and

Sharn Enzinger, Executive Director, Outdoor Recreation, Department of Jobs, Skills, Industry and Regions.

The CHAIR: I declare open this hearing of the Public Accounts and Estimates Committee.

I ask that mobile telephones now be turned to silent.

I begin by acknowledging the traditional Aboriginal owners of the land on which we are meeting, the lands of the Wurundjeri people. We pay our respects to their elders past, present and emerging, as well as elders from other communities who may be here with us today.

On behalf of the Parliament the committee is conducting this Inquiry into the 2025–26 Budget Estimates. The committee's aim is to scrutinise public administration and finance to improve outcomes for the Victorian community.

I advise that all evidence taken by the committee today is protected by parliamentary privilege. However, any comments you repeat outside of this hearing may not be protected by this privilege.

All evidence given today is being recorded by Hansard and is broadcast live on the Parliament's website. The broadcast includes automated captioning. Members and witnesses should be aware that all microphones are live during hearings and anything you say may be picked up and captioned, even if you say it very quietly.

Witnesses will be provided with a proof version of the transcript to check. Verified transcripts, presentations and handouts will be placed on the committee's website.

As Chair I expect that committee members will be respectful towards witnesses, the Victorian community joining the hearing via the live stream and other committee members.

I welcome the Minister for Tourism, Sport and Major Events Steve Dimopoulos as well as officials from DJSIR and Visit Victoria. Minister, I invite you to make an opening statement or presentation of no more than 5 minutes, after which time committee members will ask you some questions. Your time starts now.

Visual presentation.

Steve DIMOPOULOS: Thank you, Chair. Thanks for the opportunity. Thank you for acknowledging the traditional owners. Sport is fundamental to Victorians, and it generates significant benefits to our state's economy as well. The sport and active recreation sector provides at least \$9.2 billion in gross value add to Victoria's economy annually, and over 71,000 full-time equivalent jobs are supported through the sport and active recreation sector. Victoria is home to 52 professional sports teams and 32 national sports organisations.

Next slide. Victoria is the tourism and major events capital of Australia and continues to deliver economic growth to our state. Our tourism sector reached a new high of \$40 billion in total visitor expenditure in the year ending December 2024. International visitation continue to rebuild at 86 per cent of 2019 levels. Tourism jobs in Victoria were up 8 per cent year on year to 288,000 jobs in 2023–24, outpacing overall jobs growth in Victoria over the same period, so a net positive 3 per cent above those. Victoria's major events calendar is valued at \$3.3 billion per annum.

We continue to support our Victorian athletes, sporting events and world-class infrastructure. We celebrated the success of 122 VIS athletes at the 2024 Summer Olympics and Paralympics in Paris, who returned with 23 medals, including five gold – and I had the pleasure of meeting some of them. We supported 91 significant sporting events in the 2024–25 financial year, including the 2025 Maurie Plant Meet, which attracted a sell-out crowd of almost 10,000 attendees – Gout Gout, Josh Kennedy and a whole bunch of other stars were there. We commenced construction of the Ballarat major events precinct upgrade, which will include 5000 new permanent seats at Mars Stadium, raising the seating capacity to 10,000.

We continue to support a world-class events calendar. Melbourne is the only city in the world to host a grand prix and a grand slam, and adding to that now the NFL. A record 465,498 visitors attended the Formula One Australian Grand Prix, beating the previous record set at last year's race by 13,000. The 2025 Australian Open will officially go down as the biggest ever, drawing a record crowd of more than 1.2 million tennis fans. Melbourne has the most interstate overnight visitors of all Australian cities, our strong events calendar helping to attract 6 million people in 2024. Twenty-three major events through the Major Events Fund, 55 regional events through the Regional Events Fund and 28 business events through the business events funds are expected to be held in 2024–25.

Our achievements: a further record high of \$645 million in international overnight spend in regional Victoria was achieved in 2024. We supported 12 visitor economy partnerships and regional tourism boards to deliver industry-strengthening activities. We supported 203 infrastructure projects across rural and regional Victoria. We launched an \$8 million Enabling Tourism Fund in 2024 and the \$62 million Regional Tourism Investment Fund to create more supply in regional Victoria and the \$3.6 million First Peoples tourism industry strengthening program.

We have supported the convention centre with \$11 million over three years, particularly for the commissioning of the Nyaal Banyul Geelong Convention and Event Centre. There was \$11 million over two years for the visitor economy partnerships across Victoria, \$7.5 million over two years for the Melbourne Convention Bureau and Business Events Victoria and \$1.2 million over 2025–26 to support the Professional Boxing and Combat Sports Board to deliver better regulatory processes.

I rushed because I thought I was running out of time, Chair, but I have given you an extra minute. Other than to say – sorry, Chair, while I still have a few seconds – that the tourism, sport and major events portfolio is a big economic driver but also a big driver for a sense of purpose and branding for the state. People have in the past made reflections about Victoria and the economy. When you look at some of the statistics in terms of the major events part of the government portfolio, it is nothing but energy, upbeat and extraordinary visitations by effectively people right around the world, including people right around Australia. We saw that in every major event held over the last six months.

The CHAIR: Excellent. Thank you, Minister. I do like a minister that keeps to time or is just a bit early. We are going to go to the Deputy Chair.

Nick McGOWAN: Thank you, Minister and secretaries. Minister, the government began dismantling Victoria's 11 regional tourism boards in favour of a new visitor economy partnerships model after a 2019 review. The transition, which was due to be completed in 2023, was projected to cost \$24.3 million. To date seven or eight of the VEPs have been established. However, there is little information on what this expensive restructuring has achieved. Given VEPs must have three contributing council areas to maintain ongoing state funding support, does this mean areas like the Mornington Peninsula and Phillip Island will no longer qualify for state funding?

Steve DIMOPOULOS: Thank you, Mr McGowan, for the question. It is an important one. The visitor economy partnerships are critical to a bunch of things, including dispersal, so how we provide the opportunity for visitors to go beyond Melbourne – and they do, and they should, because some of the best parts of Victoria are in fact in regional Victoria. We found that there was a little bit of a lack of focus across some of the regional tourism boards, hence the whole review into the apparatus a few years ago decided we would transition them to, as you said, VEPs, visitor economy partnerships, with clear KPIs about what they are expected to achieve, which was clarity not just for them but clarity for their funding partners, which is often local government and the state government as well as industry. Now, the ones who you identified that have yet to transition, they still get support from us. I might get the Deputy Secretary to talk further about that. The ones that are being

reformed – and we expect the reformation process, so to speak, to be concluded in the next couple of months – are Yarra Valley and the Dandenong Ranges, Mornington Peninsula, Central Victoria, Bendigo, Phillip Island and Gippsland. The reason for some of those is that there were some intricacies in how they wanted to market themselves. Some did not want to be associated with other LGAs, to be honest; they felt that was diminishing what they stood for in terms of their brand. So it has taken a little bit longer to bring those over to VEPs, but they are still receiving support by the government in terms of the tourism activities.

Nick McGOWAN: Ms McCann, can you enlighten us there in terms of the funding envelope?

Georgina McCANN: Yes. In terms of the funding envelope, I can come back to you on that, but with particular reference there to One Bass Coast, which I think is the visitor economy partnership you are specifically referring to, we have been engaging regularly with Destination Phillip Island and the Bass Coast Shire Council to find a suitable solution to progress reform, but in the meantime we continue to support them and we are looking forward to that coming together as well.

Nick McGOWAN: Sure. And can you provide that for us, including the Mornington Peninsula? If it assists, it is budget paper 3, page 61, but I am sure you are familiar with that anyway.

Minister, what specific steps have been taken to incorporate local industry and council input when establishing each of the visitor economy partnerships? The 2019 regional tourism review warned that community support suffers without genuine engagement. Are you able to provide some examples of where local consultation and buy-in has occurred for these new structures?

Steve DIMOPOULOS: Yes, there are multiple examples. One comes to mind – for example, the chair of the Mornington Peninsula body is actually also the general manager of the Pt Leo Estate winery. There are many examples where the board members of the VEP or RTB are actually directly from industry, and that is because they know that is the best way to achieve. They are more connected to their local businesses than we would be. I mean, you would understand this, Mr McGowan, but then I think most people would realise they represent 7000 visitor economy businesses across the VEPs and the RTBs. They are independent, to the extent they choose their own board and they choose their own staffing. They have, obviously, funders – as I said, local government and the state government – so there is an entire acquittal process before we or I sign off on funding. They have to demonstrate to the department and to myself that they have industry links. I am not sure if you wanted more examples than that.

Nick McGOWAN: No, that is fine. Thank you, Minister. Minister, can you tell us exactly how much the government paid or forwent in revenue for the Kids Go Free round last year but of course this year, as it is relevant to the budget?

Steve DIMOPOULOS: Kids go free in the –

Nick McGOWAN: AFL.

Steve DIMOPOULOS: Revenue forgone – was that your question, Mr McGowan?

Nick McGOWAN: Yes, revenue forgone and then what is anticipated for this year.

Steve DIMOPOULOS: Sure. There was no revenue forgone, so to speak, because this was a partnership between the Victorian government and the AFL, and that partnership was inclusive of Kids Go Free. It was round 24 last year. It will be round 21 this year. But it is also inclusive of the grand final parade and the festival, which runs from Wednesday to Saturday. All of that was part of the funding envelope and the partnership between the AFL and the Victorian government. I understand that about 6000 kids took up the offer of Kids Go Free last year. We expect about the same. I suppose there would be a funding shortfall for the AFL. Because they are the licence-holder, they would make price of the ticket for the child, but I think they see far bigger than that. They have even consistently announced free rounds during school holidays. For example, this year they have got rounds 16 to 19 free across the country. But of course we are really proud that in Victoria we negotiated because of the fact that they are domiciled here, and as part of our support for the grand final festival, we secured one extra round of Kids Go Free in round 21.

Nick McGOWAN: Secretary, are you able to shed some light on this for us? In terms of the agreement between the AFL and the state government, was this a particular line item?

Steve DIMOPOULOS: Mr McGowan, I do not think it is. I will confirm in a second, but normally what it is is a Visit Victoria –

Georgina McCANN: No.

Steve DIMOPOULOS: No, it is not Visit Victoria. Apologies, Mr McGowan. It is not a specific line item. It is out of the major events fund, is my understanding, but I can confirm with you on that. And all the projects we help secure under the MEF have to find a return to the Victorian community and the economy, and this one did in droves.

The CHAIR: Thank you, Minister. We are going to Ms Kathage.

Lauren KATHAGE: Thank you, Chair, Minister and officials. My question relates to page 94 of the 'Department Performance Statement'. I can see that under 'Major sporting and cultural events' we are expecting to exceed the target there. You touched on this in your presentation, but how is this contributing to the economy?

Steve DIMOPOULOS: Thanks very much. I love talking about major events. We will exceed, and frankly, Ms Kathage, it is because of the government's investment in the major events fund. I said this recently when it came to, I think it was, the French impressionist exhibition at the NGV and equally the Australian Open golf we secured for the next two years: it is absolutely funding capacity, but it is also the extraordinary networks and links Visit Victoria – the CEO, the board – and impressive institutions like the national gallery have with licence holders around the world where they can make a call and we are trusted by those licence holders. Because of our track record and because of those relationships, we are trusted to be able to take on and secure these events. So it is investment, it is networks and it is effectively the record delivery. In fact I remember the NFL commissioner, the Andrew Dillon equivalent for the National Football League in the US, made quite a point of saying that they felt comfort in giving us a precious asset, which is a regular-season NFL match – and they only give about eight a year out of 252 to the world outside the United States. He referenced specifically the Australian Open and how well we do that. I suppose I am speaking for him, but in his head, you have a global event like a grand slam – there are only four in the world, Paris, London, New York and Melbourne – and then you have got his precious asset, the NFL, increasingly having an external posture, trying to get some games overseas, and they have got a few. That was part of the record of achievement that gave him confidence that we would do a good job. So we will exceed the performance measures. But another thing that performance measures do not really talk to – if you ask me on any given day, I will say every single event is incredible, but some are more incredible than others just in terms of the gravitas of having an NFL regular-season match in Melbourne for the first time ever in Australia – that is a pretty significant coup – and the NBA, equally, and the NHL, and, so we are not looking like we only have US sports, Manchester United, Tottenham Hotspur, Chelsea, the EPL in the UK.

Nick McGOWAN: We are not talking about Tottenham at the moment, Minister.

Steve DIMOPOULOS: That was outrageous. What an outrageous decision.

Nick McGOWAN: Please wipe these comments off the record. We are not talking about Tottenham.

Steve DIMOPOULOS: Outrageous decision that was.

Nick McGOWAN: If you would like to make a statement on that now, we are all ears. I am all ears about that.

Steve DIMOPOULOS: I was thinking of tweeting something. It was just outrageous. But, Ms Kathage, yes. Your question was: how are we getting to this? I think it is our record of achievement. It is the funding commitment by our government. It is the networks, the contacts and the expertise of the workforce here – and I am talking workforce from the CEO levels right down to how Victorians know how to run a major event. It is how we festivalise these major events – how we provide such joy around them. It is an extraordinary privilege to be in this portfolio because you see how normal Victorians, whether they are pulling a beer at the tennis or

they are security at Melbourne Park for an NBL match, provide such an extraordinary posture and customer service and the excitement around these major events.

Lauren KATHAGE: Thank you very much, Minister. We have talked about quite a range of attractions then, from precious sports matches to priceless artworks. Can you give some examples of the major events that we have held, how they track, how the audiences are tracking and what that means for the broader visitor economy?

Steve DIMOPOULOS: Yes. I will give two proof points, so to speak. One is the tennis again, because I think people just expect that it is going to be incredible. But the best comparison is other grand slams, and on the other three – Paris, New York, London – we beat them on so many metrics, not just attendance. I sat with some people from Wimbledon last year at the tennis at a function, and they said to me, ‘We love Wimbledon, but this is extraordinary.’ We do something very special and unique here. We broke records this year. As an example, records were broken for nine individual sessions and 11 day–night totals in this grand slam just gone by. Friday 17 January was the highest attended day–night in the history of the Australian Open. This is this year. I would like to get to 100,000, but it was 97,000.

Lauren KATHAGE: It seemed particularly family-friendly as well this year.

Steve DIMOPOULOS: That is right. I am glad you raised that because of two things: yes, there are absolutely prices at the complete top end of town for corporates and others, but the entry ticket, from memory, is about \$15 for a ground pass for kids and I think starting from \$39 for adults. Most of the fun, frankly, is outside the court, so families get to experience all of that, with the incredible offerings of local music and local food and local drink. But the other one I was going to quickly reference in the time I have got left is Melbourne Park, an extraordinary boulevard of state-owned assets with a heritage going back to John Cain and to the foresight of setting that up, even to the point where Jeff Kennett has come in in later years and acknowledged his mistake of opposing it then – so good on Jeff for that. But 400 events in that precinct, 4 million attendees across sport, concerts and comedians – that is the power of that asset base and the Victorian major events.

Lauren KATHAGE: Thank you, Minister.

The CHAIR: Thank you. We are going to Ms Benham.

Jade BENHAM: Minister, let us talk about the Commonwealth Games – budget paper 3, page 207, as well as multiple media releases and the Auditor-General’s report on page 13. Exactly what benefit are Victorian athletes and regional Victoria getting from spending \$380 million for Glasgow to host the Comm Games?

Steve DIMOPOULOS: I am really pleased that in this portfolio, Ms Benham, I have got a chance to implement the government’s commitment around part of that \$2 billion that the government committed to regional Victoria as a legacy from the –

Jade BENHAM: Do you have specific projects yet?

Steve DIMOPOULOS: Of course; yes. I think of the \$2 billion, I have got some responsibility for four of the 16 projects that constitute the community and professional sport legacy projects.

Jade BENHAM: Is there an itemised list of those?

Steve DIMOPOULOS: Yes, and I will go to those in a second. I have got them here. I might ask Luke Mason, the Executive Director, to touch on that in a minute, but just for completeness, Ms Benham, the other part of that \$2 billion that I have responsibility to implement in this portfolio is the \$170 million tourism and major events component. That includes a capital component of \$68 million for tourism projects, for example, enhanced cellar doors, boardwalks in wetlands and on supply side to bring people out to regional Victoria.

Jade BENHAM: Before we go to Mr Mason, Minister, can you tell me if any athletes in Victoria will lose their VIS scholarships because they can no longer compete in the Commonwealth Games?

Steve DIMOPOULOS: I do not think there is a straightforward connection like that with that, Ms Benham. In fact we have extended the number of –

Jade BENHAM: Are you sure?

Steve DIMOPOULOS: Yes, I am – well, I can confirm in a moment.

Jade BENHAM: There is certainly a connection between athletes being able to compete at home in their Commonwealth Games and not being able to attend the Games in Glasgow.

Steve DIMOPOULOS: The VIS have increased the number of scholarships in the last two years.

Jade BENHAM: So you can guarantee that no Victorian athlete at this stage will lose their scholarships at the VIS?

Steve DIMOPOULOS: I suppose my point is, forgetting the –

Jade BENHAM: Can you guarantee that, Minister?

Steve DIMOPOULOS: No, what I am guaranteeing is the budget the VIS has and the scholarships it runs have increased in fact since we made the decision to withdraw.

Jade BENHAM: So you can guarantee that no-one will lose theirs as a result of the Commonwealth Games not being hosted in Victoria?

Steve DIMOPOULOS: My understanding is that is completely unrelated. Just to give you a sense of it, there has been increased investment, as I said, in the VIS. It receives \$6.6 million per annum in ongoing base funding. We added to that in the last budget year. It provides another \$480,000 per annum for six regional academies. They do extraordinary work with many scholarships, and that really has no connection to the Commonwealth Games.

Jade BENHAM: So how many Victorian athletes are going to miss out on going to the Commonwealth Games due to the fact that the cut-down event is now in Glasgow, after your government cancelled the regional Commonwealth Games here? Do we have an idea of how many Victorian athletes are going to miss out?

Steve DIMOPOULOS: I do not think that relates to the budget for the VIS, Ms Benham. The VIS run scholarships regardless of what international or global sporting events may or may not exist. They run scholarships to basically take the best of Australian talent and make them –

Jade BENHAM: But given that there was a program for a regional Commonwealth Games at full scale to be run in Victoria and now there is a cut-down games that we are paying for in Glasgow with less events, which means less athletes can attend, how many Victorian athletes are now missing out on competing at the Commonwealth Games?

Steve DIMOPOULOS: Okay, so just to go back to the basics of the budget documents, VIS scholarship holders on national teams/squads, I can see here the expected outcome is higher in 2024–25.

Jade BENHAM: There will be more athletes going to Glasgow than there would have been competing in the Commonwealth Games here?

Steve DIMOPOULOS: No. Ms Benham, you asked me about scholarships at the VIS.

Jade BENHAM: Yes, and we have moved on from that question. I am now asking you how many Victorian athletes will miss out on competing at the Commonwealth Games because it is a cut-down program that we are now paying for in Glasgow.

Steve DIMOPOULOS: That is up to the Glasgow games, though; it is not up to us.

Jade BENHAM: No, no. How many Victorian athletes are going to miss out as there was a scheduled Commonwealth Games for regional Victoria in Victoria that your government cancelled? Now it is scaled back – less program, less sports, less athletes – do you know how many Victorian athletes are going to miss out on their chance to compete for their country?

Steve DIMOPOULOS: That is hypothetical, and I will tell you why it is hypothetical: because you are asking me to take what would have happened in Victoria to what may happen in Glasgow.

Jade BENHAM: A full schedule of Commonwealth – that is not a hypothetical at all.

The CHAIR: Excuse me, Ms Benham. As I have said before, before this committee, we do not deal in hypotheticals in this committee.

Jade BENHAM: There was no hesitation when you were spruiking how well the Commonwealth Games were going to –

Steve DIMOPOULOS: Well, Ms Benham, the budget papers talk about an increase in what we expected the outcome of scholarships by the VIS to be, from 40 to 54. that is a good news story.

Jade BENHAM: A good news story?

Steve DIMOPOULOS: We expected that the target was 40 scholarships by the VIS on national team squads. We are predicting 54 by the end of this financial year.

Jade BENHAM: As scholarships. But the Glasgow games that we are talking about – because your government cancelled them – only has 10 sports competing. It is a 10-sport program.

Steve DIMOPOULOS: Sure. Victorian athletes from the VIS go on to all sorts of global sports tournaments, not just the Commonwealth Games.

Jade BENHAM: Okay. Can we move on really quickly to the Formula One. We know that the extension for the contract – this has all been shrouded in secrecy. Who signed the contract for the extension of the grand prix contract, and were the former chair and CEO involved in that signing?

Steve DIMOPOULOS: I will have to take some advice to be entirely accurate with you, but it was a decision made by the then Premier and Treasurer and the then Minister for Tourism, Sport and Major Events at the time.

Jade BENHAM: So who signed the contract?

Steve DIMOPOULOS: I will come back to you on –

Jade BENHAM: You will supply the information on notice?

Steve DIMOPOULOS: Sure, yes.

Jade BENHAM: Thank you. And how much will Victorian taxpayers be paying under the new grand prix contract, given the subsidy has blown out to \$102 million?

The CHAIR: Apologies, Ms Benham. We will go to Mr Galea.

Michael GALEA: Thank you. Chair. Good afternoon, Minister, Secretary and officials. Thank you for joining us. Minister, in a similar vein, actually, I would like to ask you about regional Victoria's visitor economy. In particular we have seen through the 'Department Performance Statement', page 94, details of some of those trends and some of the measures against the targets, including for this financial year, where we see that both on the metric of intrastate visitors to regional Victoria but also the expenditure in regional Victoria from international visitors we are expected to exceed the targets. Minister, can you talk to me a little bit about these results but also how this intersects with the government's support for regional Victoria's tourism economy?

Steve DIMOPOULOS: Yes. Thank you, Mr Galea. I am always conscious that there are really hardworking small family-sized businesses – some bigger players, but the predominant profile of tourism businesses in regional Victoria is small family-sized businesses under 20 employees – so I am always conscious not to make it sound effortless or easy, because it is hard work. It is challenging work, because you are always competing with the rest of the country but also the rest of the world. Having said that, the story has been a really positive

one. It is not uniform, of course, and we are still working hard to make sure we lift every boat in a rising tide and that we do more. That is why you are right about some of these incredible statistics.

Domestic overnight visitors to and within regional Victoria reached 19.5 million people in the year ending December 2024, as you said, which is 3 per cent higher than the year ending 2023 and 2 per cent above the year ending in 2019. So we are already above pre-pandemic levels, but we are also above the preceding year. Domestic overnight spend within regional Victoria reached \$10.4 billion in the year ending December 2024. That was 39 per cent more than five years ago in the year ending in pre-pandemic December 2019. I have got to say, that is attributable to the extraordinary offering of the businesses in regional Victoria. I have consistently said it does not take Einstein to market the Sydney Harbour Bridge or the opera house. Our businesses have done twice as well, because they have worked five times as hard. People come to Victoria for what our brand campaign is – Every Bit Different – and to experience so many different things. You could be in one of the best restaurants in the world and a bar at night and the next morning, by midmorning, you could be in regional Victoria or by later in the afternoon even further into regional Victoria at one of the best wineries. That is due in large part to the extraordinary work of those small businesses who put on the best for the world. They have a government that is absolutely committed to their cause and to the cause of the tourism economy, and that is why, following on from Ms Benham’s question, the \$170 million that this government has committed to regional tourism and major events is extraordinarily helpful.

I was together with a couple of colleagues at Sovereign Hill a few weeks back, where we announced 28 new infrastructure projects, capital projects, to uplift the supply of tourism assets across Victoria. We have got a bit more to come on that front, and that is part of the \$68 million capital fund. Then we also have, as part of that \$170 million, a \$20 million destination marketing fund just for regional Victoria. We have got a \$38 million festivals and events fund called the REF, the Regional Events Fund, which sees the Cadel Evans road race, the Clunes Booktown Festival and a bunch of regional events, including in Mildura. And we will have more to say about –

Nick McGOWAN: I thought you were going to say Ringwood, Minister.

Steve DIMOPOULOS: Sorry?

Nick McGOWAN: I thought you were going to say Ringwood. I am waiting to hear the words ‘Ringwood’, ‘Blackburn’, ‘Mitcham’, ‘Nunawading’, ‘Blacky Lake’, ‘Ringwood Lake’ or ‘Eastland’ even – I will even take ‘Eastland’.

Steve DIMOPOULOS: I will try very hard. If you have a sign in Ringwood advertising Mildura, I might be able to do it. But, Mr Galea, I suppose it is two things. In summary, it is the extraordinary commitment by our government in capital, in events and in marketing, but it is also the incredible offering that those incredible businesses provide every day – year in, year out.

Michael GALEA: Thank you. The international visitor spend is also forecast to be on target at the statewide level. You spoke about some of the many events before with Ms Kathage. Are those major events – such as the Formula One, the tennis, the footy finals and some of the exciting new events as well – all part of the reason for that strong result, or are there other things?

Steve DIMOPOULOS: I think it is a few things. I might ask the CEO of Visit Victoria, because I think it is worthwhile. I know we have not got much time, but just quickly, there are multiple factors. I will pick two quickly before the CEO comes. Getting air carriers to come to Melbourne and getting flights to come to Melbourne – we have done well on that in the last few years. If you cannot get here, you are not going to be able to spend money here. That is number one. Number two is absolutely these global events, because they also brand – I will give you one example. On the Sunday of the grand prix race, as one example, 70 million people watch the grand prix around the world, watching the beautiful Melbourne skyline and planning their next holiday. Those branding opportunities are really rare, and if you had to buy them alone, they would cost a lot of money. I might hand over to the CEO briefly.

Brendan McCLEMENTS: Thank you, Minister.

Steve DIMOPOULOS: International visitation.

Brendan McCLEMENTS: International visitation is one of the incredible bright sparks within the visitor economy within Victoria. As the minister said, we have achieved a record number of \$40 billion for the year ending December 2024. In the six months that is up \$800 million. In the international markets we are seeing some really encouraging signs from some key parts of the world that we are very interested in. India and China are foremost amongst those. International visitation is expected to increase by 500 million – sorry, let me rephrase that: international trips globally are expected to increase by 500 million trips over the next four years. Much of that will be in our region. International travel is a middle class and above activity, so China, India, Malaysia, Singapore, Korea and Japan are markets we are very interested in.

Michael GALEA: Thank you.

The CHAIR: Thank you. We are going to go to Ms Benham.

Jade BENHAM: Thank you. I just wanted to ask a few more questions around the Australian Grand Prix. It is a good segue. Minister, how much more per year are Victorian taxpayers going to be paying under the new grand prix contract given the subsidy has already blown out to \$102 million a year?

Steve DIMOPOULOS: Ms Benham, can I quickly respond to the question – the Australian Grand Prix Corporation signed the contract with F1 Liberty group after the cabinet authorised them to do that, so it was a cabinet decision.

Jade BENHAM: A cabinet decision. Okay. And getting back to that subsidy and how much Victorian taxpayers are going to keep paying?

Steve DIMOPOULOS: Sure. I can see that you would see the increase in the subsidy, but that also comes with an increase in the offering. The fans – I am not sure if you had the opportunity to go to the fan zone.

Jade BENHAM: No, you did not invite me. I am open to an invitation next year, Minister.

Steve DIMOPOULOS: I invited some of your colleagues. I am happy to invite you next time. I did invite some of your colleagues, who may or may not be in the gallery.

Jade BENHAM: They do not pass on their tickets.

Steve DIMOPOULOS: But, Ms Benham, in all seriousness, the offering has changed. There are a couple of factors that also influenced the price, and that is, I think –

Jade BENHAM: Is that because all of the corporate hospitality revenue is going to the F1 owners?

Steve DIMOPOULOS: No, that is not the reason for this. The reason for this is there were a few more offerings, both in the fan zone. There was also – I think it is in the budget – the ACCC puts money aside effectively to currency hedge, because you are paying US dollars to F1. So that was part of the kind of lumpiness of the change in the output from one year to the next. The other part of it is because we are doing more to secure the event, to make it safer, both in terms of the remediation of the ground – we are doing more to support the sports clubs that have had to dislocate or dislodge from –

Jade BENHAM: The Albert Park pit redevelopment.

Steve DIMOPOULOS: The pit development is not in this budget profile that you have outlined. It is in contingency, because we have not yet landed the price on that because the design works are still going on. But fundamentally can I say to you: this is an extraordinary event. Every dollar we invest yields at least \$2.

Jade BENHAM: No doubt, Minister, but at what cost to the Victorian taxpayer? How much more expense can the taxpayer bear given the extraordinary ballooning of hosting costs, of annual fees, of the fact that the Formula One owners are taking all the high-end hospitality profits? How much more can Victorian taxpayers bear?

Steve DIMOPOULOS: But, Ms Benham, \$268 million of economic activity to the state of Victoria, 1200 jobs – Crown Casino, just one hotel operator, across its three hotels, just one group had to put on 900 extra shifts to cater for the demand during the grand prix.

Jade BENHAM: So if there are more people coming through the door, shouldn't that equate to much more revenue?

Steve DIMOPOULOS: It means the economy – the restaurants, the bars, the retail shops, the people who drive forklifts, the people who set up and pack up the events infrastructure, the people who pull beers – normal Victorians benefit from tens of thousands of jobs. I will not apologise for what puts us on a global map of events but also creates thousands of jobs.

Jade BENHAM: Are Victorian hospitality and catering companies part of the new hospitality agreement with the F1?

Steve DIMOPOULOS: Victorian hospitality and food and beverage companies are part of the grand prix because the Paddock Club is only one of the offerings of what is on offer at the grand prix. Can I give you an example, completely unrelated to me, and I was surprised when I saw it on Instagram: one of my local businesses in Oakleigh, Vanilla, had a presence. The Vanilla Lounge had a presence. There is a multitude of Victorian food and drink businesses represented at the grand prix, and I want to do more of that.

Jade BENHAM: In the Paddock Club?

Steve DIMOPOULOS: There are Paddock rooms with Victorian produce, yes, because there are multiple different Paddock Club rooms.

Jade BENHAM: Whose decision was it to sign away the \$30 million a year in revenue?

Steve DIMOPOULOS: I do not accept the numbers at all. We signed a contract with F1 which secured this event, and at the time we signed it, Ms Benham, it was the longest contract F1 had, globally, of their 23 events. It was 15 years; it is to 2037. Do you know the reason we do that? The reason we locked that into 2037 and we locked in the tennis grand slam until 2049 and the grand prix to 2059 is because we are light-years ahead of Sydney and Singapore and Perth, and that economy is just secure for the next 20 years of major events, for jobs, for tourism, for the visitor economy – visitations. That is why we secure them for the long term.

Richard WELCH: Thank you, Minister. Minister, I am looking at page 94 of the 'Department Performance Statement', and that makes for particularly grim reading. We have visitor expenditure flat, we have international expenditure down. Visitor expenditure in regional areas is flat. 'Visitor expenditure: regional Victoria (international)' is down. We have visitor expenditure intrastate overnight flat. 'Visitors (domestic overnight)' is down. 'Visitors (international)' is down. We have also cut spending, and we have suspended online advertising at different points as well. What is going on in this? Because so many businesses rely on this – almost every measurement is either flat or down. If you take out your big events, which you can claim no benefit from – you did not invent the AFL grand final – what is going on in this portfolio?

Steve DIMOPOULOS: We secured it to 2059, Mr Welch. But can I just say, that was a very selective reading of the numbers.

Richard WELCH: No, it is right here in black and white.

Steve DIMOPOULOS: But I also read out, in answer to Mr Galea's questions, some other numbers, so there are different ways you can represent that. Can I tell you, though, in terms of regional Victoria and these other businesses in Melbourne, absolutely they rely on a range of support.

Richard WELCH: But they are all down. All those figures are down or flat. At best they are flat; they are mostly down.

Steve DIMOPOULOS: I will say one thing and hand over to Mr McClements. Can I tell you, we hit a record of \$40 billion in December 2024 in the visitor economy – a record of \$40 billion.

Richard WELCH: But that was outside those major events.

Steve DIMOPOULOS: But numbers do not lie, Mr Welch – \$40 billion.

The CHAIR: Thank you, Minister. We are going to Mr Tak.

Meng Heang TAK: Thank you, Chair. Minister, budget paper 3 on page 66 highlights the further investment into the Melbourne Convention Bureau, Business Events Victoria and the Business Events Fund. Minister, can you explain to the committee how business events contribute to Victoria's visitor economy?

Steve DIMOPOULOS: Mr Tak, that is one of my favourite topics. I get really excited about the things were just discussing, but I also get very excited about business events because they are the unsung heroes of the events economy. I say unsung because people come in from Melbourne Airport normally and come into the CBD normally, but they also then go out to regional Victoria, and no-one makes a big song and dance. They are not on the news. I am not cutting ribbons; no-one else is. No sports stars are there. They are normal business events. Sometimes up to 14,000 people will come here. For example, Rotary International and Lions International had their big meets here. And those 14,000 people will then spend a week or more and will go into regional Victoria, spend in the regional economies, spend in Melbourne. That is all under the classification of business events.

To give you some more sense of that, our state budget allocates \$7.5 million over two years to operate the MCB, which is the main recruiter of these business events. It is in addition to the \$6.39 million allocated in 2024–25 for the Business Events Fund. We have also got, as a proof point, that prior to COVID the sector was estimated to have annually contributed \$12.6 billion and provided 84,000 jobs – this is per annum – over 10 years. Just the work of the MCB, that government–industry partnership – Melbourne Convention Bureau – has yielded \$2.34 billion in economic activity. Some other ones, for example, Mr Tak, we secured the Amway China anniversary leadership seminar – sounds convoluted, but it is extraordinarily powerful – in April 2025. That was 16,000 delegates coming here to have their leadership seminar – 16,000 delegates from overseas coming here and then we had them going into regional Victoria for experiences.

The other thing I like about business events, before I ask Mr McClements – and I promise I will give him time – Mr Tak, is that business events also add such a gravitas of another kind to the Victorian economy of public policy. They are often events that are seminars around medical research or seminars about best medical practice or about engineering, so they are really values-aligned.

I have got some stats here about the numbers – I will find them for you – that relate to different policy areas. We become a global knowledge centre by having eminent scientists and medical researchers and doctors from around the world literally meeting at the convention centre here for days on end and then also being tourists and spending money. Business events are extraordinarily important because they are the mainstay every day in and every day out. Mr Welch is right: major events fall on specific calendar days; business events are pretty much all year round, and they underpin an entire economy of hotels and restaurants and regional Victorian businesses. But I might throw to –

Brendan McCLEMENTS: Thank you, Minister. I will provide some comments to that. Again, this is part of the story of why Victoria has achieved a record visitor economy of \$40 billion. By way of anecdote perhaps, looking at April just past is a good way to explain the interaction between business events. In April Victoria sold a record number of hotel rooms – 1.37 million hotel rooms across the state in Victoria. That is a record for the state, obviously. Of that about 80,000 are attributable to what happened through Amway. What got us across the line to achieving a record level in April was in fact the interplay between the destination marketing work and the major events that happened in April and then, sitting on top of that, the extraordinary performance from Amway through the convention bureau and the work they did in delivering 16,000 high-yielding Chinese tourists who have gone back and become advocates for the experience of coming to Melbourne. That is one of the international markets that is open to us in the next 12 months to continue to drive that result, and we think having 16,000 people who have experienced all parts of Victoria – they travelled across the state to enjoy Sovereign Hill, Puffing Billy, the Great Ocean Road, Phillip Island – speaking on our behalf to their friends and acquaintances back in China is a terrific starting point for us to continue to see China come back strongly.

Meng Heang TAK: Thank you, Minister. Talking about the local industry benefits, Minister, the budget also provides an opportunity to achieve other priorities of government. Can you give some examples of these business events and how they go beyond just economic benefits?

Steve DIMOPOULOS: Yes, absolutely. I have got a paper on a couple of examples of, in the calendar of business events, how much relates to effectively things that we care about in Victoria – health and engineering and higher education. And they do, and that is the other incredible part. Yes, they act as tourists. At the event

that the CEO of Visit Victoria was talking about, Amway – from China, 16,000 people and a \$100 million economic benefit to Victoria just from that conference. But the other benefit for these business events is that people come here from around the world who are experts in their field. That means they have literally a 10-minute walk to Spring Street to meet with government policymakers or to meet in the Parkville precinct or the Monash health precinct. It would be very difficult if you were at Parkville or the Monash medical precinct to attract 150 thoracic surgeons from around the world just because you asked them to be here. When you have a business event that relates to that area of medicine right here in Melbourne, you all of a sudden have a bunch of experts here that our medical experts can engage with and build relationships with. And of course we know in our government we have invested enormously in health infrastructure right across Victoria – the first heart hospital ever. The value of having an international heart medicine conference in Melbourne is extraordinary given the assets we have got and the personnel we have got here. Forty-two per cent are related to health, sorry.

The CHAIR: Thank you, Mr Tak. Mr Puglielli.

Aiv PUGLIELLI: Thank you, Chair. Good afternoon. The Office for Women in Sport and Recreation, which administered the Change Our Game program, is aimed at increasing the participation, leadership and visibility of women and girls in sport and active recreation. This office, as far as I can see, is no longer in the budget. Why?

Steve DIMOPOULOS: Mr Puglielli, I am going to say to you that that is a matter for the Minister for Community Sport.

Aiv PUGLIELLI: On what basis? Sorry.

Steve DIMOPOULOS: I look after professional sport.

Aiv PUGLIELLI: Right.

Steve DIMOPOULOS: That office is primarily geared towards the participation of girls and women in sport across the community sector.

Aiv PUGLIELLI: Okay. So under this portfolio, if I were to ask about the fair access policy that was being led by that office, you could not speak to that now?

Steve DIMOPOULOS: I am a supporter of the fair access policy – we apply it to professional sporting bodies as well – but I cannot speak for the office itself, if you know what I mean. It is not part of my part of the public service.

Aiv PUGLIELLI: Okay. The Preventing Violence through Sport grants program – can I ask you about that?

Georgina McCANN: That is also with Minister Spence.

Steve DIMOPOULOS: Community sport, yes.

Aiv PUGLIELLI: Okay. Good to know.

Steve DIMOPOULOS: I think you have got Minister Spence coming tomorrow.

Aiv PUGLIELLI: Yes, that is right. I have got the time then. On promoting women in sport, should we expect to see more Matildas and AFLW matches at the MCG? How frequently?

Steve DIMOPOULOS: What was the last bit of that?

Aiv PUGLIELLI: How frequently? I am keen to hear what you are doing about this to get them in at the G.

Steve DIMOPOULOS: Of course. We are very proud to have secured so much Matildas content, and we have now got a proud Melbourne boy who is their head coach. I think there is absolutely opportunity to do more, and I think Australians have fallen in love with the Matildas. There is no blockage from my side. I mean, the MCG is obviously a heavily occupied venue, but they have just as much pulling power to access that. It just comes down to the timing of the event and what the licence holder – being Football Australia in this case – expects to attract in terms of people wanting to come and have a look at the showcase that it is. AFLW – again,

the AFL will decide where the finals are held for AFLW. It will be probably some time before we get to those numbers, but they are incredible already. Does Visiting Victoria want to add any more to that?

Brendan McCLEMENTS: From my perspective, I think the only thing I would say is that we are very proud that the largest crowd ever to attend a women's sport event in Australia took place at the MCG for the ICC T20 women's world cup. We are very proud of the fact that we were able to work with Cricket Australia to bring the first ever women's test match to the MCG this year and achieve the largest crowd ever for a women's test match in the world. We are looking forward to trying to convince the ICC for the 2028 cricket world cup – if indeed they play men and women together – to again return to the MCG for that event. We are very proud of the fact that we have hosted the Matildas at Marvel in front of 40,000 to 50,000 people. The performance of Australia's female teams has been outstanding, and the reaction from consumers to that has been terrific. We have the best stadiums in Australia for the best teams, be they female or male.

Aiv PUGLIELLI: Thank you.

Steve DIMOPOULOS: Mr Puglielli, I will not take up 10 seconds –

Aiv PUGLIELLI: Please do, yes – jump in.

Steve DIMOPOULOS: It is important, given the kind of values you expressed in the question – we have also funded the home of the Matildas right here at Bundoora in Melbourne. That is the Australian home of the Matildas – \$42.2 million from our government – and we are really proud of that. All Matildas squads have access to it. We have also made investments to a whole bunch of AFL clubs in Victoria. Most people think that is for the men, but predominantly most of the way that money is being used is to provide more opportunities for the AFLW teams, whether it be at Carlton or whether it be the Hawks. We have really committed to improving gender-equitable training and match-day facilities across the AFL. We have done that with every club, and we have grown the number of female teams enormously. In fact, there were 58 female sporting teams in 2010, and today there are 2500 dedicated female teams in Victoria.

Aiv PUGLIELLI: Thank you. In terms of some matches that people would want to go to see in Victoria, we are in a cost-of-living crisis, so can I ask: Minister, in your assessment, what is government's role in making these major events financially accessible to Victorians? Looking to 2025–26, where is this reflected in the budget?

Steve DIMOPOULOS: Where is that?

Aiv PUGLIELLI: Where is it in the budget? What steps are you taking?

Steve DIMOPOULOS: Yes, it is an important point, and it is one that I am consistently committed to. If you think about a couple of things, one is that the major events are normally not our major events, right? As in, they are owned by somebody else. Football Australia is a separate entity. The Liberty group have the F1. A whole range of them are like that. So I cannot necessarily direct them to set prices where I would like the prices to be set, because it affects their viability and their ability to hold the event here. There will be another jurisdiction that says, 'Oh, come here – you can charge whatever you like.' I mean, that is just a quick and dirty summary, effectively, of the negotiating power of the state. What we can do, though, is work with them to provide opportunities for free or very low cost access for Victorians. We have got the NBA coming. The Pelicans are coming here to play. I will not say too much now, but we are going to announce some opportunities where Victorians can access some of those players, because you cannot fit 7 million people into 15,000 at Rod Laver Arena.

So we try and festivalise major events and then through that festivalisation provide free opportunities, and we have done a lot of it. If you think about the grand final, just as an example, the whole footy festival is free. I mean, you go and buy food, but effectively the performances, the player signings and the vantage points are free. The most recent example is the grand prix. Again, if you cannot afford the ticket to enter, even on the Thursday, the low-cost day, which is reasonable for some families to not be able to, we had for the first time ever the free fan zone at Melbourne Park, where Oscar Piastri, for example – a good Italian connection to you – came alongside other drivers and interacted with the fans for free. You did not have to go. I am really conscious, as a Labor government, that we provide the opportunities for Victorians to access these major

events, but by the same token they have to be viable events, because they create an economic boost for thousands of jobs.

Aiv PUGLIELLI: Thank you, Chair.

The CHAIR: Thank you, Mr Puglielli. We are going to go to Mr Hilakari.

Mathew HILAKARI: Good afternoon, Minister. Good afternoon, officials. I appreciate your attendance. Minister, I am taking us to page 93 of the 'Department Performance Statement' regarding the Significant Sporting Events program and the events facilitated. I am not going to ask you to go through all 85 events, but I understand we have additional events coming up in the financial year ahead. I am just hoping you could outline, for the sporting codes and the community in general, what professional outcomes we are expecting from those.

Steve DIMOPOULOS: Thanks very much, Mr Hilakari, for that question. I am going to sound like an ambassador for this –

Mathew HILAKARI: You should be, and you are.

Steve DIMOPOULOS: and I am. But for this specific part of the portfolio, as I said to Mr Tak about the unsung hero that is the business events, I feel similarly with significant sporting events, because for quite a modest contribution we leverage so much more. Often you will find they are sports that do not get the kinds of headlines like the major event sports. Sometimes there is some footy and soccer content or netball content, but predominantly it is not; it is badminton or hockey or triathlons.

Nick McGowan interjected.

Steve DIMOPOULOS: Shuttlecock maybe.

Mathew HILAKARI: Do not be distracted by it, Minister. He seeks to do so every session.

Steve DIMOPOULOS: He is being cheeky, Mr Hilakari. There is an opportunity to profile a lot of those other sports. They still have the requirement to be sports that are of state and national significance. Is that your area, Luke? I might throw to Luke about the criteria. But what is important about these events is that many Victorians, cumulatively, participate in events that are not football, soccer, netball or tennis, and they need to have a government on their side. This is the program. We have exceeded the expectations of the performance measures, and we do generally. There are many of them that come to us for funding, and we try and fund predominantly many of them in part, at least. But the leverage ability here is enormous, and as you said, there are 80-odd that I will not go through. But the other point about it – before I throw to Mr Mason – is that about 50 per cent are in regional Victoria. I was in Bendigo for the badminton championship. That was an event that I think was rated about the second-highest event you could have in Australia for badminton, and it was in Bendigo because we incentivised it to be in Bendigo. You had players there from around the world. If you followed badminton, you would know these players and you would be starstruck by them because they are so well known, and they were on Victorian soil because of a quite modest commitment we made to bring them to Bendigo. That is why I love it. It is about 50 per cent regional, with a profile of smaller sports. Mr Mason?

Luke MASON: Thanks, Minister. And thanks, Mr Hilakari, for your question. The Significant Sporting Events program is open to all national sporting organisations and recognised sports. As the minister indicated there, the BP3 measure has been met again, so it is approximately 100 events annually that we support. These are your typical national championships or state championships for those recognised sports. We do that throughout the year. This is metro and regional as well, as the minister has indicated; he has mentioned a couple of those.

Mathew HILAKARI: In terms, Minister, of the economic benefits and the broader visitor economy, how does that stitch together with everything else we are doing across your portfolios?

Steve DIMOPOULOS: I think it is a good point. It is more directed –

Mathew HILAKARI: Because you do not just go to Bendigo for the badminton.

Steve DIMOPOULOS: No. That is right.

Mathew HILAKARI: You do not turn up, watch the match and scoot home. That is not your typical activity for most people.

Steve DIMOPOULOS: Spot on. That is a really good point. Two things: one is that where it matters, particularly for the regional 50 per cent, it is the dispersal we talked about, so people will have an extra hook to go to regional Victoria because of that event. And whether you are a professional badminton player or shuttlecock player or anything else –

Mathew HILAKARI: Amateur.

Steve DIMOPOULOS: Amateur. You are very unlikely to arrive at a tournament that is meaningful for your points and your playing career by yourself. You will travel probably with your loved ones or a couple of your loved ones and your coach and some teammates. So that in itself creates an economy. But also I think the other part, Mr Hilakari, you are spot on, is what we try and do – and it is not a significant amount of money we provide; over the package it is, but for individual events – is we try and incentivise those events to profile other local partners. So in Ballarat, they might have a relationship with Sovereign Hill or a cider or a beverage company locally or a restaurant, so that there is a kind of full circle of time you would spend in that regional town. They are really important events, and they are important for participation too. Going back to Ms Benham's question, many Victorians participate in those, and so do Australians.

I will give you one example, Mr Hilakari, of a pre-eminent – they are all pre-eminent – significant sporting event, the Maurie Plant Meet. Now, the Maurie Plant Meet is the only gold-level athletics event in Australia – that is humungous – and of course it is in Melbourne, because we have secured it in Melbourne. It is at Lakeside oval. Mr Hilakari, what was extraordinary about this particular one – last year's was also successful as a real, genuine marker towards the aspirations of athletes to get to a global standing, or they already are at a global standing – was Gout Gout had just been 'discovered' in quotation marks in the few months preceding. He came, and he was competing against Lachlan Kennedy and a bunch of other extraordinary athletes in the 200 metres. There were 10,000 people, and you could hear a pin drop. This was just a few weeks ago. So there is an opportunity for local talent to participate in events in Victoria.

The CHAIR: Thank you, Minister. Thank you, Mr Hilakari. Minister, officials, thank you very much for appearing before the committee this afternoon. The committee will follow up on any questions taken on notice in writing, and responses are required within five working days of the committee's request.

The committee is going to take a very short break before beginning its consideration of the portfolio of outdoor recreation at 3:25 pm. I declare this hearing adjourned.

Witnesses withdrew.