

TOTALISATOR AGENCY BOARD, BONUS PAYMENT

729. Hon BARRY HOUSE to the Minister for Racing and Gaming:

I refer to the minister's recent announcement that an extra \$1 million bonus payment from the Totalisator Agency Board funds would be distributed to the racing industry.

- (1) Is this payment part of the anticipated TAB proceeds, exceeding the statutory \$50 million, that is available for distribution at the minister's discretion?
- (2) What formula did the minister use for the distribution of this \$1 million?
- (3) As the payments appear to have been made directly to the principal clubs - the Western Australian Turf Club, the Western Australian Trotting Association and Greyhounds WA - what steps has the minister taken to ensure these funds have been distributed to areas of the industry most in need?

Hon NICK GRIFFITHS replied:

- (1) The TAB in Western Australia is performing very well; and, because it is performing very well, the State is receiving dividends in terms of taxation and the racing codes are receiving greater moneys than they would otherwise have expected. The Act that was passed in 2000 shortly prior to the election provided that the first \$50 million of the TAB funds to be distributed to the codes would be distributed according to the formula set out in the Act. It provided that with regard to an amount in excess of \$50 million, or such other amount as set by regulation, the minister would have the discretion to cause the funds to be distributed according to certain criteria set out in the Act. In the period leading up to the 2001 election when Hon Norman Moore was the Minister for Racing and Gaming, he caused a number of payments to be made pursuant to that Act in various parts of the State. I think one of my colleagues has said that certainly from a Liberal Party perspective, that was money very wisely spent. My view on the racing industry is that ministers should not be engaged in hands-on operational matters. It is not for a minister to decide that a particular club he or she favours should receive a bit of largesse. The honourable member who asked the question has the duty on behalf of the Opposition of shadowing me in this portfolio. As such, he may be aware that approximately two years ago I caused regulations to come into effect so that the amount of \$50 million was increased to \$65 million, save for the continuation of the amounts that had been promised pursuant to the direction of Hon Norman Moore in January 2001. If I recall correctly, I kept that payment of \$1.5 million going in two instalments because the relevant race clubs had accounted for that money as future expenditure in their budgets, and I thought it would be inappropriate to take that from them. Save for continuing that \$1.5 million - I will not call it largesse - there has been no exercise of ministerial discretion in that part of the Act, because I consider that to be inappropriate.
- (2)-(3) The formula used in the distribution of that money was as set out in the Act. The honourable member will note that about 55 per cent goes to thoroughbred racing, about 29 per cent to trotting and 14.9 per cent or thereabouts to the Western Australian Greyhound Racing Authority. I am not being precise with these figures because I do not think I should be expected to give figures off the top of my head to the last decimal point when answering a question without notice. The money was distributed in accordance with the formula set out in the Act. I have dealt with that in broad terms. In terms of how that money is dealt with by the various codes, it is dealt with according to the law. The honourable member would know that the money flows to the principal clubs. Certain matters are set out in the Act on how country racing and trotting clubs and the Fremantle Trotting Club are to be dealt with. On my concern to ensure that those areas of the racing industry are properly safeguarded, the honourable member would know that legislation was introduced in the other place last week that will enable the racing industry in Western Australia to prosper. It will give the non-metropolitan centres of racing of all the codes a chance to at last be free of the shackles of what essentially are Perth-dominated clubs.