

**Division 36: Local Government, Sport and Cultural Industries — Services 5 and 6, Racing and Gaming —**

[12.30 pm]

Mr S.J. Price, Chair.

Mr P. Papalia, Minister for Racing and Gaming.

Ms L. Chopping, Director General.

Ms E. Gauntlett, Deputy Director General.

Ms L. Kalasopatan, Executive Director, Finance.

Ms D. Kennedy, Senior Policy Adviser.

[Witnesses introduced.]

**The CHAIR:** The estimates committees will be reported by Hansard and the daily proof will be available online as soon as possible within two business days. The chair will allow as many questions as possible. Questions and answers should be short and to the point. Consideration is restricted to items for which a vote of money is proposed in the consolidated account. Questions must relate to a page number, item or amount related to the current division, and members should preface their questions with those details. Some divisions are the responsibility of more than one minister. Ministers shall be examined only in relation to their portfolio responsibilities.

A minister may agree to provide supplementary information to the committee. I will ask the minister to clearly indicate what information they agree to provide and will then allocate a reference number. Supplementary information should be provided to the principal clerk by noon on Friday, 31 May 2024. If a minister suggests that a matter be put on notice, members should use the online questions on notice system to submit their questions.

The member for Roe has the call.

**Mr P.J. RUNDLE:** My first question is about the regulation of gambling and liquor industries outlined on page 542 of budget paper No 2, volume 2. The table shows increases in costs of services, and changes under the minister's "Explanation of Significant Movements", notes 1 and 4, flow on to regulatory fees and the like. As far as impacting both the casino and racing industry, it was revealed last week in the committee hearing that the Gaming and Wagering Commission has increased regulatory fees in the order of \$1.3 million—more than a 300 per cent increase—to the WA racing industry. Can the minister outline how Racing and Wagering Western Australia has been swept up, it appears, amongst the increase in regulation from the Perth Casino Royal Commission and so forth?

**Mr P. PAPALIA:** Yes, the member is right. Which committee was that? Was it not an upper house committee?

**Mr P.J. RUNDLE:** It was the Standing Committee on Estimates and Financial Operations hearing.

**Mr P. PAPALIA:** That is correct. Since I assumed this role, I have become aware of that change in the increased costs associated with governance. I have asked the director general to undertake a review of regulation and the fee. That process is underway at the moment. The member is right; it did increase as a consequence of the royal commission and subsequent determinations by the GWC.

**Mr P.J. RUNDLE:** Given that review, I feel that RWWA has, as I said, been swept up amongst this royal commission scenario of adding a massive increase in fees to the casino. I guess we will see what comes out of the review. Will the minister be leaning on Treasury and the Treasurer to bring that fee back to a more reasonable amount considering that nothing has really changed in the world of racing and RWWA, but they have been affected by this change?

**Mr P. PAPALIA:** I have a couple of points. It will not be the Treasurer; it is my portfolio. The agency's cost recovery is always limited to 100 per cent anyway. That being noted, I have met with RWWA about this matter. A range of measures or regulation-related activities were undertaken prior to this time, and the cost was not attributed to RWWA. The agency undertook roles. Things like audits and inspections; investigations and prosecutions; legislative rule and direction amendments; submissions relating to new and existing agencies; one-off race day events; administration and maintenance of racing returns and databases; and the commission for investigating complaints about the WA TAB by WA consumers were all undertaken before, and they were not cost recovered. I have conceded that. I recognised that when I met with the RWWA board and other players who raised the matter. I have undertaken to assess this; I have asked the director general of the agency to review the real nature of that cost escalation and whether it is all justifiable and whether we might be able to refine it more. The member should understand that it was all post royal commission. A lot happened in a short period of time. There were recommendations from the royal commission, and the GWC responded. This was just a part of that process.

**Mr P.J. RUNDLE:** I look forward to the result of that review. I will stay in touch with the minister because it tends to flow on with a reduction, whether it be for thoroughbreds or harness or whatever in the regional areas, which is something that the minister and I do not want to happen. A fee like that is a massive increase.

[12.40 pm]

**Mr P. PAPALIA:** I think the impact is being felt industry wide; it is not isolated. Racing and Wagering Western Australia puts a lot of effort into supporting regional and country activities, but the cost is significant. We have recognised that and are looking into it.

**Mr P.J. RUNDLE:** Thank you, minister.

I refer to the line item “Gaming and Wagering Commission” on page 533. Obviously, we are seeing that scaled down from \$1.84 million to \$682 000. The Independent Monitor’s final report to government is expected in January 2025. If the Independent Monitor recommends additional actions by the Gaming and Wagering Commission, will the minister allocate more funding in the forward estimates? Can he foresee that happening?

**Mr P. PAPALIA:** We will consider whatever the Independent Monitor report recommends at the time. It is hard to anticipate. I get regular reports from the Independent Monitor and there will be more between now and then, but there has been significant progress in complying with the recommendations of the royal commission.

**Ms M. BEARD:** I have a question on liquor regulatory reform outlined on page 534. I am wondering whether there is a plan to amend legislation to allow police greater powers, or wider scope, to put people on the banned drinkers register. I understand that if the police go to a domestic violence situation, often they cannot put people on the register because it must go through the court, and that does not always happen.

**Mr P. PAPALIA:** That reform has been made and is in force now. My predecessor passed an amendment to the legislation that established a banned drinker order that enables police to respond to the situation the member is referring to, and they are doing it in significant numbers. The number of people on the banned drinkers register has grown quite considerably since the passage of that legislation and it became law. Police banned drinker orders did not exist previously, but they now do. The law came into effect in December 2023. Between the end of December and now, police have issued 240 banned drinker orders. That means 240 people have been put on the banned drinkers register, as directed by the police. In the Kimberley, it was 370; in the goldfields, it was 102; and in the member’s patch of Carnarvon and Gascoyne, it was 14. In total, there are 726 people on the register. That is only in that timeframe. Bear in mind that it changes because someone can come off the banned drinkers register. The register has been used significantly and effectively. Overall, in that timeframe, there has been a 370 per cent increase in the number of people on the banned drinkers register as a consequence of the banned drinker orders that police are employing.

**Ms M. BEARD:** When a large group is involved in a scuffle, I am led to believe that those people cannot automatically be put on the BDR on the spot. Is that correct?

**Mr P. PAPALIA:** The member is talking about an operational matter for police, but there is no limit to the number of people to whom police can issue a banned drinker order. Obviously, they have to meet the requirements of the law. Any concern around the inadequacy of the application of the law was addressed by that legislative change last year. The idea that not many people were put on the register and that it was constraining for police and the police would not use it because it was difficult is clearly not the case now. In my role as Minister for Police, I have not had any indication from police about any concerns with the law as yet. I have also been informed that if police charge someone with an alcohol-related offence, they can issue them with a banned drinker order.

**Ms M. BEARD:** Firstly, I want to understand—the minister can even provide the information later—how many people on the register seek medical attention. Secondly, how many get intervention from other wraparound services?

**The CHAIR:** Member, that is not really a budget-related question.

**Mr P. PAPALIA:** I would not have that information. That is a matter for the Minister for Health, so I would not be able to answer the member.

**Ms M. BEARD:** Was there going to be training for medical staff such as health practitioners?

**Mr P. PAPALIA:** Again, that is a question for Health. Putting that aside, obviously implementing the legislative change to the banned drinkers register initially, and now the amendment, has resulted in more people being placed on the banned drinkers register. The agency works with Health but it does not design the training or anything of that nature because that is special to Health.

**Ms M. BEARD:** Has the training been done for those people so that the doctors and health services can put people on the register?

**Mr P. PAPALIA:** Sorry; there is that element of it. Some individual health providers in particular have tried. The agency is working with Health to assist those providers in meeting the requirements of referral. Probably because it is new and they are not familiar with the justification requirements, some of the referrals within Health have not met the requirements for the agency to be able to put people on the banned drinkers register, but work is being done through Health to assist those people meet the referral requirements. It has happened. There is a bit of a problem that is probably more around a couple of individual doctors who, for whatever reason, have found it challenging to provide an adequate justification. We are intent on making that easier, and the director general is working with Health to enable that.

**Ms M. BEARD:** When is all that training expected to be rolled out?

**Mr P. PAPALIA:** The law allows it currently. What has happened is that some people have tried to refer people, but they have not been able to adequately meet the requirements of the referral process to enable the person to be put on the banned drinkers register. That is being resolved. It is more of a challenge around assisting the medical professionals to be able to provide the right type of information to meet the legal threshold for referral. It is a reasonable expectation that they should meet the legal threshold before they can put someone on the banned drinkers register or refer them to the register in the same way that the police have to meet the threshold. The police have a threshold to meet as well, but they have been more able to meet the threshold since the change to the law.

**The appropriation was recommended.**