

**PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE**

**Inquiry into budget estimates 2009–10**

Melbourne — 20 May 2009

Members

Mr R. Dalla-Riva  
Ms J. Huppert  
Ms J. Munt  
Mr W. Noonan  
Ms S. Pennicuik

Mr G. Rich-Phillips  
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Mr B. Stensholt  
Dr W. Sykes  
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Chair: Mr B. Stensholt  
Deputy Chair: Mr K. Wells

Staff

Executive Officer: Ms V. Cheong

Witnesses

Mr J. Merlino, Minister for Sport, Recreation and Youth Affairs,  
Mr T. Healy, Deputy Secretary, People and Community Advocacy,  
Dr P. Hertan, Executive Director, Sport and Recreation Victoria,  
Mr S. Gregory, Chief Financial Officer, Corporate Finance, and  
Ms K. Krsevan, Director, Office for Youth, Department of Planning and Community Development.

**The CHAIR** — I declare open the Public Accounts and Estimates Committee hearing on the 2009–10 budget estimates for the portfolio of sport, recreation and youth affairs. On behalf of the committee I welcome Mr James Merlino, Minister for Sport, Recreation and Youth Affairs; Mr Terry Healy, deputy secretary; Dr Peter Hertan, executive director, Sport and Recreation Victoria; Mr Stephen Gregory, chief financial officer; and Ms Kati Krsevan, director, Office for Youth, all from the Department of Planning and Community Development. Departmental officers, members of the public and the media are also welcome.

According to the guidelines for public hearings I remind those present that members of the public cannot participate in the committee's hearings. For the record, I noticed in the last hearing that there seemed to be a few members of the public who were trying to participate. We discourage that. Only officers of the PAEC secretariat are to approach PAEC members. Departmental officers requested by the minister or his chief of staff can approach the table during the hearing. Members of the media are also requested to observe the guidelines for filming or recording proceedings in the Legislative Council committee room.

All evidence taken by this committee is taken under the provisions of the Parliamentary Committees Act and protected from judicial review; however, any comments made outside the precincts of the hearing are not protected by parliamentary privilege. There is no need for evidence to be sworn. All evidence given today is being recorded. Witnesses will be provided with proof versions of the transcript to be verified and returned within two working days.

In accordance with past practice the transcripts and PowerPoint presentations will be placed on the committee's website. Following a presentation by the minister committee members will ask questions relating to the budget estimates. The procedure followed will be that relating to questions in the Legislative Assembly — that is, there will be no supplementary questions.

I now call on the minister to give a brief presentation of no more than 10 minutes on the more complex financial and performance information that relates to the budget estimates for the portfolios of sport, recreation and youth affairs.

#### **Overheads shown.**

**Mr MERLINO** — Thank you, Chair, and I thank the committee for the opportunity to present this morning. I will try and run through these as quick as possible. I will present on sport and recreation first and then present on the youth affairs portfolio.

With sport and recreation, the portfolio overview is based on three goals: strengthening communities, A Fairer Victoria and social and economic development. Sport and recreation is a key part of the way of life of every Victorian, and we see through the drought and post bushfires the importance of community sport. A couple of highlights in *A Fairer Victoria* is the sporting uniforms grant, which I am happy to talk about later. In terms of social and economic development an example would be the economic drivers of construction, such as the Melbourne rectangular stadium, the state athletics centre, the state basketball centre and AFL/VFL upgrades.

In terms of key achievements in 2008–09, a key focus obviously this year has been on the post-bushfires recovery. The importance of sport as a community recovers has been demonstrated by the determination of communities to get sporting activities up and running as soon as possible. With the Premier there was an announcement of the joint \$3 million fund with the commonwealth to assist sporting organisations affected by the fire to get back on their feet. Grants of \$100 000 have been made available. I also want to mention, Chair, the great efforts of state sporting associations and elite sporting clubs and bodies in their support for communities affected by the bushfire.

Continuing in terms of key achievements, there is record funding for local pools facilities and drought proofing projects. We continue our record \$76 million community facilities funding program, including \$46 million for aquatics. It is expected that at least 150 community facility projects will be approved during 2008-09. One of the key projects will be the synthetic surfaces program. There is \$4 million for state sporting associations, and also our very significant Go for Your Life campaign, with the Premier's Active Families Challenge. We have had 50 000 individuals taking part, which is a massive increase over last year.

Key achievements include major sporting events. Victoria hosted a range of sporting events in 2008–09, including the Homeless World Cup, the Australian Masters Games, the World Cup Track Cycling, Australia v. Ireland International Rules and the Rugby League State of Origin, which will be held shortly.

Events won include Australian Masters Golf — with some big announcements; I will be happy to talk about that later — four more years of Rip Curl Pro; Geelong Week and Sailing World Cup, which I announced just recently; and a new Dancesport events package.

The performance of our VIS athletes at Beijing at the Olympic and Paralympic games was outstanding, with 85 athletes. We won 15 medals across six sports — 4 gold, 6 silver and 5 bronze — bettering the total of 14 medals won at the Athens Olympics.

Further on key achievements, state facilities include the MCG concourse. You will see that over Brunton Avenue. I am very happy to talk about the Melbourne Park business case. Work has commenced — excitingly, finally! — on the national ice sports centre and the redevelopment of Skilled Stadium, the rectangular pitch stadium seating and a number of AFL training venues, a continued emphasis on the facilities funding program, drought and bushfires.

The major priorities in 2009–10 in terms of new budget initiatives include strengthening the world game. There has been a massive increase in the participation in soccer, as you, Chair, and other members of the committee well know. There is also the development of the new state basketball centre, and there is local, state and federal funding for that. There is also additional funding for country football and netball, and additional funding for sporting uniforms.

Women in sport is a key priority. Women's Sport and Recreation Initiative is supporting a wide range of projects including leadership initiatives delivered by VicSport and targeted projects aimed at increasing participation of women and girls, including disadvantaged women and girls. Access for All Abilities is a program funded at over \$11 million for the next three years.

Priorities for 2009–10 in terms of facilities: obviously the iconic one is the rectangular pitch stadium at Olympic Park. It will be completed in early 2010 to kick off the Rugby League season. It will be the new home of league, union and football — soccer. Works will continue at Lakeside Oval in 2009–10 to develop the new state athletics centre and the new home of the VIS. The Melbourne Park redevelopment will ensure that the Open remains in Melbourne until at least 2036, and the redevelopment will continue of former AFL grounds and VFL grounds.

In terms of priorities for major events, the Australian Masters golf in November will have Tiger Woods in Melbourne, which was a great win for this city and this country. The Champions Trophy will have the best six men's hockey teams competing at the State Netball Hockey Centre. In the sailing events package there is the grand slam of sailing, and Melbourne is one of seven cities worldwide that will take part in that event.

The road world cycling championship will be held in 2010, as will the Presidents Cup golf tournament in 2011. So that is sport and recreation. If I can quickly move on to youth affairs.

**The CHAIR** — Thank you, Minister.

#### **Overheads shown.**

**Mr MERLINO** — In terms of a snapshot of young people in Victoria, they make up 17.7 per cent of Victoria's population, almost three-quarters of whom live in metropolitan Melbourne. Overall, Victorian young people are travelling well. In 2008, 88.7 per cent of young Victorians had completed year 12 or its vocational equivalent — an increase from 86.1 per cent in 2007. This rate is higher than all other states and territories with the exception of the ACT.

In terms of the youth affairs portfolio, the Office for Youth is young people's connection to government. It looks at the needs of young people and drives relevant policy across government. It does this in a number of ways, as you can see on the next slide, which is the program slide.

Advance is a school-based youth leadership and skills development program, mentoring — which I am happy to talk about — youth participation, and access grants. This is about focusing particularly on young people who have barriers to participation in community life.

Youthcentral is the government's online initiative for young people aged 12 to 25. It is Australia's leading youth information website and we should all be very proud of that.

Young People Direct is a multi-faceted consultation mechanism for young people to direct their views to government. Youth Foundations Victoria is a great partnership with Bendigo Bank and local communities. There are the Positive Body Image Strategy, FReeZA, and FReeZA Central, which we all know quite well.

**Mr RICH-PHILLIPS** — An excellent program.

**Mr MERLINO** — Indeed. *Future Directions* is the policy framework, and I will not spend too much time on that. In terms of key achievements for 2008-09, the establishment of the Ministerial Youth Advisory Committee and the Positive Body Image Strategy, which is quite a feather in our cap. We led the way on positive body image and the federal government has just recently announced that it wants to have a national code in regards to body image and has acknowledged the leadership role of the Victorian government in that area.

The renewal and strengthening of the government's partnership with the Helen Macpherson Smith Trust is in relation to mentoring, and the establishment of eight Youth Foundations Victoria sites, located at Laverton; Upper Yarra; Whittington, Newcomb and Thomson; Portarlington, Drysdale and Clifton Springs; West Heidelberg; Trafalgar and district; Ashwood, Ashburton and Chadstone; and Neerim district, So there are a number of great achievements in 2008-09.

In terms of priorities for 2009-10, they are: continuing to develop the Young People Direct strategy, including continued consultation with my Youth Advisory Committee; continuing to work to assist young people to have a more positive body image through programs, education and creating awareness; strengthening Victoria's mentoring program; the release of a vulnerable youth framework and implementation plan later in the year; and continuing to support the young people affected by the bushfires.

I will keep those comments brief. I am happy to answer any questions in the sport, recreation and youth affairs portfolios.

**The CHAIR** — Thank you very much, Minister.

**Ms HUPPERT** — Page 344 of budget paper 3 specifies investment of \$5 million in the Melbourne and Olympic Parks redevelopment, which you also referred to briefly in your presentation. Could you please outline for the committee progress on this redevelopment?

**Mr MERLINO** — I am happy to answer this question. This is a quite exciting development. When you think about the Australian Open, for the month of January this is the biggest sporting event in the world. There is no doubt about it. It is that important for this state and for this city, and it holds that place on the international sporting calendar.

As sport continues to evolve at an international level, it is important that our sporting facilities are not just keeping pace but remain the best in the world. To ensure this is the case, on Australia Day this year the Premier announced a master plan for the Melbourne and Olympic Parks precinct, with \$5 million funding for detailed design work on the master plan in the 2009-10 financial year. This funding was confirmed in the budget and it builds on the \$1 million we announced 12 months previously, which was the feasibility in terms of what needs to happen.

Melbourne's reputation as the world's sporting event capital will reach new heights as Melbourne Park is transformed into the ultimate sports and events precinct. We all know this is a great precinct — the MCG, Rod Laver Arena, Hisense, the new rectangular stadium — but there are some issues with the Australian Open. If you are a fan of tennis and you go to the Open, you know it is not that easy to get from point A to point B. There is no easy access, there are different levels, there are a couple of very significant pinch points, and there are a number of issues for the players and officials in terms of broadcasting and player facilities.

It has been 21 years since the Australian Open was moved from Kooyong to its new home at Melbourne Park and since that time the Open has grown to impressive new heights, last year attracting 605 000 patrons, compared to 250 000 patrons back in 1988.

This is two years in a row that we have broken the 600 000 barrier, which is a great achievement considering the tougher economic environment this year. Now is the time to have a look at how we can refresh and improve this terrific precinct to ensure that it remains a world-class facility. The proposed master plan is designed to ensure that Melbourne Park remains the home of the Australian Open until at least 2036. The proposed master plan includes a new piazza-style town square, environmental features such as ecoroofs over the town square, a water recycling system, expanded media and broadcast facilities, better connections to public transport and a better connection of the precinct to the city. I have actually got a fly through. It only takes a minute, Chair, but it gives you an idea as to what we are looking at.

**The CHAIR** — I assume you will make copies of these overheads available to members of the committee?

**Mr MERLINO** — Indeed.

**The CHAIR** — We can put them up on our website.

**Mr MERLINO** — I will just mention a few of the highlights: a new city entrance, better connection to Federation Square East, an expanded concourse area at grade — so it is all at the one level. You have got a spine right through the guts of the precinct.

**Ms MUNT** — It is an architectural term.

**Mr MERLINO** — This is the town square in between Rod Laver and Hisense. It will be a great addition, not only for the Australian Open but also for a range of other major events and activities.

**Ms MUNT** — Outdoor rock concerts?

**Mr MERLINO** — Outdoor rock concerts — all that sort of thing.

**Dr SYKES** — Can you add rainwater tanks, Minister?

**Mr MERLINO** — Indeed, Bill! Here is the new headquarters for the Tennis Australia museum, and you can see here a single entry point. At the moment you have got an entry point into Rod Laver and an entry point into Hisense; there is no major entry into the facility. As it goes back, you can see on the left what will be the new AFL training venue and the iconic rectangular stadium, so it really will be quite a special — —

**Ms HUPPERT** — The best sporting precinct in Australia.

**Mr MERLINO** — It will be quite incredible.

**Ms HUPPERT** — In the world!

**Mr MERLINO** — There will be a new national tennis academy, because the one thing we must not lose sight of is the fact that we need to get Australian men and women and boys and girls back in the top 100. That is going to be a major focus; it is not just about facilities. There will be a new entry point from Olympic Boulevard, an expanded concourse area, a new broadcast centre and the upgraded Rod Laver Arena. It hosts about 14 500 patrons, but it will be about 15 000 patrons once this is constructed. The general view in the tennis world is that if you are well above 15 000 patrons, you start losing it from a visual point for the fans. At Flushing Meadows I think it is 22 000 patrons or so, and it is just hopeless at the top of that facility.

**Dr SYKES** — But you wouldn't have sat up there, Minister. You would have sat down near the front when you were at Flushing Meadows, wouldn't you?

**Mr MERLINO** — The other thing about Flushing Meadows — making that comparison — something like the last couple of rows at Rod Laver is the start of the public seating at Flushing Meadows. There is a quite a difference in philosophy.

**The CHAIR** — A bit like going to a rock concert!

**Mr MERLINO** — The \$5 million funding in 2009–10 will also be used to finalise the exact components of the master plan in consultation with Tennis Australia and the Melbourne Olympic Parks Trust to prepare detailed design and costings on the first stage of the project, ensuring that it will be carried out while the Australian Open continues to operate. That is one of the other challenges — working out the timing, what are the priorities and doing that work in between Australian opens. The open makes a significant contribution to Victoria, generating around 1000 equivalent full-time jobs, injecting \$164 million into the economy and raising the tourism profile of our great city with almost 240 million viewers worldwide. This is a significant project for the next financial year.

**Dr SYKES** — My question follows on from that, Minister, and I would have to say it is an extremely impressive proposition that is being proposed for the central Melbourne area and, I appreciate, for Victorians in general. However, it does raise the issue of importance to me, and I refer to budget paper 3, page 340, the creating better places and expert assistance programs. The shadow minister for sport and recreation has raised the question: does that funding program only apply to growth areas? The background to the question is that in his area the Horsham Rural City Council missed out on two funding programs because apparently it was deemed not to be in a growth area. If this is the case then we have a compounding issue. Kids are leaving country Victoria at a disappointingly high rate. One of the reasons they leave is because there is ‘nothing to do’.

**Mr MERLINO** — Yes.

**Dr SYKES** — If there is not a development of facilities in those areas then that compounds the ‘nothing to do’ issue. It is a self-fulfilling prophecy that we end up losing more and more kids from country Victoria. We do actually need kids there to grow food and fibre for everyone.

**Mr MERLINO** — In terms of the specific reference in budget paper 3, page 340, that reference to creating better places and expert assistance programs is not a sport and recreation reference. That is within Justin Madden’s portfolio responsibility in planning and community development. But I am happy to answer the question in terms of facilities in rural and regional Victoria, if I am permitted to do so, Chair.

**The CHAIR** — I think that would be a good idea, particularly any support you can give to councils like Horsham. The member for Lowan would be quite interested in that.

**Mr MERLINO** — Indeed. This program is something I am quite proud of. We have the community facilities program and the country football and netball program, which Bill and many regional members would be well aware of. In addition to that, there is the drought assistance program. The \$28 million over the last couple of summers means in effect well over \$200 million for well over 200 000 community facilities right across Victoria. I know full well the importance of sport and recreation facilities for rural and regional Victoria. On one of my regular road trips yesterday we visited Gippsland and I made five local announcements, including a synthetic hockey pitch which can also cater for soccer at Monash University’s campus at Churchill.

That is Gippsland’s second synthetic hockey pitch. They went from having absolutely no hockey pitches in the whole of the Gippsland region to now having two in Churchill and Drouin. Later on that day we visited Buln Buln, a tiny community. The only community facilities in that town were the local recreation reserve and the primary school across the road.

I was there announcing just over \$23 000 in funding from the bushfire support funding program to replace fencing and signage that was destroyed as a result of the fire. If it were not for the quick action of a couple of people who were actually at the club at the time — this was spotting from kilometres away — and who got on top of it, the school and the recreation reserve would have been under serious threat. Frankly without that sporting oval the community would have been absolutely devastated, so I absolutely understand and appreciate the importance of sporting facilities for local communities.

In regard to the community facilities funding program, since 2000 the government has invested over \$186 million in over 950 community sport and recreation projects. The facility funding is distributed across all areas of the state, and this will continue to be the case over the current four-year program. We have got a map which is showing the location of funded Better Pools, aquatic access and seasonal renewal projects since 2000. That shows metropolitan Melbourne, and then we have got a regional spread.

The seasonal pool renewal program, Bill — this was targeted not specifically but predominantly at regional Victoria. We knew that all a lot of these pools that were constructed in the 1950s and 1960s needed was a little bit of work to stop them leaking or to do some improvements to their amenity and that their participation, their usage, would just go through the roof. I was talking to the mayor of Baw Baw shire yesterday. She was saying the funding we provided to the Drouin outdoor pool through the seasonal program has led to a massive increase in participation, and they are running Learn to Swim and all those sorts of programs through them.

**Dr SYKES** — The hot summer may have helped, Minister, given that generally it is a bit chilly down in Gippsland!

**Mr MERLINO** — Indeed!

**The CHAIR** — This is true. Have we helped Horsham in this regard under this program?

**Mr MERLINO** — Certainly there are a number of projects in Horsham. The most significant recent one was the \$1000 of assistance to Horsham golf club as a result of the devastation from the fires. I know that we are also talking to Hugh in terms of a number of other facilities in his community, including one in regard to the country footy-netball program. You can assure Hugh, Bill, that my department will continue to work with him in that program.

In addition to the country community facilities funding program we have also got the country football-netball program, the new community soccer program, and I also want to mention the sporting uniform grant. Country footy-netball is now an \$11.2 million program. This will run right through until 2010–11, with \$9.2 million from the state government and an original \$2 million from the Australian Football League. Since 2005 the government has announced funding of more than \$8.4 million for over 230 individual projects across rural and regional Victoria. The drought relief program I have mentioned. One of the focuses for me in this budget was dealing with the massive increase in participation in basketball and in soccer. I am happy to talk later about the State Basketball Centre.

**Ms MUNT** — Especially girls in soccer.

**Mr MERLINO** — That is right. One of the things about basketball and soccer is that there are boys and girls right through to seniors, and the pathway is exactly the same. I think that is one of the reasons why basketball and soccer have been so popular. In addition to the community facilities funding program we are providing an additional \$5.7 million specifically directed at grassroots soccer facilities. There are many opportunities, Bill, for rural and regional sporting clubs to access that funding, and I will be releasing the guidelines for the soccer program shortly.

The final thing I want to mention, Chair, is the sporting uniforms grant. You may recall that out of the savings from the Commonwealth Games we had \$1 million set aside for sporting uniforms. This was up to \$1000 for uniforms or footwear — massively oversubscribed!

**The CHAIR** — It would be popular!

**Mr MERLINO** — We have got \$1.6 million in the budget, and the first round of that will probably be in June or July, very shortly, and I encourage clubs right across Victoria to apply for that funding program.

**Mr SCOTT** — Minister, I refer you to page 12 of budget paper 3, which lists funding to sporting clubs and community facilities as part of a \$10 million community recovery fund for the bushfires. Can the minister inform the committee of the support provided in the budget to sports clubs and community facilities which are affected by the bushfires?

**Mr MERLINO** — Thanks, Rob. I am very pleased to answer this question. As you would appreciate, this has been a massive priority for me as sports minister visiting the devastated communities in the days and weeks after the fires. It was quite incredible that once people had looked after the affairs of their own families and their own properties, as a community what they wanted to see was their sporting clubs get on their feet as soon as possible. We wanted to provide some immediate funding to ensure that that happens.

The recent Victorian bushfires have had a considerable impact on the Victorian community, and the government recognises the importance of local sport and recreation in helping to rebuild community strength

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and wellbeing. As I mentioned earlier the Brumby government, together with the commonwealth and state sporting associations, has provided significant support to ensure local sport and recreation clubs can operate again in bushfire-affected areas.

Local sport is vital in building the social fabric of Victorian communities. Reflecting this, the Premier announced in partnership with the commonwealth the \$3 million fund that I mentioned, providing grants of up to \$100 000 for immediate rebuilding and repatriation works. To date over \$1.2 million has been provided from the fund to assist these sporting organisations. Examples would be the \$200 000 to the Marysville golf and bowls club to replace essential machinery, just over \$195 000 to the AFL, over \$64 000 to the \*Yarra Ranges Shire Council and \$59 000 to the Mitchell Shire Council, totalling over \$319 000. That was to restore 23 sportsgrounds for the upcoming sports seasons.

We are also aware of the significant contribution made by major professional sporting organisations such as the AFL, Cricket Australia, Football Federation Australia, the NRL, Tennis Victoria and Tennis Australia. They have been absolutely fantastic, both in terms of getting athletes into the communities — I was at Whittlesea when the Australian cricket team was there, and just the positive impact it had on particularly the young kids was quite profound — but also in terms of equipment and in supporting facility redevelopment.

I want to recognise the contribution of those state sporting associations as well and assure the committee that this is the no. 1 priority. A number of facilities were completely destroyed, and we are absolutely committed to making sure they get completely rebuilt and are even better for the local communities.

**Ms PENNICUIK** — Minister, on one of the slides you had up there one of the dot points referred to the Vulnerable Youth Framework, which was:

developed to guide and strengthen action across state and local government and communities, including schools, to better respond to the needs of vulnerable young people ...

It appears that little in the budget has been offered to that program. My question is: how will it be implemented and what funding will be allocated to that framework?

**Mr MERLINO** — If I could firstly speak to the Vulnerable Youth Framework and the work around that and then speak more broadly in terms of what has been provided for young people across government, with a particular focus — —

**Ms PENNICUIK** — Bearing in mind that with the financial situation this is going to be even more important.

**Mr MERLINO** — Indeed. Firstly, in regard to the Vulnerable Youth Framework, a discussion paper was released in late 2008 to gather advice from those working with young people on the development of a policy framework for better addressing the needs of vulnerable young people in Victoria. It is not just something across my portfolio, it also concerns Lisa Neville, Bronwyn Pike in education, and Maxine Morand. The final framework and implementation plan is currently being developed based on the responses to the discussion paper. It will provide a foundation for coordinated and effective youth services that assist vulnerable young Victorians at a time when they most need support, giving particular attention to providing support early in the onset of problems.

This is through both the discussion paper and the work we are doing on the vulnerable youth framework, but we have also got some better youth services pilot sites in Frankston, Wyndham and Bendigo. There are a couple of things that have really come out through that work, including the importance of early intervention and the importance of education of schools and making sure that there is that communication coordination. Look at the municipality of Wyndham. There are something like 86 youth services from local, state and federal government and non-government organisations, but what we need is better coordination. Early intervention and coordination is a focus of that. The framework will be launched a bit later on this year.

In regard to support for young people, this year's budget provides over \$270 million in new funding. One of the challenges of a portfolio like youth affairs is that it is a relatively small bucket of money. My responsibility as youth minister is that whole-of-government coordination. When you are talking about young people, they may have issues with transport, they may have issues in the justice system or in education. My role is really a coordinating one, in addition to the programs that we run through OfY.



One of the focuses in the budget this year was supporting services for vulnerable Victorians. You are absolutely right — in this current climate we need to maximise our support for young people. The government has committed \$134.7 million to reforming the out-of-home care system through securing more home-based care placement, building the capacity of residential care and recruiting living carers and new family mentors. Some \$36.3 million will be invested in prevention and early intervention programs to take action before people become homeless, and \$52.6 million will be directed towards improving and expanding homelessness services through targeted programs for specific groups, such as women and children experiencing family violence, indigenous people and young people.

There has been significant investment in mental health, which you have probably already heard about through Lisa Neville — \$21.3 million to the early life program to provide diagnosis, treatment and support for children and adolescents, including early intervention and outreach services, mental health services and youth justice. In addition, \$8 million has been allocated for two new youth prevention and recovery care services in Bendigo and Frankston, and \$4.2 million for mental health service enhancements to improve service quality, support staff training and provide greater access to mental health services, particularly for young people and adolescents experiencing autism.

In addition to that there is the Respect strategy. I am not sure if you have had Peter Batchelor here yet, but we have quite a significant focus on young people and volunteering. Across a whole range of areas we are focusing on early intervention and providing assistance to vulnerable youth. The framework will be released later this year.

**Ms PENNICUIK** — Can I just clarify: how is the Respect strategy related to the Vulnerable Youth Framework, if at all?

**Mr MERLINO** — I was expanding my comments in terms of support for young people and getting young people involved in the communities. To answer your question, look at the advanced program through my portfolio, which is about getting young people involved in the community through their school or through the Youth Participation and Access Program which is removing barriers to participation. Often the young people involved in those programs and who will be the target of the Respect community volunteering program will be young people who, if they are not engaged, will become much more vulnerable. I suggest there is a holistic approach, if you like.

**Ms MUNT** — Minister, I love a major event. I love going to them, I love seeing them; they are very exciting. But I am also interested in the benefit for Victoria as a whole. Budget paper 3, page 175, lists the expected outcome for 2008–09 of 15 major events for Victoria. I was wondering if you could just give some detail of those major events that I love going to and the benefit they will have.

**Mr MERLINO** — Thanks, Janice. I am happy to answer this question. When you think about major events — and if you have heard from Tim Holding, he has probably already said this — the major events calendar is our Sydney Opera House, it is our harbour bridge. It is what sets Melbourne and Victoria apart from the rest of the nation, and we do it better I think than anyone in the world. Whilst Tim is major events minister, my role through Sport and Recreation Victoria is to manage almost all these major events. Tim gets them and then we run them through contract management.

**Ms MUNT** — He handpasses them.

**Mr MERLINO** — That is right. The Brumby government is committed to hosting major sporting events that place Melbourne and Victoria in the national and international spotlight, boosting tourism and investment in Victoria. Victoria's strong reputation for holding premier sporting events was again recognised in 2008, when we retained our position as the ultimate sports city — ahead of Sydney, Berlin, Hong Kong, London, Los Angeles, Madrid, Paris, Tokyo and Vancouver.

In 2008–09, we hosted a range of major sporting events: obviously the annual ones like the AFL Grand Final, the Australian Motorcycle Grand Prix, and the Jayco Herald Sun Tour. We also had the international rules match, Australia–Ireland; the Rugby League World Cup match, Australia–England; the UCI Track World Cup; the Masters golf; the Homeless World Cup; the World Latin Dancesport Championship, which was an outstanding event; the Australian Dancesport Championship; Skandia Geelong Week; the Australian Open; the

Women's Australian Open golf; lawn bowls Australian Open; Australian Masters Games; the World Superbike Championship; the formula one grand prix; and Rip Curl Pro. The list goes on.

In total, well over 1 million people attended these events, with the AFL Grand Final — which was a wonderful grand final — attracting over 100 000 spectators, the highest attendance since 1986. For the second consecutive year, over 600 000 spectators attended the Australian tennis Open, which was really a great achievement. We broke that record the year before, but we got 600 000 again in this current climate. What we did find was an increase in people buying the \$29 ground pass, as opposed to upgrading their tickets. You would expect that in the current climate, but to break 600 000 again was outstanding.

**Ms MUNT** — It is great value, though, the \$29 ground pass.

**Mr MERLINO** — Great value, that is right. Other highlights included the Rugby League World Cup match between Australia and England, which attracted over 33 000 spectators, including 9000 interstate and international visitors, generating a benefit to Victoria of \$15.5 million. The Australian Masters Games, which is the largest multisport participation event in Australia, attracted over 8000 participants, volunteers, families and spectators, with 63 sports at over 70 venues throughout the Geelong region. That was a great event, which I participated in.

**The CHAIR** — I think the Parliament had a team in it.

**Mr MERLINO** — The Parliament had a team, but I really do not want to answer questions about that particularly again!

In addition, June will be a bumper month for sport, with Melbourne to play host to the Rugby League State Of Origin Queensland–New South Wales at Docklands, the Australia–Japan football match at the Melbourne Cricket Ground, and the rugby union Australia–Italy match, again at the Docklands.

Over the next three years, an outstanding variety of sporting events will continue to build and enhance Victoria's reputation. Tiger Woods, the world's no. 1 golfer, will appear exclusively in Melbourne in November for the 2009 Australian Masters golf at Kingston Heath Golf Club — in your electorate, Janice. This will be a great thing. It will bring a worldwide spotlight to Victoria's outstanding golf courses, as well as many international and interstate visitors. We made the call to rotate the Masters through the sandbelt golf courses, and that is one of the key reasons that we secured Tiger Woods. He recognises that these are absolutely world-class venues, and that was one of the key reasons why we secured him for that event.

The tourism benefits arising from Tiger Woods's appearance at this tournament are tremendous, with between 10 000 to 20 000 visitors expected from outside Victoria. World no. 4 golfer, Australian Geoff Ogilvy, will also be a strong drawcard. The economic benefit of the tournament has been estimated by Ernst and Young to be in the vicinity of \$19 million.

Finally, Chair, just a couple of other very quick highlights. As I mentioned, the Champions Trophy, the six best men's hockey teams, will be a great event. Australia, England, Germany, Korea, the Netherlands and Spain will be competing. On the water, Melbourne has secured the first leg of the prestigious seven-city Olympic-class Sailing World Cup for the next three years. This will be the major annual event for world-class Olympic-class sailing, and it is great to build on the renowned Sail Melbourne regatta.

I will probably finish there. There are many other things to talk about because it is a great major events calendar.

**The CHAIR** — I am sure. We may need to have some more questions.

**Dr SYKES** — Minister, my question relates to your role as whole-of-government coordinator for youth programs and also the point you have made that education is the no. 1 priority for the Labor government, as I understand it. You did touch on year 12 completion rates and you said how good they are in relation to the rest of Australia. Just a point of clarification, or for your information, you realise that year 12 completion rates in country Victoria are substantially lower than in metropolitan Melbourne, so there is a need to address that. Similarly, tertiary education uptake levels by country young people are far lower than in Melbourne.

That brings me to my question: with the federal government's changes to the youth allowance, which are basically going to require young people to work for longer before getting independent Austudy and therefore disadvantage young people taking up tertiary education, what are the Labor government and you in your role as youth coordinator doing to address that issue and ensure that particularly our country young people can have equitable access to tertiary education?

**Mr WELLS** — I think you have got him stumped.

**Mr DALLA-RIVA** — He does not have that one ready. Who has failed?

**Dr SYKES** — I should say while the minister is conferring that I have had a lot of correspondence already from a young fellow called James Morrow, who is about to go down this path of tertiary education, and another young fellow, Alex Robb, has written to me. They see it as a major impediment to country young people being able to pursue tertiary education. Obviously you then end up with kids on the streets and rising unemployment in country Victoria and a further reason for country young people to leave the country.

**Mr MERLINO** — Thanks, Bill, for your comments. I will make some comments in terms of retaining young people in school and providing those opportunities and then I might ask Kati to give some comments in terms of the national framework and our role and what we are doing in that space.

The Blueprint for Education and Early Childhood Development outlines the government's commitment to continuing improving school retention and assisting all Victorian young people to attain year 12 or an equivalent qualification. Bill, I understand your comments in regard to rural and regional Victoria, and often when we are out on community cabinet one of the common questions I ask — I hold a youth forum at each of these community cabinets, and it is generally with students at school — is about school retention: what are they doing? I ask them about their employment. I ask about their intentions post-school and how many are staying in the local region and how many are intending to travel to Melbourne or elsewhere to pursue their educational and employment goals. So I understand the importance of regional facilities like Churchill Monash University campus, which I visited yesterday.

The Blueprint for Education and Early Childhood Development policy statement acknowledges that factors outside schools directly affect student outcomes and identifies partnerships with families, the community and industry as a strategy to address these factors. Of the factors schools can influence, the most prominent is the provision of a broader range of subjects to match student interest and career aspirations, and this is again something that is quite common in my comments with schools. Some schools have quite a broad range of subjects and opportunities, and other schools less so.

A key strategy to drive the blueprint agenda forward is the employment of 67 regional network leaders to work with schools to improve their performance. RNLs are experienced educators who provide advice and assistance to all schools and more targeted support to underperforming schools.

In late 2008 the effective strategy is to increase the school completion record, and a guide to help schools increase school completion were provided to all schools. These documents identify successful strategies that schools are implementing to improve student engagement and increase rates of completion.

In 2009–10 additional student counselling and career advice services will also be provided in four pilot localities. These new services will work more closely with young people who are about to leave school without a year 12 qualification.

I will not go through some of the budget details, but I am happy to provide that detail. I might ask Kati to comment in terms of the youth allowance and the national framework.

**Ms KRSEVAN** — In relation to the youth allowance there are probably two key things that we will be involved in and that we will be working on with the department of education and also Regional Development Victoria. The first one with the department of education is in relation to the national partnerships that are currently being finalised between the commonwealth and the state government around three key areas. If I can remember them all, they are literacy and numeracy, extended schools and — I cannot quite remember the third one, but we can come back on that. That will be one key piece of work that we will be doing around this whole issue of young people's options in regional and rural areas.

The other key piece of work is that Regional Development Victoria is currently developing a blueprint for retaining people in rural and regional areas, and it has had a focus on young people. Access to tertiary education is a key issue for retaining young people in regional and rural areas. We have been involved in conducting some research for Melbourne University and providing advice to RDV on that. I understand the blueprint will be released later this year, and that is one of the issues that has been picked up on that.

The youth allowance is creating an issue for regional and rural Victorians. I was given an anecdote from Warrnambool on Tuesday about the impact that it is having. We are very aware of it, and we are working with other parts of government to try and look at ways we can minimise that impact as well as talking to the federal government.

**Dr SYKES** — It would certainly be an opportunity for cooperative federalism because, as I presume you know, the uptake of tertiary education by country Victorian students is 30 per cent and falling, whereas with Melbourne students it is 55 or so, and a major factor is cost. So you can be doing this good work, but it is tinkering around the edges unless the cost issue is addressed, and these current proposals by the federal government are going to make it extremely difficult for young people.

**Mr NOONAN** — Minister, I wanted to ask you about one of the more significant announcements in the budget in your area of responsibility, and that is the \$7 million for the construction of the State Basketball Centre in the Knox area. It comes at a time where the sport of basketball at an elite level is going through some interesting times, but I gather from your comments that at least at a grassroots level participation levels seem to be up with that of soccer as well. I wonder if the minister could inform the committee why such a facility was considered a priority for this budget.

**Mr MERLINO** — Thanks, Wade. I expected Kim to ask me this question.

**Mr WELLS** — Which one?

**Mr MERLINO** — About the State Basketball Centre.

**Mr WELLS** — From the marginal seat of Scoresby!

**Mr MERLINO** — It is a great project in your electorate. Thank you for that question. I am happy to provide the committee with an outline of this particular project. As you say, basketball is quite an extraordinary sport because at the grassroots level it is absolutely booming. One of the reasons why we looked at Kim's electorate and the site of Knox is that when you think about the EastLink corridor from, say, Frankston to Dandenong, Knox, Kilsyth and Nunawading, this is quite literally the heart of basketball in the country. It has about 35 per cent of Victoria's registered basketballers. Fifty per cent of national basketballers are registered in Victoria, but the major section is along this corridor. So you have the sport booming at the grassroots level.

At the elite national level, the Opals and the Boomers are in the top echelon of teams world wide. The Opals are world champions and silver Olympic medallists, but at the men's elite level in the nation it is a bit of a basket case at the moment. Working with Basketball Australia, hopefully they will work themselves through this and the reform process, but at the moment, as we speak, we do not currently have a Victorian team scheduled to play in the NBL. I am working closely with Basketball Victoria and Basketball Australia to see if we can reverse that situation, because it is essential that this state is represented in the National Basketball League.

But back to the State Basketball Centre. The state government has committed \$7 million in the 2009–10 and 2010–11 state budgets to contribute to the development of the State Basketball Centre and the Knox regional sports complex in the city of Knox. The commonwealth government has also announced a commitment of \$7 million for the centre through its community infrastructure program, and I understand that commonwealth funding is provided on the condition that construction will commence later this year. This project was always going to be one that needed the three levels of government to get up, and I am just delighted that the federal government has committed along with the state government. We welcome that partnership with the City of Knox and the federal government.

Our confirmed funding partners for the project include Knox City Council, Basketball Victoria, Knox Basketball Association and Football Federation Victoria, because this will not just be the State Basketball Centre, it will also be a regional facility for Football Federation Victoria. It has a vision to have a number of

regional facilities across metropolitan and regional Victoria, so it will be a major facility for the FFV. It will be the home of the Knox Basketball Association, and it will also provide sporting opportunities for netball and gymnastics. It is a large site. It will be a developing site for generations, and it is quite a rare opportunity.

The total project cost for stage 1 of the State Basketball Centre is \$27.6 million. The project will provide enormous benefits to basketball in Victoria. The CEO of Basketball Victoria, Wayne Bird, stated that funding for the project is 'further recognition of our sport's importance in the Victorian community'. The new stadium will enhance participation in basketball, and Melbourne's eastern suburbs have the highest rate of basketball participation in the country. The new stadium will help to harness and develop Victoria's junior basketball talent for the future.

Lindsay Gaze was at the announcement, and he talked about basketball seeking a home for more than 50 years. He said they almost got there with the Bolte government, they almost got there under the Cain government and they almost got that under the Kennett government, but it is the Brumby government that has delivered a state basketball centre. It will include six courts, and it will include a show court. It will be — and this is one of the key reasons why we got federal support as well — a key construction job providing construction jobs immediately and in the long term it will provide employment opportunities both to the state association and to the local sporting clubs.

**Dr SYKES** — Minister, I would like to explore further the respect strategy, again with your hat on as a coordinator for youth programs. I am interested in ensuring that we are addressing vulnerable youth and also linking that to the coordination between various government departments in relation to social housing. I will use Benalla as an example. Benalla is a great town in north-east Victoria — a great place to live, work and raise a family — but it has a very low socioeconomic status rating. Linked with that low socioeconomic status in the case of our social housing we have a lot of clients who come to Benalla from other places. They have no connection to the town, no support services and no extended family network, and often they have complex needs. That really puts pressure on and increases the demand for youth services in the area.

It would appear from what is happening in our town now that those services have been overloaded, in that unfortunately we have an increase in drug and alcohol-fuelled violence. We have a lack of respect by young men — or youth — for females; we have a lack of respect by a small proportion of young people for teachers at the schools; and we have a lack of respect by a small proportion for the police, in that we had an assault on police recently in our town, which was appalling.

We have a serious situation in the community. I am sure it is reflected in other communities, but I am just speaking from firsthand knowledge. Some of the ways of addressing this are to do things like supporting a skate park proposal which I am going to bring to you, Minister, because I have a couple of young people who are really driving that. Leaving that specific thing aside, do you have a strategy in place that ensures coordination between the various arms of government so that we do not have an increased demand on services in a community that results in a breakdown of our social fabric and a loss of respect by our young people?

**Mr MERLINO** — Thanks, Bill. There is a lot in that question.

**Dr SYKES** — We have a big problem.

**Mr MERLINO** — If I can start with the respect agenda, this will be an evolving thing. As we move forward there will be additional things that will be picked up as part of the respect agenda. But in its essence it really emerged from community concern about the alcohol culture and violence in the CBD, and you see it reflected also in regional cities and in local towns. That is where it emerged from. One example of young people themselves calling for some action on this issue was the Step Back Think campaign led by concerned young people to address violence in the city, particularly as it relates to the misuse of alcohol.

When we talk about the respect agenda there are some people in the youth sector who think this is just about government whacking young people over the head saying, 'You should be more respectful'. But the respect agenda is actually a lot broader than that. It is about having some respect for yourself; it is about self-esteem. Do not put yourself in vulnerable situations. It is about having respect for your friends, for your mates. If you think your friend is getting into a vulnerable situation, do not let them get in that position. It is about respecting your community. If you vandalise and spray graffiti, or if, as you say, you have incidents with the local police, you are not respecting your community.

So it is really a three-pronged approach. We recently announced a \$17.7 million strategy to promote community respect as part of the Victorian government's actions to build more resilient communities and address alcohol-related violence among young people.

It really does build on some of the existing Office for Youth programs, like our mentoring initiatives and our advance program on youth participation and access program. So the strategy will focus on strengthening the connection of young people with their communities through volunteering and programs to address juvenile offending. We are going to expand this quite innovative program.

This is about young people working in the community — young offenders — and not getting them sucked into the juvenile justice system, but getting them actually involved in their community and cleaning up some of the mess as well. This whole program has great potential to change not only the individuals but also their communities as well. There is the \$9.3 million volunteer strategy.

That is the respect agenda. As I mentioned before with Sue's question, there is a whole range of programs right across government specifically targeted at early intervention across various areas, whether it is mental health or whether it is homelessness.

Finally, in terms of the youth services on the ground, we are acutely aware of the pressure points, but we also acutely aware that it may not take a lot of money, it is just about better coordination of youth services that are actually available on the ground, feeding much better connections between school communities and support services within the education system and the support services within communities.

**Dr SYKES** — Speaking on behalf of Benalla, we would love to be involved in that and work with you to take advantage of the program and address the issues which are of great concern to many people — our families and our young people.

**Mr MERLINO** — I was at a local government forum which we have done for a few years in a row with ministers who have direct involvement with local councils — Justin Madden, the Minister for Planning; Peter Batchelor, the Minister for Community Development' and me.

I talked about the three pilot better youth services in Bendigo, Frankston and Wyndham. I mentioned what we are hoping to do as we get the resources is to start expanding this into other communities. One of the comments from the floor with regard to Bendigo, which is quite obviously a populated regional and major regional city, was that we need to make sure that we have a fourth category, if you like, because I talked about metro, interface and regional, which was a municipality or municipalities that have quite isolated rural communities. I said that when we expand those pilots, we will be expanding to include a community like yours, Dr Sykes.

**Ms HUPPERT** — Minister, I refer you to page 170 of budget paper 3. One of the output measures is:

Number of organisations funded through youth participation and access program and mentoring and capacity building initiative.

You have referred to mentoring program in a couple of your previous answers just in passing, but could you please provide more information about this program and what will be involved during the 2009–10 period?

**Mr MERLINO** — I will talk about mentoring perhaps a little bit on youth participation access as well. The mentoring program is fantastic, and it really does make a difference. It has been one of the focuses of the Office for Youth.

The Victorian government committed \$3.9 million over four years from 2008–09 to 2011–12 for the mentoring and capacity building initiative for young Victorians, particularly those disengaged from education, employment and training. This investment will boost mentoring programs for young people across the state. In the future the mentoring capacity building initiative will continue to be developed through and build on the three key components which are: building mentoring — these are the programs we provide; tools for better mentoring — this is about providing the resources and education to organisations and individuals; and capacity building — which is about having sustainable mentoring programs in communities right across Victoria.

The Victorian government and the Helen Macpherson Smith Trust have a strong partnership to help build the capacity of communities and develop innovative ways of helping young people. The partnership has afforded

the opportunity to support the delivery of youth mentoring and help young people reconnect with their community as well as with education, employment or training.

There are 12 targeted mentoring projects which are funded to provide quality youth mentoring with priority grouped young people in areas of disadvantage. As at December 2008, the regional coordination projects were providing support to 159 Victorian youth mentoring programs, in turn supporting over 4500 young people and 4220 volunteer adult mentors.

Three regional coordination projects are funded to provide support, training and networking opportunities for mentoring programs and additional support in Gippsland, the Grampians and Melbourne metropolitan regions. A partnership with the Helen Macpherson Smith Trust has provided funding to three more regions — Hume, Loddon Mallee and Barwon South West — completing state wide coverage. So we have done a lot of work in this space.

We have provided tools for better mentoring, which were *A Guide to Effective Practice for Mentoring Young People* and *A Guide to Supporting Effective Programs for Mentoring Young People*. In addition last year we provided a guideline for organisations to engage with business. Mentoring is one of those programs — and I think, Wade, you know a couple of specific organisations involved in mentoring — that is something that business communities react well to. So it is just providing the tools for getting that engagement between those organisations and the business community. It was developed in partnership with the Victorian Youth Mentoring Alliance, youth mentoring organisations and business, and was launched at the business breakfast event.

Activities planned for 2009–10 importantly will have an evaluation framework and tools will be completed in 2009 to be made available along with training workshops to Victorian youth mentoring programs which are looking to review and measure the benefits of continuously improving the program outcomes for young people.

A new MOU between the Victorian government and the Helen Macpherson Smith Trust has been signed this year, taking the partnership to January 2012, and under the MOU the Victorian government and the trust are jointly funding the regional coordination projects and the Victorian Youth Mentoring Alliance.

**The CHAIR** — That is a pretty full answer.

**Ms PENNICUIK** — The budget appears to allocate \$21 million for community sport, but if you look at that closely, it seems to be about \$8.6 million for local sport. Given that your office manages the contract for the formula one grand prix that is reported to have lost \$40 million in its last year, which is five times the amount of money that is being allocated for local sport, my question is: how much in the forward estimates is being allocated to losses for the grand prix, and how is that commensurate with money for local sport?

**Mr MERLINO** — Firstly, in regard to community facilities, if you look at the combination of the community facilities funding program, the country football and netball program, the \$28 million of assistance for clubs as a result of the impact of the drought — well over \$200 million and well over 2000 projects — that is a rate five times greater than the previous government. I do not think anyone can dispute the fact that as far as grassroots sport goes, this government is delivering in absolute spades.

If you are talking about the \$21 million, there is the funding we are providing for soccer facilities — \$5.7 million; there is the funding we are providing to expand the country football-netball program — \$1.2 million; the sporting uniform grants — \$1.6 million. There is also \$7 million to the state basketball centre. The state basketball centre will be a facility that will host national and international events, but this is about providing pathways.

It will be the home of the Knox Basketball Association; it will be a key grassroots facility, providing those opportunities for tens of thousands of young and not-so-young basketball and soccer players and other sportspeople as well. I will stand quite proudly on our record of funding community sport.

**Ms PENNICUIK** — I support money for community sport, Minister.

**Mr MERLINO** — Just in relation to the grand prix, SRV's budget includes funding for the grand prix. You will notice in the budget, Chair and committee members, that there has been an increase in the major events cap. The reason for that increase in the major events funding for SRV, or primarily the reason for that, is that the

funding for the grand prix was originally provided to the Department of Innovation, Industry and Regional Development and directly to SRV. Basically, a lot of that has come within SRV's budget.

These funds are placed in the SRV budget as SRV has traditionally overseen the grand prix for the Minister for Tourism and Major Events. The funding does not include the full amount for the grand prix, as most of the funds remain in the major events cap. Direct questions on the grand prix and funding should be directed to the Minister for Tourism and Major Events.

**Ms PENNICUIK** — A bit of a tennis match on that one, isn't it!

**The CHAIR** — We did ask him a number of questions about that — almost similar questions.

That concludes the consideration of the budget estimates for the portfolio of Sport, Recreation and Youth Affairs. I thank the minister and departmental officials for their attendance today. Where questions are taken on notice the committee will follow up with you in writing at a later date. I also ask that the overheads be made available to the committee. The committee requests that written responses on notice to the matters raised by them be provided in 30 days.

**Mr MERLINO** — Thank you, Chair, thank you members of the committee.

**Witnesses withdrew.**