

TAB — PRIVATISATION

1285. Hon COLIN HOLT to the minister representing the Treasurer:

The government has made an offer to WA TAB agents of up to \$100 000 if the acquirer of the WA TAB licence decides to close down an agency due to network requirements.

- (1) How will this offer apply and how will it be decided which agencies receive the \$100 000 or a lesser sum?
- (2) Have WA TAB agents indicated that this is acceptable; and, if yes, which individuals or organisations have endorsed this offer?
- (3) What set of parameters will be used to determine which agencies will be closed, or will it be at the acquirers discretion?
- (4) How will this offer affect existing TAB agent contracts, which currently offer higher buyback sums?
- (5) What is the government doing to assist the 25 TAB agencies that have been identified by Racing and Wagering Western Australia as at risk of becoming “low turnover” during the first five years of private ownership?

Hon STEPHEN DAWSON replied:

I thank the honourable member for some notice of the question.

- (1) A buyer of the TAB will be required to make termination payments of 50 per cent of gross annual commission up to \$100 000 per agency for any service level 1 assignable business licence agency contracts it terminates upon a review of network requirements within three years of the sale.
- (2) The government is continuing to engage with the WA TAB Agents’ Association as part of the sale preparation process ahead of the sale occurring.
- (3) The overall management of the TAB agency network will be the responsibility of the incoming wagering licence holder, subject to regulatory oversight by the Gaming and Wagering Commission.
- (4) TAB agents who are subject to the connect contract will have their existing contractual rights preserved through the sale process.
- (5) Racing and Wagering Western Australia’s assessment of the number of agencies that may be at risk of becoming “low turnover” applies irrespective of the sale occurring. Should a sale not proceed, it will be RWWA’s responsibility to manage the TAB agency network commercially and in the best interests of the racing industry. Once a sale occurs, it will become the incoming wagering licence holder’s responsibility to manage the TAB agency network commercially and in accordance with its contractual agreement with the racing industry. The reform package announced on 9 October 2018 is expected to put the TAB in a stronger position going forward and thereby ensure the long-term sustainability of the local racing industry.