

GAMING AND WAGERING LEGISLATION AMENDMENT BILL 2018

Second Reading

Resumed from an earlier stage of the sitting.

MR P.A. KATSAMBANIS (Hillarys) [3.09 pm]: I continue my remarks that were interrupted earlier in the day. I reiterate that there are good aspects of this legislation, in particular the changes that are proposed to be made to the racing bets levy scheme with the treatment of bet backs and the calculation, the turnover, applied to betting exchanges. The legislation will see the removal of the really unnecessary red tape on interstate raffles and lotteries that are conducted by charitable and sporting organisations. That can work both ways because it also enables Western Australian products to be sold in other places more easily, creating a level playing field. It will hopefully mean that those charitable bodies, sporting organisations and the like—lots of not for profits that use the raffle system for fundraising—will be able to raise greater funds. If there are any issues about the distribution of funds between state and national bodies, hopefully the state bodies will all get together and make sure they get their fair share and the national bodies will start listening, particularly representative organisations, be they veterans groups such as the Returned and Services League of Australia, surf lifesaving clubs or similar organisations. I think the national body should always understand that it is the grassroots, state-based, locally based clubs and organisations that are the heart of those organisations, and they should make sure the grassroots of their organisations get the appropriate funding.

I then pointed out the nothingness of some of the other provisions, particularly the two main provisions that the government wants to hang its hat on—firstly, that ban on promoting sporting odds during live sporting events at venues. It is a good thing, as I said. I do not think it is a bad thing but it is no panacea, because the sporting groups have already done it. Some of them did it because they wanted to be good corporate citizens. I do not want to highlight the wrong people, but I am sure Andrew Demetriou in his time as chairman of the Australian Football League led that push because he did not like young people being subjected to odds on scoreboards. In the case of some sports, particularly cricket and tennis, across the globe and especially in Australia, it has been done as an integrity measure to protect the integrity of those sporting events as much as possible.

Then there is that purported ban on Lottoland. The minister will come in here and say that the government did not mention Lottoland. It talked about synthetic lotteries like Lottoland. The one that is operating in Australia and has been operating for a number of years is Lottoland. It has been banned. I think the ban comes into place in February next year. It is being banned by the federal Parliament through the changes to the Interactive Gambling Act 2001. It will be rightly banned at that level because that is where the constitutional power lies. We as an opposition attended a briefing and we asked the learned people who were at the briefing: does this apply to Lottoland? They said, “No, we can’t do much about that. The feds have covered that field. Our legislation will not make an iota of difference to Lottoland.” We then asked: what other products is it envisaged will be prescribed? They said that they have not been invented yet. So we are passing legislation on the basis that perhaps a product that is not an online product is invented and located here in Western Australia and therefore we can then prescribe that product as not appropriate for Western Australia. We are really jumping at shadows. We are really trying to make an issue out of a non-issue.

There is an underlying issue that this government refuses to address and that is the impact on our state and small businesses in our state of the clear shift from bricks-and-mortar lotteries and bricks-and-mortar gaming and wagering, if we like, to electronic forms and online forms, be they on the telephone, people’s computers or however we end up consuming online activity in the future. I know that some people are already doing it on their watches and things like that. Where is the competition in the online space really coming from? It is very clear. The members for Carine, South Perth and Dawesville highlighted in their contributions that it is quite clear that the online presence of Lotterywest is driving growth at the expense of bricks-and-mortar Lotterywest agents across our suburbs, in our regions and in our towns. It is a bit like online shopping. We cannot just put our finger in the dyke and hope that the water does not come in. I do not blame Lotterywest for actively engaging in the online space, competing with sports betting and everything else that it does. Members should remember that I am a non-gambler. It does not impact on me personally and it never will. I do not blame Lotterywest for doing that. Lotterywest gives out licences to small business operators—to retailers—to retail the Lotterywest products out there in the community. Lotterywest itself is out there directly competing for custom. It is often easier when it is raining, when it is too hot or when one member of the family has the car so the other member cannot use it to go online and buy a lottery ticket than drive to the mall, find a parking spot and perhaps run the gauntlet of rain, packed crowds or whatever. Lotterywest is actively competing against its own retailers. We would think in that paradigm a government that wanted to protect retailers would sit down with Lotterywest and the retailers and come up with a revenue-sharing model. It is not too hard. It can be done in any number of ways. We have seen the figures—the last two years have seen a real growth in online lottery sales. The real growth in dollar terms has been in the last

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couple of years when this government has been in power. It has done absolutely nothing to look after that. The minister still has that opportunity. It will not run away.

Mr P. Papalia interjected.

Mr P.A. KATSAMBANIS: If the government really wants to protect retailers, it should give them a revenue-sharing model that lets the retailers share in the growth that is happening in the industry that they have been sold.

Mr P. Papalia interjected.

Point of Order

Mr S.K. L'ESTRANGE: I do not believe the member for Hillarys is taking interjections.

The ACTING SPEAKER (Mr R.S. Love): Thank you, but I am capable of running the debate.

Debate Resumed

Mr P.A. KATSAMBANIS: The government should give retailers an ongoing stake. It is a revenue share. When someone buys a ticket at a kiosk or a retailer, some of the revenue stays with the retailer. Obviously, the majority of the funds go into the pool that provides prizes. A small portion stays with the retailer. A portion goes to state revenue through the Lotteries Commission and the rest is kept by Lotterywest for community grants. That is a great thing. We want to support that. The percentage that does not go into the pool, when the retailer does not get their margin, gets swallowed up in commission. A deal can be done that will give the retailers a place in the sun, perhaps protect them from some of the competition, and at the same time protect the integrity of the lottery and continue to ensure that the pool of funds that are meant to be the whole reason for the state regulating lotteries—that is, the Lotterywest funds that are distributed to community groups—continues to grow.

I want to finish on that issue about continuing to grow the funds. As I said, online gambling—the Lottolands, other synthetic lotteries or actual overseas lotteries, for that matter, or anything else that happens online—is not really the province of the state, but state, territory and federal ministers get together to discuss these things. In an interjection before the lunch break the minister made that point in relation to the promotion of sporting odds during live sporting events at venues. They all got together and they had a choice about these new synthetic lottery products, which are obviously popular. I have absolutely no idea why they are popular. They do not appeal to me, as I keep pointing out, but they are popular.

Mr J.E. McGrath interjected.

Mr P.A. KATSAMBANIS: I guess it is the multiplication effect, member for South Perth. People have better odds if they bet on a horserace than they do in a lottery, but the lure of that big, big prize is the number one thing. That is why people buy lottery tickets. It may be for cultural reasons, too, that they find it an easier form of gambling to deal with. When a big international prize is put in, there is an even bigger lure, and that is what attracts some people. That is all well and good. People are welcome to have those choices. At a ministerial level and at an intergovernmental level, the choice was to either stick our heads in the sand and ban it or look at how to derive some revenue. It is interesting that when this legislation was introduced, the media spoke to Lottoland representatives. I heard a couple of those interviews, particularly one with Oliver Peterson on 6PR. The Lottoland representative said, “Look, we were very happy to help fund the Lotterywest pool. We were very happy to come into a regulated regime and pay our equivalent of state tax into whichever pool the states wanted to put the money.” It is interesting that in the week that we are debating this bill, the government has brought out its proposals for the sale of the TAB. One of the headlines of that proposal is that it will move to a point-of-consumption tax.

The ACTING SPEAKER: Treasurer, your noise is carrying right across the other side of the chamber. Could you keep your discussion down.

Mr P.A. KATSAMBANIS: We will move to a point-of-consumption tax in wagering on racing because it is fairer, more equitable, recognises the spread of modern gaming and wagering, and protects the revenue of the state. That option was still available with Lottoland. It indicated that it wanted to do that and that any funds could have gone straight into Lotterywest.

Mr P. Papalia: Are you arguing the case for Lottoland?

Mr P.A. KATSAMBANIS: No, I am not, but I am highlighting the hypocrisy of a point-of-consumption tax for the TAB but no consideration given to a point-of-consumption tax for Lottoland. I recognise it is not in the minister's hands alone, but when we are talking about protecting Lotterywest's revenue pool, one of those issues could have been considered.

Mr P. Papalia: You are arguing for it.

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Mr P.A. KATSAMBANIS: I am not advocating for anyone. I would be happy if there was no gaming whatsoever, absolutely, because it is not in my nature.

MRS R.M.J. CLARKE (Murray–Wellington) [3.23 pm]: I rise to support the Gaming and Wagering Legislation Amendment Bill 2018. Lotterywest is absolutely unique. When Lotterywest became part of TattsLotto across Australia, it was kept unique to Western Australia and we made sure that the profits from all Lotterywest sales went back into the community. That does not happen across the rest of Australia. In some states, no money goes back into the community. In other states, they put a small proportion back in, but community groups cannot apply for grants. It is absolutely imperative that we keep Lotterywest the way it is now—in state-owned hands, but also, more importantly, in the way that we run it and protect its brand. It is important that these things happen, because we do not want big companies like Lottoland coming in. I was mortified when I saw the advertisements on television. I thought, “This is ridiculous.” The claims being made in those ads were absurd. I do not understand why people would want to buy into something like this. The contributions that Lotterywest makes to the community outweigh everything. We need to protect that brand. It is a trusted brand that everyone knows. Everyone in Western Australia knows Lotterywest. People have grown up with Lotterywest. It is recognised throughout the whole community. For small business, this legislation protects newsagencies and agents that sell Lotterywest products. At the moment, people gamble online and that is just not right for small business. The community benefits from Lotterywest products and we must protect that vital community contributor. There are 514 outlets in Western Australia that want this legislation and that want the McGowan government to fix the issues created by the previous Liberal–National government.

I want to touch on how fantastic Lotterywest has been for my community. Over the past 12 months, in my community alone, I have been able to get close to \$1.5 million in Lotterywest grants. I want to tell members about the importance of these grants. One was \$145 000 for Fairbridge to fund two new buses for disadvantaged and at-risk youth. This is vital for my community, because there is no public transport in my community. There was \$90 000 for the Pinjarra Community Garden for a multiple-purpose function facility. This community garden was put together by the community and it now has a function facility where it will be able to host things with all the produce and garden products that it sells. The next one is magnificent—\$750 000 for the Shire of Harvey to rebuild the Yarloop community hall, which was burnt down in the devastating 2016 bushfires. There was \$234 000 given to the Shire of Waroona for the Preston Beach community hall. Again, this is a necessity, because during the 2016 bushfires, Preston Beach was cut off from the rest of the community and the community hall was the only place where people could gather. It was a tiny little fibro building and did not suit its purpose. It is absolutely vital that the people of Preston Beach got an upgrade of their community hall. Another grant was \$250 000 for the Shire of Murray for the Dwellingup skate park and pump track. The Shire of Murray is investing hundreds of thousands of dollars into Dwellingup to create a major tourist precinct and an international bike track throughout the Dwellingup region that goes all the way to Collie. Again, that is going to create jobs and tourism. The last grant was \$20 000 towards running costs for the Harvey Harvest Festival. This festival started when a small Italian community group got together 20 years ago and started holding the Harvey Harvest Festival, to which they would bring wonderful produce to Harvey. I attended it this year and it was the most magnificent thing I have ever seen. There was grape stomping and all sorts of things.

I believe that this legislation is vital. Lotterywest absolutely needs to be protected. We need to stop outside proponents coming into Western Australia. This is our asset. If I as an individual had an asset, I would want to protect it as well. I commend this legislation to the house.

MS L. METTAM (Vasse) [3.28 pm]: I would like to make a few comments on the Gaming and Wagering Legislation Amendment Bill 2018. At the outset, I would like to provide some clarity around the comments made by the Minister for Racing and Gaming and the McGowan government on Lottoland and the suggestion that this is dealing with Lottoland. Although there is concern in the community about a threat to Lotterywest—Lotterywest being something that is very well supported in the community and by retailers and community groups that benefit from it—it is very clear that it was the federal government that dealt with this issue. The mere suggestion that the Minister for Racing and Gaming or the McGowan government is dealing with Lottoland through this legislation is mere window-dressing. An article in *The Australian* on 7 October by Sarah-Jane Tasker about Lottoland states —

Lottoland was effectively shut out of Australia when the federal government introduced laws into Parliament in June to ban synthetic lotteries following a strong campaign by newsagents and Tabcorp.

I certainly welcome the introduction of that legislation. This Gaming and Wagering Legislation Amendment Bill also encourages responsible gambling practices. Like the issue surrounding Lottoland, although worthy in its proposal, it is very short on detail in how this legislation will deal with this opportunity. It is fair to say that we are seeing, again, tinkering at the edges and a suggestion of trying to address an issue. But when it comes down to how it will be delivered and how responsible gambling practices will be delivered, we are seeing something very

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different. We heard the Premier in question time talk about how Trackside is not gaming and, I guess, use weasel words around the government's approach to a really important issue.

I acknowledge that there is a push to online sales and an emphasis on online sales of Lotterywest tickets and products. I underline the threat this could potentially pose to our small business operators. There are a couple in my electorate—Seachange News and Lotto agency in Dunsborough and Callows Corner News in Busselton. They rely heavily on the benefits of the sales of Lotterywest tickets, given that it is central to their revenue through not only the sales themselves, but also the incidental products sold at the same time. There are 503 outlets like this around Western Australia that have benefited greatly from having that licence and being able to sell Lotterywest tickets. The revenue collected by retail outlets over the years shows a very consistent number of sales garnered by this sector. Although the McGowan government is putting greater emphasis on the online sales of Lotterywest tickets, we are seeing in the figures—I refer to parliamentary question on notice 3632 asked in the Legislative Assembly—a very steady performance in the purchase of Lotterywest tickets at these 503 outlets across the state. The point I am making is that the people of Western Australia, clearly, very much value Lotterywest not only as a product, but also in what it brings to the state. We need only look at the foreshore in Busselton and the youth precinct project to see a very good example of Lotterywest funds being delivered to the community. We need only go to Callows Corner News agency or Seachange News and Lotto agency to see the level of support for this very well supported program.

However, I give warning about the push to online sales by the McGowan government and encourage it to look at what is already working—that is, the support of Lotterywest and the sale of lotto tickets from our small businesses, those 503 outlets across Western Australia. I will leave my comments there. I understand we will be supporting this bill.

MR D.T. PUNCH (Bunbury) [3.34 pm]: I rise to speak in support of the Gaming and Wagering Legislation Amendment Bill 2018. It is a bill that amends the Betting Control Act 1954 and the Gaming and Wagering Commission Act 1988. They are both fairly old pieces of legislation and certainly predate the significant rise in the application of online technologies to gambling in Western Australia. I support the amendments because they deal responsibly with a rapidly changing betting environment, in particular the significant rise in for-profit private operators whose interests are defined solely by maximising participation of the number of people involved in gambling and betting and maximising return to the owners with no real social dividend back to the community. In Australia, nationally, online betting products have increased by around 15 per cent per annum and, significantly, the Productivity Commission has estimated that as many as 115 000 Australians are experiencing problem gambling—115 000. A further 280 000 are at risk of problem behaviour. These are significant numbers. It can mean that families have insufficient money for basic needs such as food. It can mean people losing their jobs because of their behaviour. It can result in people losing their houses. It is a national problem and one that has long been recognised by successive governments in WA. We have often had a mutual position in politics on this.

The most significant aspect of this bill for me is a focus on harm minimisation. By putting in place contemporary controls of betting products, this bill complements the recently amended federal Interactive Gambling Act 2001, which has prohibited betting on the outcomes of overseas and Australian lottery draws. The subsequent amendment to the Betting Control Act 1954 will allow the Gaming and Wagering Commission to prescribe prohibited events and contingencies that can be bet on. That means the commission can be nimble, can react, can be proactive and can futureproof the state against things we might not even know about by being able to respond effectively.

I have seen a lot of animation today from members opposite. I think it is because they are a little embarrassed about the situation. Although we have seen the rise of these sorts of technologies in the last couple of years, they have been well on the horizon. They could have been thought about. Coming in here and suddenly finding issues to get really animated about, the member for Carine suddenly discovers Trackside betting. With a lot of arm waving and flapping about what this means and what the government is up to, he wound up the Leader of the Opposition, pointed him in the right direction and away he went with words about hypocrisy, hidden agendas, what is the meaning of what the government is doing and putting words into the mouth of the now Premier in his previous role as a Minister for Racing and Gaming. What an approach! That highlights to me a certain level of hypocrisy on the opposite side.

What did we find in 2013? An announcement was made about the potential sale of the TAB. Nothing happened right through this period until this government came in, rolled up its sleeves and decided to do something about it. All that did was contribute to a great sense of uncertainty, a lack of a future perspective and certainly a lack of action in addressing anything in a strategic and sensible way in relation to racing, gaming and betting.

I was certainly surprised yesterday by the contribution to the debate of the member for North West Central. He talked about the bill reminding him of an episode of *Seinfeld*—a pitch for a show about nothing, I believe I heard him say. He described the legislation as being about nothing—something that goes to the heart of harm minimisation and trying to find the right balance between betting, people having fun and managing the risks

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associated with adverse betting behaviour, he described as being about nothing. It is an issue that has a profound effect on our community and at the same time it has the potential for, and has demonstrated, profound negatives. There is no other industry I can think of in which getting the social licence to operate is more critical and more important on the basis of a values-based debate, and that is what is paramount. What did I think I heard the member for North West Central say? I think I heard him say, “We support this legislation because it does not mean much at all.” Does that not say a lot about the National Party? It supports legislation that does not mean anything at all, but when it comes to a meaningful debate, where are the members of the National Party? They are certainly not in this chamber. Time and time again when I come in here for a sensible, meaningful debate, not a member of the National Party is in sight.

Mr P. Papalia: Gone home.

Mr D.T. PUNCH: Gone—gone home. They are a bit worried about traffic jams while on the buses. The Acting Speaker (Mr R.S. Love) is here, but I am sure that given the opportunity, he would be out and on the bus as well. That sums up the level of debate that is coming from the opposition side.

Point of Order

Ms J.M. FREEMAN: The standing orders state that it is not appropriate to bring the Speaker or the Acting Speaker into the debate. I ask that you, Mr Acting Speaker, ask the member to note that and withdraw his comments.

The ACTING SPEAKER (Mr R.S. Love): Thank you, member. I am not so concerned about the comment because I think it was made in a lighthearted way. Carry on, member for Bunbury. The general rule is that you do not attack the Chair.

Debate Resumed

Mr D.T. PUNCH: I will put it down to inexperience. I am still learning the standing orders.

The legislation is important because it is aimed at protecting the value base that we have built over many years around betting and ensuring that harm, as far as possible, is minimised while respecting people’s choices and protecting them in an environment in which any form of traditional regulation is under threat from digital disruption—disruption from technologies whose sole purpose is aimed at increasing the market share and maximising profit regardless of the social consequences.

I note the contribution of the member for South Perth yesterday, who gave a comprehensive overview of the trends in the sales of lotto and the role that Lotterywest plays in supporting not only the many small businesses that sell lotto tickets, but also the many community organisations that benefit from Lotterywest grants. I noted his comments about the trends in sales but, from my point of view, digital disruption has the potential to change sales trends in so many industry sectors virtually overnight, and this legislation is about being nimble, proactive and able to anticipate without relying on legislation that, in the past, has meant that change occurs in months, if not years, and not in terms of the virtue of a new app on the market. Lotterywest in Western Australia is very much a values-based social enterprise. It provides a fair and equitable lottery opportunity and returns a social dividend back to the state. Many members have spoken about that. It has an interest in sales, maintaining its future and position and growth, but its value base is not about profit; it is about the social dividends and the return to the community. As such, it has been very much a part of the fabric of Western Australia for many, many years. I want to spend a bit of time talking about what it is we stand to lose if we do not get this legislation in place and provide adequate protections for the future.

My first experience of lotto was a very long time ago, back in the 1970s—well before any form of technology. In those days, we would go to the newsagent and buy a lottery ticket with a number on it from a stub. All the stubs went into a central pool and out came the draw. It was a time of great simplicity. My father-in-law won the lottery.

Ms J.M. Freeman: How much?

Mr D.T. PUNCH: I cannot be sure.

Mr B.S. Wyatt: Before you married his daughter?

Mr D.T. PUNCH: No, well after, unfortunately. This was in the late 1970s, early 1980s. I think he won \$16 000, which was a lot of money. He migrated from Poland with his wife and they landed in Bunbury. All they had when they first arrived in 1948 or 1949 was money to buy a postage stamp to send a letter back home.

[Quorum formed]

Mr D.T. PUNCH: As I was saying, my father-in-law won the lottery. He arrived with nothing and that lottery win helped to pay off his house and set them up for a great future. I am sure that that difference has happened for many families. Lotterywest itself makes a vital contribution to Bunbury and Dalyellup, the key areas of my electorate.

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I know that contribution is greatly appreciated and valued. It is the sheer diversity of community purposes that Lotterywest funding can be applied for that is so valued and appreciated. It is not only the fact that people can get grants from Lotterywest; it is the reality that Lotterywest staff are out in the community talking to people about how to shape their projects, how to apply for funding and how to improve their grant applications. The immeasurable contribution to our communities that Lotterywest makes goes beyond the simple act of taking money through a lotto system and redistributing it back to the community. Lottery-funded projects located in a single community are in areas such as developing buildings and facilities, providing emergency support, supporting the not-for-profit sector to develop strong planning and give it access to digital resources, community events, heritage, conservation, providing equipment to community organisations and research. What a diverse scope of contribution it makes, all through a value-based social enterprise. It is important that we in this Parliament do our utmost to preserve it.

Lotterywest also provides funds at the state level that impact on multiple regional communities. For example, earlier this year, my community in Bunbury was one of over 15 regional communities to enjoy a live broadcast of the Black Swan State Theatre Company's *Summer of the Seventeenth Doll*. This type of innovative funding delivers a value-for-money option and ensures that regional communities have access to the very best arts programming available in the state. It is not only a regional or metropolitan service; it is a statewide service that provides a focus right across Western Australia. It is well-known in my community that Lotterywest is a great supporter of our community organisations. I know of people who, when they purchase a lotto ticket, describe it as making a community donation, and that is because they can see the transformative impact of Lotterywest. I am pretty sure that when they buy their ticket, they are keen to win as well, but the fact that it is part of a community effort is well recognised in my community. They can see the transformative impact on the community and the not-for-profit sector.

I will cover off a couple of examples that have occurred over the past 12 months. There is a breakaway, newly formed Aboriginal corporation that works with families and people living with the effects of substance abuse, especially meth. It receives funds to help develop its overall strategic agenda and website, which directly informs the community about its services and where to go for help. The South West Multicultural Festival in Bunbury is a major event in one of the most multicultural regional communities in the state. It received \$20 000 for its 2018 presentation of the annual multicultural festival, which is a great exploration of the diversity of culture, language and experience that makes Bunbury what it is today. Bunbury Regional Entertainment Centre received \$114 000 for audience development activities to create new opportunities for regional people, especially youth, to engage in the performing arts. The Dolphin Discovery Centre received over \$600 000 for a fit-out and to improve access to the centre and its services, especially for people living with a disability and volunteers. The South West Opera Company received money to purchase equipment; the City of Bunbury received money for its annual SkyFest event; AccordWest received money to directly support homeless youth by supporting the accommodation centre that has just been opened; and Doors Wide Open, a community organisation, received money specifically to support families dealing with the effects of meth through their ability to purchase a vehicle. It allows Doors Wide Open to get young people in recovery employment and volunteering opportunities in the community, and supports the education service it offers to schools, employers and community organisations. In just the last 12 months, the arts, crisis accommodation, community events and celebrations, community infrastructure and specialist support services in Bunbury have all benefited from Lotterywest funds. That is just in my electorate alone; I am sure that is absolutely replicated in every other electorate. I cannot think of another organisation that is able to respond so directly to support the specific and unique needs and aspirations of our regional communities. That is what we are trying to protect and safeguard into the future.

Over the last five years, Lotterywest has awarded grants totalling more than \$5.6 million to Bunbury organisations. Retailers have sold division 1 winning tickets valued at more than \$7.7 million. Unfortunately, I have not had a share of that! Based on this very limited and conservative review of Lotterywest impacts on Bunbury, it has injected more than \$13 million directly into the Bunbury economy over the past five years, but of course its contribution is far greater than that. I have spoken about the skills contribution, the information and the advice it provides to community organisations in my electorate. Those are the sorts of things that this legislation is there to safeguard into the future to make sure that we do not lose that to all sorts of profit maximising and participation maximising private owners of betting operations.

There are 14 lotto retailers in the greater Bunbury area, as the member for Vasse mentioned, all of them selling multiple products and making a significant contribution to the success and diversity of our main streets and shopping centres. All of them are employers, and many of them employ young people, giving them either a start in the retail sector or, at the very minimum, a part-time job on weekends to help them through school or university. No matter which aspect of Lotterywest's business we look at, whether it be the distribution of prize money to individuals in our community, the employment it creates in our community, the millions in grant funding it gives to our community sector or the myriad community facilities and programs that those community organisations

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deliver with that money, there is no disputing that Lotterywest is unique in Western Australia for the community benefit it delivers.

I come back to the original premise of what this legislation is about. It is about striking the right balance between the fun and the enjoyment of having a flutter, having a bet, and harm minimisation, and ensuring that throughout this changing world that we live in, and the changing nature of technology, we continue to have a social enterprise-based organisation that can make a strong commitment to the whole of Western Australia. I thank the minister for bringing this legislation to the house, and I fully support it.

MR B.S. WYATT (Victoria Park — Treasurer) [3.53 pm]: I rise to make some comments on the Gaming and Wagering Legislation Amendment Bill 2018. I must respond to some of the positions put by the Leader of the Opposition and the member for Carine in particular during their second reading contributions on this issue. Of course, they wandered off into the proposal of the government for the sale of the TAB and the point-of-consumption tax. I want to respond and place some comments on the public record about the position of the Liberal Party. First, it must be pointed out that it is quite incredible that the Liberal Party could not hold a position for 24 hours on its response to the most comprehensive and generous package for any racing industry in Australia. Within 24 hours, the Leader of the Opposition, ploughing the depths of simply opposing for opposition's sake, has found a new reason to wriggle out of and crab walk away from his early comments of approval.

I want to place on the record once again the comments made by those involved in and impacted by the sector when we announced our package, which had been developed over a long period, in close consultation with the industry through the leadership of Racing and Wagering Western Australia. Country Racing Association WA president Kevin Scott welcomed the proposal put by the government, but just wished that it had happened sooner, because the value of the TAB, in his view, had declined over time, and I think he is probably right. The history of why this measure took so long to get here has been well ventilated. Importantly, the WA TAB Agents' Association represents the small businesses that have taken risks in an area undergoing dramatic digital transformation to their detriment. Representing those small interests, in particular our proposal around Trackside, the president of the association, Jeff Miles, said that he welcomed the announcement, but it was critical that business owners are protected during these changes. He continued —

You know, we're ... looking forward to working with the Government in the future towards an outcome ... that proves the best for everybody involved.

But he also said —

... we need to protect our small businesses.

The man not known for his consistency, Hon Colin Holt, when this proposal was put to him, said, "Yeah, it's about time." I hope the position that has been articulated today by the Leader of the Opposition and the member for Carine is not the position that the Liberal Party is going to take. The level to which the Leader of the Opposition is willing to go to try to crab walk away from any form of moral position on these things was highlighted in question time today, when he deliberately misrepresented a quote from the Premier. Fundamentally, the Leader of the Opposition had his pants pulled down, but that highlights the depths to which he is willing to go. The Leader of the Opposition equating pokies and electronic gaming machines to Trackside is simply absurd. We might as well go to the Royal Show, buy those little bingo tickets and say, "That's a pokie; it should be outlawed." I suspect that some of the wowsers in the Liberal Party hold that view.

I know it is not the view of the Liberal Party because I know that not all members hold this view, but the view of the Leader of the Opposition and the member for Carine is that they oppose the one initiative that has been announced to protect those small businesses, as outlined by the president of the WA TAB Agents' Association—the extension of Trackside to TAB agents only. The Leader of the Opposition is saying that it is okay for Crown casino to have that revenue source, but it is not okay for those WA TAB agents to have that revenue source. They will allow Crown to do it, but, in one of the most dramatic industry changes going on in our economy, they will not allow it for those small businesses, some of which are struggling against the might of smartphones and those foreign bookies. About 50 per cent of all bets take place through smartphones, not through people walking into a TAB, which is why the government thought that giving them a little something extra would be a good outcome. The Leader of the Opposition wants to cut the legs out from under those small businesses, because if we allow that extension of Trackside, it will see a higher, although not dramatically higher, I suspect, price for the TAB. Then he is saying to the entire racing sector, country and metro, that its future fund will be less if Mike Nahan, the Leader of the Opposition, and Tony Krsticevic, the member for Carine, get their way. That is the position the Leader of the Opposition has now put in the 24 hours since he first said that he supports the position of the government.

The Leader of the Opposition must stand for something at some point. Historically, the position of the Liberal Party was to support small business. I still think that some on the other side of this chamber hold that view, but that is

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a dangerous position to take. As I have said, this is the proposal. If the Liberal Party wants to go out there and deliberately find ways to unwind the proposal so that small businesses are penalised, and the broader industry gets a poorer return for its future infrastructure requirements, so be it. He should go and articulate that, and at the same time he can articulate why he is also opposing foreign-registered bookmakers paying a tax in Western Australia. Out you go, Leader of the Opposition! I look forward to that debate, and I wish Parliament sat tomorrow so I could pursue it further.

Dr D.J. Honey: We are waiting for next week.

Mr B.S. WYATT: I hope you are, because I would have thought you, member for Cottesloe, would understand the position that has been put.

Dr D.J. Honey: We don't want more gaming machines. That is what we want.

Mr B.S. WYATT: Correct—and there are no gaming machines! But that is interesting. So that confirms that the member for Cottesloe, the member for Carine and the Leader of the Opposition have the same view—that is, anti-small business and anti-racing industry. That is exactly what it is.

Several members interjected.

Mr B.S. WYATT: Okay.

The ACTING SPEAKER: Members!

Mr B.S. WYATT: That is the position of the member for Cottesloe, the member for Carine and the Leader of the Opposition—anti-small business and anti-racing sector. I remind people that about 35 000 Western Australians are employed in the racing sector and that those jobs, by nature, are not enormously secure, particularly with the influx that we have had. I have said that between 2007 and now, the percentage of betting that has moved to this from the Totalisator Agency Board has gone from about 15 per cent to 50 per cent, like that—in the blink of an eye. When the government reacts to try to protect those WA small business owners, the Liberal Party is now stepping forward to unwind those protections. I am stunned by that. If the opposition thinks it can get away with this by equating Trackside to pokies—electronic gaming machines—it is wrong. That is the position it now occupies—a position that is anti-small business and anti-industry.

I want to reflect on one other thing before I sit down. After Hon Colin Holt said, “Yes, it's about time”, when the government announced its proposal, and then went on to gush about it, this is the media statement he put out —

Addressing Labor's announcement of legislation detailing a new point of consumption ... tax, Mr Holt said the entire tax take should be returned to WA's racing sector—not just 30 per cent as flagged by the Government.

Let us just think about that for a minute, colleagues. Despite the fact that 30 per cent has been welcomed by everybody in the industry, Hon Colin Holt says every single cent raised by the point-of-consumption tax should go to the racing sector. So when people bet on the Chicago Bulls, that should go to racing; when people bet on county cricket, that should go to racing; when people bet on anything outside of racing, that is where it should go. Honestly! What a bizarre scenario we now find ourselves in with the Liberal Party taking a deliberately anti-small business strategy and anti-industry strategy because it thinks that is the way forward, because unfortunately the Leader of the Opposition cannot hold a position for 24 hours. That is the problem he has—not even for 24 hours! The Leader of the Opposition does not have a standard of truth within him. He came to the chamber today in question time and was less than truthful in the quote that he put to the Premier, and thankfully had his pants pulled down, much to his embarrassment, as it has been described to me by some in the media.

I want to make this point: the package is good. That is why it has been welcomed by the Country Racing Association of Western Australia, the small business representatives—the WA TAB Agents' Association—and Racing and Wagering Western Australia. It has been welcomed because it will do the one thing that the former government was unable to do under the leadership of the Leader of the Opposition when he was Treasurer—make a decision and provide certainty. Importantly, we are also trying to protect small businesses.

Dr M.D. Nahan: You are undermining it every inch of the way!

Mr B.S. WYATT: Okay. You know what, Leader of the Opposition? I get the bitterness of your failure in government.

Dr M.D. Nahan: I am just holding you to account for what you said.

Mr B.S. WYATT: The fact that the then Treasurer sat over here and said he was going to sell this, sell that, do this, and do that. In the end what did Mike Nahan do? He lost the AAA credit rating! That is his legacy. That is what he did. And I get your humiliation, Leader of the Opposition! I understand it, and I understand his frustration,

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bitterness and anger that we have managed to get the industry on board with this proposal. But what I do not get is the fact that the Liberal Party has taken a deliberately anti-small business position against all those small business people who have taken a risk, who are now seeing their revenue sources undermined by their mobile phones—they are now seeing that. The Leader of the Opposition says, “Well, too bad—I’m coming after you! I’m not going to allow you to compete. I’m not going to allow you to have another revenue source.” At the same time, the broader racing industry should not get a future fund to the value it deserves. That is the position of the Liberal Party—not of the broader Liberal Party, but of the Leader of the Opposition.

Dr M.D. Nahan interjected.

Mr B.S. WYATT: Do members know why he has that position? It is from a deep anger and bitterness from his failure on this side of the house. He has a deep anger and bitterness from his time on this side of the house. That is the reality. If he is going to carry that anger all the way through his time in opposition, the Leader of the Opposition is going to have a miserable time.

Dr M.D. Nahan interjected.

The ACTING SPEAKER (Ms S.E. Winton): Thank you, Treasurer. Leader of the Opposition, fair go. You have had enough. Next time I will call you to order. Thank you.

Mr B.S. WYATT: He will have a very miserable time with the anger, fury, bitterness and humiliation of the record of the Leader of the Opposition in government. That is what drives him now, and I am disappointed that in that anger and humiliation, as he thrashes around looking for relevancy, he will try to take out those small business owners who have TAB licences. But that is the position of the Liberal Party. I know the member for South Perth has a much more sensible approach to this, and I hope as the shadow minister responsible he wins the day against this madness coming out of the Liberal Party. This is the package; it is a once-in-a-generation package, and the industry will not forgive the Liberal Party if it seeks to undermine it and ensure that it does not progress. If the Leader of the Opposition wants to have this fight, I am willing to have it, because the people he is protecting —

Several members interjected.

The ACTING SPEAKER: Leader of the Opposition, I call you to order for, I think, the first time.

Mr B.S. WYATT: The people he is protecting are thus: first is Crown Casino, because Crown should have the right for Trackside, but not WA small business owners. That is the first position he has taken. The second mob he is backing—there is no surprise here because it is the same mob he backed in opposing the foreign buyers surcharge—is the foreign owners of those large bookmakers that are broadly registered in Gibraltar; they are the friends of the Leader of the Opposition. The third group he is seeking to undermine is the broader racing industry and the size of the future fund on the sale of the TAB. That is the position of the Liberal Party. I hope this is just part of the argy-bargy of opposition, trying to take some skin off the government on the way through—I get all that. But the Leader of the Opposition needs to understand that he needs to rise above his anger, bitterness and humiliation from his time in government and ensure that he can also be a helpful participant in reform that his government clumsily and ham-fistedly started back in 2014! We are trying to resolve an outcome that you guys started. We are now trying to resolve that. The beauty is that that we have —

Dr M.D. Nahan interjected.

The ACTING SPEAKER: Leader of the Opposition—thank you. I am on my feet. I am calling you to order for the second time.

Mr B.S. WYATT: The beauty is that we have two things going on. We have a point-of-consumption tax that allows the whole package to be complete—something the former government did not have. That is why at every point all those groups have been covered off on, which is why everybody is supporting the package. One other point I will make is that although that the anger, bitterness and humiliation of the career of the Leader of the Opposition drives him now, I remind him that he had control of both houses of Parliament from 2013 to 2017. He could have done what he wanted to, but the indecision, haplessness and ham-fistedness of the former government drove uncertainty that has seen declining investment and those foreign-registered bookmakers cut a swathe through the TABs. This Labor government will protect those small businesses. We want to give them a chance to survive with a small increase in their revenue stream, and we will back that in as an essential part of the reform package. If the Liberal Party wants to undermine small business and undermine the sector, I look forward to that debate because I am utterly confident that the industry will come down very firmly on the side of the government’s proposal.

MR R.R. WHITBY (Baldvis — Parliamentary Secretary) [4.10 pm]: I rise to speak on the Gaming and Wagering Legislation Amendment Bill 2018 as it relates to amending the Betting Control Act 1954. The bill allows the Gaming and Wagering Commission to prescribe prohibited events so that bets cannot be placed on those events. This is complementary to the federal legislation that bans betting on the outcome of Australian and overseas lottery

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draws. I noticed that a number of members of the Liberal and National Parties described this part of the legislation as “a provision about nothing”. I think the member for North West Central quoted the famous *Seinfeld* program. It was an interesting observation to make, because I imagined what Seinfeld character the member was trying to invoke in his comment. Was it Kramer or George Costanza? Which character best represents the member and what he was trying to say? I came to the conclusion that he was most definitely trying to invoke Newman!

We have heard a lot about this being a provision about nothing. Members have said that it is window-dressing and unnecessary. I have looked at the federal legislation, which began its journey through the federal Parliament when it was announced on 10 November 2016. This provision to outlaw gambling on lottery draws was finally enacted into law in August 2017. A couple of months after the enactment of the federal legislation, the iGaming Business website ran a news story on 15 November 2017, which states —

After months of campaigning from state lotteries and newsagent groups, the Northern Territory Government has stepped in and banned Lottoland from selling bets on Australian lotteries.

Further, the report states —

Prior to the Northern Territory’s announcement, governments in New South Wales, Tasmania and West Australia had publicly stated their intention to ban synthetic lotteries in their states. In South Australia, legislation already prohibits bets on lotteries.

Further, I point to a report on *The Guardian* website of 2 April 2018 that states —

South Australia has already banned synthetic lotteries and the Northern Territory has banned betting on Australian lotteries ... while Victoria, NSW, Tasmania and WA are considering introducing legislation.

This was reported after the federal provisions were enacted. I will take members through that again. Victoria, New South Wales, Tasmania and Western Australia are considering introducing legislation to ban synthetic lotteries. That was reported in April 2018. If it is such an unnecessary provision and a provision about nothing, why are these states also looking at similar provisions? Why is the state of New South Wales, which last time I looked had a Liberal administration, considering this? Why was the state of Tasmania, which last time I looked had a Liberal administration, also considering this provision? It is because they know that action that is complementary to the federal legislation has to be taken at the state level.

These amendments that we are dealing with today will create an offence of betting on or offering betting on the outcome of lotto or lottery draws. It effectively bans what is known in some quarters as “fake lotto”, which we know is being aggressively marketed in Western Australia. Anyone who has watched television over the past couple of years will know that perhaps millions of dollars have been spent on Lottoland advertising. That is the key brand we are familiar with for fake lotto. Lottoland is using technology to do a couple of things. It is avoiding taxes and the costs of employing people and investing in local infrastructure. It is an unfair playing field. It is also jumping on the bandwagon of Lotterywest, which for decades and decades has built up a brand and a business with which many Western Australians are familiar. Lottoland and other fake lottery organisations benefit from something in which they do not participate. They do not pay to run the system, the draws, the ticket system or the marketing. They do not pay to provide all the infrastructure around the lottery. They simply jump on the bandwagon, pay no costs, but seek to benefit and profit from draws in which they do not participate.

The big issue for me is that, at the end of the day, this is about taking money out of the pockets of Western Australian charities and community organisations. That is my big concern. I want to take members to the Lottoland website and how it refers to its operation. I went on to the Lottoland website and the headline read —

Bet on the biggest lottery jackpots in the world—download the Lottoland App today. Over 7 million players worldwide with over 650,000 Australians since launch!

I do not know whether those figures can be verified, but if we believe those figures, we would assume that somewhere around 65 000 of those Australians would be Western Australians. The Lottoland website says that it has paid out millions of dollars in prize money, including to a \$1.3 million winner. Globally, I think there has been only a handful of \$1 million winners and I believe only one Australian has ever won anything approaching \$1 million, or just over. This is despite the well-known advertising of betting on US lotto jackpot draws, which advertise stakes as high as \$1 billion—sometimes \$2 billion. We can see the attraction and why someone might be tempted, but the reality in payouts is far less than what is advertised. Lottoland explains itself to some degree on its website. It says —

How can Lottoland pay such high jackpot amounts?

In its history, it has never paid a \$1 billion jackpot amount or anything in the hundreds of millions of dollars. The Lottoland website continues —

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Lottoland operates an insurance model which means that each bet someone makes is insured. Lottoland will pay all smaller wins directly from the revenue they receive from sales. Larger jackpot wins will be covered by Lottoland's insurance model. This insurance-based business model enables Lottoland to offer their players the ability to win huge jackpots, offered by official lottery operators, from all over the world.

There are 30 different lotteries around the world. It is gambling on lotto draws. People are not directly participating in the draw. I know that in this place, we are now aware of how Lottoland operates. I can tell members that my bet is that the vast majority of Western Australians who see those advertisements on television would assume that they are taking part in a lottery and not placing a bet with a bookie on the outcome of a draw.

The other issue for me is that companies in this market, such as Lottoland, Planet Lotto or MyLotto24, are trying to cash in on Lotterywest's hard work over many decades. The lotto brand is synonymous with Lotterywest. People are also at risk of believing that when they bet on something such as Lottoland, or others with "lotto" in their name, they are participating in the Lotterywest competition. They see it as a draw whereby if they do not win, their money will go to worthy causes. The way this company and others operate is disingenuous. There is a very high risk that Western Australians will be participating in something that they are not familiar with and do not understand. Their investment is sent offshore, never taxed and never returns any benefit to the people of Western Australia, even though that is the belief of many people who take part.

Lottoland is based in the British territory of Gibraltar and is licensed in the Northern Territory. It attracted considerable attention when it entered the Australian market in 2016. One of the early headlines was that people had a chance to bet on a \$2 billion Powerball draw in the United States. As I said before, many punters would have been very interested in that and would have believed that they were directly buying a ticket in that draw. Lottery gaming companies argue that it is unfair to label them as synthetic or fake because they are simply online betting services and no different from sport or horseracing betting services. The critics say that synthetic lotteries argue that online betting businesses take customers away from existing state lotteries and do not contribute the same amount back in taxes or through charitable grants, and that is the point for me. There is no benefit to our community either in what we have seen in payouts, which I do not think represent an attractive proposition if one does win, and certainly there is no investment in infrastructure, no employment, no investment in the process of the draw, and no return to community organisations in this state or anywhere else.

I mentioned earlier that the federal Parliament passed laws that were enacted in August 2017 to come into effect this year banning those services and that other states around the country, including states that had Liberal governments, have also expressed their desire to follow through on this legislation.

I want to take members to the latest annual report of Lotterywest to talk about the benefits that Lotterywest brings to Western Australia. The latest annual report of 2017–18 shows that it had sales of \$855 million and, of that, \$463 million was paid to Western Australians in prize money and a further \$260 million was returned for grants to the community. That is an enormous cut of the pie that is being retained in Western Australia. The balance of that would have been for the costs of running the business and payments to agents, which would have added to that enormous cut of the pie. In fact, all the dollars stay in Western Australia one way or the other. Lottoland does not pay tax, it does not return its income after prize payouts and operating expenses back to the community, and it does not support agents across WA who also pay tax and employ Western Australians. It is cashing in on the "lotto" name built up over decades.

We are very fortunate in Western Australia to have the Lotteries Commission, or Lotterywest as it is now called. I remember years ago we used to be able to buy a ticket in the Lotteries Commission, as it was then called. I think the biggest prize pool that one could aspire to was about \$30 000. I think it was a monthly draw. I remember the very first \$1 million lottery draw. It must have been when the Lotteries Commission joined the Australian Lotto Bloc. I think this was in the very early 1980s. It was the very first \$1 million lottery draw. I remember it very well because there was a lot of excitement across Western Australia when we had our very first \$1 million lotto draw. There was live coverage of the draw and one of the local channels made a very big fuss of it.

Mr J.E. McGrath: You probably interviewed the winner.

Mr R.R. WHITBY: It was a bit early for me because I was still in high school. I remember it very well because the parents of one of the girls at our school won it. A family from Greenwood won the first \$1 million lottery. We thought, "Wow, their lives are going to change forever." Back in about 1980 or 1981, their lives probably did change forever with a \$1 million win.

Lotterywest is an institution in Western Australia. It is unique. It is in line with our view in this state that we do things a bit differently, and I think with good results, in Western Australia. We talk about the pokies and how there has been a bipartisan position over many years from both sides of politics to stand against the scourge of the pokies. Anyone who has been interstate and gone up the high street in Melbourne or Adelaide and seen the dens or corners

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of pubs or even the big leagues club would know that it is pretty depressing stuff. Those things are wreaking social havoc on communities right up and down the east coast. We stand against that. They are gaming machines. They are interactive. People push a button and play again and again. That is the crucial difference why we stand against those gaming machines. Likewise, we have had a different approach to lotteries in Western Australia. We have kept the money in government hands. It means that we have a wonderful source of funding for community groups across Western Australia. I think every member in this place can tell stories about the work that Lotterywest is doing by way of grants in their communities.

Mr Z.R.F. Kirkup: Quite a lot of Labor electorates.

Mr R.R. WHITBY: I would not get into that sort of territory. For the member to assert that Lotterywest behaves politically is pretty woeful. It is really beneath the member to suggest that.

We know that all communities benefit from grants from Lotterywest. I want to talk members through a few that Baldvis has been lucky to secure. A \$3.2 million Baldvis south community centre is currently under construction in Lamorak Way in south Baldvis. It is expected that the project will be finished in the third quarter of next year. It is a multipurpose venue that will be capable of being used by a number of groups for a range of activities. One of the problems in Baldvis is that we have such an active community and many sporting groups and there is often no place for these organisations to meet. Thanks in part to Lotterywest, which is providing funding of \$900 000 towards this project, the City of Rockingham was able to go ahead with this \$3.2 million project. The council has been working on this project for some time. It will provide vital space to local community groups that before now have not had a place to meet and gather in this brand-new community. This facility will be very welcome in our local community.

Other very worthy organisations and groups in the Baldvis community are also seeking Lotterywest funds. They will have to go through the rigours of the process, in concert with the local council. They often seek dollar-for-dollar funding. One of those that I will mention is a men's shed in Baldvis. We know the importance of men's health and the vital importance of men's sheds in improving the mental health of men, particularly older men. I know that the Baldvis community men's shed has received funding from the local Rockingham council. It will also seek matching funding from Lotterywest to conduct a feasibility study to work out the exact requirements of the men's shed in Baldvis—where it should be located and the business model on which it should proceed. I could mention the youth centre in Baldvis, which is a key project in the local community that I am fully behind. When we work on that project, we will be seeking support from Lotterywest. I know that the Baldvis Children's Forest is a very important and crucial local community organisation that combines youth and the environment. That organisation is looking for Lotterywest support. Finally, I mention the group behind the Baldvis peace memorial. Baldvis does not have a war memorial. For the first time, we are looking to establish a peace memorial. There is a large service community in Baldvis. Hopefully, when that gets underway, it will receive a small grant from Lotterywest.

MRS L.M. HARVEY (Scarborough — Deputy Leader of the Opposition) [4.28 pm]: I, too, rise to speak on the Gaming and Wagering Legislation Amendment Bill 2018 and reiterate the Liberal opposition's support for the legislation. We made a partyroom decision to support this legislation because we do not support Lottoland and betting on lotteries. Our members have articulated that. Members opposite who occupy the government benches are trying to confuse the issue and confuse the positions that we have taken on various issues. They have done that deliberately to try to get the Premier out of some hot water, because the Premier is the person who has had schizophrenic views in some of the media that the government has been putting out over the past few weeks. That is what we have highlighted and that is our job. We had the Treasurer come in here and criticise the Leader of the Opposition for pointing out, quite rightly, that the Premier has changed his position on a number of matters to do with gambling in Western Australia from when he was in opposition to now when he is in charge. It is our job to do that. The Leader of the Opposition did that very clearly. I take great umbrage at the Treasurer and others over there coming in here and saying that the Liberal opposition does not support small business, and that the Liberal opposition supports Lottoland—based in Belgium, or wherever it is—betting on our lotto, which we hold dearly in our hearts because of the value it puts back into the community. That is ridiculous and it is, frankly, wrong—it is completely wrong.

Mr P. Papalia: You weren't here listening to the speeches.

Mrs L.M. HARVEY: If I was not here, I was listening in my office. The minister knows we have TVs and we listen in our offices. Minister, you are on three strikes and I do not appreciate your interjections.

I want to go back over the points the Leader of the Opposition was making. The legislation we have before the Parliament is very, very clear. It is about preventing organisations like Lottoland and anything else that might emerge in the future from being able to offer odds and bets against the outcomes of our state-based lotteries. That is what the legislation is about and we support that. Our party room unanimously supports it. We do not stand here

to oppose the legislation, but what we will do is point out the hypocrisy in some of the government's arguments. I believe it was last week—it might have been earlier—when we heard the Premier and this government make the announcement that it had made the decision to privatise the TAB and that as part of that it would permit Trackside to operate in TABs across the state, and that it would introduce a point-of-consumption tax to fund the racing industry. The now Premier said, when he was in opposition, that a Labor government would support the sale of the TAB if the industry supported it, and the industry supports it at this time. When we were in government we laboured for four years, trying to bring the industry to the table, and every time we started to communicate with the sector and portray the benefits of privatising the TAB to the industry and the mismatch of a government running a gaming and betting organisation, those people who now occupy the government benches were going out into the industry, stirring everything up, and making it incredibly difficult for us to settle with the sector. As a result, the value of the TAB has significantly diminished. The Labor Party is in government now. It has made the decision to sell the TAB and to allow Trackside to operate in the TABs. The reason the Leader of the Opposition and people on this side were pointing out —

Mr P. Papalia interjected.

Mrs L.M. HARVEY: We have not made a decision on whether we support Trackside, because the government has not brought legislation forward for us to consider. We do not have a position on that. Our position is that the Premier changed his mind, and that is what the minister is fundamentally not getting. I will quote an article from *The West Australian* of 26 June 2016, titled “Keno carrot for TAB bidders”.

Several members interjected.

Mrs L.M. HARVEY: Acting Speaker, the minister is on three strikes.

The ACTING SPEAKER: Thank you, Deputy Leader of the Opposition. I am well aware how many strikes he has. You do not need to tell me that.

Mrs L.M. HARVEY: He does not like me pointing out these things. We are pointing out a fundamental change, a complete 180-degree change, in the position of the Premier. That is what we are pointing out and that is why members opposite are uncomfortable with it. “Keno carrot for TAB bidders” is the headline. It reads —

The State Government would consider allowing keno and virtual horseracing outside Crown Casino Perth at TAB outlets as part of any privatisation bid for the betting agency.

That is how the article opens. This is what Hon Colin Holt, who was then racing and gaming minister in the Liberal–National government, was floating to see what the community would think about the concept. What did it then prompt the then Leader of the Opposition, Mark McGowan, to say? The article states —

It prompted Opposition Leader Mark McGowan to accuse the Government of plotting to overturn WA's longstanding bipartisan ban on poker and gaming machines outside Burswood.

That is what he said. Further on the article makes it even clearer —

Mr McGowan said he was reluctant to expand any form of gambling beyond what was currently permitted.

Now we see him trying to weasel away from that position by saying, “Well, Trackside is actually not a gaming machine. Trackside isn't a poker machine. We're not expanding gambling.” Except the government is. In expanding Trackside, the government is saying that it will allow Trackside to operate in TABs because it offers another, I think, 2 000 opportunities for punters to bet, so it is expanding gambling opportunities. That is the first thing we refute.

According to, I think, the Tabcorp submission to the Productivity Commission, Trackside will give those operators around about \$4 000 a year in extra revenue. It is not going to save the businesses; it might help them a bit, but it will not actually save them. In any event, we have always been supporters of small business. When we see the proposal from the government for the privatisation of the TAB, we will make a decision, after consulting with industry, about whether to support it or not. But we are not the ones who in 2016 accused the government of plotting to overturn WA's longstanding bipartisan ban on poker and gaming machines outside of Burswood casino.

The government can weasel around as much as it likes and say that Trackside is not a gaming machine, except I draw members' attention to the Australian Capital Territory rules relating to Trackside's betting conditions and the definitions. This is a great definition and it is why the Premier is so uncomfortable, as is his minister. That is why the Treasurer came in here to try to save this hapless minister. In the interpretations, the definitions, it states —

“**Trackside**” means the electronic game known as “**Trackside**” approved by the Minister pursuant to Section 7 of the Act.

Mr P. Papalia interjected.

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Mrs L.M. HARVEY: I will say it again because I know how much the minister hates it —

“**Trackside**” means the electronic game known as “**Trackside**” approved by the Minister pursuant to Section 7 of the Act.

Trackside is an electronic game. That is what Mark McGowan, when he was in opposition, said he was opposed to the expansion of. That is the hypocrisy we, as an opposition, are quite rightly pointing out. We know the minister is squirming because he has been caught out in the media and he has been caught out in the community.

We are not against the racing industry. My very, very good friend the member for South Perth is well connected to the industry. He is a doyen of the industry. I would not be surprised if one day he has a racing track named after him, or at least a race. To say that we are anti the racing industry, anti-TAB and anti-small business because we are calling the Premier out on his 180-degree reversal on his position is inaccurate, false and misleading. We will not cop that. When the government brings forward its Trackside proposal, the introduction of Trackside—meaning the electronic game known as Trackside—we will throw this back in the government’s face again. It will not be because we are against Lotterywest, small business, TABs or any of that rubbish. We love Lotterywest over here. I just opened the Scarboro Surf Life Saving Club on Friday night. It had a \$300 000 Lotterywest grant. Do members know why I opened it? Not one minister of the government was available to come down to Scarborough and open the brand-new Scarboro Surf Life Saving Club.

Dr A.D. Buti interjected.

Mrs L.M. HARVEY: I was happy to do it. I am patron of that club and I am patron of Trigg Island Surf Life Saving Club. It has had a Lotterywest grant too. I was happy to have the event to myself with all my members. Neville Collard did a welcome to country. The Mayor of the City of Stirling, Mark Irwin, was there; as was Jody Ballard, the club president; and life members who have moved to other states. It was a grand event and I had it all to myself because Labor was too busy to come. That was okay.

We love Lotterywest. It is not about Lotterywest; it is not about the TAB or being anti-business. It is about the Premier saying categorically and emphatically before he was elected as Premier that he opposed the expansion of electronic gaming in Western Australia and now he has done a 180-degree turn and said he will allow Trackside as part of the privatisation of the TAB. We may or may not support that. The member for South Perth is a strong supporter of that but we will have a rigorous debate in our party room when we see the government’s proposal and decide whether we will support it. It is not about whether we support it. It is about the Premier fundamentally changing his mind, and that is because he stands for nothing. We will point it out every single time it happens between now and the election in 2021 so that the community of Western Australia knows it was fooled by this Premier—that he said anything to get elected. Now that he is in government, he is doing anything to get money into the coffers to pay for the government’s grandiose plans, for which it had no funding plan.

MR K.J.J. MICHEL (Pilbara) [4.41 pm]: It is a pleasure to rise and speak today on the Gaming and Wagering Legislation Amendment Bill 2018. This bill will amend the Betting Control Act 1954 and the Gaming and Wagering Commission Act 1987 in the interest of supporting and promoting responsible gambling, as well as to work towards uniformity across Australia in regards to gambling legislation. These important amendments are long overdue, and I congratulate the McGowan government and the Minister for Racing and Gaming for their determination to protect those vulnerable to gambling addiction, and their dedication to aligning legislation with other jurisdictions in an important economic sector.

The bill will also have the effect of protecting an institution that all Western Australians should be proud of: Lotterywest. We should be proud because Lotterywest remains the only lottery in Australia that is state government-owned. Recently, I had the pleasure to present Lotterywest grants to the City of Karratha and the Welcome Lotteries House in my electorate. An amount of \$1.5 million was presented to the City of Karratha toward the construction and fit-out costs of the Wickham Community Hub. This hub will be an important centre for over 4 000 people from Wickham, Point Samson and Roebourne. It will feature multi-use spaces, accommodation for not-for-profit organisations, a youth drop-in centre, an outdoor skate park, a library, an early childhood centre and childcare facilities. I believe that this is the hub that Wickham and surrounding towns have needed for a long time, and I am proud to see this project going ahead.

I also had the pleasure to grant \$109 000 to the Welcome Lotteries House in Karratha. That funding will support property improvements and equipment to improve the functionality, comfort and safety of the building; specifically towards security screens, air conditioning, carpet, an alarm system and IT. For those not aware, Welcome Lotteries House in Karratha provides accommodation for a number of important not-for-profit organisations currently delivering services from the house, including Empowering People in the Community, The Smith Family, One Tree Community Services, Regional Development—Pilbara, and the Pilbara Community Legal Service. The house really is a fantastic institution in Karratha, and I am proud to say that many community service organisations, and I, use the meeting room facilities.

Extract from Hansard

[ASSEMBLY — Thursday, 11 October 2018]

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Mr Peter Katsambanis; Mrs Robyn Clarke; Ms Libby Mettam; Mr Donald Punch; Mr Ben Wyatt; Acting Speaker; Mr Reece Whitby; Mrs Liza Harvey; Mr Kevin Michel

These presentations gave me a real appreciation for Lotterywest's role in supporting the communities of the Pilbara. It was interesting to note that the Welcome Lotteries House was established in 2001 with a Lotterywest grant of over \$1.5 million for construction and fit-outs. It was also interesting to note that many significant City of Karratha infrastructure projects have received Lotterywest support, including the Karratha Leisure Complex, the Dampier Community Hub, and the Red Earth Arts Precinct. The Wickham Community Hub and the Welcome Lotteries House are institutions that serve many people in my community, and they owe a lot to Lotterywest's unique position as a government-owned lottery. That is just the City of Karratha alone.

In Port Hedland and South Hedland, Lotterywest has provided valuable assistance to the Youth Involvement Council, IBN Corporation, Hedland Toy Library, Hedland Women's Refuge and the Town of Port Hedland. These organisations all serve the community through a range of services such as supporting marginalised youth, promoting the Pilbara culture, supporting early childhood development, and providing emergency relief for women and children experiencing domestic violence. In Newman, Lotterywest has provided support for Kalyuku Ninti—Puntuku Ngurra Ltd, Red Dirt Blue Sky, and the Shire of East Pilbara. These organisations support the Martu Leadership Program, the Martu Community Garden, community arts and the Outback Fusion Festival. Lotterywest has provided \$2.5 billion to the good people of Western Australia in the regions and in Perth for the past 10 years. Lottoland and other synthetic lotteries have provided nothing to our communities. Through banning these synthetic lotteries, we are ensuring the future of Lotterywest, and allowing its valuable services to our communities to continue.

This bill will prevent wagering operators that are not licensed in Western Australia from establishing physical terminals in our public places such as shopping centres, and will ensure their overseas operations do not enter Western Australia. The prevention of physical terminals linked to synthetic lotteries will ensure that juveniles and problem gamblers are not exposed to this advertising in public places. This bill will also protect those most vulnerable in our community through banning live betting odds from being broadcast at sporting venues. We should not reduce our sportsmen and sportswomen to simple advertisements for gaming companies that do not serve our community. The contribution that Lotterywest makes to our fine state should be supported, and this bill will safeguard the future of Lotterywest by restricting other gaming companies that do not serve our community and prey on our most vulnerable. Thank you.

Debate adjourned, on motion by **Mr D.A. Templeman (Leader of the House)**.

House adjourned at 4.48 pm
