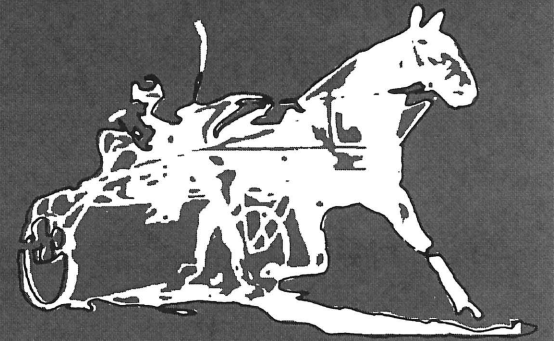


NATIONAL *Trotguide*



Thursday, 15th July, 2004

Harness Racing's leading journal

Vol. 56 No. 28 Registered by Australia Post - Publication No. NBF0588 ISSN 08118 - 4127 Phone: (02) 9660 3688, Fax: (02) 9660 5417 Recommended and maximum price only \$4.30 incl.GST

'Pirates' a threat to sport — Dumesny

By **ANDREW GEORGIU**

AUSTRALIAN harness racing officials were shocked on Tuesday when Federal Parliament stated it would leave Australia's Interactive Gambling Act 2001 unchanged following a lengthy review.

Tuesday's decision opens the door for controversial overseas betting giant Betfair to move a step closer to destroying racing in Australia.

The decision is a concern for the racing industry, which has had Betfair in its sights since the betting medium began operating in Australia in February 2003.

With the Act to remain unchanged, the UK-based operator's chances of obtaining a betting licence in Australia remain easier than if an amendment were passed.

While those concerned at Betfair would have celebrated the news, the same cannot be said for the NSW Harness Racing Club, Harness Racing NSW and the NSW Harness Racing Authority.

The controlling bodies of harness racing in this state have, along with the NSW TAB and various other commercial interests, lobbied long and hard to block Betfair operating in this country.

Currently, Betfair takes bets from Australia as an "exempt wagering operator" under section 8a of the Interactive Gambling Act 2001. The section specifically excludes any wagering operator, which takes bets on sport or racing, from the restrictions imposed on other forms of gambling.

It's under this exemption that Betfair and the TAB (and various other operators, licensed or unlicensed in Australia) are allowed to take sport and horse racing bets from people in Australia.

While competitiveness in the marketplace is healthy, the main problem the NSWHR, NSWHRA and HRNSW, along with other commercial interests, have with Betfair can be encapsulated in one aspect – they return nothing to the racing industry.

The money that is given back to race clubs is used for promoting the sport and benefits owners, trainers and various participants through prizemoney increases.

On an over-all scale, the NSW TAB returns five per cent of all wagers back to the industries.

NSWHRC Chief Executive, John Dumesny, said he could not explain the Federal Government's inability to see the threat Betfair is to the racing industry.

"The Federal Government's decision not to banish offshore betting exchanges and regulate corporate bookmakers will have a devastating effect on the racing industry," he said.

"These operators do not contribute to the income of the racing industry and can be best described as pirates.

"One can only suspect that, with an election looming, the Federal cabinet did not wish to upset suspect seats in the likes of the Northern Territory or ACT.

"As far as the offshore betting exchanges are concerned, the fact that punters can opt for backing a horse to lose goes against the fabric of what racing is about – winning."

Dumesny pointed out that betting activity on Harold Park has been dramatically affected.

HRA Stewards have been monitoring Betfair activity closely recently and, last Friday night alone, the betting giant took more than \$150,000 in matched bets on the meeting.

Betfair relies on the concept of 'Matched Bets', which loosely translates as one party being the backer and the other party is not a bookmaker, but another punter.

"Monitoring of the Betfair activity on Harold Park metropolitan meetings has demonstrated that as much as \$60,000 per race is wagered," Dumesny revealed.

"While some punters have expressed that the option to bet win or lose is great, they have not taken the integrity issue into consideration. They themselves can easily be beaten – win or lose by – a corrupt individual.

"It is pleasing to note that the HRA Stewards are monitoring all Harold Park races live at the track and are taking action proven by their immediate and then decisive action recently when handing out suitable punishment."

Dumesny also issued a plea to anyone

fuelling the growth of Betfair to immediately put a stop to their "short term gains."

He also pointed out that, although Betfair had won an interim reprieve in parliament, that all parties concerned would pursue other avenues in order to halt their trade in this country.

"All participants should be urging anyone they know who has a punt, not to get involved with the betting exchanges, or the corporate bookmakers," he said.

"Before too long, they will not have a vehicle to bet on and the participants won't have an industry to belong to.

"Simply, we receive four and a half cents from every dollar invested with the TAB. This goes towards the prizemoney horses compete for along with the industrious work done by clubs to raise the stakes ever higher with sponsorship and other sources of income.

"The corporate bookmakers give nothing, while Betfair made a ridiculous offer of a half cent from each dollar to be allowed in.

"If the TAB failed, the best we would offer at Harold Park for metropolitan meetings would be that the prizemoney levels would not even reach the \$8000 metro penalty threshold.

"We as a racing industry must not let the battle end here, but must continue to lobby the Federal Government for restrictions or regulation while, at the same time, we will investigate further the copyright of our race fields and results to make it illegal worldwide to operate on our races.

"Once again, however, we will require the support of the Federal Government to assist with ensuring that prosecution takes place in other countries."

HRA Chief Executive Officer, Tony Mullins, said despite the decision to allow betting exchanges, such as Betfair, to continue operating without a licence, one should not lose sight of the big picture.

"There is a big downside to betting exchanges – their effect on the actual and perceived integrity of the racing events upon which they operate," he said.

"The ability of anybody to profit from the



NSWHRC Chief Executive, John Dumesny

loss of any runner represents an insurmountable threat to racing integrity.

"We've witnessed this already in British racing."

One example is a recent hurdle or steeplechase event in England which came under heavy criticism.

While jumping over a hurdle, the jockey in question appeared to fall off his mount just after clearing one of the obstacles. The rider came under severe scrutiny as suggestions were made he deliberately jumped off his runner, which was one of the favourites for the event.

"Let's not pretend that a person involved with a runner won't be able to have a friend or distant relative lay their own runner or another in the same race," Mullins stated.

"Under these conditions, claims by the proponents of betting exchanges that measures can be implemented to prevent foul play is laughable.

"Even if a Stewards inquiry were to give rise to suspicions of nefarious conduct, this is cold comfort to the innocent punters who have already fallen victim to the foul play.

"There is an overwhelming public interest consideration in ensuring that all runners in a race perform on their merits."