## Public Accounts and Estimates Committee | Inquiry into the 2025-26 Budget Estimates

# Questions taken on notice and further information agreed to be supplied at the hearings.

Portfolio:	Tourism, Sport and Major Events
Witness:	Georgina McCann, Deputy Secretary
Committee Member:	Jade Benham
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### Question:

Can we move on really quickly to the Formula 1? 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?

### Answer:

The Victorian Government authorised the Australian Grand Prix Corporation (AGPC) to execute contracts with Formula 1 (F1) to extend the Formula 1 Australian Grand Prix at Melbourne until 2037.

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Committee Member:	Nick McGowan
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**Question:** 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 restructure 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?

**Supplementary:** Ms McCann, can you enlighten us on the contents of the funding envelope?

#### Answer:

In 2021, the Victorian Government committed to reforming the Regional Tourism Boards (RTBs) to establish a new network of Visitor Economy Partnerships (VEPs).

This reform was designed to ensure that the new partnerships would have a clear purpose, scale and capacity to support and grow tourism operators.

The reform was a commitment of the Visitor Economy Recovery and Reform Plan and stemmed from the Regional Tourism Review (2019) undertaken with RTBs, councils and the tourism industry.

Reform is now well progressed, including the Mornington Peninsula and Phillip Island, with:

- transition to VEPs completed in 8 regions
- 9 previously non-networked regional Local Government Areas (LGAs) now supported by a VEP
- a further 4 regions, including the Mornington Peninsula, on track to become VEP within the coming months.

Negotiations are still underway with stakeholders in Phillip Island and Gippsland, with the final VEP core funding amount to be resolved through this process.

Since 2020-21, **over \$18.7 million** of funding has been provided directly to the RTBs and VEPs to support their core operations, strengthen industry's capability and capacity, and help respond to the impacts of COVID-19 and crises like bushfires and floods. For example, following the 2025 Grampians/Gariwerd and Little Desert National Parks fires, Grampians Wimmera Mallee (GWM) businesses strongly benefitted from the advocacy and support of the GWM VEP. This included receiving significant promotion on mainstream media to attract visitation back to the region, particularly over the Easter holiday period. This support could not have been achieved at an individual council level.

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The 2025-26 State Budget provided a further \$11 million over 2 years for the ongoing core operations of the VEPs. This funding is critical to enable them to leverage further cocontributions from councils and industry (which is currently in excess of \$3.50 for every \$1 of State Government core funding).

Reform is being undertaken in accordance with the Visitor Economy Partnership Reform Framework (approved by the Minister for Tourism, Sport and Major Events in March 2023) and provides a fair and equitable tiered funding model based upon the number of participating councils, specifically:

- 6 or more regional councils \$590,000 per annum
- 3 regional councils (including a significant regional city) \$350,000 per annum

Variations to the Framework need to be justified, including establishing that no alternate model is available, and approved by the Minister for Tourism, Sport and Major Events.

With negotiations still underway to ensure they continue to be supported in the Network, I have not received specific recommendations from the Department of Jobs, Skills, Industry and Regions on Mornington Peninsula and Phillip Island for my consideration, but expect to do so shortly and for these to be generally in accordance with the VEP Framework.

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**Question:** Can you tell us exactly how much the government paid or forewent in revenue for the Kids Go Free round last year and this year for AFL?

**Supplementary question:** Second, 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?

#### Answer:

The AFL Events Package is a partnership between the AFL and the Victorian Government that supports delivery in 2024 and 2025 of the Kids Go Free in Victoria round, the AFL Grand Final Parade and the AFL Footy Festival.

Funding to the AFL for the AFL Events Package is commercial in confidence.

Kids Go Free in Victoria provides free tickets for children aged 14 years and under to AFL games in Victoria in a nominated round of the AFL season.

In 2024, Kids Go Free in Victoria was held in round 24 of the AFL season and saw more than 6,150 free tickets redeemed across 5 games in Melbourne, Geelong and Ballarat.

These tickets made up over 27% of total general admission tickets issued for the round.

In 2025 Kids Go Free in Victoria will be held in round 21 of the AFL season across 5 games:

- Western Bulldogs vs GWS Giants (Marvel Stadium) Thursday 31 July
- Melbourne vs West Coast Eagles (Marvel Stadium) Saturday 2 August
- o Collingwood vs Brisbane Lions (MCG) Saturday 2 August
- St Kilda vs North Melbourne (Marvel Stadium) Sunday 3 August
- o Geelong vs Port Adelaide (GMHBA Stadium) Sunday 3 August