

Chairman; Mr Mick Murray; Mr Terry Waldron; Mr Peter Watson; Mrs Liza Harvey; Mr John McGrath; Mr Peter Tinley

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**Division 47: Racing, Gaming and Liquor, \$111 635 000 —**

Ms L.L. Baker, Chairman.

Mr T.K. Waldron, Minister for Racing and Gaming.

Mr B.A. Sargeant, Director General.

Mr T. Ng, Chief Finance Officer.

Mr S. Spallarossa, Policy Officer.

Mr M. Cutler, Chief of Staff, Office of the Minister for Racing and Gaming.

[Witnesses introduced.]

**The CHAIRMAN:** The member for Collie–Preston.

**Mr M.P. MURRAY:** I refer to page 541 of the *Budget Statements*. Other than imposing a liquor ban in some remote and regional communities, which is certainly not new, what other assistance has been provided by the department to these communities?

**Mr T.K. WALDRON:** I thank the member for that question. I am glad he raised it. As the member knows, it has been raised before. At the request of the community, we have introduced liquor bans, with the support of local government, police, health et cetera. It is very important that we follow up on that. Although we have done that reasonably well, there were some gaps, particularly when we look at follow-up counselling, mental health issues et cetera. I do not have the details here, but there was an allocation in the budget to the Minister for Mental Health, Hon Helen Morton. I cannot remember the amount but I can find it. It was for the introduction of a lot more staff in the Kimberley —

**Mr M.P. MURRAY:** Can the minister supply that as supplementary information?

**Mr T.K. WALDRON:** In association with royalties for regions, we have provided funding to fill gaps where we do not have officers to look at mental health issues, drunkenness and other issues that go with a community that no longer has alcohol. That is a new program. I will get the details of that for the member. It is in the budget. I do not have the figures at the moment, because it is not my area. I actually thought Sport and Recreation could do a bit more in that area. We work closely with Garnduwa. It delivers to a lot of those communities. As I go around, I have found in some cases that it delivers quite well; in others, it has fallen off. I have taken Dean Holder from our Broome Sport and Recreation office with me on some of these trips so he can see for himself what is required. We will try, through Sport and Recreation and Garnduwa, to fill those gaps. Sport and Recreation has a particular part to play there. Through the Drug and Alcohol Office we now have a lot more funding and resources being put into that area. I will get details for the member.

**The CHAIRMAN:** Before we move on, can the minister clarify whether he is tabling supplementary information?

**Mr T.K. WALDRON:** No, I am not. In regard to what the member referred to, we actually identified some gaps in support ourselves. That has been addressed through another department. I will supply that information directly to the member for Collie–Preston.

**Mr M.P. MURRAY:** What measurements have been used to show whether it is successful? Have there been headcounts in schools? Have vacated premises been counted? I am concerned about the drift and how we are measuring the drift. I have received some very strong feedback that the drift has moved away, so the numbers go down. We say X number of people presented at the local hospital and the numbers are down, but people are saying that they have moved to another community. How are we measuring that?

**Mr T.K. WALDRON:** We started to do that —

**Mr M.P. MURRAY:** How could the minister claim that previously if it has only just started?

**Mr T.K. WALDRON:** Let me answer the question. We are doing it on an official basis. We are getting base data from some areas and will measure that data over the next 12 months. In the 18 months to two years before that, we used data from schools, police and health to advise us. There is data there. We are doing our own particular stuff now to show that this is what it was at the start and this is what it was 12 months later, and where we are succeeding and where we are not succeeding. It is a fair point, and we recognise that point.

I will talk about the drift. There is drift. Wherever alcohol bans or restrictions are in place, there will always be a drift. One thing I have learned is that chronic alcoholics will probably go in search of alcohol—they move. We have found that although a certain percentage will move, a lot do not move; they stay in a different atmosphere.

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Of the percentage who move, we have also found that quite a few do not come back. This is the kind of data we get from talking to the communities. Those people can create problems elsewhere, I acknowledge that, but a number come back after a time. They come back to a safe, healthier and better place to live; they come back to an area where they are not allowed to drink. Hopefully, it will save those people from becoming chronic alcoholics. We are having a real effect in that area.

**Mr M.P. MURRAY:** What interagency group has been formed, if one has been formed, and what is the government funding into that interagency group to make sure it is a complete issue, not bits and pieces?

**Mr T.K. WALDRON:** I work closely with police, the Drug and Alcohol Office and the Department of Health. When I travel, I always take people from the Drug and Alcohol Office and the police. At an operational level, we are certainly interacting all the time, as well as interacting with local government. Groups of ministers get together on occasions at a ministerial level. We will schedule another meeting when all the budget stuff is over. We have not met for over six months on the ministerial side. That is not to say that the issue is not discussed when we are generally in cabinet et cetera—I cannot say what happens there. We get together to ask, “How is this going? Are we doing enough in the follow-up? Are we doing enough with the police? Have we got enough resources here?” I do not know whether, at the director general’s level, he wants to add anything more to that. I defer to the director general.

**Mr B.A. Sargeant:** From my perspective, I rely very much on the Drug and Alcohol Office to run the assessments and coordinate the assistance regarding health and, of course, police. It should be borne in mind that we are not the solution; we are only part of the solution. I am funded only in a particular manner. The other funding rests in the budgets of the other directors general.

**Mr T.K. WALDRON:** The director general makes a good point. This is not the be-all and end-all; it is a circuit-breaker. It gives these communities an opportunity, but we have other support there. It can be challenging at times. Some communities get better support than others. We have tried, through the new program funded by royalties for regions and Minister Morton, to address those gaps.

**Mr M.P. MURRAY:** Has the minister run any community meetings in some of those communities? Some businesspeople have said that migration numbers have been great and it looks like businesses will collapse. I will use Halls Creek as an example. One business has recently shut its doors, and another two probably will in the next couple of weeks, because the population base has gone down. Have any community meetings been held under the minister’s guise to understand the total situation, not a part of it?

[12.20 pm]

**Mr T.K. WALDRON:** Since I have been the minister, I have had a community meeting in Halls Creek. The Halls Creek meeting was —

**Mr M.P. MURRAY:** Was it an open meeting?

**Mr T.K. WALDRON:** No, it was not an open meeting. That meeting was with representatives of the community and the council and local police. In Fitzroy Crossing, we had an open meeting that all different business groups came along to. I think the Director of Liquor Licensing was also present at that meeting. I also had a meeting in Kununurra, but that was with only the shire and a couple of business representatives. I think the director general has also been up to Kununurra. I will not impose a section 175 ban in an Aboriginal community unless I go to the community and not only meet with the community leaders, but also the community. I have had community meetings with all 14 Aboriginal communities bar Oombulgurri. Soon after we came to government, I imposed the ban in Oombulgurri in response to the State Coroner’s report. I have also had community meetings with three other communities for which I did not agree to a section 175 ban for the simple fact that those communities were not committed to the ban. I did not think that those communities had the right leadership and I did not think that it would work. I will only agree to section 175 bans when I am confident that they will work and I have the support of not only the community leaders, but also the community.

**Mr M.P. MURRAY:** I have one further question on that same issue. On a recent trip to Kununurra I learned that people were scathing of the system in place. Although those people understand what the minister is trying to do, they are scathing of the system because it is not fixing the problem, firstly, of the amount people are allowed to have; and, secondly, because people are still allowed to drink after 5.00 pm. Has the minister met with, or will the minister meet with, that community? I met with the Kununurra Chamber of Commerce and Industry and the Shire of Wyndham–North Kimberley. Those bodies support the minister and what he is trying to do—I do not take away from that—but they say that the system is not working.

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**Mr T.K. WALDRON:** I will defer to Barry because these restrictions are done through the Director of Liquor Licensing. I met with the council up there before the director implemented alcohol restrictions in Kununurra. I know the director also went up, and he can talk about that in a moment.

When I went to that meeting, people were really concerned about any restrictions coming on, and I listened when they made those concerns quite clear to me. The meeting moved on to a slide showing absolute wreckage of a park with mess and cans and stuff, and, at the same time, they asked, “What are you guys going to do about this?” As I have said in arguments in alcohol debates in this Parliament, alcohol restrictions are about a balance. We have an independent Director of Liquor Licensing to consider situations it is asked to look at by WA Police or the Department of Health. I defer to the director.

**Mr B.A. Sargeant:** I will not defend the decision in this particular forum. The decision I made was based after meeting with a number of key stakeholders. I must say that when I first went to the Shire of Wyndham–North Kimberley, I could not get any recommendations out of it; the shire was divided. I also met with the Kununurra Chamber of Commerce and Industry and many Aboriginal groups. We have to arrive at a balance between those who want absolute abstinence and alcohol banned and those who want something else. I am charged with the responsibility to make that decision, and on the facts before me, I made the decision and I stand by it.

**The CHAIRMAN:** The member for Collie–Preston has asked five questions in a row. I think we need to give the call to the member for Albany.

**Mr P.B. WATSON:** The third dot point on page 541 of the *Budget Statements* reads —

Special leave has been granted to Betfair Pty Ltd and Sportsbet Pty Ltd to appeal the decision of the Full Bench of the Federal Court in relation to the New South Wales’ racefields legislation. If the appeal is successful, it could have a significant impact on Western Australia’s racefields legislation in the form of a significant reduction in the revenue collected through the racing bets levy scheme ...

Has the minister put in any contingency plans to ensure that, if this appeal is successful, we still have an income going through to our racing clubs?

**Mr T.K. WALDRON:** For the detail I will defer, but I will give the member an overview from our point of view. Depending on the outcome, that appeal could have an effect on us. Remember that Western Australia provides options with its product fees; namely, 1.5 per cent of turnover or 20 per cent of the gross margin. The challenge is on the 1.5 per cent option. The appeal could have an effect on us depending on the outcome. However, at the moment we give the two options.

We introduced the race fields legislation so that we could collect product fees for our industry. We now collect a lot of product fees for our industry. Some have been a bit sluggish, such as corporates outside, but we are getting most of them. I have a really strong view on this issue. The racing legislation is great, but when we have some who are unwilling to participate and continue to challenge it, I think we need a national race fields scheme run by the federal government. We would then have clout and we would not have all these issues.

We have had racing ministers and people from the federal government at our recent gaming ministers’ meetings and I have raised the issue. I think the federal government is reluctant to become involved, but I think most of the states are willing to have a national scheme. The whole idea of product fees is to try to get the corporate bookmakers to contribute to our industry. Otherwise, corporate bookmakers live off the industry, while locally, through the TAB et cetera, we contribute to the industries with state money.

I will defer to the director for any detail on that court case and what stage it is at. I know that appeal is still in the High Court.

**Mr B.A. Sargeant:** The High Court challenge will be heard at the end of August. At this stage, our legislation has not been challenged; therefore, as far as we are concerned, our legislation stands. The outcome of the appeal could have an impact at this point. If the whole race fields product fee falls over, although we will not collect it, it also means the TAB will not be paying it either. It is a quid pro quo in that regard. It will depend ultimately on the fine detail of whether the significance of the particular circumstances in New South Wales has an impact on other pieces of legislation. It might be that the decision comes down and it does not impact on us. If the decision comes down and impacts on us, but it does not impact on, say, Victoria, we would have to pay product fees, but Victoria could not pay ours. A whole range of strategies are involved. Racing and Wagering Western Australia is aware of the impact that this could have. However, I am not privy to the ultimate commercial figures that RWWA has in place with the various racing bodies throughout Australia.

**Mr P.B. WATSON:** Would there be any chance of the minister getting any information about what it could cost if that legislation goes through or is challenged? The director general has not got that information.

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**Mr T.K. WALDRON:** I do not think I can.

**Mrs L.M. HARVEY:** My question relates to significant issues impacting the agency on page 540 of the *Budget Statements*. Would the minister please outline what effect the changes to the approved manager framework will have on existing managers, and the median time frame for the approval of the licences?

**Mr T.K. WALDRON:** As the member knows, when the amendments to the Liquor Control Act 1988 went through Parliament last year, we made changes to the approved managers system. I know that the member did a lot of work on the red tape brigade. We did this work here and made the changes to give more flexibility to the system to cut red tape and to give more surety over a term of five years.

[12.30 pm]

Basically, under the new system, there will be two licence categories—unrestricted, which is for commercial licence types, such as hotels and taverns et cetera, and restricted, which is for restricted licence types, such as clubs. People will still need to do an approved managers course. However, if people currently have an approved managers certificate, whether that be restricted or unrestricted, that certificate will now apply for five years. That will mean that those people will be able to work in any pub or tavern across the state for the next five years. One of the problems with the old system was that if people changed venues, they had to get approval from liquor licensing and to move to that other venue. That was a ridiculous situation, and that is why we have built in portability. However, if people who have a restricted certificate want to work in an unrestricted area, they will need to do the test to get an unrestricted certificate. People can apply online for their certificate, both restricted and unrestricted. That also provides greater portability. The fact that the certificate will apply for five years will also help our sporting clubs. If the member for Albany had a restricted approved managers certificate and was working at north Albany footy club but wanted to move to Kununurra, he would be able to work in Kununurra under that certificate and would not need to apply again for five years. The certificate will apply for five years automatically for those people who have it now. But new applicants will obviously need to do the test. That will also save costs, because it will reduce the amount of paperwork for clubs and pubs. This move has been very well accepted by the industry. The director general would like to add something that I have missed.

**Mr B.A. Sargeant:** I just want to make a point in relation to the time frames. There is a misconception with regard to approved managers. Once an application has been lodged, managers are approved from day one. If we do not then approve that person, that approval is subsequently withdrawn. Many people think that once they have lodged an application, they have to wait for a period of time. That is not the case. There is a default situation. That means that people are able to be employed as soon as they have lodged the application. We are now also utilising Australia Post. That will make it easier for people in regional areas to apply. They will now just need to go to Australia Post, as they would if they were applying for a passport, and that will come into our system electronically.

**Mr J.E. McGRATH:** I hear what the minister is saying, and I think it is working well. It was difficult at first for clubs and sporting organisations, but it has now been made easier for them. I want to talk about hotels. There is a big issue at the moment with violence in hotels, and that is a real worry.

**The CHAIRMAN:** To which budget item is the member referring?

**Mr J.E. McGRATH:** This is at page 540, and it is a follow-on from the question about approved managers. The minister is a country member, so he would remember the old days when the local hotel had a publican who was there all the time. One of the problems that has been raised with me is that we now have licensed venues that are owned by a corporation, and someone holds the licence, and there are approved managers. But in the old days, the pub was owned by the publican, who was also the licensee, and it was easier for him to control the place, because he was there all the time. I understand that a lot more people are drinking in these places. But in the old days, people could walk into their local pub and they would know straightaway who the approved manager was, because the publican was always there. Does the minister have a view about that?

**The CHAIRMAN:** Member, thank you. I ask the minister to respond. We are on a tight time frame.

**Mr T.K. WALDRON:** The world has changed a bit, member. I remember as a young fellow going to the football with my dad, and we did not have approved managers in those days, but the publican might keep the pub open until the last bloke had left, and they would all drive home. I actually think that 98 per cent of our publicans do a really good job. They are socially responsible, and they try to do the right thing. Anyone can get caught out at different times. People who want to run a pub these days need to have an unrestricted approved manager's licence, and that is when they get training in how to handle situations and how to engage in the responsible service of alcohol. So, I think we are better placed now. We have tried to make it easier and more portable so that if people move between establishments, they can take their licence with them and they do not need to re-

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apply for another five years. I will make the point, though, that alcohol is part of our society and part of the Australian way of life. A person might be the best publican in the world, but situations might erupt and things might happen. I have no sympathy for publicans who abuse the system and create problems for themselves, but I have a great deal of sympathy for those publicans who try hard but get caught out.

**Mr P.C. TINLEY:** I refer to the first dot point on page 541. It relates to the licensing of bulk liquor outlets. There is a particular situation just outside my electorate, but it affects my constituents. In the Bicton–Palmyra area, there are up to seven bulk liquor stores within a one-kilometre radius of Bicton Primary School. Why is that situation allowed to evolve, when it is seemingly so hard to get a small bar licence? The member for South Perth talked about the effect of having a publican present in a hotel. Small bar operators are typically owner–operators. Why is it so hard to get a small bar licence, when it is seemingly so easy to get a bulk liquor licence and to have such a density of outlets as we do in that particular area?

**Mr T.K. WALDRON:** It is not hard to get a small bar licence. People say that it is hard and that applications are refused left, right and centre. Fifty-four small bar licences have been granted, and only one application has been refused. A lot of misinformation is being put out in the community. The average time that it takes to award a small bar licence is four months. Part of that four-month period—the director general will correct me if I am wrong—is 28 days for advertising, and to get complaints. That is the statutory thing that people need to do. I remember the debate in Parliament about the legislation for small bar licences. That was brought in by the previous government, and I congratulate it for that. I think small bars are fantastic. They are providing a great and very responsible culture for drinking. But there was a lot of concern that there would be a small bar on every corner. That has not eventuated. There were some problems with councils to start with, but I think we are pretty much over that now. From time to time there might be a particular issue that could hold up an application, but generally speaking we have had a pretty responsible and coordinated rollout of small bars. Was the member talking about bottle shops?

**Mr P.C. TINLEY:** I am talking about bulk liquor licensing.

**Mr T.K. WALDRON:** I will quote some figures, and then I will comment. Last year, 18 liquor store applications were granted, and 10 were refused. That can be compared with applications for small bars, where 15 were granted, and one was refused. So, we are actually refusing a lot more liquor stores than small bars. I will get the director general to comment. The legislation has changed. The director general now has to apply the public interest test to all these cases, and he has to weigh the possibility of damage and concern to the public against convenience to the public. The director general has a balancing act there. I think it is probably best if the director general explains how he goes about doing that. Is that fair enough?

**Mr P.C. TINLEY:** Yes.

[12.40 pm]

**Mr B.A. Sargeant:** In relation to Bicton, members are probably aware of the application for a new Dan Murphy’s liquor store. I referred that to the Liquor Commission to determine because it is a case relating to the proper development of the liquor industry and whether it is appropriate to have an additional liquor store in that area. As it is the body above me that sets the precedent, I thought it was appropriate that body determine it. As a result, I have also referred the application from the same potential licensees for liquor stores in South Fremantle, Canning Vale, Beckenham and Cockburn. I think the commission should set a precedent for these large ones.

With respect to the decisions, it is a matter of weighing and balancing the evidence before us. The Executive Director of Public Health presents data. Many of those stores the member referred to were approved prior to 2006. In 2006 we changed the test from a needs test to a public interest test. That has given us the opportunity to make some decisions that are more in the public interest rather than narrowing it down to a needs aspect.

**Mr P.C. TINLEY:** When considering whether these applications comply with the public interest test, is consideration given to density of existing licences; and, if so, how much weight does that carry? My point is that we literally have about six or seven liquor stores within a kilometre of a primary school. I am not sure whether the public interest is served there. How much does density or clustering come into consideration?

**Mr T.K. WALDRON:** I will defer to the director general because he is doing that day in, day out. He will give an accurate answer.

**Mr B.A. Sargeant:** The act does not contain any reference to density or clustering as referred to by the member. It has to be interpreted in terms of potential harm or ill-health—the minimising harm objective. I must admit it is a difficult one to balance because it is very hard to determine how that one new liquor store contributes to the

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harm or ill health of a particular community. We might agree in the macro sense but we have to look at the individual store. There is no reference in the Liquor Control Act to density or clustering per se.

**Mr T.K. WALDRON:** As the director general said, the Liquor Commission will make some calls on this. I will be following that very closely. If this becomes a problem down the track and we think something needs to be done about it—if it is not sorted—we will obviously look at that and bring it to Parliament.

**Mr P.C. TINLEY:** Once issued, it is difficult to remove.

**Mr T.K. WALDRON:** I will add one thing quickly before we finish. The member asked about the difficulty of getting a small bar licence. It used to be said that a lawyer and a consultant were needed and it would cost hundreds of dollars. We now see that 60 per cent of people do not use any representation because it is not as hard as people first thought. I do not think people really need a lawyer or a consultant.

**Mr M.P. MURRAY:** I refer to the sixth dot point on page 541, which states —

Under the proposed amendments to the *Prostitution Act 2000*, the Department will be responsible for licensing participants in the prostitution industry.

When will this bill be brought into the house, how many meetings were held and with whom, and what funding is available?

**Mr T.K. WALDRON:** This question should be asked of the Department of the Attorney General. I understand that a green bill will be put out at some stage. It will be open for discussion, and the final bill will be put to the house. It is the intention that the Department of Racing, Gaming and Liquor will be responsible for the licensees. I have made it clear to the Attorney General and cabinet that if that is the case, the department would obviously need extra resources and funding to administer that licensing system. There is a fair way to go yet.

**Mr M.P. MURRAY:** Is there no funding in this budget?

**Mr T.K. WALDRON:** It has not come to the Parliament yet. I am not the Attorney General, but I think a green bill will be put out so that people can comment. Once that green bill is put out, people can comment and the minister will refine the bill, it will go through cabinet and it will be introduced to Parliament at some stage. No funding has been put aside for it at this stage. Should it happen, I will make it clear that if the department is to be responsible for licensing, we would require resources and funding to do that.

**Mr M.P. MURRAY:** Further to that question: what involvement has the minister's department had in discussions that would suggest it will pick up the end result? What involvement has the department had in the formulation of the proposed bill?

**Mr T.K. WALDRON:** Since 2009 the department has attended eight meetings of the senior officers' group, which is chaired by the Department of the Attorney General and consists of representatives from the Department of Racing, Gaming and Liquor; WA Police; the Department of Health; the Department of Planning; and the Department of Local Government. In addition, separate to the senior officers' group, further meetings between the police, the Department of the Attorney General and the Department of Racing, Gaming and Liquor have also occurred.

**Mr J.E. McGRATH:** My question relates to the table at the bottom of page 539 of the *Budget Statements* relating to the racecourse infrastructure fund. I think this is to do with the Burswood Casino expansion. As the minister is well aware, the racing industry has some real problems gaining funding for infrastructure—it is a real challenge for the industry—can the minister describe what types of projects have been funded and how he expects this fund to work?

**Mr T.K. WALDRON:** I thank the member for the question. Racing infrastructure has been an issue. We needed to do something about that and we have done that with the racecourse infrastructure fund, which is worth \$13 million—\$5 million in the first year and \$2 million a year for the next four years. Some of the big requirements, such as the Cannington track et cetera, would fall outside of this fund. We might get some fees but we would need extra funding. I acknowledge that, and the Department of the Premier and Cabinet is aware of that.

We have been able to deal with a lot of issues within our racecourse infrastructure fund. To date, \$2 064 779 worth of grants have been approved. Another \$513 000 worth of grants have been approved in principle—that is, in cases in which the applicants are still seeking partnering money. As I said when talking about the community sporting and recreation facilities fund, it is really important that we have a partnership arrangement with the clubs. They have input into it. They cannot just get the money and sit back. They are better off having an input.

The funds have gone to various groups. Those groups apply to Racing and Wagering Western Australia, and RWWA makes recommendations to me. I either approve or do not approve of the recommendations. Just to give

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members an idea, some of the funds have gone to the members' float park at Pinjarra, which enables the club to have winter racing, which has been really good. I think that grant was worth about \$330 000. I will give a cross-section of the grants: replacement of the Ascot bore; track lighting for the greyhounds at Northam; new starting boxes in Cannington and Mandurah; a new judges/stewards broadcast tower at the Bridgetown Harness Racing Club; a VertiDrain machine for Perth Racing that will be shared by other clubs; digital video network installation at Broome, enabling that club to be on Sky Racing; horse pool refurbishment at Kalgoorlie; and boundary fencing at the Nor-West Jockey Club. One of the things that we will address is railings for all our clubs. That process is underway. That gives members a cross-section of it. I think that it is a terrific fund and that it will do a lot as time goes on. We will have to seek extra funding for some of the bigger stuff, and some of those things are quite critical to the industry.

[12.50 pm]

**Mr M.P. MURRAY:** I refer to the Racing and Wagering Western Australia tax incentives on the bottom of page 539 of the *Budget Statements* and the income the government derives. My question revolves around the future of TAB WA and the gossip and rumours that it will be privatised. Can the minister give us a financial outline of what the cost to the state would be if it were privatised?

**Mr T.K. WALDRON:** I was in the country last Saturday morning when it was reported in the paper that the TAB would be privatised. I want to say categorically that there is no truth to either that headline or the rumour. I understand that documents released under freedom of information show that when a new Treasurer takes over, Treasury gives the Treasurer a briefing on government trading enterprises, one of which was the TAB. There is no intention by the government, the minister or the Premier to privatise the TAB. I was asked about this issue two years ago, and I stand by the answer I gave then: there are no plans to privatise the TAB. We would only ever consider it if it was in the best interests of the racing industry, and it certainly is not in the best interests of the racing industry to do that now. When the other states privatised their TABs many years ago, other things went with that, including gaming. That was an opportunity for them and they made that decision. I do not think that the privatisation of the South Australian TAB was successful and Tasmania tried to privatise its TAB but could not sell it. I believe that our TAB is doing a very good job being run by the state through RWWA. The member for Collie–Preston knows that it has had some challenges. We have tried to meet those challenges by introducing legislation for racing fields, but those challenges will continue. I believe that the stake money in this state is terrific. TAB has maintained that stake money, but there are some infrastructure needs. I cannot give the member the cost of privatising the TAB today. I have talked to Richard Burt from RWWA and other people in the industry, including Fred Kersley, who I believe has a great knowledge of this matter, and they said that it would be quite devastating to the industry to privatise the TAB at this stage. In 10 years the situation might change and someone might make a different decision if the industry demands it and it is in the best interests of the industry. We do not know what will happen. However, I want to make it clear that in the foreseeable future there is no intention whatsoever to privatise it.

**Mr M.P. MURRAY:** I have another question along the same lines. I refer to the review of the Gaming and Wagering Commission's gambling policy towards community poker tournaments. That is a growth area that needs to be addressed. Can the minister outline his opinion on how he will address that?

**Mr T.K. WALDRON:** I will defer the detail of that to the director general because he deals with this regularly. I have had representations from poker leagues. I understand that there are two major leagues. The brief outline is that we allow poker to be played but that the proceeds must go to either a club or a benefit but not to individuals. I am not full bottle on the intricacies of that. Poker has become a big game internationally and on television—even the great Warnie plays it. This is something we need to be careful of. Through the director general, the department has a very good handle on it. I will get the director general to talk about the detail to give the member a more expansive answer.

**Mr B.A. Sargeant:** The issue is that the two main proponents of poker consider that the Gaming and Wagering Commission is constraining them too much, mainly because Western Australia's definition of "gaming" includes "playing for money or moneys worth". Some of the free poker tournaments do not require competitors to pay to compete; they ultimately compete for a prize such as a free trip to Sydney or another place. We regard that as gambling for that particular prize and therefore it comes under the ambit of the appropriate legislation. Under our legislation, the tournament must not be for private gain but for a charitable or sporting organisation. It is a matter of the amount the operators can charge to run a game versus the amount the charity that gets a permit to run poker is entitled to receive. We must always bear in mind that this Parliament endorsed a state agreement—the Casino (Burswood Island) Agreement Act—that gives exclusivity to run certain games to Burswood Casino. We must ensure that we are not contravening that agreement because that would open the state to action against the government by the licensee of Burswood Casino. We must balance the operation of these tournaments to ensure that the charities and sporting organisations that apply for permits can conduct the game and get a fair return on

Chairman; Mr Mick Murray; Mr Terry Waldron; Mr Peter Watson; Mrs Liza Harvey; Mr John McGrath; Mr Peter Tinley

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the investment so that it does not become purely a commercial exercise for the poker proponents. We are looking for those bodies to get their fair share.

**Mrs L.M. HARVEY:** I refer to page 540 of the *Budget Statements*. Can small charter vehicle operators expect a reduction in red tape as a result of the exemptions to the relevant provisions of the Liquor Control Act?

**Mr T.K. WALDRON:** After consultation with the industry, small charter vehicle operators can apply for a licence to sell alcohol in the small charter vehicle. A lot of people who hired a small charter vehicle wanted to drink a bottle of champagne on the way to a wedding or a special show. That was not causing too many problems and no-one worried too much about it. However, after some incidents involving bad behaviour, the police started to clamp down on it because the small charter vehicle operators were operating illegally as they did not have a licence for their passengers to consume alcohol in the vehicles. We have tried to be fair and reasonable by classifying a small charter vehicle—if I am wrong, the director general will correct me—as a vehicle with the ability to carry no more than 14 passengers. We are not including buses as small charter vehicles. People can now take their own alcohol to be consumed in a small charter vehicle. It is up to the owner and driver of the vehicle to determine whether he allows that. People can bring alcohol but all the normal rules will apply, including that people in a small charter vehicle cannot supply alcohol to someone under the age of 18 or allow a person who is drunk to continue to consume alcohol. All those sorts of conditions apply. The idea is that people going to a wedding or a dinner can have a glass of wine or champagne in the small charter vehicle. People always ask me about school balls. If people go to a school function in a small charter vehicle and an underage person is in the car, alcohol cannot be consumed in the vehicle—is that correct, director general?

**Mr B.A. Sargeant:** At this stage all we have done is put those principles to parliamentary counsel to draft the regulations. We do not have the regulations for the industry to review the fine detail. Until recent amendments were made to the Liquor Control Act, we were not able to pass these types of regulations. The amendments that went through this house late last year enabled us to proceed with the regulations. At this stage they have not been drafted by parliamentary counsel, but they are the principles that we are sorting out. Once we have them, we will consult with industry to make sure the regulations are workable and the industry can operate within those constraints.

**Mrs L.M. HARVEY:** The minister referred to BYO alcohol. Can a small charter vehicle operator sell a package that includes being given a complimentary bottle of champagne when hiring the vehicle? Will the exemptions to the relevant provisions of the Liquor Control Act free up that situation?

**Mr T.K. WALDRON:** No. The small charter vehicle operator would be required to have a full licence to sell alcohol. During the debate on the Liquor Control Amendment Bill, the member for Perth raised the issue of entertainment venues. He said that the situation was ridiculous and asked why people could not bring their own alcohol. I said that I did not think that could be done but that I would look at it. We have looked at it and are proposing strict conditions to allow people to bring their own alcohol to live entertainment venues. Those strict conditions include the venue holding a maximum of 200 people; the primary purpose of the venue is to provide continuous live entertainment; the entertainment does not include any restricted material; juveniles can only be present when accompanied by a parent —

**The CHAIRMAN:** Minister, I need to put the question before one o'clock.

**Mr T.K. WALDRON:** I will wrap up. I say to the member for Perth, who raised that issue, that we have looked at the matter and decided that we could do something, which is what we are doing. We are trying to be flexible and make sure that we keep control, while allowing certain situations to develop.

**The appropriation was recommended.**

*Meeting suspended from 1.00 to 2.00 pm*