

TAB — PRIVATISATION

722. Mr J.E. McGRATH to the Minister for Racing and Gaming:

Given that the McGowan government has finally decided to sell the TAB, what guarantees will be put in place for the racing industry in terms of ongoing funding for prize money?

Mr P. PAPALIA replied:

I thank the member for the question. Firstly, with respect to the time taken, as the member knows, the government went to the last election committed to not selling the TAB unless it was in the interests of the industry, and the industry wanted it. Within months of taking office, the Treasurer initiated a process to do due diligence, and then to share that through a consultative process, which took a long time. It began with Racing and Wagering Western Australia's board and executive, and then expanded to the code committees and then beyond that to wider consultation, a discussion paper, receipt of the discussion paper and finally the decision. It has all been done within 18 months, which is actually a pretty rapid process considering the lack of action prior to that.

That aside, one of the other measures to provide certainty to the industry, which I did not refer to earlier, is the retention of the principal racing authority as RWWA, for three years after the sale. That is a significant decision on our part. The member would be aware that some within the industry advocate for a change or a break-up of the principal racing authority. We rejected that; we believe that there needs to be certainty and consistency for a time to bed things down. We have responded to the industry's request that that be reviewed within three years, and it will be. The retention of RWWA as the governing body, with all the same responsibilities it currently holds, with the exception of running the TAB, means that all the decisions on the things to which the member refers—prize money and measures to sustain infrastructure through distribution of proceeds from the infrastructure fund—will be made by the operators, at the operator level, which is the principal racing authority, and it will advise the government of those decisions. As the member knows, we do not get involved in determining how prize money is set, where it goes, or anything of that nature. The industry is given a guarantee that for the three years post sale, RWWA, its governance model and its current method of operation will be retained.