



Speech by

Mr SANTO SANTORO

MEMBER FOR CLAYFIELD

Hansard 27 August 1999

TAB QUEENSLAND LIMITED PRIVATISATION BILL

Mr SANTORO (Clayfield—LP) (12.22 p.m.): I am rising to speak in this debate because I represent the electorate of Clayfield, within which the headquarters of Queensland racing is located. There are three very fine tracks in my electorate: Eagle Farm, which is the headquarters of the Queensland Turf Club; Doomben, out of which the Brisbane Turf Club operates; and Albion Park, which is the headquarters of harness racing and greyhound racing in Queensland. So I am very pleased to be able to speak on behalf of the many worthwhile racing interests in my electorate.

It is also a pleasure to be able to support legislation which can genuinely be described as a testament to the very hard work of the previous coalition Government and, in particular, the previous Minister, the honourable member for Crows Nest, Mr Cooper. As honourable members on this side of the House have stated, this legislation really represents unfinished business from the coalition's term of Government—very important unfinished business. And as the honourable member for Toowoomba South has just indicated, it represents the late conclusion of business that should have been finished a long time ago.

I do not want to talk for too long about unions in relation to this Bill. However, this legislation is in many ways a testament to the influence of unions and the way in which the Beattie Labor Government conducts its business. We saw what happened to the TAB privatisation legislation when it fell into the hands of the Beattie Labor Government. It was frustrated by the opposition of the union movement, particularly the more Left Wing influences within the union movement, and particularly the CFMEU.

What became obvious shortly after the Beattie Labor Government came to power was

that this legislation just would not have been able to make it through this place unless a deal had been struck. So as honourable members on this side of the House have said, almost a year and a quarter was wasted while the deal was being done between the Government and its union friends for the passage of this legislation. During the making of that deal, many principles were abandoned, and many people who were involved in the whole process of the privatisation of the TAB and in Government administration and other places were, in fact, hurt. The industry itself, as members on this side of the House have stated, has been hurt because of the reduced benefits of privatisation as a result of the delay in bringing forward the privatisation package that members are debating today.

One of the other casualties—and again, I will not dwell for too long on this point—was the industrial relations system of this State. We well remember that Friday afternoon before the Labor Party conference when the TAB privatisation deal going through at the Labor Party conference, with the support of the CFMEU, was conditional upon the passage of the industrial relations legislation. And if that legislation, which clearly favoured the CFMEU, had not been passed by this Parliament—and, in the end, the Government by using its numbers, guillotined the debate—that deal just never would have come off, and the delay of the privatisation process would have been even greater than that which has been described today.

As the honourable member for Toowoomba North pointed out, this legislation has had a very tortuous path through this place. How many times did the Opposition bring into this Parliament motions seeking to bring forward the process, seeking to bring forward the legislation, so that the racing industry could get the real value that would have accrued to it had it gone through

when the honourable member for Crows Nest first proposed it? But no, we had to wait, as I said, because of the convenience and, often, the greed of interests associated with people who, these days, run the Government of Queensland.

It is important, in a debate such as this, to put on the record the sort of arrangement that the honourable member for Crows Nest was able to negotiate with the entire support—and the willing support—of the industry when we were in Government. It is important and instructional to put on the record one more time what the post-TAB privatisation inter-code agreement was all about. The agreement was struck after months of delicate negotiations, and it decided the financial split to be received by the three codes on privatisation.

As part of the financial agreement, thoroughbred racing would have received 76% of racing industry income; harness racing, 14.5%; and greyhound racing, 9.5%. The sharing arrangements were to apply for a period of 15 years. The inter-code agreement also included product and program fees of oncourse and offcourse wagering revenue, oncourse product fees, tax rates, joint venture profits and an industry payment timetable. But there was even more. There were lots of good things—and better things—in there.

The package was in addition to other one-off payments and benefits covered in the heads of agreement, which included: a debt moratorium on principal and interest payments; the forgiveness of RDF debt; a lump sum payment, to the industry, of \$10m; the benefit of a tax cut of appropriately \$3.7m; 25% interest in non-wagering businesses; payment of the balance in the RDF; transfer of racecourse titles and other RDF-owned assets; payment from TAB reserves for the purchase of Deagon and Caloundra properties; and Office of Racing administration to be funded from consolidated revenue.

It is important to place on the record that those were the privatisation arrangements negotiated by the honourable member for Crows Nest. They were unanimously accepted by the industry, they were unanimously accepted by all the major stakeholders, but they were not accepted by this Government when it came to power. It had to meddle, it had to interfere, it had to seek to put its own stamp on it, and it had to seek the agreement of its union friends. And by the time that it got around to it, of course, the value of the TAB privatisation was, for the whole of Queensland, and particularly for the racing industry, much, much less than it otherwise might have been.

It is also important to place on record the fact that the coalition, when in Government, under the stewardship of the honourable member for Crows Nest as Minister, did an enormous amount of other good things for the racing industry. For example, it provided \$2m for the thoroughbred

racing industry training track maintenance scheme in the 1998 State Budget. That demonstrated the coalition's support for essential industry infrastructure. It was a very welcome move that was in addition to the \$1.6m which had already been distributed to the clubs over the year 1997-98.

I remember going down to the tracks on a number of occasions after the Minister made the announcement and I know that that initiative was very warmly received. We must not forget that this is an industry which is very important to the whole of Queensland. All other racing clubs in all regions benefited under the coalition Government. Associations in north Queensland received \$253,393, the Darling Downs and south-west received \$273,250, Capricornia received \$117,025, central western received \$23,415 and the south east received \$947,702. All this money was distributed to the local clubs as a result of that initiative by the previous coalition Government.

One other initiative that did not attract a lot of publicity was the \$1.5m funding boost that the coalition Government gave for black type races. This was also an initiative by the honourable member for Crows Nest. I am sure the honourable member remembers with fondness the good feelings that he noticed from an industry that was appreciative of his personal interest and the appropriate support that he provided.

In March 1998, a special distribution of \$1.5m to race clubs right across the three codes strengthened Queensland's hold on existing black type and group races. The proposal divided \$1.5m between the codes according to the ratios recommended by the Racing Industry Coordinating Committee. In accordance with the distribution from the TAB 1997-98 net profit, the Queensland Principal Club received \$1.1m, Queensland Harness Racing received \$222,000 and the Greyhound Racing Association received \$168,000.

I could go on and spend most of my time just listing the achievements of the coalition Government in the racing industry. However, let me list two or three others. A \$750,000 grant for the Greyhound Racing Authority was given towards administration and capital works in the 1997-98 financial year and a \$2.5m package was given to the Queensland Harness Racing Industry. Country and regional developmental race clubs received \$5.5m from the Racing Development Fund for 1997-98 and the Queensland Racing Industry Training Centre achieved a record intake of overseas students for its international training course, with a flow-on effect of \$5m for the State economy.

Mr Cooper: That has been blown out of the water.

Mr SANTORO: I acknowledge the comments of the honourable member for Crows Nest. That

has certainly been blown out of the water by the insensitive treatment of that particular part of racing industry administration by the Beattie Labor Government.

From a personal and electorate point of view, I was very proud that the former Minister listened to the concerns of the racing industry within my electorate by making ample provision of funds for the construction of a safe horse walkway on Nudgee Road. These days, horses are able to move from the stables and other training areas in a relatively safer way because of the construction of this safe horse walkway. I wish to place on record my appreciation to the former Minister, the member for Crows Nest, and to the Brisbane City Council—particularly Councillor Clay, the local alderman—and to a group of local trainers and local identities who are associated with the industry. I want to include someone who has not been mentioned in dispatches. I wish to acknowledge the contribution of a racing fanatic, Mr Tony Marshall, who made sure that the attention of representatives, such as myself, Councillor Clay and other people in places of authority were well and truly focused on the need for that walkway.

Mr Cooper: I noticed it the other day. The hedges are growing beautifully.

Mr SANTORO: That is correct. Not only does the project provide a good, safe walkway, but it also beautifies that part of Nudgee Road which is very much part of the entry to Brisbane for hundreds of thousands of national and international visitors. It has become a matter of considerable comment as people pass by it to and from the airport. It is a genuine beautification project.

In the time available to me I would like to mention the achievements of the racing clubs in my electorate. I hope I do not run out of time because I have three clubs to talk about.

The Queensland Turf Club is definitely one of the great clubs in Queensland. It had gross revenue receipts in excess of \$16m during the financial year ended 30 June 1999. The club employs 56 people permanently and in excess of 300 people part time. The QTC is the major provider of prize money to participants in the thoroughbred racing industry in Queensland, and in the year ended 30 June 1999 distributed \$11,482,427 in prize money to owners, trainers and jockeys.

When it comes to offcourse betting with the TAB, race meetings conducted by the QTC attract greater turnover than any other racing club in the three codes. In the year ended 30 June 1999, the TABQ turnover on races conducted by the QTC totalled in excess of \$77m—almost 30% of the total TABQ turnover on Queensland thoroughbred racing in that year.

During the financial year ending 30 June 1999, the licensed bookmakers held a total of \$40,473,789 and the oncourse totalisator turnover totalled in excess of \$17m at race meetings conducted by the QTC at Eagle Farm Racecourse. The total revenue received by the Queensland Government in the year ended 30 June 1999 from the QTC's operations was in the order of \$5.5m. Additionally, those operations resulted in in excess of \$750,000 being levied for payment to the Racing Development Fund in that financial year.

There are also very good stories to be told when we detail the turnover of the QTC and the return to Government by way of taxes from the QTC's operations at Eagle Farm for the period from 1 July 1993 to 30 June 1999. The figures are as follows: oncourse totalisators, in excess of \$98m; oncourse bookmaker holds, in excess of \$261m; and TAB offcourse, in excess of \$380m. The return to Government was as follows: Government tax, in excess of \$25m; and contributions to the RDF from TAB and oncourse turnover, in excess of \$3.8m.

I mention these figures because often the principals and other people associated with this racing club are the recipients of a lot of venom from this Government, particularly from the member for Bundamba. The people associated with the QTC at Eagle Farm make a tremendous contribution to the life of the racing industry in Queensland, which should be acknowledged. The figures I have just quoted are worthy of acknowledgment. People such as Mr Peter Gallagher and Mr David Laing and the other very worthy committee members who run that complex deserve enormous recognition.

In 1998, the then coalition passed legislation which allowed ownership of Eagle Farm Racecourse to pass to the Queensland Turf Club. The course had previously been held in trust by the trustees of Eagle Farm Racecourse on behalf of the members of the club since it was granted to the club by deed of grant in 1863. At the moment, the QTC is currently preparing a master plan for the redevelopment of Eagle Farm Racecourse and, in particular, the public facilities thereon. That is another legacy which the coalition leaves behind, not just for the club but for the racing industry as a whole.

Another fine club is the Brisbane Turf Club. This club has commenced a major redevelopment plan. The proposal has many exciting aspects to it. For example, there will be a redevelopment of members' facilities that will see the construction of a new members' stand in place of the current stand. It will incorporate a five-star restaurant which will have sweeping views of the racetrack. There will be alfresco dining facilities, a heated pool and health facilities, theme bars and a sports viewing room. What a fine facility that will be.

The Brisbane Turf Club is pioneering night racing which will soon come to Brisbane in a way which I am sure will be successful—not just because I think the time is right for night racing but also because of the hard work that has been put in by the management and the members of the BTC. The bookmakers' ring will become a part of an area of landscaped gardens. There will be an impressive entrance to the course. Other very up-to-date, state-of-the-art bookmakers' facilities will be constructed. Provision has been made at the eastern end of the course for state-of-the-art stabling facilities. These facilities will be hired out to trainers, thereby generating a very good return on investment.

Extensive landscaping will make an already very appealing racing club facility even more appealing. An under-track tunnel beneath the track around the 300-metre mark will facilitate in-field parking and also open up the concept of car-boot picnics and corporate entertaining. The tunnel will also allow horses to access the in-field training facilities. The current horse stalls will be relocated to the eastern side of the grandstand. As the horses make their way to the saddling enclosure, they will parade in front of the patrons. This will make it much easier for the ordinary public to appreciate the star attraction of the horses.

Of course, there are also some plans for commercial and residential facilities. That club, under the current leadership of chairman, Peter Whitehead, and executive director, Greg Meek—and also let me know the great contribution by Dr John Bell over many years—is also a very, very fine institution that is definitely going to be at the forefront of racing in Brisbane and in Queensland. It is tremendous that I am privileged to be the representative of such two fine thoroughbred racing facilities.

If I have the time, I want to talk about Albion Park. However, whilst I have the opportunity, I want to place on record the great sadness that I feel—I am sure in conjunction with many, many other people—about the recent passing of the Honourable Sir Edward Williams, KCMG, KBE, and mention particularly his association with the Queensland Turf Club at Eagle Farm. Sir Edward joined the club in 1953, was elected to the committee on 11 August 1966, elected vice-chairman on 23 August 1974, and chairman on 11 April 1980. He served as a trustee of Eagle Farm Racecourse from 8 May 1971 to 27 February 1992 and from 3 April 1996 to 31 March 1998. On 29 December 1991, Sir Edward resigned as chairman and retired from the committee on 7 September 1993. He was elected a life member of the club in 1991.

That brief summary of Sir Edward's involvement with the Queensland Turf Club and, through it, the greater racing industry throughout Queensland does not do justice to the very fine outstanding involvement of one of the great Queenslanders that this State has produced. I always remember with great fondness that, when I and other guests visited the club, Sir Edward and Lady Williams were always there to greet us all. He moved very freely throughout the racing complex with which he was so much associated. He mixed and mingled with everybody—with politicians, strappers, trainers and the ordinary folk who make race tracks such as Eagle Farm a great success. Already, he is missed tremendously. Whenever people go to the club, they always have many good reasons to reminisce about his great contribution to the welfare of that club and the racing industry.

I am pleased to lend my own personal support to this legislation. I look forward to making a contribution in the future about the great value that Albion Park has to the racing industry, not just to my electorate but also throughout Queensland and to greyhound racing and harness racing. Certainly, it is important to recognise that the electorate of Clayfield makes a very significant contribution to racing.

Time expired.
