

Division 34: Local Government, Sport and Cultural Industries — Services 17 and 18, Racing and Gaming; Service 2, Citizenship and Multicultural Interests, \$21 414 000 —

Ms S.E. Winton, Chair.

Mr P. Papalia, Minister for Racing and Gaming; Citizenship and Multicultural Interests.

Mr D.S. Ord, Director General.

Ms S. Sherdiwala, Chief Finance Officer.

Mr P. Minchin, Director, Liquor Control and Arbitration.

Ms E.L. Roebuck, Senior Policy Adviser.

[Witnesses introduced.]

The CHAIR: This estimates committee will be reported by Hansard. The daily proof *Hansard* will be available the following day. It is the intention of the Chair to ensure that as many questions as possible are asked and answered and that both questions and answers are short and to the point. The estimates committee's consideration of the estimates will be restricted to discussion of those items for which a vote of money is proposed in the consolidated account. Questions must be clearly related to a page number, item, program or amount in the current division. Members should give these details in preface to their question. If a division or service is the responsibility of more than one minister, a minister shall be examined only in relation to their portfolio responsibilities.

The minister may agree to provide supplementary information to the committee rather than asking that the question be put on notice for the next sitting week. I ask the minister to clearly indicate what supplementary information he agrees to provide and I will then allocate a reference number. If supplementary information is to be provided, I seek the minister's cooperation in ensuring that it is delivered to the principal clerk by Friday, 31 May 2019. I caution members that if a minister asks that a matter be put on notice, it is up to the member to lodge the question on notice through the online questions system.

I give the call to the member for South Perth.

Mr J.E. McGRATH: I will start by looking at some of the liquor licensing changes that have been brought in under the McGowan government, particularly the amendments to the Liquor Control Act 1998. I refer to page 467, "Significant Issues Impacting the Agency" and item 4. The new regulations will prohibit the approval of a large liquor store within a certain distance of an existing large liquor store, otherwise known as a big barn. Can the minister tell us how this new regulation is going and whether any applications for large liquor barns that are still to be dealt with might be affected by the new regulation when it comes into effect?

Mr P. PAPALIA: The last bit —

Mr J.E. McGRATH: How is drafting of the regulation going? I believe consultation is happening.

Mr P. PAPALIA: I understand that. Did the member ask —

Mr J.E. McGRATH: Are there many applications for big barn-type liquor stores over 400 square metres?

Mr P. PAPALIA: Consultation on the regulation is ongoing and it is going well. The proposal is with the Better Regulation Unit at the moment. Any applications that were already in the system and underway prior to the legislation passing will be dealt with by the extant regulation.

Mr J.E. McGRATH: So an existing application involving a 400-square-metre premises that is within the designated distance of five kilometres will not be affected and will be dealt with under the regulation that was in place before the legislation came in.

Mr P. PAPALIA: I am advised that post the legislation, no applications will be subject to the regulation change in their scale or proximity to others. As I already indicated, those that were in the system and yet to be determined in advance of the legislation passing will be dealt with by the director under the extant regulation.

Mr J.E. McGRATH: While we are dealing with applications for licences, I refer to "Significant Issues Impacting the Agency" and item 3. The chief executive officer of Tourism Western Australia has been granted the same powers as the Commissioner of Police and the Chief Health Officer in significant liquor licensing decisions that go before the director of Liquor Licensing. The operator of Atomic Cafe, which is on Mends Street, South Perth, made an application for a liquor licence but he was refused that licence because the toilet was too far away from the cafe. In my view, people who go to cafes do not normally sit around for three or four hours and most of them do not need to use a toilet. I have walked the distance between the cafe and the toilet and it is not too far. I am sure that the Minister for Tourism views Mends Street as a vibrant place that tourists like to visit. Would the tourism factor have been taken into account when that decision was made?

Mr P. PAPALIA: The example given by the member for South Perth refers to a specific health regulation, I suspect, not an incidence of health, suggesting that opening another premise will be bad for health outcomes. The intent of elevating Tourism WA's ability to advocate for proponents was so that it could act when there is a philosophical objection to a proposal with Health saying, "We don't want any more bars in this area because it's going to be bad for health outcomes" rather than it saying, "You've got to have a toilet within X metres of a facility." Tourism WA's advocacy could not be applied or called upon in that case because it is cut and dry. A very specific regulation governs proximity to a toilet. That was not the intent of the Tourism WA advocacy role. It was to take on the case of police saying, "We don't want any more small bars" or, "We're going to treat small bars like a pub as far as threats go" or whatever. It was not intended that they try to argue the case about distances from toilets. As much as I agree with the member that that location is a beautiful tourism destination, the problem around health regulation is not for Tourism. We will not be arguing health matters, as far as specific health obligations such as distances to toilets, or storage facilities being hygienic and those sorts of things. I do not think it is right that we would. Sadly, I do not think that is something that they would be able to assist with.

[11.40 am]

Mr P.J. RUNDLE: I refer the minister to paragraph 6 on page 468 that states the banned drinkers register trial will commence in the Pilbara as soon as practicable. Given this trial was due to start in 2018, how much longer will the people of the Pilbara have to wait?

Mr P. PAPALIA: It was never going to start in 2018. We always indicated that it would be in the first half of 2019. I do not know from where the member got that time frame. That aside, it is a great initiative. It potentially offers a significant contribution to our understanding of how best to deal with problem drinkers and assist the community with retaining the social benefits of access to alcohol in terms of tourism and hospitality and the like. It is a complex matter. It requires not only getting all of the liquor outlets in the Pilbara to agree to participate—which they have—but also their capacity to fund the physical equipment required. Every single one of these outlets will be provided with a scanner and access to a database. That administrative process has been dealt with. We also need the agencies to be ready to support it because the intent is to identify the most problematic people and get them on the register, and then have resources focused on them. It is not just a matter of putting them on the register; we want something to happen as a consequence.

Beyond that, our intent is still to try to roll it out as soon as we can. We want to do it right across the Pilbara because that gives us a much more robust analysis about whether it works. The beauty of the Pilbara is there is no income management card or any other initiative like that. One thing we had hoped to do was apply the banned drinkers register to a uniform liquor restriction environment. That would make it easier to determine whether the banned drinkers register works, or has had a good, bad or indifferent impact. Running multiple initiatives at the same time makes it difficult to discern which one has the best impact, or any impact. Members might have seen that in the Northern Territory everyone is claiming that their particular part of what they have done is working. The Northern Territory has a banned drinkers register, there are community police on all the liquor outlets, there is a floor price on alcohol, and they have a volumetric liquor tax. They have all these different things going on. Any advocate for any of those initiatives will say, "That bit works." We do not want that. The University of Western Australia's public policy unit is providing support for the design of the trial and an analysis of the measurement of the outcomes. All of that is taking time.

A region-wide liquor restriction would have been better for the trial. There are individuals in Karratha and Onslow in particular who object to it and have made submissions to the Liquor Commission. One problem we are confronting relates to the people in Roebourne. The whole idea is to get communities to embrace this as well. Public fora were held around the region. When my staff went to Roebourne, they were advised by elders that they do not want a banned drinkers register unless it is in conjunction with liquor restrictions across the region. That is an issue. We are pursuing it. I am hopeful—I keep pressing the people who are doing a lot of hard work on getting this up and running—that it will be implemented before the middle of the year. I should point out we are working with Scantek; another great Western Australian company. Where is the member for Carine? I have missed him.

Mr J.E. McGRATH: Send him a message!

Mr P. PAPALIA: Scantek is providing the technology. It is adjusting its software to meet our requirements for this task. There is a lot going on.

If we do not meet the target of the first half of the year, it will be soon afterwards. No-one should be under any illusion, or delusion, that I am not driving this as fast as I can to get it to happen. It was not happening before I got here. It was not happening before our government got here. Despite people wanting it, no-one in the Pilbara was going to make it happen. The only way it will happen is if we get it to happen. I want it to happen. There is no question that that is underway and we are trying to get it to move. It is not a matter of lack of effort on our behalf.

Mr P.J. RUNDLE: The minister has pretty well answered a couple of my questions. Is the minister reasonably confident that it will be the middle of the year or early in the second half?

Mr P. PAPALIA: Yes.

Mr P.J. RUNDLE: As the minister said, there are difficulties with trying to assess the success or otherwise of the banned liquor restriction plus the banned drinkers register.

Mr P. PAPALIA: The Pilbara-wide liquor restriction makes it easier. The liquor restriction that was announced has been challenged in the Liquor Commission by a number of outlets, predominantly in Karratha and Onslow. I do not think there were any others. Obviously, a uniform environment would be better for the trial. As much as those outlets are aggrieved over this, all of them support a banned drinkers register. They are not necessarily acting in their own interests in doing what they are doing. Our aim is to get it rolled out. We will do it as soon as we can. Every effort is being made to make that happen.

Mr J.E. McGRATH: While we are on the subject of liquor restrictions in the north, I would like to move up to the next region, the Kimberley. The coroner's report into Aboriginal youth suicides in the Kimberley, released on 7 February 2019, included a recommendation for the implementation of what we are talking about—consistent liquor restrictions Kimberley-wide. I gather this is a different area because the minister is dealing with places like Broome—tourism destinations that the government is trying to promote. We all agree with that. International ships are bringing in a lot of tourists. The minister said that the director of Liquor Licensing will be engaging with stakeholders in the Kimberley to look at this. Has any progress been made? There are two schools of thought on this. A lot of people who go there as tourists would find this difficult. What is the minister's view?

[11.50 am]

Mr P. PAPALIA: The Pilbara is a great tourism destination as well, with Karijini, the Burrup, magnificent rock art, Aboriginal cultural offerings, a wonderful coastline and interesting bush to investigate.

Firstly, the liquor restrictions have a tourism exemption and do not impact on bona fide tourists. Secondly, I was in Broome on Sunday and Monday. I talked to Harold Tracey, the shire president. He is a big player in the liquor accord in Broome. Broome liquor outlets are voluntarily applying exactly the same restrictions that have been proposed for the Pilbara; whereas, Karratha liquor outlets are opposing it—go figure—on the grounds that it will impact on tourists. Tourists in Broome benefit, in the same way that members of the wider community do, from minimising harm as a result of alcohol abuse. In parts of Broome it is very visible that people are abusing alcohol. All the liquor outlets in Broome have voluntarily imposed their own restrictions. I was in Broome on Sunday, and they have voluntarily imposed the same restrictions proposed for the Pilbara. I understand that the coroner suggested that restrictions should be considered Kimberley-wide. I have a personal view on that, but I might ask the director general to respond on the current status of those discussions.

Mr D.S. Ord: We have been engaged in discussions across the Kimberley and strongly support voluntary arrangements with the community. We find that to get buy in for a lot more stakeholders, it is very important to keep the whole community engaged in the intent of trying to reduce harm. The Kimberley has some unique locations, such as Fitzroy Crossing and Halls Creek, which due to community leadership have some quite significant restrictions, far greater than exist, for instance, in Kununurra. It has been our general view that the Kimberley is trying to find restrictions and solutions that work best for the communities. A large number of Aboriginal communities apply to the minister for 175 restrictions to go alcohol free. In fact, most Aboriginal communities in the Kimberley are alcohol free. We also know that as a population, fewer Aboriginal people in Western Australia drink than those in the mainstream population, so there is already a significant number of Aboriginal people who do not consume alcohol at all. We essentially have a series of communities that have applied for restrictions and we have been able to establish a supportive regime around that.

We are delighted that the Broome community has come together in the way it has, and it has the support of my staff to design how the restrictions might work. Of course, we do provide an educative role and materials for staff serving in the industry; there is a lot of backpacker labour and so on. Where we can support the liquor industry by providing information to give to the public about how restrictions apply and who they apply to, we will certainly do our best. We have also been engaged in Kununurra with some tourism interests there that are seeking some potential adjustments to align with the arrangements around tourism exemptions that we have proposed for the Pilbara. Again, we are engaging with that on a good-faith basis to see whether there are opportunities to maybe make some adjustments if that will also assist the important tourism industry in Kununurra.

Mr P. PAPALIA: With the Kimberley voluntary restrictions, I will add that Harold Tracey indicated that they are looking to get scanning technology devices as well so that they can all communicate and people will not be able to shop at one outlet and then another and the voluntary restrictions can be applied with some rigour.

Mr P.J. RUNDLE: I refer to page 467 of budget paper No 2 and the spending changes table, specifically the line item at the bottom of the table "Voluntary Targeted Severance Scheme". How many of these redundancies fall within the Racing, Gaming and Liquor section of the Department of Local Government, Sport and Cultural Industries?

Mr P. PAPALIA: Those numbers are a consequence of the redundancies recorded in last year's budget. The department does not have the numbers for this year at the moment. We can get them for the member, but I think those numbers would have been promulgated last year. I can provide that as supplementary information.

Mr P.J. RUNDLE: I have a range of questions: How many redundancies were based in regional Western Australia? What was the function of each of those redundant staff members? Will the minister provide the position, location and level of each position made redundant?

Mr P. PAPALIA: I will ask director general whether he can respond to that question. He might be able to give the member an answer.

Mr D.S. Ord: The total number of voluntary separations in my agency was 44. They were applied across a range of sections, and most of them were in corporate services roles. No roles in regional Western Australia were lost as a result of the voluntary targeted separation scheme. We have only regional officers in the Sport and Recreation division. Staff from Racing, Gaming and Liquor, of course, travel through the regions as inspectors. The staff who undertake work such as I described in my last response on the Kimberley liquor restrictions go from Perth to the regions. We have not reduced our role. We had a few separations from Racing, Gaming and Liquor; the separation scheme represented approximately a 10 per cent reduction in staff FTE in the agency. Those were primarily the result of combining three departments. There was a significant loss of duplication in corporate services-type roles and primarily that is where staff left.

Mr P.J. RUNDLE: Would the minister be happy to provide supplementary information on the position, location and level of those 44 positions made redundant?

Mr P. PAPALIA: Yes, on the understanding that that was last year, it is not this year, and there is nothing in the budget as far as that goes. I undertake to provide the member with details of the voluntary targeted separation scheme FTE numbers and locations, and the tasks of the people who took redundancy.

[Supplementary Information No B26.]

[12 noon]

Mr J.E. McGRATH: I refer to page 491 and the table under the heading "Details of Administered Transactions". Under "Income", the line item "Casino Tax" shows income of \$71 million for the current budget and for each of the forward estimates years. I ask a simple question as a matter of clarification: how does the tax income stay the same every year for five years, or whatever?

Mr P. PAPALIA: What line, sorry?

Mr J.E. McGRATH: Page 491.

Mr P. PAPALIA: It is a consequence of the act that enabled the casino to operate. It is just a projection. It is a flat line projection because it is kind of unpredictable, to some extent. They are assuming that it is not going to get worse, but it might. It might get better or worse, but it is just a projection. The director general tells me that they adjust in the midyear review; if it looks like it is going to be worse or better, they can apply that adjustment.

The CHAIR: We are dealing with division 34, services 2, 17 and 18.

Mr P. PAPALIA: Now we want to bring in the Citizenship and Multicultural Interests advisers under the same division, if that is okay.

The CHAIR: No; they do not have any questions, minister.

Mr P. PAPALIA: They do not have any questions? They are happy?

The CHAIR: Yes.

The appropriation was recommended.