

TAB — PRIVATISATION

599. Mr M.P. MURRAY to the Premier:

I refer to the former Victorian Premier Jeff Kennett's admission on Monday that the biggest mistake he made in office was allowing the privatisation of the Totalisator Agency Board.

- (1) How do we ensure that any new owners of the WA TAB will keep the industry sustainable instead of simply supplying product for corporate bookmakers?
- (2) When the Premier privatises the WA TAB, how will he ensure that the corporate bookmakers return money to the racing industry?

Mr C.J. BARNETT replied:

- (1)–(2) Jeff Kennett is a good friend of mine. I meet with him regularly on all sorts of issues. As I have said before, the TAB's future will come into consideration by this government. We are going to do some privatisations that will be announced shortly but will not include the TAB. The TAB is not being looked into at present, but we will look at it.

Mr M. McGowan: Will it be privatised or not? It is a simple question.

Mr C.J. BARNETT: We are a little bit more sophisticated than that. Members opposite should listen to their member. There are significant issues related to any consideration of the privatisation of the TAB, and those issues include the structure of the racing industry. As I said last week in Parliament, the racing industry cannot afford to have two metropolitan tracks because it cannot afford to maintain them.

Mr M. McGowan: That has nothing to do with privatisation.

Mr C.J. BARNETT: That is exactly to do with privatisation.

Mr M. McGowan: It has nothing to do with it.

The SPEAKER: Order, members!

Mr C.J. BARNETT: If the Leader of the Opposition knows the answer —

Mr M. McGowan interjected.

The SPEAKER: Order, Leader of the Opposition!

Mr C.J. BARNETT: There are issues to do with the fundamentals of the racing industry. The number and location of the tracks used by the gallops, and whether trotting and greyhounds can come together on one facility, wherever that is, are the fundamental issues.

Several members interjected.

Mr C.J. BARNETT: It is entirely to do with the TAB debate.

Several members interjected.

The SPEAKER: Member for Wanneroo, I call you to order for the first time, and member for Armadale, I call you to order for the first time. Premier, please continue and wind it up if you can.

Mr C.J. BARNETT: I am still quite early on in my answer. Some fundamental issues about the structure of the racing industry—the three codes—must be sorted out. When I was a kid, I used to get dragged around to race tracks by my father—members have heard it all before—but the reality is that the racing industry and race followers are not as significant in the community as they were. A Saturday race meeting today might attract about 2 000 people, which is very different from perhaps the 15 000 to 20 000 who would have gone to a meeting 30 years ago. With respect to the TAB, it is very different with a lot of direct competition in the gambling space, and online betting and interstate and overseas operators. Members should remember that the TAB was formed to get rid of the Starting Price bookmakers, so we have gone a long way away from getting rid of a few illegal SP bookmakers to an open, competitive industry. In that environment, the TAB is probably seeing its market share fall. It is falling. We have a falling market share of gambling controlled by the TAB —

Mr P. Papalia interjected.

The SPEAKER: Member for Warnbro, the question was not asked of you. I call you to order for the first time.

Mr C.J. BARNETT: We have competition and a falling market share for the TAB, which is probably set to fall fairly quickly in the future. Members just need to watch any Saturday afternoon television program to see the concentration of different betting agencies —

Mr M. McGowan: Is Jeff Kennett wrong?

Mr C.J. BARNETT: The Leader of the Opposition did not ask the question. I am answering it right now but members opposite are too ignorant to listen.

This government does have a view. If a party was starting with a clean slate, forming government, would it have a government betting agency? I would say that the answer is no. But we have one and we have a responsibility to a very important industry—the equestrian industry—in all forms it takes.

In answer to the member for Collie–Preston’s question, it is complex. It relates to the share of the market, betting, revenue to racing, taxation to government and the structure of the industry. For all those reasons, we have not included the sale of the TAB in our initial round of privatisations, but in the future we will look at that industry. It is interesting. The debate around the racing industry is now going on. Although it might be a bit anecdotal, my sense, and some of the feedback I get back, is that more and more people in the racing industry are saying —

Mr P.B. Watson: Rubbish.

Mr C.J. BARNETT: I have not said it; that was pretty quick.

The SPEAKER: Member for Albany, I call you to order for the first time.

Mr C.J. BARNETT: Although my comment is simply anecdotal, I and others sense that more people in the racing industry now are saying, “Maybe we should look at selling the TAB”, and maybe that might be a better long-term outcome for racing in Western Australia.