



Speech by

Hon. Robert Swarten

MEMBER FOR ROCKHAMPTON

Hansard Friday, 21 April 2006

RACING AMENDMENT BILL

Hon. RE SCHWARTEN (Rockhampton—ALP) (Minister for Public Works, Housing and Racing) (4.39 pm), in reply: Racing certainly brings out people's passion. I compliment the shadow minister on not resorting to what has been typically personal abuse in this debate, the sort of personal abuse we saw from that fellow from Warrego. We got a double barrel this afternoon of stupidity out of him—one from the absent member for Darling Downs and one from him. But it was just a repeat performance of the same turgid, dreadful gossip and innuendo that saw us spend \$4 million of taxpayers' money that could have gone into racing. The reality is that it is no secret that the National Party got the chairman of the Thoroughbred Racing Board aside and tried to stand over him and influence him in a corrupt way, in my view. I do not know why he did not go to the CMC about it. I know this shadow minister would not do that. But truthfully we all know that it comes from Mr Kevin Martin, who has never, ever explained to this House, through Mr Hopper, just why he forged people's signatures when he was in a previous position. I would like to see what the CMC would have to say about that. Perhaps we will get that back one day.

Mr Lawlor: The forged letter.

Mr SCHWARTEN: Yes. He forged Brett Howe's signature on the letter. Brett Howe told me that himself. That is fact. There is no doubt about that. So I disregard anything they had to say.

Dr DOUGLAS: Mr Deputy Speaker, I rise to a point of order. There is a discussion here about forgery and Mr Hopper is not here to address that issue.

Mr DEPUTY SPEAKER (Mr Copeland): Order! There is no point of order.

Mr SCHWARTEN: I suggest to the new learned honourable member that he not waste the time of the House with frivolous points of order. I did not interrupt him when he was speaking. If he wants to apologise for people who indulge in that behaviour, so be it. I certainly do not condone it. People who have spoken on this bill do not seem to understand just what the role of a racing minister is and probably do not understand the history of it. There was not a racing minister in Queensland up until the early 1980s when it was given to Russ Hinze. That is a fact. It was run out of Treasury. Llew Edwards will give members a briefing about how it used to work and why we have a racing minister.

The reality is that at no time in the history of Queensland has the Queensland government contributed to prize money, set race fields, set race dates or anything of that nature. Every racing minister in Australia is powerless when it comes to establishing the day-to-day business of racing. It is against the rules of racing in Australia. When a previous minister sought to appoint directly the Queensland Principal Club, the Australian Racing Board punished Queensland by taking away black type races. So for those people who stand in this place and say that their contribution as members of this parliament will result in the minister deeming there to be more race dates, they are sadly mistaken. It is beyond my power to do that. No minister has ever done that.

Mr Lawlor: None of them understand that.

Mr SCHWARTEN: I do not know what it takes to get that through, but I have said it time and time again. The reality is that there has never been a time in the history of Queensland when taxpayers' money

has been spent in this regard. The Russ Hinzes of this world borrowed racing money which had to be paid back to go around and big-note himself about all these developments. The racing development fund was industry money and when the TAB was privatised that debt of \$32 million was paid out as part of the deal. So the taxpayer had to pick up that \$32 million misappropriation of funds, as it was, because there was no chance of ever paying it back. I think people really need to get clearly in their mind what a racing minister does.

On a delightful wet afternoon in Rocky one day when the member for Gladstone and I were there with Optus, we discussed the issue of the Gladstone racetrack. I have spoken to Vic Pengelly and other people. I can assure the member for Gladstone that this bill will not change the relationship one iota. The problem in Gladstone is that the land is in the hands, as the member rightly pointed out, of the department of natural resources. That is where it belongs. Queensland Racing is negotiating with that department on that point. I know from the department's point of view that there is a reluctance to hand over what is effectively taxpayers' cash in relation to that. That is one of the issues involved. It would not matter one iota from my perspective because I do not license that racecourse. Queensland Racing currently does and I would be improperly overstressing my legal rights if I were to try to force Queensland Racing to do anything about it. I have never sought to intervene in any shape or form with Queensland Racing, apart from passing on to board members from time to time the concerns that I have picked up.

With regard to country racing—an issue that many members raised—it is now in the strongest possible position that it has ever been because it is guaranteed that a percentage of turnover must go to country racing. That has never happened before. It has its own committee. The member for Tablelands is not here, but one of her constituents is a member of that committee. People from all over Queensland are on that country racing committee. As I said in this parliament during the debate, they can have as many race days as they like but they have to make the decisions themselves. It is all about those people being empowered.

Bill Ludwig, who was disparaged yet again by people here who lack the intestinal fortitude to say such things outside the protection of this place, is in charge of it. From what I have been told, he is doing a damn good job.

Ms Liddy Clark: He is.

Mr SCHWARTEN: Yes. He is well aware of the Gladstone situation because he raised it with me just recently. This will not alter that. Bill Ludwig is passionate about country racing. He has been to more country race meetings than anybody in this House. He owns racehorses and froths at the mouth when he starts talking about racing and his eyes glaze over, as happens with enthusiasts like the member for Clayfield. Her enthusiasm injected some life into the member for Gaven tonight which I was glad to see. There is no doubt about it: there is no better advocate for racing in Queensland than the member for Clayfield. She is a very passionate believer in what racing does in all sorts of ways. I thank her for that contribution and that enthusiasm on behalf of a whole range of people in her electorate—everybody from the millionaires who own horses to the poor old strappers who are struggling to put two bob together. She looks after them equally and very, very well.

Back to the bill, in terms of where this takes us I understand what the Queensland Turf Club has to say. I had a meeting with the Turf Club and I made it very clear what my views are. I would not get too carried away with what is happening in Victoria for a start. I do not think it is actually a bed of roses between the clubs down there in their elected model. The TVN thing is evidence of that. It is entirely a result of people having a conflict of interest, in my view. If you appoint people to these positions and they can be unappointed by a group of people, that is a very large Damocles to dangle over their heads if they do not do what you want.

It was for that very reason that the Queensland Principal Club failed. It failed because people could not shake off their parochialism—and rightly so. If I represented the Rockhampton Jockey Club then that is what I would represent. I would not give two hoots about what happened on the Gold Coast, and I would not be expected to. If I went back to the Rockhampton Jockey Club and said, 'Guess what I did. I have given the Gold Coast Turf Club a few more race dates. And guess where they came from. They came from the Rockhampton Jockey Club,' how long do you reckon I would remain on the administration? About as long as it takes to tear up an air ticket.

In truth, those representative models will kill racing—and damn near have—in Queensland. Times were never poorer in racing than when we had only the Queensland Turf Club. Talk about an unelected group of people who ran the whole show! It was hardly democratic. Then we had an equally bad situation with the representative model. Gibbsey would probably choke me for saying this, but it just did not work.

I defy anybody to tell me that this is not working. There are a lot of personalities involved. Bill Sexton said that to me. If Bentley was not here, half this trouble would not exist. That is the truth of it. People are crooked on Bentley. That is what it is all about.

Amazingly, when that fellow from Warrego got up and defamed Ludwig and Bentley, he did not say anything about Andrews, Lambert or Henman. Are they spivs, too? One of them is a highly respected

lawyer around this city. If this administration is so wrong then what about the other three? Are they just silent partners who go along for the ride? I do not think so. For a start, I have met Mr Andrews and he does not strike me as a bloke who would be involved in anything unlawful. That is the suggestion that was made by the member for Warrego, the mouthpiece for the member for Darling Downs.

In truth, the model that we have is working. I do not care what anyone says; there is no evidence to the contrary. Someone mentioned the number of jockeys that have been lost to Queensland, how terrible it is and how we should follow what happened in Victoria and New South Wales. Queensland lost 41 jockeys. How many do you reckon New South Wales lost? They lost 162. Victoria lost 81. Yet I am supposed to tug my forelock and watch their way forward.

Mr Pearce interjected.

Mr DEPUTY SPEAKER (Mr Copeland): Order! The member for Fitzroy will resume his own chair if he wants to interject.

Mr SCHWARTEN: The standard of racing in Queensland is miles better than it is in New South Wales. We have better fields and better prize money. Callaghan Park's Rocky Cup offers around \$100,000. That is unheard of. When country racing was changed, the prize money went from \$3,000 to \$6,000. Now, it is not unusual to find a race worth \$6,000 in country racing. Yet I am told that it is all doom and gloom. The QTC annual report states what a great year it had last year. Yet suddenly it is all bad!

I turn to the matter of people being too shy to complain. I have received a number of letters—from the Townsville Turf Club, the Mackay Turf Club, the Rockhampton Jockey Club, the Brisbane Turf Club, the Sunshine Coast Turf Club and the Toowoomba Turf Club. The member for Toowoomba South stood here and prattled on about this, yet his own turf club says that it wants this to happen. In fact, he spoke against something that his own club wants.

The Gold Coast Turf Club wants this to happen. The Ipswich Turf Club wants this to happen. Jockeys were mentioned by the member for Gaven. They want it to happen. The Queensland Racehorse Owners Association wants it to happen. Mr Bob Frappell of the Thoroughbred Breeders Association of Queensland want it to happen. I table all those letters for members to look at, if they wish.

What occurred here tonight, of course, was the Queensland Turf Club having a number of people have their say. I do not have a problem with that. That is due process and democracy at work. It is entitled to be heard. I do not agree with it. I do not believe that anything associated with this has any nefarious problem. It is a corporate structure whereby the people who are on those boards must behave in a proper manner or they will face the full force of the law. The member who said—and I do not know if it was the shadow minister—that the government is opting out has not read the bill. If matters got to a stage of such disrepute that it required the intervention of the racing minister of the day then that is allowed for. The licence can be taken away from that control body. The minister giveth and the minister taketh away, if that is the case. That safeguard is still there.

If, by some stroke of fortune, the shadow minister ends up on this side of the House and becomes the racing minister, he will find that that corporate structure makes no difference at all to the way he can legally operate. It makes no difference whatsoever.

What is the problem with it? What are the arguments? The first argument is that we should do what Victoria does. Anybody who says that is not in touch with what has happened in Victoria in recent times. It is a less than favourable place to be. They are not all happy campers. Their representative model has been, in large part, the cause of the TVN issue, which was very eloquently dealt with by the member for Clayfield. Anybody who has had anything to do with punting can tell you how that has affected racing more than anything else. No-one ought hold up the Victorian model as something to aspire to.

The curious thing is: why is the Brisbane Turf Club wrong about this and the Queensland Turf Club is right about this? Can somebody tell me? I cannot work that out. Yes, it is the oldest and the biggest and all the rest of it, but that does not make it right and all the other clubs wrong. It has been suggested that some clubs are being stood over. If any of them are being stood over, the member opposite should tell me privately who they are and I will ring them and ensure that the necessary work is done to prevent that happening.

I know for a fact that the people who are on that board are interested in racing and are interested in taking it forward. They are not people who have been disengaged from the industry. They answer to the industry and can be sacked by the industry under the existing corporate structure, just as directors of any other corporation can be. If they misbehave, they will go. Under the constitution they are not immune from the CMC, from corporate law or, indeed, from government intervention, if it came to that.

Dr Douglas: They are in a weakened state, though.

Mr SCHWARTEN: Oh, dear me. 'They are in a weakened state'? Who is in a weakened state?

Dr Douglas interjected.

Mr SCHWARTEN: The member's local race club, the Gold Coast Turf Club, supports this. He should go down and tell them that they are in a weakened state as a result of it. They are not in a weakened state. I suggest that you stick to medicine, because you do not know anything about racing.

Mr DEPUTY SPEAKER (Mr Copeland): Order! The minister will direct his comments through the chair.

Mr SCHWARTEN: I point out to the honourable member that if he knew anything about the responsibility of the racing minister he would not say that their position is weakened, because it is simply not weakened. There is no evidence or suggestion—aside from the fact that there are a number of people who are crooked on Bentley. That is the real reason behind all of this. We have had two royal commissions into Bentley and he has been over to the CMC. He has been to the CMC so many times that he could find his way over there blindfolded. They have talked about conflicts of interest and so on. Bill Carter wrote to the Australian Racing Board and said that what we are doing is against the Australian racing rules. It is none of that.

The people who have had their eyes on this are highly qualified corporate lawyers. The member was briefed by them. We have not tried to hide anything from anybody. I do not believe that the people at the Gold Coast Turf Club are mugs. I do not believe that the people at the Toowoomba Turf Club are mugs. I do not believe that the people at the BTC are mugs. I do not, for that matter, believe that the people at the QTC are mugs, either, but they have an agenda. They do not like the structure and they would like it back in the days when they had supreme control over the whole industry. That is what they had—unbridled, unchecked power to do as they pleased. That was not good for racing.

Under this structure, there is far more accountability than there has ever been before. It does not diminish the accountability of these people any more than it does the people who sit on the board of BHP. We do not have a representative model there. We do not have people getting elected there because they are miners or from the miners union. That model does not work in the corporate world. This is a corporate structure for a very large and very necessary business. I do not agree with those speakers who have said that it is the third biggest industry in Queensland. I would like to know what the other two are. It is nowhere near the third biggest. The building industry, for a start, is worth \$18 billion to the state, with 135,000 or so direct employees and 60,000 licensees. There are only about 8½ thousand licensees in racing. So I can say with certainty that is not the case.

That is not to diminish the role that racing has in our society. It is a very important part of our social structure and in some places the economic structure—in places like Toowoomba, Rockhampton and, increasingly, the Gold Coast. In the honourable member's electorate probably half of the people get their living from it in one way or another.

I just say to the House that this is a result of a bill that everybody supported back in 2002. That is what it is. Every single person in this parliament, as I understand it, supported the fact that we needed to go forward to a corporate structure. The Liberal Party, the National Party and whoever else was around at the time thought it was a good idea to take it that step further, knowing that the TAB was privatised. Somebody—I think it was the member for Warrego again, with his eggcup full of brains—made the statement that we privatised the TAB. It might have been Hopper. It was one of them. I accept that we privatised it. But guess who supported it? Every party in the parliament. In fact, when Joan Sheldon was Treasurer she tried to privatise it but could not get enough money for it.

Let us stop this nonsense that somehow a Labor government has made it worse than it was before. That is not the case. There is no set of statistics that proves that. Racing, in my view, continues to be a premium product for entertainment in this state. In the electorate of the member for Gaven, or near his electorate, there is a racetrack that people flock to in their thousands over Christmas—so much so that people complain about the number of people who go there. So I do not see the popularity diminishing, especially when Singleton and people like that are attending. Read what they are saying about what is happening in New South Wales. I read an article recently about what Singleton and Harvey were saying. They are two of the biggest horse owners and the Magic Millions fathers.

Mr Pearce: What about the record prices at the Easter sales?

Mr SCHWARTEN: Well, sales at record prices. That is what I say; this is great for the Gold Coast. None of this is going to diminish that. Nothing in this bill that is before the parliament is going to diminish that.

I understand that the Queensland Turf Club is not happy with this, but the Queensland Turf Club is not the only race club in Queensland. There are others of equal standing, of equal stature and of equal intelligence that support this. It is offensive to suggest that the people at the Gold Coast Turf Club, for example, would be intimidated by the board of Queensland Racing. I cannot imagine Mr Millican lying down to anybody, let alone Queensland Racing. I certainly know that at my own jockey club Justin Doyle—and a great job that he does—would not have put his name to a letter that says this is a great idea if there was any suggestion that they were going to be harmed by it. These people are not fools. They are in business. They are people who understand how business works.

In summary, let me just recap. All this bill does is take the 2002 act and enact it. By 1 July we will have a control body. Today we are transferring the goods and chattels and all that goes with it over to that authority. We are not in any way diminishing the role of the racing minister. The racing minister has no more power or no less power as a result of this than before, because I do not have the powers that a lot of people think I do. I do not have the power and never have had—and neither did Russ Hinze, neither did Chalkie or any of the previous ministers—the authority to set race dates, the authority to set prize money or the authority to intervene in race clubs' business. I did not have it. That doyen of the Liberal Party, Llew Edwards, will tell you that when he was the minister the Queensland Principal Club ran racing. That was the Queensland Turf Club. He had as much chance of influencing them as what I would have of influencing this board. It has not changed and it will not change. This is about letting racing get on with racing's business. That is what it is about. I urge every member of parliament to support it. I thank everyone for their contributions.