

Mr Peter Katsambanis; Mr John McGrath; Mr Bill Marmion; Ms Cassandra Rowe; Mr Peter Rundle; Ms Libby Mettam; Ms Sabine Winton; Mr Zak Kirkup; Ms Janine Freeman; Mr Simon Millman; Dr Tony Buti; Mr Reece Whitby; Mr John Quigley; Mr Sean L'Estrange

TICKET SCALPING BILL 2018

Second Reading

Resumed from 28 November 2018.

MR P.A. KATSAMBANIS (Hillarys) [4.22 pm]: I rise to speak on this bill as the lead speaker for the Liberal opposition. I indicate that we will not be opposing this bill. Like every member of the Western Australian community, we do not support the concept of ticket scalping. We do not support consumers being ripped off to attend events that they want to attend. In particular, we do not support consumers being ripped off by being sold a ticket, sometimes at a very inflated price, that will not even give them access to the event that they want to attend. We do not oppose the concept of outlawing ticket scalping in itself. We want to ensure that those people who scalp tickets are identified and appropriately punished for doing so. I will talk later about how ticket scalping has evolved over the years. We want to see Western Australian consumers, and tourists to Western Australia, have access to tickets at a reasonable price so that they can attend the events that they want to attend. We want to encourage many people from interstate and overseas to come to Western Australia to attend various events—sporting, musical or cultural events, food and wine festivals and the like—in both Perth and the regions.

The principle of banning ticket scalping is good. The history of attempting to stop ticket scalping, not only here in Western Australia—where we really have not done much, to be fair—but also in other states and overseas, is, unfortunately, littered with examples of well-intentioned legislation simply not working. I will address some of that later, if time permits. Although we will not be opposing this legislation, some issues are raised by the tabling of this legislation in this house. I will address those when we get to them. It has been pointed out to us that a small group of legitimate operators in this space, represented by the Ticket Brokers Association of Australia, feel as though this legislation has been sprung upon them without consultation and will destroy their ability to conduct business in Western Australia, whilst allowing other people who are not based in Western Australia to continue illegitimate and nefarious practices. That is an issue we need to consider. We need to consider how effective this bill will be in stopping illegitimate ticket scalping; what unintended consequences it will have on legitimate operators; and perhaps also focus on the creation of two categories of scalping—one category being allowed under this legislation, just in the simple operation of ticket selling over many years; and the other category being outlawed by this legislation. Again, I will explain that as we get to it. Although we do not oppose this legislation, we will subject it to considerable scrutiny to try to get as much clarity as we can so that the Western Australian public is under no illusion about what this bill can do, will do, and, more importantly, will not do.

The starting point of this can be traced back to the last Parliament. The opposition at the time—the current government—introduced a very different bill to this one, but it purported to address the same issue; that is, groups of people buying tickets to events with no intention of going to that event but with the intention of capitalising on the scarcity of available tickets to that event, and selling them at inflated prices to people who would ordinarily want to see that event but had not been able to obtain a ticket for one of many reasons. The related issue around that is the issue of fraud—that is, people purporting to sell valid tickets to events when they know, or ought to know, that the tickets are not valid. Again, I will address some of that, and some of my colleagues will address that as well. That is what the then opposition—the current government—tried to do in its bill. The opposition at the time was told by the former government that although the bill was well intentioned, it simply would not achieve its aims. At the start of this Parliament, my colleague and friend the member for South Perth, in his capacity as shadow Minister for Sport and Recreation; Racing and Gaming, and all other good things, reintroduced a very similar bill to the one that the former opposition had introduced. My colleague will explain why he did that, but essentially it was to give the government a bit of a hurry-up. The Labor Party said it had a bill that would work. It campaigned in the lead-up to the 2017 election that it would introduce this sort of legislation.

Better late than never, late last year the former Minister for Commerce and Industrial Relations brought in this legislation. I note that the current Minister for Commerce was not —

Mr J.R. Quigley: It was inherited.

Mr P.A. KATSAMBANIS: Yes, the minister has inherited it; he did not bring it in himself. Hopefully, he can also cast a fresh set of eyes over it as we go through the process in both this place and the other place.

Ticket scalping is not new. I am sure that there was someone with a Greek cockney accent waiting at the front of the stadium in Olympia and offering someone a little disk, a plate or a pottery-type ticket and telling them that they could enter to see their friend compete in the ancient Olympic Games. It has been happening forever.

Mr J.E. McGrath interjected.

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Mr P.A. KATSAMBANIS: I do not know. Historians of the time have not recorded whether those scalpers sold legitimate tickets or illegitimate tickets and whether the person who bought the ticket at an inflated price managed to get into the stadium. I dare say that it was happening at the Colosseum in Rome.

Mr J.E. McGrath: They might have had a ticket to a stoning!

Mr P.A. KATSAMBANIS: I am not sure about that, member for South Perth. I would rather avoid having those sorts of laws. I know they still exist in some countries. The member mentioned stoning. That is a barbaric and cruel practice and should never be condoned in any way. Sporting events and entertainment events are different things. They are fantastic things and we want to encourage as many people to go to them as possible.

As I have said, there has probably been scalping for thousands of years. It has been 2 500 years since the ancient Olympic Games. We know scalping takes place at really popular events. It takes place at things like the Olympic Games and the AFL Grand Final. It takes place at concerts of rock and pop bands that are extraordinarily popular and play at smallish venues and, in particular, bands that might have had a small group of fans and sold tickets for their tour six months ago and, in the intervening six months, their popularity has grown and a big group of people want to buy tickets. That scarcity of tickets—that demand outstripping the supply of tickets—drives the ticket scalpers to get involved in this nefarious practice.

In the old days, people had to line up to buy tickets. I remember as a young boy the first time I lined up overnight for tickets. It was for the 1977 grand final. It did not work out that well for my team that year or many other years, but twice it did. I remember lining up for tickets to see the band Kiss in 1980. It played at the old Victorian Football League park in Waverley.

Mr W.R. Marmion interjected.

Mr P.A. KATSAMBANIS: I did get great tickets. I have been involved in ticket scalping legislation longer than has any other person in this place. The Victorian government introduced legislation in 2002. We told the government that it would not work and it did not work. It introduced different legislation later, which I am told is working a lot better than the original legislation. I re-read some of that speech and I commented on how I lined up for 2002 grand final tickets as well. I also lined up for tickets in 1990. They were the best ones; 1990 and 2010 were great. People used to have to line up and the scalpers would line up as well. It is said that they would often pay people to stand in line for a couple of hours and buy a whole batch of tickets, taking what they saw as a commercial risk, and then some desperate fans or suckers—however we want to describe them—would be prepared to pay an inflated price. That is how it used to happen in those days.

I am sure that there have been very popular events in Western Australia in the past—music events, sporting events, WAFL grand finals and the like.

Mr J.E. McGrath: The Commonwealth Games.

Mr P.A. KATSAMBANIS: And the Commonwealth Games. That was before my time, member for South Perth. I know it was a popular time, and, hopefully, we can get the Commonwealth Games back here one day. Perhaps they could be called the McGrath Commonwealth Games, like everything else named after the member!

There have been popular events in Western Australia, but, over the last 20 years, the way that tickets are distributed has changed. People no longer line up at the box office. People do not have to line up in the bowels of Victoria Park, as I used to as a young man for days on end, with blankets and with relatives bringing me cups of tea and warm food to keep me going so I could buy tickets to watch a football game.

Mr J.E. McGrath: But even back then, did you have to be a Collingwood member or could you have gone as a member of the public?

Mr P.A. KATSAMBANIS: Yes. It has always been the case, and it is the same today, that tickets are put on sale early for members or supporters and the remaining tickets get sold to the public later.

Mr J.E. McGrath: So how did a scalper buy a ticket when he was in the queue with you if he wasn't a member?

Mr P.A. KATSAMBANIS: Back then, a scalper could buy a \$5 junior membership ticket, roll up to the window with 10 of them and buy 10 adult tickets and sell them. It was a far more laissez-faire process back in those days, and obviously tickets were not as heavily priced as they are today. If I have a chance, I will get to how much I had to pay the other day to see a band that I really like and what happened with Viagogo and that band.

Today, people do not line up to buy tickets. They do not line up outside the box office to see their favourite band; they go online. I have heard stories and I have done it myself. Perhaps it is the only time when moving from a physical system to an online system has made things more difficult and frustrating. The stories of people who

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were frustrated at not being able to get online at nine o'clock in the morning when the tickets went on sale and having to press the refresh button are absolutely legendary. It is painful and annoying and it disenfranchises proper fans. Meanwhile, the scalpers have cottoned onto the fact that they can use artificial intelligence—the so-called bots—to line up electronically, get in first and gather a whole pile of tickets. No-one condones that practice. When I came across those guys, they always had cockney accents; that is why I said that. Maybe they were fake cockney accents. Back then, nobody condoned those guys lining up with the legitimate fans. It was a relatively confined practice, but today someone in the Ukraine, Switzerland or Perth using a virtual private network that indicates it is coming from somewhere else like Russia, China or America can program their computer to buy dozens and sometimes hundreds of tickets at the expense of legitimate fans. In trying to stop that, we are all in absolute, massive agreement.

Outside of politics and my family, I have only two loves in the world—Collingwood Football Club and heavy metal music. I rely on accessing tickets to events that I want to attend, and hundreds of thousands of people in Western Australia are exactly the same. There are also fans who like to travel. We had Chelsea Football Club at Optus Stadium last year. This year we will have Manchester United Football Club and Leeds United Football Club. I had better not leave that out, because very close family members will come over to see Leeds United, not Manchester United. We will have the Bledisloe Cup and the State of Origin rugby league match between New South Wales and Queensland. When RAC Arena opened, Elton John played for a number of evenings. He came only to Perth; he did not go to the rest of Australia. There will always be events here that will attract tourists from overseas and interstate, and we want to encourage that. We want them to buy tickets. We do not want the scalpers to buy them. We do not want these nefarious people who are using bots to be gathering all the tickets and saying to legitimate fans that if they want to go, they do not have to pay just the ticket price, which is a pretty high price in some cases, particularly for the sought-after events, but can buy them for even more than that—sometimes double or triple the price, depending on the popularity of the event. We are all on board with the principle behind this legislation. Attendance at events today has changed from the old days when some of us used to attend footy matches and stand in the outer. When I was a little boy, I remember there used to be steel beer cans, before they made them out of aluminium. I used to collect them, pile them up and stand on the steel beer cans, because they did not collapse under a little boy, so I could see over the heads of the people in front of me to watch the football.

Mr J.E. McGrath interjected.

Mr P.A. KATSAMBANIS: I will not pick up on that interjection from the member for South Perth.

Events do not happen that way. People treat them as a full entertainment package. They might like to have a meal or a drink or a combination of both beforehand. They might want to make it a really special event and take a charter vehicle—a limousine or a stretch limo, perhaps—to and from the event. They might want to have a bit of a party and make it an event. When they are at the event, they might want to go into a higher category. These people are not always rich; they prioritise their attendance at that event over other things. They may not go out to dinner for three or four months so they can go and see their favourite performer, be it Hugh Jackman, Metallica, Kiss or the plethora of people who come here. They make that sacrifice and say that they are going to have one great night. Events nowadays are packaged in different ways.

The other thing is that not everyone can buy tickets online. Some people do not have the capacity or the confidence to buy things online. Other people have commitments. If a person is on a roster and the tickets go on sale at nine o'clock in the morning when they are working, they do not have any chance of getting tickets to a popular event. If it is one of those events for which they can walk up to RAC Arena on the night and buy a ticket, they can do that. Sometimes people cannot physically be at a computer for the really popular ones—the only ones that the scalpers really care about—which are the sold-out events or the close-to-sold-out events. If a person is working at the checkout or the deli counter at Coles or Woolworths at nine o'clock in the morning, their bosses are not expecting them to be sitting on their phone, pressing buttons; they are expecting them to be serving customers. Unless they have an alternative, they are going to miss out. The scalpers prey on that.

Other legitimate services out there provide a service to those people who do not have the capacity or the ability to buy, or are restricted from buying, event tickets. They constitute local businesses represented by the Ticket Brokers Association of Australia. I have met with these people and had conversations with them. They say they offer a range of services in which a ticket is part of a package. Sometimes the package might include a meal and a drink or it might include transport to and from the venue, and other times it might simply be the ticket. They add a little mark-up on it. They do not add a percentage, because if it is an \$80 ticket, 10 per cent or eight per cent is not going to cut it. They might add \$15 or \$20 to the ticket. It is very transparent. Most important of all, they are local businesses. They have an ABN, they are registered, they pay taxes and they have a telephone number. If something goes wrong, we know who they are, and either the consumer or a representative of consumer affairs can knock on

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their door and say, “Hey, you sold a ticket to a customer and that customer didn’t get to go to the event. You’ve misrepresented it. You’ve misled these people, and you’re liable to make amends.”

When Victoria updated its legislation, it made allowances for these sorts of boutique businesses. In my experience, these businesses are mainly run by young people, who are offering a service to a small section of the community. Unfortunately, this legislation does not allow those people to continue with their current business model. They have had some discussions with the new minister, and I hope the minister takes that into account. They have pointed to the Major Events Act 2009, which is Victorian legislation that superseded the older 2002 legislation that I was involved in. They indicated how Victoria gave these people a place in the sun to continue. These people are particularly important for tourists. People who arrive in this state might notice that Hugh Jackman is on, or other events that the Minister for Culture and the Arts goes to. They might just want to get a ticket at the last minute. It is great for the economy. It is great for everyone. They access the tickets through legitimate ticket brokers, who under this legislation are going to be cut out because they cannot compete on a 10 per cent maximum surcharge, but others will be able to continue to operate under this legislation.

This legislation says that a ticket to an event that has resale restrictions on it cannot be sold for more than 10 per cent of its face value. It sounds good in theory, but when we start to delve into the way that some internet businesses work and the margins that they work on—extremely high volume and extremely low margin—we can already see that a 10 per cent surcharge, or anything that is 10 per cent or under, may allow someone to continue to buy tickets and sell them at a 10 per cent mark-up. They are not going to do it from a shopfront. They are probably not going to do it by paying tax in Australia. They will be able to do it from the comfort of their beach-side shack in the Bahamas, Ukraine, Switzerland or wherever these online services are located. We will be cutting out those volume scalpers that use bots—I will get to the supposed prohibition on bots in a minute—but we will not be able to get to them.

The other group we will not be able to get to—this is the one that upsets a lot of people whom I and other members of Parliament speak to—is the legitimate ticket scalpers. They are the actual main ticket sellers in this country—the Ticketek and Ticketmaster companies of the world that run websites on which people can buy tickets. They run premium services. They run a website on which they offer ultimate, premium or platinum tickets, depending on the sort of company they are dealing with. They offer them at inflated prices. One example I have spoken about is Hugh Jackman, who is touring Australia. In August, he is going to be in Western Australia at RAC Arena. He is someone Western Australians love. He has spent time here, studying at the Western Australian Academy of Performing Arts. He has made no secret of his love for Western Australia, so many people want to go to see him. Tickets went on sale not so long ago. The cheapest tickets in the house were \$167.50 to just get a seat. There are other tickets within little packages and things are added. However, to just get a seat and watch Hugh Jackman is \$167.50. Ticketek had made an arrangement with the promoters of the show and it was selling the tickets.

Lo and behold, a couple of days later on the Ticketek Ultimate site, the very same tickets to see Hugh Jackman that Ticketek was offering for \$167.50 were being offered in the “ultimate” category, with no add-ons, in the best available reserve seating, for \$422.15. Those seats had not been available to the general public. There was no category of seats available on the open website—the average ticketing website—for \$422.15, and they are exactly the same tickets, in the pink section of RAC Arena, based on the printout I have here. Tickets in the pink section were being sold by Ticketek on its website for \$167.50, and exactly the same tickets cost \$422.15 in its “ultimate” package. This will not be captured by the Ticket Scalping Bill 2018. There is no transparency. This is what annoys fans, be they fans of music, theatre or football; there is no transparency on how many tickets go on sale to the general public—none at all. In the last few years, the Australian Football League has been forced to announce how many tickets it puts to corporates, clubs, AFL members, Melbourne Cricket Club members and the like, but there is no transparency on how many best priced tickets are made available to the general public. There have been inquiries all over the country including a Senate inquiry, a federal Treasury inquiry and an inquiry in New South Wales. One of the major issues that came up was this lack of transparency. How many tickets were offered to the general public? How many tickets were offered in corporate packages? How many tickets were never offered to the general public and went directly to the ticketing company’s own premium service websites? None of this is addressed by this legislation.

When there is no transparency, there is far more room for nefarious activity. I am not accusing Ticketek, Ticketmaster, Moshtix or any of the others—I do not think Moshtix runs a premium service, but irrespective of that—of doing anything illegal but a massive lack of transparency gives consumers a legitimate concern that something is not right. That is before tickets go to third-party ticket vendors including Viagogo and StubHub. Essentially, official ticket sellers can do what they like. They can put out a small number of tickets on the web or they can put all the tickets out for a very limited time, then transfer them to a premium service knowing that the desperate fans will buy them. Perhaps a husband wants to buy ticket for his partner or wife to see Hugh Jackman for an anniversary present. He thought about it and lined it all up, but could not get a ticket on the official site so he paid a premium. Tickets went from \$167.50 to \$422.15, which is almost three times the face value. That is not

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touched or affected in any way by this legislation. That is not good enough. I do not think it has been well thought out enough. A category of scalping is legitimised by this legislation. There has been an impact on legitimate businesses such as the Ticket Brokers Association and its members, which offers a service to the public and makes it very transparent that it will charge a surcharge for offering that service, including buying tickets and organising it. It will go out of business but these major multinational companies can take the public for fools. They can hoodwink the public and absolutely get away with it.

I then come to the other group, which has gathered up all the tickets with bots and put them on sale on websites. The primary one that seems to be in everyone's face is Viagogo. It is based in Switzerland and I believe a lot of its activity takes place out of the Ukraine. It probably operates from servers all over the world. I can guarantee members that it does not operate from servers in Western Australia. These marketplaces, as they like to call themselves, allow people to list tickets for other people to buy. Viagogo says, "We don't buy tickets. We don't sell tickets. We act as a marketplace where buyers and sellers can come together." We have seen the results of what happens when people go on Viagogo. In the case of the football matches to be played by Manchester United and Leeds United here in Perth, within 10 minutes of tickets being available to the general public, the tickets were on sale at inflated prices through Viagogo. It meant that 10 minutes after they went on sale, \$200 tickets were for sale for \$300. People get caught with this. It gets even worse. Last month, I bought tickets to see one of my favourite bands—Metallica. Tickets went on sale for Metallica playing at Optus Stadium in October.

Mr D.A. Templeman: Did you buy tickets to Metallica?

Mr P.A. KATSAMBANIS: Of course I bought tickets; I bought two. I buy tickets; I do not rely on freebies. I am going to be there —

Mr D.A. Templeman: I didn't pick you for a Metallica fan.

Mr P.A. KATSAMBANIS: You bet!

As I said earlier, there are pre-sales. Certain categories of people get access to tickets before the general public do. For example, fan club members and some people through their credit cards may get access to a pre-sale. For events at Optus Stadium, subscribers to Optus got access to a pre-sale. That happened in the week commencing 12 March.

Mr D.A. Templeman: How much were the tickets?

Mr P.A. KATSAMBANIS: They were around \$260 a pop for the best available seats. They are going to sell 60 000 tickets. They have already sold out Melbourne's Marvel Stadium, I think it is called now; I remember it as Colonial Stadium. They have sold out there and have put on a second show. They are popular, trust me. The Minister for Culture and the Arts can come with me! I have a spare ticket. I have a couple of spare T-shirts as well. I am going to wear the one I bought at their 1989 concert.

Mr D.A. Templeman: Don't tempt me; I might take you up on that!

Mr P.A. KATSAMBANIS: The minister is welcome to come and experience a different type of culture. He is a man of the people! The tickets went on sale as a pre-sale on 12 March. The tickets for the general public did not go on sale until 19 March. On 15 March—it probably says something about my Facebook friends and my commentary on Facebook—an ad popped up in my Facebook page from "Ticket.viagogo". It reads, "Sponsored. Metallica, the reigning kings of heavy metal announce 5 dates across Australia, with Slipknot to support. Have you got your tickets yet? Enter Sandman with #Metallica #Slipknot #2019Tour. All AU Dates Onsale Now at TICKET.VIAGOGO.COM/AU/TOUR." Viagogo was selling tickets to these concerts across Australia and New Zealand before the public could access the tickets—wrong, wrong, wrong! No-one on the government side and no-one of this side of the house wants that to happen, particularly knowing that the tickets would be sold for above face value. I did not clock on. I did not log on to the site to see how much the tickets were being sold for, but I can guarantee members one thing: they were not being sold at or below face value; they were being sold at above face value.

Mr D.A. Templeman: Do we get afternoon tea at the Metallica concert?

Several members interjected.

Mr P.A. KATSAMBANIS: I can guarantee the minister a great time. Actually, I will talk to the member offline. I will give him a copy of their latest album because I got access to download it included in the ticket price. I am not doing anything illegal. When I got my advice from them, they said, "Pass it on to a friend."

Mr D.R. Michael: The band wouldn't do it for you, because they sue their fans.

Mr P.A. KATSAMBANIS: The member for Balcatta pointed out the Napster case, when Metallica did sue its fans. He knows more about it than he is letting on.

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Irrespective of that—this is important—we know that the tickets will be on sale for more than face value, but that is not the worst of it; these marketplaces encourage fraudulent transactions. Last year, some United States visitors, a couple, Chris West and Beth Drake, came to Perth and found out that the West Coast Eagles were playing Collingwood in the qualifying final at Optus Stadium in early September and they wanted to go. They thought, “We should go there.” Pity they wanted to follow West Coast, because if they had known that the great American Mason Cox plays for the Magpies, they could have shown their loyalty to their fellow American. Irrespective of that, they, like so many people, wanted to go to the game. They went on Viagogo and bought tickets. They paid \$352 for two match tickets worth about \$118. They rolled up to the turnstiles and they were told that someone else had used their tickets to enter the venue at 4.00 pm. From memory, the game started at around six-ish. They had been sold tickets, transferred through the internet, that they no doubt printed at home. The concept whereby people pay extra money to the ticketing company—I do not have time for it, but I will raise it—for the privilege of printing their own tickets at home is annoying and I know that the fans hate it. Those people printed out the tickets, rolled up to the stadium, bought the gear, were ready to go and were told, “Sorry, your tickets have been used.”

How will this legislation deal with that example? It will not deal with fraud until after the event, because these websites do not operate in Australia or in Western Australia; they are well beyond our territorial limits. We know from experience that Viagogo still operates in other states, in New South Wales and Queensland, that have brought in this type of legislation. I know that the Western Australian legislation is modelled somewhat on what New South Wales did recently and is very different from the Victorian model. In the Victorian model, the government prescribes certain events—not many, apart from the AFL finals, the Anzac Day blockbuster at the MCG and some very, very well attended concerts. I think at the moment some sort of Harry Potter show has been listed as a major event in Victoria. I am trying not to talk too much about that show because I know what will happen; I have three very great Harry Potter fans—two in particular—who will put enormous pressure on their father to find a way to get them to their grandparents, and I am trying to avoid it. I not going to speak too much about it.

Ms J.M. Freeman: You’ll go to Metallica but you won’t let your kids go to Harry Potter.

Mr P.A. KATSAMBANIS: I am happy to let them go, but I would rather that they contributed to the Western Australian economy. I would rather that the minister and the government work on getting the Harry Potter show over here so we can have it at the Heath Ledger Theatre or some other appropriate venue and see it.

Several members interjected.

Ms S. Winton: It’s \$600 a ticket.

Mr P.A. KATSAMBANIS: It is \$600. That is more reason for me not to go; I am not at that pay rate.

Mr D.R. Michael interjected.

Mr P.A. KATSAMBANIS: I will leave that alone.

In Victoria, which has gone down a completely different path from New South Wales, Queensland and now Western Australia, these reselling hubs, like Viagogo and StubHub, which, I must say, seems to have—I do not want to sound like an expert on this because I am not—a better reputation across the world, are now cooperating with the government on the sale of tickets to major events. It is a limited number of events and they are providing information to Victorian government investigators. I read an article about the AFL finals tickets. I think it was in the lead-up to the preliminary finals in Melbourne. When legislation is brought in that is commensurate with the problem it is trying to tackle, and actually works, even these nefarious overseas-based companies find that it is in their best interest to cooperate with the authorities, and in that case they did. If people like Chris West and Beth Drake, our American tourist friends, rolled up in Victoria, they would find some form of protection. I do not know what sort of protection, because, at the end of the day, they were sold dud tickets, they rolled up to the venue, they tried to get in, and they were not able to get in.

That example highlights another shift in the way ticketing is done, from people lining up outside a venue for days on end to get a hot little ticket in their hands to people printing their tickets at home, sometimes on a black-and-white and sometimes on a colour printer. The opportunity for fraud is magnified exponentially. We are finding that out at RAC Arena as well. People are rolling up with tickets that they have purchased off the official ticket seller’s website and that look legitimate in every way. The minister will correct me if I am wrong, but I think it is Ticketmaster at RAC Arena and Ticketek at the stadium. People roll up with their ticket and they are told that someone has already used the ticket. These crooks—that is what these fraudsters are—are selling a ticket multiple times and making multiple profits by fleecing the consumer. Unless we have an investigator trawling through Gumtree, Viagogo and everything else, these people will continue to do what they are doing. They will continue to go on their merry way irrespective of this legislation, because it is a scattergun approach targeting every event. There are alternatives. Those of us who went to the AFL grand final—many Western Australians came home

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happy; others like me did not come home so happy—know that on grand final day, people could not print their tickets at home. They had to roll up to a ticketing box at the ground or another site around Melbourne on the last couple of days before the game, and present the credit card that they bought the tickets with and some ID in order to be issued with the tickets. It is not foolproof, but it is a darn sight better than allowing someone in the Bahamas or the Ukraine to buy a whole pile of tickets with a bot and start emailing them to anyone who sends money to their bank account or their PayPal account or whatever they use nowadays. It is much, much better.

Mr J.E. McGrath: Someone with one of those tickets could've still walked down to the MCG the next day and sold them for a profit.

Mr P.A. KATSAMBANIS: They could, and that law of scarcity will always exist. No matter what ticket scalping legislation we introduce, there will always be the guy at the pub who comes up to someone and says, "If you want to go to the event, I've got a ticket."

Mr J.E. McGrath: It's going to happen.

Mr P.A. KATSAMBANIS: It is going to happen. We have to be realistic; it will happen. We are trying to stop the large-scale fraud and the rip-offs. Someone sitting in a pub who buys a ticket from someone knows that they are taking a risk. Before, there were proper printed tickets. I still have the proper printed tickets that I used to get to go to events in the 1970s and 1980s. I used to keep them as keepsakes for my music collection. I always had a plastic sleeve protecting each one of my vinyl albums and I would slip the ticket inside the vinyl sleeve. I used to keep the footy tickets in a box.

Mr W.R. Marmion: They must be worth a fair bit now.

Mr P.A. KATSAMBANIS: Yes, I still have them.

Mr D.A. Templeman: What is the best concert you have been to?

Mr P.A. KATSAMBANIS: I will get to that.

They were collectible. But today, thousands of them can be printed off on a printer, so they are not collectible. The real fan, the legitimate fan, wants the ticket. None of that is addressed in this bill.

I know this bill has some provisions outlawing the use of bots. They are well intentioned, but the question is, firstly: are they constitutional? I trust that the Minister for Commerce will be able to answer that. Secondly, what sort of territorial ability will we have to control bots operated from other places? I would say none or next to none. When someone rolls up at the ticket box with a printed ticket, it is impossible for the person at the turnstiles, or the card reader that reads the barcode, to work out whether it was bought by a bot. They have no idea whatsoever.

Mr J.E. McGrath: All they know is that someone else is already in the grounds!

Mr P.A. KATSAMBANIS: That is the only thing they know. If we really want to stop ticket scalping in its tracks—we will never get rid of it 100 per cent, but for the 99.9 per cent, particularly this nefarious volume buying and volume selling and the direct, pure fraud—we need to work with event organisers and ticketing companies to come up with a much better way. I know that other countries have tried it. In England, Premier League tickets are highly sought after and a lot of the major clubs offer an official resale system that is a bit carrot and a bit stick. The clubs offer a system whereby if a member has a ticket and they cannot attend that week, they can sell it through the clubs. Firstly, if the clubs do an audit and someone else is sitting in the member's chair, the member is okay if he has used the official reseller. Secondly, the clubs allow members to accrue credits to buy tickets to the highly sought after matches such as the FA Cup final, the European Cup final and the like. The clubs have taken it upon themselves to stop fraud, and I read the other day that nowadays some clubs have even started freezing the costs of tickets, which is a good thing because ticket prices go up and up. The minister was incredulous when I told him that Metallica tickets cost around \$260 or more each. That is what those clubs are doing.

John Butler, who is not an artist I have much to do with either musically or politically, tries very hard to restrict his ticket sales to legitimate fans and, if they cannot go, to have them pass it on to another fan. The provisions of this bill would stop that. An artist can play a small, boutique show for, say, 1 000 people, and sell tickets at a high price through the fan club, and people buy them. Nick Cave and many other Australian performers do it as well. They sell tickets through the fan club to a legitimate fan, and if that fan cannot go and cannot present their credit card and all of that, the ticket is cancelled and sold to another fan and no refund is given. Under this legislation, artists will not be able to do that, because it will be illegal to sell a ticket for more than 10 per cent above face value. Someone could buy those tickets by signing up to the fan club. They could get in early and buy a ticket or

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two and sell them to someone—a \$500 ticket for \$550—and the artist loses control of who goes to their show. The ticket could be sold to anyone off the street. There are artists trying to do the right thing and stop scalpers from buying tickets, and this legislation is not going to help them. That is why I say that this legislation is well intentioned, but not overly well thought out. We will address that at the consideration in detail stage. Clause 7 of the bill refers to invalid resale restrictions. We are saying to people that they can put resale restrictions on tickets to their shows, but there are some restrictions they cannot put on, and the only one listed here is that they cannot stop someone from selling the ticket at 10 per cent above face value—only if they exceed 10 per cent. I think that is wrong. It stops some of the practices that artists have started. We need to work with the event organisers and get them to go back to more verifiable ticketing practices. It might be a little bit harder for them, but if they really cared for their consumers, the person buying their products, they would be willing to work with this, and it is not too hard at all. The AFL has done it.

Mr J.E. McGrath: It has done it well.

Mr P.A. KATSAMBANIS: Yes, I think it has done it okay, but I do not know about well. The AFL's problem, of course, is that it releases such a small number of tickets to legitimate fans of the two competing clubs. I understand why.

Dr A.D. Buti: It is wrong, though.

Mr P.A. KATSAMBANIS: Yes, it is wrong. I understand why from the AFL's perspective. It has its corporates to look after. It also has the other clubs, and some of those clubs rely on that income from selling the grand final ticket attached to a bit of rubber chicken and a glass of champagne for \$1 500 or \$2 000. It is wrong, but those clubs rely on it and that model that they have built. I would prefer the AFL to make a lot more tickets available to legitimate fans. Western Australians care about that because both Western Australian teams have competed in a grand final in the last decade, and Western Australians love their footy. Obviously, there are other Western Australians like me and some other members, such as the member for Cannington and the Speaker himself, of course, who follow non-Western Australian teams. We have to work with those event organisers to get them to smarten up their act and deal with a problem that is really essentially of their creation. No-one told them to provide print-at-home tickets; no-one told them to set up an open-slathe website and not use really simple and effective modern techniques such as geoblocking and other protections against bots. The Ticketmasters and Ticketeks throw up their hands and say, "Barleys! This isn't my problem." They created it and they can fix it easily and simply, but they do not want to because it will break their business model of selling a \$167 ticket for \$422 completely legitimately, which will continue under this legislation at the expense of genuine fans. The ticket companies have thrown up their hands and said that it is too hard. Event organisers have tried. As I have said, some music acts, especially when they play bespoke concerts for the true fans, try to put in controls. People have to register on the website and become a fan. We have all filled out those online forms that have mechanisms to stop a bot from signing up—some difficult-to-read numbers, which are too difficult sometimes, I must admit, member for Nedlands! I hear the member for Dawesville laughing, but he is of a different generation! The AFL has a mechanism whereby people come and collect their tickets. It is not foolproof, but it is much better than what we have at the moment. But the government did not do any of that. In particular, the government did not sit at the table and talk about some real transparency about where all these tickets are going. Where are all these tickets going? The face value of a ticket to see Hugh Jackman was originally \$167 and it is now on sale for more than \$400. Did it ever go to public sale? How did it go from one end of the Ticketek website to the other? How did it mysteriously and magically transfer? Was it bought by a legitimate fan who said, "Sorry, I can't go. Take it back, Ticketek"? I do not think Ticketek has that facility. I do not think it re-buys tickets if people cannot go, as the English Premier League clubs do in England. The government should examine those fan-friendly alternatives that will require light-touch regulation. That is important because this legislation will set up a process that, if it is to be even remotely effective, will require a plethora of bureaucrats trawling through these websites, which will be very expensive. I am sure that our consumer affairs people have hundreds of jobs to do that are of higher value than trawling through Viagogo and Gumtree looking for the odd Hugh Jackman, Metallica, or Slash with Myles Kennedy and The Conspirators tickets that might be on sale. I use that concert as an example because I rolled up to it and people could buy a ticket and walk in, so why would they go to Viagogo? The government did not do any of that. It did not consult with the Ticket Brokers Association before the legislation was introduced. I know the government spoke to the association afterwards, but we have not seen any movement.

There is a model—the Victorian model—that allows these people to continue to operate. They are transparent local businesspeople who pay their taxes. They offer a service that is not for everyone. I would rather not have to buy tickets from those people, but they are being cut out. They are having the gates slammed on them and will have to lay off staff. I know that the member for Vasse will address this, but they will not be able to offer tickets for tourists who arrive here at the last minute, which encourages more tourism. But the Viagogos, the Ticketek Ultimates and

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the Ticketmaster Platitudes of the world will continue. There will be no satisfaction for fans and no real way of protecting fans against fraud. I ask the new Minister for Commerce to look at some of these legitimate concerns.

This is a well-intentioned piece of legislation, but it will not do what the government has told the public it will do. It does not have the teeth and is not nimble enough to achieve what we all want it to achieve. We will examine it in more detail during the consideration in detail stage because I want to know how some of these things will work, particularly the regulations about fines and how fine enforcement will work. With those words, I will let other members make their contributions.

MR J.E. McGRATH (South Perth) [5.22 pm]: I rise to contribute to the second reading debate on the Ticket Scalping Bill 2018. What a marathon performance by the member for Hillarys! I am almost worn out from listening for an hour to an amazing speech. There was a lot of information and detail. He got all that training in the upper house. He was really just warming up at the finish! Like me, the member for Hillarys has a long background in attending sporting events. I have just found out that he is a fan of heavy metal and Metallica. He was also a muso. He used to get into it a bit and played an instrument.

Mr P.A. Katsambanis: No, I didn't.

Mr J.E. McGRATH: You were not a player?

Mr P.A. Katsambanis: I used to scream down the microphone. That's not an instrument.

Mr J.E. McGRATH: This is my opportunity to say a few words. I will repeat some things that the member for Hillarys raised. As he said, the opposition is supporting this legislation. We are certainly not opposing it—we all believe that scalping is an issue—but we will seek some advice from the minister on some areas and maybe we will ask some questions.

I am not against the onselling of tickets. I once went to New York and before I went, I thought, "Where am I going to go in New York? If I am going to the Big Apple, I have to see Yankee Stadium. How do I get tickets to Yankee Stadium?" Someone advised me that I had better get them before I go, because I might not be able to get a ticket once I got there. I bought two tickets for a Yankees game on the StubHub website.

Ms J.M. Freeman: StubHub is eBay.

Mr J.E. McGRATH: I do not know. Somehow I got onto StubHub and I bought two tickets. I cannot remember what I paid for them, but they were not cheap. I do not know what those seats would have cost if a member of the Yankees had bought them or whether they were members' tickets that had been given back to the club to be resold for the day. All I know is that I got to the game. It was not the most exciting game that I have ever seen. The Americans go to the baseball and have a three-course meal during the game. When they come back, nothing has happened. It goes on forever.

Mr D.A. Templeman: Did you have the three-course meal?

Mr J.E. McGRATH: No, I did not.

This issue boils down to two things: scalping and onselling. I have been to big events at the Melbourne Cricket Ground and seen people offering tickets. They are scalpers. How they got those tickets, I will never know. Sometimes they would have been selling them on behalf of a friend who was a member of the club who bought the ticket but could not get to the game. I would never be comfortable buying from one of those people, because I would like to be more secure in the knowledge that it was a legitimate ticket. However, if I were a tourist who arrived in a city like Perth, like me when I went to New York, and there was an event that I wanted to go to and I had to pay a premium for the ticket, I would pay the premium. I would be happy to pay it because I would know that, as for an AFL grand final, the tickets would be as scarce as hen's teeth. People are prepared to pay the premium to get their hands on one, and it is the same with concerts.

The member for Hillarys said that Ticketek and Ticketmaster sometimes hold tickets for their more upmarket customers. They hold those tickets back and once the public tickets have gone, they bring those tickets out for sale in the marketplace for people who will pay extra. I do not mind that, but I think it needs to be more out in the open. The public needs to know how many public seats there will be and how many will be offered to people who are prepared to pay a premium. I was going to go to the grand final last year, so early in the season I looked to see how much it would cost me for a grand final ticket. Some of those tickets for the grand final are in corporate suites. People go to Crown Perth for lunch before the game and are taken down to the game in a coach. They cost \$4 000. I thought, "\$4 000 to go to a footy match!" But there are people who will pay that. If they have plenty of money and can afford it and want to pay that, good luck to them.

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What irks me most is when scalpers have procured tickets through some sort of illegal means and in doing so have denied a genuine supporter of the band, the footy club or the sporting club an opportunity to go to that event. I do not know how this legislation will stop that happening, but that is an aspect of scalping that the public finds very abhorrent, whether they line up to get a ticket or do it online. I have asked friends whether they got a ticket and they say that they logged in but every time they tried to go somewhere, they were logged out or they had to go back to the start again. They become frustrated and they miss out. People are scalping tickets that they somehow got, but the buyers have to pay a premium to get those tickets.

When this issue came up, I had quite a few meetings in my office with a number of people, including people from the Ticket Brokers Association, which is a group that the member for Hillarys mentioned. These people are running a business. They obtained or procured tickets on behalf of clients. The client could be someone like a friend of mine who has trouble logging on and handling the internet and is not very quick with the processing. To avoid all that heartache of maybe missing out, they would go to one of those ticket brokers and say, "There's a big concert coming up; I need a couple of tickets. Can you sort it?" That is what these people do. These guys said to me that they get tickets for their regular clients in Perth. They will be impacted a bit by the 10 per cent limit. If they can put only a 10 per cent surcharge on every ticket they get, that will impact on the profitability of their business. An even bigger issue for them, as the member for Hillarys explained, is that they often incorporate these event tickets into something else, such as an experience before the game, such as a dinner or something like that. They then go to the event in a stretch limousine or in some other mode of transport and make a very big event out of that sporting or concert event. Under this legislation, these people will not be able to do that. That is an issue that I know has been raised with the minister, but I call on the government to look at this situation because these people will be impacted. At the same time, this legislation will not impact some of the bigger operators, such as Ticketek and Ticketmaster, as has been said earlier, that have a greater capacity to put tickets aside without explaining to the public how many tickets are going to the public and how many have been put aside for the high-end clients of Ticketmaster or whatever. We ask the government: what is the extent of ticket scalping in Western Australia that has driven this legislation?

A couple of years ago, the now Premier, then the Leader of the Opposition, introduced an anti-scalping bill on 26 November 2014. He read in his second reading speech of the private member's bill on 23 September 2015. The bill was never debated or responded to after the second reading speech and ended up being discharged from the notice paper on 11 October 2016. The Leader of the Opposition at the time, the now Premier, made a passionate call to us in government that something had to be done about the scalping issue. One of the cases that the now Premier, being a Dockers supporter, mentioned in that speech was the resale of tickets to Fremantle's preliminary final against Hawthorn. He said that Ticketmaster was reselling tickets for Fremantle's preliminary final against Hawthorn on a Friday night for more than \$700. The Ticketmaster agency has a service called Ticketmaster Resale, which creates a marketplace for people to buy and sell tickets, meaning members who have already bought tickets can resell them online for a price they can set themselves. As Liberals, we believe in a free market, and that if someone wants to offer a ticket for as much as they like, most people will not accept it. But it does not sit well with members. Both our clubs, West Coast and Fremantle, have big memberships, and for those people who go every week and support their club to miss out on a ticket and then find out that tickets are being resold for a heavily inflated price, it is very hard to swallow. Four tickets were sold in the first level of the old three-tier stand at the end of the ground at Domain Stadium for \$702.78 each. For the same game, two tickets from Ticketmaster in the nosebleed section of the three-tier stand sold for \$83.05. I have never sat in the nosebleed section of the three-tier stand, but I would need a high-powered pair of binoculars to see the players. That is something that upset the Leader of the Opposition at the time, so he brought in a private member's bill.

When in opposition, the Labor Party went to the election with a commitment to do something about scalping, but two years after being elected, nothing had happened. The Labor Party was elected in March 2017, and two years later, no bill had arrived. Consequently, I found a copy of the bill read in by the former Leader of the Opposition, the now Premier and member for Rockingham, and I brought in the same bill. I thought, "Why not? What's good for the Premier is good for me, the member for South Perth. If this was very urgent for the Premier when he raised it, why not?" We brought it in. Suddenly, things started to happen. There was movement and the government has come up with this legislation. We believe that legislation is needed; we believe that the situation should be better. As I said, I do not mind if I can procure a couple of tickets and I have to pay a premium for them. If I really want those tickets and I can afford them, that is good. I also believe that if tourists go to a strange town—the member for Hillarys mentioned the two Americans who came to Perth—and they want to go to a big event, like I did in New York and wanted to see the New York Yankees, they would be disappointed if they could not procure a ticket. When a person goes to a hotel, they often go to the concierge and ask, "Have you got any tickets for a concert? *The Book of Mormon* is on", or something like that.

Mr J.R. Quigley: You can still do that.

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Mr J.E. McGRATH: People can do it. But what I am saying —

Mr J.R. Quigley: They just won't be able to rip you off.

Mr J.E. McGRATH: Yes. We need to have access to that and under the bill, they will not be able to charge people more than 10 per cent above the cost of the ticket. That is fair enough. That is how it should be. But if they offered me a ticket that included a dinner on the way to the event, that would take it above the 10 per cent and they would be unable to do that. The minister was not in the chamber, but the member for Hillarys said that the Ticket Brokers Association that met with us is not a big player in the game, but it fills a niche and can help people who find it difficult to get hold of tickets.

When we see someone scalping outside an event, we have second thoughts about whether it is a legitimate ticket. The most galling thing is when a person buys a ticket in good faith, they get to the event and they cannot get in because the ticket has already been used. This is happening; the bots are doing this. There have been a lot of complaints about Viagogo. I was in Sydney around New Year's with a former member of this place who used to sit on the other side; I think he has sat on both sides. He said to me, "I'm going to buy a couple of tickets to see *The Book of Mormon*." I said, "I'm very glad for you, but how are you going to get them?" He said, "I'm going to buy them now", and he got on his mobile phone. He was very proud of it. He got on Viagogo and bought two tickets to *The Book of Mormon*. We were sharing accommodation with our wives. When he rang me later in the night, I asked him how the show was. He said that they went to see *Vice*. I asked, "*Vice*, the movie? What happened to *The Book of Mormon*?" He said, "When we got there, there were no tickets." He had paid \$220-odd for two seats through Viagogo. The lady at the theatre said there was nothing she could do. I do not think we can do anything as a state Parliament to stop these bots from getting into these systems and procuring tickets. The only way it can possibly be done is if the federal government took some action against it. As the member for Hillarys said, there have been attempts in other places around the world but it has not been successful.

They are the sorts of issues that we want to flesh out with the minister in consideration in detail. It is very important. We are happy that the government has introduced this bill to Parliament. We are sure that sporting fans and theatregoers will be very happy if we can stamp out this scalping.

[Member's time extended.]

Mr J.E. McGRATH: Some very big and reputable ticket sellers are operating in a huge market. They would be selling thousands and thousands of tickets to Australians every day for all sorts of events. It is going to be very hard to really rein that in completely. As the member for Hillarys said, there will still be transactions between members of the public. If I buy a couple of tickets to a concert in good faith and something happens resulting in a clash with dates—my wife has booked an overseas trip or something—what do I do with the tickets? I may run into someone down at the golf club and tell them that I have a couple of tickets to Elton John or Billy Joel. I might be asked how much I want for them.

I had tickets for the Fremantle–Hawthorn AFL grand final. The former Speaker organised a Speaker's trip to Korea. When I asked him what weekend that would be, he said it was the last weekend in September. I said, "That's the AFL grand final weekend." The previous Speaker was a former South African, so he did not really care that much about the AFL grand final! I had a ticket. The current Speaker said to me, "Do you know anyone who has a ticket to the grand final?" I said, "Yes, I have got one." One of his constituents in Albany really wanted to see the game. I said, "He can have it for what I paid for it." I would never scalp. I would never charge anyone a dollar more than what I had paid for something. I do not believe in that.

Mr P.A. Katsambanis: Say you had two tickets worth 100 bucks and the person who took the tickets for 100 thought they would reward you with a \$20 bottle of wine.

Mr J.E. McGRATH: Of course I would take that!

Mr P.A. Katsambanis: That would be more than 10 per cent. Would that contravene this legislation?

Mr W.R. Marmion: A bottle of Grange would have been 700 times more!

Mr J.E. McGRATH: It could contravene it. That is getting into a private area. If it is only an agreement between two mates at the golf club, who is going to know whether it actually happened?

Mr W.R. Marmion: I wouldn't have told!

Mr J.E. McGRATH: The member for Nedlands said he would not have told. I would not have told, but I have just told! I do not believe in scalping. I think it is wrong. It is insidious. I would rather give a ticket to someone. If they were a battler, I would give it to them for nothing. If they wanted to, they could pay the price that I had paid. I think that is honest. I believe there should be some mechanism for people who really want to go to an event, if

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they want to pay a premium, provided they are bona fide tickets and it has not been done by some bot mechanism where someone in Croatia can end up with 100 tickets to a big sporting event. Provided it is legitimate, there should be some mechanism. We want people to come to Perth to go to the footy or go to our stadium. We do not really want them to get here and be told, "Sorry, you can't get a ticket, they're all sold out." It is a difficult area. The minister has a lot of work ahead of him in sorting this out. Members in the upper house will probably want to have a look at it. I do not think any of us know all the answers. If we could stop people from getting tickets through these other means—using the bots and getting into the computer system—that would answer a lot of problems. I think the AFL has done it pretty well. West Coast Eagles fans cannot just log in and get a ticket; they have to pre-register. They have to go through quite a few hoops. As the member for Hillarys said, after lining up with the ticket, they have to produce the actual credit card that was used to buy the tickets online. They have been pretty good.

The departmental people at the briefing we attended said they might get us some answers. We asked, "What is the extent of scalping in Western Australia?" I think we were told there were 64 occasions at RAC Arena. I am not sure. It would be good to know what those statistics are and how they happen—whether they were through bots or whether it was just a mix-up. The minister might be able to provide that information to us. There has to be a reason why we are doing this. It would be good to know whether this is a trend that is becoming more apparent. Has it happened much at Optus Stadium for football events or concerts? I am sure the minister's staff will be able to assist in providing that sort of information.

This bill is a step in the right direction. The Victorian legislation has enabled small providers to continue to operate, which I think is good. Speaking on their behalf, I would like to think that the government of Western Australia might be able to assist the Ticket Brokers Association. It would support not only small business people but also many people who find it difficult to procure online tickets, which requires people to be very quick—they have to have their wits about them. Some people say, "I'd rather not go through that process. I'd rather pay someone a fee to secure tickets for me."

MR W.R. MARMION (Nedlands) [5.48 pm]: I rise to add my comments to this fairly important bill. As previous speakers have said, the Liberal Party will support the Ticket Scalping Bill 2018. I open with the usual comment: what problem are we trying to resolve by bringing in this legislation? I always have to ask myself whether there is a benefit to Western Australia in bringing in a bill. It costs a lot of our time and a lot of staff time to put together, and I have to ask what problem we are trying to solve with this particular bill. The members for South Perth and Hillarys raised primary issues around ticketing in general. Scalpers can only make a lot of money if they can buy a lot of tickets. One of the ways to solve the issue may be to concentrate on the number of tickets that can be bought. That might be difficult, but I am sure that the smart people in Western Australia in particular could come up with a way of addressing the number of tickets that can be sold to an individual. I just put that out there at the beginning of my comments.

It would be interesting to know the data on the number of scalpers. The member for South Perth asked a question about what the cost-benefit analysis would come up with, but we need the data. If there are very few instances of scalping in Western Australia, we have to ask whether we are going about this in the right way. We all agree that ticket scalping is not very helpful to people who want tickets. It is also very poor for the tourism industry. In fact, if tourists in Western Australia wanted tickets, it would be handy if tickets were available.

What are the issues? There are three issues with the bill, and they are covered in the explanatory memorandum. The primary issue is bulk purchasing. The next issue of concern is the resale of dud tickets. The last thing people want to do is buy a dud ticket, and I think that has been covered very well by the two previous speakers. I have never bought a resale ticket online, and I will get to a couple of examples later. I have bought tickets from people who could not go to an event. I relied on their integrity that they were legitimate tickets. Indeed, I was fortunate that they were legitimate tickets, not photocopies or printed on a printer. I could read the price on the ticket and, as it turned out, I paid the same price as on the ticket. But I would not have had a problem paying more if I really wanted to go to the event.

I would like the minister in his reply to comment on how we might address the issue of bulk purchasing. If we could address that issue, we could get scalping down to a low level. Could we have in place legislation that limited the number of tickets that could be resold? That could be another avenue. I am just throwing that out there, minister. Another control mechanism might be that a person is not deemed to be a scalper until they have sold maybe three tickets, not just two tickets. They might have been at the South Perth Bowling Club, as the member for South Perth mentioned, and they were going to sell them at the market rate to a friend, but then the friend realised that he could not go because it was his wedding anniversary, and someone on the other side of the bar overheard the conversation and said, "I really want to go to that and I would be prepared to pay double the price", and they might have been in an invidious position because they were quite happy to sell the tickets at market value to a mate. I would not have a problem with that, and I know John would not; he would still sell them for the same price.

Mr Peter Katsambanis; Mr John McGrath; Mr Bill Marmion; Ms Cassandra Rowe; Mr Peter Rundle; Ms Libby Mettam; Ms Sabine Winton; Mr Zak Kirkup; Ms Janine Freeman; Mr Simon Millman; Dr Tony Buti; Mr Reece Whitby; Mr John Quigley; Mr Sean L'Estrange

Other people in this house or elsewhere might not do that. I would not have a problem with that. I understand that, under this bill, that person would be breaking the law if the ticket was sold for more than the original value plus 10 per cent, and I think the penalty could be up to \$10 000. They are just my opening comments.

I want to go through how ticketing has changed over the years. I believe one of the very first concerts in Perth was in 1975. I did not go to this concert. It was a Paul McCartney concert. I was offered some tickets. I was studying very hard. I am pretty sure it was 1975, but someone could probably google it.

Mr P.A. Katsambanis: Paul McCartney and Wings?

Mr W.R. MARMION: It was Wings and I think it was 1975.

Ms J.M. Freeman: I went to Paul McCartney and Wings.

Mr W.R. MARMION: Was the member there in 1975?

Ms J.M. Freeman: Yes, I went.

Ms S.E. Winton: *Band on the Run*.

Mr W.R. MARMION: *Band on the Run* was one.

Mr P.A. Katsambanis: *Live and Let Die*.

Mr W.R. MARMION: Yes, *Live and Let Die* was one.

To get back to the point I was trying to make, one of the people who offered me a ticket was going to sleep out overnight. This was unheard of in 1975. Some friends at the residential college I was staying at at university decided they would sleep out overnight. I remember who they were, too. The concert was the night before one of my exams and I decided that it probably was not a good idea to go, so I did not ask for tickets. The point I want to make is that these people were at the front of the queue; they were not second, third, fourth or fifth. They slept out overnight in 1975 and they got the very first tickets on offer.

Mr J.E. McGrath: I hope they were good ones.

Mr W.R. MARMION: That is the point I am going to make. The first tickets purchased were for seats in the eleventh row. The first 10 rows were reserved by perhaps the venue operator or the promoter; I am not sure. One of the people who was there—the minister might know him because he is now a lawyer; in fact, both of them are lawyers—was on the television the next day. This got out because they were quite happy to tell everybody in Western Australia that they were the first people to get tickets and they got seats in the eleventh row. Following that, market forces took over, as happens in a market economy. I think the venue operator realised that it was a bad thing, so it never happened again. They were probably a bit sneaky the next time—I am sure this is what they would have done—and made sure that some of the first tickets were for seats in the first row.

Mr J.R. Quigley: It's not the first row; it's the mosh pit.

Mr W.R. MARMION: There was not a mosh pit for Paul McCartney.

Mr P.A. Katsambanis: The mosh pit is a separate area. It's sold separately.

Mr W.R. MARMION: It is; it is sold separately and for a higher price. I raise that issue because sometimes the market can take care of itself; it solves the problem.

Ms J.M. Freeman interjected.

Mr W.R. MARMION: This is why we bring in legislation—to intervene in the market. That is what we are doing. We are intervening in the market, and we have to ask whether it is worth doing that. We support the bill, but there are lots of questions to be asked during the consideration in detail stage.

I bought some tickets for the Elton John concert. I wanted to go to the very first concert at Perth Arena and I was a bit disappointed because I forgot to get some tickets. A former member of the Assembly had some tickets for sale. They were very expensive. As I recall, they were \$275 each, so it was fairly expensive to buy two tickets. I was a little bit disappointed because when I got the tickets, the seats were in the third row and they were not right in the middle. However, I was pleasantly surprised when I sat down in the seats and found that we were in line with the keys of the piano, as it was not in the centre of the stage. That meant that the seats in the third row were probably the best seats, so I was very pleased, as it turned out. I paid the market rate. There was not a 10 per cent premium. I knew the tickets were real.

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That brings me to another concern—that is, if someone has bought a ticket that they cannot use and it is not a real ticket but they have to show a credit card. What happens when someone has bought a ticket with a credit card and they cannot go and they hand over the paper ticket —

Mr P.A. Katsambanis interjected.

Mr W.R. MARMION: We need a process to address that. That is something that could be handled. I knew that these tickets were valid, but there was a possibility that, if I had bought the tickets from someone I did not know, they would not have been valid. That is one of the most serious issues we have to address. It is not really the scalper. The concern is about buying from a scalper a ticket that is not valid. People obviously take the risk that the ticket is valid, but I would not take that risk.

Mr C.J. Tallentire: You went to the Cat Stevens concert as well.

Mr W.R. MARMION: I did go to the Cat Stevens concert.

Sitting suspended from 6.00 to 7.00 pm

Mr W.R. MARMION: We are talking about the Ticket Scalping Bill 2018 and the thrust of my contribution is to say that the Liberal Party supports this legislation, but we have questions about whether it needs another mechanism or could be improved to address some primary issues that arise because of bulk purchasing, which allows ticket scalpers to have businesses. I was talking about bulk purchasing, which will come up during the consideration in detail stage.

Tom Percy, QC, has written an article about ticket scalping, which I remember reading last year and I downloaded it again today. He does not mind ticket scalping but he makes quite legitimate points about why the government needs to step in to try to stop the business of scalping. Personally, I do not mind a person making a profit by selling one, two or three tickets, provided they do not do it as a business. I guess the question is how we can stop that. My view is that if we can stop tickets from being purchased in bulk, we can stop the scalping industry because if a person cannot get a big bank of tickets, all they can do is make a profit on one or two tickets. I would be interested in listening to other people talk about that and how the minister might address it.

[Member's time extended.]

Mr W.R. MARMION: Ticketing is an interesting area to look at. I had some experience in being lobbied by both Ticketmaster and Ticketek when I was doing a business case for Perth Arena. They wanted to make sure that the business case recommended that ticketing be outsourced to Ticketek and Ticketmaster. This was in the mid-2000s. At the time, the government owned BOCS, another ticketing outlet, which I think had the business of all the Perth Theatre Trust venues and Burswood Casino's theatre. It was a bit of a surprise to me that BOCS did not have Challenge Stadium's business, which was a government-owned stadium. I recall that Ticketmaster had Challenge Stadium's business, which I thought was rather strange. When I spoke to the then CEO of the Western Australian Sports Centre Trust—a very prominent Western Australian footballer whom I have high respect for—I inquired about why Ticketmaster had the business and he told me that Ticketmaster had put in the best offer. From talking to representatives from Ticketmaster and Ticketek, I found out that a good business would sell a million tickets a year. I think BOCS was short by about 300 000 tickets, but if it had had Challenge Stadium, it would have sold a million tickets. It was a bit of a conundrum to me when I was doing a business case for a government department for a new arena to find out that one of the government's own venues was using Ticketmaster. When I inquired about how it could be changed and whether there was any possibility of BOCS getting back in and taking over the business, I was told that there was a clause in Ticketmaster's contract that meant if anyone came in and offered a better deal, Ticketmaster had the right to put in another bid. I thought that was fair until, in doing this business case, I found out how Ticketmaster and Ticketek work. I will use the example of a rather large arena in New South Wales. Either Ticketmaster or Ticketek won the contract for 10 years of ticketing at this venue—I think it was Homebush Stadium, but it keeps changing its name so I never know what it is called.

Mr D.R. Michael: They're knocking it down now, aren't they? A terrible waste of money.

Mr W.R. MARMION: Possibly. I think it had about an 18 000-seat capacity. I think it was Ticketek that paid around \$9 million for the business. I thought that was a lot of money, but guess what it does? When Ticketek sells a ticket, it includes a booking fee and all these other fees. The \$9 million over 10 years was advertised, but they get it back. It is not a big deal. We can then understand, if it has a clause in a contract that says it will match or better the best offer another company makes, it can just bump up the booking fee. That was something I learnt in doing this business case.

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At another venue in New South Wales, the person who ran it was a well-known promoter. He raised the issue of people buying tickets well in advance. He used Coldplay as an example; we are talking about the mid-2000s. I thought he said it was two years, but let us say it was only one year; they sold out two concerts a year in advance. Let us pick a figure of \$150 a ticket.

[Quorum formed.]

Mr W.R. MARMION: If a concert is sold out a year in advance—I will use as an example Coldplay, a real concert that was sold out; they said it was two years in advance, but let us say just one, and make the figures more contemporary—if the ticket price was \$150, and there are 10 000 seats times two, multiplying that out would arrive at \$3 million. What happens to that money? Presumably it stays in a trust, where it could earn interest, which I believe it does. What then happens to the interest on \$3 million over 12 months, which would be \$150 000? Does it go to the venue manager, the ticketing company, the concert promoter, the artist or performer, or the owner of the venue, which could be the Perth Arena, in which case the owner would be the state government? Is it a negotiated split between all those participants? It raises a question, particularly in relation to the Perth Arena, that we never think of when we outsource the management of a venue. What happens to that significant amount of money, and is the government aware that there is a potential earner there? I thought I would throw that in as an interesting side issue for ticketing.

I am sure that the minister goes to a lot of concerts. In fact, I am very envious of the fact that he just advised me that he had seen the Rolling Stones and Roy Orbison on the same ticket. Unfortunately, I was only in grade 5 at the time, so my parents did not send me along. There are probably not many people who could boast—I think it is a valid boast—of having seen the Rolling Stones and Roy Orbison, both top gigs in my view. Some younger members may not hold them in as high regard, but I see them as probably in the top five acts of all time.

I had better get back to the main issue—the Ticket Scalping Bill 2018. I have bought tickets online. I think the member for South Perth stated that it is not easy. I am an engineer, and I am nearly catching up to my year 12 on how to use a smartphone, and all those different things. When I have booked tickets online in my office, sales generally open at 9.00 am. I have done it for an Eagles–Dockers game, and I have also done it for a test match. I am a Western Australian Cricket Association member, so I had special early booking privileges. However, when nine o'clock came, I was very nervous. I was in my office, and I had my research officer, who is a lot younger than me, right behind me to guide me through the process. It was nerve-racking. On one occasion, I hit the button right on nine o'clock, and I was straight in. I learnt that it is best to go straight to “best seats”. It is not good to muck around looking for seats, because meanwhile everyone else is buying them. The trick I learnt to get good seats is to just hit “best seats” and hope that they are good and not too expensive. If they are expensive, who cares? It is a good idea, if using Ticketmaster or Ticketek, to know beforehand, because they ask for a user number and password, which makes people panic, because they do not know what they are. They ask if I am a member, and I do not know whether I am a member of Ticketmaster or Ticketek. I do not remember, but the time is ticking away, and I do not want to lose the seats. The lesson is that we need to know all this before going online, otherwise there is a risk of not getting tickets. I was lucky that I had a research officer behind me who calmed me down and guided me through the process as the clock ticked over, and I actually got the tickets.

In summary, I agree with the member for South Perth. I would not mind paying a premium for a ticket, but I would not like paying a premium for a ticket if I knew I was buying it off someone whose business it was. We need to address that, and I think that is what this bill is trying to do. I would not mind buying a ticket for a premium price, if the person was not like that, but I would want to make sure, if I bought that ticket, that it was a legitimate ticket. The last thing we want is someone buying a ticket at an inflated price, let alone at the high price that they are anyway, to find out that it is a dud ticket. That is a primary thing we have to make sure of. There should be severe penalties for someone, or a mechanism set up by someone or some business, even if they are overseas, who can support selling a dud ticket. That is something that I would very strongly support. The member for South Perth mentioned the tourist angle. I reflect upon a time when I was an impoverished student, or a young engineer, and I flew into London. It was 1980.

Dr A.D. Buti: You were an impoverished student, and you flew to London?

Mr W.R. MARMION: Yes. I sold my stamp collection to pay for the trip. I had almost every Australian stamp, and I sold the collection for about \$4 000, which paid for my trip. I saw that Pink Floyd had their *Wall* concerts on, and I happened to be there at the same time. It was advertised on the plane, and I thought, “You little beauty!” I happened to be in London, and the Pink Floyd *Wall* concerts were on. How good was that? As soon as I landed, I made some enquiries and—no chance; they were absolutely sold out. I did not even venture to find out whether tickets were available for a premium price. It would have been nice, as a tourist, to fly into London, and then to come back and try to impress the minister sitting opposite, and outdo his concert of the Rolling Stones and Roy Orbison.

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Sadly, I will never be able to do that, but I might have had a slight chance of matching that by saying that I had been to the *Wall* concerts in London.

MS C.M. ROWE (Belmont) [7.17 pm]: I rise this evening to make a brief contribution to the debate on the very important Ticket Scalping Bill 2018. Other members have all touched on various experiences of going to concerts and so forth.

Mr D.A. Templeman: What was your favourite?

Ms C.M. ROWE: My earliest recollection is going to a Faith No More concert with my best friend.

Mr D.A. Templeman: Who?

Ms C.M. ROWE: Faith No More—a great band. It was back in the day when we had to call up Ticketmaster to get the tickets, so we had to convince our parents to call up on our behalf and pay for the tickets by credit card. The way that we purchased tickets has certainly changed over the years. Like everybody in this house, I personally enjoy going to concerts and sporting events in the community. Also, a lot of locals in Belmont love going to the new stadium. The stadium is in my electorate, so it is something that I wanted to talk about.

Some of the members on the other side have said that they do not mind paying a premium for tickets. I want to start by saying that so many people out there, particularly in my community but also right across the state, would not be able to afford to pay a premium. Ticket scalping, when prices are hyped up, would preclude them from ever having the opportunity to go to some of these events. That is why I think this bill is so important, and that is why I am happy just to make a brief contribution tonight. This bill, in essence, addresses and seeks to rectify the adverse impacts on WA consumers of ticket scalping. This bill puts fans first, to ensure that they are not detrimentally impacted by the price-gouging practices of ticket scalpers. It makes the system of buying tickets to events far more equitable, affordable and transparent. This bill also delivers on a longstanding commitment by the McGowan government. It is an important bill that addresses consumer concerns in the area of public events in WA, such as sporting events and popular concerts. Currently for such events in Western Australia, as in other jurisdictions, large quantities of tickets are being purchased for resale at hugely inflated cost. These tickets may then be invalid due to the restrictions imposed on the ticket at the original purchase.

Many in the entertainment industry, including artists, welcome this reform. Earlier, I was reading an article about how, in this modern era, not only can we purchase tickets online—which is so much quicker than back in the day when I had to get my mum to phone Ticketek—but also artists and sportspeople have the capacity to identify really quickly when their fans are not getting access to their concerts and events, because they will be tweeted and contacted on social media. It is enormously frustrating for artists when their genuine fans are unable to get access to their performances. Sportspeople and event organisers are also constantly frustrated by ticket scalping, because often they try to fix the price of tickets in a way that balances the need to cover expenses with a desire to attract as many fans as possible to the performance or sporting event. Trevor Nisbett, the chief executive of the West Coast Eagles, highlighted this issue and welcomed this legislation in an article posted on the PerthNow website on 25 November 2018, saying that —

... scalping had “been a problem for the industry for a long period of time”.

“To actually legislate, so they will be fined is a really good thing,” he said.

“It means that the people who purchase the tickets are purchasing them to attend the event, rather than people purchasing the tickets to profit from on-selling. It’s long overdue and we are very grateful for the Government to do what they are doing.”

I wanted to share that opinion. I think it is important to see that many people across WA welcome this legislation.

The legislation will cover all ticketed events in WA on which a resale restriction is imposed as a condition of the original purchase of the ticket. Furthermore, it will prohibit the resale of the ticket for an amount that is more than 10 per cent higher than the original ticket price. The additional 10 per cent is intended to allow for recovery of costs or fees that might be incurred by the original purchaser in connection with the ticket resale. This is so that people who purchase a ticket and are then unable, for a raft of reasons, to attend the event are not financially impacted. We do not want consumers who have a legitimate need to resell tickets to events to be at a loss or waste their money because they are unable to attend an event. This legislation will discourage the purchase of tickets for the purpose of commercial resale, with a maximum fine of up to \$20 000 for an individual and \$100 000 for a corporation for all offences except those relating to the use of bots. The offence for unauthorised use of software to purchase and resell tickets will carry a maximum penalty of \$100 000 for an individual and \$500 000 for a corporation. This measure recognises the potential scale of the problem and the profits that can be made by using bots software, and the expense and complexity that would be associated with conducting investigations.

Mr Peter Katsambanis; Mr John McGrath; Mr Bill Marmion; Ms Cassandra Rowe; Mr Peter Rundle; Ms Libby Mettam; Ms Sabine Winton; Mr Zak Kirkup; Ms Janine Freeman; Mr Simon Millman; Dr Tony Buti; Mr Reece Whitby; Mr John Quigley; Mr Sean L'Estrange

It should be noted that leaving this issue to be rectified by industry and the free market, as some members opposite talked about, has not resolved anything for consumers. I think it is fair to say that the free market has really failed to protect genuine fans' ability to access some of these events. Ticket selling platforms such as Ticketmaster, StubHub and Viagogo have opposed the restrictions in these reforms, claiming that they represent unreasonable interference with the free market for resold tickets and will likely result in the growth of sales through the black market, under which purchasers would not have the protection of the Australian Consumer Law.

I want to bring to the attention of the house an SBS online news article that outlines what happened in Victoria during the Australian Open last year to illustrate the extent of price hiking that has gone on with the scalping of tickets. I quote —

On Monday, \$805 prime-location seats for the men's final, which have been sold out, were on-sale for as much as \$4 450 on Viagogo.

It is also advertising children's ground passes for Wednesday for \$31, despite ample availability through official sources for \$5.

Viagogo has not responded to requests for comment.

An ABC online news article from 11 September 2017 states —

The Australian Competition and Consumer Commission is taking ticket re-seller Viagogo to the Federal Court, alleging the company engaged in deceptive pricing.

I wanted to highlight those two examples. I think the ticket resellers have had the opportunity to act in good faith, but it has not resulted in the protection of consumers and genuine fans who want access to sporting events and the like. Access to remedies under the Australian Consumer Law is, however, already constrained by the fact that current reselling platforms often operate from overseas. The experience of the Consumer Protection division is that operators can be difficult to contact and resistant to dealing with consumer complaints. Fans who buy resold tickets will be provided with additional protection under this legislation, because resellers will be required to provide a lot of detail, including the original ticket price and the location of the seat purchased, with seat and row numbers. Event organisers will not be able to cancel resold tickets, in accordance with the requirements of the legislation. Importantly, this legislation will ban the use of software that enables a purchaser to evade the security measures of a website in order to purchase tickets that breach the terms and conditions of the organiser.

Ultimately, we want to make sure that fans are protected. We want to stop consumers being ripped off by organised ticket scalping, which has gone on across Australia and, indeed, the globe. We want to ensure that consumers in WA are not priced out of attending local sporting and arts events at our venues because of unscrupulous scalpers. Ultimately, this bill is about consumer protection. As I and other members have highlighted, consumers can suffer detriment in a number of ways from the resale of tickets. We heard from a number of members who have purchased tickets via a resale mechanism and then found out the tickets are not valid, making it an utter waste of their money. The resale of tickets at hugely inflated prices to some of our really popular events is making it almost completely unaffordable for fans to attend events. That is the crux of the issue.

The need for this regulation is evident, particularly in the light of some recent events held in WA over the last 12 to 18 months, such as the Ed Sheeran and Adele concerts, the third Ashes test, and the AFL finals. The resale of tickets to these events was in some instances as high as 10 times the face value of the original ticket price. This is totally unfair for fans who are potentially priced out of attending these events. This bill is another example of the minister's commitment to providing a really strong and sound framework to protect consumers against such unscrupulous behaviour. I would like to take this opportunity to congratulate the minister for bringing this legislation to the house. I wish to commend the bill to the house.

The ACTING SPEAKER: I call the member for Roe.

Mr D.A. Templeman: Here's an old rocker!

MR P.J. RUNDLE (Roe) [7.29 pm]: As it turns out, member for Mandurah, the first concert I attended was in 1976. I saw Sherbet at the Katanning Ram Pavilion. I do not think there was a lot of scalping going on. I can confirm that it was about mid-July and I think it was somewhere between one and two degrees Celsius for most of the night. Despite all that, everyone soldiered on and it was a good night.

I was concerned about the contribution from the member for Hillarys, with a Metallica fan base. I think he has some room for improvement. He certainly has on the Collingwood front as well. He dips out twice there.

Like the member for South Perth, I am a sporting fan. I love to attend sporting events. I hold the sport and recreation portfolio for the Nationals WA. I have a strong interest in the Ticket Scalping Bill 2018. I am certainly supportive of it, and I am sure the Nationals are. The average person on the street just wants access to tickets at a fair price, as the member for Belmont pointed out.

Mr Peter Katsambanis; Mr John McGrath; Mr Bill Marmion; Ms Cassandra Rowe; Mr Peter Rundle; Ms Libby Mettam; Ms Sabine Winton; Mr Zak Kirkup; Ms Janine Freeman; Mr Simon Millman; Dr Tony Buti; Mr Reece Whitby; Mr John Quigley; Mr Sean L'Estrange

I recall a couple of sporting events that I have been to over the years but one really concerned me. Last year I was fortunate enough to go to the AFL grand final. I was under the thought process that Victoria had anti-scalping legislation. Yet I was surprised at the number of people who were walking around the oval with signs indicating they were happy to pay \$1 000 or \$2 000 for a ticket. I thought there would be police and others ready to nab anyone if a transaction took place. That surprised me. I understand that Victoria does have that legislation. I do not quite know how it works but I have heard many stories from friends of mine and others who paid \$1 000, \$2 000 or \$3 000 for a ticket. Hopefully, it is not a once-in-a-lifetime event for the West Coast Eagles; maybe once every couple of years. It is concerning. Fans make the effort to get to Melbourne and then they are forced into buying a ticket at an inflated price. I would certainly like to see some changes as far as AFL tickets are concerned. At last year's finals in Perth between the Eagles and Collingwood and the Eagles and Melbourne—ticketing was done by the AFL for both these events; it is taken away from the clubs for the finals—many fans obviously paid between \$500 and \$1 000. That is disappointing. It is all about the average fan on the street having the ability to go to the game.

One of the other events that I would like to talk about of which I am a great fan is the Hopman Cup, or should I say that I was a great fan of the Hopman Cup. I am obviously very disappointed that we have lost such an iconic event. WA has a unique attachment to that event; it has been going for over 30 years. I think everyone in WA has an attachment to it one way or another. I was really disappointed to hear that it has gone out the door. In 2017, 143 people were turned away from the event, 129 of whom purchased their tickets from the Viagogo website. If we can stamp that out, that would be a good thing. The likes of Viagogo are a big part of this legislation. The members for Hillarys and South Perth spoke about the American tourists who visited last year. They thought they would go to an Australian Rules football match. They paid their money, got to the gate and, sure enough, were turned away. I can still remember the publicity from that event. It was in the paper on the Monday and probably on the Tuesday as well. It is not a good look for tourism and not a good look for our community in general. That is the sort of thing that we need to stamp out.

I was interested to hear the story from the member for Belmont about Australian Open tickets. I gather that tickets for the final cost between \$800 and \$850.

Ms C.M. Rowe: They were really premium seats apparently.

Mr P.J. RUNDLE: I know that quite a lot of the tickets cost that much. I generally tend to go in the first week and get a ground pass for \$150 for three days. That is a bit more civilised. If someone wants to go to the final and pay \$800, that is okay. To see those tickets turned over by that company charging people \$4 000 is really disappointing. Events like the Australian Open are iconic to Australia and we really need to come down hard on that.

The other event was the Ultimate Fighting Championship, which was held in February last year, from memory. The same thing happened there. Tickets to that event sold out within about half an hour at the face value of anywhere between \$200 and \$600. Obviously, they went onto the black market and tickets were sold for around \$1 000, \$1 200 or \$1 500. I believe that about one-quarter to one-third of the crowd were from overseas. That is also disappointing.

Whilst carrying out research for this legislation and during the briefing, I was surprising to learn about the bots, which is something that I think needs to be addressed. We can buy software for a couple of hundred dollars to bypass the ticketing system, get a stack of tickets and then sell them elsewhere. That is quite bizarre. I must admit that I have never sold a ticket to anyone else and I have never bought one above face value. I could not believe it when I heard that software is available for a couple of hundred dollars. I would be more than happy for this legislation to address that situation. I look forward to hearing from the Attorney General on how he and Consumer Protection will enforce that in time.

The other concern, which was mentioned previously, is volume scalpers. They may be overseas based, whether they be based in Switzerland, Ukraine or wherever. If they buy a large volume of tickets and sell them at 110 per cent, they still make money. Obviously, that cannot be dealt with under this legislation because those scalpers are domiciled overseas but we need to think about this in the future. Is there a way that we can restrict the volume of tickets being sold?

The other issue that I do not believe the Attorney General can deal with is the likes of Ticketmaster or Ticketek, which sell a normal ticket as part of an “ultimate” or “platinum” package, or whatever they might like to call it. Those tickets go up from \$160 or \$170 to \$420 or \$430 and all they do is add “platinum” or “ultimate” to the name of the ticket. That is quite a unique way to do business if they can get away with it. It is that sort of thing that the legislation should be dealing with. I am curious to know whether the Attorney General has any plans to deal with that because adding those words to the end of the ticket does not justify charging people extra money. I look forward to hearing more about that during consideration in detail.

The bill covers tickets that are allowed to be resold, and those that are not resold are void. I know that the Attorney General cannot control overseas domicile activities, but has he given further thought to other internet

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activities? Some of the examples I have given tonight concern mainly sporting events. Apart from the Sherbet concert that I mentioned, I have not gone to many concerts over the years—I have seen Dire Straits and a few others—but it is the sporting event side of the matter that really interests me. I support the legislation. I look forward to hearing more in the second reading debate and during consideration in detail.

MS L. METTAM (Vasse) [7.41 pm]: I would also like to make a contribution to the debate on the Ticket Scalping Bill 2018.

Mr D.A. Templeman: You'd be a Def Leppard fan, wouldn't you?

Ms L. METTAM: No. I bought tickets to The Cure but did not go because my girlfriend was grounded.

Mr R.H. Cook: Ripped off!

Ms L. METTAM: Yes, but my concert highlight is probably Beck at the Forum Melbourne. That was a good night.

Mr Z.R.F. Kirkup: Beck at the Forum?

Ms L. METTAM: Yes, and I paid full price for that ticket.

Mr T.J. Healy: It's The Wiggles concert now, for the kids.

Ms L. METTAM: I have been there and done that. My girls are at university now—that would be weird! I would like to make a contribution to this bill, acknowledging —

Mr D.A. Templeman: I want to explore more of the concerts.

Ms L. METTAM: We can do that later. Let us see how much time I have left.

It is acknowledged that this bill was a fresh idea from the Labor Party in the lead-up to the state election in 2017—idea 173. It is fair to say that it is not too fresh because it is similar to a WA Labor private member's bill in 2015. The bill sets out to address some legitimate concerns that have been raised by the tourism industry, but to what extent will it address concerns that have been raised in the media? I will start with an opinion piece by Gareth Parker in 2015, in which he stated —

Legislation like this allegedly protects real fans from exploitation but the reality is that there might be a few hundred—at most—tickets resold for a profit at any one event. Real fans, who have paid for an entitlement through their memberships, already have their tickets.

There are big benefits to fans and tourism from encouraging safe secondary markets for tickets to big events.

The biggest disincentive to travelling for a big event is the uncertainty that you might be able to get in the door.

...

What online ticket marketplaces do (of which StubHub is the best ... example) is allow supply to meet demand and there's no good reason why the Government should involve itself in this.

That is one view about reselling tickets at a reasonable price. I am not talking about heavily inflated prices, but the nature and value of the resale of a ticket perhaps beyond the 10 per cent that is proposed in the bill.

In late 2016, the shadow Minister for Commerce sought a report into the matter from a consumer protection perspective. He said —

“The report concluded that while ticket scalping leads to consumer dissatisfaction and a perception of unfairness, the cost of regulating ticket onselling would outweigh the benefits,” ...

“Consumers should only purchase tickets from an authorised agency and if they do not wish to pay inflated prices for scalped tickets then they shouldn't.”

That comes down to consumer choice and it highlights the value a visitor to this state is prepared to pay. It is a fair argument that if someone is willing to pay a particular cost, they should be free to do so. Tom Percy has also said —

The proposed laws to ban them —

That is scalpers —

are nothing more than further evidence of the rapidly encroaching nanny state.

No one has to engage with a scalper to buy an inflated-price ticket to the grand final, a concert, or whatever.

...

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The sort of legislation that exists in New South Wales and Victoria, which prevents opportunists from selling tickets at more than 10 per cent over the original purchase price, is frankly, ridiculous, and has no part in any free economy.

They are some of the issues that have been raised. When we look at this legislation, the issue is about those who sell tickets purely to profit from onselling. I recognise that for good reason individuals may be unable to attend an event. It is a genuine issue when professional ticket scalpers use sophisticated technology to buy tickets in bulk before onselling them at heavily inflated costs. Some consumers at major Perth venues have also been disappointed when they have purchased tickets from unauthorised sellers and have then been unable to attend an event. The initial comments I raised are not about this; I am talking about people who heavily jack up the price of tickets for events. I am talking about Viagogo, which creates issues for tourism in this state and leaves visitors very disappointed.

Other members have raised the legitimate concerns that the press has with this issue, but the bill does not address them. Before I go further into that matter, I want to talk about the exorbitant costs and actions of operators such as Viagogo in the marketplace. There is no doubt that the opportunity to promote tourism, to host events in this state in a way that meets consumers' expectations, is a worthy cause. WA has been transformed as a result of the efforts of the former government, which were largely criticised by WA Labor at the time, in its investment into facilities such as Optus Stadium, Elizabeth Quay, the redevelopment of Scarborough Beach and the Albany National Anzac Centre. Optus Stadium has been a great feature on the events calendar. AFL tourism has significant value. We know Labor opposed what is now Optus Stadium and the price tag the former government put on it, but it has been a great victory for WA tourism, particular through interstate visitation, with 66 000 people travelling to Perth to go to the stadium to watch football matches. We know that its value to the tourism industry has been significant; it has brought almost \$66 million in tourism revenue to this state.

Western Australia has also hosted major events. Speaking of AFL tourism, we know that last year 8 172 people flew over to see the West Coast Eagles play in the qualifying final against Collingwood and the preliminary final against Melbourne. Of course, when individuals purchase those tickets, it is important that they get exactly what they pay for. Although there is merit in allowing market mechanisms to give individuals the right to purchase tickets at prices they are comfortable with, we have seen concerns with market operators such as Viagogo that are quite different from the issues raised by Tom Percy and Gareth Parker.

I also refer to the concerns raised by the organisers of the Boyup Brook Country Music festival in an ABC News article of 13 February 2018 —

The music director of Boyup Book's famous Country Music Festival, in Western Australia's south-west, is concerned underhand tactics by a ticket re-selling website will have a detrimental impact on this week's event.

Ticketing site Viagogo claims the entire festival is sold out, and prompts users to sign up to a 'queue' for when tickets become available.

...

Ms Winter feared what impact it would have on actual ticket sales.

The article goes on to state that she was concerned that the site may have been purchasing a number of tickets to sell at a profit. This is a genuine concern; this is not about market forces. It is about a disruptor in the market that is not doing the right thing and is being quite fraudulent in its activities, and that has an impact on the reputation of these Western Australian events and venues.

An article from *The Sunday Times* states —

Data from a snapshot of 14 events over the past five months at Perth Arena shows at least 354 people presented with invalid tickets bought from ticket resellers often at hugely inflated prices were not allowed in to the venue ...

I go back to my original point: the Ticket Scalping Bill 2018 will not address the issue of the Geneva-based Viagogo and Australia's own Ticketmaster Resale, which was launched in Australia less than five years ago promising greater transparency and governance in the secondary ticket market with reassuring guarantees. This actually has not happened. When we look at the New South Wales legislation and what it has tried to achieve in this space, we can see that it is not working. The New South Wales model, which has been copied by the WA government, is not having the desired impact. If members have a quick search for any event in Sydney, they will see that tickets are available through Viagogo.

Dr A.D. Buti: What's your solution?

Ms L. METTAM: What has been proposed here will not address the issue.

Mr Peter Katsambanis; Mr John McGrath; Mr Bill Marmion; Ms Cassandra Rowe; Mr Peter Rundle; Ms Libby Mettam; Ms Sabine Winton; Mr Zak Kirkup; Ms Janine Freeman; Mr Simon Millman; Dr Tony Buti; Mr Reece Whitby; Mr John Quigley; Mr Sean L'Estrange

Dr A.D. Buti: No, what's your solution?

The ACTING SPEAKER: Member for Armadale!

Ms L. METTAM: I am talking about the bill that is currently before the house.

Several members interjected.

The ACTING SPEAKER: Members! Thank you.

Dr A.D. Buti interjected.

The ACTING SPEAKER: Member for Armadale! The member for Vasse has the call.

[Member's time extended.]

Dr A.D. Buti interjected.

The ACTING SPEAKER: Member for Armadale!

Ms L. METTAM: What is quite clear from what has been proposed here, and as I was stating, the policing of Viagogo would not be impossible. I refer to an article from New Zealand with the heading, "High Court declines injunction on Viagogo". There is a limitation on being able to impose and impact on the operations of this company, because it is based overseas in Geneva. I quote from this article —

The Senate Inquiry heard evidence that for example under the Victorian legislation, a Western Australian that scalps tickets for the AFL Grand Final would need to be extradited to Victoria for prosecution as Victorian Law is not enforceable in Western Australia.

...

How would the regulations effectively manage professional scalpers that operate out of Estonia using the Swiss based Viagogo platform?

...

The main opponent to fair pricing for tickets is the event promoters and primary ticket sellers who reserve an unknown amount of tickets for corporate sponsors and are moving more and more tickets into expensive 'dynamically priced' services such as Ticketmaster Premium.

The article goes on.

The legislation that is proposed does not actually address the important issue. We are not talking about onselling at a reasonable price to receive a valid ticket; we are talking about the issue of when a negotiation has happened, obviously via the internet, and an invalid ticket is actually provided, and this sort of fraudulent behaviour. As I said, it has a limitation because of the mere fact that Viagogo is based overseas. We have seen that there has not been an impact when this sort of legislation has been introduced in Victoria, and it has been raised as an issue in New Zealand as well.

From a small business perspective, and speaking as shadow Minister for Small Business, I also recognise the issues of the ticket industry—particularly the Ticket Brokers Association of Australia, which has raised some concerns. It believes that there has not been sufficient consultation on this bill. It particularly points to other jurisdictions where there has been consultation, including the New South Wales inquiry that was undertaken in that state, the Senate inquiry that looked into these matters, and the federal Treasury inquiry. The indication that the state government will support referral of the bill to a Legislative Council committee seems at least to acknowledge the lack of prior consultation, but I guess it also underlines the concerns that have been raised by the industry.

Issues have been raised about the merits of the concierge-style hospitality companies that provide good customer service when onselling tickets. For example, they could provide valuable customer service for people who cannot cope with the complexities of ticketing websites. They could be fly in, fly out workers or people of the older generation who are not up to speed with the technology involved. Perhaps they are willing to pay the price of not having to wait for several hours. A FIFO worker who is on site and cannot access a computer at a set time is a good example. Why should they not be able to call a locally based company and ask them to source a ticket? The Victorian legislation allows for packaging of tickets with corporate hospitality, transport or merchandise independent of the event organiser. A similar exemption in WA could allow local taxpaying Australian companies to offer a level of customer service that companies such as Viagogo, which is based in Geneva, cannot. The Ticket Brokers Association of Australia also was concerned about a provision in the Ticket Scalping Bill 2018 to restrict the resale price to a maximum of 10 per cent above the original ticket price. Often, a 10 per cent margin does not even cover the other associated costs.

Clause 8 provides that a supplier must not supply a ticket for an event under an agreement that allows any other goods or services to be purchased together with the ticket, which is a crucial issue. The TBA has said that if the

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ticket resale price is restricted to 110 per cent of the original price and they are not allowed to supply tickets contingent on other purchases, its members are likely to go out of business. Meanwhile, the primary ticket sellers can continue to supply tickets contingent on other purchases or packages, although primary ticket sellers such as Ticketmaster also operate in the secondary selling market. However, they will not be affected by this bill because they are deemed to be primary sellers.

I will wrap up my comments, but I guess there are two issues—the issue of the genuine interest in, and demand for, onselling a valid ticket for a range of reasons, and why that legitimate practice deserves some consideration. The small business sector based in WA also deserves its concerns to be heard. The bigger issue, which captures the headlines and has created the bad press, which is of concern to the tourism industry and our reputation, concerns the poor people who believe they are purchasing a ticket to an event only to find out that the ticket is invalid. This bill will not address those issues. I have highlighted the fact that this bill will not stop the Viagogs of this world. It will not address the issue of invalid ticket sales in WA. To that end, it represents a missed opportunity. I encourage the minister, when considering this bill, to look at what has happened elsewhere. I was speaking to someone from the tourism industry only tonight. Apparently, technology is being developed in the US that will ensure that tickets will soon be a thing of the past and entry to events will be attached to people's identity or their personal account. We are getting smarter with technology and we can perhaps look at other ways of addressing the genuine concerns of the tourism industry and event organisers. This bill clearly does not do that.

MS S.E. WINTON (Wanneroo) [8.00 pm]: I, too, rise to make a brief contribution to the debate on the Ticket Scalping Bill 2018. The legislation we are debating today and tonight will allow us to crack down on scalpers who rip off genuine fans who want to see our major music and sporting events in WA. This legislation, which the McGowan government has introduced, will make sure that mums and dads and families in Western Australia get a fair crack at buying tickets at a proper price. We have heard much today about inflated prices that people pay to go to events. Through this new law, we will make sure that ordinary Western Australians will no longer be ripped off by professional scalpers who make it virtually impossible for many fans to see their favourite football teams or artists who visit WA. The government is bringing in new laws to stop fans being exploited. We all have stories to tell of people being fleeced by outrageous prices. Lots of people have shared with the chamber their first concert. I will not tell you mine yet.

Several members interjected.

Ms S.E. WINTON: Have you noticed, Mr Acting Speaker (Mr R.S. Love), that I have done so deliberately so that people will pay attention to my speech? I will perhaps drop a few hints in song if you “say that you love me”. Perhaps, by the end, members can guess the band I am referring to.

Mr Z.R.F. Kirkup: Do we have to wait until the end?

Ms S.E. WINTON: I will give the member for Dawesville a hint. It was before he was born, so it will be a bit difficult for him.

Mr Z.R.F. Kirkup interjected.

Ms S.E. WINTON: Yes, but the member will potentially try to get tickets to see that band this year because it is coming back to Perth this year. I have given him another hint.

Throughout the debate, we have heard members cite examples of inflated prices and through this legislation we will make sure that people get a fair crack at buying tickets. I have three daughters; two are teenagers. Like everyone else, they like to attend live concerts. We know that the prices of tickets—even the normal prices—to see many of the artists who come to Perth are quite prohibitive. Tickets are expensive and it is very difficult for people to get their hands on tickets to shows that sell out very quickly. We all know that one of the key reasons this happens is the unscrupulous behaviour of professional scalpers who buy bulk tickets through the internet and bots and sell them at outrageously inflated prices. I remember when Ed Sheeran visited Perth in 2017. My two daughters and I, on computers in different locations, tried to buy tickets as soon as they were available online and right from the beginning it was impossible for us to get tickets. The concert sold out as soon as the tickets went on sale online. Although it is clear that Ed Sheeran is very popular, it is also clear that scalpers are purchasing a lot of the tickets. Presale tickets for that concert were retailing at about \$74 to \$166, plus a booking fee. In many cases, the resale sites were flogging the scalped general admission tickets for more than \$2 000. We are not talking only about premium events. We are talking about very popular family events such as those to watch the Scorchers cricket matches, where \$20 tickets are being sold for \$113, or \$77 premium tickets are being sold for \$193. It is not affordable for families to go to family events. This legislation will make sure we provide access to families through affordability. Selling tickets to see the Scorchers at more than five times the price is shameful. It will not happen anymore and I am pretty pleased about that.

Mr Peter Katsambanis; Mr John McGrath; Mr Bill Marmion; Ms Cassandra Rowe; Mr Peter Rundle; Ms Libby Mettam; Ms Sabine Winton; Mr Zak Kirkup; Ms Janine Freeman; Mr Simon Millman; Dr Tony Buti; Mr Reece Whitby; Mr John Quigley; Mr Sean L'Estrange

A side issue that is not covered by this legislation and that always frustrates me and many other people I talk to is the booking fees we pay for our tickets. Most of us buy them electronically. We print them at home or take them through our mobile devices. I am not quite sure that booking fees on top of the sale of tickets are justified. There is no question that ticket scalping is widespread and it results in genuine fans who want to go to events being ripped off.

As we all know, many people have had negative experiences with buying festival and concert tickets through various online sites. People are often ripped off by third-party sites and buy not only over-priced tickets but tickets that are fraudulent and invalid. Professional online ticketing sites such as Viagogo, Seatwave and StubHub use technology in ways that make it an unfair playing field for normal people who want to buy a ticket. The risks of buying from an onseller are that people are turned away from the venue because their ticket is not valid, do not get the seats they ordered, and are not made aware of certain conditions, such as restricted viewing. People may also pay significantly more than is charged by an authorised ticket seller. People who use these online sites often do not know the original face value of the ticket, do not receive a refund if the event is cancelled, and lose their money and the opportunity to attend the event if their ticket is not delivered or is counterfeit.

This bill addresses this longstanding abuse and the long-running concerns of consumers. This legislation will restrict the resale of tickets to a range of events in Western Australia. It will prohibit the use of software, which is part of the problem, that is designed to get around ticket selling websites by buying huge quantities of tickets. The bill will prohibit the advertising and resale of tickets at a price that is more than 10 per cent higher than the original ticket price. Although there are circumstances in which people need to resell their tickets, and that is reasonable, we need to crack down on people who seek to make huge profits from people who simply want to go to a sporting event or concert. I think 10 per cent is a reasonable amount that will enable people who have had a change of heart and need to resell their tickets to not be out of pocket.

It is also important to emphasise that this legislation will provide purchasers of resold tickets with additional protections. Resellers will be required to provide details of the original ticket price. As I have said, online websites give purchasers no idea of the mark-up from the original price. Onsellers will be required to inform the purchaser of the original ticket price, and the location from which the purchaser will view the event, such as the row and seat number. Event organisers will not be able to cancel tickets that have been resold and purchased in accordance with this legislation. That is very important.

Of course, we also need a stick to enforce these rules. Under this legislation, there will be a maximum penalty of up to \$20 000 for an individual and \$100 000 for a corporation for selling a ticket that exceeds the original ticket price by more than 10 per cent, and a maximum penalty of \$100 000 for individuals and \$500 000 for corporations for unauthorised use of bots or software for the purpose of scalping. Importantly, this legislation will bring Western Australia in line with South Australia and New South Wales, and is tougher than the laws in Victoria.

Today we heard examples of tickets that have been sold at exorbitant prices. For the West Coast Eagles 2008 finals series, VIP tickets were sold for \$1 500 and regular tickets were sold for as much as \$500, which is a mark-up of more than 500 per cent. Some people did not realise that they had bought their ticket from an unauthorised seller and found out that their ticket was invalid only when they turned up at the gate. Another example is two tickets for the West Coast–Melbourne preliminary final that were advertised for \$6 500. That is incredible. Why anyone would want to go to a West Coast–Melbourne game is beyond me. You could not pay me \$6 500 to go to that game. The Dockers is another story, although after their second game, perhaps I do not want to go to those games either!

Several members interjected.

Ms S.E. WINTON: It is no wonder that the West Coast Eagles chief executive, Trevor Nisbett, is quoted as saying —

... scalping had “been a problem for the industry for a long period of time”.

“To actually legislate, so they will be fined is a really good thing,” he said.

... It’s long overdue and we are very grateful for the Government to do what they are doing.”

Another example that my kids highlighted to me is Eminem concert tickets that cost \$240 and were being sold on Gumtree for \$500. Tickets for the Kiss concert 2019 that cost \$200 are being sold on Viagogo for \$385. Tickets for the Fleetwood Mac concert in August 2019 are also being sold for an exorbitant price.

Several members interjected.

Ms S.E. WINTON: Yes, the first concert I went to was Fleetwood Mac. Fleetwood Mac have been in Perth on many occasions. They are coming back in August, for which I do not have tickets. My first concert was as a 15-year-old,

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on 21 February 1980, when the member for Dawesville was just a mere thought, or perhaps not even a thought, at the former Perth Entertainment Centre.

Several members interjected.

Ms S.E. WINTON: Really! I am showing my age! They started with the song *Say You Love Me* and they finished with *Songbird*. They always finish with *Songbird*. That was during their Tusk tour. They came back to Perth more recently in 2015 at Domain Stadium. The concert was rained out. It had the original line-up, and I enjoyed that concert, too. Unfortunately, Lindsey Buckingham will not be here this time, so I think I will keep my memories of Fleetwood Mac intact from the 2015 concert and call it a day for me, plus I have just looked up the price on Viagogo, and for a seat in the rafters it is \$286. That is quite incredible.

To summarise, this legislation is another election commitment delivered by this government. The member for Hillarys was right. Scalping has been going on for ever. It is disappointing that the former government failed to do anything about it in eight and a half years. I have to finish with that. I am sorry, member for Dawesville, but you have to call a spade a spade. The member for Dawesville was not here at that time, but the now opposition in government turned a blind eye. In particular, I cannot help but highlight Michael Mischin, the then Attorney General and Minister for Commerce. He wasted an opportunity. He suggested that the purchasing of tickets at above market price is a matter of personal choice. I concur with the member for Belmont. For many people, it is not a matter of personal choice. It makes it unattainable to go to a concert. Lots of members on the other side say they do not mind paying a premium. The fact is that many of the people in the communities I represent cannot afford to go to concerts at those premium prices. This legislation is welcomed by the people in my area. Like my family, they want the chance to pay a reasonable and fair price for tickets to their favourite events.

The McGowan government is getting on with fixing the problem of scalping. This legislation is great news for fans of footy, music and festivals. No longer will fans and young families be ripped off by scalpers, and no longer will fans be caught buying tickets they cannot use. I congratulate the Attorney General and new Minister for Commerce for continuing with the absolutely prolific amount of legislation that he is bringing through this chamber.

MR Z.R.F. KIRKUP (Dawesville) [8.17 pm]: I also wish to speak on the Ticket Scalping Bill 2018.

Ms J.M. Freeman: What's your favourite show? The Wiggles?

Mr Z.R.F. KIRKUP: Yes! My first concert seems to be in the tradition of what all members here are doing. My first concert was on 28 January 2013. I did not go to a lot of events.

Ms J.M. Freeman: *Big Day Out!*

Mr Z.R.F. KIRKUP: Yes! Member for Mirrabooka, well done! That was six years ago now, so I was in my twenties.

Ms J.M. Freeman: Wow! You were a late bloomer!

Mr Z.R.F. KIRKUP: I was very much a late bloomer. I went with Michelle, now my wife. That concert was the first day I told her I loved her.

Ms J.M. Freeman: Were you in the mosh pit?

Mr Z.R.F. KIRKUP: I was very close. We were there to see The Killers. Was that why the member for Mirrabooka was there? Fantastic! There we go. I knew she was a good person.

I want to make a brief contribution on the Ticket Scalping Bill.

Ms S.E. Winton: Do you support it?

Mr Z.R.F. KIRKUP: The opposition has said that we are supporting it. I have some issues that I will be raising with the Attorney General, and I look forward to consideration in detail on this bill.

First, I think all of us here should probably note that if there was any legislation in relation to event ticketing that we would like to see, it would be to get rid of Ticketmaster. Ticketmaster is the worst possible organisation for the sale of tickets. I refer to its handling and delivery fees. It costs \$5 to be emailed a ticket and \$5 to be posted a ticket, which makes no sense to me whatsoever. It must be the most unpopular company, but it almost has a monopoly position. I put on the record my disdain, I suppose, for that handling agency. There are a lot of artists who talk about how it dominates the market for ticket selling and how they do not have a great relationship with it because it often determines the venue at which artists can perform and where events are held so that it can maximise its profits. In any case, I am not a huge fan of Ticketmaster.

To the legislation more specifically, I will raise two issues with the Attorney General. I realise that he did not introduce the legislation to this place; it was introduced by the former Minister for Commerce. I realise that the Attorney General, as the member for Wanneroo quite rightly pointed out, with his prolific legislative agenda has

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inherited this legislation. I have particular concerns about the advertising element and the whole of part 3, which deals with the online purchase of tickets and which I will get to quickly.

I am curious about the nature and quality of the drafting of this legislation. I think it has been quite rushed. I have found significant inconsistencies in the bill, especially with the definitions, which I look forward to exploring during the consideration in detail stage. I will flag them now for the purpose of the Attorney General hopefully being as best equipped as possible when we get to the consideration in detail stage. I am curious about why we need to display the seat and the row in the advertising component. I think that allows for a carbon copy or a duplicate ticket to be made just as effectively by someone who is illegally manufacturing tickets. Listing that detail opens it up. Previously, there might have been a security mechanism to obscure that detail so that it was seen in person or via email or something like that. Putting it online effectively means that it becomes a searchable image that people can replicate. If someone had the means, they could replicate a ticket at a much easier pace. I do not understand the need for that. I look forward to understanding whether there is a security requirement behind it. I have tried to give the benefit of the doubt to the agency in that respect. I do not quite get it and hopefully there is a reason why that is the case.

I do not think it is a necessity or a requirement to list what it is. Perhaps a ticket can be obscured so that it does not detail where the seat is or what row it is, and then via correspondence—email, Messenger or whatever—people can inform the possible buyer where the seat is located, but the bill suggests that the ticket needs to be shown and on display. The bill refers to “details” but my concern is that that might just be arbitrarily made that some websites enforce, whereas now they have to put up a photo to get around it. I am curious as to why that is the case. I do not think it needs to be displayed. If we are using the word “bots” in generality—I suspect many members in this place are using it without knowing what it means—to mean scraping agent software of some sort to trawl through ticket selling websites, getting an image and replicating it will be very easy if the details are in a printed form. Perhaps someone can pretend that the ticket is theirs. It has been a long, long time since I put anything on eBay, but even on eBay a person cannot provide generic pictures of the item they are selling; they have to provide some sort of identification that is attached to them as a seller. For example, if a person was John Smith from Perth and that was their username on eBay, they would have to make some sort of watermark on the image to show that that image and generic item are attached to their username. I am curious about the reason and rationale as to why the seller will need to list the row and seat number. That is a concern from someone who has obviously grown up around this technology. It will make tickets more accessible for malicious means, whereas if that information is obscured and there is no requirement to list it, it might help with the security of ticket re-sales.

The other point I want to talk about is ticket advertisement and how it must be specified, especially if someone is doing it online. The member for Vasse quite rightly pointed out that Viagogo is based in Geneva. ICANN is the Internet Corporation for Assigned Names and Numbers. It is the international body that is affiliated with basically any URL and website. I imagine that in some way, shape or form, Parliament’s website, www.parliament.wa.gov.au, has to have an ICANN or an Internet Commerce Association affiliation. ICANN is the organisation that holds the records for any website in the world. I have the ICANN listing here—it is recognised by various international bodies—and it shows that the registrant, administrative and technology contact for Viagogo are all in Geneva. How is it that this legislation will govern something on a website that is hosted in Geneva? I realise that, again, an individual might be based in Western Australia, but the median they use is in Geneva.

The member for Wanneroo referred to StubHub which, again, is an internationally affiliated website according to ICANN. For a more arbitrary website, Gumtree’s registrant contact is in the United Kingdom, while its administrative and tech contact is in California. When people get these tickets and advertise them as per part 3 of the bill, the entirety of the purchase as per part 3, I am curious about how that will occur for websites that are not within the jurisdiction of Western Australia and not even the Federation, but are, in fact, in an international domain. Ticketmaster, of course, is registered in Australia—it has an ABN—but it has an affiliate in the United States. This is an issue for provincial governments across Australia and most of the world as we try to address important issues, such as ticket scalping and anything else that we confront. But, of course, the international bodies take some precedence and we have no ability to legislate for those whatsoever.

If we are making sure that a ticket resale advertisement must specify the original price and details of the location—again, as per my previous comments, I have some concerns about that from a security point of view—if it is put on Viagogo, Gumtree, StubHub or the website of John Smith, who might register it in Trinidad and Tobago or somewhere like that, how will this legislation address that? These are all relatively easy forums that anyone in Australia and Western Australia can use to sell their tickets. How is it that we can impose the will of this Parliament on the agencies and outlets that are selling them? That is a concern. I do not know how the ticket sale component, with its requirements for advertising, will be enforced. Certainly, I appreciate that if, as a Western Australian, I sell a ticket online via those outlets, perhaps the onus is on me. I appreciate the intent of the legislation but this shows the

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concern that all governments stateside have to deal with. How is it that the department will interrogate these websites to assess who is selling it in the first place? As much as I have great faith in the Commissioner for Consumer Protection, there is absolutely no way for an individual, whomever it might be, to call or email Geneva or San Jose in California to get the details of the person who listed it in the first instance. There is no way for that to occur.

The limitations are very real when it comes to the specific nature of what is required for the ticket to be sold in the first place. What I suspect will be the case is that this legislation will be implementable only if a website's administrative and registrant contact is in the state of Western Australia and it can be verified that the person who is selling the ticket is also in Western Australia. In that case, this legislation might be applicable, but the reality is that that is not the case for any of the websites that anybody has mentioned thus far, unless we go back to Ticketmaster. Of course, people have to register an account and there are some identification requirements, but I suspect the website is not hosted in Western Australia. I suspect that eBay is registered in New South Wales. I have very significant concerns and I will try to flesh them out during consideration in detail, not because I think it is important to prolong the passage of the legislation but because I very much want to understand how the government—and, indeed, any government going forward—will address what is a very significant online issue.

Moving to part 3 of the bill, I have concerns about from where the websites will operate. I have concerns about paragraphs (1), (2) and (3) of proposed section 11, which I will go through quickly. Firstly, when it comes to security measures, it specifically refers to a website. Proposed paragraph (1) reads, in part —

security measures, in relation to a website, include any measures of a kind prescribed by the regulations for the purposes of this definition.

I am curious, because I have yet to find a definition in any legislation I have looked through. I have gone through a number of acts that this place has passed, going back some time, and there is no definition of a website. I have gone to commonwealth legislation, but there is no definition of a website there. I am certain that whatever our traditional view of what a website might be, it will likely not include apps on our phones. To me, apps are not websites as defined in this legislation; they are something completely different. If I try to sell a ticket through an app on my phone, this legislation does not necessarily cover that, even if that app was based in Western Australia, for some bizarre reason, and I was also in Western Australia as a seller or purchaser. We cannot really govern the security measures in relation to an app or website if that app or website is not based in Western Australia. I am curious, again, about how we are going to get around that, or how that is meant to apply. Clause 11(2) reads —

A person must not use any software to enable or assist the person to circumvent the security measures of a website to purchase tickets in contravention of the published terms of use of the website.

Again, I would raise concerns about an app, and what that looks like. In the second reading speech, the minister at the time made reference to software bots.

Ms J.M. Freeman: It is a gaming term.

Mr Z.R.F. KIRKUP: It is a very loose term.

Ms J.M. Freeman: It is a gaming term.

Mr Z.R.F. KIRKUP: Strictly speaking, member for Mirrabooka, it is an automated script.

Ms J.M. Freeman: Yes, for form filling, in gaming terms, so that you can game quickly.

Mr Z.R.F. KIRKUP: Typically, in a gaming atmosphere, as the member for Mirrabooka quite rightly points out, or even on a simple poll. A script might be run over a simple poll, or something like that. It is a very quick and easy script, typically.

Ms J.M. Freeman: It is based on robots. The word is a shortened form of “robot”.

Mr Z.R.F. KIRKUP: The word is derived from the word “robot”, I suspect, but of course we are using the word relatively arbitrarily here in terms of what that means. Again, I get concerned when ministers in particular use that language, because the judiciary, or someone who is interpreting this legislation, will see that and not necessarily know what it means.

Ms J.M. Freeman: It is hacking, really.

Mr Z.R.F. KIRKUP: I do not know that it is hacking. As the member for Mirrabooka rightly points out, hacking might not necessarily need a script. The automation of an attack is something, but there are other means as well, as I understand. We have to be careful about what that software might mean.

Ms J.M. Freeman: I have the description, and I will read out what it means.

Mr Z.R.F. KIRKUP: I look forward to the contribution of the member for Mirrabooka. When we keep using that language, I get worried about what that might mean. I do not doubt the need to stop people from getting into

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websites, and the security measures attached to that, but again, I suspect that is really only relevant if that website is registered in Western Australia. Unless the minister intends to inform me otherwise, I suspect we have no ability in this Parliament to legislate for websites hosted in New South Wales, or indeed anywhere else in the world. For the security measures and applications, the fine is a very important one. I think anyone who tried to infiltrate the Parliament's website in some way, shape or form— POWAnet, to which we all have access—would face imprisonment, but that site is based in Western Australia. How are we going to stop that for a site that is not here? Most of the websites we are talking about, and most of the websites that members in this place will think of on which these tickets might be sold, actually are not registered in any way, shape or form in Western Australia. Is it the placement of a server? Is the server address used for that? What does it look like? I look forward to trying to establish these concerns with the minister in consideration in detail. There are some interesting parts there.

I am not suggesting for a second that the intent is bad, but I suspect that an announcement has been made and the agency has had to try and catch up with that. We actually cannot legislate for a lot of the threats and concerns that members have raised. It is almost impossible for us to police that. We wave around \$100 000 as a fine, but what is the likelihood that a Western Australian is running a software script—a “bot”—to attack a Western Australian-based website that is onselling tickets, and that the fine will be enforced somehow by the department? That is really interesting to me. I would like to understand the role of the police or the Australian Federal Police. I do not understand any direction. We have waved a \$100 000 fine, quite rightly, as a means to try to stop people from attempting to do or think about this, but when we delve deeper, we see that there are quite significant limitations with this legislation.

Clause 11(3) states —

For the purposes of subsection (2), terms of use of a website are published if they are published on the website.

That means that if a Western Australian-based website publishes terms and conditions, they cannot be contravened. Again, that is treading new ground, because I have yet to see any legislation, even relatively new, technologically responsive pieces of legislation, that defines what that looks like. Again, when we talk about what a website is, does it have to have an internet protocol? It might not. What does that look like? If I host something that is on the dark web, is that considered to be a website, if it is just a computer without an Internet Corporation for Assigned Names and Numbers registration? It is interesting to me, because I have grown up around this, and I think this is a limitation—I spoke about this in my inaugural speech—on all governments trying to keep up with the pace of technology. These are very real considerations that we have to face, not just with this ticket scalping legislation, but with all legislation that looks at online presence and the interactions of Western Australians with those websites and applications and the like. I have some reservations and concerns. While the intent of this legislation is good, and I do not doubt the government's commitment—it was election commitment number 173—that it wanted to try to do something in relation to ticket scalping, my fear is that the agency has had to catch up with this and has presented something that I have quite a number of concerns with in terms of how it will be enforced. I absolutely applaud the government for trying to address a significant concern, and I have some sympathy for the agency in trying to keep up with this and effectively trying to tread new ground. I have some concerns about what that looks like, and how those websites are defined.

Again, I point out that a number of clauses in this bill talk about something being sold or advertised somewhere, but the legislation is silent about whether that is an application. It is silent about what that looks like as well. Most things are going to be app-based, even it is just on a messenger. I do not understand how we are trying to keep up with this, and I realise that might be the limitation; I realise that technology might be outpacing us. The Minister for Transport talked about it in relation to on-demand transport today and the difficulty governments have in keeping up with organisations such as Uber. I suspect the intent of this bill has a lot of merit, but I have some concerns about its enforcement, and the ability of its interaction with things like websites and the like, and how that will be enforced, and how it is even going to be investigated. There are some severe limitations in this legislation, albeit that the intent is well worth it.

MS J.M. FREEMAN (Mirrabooka) [8.37 pm]: I, too, rise to speak on the Ticket Scalping Bill 2018, and congratulate the government on bringing it before the house. There are many questions, member for Dawesville, but to sit idly by while this is occurring is somewhat of a concern. While the member was speaking, I was looking at the Choice report done in 2017, titled “Sold out: Consumers and the Ticket Resale Market”. One of the big areas revealed by the survey was the number of complaints concerning Ed Sheeran tickets, which we heard of tonight from the member for Wanneroo. The highest ticket mark-up was 900 per cent at a sporting event in Perth. That is from a survey that Choice did. To sit on our hands was not an option. I acknowledge and applaud that the Australian Labor Party announced last year that, if a Shorten government is elected, it would crack down on ticket scalping and ensure that Australian music fans have fair access to tickets. I am sure that

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that would include sporting fans as well. Basically, the announcement was for a nationwide ban on the use of automated bots to buy tickets, which is not dissimilar to what has been done in the US, and a price limit on tickets sold into the resale market. I do not disagree with the member. It is not easy with the technology and the offshoring of technology, but it certainly is something that consumers are requiring of us in this new emerging consumer market.

I notice that in this report the consumer problems with the ticket resale industry include “Paid more than the face value of the ticket” and “Charged hidden fees”, which is probably to do with both forms of ticket pricing. I agree completely with the member for Dawesville who said that a consumer has to buy online now, and there is no way that they can get around the fees. Even if a consumer picks up a ticket at the venue, they will charge that person a fee for picking it up at the venue. If a consumer cannot pay by cash and has to pay by credit card, they will charge that consumer a fee. If a ticket is advertised as costing \$80, one knows that it is not an \$80 ticket.

As recently as three weeks ago, I was at a gig. I regularly go to gigs; my son is a musician. I am always amazed at the different online costs, which are not going to the performers: let us be really clear about this. What is concerning is that once ticketing becomes paperless, there will be no capacity to resell in a market other than the Ticketmaster or Ticketek market. This report states that Ticketmaster’s companies include Ticketmaster Resale, Get Me In! and Seatwave. Viagogo and StubHub are really small fry in that market. Once we have paperless tickets, that is going to be harder to resell.

Resale is part and parcel of the industry. People buy tickets for concerts months and months before the concert is on because they want to secure a spot, and suddenly they need to resell their tickets. That is always interesting.

Another problem listed was “Thought website was official ticket seller and not a resale website”. I notice that the New South Wales legislation—I will be corrected if I am wrong; maybe it is the US legislation—requires websites to show that they are not the official ticket seller. I wanted to see *Les Misérables* and my friend told me to buy the tickets. I put it into the search engine, it came up with *Les Mis*, and I went onto the site. It was a resale ticket site, which I was happy with. By that stage I had worked that out, but it was the first site to come up. That is a real business model, and I will go into why it is a business model. That resale market is a risk mitigation business model. It is almost like a reinsurance. Other problems were “Seat or area wasn’t as described”, which is difficult; “Something went wrong and customer service didn’t help”; “Credit card was overcharged”; “Ticket never arrived”; and “Ticket was a fake”.

I am sorry; I have not provided the survey numbers—I cannot find them at this point in time—but it was a survey of over a thousand; I think about 1 500. “Ticket was a fake” is only eight per cent of the number surveyed, and there is evidence to show that that is not a very big issue. It is big—it is terrible if you are the one holding the fake ticket—but it is a lesser number than the hidden charges and the “Paid more than the face value”. “Denied access at the venue because they knew the ticket was purchased on a resale website”; that is a different thing entirely. The Opera House does that. They will not let a ticketholder in unless they have agreed to the resale. Also, “Had a different problem” or “Didn’t have a problem”.

When we talk about this area, we need to be clear that we are talking about ticket scalping, but where consumers are concerned, it is a broader aspect of ticketing. That particular document that I was reading from, which is the CHOICE consumers and ticket resale industry 2017 report, outlines that the ticket resale industry is estimated to be worth over \$US15 billion globally.

Mr Z.R.F. Kirkup: When was that?

Ms J.M. FREEMAN: In 2017. It has a reference; I could have gone back and had a look. I have another reference from 2014 that was a bit less than that, so I figured it was pretty contemporary.

It happens because the primary market gives the capacity to exploit tickets. The primary market is very opaque. It has a practice of limited releases, and the limited releases actually manipulate the supply of tickets. A 2016 New York report, which again was in that consumer CHOICE document, said that about 38 per cent of tickets for really large concerts in that state were presold. We are not even talking about the ones that are going out. What is happening to those presold tickets? This market-based supply and demand mechanism has always been around, but the online ticket purchasing aspect of it can really be manipulated.

We are in a market-based system of supply and demand, and I note that economists would say it is just balancing itself out. What we are trying to do is protect people from the unscrupulous side of it. What we do not want to do is close down the market. In a piece in *The Conversation*, economists at Macquarie University said that they would explain a secondary market as being a result of undersupply or underpricing or a combination of both, creating an arbitrage in opportunity, and anyone would know that a good businessperson would take that opportunity.

Extract from Hansard

[ASSEMBLY — Tuesday, 2 April 2019]

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Mr Peter Katsambanis; Mr John McGrath; Mr Bill Marmion; Ms Cassandra Rowe; Mr Peter Rundle; Ms Libby Mettam; Ms Sabine Winton; Mr Zak Kirkup; Ms Janine Freeman; Mr Simon Millman; Dr Tony Buti; Mr Reece Whitby; Mr John Quigley; Mr Sean L'Estrange

The argument is that promoters are risk averse. They prefer the certainty of a guaranteed sale. They want to meet the costs of the venue, the food, the drinks, the band—everything—and make a profit, so they are not necessarily concerned about a secondary market. In fact, they are quite happy if someone comes in, buys tickets and resells them, because they know that they have holed away however many tickets they have to. It is why promoters like pre-sale: they know that they have sold so many tickets and have covered their costs. Promoters bringing in big acts know that to make that viable, they have to make it economic. This is part of their business plan for resale, I would think.

The economists Crosby and McKenzie argue that the secondary markets distribute tickets to those that value them the most and are happy to pay an additional premium, even though they are not prepared to wait in line. They argue that in some ways it makes for a good venue, because the people who wanted to go and wait in line are there, as well as the people that do not have the opportunity to do that for various reasons but are happy to pay the opportunity cost to buy on a secondary market. They are still willingly going to that area. However, the economists question the rent-seeking of scalpers who buy up large portions of available tickets. I will talk about Ken Lowson, who was the creator of the ticket bots, because when those mechanisms are used they price out true fans and disadvantage those people who are happy to wait in line.

There is a shift of profit from the performers to the enterprise scalper. That is what we have now—these enterprise scalpers. These are not small people who press a button and buy 30 tickets, or get some friends to buy and then stand in a line and stand outside. These are serious businesspeople. I want to talk about one of them, who is the inventor of the ticket bot scalping practice. My understanding is that “bot” is a gaming term. It comes from how people used to game and would have various games going so that they could see the strategies that were being used to win those games.

Gaming is such an interesting mathematical theory about how we do stuff. There is some really interesting stuff in the science report about gaming cancer cells. We can do all sorts of things around that. Someone had the idea to look at a practice of ticket purchasing and turn it about—basically, find a market and go into that market to make money. In 2010, the Federal Bureau of Investigation charged the inventor of the bot ticket scalping practice, Ken Lowson, for hacking and defrauding ticket sellers. By that stage, he had bought and resold 2.5 million tickets at a \$25 million profit in the 10 years of operating his company, Wiseguy. He accepted a plea deal and stayed out of jail. He still argues that it was not hacking. When he was interviewed by triple j's *Hack*, he said that they started out with four computers and auto-form filling and ended up developing software that allowed hundreds of windows to buy tickets simultaneously, such that a bot with 300 power is the equivalent of 300 people buying tickets. At the end, he was able to buy 20 000 tickets in a couple of minutes. He also increased that by putting computers in different geographical spots so that the company was able to game how that system worked. Wiseguy would then onsell the tickets to scalpers who sold them to fans. They would not sell the tickets themselves.

We are talking about two different things here: we are talking about scalpers, who are the people who sell them; and we are also talking about the people who procure them. There are different ways of procuring them. The promoters sell all these pre-sale tickets. We do not know where they go in the system. Now we have this other thing happening—computerised ticket buying, which buys people out of the market. Effectively, the poor old fan has such a limited space in between. Before, there always used to be pre-sale tickets. An example was given in the article. Wiseguy sold tickets to a game at Rose Bowl stadium in 2006. The stadium released 1 000 tickets. I think they got about 800 of those tickets. The stadium had 100 000 seats. He asked what happened to the other 99 000 seats. This information is from the article. I am quoting the numbers in the article. It seems unrealistic that the Rose Bowl would release only 1 000 seats, but that seems to be what Ken Lowson was arguing.

Some of the issue relates to the primary market, not necessarily the bots and the scalpers. I think we need more transparency around that. What happens with bulk purchasing from the inside? We have an organisation known as the Ticket Brokers Association of Australia. It could be known as “Scalpers”, but, obviously, it is not. It has called for the creation of clear and transparent industry-wide standards and ethical rules and procedures with a goal to protect the public from fraudulent conduct, and to foster positive consumer relations in the industry. Clear and transparent standards in ticket sales is a really interesting idea. It is not a market that has that aspect to it. I understand the member's questions to the minister around the definitions and some of the issues in this bill. I went looking for the definition of “scalper” in the legislation but there is none. There is a definition for “authorised ticket seller”. The corollary to that is that a scalper is someone who does not fit within the definition of an authorised ticket seller. Clause 6, “Ticket scalping”, states —

A person must not sell a ticket for admission to an event for the amount which exceeds the original ticket price by more than 10%.

[Member's time extended.]

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Ms J.M. FREEMAN: I agree with the member that this is still relatively new legislation. The US “bots law”, which was enacted by the previous President, Obama, the Better Online Ticket Sales Act, is still sorting itself out.

I found it really interesting that the member for Hillarys said that people were probably scalping tickets to the Olympics. I looked at the history of ticket scalping. I found a very good paper by James Anthony Devine called “Ticket Scalping in the Late 1800s and the early 2000s—Much has Changed, Much is the Same”. He said that in 1885, New York gangs were ticket speculating. It states —

... tickets for Charles Dickens’ second American tour in the 1860s, with an original face value of \$5, were available from speculators for \$50.

Scalping occurred as far back as the 1860s. They tried different things. They used to have someone standing outside venues trying to get rid of scalpers. They had fights and all sorts of things during that period. They changed laws. We can go back to the economics of it and the issues around pricing. If someone is willing to pay more for an item, we will always find someone who will take that item and try to sell it for more. That is the nature of a market-based economic system, unless we say, “That is the price and you cannot touch it anymore.”

We have gone from standing in a real line to buy tickets to a virtual line. This virtual line has been created through our computers and that has been manipulated. One study said that in the year 2000, it was estimated that ticket brokers and scalpers made a profit of over \$87 million. The figure quoted for 2017 is \$15 billion. I am not sure whether that is the right multiplier effect in this industry but it certainly seems to be growing.

StubHub launched in August 2000. Two Stanford University students established it for a business plan competition. It was the first of these resale platforms. It was based on three opportunities: a really large market; no dominant player in the secondary ticket market; and a stigmatised market with a lack of trust and the need for legitimate tickets. It set itself up to legitimatise ticket resales. It was really popular because of its ease of use and reliability. It supposedly sold 50 per cent of its tickets at face value or below. Given the lack of laws around reselling, StubHub, which was the first business in this area of innovation and disruption, grew from a start-up business worth \$550 000 when it started in 2000 to being worth \$310 million in 2007 when it was sold to eBay. The advent of StubHub enabled Ticketmaster to set up TicketsNow. This is the US company. It did this as a defensive move. There is some criticism that Ticketmaster sold tickets on the secondary ticketing site even though the primary site was saying that tickets were sold out. The same company with tickets was saying that its primary market to sell directly to the seller was sold out, yet its secondary market, which was its resale market, still had tickets on sale. The argument is that there is an administration fee in the secondary market, so there is another advantage if they sell tickets through that secondary market.

In Australia, in early 2017, Choice lodged a complaint with the Australian Competition and Consumer Commission against Ticketmaster Australasia, alleging misleading and deceptive conduct because it had listed the resale of VIP tickets to Justin Bieber’s concert at Suncorp Stadium in Brisbane at a 374 per cent mark-up. The Choice complaint also included Viagogo for “dripping in” unavoidable fees and charges at the check-out, and misleading advertising for being the “lowest price” when that was not the case. I understand that the ACCC continues to take Viagogo to the Federal Court, alleging deceptive pricing.

Choice magazine recorded the experience of Walter Jin, who purchased a Coldplay ticket. He turned up at the concert but could not get in and had to purchase another ticket. I think he paid about \$200 for the original ticket, and another \$149. As has been discussed here, to claim a refund under the Viagogo guarantee, people must contact Viagogo within 14 days of receipt of the ticket, even when the show is not on for months. If people have a problem with the ticket on the day of the show, a refund must be claimed within 48 hours, despite Australian consumer law not having a time limit. Viagogo gets around the law by being located outside Australia—in Geneva, Switzerland. We understand that Australian consumer law still applies, but Viagogo can be contacted only via a website email form that seems to have constant glitches. In the case of Walter Jin, he never saw his money again, despite trying to claim a refund.

We have already heard that 400 people were turned away from the Australian Open, yet Ticketmaster said that the breakage rate, or the fraudulent rate, or the “not being able to use your ticket” rate for the secondary market was less than one per cent across all purchases, and that fraud is minuscule on its site. That seems odd because Ticketmaster stopped six million bot attempts in 2018—that was at a rate of 11 000 bot attempts a minute. Ticketmaster says that it is preventing fraud, and useless tickets—the tickets people cannot use when they turn up for a show—are down to around one per cent of all purchases. Something is obviously working in that area to prevent fraud.

As I have said, the US outlines bots in the Better Online Ticket Sales Act, which prohibits the use of software that allows users to jump to the front of the line to buy inventory during online ticket sales. That act also gives the Federal Trade Commission the capacity to take civil action against those who use bots software and gives states

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the right to take action as well. I understand that that act has led to bots going offshore. Triple j's *Hack* has found that one top-ranked website that sells bots is registered in Panama. It is selling tickets for between \$300 and \$900 and the software works in Australia without exposing people's identities. What exactly does this software do? Its website states —

The software allows you to reserve multiple tickets, you can do multiple searches simultaneously on one event or multiple events with just a click of a mouse. You can use it for drop checks as well as set them or presales and onsale events. It also has an option to allow you to set the bot to start at a specific time, while you are not there and the software will start at a time and grab the tickets and notify you, if the tickets match your criteria. The bot can be customized to meet your exact needs as well.

In short the bot grabs hundreds of tickets for multiple event simultaneously and let you choose cream tickets from them to buy with just a single click.

This is clearly a state and federal issue, so I am pleased that the federal Labor Party has a policy to introduce for the whole of Australia. We also need to deal with it internationally.

Venues have tried to change this situation. The Sydney Opera House reserves the right to refuse the admission of people with tickets that have been onsold without permission. Splendour in the Grass hosts its own resale site. Iron Maiden, to combat bots and scalpers, implemented a policy that requires a purchaser's credit card and ID upon entry to a venue. They say that they sold over 100 000 tickets to one of their tours directly to genuine fans through legitimate channels. The Glastonbury Festival puts a picture of the purchaser on every ticket. This can be done many ways.

Interestingly enough, if it is all about the cost of a ticket, new software is coming out, particularly for movies. It will allow people to bid on the price of a ticket. It will provide a number and bidding will start and the ticket will be sold, if they are in a market-based system, at a price people are willing to pay to attend a movie. That could lower the gap between the sale price and what people are willing to pay. If there is a smaller gap, there will be no arbitrage, no advantage, for scalpers, because the price will be brought down. The problem then, though, is that some tickets will be more expensive than others. Operators could do what Tim Minchin did for his recent concert. He knew that people would be prepared to pay a premium to purchase tickets at the front, so he sold his premium charity tickets at \$230, plus a booking fee—\$90 more than the next least expensive seat—and he donated the difference to Ngala. Well done to him! I commend this legislation to the house.

MR S.A. MILLMAN (Mount Lawley) [9.06 pm]: Firstly, I would like to thank the member for Mirrabooka, who is on her way out of the chamber, for that comprehensive analysis of the Ticket Scalping Bill 2018.

Ms S.E. Winton: What's your first concert?

Mr S.A. MILLMAN: Thank you, member for Wanneroo. Can I start by saying this: it is great to hear about members' first concerts, but the member for Mirrabooka escaped without identifying her first concert.

Ms S.E. Winton: Did she?

Mr S.A. MILLMAN: She did.

Mrs L.M. O'Malley: Wasn't it Fleetwood Mac?

Mr S.A. MILLMAN: No, that was the member for Wanneroo.

Ms J.M. Freeman: Moving Pictures, 96FM concert; Roger Cook was there.

Mr S.A. MILLMAN: What a fantastic first concert! I heard the member for South Perth praise the member for Hillarys' contribution. Having heard the member for Belmont reference her love of Faith No More and her first concert, of all of the contributions that have been made this evening, that was the most epic. I thank also the member for Wanneroo for her contribution. My first concert was INXS in 1989, with Ratcat supporting as the opening act. I think that dates me well.

I will now speak more generally to the legislation. This bill is part of a package of programs the McGowan government has brought forward to support the local contemporary music industry. People who have heard me speak in this place before know how passionate I am about the creative industries, about the jobs of the future in the creative industries, and about how located and supported those industries are in the electorate of Mount Lawley, because institutions like the Western Australian Academy of Performing Arts and RTRFM are doing a fantastic job in the electorate. I will come to the legislation shortly.

When looking at some of the work the McGowan Labor government has done to support contemporary music, I commend the Minister for Local Government; Heritage; Culture and the Arts for his announcement on

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21 December last year for “A new grants program that can’t beat”. He announced a \$1 million contemporary music fund grant program that is open to all musicians in Western Australia. Applications for grants of up to \$15 000 have been available since 8 January and applications for grants of between \$15 000 and \$60 000 have been available since 22 January. This grants program was part of the McGowan government’s \$3 million investment in contemporary music through the contemporary music fund. By providing grants to these young up-and-coming musicians, the McGowan Labor government provided exactly the sort of support they needed. But as I say, this is part of a package of reforms designed to promote and assist our contemporary music industry. It was the Minister for Local Government; Heritage; Culture and the Arts, together with the Minister for Child Protection; Women’s Interests; Prevention of Family and Domestic Violence; Community Services who announced, on 17 February this year, the Safer Venues initiative. Again, a major step forward was taken in making Western Australia’s music venues safer places to visit, with a \$60 000 investment from the McGowan government’s contemporary music fund.

Members have already spoken, in the context of the Ticket Scalping Bill 2018, about the protection of consumers, but it is also about valuing the contribution to our community that our creative industries make at the same time as we protect those consumers. We can see that the Minister for Culture and the Arts has, with his Safer Venues initiative and his contemporary music fund grants package, supported both the creative industries and the consumers who love these events. That is why I was so happy on 19 February to put a question to the Minister for Culture and the Arts, referring to the great work of the community radio station in Mt Lawley, RTRFM. For those members who have not seen the answer to that question, I recommend the minister’s response. He listed in great order some of the initiatives of the McGowan Labor government in making sure that our contemporary music industry is well supported.

Amongst that package of reforms is this ticket scalping legislation. Many members have spoken about the diverse range of events people can go to, which will now be subject to the operation of this ticket scalping legislation. They have talked about sporting events, cultural events and theatrical events—some members even referenced the 2000 Sydney Olympics. I want to talk about the response particularly from the independent music industry and young contemporary artists in Western Australia. I want to articulate the response of the industry to this package of reforms. I acknowledge my friend Harvey, who is a journalist in street media with *X-Press* magazine. I want to also acknowledge my friend Lawrence, who is a former board member of West Australian Music. For members who do not know, I am going to quote from West Australian Music’s website so that I get this right. I also commend Lawrence for all the great work that he does. The website states —

WAM champions all forms and levels of WA music, locally, nationally and internationally.

Passionately committed to championing Western Australia’s thriving music industry since 1987, WAM (West Australian Music) is the peak music body responsible for supporting, nurturing and growing all forms of contemporary music in WA.

As an aside, it has been well supported in that endeavour by the Minister for Culture and the Arts and the McGowan Labor government more generally. The WAM website also states —

We believe in the industry and the individuals who make the music, listen to it and bring it to life.

That is the nexus with the current legislation in terms of protecting consumers. It continues —

We’re for the amateurs, the professionals and everyone in between. We’re not selective of genres, nor are we elitist, bureaucratic or remote. Instead, through fusing meaningful connections, providing suitable opportunities and embracing all who wish to play, listen and partake, we’re creating a thriving music industry that’s a testament to the talent and passion within it.

That is a fantastic statement from West Australian Music. Madam Acting Speaker (Ms J.M. Freeman), as the parent of a young Western Australian musician, you would appreciate that better than anybody.

This is the response from the local industry. An article by Hayden Davies, published four months ago in response to the media that was released at the time the legislation was brought forward, is headed —

**Attention scumbags: The WA Government is introducing ticket scalping laws this Summer
After the Liberal Government rejected anti-scalping legislation in 2016, there’s a new push to make it happen this week.**

There is a photo of the Laneway Festival from 2018. The article continues —

A few years ago, we questioned who were the biggest dickheads of our festival culture: fence jumpers, would may potentially injure others thanks to there disinterest in forking out a bit of money for events; or scalpers, the bottom-of-the-barrel folks who buy tickets at their cheapest and resell them at marked-up prices because of ol’ supply and demand economics. We didn’t really come to a conclusion as they’re

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just as bad as each other, but thanks to new legislation being introduced to WA parliament this week, it looks like the scalpers may finally meet their match.

After rejecting an initial anti-scalping plea in 2016, the WA government is aiming to introduce The Ticket Scalping Bill 2018 to parliament this week, which if passed and made into law in early 2019, will cap the cost of resale tickets at the risk of significant fines. According to The Music Network, the regulations will cap resale tickets at 10% of the face value—i.e. a \$100 ticket can be sold for \$110, but nothing more—with fines of up to \$20,000 for individuals and \$100,000 for companies that don't apply. According to —

The then —

Commerce and Industrial Relations Minister Bill Johnston, the laws will cover “most outdoor concerts, most of the events at RAC Arena and the large events like AFL matches at Optus Stadium,” many of which feature already-expensive shows that in resale, sell for over \$1000.

I am not going to quote the rest of the article because it goes into details that other members have already covered thoroughly and comprehensively in their contributions, but I will refer members to the final paragraph, which states —

The legislation comes as Lunatic Entertainment—the group behind Laneway Festival and Laneway Presents shows (such as Florence and the Machine's forthcoming Australian return)—make a call-out for people who have had negative experiences with buying festival and concert tickets through reselling sites such as Viagogo, who “intend to give this documentation to the Opposition Party to form part of their campaign pledge to have this site closed down.” Find more details on that via the post below.

The article then directs readers to the Facebook poster for Laneway, which states —

We know many of our fans have had negative experiences with buying festival & gig tickets through viagogo. We do our best to warn people about the dangers of buying over-priced and often fraudulent tickets from third party sites like this, but now we have a chance to make a real difference—an opportunity to eradicate this business from Australia for good!

We're calling on you to help get this message out there far and wide, and share details of any experiences you've had with viagogo by emailing stopviagogo@lunaticentertainment.com by Wednesday this week.

We can see from the responses of industry members like Lawrence on the West Australian Music board, Harvey with his experience in street media, the local artists who put forward these articles, and organisations like the Laneway Festival, that this is, once again, a mature and nuanced response from the McGowan Labor government to a complicated issue. This bill will protect consumers and musicians; it moves away from the laissez-faire free market economy of the former Liberal government to a properly regulated system that is designed to protect consumers and artists. It will create an environment in which both can flourish.

The last thing I want to quote from is something that the Acting Speaker (Ms J.M. Freeman) referred to in her contribution. The member for Dawesville also talked about how complicated this problem is in respect of jurisdiction and international law, and how it operates with websites hosted in other jurisdictions. I say in response to the concerns raised by the member for Dawesville: this issue needs a local response and a federal response. The music industry in Western Australia is getting from the McGowan Labor government a commitment towards eradicating the scourge of ticket scalpers—the ratbags of the music industry—through this legislation. The member for Vasse, in her contribution, acknowledged that a private member's bill was brought forward from the Labor Party in, I think, 2011 —

Dr A.D. Buti: It was 2015.

Mr S.A. MILLMAN: It was 2015? I thank the member for Armadale. This is a work in progress from the Labor Party, the party that is committed to preserving, protecting and promoting the Western Australian music industry, and particularly contemporary music in Western Australia. This is an endeavour that has taken us four years to complete, but we got on with the job of doing it because we were elected to government on a platform of bringing forward this change. But, member for Dawesville, this is not limited to Western Australia. An article from West Australian Music is headed “Labor turns the volume up on Aussie music announcing a \$28m music policy”. This is not the Labor Party saying this; it is West Australian Music. The article states —

Today **federal Labor** announced a comprehensive music policy that will see significant investment in contemporary music.

Labor, the party for contemporary music —

The party stated: “From encouraging more Australian children to learn and play music, to assisting young bands reach overseas markets, to more support for live music and ensuring fans aren't being ripped off

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when they buy tickets—Labor says they want to see more Australians making music, listening to music, and seeing music live.”

The policy will see **\$28 million** delivered over three years:

- \$10 million going to the new **Sounds Australia**, helping them remove barriers for Australian live music venues and help more emerging Australian artists break into overseas markets.
- \$7.6 million in extra support for youth music education and music teachers.

For the Western Australian Academy of Performing Arts, in the electorate of Mount Lawley, that is an incredibly great initiative. It continues —

- \$5 million in grant funding to establish and grow music hubs around the country.

Can I recommend Mount Lawley —

- \$4.2 million for mental health charities **Nordoff Robbins** and **Support Act**.
- \$750,000 in funding for the **Association of Artists Managers** to train new and emerging managers.
- \$300,000 for the New Recordings program to help more artists into recording.
- Plus, they’ll also include measures to crack down on ticket scalping sites like Viagogo, and consult on any changes to copyright reform to ensure artists are properly paid for their work.

One can see quite clearly from the content of this article that Labor is committed to looking after the interests of artists and consumers of our creative industries.

It is fantastic to see music front and centre in cultural policy making,” said WAM CEO **Mike Harris**.

Hear, hear! Thanks to the terrific work of the McGowan Labor government and, in particular, the Minister for Culture and the Arts. The article continues —

“It is a testament to the power of music that sees it hold this position at a state level, and now federally.”

Members opposite, there is a call to arms for you as well —

“All parties should develop such a policy given the participation rates for music, the contribution to the economy, and importantly the impact music has on social inclusivity and community wellbeing. As well as Australian music being recognised globally for its high quality, music has an enormous effect on the physical and mental well-being of millions and millions of Australians.”

“We look forward to working with whomever is in power —

Bill Shorten! —

to deliver on outcomes that benefit music and musicians; especially working on how that benefits WA and WA artists.”

“That said I call on all other parties to come forward with their music policies and enter into a national debate on how best to support Australia’s music industry. In the meantime well done federal labor.”

I will return to the point at which I started.

Australian music is internationally renowned and that is why I was very proud to attend my first concert, none other than INXS.

DR A.D. BUTI (Armadale) [9.22 pm]: I follow on from that very energetic and well-structured contribution from the member for Mount Lawley and a very informative contribution by you, Acting Speaker (Ms J.M. Freeman). I do not think we should go on about my first concert. I cannot remember what my first concert was, but I can tell members that I saw ABBA. Did the member for Geraldton go the concert where there was a bomb hoax and we had to vacate —

An opposition member: I went to Rolf Harris before that.

Dr A.D. BUTI: I never saw Rolf Harris; I did not go that far. I am sure I saw other concerts before that one.

The member for Dawesville and the member for Vasse commented on how the Ticket Scalping Bill 2018 before the house will not address X, Y and Z. They may be right but, as the member for Mount Lawley said in his contribution, at least we are giving it a go. The former Minister for Commerce; Attorney General did nothing. Whenever there was anything difficult, the former government sat on its hands. This government has tried to tackle

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the difficult issues. As we tackled the taxi industry, we are tackling this; it has been a long process. In 2015, the then Leader of the Opposition, the now Premier, introduced a private member's bill on this issue.

The member for Dawesville raised some very important points and I will be interested in the Attorney General's answers to some of his points. He referred to "Prohibited conduct in relation to the use of ticketing websites" at part 3, clause 11. He said that if people buy tickets on their iPhone, they are using an app, so that is not a website. I am sure he is correct on that point. That is only part of the legislation before us. It is about trying to overcome security measures et cetera. People can still be penalised for a sale through an app as they can for a sale over the counter. I understand what he was saying but that is not fatal to the utility of the bill before us. Obviously, when we are dealing with companies in different jurisdictions and overseas, there is a limit to what a provincial Parliament or government can do. We can only do what we can do. Just because we cannot make a situation perfect does not mean we should not do something. I will be interested to hear the questions the member might ask the Attorney General at the consideration in detail stage.

I have to confess that many, many years ago I bought a ticket from a scalper in London. I was working in London at the time. I am a mad Chelsea fan, and I decided that I wanted to see Chelsea versus Liverpool. Being a naive Australian, I rocked up to Stamford Bridge thinking I could buy a ticket. Liverpool in those days was the star team and was about to win the double that year. When I rocked up to buy a ticket, there were no tickets for sale, but there were some scalpers outside. I might be showing how long ago this was, but I asked, "How much?" I was told £25 and I said, "I can't afford £25."

Mr C.J. Tallentire: It was the Kevin Keegan era, wasn't it?

Dr A.D. BUTI: It was Kenny Dalglish, who came just after Keegan. Craig Johnston was playing in the game. It was the year that Liverpool won the double; they beat Everton in the FA Cup final. Liverpool played against my team, Chelsea, and they won the game and the league. I put on a sob story and said that I was an Australian who had come all the way from Australia to see the game, and he sold me the ticket at the standard price of £10. At, I think, the 1997 AFL grand final when I was in Melbourne for work, I happened to stay over on the Saturday when the Adelaide Crows were playing St Kilda. A friend and I went to the ground and tried to buy a ticket. However, the cheapest we could see was \$200 and I was not going to pay \$200 in 1997 for an AFL ticket.

The legislation before the house is important to prohibit or restrict the exploitation of consumers. We can agree or believe that the market is important and we live in a market economy. That does not mean we should not seek to protect people and reduce the excesses of that market scenario. That is what this legislation is trying to do. I have a problem with the cost of attending sporting events. The member for Hillarys, I think, talked about the fact that very few tickets are sold to the two competing clubs at an AFL grand final. He said that it is understandable because there are corporate sponsors et cetera. There may be corporate sponsors but there are a couple of problems with the way the AFL sells tickets to major events. Firstly, it reduces the ability of the diehard fan who follows the club week in and week out to attend the most important game of the year, if their club is in the grand final. Secondly, it reduces the atmosphere. The AFL grand finals do not have the same atmosphere that they had many years ago because, if we are lucky, a third of the crowd is made up of genuine supporters of the two teams. That is why the Anzac games between Essendon and Collingwood usually have a better atmosphere. I think the AFL should reconsider the cost of tickets and the allocation of tickets to the supporting clubs. The AFL's policy is taking the general public, who love the AFL, for a ride when they cannot afford to attend a game. Even if they can afford it, they cannot obtain a ticket because so few tickets are sold to them. I think the member for Wanneroo talked about the Fleetwood Mac concert this year, the tickets to which will be \$200-odd. That is an excessive amount to pay to see geriatrics perform for two hours. They are basically geriatrics now, are they not? However, Paul McCartney at 71 or 72 was outstanding when he performed at nib Stadium. The Whip would be interested to know that at Paul McCartney's concerts only vegetarian food is sold. He is a very strict vegetarian so only vegetarian products can be sold at his concerts. However, that is not really related to the legislation before us.

As has been mentioned, this bill has been a long-term commitment of the Labor Party. The member for Vasse tried to make a joke out of the fact that it is not a fresh idea, because we first introduced a scalping bill in 2015; however, the government of the day did not agree to it. We thought this bill was important enough to bring it back as part of our election commitment, and we are fulfilling our election commitment by bringing it to the house today. Therefore, regardless of whether this bill is fresh, it is an important piece of legislation. I understand and take note of the concerns raised by the member for Vasse about the extra-jurisdictional effect of this bill. I asked the member what the solution was, and she did not come up with a solution. It is very difficult. It is okay to say that this legislation will not do X, Y, Z. However, it will do A, B, C, and that is better than not doing A, B, C. The member for Dawesville mentioned some very important issues that I am sure will be discussed in consideration in detail.

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This legislation is furthering our election commitment to ensure that people are not exploited. People may argue that the cost of premier sporting and cultural events is already inflated. This bill seeks to prevent further inflation of ticket prices, and it is a bill that I am sure the house will support.

MR R.R. WHITBY (Baldivis — Parliamentary Secretary) [9.31 pm]: I rise to speak on the Ticket Scalping Bill 2018. I have to say that scalping has been an issue around this state for years and years. I remember that in my former life as a reporter it seemed to be an annual event. Every time there was an AFL final or a big name concert appearance in Perth the issue of tickets being scooped up by scalpers and offered at exorbitant prices would hit the headlines. We would talk about it and whinge about it, and then the issue would go away and we would wait for the next year of AFL finals and big name concerts coming to town. Once again, it is a Labor government that is taking action. Once again, it is a Labor government that is fixing the problem. We are not talking about it, having a debate about it, workshoping ideas or forming more committees; we are doing what we can to provide protection for people against ticket scalpers, because the alternative right now is zero.

This issue has been around for a while, as other speakers have mentioned. For most of that history, it has been about a dodgy bloke in a pub who knows someone. It has not been an issue that has been out of control, because scalpers were able to get tickets, usually through the same means that fans would get tickets, and they would keep one or two for themselves and try to flog off the rest for a profit. We still see that today on game day, when ticket scalpers hang around the stadium and try to link up with a person who wants to buy a ticket at the last minute. If that was the extent of the problem, it would be an annoyance from time to time but we could probably live with it without too much bother. However, in the last couple of years, with the advent of the internet, it has become out of control.

Every year, I succumb to the awful and frightening bane of my life, which is trying to hang off the end of a computer, or a couple of devices, at the demand of my wife, who is an Eagles fan, to get finals tickets. I am a Dockers fan, so the requirement for me to get finals tickets is probably less of an issue from year to year. The idea is that we get online, and then we try to remember our password for the Ticketek or Ticketmaster site, which we probably used 12 months ago, so we need to set a new password. We then wait for the top of the clock, when thousands and perhaps tens of thousands of other Western Australians are trying to get online to secure their ticket. It is an awful venture every year and one that I do not look forward to, because so much pressure, frustration and anxiety is hanging over us when we are trying to do it. There is a race to fill out the form, get all the numbers right, and make sure we have our credit card handy. There is also the prospect of being timed out if we do not fill in the form in time. So we tend to grab any ticket that comes up, at any price. I did this a few years ago in 2013 when I got a couple of tickets to the AFL grand final at which the Dockers played the Hawks. I thought I was pretty clever, until I realised that I had bought standing room tickets. I did not even know that we could buy standing room tickets for the MCG, but apparently on grand final day they sell standing room tickets. It is an imaginary spot on the ground that we lose as soon as we go to the bar for a drink or have a toilet break, so during that grand final I did not drink because I did not want to give up my imaginary spot. I watched the Dockers lose by 15 points, so it was a wonderful day all around. That kind of matched the whole experience for me. Often if we do manage to secure a ticket online after that very frustrating and anxious time, we discover that we can buy similar or better tickets on eBay or Gumtree at about the same time. This is so-called ticket bots in action, which we have heard so much about tonight.

The Acting Speaker (Ms J.M. Freeman) has probably stolen my thunder in talking about the activities of Ken Lowson. The one thing she failed to mention is that this former insurance salesman from Arizona, who became the world's greatest ticket scalper, spent most of his \$25 million profit on drinks, parties and drugs in Los Angeles before the FBI got hold of him.

Some members have made comments about Ticketmaster. Ticketmaster is one of the world's largest ticket sellers. I agree that it is a difficult organisation. It is not my favourite organisation either, member for Dawesville. It says it stops six billion bot attempts a year on its network, at a rate of 11 000 a minute. That is massive. As I said, it is a digital assault. It is a rip-off, and it is unfair. The fans just want to go to the game, yet they are up against organisations and corporations that are out to make a killing. What hope does anyone have against a computer?

I want to quote what was said by Trevor Nisbett, the chief executive of the West Coast Eagles, in November last year when this legislation was announced. Although this legislation may not solve every issue that is raised in this chamber, it is better than doing nothing. It is a big step forward for the people of Western Australia. The people of Western Australia have been hearing about ticket scalping for many years. They want action. That includes Trevor Nisbett, who is quoted in PerthNow as saying —

... scalping had “been a problem for the industry for a long period of time”.

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“To actually legislate, so they will be fined is a really good thing,” he said.

“It means that the people who purchase the tickets are purchasing them to attend the event, rather than people purchasing the tickets to profit from on-selling. It’s long overdue and we are very grateful for the Government to do what they are doing.”

I think that view would be echoed around the state. It is impossible to frame perfect legislation that deals with the internet and the issues that swirl around our globe with companies based in other jurisdictions. The Obama administration introduced legislation to try to deal with this issue. We need to do something in Western Australia. This legislation will provide a benefit and protection for Western Australians who are just trying to go to the game or see their star concert performer. Before anyone asks, I cannot remember the first concert I went to—I really cannot. I was wondering earlier what it might have been. There is probably a good reason that I cannot remember. I went to the University of Western Australia Guild of Undergraduates in the early 1980s, before INXS were famous, and they were performing at UWA. I had the opportunity to see them for the first time, but the problem was that I did not realise that they were such a great hit, and I think I spent most of my time wandering around the grounds of UWA doing something else.

Some hard luck stories and extreme cases of scalping in Western Australia have been raised. WA today reported last November that the Ed Sheeran concerts at Optus Stadium saw scalpers flogging tickets with a face value of \$166 for as much as \$2 000. *The West Australian* reported in September last year, during the Australian Football League finals series, that two tickets for the West Coast Eagles v Melbourne clash were advertised in Western Australia for \$6 500. I can scarcely believe this last one, but I will quote it anyway, because it was in *The West Australian*, so it must be true. Nine News in Melbourne reported that two tickets to the Collingwood v Richmond final at the Melbourne Cricket Ground saw online bidding reaching \$23 000. I do not know whether to believe that, or whether a Collingwood supporter would ever have that much money, but that is an extreme example. This is not par for the course, but it is an example of how keen some people are to go to the football.

I want to draw attention to a couple of the clauses in this legislation. Clause 3 defines an advertising publication as including a notice placed in any public forum, whether physical or online, and whether or not any charge, fee or subscription is paid by the advertiser. No legislation is perfect, as I said before, but I think that would cover any online eventuality, whether it is Facebook, Instagram or Gumtree, whether it is paid or not. It is a public forum, whether it is physical or online. Clause 8 covers package deals, often at grand final time, under which people can pay several thousand dollars for a package that includes flights, a grand final breakfast and a ticket. We must be careful not to capture those situations under this legislation, and the provision acknowledges that special event packages, combining tickets with meals, accommodation or flights, can continue into the future.

This legislation brings justice to our state. It brings fairness and gives people a fair go. It is at the core of our values as a Labor government to do so. It is not the most important legislation in the world, but for someone trying to get to their favourite football game, or see their favourite music group in Perth, it probably is the most important legislation they will hear about all year. The plans to limit the margin on the resale of tickets to 10 per cent on the purchase value of the ticket is fair and reasonable. It is a small margin that will allow people to pay for the costs of advertising the tickets publicly. There are many reasons why people might want to resell their tickets. I do not think a 10 per cent margin would support any business proposition to continue to engage in the activity of scalping, but it should provide a reasonable situation for people who might book many months in advance for a concert and then realise that it clashes with another event that they cannot get out of. It is a very reasonable thing to do.

I commend the bill to the house, and I repeat my earlier comments that we are doing something about an issue and a problem that has been spoken about and debated for many years. We said we would do something. We promised action to the people of Western Australia. We promised this initiative, and now we are delivering. We can talk and talk, and hold committees and workshops, as I said before, but the people of Western Australia want a government of action that commits to its promises and delivers. That is what we are doing tonight, yet again.

MR J.R. QUIGLEY (Butler — Minister for Commerce) [9.45 pm] — in reply: I thank members for their contributions to the debate on the Ticket Scalping Bill 2018, and I will also speak about my disappointment with some of the contributions. I, too, have memories of my first concert, and the ticket could not have been scalped, because it was a little cardboard ticket that I still have somewhere. The last time I looked at it, I saw that it was dated 13 February 1965, the year before decimal currency came in.

Dr A.D. Buti: It wasn’t the Beatles, was it?

Mr J.R. QUIGLEY: No, it was a new group called the Rolling Stones. Mick Jagger was 22 years old. Their warm-up act was Roy Orbison, and I can still remember the Rolling Stones’ first number, which was an old Willie Dixon song that had also been covered by Sam Cooke and Howlin’ Wolf, called *The Little Red Rooster*.

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I will never forget Mick coming out and singing that. Tickets could not be scalped, because they were little cardboard tickets, and there were only 2 000 in the venue.

Dr A.D. Buti: Where was it?

Mr J.R. QUIGLEY: The Capitol Theatre, William Street, Perth, between St Georges Terrace and the Esplanade—no longer exists.

There has been a lot of criticism from the opposition of this bill tonight. It was said it is a missed opportunity, and people will still be able to print fraudulent tickets. Another member commented that insisting that the row and seat number be advertised would assist people to commit fraud. I will deal with these two little issues first. When we bring this sort of legislation forward, the opposition seems to repeatedly create difficulties. I can remember when, in opposition, I brought in the private member's bill for no body, no parole and it was voted down by the then government as being too difficult. When we got into government, members opposite could not fall in behind us and vote for it quickly enough. Similarly, when, in opposition, we sought to change the Dangerous Sexual Offenders Act, we were told it was too difficult to reverse the onus of proof. When we introduced the bill in government, members opposite lined up to support us, because they did not want to go to the public and say that they had voted down the amendments to the Dangerous Sexual Offenders Act. It was similar with the proposal to empower the Attorney General to defer parole consideration for serial and mass killers. The shadow Attorney General, Hon Michael Mischin, said this was against public policy and unworkable, but when the bill was presented for the final vote, the opposition voted for it. With the present bill, we will have a long period of consideration in detail, and then the opposition will vote for it, because members opposite do not want to go out to the public and say that they were the party that supported ticket scalping. That is the bottom line.

Let me deal with Viagogo and overseas websites for a moment. Anyone who commits an offence within Western Australia is subject to prosecution. The practicality of prosecuting a company a company in Switzerland is almost beyond imagination.

However, the public will soon learn that buying a ticket from an overseas website is done at their own risk. The presentation of those tickets at the door does not mean that they are going to get in. It just means that they have a ticket from some crowd in Switzerland.

As for the local industry, as referred to by the member for Vasse, who said "Well, what about the ticket brokers?", the opposition really came here to support the ticket brokers' submissions to the opposition—that is, ticket brokers are providing a small business enterprise and they should be supported. Let me tell the chamber that there are seven ticket broking firms in Australia. Of those, one operates in Western Australia and the other six operate in Victoria. There is a very good reason for this: in Queensland and New South Wales, and now in South Australia under a Liberal government, there is legislation similar to what we are introducing. Ticket brokers cannot operate in New South Wales or South Australia, which have Liberal administrations, or Queensland. They can operate in Western Australia because the former Liberal government never dealt with the issue, but they will not be getting an exemption under our legislation.

When this bill goes to the upper house, the government does not have the numbers there and it may well be that the opposition and the crossbenchers send it off to a committee and have a big investigation. But we are not going to accept any exemptions that support ongoing ticket scalping. If the opposition wants to pass those sorts of amendments in the other place, if that is what it intends to do, they will be rejected when they come here. Those sorts of exemptions will be rejected here and the opposition will have to go out to the public of Western Australia and say, "We are the party that supports ticket scalping and rip-offs." That is what will happen. We can argue here all night what is the definition of a "bot". Opposition members should go out to the public and say that they voted down protection against ticket scalping because they got stuck on the definition of a "bot".

Several members interjected.

Mr P.A. Katsambanis: We are for it.

Mr J.R. QUIGLEY: We will see. When this bill comes on for the vote, the opposition will vote with the government. I have no doubt that there will be no dissent. I predict that at the end of the upcoming long and arduous consideration in detail, just like those Chinese ducks all walk in a straight line behind the boss, the opposition will line up behind the government and walk this bill through this chamber. It will not take the risk of being marked by the public of Western Australia as supporting ticket scalping and ripping off the public. They will not support it. The bill provides for regulations like they have in New South Wales, and those regulations will enable the executive to grant exemptions on an appropriate case-by-case basis, such as for charitable organisations and the like that want to resell tickets.

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Look at the scheme that we are introducing here, which is drawn from the New South Wales legislation, which in turn reflects the Queensland legislation, and which the Liberal government in South Australia is introducing. How does it vary from the Victorian legislation? Under the Victorian legislation, scalping applies only to declared events. The government of the day has to anticipate what will be a popular event and declare it. Is it up to me as the minister to say, “Well, Katy Perry is to be a declared event” or “No, we will not do Katy Perry. We will do Taylor Swift or Elton John or the Wiggles.” How about the Wiggles? They have had sell-out crowds. I could make a Wiggles concert a declared event. Alternatively, do we follow what the other states are doing and try to harmonise with Australia and say that we do not have to declare events individually and say, “This footy match, such as the Western Derby or the Dockers versus Richmond, will be a sell-out crowd so we will make it a declared event”? For heaven’s sake! We are saying that anyone who seeks to resell tickets online for a profit for more than 110 per cent of the published price will commit an offence.

Members have raised the issue that the fact that people have to put the seat number and the row number on the advertisement will facilitate fraud. The authorised sellers charge various prices depending on where the seat is, so how is the purchaser to know whether the price he is being charged more than 10 per cent of the authorised price, unless he knows where the seat is so he can tell what the authorised price was? That is not rocket science.

The ACTING SPEAKER (Ms J.M. Freeman): Or she, as the case may be.

Mr J.R. QUIGLEY: That has to be done. The member for Vasse says that this bill is a missed opportunity. Where in this bill does it stop the resale of fraudulent tickets? I will help the member for Vasse. She is looking in the wrong book. She has to look in the Criminal Code of Western Australia. To commit a fraud on someone is a criminal offence. Criminal offences should not be investigated by consumer protection officers from the Department of Commerce. They do not have the powers under the Criminal Investigation Act to investigate a criminal offence. The government and the department have to work with the entertainment industry. I have not heard one speaker here tonight talk about the angst of the performers. I have heard performers and their complaints. They try to put on concerts for their fans at a reasonable price. They come out here, get up on stage, sweat it out for three hours, and know some scalpers are creaming it. This is wrong.

Another criticism levelled at this the legislation by the opposition— this was the member for Nedlands—is that there should be more transparency. He said that his mate went and sat in the rain all night and got the first ticket but it was row 11 because the promoter kept the first 10 or 11 rows for himself. Why not? I cannot believe that the party that holds itself out as the party of free enterprise wants to constrain a businessperson who is running a for-profit concert holding some tickets back for himself. The opposition is saying how dreadful it is that a person in a free economy who goes to the expense and risk of organising this concert and pays up all the up-front costs, cannot hold back seats for himself or herself to distribute for whatever price they want to. It is a free world.

Mr P.A. Katsambanis: Let the scalpers rein.

Mr J.R. QUIGLEY: We were not talking about scalpers. We are talking about the promoters who put their capital on the line. The member for Hillarys is promoting socialism. The member is saying that this legislature should control business by regulation. This socialist economic theory being espoused by members of the Liberal Party sitting opposite, who say they want to introduce legislation to control free enterprise, means that when business invests money by putting on a concert, it has to publish the number of seats it is going to sell in advance, say how many seats it is keeping for itself and keep secret the seat numbers so that no-one knows how much they are paying for the seats. This is what we would expect in a South American socialist republic, not in Perth, Western Australia. We are about promoting small business—members can see that by the turnaround in the economy—and protecting consumers. That is what this legislation is about—protecting consumers.

Just because members say that it is too hard to prosecute Viagogo in Switzerland, that will not stop us. There are fools who buy tickets off Viagogo. The performer that I really wanted to see at the RAC Arena—one of the most talented performers of the late twentieth and early twenty-first century—was Prince. His music was sensational. He played at the RAC Arena in a concert just called “Prince: Piano and a microphone tour”. I could not get a ticket from an authorised seller. I went online and found Viagogo selling them for \$845. I knew that that would not guarantee me entry. It is up to the government and the department—I undertake to this Parliament that we will—to work with industry to get on top of this. There is lots that the industry itself is doing. To give members an idea of some of the things that industry is doing, which will be supported by the government, authorised sites have a limit to the number of tickets that can be purchased by credit card. If people want to buy 1 000 tickets, they will have to have 100 credit cards and keep on going and going. Industry has other ideas in the pipeline. When a ticket is purchased, people will have to produce the credit card that they purchased the ticket with at the door. That is not part of our legislation. That is an industry initiative. This government, which promotes industry and small business, encourages industry to get on top of this, and we will assist by this legislation. We can point at someone and say,

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“Here’s a problem; how are we going to prosecute someone in Geneva?”, and if that is the threshold problem of members of the opposition, they should call a division at the end of this debate and put their names down on the list of people who are against consumers in Western Australia.

Several members interjected.

The SPEAKER: Members, it is getting late. I am sure the minister is going to continue.

Mr J.R. QUIGLEY: I challenged members during the no body, no parole debate to call a division and put their names down on the list of friends of multiple murderers. They would not do it. They went to water.

Mr J.E. McGrath interjected.

The SPEAKER: Member for South Perth, I am on my feet. I have great pleasure in calling you to order for the first time.

Mr J.R. QUIGLEY: With Mr Don Spiers, whose late daughter has never been recovered, sitting in the back of the chamber, members opposite were too gutless to call a division and vote against the legislation.

Point of Order

Mr S.K. L'ESTRANGE: I think the minister needs to settle down.

The SPEAKER: What is the point of order?

Mr S.K. L'ESTRANGE: The minister is imputing that members on this side have improper motives to do with a very serious case currently before the courts. He wants to be incredibly careful with what he wants to say next.

The SPEAKER: It is not a point of order, but, minister, the relevance—what you are saying at the moment has nothing to do with the bill.

Debate Resumed

Mr J.R. QUIGLEY: We will see when the vote comes who is going to call a division on the basis that they cannot understand what a website or a bot is.

Several members interjected.

Mr J.R. QUIGLEY: If members opposite have a serious issue with those things, I challenge them to call a division at the next stage of this bill. I am not going to keep the chamber long tonight.

Several members interjected.

Mr J.R. QUIGLEY: Do not provoke me, when I still have another 20 minutes left! We are not going to keep the chamber long tonight, because we know that there will be a very interesting, if not somewhat superficial, examination of this bill in consideration in detail. At the end of that stage, there will be a call for a vote. I once again put members opposite on notice that I will be challenging them to call a division to try to knock this legislation over, so that we can have recorded in *Hansard*, in black and white, who are the friends of the ticket scalpers and who are the allies of the consumers. We can then send that out to members’ electorates and say, “You support the scalpers; we support the consumers”. With that, I will wind up my reply to the second reading debate.

Several members interjected.

The SPEAKER: Members! Just you being awake at this time of the night is a first, member for South Perth.

Question put and passed.

Bill read a second time.