

## SECOND READING SPEECH

THE HON BRYAN GREEN MP

### ***RACING REGULATION AMENDMENT (BOOKMAKER BETTING) BILL 2013***

Mr Speaker [Mr President]

I move that the Bill now be read a second time.

Mr Speaker [Mr President], the Bill before the House today represents an important step in addressing inconsistencies that impact on the operations of Tasmania's on-course bookmakers and their ability to operate viably in a very competitive and evolving national wagering market.

While they may be small in numbers, the State's bookmakers remain an important fixture at Tasmanian race meetings. Not only do they add to the colour and spectacle of race day and attract patrons to the track, they also contribute to the economy in terms of the additional revenue race clubs derive from increased patronage at their race meetings and the employment of staff to assist the individual bookmakers in the conduct of their wagering operations.

Earlier this year, the Tasmanian Bookmakers Association, with the full backing of the Australian Bookmakers Association, approached the Government seeking support for a number of initiatives which it believes will enable Tasmanian registered on-course bookmakers to compete with other wagering operators on a more level playing field.

Mr Speaker [Mr President], as a result of the Association's representation, I have [the Minister for Racing has] instructed the Director of Racing to conduct a detailed review of the racing legislation, in close consultation with Treasury and both the Australian and Tasmanian Bookmakers Associations, to identify any constraints or opportunities that currently, or will potentially,

impact the continuing viability of on-course bookmaking operations in Tasmania.

Given the extent of the proposed review process, the Director's recommendations are not expected to be available for the Government's consideration until the first half of 2014.

In the interim period, the Government considers it appropriate to address, as a matter of priority, certain inconsistencies that have been identified in respect of regulatory practices in place in this State as compared to other racing jurisdictions.

Mr Speaker [Mr President], the *Racing Regulation Amendment (Bookmaker Betting) Bill 2013* amends the *Racing Regulation Act 2004*, firstly, to remove the inequity that currently exists between Tasmania and other jurisdictions in respect of on-course bookmakers offering bets at totalisator odds and, secondly, to remove a redundant provision that makes the communication of betting odds from or to a racecourse during a race meeting an unlawful activity.

The most important change relates to the repeal of the provision in the Act which prohibits on-course bookmakers and their agents from offering bets based on the dividends declared by a totalisator, a practice known as "tote odds betting".

Mr Speaker [Mr President], in the last decade, the notable rise of corporate bookmakers, who are primarily based in the Northern Territory, has significantly changed the wagering landscape in Australia. The corporate bookmakers have moved bookmaking operations from the traditional 'on course on race day' activity to a 24 hour 7 day a week operation. Moreover, the regulatory regime in the Northern Territory has permitted corporate bookmakers to offer significantly different bet types and contingencies.

One such contingency is offering a punter the ability to have their winning bets paid in accordance with the dividend declared by a TAB, that is to say, at tote odds.

A bookmaker permitted to offer tote odds may provide a punter the choice of either the fixed odds he is displaying or the final tote odds of a totalisator. Additionally it is now becoming commonplace for a corporate bookmaker to offer payment of a dividend based on the best outcome for a punter when comparing the official starting price and the best dividend paid by a TAB.

Mr Speaker [Mr President], at the Australasian Racing Ministers Conference in 2012, following representations from the Australian Bookmakers Association, I [the Minister for Racing] placed the prohibition of tote odds betting on the agenda and discussed the need for bookmakers to be able to compete on a more level playing field. Ministers supported the lifting of the prohibition and, while a number had already effected change in their respective jurisdictions, it was agreed that all remaining jurisdictions would consider legislative amendment as soon as was practicable.

This Bill will not only ensure Tasmania is in step with all other jurisdictions in terms of its regulatory practices relating to on-course bookmakers, but it will strengthen the bookmakers' ability to better meet the future challenges and opportunities that will face all wagering operators in this constantly evolving wagering marketplace.

Mr Speaker [Mr President], the second purpose of the Bill is to remove the provision that makes it an offence to communicate bookmaker odds on and off course during race meetings or betting-only meetings, other than in specified circumstances, such as to bona fide newspapers, or between race clubs.

This offence was undoubtedly included in the legislative framework to address the previous proliferation of off-course SP (Starting Price) bookmakers and, significantly, was implemented prior to the technological advances of mobile phones and the internet, which ultimately made enforcement of this provision impracticable.

It is now a commonplace broadcasting activity for real-time bookmaker and totalisator odds to be made available to the wider viewing audience and as

such, jurisdictions have gradually removed offences with respect to this activity.

Mr Speaker [Mr President], a number of minor consequential amendments have been made to the *Racing (Bookmaker Betting) Regulations 2004* to support the changes contained within this Bill, including the requirement for a bookmaker offering payment of a bet based on tote odds to display a sign to that effect and in compliance with any directions issued by the Director of Racing.

The Racing Regulation Act and supporting regulations impose stringent controls in respect of the registration of on-course bookmakers and regulation of their operations in this State.

The proposed amendments will not weaken these regulatory controls and Tasmanian licensed on-course bookmakers will continue to be monitored and scrutinised by Racing Services Tasmania, the Department of Infrastructure, Energy and Resources' racing integrity division.

However Mr Speaker [Mr President], the proposed amendments will remove the inequity that currently exists between Tasmania and other jurisdictions, and strengthen the capacity of our on-course bookmakers to continue operating into the foreseeable future.

It is proposed the changes will commence on 20 November 2013 to align with the commencement of Tasmania's premium racing carnival period - the running of the Newmarket in Launceston on that date.

Mr Speaker [Mr President], I commend this Bill to the House.