

RACING AND WAGERING WESTERN AUSTRALIA — TABCORP AND TATTS MERGER

258. Mr R.S. LOVE to the Minister for Racing and Gaming:

I refer to Racing and Wagering Western Australia's submission to the Australian Competition Tribunal on the merger of Tabcorp and Tatts, tabled by the minister in the other place. Does the minister support Racing and Wagering Western Australia's submission that a merger of Tabcorp and Tatts is "broadly positive for the Australian wagering and racing industry"?

Mr P. PAPALIA replied:

I have an observation about the proposed merger. It would remove any likelihood of competition for the purchase of the TAB, were it to be sold. I understand that there has been plenty of commentary from the National Party in particular, led by Hon Colin Holt in the other place, who has asked me questions about it, suggesting that the government should rush to the sale of the TAB. We went to the election with a commitment to sell the TAB only in the event that it was supported by the industry, and obviously only if it were in the interests of the taxpayers of Western Australia. This action could result in only one potential buyer for the TAB. Therefore, any suggestion that we should be rushing towards the sale of the TAB has been impacted by that merger. With respect to whether it is a good thing for the industry, I am agnostic on that question. I do not think it necessarily would have an impact on our situation in Western Australia, with the exception of that particular outcome; clearly, there would no longer be any competition were the TAB to be considered for sale. As far as the threat it represents, there is probably an increase in the threat because of competition being applied to our own TAB by that single entity, because it will have greater reach and greater resourcing. But I am a bit agnostic as to whether it is good for the overall national industry.