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# NSW Legislative Council Hansard

## LIQUOR AMENDMENT (RACING CLUBS) BILL

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### Second Reading

**The Hon. HENRY TSANG** [Parliamentary Secretary] [3.40 p.m.]: I move:

That this bill be now read a second time.

I seek leave to have the second reading speech incorporated in *Hansard*.

#### Leave granted.

This Bill has its origins in proceedings decided late last year by the Licensing Court of New South Wales. A decision by the Licensing Court has identified an anomaly within the current liquor laws whereby racing clubs may apply for, and be granted, a Governor's licence but it is an offence for them to serve alcohol under this category of licence.

This anomaly exists because an offence is committed where liquor is sold by an unregistered club. The Liquor Act defines an unregistered club as one that is not registered under the Registered Clubs Act. Currently, an exemption from the offence of selling liquor in an unregistered club applies only where it holds a function or university licence under the Liquor Act.

While many racing clubs sell liquor under a function licence and are, therefore, protected by this exemption, a growing number of racing clubs have relinquished their function licence in favour of a Governor's licence. Many Honourable Members would be aware that this Government introduced liquor reforms for the racing industry in 2001 by making horse racing clubs and harness racing clubs eligible to obtain a Governor's licence. These reforms were brought about in recognition of the valuable community assets that are operated by racing clubs, particularly in regional centres.

Many racing clubs have taken up the option of a Governor's licence because it is more flexible and allows the clubs to make better use of their function and hospitality facilities outside of their usual race meetings. Giving racing clubs the ability to utilise their function facilities for corporate events, weddings and other functions outside of their normal race meetings has ensured that these clubs have a more sustainable future, and a sustainable future for these racing clubs, particularly in country areas, is important for the continuing development of their local community.

Racing clubs are part of the social fabric in many regional communities. The racecourse is an important community asset, and it needs to be maintained and preserved. Racing clubs that are able to offer additional community services through hospitality and functions are able to offset the cost of maintaining their racetrack and associated facilities. This ensures a greater viability for country racetracks.

In many regional centres, racing clubs have become much more than a racetrack, a bar, and a bookmakers ring. In many cases, hard-working racing club committees and staff have developed first-class function and conference facilities that have become welcome additions to their local communities. That has helped boost tourism, added to the viability of country racing, and meant that revenue from conferences and functions is kept in the local community.

In this way, racetracks are an important part of the regional economy, providing employment to the local community. This is because a Governor's licence provides far greater flexibility in terms of the way liquor can be sold than is the case under a traditional function licence. The Minister has had the pleasure of visiting many racetracks—both regional and metropolitan—around the State.

The feedback he has from the racing clubs has been overwhelmingly positive. These reforms have meant that the expanded catering operations of thoroughbred and harness racing clubs have provided additional revenue streams and employment opportunities for these non-profit clubs. This Bill removes any uncertainty surrounding the right of racing clubs to obtain a Governor's licence.

The other key aspect of the bill is that it gives greyhound racing clubs the same opportunity to apply for a Governor's licence that is already available to thoroughbred racing and harness racing clubs. This is particularly important in ensuring consistency across the racing codes.

Some greyhound racing clubs across New South Wales have developed top-rate function facilities, and they should be granted the ability to apply for a Governor's licence. Through this bill, the opportunity is being taken to align the liquor trading entitlements of greyhound racing clubs with those enjoyed by thoroughbred and harness racing clubs. This will add to the viability of greyhound racing clubs that want to maximise the use of their conference and function facilities.

Of course, the clubs may opt to retain their current function licence, but the bill provides them with the option to take up a Governor's licence. The Department of Gaming and Racing will be able to provide assistance to greyhound racing clubs that are interested in obtaining a Governor's licence for their premises. I commend the Bill to the House.

**The Hon. MELINDA PAVEY** [3.41 p.m.]: I speak on behalf of the Opposition and at the outset indicate that the Opposition will not oppose the Liquor Amendment (Racing Clubs) Bill. The Liquor Act reforms introduced in 2001 allowed for the granting of a Governor's licence to racing clubs. Those reforms helped improve the viability of country racing clubs as they can offset the cost of maintenance of racetracks and associated facilities. As a result, in many country areas clubs achieved a greater level of employment and economic viability. However, at law an unregistered club is defined as a club that does not hold a certificate of registration under the Registered Clubs Act. Under the Act unregistered clubs may sell alcohol only when a function licence or university liquor licence is held.

The bill aims to correct that anomaly to ensure that race clubs are able to serve alcohol under their granted Governor's licence without threat of disciplinary action. The bill amends the Liquor Act 1882 so that a Governor's licence may authorise the sale of liquor on premises occupied by a racing club. That is because under section 133 of the Act it is an offence to sell or supply liquor on the premises of an unregistered club. The bill provides also that greyhound racing clubs can apply for a Governor's licence. This ensures that greyhound, thoroughbred and harness racing clubs are aligned in their ability to apply for a Governor's licence.

The shadow Minister in the other place, the Hon. George Souris, mentioned that he had consulted widely with racing industry groups, including Greyhound Racing NSW, Harness Racing NSW and the NSW Country Racing Council, all of whom support the bill. During the Gaming and Racing budget estimates hearings it came home to me that we probably do not have the best jockey on the horse, so to speak, in this Minister. Quite gamely and honestly he said that he is not known for his expertise in the racing industry or great knowledge of racing. It is a bit of a shame that a Minister of the Crown quite readily admits that he is not an expert in his portfolio. I cannot expect all Ministers to have had extensive experience in their portfolio areas, but it is incumbent on all Ministers on becoming a Minister of the Crown, to learn a great detail about the industry and the people they represent. I thank the officers of the Department of Gaming and Racing for keeping the show on the road.

**The Hon. Dr ARTHUR CHESTERFIELD-EVANS** [3.44 p.m.]: The Australian Democrats support the bill. We are not wild about increasing the number of liquor outlets, and certainly are not wild about the number of gaming outlets either. However, it is said that greyhounds are poor men's horses, and that people get a great deal of pleasure out of breeding and racing their dogs. Changes to poker machine legislation and rises in land values have put some greyhound racing clubs at risk. Obviously if this bill helps people who have a legitimate outlook—not simply putting their money into poker machines but taking an interest in racing and breeding of dogs and the tourism and recreational benefits that can follow—we feel it is worth supporting.

**The Hon. HENRY TSANG** [Parliamentary Secretary] [3.45 p.m.], in reply: I thank honourable members for their contributions. In response to the comment of the Hon. Melinda Pavey, the Minister is not addicted to gaming or drinking, but he does know how the gaming industry works.

**The Hon. Melinda Pavey**: You would have more knowledge of gaming than he would. You should be the Minister, Henry.

**The Hon. HENRY TSANG**: I would like to be the Minister responsible for tourism. I assure you that the Minister can ride a horse. I commend the bill to the House.

**Motion agreed to.**

**Bill read a second time and passed through remaining stages.**

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