



# A strong, responsible and sustainable gaming and racing industry for NSW

March 2011



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### Supporting Racing

The NSW Labor Government believes racing fans and participants must have access to world class facilities. We have demonstrated this through our continued support and record investment in this industry.

No Government in our State's history has invested more in racing and related infrastructure than the Keneally Labor Government.

In July 2010, the Keneally Labor Government announced \$174 million in funding to transform Sydney's two iconic racetracks - Royal Randwick and Rosehill Gardens. This will support jobs and invest in the future of the industry.


Building on the increased levels of support for the Autumn Carnival, \$150 million will be spent to overhaul Royal Randwick, creating one of Australia's greatest racing and multi-venue facilities.

Further, a \$24 million grant will ensure Rosehill Gardens continues to hold its place as a facility amongst the best tracks in nation.

The NSW Government believes this investment will bring fans back on course and attract renewed corporate interest. This support is vital if we are to secure the future of an industry which employs 50,000 people and contributes around \$1 billion each year to the State's economy.

The record levels of investment would not have been possible without the work and commitment of all members of the industry and leadership shown by Minister for Gaming and Racing, Kevin Greene, RacingNSW, the Australian Jockey Club and the Sydney Turf Club.

This mature and united leadership led to the establishment of a single metropolitan race club in Sydney - *The Australian Turf Club* - which will deliver benefits for decades to come and return NSW to its rightful place as the envy of racing industries across the nation.



The Keneally Labor Government will continue to help the racing industry meet any challenges that may arise - both on and off the track.

That's why we are committing in this policy an additional \$5 million to support and promote major carnivals and race days across the three codes of racing in NSW.

The new **\$5 million Major Carnival and Raceday Fund** will ease the burden on race clubs, enabling them to focus on upgrades of core racing infrastructure – like stables – ensuring our trainers have facilities that they deserve.

The NSW Labor Government also introduced race fields legislation to provide a much-needed financial injection into the thoroughbred, harness and greyhound racing industries and defended this policy through the court system in response to action by wagering operators.

We will continue to work to achieve a national approach to race fields and banking transactions to ensure that wagering operators pay a fair price to the racing industry for the use of its product.

## **Ensuring Responsible Gaming**

The Keneally Labor Government will continue to work to strike the balance where people can enjoy a bet if they choose, while minimising the harm which can result from problem gambling.

Supporting families which are struggling with problem gambling is one of the Keneally Government's priorities, and we are proud to report the fact that NSW has one of the lowest problem gambling rates in Australia.

We have achieved this by removing almost 3,000 gaming machines from venues across NSW, since 2006. There is now 4,000 fewer machines in hotels and clubs than allowed under the State-wide cap of 99,000.

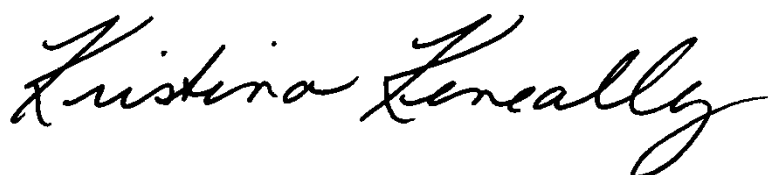
The most recent NSW Population Health Survey found the problem gambling rate in NSW is 0.4 per cent of the State's adult population, a 50 per cent fall from previous survey results of 0.8 per cent.

These findings are very encouraging and are a great endorsement of our high-quality counselling services and strict harm minimisation laws. This includes banning 24 hour gaming in pubs and club, advertising of gaming machines and gaming venues offering or supplying free or discounted liquor as an inducement to gamble.

But there is always more work to be done in this area. This year almost \$11 million has been allocated through the Responsible Gambling Fund to help problem gamblers.

This funding supports around 150,000 counselling hours delivered by 49 counselling and support services operating from more than 200 separate locations throughout the State including the 24 hour Gambling Help.

We are also committed to working with the Commonwealth and State and Territory governments to reduce gambling harm and participate in the new COAG Select Council on Gambling Reform proposed by the Commonwealth.

A handwritten signature in black ink, reading "Kristina Keneally". The signature is written in a cursive, flowing style.

## What these policies means for NSW

The Keneally Government recognises the great benefits racing contributes to local communities and the economy.

The racing industry employs 50,000 people and contributes around \$1 billion each year to the State's economy.

The racing is not just about having a bet once a year. It's a diverse industry, one which supports a variety of professions. We understand the needs of jockeys, the vets, the trainers, the breeders and all of the other stakeholders and participants who make up the racing community.

It's also part of our social fabric. The local Cup is a significant event for regional communities across NSW, and Sydney's Autumn and Spring carnivals are of national interest. That's why the Keneally Government will continue to support the racing community.

We will provide \$5 million to help support and promote carnivals and race days across the NSW, because we understand how important these events are to the racing industry and the community.

NSW has one of the lowest problem gambling rates in Australia. This policy will work to ensure that this remains the case.

We will achieve this through the Keneally Government's \$11 million Responsible Gambling Fund, which will work to develop strategies to help people identify the early signs of problem gambling and to encourage them to seek help before they become a serious problem.

And we have been working with the club industry, to ensure the sustainability of the industry without increasing its reliance on gaming revenue.

We've also made a number of amendments to the *Registered Clubs Act* to diversify income streams away from gaming.

We will continue to work with the Commonwealth and State and Territory governments to reduce gambling harm and participate in the new COAG Select Council on Gambling Reform .

## **ACTION:**

- The NSW Government will establish a new \$5 million Major Carnival and Raceday Fund to support, promote and market Sydney's Premier Racing Carnivals and the biggest events on the racing calendar in regional and rural NSW.
- Continue to work closely with the club industry to ensure sustainability.
- Ensure that responsible gambling services are as effective and comprehensive as possible.
- The Government will pursue a national and international response to illegal and problem gambling through the COAG Select Committee on Gambling Reform to help tackle illegal online gambling sites, especially international sites.

## Labor and the racing and gaming industry

### The racing industry

The Keneally Government has recognised the importance of the racing industry to the State's economy, and the enjoyment it provides to the community.

The industry provides approximately 50,000 jobs across the State, and contributes in the order of \$1 billion annually to the economy.

The Keneally Labor Government will continue to help the racing industry meet any challenges that may arise - both on and off the track.

Our past investment in the industry demonstrates our commitment. This Government assisted the racing industry by securing a \$174 million package for the upgrade of metropolitan racing facilities - \$150 million for the redevelopment of Randwick Racecourse and a \$24 million grant for the upgrade of Rosehill Racecourse.

This is about ensuring a long-term viable industry – able to compete with overseas and inter-State race courses.

The NSW Keneally Labor Government introduced wagering reforms that strengthen the viability of NSW racing by giving operators the same access to modern business practices as their interstate counterparts.

We also introduced racefields legislation to provide a much-needed financial injection into the thoroughbred, harness and greyhound racing industries and defended this policy through the court system in response to action by wagering operators.

Public enjoyment of racing will also be underpinned by maintaining the status of local Cup and Show days. There are many families that participate in racing, and attending a race or Cup day is also a regular family occasion.

### The gaming industry

Under a Keneally Government we have made sure that 24 hour gaming in pubs and clubs has been banned. We have also banned advertising gaming machines, and providing free or discounted liquor.

This year alone, the \$11 million has been allocated through the *Responsible Gambling Fund* to help problem gamblers. We have also launched the 'Gambling Hangover' campaign to help people identify the early signs of problem gambling and encourage them to seek help.

We have also worked with the club industry, to ensure the sustainability of the industry without increasing its reliance on gaming revenue.

We've also made a number of amendments to the *Registered Clubs Act* to diversify income streams away from gaming.

## Our Challenges

The Equine Influenza epidemic and the global financial crisis have been significant challenges for the racing industry.

There has been a decline in the racing industry's traditional revenue sources, which has resulted from a change in the traditional betting environment, with the rise in prominence of interstate wagering operators to the detriment of the local NSW industry.

That's why we will be providing a \$5 million funding boost to promote local Carnivals and Race days across the three racing codes. The support will reinvigorate local interest in these events, drawing local fans back to these major and community events.

This is about ensuring racing facilities keep pace with the requirements of a modern industry.

The Keneally Government will work with the racing industry to ensure that it remains strong, jobs are protected and to continue the industry's economic benefit to NSW.

We also understand the devastating impacts problem gambling can have on individuals, and on families.

That's why the NSW Government established the *Responsible Gambling Fund* which provides extensive problem gambling support services. We will work to continue to find the balance where people can enjoy a bet, but also have the tools and knowledge so that they can identify the early signs of problem gambling and seek help before they become a serious problem gambler.

Further, we understand that issues of problem gambling and illegal betting is not confined to NSW borders. Internet gambling stretches across jurisdictions and needs a national and international regime to regulate it effectively.

To help combat this problem we will pursue regulatory solutions at a national level and international to help stop the operation of illegal online gaming and gambling sites, especially overseas sites.

## Our Record

### LABOR

- Assisted the racing industry by securing a \$174 million package for the upgrade of metropolitan racing facilities - \$150 million for the redevelopment of Randwick Racecourse and a \$24 million grant for the upgrade of Rosehill Racecourse
- Introduced new wagering reforms to strengthen the viability of NSW racing by giving operators the same access to modern business practices as their interstate counterparts.
- Introduced race fields legislation to provide a much-needed financial injection into the thoroughbred, harness and greyhound racing industries and defended this policy through the court system in response to action by wagering operators.
- Reformed the regulatory functions in the greyhound and harness racing industries arising out of the Scott Review, to disband the Greyhound Harness Racing Authority and transfer its functions to the relevant industry bodies.
- Introduced legislation to prohibit the advertising of inducements to wager on racing.
- Granted a further 20 year license to permit greyhound racing on Crown Land at Wentworth Park
- Continued support for the club industry to achieve sustainability.
- Ensured that responsible gambling services are as effective and comprehensive as possible
- Removed almost 3,000 gaming machines from venues across NSW, since 2006. There are now approximately 4,000 less machines in hotels and clubs than required under the State-wide cap of 99,000
- Reduced the problem gambling rate in NSW to 0.4 per cent of the State's adult population, a 50 per cent fall from previous survey results of 0.8 per cent and one of the lowest in the country

### OPPOSITION

- Will allow Clubs to become mini casinos by lifting restrictions on multi terminal 'casino style' games.



## Promoting Carnivals and Major Race-days across NSW

Record levels of funding are being invested to transform Sydney's two iconic racetracks - Royal Randwick and Rosehill Gardens.

The NSW Government believes this investment is crucial if we are to bring fans back on course and attract renewed corporate interest that will help secure the future of one of our biggest industries.

In this vein, a Keneally Labor Government will provide an additional \$5 million in funding to promote and market Sydney's premier Autumn and Spring Carnivals.

In recognition of the ongoing contribution of country racing, the new **\$5 million Major Carnival and Raceday Fund** will also be used to support the biggest events on racing calendar in regional and rural NSW, helping to promote major racedays in areas such as:

- Newcastle
- Kembla Grange
- Scone
- Hawkesbury
- Gosford
- Wyong
- Grafton
- Albury
- Wagga Wagga
- Harness Carnival of Cups; and
- Greyhounds Blue Paws Super Series.

The **\$5 million Major Carnival and Raceday Fund** will be made available and administered by the controlling bodies of the three codes Racing NSW, Greyhounds Racing NSW and Harness Racing NSW in partnership with Events NSW.

### **ACTION:**

- The NSW Government will establish a new \$5 million Major Carnival and Raceday Fund to support, promote and market Sydney's Premier Racing Carnivals and the biggest events on the racing calendar in regional and rural NSW.

## Responsible gambling services

The Keneally Government recognises the devastating effects problem gambling can have on families and the lives of individuals.

Often problem gamblers don't know that they are battling with a problem, or they don't know where to find help.

Ensuring that people get the help that they need is core to the Keneally Government. We know that we are on the right track. Statistics show that NSW has one of the lowest problem gambling rates in Australia.

To build on this success, we will conduct a full needs analysis of problem gambling counselling and treatment services to ensure that our already extensive treatment network is as comprehensive and effective as possible.

This will work to help tailor the services provided through the Keneally Government's \$11 million for the *Responsible Gambling Fund*, which supports 150,000 counselling hours delivered by 49 counselling and support services operating from more than 200 separate locations throughout the State including the 24 hour Gambling Help.

We will also continue to work with the clubs and pubs to ensure the sustainability of their industry without increasing reliance on gaming revenue.

We will continue to work with them to implement measures such as:

- Providing special privileges for ex-service personnel to enter RSL and service clubs.
- Facilitating club de-amalgamations.
- Providing some flexibility for clubs (and hotels) to vary their daily gaming machine shutdown period to accommodate one-off events, without an increase in the hours that machines are available for use.

These proposals arise from consultation with the clubs industry and other stakeholders.

Finally we will also continue to work with the Commonwealth and State and Territory governments to reduce gambling harm and participate in the new *COAG Select Council on Gambling Reform*. However, a Keneally Government will not agree to any approach that diminishes the strict responsible gambling initiatives already in place in our State.

### **ACTION:**

- Ensure that responsible gambling services are as effective and comprehensive as possible.
- Continue to work closely with the club industry to ensure sustainability.

## **A National Approach to Problem Gambling and Illegal Betting**

Issues of problem gambling and illegal betting cannot be confined to the borders of New South Wales.

While behaviour can be prohibited within the State, and regulatory action can be taken to stop people accessing racefields without proper payment in NSW, an effective regulatory system requires a national approach to ensure that people do not merely move from one jurisdiction to another to avoid sanctions.

Internet gambling stretches across jurisdictions and needs a national and international regime to regulate it effectively.

The Keneally Government will pursue a national approach to regulating racefields by working with the Commonwealth and other state governments.

We will pursue the introduction of regulatory approaches at a national level and internationally to enforce prohibitions to illegal online gaming and gambling sites, especially overseas sites.

This approach will also involve advocacy for the enactment of prohibitions against the processing of financial transactions by banks and other financial institutions relating to prohibited wagering and gaming operators.

### **ACTION:**

- The Government will pursue a national and international response to illegal and problem gambling through the COAG Select Committee on Gambling Reform to help tackle illegal online gambling sites, especially international sites.



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