



NSW Bookmakers' Co-operative Ltd.

ABN 19 751 918 434

(Members of City Tattersall's Club)

198 Pitt Street, Sydney NSW 2000

Tel: (02) 9267.7605 Fax: (02) 9267.4147

e-mail: bookies@citytatts.com.au

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Hon James Wood AO QC
Chairperson
NSW Law Reform Commission
GPO Box 5199
SYDNEY NSW 2001

Dear Sir,

Subject: **Review of Laws Relating To Cheating and Gambling**

Thank you for your correspondence dated 6 January 2011 (addressed to our national 'umbrella' body the ABA) concerning a review being conducted by your commission in respect of laws within NSW relating to cheating in the course of gambling.

The NSW Bookmakers Co-operative is the peak representative body for licensed bookmakers in NSW and as such we are happy to provide some input into this review which is directly relevant to the commercial activities of our (approximately 250) members.

The predominant form of wagering that our NSW members are engaged in is betting on racing events (thoroughbred, harness and greyhound forms) although there is an increasing trend towards the acceptance of sports betting wagers. The latter currently represents approximately 20% of total NSW bookmaking turnover, although this proportion is steadily increasing in line with the popularity of and access to legal forms of sports wagering within the community.

Cheating and similar forms of manipulation within sports for the purposes of gaining a financial advantage through gambling is an ongoing concern for our members who rely on the assured integrity of events to conduct their bookmaking activities in a viable manner. Unlike the 3 codes of racing, sports' betting has evolved without the dedicated focus of ensuring that all contests and the betting relating thereto are strongly monitored and controlled from an integrity point of view.

The recent allegations involving the potential manipulation of a "spot-betting" contingency in a NRL premiership game highlights the difficulties that may arise when there is a lack of specific authority including laws targeting this type of alleged manipulation of an event or within-event contingency. In terms of the racing industry there is a long developed set of arrangements (stewards powers under rules of racing, legislated racing tribunals, etc) that preside over the sport. Other forms of sport often lack these integrity focussed 'protections'.

This is not to say that good progress has not been made in improving sports betting integrity controls. The popular professional sporting codes in Australia have moved a considerable way in recent years to recognise the risks of gambling related corruption and have implemented many progressive measures intended to monitor and minimise same.

Included in these measures has been a focus on information sharing with gambling providers, which promotes transparency of betting activities surrounding the sports involved. Such a relationship between gambling agency and sporting control body has as we understand it uncovered the alleged misconduct relating to the abovementioned NRL sport betting incident.

The point should not be missed here that the process of legalising and regulating sports gambling has provided major benefits to the authorities vested with the oversight of sport event integrity. No one should be under any illusion that major sport has *always* been the subject of gambling interest and that prohibitions on the gambling side will *always* result in activity moving to illegal and non-transparent forms.

The momentous scale of illegal betting on cricket and other sports within countries such as India and Pakistan is evidence that prohibition of gambling per se leads to very poor outcomes in respect of non-transparency and rampant corruption of not only the gambling, but of the sports themselves.

Our view is that, wherever possible, gambling options within NSW should match those legally available elsewhere in Australia and overseas. Gambling and sports betting in particular is now being provided through a global market enhanced by the communications advances of the internet. The forced re-direction of Australian gamblers to overseas gambling providers makes no sense from either a commercial or a public / social policy outcome point of view.

While the sporting codes have increased their vigilance against player misconduct, there remains some concerns that appropriate criminal sanctions are often unavailable to law enforcement agencies in instances where the matter is of a serious enough nature to warrant such penalties.

We are aware that certain matters involving gambling and fraudulent behaviour within NSW may currently be dealt with by the police and courts system under sections of the NSW Crimes Act. In particular Part 4AA Fraud provisions such as s.192E "Fraud via deception to obtain financial advantage" may be an appropriate area for authorities to explore.

Even so, these are longstanding provisions that were around well before sports gambling became a legal and widely available option within this State. They are not specifically designed to deal with the issue at hand, and therefore could be improved with dedicated enhancements.

In overview the NSW Bookmakers Co-operative would be broadly supportive of enhancements to NSW laws that would deter cheating and other manipulative behaviour in sport that is the subject of legal gambling. We would therefore offer our further assistance in any way deemed valuable in the further review of this matter and any consideration of specific enhancements to current laws and any other related administrative and judicial arrangements.

Yours sincerely,

Peter Fletcher
Chief Executive Officer