

Chairman; Mr Mick Murray; Mr Terry Waldron; Mr John McGrath; Mr Vincent Catania; Mr Peter Watson; Mr David Templeman

Division 50: Racing, Gaming and Liquor, \$115 794 000 —

Mr I.M. Britza, Chairman.

Mr T.K. Waldron, Minister for Racing and Gaming.

Mr B.A. Sargeant, Director General.

Mr T. Ng, Chief Finance Officer.

Mr M. Cutler, Chief of Staff, Office of the Minister for Racing and Gaming.

[Witnesses introduced.]

The CHAIRMAN: The member for Collie–Preston.

Mr M.P. MURRAY: My first question is quite a basic question that revolves around the independent review of the Liquor Control Act, which has finished and been presented. Of the 141 recommendations contained in that document, how many have now been implemented?

Mr T.K. WALDRON: I will go through the review. We appointed three members to an independent panel to review the Liquor Control Act. That review has taken place. As the member said, there were 141 recommendations from that review. So that the member understands what has taken place, before I initiated the review, I told the major industry groups, including police, tourism, health et cetera, that once the review had been completed and the recommendations were made, I would give them a couple of months to go through it. I then met with them so that they could make specific comments to me on the recommendations that would affect them and what they agreed with and did not agree with so that I was fully informed about what they thought and the parts of the industry that they support. Firstly, there were submissions to the review and then we found out what they thought of the 141 recommendations. We have recently completed that process and we are waiting on further information from one of those groups. In the meantime, I have met with the relevant ministers, including the Ministers for Tourism, Police and Health, to get their thoughts on the recommendations. All the way through we have been framing in our minds what we think we should and should not do. Once I get the last bit of information, which I think is imminent, I will finalise that within government. I will then take it to cabinet and cabinet will make the final decision.

In the meantime, the director general has been able to implement some of the recommendations related to operational matters, such as amending the existing objection form to make it more user friendly; implementing education sessions to assist community members; reviewing the application process; amending section 39 and 40 certificate forms to include the name of the applicant; and developing a form for applicants to complete to assist in the preparation of public interest submissions. We have been able to do those operational things. Then we will have to decide—in the end this will be a cabinet decision—whether we bring forward all our changes to the legislation or we split it. That is a decision we will make.

Mr M.P. MURRAY: I have had several discussions with Clubs WA, which feels very aggrieved that it has not been part of the process and that there were not many recommendations for clubs. Has any further work been done on that?

Mr T.K. WALDRON: I think that Clubs WA was not so much aggrieved with the process, but that it hoped that there might have been, as it saw it, more in the recommendations that supported its area. Since the 141 recommendations were made, I have met with Clubs WA. It has submitted to us its concerns. I have discussed them fully with it so that I understand its concerns, and they will be taken into account, along with the concerns of all the other different groups. The member knows that there are many different liquor groups, including the Australian Hotels Association, the Liquor Stores Association of Western Australia, the WA Nightclub Association and the Small Bar Association of WA, together with the police and tourism groups. There is a multitude of groups that we have to listen to and weigh up, and that is what we are doing. I think it is fair to say that they have had a good hearing. The reason I did it was that I wanted to understand their real concerns, and they have made them clear. I know that they have contacted members of Parliament about their thoughts; they have the right to do that and that is fair enough.

Mr J.E. McGRATH: I think the Country Racing Association of Western Australia made a presentation to the review. There was a lot of concern in the racing industry that clubs were being restricted by some of the regulation that applied to major race days in country towns—the one day of the year that they can raise the revenue to keep going for the rest of the year. It was also impacting on their viability; for instance, the Broome Turf Club used to have to fly in security officers from Perth because it could not get them in Broome and that involved airfares and accommodation. It was a big issue for that club. Is the minister aware of that issue? Is it

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something that the review might look at? History shows that there are not a lot of serious incidents at local race clubs in small country towns, but it has caused them some funding problems to comply with regulation.

Mr T.K. WALDRON: I am fully aware of the issue, and I have been aware of it for some time. It did make a submission to the liquor review panel, and I think there is a recommendation regarding that issue. Michael is just looking that up for me. I would not mind making some comments about that point, and I will get the director general to comment because it is important. I am a country member of Parliament, and at times it has been hard for our race clubs, particularly with the cost of security officers. I make the point that originally there was a suggestion that two security officers were needed for every 100 people. It was not a rule or regulation; it was just a guideline. I think that unofficially became the law. We recognised that about four years ago, and the director general took that information off the advertising and the paperwork that he sent out. It is very much up to the race club and the local police to work out the security requirements. I still have some concerns that, at times, the requirements asked for by police are fairly high in relation to the crowd and, as I see it, the risk.

Mr V.A. CATANIA: The Landor Races is a classic example.

Mr T.K. WALDRON: As are the Pingrup races in my area. I am the racing minister as well as the minister for liquor licensing. If there are brawls at events, that will kill the event. It is about a balance. We need to make sure that there is a balance and that there is no overkill, because sometimes overkill can create a situation. I have spoken to the Minister for Police. It is also about the way that the local police enforce that rule. I think they do it really well in a lot of cases, but the argument has been put to me that they have gone overboard in some cases. I am not the police minister and I will not comment on that, but I have made it clear that the issue has been raised with me. I have talked to the director general about this and he went to Port Hedland this year. I might get Mr Sargeant to comment and give the member an example, and he can take the member through what we are doing in that area.

[12.10 pm]

Mr B.A. Sargeant: There is nothing in the legislation to stipulate the security arrangements at any particular licensed function. The police have an opportunity to intervene in everything before the director of Liquor Licensing does; they have that statutory right do so. They come in and we, as a department, and I, as the individual, ultimately have to adjudicate between what the police ask for and what the clubs want to do. We have come to an arrangement, and made it clear to various bodies, that although the police look for a number of people to manage the crowd—I, as the director of Liquor Licensing, also look for the same thing—they do not have to be licensed crowd controllers. Some of them can be members of the club who have approved manager training and have decided that they will not drink that day and they will help manage the club. In the case of Port Hedland Cup, I personally went there for the day to work with the police to see how it operated. In some of the tent areas we made the people who were hiring them responsible for managing them rather than the club managing them. We allowed some of the crowd controllers to leave early so they could get the early flights; they did not have to meet the cost of staying overnight, so it was flexible.

I think the police issued one infringement for that day. Overall, it worked very well. That was an example of cooperation between the police, the clubs and my agency. It is not a hard-and-fast rule; it is one we look at. In the end, if I have to adjudicate, I will adjudicate on them. As the minister said, it is about getting a balance so that the event is not spoilt. One young lady came into the Port Hedland club who had obviously had quite a few drinks before. The senior officer spoke to her and suggested she should not drink anymore. Two hours later we saw her leaning against a pole. She was totally inebriated. The police did the right thing; they advised the licensee that she was drunk and they then removed her. There were no charges because the licensee did not permit drunkenness; she was removed. Frankly, she spoilt the day for herself because she was totally inebriated within a couple of hours of arriving. I thought the police handled it very professionally that day. I was very pleased.

Mr T.K. WALDRON: Recommendation 121 of the “Liquor Control Act 1988: Report of the Independent Review Committee” reads —

The licensing authority, in consultation with the Country Racing Association of WA and WA Police, develop a policy in relation to the requirement for licensed crowd controllers at major race club events.

That is one we will give every consideration to.

Mr P.B. WATSON: Further to Mr Sargeant talking about the young lady being inebriated, we have had issues at the Albany Racing Club. A lot of young kids are topped up with alcohol before they get there, because it is cheaper to drink at home and then go to the races—a bit like what happens before they go to the nightclubs. One of the things we have to look at is, as Mr Sargeant said, the police saying, “Okay, you’re not allowed to have another drink. If you do, you’re gone.” It is an issue at not only the race club, but also the nightclubs. We had the

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incident with the young Collingwood footballer in Albany; he had been drinking all day. The person he struck had a blood alcohol content of 2.1 per cent. If those two people had not been in the nightclub drinking, I am sure the incident would not have happened. We have to get to the fine line at which we stop these sorts of things before they happen.

Mr T.K. WALDRON: On the issue of preloading, I have four daughters; I have seen preloading happen at my place. We do not encourage it, of course, but we try to make sure they are under control. Remember, there is a responsibility on a licensee not to serve someone who is drunk. A lot of argument has been put to me that we should change the definition of “drunk”. Whichever way we go, we run into problems. The recommendation of the review is that we do not change the definition of “drunk”, but it is a subjective issue. The member for Albany and I could drink the same amount of alcohol over the same period. I might appear drunk and the member might look completely okay.

Mr M.P. MURRAY: The other way around.

Mr T.K. WALDRON: Yes. There is a responsibility on the police and on the licensee. It is a hard one for race clubs because they want people to have a good day, but we also have to realise that if it does get out of control, our families will stop going. I see racing in country WA as a great family day.

Mr P.B. WATSON: That happened at the Albany Cup because on Boxing Day there was a big incident.

Mr T.K. WALDRON: I heard about it.

Mr P.B. WATSON: A lot of people therefore did not go to the Albany Cup.

Mr T.K. WALDRON: That is a real shame.

One of the good events is the Mt Barker Grapes and Gallops. The organisers seem to have a really good relationship with the police. I understand that the local people who run that work closely with the police. I have been going there for the last five years and I do not think I have missed one. I have never seen any problems there whatsoever. It is a day when kids are everywhere. People consume alcohol in the right areas and I have never seen any problems. Once again, it is about management. I am sure that with regard to what happened at Albany—I am always happy to assist where I can—Mal Cameron will get on top of that.

Mr V.A. CATANIA: I refer to the desired outcomes in the table underneath “Relationship to Government Goals” under “Outcomes, Services and Key Performance Information” on page 557. Does section 64 relate to that in some of the outcomes, particularly in my electorate?

Mr T.K. WALDRON: Are you talking about a section 64 action?

Mr V.A. CATANIA: Yes. I want to understand the methodology of or the process involved in a section 64 action because it is obviously a big issue in my area, particularly around the Murchison region. How does it all work? Can the minister explain it?

Mr T.K. WALDRON: I can give the member a rough overview, but I think it would be better to get the director of Liquor Licensing, who handles it and who knows the procedure backwards, to give the member an accurate explanation. I understand the police have intervened there.

Mr B.A. Sargeant: I will start by giving an overview of the legislation. Section 64 gives the authority for the director of Liquor Licensing to impose conditions on any licence at the application process or during the operation of a licence. There is also an opportunity for a licensee to approach the director of Liquor Licensing to impose conditions. On a number of occasions the police and the executive director of public health have made application or written to the director of Liquor Licensing seeking that restrictions be placed on licences. No provision in the act gives them an automatic right to do that. It is up to the director of Liquor Licensing to say whether one responds or does not. In the main, we respond. At present we have two in place—Wiluna and Meekatharra. Even some of the lawyers who have responded on behalf of people do not understand the process and are saying we have given notice to the licensees. We have not. The police have come forward asking the director of Liquor Licensing to impose some conditions. The director of Liquor Licensing has written to the various parties—the local shires and the licensees—and said, “This is what the police are asking for; here is the report. What do you want to do?” We have not got to the stage of formally writing to the licensees to impose anything on them. The act is quite clear. The director of Liquor Licensing cannot impose a condition on a licence without giving the licensee notice of that and the opportunity to respond. We have not got to that stage with Wiluna or Meekatharra. I think some people are saying we have given a show cause notice. The answer is that we have not given notice and we are going through a consultation process. We might decide not to go any further. We might decide to go through with some recommendations. We are looking for some leadership from the Shires of Meekatharra and Wiluna on this matter. In some respects, some of the local authorities do not recognise there is a problem and do not come back with some constructive suggestions on how it can be addressed. There are some alcohol-related problems in those areas. It is quite clearly demonstrated. Whether we

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do something about it will depend on what we see based on the evidence and what we think we can achieve through imposing the conditions. At this stage, there has been no formal notice to impose any conditions in those areas.

Mr T.K. WALDRON: I want to comment, particularly about what the director said about the involvement of the local authority. When the director applied restrictions in Kununurra—we had consulted with the council et cetera about that—the council came back to us after a period saying that it did not think the conditions were working and the director said, “Come and tell me what you think will work.” That is what the council did and that is what was applied. That was local leadership assisting the director to make recommendations that worked for their area and did not inconvenience people when they did not have to. Is that fair comment?

[12.20 pm]

Mr M.P. MURRAY: I refer to the item “Licensing—Evaluation and Determination of Applications” on page 557 of the *Budget Statements*. There is some dissension within communities that have transient workers’ accommodation—I refer to my area as much as any other—and there has been a changeover from construction to full-time work. People are still running the camps as construction camps, which were put there for people doing construction work. The licence for those camps is causing huge problems for local hoteliers and other people who have invested heavily in the local area. It is ongoing. I believe there has been some correspondence with the minister’s office, some of which has not been answered. I am wondering what will happen in the future. I will quickly hold up an advertisement relating to Port Hedland. The same thing has happened in the Collie region. It has now become a motel. It is being advertised as if it were a full-blown motel when it was actually set up as a workers’ camp. It is taking business away from long-term people within those areas. What is being done? How many checks have been done on these camps in terms of the service of alcohol?

Mr T.K. WALDRON: The member has raised a really good point. First, I am not aware that we have not replied to correspondence, because we reply to all our correspondence in a pretty timely way. If there is something we have not replied to, please let me know and I will chase it up. This is a problem not only for the alcohol side of things. People are also investing in accommodation and the whole works. I agree that it is a problem. The director issues different types of licences for the construction camps, and I will get him to give more detail about that. That is not a problem, but if the licences are going to remain in place so that a quasi-hotel is being run, that does need to be looked at. I think the director is fully aware of that. It also involves the local governments. Local government has a role to play in this, but for the detail I will hand over to the director general for any specific changes et cetera.

Mr B.A. Sargeant: We have had some representations from some licensees in the Port Hedland area in particular. One issue with one of those venues is that it has a section for construction and another section with normal accommodation. The problem is that the licence we have issued allows the sale of liquor through the works canteen but only for those people who are part of the construction area. We do not have a 24/7 presence there to stop the other side of it. The non-construction area is being advertised. When the construction phase was in full swing we were under a lot of pressure to issue these licences. We have conditioned the licences accordingly. I have limited resources to send people up there. We rely very much on the police to do local inspections and we are following up on some of them. We have tightened up some licence conditions, but it is a work in progress. We are aware of it. I do not have an overnight, easy solution. If we want to cancel the licences, we have to have a very good case to take to the commission. As long as they operate that part of the licence in relation to the conditions relating to construction, the licence is quite tneable. There needs to be evidence to show that it is being used for a purpose other than that.

Mr M.P. MURRAY: I find that answer quite disappointing. Why is the same licensing pressure not put on these camps as though they were a local hotel? Why is there a difference? There was a hotel in the wheatbelt that could not get a licence because its doors did not open the right way, yet here we have given out licences freely, and rightly so, but allowed them to continue. Why is there not a cut-off point for construction camps?

Mr T.K. WALDRON: I will let the director comment. When conditions are put on a licence and that licence is issued, if the person complies with the licence, they are complying.

Mr M.P. MURRAY: They are not complying; that is the point I am making.

Mr T.K. WALDRON: That is fine. I do not know what the actual licence says. I would have to see the licence and get advice from the director. It is like the Collie hotel. People might complain about the operator of the Collie hotel but if they are meeting the licence requirements and the police are happy, they are allowed to continue. I take the point. I do not know why they can advertise. Maybe I need to find out further information on that. I do not know whether there are any rules about that. I will try to find that out and let the member know. It is interesting, because the Leader of the National Party and I were talking about this only yesterday morning and about some of the issues up north. I know that the member for North West Central, Hon Brendon Grylls, is going to be driving some of this stuff pretty hard as the local member because he has some issues, as the member for

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Collie–Preston has. Although I cannot change things overnight, I will certainly commit to looking closely at what I am at liberty to do under the Liquor Control Act.

Mr D.A. TEMPLEMAN: I refer to the third dot point on page 557 of the *Budget Statements* that refers to the need for the licensing authority to weigh and balance evidence when an application comes in for a liquor licence. I would be interested in receiving, via supplementary information, the number of licence applications for liquor stores that were not approved in the last two calendar years. Could the minister provide me with that information and the reasons behind why the authority did not approve those licence applications by way of supplementary information?

The CHAIRMAN: Is the minister going to present that as supplementary information?

Mr T.K. WALDRON: I think I can give some of the answer now.

Mr D.A. TEMPLEMAN: I do not want to take up too much time.

Mr T.K. WALDRON: It comes under that section outlining the need to weigh and balance the evidence et cetera. I will be really brief. An application for a liquor licence must satisfy the licensing authority that the granting of the application is in the public interest; that has to be demonstrated before a licence is given. When making a decision, the reference to public interest indicates that both the objects of the Liquor Control Act and the public interest are relevant. The primary objects of the act are to regulate the sale and supply of alcohol, to minimise the ill health caused to people and to cater for the requirements of consumers for liquor-related services. When the licensing authority takes into consideration the primary objects, there is a need to weigh and balance the competing interests of minimising harm and catering for requirements. It is a balance. I can give the member some detail. Does the member want it by year?

Mr D.A. TEMPLEMAN: How many applications were made in 2012–13 and how many applications were not approved?

Mr T.K. WALDRON: Seventeen applications were received, one was withdrawn, four were refused, 13 were granted and six were cancelled or surrendered in that year. So in 2012–13, 17 applications were received and 13 were approved.

Mr D.A. TEMPLEMAN: What I am interested in—the authority’s chief executive officer may be able to provide further comment—is that a number of the big barn-type liquor stores —

The CHAIRMAN: I am sorry members; the time limit on this division has run out.

Mr T.K. WALDRON: I am happy to provide some information and to talk to the member about that. I will go through that with the member.

The appropriation was recommended.

[12.30 pm]