



RACING AND WAGERING WESTERN AUSTRALIA

17 April 2009

BY EMAIL

adjudication@accc.gov.au

Dr Richard Chadwick
General Manager, Adjudication Branch
Australian Competition & Consumer Commission
GPO Box 3131
CANBERRA ACT 2601

Dear Dr Chadwick

**Tabcorp Manager Pty Ltd – Applications for authorisation – A91127 – A91132
Interim authorisation**

We enclose the following documents:

- (a) a confidential submission by RWWA in support of interim authorisation;
and
- (b) a non-confidential, redacted version of the submission by RWWA.

Parts of the confidential submission contain information which is commercially sensitive and confidential to RWWA. Accordingly, pursuant to section 89(5) of the *Trade Practices Act*, RWWA requests that the redacted parts of the submission (identified in red in the confidential submission) are excluded from the public register.

Please contact Glenn Miller (08) 9445 5298 or glenn.miller@rwwa.com.au if you have any queries in relation to this submission or require any further information.

Yours sincerely

Richard Burt
CHIEF EXECUTIVE OFFICER



RACING AND WAGERING WESTERN AUSTRALIA

**Submissions by Racing and Wagering Western Australia
in support of interim authorisation of the 2009 SuperTAB Pooling Agreements
between Tabcorp Manager Pty Ltd and Racing and Wagering Western Australia**

We refer to the application by Tabcorp Manager Pty Ltd (**Tabcorp**) for interim authorisation to give effect to the agreement entered into by Tabcorp and Racing and Wagering Western Australia (**RWWA**) dated 16 March 2009 (**RWWA 2009 Agreement**).

RWWA supports the grant of such interim authorisation on an urgent basis for the reasons set out in this submission.

1. Background

- 1.1 RWWA is a statutory authority established under the *Racing and Wagering Western Australia Act 2003* (**RWWA Act**).
- 1.2 RWWA regulates and supervises racing in Western Australia. Its functions include to foster the development, promote the welfare and ensure the integrity of metropolitan and country thoroughbred racing, harness racing and greyhound racing, in the interests of the long term viability of the racing industry in Western Australia¹.
- 1.3 RWWA also regulates on-course wagering by bookmakers and racing club totalisators and is responsible for off-course wagering. Its wagering operations include:
 - (a) 286 licensed TAB agencies and PubTAB outlets²;
 - (b) TABozbet, Australia's first, fully functional internet betting platform offering all TAB betting products; and
 - (c) PhoneTAB, an operator assisted call centre for placing bets for (amongst other things) thoroughbred, harness and greyhound racing.
- 1.4 RWWA is the principal funding body of the Western Australian racing industry. In 2007-2008, \$107.4 million was provided to the three codes (thoroughbred, harness and greyhound racing) in the form of stakes, capital grants, subsidies and participant payments³.

¹ Section 35 of the RWWA Act.

² Racing and Wagering Western Australia, Annual Report 2008, p32

³ Racing and Wagering Western Australia, Annual Report 2008, p6

- 1.5 A copy of RWWA's 2008 annual report was submitted to the Commission by Tabcorp with Tabcorp's applications for authorisation.
- 1.6 Tabcorp currently provides pari-mutuel pooling services to RWWA pursuant to an agreement with RWWA (RWWA 2005 Agreement). RWWA currently participates in the SuperTAB pool.
- 1.7 [REDACTED]
2. **Support for interim authorisation**
- 2.1 Tabcorp has provided the Commission a confidential copy of the RWWA 2009 Agreement and a non-confidential summary in its submission supporting its applications for authorisation.
- 2.2 If interim authorisation is denied and final authorisation is not granted [REDACTED]
- 2.3 Participating in the SuperTAB pool is [REDACTED] source of revenue for RWWA and ultimately funding for the entire Western Australian racing industry.
- 2.4 [REDACTED]
- 2.5 [REDACTED]
- 2.6 [REDACTED]
- 2.7 RWWA submits that granting interim authorisation will not alter the competitive dynamics of the market such that it could not be returned to its pre-interim state if final authorisation is later denied. [REDACTED]
- 2.8 In its submission at paragraph 10.4, Tabcorp states in relation to the Commission's decision authorising the TOTE Tasmania pooling agreement with Tabcorp that 'The agreements the subject of this application and the 2007 Agreement referred to by the Commission in its determination are relevantly the same'. Considering the public benefits identified by the Commission in its decision authorising the TOTE Tasmania pooling agreement, RWWA agrees that there is a strong basis for granting authorisation in relation to the RWWA 2009 Agreement.
- 2.9 RWWA will provide further analysis of public benefits and detriment in its submission in support of Tabcorp's applications for final authorisation.