

Division 48: Racing, Gaming and Liquor, \$83 553 000 —

Mr J.M. Francis, Chairman.

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

Mr B.A. Sargeant, Director General.

Mr T. Ng, Chief Finance Officer.

Mr A.G. Kroon, Policy Officer.

[Witnesses introduced.]

The CHAIRMAN: Member for Collie-Preston.

Mr M.P. MURRAY: Previous notice of my question was given in another place earlier this week when the issue of the Perth Festival of Racing was raised. Another member in this chamber would know that there was a strong promise made to Perth racing that it would be supported. I do not see any money in the budget for it; however, I do see something under “Total Savings”. I refer the minister to the last line item on page 615 of the *Budget Statements*.

[10.40 am]

Mr T.K. WALDRON: I will answer this generally. During the last election, I became aware that the previous Labor government had made election commitments to the Festival of Perth Racing. I was aware also that the Liberal Party had made a commitment of support but had not committed to provide funding to it. We have not funded the Festival of Perth Racing except through the funding given to Racing and Wagering Western Australia. The concept of the festival is good and I support it, but there is no funding for it in the budget this year. I have also spoken to and met with the Minister for Tourism, and was told that EventsCorp has not seen fit to fund it this year. I will continue to work with WA racing on this issue. I like the concept. I thought that the initial amount that was talked about was too much. I think we could still achieve a wonderful racing festival without having to invest the amount that was talked about initially. I have talked to people in the industry about that and quite a few of them feel similarly. The concept is good and I would like to see it happen. It will be a funding issue that I will have to address.

Mr M.P. MURRAY: The short answer is that there is no funding for it in the budget.

Mr T.K. WALDRON: There is no funding for it at this stage. That is the answer. It is a good project. Racing has a lot to offer for tourism.

Mr M.P. MURRAY: Can we put it down to another broken promise?

Mr T.K. WALDRON: No. I understand that a commitment was made to support it but a financial commitment was not made. I understand that the Labor Party made a commitment, but it made a lot of commitments.

Mr M.P. MURRAY: A matching promise was made in writing by a certain person. It was very similar to the Labor Party’s promise but it has been reneged on.

Mr T.K. WALDRON: I am not aware that a particular amount was promised, and that is the truth.

Mr J.E. McGRATH: Further to that question, I am not aware of any matching promise that was made. There was a late change of shadow ministers, as members might recall. The incoming shadow minister discussed it with the now Premier —

The CHAIRMAN: I ask the member for South Perth to ask a question.

Mr J.E. McGRATH: I am making an explanation.

The CHAIRMAN: This is not the forum to do that.

Mr J.E. McGRATH: I have a point of order. A point has been made in this Parliament about an election promise. I have the right to explain what happened at the time and to put it on the record.

The CHAIRMAN: I understand that the minister answered the question. He said that he was not aware it was an election commitment. I ask the member for South Perth to ask his question.

Mr J.E. McGRATH: I refer to “Significant Issues Impacting the Agency” on page 616. This refers to required amendments to the Betting Control Act 1954 as a result of the High Court’s decision in *Betfair Pty Ltd v Western Australia*. The Western Australian government lost the case. Can the minister tell the committee what was the cost of the High Court challenge, and where did the funds for that defence come from? Did it come from Treasury or Department of Racing, Gaming and Liquor funds? Will the minister explain what changes will need to be made to the Betting Control Act as a result of the High Court ruling?

Mr T.K. WALDRON: On the first question, I am not aware of the amount spent on the challenge. I understand that that was done through the Attorney General's office. I cannot answer that question. It is a legal matter that was done through the Attorney General's department.

Mr J.E. McGRATH: Can the minister give us an idea about how the new legislation for race fields is progressing, which will require betting agencies to apply for and then pay a fee to use RWWA race fields?

Mr T.K. WALDRON: I thank the member for the question. The High Court decision had implications for RWWA and racing in Western Australia. We will introduce legislation in the spring session of Parliament. That legislation has been approved to be introduced and we will do that. An issue with the product fees that are payable is that we are a net importer of the racing product through RWWA. This means that the turnover of the Western Australian TAB's operations is greater for the eastern states' racing than it is for ours. Therefore, there is a financial implication for us. The legislation will be backdated to recover the fees owed. We are doing that to protect the Western Australian racing industry. The Betfair decision has changed the face of racing regarding the right to advertise and the operations of TABs. It is important to introduce that legislation. If the member wants further details of it, I can provide that.

Mr J.E. McGRATH: Are any interstate betting agencies, such as bookmakers in the Northern Territory, paying a product fee at the moment?

Mr T.K. WALDRON: No, they are not paying any fees at this stage. Once the legislation goes through and is finalised, they will pay the fees.

Mr J.C. KOBELKE: I refer to a cost impact on the agency and the industry. I cannot find any mention of it under this division, not that I would expect to. In the police budget on page 562 —

Mr T.K. WALDRON: Which budget?

Mr J.C. KOBELKE: The police budget. I will read it to the minister so there will be no need for him to look at it.

Mr T.K. WALDRON: I know that the member for Balcatta is a former Minister for Police, but I am not the Minister for Police.

Mr J.C. KOBELKE: It impacts on this budget.

Mr T.K. WALDRON: I will do my best.

Mr J.C. KOBELKE: The police estimate that it will cost \$750 000 a year for external integrity checks for government regulatory bodies. Will that impact on the Department of Racing, Gaming and Liquor's budget or on the industry?

The CHAIRMAN: What page is the member referring to?

Mr J.C. KOBELKE: It impacts on this budget. It is not in this division, but it will impact on this division.

Mr T.K. WALDRON: The member will need to explain it to me.

The CHAIRMAN: I will let the member continue to explain it if the minister is happy to take the question.

Mr J.C. KOBELKE: It is an extra regulatory cost.

Mr T.K. WALDRON: I want to give members information today so I am happy to hear the question, but I must make sure that I understand it.

Mr J.C. KOBELKE: I am saying that the police will push on to the Department of Racing, Gaming and Liquor a regulatory cost that the police estimate is about \$750 000 a year for external integrity checks. Will it impact on the minister's budget, or will the minister's industry have to meet the cost of it?

Mr T.K. WALDRON: I am not fully aware of that. Maybe I should be, but I am not. I understand that if that occurs, it will have to be passed on to the industry.

Mr J.C. KOBELKE: The minister is not aware whether it will impact on the budget that we are now dealing with, or whether it will apply only to the industry?

Mr T.K. WALDRON: No, I am not aware of that.

Mr M.P. MURRAY: I refer to compliance audits and inspections under "Services" on page 616. I am sure that the minister is aware of and would have had a lot of dialogue with country groups that are finding that hiring security staff is an imposition when there has been no history of any trouble whatsoever at an event. I was at a race meeting recently and security staff had to be flown in from Geraldton. It looks as though it will be the end of those races or, if not, it will continue to suffer. It is a great calendar event.

Mr T.K. WALDRON: Did they fly them in because they knew the member was going?

[10.50 am]

Mr M.P. MURRAY: Four people run the event and their major cost was for security. That will apply to the Kojonup races and others. Is there any room for leniency or movement regarding that strict criteria?

Mr T.K. WALDRON: That is a good question; I actually raised it myself prior to becoming the minister. I shared the member's concerns about the cost and some of the requirements of security staff at events, particularly some of our country events. There is something that I want to make clear that gets put to me all the time. There is a ratio of one security guard per 100 people. That is not set in stone. It is a ratio that the police use at times but it is not a regulation or law. It has evolved. I have come across this in my own area with the Kulin Bush Races and Wagin Woolorama. When I became minister, I raised this point with the director and he made me aware of how it works. There are a couple of relevant issues. The key is for local groups that are running local events to work with local police to establish what security is required. We must have security. The day we say that we do not need any security, someone will get badly injured.

Mr M.P. MURRAY: That is not the argument.

Mr T.K. WALDRON: I understand that; I know it is a genuine question and I want to give a genuine answer. I have issues with Wagin Woolorama. With the advice of the director general, I encouraged the organisers to sit down with the police some six months out from the event, which they did. They made a lot of changes to the number of security guards on duty, where they should be and how they operated, which took a lot of pressure off the organisers. The organisers are looking to have local people trained properly as security guards through the local football clubs. If they are going to pay people, they will be paying the local sporting groups so the money stays in the region. I accept what the member is saying. It has been an issue.

The other issue I have had as minister relates to the quality of the security people and how effective they are. I do not want to criticise any person but sometimes we might come across security guards who might be able to do a good job at another event but they are placed in situations that are not fair to them. I will continue to try to improve this situation. We should always remember that I have that responsibility, which I take really seriously. It is a bit like the Danny Green fight, which I thought I might have been asked about but I was not. We get information that there could be issues at certain events and then some problems arise. However, Geoff Stooke from Rugby WA said that the reason he did not go to the second fight was because of the trouble at the first fight. I went to the last fight. As there was good security in place, people were able to enjoy that event and no-one was in danger. People copped a bagging about the extra security but it could have been worse and questions would have been asked if we had not taken proper precautions with security and someone was badly injured. There is a balance.

I take the member's point, which is a good one. I am happy for the member to keep feeding me information because I will continue to liaise with the police and the director general to ensure that commonsense and practicality is applied at these events. I encourage the member for Collie-Preston and other members to get together with the police early if big events are coming up in their electorates. We now have a much better relationship between the police and the people in Wagin whereas before we had this stand-off relationship. They now work together and it has made things a lot better. It has also saved people getting into difficulties because the problems were ironed out beforehand.

Mr J.E. McGRATH: My question relates to the last line of the first dot point on page 657 of the *Budget Statements* relating to processing applications for small bar licences. Could the minister supply information on the number of small bar licences that have been approved, the number of new liquor store licences and the number of tavern licences since the proclamation of changes to the Liquor Control Act were brought in with the deregulation of the liquor industry?

Mr T.K. WALDRON: I have some figures on small bars. We may have to get the further detail that the member asked for by way of supplementary information. If Barry has the figures, I will ask him to provide the numbers. I had some concerns about small bars when the laws changed. It has worked out very well. My position has probably changed. I was concerned about the effect the changes would have on other hoteliers, particularly those in country areas. I was wrong; I think the small bars have been terrific. One thing I like about them is that the way they are managed and run, and the clientele, leads to a pretty good ethos of drinking and alcohol management et cetera, which we are trying to get across a lot of areas. As I said, I was nervous about it a couple of years ago but I did not need to be. The former minister told me that, and he was right. I will ask Barry to give a quick answer, and I will provide the full information later.

Mr B.A. Sargeant: We advised of the numbers in answer to parliamentary question on notice 648. At that stage we had 31 applications, 11 of which are active, six are yet to be brought into operation, which means the licence has been approved but construction is not completed, and seven are in the process of being approved.

Mr Mick Murray; Mr Terry Waldron; Mr John McGrath; Mr John Kobelke; Ms Andrea Mitchell

Mr J.E. McGRATH: I have a further question, which I am happy to put on notice. I have been told that there has been an influx of applications for liquor store licences, which have been approved. I would be interested to know what that figure is since the proclamation of changes to the legislation.

Mr T.K. WALDRON: I will ask Barry to answer that. He has the figures.

Mr B.A. Sargeant: There has been an increase in the number of liquor licence applications for liquor stores because of the change in the criteria. That reflects the fact that prior to May 2007 the number of applications declined because people were waiting for the changes. We have had an increase. It has been averaging out at about 10 or 15 a year. It has not been a significant change if we take the prior dip into account. We can take that question on notice and provide the specific figures.

Mr J.C. KOBELKE: I have a question about something the minister said earlier. I am trying to seek clarification because we are running out of time. Did the minister say that the industry will now have to take charge and therefore potentially pay for its own liquor licensing inspections?

Mr T.K. WALDRON: Because this does not fall within the budget, I will try to get that information later, unless Barry can answer it.

Mr J.C. KOBELKE: I thought that is what the minister said.

Mr T.K. WALDRON: As it was outside of the budget, I was not sure what the member was getting at. I will ask Barry to answer it.

Mr B.A. Sargeant: The only fee that industry pays is the application fee for when it wants to be approved as an approved manager. The ongoing inspection program is already met within our budget and the police do not charge us for that. If someone was to apply for a liquor licence, that person has to be what is called a fit and proper person, and then the police do a police check on that person. That is where the fee comes in.

Mr J.C. KOBELKE: Is that a new fee or an existing fee?

Mr B.A. Sargeant: It is an existing fee. It might have to increase as a result of the increased charges, but that is the only fee that is paid. The ongoing compliance is already built into the budget and there will be no impact on the industry.

Ms A.R. MITCHELL: I refer to the last dot point on page 616 that relates to addressing alcohol-related harm within local communities. With the restrictions that are occurring, are other agencies involved in a positive way to assist these communities to overcome the changes?

Mr T.K. WALDRON: I will clarify a couple of points. As members know, liquor restrictions have been placed on towns in the Kimberley. Restrictions are also being applied locally by accords, which get together with businesses, Indigenous groups, local councils and liquor store owners in many towns. Where there are licensed premises in a community or a town, the decision falls with the director. Where there are no licensed premises, the decision falls with the minister. As the member for Kingsley knows, restrictions on the sale of liquor have been put in place at Fitzroy Crossing and Halls Creek. I have imposed restrictions at Oombulgurri, as did the previous government at Wongajonga and Jigalong. I am currently considering four other applications. The member is right that liquor restrictions and banning the sale of liquor in different ways is not the be-all and end-all. I want to make that clear. When the government makes those decisions, it understands that. However, it provides a great circuit breaker and an opportunity for these communities to regroup. I am looking at this, as the previous government did, to consider what is happening, in particular, to women and children in some of these communities —

[11.00 am]

The CHAIRMAN: Thank you, minister. That is time. Unfortunately, I have to interrupt you.

The appropriation was recommended.