

### Agreement in Principle

**Mr GRAHAM WEST** (Campbelltown—Minister for Gaming and Racing, and Minister for Sport and Recreation) [11.50 a.m.]: I move:

That this bill be now agreed to in principle.

The main purposes of the Australian Jockey Club Bill are to modernise the corporate structure of the Australian Jockey Club [AJC] by recognising the incorporation of the Australian Jockey Club Limited, to provide for necessary transitional arrangements from the unincorporated Australian Jockey Club to the recently formed Australian Jockey Club Limited and to enable the trustees of Randwick Racecourse to grant a lease of the racecourse lands for up to 99 years. It is essential for the Australian Jockey Club to move to a modern corporate structure to enable the club to conduct its business effectively in the twenty-first century. Many people would be surprised to learn that the Australian Jockey Club, which was formed in 1842, is an unincorporated association. The current arrangements under the Australian Jockey Club Act 1873 impose a level of personal liability on the Australian Jockey Club chairman and the club's officers and members.

Similar traditional arrangements existed in Victoria until recently, and the Australian Jockey Club requested the Government to assist it with reforms along the lines of those implemented for the Victoria Racing Club. The 135-year-old Australian Jockey Club Act clearly has been overtaken by modern corporate practices, and is now obsolete and inappropriate. The AJC committee recently took steps to incorporate a new body to be known as the Australian Jockey Club Limited. The club undertook the process of incorporation with an appropriate awareness program for its members to advise them of the many benefits of the transition to membership of a company limited by guarantee. The bill will recognise the Australian Jockey Club's incorporation and will provide for the seamless transfer of the assets, rights, liabilities and regulatory authorisations of the unincorporated body to the new company.

Once this transition has been made there will be a proper measure of protection and limited liability for the Australian Jockey Club chairman and the club's officers and members. Importantly, the bill preserves the current rights and privileges enjoyed by Australian Jockey Club members and provides for the continued tenure of Australian Jockey Club employees. The Australian Jockey Club, through its own endeavours and achievements, has become one of the premier horseracing clubs in New South Wales, and arguably Australia—a status it has enjoyed for more than a century and a half. Through its use of the Randwick Racecourse the Australian Jockey Club has had an unparalleled opportunity to promote horseracing in this State—an opportunity that has been well used to the advantage of the community and the racing industry.

Randwick Racecourse is recognised internationally as one of Australia's major racing venues. Queen Elizabeth II formally has given the title of "Royal" to the racecourse. The venue is an invaluable source of social and recreational activity to the public and is a significant community centre. Randwick Racecourse will play a pivotal role in the upcoming World Youth Day celebrations. The support of the Government in assisting the Australian Jockey Club with its future planning and enhancing its business certainty is also vital to the ongoing viability of the New South Wales thoroughbred racing industry. The bill will enable the trustees of Randwick Racecourse to issue a lease of the racecourse lands for a period of up to, but no more than, 99 years, giving the Australian Jockey Club security of tenure at the venue. It is the convention that upon execution of the new 99-year lease, the current lease, which expires in 2042, is to be surrendered by the club.

The exclusivity of the lease of the Randwick Racecourse to the Australian Jockey Club gives rise to competition issues. However, the uniqueness of the arrangement and its rich history must be recognised, as has been the case in Victoria with the Victoria Racing Club's use of the Flemington Racecourse. Accordingly, the bill provides the trustees with an exemption under the Trade Practices Act 1974 in relation to the grant of a 99-year lease of the racecourse. The opportunity has been taken to also re-write the legislation in line with modern language and drafting practices. The Government is committed to implementing practical solutions to ensure that racing has a sustainable future. The Government's racing policy is driven by the need to provide a statutory framework that facilitates sustainable economic development, the future viability of the racing industry, and ensures the integrity of the conduct of racing and associated wagering on racing.

To this end, the Government recently commissioned two independent reviews. A review into wagering is being undertaken by Mr Alan Cameron. The review will consider all facets of wagering including the significance of racing as an industry and employer, new technology and wagering, and the impacts on wagering from national competition policy. It will provide a framework for future growth and sustainability of the racing industry. A review of the regulatory oversight of the State's racing industry, which is being conducted by Mr Malcolm Scott, will examine whether there are adequate powers and procedures in place for the effective and efficient regulation of the three codes of racing. The proposals contained in the bill are further evidence of the Government's commitment to assisting the racing industry to ensure its future viability and growth. I commend the bill to the House.