

**AUSTRALIAN JOCKEY AND SYDNEY TURF CLUBS MERGER AMENDMENT
BILL 2011**

Page: 4370

Second Reading

The Hon. MICHAEL GALLACHER (Minister for Police and Emergency Services, Minister for the Hunter, and Vice-President of the Executive Council) [3.45 p.m.]: I move:
That this bill be now read a second time.

The main purpose of the bill is to replace the life tenure provisions for Royal Randwick Racecourse trustees with fixed terms and to ensure that the management of the Crown land at Randwick is in keeping with modern practice and community expectation. The proposal arises from the identification of the arcane procedure for the appointment of the Royal Randwick Racecourse Trust. Currently a trustee is appointed by the Governor and holds office until they die, resign, cease to reside in the State or become incapable of acting as a trustee. This arrangement originates from the terms of the original grant of the Crown land in 1863 for the principal purpose of establishing a racecourse. The then Governor appointed three trustees with the lifetime responsibility of granting a lease of the land to the Australian Jockey Club for that purpose.

At that time the Australian Jockey Club was also the controlling body for thoroughbred racing in New South Wales and the grant was made in recognition of that position. The club ceased to be the controlling body in 1996 when the independent New South Wales Thoroughbred Racing Board—now known as Racing NSW—was established to assume this role. The lifetime appointment of trustees may have been considered best practice in the 1800s but it is an outdated concept today. The main responsibilities of the trustees are the granting of a lease to the Australian Turf Club and subject to that lease to give consent to additional activities including subleases. At present there is no control in the legislation over the decision-making of the trustees in relation to giving consent for additional activities.

The life-tenure provisions exacerbate this situation. For example, if the trustees were to make a decision to grant a sublease for a commercial purpose it would have the effect of alienating the use of significant Crown land. The bill provides for the tenure and appointment of Royal Randwick Racecourse trustees in accordance with modern practice including replacing life tenure with fixed terms. It will dissolve the existing three-member trust and replace it with a new three-member honorary trust that has a chairperson and two members appointed by the Minister responsible for racing. The role of chairperson will be to provide leadership and a principal point of contact for the Government. I take the opportunity to thank the existing trustees for their ongoing service: Mr Ken Murray, the Hon. Justice Wayne Haylen, QC, and the Hon. Paul Whelan, each of whom will be eligible for reappointment under the new arrangements.

The term of office of a trustee will be for a maximum of eight years overall with terms of up to five years for the chairperson and up to four years for a member as determined by the Minister. Trustees will be eligible for re-appointment at the expiry of their term of office. The current conditions regarding the office of a trustee will be replaced by more modern, practical conditions which apply to other Crown land reserve trusts and include matters such as bankruptcy, mental incapacitation and conviction for a criminal offence. A removal provision has also been included which will enable a trustee to be removed from office at the Minister's discretion. The bill includes new provisions relating to the procedure of the trust to provide trustees with guidance in the conduct of its business. For the first time trustees will be

required to disclose any direct or indirect pecuniary interest they may have in a matter to be considered by the trust.

The Crown land at Royal Randwick Racecourse is of immense value to the people of New South Wales. The facility is an invaluable source of social and recreational activity to the public and is a significant community centre. It is of considerable benefit to the State that the Royal Randwick Racecourse continues to operate at an optimal level. This unique public asset, which is recognised as the headquarters for thoroughbred racing in this State and the home of many leading professional horse trainers, should continue to host racing and be available for major public events. Under the proposed amendments it will be necessary for the trust to seek the Minister's approval prior to giving consent to the use of the racecourse for additional activities. The trust will also be required to withdraw its consent to any additional activity at the discretion of the Minister. In addition, the trust will be prohibited from selling, mortgaging or otherwise disposing of any land or buildings that form part of Royal Randwick Racecourse without the consent of the Minister.

These provisions are in keeping with current Crown land management practices which are concerned with the care and control of Crown land for the public benefit. Without such provisions the Minister has little control over the decision making in relation to the possible commercial use of the Crown land at Royal Randwick Racecourse. I stress that the current 99-year lease of Royal Randwick Racecourse to the Australian Turf Club for the purpose of conducting racing and associated activities is not affected by the proposed amendments to the arrangements for the trust. I commend the bill to the House.