

IN THE AUSTRALIAN COMPETITION TRIBUNAL

ACT 1 of 2017

Re:

Application by Tabcorp Holdings Limited  
under section 95AU of the *Competition and  
Consumer Act 2010* for an authorisation  
under subsection 95AT(1) to acquire shares  
in the capital of a body corporate or to  
acquire assets of another person

Applicant:

Tabcorp Holdings Limited



STATEMENT OF ROBERT ANDREW HINES

Statement of: Robert Andrew Hines  
Address: 73 Mills Street, Hampton VIC 3188  
Occupation: Principal at Hines Pty Ltd  
Date: 25 April 2017

Filed on behalf of	The Australian Competition and Consumer Commission		
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## STATEMENT OF ROBERT ANDREW HINES

I, Robert Andrew Hines of 73 Mills Street, Hampton VIC 3188, say as follows:

### INTRODUCTION

- 1 I have prepared this report at the request of DLA Piper Australia (**DLA**), solicitors for the Australian Competition and Consumer Commission. I have been requested by DLA to act as an independent expert to the Australian Competition Tribunal in relation to an application by Tabcorp Limited (**Tabcorp**) to the Australian Competition Tribunal for authorisation of its proposed merger with Tatts Group Limited (**Tatts**) (**Proposed Merger**) and answer specific questions, which I have set out below.
- 2 I have experience in the racing industry, in management, and in large corporate mergers and acquisitions as a consequence of my experience in roles including the following:
  - (a) I served on the Board of Racing Victoria Limited (**RVL**) from 2008 to 2012 in my role as managing director and chief executive officer. RVL is the peak body for thoroughbred horse racing in Victoria. RVL's budget at that time exceeded \$300 million per annum and I had direct responsibility for up to 200 staff and indirect responsibility for 58 race clubs and numerous member associations. The scope of this role included all aspects of the operation and management of thoroughbred horse racing in Victoria including the strategic direction of the business and stakeholder and member relations. My primary responsibility during 2012 was leading the negotiations on behalf of the Victorian Racing industry with the State Government and Tabcorp in regard to the relicensing process for retail and totalisator exclusivity in the State.
  - (b) I served on the Board of Jupiters Limited (**Jupiters**) from 2000 to 2004 in my role as managing director and chief executive officer. Jupiters was a leading public company with diverse interests in gaming, tourism, leisure, and

technology. In November 2003, it was acquired by Tabcorp in an acquisition that created the largest gaming entertainment company in Australia.

- (c) In my role at Jupiters I was also responsible for all aspects of the operation of the wholly owned subsidiary and corporate bookmaker, Centrebet. During my tenure at Jupiters I was also a member of the Business Council of Australia, a member of the Griffiths University advisory panel and served on the Board of Genetraks Pty Limited, a Queensland Government funded start up related to equine DNA mapping.
- (d) I am a group chairman of the CEO Circle, an organisation that provides personal development, mentoring and networking opportunities to around 180 of Australia's CEOs and senior executives.
- (e) Since 1998 I have been a member of the Australian Institute of Company Directors. Serving on the State Board in NSW from 1999 to 2001 and in Queensland from 2001 to 2003.
- (f) I have served as the International Service director for the Rotary Club of Central Melbourne from 2015 to the present day.

3 I am currently retained by Sportsbet Australia Pty Ltd as a consultant.

4 Now shown to me and marked **Annexure RAH-1** is a current copy of my curriculum vitae.

## INSTRUCTIONS

5 Now shown to me and marked **Annexure RAH-2** is a copy of my letter of instructions dated 24 April 2016. I have been asked to address the following questions:

- (a) Please explain the high level commercial structure of the Australian racing industry including the role of peak racing authorities (**PRAs**) and the nature of the commercial relationship between PRAs and:



- (i) acquirers of media rights for Australia races (racing media rights);
  - (ii) the holders in each Australian State and Territory of licences to operate retail wagering networks and totalisators (retail licences);
  - (iii) corporate bookmakers.
- (b) In respect of retail licences, please explain:
  - (i) the importance or otherwise of those licences to the Australian racing industry, including the relationship between PRAs and the State licensees;
  - (ii) the impact, if any, you anticipate the Proposed Acquisition would have on the process for the grant and acquisition of retail licences in Victoria and Western Australia, assuming that licences are granted in those States respectively by 2024 (Victoria) and as part of a privatisation that occurs within the next 10 years (Western Australia).
- (c) In respect of racing media rights, please explain:
  - (i) the importance or otherwise of those rights to the Australian racing industry (including to PRAs);
  - (ii) the impact, if any, you anticipate the Proposed Acquisition would have on the sale and acquisition of those rights.
- (d) Please explain the impact, if any, you anticipate the Proposed Acquisition would have on the Australian racing industry.
- (e) Please review the statement of Damien Johnston dated 6 March 2017 and advise, based on your experience, whether you consider it likely that the Proposed Acquisition would enable the merged entity to achieve the cost savings and revenue increases set out in that statement.

- 6 I have been provided with and read the Federal Court Expert Evidence Practice Notes (GPN-EXPT) and the Federal Court Harmonised Expert Witness Code of Conduct (together, the **Expert Guidelines**). I confirm that I have read and complied with the Expert Guidelines which are attached to the letter of instructions dated 24 April 2017, exhibited at **RAH-2**.
- 7 I confirm that:
- (a) I understand that my duty is to act impartially and assist the Tribunal in my area of expertise;
  - (b) I understand that duty overrides any obligation I owe to DLA as the firm who has instructed me;
  - (c) I will continue to comply with this obligation.
- 8 I confirm that I have made all due inquiries and there are no matters within my knowledge that are of significance or relevance that I have excluded from my report. The opinions expressed in this report are mine and are based on my experience.

## DOCUMENTS

- 9 For the purposes of this report, DLA Piper has provided me with the documents set out in Attachment A to the letter of instructions.
- 10 I understand that confidentiality is claimed over information in those documents marked confidential and I understand my obligation to keep such information confidential.

## EXECUTIVE SUMMARY

- 11 I consider that there are three key detriments that flow from the Proposed Merger:
- (a) firstly, there will be a lack of competitive tension for the State licences in Western Australia (if privatised) and Victoria (when that licence comes up for renewal). I set out my reasons for this view in paragraphs 49 to 54 below.

- (b) secondly, Tabcorp will seek, through its ownership of Sky to impact further upon the control of media rights. In particular, it will be in a position to further consolidate its control of media by insisting on purchasing complete bundles of media rights from PRAs. In doing so it is likely to prevent PRAs from selling, for example, digital rights to corporate bookmakers. I set out my reasons for this view in paragraphs 78 to 85 below.
- (c) thirdly, as a result of the bundling of media rights that is likely to occur if the Proposed Merger were to go ahead, I consider that the growth of corporate bookmakers is likely to be constrained. The continued competition and innovation provided by corporate bookmakers depends on access to media rights (in particular, digital rights). Without those rights, corporate bookmakers will, in my opinion, be less able to exert competitive pressure on the State licensees. Accordingly, if the merger proceeds, the growth of the overall wagering market is likely to be constrained relative to the growth available absent the merger. I set out my reasons for this view in paragraphs 86 to 89 below.

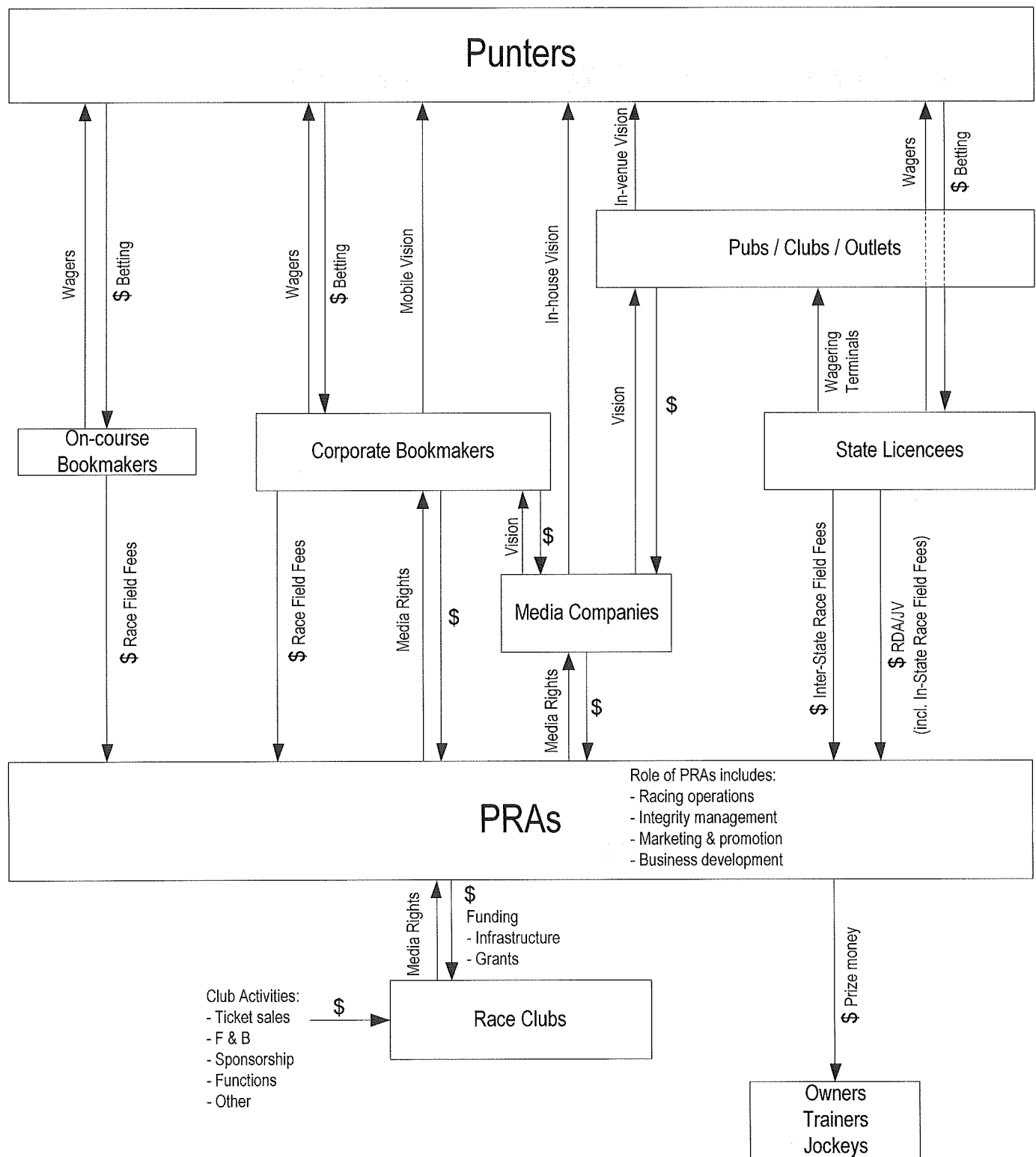
12 With respect to the cost savings and revenue increases, I consider that:

- (a) some of the cost savings that Tabcorp estimates will arise as a result of the Proposed Merger are over-estimated;
- (b) some of the cost savings are unable to be verified due to lack of detailed information;
- (c) some of the cost savings relating to technology are unlikely to be realised within three years of the Proposed Merger;
- (d) the claimed pass through of the cost savings to third parties appears to have been calculated without regard to the cost of implementing those changes or any contribution that may be sought from racing industry bodies in respect of the integration costs;

- (e) without a formal arrangement, the methodology for the pass through of cost savings to the racing industry is not binding;
- (f) some of the revenue increases that Tabcorp estimates will arise as a result of the Proposed Merger could be realised without the Proposed Merger;
- (g) the pass through of revenue increases proposed by Tabcorp is theoretical given the ability of Tabcorp to encourage customers to open accounts in States other than their residency and through the use of Sky to promote racing from preferred jurisdictions, both of which have the potential to reduce revenue pass throughs to particular jurisdictions in the racing industry;
- (h) the only benefits that could arise relating to pooling within three years of the merger relate to Scenario 2 outlined in the Johnston report (co-mingling of the SuperTAB and Tatts pool).

## INDUSTRY STRUCTURE

- 13 I have been asked to outline the commercial structure of the racing industry in Australia. In order to avoid repetition, for the Tribunal's convenience, I refer to and adopt descriptions provided by other witnesses where possible.
- 14 In my opinion, there are two relevant industries: racing and wagering. In order to contextualise my answers to the questions below, I have set out a diagram explaining who the current main entities are in each industry, and how they relate to each other, including how the wagering industry helps fund the racing industry.



## **RACING INDUSTRY**

15 There are three codes of licensed animal racing in Australia: thoroughbred, harness and greyhound.

16 The main entities in the racing industry are the PRAs and race clubs.

### **Principal Racing Authorities**

17 The PRAs are the State representative bodies for the three codes of racing.

18 A PRA has various responsibilities including:

- (a) representing and overseeing all race clubs in its State;
- (b) promoting and marketing of racing;
- (c) establishing the racing calendar;
- (d) providing prize money funding on behalf of the race clubs;
- (e) providing grants to race clubs for infrastructure and maintenance of racing facilities;
- (f) overseeing the integrity of the sport, including establishing and enforcing the State rules of racing;
- (g) maintaining the relationship with the State licence holder;
- (h) maintaining relationships with all licensed betting operators, including setting race field fees; and
- (i) licensing racing media rights to distribution channels on behalf of the race clubs.

19 The main sources of income for a PRA are:

- (a) wagering revenue via the State licence holder;
- (b) race fields fees from all licensed betting operators; and

- (c) media rights fees from media distribution companies and licensed betting operators.

### **Race clubs**

20 Race clubs conduct race meetings as per the calendar set by the PRA.

21 Race clubs receive funding from two main sources:

- (a) via contractual and other agreements entered into with the relevant PRA (by which they receive funding and commit to maintain certain racing standards). The funding from the PRA can include distributions from general grants and specific infrastructure grants and the award of prize money on behalf of the clubs. This PRA funding represents the vast majority of the income for race clubs; and
- (b) from their own activities such as ticket sales to their race meetings, food and beverage revenue from their on-track outlets, from companies (generic commercial sponsorship) and other income from conducting non-racing events.

22 Major race clubs also derive income from the direct sale of media rights for certain Group 1 races. Those races are high profile and significant for the club.

### **WAGERING INDUSTRY**

23 I accept the wagering industry overview provided at section B, [10]-[22], of the statement of Douglas Freeman (**Freeman statement**).

### **WAGERING OPERATORS**

#### **State TABs**

24 I accept the wagering suppliers section provided section B.2, [23]-[26], of the Freeman statement.

## **Bookmakers**

25 I accept the wagering operators section provided at [24]-[31] of the Tyshing statement.

## **DISTRIBUTION CHANNELS FOR WAGERING PRODUCTS**

26 I accept the distribution channels for wagering products section at [124]-[129] of the Tyshing statement.

## **STATE AND RETAIL LICENCE HOLDERS**

27 There are two licences that have the potential to become subject to a competitive bid in the next 10 years. They are in Victoria when the licence expires in 2024/26 and WA where the government has indicated the possibility for privatisation.

28 Tabcorp operates the TABs in NSW, Victoria and ACT. Tatts operates the TABs in Qld, SA, NT and Tasmania.

29 In each State and Territory, the holder of the retail licence operate agencies and contracts with pubs and clubs (licensed venues) to operate retail betting outlets in their premises. A betting outlet is usually a dedicated area within a pub or club where punters can view events and place bets. To my knowledge, the majority of wagering turnover is bet through agencies rather than licensed venues.

30 Totalisator betting involves no risk to the betting operator unlike fixed odds-betting. I accept the totalisator wagering section provided at section B.5, [37]-[44] of the Freeman statement.

31 While the TABs provide the majority of funding for the racing industry, this is declining due to technological and regulatory changes which has allowed for corporate bookmakers to provide significant funding to the racing industry through race field fees (discussed further below at paragraphs 41 to 48).

32 State licences are very important to the racing industry because they represent a significant proportion of the funding to the PRA. The funds received are allocated across



all aspects of racing including prize money, infrastructure programs, integrity management, marketing, promotion and administration. The commercial relationship and funding arrangements are set out in State Racing Distribution Agreements (**RDAs**).

- 33 In NSW the commercial arrangements between Tabcorp and the PRAs are contained in the relevant RDA.
- 34 In Victoria a 50/50 joint venture operates between VicRacing and Tabcorp. Tabcorp manages this joint venture for a fee and is entitled to deduct certain costs. In return VicRacing receives 50% of the profit from the Joint Venture and various other fees.
- 35 I have read Mr Freeman's statement and I adopt his description of Racing Industry Funding Obligations, Race Field Fees and Sporting Body Fees at Section E.
- 36 In Queensland, South Australia, Northern Territory and Tasmania Tatts pays fees to the PRAs as set out in the relevant RDAs.
- 37 The structure of those fees in Queensland, South Australia and Northern Territory is similar in that there is a base fee plus a percentage of wagering revenue payable to the PRA. I do not have the information required to comment on the structure of fees in Tasmania.
- 38 The importance of the RDA to the racing industry is demonstrated by the fact that TAB turnover was still 60% of thoroughbred race wagering turnover in 2015/16 despite falling from 80% in 2001/2.<sup>1</sup> These calculations are based on data contained in Table 82 in the Racing Season 2015/2016 Fact Book (**RSFB**). Now shown to me and marked **Annexure RAH-3** is a copy of the RSFB.
- 39 Now shown to me and marked **Annexure RAH-4** is an extract of the Queensland Government's publication of Australian Gambling Statistics 1989–90 to 2014–15 (32nd Edition). According to the Queensland Government's publication of Australian Gambling Statistics (**AGS**), total wagering turnover on Racing has grown from \$12 billion in 2001 to

\$17.6 billion in 2015.<sup>2</sup> However this number is likely to be understated as the authors note some information was not available.

40 From the same source, in the same period:

- (a) On-course tote turnover has declined from \$600 million to \$400 million.<sup>3</sup>
- (b) TAB turnover has increased slightly from \$10 billion to \$10.3 billion.<sup>4</sup>
- (c) Bookmaker turnover, both on-course and off-course including corporate bookmakers has increased from \$1.3 billion to \$6.9 billion.<sup>5</sup>

41 The RSFB is another source of information regarding race wagering turnover. According to this publication, in the period from 2001 to 2015, the following trends were evident for race wagering in Australia:

- (a) Total race wagering turnover increased from \$11.9 billion to \$20.6 billion.<sup>6</sup>
- (b) Tab retail and on course wagering turnover declined from \$9.2 billion to \$6.2 billion.<sup>7</sup>
- (c) Other TAB channels, such phone, internet & fixed odds increased from \$1.1 billion to \$6.7 billion.<sup>8</sup>
- (d) Bookmakers (on course and corporate) wagering turnover increased from \$1.4 billion to \$7.8 billion.<sup>9</sup>
- (e) Although pari-mutuel race wagering turnover is in decline it still represented over 45% of total race wagering turnover in 2015.<sup>10</sup>

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<sup>1</sup> RSFB, page 67, Table 82.

<sup>2</sup> AGS, page 57, TABLE RACING 1 TOTAL RACING TURNOVER

<sup>3</sup> AGS, page 6, TABLE ON TOT 1 ON-COURSE TOTALISATOR TURNOVER.

<sup>4</sup> AGS, page 20, TABLE TAB 1 TAB TURNOVER.

<sup>5</sup> AGS, page 34, TABLE ON BOOK 1 ON-COURSE BOOKMAKER TURNOVER

<sup>6</sup> RSFB, page 67, Table 87

<sup>7</sup> RSFB, pages 67-69, Tables 82, 85, 84 and 87.

<sup>8</sup> RSFB, pages 67-68, Tables 82, 84 and 85.

<sup>9</sup> RSFB, pages 67-68, Tables 82, 84 and 85.

<sup>10</sup> RSFB, pages 67-69, Tables 82, 84, 85 and 87.

- (f) Nevertheless, wagering turnover through State licensees (including fixed odds and pari-mutuel wagering) remains high accounting for 71% of all race wagering turnover in 2015 despite falling from 85% in 2001.
- (g) Payments from State licensees remain the single most important source of income for PRAs. For example, for Thoroughbred racing in Victoria in 2015/16 a race wagering turnover of \$15.7 billion translated into payments by the joint venture to RVL of \$192 million.<sup>11</sup> By comparison, the payments to RVL arising from wagering on thoroughbred racing from all sources amounted to \$340m.<sup>12</sup> As such, the payments from the joint venture represented 57% of RVL's total wagering revenue.<sup>13</sup> I would expect the importance of the State licensee distributions to be even higher in other States and for other codes of racing. This is because Victorian thoroughbred racing, as a premium product, generates a higher level of race fields fees both domestically and internationally especially during the spring carnival.

## RECENT CHANGES TO THE WAGERING INDUSTRY

- 42 There are two key factors that have provided opportunities for growth of corporate bookmakers: the NT licensing regime and the High Court's decision in Betfair.<sup>14</sup>
- 43 In 2001, the NT established a licensing regime for betting operators. The licensing regime in the NT is attractive because it offers a lower cost wagering licence with a capped tax rate and licensing requirements that are not onerous. The tax rate is currently 10% of gross profit, with a cap at \$575,000.
- 44 In 2008, the High Court's decision in Betfair provided for the relaxation of advertising restrictions for interstate betting operators. This allowed Betfair and corporate

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<sup>11</sup> RSFB, page 67, Table 82

<sup>12</sup> RVL 2016 Annual Report, page 44

<sup>13</sup> RVL 2016 Annual Report, page 44

bookmakers to advertise and provide sponsorship in all States and Territories of Australia.

- 45 In addition, from 2007 onwards, there has been increasing availability of mobile/digital technology (web, phone and tablet) for betting. Although complete data is not available for all digital channels and bet types, betting turnover on racing through digital channels has grown from approximately \$2.7 billion in 2008 to at least \$7.2 billion in 2015.<sup>15</sup> The advent of mobile digital/technology has clearly facilitated the growth of corporate bookmakers.
- 46 In my view, corporate bookmakers contribute to the racing industry through the innovative services they provide to punters, the competition they provide within the industry, and the contributions they make through race field fees.
- 47 State legislation allows PRAs to levy race field fees. Race field fees are payable by all wagering service providers (**WSP**). In order to take bets on a PRA's races, a WSP must apply for approval. Upon approval, an agreement is entered into between the WSP and PRA which requires race field fee payments from the WSP to the PRA and contains other conditions. The race fields fee structure is different in each state. I refer to section E.2 of the statement of Freeman as a good summary of the way race field fees are levied in Australia. Race field fees were introduced by the PRAs to capture a fee related to the use of their race related intellectual property by the corporate bookmakers.
- 48 The source of funding for the racing industry is undergoing significant change. Whereas previously the racing industry was almost entirely dependent on distributions from the TABs, other revenue streams are now increasing in importance such as the income from race field fees and the income from media rights.

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<sup>14</sup> *Betfair Pty Limited v Western Australia* (2008) 234 CLR 418.

<sup>15</sup> AGS, pages 167 (TABLE TAB FO 1) and page 195 (TABLE BOOKMAKER FO 1)

## THE IMPACT OF THE PROPOSED MERGER ON THE PROCESS FOR THE GRANT AND ACQUISITION OF FUTURE RETAIL/PARI MUTUEL LICENCES

- 49 Absent the merger there will likely be two bidders, Tabcorp and Tatts for the Victorian licence and the potential privatisation of RWWA for the following reasons. Tabcorp would likely bid for the Victorian licence as the incumbent licence holder with the best understanding of the business and the lowest set-up costs. It would bid for the RWWA licence to gain further scale. Tatts would be likely to bid for both because of its experience in operating a retail wagering business and in particular to add further scale to its UBET totalisator pool. Although the pooling agreement between RWWA and SuperTAB could be seen as a disincentive to a bid by Tatts, that agreement expires in 2024 at the latest, and may have other termination clauses (of which I am not aware). Thus, in the worst case, the agreement may require RWWA to remain in the SuperTAB pool paying pooling fees until 2024. In my opinion, the short term cost of RWWA continuing to pool with SuperTAB until 2024 would, in the longer term, be outweighed by the benefits of scale provided by combining RWWA with Tatts.
- 50 With the merger, Tabcorp will have a virtual monopoly of retail wagering and totalisator operations in Australia.

### *Victoria*

- 51 Assuming there will be a tender in 2024 for the retail wagering licence in Victoria the prospect of serious competition for the licence is greatly reduced by the Proposed Merger.
- 52 With the merger, there will likely be only one credible bidder for the licence in Victoria, the merged Tabcorp entity, for the following reasons:
- (a) The cost of establishing their own retail agency network in their bid which would be complex and expensive. Now shown to me and marked **Annexure RAH-5** is the Unincorporated Joint Venture Agreement between Tabcorp and the Victorian racing industry. The Unincorporated Joint Venture Agreement

between Tabcorp and the Victorian racing industry sets out the method for dealing with joint venture assets upon the termination of the agreement. The conditions set out in section 24 of that agreement provide Tabcorp with discretion in dealing with the assets within a defined timetable. Both the discretion and the timetable would not provide a potential bidder for the new licence any certainty with regard to access to existing joint venture assets prior to making a binding offer for the new licence. They would therefore need to include the cost of establishing their own retail agency network in their bid which would be complex and expensive. The trends away from retail betting to on-line would in my view make such an investment difficult to justify in economic terms.

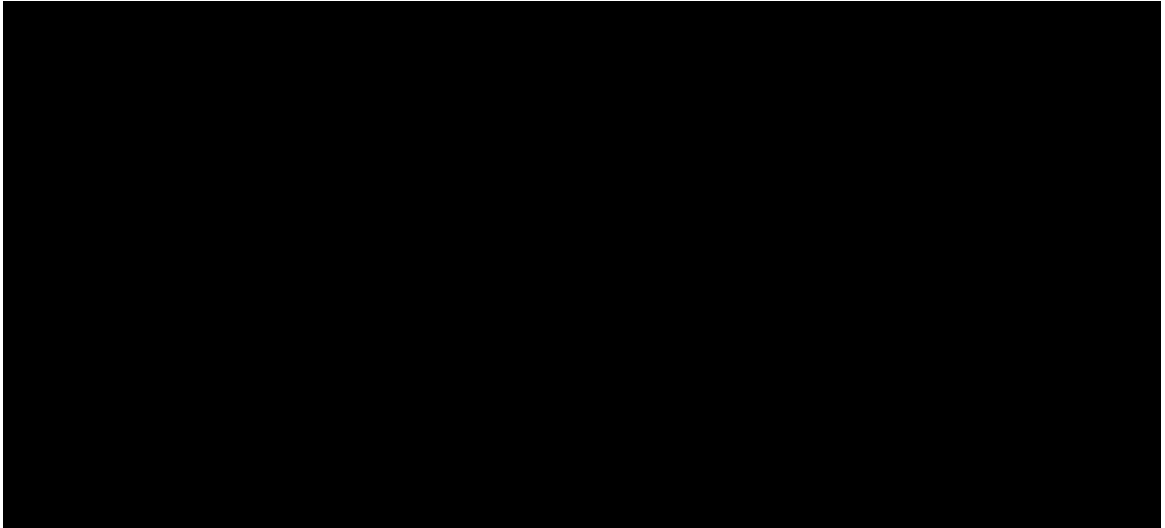
- (b) Access to an existing pari-mutuel pool would be subject to commercial negotiation with Tabcorp. The commercial terms would be dictated by Tabcorp as there would be no other option in Australia. Although it may be feasible to operate the Victorian pool as standalone initially the trends away from pari-mutuel betting would make this difficult to sustain in the longer term.
- (c) Any operator of a retail betting network must have access to vision of Australian and international races. Accordingly a prospective bidder would need to have secured an agreement with Sky (a wholly owned subsidiary of Tabcorp) prior to submitting a binding bid. This provides a competitive advantage to Tabcorp which would likely deter any prospective bidder. Like any other bidder, Tatts would require access to vision. However, Tatts has the benefit of an existing agreement with Sky for Tatts' agencies in other States.

53 With the merger, Tabcorp is the obvious bidder for the licence in WA to complete its monopoly of retail and totalisator betting in Australia and will likely be the only credible bidder for the following reasons:

- (a) A competitor would be required to agree pooling terms with Tabcorp prior to bidding for RWWA as access to pooling arrangements in a small jurisdiction like WA is crucial to the viability of the State totalisator;
- (b) The merged Tabcorp entity would have a commercial advantage in the bidding process as it could restructure the material pooling fees currently paid by RWWA into the Super Tab pool. It could achieve this by transferring the pooling arrangement to the UBET pool thereby avoiding the sharing of pooling fees with its Joint Venture partner, RVL, in Victoria.
- (c) A prospective bidder for the RWWA licence would need to secure an agreement with Sky (a wholly owned subsidiary of Tabcorp) for access to racing vision, ie Sky 1 and Sky 2 prior to submitting a bid. This provides a competitive advantage to Tabcorp which would likely deter a prospective bidder.
- (d) If a potential bidder could reach commercial agreement with Sky prior to submitting a binding bid they would still be faced with their vision provider being owned by a competitor. Sky has the ability to influence scheduling of races which could impact wagering turnover and limit advertising and promotion of the competitor's product on Sky. These factors would be likely to operate as a disincentive to a prospective bidder.

54 [Highly Confidential to Tabcorp]





## OVERVIEW OF MEDIA RIGHTS

- 55 Individual race clubs own the rights to vision of their own races. In nearly all cases clubs have assigned these rights to their PRA. The PRA then takes responsibility for negotiating the commercial terms in relation to the production and distribution of those rights on behalf of the clubs. There are some notable distinctions for major race meetings such as the Championships in NSW and the Spring Racing Carnival in Victoria where the individual race clubs retain varying levels of control.
- 56 Racing is dependent on wagering turnover, which is very heavily influenced by the ability of the punter to see and hear the race. Control of vision rights, including how and where that vision is available, is a major factor in the financial viability of an individual racing jurisdiction.
- 57 Now shown to me and marked **Annexure RAH-6** is the Racing Victoria 2016 Annual Report. The growing importance of media rights as a revenue stream for racing can be seen in the Racing Victoria 2016 Annual Report which shows that payments for media rights grew from \$3.3 million in 2015 to over \$20 million in 2016.<sup>16</sup>
- 58 Sky currently has the direct rights for all racing vision in Australia with the exception of thoroughbred racing in Victoria, which it accesses via a sub-licence agreement with



Racing.com. Media rights are assigned for a term. Each State's licence of those rights expires at different times. South Australia's media rights agreement with Sky expires this year. Queensland's agreement with Sky expires in 2020.

## **CHANNELS**

- 59 In retail outlets Sky 1 is the dominant channel with all major race meetings shown live. Sky 2 is the secondary channel, often displayed without audio, and is available in all retail outlets in Victoria and NSW and selectively elsewhere.
- 60 Sky Thoroughbred Central is a channel dedicated to thoroughbred racing and is also available in selected retail outlets.
- 61 All three Sky channels are owned and operated by Tabcorp. They are also available in the home on Foxtel and on Tabcorp's digital platforms.
- 62 Racing.com, a joint venture between RVL and Seven West Media, is dedicated to Victorian thoroughbred racing although it actively bids for vision from other racing jurisdictions both domestically and internationally.
- 63 Racing.com is available on free to air digital television channels 68 and 78, in the home on Foxtel and on corporate bookmakers' digital platforms where they have elected to pay a fee for access.
- 64 There are some restrictions on the content of Racing.com on Foxtel brought about by the commercial arrangements between Foxtel and Tabcorp. For example, Sky exercises a veto over racing vision from Hong Kong being shown on Racing.com on Foxtel, although it is available on free to air.
- 65 Under a commercial agreement, Foxtel is not permitted to provide the Sky racing channels as part of a retail venue 'Sports package' therefore ensuring that any retail venue with betting facilities must purchase the vision directly from Sky.

## RACING.COM

66 In about 2005, the media rights for thoroughbred racing expired and were being renegotiated with Sky. Recognising the value of vision, RVL entered into negotiations with Sky for the creation of a dedicated thoroughbred racing channel. At the time, RVL had been concerned that Sky had not been giving thoroughbred racing adequate coverage. The parties could not reach commercial agreement about that new channel and the value of the rights prior to the expiry of the existing rights. As a result, the principal racing clubs in Victoria (VRC, MRC and the Moonee Valley Racing Club and Country Racing Victoria) and NSW (Australian Jockey Club and Sydney Turf Club) created and became shareholders in their own racing channel, TVN, which would focus exclusively on thoroughbred racing. Those six entities granted their media rights to TVN. TVN then sought to sub-license those rights to Sky, but was unable to reach commercial agreement with Sky prior to the expiry of the existing rights. In normal circumstances, I would have expected that an interim agreement would have been reached to allow the vision to be shown while negotiations continued. However, following the expiry of the existing rights, and whilst those negotiations were still ongoing, Sky stopped showing thoroughbred racing on Sky 1. This significantly increased the pressure on TVN and its shareholders to finalise an agreement with Sky. Specifically, the blackout had an effect on wagering turnover from races from the shareholder clubs. For example, a report by Macquarie Research reported at the time that the total wagering in May and June 2005 fell by roughly 1.5 to 2 percent.<sup>17</sup> This fall came despite efforts by TVN to increase exposure and revenue by progressively entering into agreements with licensed venues for them to show TVN's channel.<sup>18</sup> This included an agreement that TVN entered into with Tattersalls for the display of TVN vision in Tatts agencies.<sup>19</sup> Ultimately, the licensing arrangement was finalised via a

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<sup>17</sup> Michael Lynch, 'Racing's dispute hits the bottom line', The Age, 22 July 2005.

<sup>18</sup> Rob Burnet, 'AHA signs exclusive deal for TVN broadcasting rights', Thoroughbred News, 17 February 2005

<sup>19</sup> Rob Burnet, 'TVN in control of its destiny', Thoroughbred News, 4 March 2005.

mediation between TVN and Sky with the result that TVN sub-licensed Victorian racing to Sky to 2012. Now shown to me and marked Annexure **RAH-7** is the news article by Michael Lynch in the Age (dated 22 July 2005). Now shown to me and marked Annexure **RAH-10** is the news article by Rob Burnet in the Thoroughbred News (dated 17 February 2005). Now shown to me and marked **Annexure RAH-11** is the news article by Rob Burnet in Thoroughbred News (4 March 2005).

- 67 During my time as CEO of RVL, the executive began to consider whether a successor to TVN would need to be established as a contingency in the case of TVN becoming unviable. TVN was increasingly unstable due to shareholder disputes in TVN and TVN's failure to acquire Queensland rights. I maintained the view that a viable competitor to Sky was crucial for the racing industry to maximise revenues from media rights.
- 68 This was a major strategic issue for the board and rights holders in Victoria. The presentation of racing product drives revenue and engagement by the punters. Controlling the media rights and how the media is presented to the public is absolutely crucial for the future of the sport. My view was that without a viable competitor to Sky, there could be no competitive bidding for media rights both in Victoria and nationally. The existence of a monopoly buyer of media rights would ultimately stifle any growth in revenue from those rights. Therefore it was crucial that rights revenue be maximised through the broadest possible distribution channels only achievable through unbundling.
- 69 Prior to leaving RVL at the end of 2012, I oversaw work towards the establishment of Racing Live, a thoroughbred racing channel. This work was continued after I left RVL, and Racing Live ultimately became Racing.com.
- 70 TVN ceased operations at the end of 2014 and in early 2015 RVL entered into an agreement with Seven West Media to establish Racing.com. As a result, Sky initiated a blackout of Victorian thoroughbred racing from 16 June 2015 to 8 August 2015. I refer to the description of the 2015 blackout at [88(b)] in Giles Thompson's second Statement.

71 By contrast to RVL's approach, Racing NSW assigned their rights to vision of  
thoroughbred racing to Tabcorp/Sky in January 2015, without exclusivity in respect of  
digital streaming rights. Those retained rights were subsequently licensed to William Hill  
on an exclusive basis.

## **SALE OF MEDIA RIGHTS**

72 PRAs hold the aggregated media rights on behalf of the clubs. There are a number of  
ways for PRAs and/or or clubs to license these media rights. A key objective of  
assigning these media rights is to maximise the number of people watching the races,  
which in turn drives wagering turnover. The channels available for the licensing of these  
media rights include free to air television, Foxtel, Sky, Racing.com, and online digital  
streaming. Radio rights are usually dealt with separately.

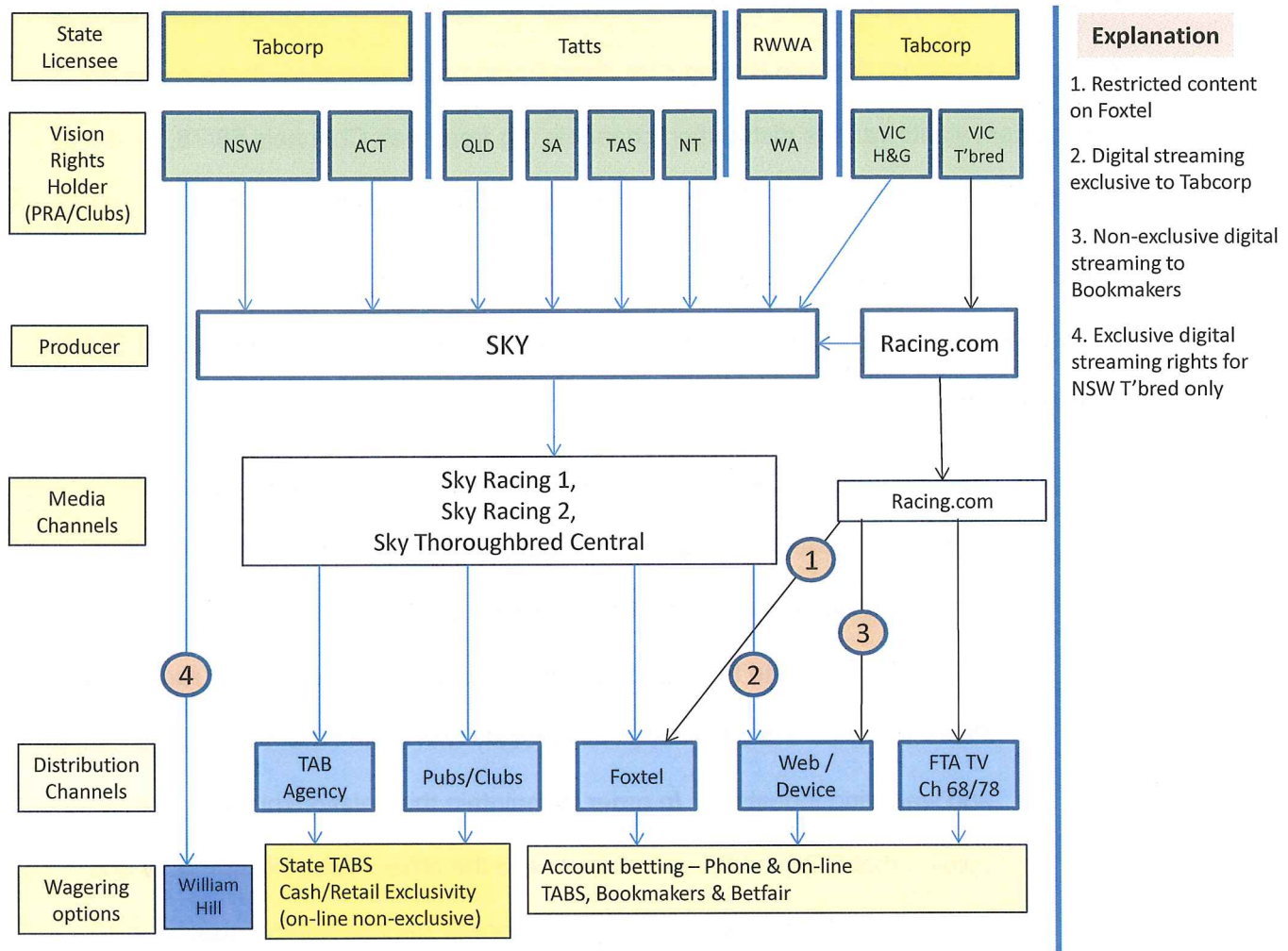
73 Traditionally, PRAs have sold their media rights 'bundled'. That is the rights to broadcast  
vision in agencies and licensed venues in their own state, nationally and internationally,  
and all media channels have all been assigned together.

74 However, it is possible for PRAs to unbundle their media rights.

75 For example, in NSW, William Hill has acquired digital rights (ie rights to distribute on  
mobile devices and the web). In NSW and Victoria, Channel 7 has acquired separate  
free to air television rights in respect of specific events.

76 For example, in Victoria all of the thoroughbred rights have been assigned to  
Racing.com, save for certain races as set out in [221] of the Freeman statement.

77 Currently the vision rights have been assigned as set out in the diagram below:



## IMPACT OF THE PROPOSED MERGER ON MEDIA RIGHTS

78 A key impact of the merger is that it would increase Sky's ability to acquire all media rights from PRAs, and to do so on a bundled basis.

79 The same issues are relevant for the acquisition of media rights for PRAs in all States/Territories although the PRAs in Victoria and NSW have a greater degree of bargaining power than other States/Territories due to the quality and volume of their racing product. As Racing Queensland (**RQ**) is likely to be the first PRA to negotiate media rights after the Proposed Merger, I have used RQ as an example in the discussion below

80 Absent the merger, when a PRA such as RQ is negotiating to sell vision rights, it has the option to sell media rights on an unbundled basis to a variety of players including, for

example, Racing.com and corporate bookmakers. For example, RQ could sell its terrestrial vision rights to Sky or Racing.com and its digital rights alone to Racing.com. If it sold the terrestrial rights to Racing.com, then Racing.com may show those races on Racing.com via its various distribution channels (eg free to air Channels 68/78, Foxtel and digital platforms) and also license those rights to Sky for inclusion in Sky.

81 However, if the Proposed Merger proceeds, RQ's ability to unbundle its rights would be significantly reduced and any other competitor is likely to be unsuccessful against Sky in acquiring rights. This is because:

- (a) Upon the merger, as the State licensee in all the States and Territories, Tabcorp will effectively become the partner of all the PRAs. For each PRA, its relationship with the State licensee is its single most important relationship. Due to the interdependence between wagering and racing, the PRAs and their State licensee work closely with each other to grow the racing and wagering industries. In order to maintain that relationship, it is my opinion that RQ (and the same applies to the other PRAs except NSW and Victoria, which have greater bargaining power because of the quality and volume of their racing product) will be expected (and will see it as in its interests) to support its State licensee in acquiring media rights and wagering.
- (b) The flipside of the close relationship is that it makes the PRAs vulnerable if the relationship is damaged. If the merger proceeds and RQ was to award the media rights to Racing.com (or even place Sky in a competitive bidding position for vision rights), it would, in my opinion, be exposed to a number of potential disadvantages. One, by way of example, would be a risk of underinvestment by Tabcorp in the Queensland agencies' premises, including technology and venue upgrades which are crucial to maintaining and growing revenue through the retail channel (which still accounts for the majority of the PRA's income). Tabcorp has a broad discretion both as to

timing and nature of maintenance and upgrades. The promise to upgrade (or threat to delay upgrading) could be used by Tabcorp and Sky to influence media rights negotiations. In this situation, the PRA would need to assess whether Tabcorp would be prepared to engage in such conduct given that such conduct might also be detrimental to Tabcorp in the short term. In considering this risk, a PRA is likely to take into account Tabcorp's past conduct when involved in difficult negotiations such as the vision disputes in NSW and Victoria. Thus, if Tabcorp owned the licence in Queensland, RQ would, in my opinion, be highly unlikely to award the media rights to Racing.com as the possibility of such conduct, or even the risk of it, would inform RQ's decision.

- (c) Another disadvantage may be in the coverage given to RQ's races. Tabcorp as the owner of Sky has the ability to control what races are shown on Sky and at what time, and whether a race is shown on Sky 1 or Sky 2. The primary disadvantage of a race being shown on Sky 2 is the lack of audio in the retail outlets. Sky 1 is the primary racing channel and produces significantly greater wagering turnover than Sky 2. An example of the impact of Sky's control over the vision schedule and its effect on wagering turnover is its response to the 2015 experiment by Racing Victoria to have 30 minute gaps between races (rather than 40 minutes). Sky did not agree to 30 minute gaps and therefore in response, Sky moved many of those races to Sky Racing 2. This adversely impacted turnover on those races that were moved to Sky Racing 2. Now shown to me and marked **Annexure RAH-8** is the news article on racenet (dated 26 December 2014) and **Annexure RAH-9** which is the news article on Sporting News (dated 10 February 2016).
- (d) I have read Freeman's statement and I note that at [216], Mr Freeman states that NSW and Victoria, as the premier racing states, dictate the timetable. I agree that Victoria and NSW do dictate the timetable for their metropolitan



racing. However, Sky retains control over managing clashes between races and decide which race should be 'bumped' to Sky 2. As a PRA of a smaller state, RQ may be concerned that their races are more vulnerable to being bumped to Sky 2.

- (e) It is likely that RQ would be concerned that if it licensed its vision rights to a provider other than Sky, Queensland racing would de-emphasised, resulting in a loss of revenue to RQ. The de-emphasis could be the demotion of Queensland racing to Sky 2 and or unfavourable scheduling of Queensland racing (for example, scheduling Queensland races straight after major races in other States) and reducing promotion of Queensland racing. The de-emphasis could also include inadequate lead-in coverage before Queensland racing. In my experience, wagering and public interest in racing increases in direct correlation to the lead-in coverage provided. Of course, even without the merger, Sky could de-emphasise Queensland racing. However, the risk that Sky would engage in such conduct without the merger is lower. Without the merger, a decision to punish RQ would also impact Tatts (as licensee in Queensland) and would therefore involve a third party in an issue that originated in dealings between RQ and Tabcorp. This may have unintended consequences.

82 Although Racing.com for example would be likely to sub-license the rights to Sky, the de-emphasis of Queensland racing is a credible threat for the following reasons:

- (a) Sky would have an incentive to de-emphasis those races to discourage other PRAs from assigning their rights to any other providers in the future. With the merger, for reasons described in paragraph 81(e) above, Sky would have a greater capacity to de-emphasis those races.
- (b) A race field fee has to be paid for bets on interstate races. These fees are significant and I refer to the table in the statement of Freeman at Figure 23



which sets these out. In Queensland, under the RDA, Queensland Racing is required to pay the race field fees for wagering by punters in Queensland on any racing that takes place outside Queensland to the source PRA.

Therefore, if Sky emphasises races from outside Queensland, Queensland Racing would be further penalised by having to pay those inter-State race field fees.

- (c) As Sky 1 is a national channel, any demotion of Queensland racing has an effect on wagering on those races not just in Queensland but also for punters across Australia because RQ receives race field fees for any bets placed on Queensland racing from outside Queensland.
- (d) With the merger, Tabcorp would be able to leverage its position because Sky has rights to races throughout the country sufficient to fill Sky Racing 1 and because as the exclusive retail wagering operator in all other jurisdictions it could de-emphasise the races from one state, and increase emphasis on races in other states, without incurring significant economic detriment itself. Being the licensee in a greater number of States increases Tabcorp's flexibility in this regard.
- (e) Sky's conduct during the TVN disputes outlined in paragraphs 66 to 70 above.

83 As noted above, there is a strong nexus between wagering revenue and vision. Without the merger, Tatts has the option of showing other racing channels in their agencies (ie other than Sky). If the merger proceeds, Tabcorp would only show Sky in those ex-Tatts agencies. Furthermore, the ownership of the agencies would give Tabcorp an increased ability to promote its products on Sky.

84 As noted previously, wagering through the digital channels is growing rapidly, partially at the expense of the retail channel. The retail channel punters are increasingly moving to digital channels. Access to those retail punters through Sky, in the ex-Tatts States,

provides Tabcorp with the ability to promote that migration to its own digital platforms, unrestrained by any commercial issues that currently exist between Tabcorp and Tatts.

85 Consequently, I believe that the proposed acquisition would alter the competitive landscape in respect of media rights for racing in Australia. If the proposed acquisition does not proceed, I anticipate that providers other than Sky, such as Racing.com, will remain viable. If the merger proceeds, I would expect that Sky would retain a dominant position in respect of media rights for racing and face even less competition which would be likely to have the effect of reducing revenues to the racing industry.

### **IMPACT OF MERGER ON NATIONAL RACING INDUSTRY**

86 As a result of the bundling of media rights that is likely to occur if the Proposed Merger were to occur, I consider that the growth of corporate bookmakers is likely to be constrained. The innovation in wagering offerings promoted by the competition provided by corporate bookmakers and TABs has grown the overall wagering market and had a positive impact on the racing industry. The next phase of competition is likely to involve digital streaming of vision provided corporate bookmakers have access to that vision. As such, the continued competition and innovation depends on access to media rights (in particular, digital rights). Without those rights, corporate bookmakers will, in my opinion, be less able to exert competitive pressure on the State licensees. Accordingly, if the merger proceeds, the growth of the overall wagering market is likely to be constrained relative to the growth available absent the merger.

87 For example, in Victoria, in 2015 joint venture operations contributed \$205 million in revenue declining to \$193 million in 2016. In the same period, race field fees increased from \$129 million to \$140 million and media rights payments increased from \$3.3 million to \$20.2 million.<sup>20</sup> As revenues from retail operations decline, they are being replaced by revenues from race field fees from corporate bookmakers and interstate TABs. Media

rights revenues have increased dramatically in Victoria which is the only State where thoroughbred racing has unbundled media rights and has made streaming of vision on digital devices available on a non-exclusive basis.

- 88 Media rights fees are an increasingly important revenue stream available to all PRAs that are able to unbundle their rights. Clearly, competition is required to extract the maximum fees. The fees obtained for media rights in Victoria, in my opinion, were attributable to the existence of Racing.com providing competition to Sky. If the merger proceeds, the lack of any prospect of an alternative media provider, such as Racing.com being able to obtain media rights will potentially reduce the revenue achieved for the sale of those media rights by all PRAs.
- 89 In my view, the revenue that can be achieved by the racing industry in total from RDA, race fields fees and media rights will be constrained by the merger. Absent the merger, PRAs will continue to receive revenue from the RDAs, increased race field fees and if the example of Victoria and NSW is applied in other jurisdictions, media rights from unbundling.

## **REVIEW OF PROPOSED SAVINGS AND REVENUE INCREASES**

- 90 Paragraph 302 of Annexure A of the Form S states that the Proposed Merger will lead to the following operational, performance and strategic improvements:
- (a) A reduction in annual operating costs (cost savings).
  - (b) Business improvements that will result in increased annual revenue (revenue increases).
  - (c) The removal of a commercial barrier to merging the pari-mutuel pools of Tabcorp and Tatts.

91 All costs saving and revenue increases have been phased in by Mr Johnston over three years. For the purpose of the following analysis, I rely on the year three calculations.

92 In the paragraphs below, I set out my observations in relation to these costs savings, revenue increases and improvements flowing from the proposed merging of the pari-mutuel pools of Tabcorp and Tatts.

## COST SAVINGS

93 Paragraph 302(a) of Annexure A of the Form S states that the transaction will lead to a reduction in annual operating costs of approximately [Confidential to Tabcorp]

[REDACTED] per year. [Confidential to Tabcorp] [REDACTED]  
[REDACTED]

## Wagering

94 I have the following comments on the claimed wagering cost savings:

- (a) **Bookmakers:** The statement of Damien Johnston at [29(b)] (**Johnston statement**) outlines a cost saving of approximately [Confidential to Tabcorp] [REDACTED] annually resulting [Confidential to Tabcorp] [REDACTED] [REDACTED] Of this amount, approximately [Confidential to Tabcorp] [REDACTED] comes from savings in the costs of [Confidential to Tabcorp] [REDACTED] There is not enough information provided in the Johnston statement for me to come to a view as to what could reasonably be saved as a result of the

merger. The information that I would need to understand this saving would be a detailed analysis of [Confidential to Tabcorp] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] Accordingly, I cannot be satisfied on the basis of the information provided that the savings forecast will eventuate.

- (b) **Call Centre:** The statement of Johnston at [29(c)] states that Mr Johnston has calculated that the proposed transaction will likely facilitate a cost saving of approximately [Confidential to Tabcorp] [REDACTED] from the more efficient operation of the combined call centre function. I agree that combining the call centre function will provide some cost synergies. However, in order to come to a view as to what could reasonably be saved as a result of the merger and how Mr Johnston has concluded that there would be savings of [Confidential to Tabcorp] [REDACTED], I would need to

[REDACTED]

[REDACTED] Accordingly, I cannot be satisfied on the basis of the information provided that the savings forecast will eventuate.

- (c) I also note that call volumes could increase as a result of the Proposed Merger if the business improvements outlined in the statement of Johnston

are implemented. For example, [Confidential to Tabcorp] [REDACTED]

[REDACTED]

## Technology

95 I have the following comments on the claimed technology cost savings:

(a) **Race-day operations:** The statement of Johnston at [32(a)] states that

[Confidential to Tabcorp] [REDACTED]

[REDACTED]

(b) [REDACTED] [Confidential to Tabcorp and Tatts] [REDACTED]

[REDACTED]

(c)

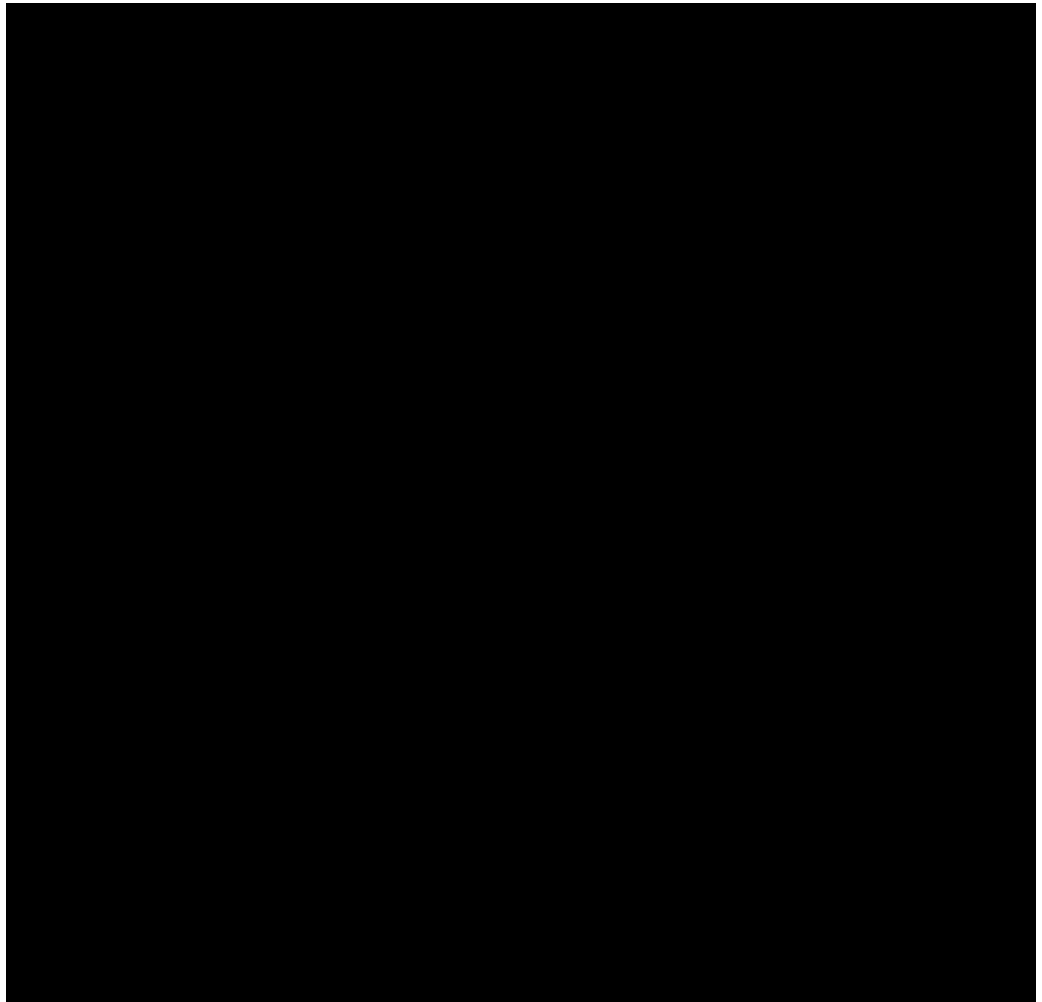
[REDACTED]

Accordingly, I cannot be satisfied on the basis of the information provided that the savings forecast will eventuate.

(d)

**Wagering systems capex:** The statement of Johnston at [32(d)] estimates a further saving of approximately [Confidential to Tabcorp]

[REDACTED]



**Pass through of cost savings**

96 Section D.1 of the Johnston statement sets out the estimated pass through of the cost savings estimated to result from the merger. The pass through of the cost savings to third parties are calculated without any regard for the cost to the racing industry of implementing the changes (which is estimated at [46] of the Johnston statement to be a total of [Confidential to Tabcorp] [REDACTED]

[REDACTED]). At [46(b)] of the Johnston statement, Mr Johnston indicates that the

[Confidential to Tabcorp] [REDACTED]



97 I also note that the predicted cost savings could be implemented by [Confidential to Tabcorp and Tatts] [Confidential to Tabcorp and Tatts]

[REDACTED]

[REDACTED] [Confidential to Tabcorp] [REDACTED]

## REVENUE INCREASES

98 Paragraph 302(b) of Annexure A of the Form S states that the transaction will lead to business improvements that will result in increased annual revenue by approximately [Confidential to Tabcorp] [REDACTED] per year. Revenue increases have been estimated in the following categories:

- (a) Improved Tatts' fixed odds performance.
- (b) Wagering business improvements.
- (c) Keno business improvements.

99 I have the following comments regarding the claims that the merger will increase revenue as a result of improving Tatts' fixed odds performance and other wagering business improvements.

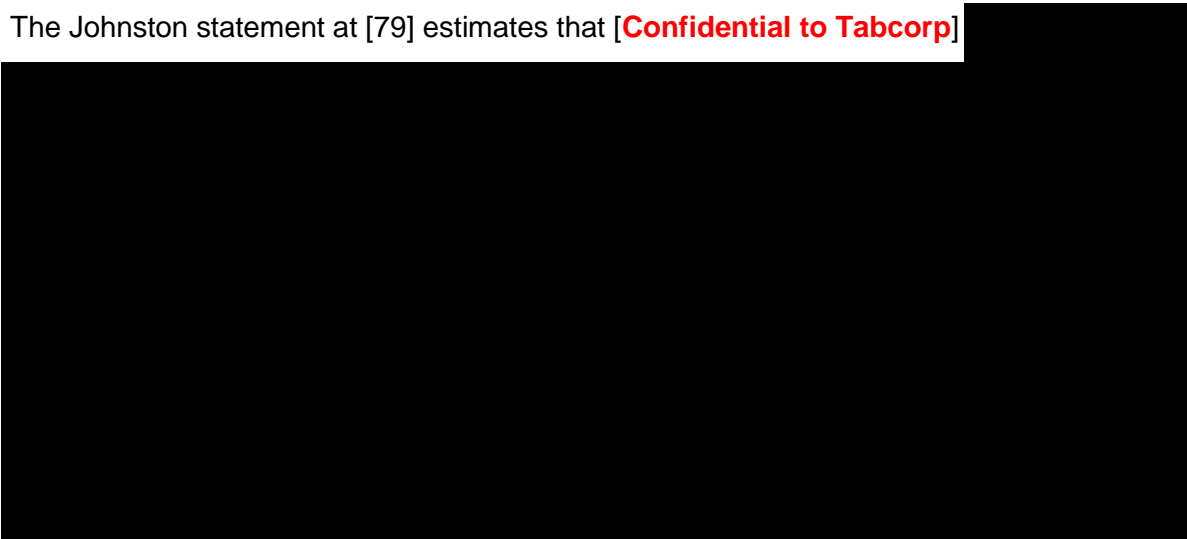
**Improved fixed odds performance**

100 As outlined in Tables 17 and 18 of the statement of Johnston, Tabcorp's fixed odds performance has outperformed Tatts' fixed odds performance for a number of years. For example, although there was a dip in Tabcorp's fixed odds yield in FY16,

[Confidential to Tabcorp and Tatts]

101 I understand that Tabcorp has improved its own performance through a number of factors, most noticeably through the investment in fixed odds risk management systems. I consider that there is scope to improve Tatts' fixed odds performance to bring it into line with Tabcorp over time. [Confidential to Tabcorp]

102 However, I do not consider that improving Tatts' fixed odds performance is only obtainable through the Proposed Merger. There are other fixed odds risk management systems that could achieve similar results to Tabcorp's fixed odds risk management system. Corporate bookmakers in Australia and overseas have advanced fixed odds risk managements systems. Although Tabcorp's fixed odds risk management system may have some subtle differences due to Tabcorp's operation of a retail network and a totalisator, I do not consider that there is anything unique about Tabcorp's fixed odds risk management system that would mean that it is the only system that could be used to improve Tatts' fixed odds performance. Tatts itself (or a different acquirer of Tatts) could improve Tatts' fixed odds performance by investing in a sophisticated fixed odds risk management system.

- 103 The purpose of a fixed odds risk management system is to flag specific risks to the bookmaker or automatically manage those risks. These risks are described by Tyshing at [29]-[35] of his statement. Risk management systems can, for example, identify individual punters that are more likely to win and thus restrict their stakes or exclude them, identify unusual betting activity and thus either close an event for betting or restrict the size of stakes, monitor betting activity on a particular outcome and change the odds accordingly (ie change the price of an individual betting option based on the weight of money being placed on that option in the period prior to bets closing). Advanced risk management systems incorporate sophisticated analytical tools that enable bookmakers to identify trends and unusual betting activity in real time and respond promptly.
- 104 A risk management system also enables a bookmaker to maximise yield by manipulating the prices of all possible outcomes to provide a positive return to the bookmaker regardless of the result. Therefore, yields can be improved without lowering the prices of all possible outcomes. This depends on the skill of the bookmaker and the sophistication of the risk management system. However, in a competitive environment, the ability of Tatts to grow the revenue from their fixed odds business through the implementation of a sophisticated risk management system will be constrained by the competitive tension provided by the corporate bookmakers who have demonstrated their ability to grow turnover rapidly and maintain yields through their own use of sophisticated risk management systems.
- 105 The Johnston statement at [79] estimates that [Confidential to Tabcorp]
- 



### Wagering business improvements

106 I consider that there is considerable scope for Tabcorp to improve the Tatts wagering business (for example, by [Confidential to Tabcorp] [REDACTED], rebranding to TAB, improving the retail experience and adding new wagering products as outlined at section E.4 of the Johnston statement).

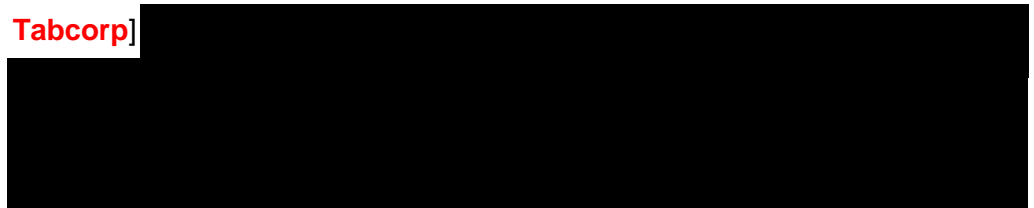
107 However, although it is unclear whether the claimed revenue increases through business improvements will come from growing the market or taking share from corporate bookmakers, I consider that the estimated additional [Confidential to Tabcorp]



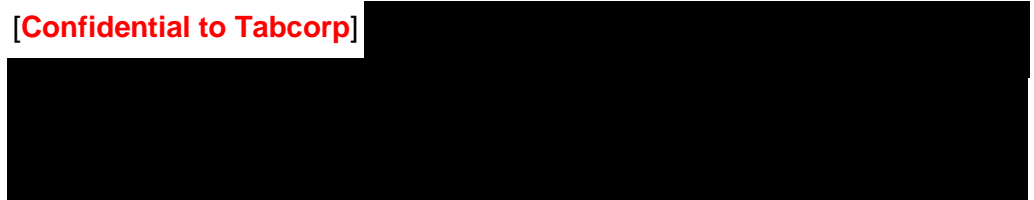
in revenue through business improvements will be very difficult to achieve in the face of increased competition from corporate bookmakers due to the uncertainty created by the merger.

108 I have the following comments on the claimed revenue increases:

(a) **Introducing new products and broadening the coverage of other products:** The Johnston statement at paragraph [87] states that products that Tabcorp plans to introduce in the Tatts States include [Confidential to Tabcorp]



[REDACTED]. In relation to introducing



(b)

(c)

(d)

(i)

Re-branding the Tatts business with the TAB brand: The Johnston statement at [89(a)] states that the plan is that the retail wagering venues in the Tatts States will be rebranded to the 'TAB' brand. I agree that the 'TAB' brand has some credibility as a brand in Australia and that Tabcorp is the only business that could rebrand it as 'TAB'. However, Tatts' UBET brand is only three

years old and in my opinion with continued investment could achieve the same level of recognition as the TAB brand in the Tatts' States. Any other acquirer could retain the UBET brand or re-brand, this is not merger dependent.

- (ii) Improving the Tatts wagering retail network: The Johnston statement at [89(b)] outlines proposed improvements to the Tatts wagering retail network. I consider that there is scope to improve the Tatts retail network. However, improvements to the Tatts retail network could be made without the merger and the improvements outlined by Mr Johnston are not merger dependent. The proposed plans for improving the network are also likely to involve significant costs. For example, [Confidential to Tabcorp]

[REDACTED]

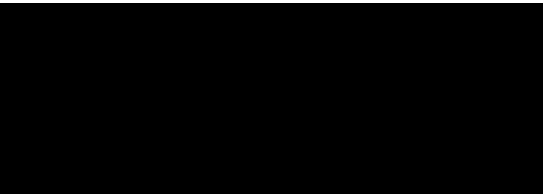
[REDACTED]. I do not have enough information to assess whether the [Confidential to Tabcorp] [REDACTED] estimate at [90] of the Johnston statement that Tabcorp will spend to achieve the wagering business improvements is sufficient to [REDACTED]

[REDACTED]

[REDACTED] The costs would be dependent on the scope of the upgrades to the retail network.

### Pass through of revenue synergies

109 Section F.1 of the Johnston statement outlines the estimated pass through of revenue increases. I have the following comments on the estimated pass through of the revenue increases:

- (a) I note that the majority of the claimed pass through of revenue increases will occur in [Confidential to Tabcorp] 
- (b) Table 27 of the Johnston statement is theoretical and dependent on where the revenue increases occur. For example, any revenue increases directed through the ACT TAB would generate no pass through to the racing industry because there is no racing distribution agreement in the ACT.
- (c) New account holders are able to choose the State in which they register their account. Tabcorp has an incentive to direct new customers to register in the jurisdictions which generate the most revenue for Tabcorp such as the ACT, which would impact on the estimated pass through amounts. Although customers ultimately choose which State they register in, Tabcorp's website design and promotional offers can affect this choice.

## MERGING POOLS

- 110 Paragraph 302(c) of Annexure A of the Form S states that a further public benefit of the proposed transaction is that it will remove a commercial barrier to the merging of Tabcorp's and Tatts' pari-mutuel pools.
- 111 The statement of Johnston at [128] outlines three potential scenarios for the merging of Tabcorp's and Tatts' pari-mutuel pools:
- (a) Scenario 1: merging both of Tabcorp's pari-mutuel pools (Victoria and NSW) with Tatts' pool to create a single national pool.
- (b) Scenario 2: merging Tabcorp's Victorian SuperTAB pari-mutuel pool with Tatts' pool (ie not including the NSW TAB pool).
- (c) Scenario 3: merging Tabcorp's NSW TAB pari-mutuel pool with Tatts' pool (ie not including the SuperTAB pool).

- 112 I consider that Scenario 2 (merging Tabcorp's Victorian SuperTAB pool with Tatts' pool) is the only scenario that is likely to be possible within three years of the merger.
- 113 I do not consider that Scenarios 1 and 3 are likely to be possible within three years of the merger. This is because I understand that SuperTAB has shown a willingness to co-mingle in the past, but NSW has not. One reason for this is that there is a lack of parity between the tax rates for pari-mutuel betting in NSW and Victoria until 2020. I do not consider that there is anything that would change as a result of the Proposed Merger that would mean that NSW TAB would be more likely to merge with other pools. For example, in the 2004 Victoria/NSW TAB merger, one of the claimed synergies was the merging of the Victorian and NSW pools expected to amount to additional pre-tax earnings of \$9.7 million per annum (taking into account revenue payable to the relevant racing industries)<sup>21</sup>. Thirteen years later, that synergy has not been realised.

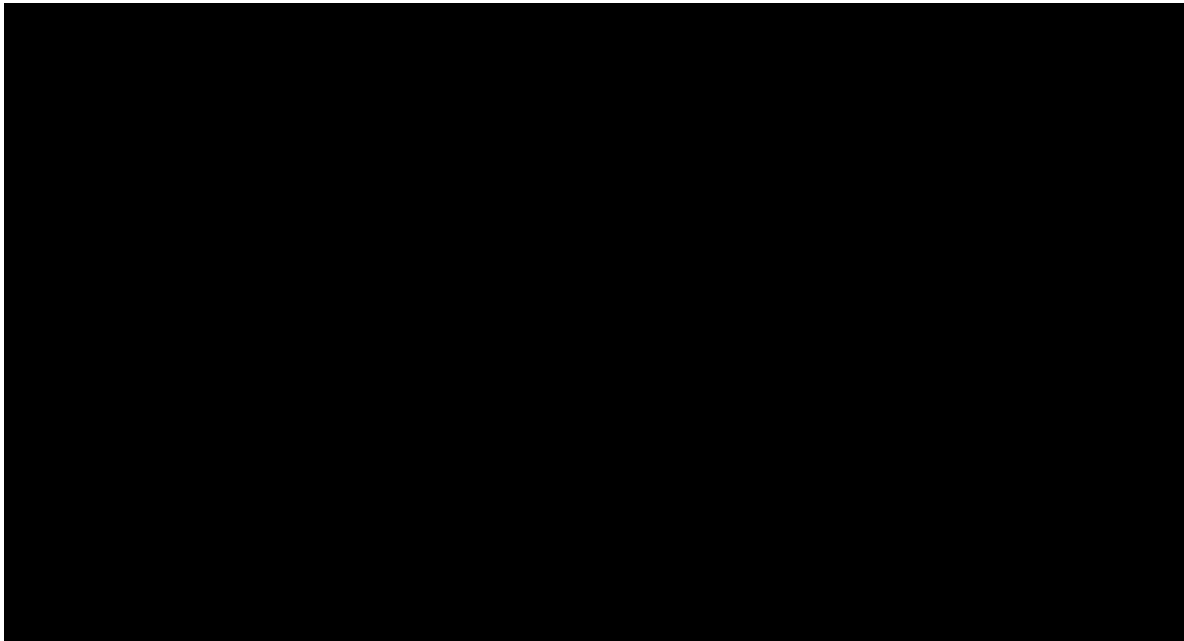
#### **OBSERVATIONS ABOUT ACHIEVEMENT OF SYNERGIES**

- 114 When I was appointed as the managing director and chief executive officer of RVL in 2008 I was made aware of the contents of a 2007 settlement deed that had been executed between Tabcorp and VicRacing. VicRacing was the special vehicle established in 1994 by the three codes of racing in Victoria to participate in the Joint Venture with Tabcorp. As CEO of RVL I was appointed to the board of VicRacing in 2008. The settlement deed related to, among other matters, the conditions under which VicRacing had supported Tabcorp's bid for TAB limited in 2004. At that time a competitive bidding process was underway between Unitab (owned by Tatts) and Tabcorp to acquire TAB limited.

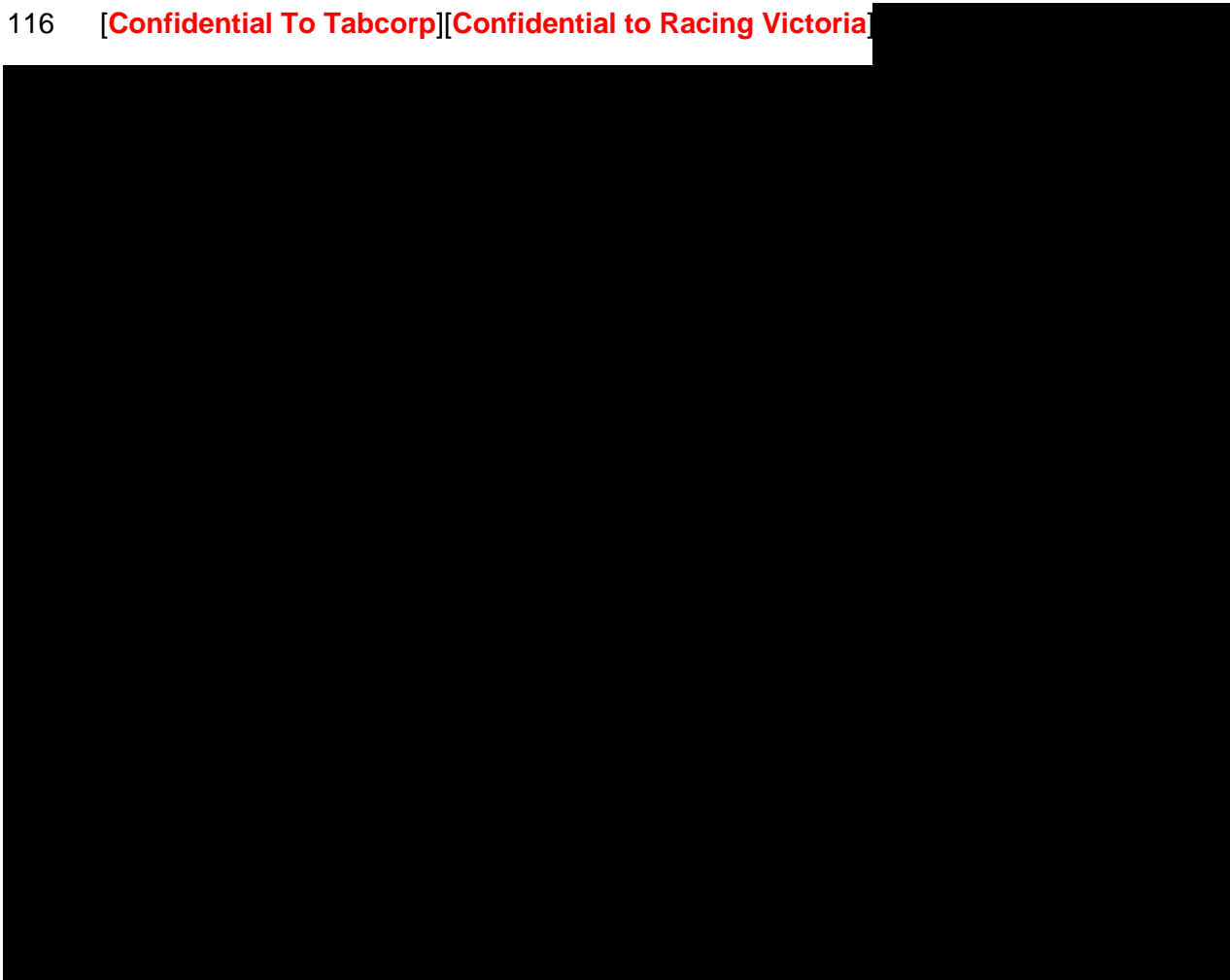
115 [Confidential To Tabcorp][Confidential to Racing Victoria]

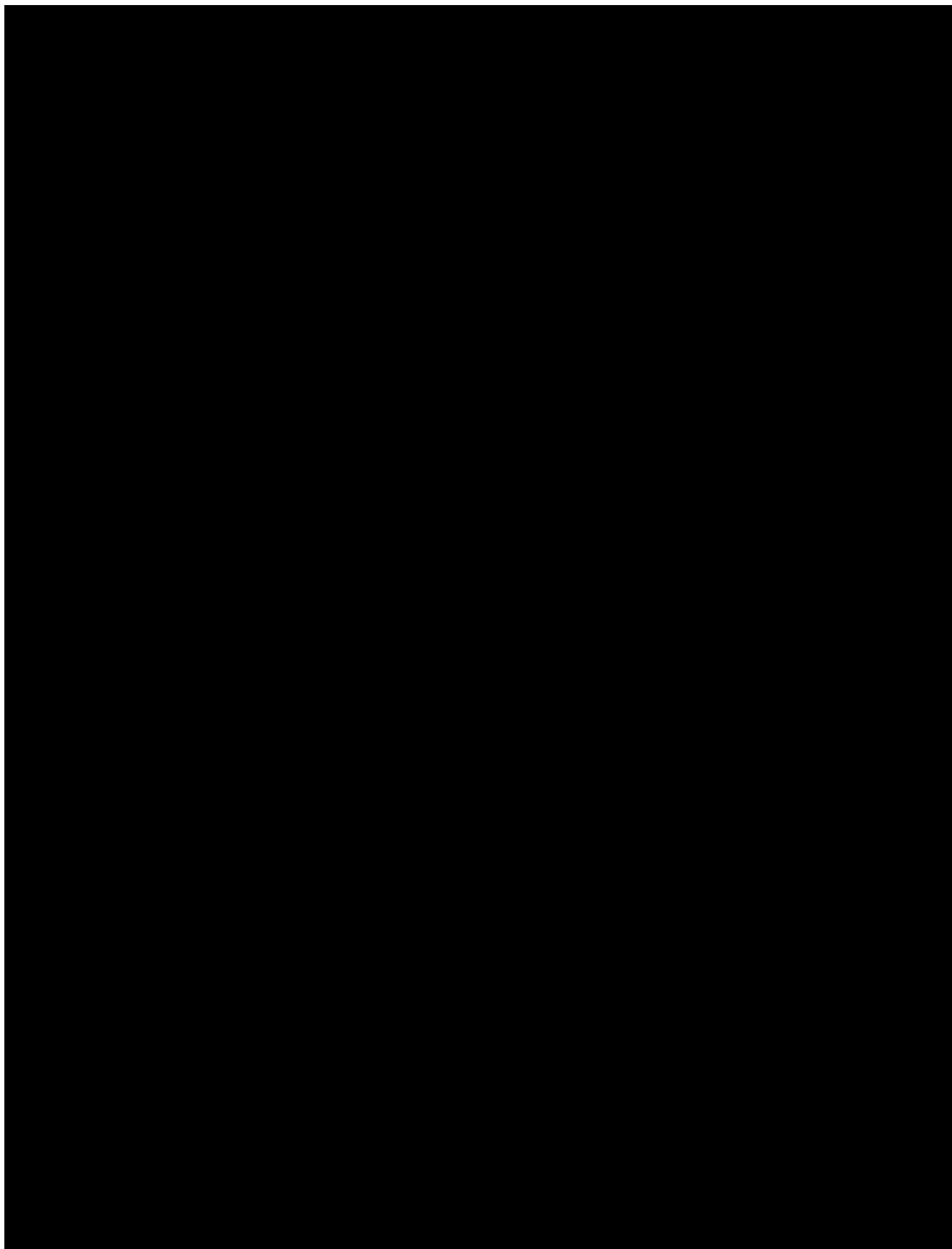






116 [Confidential To Tabcorp][Confidential to Racing Victoria]





Date: 25 April 2017

A handwritten signature in blue ink, appearing to read 'Robert Andrew Hines', is written over a horizontal dotted line.

Signature  
**Robert Andrew Hines**

# INDEX OF ANNEXURES TO STATEMENT OF ROBERT ANDREW HINES

Annexure	Title	Confidentiality
RAH-1	Curriculum Vitae of Rob Hines	
RAH-2	Letter of instructions for Rob Hines	
RAH-3	Racing Season 2015/2016 Fact Book	
RAH-4	Excerpt of Australian Gambling Statistics, 1989–90 to 2014–15, 32nd Edition. pages 0-56, 566, 580, 594, 617, 727, 755	
RAH-5	Unincorporated Joint Venture Agreement between Tabcorp and the Victorian racing industry	Confidential to Tabcorp Wagering (Vic) Pty Ltd, Tabcorp Wagering Participant (Vic) Pty Ltd, VicRacing Pty Ltd, Racing Products Victoria Pty Ltd, Tabcorp Wagering Assets (Vic) Pty Ltd, Tabcorp Wagering Manager (Vic) Pty Ltd
RAH-6	Racing Victoria 2016 Annual Report	
RAH-7	Michael Lynch, 'Racing's dispute hits the bottom line', The Age, 22 July 2005.	
RAH-8	Clinton Payne, Racing Victoria delivers its reasons for split with NSW over vision rights, racenet, 26 December 2014	
RAH-9	Sporting News, Sky Racing has its say on Racing Victoria's 30-minute move, 10 February 2016	
RAH-10	Rob Burnet, 'AHA signs exclusive deal for TVN broadcasting rights', Thoroughbred News, 17 February 2005	
RAH-11	Rob Burnet, 'TVN in control of its destiny', Thoroughbred News, 4 March 2005	

IN THE AUSTRALIAN COMPETITION TRIBUNAL

ACT 1 of 2017

**Re:** Application by Tabcorp Holdings Limited under section 95AU of the *Competition and Consumer Act 2010* for an authorisation under subsection 95AT(1) to acquire shares in the capital of a body corporate or to acquire assets of another person

**Applicant:** Tabcorp Holdings Limited

ANNEXURE CERTIFICATE

This is the annexure marked **RAH-1** annexed to the expert report of **Robert Andrew Hines** dated 25 April 2017.

Annexure RAH-1

Curriculum Vitae of Robert Hines

Filed on behalf of	Australian Competition and Consumer Commission		
Prepared by	Simon Uthmeyer		
Law firm	DLA Piper		
Tel	+61 3 9274 5470	Fax	+61 3 9274 5111
Email	Simon.Uthmeyer@dlapiper.com		
	DLA Piper		
	140 William Street		
<b>Address for service</b>	Melbourne VIC 3000		

# ROBERT ANDREW HINES

## curriculum vitae

Through a lengthy and varied international executive career in the Information Technology industry in the UK, USA, NZ and Australia, and the Gaming and Wagering industry in Australia I have developed an in depth understanding of these industries and in particular gained experience of mergers, sales and acquisitions in these sectors.

### **CURRENT ROLES**

Principle of Hines Pty Ltd, a boutique consultancy providing strategic advice in the gaming and wagering sector

Non-executive director of the ASX listed Donaco International Limited (DNA).  
Chair of the Audit & Risk Committee and the Remuneration, Nominations & Corporate Governance Committee

Group chairman of the CEO Circle, an organisation that provides personal development, mentoring and networking opportunities to around 180 of Australia's CEOs and senior executives.

Since 1998 I have been a member of the Australian Institute of Company Directors (AICD). Serving on the State Board in NSW from 1999 to 2001 and as Treasurer in Queensland from 2001 to 2003.

Director of International Service for the Rotary Club of Central Melbourne since 2015 to the present day.

Chair of a non-profit charity tourism business, World of Difference

Non-executive director of the Sporting Chance Cancer Foundation, a non-profit charity supporting children with cancer and their families

Consultant retained by Sportsbet Australia Pty Ltd for advice relating to the Racing industry.

### **PREVIOUS NON-EXECUTIVE ROLES**

I was a member of the Business Council of Australia from 2000 - 2004

I was a member of the Griffiths University advisory panel from 2002 - 2004

I was a non-executive director of Genetraks Pty Limited, a Queensland Government funded start up related to equine DNA mapping, from 2001 - 2004

I was a non-executive director of Sportsbet Australia Pty Ltd from 2013 - 2016

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## **EXECUTIVE WORK EXPERIENCE**

### **Racing Victoria Limited (RVL) - Chief Executive Officer 2008 to 2012**

I served on the Board of Racing Victoria Limited (**RVL**) from 2008 to 2012 in my role as managing director and chief executive officer. RVL is the peak body for Thoroughbred Horse Racing in Victoria. RVL's budget at that time exceeded \$300 Million per annum and I had direct responsibility for up to 200 staff and indirect responsibility for 58 race clubs and numerous member associations. The scope of this role included all aspects of the operation and management of Thoroughbred Horse Racing in Victoria including the strategic direction of the business and stakeholder and member relations. My primary responsibility during 2012 was leading the negotiations on behalf of the Victorian Racing industry with the State Government and Tabcorp in regard to the relicensing process for retail and totalisator exclusivity in the State.

### **Vecommerce - Chief Executive Officer – Europe 2005 to 2008**

VeCommerce was a publicly listed company on the Australian Stock Exchange until November 2006 when it was acquired by the publicly listed Salmat Group. VeCommerce specialises in natural language speech recognition systems that recognise and act upon human speech.

### **Jupiters – Chief Executive Officer - 2000 to 2004**

I served on the Board of Jupiters Limited from 2000 to 2004 in my role as managing director and chief executive officer. Jupiters was a leading public company with diverse interests in gaming, tourism, leisure, and technology. In November 2003 it was acquired by Tabcorp in an acquisition that created the largest gaming entertainment company in Australia.

In my role at Jupiters I was also responsible for all aspects of the operation of the wholly owned subsidiary and corporate bookmaker, Centrebet

### **AWA – Chief Executive Officer - 1998 to 2000**

I served on the Board of AWA Limited from 1998 to 2000 in my role as managing director and chief executive officer. From its founding in 1913 AWA grew to establish interests ranging from communications, micro-electronics, defence, traffic-control systems and computers, to marine, general aviation, radio broadcasting, tracking stations, closed-circuit televisions, surveillance systems and electrical equipment. Renowned for being at the technological forefront, AWA pioneered the introduction of both television and radio in Australia.

### **Keycorp – General Manager Worldwide Business Development**

Keycorp designed built and sold smart card devices. My role was General Manager, Worldwide Business Development.

## **Optus Vision – Director Northern Region**

A joint venture between Optus and Continental Cablevision formed to establish Cable Television in the urban areas of Australia. My role was Director of Pay TV – Northern Region.

## **Burroughs/Unisys**

I was employed by Burroughs/Unisys from 1969 through 1994. I held various technical and executive roles in London, England; Detroit, USA; Wellington NZ; and finally in Sydney, Australia before leaving to join Optus.

## **EDUCATION AND QUALIFICATIONS**

Having left school at 17 I have no formal university qualifications. I have since attended numerous training courses both technical and business related which combined with my work experience has equipped me to deal at the highest levels in the following disciplines:

- Information Technology
- Financial Accounting
- Balance Sheet Management
- Commercial Law
- Corporate Governance
- Commercial Negotiation

## **CONTACT DETAILS**

Hines Pty Ltd  
73 Mills Street  
Hampton  
Victoria 3188

Phone (03) 9597 0847  
Mobile: 0407 877 550  
Email: rob.hines@live.com.au



IN THE AUSTRALIAN COMPETITION TRIBUNAL

ACT 1 of 2017

**Re:** Application by Tabcorp Holdings Limited under section 95AU of the *Competition and Consumer Act 2010* for an authorisation under subsection 95AT(1) to acquire shares in the capital of a body corporate or to acquire assets of another person

**Applicant:** Tabcorp Holdings Limited

ANNEXURE CERTIFICATE

This is the annexure marked **RAH-2** annexed to the expert report of **Robert Andrew Hines** dated 25 April 2017.

Annexure RAH-2

Letter of instructions for Robert Hines

Filed on behalf of	Australian Competition and Consumer Commission		
Prepared by	Simon Uthmeyer		
Law firm	DLA Piper		
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Email	Simon.Uthmeyer@dlapiper.com		
	DLA Piper		
	140 William Street		
<b>Address for service</b>	Melbourne VIC 3000		



**Privileged and Confidential**

Rob Hines  
Hines Pty Ltd

**Your reference**

ACT 1 of 2017

**Our reference**

ACW/ARP/3010528/638043  
AUM/1215351774.1

24 April 2017

**By Email : rob.hines@live.com.au**

Dear Rob

**ACT 1 OF 2017 (APPLICATION BY TABCORP FOR MERGER  
AUTHORISATION) - LETTER OF INSTRUCTION**

- 1 On 13 March 2017, Tabcorp Holdings Limited (**Tabcorp**) applied to the Australian Competition Tribunal (**Tribunal**) under section 95AU of the *Competition and Consumer Act 2010* (Cth) for merger authorisation for its proposed acquisition of the assets of Tatts Group Limited (**Proposed Acquisition**).
- 2 The role of the Australian Competition and Consumer Commission (**ACCC**) in relation to Tabcorp's application is to assist the Tribunal.
- 3 You are retained by DLA Piper on behalf of the ACCC to provide an expert opinion on the following questions:
  - 3.1 Please explain the high level commercial structure of the Australian racing industry including the role of peak racing authorities (**PRAs**) and the nature of the commercial relationship between PRAs and:
    - 3.1.1 acquirers of media rights for Australia races (racing media rights);
    - 3.1.2 the holders in each Australian State and Territory of licences to operate retail wagering networks and totalisators (retail licences); and
    - 3.1.3 corporate bookmakers.
  - 3.2 In respect of retail licences, please explain:
    - 3.2.1 The importance or otherwise of those licences to the Australian racing industry, including the relationship between PRAs and the retail licensees;

- 3.2.2 The impact, if any, you anticipate the Proposed Acquisition would have on the process for the grant and acquisition of retail licences in Victoria and Western Australia, assuming that licences are granted in those States respectively by 2024 (Victoria) and as part of a privatisation that occurs within the next 10 years (Western Australia);
  - 3.3 In respect of racing media rights, please explain:
    - 3.3.1 The importance or otherwise of those rights to the Australian racing industry (including to PRAs); and
    - 3.3.2 The impact, if any, you anticipate the Proposed Acquisition would have on the sale and acquisition of those rights.
  - 3.4 Please explain the impact, if any, you anticipate the Proposed Acquisition would have on the Australian racing industry.
  - 3.5 Please review the statement of Damien Johnston dated 6 March 2017 and advise, based on your experience, whether you consider it likely that the Proposed Acquisition would enable the merged entity to achieve the cost savings and revenue increases set out in that statement.
- 4 Where you reach conclusions in your report which are based on particular assumptions or other material, please make specific reference to the assumptions or materials which form the basis for your conclusions.
- 5 Attachment A to this letter contains a list of the documents we have provided to assist you with your opinions on the questions set out above.

### **Expert Guidelines**

- 6 Attachment B to this letter is the Federal Court of Australia Expert Evidence Practice Note (GPN-EXPT) including Annexure A (Harmonised Expert Witness Code of Conduct) to that Practice Note. Please read the Practice Note carefully and ensure that your report complies with each of its elements. Please also confirm in your report that you have read and agree to be bound by the Practice Note.

### **Limitations and qualifications**

- 7 You must qualify the opinion given in your report if either of the following apply:
  - 7.1 you consider your report may be incomplete or inaccurate without the qualification; or
  - 7.2 you are unable to form a conclusive opinion because of insufficient research, insufficient information, or for any other reason.

### **If you change your opinion**

- 8 You must provide a supplementary report if you change your opinion after giving us your original report.

**Confidentiality**

- 9 Attachment C to this letter are the directions made by Justice Middleton of the Australian Competition Tribunal on 23 March 2017 in relation to access to and disclosure of confidential information in this matter. The directions impose obligations upon, amongst other people, independent experts engaged by the ACCC. Accordingly, you must comply with these directions.

We look forward to receiving your report.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Alec White'.

**ALEC WHITE**  
**Senior Associate**  
**DLA PIPER AUSTRALIA**

Direct +61392745144

Alec.White@dlapiper.com

A handwritten signature in black ink, appearing to read 'Simon Uthmeyer'.

**SIMON UTHMEYER**  
**Partner**  
**DLA PIPER AUSTRALIA**

Direct +61392745470

Simon.Uthmeyer@dlapiper.com

Enc

**ATTACHMENT A**

- 1 Annexure A to Tabcorp's Form S Application filed 13 March 2017
- 2 Tabcorp and Tatts Lay Witness Statements and Expert Reports of:
  - 2.1 David Attenborough (excluding annexures);
  - 2.2 Douglas Freeman (including annexures);
  - 2.3 Damien Johnston (including annexures);
  - 2.4 Ric Simes (including annexures).
- 3 Confidential versions of Intervener Lay Witness Statement (including annexures) of:
  - 3.1 Julian Christian.
- 4 Public versions of Intervener Lay Witness Statements (excluding annexures) of:
  - 4.1 Simon Barrile;
  - 4.2 Giles Thompson;
  - 4.3 Andrew Catterall;
  - 4.4 Josh Blanksby;
  - 4.5 Nicholas Tyshing.
- 5 Licence Holder / Racing Authority Agreements :

*Victoria*

  - 5.1 Unincorporated Joint Venture;
  - 5.2 Racing Program Agreement;

*New South Wales*

  - 5.3 Racing Distribution Agreement (RDA);
  - 5.4 First RDA Amendment;
  - 5.5 Second RDA Amendment;
  - 5.6 Third RDA Amendment;
  - 5.7 Fourth RDA Amendment;
  - 5.8 Fifth RDA Amendment;

5.9 Sixth RDA Amendment;

*ACT*

5.10 Industry Community Support Deed;

*Queensland*

5.11 Product and Program Deed;

*South Australia*

5.12 SA Racing Distribution Agreement;

5.13 Variation of SA Racing Distribution Agreement;

5.14 Integrity and Contribution Agreement;

*Northern Territory*

5.15 NT Fee and Adjustment Deed.

**ATTACHMENT B - FEDERAL COURT EXPERT EVIDENCE PRACTICE NOTE**



## EXPERT EVIDENCE PRACTICE NOTES (GPN-EXPT)

### General Practice Note

#### 1. INTRODUCTION

- 1.1 This practice note, including the *Harmonised Expert Witness Code of Conduct* (“**Code**”) (see **Annexure A**) and the *Concurrent Expert Evidence Guidelines* (“**Concurrent Evidence Guidelines**”) (see **Annexure B**), applies to any proceeding involving the use of expert evidence and must be read together with:
- (a) the Central Practice Note (CPN-1), which sets out the fundamental principles concerning the National Court Framework (“**NCF**”) of the Federal Court and key principles of case management procedure;
  - (b) the Federal Court of Australia Act 1976 (Cth) (“**Federal Court Act**”);
  - (c) the *Evidence Act 1995* (Cth) (“**Evidence Act**”), including Part 3.3 of the Evidence Act;
  - (d) Part 23 of the *Federal Court Rules 2011* (Cth) (“**Federal Court Rules**”); and
  - (e) where applicable, the Survey Evidence Practice Note (GPN-SURV).
- 1.2 This practice note takes effect from the date it is issued and, to the extent practicable, applies to proceedings whether filed before, or after, the date of issuing.

#### 2. APPROACH TO EXPERT EVIDENCE

- 2.1 An expert witness may be retained to give opinion evidence in the proceeding, or, in certain circumstances, to express an opinion that may be relied upon in alternative dispute resolution procedures such as mediation or a conference of experts. In some circumstances an expert may be appointed as an independent adviser to the Court.
- 2.2 The purpose of the use of expert evidence in proceedings, often in relation to complex subject matter, is for the Court to receive the benefit of the objective and impartial assessment of an issue from a witness with specialised knowledge (based on training, study or experience - see generally s 79 of the *Evidence Act*).
- 2.3 However, the use or admissibility of expert evidence remains subject to the overriding requirements that:
- (a) to be admissible in a proceeding, any such evidence must be relevant (s 56 of the *Evidence Act*); and
  - (b) even if relevant, any such evidence, may be refused to be admitted by the Court if its probative value is outweighed by other considerations such as the evidence



being unfairly prejudicial, misleading or will result in an undue waste of time (s 135 of the Evidence Act).

- 2.4 An expert witness' opinion evidence may have little or no value unless the assumptions adopted by the expert (ie. the facts or grounds relied upon) and his or her reasoning are expressly stated in any written report or oral evidence given.
- 2.5 The Court will ensure that, in the interests of justice, parties are given a reasonable opportunity to adduce and test relevant expert opinion evidence. However, the Court expects parties and any legal representatives acting on their behalf, when dealing with expert witnesses and expert evidence, to at all times comply with their duties associated with the overarching purpose in the Federal Court Act (see ss 37M and 37N).

### **3. INTERACTION WITH EXPERT WITNESSES**

- 3.1 Parties and their legal representatives should never view an expert witness retained (or partly retained) by them as that party's advocate or "hired gun". Equally, they should never attempt to pressure or influence an expert into conforming his or her views with the party's interests.
- 3.2 A party or legal representative should be cautious not to have inappropriate communications when retaining or instructing an independent expert, or assisting an independent expert in the preparation of his or her evidence. However, it is important to note that there is no principle of law or practice and there is nothing in this practice note that obliges a party to embark on the costly task of engaging a "consulting expert" in order to avoid "contamination" of the expert who will give evidence. Indeed the Court would generally discourage such costly duplication.
- 3.3 Any witness retained by a party for the purpose of preparing a report or giving evidence in a proceeding as to an opinion held by the witness that is wholly or substantially based in the specialised knowledge of the witness<sup>1</sup> should, at the earliest opportunity, be provided with:
  - (a) a copy of this practice note, including the Code (see Annexure A); and
  - (b) all relevant information (whether helpful or harmful to that party's case) so as to enable the expert to prepare a report of a truly independent nature.
- 3.4 Any questions or assumptions provided to an expert should be provided in an unbiased manner and in such a way that the expert is not confined to addressing selective, irrelevant or immaterial issues.

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<sup>1</sup> Such a witness includes a "Court expert" as defined in r 23.01 of the Federal Court Rules. For the definition of "expert", "expert evidence" and "expert report" see the Dictionary, in Schedule 1 of the Federal Court Rules.

#### **4. ROLE AND DUTIES OF THE EXPERT WITNESS**

- 4.1 The role of the expert witness is to provide relevant and impartial evidence in his or her area of expertise. An expert should never mislead the Court or become an advocate for the cause of the party that has retained the expert.
- 4.2 It should be emphasised that there is nothing inherently wrong with experts disagreeing or failing to reach the same conclusion. The Court will, with the assistance of the evidence of the experts, reach its own conclusion.
- 4.3 However, experts should willingly be prepared to change their opinion or make concessions when it is necessary or appropriate to do so, even if doing so would be contrary to any previously held or expressed view of that expert.

##### ***Harmonised Expert Witness Code of Conduct***

- 4.4 Every expert witness giving evidence in this Court must read the *Harmonised Expert Witness Code of Conduct* (attached in Annexure A) and agree to be bound by it.
- 4.5 The Code is not intended to address all aspects of an expert witness' duties, but is intended to facilitate the admission of opinion evidence, and to assist experts to understand in general terms what the Court expects of them. Additionally, it is expected that compliance with the Code will assist individual expert witnesses to avoid criticism (rightly or wrongly) that they lack objectivity or are partisan.

#### **5. CONTENTS OF AN EXPERT'S REPORT AND RELATED MATERIAL**

- 5.1 The contents of an expert's report must conform with the requirements set out in the Code (including clauses 3 to 5 of the Code).
- 5.2 In addition, the contents of such a report must also comply with r 23.13 of the *Federal Court Rules*. Given that the requirements of that rule significantly overlap with the requirements in the Code, an expert, unless otherwise directed by the Court, will be taken to have complied with the requirements of r 23.13 if that expert has complied with the requirements in the Code and has complied with the additional following requirements. The expert shall:
  - (a) acknowledge in the report that:
    - (i) the expert has read and complied with this practice note and agrees to be bound by it; and
    - (ii) the expert's opinions are based wholly or substantially on specialised knowledge arising from the expert's training, study or experience;
  - (b) identify in the report the questions that the expert was asked to address;
  - (c) sign the report and attach or exhibit to it copies of:
    - (i) documents that record any instructions given to the expert; and

- (ii) documents and other materials that the expert has been instructed to consider.

5.3 Where an expert's report refers to photographs, plans, calculations, analyses, measurements, survey reports or other extrinsic matter, these must be provided to the other parties at the same time as the expert's report.

## **6. CASE MANAGEMENT CONSIDERATIONS**

6.1 Parties intending to rely on expert evidence at trial are expected to consider between them and inform the Court at the earliest opportunity of their views on the following:

- (a) whether a party should adduce evidence from more than one expert in any single discipline;
- (b) whether a common expert is appropriate for all or any part of the evidence;
- (c) the nature and extent of expert reports, including any in reply;
- (d) the identity of each expert witness that a party intends to call, their area(s) of expertise and availability during the proposed hearing;
- (e) the issues that it is proposed each expert will address;
- (f) the arrangements for a conference of experts to prepare a joint-report (see Part 7 of this practice note);
- (g) whether the evidence is to be given concurrently and, if so, how (see Part 8 of this practice note); and
- (h) whether any of the evidence in chief can be given orally.

6.2 It will often be desirable, before any expert is retained, for the parties to attempt to agree on the question or questions proposed to be the subject of expert evidence as well as the relevant facts and assumptions. The Court may make orders to that effect where it considers it appropriate to do so.

## **7. CONFERENCE OF EXPERTS AND JOINT-REPORT**

7.1 Parties, their legal representatives and experts should be familiar with aspects of the Code relating to conferences of experts and joint-reports (see clauses 6 and 7 of the Code attached in [Annexure A](#)).

7.2 In order to facilitate the proper understanding of issues arising in expert evidence and to manage expert evidence in accordance with the overarching purpose, the Court may require experts who are to give evidence or who have produced reports to meet for the purpose of identifying and addressing the issues not agreed between them with a view to reaching agreement where this is possible ("**conference of experts**"). In an appropriate case, the Court may appoint a registrar of the Court or some other suitably qualified person ("**Conference Facilitator**") to act as a facilitator at the conference of experts.

- 7.3 It is expected that where expert evidence may be relied on in any proceeding, at the earliest opportunity, parties will discuss and then inform the Court whether a conference of experts and/or a joint-report by the experts may be desirable to assist with or simplify the giving of expert evidence in the proceeding. The parties should discuss the necessary arrangements for any conference and/or joint-report. The arrangements discussed between the parties should address:
- (a) who should prepare any joint-report;
  - (b) whether a list of issues is needed to assist the experts in the conference and, if so, whether the Court, the parties or the experts should assist in preparing such a list;
  - (c) the agenda for the conference of experts; and
  - (d) arrangements for the provision, to the parties and the Court, of any joint-report or any other report as to the outcomes of the conference (“**conference report**”).

#### ***Conference of Experts***

- 7.4 The purpose of the conference of experts is for the experts to have a comprehensive discussion of issues relating to their field of expertise, with a view to identifying matters and issues in a proceeding about which the experts agree, partly agree or disagree and why. For this reason the conference is attended only by the experts and any Conference Facilitator. Unless the Court orders otherwise, the parties' lawyers will not attend the conference but will be provided with a copy of any conference report.
- 7.5 The Court may order that a conference of experts occur in a variety of circumstances, depending on the views of the judge and the parties and the needs of the case, including:
- (a) while a case is in mediation. When this occurs the Court may also order that the outcome of the conference or any document disclosing or summarising the experts' opinions be confidential to the parties while the mediation is occurring;
  - (b) before the experts have reached a final opinion on a relevant question or the facts involved in a case. When this occurs the Court may order that the parties exchange draft expert reports and that a conference report be prepared for the use of the experts in finalising their reports;
  - (c) after the experts' reports have been provided to the Court but before the hearing of the experts' evidence. When this occurs the Court may also order that a conference report be prepared (jointly or otherwise) to ensure the efficient hearing of the experts' evidence.
- 7.6 Subject to any other order or direction of the Court, the parties and their lawyers must not involve themselves in the conference of experts process. In particular, they must not seek to encourage an expert not to agree with another expert or otherwise seek to influence the outcome of the conference of experts. The experts should raise any queries they may have in relation to the process with the Conference Facilitator (if one has been appointed) or in

accordance with a protocol agreed between the lawyers prior to the conference of experts taking place (if no Conference Facilitator has been appointed).

- 7.7 Any list of issues prepared for the consideration of the experts as part of the conference of experts process should be prepared using non-tendentious language.
- 7.8 The timing and location of the conference of experts will be decided by the judge or a registrar who will take into account the location and availability of the experts and the Court's case management timetable. The conference may take place at the Court and will usually be conducted in-person. However, if not considered a hindrance to the process, the conference may also be conducted with the assistance of visual or audio technology (such as via the internet, video link and/or by telephone).
- 7.9 Experts should prepare for a conference of experts by ensuring that they are familiar with all of the material upon which they base their opinions. Where expert reports in draft or final form have been exchanged prior to the conference, experts should attend the conference familiar with the reports of the other experts. Prior to the conference, experts should also consider where they believe the differences of opinion lie between them and what processes and discussions may assist to identify and refine those areas of difference.

#### ***Joint-report***

- 7.10 At the conclusion of the conference of experts, unless the Court considers it unnecessary to do so, it is expected that the experts will have narrowed the issues in respect of which they agree, partly agree or disagree in a joint-report. The joint-report should be clear, plain and concise and should summarise the views of the experts on the identified issues, including a succinct explanation for any differences of opinion, and otherwise be structured in the manner requested by the judge or registrar.
- 7.11 In some cases (and most particularly in some native title cases), depending on the nature, volume and complexity of the expert evidence a judge may direct a registrar to draft part, or all, of a conference report. If so, the registrar will usually provide the draft conference report to the relevant experts and seek their confirmation that the conference report accurately reflects the opinions of the experts expressed at the conference. Once that confirmation has been received the registrar will finalise the conference report and provide it to the intended recipient(s).

## **8. CONCURRENT EXPERT EVIDENCE**

- 8.1 The Court may determine that it is appropriate, depending on the nature of the expert evidence and the proceeding generally, for experts to give some or all of their evidence concurrently at the final (or other) hearing.
- 8.2 Parties should familiarise themselves with the *Concurrent Expert Evidence Guidelines* (attached in Annexure B). The Concurrent Evidence Guidelines are not intended to be exhaustive but indicate the circumstances when the Court might consider it appropriate for

concurrent expert evidence to take place, outline how that process may be undertaken, and assist experts to understand in general terms what the Court expects of them.

- 8.3 If an order is made for concurrent expert evidence to be given at a hearing, any expert to give such evidence should be provided with the Concurrent Evidence Guidelines well in advance of the hearing and should be familiar with those guidelines before giving evidence.

## **9. FURTHER PRACTICE INFORMATION AND RESOURCES**

- 9.1 Further information regarding Expert Evidence and Expert Witnesses is available on the Court's website.
- 9.2 Further information to assist litigants, including a range of helpful guides, is also available on the Court's website. This information may be particularly helpful for litigants who are representing themselves.

J L B ALLSOP  
Chief Justice  
25 October 2016

## Annexure A

# HARMONISED EXPERT WITNESS CODE OF CONDUCT<sup>2</sup>

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### APPLICATION OF CODE

1. This Code of Conduct applies to any expert witness engaged or appointed:
  - (a) to provide an expert's report for use as evidence in proceedings or proposed proceedings; or
  - (b) to give opinion evidence in proceedings or proposed proceedings.

### GENERAL DUTIES TO THE COURT

2. An expert witness is not an advocate for a party and has a paramount duty, overriding any duty to the party to the proceedings or other person retaining the expert witness, to assist the Court impartially on matters relevant to the area of expertise of the witness.

### CONTENT OF REPORT

3. Every report prepared by an expert witness for use in Court shall clearly state the opinion or opinions of the expert and shall state, specify or provide:
  - (a) the name and address of the expert;
  - (b) an acknowledgment that the expert has read this code and agrees to be bound by it;
  - (c) the qualifications of the expert to prepare the report;
  - (d) the assumptions and material facts on which each opinion expressed in the report is based [a letter of instructions may be annexed];
  - (e) the reasons for and any literature or other materials utilised in support of such opinion;
  - (f) (if applicable) that a particular question, issue or matter falls outside the expert's field of expertise;
  - (g) any examinations, tests or other investigations on which the expert has relied, identifying the person who carried them out and that person's qualifications;
  - (h) the extent to which any opinion which the expert has expressed involves the acceptance of another person's opinion, the identification of that other person and the opinion expressed by that other person;
  - (i) a declaration that the expert has made all the inquiries which the expert believes are desirable and appropriate (save for any matters identified explicitly in the report), and that no matters of significance which the expert regards as relevant have, to the

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<sup>2</sup> Approved by the Council of Chief Justices' Rules Harmonisation Committee

knowledge of the expert, been withheld from the Court;

- (j) any qualifications on an opinion expressed in the report without which the report is or may be incomplete or inaccurate;
- (k) whether any opinion expressed in the report is not a concluded opinion because of insufficient research or insufficient data or for any other reason; and
- (l) where the report is lengthy or complex, a brief summary of the report at the beginning of the report.

#### **SUPPLEMENTARY REPORT FOLLOWING CHANGE OF OPINION**

- 4. Where an expert witness has provided to a party (or that party's legal representative) a report for use in Court, and the expert thereafter changes his or her opinion on a material matter, the expert shall forthwith provide to the party (or that party's legal representative) a supplementary report which shall state, specify or provide the information referred to in paragraphs (a), (d), (e), (g), (h), (i), (j), (k) and (l) of clause 3 of this code and, if applicable, paragraph (f) of that clause.
- 5. In any subsequent report (whether prepared in accordance with clause 4 or not) the expert may refer to material contained in the earlier report without repeating it.

#### **DUTY TO COMPLY WITH THE COURT'S DIRECTIONS**

- 6. If directed to do so by the Court, an expert witness shall:
  - (a) confer with any other expert witness;
  - (b) provide the Court with a joint-report specifying (as the case requires) matters agreed and matters not agreed and the reasons for the experts not agreeing; and
  - (c) abide in a timely way by any direction of the Court.

#### **CONFERENCE OF EXPERTS**

- 7. Each expert witness shall:
  - (a) exercise his or her independent judgment in relation to every conference in which the expert participates pursuant to a direction of the Court and in relation to each report thereafter provided, and shall not act on any instruction or request to withhold or avoid agreement; and
  - (b) endeavour to reach agreement with the other expert witness (or witnesses) on any issue in dispute between them, or failing agreement, endeavour to identify and clarify the basis of disagreement on the issues which are in dispute.



## ANNEXURE B

# CONCURRENT EXPERT EVIDENCE GUIDELINES

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### APPLICATION OF THE COURT'S GUIDELINES

1. The Court's Concurrent Expert Evidence Guidelines ("**Concurrent Evidence Guidelines**") are intended to inform parties, practitioners and experts of the Court's general approach to concurrent expert evidence, the circumstances in which the Court might consider expert witnesses giving evidence concurrently and, if so, the procedures by which their evidence may be taken.

### OBJECTIVES OF CONCURRENT EXPERT EVIDENCE TECHNIQUE

2. The use of concurrent evidence for the giving of expert evidence at hearings as a case management technique<sup>3</sup> will be utilised by the Court in appropriate circumstances (see r 23.15 of the *Federal Court Rules 2011* (Cth)). Not all cases will suit the process. For instance, in some patent cases, where the entire case revolves around conflicts within fields of expertise, concurrent evidence may not assist a judge. However, patent cases should not be excluded from concurrent expert evidence processes.
3. In many cases the use of concurrent expert evidence is a technique that can reduce the partisan or confrontational nature of conventional hearing processes and minimises the risk that experts become "opposing experts" rather than independent experts assisting the Court. It can elicit more precise and accurate expert evidence with greater input and assistance from the experts themselves.
4. When properly and flexibly applied, with efficiency and discipline during the hearing process, the technique may also allow the experts to more effectively focus on the critical points of disagreement between them, identify or resolve those issues more quickly, and narrow the issues in dispute. This can also allow for the key evidence to be given at the same time (rather than being spread across many days of hearing); permit the judge to assess an expert more readily, whilst allowing each party a genuine opportunity to put and test expert evidence. This can reduce the chance of the experts, lawyers and the judge misunderstanding the opinions being expressed by the experts.
5. It is essential that such a process has the full cooperation and support of all of the individuals involved, including the experts and counsel involved in the questioning process. Without that cooperation and support the process may fail in its objectives and even hinder the case management process.

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<sup>3</sup> Also known as the "hot tub" or as "expert panels".

## **CASE MANAGEMENT**

6. Parties should expect that, the Court will give careful consideration to whether concurrent evidence is appropriate in circumstances where there is more than one expert witness having the same expertise who is to give evidence on the same or related topics. Whether experts should give evidence concurrently is a matter for the Court, and will depend on the circumstances of each individual case, including the character of the proceeding, the nature of the expert evidence, and the views of the parties.
7. Although this consideration may take place at any time, including the commencement of the hearing, if not raised earlier, parties should raise the issue of concurrent evidence at the first appropriate case management hearing, and no later than any pre-trial case management hearing, so that orders can be made in advance, if necessary. To that end, prior to the hearing at which expert evidence may be given concurrently, parties and their lawyers should confer and give general consideration as to:
  - (a) the agenda;
  - (b) the order and manner in which questions will be asked; and
  - (c) whether cross-examination will take place within the context of the concurrent evidence or after its conclusion.
8. At the same time, and before any hearing date is fixed, the identity of all experts proposed to be called and their areas of expertise is to be notified to the Court by all parties.
9. The lack of any concurrent evidence orders does not mean that the Court will not consider using concurrent evidence without prior notice to the parties, if appropriate.

## **CONFERENCE OF EXPERTS & JOINT-REPORT OR LIST OF ISSUES**

10. The process of giving concurrent evidence at hearings may be assisted by the preparation of a joint-report or list of issues prepared as part of a conference of experts.
11. Parties should expect that, where concurrent evidence is appropriate, the Court may make orders requiring a conference of experts to take place or for documents such as a joint-report to be prepared to facilitate the concurrent expert evidence process at a hearing (see Part 7 of the Expert Evidence Practice Note).

## **PROCEDURE AT HEARING**

12. Concurrent expert evidence may be taken at any convenient time during the hearing, although it will often occur at the conclusion of both parties' lay evidence.
13. At the hearing itself, the way in which concurrent expert evidence is taken must be applied flexibly and having regard to the characteristics of the case and the nature of the evidence to be given.
14. Without intending to be prescriptive of the procedure, parties should expect that, when evidence is given by experts in concurrent session:

- (a) the judge will explain to the experts the procedure that will be followed and that the nature of the process may be different to their previous experiences of giving expert evidence;
  - (b) the experts will be grouped and called to give evidence together in their respective fields of expertise;
  - (c) the experts will take the oath or affirmation together, as appropriate;
  - (d) the experts will sit together with convenient access to their materials for their ease of reference, either in the witness box or in some other location in the courtroom, including (if necessary) at the bar table;
  - (e) each expert may be given the opportunity to provide a summary overview of their current opinions and explain what they consider to be the principal issues of disagreement between the experts, as they see them, in their own words;
  - (f) the judge will guide the process by which evidence is given, including, where appropriate:
    - (i) using any joint-report or list of issues as a guide for all the experts to be asked questions by the judge and counsel, about each issue on an issue-by-issue basis;
    - (ii) ensuring that each expert is given an adequate opportunity to deal with each issue and the exposition given by other experts including, where considered appropriate, each expert asking questions of other experts or supplementing the evidence given by other experts;
    - (iii) inviting legal representatives to identify the topics upon which they will cross-examine;
    - (iv) ensuring that legal representatives have an adequate opportunity to ask all experts questions about each issue. Legal representatives may also seek responses or contributions from one or more experts in response to the evidence given by a different expert; and
    - (v) allowing the experts an opportunity to summarise their views at the end of the process where opinions may have been changed or clarifications are needed.
15. The fact that the experts may have been provided with a list of issues for consideration does not confine the scope of any cross-examination of any expert. The process of cross-examination remains subject to the overall control of the judge.
16. The concurrent session should allow for a sensible and orderly series of exchanges between expert and expert, and between expert and lawyer. Where appropriate, the judge may allow for more traditional cross-examination to be pursued by a legal representative on a particular issue exclusively with one expert. Where that occurs, other experts may be asked to comment on the evidence given.
17. Where any issue involves only one expert, the party wishing to ask questions about that issue should let the judge know in advance so that consideration can be given to whether

arrangements should be made for that issue to be dealt with after the completion of the concurrent session. Otherwise, as far as practicable, questions (including in the form of cross-examination) will usually be dealt with in the concurrent session.

18. Throughout the concurrent evidence process the judge will ensure that the process is fair and effective (for the parties and the experts), balanced (including not permitting one expert to overwhelm or overshadow any other expert), and does not become a protracted or inefficient process.

**ATTACHMENT C - CONFIDENTIALITY DIRECTIONS**

COMMONWEALTH OF AUSTRALIA

*Competition and Consumer Act 2010 (Cth)*

IN THE AUSTRALIAN COMPETITION TRIBUNAL

File No: ACT 1 of 2017

Re: Application by Tabcorp Holdings Limited under section 95AU of the *Competition and Consumer Act 2010* for an authorisation under subsection 95AT(1) to acquire shares in the capital of a body corporate or to acquire assets of another person

Applicant: Tabcorp Holdings Limited (ACN 063 780 709)

DIRECTIONS

TRIBUNAL: Justice Middleton (President)

DATE OF ORDER: 23 March 2017

WHERE MADE: Melbourne



THE TRIBUNAL DIRECTS THAT:

1. This order is made by the Australian Competition Tribunal for the purposes of section 106(2) of the *Competition and Consumer Act 2010* (Cth).

Definitions used in these directions

2. The following defined terms apply for the purposes of these Orders:
  - (a) **Act** means *Competition and Consumer Act 2010* (Cth).
  - (b) **Commission** means the Australian Competition and Consumer Commission.
  - (c) **Confidentiality Claimant** means, in respect of particular Confidential Information, the person or entity who made a claim of confidentiality in respect of that information.
  - (d) **Confidential Information** means all information filed with the Tribunal in the Proceeding in respect of which a claim of confidentiality has been made and which has not been refused by the Tribunal and which has been marked either 'Confidential' or 'HIGHLY Confidential'.
  - (e) **Intervener** means a person or entity which:



- i. has made an application for leave to intervene in the Proceeding which has not been refused by the Tribunal; or
  - ii. is permitted by the Tribunal pursuant to section 109(2) of the Act to intervene in the Proceeding.
- (f) **Orders** means these orders dated 23 March 2017.
  - (g) **Proceeding** means ACT 1 of 2017 (including any appeals from a decision of the Tribunal in the Proceeding).
  - (h) **Support Staff** means persons providing administrative assistance and includes secretaries, administrative assistants, graduates, IT staff, print room staff and staff of external printing vendors.
  - (i) **Tabcorp** means Tabcorp Holdings Limited.
  - (j) **Tatts** means Tatts Group Limited.
  - (k) **Tribunal** means Australian Competition Tribunal.

#### Access to Confidential Information

- 3. The following persons have unrestricted access to the Confidential Information marked either 'Confidential' or 'HIGHLY Confidential', provided such persons keep that material confidential in accordance with these Orders:
  - (a) the Tribunal, Tribunal staff and any other person assisting the Tribunal;
  - (b) the Commission, Commission staff and any other person assisting the Commission in relation to the Proceeding including the Commission's external barristers and solicitors;
  - (c) external consultants and independent experts engaged for the purpose of the Proceeding by the Commission (or the Commission's external solicitors), provided that the Commission's external solicitors have notified the relevant Confidentiality Claimant of the names of such persons; and
  - (d) Support Staff of the persons listed in 3(a)-(c) of these Orders.
- 4. The following persons have unrestricted access to the Confidential Information marked either 'Confidential' or 'HIGHLY confidential', provided that such persons have signed the confidentiality undertaking in the form attached and marked "Confidentiality Undertaking":
  - (a) external barristers and solicitors retained by Tabcorp or by Tatts or by any Intervener for the purpose of the Proceeding;



- (b) independent experts retained for the purposes of the Proceeding by Tabcorp or by Tatts or by any Intervener (or their external solicitors), with the prior written consent of the Confidentiality Claimant;
  - (c) any other person, with the prior written consent of the Confidentiality Claimant; and
  - (d) Support Staff of the persons listed in paragraphs 4(a)-4(c) of these Orders.
- 5. The following persons have unrestricted access to the Confidential Information marked 'Confidential', provided that such persons have signed the confidentiality undertaking in the form attached and marked "Confidentiality Undertaking":
  - (a) internal legal counsel of Tabcorp or Tatts who directly assist with the day to day conduct of the Proceeding;
  - (b) any other person, with the prior written consent of the Confidentiality Claimant; and
  - (c) Support Staff of the persons listed in paragraphs 5(a) of these Orders.

**General orders as to confidentiality**

- 6. On 2 days' notice to the Confidentiality Claimant, the Commission, Tabcorp, Tatts, any other Intervener and any other interested person has liberty to apply for a direction seeking access to Confidential Information. The relevant Confidentiality Claimant and the Commission will be provided with an opportunity to be heard before the Confidential Information is disclosed to any person other than as permitted by these Orders.
- 7. Until further order of the Tribunal, Confidential Information is not to appear in any transcript of the Proceeding before the Tribunal other than in a confidential copy of the transcript, which shall only be made available to the persons referenced in paragraph 3 of these Orders and otherwise, as permitted by these Orders.
- 8. Any notice given, or materials that are filed and served in the Proceeding may be given or filed and served by email to the following email addresses:
  - (a) Email address for the Tribunal is [registry@competitiontribunal.gov.au](mailto:registry@competitiontribunal.gov.au)
  - (b) Email addresses for Tabcorp are [Grant.Marjoribanks@hsf.com](mailto:Grant.Marjoribanks@hsf.com) and [smuys@gtlaw.com.au](mailto:smuys@gtlaw.com.au)
  - (c) Email address for the Commission is [Simon.Uthmeyer@dlapiper.com](mailto:Simon.Uthmeyer@dlapiper.com)
  - (d) Email address for Tatts is [mcorrigan@claytonutz.com](mailto:mcorrigan@claytonutz.com)



9. Tabcorp, the Commission, any Intervener and any interested person have general liberty to apply for further directions.

Date entered: 23 March 2017



A handwritten signature in blue ink, consisting of a stylized 'A' followed by a 'U'.

**REGISTRAR**  
Australian Competition Tribunal

## Confidentiality Undertaking

No. ACT 1 of 2017

Australian Competition Tribunal

**Re: Application by Tabcorp Holdings Limited under section 95AU of the Competition and Consumer Act (Cth)**

I, **[name]**, **[occupation]**, of **[address]**, on **[date]** hereby undertake to the Tribunal and to each Confidentiality Claimant (but in relation to that Confidentiality Claimant's Confidential Information only) as follows:

1. In this undertaking:
  - (a) **Commission** means the Australian Competition and Consumer Commission.
  - (b) **Confidential Information** means all information filed with the Tribunal in the Proceeding in respect of which a claim of confidentiality has been made and which has been made and not refused by the Tribunal and which has been marked either 'Confidential' or 'HIGHLY Confidential'.
  - (c) **Confidentiality Claimant** means, in respect of particular Confidential Information, the person or entity who made a claim of confidentiality in respect of that information.
  - (d) **Confidentiality Directions** means the directions of the Tribunal in the Proceeding dated [date], a copy of which marked "Annexure A" is annexed to this undertaking.
  - (e) **Proceeding** means ACT 1 of 2017 (including any appeals from a decision of the Tribunal in the Proceeding).
  - (f) **Tabcorp** means Tabcorp Holdings Limited.
  - (g) **Tatts** means Tatts Group Limited.
  - (h) **Tribunal** means Australian Competition Tribunal.
2. I will not use the Confidential Information for any purpose other than my work in respect of the Proceeding.

3. I will keep the Confidential Information confidential and will not disclose the Confidential Information directly or indirectly to any person, other than:
  - (a) in respect of Confidential Information marked 'Highly Confidential', the persons permitted to access such information pursuant to the directions 3 and 4 of the Confidentiality Directions or pursuant to any other directions of the Tribunal in the Proceeding related to confidentiality; and
  - (b) in respect of Confidential Information marked 'Confidential', the persons permitted to access such information pursuant to the directions 3, 4 and 5 of the Confidentiality Directions or pursuant to any other directions of the Tribunal in the Proceeding related to confidentiality.
4. To the extent that I have Confidential Information, I will:
  - (a) establish and maintain effective security measures to safeguard the Confidential Information from unauthorised access or use;
  - (b) keep the Confidential Information under my effective control; and
  - (c) immediately notify the Confidentiality Claimant in writing of any suspected or actual unauthorised use, copying or disclosure of the Confidential Information, of which I become aware and provide any reasonable assistance requested by the Confidentiality Claimant in relation to any action that the Confidentiality Claimant may take against any person for such unauthorised use or disclosure.
5. Following the final determination of the Proceeding, I will do one of the following:
  - (a) continue to maintain the Confidential Information under my effective control and safeguard it from unauthorised access or use; or
  - (b) destroy the Confidential Information in my possession, custody or control; or
  - (c) return or cause to be returned the Confidential Information in my possession, custody or control, to the Confidentiality Claimant (or its solicitors).
6. I may only vary the terms of this undertaking with the prior written consent of the Confidentiality Claimant (or its solicitors) or by order of the Tribunal.
7. I acknowledge that my obligations in paragraphs 2, 3, 4, 6, 7, 8 and 9 of this undertaking will continue after the final determination of the Proceeding and the destruction or return of the Confidential Information to the Confidentiality Claimant (or its solicitors).
8. I acknowledge that damages are not an adequate remedy for the breach of my obligations in this undertaking and that the Confidentiality Claimant shall be entitled to

**[PUBLIC VERSION]**

equitable relief (including, without limitation, injunctive relief) in respect of any threatened or actual breach of my obligations in this undertaking.

9. I irrevocably submit to the jurisdiction of the Tribunal for the purposes of enforcing the terms of this undertaking, which are governed by the laws of the State of Victoria.

**SIGNED** by **[name]** in the presence of:

\_\_\_\_\_  
Signature of **[name]**

\_\_\_\_\_  
Signature of witness, whose name and address appears below.

IN THE AUSTRALIAN COMPETITION TRIBUNAL

ACT 1 of 2017

**Re:** Application by Tabcorp Holdings Limited under section 95AU of the *Competition and Consumer Act 2010* for an authorisation under subsection 95AT(1) to acquire shares in the capital of a body corporate or to acquire assets of another person

**Applicant:** Tabcorp Holdings Limited

ANNEXURE CERTIFICATE

This is the annexure marked **RAH-3** annexed to the expert report of **Robert Andrew Hines** dated 25 April 2017.

**Annexure RAH-3**

**Racing Season 2015/2016 Fact Book**

Filed on behalf of	Australian Competition and Consumer Commission		
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[PUBLIC VERSION]



# RACING SEASON 2015/2016 FACT BOOK



[www.racingaustralia.horse](http://www.racingaustralia.horse)

A GUIDE TO THE THOROUGHBRED INDUSTRY IN AUSTRALIA

Racing Season 1st August 2015 - 31st July 2016







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# AUSTRALIAN THOROUGHBRED RACING STRUCTURE

## AUSTRALIAN RULES OF RACING

The Racing Australia Board is the only authority which is empowered to set and amend the Australian Rules of Racing which for more than a century have provided common practices, conditions and integrity standards for thoroughbred racing throughout Australia.

The individual State and Territory Principal Racing Authorities (PRAs) may make Local Rules for specific local conditions provided that they are not inconsistent with the principles established by the Australian Rules of Racing.

Broadly described, there are nine parts to the Australian Rules of Racing:

### I. INTERPRETATION

Glossaries with accompanying definitions and interpretations.

### II. STEWARDS

Providing for the appointment, functions and powers of the Stewards.

### III. REGISTRATION / LEASES

Providing for the registration of race clubs and race meetings and the appointment, functions and powers of the Registrar of Racehorses.

### IV. RACE MEETINGS

Providing uniform conditions for the conduct of race meetings including nominations and acceptances, stakes and forfeits, weight penalties and allowances, scratching, weighing out and weighing in, starting, running, judging and protests.

### V. LICENSING

Providing for the licensing of jockeys, apprentice jockeys, amateur riders and trainers, their movement between States and outside Australia, apprentices allowances, rider safety.

### VI. SYNDICATES

Regulating the public and private formation, conduct and termination of racing syndicates.

### VII. OFFENCES

Proscribing dishonest, corrupt, fraudulent, improper or dishonorable actions or practices in connection with racing, including a list and setting out the regime relating to prohibited substances.

### VIII. PENALTIES

Providing the penalties of fines, suspension, disqualification, warning off.

### IX. CONSTITUTIONAL

Providing the structure, powers and functions of Racing Australia.

The major benefits of the Australian Rules have been:

#### I. FREE TRAFFIC BETWEEN STATES.

Uniform rules allow horses, trainers and jockeys to move freely between States.

#### II. MUTUAL RECOGNITION OF DISCIPLINARY AND PROTECTIVE ACTION.

The Australian Rules provide a disciplinary code that has been tested to the level of the High Court of Australia, and allow mutual recognition of disciplinary and protective actions across the Commonwealth and internationally.

#### III. INTERNATIONAL

Racing and wagering are globalising rapidly. The Australian Rules are recognised by international racing authorities and wagering operators.

## PRINCIPAL RACING AUTHORITIES

Racing Australia membership consists of the six State and two Territory racing authorities, which are recognised by the Australian Rules as Principal Racing Authorities.

The Principal Racing Authorities in each State and Territory are as follows:

New South Wales	Racing NSW
Victoria	Racing Victoria Limited
Queensland	Racing Queensland
Western Australia	Racing & Wagering Western Australia
South Australia	Thoroughbred Racing S.A. Limited
Northern Territory	Thoroughbred Racing NT
Tasmania	Tasracing Pty Ltd
Australian Capital Territory	Canberra Racing Club Inc.

In discharging its responsibility for the control and supervision of thoroughbred racing in its State or Territory each of these bodies has such functions as:

- Registering and supervising race clubs
- Licensing trainers, jockeys, bookmakers and their clerks and other industry participants
- Handicapping
- Industry Marketing
- Industry Publications
- Administration of industry funding
- Appointing Stewards' panels to apply the Rules of Racing
- Industry strategic planning
- Intellectual Property

## MAJOR RACING ASSOCIATIONS

Major Racing Associations are bodies that represent a number of race clubs within a specific region, usually a group of non-metropolitan race clubs within a State. The Major Racing Associations in each State and Territory are as follows:

New South Wales	Provincial Racing Association of NSW Racing NSW Country
Victoria	Country Racing Victoria Inc
Queensland	Queensland Country Racing Committee
Western Australia	WA Provincial Racing Association
South Australia	Country Racing Association of WA South Australian Racing Clubs Council

The roles of these bodies include:

- To provide collective representation on behalf of race clubs to Principal Racing Authorities
- Encourage participation and provide benefits from racing for members, owners, on-course and off-course customers, and industry participants within their jurisdiction
- Develop relationships with other industry bodies
- Maintaining and enhance racing and training facilities
- Maintaining and enhance customer service and facilities

## MAJOR RACE CLUBS

Australia has 375 race Clubs, the Major Race Clubs in each State and Territory are:

State	Club	Racetrack(s)
Victoria	Victoria Racing Club	Flemington
		Caulfield
		Sandown
		Mornington
	Moonee Valley Racing Club	Moonee Valley
New South Wales	Australian Turf Club	Randwick
		Rosehill
		Canterbury
		Warwick Farm
Queensland	Brisbane Racing Club	Eagle Farm
		Doomben
South Australia	South Australian Jockey Club	Morphettville
Western Australia	Western Australian Turf Club	Ascot
		Belmont Park
Tasmania	Tasmanian Racing Club	Hobart (Elwick)
	Tasmanian Turf Club	Launceston (Mowbray)
ACT	Canberra Racing Club	Canberra
Northern Territory	Darwin Turf Club	Fannie Bay

Race Club roles and responsibilities include:

- Conducting race meetings
- Club promotion & events
- Club membership
- Management of club wagering and gaming products
- Manage club revenues, costs and assets
- Race programming
- Carnival/Feature race day strategy & development
- Corporate entertainment
- Race sponsorship
- Catering
- Provide training facilities
- Maintain grounds & facilities

## INDUSTRY BODIES AND ASSOCIATIONS

There are a number of bodies in Australia that represent the interests of different stakeholders within the racing and breeding industry. Some of these bodies have State branches that represent a smaller membership and provide delegates to a national body.

National Industry Bodies and Associations are as follows:

Thoroughbred Breeders Australia  
 Aushorse Ltd  
 Australian Thoroughbred Racehorse Owners Council  
 Australian Trainers Association  
 Australian Jockeys Association  
 Australian Bookmakers Association  
 Equine Veterinary Association  
 Federation of Bloodstock Agents Australia Limited

The roles and responsibilities of Industry Bodies and Associations include:

- Representing members at a State and national level
- Represent the interests of members with Federal & State Governments
- Liaising with other organisations on behalf of members
- Industry marketing and promotion

## NATIONAL INDUSTRY SERVICES PROVIDER

### Racing Australia Limited

Racing Australia is the national industry body representing thoroughbred racing in Australia.

Commencing operations on the 13th of April 2015, Racing Australia merged the functions and assets of the Australian Racing Board (ARB), Racing Information Services Australia (RISA) and the Australian Stud Book (ASB) into one entity.

Racing never stops and neither does Racing Australia. Its key Trainers and Racing Service is open seven days a week and other specialist services operate whenever racing is taking place. Racing Australia's escalation and support services are available 24/7, 363 days. Racing Australia's website provides access and the ability to transact specific industry functions at any time.

With established products and services and a team of committed people, Racing Australia is Australia's leading provider of innovative low cost services to the Racing Industry.

Importantly, Racing Australia commercialises the industry's racing materials on a national basis, through the sale of a variety of products and services such as Fields, Form and Results to a diverse range of print and digital publishers domestically and internationally.

Racing Australia continues to develop and expand the number of integrated products and services available to Principal Racing Authorities, race clubs, owners, breeders, trainers, jockeys, punters and racing enthusiasts.

### Industry Governance & National Coordination

Rules - Administer and amend the Australian Rules of Racing and the Rules of the Australian Stud Book in adherence to world's best practice standards of integrity and animal welfare.

Government - Foster strong working relationships at the political and departmental levels, including participation in government/industry partnerships, ensuring that the Commonwealth and State Governments are at all times aware of the views and objectives of the Australian Thoroughbred racing industry.

Industry - Maintain and build upon effective lines of consultation and communication which will inform industry stakeholders and customers of Racing Australia's aims and objectives.

Media - Promote a better understanding, knowledge and media coverage of Thoroughbred racing as a local, regional and national industry and sport.

International - Build on Racing Australia's position as a globally recognised influencer and standard-setter of Thoroughbred racing with the capacity to promote Australia's interests internationally.

Racing Australia is a member of:

IFHA - International Federation of Horse racing Authorities - [www.horseracingintfed.com](http://www.horseracingintfed.com)

ARF - Asian Racing Federation - [www.asianracing.org](http://www.asianracing.org)

ISBC - International Stud Book Committee - [www.internationalstudbook.com](http://www.internationalstudbook.com)







# RACING



# KEY STATISTICS - 2015/16

TABLE 1. AUSTRALIAN RACING STATISTICS, STATE BY STATE 2015/16

	NSW	VIC	QLD	SA	WA	TAS	NT	ACT	AUSTRALIA
Clubs	121	69	115	24	35	5	5	1	375
Tracks	116	74	107	22	35	6	5	2	367
Race Meetings									

	\$187,790,220	\$195,054,422	\$114,394,127	\$37,940,370	\$69,425,443	\$11,532,801	\$7,361,622	\$3,976,909	\$627,475,914
Bookmakers	157	180	72	12	0	8	32	10	471
Jockeys	132	131	147	27	51	15	20	*	523
Apprentice Jockeys									

\*Other Returns to Owners include starters rebates, appearance fees, float rebates, fess paid on behalf of owners etc.

Fees paid by owners include, nominations, acceptances, bonus scheme registration

\*\*ACT Jockeys were counted in NSW

CHART 1. PRIZEMONEY 1995/96- 2015/16

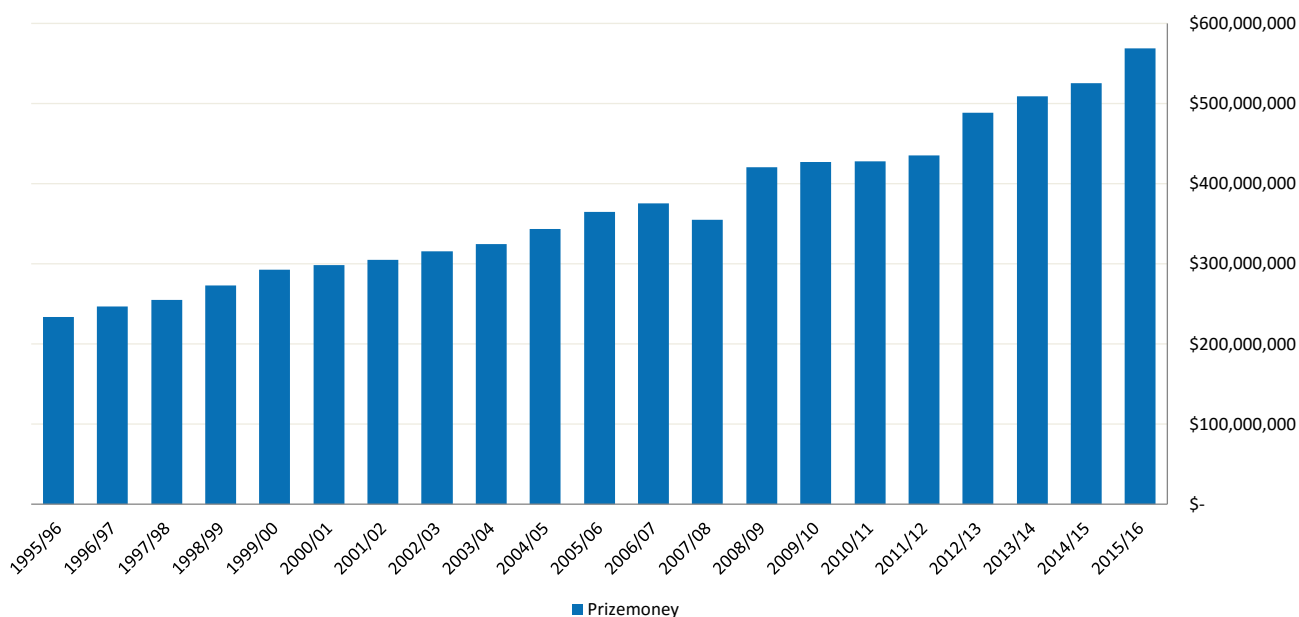


TABLE 2. STATISTICS BY TAB COVERAGE, STATE BY STATE 2015/16

	NSW	VIC	QLD	SA	WA	TAS	NT	ACT	AUSTRALIA
TAB Meeting	620	508	420	187	274	66	75	24	2,174
Non TAB Meeting	122	42	273	9	23	7	1	-	477
TAB Races	4,684	4,156	3,126	1,409	2,128	535	417	181	16,636
Non TAB Races	676	253	1,414	52	140	35	6	-	2,576
TAB Starts	47,270	42,113	30,950	13,463	22,119	5,377	3,255	1,662	166,209
Non TAB Starts	5,104	1,775	11,577	377	846	206	47	-	19,932

CHART 2. TAB RACES VS NON TAB RACES 2015/16

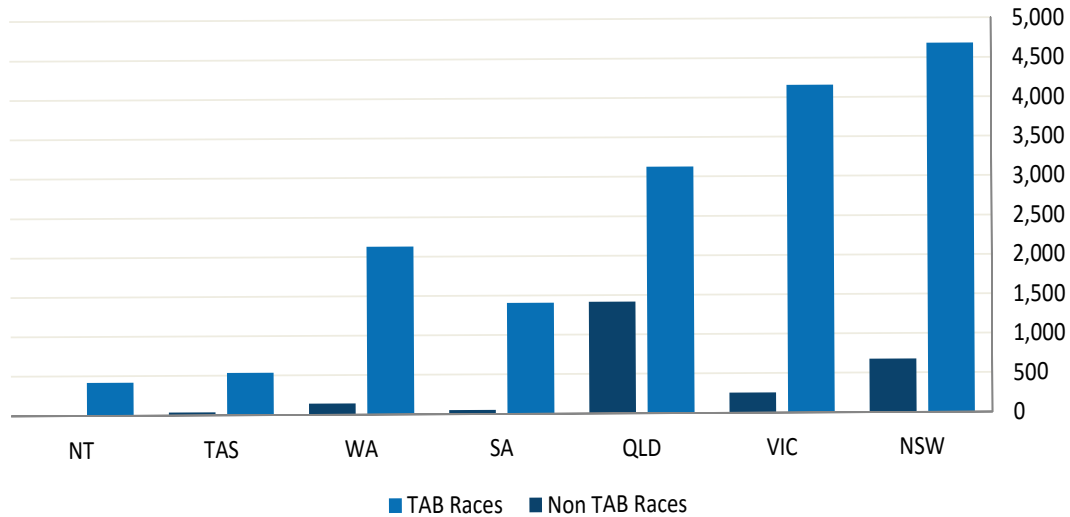


TABLE 3. PRIZEMONEY & INCENTIVE PAYMENTS IN AUSTRALIA 1995/96 - 2015/16

SEASON	PRIZEMONEY	% CHANGE	INCENTIVE SCHEME PAYOUTS	% CHANGE
2015/16				

# AUSTRALIAN STAKES RACES

[PUBLIC VERSION]

TABLE 4. TOP 50 RACES 2015/16 (BY PRIZEMONEY)

	Date	Race	Venue	Dist.(m)	Group	Value	1st
1	03-Nov-15	Emirates Melbourne Cup	Flemington	3200	Group 1	\$6,000,000	\$3,600,000
2	09-Apr-16	Longines Queen Elizabeth Stakes	Royal Randwick	2000	Group 1	\$4,000,000	\$2,400,000
3	19-Mar-16	Longines Golden Slipper	Rosehill Gardens	1200	Group 1	\$3,500,000	\$2,000,000
4	02-Apr-16	The Star Doncaster Mile	Royal Randwick	1600	Group 1	\$3,000,000	\$1,800,000
5	24-Oct-15	William Hill Cox Plate	Moonee Valley	2040	Group 1	\$3,000,000	\$1,800,000
6	17-Oct-15	BMW Caulfield Cup	Caulfield	2400	Group 1	\$3,000,000	\$1,750,000
7	02-Apr-16	Darley T J Smith Stakes	Royal Randwick	1200	Group 1	\$2,500,000	\$1,400,000
8	09-Jan-16	Gold Coast Magic Millions 3Yo Guineas (R.L.)	Gold Coast	1400	Restricted Listed	\$2,000,000	\$1,200,000
9	02-Apr-16	BMW Australian Derby	Royal Randwick	2400	Group 1	\$2,000,000	\$1,200,000
10	09-Jan-16	Jeep Magic Millions 2Yo Classic (R.L.)	Gold Coast	1200	Restricted Listed	\$2,000,000	\$1,200,000
11	09-Apr-16	Schweppes Sydney Cup	Royal Randwick	3200	Group 1	\$2,000,000	\$1,200,000
12	26-Mar-16	The BMW	Rosehill Gardens	2400	Group 1	\$1,500,000	\$900,000
13	12-Mar-16	Australian Cup	Flemington	2000	Group 1	\$1,500,000	\$900,000
14	31-Oct-15	AAMI Victoria Derby	Flemington	2500	Group 1	\$1,500,000	\$900,000
15	27-Feb-16	Ladbrokes Blue Diamond Stakes	Caulfield	1200	Group 1	\$1,500,000	\$900,000
16	11-Jun-16	AAMI Stradbroke Handicap	Eagle Farm	1400	Group 1	\$1,500,000	\$1,000,000
17	12-Mar-16	Lexus Newmarket Handicap	Flemington	1200	Group 1	\$1,250,000	\$750,000
18	21-Nov-15	Crown Perth-Winterbottom Stakes	Ascot	1200	Group 1	\$1,000,000	\$612,500
19	23-Oct-15	William Hill Manikato Stakes	Moonee Valley	1200	Group 1	\$1,000,000	\$600,000
20	09-Apr-16	James Boag's Premium Australian Oaks	Royal Randwick	2400	Group 1	\$1,000,000	\$600,000
21	03-Oct-15	The Star 150 <sup>th</sup> Epsom	Royal Randwick	1600	Group 1	\$1,000,000	\$600,000
22	07-Nov-15	Darley Classic	Flemington	1200	Group 1	\$1,000,000	\$600,000
23	05-Dec-15	Tabtouch-Kingston Town Classic	Ascot	1800	Group 1	\$1,000,000	\$612,500
24	10-Oct-15	Beck Caulfield Guineas	Caulfield	1600	Group 1	\$1,000,000	\$600,000
25	07-Nov-15	Emirates Stakes	Flemington	1600	Group 1	\$1,000,000	\$600,000
26	09-Apr-16	The Coolmore Legacy Stakes	Royal Randwick	1600	Group 1	\$1,000,000	\$600,000
27	31-Oct-15	Longines Mackinnon Stakes	Flemington	2000	Group 1	\$1,000,000	\$600,000
28	21-Nov-15	James Boag's Premium-Railway Stakes	Ascot	1600	Group 1	\$1,000,000	\$612,500
29	02-Apr-16	Inglis Sires' Produce	Royal Randwick	1400	Group 1	\$1,000,000	\$600,000
30	05-Nov-15	Crown Oaks	Flemington	2500	Group 1	\$1,000,000	\$600,000
31	19-Mar-16	China Horse Club George Ryder Stakes	Rosehill Gardens	1500	Group 1	\$1,000,000	\$600,000
32	12-Sep-15	De Bortoli Wines Golden Rose Stakes	Rosehill Gardens	1400	Group 1	\$1,000,000	\$600,000
33	09-Jan-16	Myer Magic Millions Sprint	Gold Coast	1100	Special Race	\$1,000,000	\$606,668
34	09-Jan-16	Crown Resorts Magic Millions Trophy (Stayers Cup)	Gold Coast	1800	Special Race	\$1,000,000	\$603,334
35	09-Jan-16	Jewel Magic Millions Cup (R.I.)	Gold Coast	1400	Restricted Listed	\$1,000,000	\$600,000
36	05-Mar-16	Girvan Waugh Randwick Guineas	Royal Randwick	1600	Group 1	\$1,000,000	\$600,000
37	09-Jan-16	Magic Millions Fillies & Mares Handicap	Gold Coast	1300	Special Race	\$1,000,000	\$600,000
38	09-Jan-16	Magic Millions Qtis Open Plate	Gold Coast	1300	Special Race	\$985,000	\$600,000
39	05-Mar-16	Australian Guineas	Flemington	1600	Group 1	\$750,000	\$450,000
40	28-May-16	James Boag's Premium Doomben 10,000	Doomben	1350	Group 1	\$750,000	\$480,000
41	03-Oct-15	Mcgrath Estate Agents Metropolitan	Royal Randwick	2400	Group 1	\$750,000	\$450,000
42	20-Feb-16	Black Caviar Lightning	Flemington	1000	Group 1	\$720,000	\$450,000
43	19-Mar-16	Banjo Galaxy	Rosehill Gardens	1100	Group 1	\$700,000	\$420,000
44	19-Mar-16	Ranvet Stakes	Rosehill Gardens	2000	Group 1	\$700,000	\$420,000
45	21-May-16	Hardy Brothers Doomben Cup	Doomben	2000	Group 1	\$650,000	\$416,000
46	11-Jun-16	Channel 7 Queensland Derby	Eagle Farm	2400	Group 1	\$600,000	\$384,000
47	27-Feb-16	Precise Air Chipping Norton Stakes	Royal Randwick	1600	Group 1	\$600,000	\$360,000
48	11-Jun-16	BMW J.J. Atkins	Eagle Farm	1600	Group 1	\$600,000	\$384,000
49	19-Mar-16	Sky Racing Rosehill Guineas	Rosehill Gardens	2000	Group 1	\$600,000	\$360,000
50	12-Mar-16	Coolmore Classic	Rosehill Gardens	1500	Group 1	\$600,000	\$360,000

# GROUP & LISTED RACES

[PUBLIC VERSION]

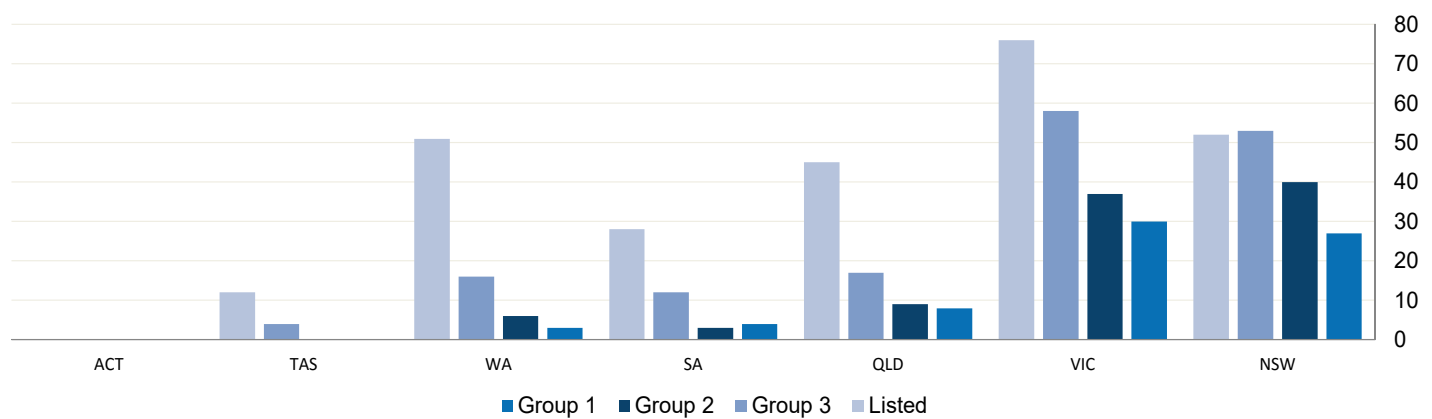
TABLE 5. AUSTRALIAN GROUP & LISTED STATISTICS 2015/16

NSW	VIC	QLD	SA	WA	TAS	ACT	Australia
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TABLE 6. AUSTRALIAN GROUP & LISTED STATISTICS 2009/10 – 2015/16

2015/16	2014/15	2013/14	2012/13	2011/12	2010/11	2009/10
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CHART 3. BLACK TYPE RACES BY STATE





## GROUP ONE WINNERS - 2015/16

TABLE 7

Date	Track	Race Name	Distance	Horse	Kg	Jockey	Trainer
29-Aug-15	Caulfield	Memsie Stakes	1400	Boban	59	G Schofield	C Waller
12-Sep-15	Rosehill	Golden Rose Stakes	1400	Exosphere	57	J B McDonald	J O'Shea
12-Sep-15	Flemington	Makybe Diva Stakes	1600	Fawkner	59	D Oliver	R Hickmott
19-Sep-15	Randwick	George Main Stakes	1600	Kermadec (NZ)	59	G Schofield	C Waller
26-Sep-15	Caulfield	Underwood Stakes	1800	Mourinho	59	V Duric	P Gelagotis
26-Sep-15	Caulfield	Sir Rupert Clarke Stakes	1400	Stratum Star	55	C Williams	D Weir
02-Oct-15	Moonee Valley	City Jeep Moir Stakes	1000	Buffering	59	D Browne	R Heathcote
03-Oct-15	Randwick	The Metropolitan	2400	Magic Hurricane (IRE)	56	J B McDonald	J O'Shea
03-Oct-15	Randwick	Flight Stakes	1600	Speak Fondly	56	T Berry	G Waterhouse
03-Oct-15	Randwick	Epsom Handicap	1600	Winx	57	H Bowman	C Waller
04-Oct-15	Flemington	Yellowglenturnbull Stks	2000	Preferment (NZ)	57	H Bowman	C Waller
10-Oct-15	Caulfield	Beck Caulfield Guineas	1600	Press Statement	57	H Bowman	C Waller
10-Oct-15	Caulfield	Thousand Guineas	1600	Stay With Me	56	D Dunn	D Hayes & T Dabernig
10-Oct-15	Caulfield	Caulfield Stakes	2000	Criterion (NZ)	59	M J Walker	D Hayes & T Dabernig
10-Oct-15	Caulfield	Toorak Handicap	1600	Lucky Hussler	58	G Boss	D Weir
10-Oct-15	Randwick	Spring Champion Stakes	2000	Vanbrugh	57	G Schofield	C Waller
17-Oct-15	Caulfield	BMW Caulfield Cup	2400	Mongolian Khan	55	O P Bosson	M Baker (NZ)
23-Oct-15	Moonee Valley	William Hill Manikato Stk	1200	Chautauqua	59	T Berry	M, Wayne & J Hawkes
24-Oct-15	Moonee Valley	William Hill Cox Plate	2040	Winx	56	H Bowman	C Waller
31-Oct-15	Flemington	Coolmore Stud Stakes	1200	Japonisme	57	G Schofield	C Waller
31-Oct-15	Flemington	Longines Mackinnon Stakes	2000	Gailo Chop (FR)	59	B J Melham	A de Watrigant (FR)
31-Oct-15	Flemington	AAMI Victoria Derby	2500	Tarzino (NZ)	56	C Newitt	M Price
31-Oct-15	Flemington	Myer Classic	1600	Politeness	57	D Dunn	R Smerdon
03-Nov-15	Flemington	Emirates Melbourne Cup	3200	Prince of Penzance (NZ)	53	M Payne	D Weir
05-Nov-15	Flemington	Crown Oaks	2500	Jameka	56	D Oliver	C Maher
07-Nov-15	Flemington	Emirates Stakes	1600	Turn Me Loose (NZ)	57	K McEvoy	M Baker (NZ)
07-Nov-15	Flemington	Darley Classic	1200	Delectation	59	J B McDonald	C Waller
21-Nov-15	Ascot	Winterbottom Stakes	1200	Buffering	59	D Browne	R Heathcote
21-Nov-15	Ascot	Railway Stakes	1600	Good Project	53	C Williams	C Waller
05-Dec-15	Ascot	Kingston Town Classic	1800	Perfect Reflection	50	W A Pike	G Williams
13-Feb-16	Caulfield	C.F. Orr Stakes	1400	Suavito (NZ)	57	L Currie	N Blackiston
20-Feb-16	Flemington	Black Caviar Lightning	1000	Chautauqua	59	D Dunn	M, Wayne & J Hawkes
27-Feb-16	Caulfield	Futurity Stks	1400	Turn Me Loose (NZ)	59	O P Bosson	M Baker (NZ)
27-Feb-16	Randwick	Chipping Norton Stakes	1600	Winx	57	H Bowman	C Waller
27-Feb-16	Caulfield	Oakleigh Plate	1100	Flamberge	58	D M Lane	P Moody
27-Feb-16	Caulfield	Blue Diamond Stks	1200	Extreme Choice	57	C Newitt	M Price
05-Mar-16	Randwick	Canterbury Stakes	1300	Holler	56	J B McDonald	J O'Shea
05-Mar-16	Flemington	Australian Guineas	1600	Palentino	57	M J Zahra	D Weir
05-Mar-16	Randwick	Randwick Guineas	1600	Le Romain	57	C Reith	K Lees
12-Mar-16	Flemington	Australian Cup	2000	Preferment (NZ)	59	H Bowman	C Waller
12-Mar-16	Flemington	Lexus Newmarket Handicap	1200	The Quarterback	52	C Newitt	R Griffiths
12-Mar-16	Rosehill	Coolmore Classic	1500	Peeping	54	S Clipperton	R Quinton
19-Mar-16	Rosehill	Ranvet Stakes	2000	The United States (IRE)	59	K McEvoy	R Hickmott
19-Mar-16	Rosehill	George Ryder Stakes	1500	Winx	57	H Bowman	C Waller
19-Mar-16	Rosehill	Rosehill Guineas	2000	Tarzino (NZ)	57	C Newitt	M Price
19-Mar-16	Rosehill	The Galaxy	1100	Griante	51	C Williams	D Brideoake
19-Mar-16	Rosehill	Golden Slipper	1200	Capitalist	57	B Shinn	P. & P. Snowden
24-Mar-16	Moonee Valley	William Reid Stakes	1200	Flamberge	59	B Rawiller	P Moody
26-Mar-16	Rosehill	The BMW	2400	Preferment (NZ)	59	H Bowman	C Waller
26-Mar-16	Rosehill	Vinery Stud Stakes	2000	Single Gaze	56	K O'Hara	N Olive
02-Apr-16	Randwick	Doncaster Mile	1600	Winx	57	H Bowman	C Waller
02-Apr-16	Randwick	T J Smith Stakes	1200	Chautauqua	59	T Berry	M, Wayne & J Hawkes
02-Apr-16	Randwick	Australian Derby	2400	Tavago (NZ)	57	T Berry	T Busuttin & N Young (NZ)
02-Apr-16	Randwick	Sires Produce	1400	Yankee Rose	55	Z Purton	D Vandyke
09-Apr-16	Randwick	Queen Of The Turf Stakes	1600	Azkadellia (NZ)	57	D Oliver	C Maher
09-Apr-16	Randwick	Queen Elizabeth Stakes	2000	Lucia Valentina (NZ)	57	D Oliver	K Lees
09-Apr-16	Randwick	Australian Oaks	2400	Sofia Rosa (NZ)	56	H Bowman	S Marsh (NZ)
09-Apr-16	Randwick	Sydney Cup	3200	Gallante (IRE)	52	K McEvoy	R Hickmott
16-Apr-16	Randwick	All Aged Stakes	1400	English	55	S Clipperton	G Waterhouse
16-Apr-16	Randwick	Champagne Stakes	1600	Prized Icon	57	G Schofield	J Cummings
07-May-16	Morphettville	Ubet Classic	1200	Precious Gem	57	J Noonan	H Dwyer
07-May-16	Morphettville	Schweppes Oaks	2000	Abbey Marie	56	L Nolen	M Kent
14-May-16	Morphettville	SA Derby	2500	Howard Be Thy Name	57	J M Allen	D Weir
14-May-16	Doomben	BTC Cup	1200	Malaguerra	59	G Colless	Lee & A Freedman
21-May-16	Morphettville	Goodwood	1200	Black Heart Bart	57	B Rawiller	D Weir
21-May-16	Doomben	Doomben Cup	2000	Our Ivanhowe (GER)	59	K McEvoy	Lee & A Freedman
28-May-16	Doomben	Doomben 10,000	1350	Music Magnate (NZ)	59	K McEvoy	B Baker
11-Jun-16	Eagle Farm	Queensland Oaks	2400	Provocative (NZ)	56.50	L G Innes	T Pike (NZ)
11-Jun-16	Eagle Farm	Stradbroke Handicap	1400	Under the Louvre	54.50	D Dunn	R Smerdon
11-Jun-16	Eagle Farm	J.J. Atkins Plate	1600	Sacred Elixir (NZ)	57.00	Z Purton	T Pike (NZ)
11-Jun-16	Eagle Farm	Queensland Derby	2400	Eagle Way	57.00	T Berry	B Guy
25-Jun-16	Eagle Farm	Tatt'S Club Tiara	1400	Miss Cover Girl	57.00	D Browne	K Schweida

# PRIZEMONEY EARNERS

TABLE 8. TOP 10 HORSES EARNING IN EXCESS OF 1 MILLION DOLLARS IN AUSTRALIAN RACES DURING 2015/16



**1. Winx** \$5,430,000



**2. Prince of Penzance (NZ)**  
\$3,693,000



**3. Capitalist**  
\$3,472,000



**4. Chautauqua**  
\$2,982,500



**5. Lucia Valentina (NZ)**  
\$ 2,721,750



**6. Preferment (NZ)**  
\$2,250,000



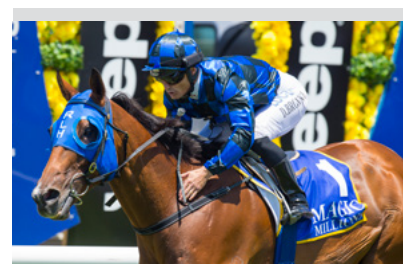
**7. Mongolian Khan**  
\$1,901,000



**8. Mahuta**  
\$1,692,960



**9. Tarzino (NZ)**  
\$1,598,650



**10. Buffering**  
\$1,552,500

Pictures supplied courtesy of Racing Photos, Magic Millions and Racing NSW



[PUBLIC VERSION]



Picture supplied courtesy of Racing Photos

[PUBLIC VERSION]

# RACEHORSE OF THE YEAR

The awards night for Australia’s Champion Racehorse of the Year 2015/16 was held at the Four Seasons Hotel, on Thursday, 29th September 2016. Executive members of Principal Racing Authorities and members of the Australian Press vote for the awards.

TABLE 9. HORSE OF THE YEAR CATEGORY WINNERS 2015/16

Champion Horse of the Year

TABLE 10. OTHER CATEGORY WINNERS 2015/16

TABLE 11. CHAMPION RACEHORSE OF THE YEAR 1969/70 – 2015/16

*\*Denotes two winners for that season*



# MELBOURNE CUP

TABLE 12. MELBOURNE CUP RACE RESULT 2016

Place	Horse	Jockey	Trainer	Barrier	Wgt	SP	Margin	Prize
1st	Almandin (GER)	Kerrin McEvoy	Robert Hickmott	17	52Kg	\$11		\$3,600,000
2nd	Heartbreak City (FR)	Joao Moreira	Tony Martin	13	54Kg	\$19	0.2L	\$900,000
3rd	Hartnell (GB)	James McDonald	John O'Shea	6	56Kg	\$5.5	4.45L	\$450,000
4th	Qewy (IRE)	Craig Williams	Charlie Appleby	23	51.5Kg	\$21	6.7L	\$250,000
5th	Who Shot Thebarman (NZ)	Hugh Bowman	Chris Waller	7	56Kg	\$26	6.8L	\$175,000
6th	Almoonqith (USA)	Michael Walker	David & B Hayes & T Dabernig	9	54.5Kg	\$31	6.9L	\$125,000
7th	Beautiful Romance (GB)	Damian Lane	Saeed Bin Suroor	16	52.5Kg	\$71	7.9L	\$125,000
8th	Exospheric (GB)	Damien Oliver	Lee & Anthony Freedman	5	56Kg	\$21	8.65L	\$125,000
9th	Pentathlon (NZ)	Mark Du Plessis	John Wheeler	22	51.5Kg	\$81	9.4L	\$125,000
10th	Big Orange (GB)	James Spencer	Michael Bell	1	57Kg	\$14	9.5L	\$125,000
11th	Grand Marshal (GB)	Ben Melham	Chris Waller	11	54.5Kg	\$31	9.8L	-
12th	Oceanographer (GB)	Chad Schofield	Charlie Appleby	20	52Kg	\$9	10L	-
13th	Bondi Beach (IRE)	Ryan Moore	Aidan O'Brien	4	56Kg	\$13	10.75L	-
14th	Grey Lion (IRE)	Glen Boss	Matt Cumani	19	52Kg	\$41	13.75L	-
15th	Jameka	Nicholas Hall	Ciaran Maher	12	54.5Kg	\$8.50	13.95L	-
16th	Excess Knowledge (GB)	Vlad Duric	Gai Waterhouse & Adrian Bott	15	53.5Kg	\$61	15.7L	-
17th	Our Ivanhowe (GER)	Dwayne Dunn	Lee & Anthony Freedman	2	57Kg	\$51	15.8L	-
18th	Sir John Hawkwood (IRE)	Blake Spriggs	John P Thompson	14	54Kg	\$81	20.8L	-
19th	Assign (IRE)	Ms Katelyn Mallyon	Robert Hickmott	18	52Kg	\$51	20.9L	-
20th	Gallante (IRE)	Blake Shinn	Robert Hickmott	10	54.5Kg	\$51	22.15L	-
21st	Secret Number (GB)	Stephen Baster	Saeed Bin Suroor	21	52Kg	\$31	22.35L	-
22nd	Wicklow Brave (GB)	Frankie Dettori	William Mullins	8	56Kg	\$16	24.35L	-
23rd	Curren Mirotic (JPN)	Tommy Berry	Osamu Hirata	3	56.5Kg	\$51	27.35L	-
24th	Rose Of Virginia (NZ)	Ben E Thompson (a)	Lee & Shannon Hope	24	51Kg	\$61	99.9L	-



Picture supplied courtesy of Racing Photos

TABLE 13. MELBOURNE CUP HISTORIC

Year	Horse	Jockey	Trainer	Age/Sex	Barrier	Wgt	SP	Time
Year	Winner	Year	Winner	Year	Winner	Year	Winner	
2004	Makybe Diva	1968	Rain Lover	1932	Peter Pan	1896	Newhaven	
2003	Makybe Diva	1967	Red Handed	1931	White Nose	1895	Auraria	
2002	Media Puzzle	1966	Galilee	1930	Phar Lap	1894	Patron	
2001	Ethereal	1965	Light Fingers	1929	Nightmarch	1893	Tarcoola	
2000	Brew	1964	Polo Prince	1928	Statesman	1892	Glenloth	
1999	Rogan Josh	1963	Gatum Gatum	1927	Trivalve	1891	Malvolio	
1998	Jezabeel	1962	Even Stevens	1926	Spearfelt	1890	Carbine	
1997	Might And Power	1961	Lord Fury	1925	Windbag	1889	Bravo	
1996	Saintly	1960	Hi Jinx	1924	Backwood	1888	Mentor	
1995	Doriemus	1959	Macdougall	1923	Bitalli	1887	Dunlop	
1994	Jeune	1958	Baystone	1922	King Ingodas	1886	Jarsenal	
1993	Vintage Crop	1957	Straight Draw	1921	Sister Olive	1885	Sheet Anchor	
1992	Subzero	1956	Evening Peal	1920	Poitrel	1884	Malua	
1991	Lets Elope	1955	Toparoa	1919	Artilleryman	1883	Marini-Henri	
1990	Kingston Rule	1954	Rising Fast	1918	Nightwatch	1882	The Assyrian	
1989	Tawrrific	1953	Wodalla	1917	Westcourt	1881	Zulu	
1988	Empire Rose	1952	Dalray	1916	Sasanof	1880	Grand Flaneur	
1987	Kensei	1951	Delta	1915	Patrobas	1879	Darriwell	
1986	At Talaq	1950	Comic Court	1914	Kingsburgh	1878	Calamia	
1985	What A Nuisance	1949	Foxami	1913	Posinatus	1877	Chester	
1984	Black Knight	1948	Rimfire	1912	Piastre	1876	Briseis	
1983	Kiwi	1947	Hiraji	1911	The Parisian	1875	Wollomai	
1982	Gurners Lane	1946	Russia	1910	Comedy King	1874	Haricot	
1981	Just A Dash	1945	Rainbird	1909	Prince Foote	1873	Don Juan	
1980	Beldale Ball	1944	Sirius	1908	Lord Nolan	1872	The Quack	
1979	Hyperno	1943	Dark Felt	1907	Apologue	1871	The Pearl	
1978	Arwon	1942	Colonus	1906	Poseidon	1870	Nimblefoot	
1977	Gold And Black	1941	Skipton	1905	Blue Spec	1869	Warrior	
1976	Van Der Hum	1940	Old Rowley	1904	Acrasia	1868	Glencoe	
1975	Think Big	1939	Rivette	1903	Lord Cardigan	1867	Tim Whiffler	
1974	Think Big	1938	Catalogue	1902	The Victory	1866	The Barb	
1973	Gala Supreme	1937	The Trump	1901	Revenue	1865	Toryboy	
1972	Piping Lane	1936	Wotan	1900	Clean Sweep	1864	Lantern	
1971	Silver Knight	1935	Maraboa	1899	Merriwee	1863	Banker	
1970	Bagdad Note	1934	Peter Pan	1898	The Grafter	1862	Archer	
1969	Rain Lover	1933	Hall Mark	1897	Gaulus	1861	Archer	

[PUBLIC VERSION]



Picture is provided courtesy of Hogg - Millions

## GOLDEN SLIPPER

TABLE 14. GOLDEN SLIPPER FIELD 2016

Place	Horse	Jockey	Trainer	Age/Sex	Barrier	Wgt	SP	Margin	Prize
1st	Capitalist	Blake Shinn	Peter & Paul Snowden	C	2	56.5kg	\$8		\$2,000,000
2nd	Yankee Rose	Zac Purton	David Vandyke	F	3	54.5kg	\$21	0.5L	\$620,000
3rd	Flying Artie	Damien Oliver	Mick Price	C	4	56.5kg	\$4	2.3L	\$310,000
4th	Telperion	James Doyle	John O'Shea	C	11	56.5kg	\$21	2.4L	\$190,000
5th	Honesty Prevails	Jason Collett	Rick Worthington	F	5	54.5kg	\$71	2.9L	\$130,000
6th	Star Turn	Dwayne Dunn	Michael, Wayne & John Hawkes	C	10	56.5kg	\$51	3.2L	\$50,000
7th	Sweet Sherry	Thomas Huet	Brent Stanley	F	7	54.5kg	\$151	3.7L	\$50,000
8th	Extreme Choice	Craig Newitt	Mick Price	C	6	56.5kg	\$3.20	4.3L	\$50,000
9th	Quick Feet	Damian Lane	Peter & Paul Snowden	F	1	54.5kg	\$101	5.4L	\$50,000
10th	Good Standing	Hugh Bowman	Jame Cummings	C	9	56.5kg	\$14	6.7L	\$50,000
11th	Astern	James McDonald	John O'Shea	C	16	56.5kg	\$10	7.1L	\$0
12th	Calliope	Sam Clipperton	John O'Shea	F	14	54.5kg	\$26	8.6L	\$0
13th	Defcon	Brett Prebble	Peter & Paul Snowden	C	13	56.5kg	\$31	8.8L	\$0
14th	French Fern	Opie Bosson	David Payne	F	12	54.5kg	\$151	12.3L	\$0
15th	Kiss And Make Up	Kerrin McEvoy	Gail Waterhouse	C	8	56.5kg	\$11	16.5L	\$0
16th	Scarlet Rain	Tommy Berry	Gail Waterhouse	F	15	54.5kg	\$31	30.6L	\$0

TABLE 15. GOLDEN SLIPPER HISTORIC

Year	Horse	Jockey	Trainer	Age/Sex	Barrier	Wgt	SP	Time
2016	Capitalist	B Shinn	P. & P. Snowden	2C	2	56.5kg	\$8	1-10.59
2015	Vancouver	T Berry	G. Waterhouse	2C	16	56.5	\$2.50F	1-09.74
2014	Mossfun	J McDonald	M, W & J Hawkes	2F	11	54.5	\$5.50	1-12.17
2013	Overreach	T Berry	G Waterhouse	2F	1	54.5	\$2.80F	1-11.00
2012	Pierro	N Rawiller	G Waterhouse	2C	1	56.5	\$6.50	1-09.74
2011	Sepoy	K McEvoy	P Snowden	2C	8	56.5	\$2.80	1-10.05
2010	Crystal Lily	B Prebble	M Ellerton & S Zahra	2F	1	54.5	\$6.00	1-10.78
2009	Phelan Ready	B Rawiller	B & J McLachlan	2G	16	56.5	\$26.00	1-11.78
2008	Sebring	G Boss	G Waterhouse	2C	5	56.5	\$6.00	1-12.88
2007	Forensics	D Oliver	J Hawkes	2F	1	54.5	\$14.00	1-09.33
2006	Miss Finland	C Williams	D Hayes	2F	7	54.5	\$5.50	1-09.52
2005	Stratum	L Beasley	P Perry	2C	6	56.5	\$10.00	1-09.67
2004	Dance Hero	C Munce	G Waterhouse	2G	2	56.5	\$5.50	1-08.60
2003	Polar Success	D Beasley	G Rogerson	2F	14	53.5	\$11.00	1-09.07
2002	Calaway Gal	S Seamer	B Brown	2F	6	52.5	\$14.00	1-08.81
2001	Ha Ha	J Cassidy	G Waterhouse	2F	11	52.5	\$13.00	1-08.94
2000	Belle du Jour	L Beasley	C Conners	2F	11	52.5	\$9.00	1-09.51
1999	Catbird	M De Montfort	F Cleary	2C	3	55.5	11-2	1-09.99
1998	Prowl	C Munce	C Conners	2G	1	55.5	8-1	1-09.54
1997	Guineas	D Beadman	J Hawkes	2C	11	55.5	6-1	1-08.99
1996	Merlene	G Hall	L Freedman	2F	1	52.5	15-4	1-09.31
1995	Flying Spur	G Boss	L Freedman	2C	1	55.5	25-1	1-10.21
1994	Danzero	G Hall	L Freedman	2C	10	55.5	4-1	1-09.81
1993	Bint Marscay	L Dittman	L Freedman	2F	14	52.5	7-2	1-08.88
1992	Burst	R S Dye	C Conners	2F	10	52.5	9-2	1-10.20
1991	Tierce	R S Dye	C Conners	2C	5	55.5	4-1	1-09.30
1990	Canny Lad	R S Dye	R Hore - Lacy	2C	5	55.5	11-2	1-15.41
1989	Courtza	R S Dye	R McDonald	2F	10	52.5	7-2	1-12.80
1988	Star Watch	L Olsen	T J Smith	2F	15	55.5	13-2	1-13.00
1987	Marauding (NZ)	R Quinton	B Mayfield - Smith	2C	5	55.5	5-1	1-10.60
1986	Bounding Away	L Dittman	T J Smith	2F	8	52.5	5-4	1-09.90
1985	Rory's Jester	R Quinton	C Hayes	2C	2	55.5	10-1	1-10.30
1984	Inspired	D Beadman (a)	T Green	2G	12	54.0	13-4	1-11.60
1983	Sir Dapper	R Quinton	L Bridge	2C	10	54.0	7-2	1-09.90
1982	Marscay	R Quinton	J Denham	2C	3	54.0	7-2	1-10.60
1981	Full on Aces	L Dittman	A Armanasco	2C	1	54.0	16-1	1-13.10
1980	Dark Eclipse	K Moses	N Begg	2F	8	51.0	5-1	1-10.40
1979	Century Miss	W Harris (a)	B Cummings	2F	4	51.0	9-2	1-10.70
1978	Manikito	G Willetts	N Hoysted	2G	8	54.0	7-2	1-10.70
1977	Luskin Star	J Wade	M Lees	2C	10	54.0	11-4	1-10.00
1976	Vivarchi	J Duggan	B Cummings	2F	3	51.0	9-1	1-11.70
1975	Toy Show	K Langby	T J Smith	2F	14	51.0	2-1	1-12.00
1974	Hartshill	K Langby	T J Smith	2F	3	51.0	5-2	1-13.00
1973	Totonan	R Higgins	B Cummings	2G	12	54.0	6-1	1-11.70
1972	John's Hope	K Langby	T J Smith	2C	14	8.7st	9-4	1-11.10
1971	Fairy Walk	K Langby	T J Smith	2F	3	8.1st	12-1	1-12.60
1970	Baguette	G Moore	F Allotta	2C	8	8.7st	5-4	1-12.70
1969	Vain	P Hyland	J Moloney	2C	4	8.7st	9-2	1-12.10
1968	Royal Parma	N Campton	J Daniels	2C	6	8.7st	7-1	1-11.90
1967	Sweet Embrace	C Clare	E Stanton	2F	9	8.7st	40-1	1-13.20
1966	Storm Queen	R Higgins	B Cummings	2F	9	8.0st	4-1	1-12.90
1965	Reisling	L Billett	J Norman	2F	4	8.0st	1-1	1-11.10
1964	Eskimo Prince	A Mulley	C Rolls	2C	4	8.7st	7-4	1-11.90
1963	Pago Pago	W Pyers	T Jenner	2C	8	8.7st	2-1	1-15.50
1962	Birthday Card	R Greenwood	R Ferris	2F	7	8.0st	5-1	1-11.40
1961	Magic Night	M Schumacher	H Plant	2F	1	8.0st	15-1	1-11.90
1960	Sky High	A Mulley	J Green	2C	3	8.7st	4-7	1-11.90



# LEADING TRAINERS & JOCKEYS IN AUSTRALIA

[PUBLIC VERSION]

TABLE 16. LEADING GROUP RACE TRAINERS BY GROUP WINS IN AUSTRALIA 2015/16

Trainer	Winners			Total	Group Prizemoney
	Group 1	Group 2	Group 3		
Chris Waller	15	12	16	43	\$13,672,500
Darren Weir	6	4	13	23	\$6,959,600
John O'Shea	3	16	9	28	\$4,106,000
Michael, Wayne & John Hawkes	3	4	1	8	\$3,150,000
Mick Price	3	2	3	8	\$2,730,000
Robert Hickmott	3	2	0	5	\$2,250,000
Murray Baker	3	1	0	4	\$2,770,000
Gai Waterhouse	2	5	4	11	\$1,985,000
Robert Smerdon	2	3	3	8	\$1,994,800
Peter G Moody	2	1	3	6	\$975,000
Ciaran Maher	2	1	3	6	\$1,605,000
Kris Lees	2	1	2	5	\$3,390,000
Lee & Anthony Freedman	2	0	5	7	\$1,202,800
Tony Pike	2	0	0	2	\$704,000
Robert Heathcote	2	0	0	2	\$882,500
David Hayes & Tom Dabernig	2	7	8	17	\$2,592,800
Grant Williams	1	3	3	7	\$1,676,500
Bjorn Baker	1	2	1	4	\$787,000
Peter & Paul Snowden	1	1	9	11	\$3,020,000
James Cummings	1	1	4	6	\$795,000

TABLE 17. LEADING TRAINERS BY WINS IN AUSTRALIA 2015/16

Trainer	Win/Place			Strike Rate	Runners	Total Prizemoney without trophy
	1st	2nd	3rd			
Darren Weir	348	265	251	15.75%	2,209	\$21,541,563
Chris Waller	281	242	218	14.89%	1,887	\$30,034,407
David Hayes & Tom Dabernig	189	165	144	14.70%	1,286	\$10,923,888
John O'Shea	183	195	184	16.04%	1,141	\$15,267,262
Peter & Paul Snowden	138	108	93	18.67%	739	\$11,191,182
Adam Durrant	123	77	77	18.41%	668	\$3,687,270
Bjorn Baker	121	80	78	19.42%	623	\$4,653,180
Paul Perry	109	98	103	11.35%	960	\$2,471,395
Peter G Moody	108	70	80	16.05%	673	\$4,819,580
Tony Gollan	107	102	67	15.22%	703	\$4,494,255
Robert Smerdon	106	73	83	14.70%	721	\$6,392,698
Michael, Wayne & John Hawkes	105	84	71	16.54%	635	\$8,742,589
Gai Waterhouse	104	82	77	16.12%	645	\$7,892,700
Grant Williams	103	66	47	24.12%	427	\$5,035,330
Kris Lees	99	99	72	14.00%	707	\$7,223,577
John Manzelmann	99	94	101	11.88%	833	\$1,138,680
Gerald Ryan	98	101	89	14.65%	669	\$4,173,075
Mick Price	97	93	83	13.38%	725	\$7,886,247
Tony McEvoy	96	92	86	14.61%	657	\$4,347,117
Matthew Dunn	92	81	53	18.04%	510	\$2,096,520
Robbie Griffiths	89	89	90	11.42%	779	\$3,522,890

TABLE 18. LEADING GROUP RACE JOCKEYS BY GROUP WINS IN AUSTRALIA 2015/16

Jockey	Winners			Total	Total Prizemoney
	Group 1	Group 2	Group 3		
Hugh Bowman	10	12	8	30	\$11,453,000
Kerrin McEvoy	5	4	8	17	\$4,361,000
Tommy Berry	5	2	1	8	\$4,394,000
Glyn Schofield	5	0	3	8	\$1,770,000
James McDonald	4	9	15	28	\$4,546,000
Damien Oliver	4	4	10	18	\$5,370,000
Dwayne Dunn	4	3	6	13	\$3,104,800
Craig Newitt	4	2	0	6	\$3,150,000
Craig Williams	3	6	4	13	\$2,489,300
Damian Browne	3	0	1	4	\$1,282,500
Sam Clipperton	2	6	1	9	\$1,605,000
Brad Rawiller	2	2	8	12	\$1,591,800
Zac Purton	2	1	1	4	\$1,202,000
Opie Bosson	2	1	1	4	\$2,260,000
Blake Shinn	1	5	10	16	\$3,621,000
William Pike	1	2	4	7	\$1,482,500
Mark Zahra	1	2	3	6	\$960,000
Michelle Payne	1	2	0	3	\$3,840,000
Damian Lane	1	1	5	7	\$1,080,000
Glen Boss	1	1	4	6	\$720,000
Kathy O'Hara	1	1	2	4	\$600,000

TABLE 19. LEADING JOCKEYS BY WINS IN AUSTRALIA 2015/16

Jockey	Win/Place			Strike Rate	Runners	Total Prizemoney without trophy
	1st	2nd	3rd			
William Pike	222	141	99	25.28%	878	\$8,012,828
Dean Yendall	165	127	113	18.97%	870	\$3,842,408
Brenton Avdulla	144	117	120	15.48%	930	\$8,154,924
James Orman	142	120	133	12.38%	1,155	\$4,002,025
Greg Ryan	130	98	76	19.17%	678	\$2,004,815
Damian Lane	124	77	89	16.36%	758	\$6,542,569
Jim Byrne	122	122	107	14.61%	835	\$4,601,375
Brad Rawiller	118	92	84	17.35%	680	\$7,520,684
Blake Shinn	117	99	81	17.75%	659	\$12,224,588
James McDonald	116	88	88	19.40%	598	\$13,133,609
Jeff Lloyd	115	112	96	14.65%	785	\$4,477,710
Mark Zahra	110	96	71	18.43%	597	\$5,975,416
Jamie Kah	110	91	82	17.00%	647	\$2,109,838
Clint Johnston-Porter	107	101	96	11.48%	932	\$2,535,360
Matthew McGuren	104	82	71	17.54%	593	\$1,620,830
Grant Buckley	103	115	114	9.54%	1,080	\$2,255,342
Jason Collett	103	93	94	12.42%	829	\$5,410,280
Craig Williams	103	86	76	14.91%	691	\$8,816,625
Lucy Warwick	102	59	69	17.68%	577	\$3,385,870
Jeff Penza	100	106	117	10.12%	988	\$2,320,420
Tim Clark	99	105	72	13.71%	722	\$5,907,465

# COURSE RECORDS AROUND AUSTRALIAN STATES

TABLE 20. COURSE RECORDS PER TRACK

Distance	Time	Randwick	Date	Distance	Time	Sandown Lakeside	Date
870m	0-49.22	Pastime	20-October-2001	1000m	0- 55.64	Cocinero	01-March-2005
870m	0-49.22	Strabane	20-October-2001	1200m	1- 08.97	Tesbury Jack	18-November-2006
1000m	0-56.60	Inside Job	29-November-2013	1300m	1- 15.94	Jennings	18-November-2006
1000m	0-55.92	De Lightning Ridge	13-March-2010	1400m	1- 22.00	Swick(NZ)	18-November-2006
1100m	1-01.96	Famous Seamus (NZ)	20-October-2012	1500m	1- 28.47	Index Linked(GB)	17-April-2013
1100m	1-02.20	Griffon	20-January-2010	1600m	1- 34.87	Sender(NZ)	18-November-2006
1150m	1-05.22	Bank Robber	09-January-2008	2100m	2- 07.52	Highclere	26-January-2006
1180m	1-08.27	Exceed And Excel	14-February-2004	2200m	2- 17.01	Cocorico	25-January-2003
1200m	1-08.15	That's a Good Idea	07-September-2013	2400m	2- 27.67	Genebel	14-December-2005
1300m	1-15.73	Magical Anna	15-December-2010	3000m	3- 21.84	Super Cobra(NZ)	09-March-2005
1300m	1-15.08	Charlie Boy	27-February-2016	3000m (H)	3- 12.96	Conzeal(NZ)	03-August-2005
1400m	1-20.34	Solicit	27-February-2016	3100m	3- 16.12	Mr Riggs	03-March-2010
1400m	1-21.63	Messene	07-December-2013	3100m (H)	3- 27.50	Specular	29-March-2003
1550m	1-31.07	Brayroan (NZ)	15-December-2010	3200m	3- 33.23	New Kid in Town(NZ)	19-May-2007
1550m	1-33.94	Iron Cross	26-June-2002	3200m (H)	3- 35.71	Liquid Lunch	09-July-2003
Distance	Time	Flemington	Date	3300m (H)	3- 44.36	Xaar Best	17-April-2013
900m	0-50.28	Fappiano's Son	05-October-1998	3300m (S)	3- 48.52	Enzed	02-June-2007
1000m	0-55.42	Black Caviar	16-February-2013	3400m (S)	4- 04.80	Millennium Dancer(NZ)	03-September-2003
1100m	1-02.15	Loveyamaddy	02-March-2013	3450m (H)	3- 59.45	Some Are Bent	02-June-2007
1200m	1-07.16	Iglesia	01-January-2001	3450m (S)	3- 53.67	Physique	21-April-2007
1400m	1-20.60	Lovey	12-December-1992	3900m (H)	4- 31.28	Black And Bent	16-August-2009
1600m	1-33.49	Scenic Peak	09-November-2002	4530m (S)	5- 41.28	Clearview Bay	07-July-2007
1700m	1-40.83	Niconoise	16-February-2013	4530m (H)	5- 25.31	Desert Master	30-August-2009
1800m	1-47.05	Depeche Mode	02-November-1999	Distance	Time	Sandown Hillside	Date
2000m	1-58.73	Makybe Diva (GB)	12-March-2005	900m	0-49.30	Il Cavallo	27-March-2013
2500m	2-33.00	Kawtuban (IRE)	07-November-1992	1000m	0-55.07	Definitely Ready	16-September-2009
2600m	2-41.00	Jovial Knight	02-October-1965	1250m	1-13.45	Dismissal	14-May-2005
2800m	2-52.40	Verdant (GB)	06-November-2012	1300m	1-15.52	Confidence Reef	03-February-2010
2800m (H)	3-00.84	Moon Chase	06-March-1999	1400m	1-21.99	Smokin' Joey	22-February-2012
3090m (H)	3-25.19	Mister Twister	16-May-2005	1500m	1-28.79	Kallogg	24-March-2010
3200m (H)	3-28.60	Ciba Geigy (NZ)	01-November-1994	1600m	1-35.17	Our Raphael	27-April-2007
3200m	3-16.30	Kingston Rule (USA)	06-November-1990	1700m	1-42.30	Instructor (NZ)	14-May-2008
3300m (S)	3-44.48	Kaisersosa	14-June-2004	1800m	1-48.03	Abitofado (NZ)	03-February-2010
3400m (H)	3-44.64	Emgee Rex	31-May-2008	2273m	2-23.20	Heist	19-March-2003
3400m (S)	3-53.68	Manzeal (NZ)	03-June-2006	2400m	2-28.13	Road to Athens	18-April-2007
3600m (H)	3-55.30	Big Zam	07-July-1979	3000m (H)	3-14.59	Menkaure	28-March-2007
4000m (S)	4-21.68	Manzeal (NZ)	01-July-2006	3000m	3-09.09	Singing Sovereign (NZ)	26-November-2008
4000m (H)	4-26.10	Coltara	08-November-1962	Distance	Time	Moonee Valley	Date
4300m (H)	4-52.60	Busby Glenn (NZ)	01-July-2006	955m	0-54.69	Vatican	22-February-2013
4500m (S)	5-05.32	Personal Drum (NZ)	08-July-2006	1000m	0-57.19	Sweet Emily	27-December-2014
4700m (S)	5-29.01	Leading Bounty (NZ)	08-July-2000	1200m	1-09.29	Miss Andretti	16-September-2006
Distance	Time	Caulfield	Date	1500m	1-29.59	Raw Impulse (GB)	24-March-2016
900m	0-51.40	Follow Me Through	13-October-1984	1600m	1-34.78	Cabeza (NZ)	31-December-2010
1000m	0-55.97	Lucky Secret	10-October-2009	2040m	2-02.98	Winx	24-October-2015
1100m	1-01.73	Here de Angels	06-February-2010	2500m	2-34.43	The United States (IRE)	24-October-2015
1200m	1-07.74	Miss Andretti	10-March-2007	2900m (H)	3-10.75	Tahbob	19-April-1997
1400m	1-21.20	Exceed And Excel	21-September-2003	3000m	3-08.95	Phayes Tip	17-February-2005
1600m	1-34.28	Fields of Omagh	04-March-2006	3200m (H)	3-33.56	Big Barron (NZ)	11-May-1996
1700m	1-41.42	Niagara Falls	26-December-2004	3200m (S)	3-39.50	Outback Bronze	18-April-1998
1800m	1-47.19	Cent Home (NZ)	24-February-2001				
2000m	2-00.38	Tremezzo	08-December-2007				
2400m	2-25.32	Diatribes	21-October-2000				
2800m (H)	2-57.50	Silver Showman	26-December-1994				
3000m (H)	3-14.28	Prince Keystone	24-July-1999				
3200m (H)	3-30.00	Our Running Star (NZ)	28-May-1994				

Distance	Time	Morphettville Parks	Date
1000m	0- 56.72	Happy Angel	21-January-2012
1250m	1- 13.15	Yoenis	31-October-2015
1300m	1- 16.64	Bagman	24-March-2012
1400m	1- 22.25	Magical Pearl	22-August-2009
1550m	1- 32.69	Tear Gas(NZ)	17-January-2015
1950m	1- 59.42	Blue Maggich(NZ)	24-October-2009
2250m	2- 19.64	Birchmore Road	24-December-2011
2400m	2- 30.97	Six Foot	07-March-2015
3100m (H)	3- 24.13	Morsonique	22-August-2009
3500m (S)	4- 00..09	Zataglio(NZ)	29-August-2015

Distance	Time	Morphettville	Date
1000m	0- 56.35	Social Glow	28-January-2006
1050m	0- 58.86	Identifiable	08-March-2003
1100m	1- 02..09	Kymatt	16-October-2004
1200m	1- 08.21	Navy Shaker	04-February-2006
1522m	1- 30.70	Taken	08-May-2004
1600m	1- 34.53	Chickaloo	01-November-2005
1800m	1- 47.81	Tingirana(NZ)	03-February-2007
2000m	2- 01.40	Ready for More	20-October-2007
2030m	2- 04.79	Texan Warney	24-April-2010
2400m	2- 28.03	Scotch And Dry	06-May-1972
2500m	2- 36.02	Irish Darling	16-May-2005
2600m	2- 42.00	Vicello(NZ)	20-October-2007
2700m	2- 49.00	Seto Bridge	25-May-1996
2700m (H)	2- 56.02	Title Roll(NZ)	24-October-1998
3200m (H)	3- 29.89	Harlem Town	20-May-1996
3200m	3- 20.90	Gallic(NZ)	12-March-2007
3230m (S)	3- 41.75	Super Cobra(NZ)	17-July-2004
3400m (S)	4- 02.90	Burkhill's Lane	12-August-1989
3500m (H)	3- 56.24	Liquid Lunch	19-July-2003
3500m (H)	3- 53.09	Bogan Cloud	06-March-1971
3500m (S)	4- 01.57	Clearview Bay	19-August-2006
3550m (H)	3-53.09	Bogan Cloud	6/03/1971
3600m (S)	4-01.57	Clearview Bay	19/08/2006
3600m (S)	4-01.57	Clearview Bay	19/08/06

Distance	Time	Ascot	Date
900m	0-54.16	Sheer Pleasure	01-January-1983
1000m	0-56.19	Danny Beau	01-January-2009
1100m	1-02.56	Moonlight Drive	17-October-2009
1200m	1-08.00	Danny Beau	15-November-2008
1400m	1-20.90	Broome Time	16-October-2010
1400m	1-20.90	Premardal	27-November-2010
1450m	1-24.55	Asian Beau	16-December-1978
1500m	1-26.39	Famous Roman	15-November-2008
1600m	1-33.73	Marwong	13-December-1988
1800m	1-46.80	Golden Heights (NZ)	23-February-1980
2100m	2-07.67	Kim Joy	02-December-2006
2200m	2-13.31	Green Range Boy	06-May-1989
2400m	2-25.99	Guyno (NZ)	01-January-2009
3200m	3-16.80	Saratov	02-January-1989

Distance	Time	Belmont	Date
900m	0-51.95	Elegant Shell	30-September-1978
1000m	0-56.14	Waratah's Secret	09-October-2010
1200m	1-09.46	Foxy Boy	10-June-2009
1300m	1-15.71	Brava Mento	27-September-1986
1400m	1-21.13	Western Pago	12-September-1987
1600m	1-34.91	Laudanum	12-October-1991
1650m	1-38.29	Palace Guest	29-September-1990
1700m	1-42.02	Accept the Rose	07-June-2006
2000m	2-01.47	Friar's Touch	26-September-2009
2100m	2-07.49	Belele	16-September-1989
2200m	2-13.91	Test the Angels	06-October-2010
2400m	2-26.97	Special Reign	12-October-1991
2600m	2-42.00	Williamson	17-July-1976
2800m	2-54.98	Calamar (NZ)	14-May-1983

Distance	Time	Darwin	Date
900m	0-51.85	Fine Option	17-July-2002
1000m	0-56.10	Lord Harold	10-July-2004
1100m	1-01.99	Captain Punch	11-June-2016
1200m	1-07.42	Jade City	09-June-2007
1300m	1-13.59	Shout Out Loud	26-June-2010
1500m	1-29.05	Hi Tail	29-June-2002
1600m	1-34.53	Lightinthenite	11-July-2015
1800m	1-49.28	Kingston Reserve	22-July-1995
1900m	1-54.40	Brave Decision	20-July-2002
2000m	2-00.23	Lightinthenite	03-August-2015

Distance	Time	Rosehill Gardens	Date
900m	0-50.80	Been There	23-October-1982
1100m	1-02.51	Westicaro	24-February-2007
1200m	1-08.39	All Our Mob	01-March-1997
1300m	1-15.08	Alquoz	08-September-1990
1350m	1-18.42	Loretta's Wish	19-November-1994
1400m	1-21.38	Somepin Anypin (NZ)	22-October-2011
1500m	1-27.21	Shindig (NZ)	21-March-1998
1750m	1-45.62	Riverina Charm (NZ)	16-September-1989
1800m	1-47.99	Intergaze	01-March-1997
1900m	1-53.96	Balmeressa (NZ)	01-April-1995
2000m	1-59.99	Octagonal (NZ)	23-March-1996
2000m	1-59.99	Danewin	01-April-1995
2400m	2-25.78	Grand Zulu	03-April-2004
2800m	2-58.20	Bouton D'Or	01-December-1979
3200m (H)	3-29.40	Doctor Sam	12-November-1988
3200m	3-23.70	Kilmallock Boy (IRE)	19-May-1979

Distance	Time	Canterbury Park	Date
1000m	0-57.61	Joanne	31-August-1991
1100m	1-03.04	Deep Field	24-September-2014
1200m	1-09.03	Hoystar	05-April-2008
1250m	1-12.36	That's a Good Idea	21-August-2013
1550m	1-31.40	Penrickson (NZ)	18-December-2008
1580m	1-34.12	Lachaim	11-August-2004
1900m	1-54.50	Prince Granada	08-January-1983
2800m (H)	2-54.47	Doc Hennessy	14-April-2010
2800m	3-05.55	Newsbeat	14-November-1992
3400m	3-37.10	Mighty Flash (NZ)	26-March-1980

TABLE 20. COURSE RECORDS PER TRACK CONTINUED...

Distance	Time	Warwick Farm	Date	Distance	Time	Doomben	Date
1000m	0-56.16	Snitzerland	16-March-2013	1010m	0-56.63	Star of Florida	23-October-2004
1100m	1-02.15	Rain Affair	02-January-2012	1050m	0-59.19	Hidden Pearl	17-October-2015
1200m	1-08.60	Boasting	18-February-1989	1110m	1-03.09	Cape Kidnappers	24-May-2014
1250m	1-16.04	Truth On Toe	04-May-2011	1200m	1-07.88	Takeover Target	10-December-2005
1300m	1-15.34	Impregnable	01-November-2000	1350m	1-17.09	Natural Destiny	23-December-2006
1400m	1-21.06	Filante (NZ)	23-August-1997	1600m	1-34.21	Rudy	14-May-2016
1600m	1-34.80	Heat of the Moment	22-February-1986	1600m	1-34.21	Jumbo Prince	14-May-2016
2095m	2-07.58	Straight Albert	02-January-2012	1615m	1-34.29	Arrabeea (NZ)	12-May-2001
2100m	2-07.93	Fuego Bravo (NZ)	01-January-2001	1640m	1-37.34	Sommersea Drive	03-October-2009
2110m	2-10.91	Command Decision	16-March-2005	1650m	1-38.54	Young Lion	18-April-2007
2112m	2-11.00	Beale Street	03-January-2004	2000m	2-00.96	Real Love	14-May-2016
2135m	2-13.20	Sir Dannock	11-November-2005	2020m	2-00.53	Might And Power (NZ)	23-May-1998
2140m	2-12.30	Papal	29-November-2000	2050m	2-06.04	Gold Cracker (NZ)	16-February-2005
2200m	2-13.20	Just Trish	18-February-1989	2100m	2-06.56	Fantastic Blue	05-February-2011
2400m	2-26.70	Grey Affair	02-April-1977	2150m	2-12.17	Double Portion	12-November-2005
2400m	2-26.70	Noble Heights (NZ)	24-September-1983	2200m	2-11.67	Defier	29-May-2004
Distance	Time	Kensington	Date	Distance	Time	Canberra	Date
870m	0-49.22	Strabane	20-October-2001	1000m	0-56.93	Gorgeous Amelia	27-February-2011
870m	0-49.22	Pastime	20-October-2001	1030m	0-59.46	Majanui	20-February-2001
1000m	0-55.92	De Lightning Ridge	13-March-2010	1200m	1-08.92	Rock Revival	19-March-2006
1000m	0-56.60	Inside Job	29-November-2013	1230m	1-12.40	Sutton Echo	20-February-2001
1100m	1-01.96	Famous Seamus (NZ)	20-October-2012	1300m	1-15.81	Marendez	13-November-2005
1100m	1-02.20	Griffon	20-January-2010	1400m	1-21.52	New Atlantis	06-March-1988
1150m	1-05.22	Bank Robber	09-January-2008	1600m	1-34.63	McJoey	01-March-1998
1180m	1-08.27	Exceed And Excel	14-February-2004	1630m	1-38.88	The Godfather	20-February-2001
1200m	1-08.15	That's a Good Idea	07-September-2013	2000m	2-02.02	Padfoot Charlie	07-October-2001
1300m	1-15.08	Charlie Boy	27-February-2016	2047m	2-07.37	Son of Tara	18-January-2004
1300m	1-15.73	Magical Anna	15-December-2010	2054m	2-07.37	Latin Love	16-April-2004
1400m	1-21.63	Messene	07-December-2013	2058m	2-12.82	Top Hole	14-June-2002
1400m	1-20.34	Solicit	27-February-2016	2100m	2-09.06	Brinooka	28-January-1989
1550m	1-31.07	Brayroan (NZ)	15-December-2010	2200m	2-16.32	Skillian	07-February-1987
1550m	1-33.94	Iron Cross	26-June-2002	2400m	2-27.03	Native Neptune	07-October-1990
1600m	1-33.13	Ike's Dream	18-December-2004	2600m	2-45.30	Eating Cake	01-February-1986
1800m	1-48.50	Our Shout (NZ)	29-January-1983	2800m	2-59.90	Amber Spirit	16-February-1986
1800m	1-48.70	Solemn	07-December-2013	3200m (H)	3-29.36	My Court Jewel (NZ)	11-October-1987
1800m	1-48.50	Jumpin' Pin	05-October-1981	3200m	3-22.81	Ivor Lass	03-November-1987
2000m	2-00.19	Hampton Court	11-October-2014	Distance	Time	Canberra Acton	Date
2400m	2-26.36	Spechenka	26-December-2010	1080m	1- 01.69	Mixed Up Miss	07-August-2009
2400m	2-28.38	Philidor	20-October-2001	1206m	1- 08.85	Acta Non Verba	19-August-2011
2500m	2-37.63	Assilem	06-November-2001	1280m	1- 13.41	Trescorpioni(NZ)	02-September-2011
Distance	Time	Eagle Farm	Date	1750m	1- 44.89	Celtic Soul	01-July-2011
900m	0-51.90	Wish Me Well	04-December-1976	1900m	1- 55.51	Prince Warrior	25-May-2012
1000m	0-55.99	Azzaland	23-January-2010				
1200m	1-11.02	My Country	11-June-2016				
1300m	1-17.23	Spill the Beans	11-June-2016				
1400m	1-23.72	Under the Louvre	11-June-2016				
1500m	1-27.50	Empire Blue	12-August-1989				
1500m	1-27.50	Armed for Action	24-January-1998				
1500m	1-27.50	Western Brace	26-December-2003				
1500m	1-27.50	Lord Denning	01-June-2002				
1600m	1-36.22	Hopfgarten	11-June-2016				
1800m	1-47.35	Bikkie Tin Blues	12-August-2006				
1810m	1-48.00	Top Marc	13-August-2003				
1849m	1-54.70	Show Martial	02-July-2003				
2100m	2-07.10	Celtic Trial	19-February-2005				
2150m	2-11.50	Lawler	16-May-2004				
2200m	2-12.00	Czar Oak (NZ)	10-June-1995				
2400m	2-25.20	De Gaulle Lane (NZ)	09-June-2001				
2900m (H)	3-12.30	Snow Gypsy	01-September-1990				
2900m	3-01.20	Crying Game	13-July-1996				
3200m	3-15.70	Sky Flyer (NZ)	13-June-1994				



Distance	Time	Hobart (Elwick)	Date
900m	0-52.50	La Molokai	04-April-1998
940m	0-56.40	Moondraan	08-December-1996
1000m	0-57.71	Cherry Wild	31-October-2004
1080m	1-05.22	Tregrehan	06-January-2008
1100m	1-02.96	Dramaway	16-December-2001
1200m	1-12.30	Matinello	13-August-2006
1200m	1-09.77	Zarina Boy	10-October-2004
1205m	1-10.89	Sedation	05-November-2002
1310m	1-18.78	Paris Rhyme	21-March-2004
1310m	1-17.60	Western Romeo	14-November-2004
1400m	1-23.20	O'Donnell	13-November-1999
1400m	1-25.37	Getitdone	29-May-2011
1550m	1-33.20	Repriced	03-November-1998
1600m	1-35.41	Lord Baracus	03-February-2002
1920m	1-58.50	Mookara	12-December-1998
1920m	1-57.12	West Highland Way	30-December-2001
1950m	2-01.91	Sharpest	25-November-2000
2080m	2-09.03	Rich Boy	24-October-2009
2100m	2-08.04	Our Dashing Dane	14-February-2005
2120m	2-09.65	Gold God	30-December-2001
2200m	2-14.53	True Courser	13-February-2006
2400m	2-27.65	St. Andrews	11-February-2002

Distance	Time	Launceston	Date
1100m	1-03.60	Geegees Doublejay	02-December-2015
1200m	1-09.15	Hellova Street	03-December-2014
1400m	1-22.67	I Love It	21-February-2016
1600m	1-35.16	Geegees Blackflash	31-December-2013
2100m	2-09.91	Sh'bourne Leader	25-November-2010
2400m	2-29.67	Genuine Lad	25-February-2015
2600m	2-39.60	Brallos	25-February-1976
2900m (H)	3-15.89	Our Oregon (NZ)	19-November-2006
3000m (H)	3-18.75	Lieutenant Flynn	26-February-1986
3200m	3-25.60	Sir Lykon	13-April-1991
3200m (H)	3-34.90	Mansion Downs	23-March-1985



Picture supplied courtesy of Racing Photos





# BREEDING





# BREEDING STATISTICS [PUBLIC VERSION]

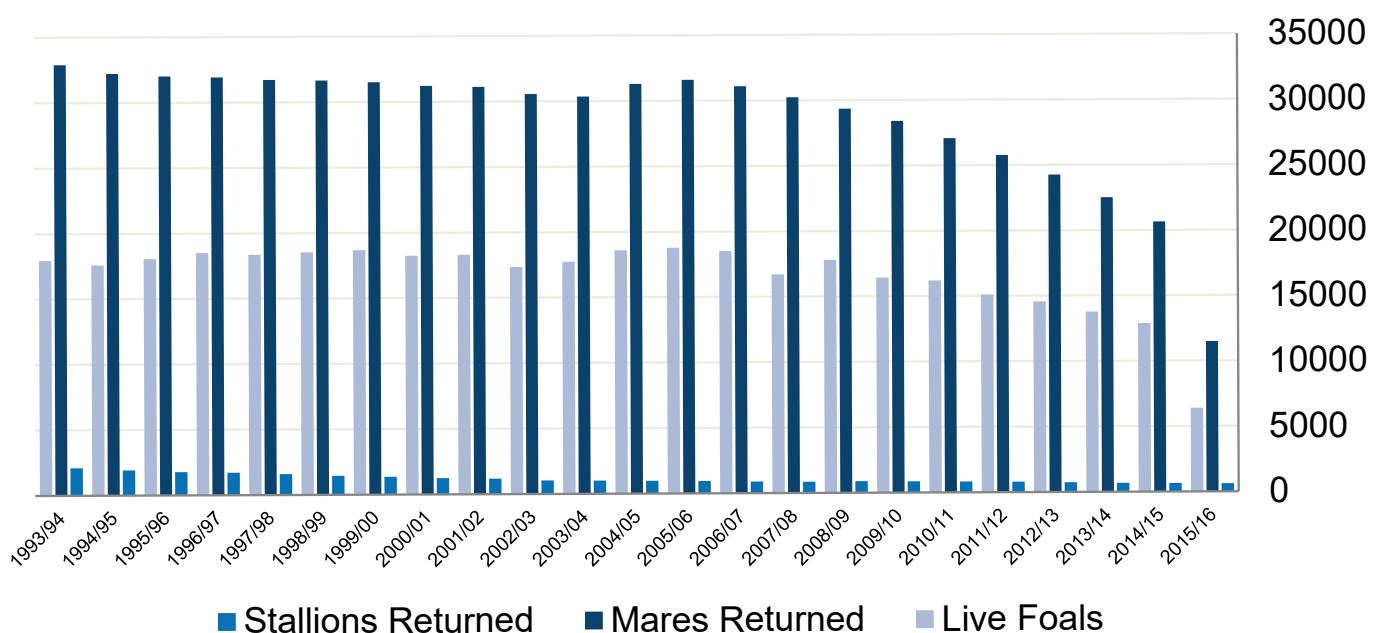
TABLE 21. BREEDING FIGURES 1993/94 – 2015/16

Season	Stallions Returned	Mares Returned	Mares Covered	Live Foals	Live Foals / Mares Returned %
			19,281	6,407	55.80%
2014/15	665	20,631	19,368	12,871	62.40%
2013/14	692	22,496	20,361	13,782	61.30%
2012/13	757	24,260	21,463	14,572	60.10%
2011/12	794	25,758	22,585	15,097	58.60%
2010/11	824	27,063	24,199	16,193	59.80%
2009/10	872	28,393	24,614	16,445	57.90%
2008/09	891	29,332	26,623	17,790	60.70%
2007/08	860	30,240	24,585	16,693	55.20%
2006/07	879	31,100	26,861	18,502	59.50%
2005/06	939	31,596	27,171	18,758	59.40%
2004/05	967	31,296	26,606	18,592	59.40%
2003/04	994	30,351	25,526	17,742	58.50%
2002/03	1,046	30,543	25,225	17,338	56.80%
2001/02	1,183	31,115	26,694	18,310	58.80%
2000/01	1,241	31,193	26,272	18,244	58.50%
1999/00	1,356	31,508	26,685	18,671	59.30%
1998/99	1,457	31,663	26,354	18,550	58.60%
1997/98	1,607	31,712	27,234	18,351	57.90%
1996/97	1,708	31,911	27,201	18,510	58.00%
1995/96	1,776	32,011	26,983	18,065	56.40%
1994/95	1,933	32,206	27,582	17,592	54.60%
1993/94	2,091	32,897	28,366	17,947	54.60%

Source: Australian Stud Book

Please note: All figures are correct as of 15 October 2016

CHART 4. BREEDING TRENDS



[PUBLIC VERSION]



# BREEDING DISTRIBUTION IN AUSTRALIA

[PUBLIC VERSION]

TABLE 22. SHUTTLE STALLIONS IN AUSTRALIA 1993/94 – 2015/16

Season	Number of Shuttle Stallions	Total Stallions	% Shuttles to Total Stallions	No. of Mares Covered by Shuttles	Total Mares Covered	% Mares Covered by Shuttles	Av Book Per Shuttle Stallion
2004/05	62	967	6.41%	5,848	26,606	22.0%	94
2003/04	69	994	6.94%	5,092	25,526	19.9%	74
2002/03	68	1,046	6.50%	4,964	25,225	19.7%	73
2001/02	48	1,183	4.06%	3,728	26,694	14.0%	78
2000/01	41	1,241	3.30%	2,824	26,272	10.7%	69
1999/00	45	1,356	3.32%	3,111	26,685	11.7%	69
1998/99	50	1,457	3.43%	3,461	26,354	13.1%	69
1997/98	46	1,607	2.86%	3,677	27,234	13.5%	80
1996/97	43	1,708	2.52%	3,144	27,201	11.6%	73
1995/96	35	1,776	1.97%	2,566	26,983	9.5%	73
1994/95	22	1,933	1.14%	1,749	27,582	6.3%	80
1993/94	10	2,091	0.48%	827	28,366	2.9%	83

Source: Australian Stud Book

Please note: All figures are correct as of 15 October 2016

TABLE 23. BREEDING DISTRIBUTION BY STATE 2014/15

	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Stallions	229	151	157	76	30	20	0	1	665
% of total	34%	23%	24%	11%	5%	3%	0%	0%	100%
Broodmares	7,671	5,153	3,776	2,232	1,114	501	160	25	20,631
% of total	37%	25%	18%	11%	5%	2%	1%	0%	100%
Mares Covered	9,502	4,763	2,456	1,715	644	288	0	1	19,368
% of total	49%	25%	13%	9%	3%	1%	0%	0%	100%
Foals	5,806	3,067	1,968	1,213	567	240	9	1	12,871
% of total	45%	24%	15%	9%	4%	2%	0%	0%	100%
Live Foals to Mares Returned	76%	60%	52%	54%	51%	48%	6%	4%	62%
Average Book per Stallion	41.5	31.5	15.6	22.6	21.5	14.2	0.0	0.0	29.1

Source: Australian Stud Book

Please note: All figures are correct as of 15 October 2016



TABLE 24. STALLION DISTRIBUTION BY STATE 2007/08 - 2015/16

Year	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2015/16	211	158	141	67	32	18	0	1	628
2014/15	229	151	157	76	30	20	0	1	665
2013/14	229	176	160	74	30	22	1	0	692
2012/13	247	184	186	82	32	24	1	1	757
2011/12	252	197	190	92	38	23	1	1	794
2010/11	260	196	211	94	36	25	1	1	824
2009/10	281	204	214	108	38	25	0	2	872
2008/09	293	208	217	102	45	22	1	3	891
2007/08	292	188	209	98	44	25	0	4	860

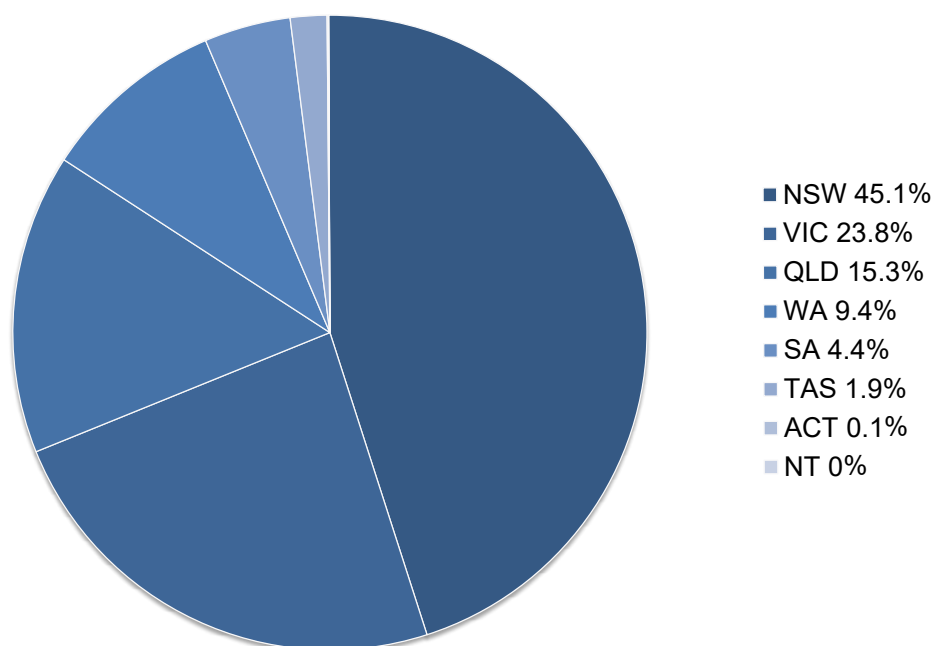
TABLE 25. BROODMARE DISTRIBUTION BY STATE 2007/08 - 2014/15

Year	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2014/15	7,671	5,153	3,776	2,232	1,114	501	160	25	20,631
2013/14	8,287	5,567	4,143	2,560	1,227	512	176	25	22,496
2012/13	8,824	5,996	4,562	2,806	1,305	552	182	32	24,260
2011/12	9,379	6,205	4,961	3,008	1,362	627	179	36	25,758
2010/11	9,815	6,344	5,287	3,249	1,454	701	182	31	27,063
2009/10	10,157	6,649	5,671	3,463	1,493	751	180	29	28,393
2008/09	10,296	6,994	5,963	3,551	1,531	794	166	37	29,332
2007/08	10,709	7,073	6,200	3,564	1,678	818	154	44	30,240

TABLE 26. FOAL DISTRIBUTION BY STATE 2007/08 - 2014/15

Year	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2014/15	5,806	3,067	1,968	1,213	567	240	9	1	12,871
2013/14	6,234	3,352	2,110	1,302	518	252	14	0	13,782
2012/13	6,550	3,518	2,342	1,399	508	240	12	2	14,572
2011/12	6,505	3,696	2,680	1,460	481	257	16	2	15,097
2010/11	6,892	3,786	2,771	1,758	641	329	16	1	16,193
2009/10	6,924	3,806	2,879	1,818	637	342	33	6	16,445
2008/09	7,309	4,210	3,318	1,899	681	332	36	5	17,790
2007/08	6,526	4,340	2,737	1,960	704	389	34	3	16,693

CHART 5. AUSTRALIAN FOAL CROP DISTRIBUTION 2014/15



# AUSTRALIA'S LEADING SIRES

[PUBLIC VERSION]

TABLE 27. LEADING AUSTRALIAN SIRES BY PRIZEMONEY 2015/16

Stallion	Rnrs	Wnrs Total	Wnrs Stakes	Wins Total	Wins Stakes	Earnings	Top Season Earner
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Source: Bloodstock Information Services

TABLE 28. LEADING AUSTRALIAN FIRST CROP SIRES BY PRIZEMONEY 2015/16

Stallion	Rnrs	Wnrs Total	Wnrs Stakes	Wins Total	Wins Stakes	Earnings	Top Season Earner
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Source: Bloodstock Information Services

TABLE 29. LEADING AUSTRALIAN SIRES – BROODMARE SIRES BY PRIZEMONEY – 2015/16

Stallion	Rnrs	Wnrs Total	Wnrs Stakes	Wins Total	Wins Stakes	Earnings	Top Season Earner
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Source: Bloodstock Information Services

TABLE 30. LEADING AUSTRALIAN SIRES – TWO YEAR OLDS BY PRIZEMONEY – 2015/16

Stallion	Rnrs	Wnrs Total	Wnrs Stakes	Wins Total	Wins Stakes	Earnings	Top Season Earner
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Source: Bloodstock Information Services

# AUSTRALIA'S LEADING SIREs

[PUBLIC VERSION]

TABLE 31. HISTORIC LEADING SIREs 1977/78 – 2015/16

	Stallion	Rnrs	Wnrs Total	Wnrs Stakes	Wins Total	Wins Stakes	Earnings
2010/11	Lonhro	241	129	14	229	20	\$8,743,094
2009/10	Redoute's Choice	270	138	14	193	18	\$9,085,612
2008/09	Encosta De Lago	316	147	11	227	15	\$9,922,090
2007/08	Encosta De Lago	312	132	12	204	16	\$10,442,843
2006/07	Flying Spur	248	129	17	218	24	\$10,465,326
2005/06	Redoute's Choice	177	89	12	151	20	\$11,095,730
2004/05	Danehill	219	110	21	188	36	\$11,468,820
2003/04	Danehill	226	104	13	156	21	\$7,939,511
2002/03	Danehill	215	116	21	192	24	\$7,099,634
2001/02	Danehill	202	109	26	187	32	\$7,805,297
2000/01	Danehill	188	93	13	161	21	\$7,750,263
1999/00	Danehill	188	108	15	203	21	\$7,844,280
1998/99	Zabeel	115	69	16	137	30	\$10,793,787
1997/98	Zabeel	103	58	7	131	16	\$7,310,015
1996/97	Danehill	121	56	15	105	28	\$6,199,689
1995/96	Danehill	91	52	14	109	30	\$7,217,423
1994/95	Danehill	61	36	8	61	18	\$4,421,034
1993/94	Last Tycoon	41	29	3	45	3	\$2,546,949
1992/93	Marscay	116	53	7	106	13	\$3,146,763
1991/92	Nassipour	46	24	7	51	17	\$5,007,156
1990/91	Marscay	129	54	5	118	13	\$3,915,131
1989/90	Sir Tristram	144	52	11	84	-	\$4,703,704
1988/89	Sir Tristram	124	52	10	94	-	\$3,900,890
1987/88	Zamazaa	106	38	4	70	-	\$3,290,042
1986/87	Sir Tristram	156	70	11	118	-	\$3,996,610
1985/86	Sir Tristram	146	54	8	99	-	\$1,959,465
1984/85	Sir Tristram	124	49	14	84	-	\$1,606,765
1983/84	Vain	94	57	10	157	-	\$1,508,175
1982/83	Sir Tristram	79	38	10	83	-	\$1,982,315
1981/82	Bletchingly	65	40	4	96	-	\$950,610
1980/81	Bletchingly	56	35	3	92	-	\$623,200
1979/80	Bletchingly	39	25	1	58	-	\$876,575
1978/79	Century	43	27	4	58	-	\$621,093
1977/78	Showdown	105	51	6	106	-	\$584,269

Source: Bloodstock Information Services



TABLE 32. AUSTRALIAN SIRES BY SERVICE FEE 2015/16

Stallion	Advertised Service Fee (AUD)*	Mares Served	Stud	State Standing
Exceed And Excel (AUS) 2000	\$110,000	137	Darley	NSW
2 Redoute's Choice (AUS) 1996	\$110,000	128	Arrowfield Group Pty Ltd	NSW
3 Medaglia D'Oro (USA) 1999	\$110,000	97	Darley	NSW
4 Snitzel (AUS) 2002	\$88,000	213	Arrowfield Group Pty Ltd	NSW
5 Lonhro (AUS) 1998	\$88,000	82	Darley	NSW
6 Pierro (AUS) 2009	\$77,000	141	Coolmore Australia	NSW
7 Sebring (AUS) 2005	\$66,000	176	Widden Stud Australia Pty Ltd	NSW
8 Sepoy (AUS) 2008	\$66,000	109	Darley	NSW
9 I Am Invincible (AUS) 2004	\$55,000	198	Yarraman Park Stud Pty Ltd	NSW
10 All Too Hard (AUS) 2009	\$55,000	183	Vinery Stud (Australia) Pty Ltd	NSW
11 So You Think (NZ ) 2006	\$49,500	172	Coolmore Australia	NSW
12 Zoustar (AUS) 2010	\$44,000	158	Woodside Park Stud Pty Ltd	VIC
13 Brazen Beau (AUS) 2011	\$44,000	139	Darley	VIC
14 Starspangledbanner (AUS) 2006	\$44,000	77	Rosemont Stud	VIC
15 Dissident (AUS) 2010	\$38,500	197	Newgate Operations Pty Ltd	NSW
16 Shooting To Win (AUS) 2011	\$38,500	156	Darley	NSW
17 Wandjina (AUS) 2011	\$33,000	153	Newgate Operations Pty Ltd	NSW
18 Not A Single Doubt (AUS) 2001	\$33,000	140	Arrowfield Group Pty Ltd	NSW
19 Helmet (AUS) 2008	\$33,000	124	Darley	VIC
20 Hallowed Crown (AUS) 2011	\$33,000	100	Darley	NSW
21 Stratum (AUS) 2002	\$33,000	95	Widden Stud Australia Pty Ltd	NSW
22 Animal Kingdom (USA) 2008	\$33,000	77	Arrowfield Group Pty Ltd	NSW
23 Choisir (AUS) 1999	\$29,700	135	Coolmore Australia	NSW

\* All Service Fees include GST

Source: Australian Stud Book

Please note: All figures are correct as of 15 October 2016

TABLE 33. AUSTRALIAN SIRES BY MARES SERVED 2015/16

Stallion	Advertised Service Fee (AUD) *	Mares Served	Stud	State Standing
Deep Field (AUS) 2010	\$22,000	257	Newgate Operations Pty Ltd	NSW
2 Rubick (AUS) 2011	\$17,600	214	Coolmore Australia	NSW
3 Snitzel (AUS) 2002	\$88,000	213	Arrowfield Group Pty Ltd	NSW
3 Zoffany (IRE) 2008	\$8,800	213	Coolmore Australia	NSW
4 Reward For Effort (AUS) 2006	\$11,000	209	Chatswood Stud Holdings Pty Ltd	VIC
5 Fastnet Rock (AUS) 2001	** F.O.A	206	Coolmore Australia	NSW
6 Smart Missile (AUS) 2008	\$22,000	202	Arrowfield Group Pty Ltd	NSW
7 I Am Invincible (AUS) 2004	\$55,000	198	Yarraman Park Stud Pty Ltd	NSW
8 Dissident (AUS) 2010	\$38,500	197	Newgate Operations Pty Ltd	NSW
9 Uncle Mo (USA) 2008	\$16,500	193	Coolmore Australia	NSW
10 Love Conquers All (AUS) 2006	\$11,000	184	Eliza Park International Pty Ltd	QLD
10 Written Tycoon (AUS) 2002	\$19,800	184	Woodside Park Stud Pty Ltd	VIC

\* All Service Fees include GST

Source: Australian Stud Book

Please note: All figures are correct as of 15 October 2016

\*\* F.O.A Fee on application



[PUBLIC VERSION]

Picture supplied by the British Press





[PUBLIC VERSION]

# REGISTRATIONS





# PROTECTED THOROUGHBRED HORSE NAMES

Thoroughbred horse names protected through the ISBC as having met the necessary criteria of either being the sire of at least 15 Group 1 winners or the dam of at least two Group 1 winners and one other black type winner:

In January 2016, the list of Protected Names contains 3007 names.  
34 names have been added to the previous List dated January 2015:

## THE NAMES OF WINNERS OF THE MOST FAMOUS INTERNATIONAL RACES

(Longines Hong Kong Cup)	<b>Hi Happy</b> (Gran Premio Carlos Pellegrini)
<b>American Pharoah</b> (Breeders' Cup Classic)	<b>Postponed</b> (King George VI And Queen Elizabeth Stakes)
<b>Barolo</b> (Gran Premio De Brasil)	<b>Prince Bishop</b> (Dubai World Cup)
<b>Found</b> (Longines Breeders' Cup Turf)	<b>Prince Of Penzance</b> (Emirates Melbourne Cup)
<b>Golden Horn</b> (Qatar Prix De L'arc De Triomphe & Qipco Irish Champion Stakes)	<b>Shonan Pandora</b> (Japan Cup In Association With Longines)
<b>Kitasan Black</b> (Japan Cup In Association With Longines)	

## ON REQUEST OF INTERNATIONAL STUD BOOK COMMITTEE :

Stallions	Broodmares
Distorted Humor	Bohemian Blues
More Than Ready	Eustaci
Smart Strike	Expanse
Tapit	Glatissant
Silvano	Holy Moon
	Kossanova
	La Bamba
	Parfore
	Petite Lune
	Rebridled Dreams
	Silk And Scarlet
	Skates
	Universal Rara
	Vadala
	Riveting Drama

## ON REQUEST OF IFHA EXECUTIVE COUNCIL:

Bernborough  
Hurricane Fly  
Kingman  
Sir Fever

## 2016 FAMOUS INTERNATIONAL RACE PROTECTIONS

Arrogate

*\* In respect of Article 14 of the International Agreement, names shown on the present list cannot be allowed for any horse.*

In January 2015, the list of Protected Names contains 3105 names.  
20 names have been added to the previous List dated October 2014:

## THE NAMES OF WINNERS OF THE MOST FAMOUS INTERNATIONAL RACES

<b>African Story</b> (Dubai World Cup)	<b>Idolo Portend</b> (Gran Premio Carlos Pellegrini)
<b>Bal A Bali</b> (Gran Premio De Brasil)	<b>Gran Premio Carlos Pellegrini</b> (Longines Breeders' Cup Turf)
<b>Bayern</b> (Breeders' Cup Oassic)	<b>Prince Bishop</b> (Dubai World Cup)
<b>Designs On Rome</b> (Longines Hong Kong Cup)	<b>Protectionist</b> (Emirates Melbourne Cup)
<b>Epiphaneia</b> (Japan Cup In Association With Longines)	<b>Taghrooda</b> (King George Vi And Queen Elizabeth Stakes)
<b>The Grey Gatsby</b> (Qipco Irish Champion Stakes)	

*TREVE, winner in 2014 of the Qatar Prix de l'Arc de Triomphe, was already registered as winner of the 2013 Qatar Prix de l'Arc de Triomphe.*

## ON REQUEST OF INTERNATIONAL STUD BOOK COMMITTEE :

Stallions	Broodmares
Dubawi	Cuanta Bondad
Fastnet Rock	First Arrival
Street Cry	Kind
	Princess Olivia
	Set Them Free

## ON REQUEST OF IFHA EXECUTIVE COUNCIL:

Moonlight Cloud  
Wise Dan

*\* In respect of Article 14 of the International Agreement, names shown on the present list cannot be allowed for any horse.*

In January 2014, the list of Protected Names contains 3085 names.  
47 names have been added to the previous List dated January 2013:

## THE NAMES OF WINNERS OF THE MOST FAMOUS INTERNATIONAL RACES

<b>Aerosol (Brz)</b> (Grande Premio Brazil)	<b>Novellist</b> (King George Vi And Queen Elizabeth Stakes)
<b>Akeed Mofeed</b> (Hong Kong Cup)	<b>Soy Carambolo</b> (Gran Premio Carlos Pellegrini)
<b>Animal Kingdom</b> (Dubai World Cup)	<b>The Fugue</b> (Irish Champion Stakes)
<b>Fiorente</b> (Melbourne Cup)	<b>Treve</b> ( Prix De l' Arc De Triomphe)
<b>Magician</b> (Breeders' Cup Turf)	<b>Mucho Macho Man</b> (Breeders' Cup Classic)

*GENTILDONNA, winner in 2013 of the Japan Cup, was already registered as winner of the 2012 Japan Cup.*

## ON REQUEST OF INTERNATIONAL STUD BOOK COMMITTEE :

Anabaa

*\* In respect of Article 14 of the International Agreement, names shown on the present list cannot be allowed for any horse.*

# AUSTRALIAN REGISTRATIONS

TABLE 34. AUSTRALIAN THOROUGHBRED REGISTRATIONS 1987/88 – 2015/16 (FIGURES FOR RACING YEAR)

Season	Total Registrations	Season	Total Registrations
2015/2016	11,613	2000/2001	14,573
2014/2015	11,832	1999/2000	14,445
2013/2014	12,478	1998/1999	14,177
2012/2013	12,684	1997/1998	13,847
2011/2012	12,872	1996/1997	14,772
2010/2011	12,971	1995/1996	14,063
2009/2010	13,256	1994/1995	14,762
2008/2009	14,293	1993/1994	15,845
2007/2008	13,570	1992/1993	15,539
2006/2007	13,988	1991/1992	16,845
2005/2006	13,618	1990/1991	15,607
2004/2005	14,018	1989/1990	16,918
2003/2004	13,586	1988/1989	18,147
2002/2003	14,332	1987/1988	18,439
2001/2002	14,139		

TABLE 35. NUMBER OF HORSES REGISTERED IN EACH STATE 2015/16

NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Other	Total
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Source: Registrar of Racehorses

CHART 6. REGISTRATIONS BY SEX 2005/06 – 2015/16

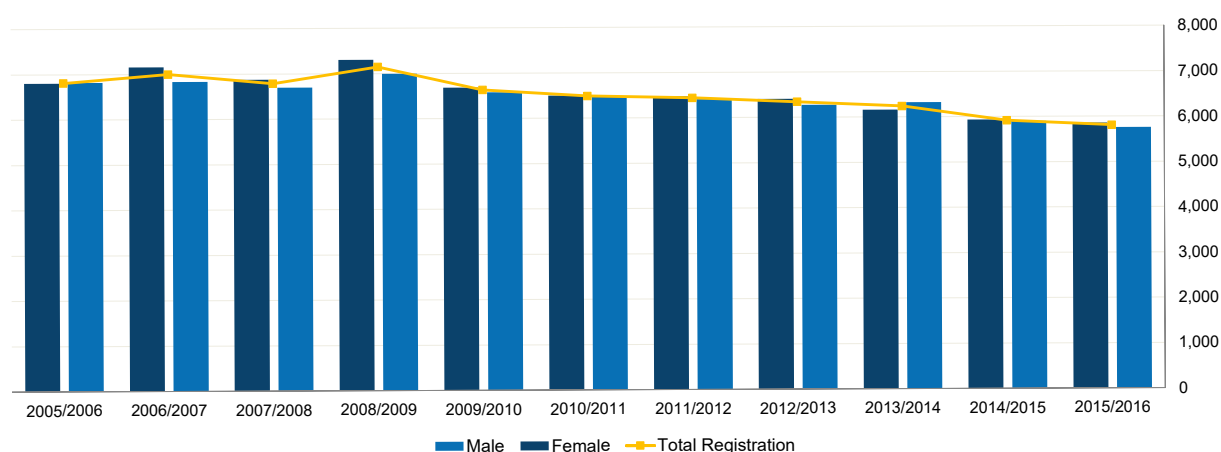


TABLE 36. NUMBER OF OWNERS PER HORSE 2005/06 – 2015/16

Season	One	Two	Three	Four	Five	Six	Seven	Eight	Nine	Ten +
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Source: Registrar of Racehorses

TABLE 37. REGISTRATIONS BY SEX  
2005/06 – 2015/16

Season	Male	Female
2015/2016	5,760	5,853
2014/2015	5,896	5,936
2013/2014	6,320	6,158
2012/2013	6,275	6,409
2011/2012	6,405	6,467
2010/2011	6,469	6,502
2009/2010	6,575	6,681
2008/2009	6,992	7,301
2007/2008	6,694	6,876
2006/2007	6,834	7,154
2005/2006	6,818	6,800

Source: Registrar of Racehorses

TABLE 38. REGISTRATIONS IN AUSTRALIA BY  
COUNTRY OF BIRTH 2005/06 – 2015/16

Season	AUS	NZ	USA	Other
--------	-----	----	-----	-------

TABLE 39. REGISTRATIONS BY AGE 2006/07 – 2015/16

Season	Yearling	2YO	3YO	4YO	5YO	6YO	7YO	8YO+
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Source: Registrar of Racehorses

TABLE 40. TWO YEAR OLD REGISTRATIONS 2005/06 – 2015/16

Season of Reg.	Horses Reg.	Year of Foaling	Total Foal Crop	% of Foals Reg.
2015/2016	6,887	2013	14,572	47.3%
2014/2015	6,936	2012	15,097	45.9%
2013/2014	7,366	2011	16,193	45.5%
2012/2013	7,353	2010	16,445	44.7%
2011/2012	7,769	2009	17,790	43.7%
2010/2011	7,415	2008	16,693	44.4%
2009/2010	7,656	2007	18,480	41.40%
2008/2009	8,222	2006	18,758	43.80%
2007/2008	8,036	2005	18,599	43.20%
2006/2007	8,156	2004	17,750	45.90%
2005/2006	7,828	2003	17,347	45.10%

Source: Registrar of Racehorses



# AUSTRALIAN OWNERSHIP & SYNDICATION

[PUBLIC VERSION]

TABLE 41. NUMBER OF INDIVIDUALS WHO OWN HORSES WHICH HAVE RACED 2015/16

NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Overseas	Total
-----	-----	-----	----	----	-----	-----	----	----------	-------

## OWNER BY AGE

SEASON 2014-15

RANGE	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	OVERSEAS	TOTAL
	757	757	592	312	206	66	36	39	4	2,769
26-50	9,654	10,822	6,738	4,057	2,334	741	545	572	495	35,958
51-75	9,716	10,509	6,511	4,023	2,612	829	454	378	727	35,759
>76	708	596	396	234	178	57	33	9	70	2,281
	<b>20,835</b>	<b>22,684</b>	<b>14,237</b>	<b>8,626</b>	<b>5,330</b>	<b>1,693</b>	<b>1,068</b>	<b>998</b>	<b>1,296</b>	<b>76,767</b>

SEASON 2013-14

RANGE	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	OVERSEAS	TOTAL
	760	749	565	325	180	54	39	43	9	2724
26-50	9673	10626	6659	4107	2292	696	554	530	487	35624
51-75	9327	9782	6182	3867	2474	860	414	366	705	33977
>76	675	557	364	209	166	47	23	10	72	2123
	<b>20435</b>	<b>21714</b>	<b>13770</b>	<b>8508</b>	<b>5112</b>	<b>1657</b>	<b>1030</b>	<b>949</b>	<b>1273</b>	<b>74448</b>

SEASON 2012-13

RANGE	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	OVERSEAS	TOTAL
	656	695	526	327	172	59	30	37	13	2515
26-50	9103	10037	6047	4169	2249	712	504	510	466	33797
51-75	8531	9077	5683	3767	2340	843	382	336	565	31524
>76	611	538	323	191	153	41	15	12	50	1934
	<b>18901</b>	<b>20347</b>	<b>12579</b>	<b>8454</b>	<b>4914</b>	<b>1655</b>	<b>931</b>	<b>895</b>	<b>1094</b>	<b>69770</b>

SEASON 2011-12

RANGE	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	OVERSEAS	TOTAL
	625	654	528	336	159	72	31	42	11	2458
26-50	8827	9894	5989	4145	2380	779	441	507	460	33422
51-75	8195	8486	5508	3713	2371	855	345	315	589	30377
>76	606	508	336	195	142	43	15	10	61	1916
	<b>18253</b>	<b>19542</b>	<b>12361</b>	<b>8389</b>	<b>5052</b>	<b>1749</b>	<b>832</b>	<b>874</b>	<b>1121</b>	<b>68173</b>

SEASON 2010-11

RANGE	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	OVERSEAS	TOTAL
	670	667	532	333	171	67	26	39	10	2515
26-50	9095	10012	6221	4262	2405	788	441	560	460	34244
51-75	8203	8319	5634	3611	2255	828	342	304	545	30041
>76	621	529	325	179	119	40	13	10	61	1897
	<b>18589</b>	<b>19527</b>	<b>12712</b>	<b>8385</b>	<b>4950</b>	<b>1723</b>	<b>822</b>	<b>913</b>	<b>1076</b>	<b>68697</b>

## SEASON 2009-10

RANGE	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	OVERSEAS	TOTAL
	692	691	567	335	174	82	36	33	11	2621
26-50	9466	10467	6602	4268	2415	776	443	543	440	35420
51-75	8214	8439	5603	3467	2179	786	301	289	529	29807
>76	620	530	329	174	119	45	13	17	66	1913
	<b>18992</b>	<b>20127</b>	<b>13101</b>	<b>8244</b>	<b>4887</b>	<b>1689</b>	<b>793</b>	<b>882</b>	<b>1046</b>	<b>69761</b>

## SEASON 2008-09

RANGE	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	OVERSEAS	TOTAL
	665	708	566	347	169	68	33	31	12	2599
26-50	9888	10851	6651	4193	2506	801	469	567	451	36377
51-75	8232	8350	5593	3341	2164	777	330	285	570	29642
>76	581	529	324	174	120	45	17	16	55	1861
	<b>19366</b>	<b>20438</b>	<b>13134</b>	<b>8055</b>	<b>4959</b>	<b>1691</b>	<b>849</b>	<b>899</b>	<b>1088</b>	<b>70479</b>

## SEASON 2007-08

RANGE	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	OVERSEAS	TOTAL
	598	708	490	329	176	77	41	31	15	2465
26-50	9382	11277	6278	3972	2589	857	459	531	497	35842
51-75	7649	8050	5201	3143	2151	758	310	280	589	28131
>76	541	526	336	170	134	55	14	17	55	1848
	<b>18170</b>	<b>20561</b>	<b>12305</b>	<b>7614</b>	<b>5050</b>	<b>1747</b>	<b>824</b>	<b>859</b>	<b>1156</b>	<b>68286</b>

## SEASON 2006-07

RANGE	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	OVERSEAS	TOTAL
	696	712	546	289	202	70	41	30	14	2600
26-50	10346	11693	6677	3595	2747	839	476	494	556	37423
51-75	7989	7930	5267	2808	2143	731	311	265	614	28058
>76	524	505	341	169	120	46	13	9	62	1789
	<b>19555</b>	<b>20840</b>	<b>12831</b>	<b>6861</b>	<b>5212</b>	<b>1686</b>	<b>841</b>	<b>798</b>	<b>1246</b>	<b>69870</b>

## SEASON 2005-06

RANGE	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	OVERSEAS	TOTAL
	680	760	547	232	192	60	43	28	23	2565
26-50	10654	11567	6616	3317	2759	799	477	460	620	37269
51-75	7871	7441	5004	2475	2038	685	298	248	594	26654
>76	501	477	293	156	116	44	12	9	97	1705
	<b>19706</b>	<b>20245</b>	<b>12460</b>	<b>6180</b>	<b>5105</b>	<b>1588</b>	<b>830</b>	<b>745</b>	<b>1334</b>	<b>68193</b>

## TABLE 42. NUMBER OF HORSE SYNDICATES 2015/16

NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Overseas	Total
-----	-----	-----	----	----	-----	-----	----	----------	-------

## TABLE 43. NUMBER OF SYNDICATE MEMBERS 2015/16

NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Overseas	Total
-----	-----	-----	----	----	-----	-----	----	----------	-------

Source: Registrar of Racehorses

[PUBLIC VERSION]



Picture supplied courtesy of Magic Millions



# SALES



# AUSTRALIAN SALES RESULTS

TABLE 44. AUSTRALIAN AUCTION SALES RESULTS 2015/16

Category	No. Sold	Gross Sales	Average	Median
Weanlings	804	\$30,355,900	\$37,756	\$18,000
Yearlings	4,241	\$375,674,750	\$88,582	\$45,000
2 Year Olds	238	\$14,787,000	\$62,130	\$50,000
Broodmares	1,507	\$109,183,100	\$72,451	\$20,000

Source: Bloodstock Computer Services

TABLE 45. MAJOR SALES RESULTS 2015/16

Sale	Sale Gross	Sale Mean	Top Price	Category	Breeding

Source: Bloodstock Computer Services



Picture supplied courtesy of Inglis

TABLE 46. YEARLING SALES RESULTS 2002/03 - 2015/16

Year	No. Sold	% Change	Average (\$)	% Change	Gross (\$)	% Change	Median (\$)	% Change
------	----------	----------	--------------	----------	------------	----------	-------------	----------

Source: Bloodstock Computer Services

TABLE 47. WEANLING SALES RESULTS 2002/03 - 2015/16

Year	No. Sold	% Change	Average (\$)	% Change	Gross (\$)	% Change	Median (\$)	% Change
------	----------	----------	--------------	----------	------------	----------	-------------	----------

Source: Bloodstock Computer Services

CHART 7. YEARLING AUCTIONS RESULTS 2003/04 - 2015/16

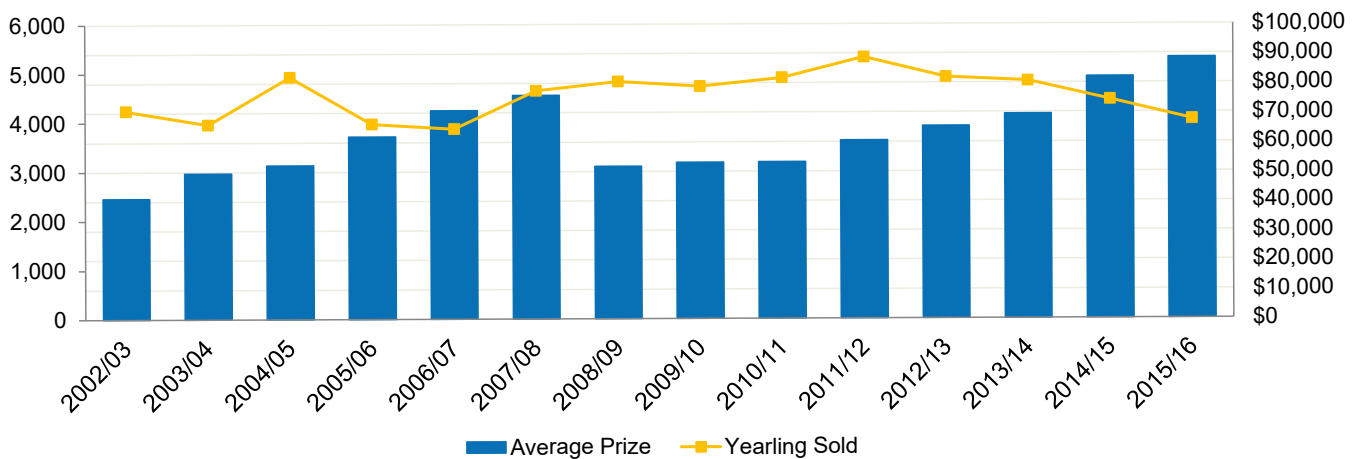


TABLE 48. TWO YEAR OLD SALES RESULTS 2002/03 - 2015/16

Year	No. Sold	% Change	Average (\$)	% Change	Gross (\$)	% Change	Median (\$)	% Change
------	----------	----------	--------------	----------	------------	----------	-------------	----------

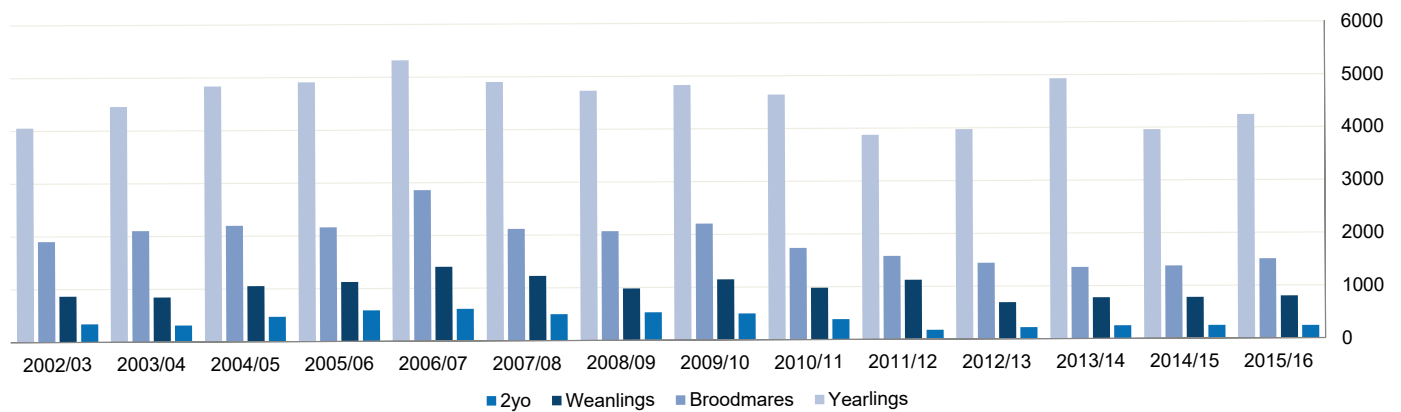
Source: Bloodstock Computer Services

TABLE 49. BROODMARE SALES RESULTS 2002/03 - 2015/16

Year	No. Sold	% Change	Average (\$)	% Change	Gross (\$)	% Change	Median (\$)	% Change
------	----------	----------	--------------	----------	------------	----------	-------------	----------

Source: Bloodstock Computer Services

CHART 8. AUCTION RESULTS HORSES SOLD 2002/03 - 2015/16





# AUSTRALIAN IMPORTS & EXPORTS

[PUBLIC VERSION]

CHART 9. EXPORTS VS IMPORTS 2005/06 - 2015/16

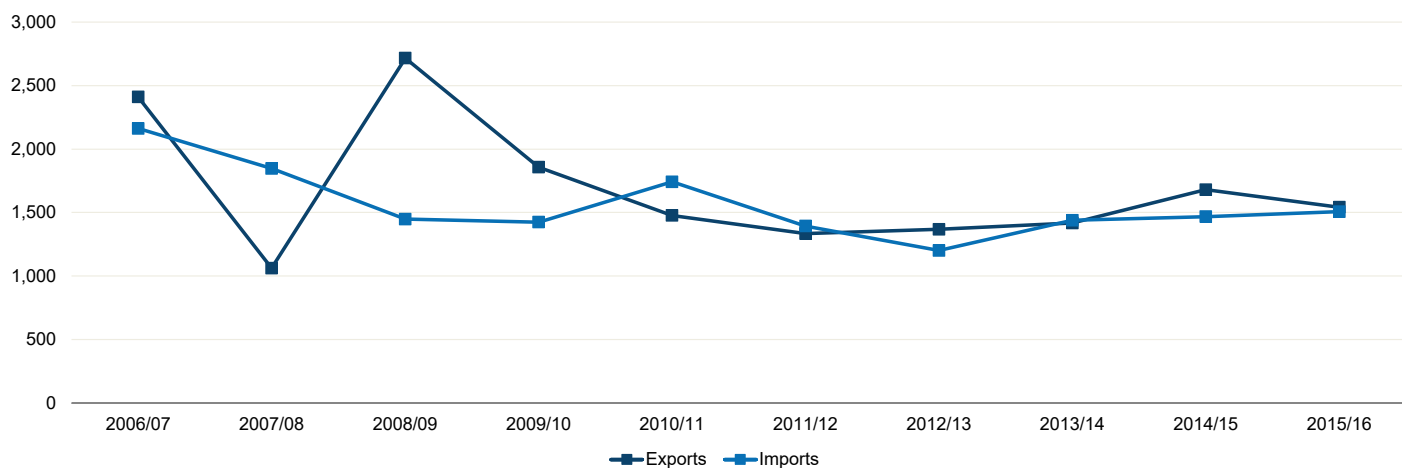


TABLE 50. EXPORTED AND IMPORTED BLOODSTOCK 2006/07 - 2015/16

2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	Total
---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	-------

Source: Australian Stud Book at 31st October 2016

TABLE 51. AUSTRALIAN THOROUGHBRED EXPORTS BY COUNTRY 2006/07 – 2015/16

Country Exported To	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
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Source: Australian Stud Book at 31st October 2016



Picture supplied courtesy of Darwin Turf Club

[PUBLIC VERSION]



# INDUSTRY TRENDS



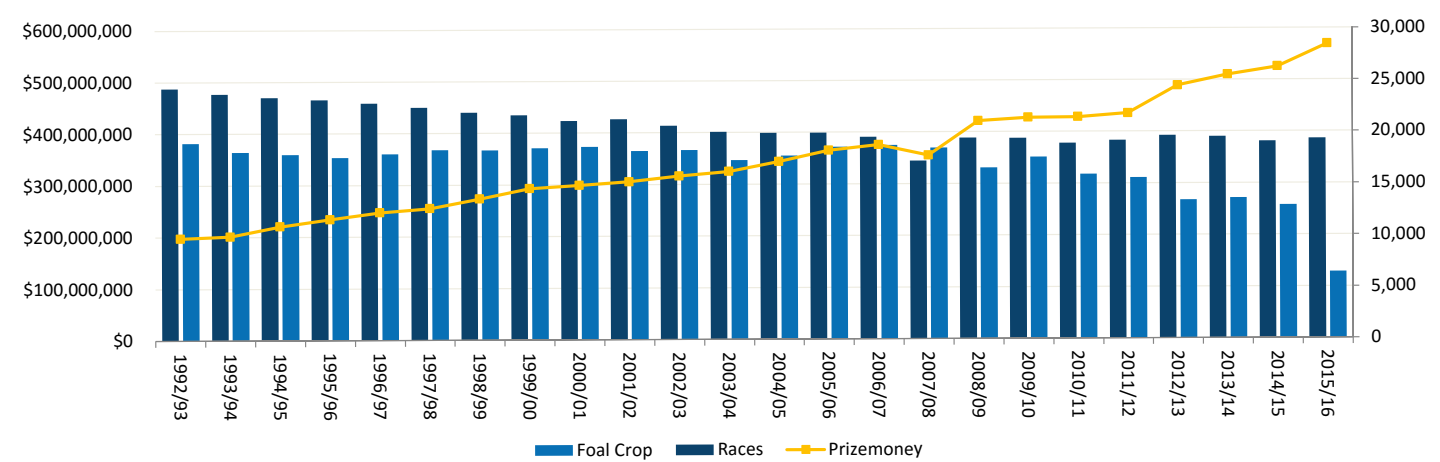
[PUBLIC VERSION]

TABLE 52. RACES, PRIZEMONEY AND FOAL CROPS 1992/93 – 2015/16

Season	Foal Crop	% Change	Races	% Change	Prizemoney	% Change
--------	-----------	----------	-------	----------	------------	----------

\* The foal crop figure can't be supplied at this point in time as foals are still being born

CHART 10. RACES, PRIZEMONEY AND FOAL CROPS 1992/93 – 2015/16



# PRIZEMONEY TRENDS [PUBLIC VERSION]

TABLE 53. STAKES & STANDARD RACE PRIZEMONEY 2001/02 – 2015/16

Year	Stakes Race Prizemoney	% Change	Standard Race Prizemoney	% Change	Total Prizemoney	% Change
------	------------------------	----------	--------------------------	----------	------------------	----------

CHART 11. STAKES AND STANDARD RACE PRIZEMONEY 2001/02 – 2015/16

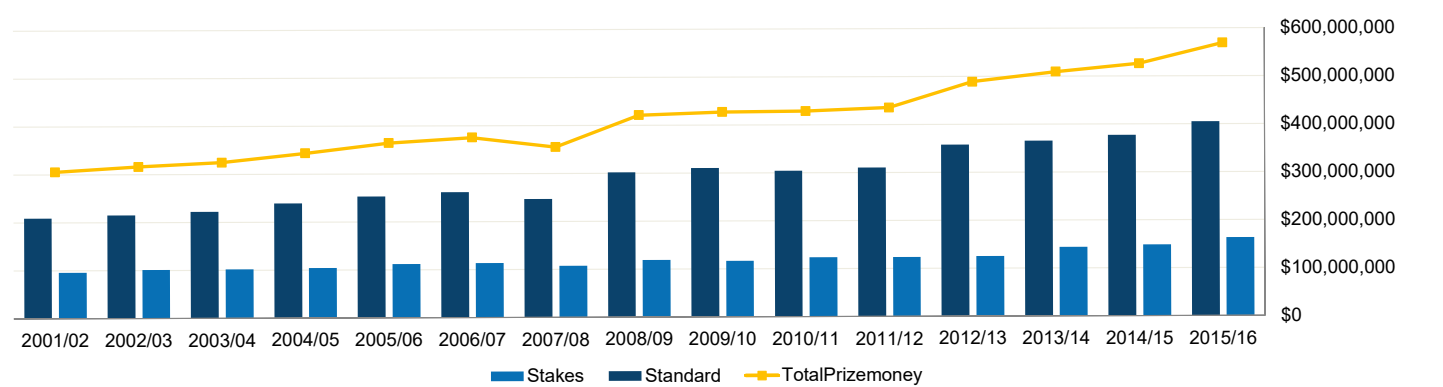


TABLE 54. PRIZEMONEY EARNED BY EACH INDIVIDUAL STARTER 2002/03 - 2015/16

Year	0\$	\$1-\$9,999	\$10,000-\$99,999	\$100,000-\$499,000	\$500,000+	Total
------	-----	-------------	-------------------	---------------------	------------	-------



# AUSTRALIAN RACING TRENDS

TABLE 55. METROPOLITAN & COUNTRY RACE TRENDS 2003/04 – 2015/16

Year	Meetings	% Change	Metro Races	% Change	Country Races	% Change	Total Races	% Change
------	----------	----------	-------------	----------	---------------	----------	-------------	----------

TABLE 56. NUMBER OF RACE MEETINGS BY STATE 2003/04 – 2015/16

Year	NSW	VIC	QLD	SA	WA	TAS	NT	ACT	Australia
------	-----	-----	-----	----	----	-----	----	-----	-----------

TABLE 57. NUMBER OF RACES BY STATE 2003/04 – 2015/16

Year	NSW	VIC	QLD	SA	WA	TAS	NT	ACT	Australia
------	-----	-----	-----	----	----	-----	----	-----	-----------

TABLE 58. AGE OF INDIVIDUAL HORSES RACING 2003/04 – 2015/16

Year	2YO	3YO	4YO	5YO	6YO	7YO	8YO+	Total
------	-----	-----	-----	-----	-----	-----	------	-------

# STARTING TRENDS

TABLE 59. HORSES BY NUMBER OF WINS FOR THE 2015/16 SEASON

Year	0	1	2	3	4	5	6	7	8	9	10+
------	---	---	---	---	---	---	---	---	---	---	-----

TABLE 60. NUMBER OF INDIVIDUAL RUNNERS PER SEASON 2003/04 – 2015/16

Year	NSW*	VIC	QLD	SA	WA	TAS	NT	ACT	Australia	Duals
------	------	-----	-----	----	----	-----	----	-----	-----------	-------

\*NSW figures include the ACT to 2007/08

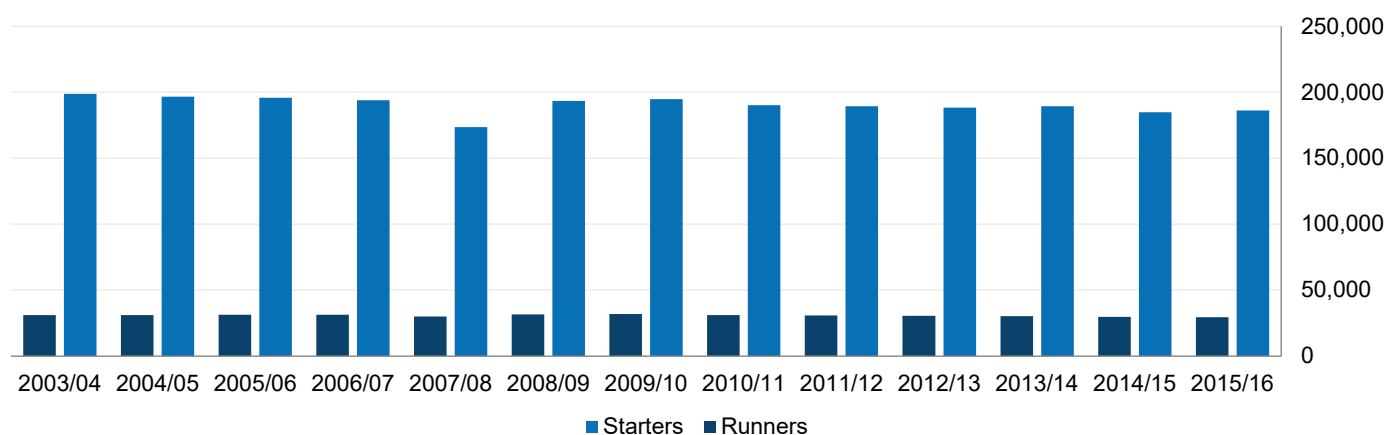
Note: Runners that have raced in more than one state are counted in each state total

TABLE 61. NUMBER OF STARTERS PER SEASON 2002/03 – 2015/16

Year	NSW	VIC	QLD	SA	WA	TAS	NT	ACT	Australia
------	-----	-----	-----	----	----	-----	----	-----	-----------

\*Indicates ACT figure is included in NSW to 2003/04

CHART 12. NUMBER OF INDIVIDUAL RUNNERS &amp; STARTERS 2003/04 – 2015/16





# CLASSIFICATIONS



# AUSTRALIAN CLASSIFICATIONS

The Australian Classifications are an accurate tool in comparing the merits of horse's performances over time. From season 2000/01 onwards the weights of those horses listed have been aligned with those weights of the other age categories and weights prior to this season have been retrospectively adjusted in the list below. From 1 August 2005 Australia adopted the international standard in rating fillies and mares and no longer add a sex allowance of 4 rating points to their ratings.

TABLE 62. CHAMPION RACEHORSES BY RATINGS 1981/82 – 2015/16

Year	Horse	Age Sex	Rtg	Year	Horse	Age Sex	Rtg
------	-------	---------	-----	------	-------	---------	-----

Notes source: Racing Australia Classifications Committee

TABLE 63. AUSTRALIAN TOP RACE CLASSIFICATIONS 2015/16

Rating	Race Name	Grp	Track	Date	Weight	Dist	Winner	Age
--------	-----------	-----	-------	------	--------	------	--------	-----



TABLE 64. AUSTRALIAN CLASSIFICATIONS 2015/16 – 2YO (TOP MALES)

Rating	Horse	Age Sex	Date	Track	State	Race	Group	Dist	Cat	Fin
--------	-------	---------	------	-------	-------	------	-------	------	-----	-----

TABLE 65. AUSTRALIAN CLASSIFICATIONS 2015/16 – 2YO (TOP FILLIES)

Rating	Horse	Age Sex	Date	Track	State	Race	Group	Dist	Cat	Fin
--------	-------	---------	------	-------	-------	------	-------	------	-----	-----

TABLE 66. AUSTRALIAN CLASSIFICATIONS 2015/16 – 3YO (TOP MALES)

Rating	Horse	Age Sex	Date	Track	State	Race	Group	Dist	Cat	Fin
--------	-------	---------	------	-------	-------	------	-------	------	-----	-----

TABLE 67. AUSTRALIAN CLASSIFICATIONS 2015/16 – 3YO (TOP FILLIES)

Rating	Horse	Age Sex	Date	Track	State	Race	Group	Dist	Cat	Fin
--------	-------	---------	------	-------	-------	------	-------	------	-----	-----

TABLE 68. AUSTRALIAN CLASSIFICATIONS 2015/16 – 4YO &amp; UP (TOP MALES)

Rating	Horse	Age Sex	Date	Track	State	Race	Group	Dist	Cat	Fin
--------	-------	---------	------	-------	-------	------	-------	------	-----	-----

TABLE 69. AUSTRALIAN CLASSIFICATIONS 2015/16 – 4YO &amp; UP (TOP MARES)

Rating	Horse	Age Sex	Date	Track	State	Race	Group	Dist	Cat	Fin
--------	-------	---------	------	-------	-------	------	-------	------	-----	-----

Source: Racing Australia - Classifications Committee

Note - Distance Categories

Short – <1301m

Middle – 1301m – 1800m

Intermediate – 1801m – 2100m Long – 2101m – 2700m

Extended – 2701m +

TABLE 70. HIGHEST RATING TWO YEAR OLDS 1995/96 – 2015/16

Year	Horse	Age	Rating (RTG)	Year	Horse	Age	Rating (RTG)
------	-------	-----	--------------	------	-------	-----	--------------

Source: Racing Australia Classifications Committee

TABLE 71. HIGHEST RATING THREE YEAR OLDS BY DISTANCE 1999/2000 – 2015/16

Year	3yo Sprint (to 1300m)	Age/ Sex	RTG	3yo Middle (1301 - 1800m)	Age/ Sex	RTG	3yo Intermediate (1801-2100m)	Age/ Sex	RTG	3yo Long (2101m & beyond)	Age/ Sex	RTG
------	--------------------------	-------------	-----	------------------------------	-------------	-----	----------------------------------	-------------	-----	------------------------------	-------------	-----

Source: Racing Australia Classifications Committee

TABLE 72. HIGHEST RATING FOUR YEAR OLDS AND OVER BY DISTANCE 1995/96 – 2015/16

Year	4yo+ Sprint (to 1300m)	Age/ Sex	RTG	4yo+ Middle (1301-1800m)	Age/ Sex	RTG	4yo+ Intermediate (1801 - 2101m)	Age/ Sex	RTG	4yo+ Long/Extended (2101m & beyond)	Age/ Sex	RTG
------	---------------------------	-------------	-----	-----------------------------	-------------	-----	-------------------------------------	-------------	-----	--	-------------	-----

Source: Racing Australia Classifications Committee





# WAGERING





[PUBLIC VERSION]

# AUSTRALIAN THOROUGHBRED WAGERING TURNOVER

TABLE 73. THOROUGHBRED WAGERING TURNOVER 2015/16

Wagering Form	NSW (\$M)	VIC (\$M)	QLD (\$M)	SA (\$M)	WA (\$M)	TAS (\$M)	ACT (\$M)	NT (\$M)	Total (\$M)

TABLE 74. NEW SOUTH WALES THOROUGHBRED WAGERING TURNOVER 2009/10 – 2015/16

Wagering Form	2009/10 (\$M)	2010/11 (\$M)	2011/12 (\$M)	2012/13 (\$M)	2013/14 (\$M)	2014/15 (\$M)	2015/16 (\$M)

TABLE 75. VICTORIAN THOROUGHBRED WAGERING TURNOVER 2009/10 – 2015/16

Wagering Form	2009/10 (\$M)	2010/11 (\$M)	2011/12 (\$M)	2012/13 (\$M)	2013/14 (\$M)	2014/15 (\$M)	2015/16 (\$M)

TABLE 76. QUEENSLAND THOROUGHBRED WAGERING TURNOVER 2009/10 – 2015/16

Wagering Form	2009/10 (\$M)	2010/11 (\$M)	2011/12 (\$M)	2012/13 (\$M)	2013/14 (\$M)	2014/15 (\$M)	2015/16 (\$M)
---------------	---------------	---------------	---------------	---------------	---------------	---------------	---------------


TABLE 77. SOUTH AUSTRALIAN THOROUGHBRED WAGERING TURNOVER 2009/10 – 2015/16

Wagering Form	2009/10 (\$M)	2010/11 (\$M)	2011/12 (\$M)	2012/13 (\$M)	2013/14 (\$M)	2014/15 (\$M)	2015/16 (\$M)
---------------	---------------	---------------	---------------	---------------	---------------	---------------	---------------


TABLE 78. WESTERN AUSTRALIAN THOROUGHBRED WAGERING TURNOVER 2009/10 – 2015/16

Wagering Form	2009/10 (\$M)	2010/11 (\$M)	2011/12 (\$M)	2012/13 (\$M)	2013/14 (\$M)	2014/15 (\$M)	2015/16 (\$M)
---------------	---------------	---------------	---------------	---------------	---------------	---------------	---------------


# AUSTRALIAN THOROUGHBRED WAGERING TURNOVER

TABLE 79. TASMANIAN THOROUGHBRED WAGERING TURNOVER 2009/10 – 2015/16

Wagering Form	2009/10 (\$M)	2010/11 (\$M)	2011/12 (\$M)	2012/13 (\$M)	2013/14 (\$M)	2014/15 (\$M)	2015/16 (\$M)
---------------	---------------	---------------	---------------	---------------	---------------	---------------	---------------


TABLE 80. ACT THOROUGHBRED WAGERING TURNOVER 2009/10 – 2015/16

Wagering Form	2009/10 (\$M)	2010/11 (\$M)	2011/12 (\$M)	2012/13 (\$M)	2013/14 (\$M)	2014/15 (\$M)	2015/16 (\$M)
---------------	---------------	---------------	---------------	---------------	---------------	---------------	---------------


TABLE 81. NT THOROUGHBRED WAGERING TURNOVER 2009/10 – 2015/16

Wagering Form	2009/10 (\$M)	2010/11 (\$M)	2011/12 (\$M)	2012/13 (\$M)	2013/14 (\$M)	2014/15 (\$M)	2015/16 (\$M)
---------------	---------------	---------------	---------------	---------------	---------------	---------------	---------------


*Note: Bookmaker phone and Internet splits have been estimated based on total phone and Internet figures*

TABLE 82. THOROUGHBRED WAGERING TURNOVER 1998/1999 – 2015/16

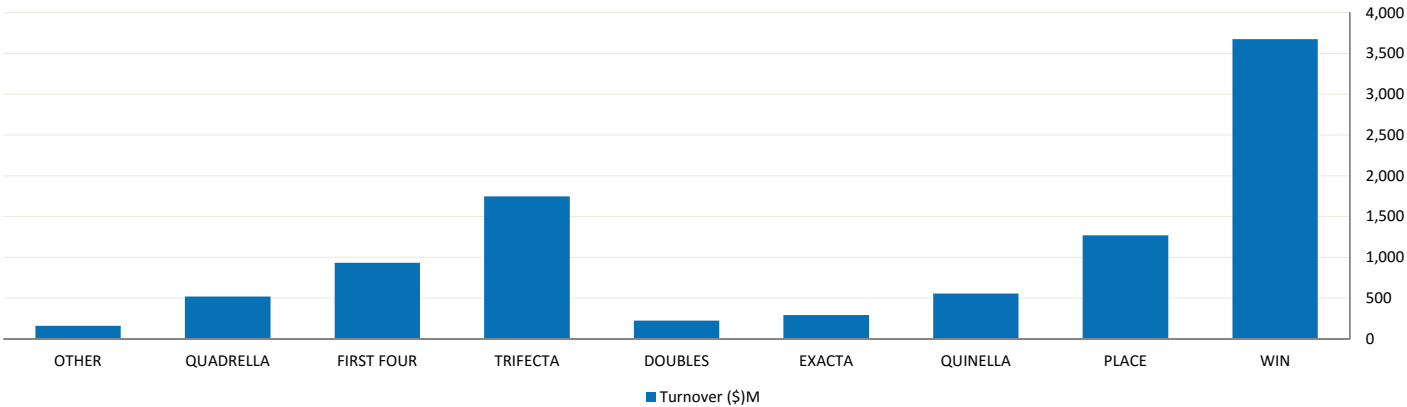
Year	Tote On Course (\$M)	TAB Retail (\$M)	TAB Phone & Internet (\$M)	Fixed Odds	Total TAB (\$M)	Total Bookmakers (\$M)	Total Wagering (\$M)
------	----------------------	------------------	----------------------------	------------	-----------------	------------------------	----------------------

TABLE 83. ALL CODES PARI-MUTUEL BET TYPE DISTRIBUTION (\$) IN 2015/16

Bet Type	NSW (\$M)	VIC (\$M)	QLD (\$M)	SA (\$M)	WA (\$M)	TAS (\$M)	ACT (\$M)	NT (\$M)	Australia (\$M)
----------	-----------	-----------	-----------	----------	----------	-----------	-----------	----------	-----------------

*Note: Not Including Fixed Odds  
Other includes Big 6, Duet, Triwin, Treble, Favourite numbers etc*

CHART 13. PARI-MUTUEL BET TYPE



# OTHER FORMS OF GAMBLING

TABLE 84. GREYHOUND WAGERING TURNOVER 2015/16

Greyhound Turnover	NSW (\$M)	VIC (\$M)	QLD (\$M)	SA (\$M)	WA (\$M)	TAS (\$M)	ACT (\$M)	NT (\$M)	Australia (\$M)
--------------------	-----------	-----------	-----------	----------	----------	-----------	-----------	----------	-----------------

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*Note: In some jurisdictions turnover reported in respect of bookmakers fielding on greyhound racing includes bets taken on other codes  
NSW: All bookmaking turnover figures are gross turnover figures. Figures are comprised from OLGR processed data and annual analysis provided by major sports betting bookmakers. The completeness of these figures cannot be assured due to restriction of resources.*

TABLE 85. HARNESS WAGERING TURNOVER 2015/16

Harness Turnover	NSW (\$M)	VIC (\$M)	QLD (\$M)	SA (\$M)	WA (\$M)	TAS (\$M)	ACT (\$M)	NT (\$M)	Australia (\$M)
------------------	-----------	-----------	-----------	----------	----------	-----------	-----------	----------	-----------------

--	--	--	--	--	--	--	--	--	--

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*Note: In some jurisdictions turnover reported in respect of bookmakers fielding on harness racing includes bets taken on other codes  
NSW: All bookmaking turnover figures are gross turnover figures. Figures are comprised from OLGR processed data and annual analysis provided by major sports betting bookmakers. The completeness of these figures cannot be assured due to restriction of resources.*

TABLE 86. SPORTS WAGERING TURNOVER 2015/16

Sports Turnover	NSW (\$M)	VIC (\$M)	QLD (\$M)	SA (\$M)	WA (\$M)	TAS (\$M)	ACT (\$M)	NT (\$M)	Australia (\$M)
-----------------	-----------	-----------	-----------	----------	----------	-----------	-----------	----------	-----------------

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*NSW: All bookmaking turnover figures are gross turnover figures. Figures are comprised from OLGR processed data and annual analysis provided by major sports betting bookmakers. The completeness of these figures cannot be assured due to restriction of resources.*



# GAMBLING TURNOVER

[PUBLIC VERSION]

TABLE 87. GAMBLING TURNOVER 1997/98 – 2015/16 (WAGERING AND GAMING)

Year	Thoroughbred Racing (\$M)	Harness & Greyhound Racing (\$M)	Total Racing (\$M)	Sports Betting (\$M)	Total all betting (\$M)
------	---------------------------	----------------------------------	--------------------	----------------------	-------------------------

CHART 14. THOROUGHBRED WAGERING TURNOVER 1997/98 – 2015/16

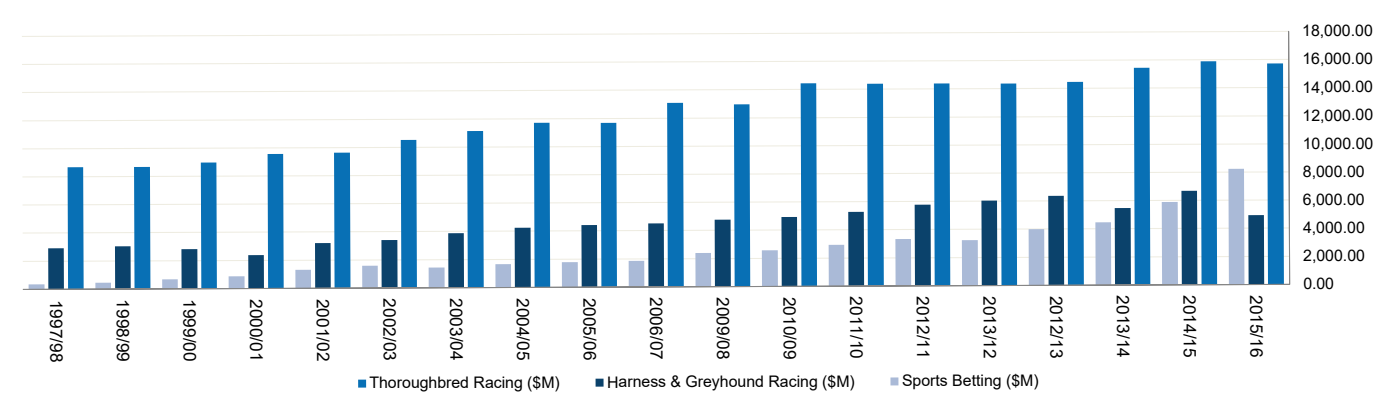
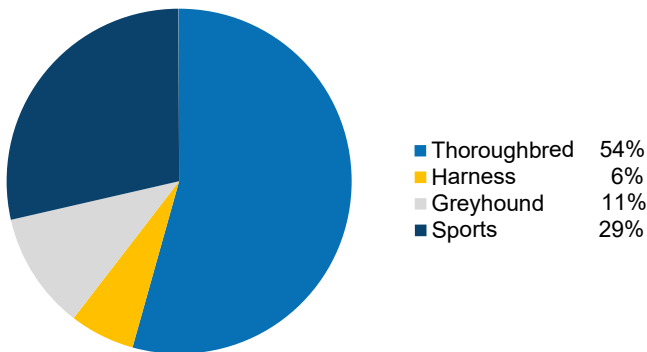


TABLE 88. THOROUGHBRED, HARNESS & GREYHOUND TURNOVER BY STATE 2015/16 (TAB AND BOOKMAKER)

Racing Code	NSW (\$M)	VIC (\$M)	QLD (\$M)	SA (\$M)	WA (\$M)	TAS (\$M)	ACT (\$M)	NT (\$M)	Total (\$M)
-------------	-----------	-----------	-----------	----------	----------	-----------	-----------	----------	-------------

CHART 15. WAGERING TURNOVER BY CODE





# INTERNATIONAL



# INTERNATIONAL RACING [PUBLIC VERSION]

TABLE 89. LEADING RACING COUNTRIES 2014

Country	Flat Races			Jumps Races			Prizemoney*	Betting*
	Races	Runners	Starts	Races	Runners	Starts		
Bahrain	187	345	1,583	-	-	-	\$1,400,391	-
Belgium	167	480	1,753	4	44	44	\$5,350,075	\$35,406,070
Brazil	3,430	5,191	28,019	-	-	-	\$13,808,111	\$66,706,354
Canada	2,567	N/A	12,238	-	-	-	\$153,684,270	\$977,706,903
Chile	5,059	4,183	56,708	-	-	-	\$25,602,470	\$236,445,023
Croatia	8	36	36	-	-	-	\$11,128	-
Cyprus	1,030	1,131	9,672	-	-	-	\$8,597,293	\$42,157,058
Czech Republic	335	735	3,144	150	541	1,448	\$1,855,356	\$1,029,124
Denmark	256	518	3,116	-	-	-	\$1,925,833	-
France	4,908	9,065	53,124	2,249	5,186	21,817	\$579,388,580	\$9,083,498,544
Germany	1,294	2,205	11,061	22	54	160	\$24,713,006	\$77,904,228
Great Britain	6,257	9,726	56,463	3,784	8,589	31,612	\$180,067,342	\$14,778,433,674
Greece	317	304	N/A	-	-	-	\$2,226,949	\$32,336,177
Hong Kong	794	1,306	9,840	-	-	-	\$126,078,969	\$12,579,918,043
Hungary	291	460	2,590	11	34	75	\$1,905,373	\$3,498,765
India	3,188	5,573	27,128	-	-	-	\$31,746,558	\$478,455,722
Ireland	1,113	2,333	11,560	1,409	4,300	15,488	\$53,445,000	\$3,238,275,069
Italy	2,952	10,178	22,017	166	870	1,202	\$84,308,396	\$637,055,940
Japan	16,049	22,378	173,471	128	509	1,582	\$789,862,172	\$22,934,930,915
Korea	1,926	3,541	21,553	-	-	-	\$148,479,164	\$5,126,998,169
Lebanon	267	269	1,851	-	-	-	\$637	\$7,304
Macau	411	476	4,385	-	-	-	\$13,530,701	\$185,104,971
Malaysia	595	869	6,673	-	-	-	\$5,178,471	\$107,724,915
Mauritius	280	386	2,300	-	-	-	\$2,993,565	\$121,936,237
Mexico	1,077	1,019	8,114	-	-	-	\$4,993,939	\$11,659,482
Morocco	1,702	2,177	16,635	-	-	-	\$15,945,711	\$589,535,595
Netherlands	32	118	265	-	-	-	\$3,366,004	\$22,770,919
New Zealand	2,745	5,042	28,260	103	270	877	\$51,850,261	\$419,866,660
Norway	254	474	2,209	8	31	71	\$29,983,744	\$388,155,925
Oman	162	514	2,379	-	-	-	\$2,141,144	-
Panama	1,328	845	10,021	-	-	-	\$6,943,020	\$39,231,104
Peru	1,929	1,995	16,827	-	-	-	\$6,248,282	\$24,940,302
Poland	518	762	4,052	44	129	325	\$2,659,913	\$3,313,010
Qatar	416	885	4,466	-	-	-	\$13,501,429	-
Saudi Arabia	608	2,061	9,662	-	-	-	\$14,310,339	-
Serbia	166	204	1,037	-	-	-	\$294,634	-
Singapore	928	1,516	10,294	-	-	-	\$46,181,159	\$909,379,260
Slovakia	139	391	1,244	25	97	184	\$815,460	\$157,979
South Africa	3,969	6,692	42,047	-	-	-	\$1,902,781	\$687,827,426
Sweden	616	1,085	5,181	24	59	154	\$101,671,351	\$1,364,058,700
Switzerland	142	238	1,236	33	53	209	\$4,245,902	\$118,147,038
Tunisia	474	716	4,246	-	-	-	\$2,513,040	-
Turkey	2,898	3,313	28,131	-	-	-	\$71,460,609	\$1,304,264,491
UAE	397	905	3,336	-	-	-	\$47,574,111	-
USA	38,941	29,557	304,674	152	383	1,106	\$1,394,532,190	\$9,805,307,750
Uruguay	1,565	2,633	19,748	-	-	-	\$11,314,490	\$22,484,346
Venezuela	2,396	2,717	18,699	-	-	-	\$64,773,377	\$405,164,954
<b>Total</b>	<b>141,748</b>	<b>195,453</b>	<b>1,306,791</b>	<b>8,399</b>	<b>21,395</b>	<b>77,018</b>	<b>\$4,759,600,560</b>	<b>\$101,574,250,740</b>

\*International figures correspond to last year Racing Season

TABLE 90. INTERNATIONAL THOROUGHBRED BREEDING 2014

Country	Stallions	Mares	Foals
---------	-----------	-------	-------

CHART 16. AUSTRALIA VS INTERNATIONAL PRIZEMONEY

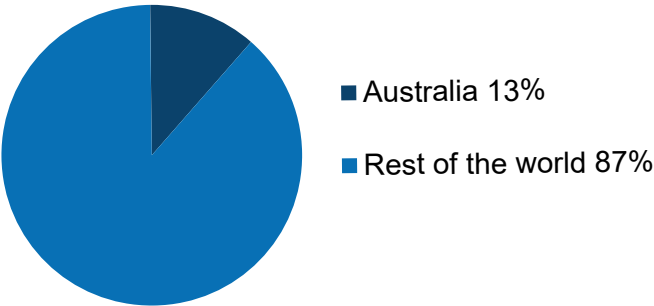


CHART 17. AUSTRALIA VS INTERNATIONAL WAGERING

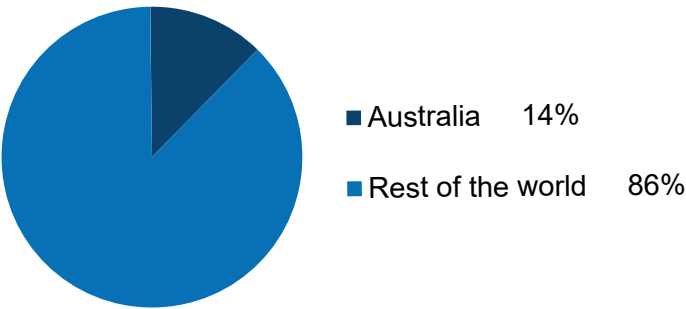
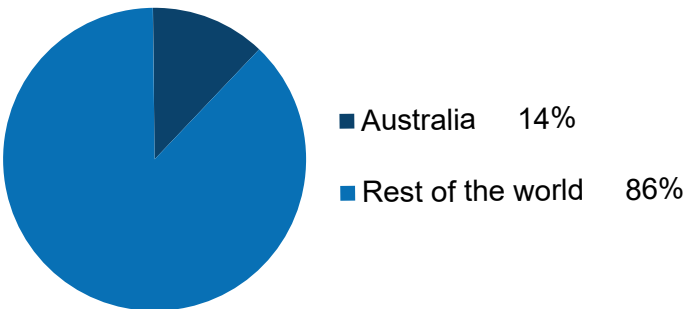


CHART 18. AUSTRALIA VS INTERNATIONAL MARES



\*Source: International Federation Of Horse Racing



# INTERNATIONAL RACING

TABLE 91. INTERNATIONAL GROUP & LISTED RACES BY COUNTRY 2014/15

Country	G1	%	G2	%	G3	%	L	%	Total	Flat Races	%
---------	----	---	----	---	----	---	---	---	-------	------------	---

Source: Racing Australia / International Federation Of Horse Racing

CHART 19. INTERNATIONAL GROUP 1 RACES

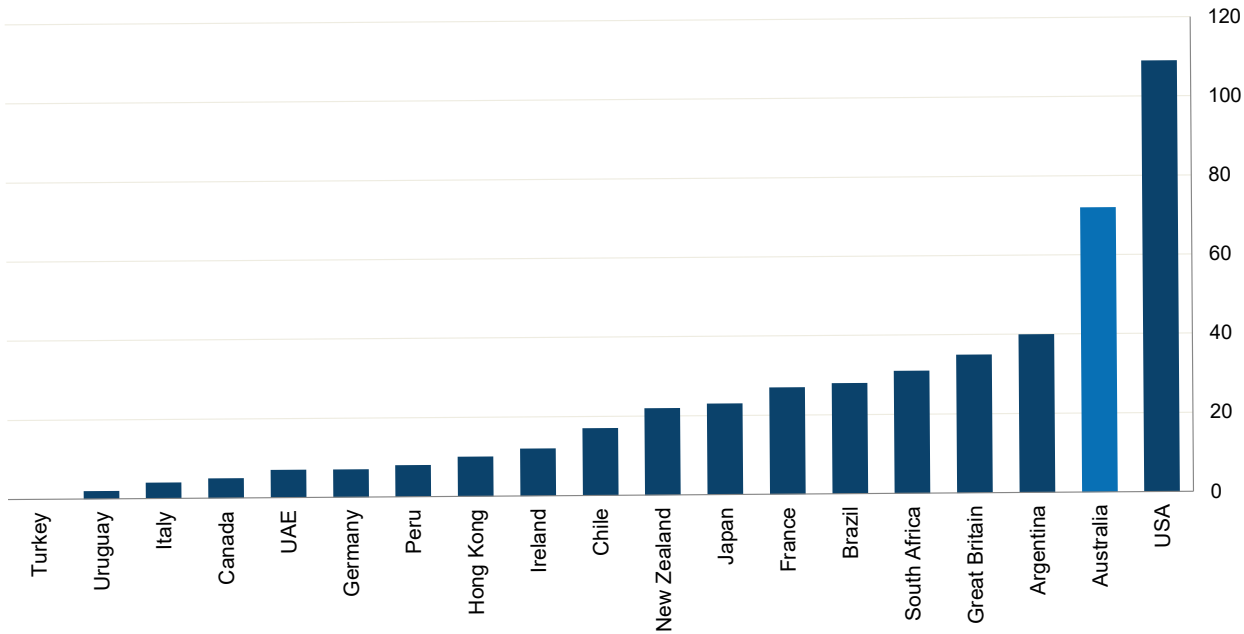
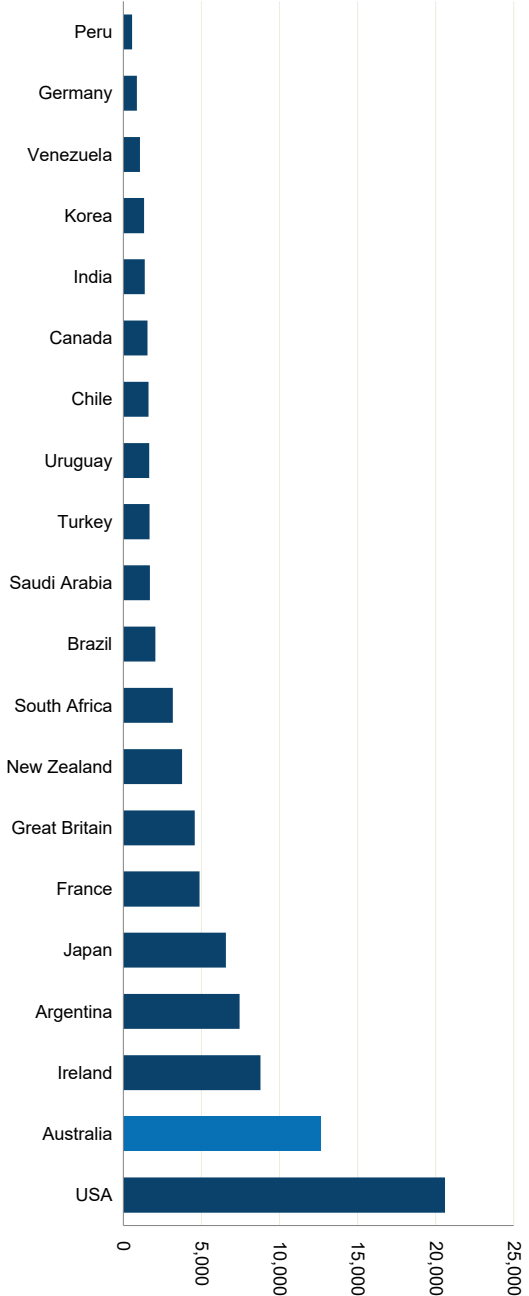
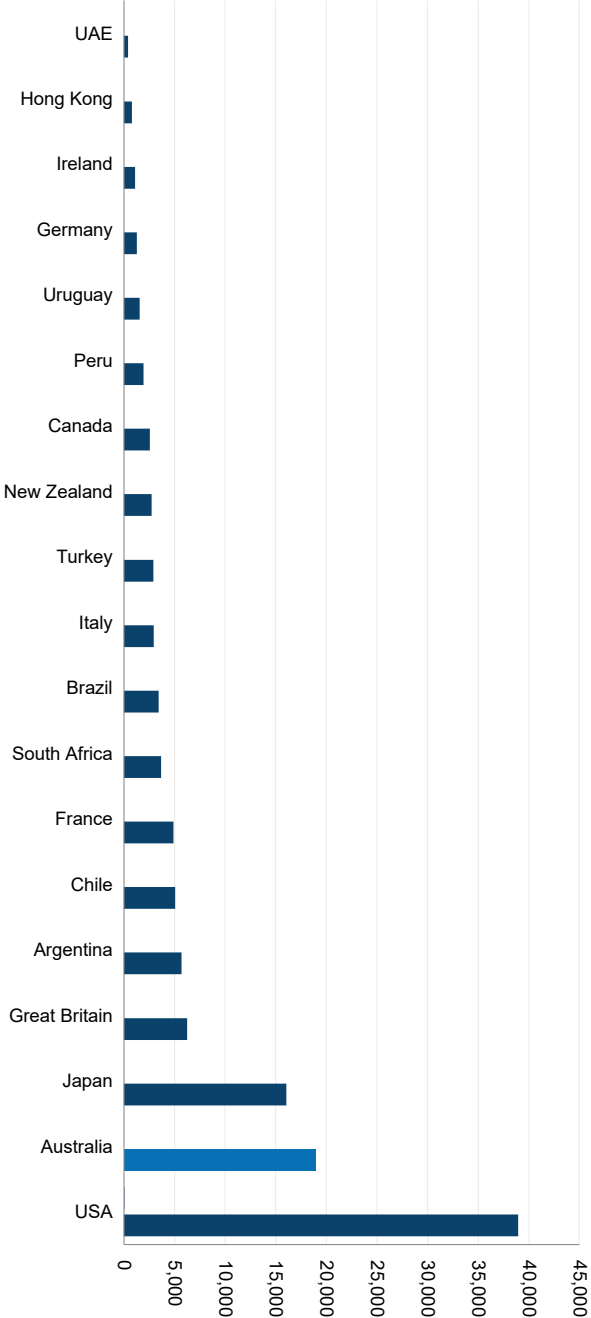


CHART 20. INTERNATIONAL FOAL CROPS



[PUBLIC VERSION]

CHART 21. INTERNATIONAL FLAT RACES



**[PUBLIC VERSION]**

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Picture supplied courtesy of Racing NSW



**RACING**  
AUSTRALIA

IN THE AUSTRALIAN COMPETITION TRIBUNAL

ACT 1 of 2017

**Re:** Application by Tabcorp Holdings Limited under section 95AU of the *Competition and Consumer Act 2010* for an authorisation under subsection 95AT(1) to acquire shares in the capital of a body corporate or to acquire assets of another person

**Applicant:** Tabcorp Holdings Limited

ANNEXURE CERTIFICATE

This is the annexure marked **RAH-4** annexed to the expert report of **Robert Andrew Hines** dated 25 April 2017.

Annexure RAH-4

**Excerpt of Australian Gambling Statistics, 1989–90 to 2014–15, 32nd Edition**  
**pages 0-56, 566, 580, 594, 617, 727, 755**

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# **Australian Gambling Statistics**

## **1989–90 to 2014–15**

### **32nd edition**



## Australian Gambling Statistics 32nd edition

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Queensland Government Statistician's Office  
[www.qgso.qld.gov.au](http://www.qgso.qld.gov.au)

### Disclaimer

While great care has been taken in the preparation of this publication and each Australian state and territory has been asked to verify its own data in detail, it is nevertheless necessary to caution users concerning the complete accuracy of all data.

No warranty is given as to the correctness or completeness of the information in this publication.

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## PART 1: EXPLANATORY NOTES

## 1.1 Introduction

Australian Gambling Statistics is the official collection of Australian data on legalised regulated gambling for which accurate figures are available. The *Australian Gambling Statistics* publication is produced by the Queensland Government Statistician's Office (QGSO) in cooperation with all state and territory governments. QGSO is a part of Queensland Treasury and is the principal demographic and social statistics research agency for the Queensland Government.

## 1.2 Scope of the publication

The 32nd edition of *Australian Gambling Statistics* updates data for the financial years 1989–90 to 2014–15. The publication comprises statistics on turnover, expenditure and government revenue from gambling activities conducted in Australian states and territories. It is important to note that the statistics for each individual state or territory include turnover and expenditure generated by overseas and interstate visitors as well as those generated by residents of that state or territory.

All dollar figures are given in nominal terms except where a table is denoted as being in real terms. See Glossary item 'CPI deflator' for an explanation of how real dollar figures are calculated for the purpose of this publication.

## 1.3 Background

The development of a database of statistics on gambling on a national basis was formally proposed at the June 1983 Conference of Government Racing Officials held in Darwin. The conference agreed to draw attention to the relative absence of reliable economic and social data on gambling, and resolved that this information be collected, collated and shared on a national basis.

Led by the existing statistical collections of the (then) Tasmanian Racing and Gaming Commission, it was recommended that the racing and gaming administrations of other state and territory governments develop their own statistical base to assist in the development of a national gambling statistical record.

At the September 1983 Racing and Gaming Ministers' Conference held in Melbourne, it was resolved:

That the Conference approve the establishment of a National Statistical Data Bank and each state and territory agree to submit all available racing and gaming statistics in a consistent format to the Tasmanian Racing and Gaming Commission for collation and analysis. A report is to be presented detailing the data to each Minister. A review of the effectiveness of this service will be undertaken at the next Racing and Gaming Ministers' Conference.

In line with the conference resolution the Commission, with the assistance of a firm of economic consultants, extracted from published records a significant quantity of data relating to gambling turnover in each state and territory since 1972. This information was circulated to each state and territory for the purposes of correction and the addition of data that were not readily obtainable from available sources.

The first consolidation and assessment of these data was produced for the Racing and Gaming Ministers' Conference in late 1984. At the Commission's request, it was subsequently approved that the report be made publicly available. The Tasmanian Gaming Commission continued to produce annual statistics until 2004, when the Queensland Government Statistician's Office (formerly the Office of Economic and Statistical Research), within Queensland Treasury, was endorsed by jurisdictional CEOs to produce the publication on an ongoing basis.

## 1.4 Glossary

**Bookmakers off-course:** These figures relate to the amount wagered via off-course bookmakers. In Tasmania it represents the figure for sports betting or amounts wagered on events other than horse racing or greyhound racing.

**Bookmakers on-course:** These figures relate to the amount wagered via bookmakers at the race track on both horse and greyhound racing. A player can wager any amount above a set minimum and will receive the bookmaker's odds at the time of making the wager. Those odds stand, irrespective of whether the bookmaker alters the odds at a later time. Bookmakers are licensed in each jurisdiction.

**Casino gaming:** The various figures reported under this heading represent wagers at casinos and include wagers on table games, gaming machines and keno systems.

**Casino turnover:** The casino turnover figure is actually a combination of handle and turnover. Turnover is the amount wagered on a gambling activity whereas handle is a term used to describe the amount of money exchanged for gaming chips at a gaming table. It is difficult, if not impossible, to record the amount of each wager made on a table game. Therefore it is difficult to report casino turnover accurately. Hence, the only amount that can be reported for table games is handle. Readers are therefore urged to use casino turnover figures with care.

**Consumer Price Index (CPI):** The price index used as the deflator for conversion of current year (nominal) values to real values is the Consumer Price Index (CPI) All Groups weighted average of eight capital cities. The CPI is a measure of change over time in the retail price of a constant basket of goods and services which is representative of consumption patterns of employee households in metropolitan areas. This index for each year is set out in Table 1. CPI data for the period 1989–90 to 2014–15 were derived from data from the Australian Bureau of Statistics (ABS).

**Table 1 Consumer Price Index <sup>(a)</sup>, 1989–90 to 2014–15**

Year	Consumer Price Index	Inflation rate (%)	Deflator factor
1989–90	55.7	8.2	0.522
1990–91	58.6	5.2	0.549
1991–92	59.7	1.9	0.559
1992–93	60.3	1.0	0.565
1993–94	61.4	1.8	0.575
1994–95	63.4	3.3	0.594
1995–96	66.1	4.3	0.619
1996–97	67.0	1.4	0.627
1997–98	67.0	0.0	0.627
1998–99	67.8	1.2	0.635
1999–00	69.4	2.4	0.650
2000–01	73.6	6.1	0.689
2001–02	75.7	2.9	0.709
2002–03	78.0	3.0	0.730
2003–04	79.9	2.4	0.748
2004–05	81.8	2.4	0.766
2005–06	84.4	3.2	0.790
2006–07	86.9	3.0	0.814
2007–08	89.8	3.3	0.841
2008–09	92.6	3.1	0.867
2009–10	94.8	2.4	0.888
2010–11	97.7	3.1	0.915
2011–12	100.0	2.4	0.936
2012–13	102.3	2.3	0.958
2013–14	105.0	2.6	0.983
2014–15	106.8	1.7	1.000

(a) Average of four quarters

Source: Derived from Australian Bureau of Statistics, *Consumer Price Index*, ABS 6401.0



**Expenditure (gross profit):** These figures relate to the net amount lost or, in other words, the amount wagered less the amount won, by people who gamble. Conversely, by definition, it is the gross profit (or gross winnings) due to the operators of each particular form of gambling.

**Football Pools (Pools):** The Pools is a numbers game of chance where the winning numbers are based on the results of the United Kingdom or Australian soccer matches.

Each week, 38 soccer matches are selected to form a 'match list'. Each match is assigned a number from 1 to 38. The results of the matches are then collected and ranked, with scored draws ranked highest and home score wins ranked lowest. The six highest-ranked match numbers are then used as the official results numbers for the Pools draw. There is also a supplementary number selected, which is the seventh-highest ranked match result. To play the Pools, players select six numbers from the 38. If the selected numbers are the same as the official results numbers, the player wins one of the five prize divisions.

The Pools is administered by SA Lotteries on behalf of the Australian Soccer Pools Bloc. The Bloc was formed in June 1989 by lottery jurisdictions in Australia. Its purpose is to promote the game of Soccer Pools and produce accurate and uniform prize pools and dividends for subscribers to the game.

**Gambling:** The placement of a wager or bet on the outcome of a future uncertain event. In this document, gambling includes lawful gaming, racing and sports betting activities. The statistics presented in this publication are for legalised regulated gambling for which accurate figures are available, and hence do not represent turnover or expenditure on all forms of gambling.

**Gaming:** All legal forms of gambling other than racing and sports betting, such as lotteries, poker and gaming machines, casino gaming, football pools, interactive gaming and minor gaming (which is the collective name given to raffles, bingo, lucky envelopes and the like).

**Gaming machines:** All jurisdictions, except Western Australia, have a state-wide gaming machine (poker machine) network operating in clubs and/or hotels. The data reported under this heading do not include gaming machine data from casinos.

Gaming machines accurately record the amount of wagers played on the machines. So turnover is an actual figure for each jurisdiction. In most jurisdictions operators must return at least 85 per cent of wagers to players as winnings, either by cash or a mixture of cash and product. Gaming machines may be linked together in order to offer major jackpots.

**Government revenue:** The revenue received by state governments from gambling activities that are subject to state taxes and levies.

**Household disposable income (HDI):** This is defined as gross household income less income tax payable, other current taxes on income, wealth etc., consumer debt interest, interest payable by unincorporated enterprises and dwellings owned by persons, net non-life insurance premiums and other current transfers payable by households.

Information on HDI by state and territory has been derived from data taken from the ABS. Data on HDI were taken from the revised ABS series on 'Household gross disposable income', reported by state and territory in the *Australian National Accounts: State Accounts* for the 1989–90 to 2014–15 period only, with only the total Australian HDI published for the years prior to 1989–90.

When interpreting gambling figures as a proportion of HDI by state and territory, users of the data should note that such data represent expenditure within the jurisdiction concerned, and do not adjust for interstate or international gamblers. No relevant data are collected on interstate gamblers.

**Table 2 Household disposable income(a), all states and territories, 1989–90 to 2014–15**

Year	NSW	Vic	Qld	SA	WA	Tas	NT	ACT	Australia
					— \$m —				
1989-90	99,880	68,410	40,509	20,941	23,354	6,027	2,124	6,261	267,507
1990-91	105,823	71,383	42,546	22,009	23,793	6,446	2,256	6,683	280,940
1991-92	108,220	71,461	46,030	22,590	25,049	6,564	2,353	6,861	289,129
1992-93	110,382	74,412	49,462	23,404	26,365	6,846	2,419	7,162	300,453
1993-94	115,076	76,363	51,316	24,572	28,067	6,915	2,647	7,461	312,416
1994-95	120,983	79,918	54,887	25,379	30,186	7,259	3,035	7,814	329,461
1995-96	129,068	84,491	58,485	26,857	31,823	7,621	3,289	8,128	349,764
1996-97	137,046	87,971	62,984	27,650	33,391	7,777	3,484	8,512	368,814
1997-98	142,046	92,137	65,120	28,697	34,780	7,881	3,542	8,619	382,822
1998-99	148,424	97,263	67,296	28,806	36,972	8,013	3,885	9,091	399,750
1999-00	157,639	101,948	71,449	30,425	39,080	8,411	4,353	10,091	423,396
2000-01	172,740	111,474	78,583	33,198	41,711	8,745	4,842	11,741	463,034
2001-02	176,453	120,416	87,241	36,669	47,432	9,778	5,320	11,995	495,303
2002-03	182,230	126,452	89,386	37,810	49,651	10,260	5,346	13,605	514,742
2003-04	195,295	133,155	99,354	40,647	53,887	11,358	5,664	14,455	553,817
2004-05	209,403	141,415	110,529	42,390	57,574	12,341	6,426	15,479	595,557
2005-06	217,435	149,269	121,242	44,076	60,913	13,474	7,226	16,470	630,105
2006-07	232,623	160,257	136,654	47,836	69,647	14,569	7,765	18,171	687,523
2007-08	252,914	177,103	149,412	53,500	80,771	16,200	8,450	20,319	758,669
2008-09	270,509	190,901	166,763	59,075	91,621	17,700	9,335	22,960	828,863
2009-10	281,260	198,238	172,388	60,843	96,337	18,122	10,305	25,399	862,891
2010-11	303,234	210,758	181,951	64,007	105,468	18,713	10,845	28,112	923,087
2011-12	323,728	220,114	190,857	66,006	117,053	18,827	11,249	30,625	978,459
2012-13	333,969	229,576	192,834	67,467	123,698	18,691	11,522	32,660	1,010,417
2013-14	356,438	239,135	197,869	69,937	129,494	19,565	12,631	31,707	1,056,777
2014-15	370,947	246,837	207,464	73,971	132,604	20,866	13,099	31,001	1,096,789

(a) Original data

Source: Australian Bureau of Statistics, *Australian National Accounts: State Accounts*, ABS 5220.0

**Instant lottery:** Commonly known as 'scratchies', where a player scratches a coating off the ticket to identify whether the ticket is a winner. Prizes in the instant lottery are paid on a set return to player and are based on the number of tickets in a set, the cost to purchase the tickets, and a set percentage retained by the operator for costs. The operation of instant lotteries is the same as for lotteries.

**Interactive gaming:** Defined as gambling on activities conducted via the internet. It specifically excludes wagering in the form of racing and sports betting, and lotteries via the internet. Interactive gambling services provided to Australian residents by an internet casino are banned under the Commonwealth *Interactive Gambling Act 2001* (IGA) which came into effect in August 2001.

**Keno (clubs and hotels):** A computerised keno system operates in clubs and hotels in New South Wales, Queensland, South Australia, Victoria, Tasmania and the Australian Capital Territory. In 1998–99, Keno was introduced into Star City Casino (Sydney). Keno is a game where a player wagers that their chosen numbers match any of the 20 numbers randomly selected from a group of 80 numbers via a computer system or a ball-draw device. In most states, Keno is linked to all venues within a particular jurisdiction, enabling the operator to offer large jackpot prizes. Keno has a fixed pay scale such that the payout for each wager is established by rules and is independent of the total wagers made on the game.

**Lotteries:** Lotteries are conducted Australia-wide by both government and commercial operators. There are three components to a lottery: the purchase of a ticket, a draw and a prize. A person whose ticket is selected in a lottery wins a prize based on the total amounts wagered after deduction of a set percentage by the operator to cover costs. Lottery tickets are sold at various outlets around Australia, such as newsagents. The same operators may also conduct Lotto, Pools and instant lottery.

**Lotto:** The figures reported in this section cover a variety of lottery games, commonly known as Tattslotto, Gold Lotto, Lotto, X-Lotto or Powerball depending on the jurisdiction. Lotto is a game where a player selects any six numbers from 1 to 45 in anticipation that those numbers will be among eight numbered balls, randomly drawn from a ball-draw device containing 45 balls numbered from 1 to 45. The first six of the eight balls drawn are known as the 'winning numbers' and the last two balls are called 'supplementary numbers'.

There are five prize divisions, with Division 1 being the major prize. The prize payout for each division is dependent on the amount of wagers made, less the operator's costs. A player wins if their selected numbers match those randomly drawn in a set combination.

**Minor gaming:** The collective name given to raffles, bingo, lucky envelopes and the like.

**On-course totalisator:** These figures relate to the amount wagered on a racetrack, during race meetings, or at authorised auditoria.

**Population:** Population data from the ABS have been used to calculate the figures presented in the per capita tables. These population data exclude all persons under the age of 18 years. The per capita calculations are undertaken by dividing the relevant financial data for a given financial year by the mean resident population aged 18 years and over in the region during the relevant financial year. Mean estimates for the populations of the states and territories for the period 1989–90 to 2014–15 are presented in Table 3. Note that the same caveat relating to the influence of visitors to a state on the estimates reported in the HDI tables is also relevant to the interpretation of the estimates reported in the per capita tables.

**Table 3 Mean estimated resident population aged 18 years and over, all states and territories, 1989–90 to 2014–15**

Year	NSW	Vic	Qld	SA	WA	Tas	ACT	NT	Australia <sup>(a)</sup>
	— m —								
1989-90	4.267	3.205	2.061	1.063	1.146	0.330	0.197	0.109	12.378
1990-91	4.332	3.257	2.119	1.078	1.171	0.335	0.203	0.111	12.607
1991-92	4.393	3.296	2.174	1.090	1.191	0.339	0.209	0.113	12.804
1992-93	4.439	3.322	2.232	1.097	1.211	0.342	0.215	0.115	12.973
1993-94	4.481	3.339	2.292	1.102	1.232	0.345	0.218	0.117	13.127
1994-95	4.530	3.358	2.350	1.106	1.257	0.346	0.222	0.121	13.291
1995-96	4.586	3.389	2.405	1.110	1.284	0.348	0.225	0.124	13.474
1996-97	4.647	3.424	2.454	1.116	1.311	0.349	0.228	0.128	13.659
1997-98	4.704	3.459	2.496	1.124	1.336	0.350	0.230	0.132	13.832
1998-99	4.761	3.498	2.537	1.132	1.360	0.350	0.232	0.134	14.007
1999-00	4.824	3.542	2.581	1.140	1.383	0.351	0.235	0.137	14.195
2000-01	4.892	3.591	2.631	1.147	1.407	0.353	0.239	0.139	14.401
2001-02	4.955	3.643	2.691	1.156	1.430	0.354	0.243	0.141	14.616
2002-03	5.003	3.695	2.765	1.166	1.454	0.358	0.247	0.141	14.831
2003-04	5.044	3.747	2.840	1.176	1.479	0.363	0.250	0.142	15.043
2004-05	5.083	3.801	2.913	1.187	1.507	0.367	0.253	0.144	15.257
2005-06	5.128	3.862	2.986	1.200	1.538	0.371	0.256	0.147	15.490
2006-07	5.191	3.936	3.063	1.214	1.578	0.374	0.262	0.150	15.770
2007-08	5.282	4.021	3.146	1.231	1.628	0.379	0.267	0.155	16.111
2008-09	5.381	4.118	3.234	1.248	1.684	0.384	0.273	0.161	16.485
2009-10	5.470	4.209	3.311	1.266	1.734	0.389	0.279	0.165	16.825
2010-11	5.543	4.281	3.373	1.281	1.782	0.393	0.285	0.168	17.109
2011-12	5.614	4.354	3.441	1.294	1.843	0.396	0.290	0.171	17.405
2012-13	5.694	4.434	3.511	1.307	1.908	0.397	0.295	0.176	17.725
2013-14	5.782	4.518	3.573	1.320	1.956	0.399	0.299	0.179	18.029
2014-15	5.872	4.602	3.627	1.333	1.986	0.401	0.302	0.181	18.306

(a) Includes Other Territories.

Source: Derived from Australian Bureau of Statistics, *Population by Age and Sex, Australian States and Territories*, ABS 3101.0

**Racing betting:** Within the context of this report, racing betting comprises legal betting with bookmakers and totalisators, both on racecourses and off-course (TAB). It is related to betting on the outcome of horse and greyhound races.

**'Real' variables:** Refers to data that have had the effects of inflation removed. This is achieved by specifying a base year (in this instance 2014–15) and 'deflating' each previous year by the CPI (see Table 1). This means that all data in a table showing real values may be compared directly, the effects of inflation having been removed.

**Revised figures:** Figures with a 'revised' (R) notation detail data that have been revised from the previous edition of the Australian Gambling Statistics publication.

**Sports betting:** The wagering on approved types of local, national or international sporting activities (other than the established forms of horse and greyhound racing), whether on or off-course, in person, by telephone, or via the internet.

**Totalisator Agency Board (TAB):** This form of wagering is Australia-wide and is the amount wagered at TAB outlets (other than those on a race track). Totalisator wagering is where a player makes a 'unit' wager (a unit being any multiple of 50 cents or one dollar depending on the jurisdiction). Totalisator betting is sometimes called pari-mutuel betting. The operator deducts a percentage of the total units wagered (for costs including tax), and the remainder is returned as dividends (winnings) to players in multiples of the unit wagered.

In several jurisdictions, the TAB has been privatised. There are three TAB pools: the Victorian pool (known as the SuperTAB, to which Tasmania, Australian Capital Territory and Western Australia are parties), the New South Wales pool, and the Queensland pool (to which South Australia and the Northern Territory are parties). Each jurisdiction retains the deductions from wagers made in that particular jurisdiction.

**Turnover:** An expression used to describe the amount wagered. This does not include any additional charges that may also be paid at the point of purchase, such as selling agents' commission in the case of lotteries (except where noted in tables).

**Wagering:** All legal forms of gambling on racing and sporting events.

#### Abbreviations

-	nil or rounded to zero
E	Estimated data
NA	Not applicable
R	Revised data
U	Unavailable data

## 1.5 Overview of gambling data

### Sources of data

State and territory government racing and gaming authorities were approached to provide actual data on turnover, expenditure and government revenue, for each form of gambling within their jurisdiction. Where actual data were not available, the relevant authorities were encouraged to make estimates of the unavailable statistics and provide both these estimates and explanations of the estimation methods. The methods that have been used to estimate missing values are elaborated upon in section 1.6.

Legislative restrictions preclude several jurisdictions from releasing data until the close of the calendar year relating to the statistics. Users should note that the statistics are not available until after this period.

### Goods and services tax

On 1 July 2000, the goods and services tax (GST) replaced wholesale sales tax, which was applied at varying rates to a range of products. The GST is a broad-based tax of ten per cent on most supplies of goods and services consumed in Australia. This includes gaming products. Therefore, the gaming tax revenue figures shown in this publication from 2000–01 onwards are not comparable with those of preceding years.

### Relevant legislation

Gambling policy and legislation in Australia has traditionally been the role of the states and territories rather than the Commonwealth. Relevant state-based legislation is detailed in state and territory summaries in section 1.6.

### Forms of gambling

The following table provides an overview of the types of gambling that are legally permitted and currently being undertaken by Australian residents and overseas visitors in each state and territory.

**Table 4 Forms of gambling currently undertaken, by state and territory**

	NSW	Vic	Qld	SA	WA	Tas	ACT	NT
Racing and betting	✓	✓	✓	✓	✓	✓	✓	✓
Sports betting	✓	✓	✓	✓	✓	✓	✓	✓
Lotteries	✓	✓	✓	✓	✓	✓	✓	✓
Gaming machines	✓	✓	✓	✓	Casino only	✓	Hotels and clubs only	✓
Casino gaming	✓	✓	✓	✓	✓	✓	✓	✓
Keno	✓	✓	✓	✓	Casino only	✓	✓	✓
Football pools	✓	✓	✓	✓	✓	✓	✓	✓
Interactive gaming	Australian residents are not permitted to access interactive gaming sites under the <i>Commonwealth Interactive Gambling Act 2001</i> , which came into effect in August 2001. Interactive gaming exists in the Northern Territory but is available only to overseas visitors.							
Minor gaming	✓	✓	✓	✓	✓	✓	✓	✓
Betting exchange	Betting exchange wagering is currently undertaken in Tasmania by way of a Tasmanian Gaming Licence. The Tasmanian Gaming Commission reports only government revenue for this product, which is recorded under interactive gaming.							

## 1.6 Notes on data specific to each state and territory

### 1.6.1 New South Wales

#### Legislation

Legislation governing the regulation, supervision and control of gambling activities in New South Wales includes:

- *Betting Tax Act 2001*
- *Casino Control Act 1992*
- *Charitable Fundraising Act 1991*
- *Gambling (Two-Up) Act 1998*
- *Gaming and Liquor Administration Act 2007*
- *Gaming Machines Act 2001*
- *Gaming Machines Tax Act 2001*
- *Liquor Act 2007*
- *Lotteries and Art Unions Act 1901*
- *Public Lotteries Act 1996*
- *Racing Administration Act 1998*
- *Racing Administration Amendment (Sports Betting National Operational Model) Act 2014*
- *Registered Clubs Act 1976*
- *Totalizator Act 1997*
- *Unlawful Gambling Act 1998.*

#### New developments

- In February 2015, NSW approved a bloc agreement to allow the introduction of multi-jurisdictional draw lotteries. Amendments to draw lottery games included an increased amount of tickets in each draw for the \$2 and \$5 game, selling the existing NSW Lotteries games into multiple jurisdictions (NSW, ACT, Victoria, Queensland, Tasmania and NT) as part of a bloc arrangement, increasing the number of divisions and increasing the jackpot contribution amount for each game.
- In 2015, NSW approved a new multi-jurisdictional game, 'Set for Life'. It is a daily lottery which pays out a top prize of \$20,000 per month for 20 years (amounting to a total payout of \$4.8 million).
- Amendments were made to the Gaming Machines Regulation 2010 to increase the gaming machine prize cheque threshold to \$5,000 and increase the default limit for card-based gaming machine player accounts to be consistent with the cheque prize limit and the 'Ticket In, Ticket Out (TITO)' limit.

#### General industry information

The figures presented for New South Wales in this publication were provided by the Independent Liquor and Gaming Authority, the NSW Office of Liquor, Gaming and Racing and the Department of



Trade and Investment, Regional Infrastructure and Services. Gaming machine (poker machine) duty rates for clubs and hotels are in Tables 1 and 2.

**Table 5 Annual club gaming machine marginal tax rates**

From 1 September	Annual gaming revenue <sup>(a) (b)</sup>						
	Up to \$200,000	\$200,001 to \$1,000,000	\$1,000,001 to \$5,000,000	\$5,000,001 to \$10,000,000	\$10,000,001 to \$20,000,000	\$20,000,001 and above	
	Clubs earning up to 1,000,000	Clubs earning 1,000,001 and over <sup>(c)</sup>					
	— % —						
2009	—	—	10.0	21.0	26.0	29.0	30.9
2010	—	—	10.0	21.0	26.0	29.0	30.9
2011	—	—	10.0	19.9	24.4	26.4	28.4
2012	—	—	10.0	19.9	24.4	26.4	28.4
2013	—	—	10.0	19.9	24.4	26.4	28.4
2014	—	—	10.0	19.9	24.4	26.4	28.4
2015	—	—	10.0	19.9	24.4	26.4	28.4

(a) For gaming revenue higher than \$1 million from 2011, rates shown are before the 1.85 percentage point ClubGRANTS Scheme (formerly CDSE scheme) duty rate reduction. Under the ClubGRANTS Scheme, marginal duty rates on gaming revenue above \$1 million are reduced by 1.85 percentage points if clubs contribute 1.85% of gaming revenue in excess of \$1 million to eligible community projects.

(b) For gaming revenue higher than \$1 million, rates shown are before the 1.5 percentage point Community Development and Support Expenditure (CDSE) Scheme duty rate reduction. Under the CDSE Scheme, marginal duty rates on gaming revenue above \$1 million are reduced by 1.5 percentage points if clubs contribute 1.5% of gaming revenue in excess of \$1 million to eligible community projects.

(c) For clubs earning gaming revenue above \$1 million a year from 1 September 2007, the benefit of the tax-free threshold in the \$200,000 to \$1 million revenue range will be withdrawn dollar for dollar as gaming revenue exceeds \$1 million, with complete withdrawal when revenue reaches \$1.8 million.

**Table 6 Annual hotel gaming machine rates**

From 1 July	Annual gaming revenue					
	Up to \$25,000	\$25,001 to \$200,000	\$200,001 to \$400,000	\$400,001 to \$1,000,000	\$1,000,001 to \$5,000,000	\$5,000,001 and above
	— % —					
2009	5.1	15.1	23.7	29.4	34.4	47.3
2010	—	—	33.0	33.0	36.0	50.0
2011	—	—	33.0	33.0	36.0	50.0
2012	—	—	33.0	33.0	36.0	50.0
2013	—	—	33.0	33.0	36.0	50.0
2014	—	—	33.0	33.0	36.0	50.0
2015	—	—	33.0	33.0	36.0	50.0

### Amendments to previous publication (31st edition)

- There has been a recalculation of expenditure for the on course totalizator for each of the previous 3 years as the TAB pays all fractions and commissions and therefore any assessment of on course totalizator can only be an estimate.

### Notes to the tables for 2014–15

The following provides a summary of the data items for 2014–15 that were not provided, were estimated based on relevant data, or require further clarification for completeness.

Casino	<ul style="list-style-type: none"><li>• Government Revenue from Gaming figure does not include \$17.50 million to the Responsible Gambling Fund</li></ul>
Lotteries, Pools, Lotto	<ul style="list-style-type: none"><li>• Turnover figures are net sales (that is, not including agent commission).</li></ul>

### Specific notes

Nil

## 1.6.2 Victoria

### Legislation

Legislation governing the regulation, supervision and control of gambling activities in Victoria includes:

- *Casino Control Act 1991*
- *Casino (Management Agreement) Act 1993*
- *Gambling Regulation Act 2003*
- *Racing Act 1958*.

A copy of current Victorian legislation can be accessed from the Victorian Legislation and Parliamentary Documents website at [www.legislation.vic.gov.au](http://www.legislation.vic.gov.au) under Victorian Law Today.

### New developments

#### *Variation to the Casino Management Agreement*

On 22 August 2014, the Victorian Government reached an agreement with Crown Melbourne Limited on a broad number of changes to be implemented which included amendments to the *Casino Control Act 1991* and casino licence conditions.

The key changes of the agreement included:

- removal of super tax on commission-based players' gaming revenue
- an increase of the maximum number of gaming tables from 400 to 440 (excluding 100 poker tables), including an increase of automated terminal stations connected to fully automated table games from 200 to 250
- an increase of the maximum number of gaming machines from 2,500 to 2,628
- an extension of the duration of the casino licence by 17 years to 2050
- payment of two lump sums to the state for extension of the duration of the casino licence (the first lump sum of \$250 million was paid on 7 November 2014, the second lump sum of \$250 million is due on 1 July 2033)
- contingent payments payable on 1 September 2022 if the compound annual growth rate of normalised gaming revenue at the casino exceeds predetermined percentages over the period from FY14 to FY22
- an annual tax guarantee that a minimum of \$35 million per annum is paid to the state on the revenue generated from the new gaming tables and gaming machines over the six financial years commencing on and from 1 July 2015.

The changes were subject to the ratification of a *Tenth Deed of Variation to the Casino Management Agreement* (Deed) by legislative amendment and amendments to the casino licence.

The Deed was ratified by Parliament on 21 October 2014 in accordance with the ratifying provisions of the *Casino and Gambling Legislation Amendment Act 2014*.

To give effect to the above arrangements, Crown made an application on 9 September 2014 to the Victorian Commission for Gambling and Liquor Regulation (VCGLR) to amend the conditions

contained in the casino licence to allow for the additional gaming products and to extend the term of the licence. On 20 October 2014, the VCGLR determined to approve the application effective from 3 November 2014.

#### *Surrender and variation of public lottery licences*

The Victorian Government accepted the surrender by Intralot Australia Pty Ltd of its Category 2 public lottery licence and, effective from 31 January 2015, it ceased selling and conducting the instant lotteries that were authorised by its licence, and exited the Victorian lottery market.

The Victorian Government subsequently amended the Tattersall's Sweeps Pty Ltd public lottery licence to enable it to sell its range of instant lottery products in Victoria effective from 1 February 2015.

#### *Review of gaming machine arrangements*

In July 2015, the Victorian Government commenced a review of gaming machine arrangements, to look at whether the current entitlement model has met its objectives and to consider how venues own and operate gaming machines, the distribution of machines between hotels and clubs, and the length of entitlements.

The Department of Justice and Regulation will consult with industry and the community, and report to the Government by July 2016 (click [here](#) for more information and terms of reference).

### **General industry information**

#### *Fingerprinting requirements removed for gaming industry employee and casino special employee licence applicants*

Previously, all applicants for a gaming industry employee and casino special employee licence were required to obtain a National Police Check with fingerprints. From December 2014, applicants for these licence types are only required to submit a National Police Check (name). This means that applicants are no longer required to have finger and palm prints recorded.

The VCGLR still maintains the discretion to request an applicant undergo a fingerprint check if necessary.

The change is consistent with the VCGLR's risk-based regulatory approach. It will affect around 2,700 gaming industry and casino special employee applicants each year, reducing regulatory burden and administrative costs, while also streamlining the application process.

### **Amendments to previous publication (31st edition)**

Nil

## Notes to the Tables for 2014–15

Keno	*=New Keno licence commenced 14 April 2012, replacing previous Club Keno arrangements. New Keno game rolled out into a much larger number of venues. (Product Tbls Keno 1-9; State Tbls Vic 16, 20)
Lotteries	*=Expenditure was estimated at 40.0 percent of turnover.
Lotto	*=Expenditure was estimated at 40.0 percent of turnover.
Pools	*=Expenditure was estimated at 50.0 percent of turnover.
Instant Lottery	**=Instant Lotto expenditure was estimated at 40.0 percent of turnover while Intralot operated, ceasing on 31 January 2015.  Thereafter, individual games had an estimated expenditure rate of 34.070% and 34.783% respectively.

## Specific notes

Nil

### 1.6.3 Queensland

#### Legislation

Primary legislation governing the regulation, supervision and control of gambling activities in Queensland includes:

- *Brisbane Casino Agreement Act 1992*
- *Breakwater Island Casino Agreement Act 1984*
- *Cairns Casino Agreement Act 1993*
- *Casino Control Act 1982*
- *Charitable and Non-Profit Gaming Act 1999*
- *Gaming Machine Act 1991*
- *Interactive Gambling (Player Protection) Act 1998*
- *Jupiters Casino Agreement Act 1983*
- *Keno Act 1996*
- *Lotteries Act 1997*
- *Wagering Act 1998*.

#### New developments

- The *Construction and Tourism (Red Tape Reduction) and Other Legislation Amendment Act 2014* commenced on 28 May 2014, except for several provisions relating to the community benefit funds which commenced 24 August 2014. The provisions amended the *Casino Control Act 1982* to amalgamate the Jupiters Casino Community Benefit Fund, the Breakwater Island Casino Community Benefit Fund and the Reef Hotel Casino Community Benefit Fund into the Gambling Community Benefit Fund.
- The *Gaming Legislation Amendment Regulation (No. 1) 2014* commenced 27 June 2014, except for several gaming and community benefit fund amendments which commenced 1 July 2014 and 24 August 2014. Amendments commencing 24 August 2014 made minor consequential amendments in relation to the amalgamation of the various casino community benefit funds into the Gambling Community Benefit Fund. Amendments commencing 1 July 2014 made a number of consequential amendments to gaming legislation including:
  - amending the *Charitable and Non-Profit Gaming Regulation 1999* to prescribe the amount of gross proceeds that define categories of 'other games', including changes to the upper limit for category 2 games and lower limit for category 3 games, together with consequential changes to the fee schedule
  - amending the *Gaming Machine Regulation 2002* to remove club entitlement regional boundaries and to prescribe different maximum numbers of gaming machines allowable under a Category 2 (club) licence based on the number of additional premises, being:
    - 300 approved gaming machines if the licensee has no additional premises
    - 450 approved gaming machines if the licensee has one additional premises (but not more than 300 gaming machines at either venue)
    - or
    - 500 approved gaming machines if the licensee has two or more additional premises (but not more than 300 gaming machines at any one venue)



and

- amending the *Interactive Gambling (Player Protection) Regulation 1998* to provide for the recoupment of costs for investigations into the suitability of associates or intended associates of gaming participants.
- The *Justice Legislation (Fees) Amendment and Repeal Regulation (No. 1) 2014* provided for indexation of fees and charges administered by the Department of Justice and Attorney-General commencing 1 July 2014. The Amendment Regulation also amended the *Gaming Machine Regulation 2001* to clarify the application fee to relocate a gaming machine area applies as a set fee for the area, and not as a fee per machine. This is consistent with other application fees which relate to the operation of the licensed premises, rather than the number of gaming machines on the premises.
- The *Liquor and Gaming Amendment Regulation (No. 1) 2014* commenced 18 July 2014 to amend:
  - the *Casino Control Regulation 1999*; *Charitable and Non-Profit Gaming Regulation 1999*; *Gaming Machine Regulation 2002*; *Interactive Gambling (Player Protection) Regulation 1998*; *Keno Regulation 2007*; *Lotteries Regulation 2007* (Lotteries Regulation); *Racing Regulation 2013* and the *Wagering Regulation 1999* (Wagering Regulation), to expand the current cost recoupment scheme relating to the suitability of participants in Queensland's casino and other gaming industries to include applicants for casino and other gaming licences and their associates
  - the *Liquor Regulation 2002*, to introduce a new fee for online searches of the register of licences, permits and applications (gaming licence information included)
  - the Lotteries Regulation, to provide for the introduction of the new 'lucky lotteries' game in Queensland and repeal the provision of Golden Casket games
  - the Lotteries Regulation and Wagering Regulation, to provide for the reinstatement of a registration within 12 months if the person's identity is subsequently verified after 90 days, and increases the period for which an operator must remit the account balances of restricted investors from 90 days to 12 months.
- The *Lotteries Amendment Regulation (No. 1) 2014* commenced 26 September 2014 to amend the *Lotteries Regulation 2007* to provide for the introduction of the 'Set for Life' lotto game in Queensland.
- The *Land Sales and Other Legislation Amendment Act 2014* commenced on 26 September 2014 to amend the *Breakwater Island Casino Agreement Act 1984*, to provide for the transfer of ownership of the Jupiters Townsville Hotel and Casino from Jupiters Limited to CLG Properties Pty Ltd as trustee for CLG Property Trust.
- On 3 February 2013, the Attorney-General and Minister for Justice approved the use of approved third parties to evaluate 'regulated' wagering and lotteries equipment. On 3 October 2014 the *Gaming Legislation Amendment Regulation (No. 2) 2014* amended the *Casino Control Regulation 1999*, *Charitable and Non-Profit Gaming Regulation 1999*, *Keno Regulation 2007*, *Lotteries Regulation 2007* and *Wagering Regulation 1999* to declare four entities as approved evaluators.
- The *Appropriation Act (No. 2) 2014* commenced 12 December 2014 to amend the *Wagering Act 1998*, to facilitate an extension to the term of the retail exclusivity arrangement associated with TattsBet Limited's (TattsBet) sports and race wagering licences for a further 30 years from 1 July 2014. The extension to the term of the exclusivities relates to an in-principle agreement between Tatts Group Limited (Tatts), Racing Queensland and the State of Queensland regarding the future of racing and wagering in Queensland and, in particular, the future funding for the racing industry (Wagering Agreement).
- *Wagering Amendment Regulation (No. 1) 2014* commenced 1 July 2014, amending the *Wagering Regulation 1999* to give effect to the key terms of the Wagering Agreement between Tatts Group Limited (Tatts), Racing Queensland and the State of Queensland, of

reducing wagering tax rates to 14% for totalisator (pari-mutuel) wagering and 10% for fixed odds wagering. The amendments provided that:

- where the wagering is conducted by means of a totalisator, the gross wagering tax for a month will be the sum of:
  - 14% of the commissions received on wagers; and
  - 14% of winning bets that have not been claimed within 1 year; and
- where the wagering is conducted on a fixed odds basis, the gross wagering tax for a month will be 10% of the gross revenue made on wagers.

### **General industry information**

Nil

### **Amendments to previous publication (31st edition)**

Nil

### **Notes to the tables for 2014–15**

Nil

### **Specific notes**

Nil

## 1.6.4 South Australia

### Legislation

- *Authorised Betting Operations Act 2000*
- *Casino Act 1997*
- *Gaming Machines Act 1992*
- *Independent Gambling Authority Act 1995*
- *Lottery and Gaming Act 1936*
- *State Lotteries Act 1966*.

### New developments

#### **Gambling reforms**

As reported in previous editions of this publication, the Minister for Business Services and Consumers introduced a Bill to the South Australian Parliament on 1 May 2013 to amend all of South Australia's gambling-related Acts.

The Bill was passed, with amendments, by both Houses of Parliament on 25 July 2013. It received Royal Assent on 8 August 2013.

The *Statutes Amendment (Gambling Reform) Act 2013* contains amendments to the following Acts:

- *Gaming Machines Act 1992*
- *Casino Act 1997*
- *Independent Gambling Authority Act 1995*
- *Authorised Betting Operations Act 2000*
- *State Lotteries Act 1966*
- *Problem Gambling Family Protection Orders Act 2004*.

These reforms are aimed at reducing the harm from problem gambling in the South Australian community and make improvements to existing regulatory measures, including red tape reduction as well as some technical improvements.

There are 141 amendments across the six affected Acts.

There are various commencement dates between 2013 and 2018. A summary of the 'key' amendments which commenced on 1 July 2014 were:

- **Online notification of gaming managers and gaming employees**
  - Gaming managers and gaming employees no longer require approval from the Commissioner for Consumer Affairs, Liquor and Gambling (the Commissioner) to work at a gaming machine venue.
  - Instead, licensees (or a person nominated by the licensee as a venue administrator) use a new Barring & Online Employee Notification System known as 'BOEN' to 'notify' the Commissioner of new gaming managers and gaming employees prior to them commencing in those roles. No application fees apply to the new arrangements.
  - The Commissioner has the power to prohibit a person from carrying out the duties of a gaming manager or gaming employee, either permanently or for a specified period.
  - If a person is employed as a gaming manager or gaming employee at more than one venue, the licensee of each of those venues must notify the Commissioner (via the BOEN system) separately.

- Gaming managers and gaming employees must still wear an identification badge in a form approved by the Commissioner. Venue administrators are able to print badges directly from the BOEN system to satisfy this requirement.
- If a person ceases to hold the position of gaming manager or gaming employee, or is no longer employed at the venue, the licensee must, within 14 days, notify the Commissioner by updating the person's record in the BOEN system.
- **New responsible gambling training**
  - Consistent minimum training requirements now apply across all gambling sectors, including hotels, clubs and the Adelaide Casino.
  - Gambling training courses also need to be 'recognised' by the Independent Gambling Authority (IGA), with training providers and the courses they intend to deliver needing to meet the Authority's criteria before such courses can be conducted.
  - All new and existing gaming managers and gaming employees are required to complete the new training courses and maintain their level of knowledge through repeat training every two years.
  - The previous accredited courses 'Provide Responsible Gambling Services' and 'Attend Gaming Machines', and the recognised course 'Advanced Problem Gambling Intervention Training' (APGIT), have been replaced by two new consolidated levels of training known as Basic Training to be completed by gaming employees and gaming managers, and Advanced Training to be completed by gaming managers.
  - Details of the content and outcomes of each of the new training courses have been prescribed by the IGA in the 'Gambling Regulation - Employee Training Prescription Notice 2013' which is available from the IGA website at [www.iga.sa.gov.au](http://www.iga.sa.gov.au).
- **One Government agency responsibility for all gambling-related welfare barrings**
  - Consistent 'welfare' barring arrangements now apply across all gambling sectors, including hotels, clubs and the Adelaide Casino. Barring arrangements are now administered under the *Independent Gambling Authority Act 1995*, with the IGA as the central gambling-barring agency (this excludes barrings initiated under the *Liquor Licensing Act 1997*).
  - From 1 July 2014, the details of a barring, or request for barring, from a gaming area must be notified through the new BOEN system.
  - Barring orders may be made by a licensee (or an employee if the licensee has delegated the power in writing to the employee) or the IGA in relation to a person:
    1. at the request of that person (voluntary) or
    2. being satisfied that a barring order is appropriate due to a reasonable apprehension that the person may suffer harm, or may cause serious harm to family members, because of problem gambling (involuntary).
  - Barring orders made by the IGA are for a period of no more than three years.
  - Barring orders made by a licensee:
    1. may only relate to the premises of that licensee
    2. can only be for a period of three months, during which time (usually two weeks) the IGA reviews the barring order and, if necessary, offers the relevant parties the opportunity to discuss whether a barring order covering a longer period, more venues, or more types of gambling would be appropriate, or if the decision should be reversed
    3. must be recorded by the licensee and notified to the IGA using the BOEN system within seven days of the barring order being issued
    4. must be served on the person personally or posted to the person's last known address or transmitted to the person's last known fax number or email address
    5. can only be varied or revoked by the IGA.

- If a request to be barred is refused by a licensee, the IGA is to be notified of the decision using the BOEN system within seven days of the decision being made. If a person has requested to be barred and no decision on that request is made within 14 days, it will be taken that the request has been refused and the barring did not take effect.
- **Conduct of gaming operations (between 2am and 8am)**
  - Prior to 1 July 2014, a gaming manager or gaming employee who had completed advanced problem gambling intervention training had to be present in the gaming area at all times between 2am and 8am.
  - From 1 July 2014, licensees must now ensure that a gaming manager is present on the licensed premises at all times that gaming operations are being conducted on the licensed premises (rather than specifically in the gaming area between 2am and 8am, as was previously the case).
- **Simplified in-venue signage**
  - Since gaming machines were introduced into hotels and clubs nearly 20 years ago at the time of writing, various changes were made to signage requirements which has resulted in replication, clutter, and reduced message impact.
  - Changes were made to the signage requirements aimed at achieving an optimal level of signage that increases the impact of regulatory, responsible gambling and gambling help service messages, while reducing the overall number of signs in venues.
  - Rather than the previous situation, where the signage requirements were spread across various Acts, regulations, codes of practice, and licence conditions, the new signage requirements are now consolidated under the Gambling Codes of Practice.
  - All existing signage (including gaming machine licences) were no longer required to be displayed.
  - Pre-1 July 2014 signage which was replaced:
    1. Gambling Helpline Card  
The old gambling helpline card was replaced and features the new national gambling helpline number 1800 858 858.
    2. Gamble Responsibly Sign  
From 1 July 2014, licensees must display at least one A3 'multi-lingual' sign in English, Arabic, Chinese, Greek, Italian, Vietnamese and any other locally relevant language in a prominent position in each gaming area.
  - New Signage:
    1. Coin Dispensing Machines and Cashier Areas  
Licensees must ensure the prominent display of the condensed warning message and the national gambling helpline number 1800 858 858 on or near each coin dispensing machine and each cashier area. The form and size of this sign is not prescribed but it must be prominent.
    2. Perimeter Sign  
The Codes of Practice requires that a new 'perimeter' sign must be displayed at the entry to each gaming area and must include the following regulatory information:
      - the gaming area is restricted to people over the age of 18
      - the gaming area is subject to state laws and codes of practice
      - the gaming area is inspected by Consumer and Business Services
      - a telephone number to make complaints (through CBS).
    3. In-Venue Messaging

Licensees must display approved Office for Problem Gambling (OPG) responsible gambling campaign material in gaming areas (a primary sign) and, depending on the number of gaming machines operated, additional signs either in gaming areas or other parts of the venue which are accessible to the public.

Licensees are required to display at least one primary A1-size (or equivalent) sign, ensuring that at least one sign is in each gaming area. Licensees with more than 10 gaming machines are also required to display at least one additional A1 sign (either inside or outside the gaming area) for each 10 (or part thereof) gaming machines in excess of 10.

For example, if a venue has 25 gaming machines, the licensee must display three A1 signs – one must be displayed in the gaming area, while the other two can be displayed inside or outside the gaming area.

Licensees are able to display two A2, four A3 or eight A4 signs, or any logical combination thereof, in lieu of one A1 sign.

Where licensees choose to display the current responsible gambling campaign material electronically, in lieu of the A1 sign, it must be displayed as follows:

- in full screen with 16:9 format, on a screen that has at least a diagonal measurement of 1270mm (50") and be displayed for at least three minutes per hour  
or
- on multiple screens with 16:9 formats which have a diagonal measurement of 1270mm (50") and the total dimensions of all the screens are at least 1270mm (50").

4. Automatic Teller Machines (ATM) / EFTPOS (Fitted With Touch-Screen Enabled Devices)

Responsible gambling message images must be displayed on ATM screens and EFTPOS-enabled touch screens connected to cash dispensers. Licensees must ensure that a full-screen responsible gambling message is displayed on the ATM screen or EFTPOS-enabled touch screen at least 20% of the time that the screen is idle.

***Statutes Amendment (Gambling Measures) Bill 2015***

As a result of the gambling reforms which came into effect on 1 July 2014, as reported above, the South Australian Government conducted a further review into gambling-related legislation to identify whether there was a need to further fine tune the statutory framework applying to the gambling sector.

Consequently, the Government introduced the Statutes Amendment (Gambling Measures) Bill 2015 (the Bill) into Parliament in March 2015 to fine tune some provisions in the *Gaming Machines Act 1992*, the *Independent Gambling Authority Act 1995*, the *Lottery and Gaming Act 1936* and the *Problem Gambling Family Protection Orders Act 2004*.



A summary of the 'key' amendments included in the Bill follows:

- **Unlawful gaming machines**
  - Recently, Consumer and Business Services (CBS) in association with South Australia Police, raided properties and seized gaming machines held by unlicensed persons. CBS had received information indicating that unlawful gaming machines were being brought into the state by unlicensed persons. However, action could not be taken until the gaming machine was in the unlicensed person's possession.
  - The Bill proposes to make it an offence under the *Gaming Machines Act 1992* for a person to purchase, or enter into a contract or agreement to purchase, a gaming machine, unless licensed.
- **Lottery and Gaming Act - Tournament Poker**
  - The *Lottery and Gaming Act 1936* prohibits a range of activities associated with lotteries, gaming and betting. There has been a lack of clarity as to whether gambling on poker, specifically tournament poker, is prohibited under this Act.
  - Tournament poker that does not involve gambling is popular in many hotels, clubs and other not-for-profit associations. Concerns exist that some poker games being played under the guise of tournament poker, may in fact involve gambling and are being conducted without any integrity or responsible gambling regulation.
  - The Bill proposes to make it unlawful to play at, or engage in, a game of poker in a public place. It is the Government's intention to make a regulation to clarify the definition of tournament poker, and to ensure that tournament poker that does not involve gambling is not an unlawful game.
- **EFTPOS facilities in gaming areas**
  - The removal of the prohibition of EFTPOS facilities in gaming areas in hotels and clubs is another proposed amendment to the *Gaming Machines Act 1992*.
  - Persons attending gaming areas to gamble are currently required to leave the gaming room to withdraw cash using EFTPOS facilities located outside the gaming area. This means that a person gambling is not able to be observed or assisted by trained staff in the gaming area.
  - It is considered that there may be a better opportunity of appropriate intervention when a person is exhibiting problem gambling characteristics if the EFTPOS facility were to be located in the gaming area. EFTPOS facilities involve human interaction, unlike Automatic Teller Machines (ATMs). This is considered to provide an opportunity for interaction between the person gambling and trained gaming staff, to observe cash withdrawal behaviour.

### ***Amendment to the codes of practice***

As reported in previous editions of this publication, the IGA conducted a comprehensive review of the various advertising and responsible gambling codes of practice for all forms of gambling, which resulted in all 14 of the previous codes of practice being consolidated into one document.

The Gambling Codes of Practice Notice 2013 was amended in March 2015 in order to:

1. allow the space and time requirements for the mandatory warning message to be variable by a management plan
2. allow dispensations to be granted from the prohibition of inducements to gamble where the inducement would not increase the risk of problem gambling
3. ensure that permitted inducements to gamble may be advertised
4. regulate the use of self-service terminals in terrestrial gambling environments
5. make transitional arrangements for the timeframe for when gaming managers and gaming employees are required to complete training.

## General industry information

### *Legislative amendments*

Refer to Gambling Reforms, above.

### *Junket operator approvals*

In February 2015, the IGA reversed the sensitive position designation of group commission operators, group commission representatives and commission agents for the purposes of section 28(1) of the *Casino Act 1997*. The original designation for the approval of these positions relating to the regulation of junket (group commission) operators was advised to the casino licensee on 17 April 2003.

Furthermore, the IGA issued the "Casino (Commission Operations) Directions Notice 2015" imposing specific reporting requirements with respect to junkets. Clause 3(2) of this notice required 'key particulars' to be provided by email to an email address, to manage the integrity risks arising from junket operations in a different way following the removal of the previous method of probity controls.

The key particulars are, in respect of each participant in a junket or group commission program:

- the participant's full name
- the participant's date and place of birth
- the residential address of the participant in the country where the participant is domiciled
- the usual occupation of the participant in the country where the participant is domiciled
- if the participant is not domiciled in Australia, the following details from the participant's passport:
  - country of issue
  - passport number (noting that provision of an image of the bio-data page of the passport will be good compliance with this requirement).

This change to the process effectively removes any requirement for group commission operators, group commission representatives, and commission agents to seek approval by the Liquor and Gambling Commissioner to undertake these roles. Key particulars are also required to be provided to the Officer in Charge of the Police Licensing Enforcement Branch.

### *Approved gaming machine entitlement trading system*

As previously reported, the *Gaming Machines Act 1992* was amended in 2010 to remove the previous fixed price of \$50,000 per gaming machine entitlement and establish a market price model. At that time, the maximum number of gaming machines able to be operated in the state was 12,900.

The first trading round was conducted on 14 June 2012. As a result of this trading round the maximum number of gaming machines reduced to 12,887.

As part of the 2013 gambling reforms, the gaming machine entitlement concept was extended to the Adelaide Casino to create a state-wide cap on gaming machine entitlements.

To achieve this, the Adelaide Casino:

- was granted 995 gaming machine entitlements, which is equal to the maximum number of gaming machines it could operate immediately before the amendments
- was given access to the Approved Trading System. It has the right to buy and sell certain entitlements.

The number of gaming machines that the State Government has targeted to operate in South Australia was increased by 995 from 12,086 to 13,081.

Also as part of the gambling reforms, the South Australian Government has allowed the Adelaide Casino to increase the maximum number of gaming machines it can operate from 995 to 1,500.

The Adelaide Casino is initially required to purchase gaming machine entitlements for the additional 505 gaming machines through the Approved Trading System.

However, if the Adelaide Casino is unable to reach specific targets through the Approved Trading System, the South Australian Government will sell some gaming machine entitlements directly to it to enable it to proceed with an expansion of its facility. These gaming machine entitlements are only to be used in premium gaming areas and are unable to be sold in the Approved Trading System.

During 2014–15, a further three rounds were conducted. As a result of these trading rounds, the maximum number of gaming machines was 13,827 (inclusive of the 995 entitlements issued to the Adelaide Casino).

A further 746 gaming machine entitlements must be removed from the South Australian market to achieve the government's reduction target.

### **Amendments to previous publication (31st edition)**

Nil

### **Notes to the tables for 2014–15**

Nil

### **Specific notes**

Nil

## 1.6.5 Western Australia

### Legislation

Legislation governing the regulation, supervision and control of gambling activities in Western Australia includes:

- *Betting Control Act 1954*
- *Bookmakers Betting Levy Act 1954*
- *Casino (Burswood Island) Agreement Act 1985*
- *Casino Control Act 1984*
- *Gaming and Betting (Contracts and Securities) Act 1985*
- *Gaming and Wagering Commission Act 1987*
- *Gaming and Wagering Commission (Continuing Lotteries Levy) Act 2000*
- *Racing and Wagering Western Australia Act 2003*
- *Racing and Wagering Western Australia Tax Act 2003*
- *Racing Restriction Act 2003*
- *Racing Bets Levy Act 2009*.

### New developments

- On 9 September 2014, amendments were made to the *Racing Bets Levy Regulations 2009* to introduce a new racing bets levy regime. This resulted in a new set of racing bets levy rates being applicable to Western Australian race fields. The new rates applicable to betting operators who field on Western Australian race fields are as follows:

Type of Wagering	Below \$3 million threshold	Above \$3 million threshold Standard Race Meeting	Above \$3 million threshold Premium Race Meeting*
Pari-mutuel	1% of turnover	1.5% of turnover	2.5% of turnover
Betting Exchange	1% of turnover	1.5% of turnover	2.5% of turnover
Non Betting Exchange (fixed odds bets)	1% of turnover	2% of turnover	3% of turnover

- On 17 December 2014, the *Rules of Wagering 2005* were amended by the *Rules of Wagering Amendment Rules 2014* for the purpose of reducing the minimum wager obligation for a bookmaker fielding at racecourses located at Albany, Bunbury, Geraldton, Kalgoorlie, Mt Barker, Northam, Pinjarra and York thoroughbred meetings to \$1000, whether the horses have entered the track or not. The amendment effectively reduced an on-course bookmaker's risk on any single bet from a potential loss of \$1500 to \$1000.

- In March 2015, the 13<sup>th</sup> Supplementary Agreement was executed amending the Agreement scheduled to the *Casino (Burswood Island) Agreement Act 1985*. The Agreement replaced the GST reimbursement scheme with a net of GST tax rate scheme and reduced tax on international commission business from 11 to 8 percent.

### General industry information

- For the period, the casino gaming operations tax rates were as follows:

Electronic gaming machines	From 20.956% to 12.27% as at 24 December 2014
Fully automated table games	From 22% to 12.92% as at 24 December 2014
Table games	From 18% to 9.37% as at 24 December 2014
International commission business tax	From 11% to 8% as at March 2015
- As at 30 June 2015, Crown Perth had approval to operate a maximum of 295 table games, and 2,300 electronic gaming machines.

### Amendments to previous publication (31st edition)

The values for the following figures reported during the 2012–13 and 2013–14 periods have been amended:-

2012–13 and 2013–14 Instant Lottery, Expenditure and Turnover  
2012–13 and 2013–14 Lotteries & Pools Lotto, Revenue  
2012–13 and 2013–14 TAB Fixed Odds, Revenue  
2012–13 and 2013–14 TAB, Expenditure

2012–13 Lotto, Expenditure  
2012–13 Pools, Expenditure

2013–14 TAB Tote Odds, Turnover  
2013–14 TAB, Turnover

### Notes to the tables for 2014–15

Nil

### Specific notes

Nil

## 1.6.6 Tasmania

### Legislation

Legislation governing the regulation, supervision and control of gambling activities in Tasmania includes:

- *Gaming Control Act 1993*
- *TT-Line Gaming Act 1993*
- *Racing Regulation Act 2004.*

### New developments

- Crown Resorts Pty Ltd acquired 100 per cent of Betfair Pty Ltd on 13 August 2015.
- Betfair surrendered its sports betting and race wagering endorsements effective from 3 February 2015, and no longer conducts a sportsbook bookmaker operation in Tasmania.
- Intralot surrender of Foreign Games Permit effective from 31 January 2015.
- TOTE Tasmania Pty Ltd changed its name to UBET TAS Pty Ltd on 02 April 15.

### General industry information

- Totalisator and fixed odds wagering is offered in Tasmania by TOTE Tasmania Pty Ltd (TOTE Tasmania), a subsidiary of TattsBet. TOTE Tasmania operates a number of shopfront agencies as well as interactive (internet and telephone) betting services, while a number of hotels and clubs also provide TOTE outlets and/or self-service wagering terminals.
- TOTE Tasmania was a member of the Victorian Supertab betting pool until March 2012, when it was sold to TattsBet.
- Bookmakers offer traditional fixed price wagering on course at certain racing events in Tasmania.
- There are two land-based casinos operating in Tasmania: Wrest Point in Sandy Bay (Hobart) and the Country Club at Prospect (Launceston). Both casinos are owned and operated by the Federal Group.
- A number of hotels and clubs in Tasmania offer gaming in the form of gaming machines and keno. These gaming services are owned and operated by Network Gaming, which is part of the Federal Group. Individual hotels and clubs rent gaming equipment from Network Gaming.
- Gaming machines are also operated on the Spirit of Tasmania I and II ferries by Admirals Casino Pty Ltd.
- Interactive (internet and telephone) wagering services are currently offered in Tasmania by Betfair Pty Ltd, which operates both a betting exchange and a bookmaker service (no longer operating).
- There are no providers of major lotteries currently operating in Tasmania. However, three companies, Tattersalls Sweeps Pty Ltd and Intralot Australia Pty Ltd (no longer operating), which are both licensed in Victoria, and Golden Casket Lottery Corporation Limited, which is licensed in Queensland, hold foreign games permits that allow their products to be offered from accredited outlets in Tasmania.
- Minor gaming in Tasmania generally consists of activities such as lucky envelopes (eg beer / cash tickets), bingo, and raffles conducted for the benefit of not-for-profit organisations. Various minor games are currently approved.



## Amendments to previous publication (31st edition)

Nil

## Notes to the tables for 2014–15

The following table provides a summary of the data items for 2014–15 that were not provided, were estimated based on relevant data, or require further clarification for completeness.

Racing	<ul style="list-style-type: none"><li>• Bookmakers' on-course racing expenditure was estimated at 5.5% of turnover.</li><li>• Government revenue from racing (bookmakers) includes both tax and product levies received. The Belfair product levy ceased from October 2010.</li><li>• Government revenue from betting exchanges is no longer recorded in interactive gaming and has been apportioned between government revenue from sports betting and government revenue from racing.</li><li>• An indexed Wagering Levy applies to TOTE Tasmania. The levy was \$6.86 million in 2013–14 and \$6.96 million in 2014–15 and has not been included in the government revenue from racing figures. The levy has applied since 1 July 2009.</li></ul>
Gaming	<ul style="list-style-type: none"><li>• No revenue is received for minor gaming activities.</li><li>• Lottery turnover figures are net and do not include lottery agent's commissions.</li><li>• Lottery, Lotto and instant lottery expenditure was estimated at 40% of turnover (subscriptions).</li><li>• Pools expenditure was estimated at 50% of turnover (subscriptions).</li></ul>
Sports betting	<ul style="list-style-type: none"><li>• Government revenue from sports betting includes tax paid on Australian and overseas non-racing events.</li><li>• Government revenue from betting exchanges is no longer recorded in interactive gaming and has been apportioned between government revenue from sports betting and government revenue from racing.</li><li>• Tipstar ceased trading in September 2007 and no figures are reported for bookmaker (and other) pool betting.</li></ul>

## Specific notes

- Nil

## 1.6.7 Australian Capital Territory

### Legislation

The *Gambling and Racing Control Act 1999* is the establishing legislation for the Australian Capital Territory (ACT) Gambling and Racing Commission. This Act outlines the functions and powers of the Commission and other administrative matters. In respect of specific gaming and racing activities, the following legislation is administered by the Commission and includes all subordinate legislation:

- *Casino Control Act 2006*
- *Gaming Machine Act 2004*
- *Interactive Gambling Act 1998*
- *Lotteries Act 1964*
- *Pool Betting Act 1964*
- *Race and Sports Bookmaking Act 2001*
- *Racing Act 1999*
- *Totalisator Act 2014*
- *Unlawful Gambling Act 2009*.

### New developments

- Nil

### General industry information

- ACTTAB was purchased by Tabcorp ACT Ltd in October 2014 and, as part of the sale negotiations, it was agreed that the tax rate for Tabcorp ACT Ltd be set at zero percent. Tabcorp ACT Ltd now pays an annual licence fee as determined by the Minister.

### Amendments to previous publication (31st edition)

Nil

## Notes to the tables for 2014–15

Gaming machines	<ul style="list-style-type: none"><li>• The Government revenue from gaming machine figure does not include the levy on all gaming machine licensees of 0.6% of gross gaming machine revenue that commenced on 1 July 2011.</li></ul>
Racing	<ul style="list-style-type: none"><li>• Bookmaker on-course expenditure was calculated by assuming that bookmaker expenditure was equivalent to 5.5% of turnover.</li><li>• TAB operations include both on-course and off-course activity. The ACT levies an annual licence fee on the TAB.</li></ul>
Sports betting	<ul style="list-style-type: none"><li>• Expenditure figures for sports betting are not available, as licensees are not required to provide this information.</li></ul>

## Specific notes

Nil

## 1.6.8 Northern Territory

### Legislation

Legislation governing the regulation, supervision and control of gambling activities in the Northern Territory includes:

- *Gaming Control Act 2005*
- *Gaming Machine Act 2005*
- *Northern Territory Licensing Commission Act 2001*
- *Racing and Betting Act 2004*
- *Soccer Football Pools Act 2004*
- *Totalisator Licensing and Regulation Act 2004*
- *Unlawful Betting Act 2004.*

### New developments

Nil

### General industry information

A significantly greater proportion of the Territory's gambling business comes from overseas and interstate compared with other jurisdictions. For example, a significant volume of wagering activity conducted by licensed sports bookmakers is sourced from international punters.

### Amendments to previous publication (31st edition)

Nil

### Notes to the tables for 2014–15

Racing and Sports Betting Revenue (Bookmakers)	Gross profit tax is not based on turnover and is also capped and therefore cannot be determined as relative to racing or sports. As a consequence, all revenue is reported as racing revenue.
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### Specific notes

Nil

## 1.7 Cautionary note

While all care has been taken in the preparation of this publication, and the relevant authorities of each state and territory have verified their own data in detail, it is nevertheless necessary to caution users with regard to its complete accuracy.

All tables should be read in conjunction with the explanatory notes in Part 1 of this report.

In some instances, data contained in previous editions have been corrected or amended. These corrections or amendments are noted within the relevant table(s).

Caution should be used when comparing data between states and territories, as each jurisdiction has its own systems, processes and reporting methods. Also, the availability of certain data can vary between jurisdictions.

Data on government revenue from gambling for years prior to 2000–01 are not comparable with data from 2000–01 onwards, due to the introduction of the goods and services tax on 1 July 2000.

In particular, readers are urged to use casino handle figures with extreme care. Please read Part 1.4, Glossary, which has information on casino handle (under casino turnover) and a warning on its usage, before using any data on casino handle.

## PART 2: LIST OF TABLES



## 2.1 Summary tables

### Summary table 2014–15

Table number	State	Table name
Summary table A	All states	Total Gambling Turnover, 2014–15
Summary table B	All states	Per Capita Gambling Turnover, 2014–15
Summary table C	All states	Percentage Change In Gambling Turnover, 2013-14 to 2014–15
Summary table D	All states	Total Gambling Expenditure, 2014–15
Summary table E	All states	Per Capita Gambling Expenditure, 2014–15
Summary table F	All states	Percentage Change In Gambling Expenditure, 2013-14 to 2014–15

## 2.2 Tables by state

### New South Wales

Table number	Table name
NSW 1	Total Racing Turnover
NSW 2	Real Racing Turnover
NSW 3	Per Capita Racing Turnover
NSW 4	Real Per Capita Racing Turnover
NSW 5	Total Racing Expenditure
NSW 6	Real Racing Expenditure
NSW 7	Per Capita Racing Expenditure
NSW 8	Real Per Capita Racing Expenditure
NSW 9	Racing Expenditure as a Percentage of Household Disposable Income
NSW 10	Racing Expenditure Share of Market
NSW 11	Government Revenue from Racing
NSW 12	Real Government Revenue from Racing
NSW 13	Per Capita Revenue from Racing
NSW 14	Real Per Capita Revenue from Racing
NSW 15	Government Revenue from Racing as a Percentage of Total Gambling Revenue
NSW 16	Total Gaming Turnover
NSW 17	Real Gaming Turnover
NSW 18	Per Capita Gaming Turnover
NSW 19	Real Per Capita Gaming Turnover
NSW 20	Total Gaming Expenditure
NSW 21	Real Gaming Expenditure
NSW 22	Per Capita Gaming Expenditure
NSW 23	Real Per Capita Gaming Expenditure
NSW 24	Gaming Expenditure as a Percentage of Household Disposable Income
NSW 25	Gaming Expenditure Share of Market
NSW 26	Government Revenue from Gaming
NSW 27	Real Government Revenue from Gaming
NSW 28	Per Capita Revenue from Gaming

NSW 29	Real Per Capita Revenue from Gaming
NSW 30	Government Revenue from Gaming as a Percentage of Total Gambling Revenue
NSW 31	Total Sports Betting Turnover
NSW 32	Real Sports Betting Turnover
NSW 33	Per Capita Sports Betting Turnover
NSW 34	Real Per Capita Sports Betting Turnover
NSW 35	Total Sports Betting Expenditure
NSW 36	Real Sports Betting Expenditure
NSW 37	Per Capita Sports Betting Expenditure
NSW 38	Real Per Capita Sports Betting Expenditure
NSW 39	Sports Betting Expenditure as a Percentage of Household Disposable Income
NSW 40	Sports Betting Expenditure Share of Market
NSW 41	Government Revenue from Sports Betting
NSW 42	Real Government Revenue from Sports Betting
NSW 43	Per Capita Revenue from Sports Betting
NSW 44	Real Per Capita Revenue from Sports Betting
NSW 45	Government Revenue from Sports Betting as a Percentage of Total Gambling Revenue
NSW 46	Total Gambling Turnover
NSW 47	Real Gambling Turnover
NSW 48	Per Capita Gambling Turnover
NSW 49	Real Per Capita Gambling Turnover
NSW 50	Total Gambling Expenditure
NSW 51	Real Gambling Expenditure
NSW 52	Per Capita Gambling Expenditure
NSW 53	Real Per Capita Gambling Expenditure
NSW 54	Gambling Expenditure Percentage of Household Disposable Income
NSW 55	Gambling Expenditure as a Percentage of Total Gambling Revenue
NSW 56	Government Revenue from Gambling
NSW 57	Real Government Revenue from Gambling
NSW 58	Per Capita Revenue from Gambling
NSW 59	Real Per Capita Revenue from Gambling
NSW 60	Government Revenue from Gambling as a Percentage of Total Gambling Revenue
NSW 61	Gaming Machines Operating as at 30 June

## Victoria

VIC 1	Total Racing Turnover
VIC 2	Real Racing Turnover
VIC 3	Per Capita Racing Turnover
VIC 4	Real Per Capita Racing Turnover
VIC 5	Total Racing Expenditure
VIC 6	Real Racing Expenditure
VIC 7	Per Capita Racing Expenditure

VIC 8	Real Per Capita Racing Expenditure
VIC 9	Racing Expenditure as a Percentage of Household Disposable Income
VIC 10	Racing Expenditure Share of Market
VIC 11	Government Revenue from Racing
VIC 12	Real Government Revenue from Racing
VIC 13	Per Capita Revenue from Racing
VIC 14	Real Per Capita Revenue from Racing
VIC 15	Government Revenue from Racing as a Percentage of Total Gambling Revenue
VIC 16	Total Gaming Turnover
VIC 17	Real Gaming Turnover
VIC 18	Per Capita Gaming Turnover
VIC 19	Real Per Capita Gaming Turnover
VIC 20	Total Gaming Expenditure
VIC 21	Real Gaming Expenditure
VIC 22	Per Capita Gaming Expenditure
VIC 23	Real Per Capita Gaming Expenditure
VIC 24	Gaming Expenditure as a Percentage of Household Disposable Income
VIC 25	Gaming Expenditure Share of Market
VIC 26	Government Revenue from Gaming
VIC 27	Real Government Revenue from Gaming
VIC 28	Per Capita Revenue from Gaming
VIC 29	Real Per Capita Revenue from Gaming
VIC 30	Government Revenue from Gaming as a Percentage of Total Gambling Revenue
VIC 31	Total Sports Betting Turnover
VIC 32	Real Sports Betting Turnover
VIC 33	Per Capita Sports Betting Turnover
VIC 34	Real Per Capita Sports Betting Turnover
VIC 35	Total Sports Betting Expenditure
VIC 36	Real Sports Betting Expenditure
VIC 37	Per Capita Sports Betting Expenditure
VIC 38	Real Per Capita Sports Betting Expenditure
VIC 39	Sports Betting Expenditure as a Percentage of Household Disposable Income
VIC 40	Sports Betting Expenditure Share of Market
VIC 41	Government Revenue from Sports Betting
VIC 42	Real Government Revenue from Sports Betting
VIC 43	Per Capita Revenue from Sports Betting
VIC 44	Real Per Capita Revenue from Sports Betting
VIC 45	Government Revenue from Sports Betting as a Percentage of Total Gambling Revenue
VIC 46	Total Gambling Turnover
VIC 47	Real Gambling Turnover
VIC 48	Per Capita Gambling Turnover
VIC 49	Real Per Capita Gambling Turnover
VIC 50	Total Gambling Expenditure

VIC 51	Real Gambling Expenditure
VIC 52	Per Capita Gambling Expenditure
VIC 53	Real Per Capita Gambling Expenditure
VIC 54	Gambling Expenditure Percentage of Household Disposable Income
VIC 55	Gambling Expenditure as a Percentage of Total Gambling Revenue
VIC 56	Government Revenue from Gambling
VIC 57	Real Government Revenue from Gambling
VIC 58	Per Capita Revenue from Gambling
VIC 59	Real Per Capita Revenue from Gambling
VIC 60	Government Revenue from Gambling as a Percentage of Total Gambling Revenue
VIC 61	Gaming Machines Operating as at 30 June

## Queensland

QLD 1	Total Racing Turnover
QLD 2	Real Racing Turnover
QLD 3	Per Capita Racing Turnover
QLD 4	Real Per Capita Racing Turnover
QLD 5	Total Racing Expenditure
QLD 6	Real Racing Expenditure
QLD 7	Per Capita Racing Expenditure
QLD 8	Real Per Capita Racing Expenditure
QLD 9	Racing Expenditure as a Percentage of Household Disposable Income
QLD 10	Racing Expenditure Share of Market
QLD 11	Government Revenue from Racing
QLD 12	Real Government Revenue from Racing
QLD 13	Per Capita Revenue from Racing
QLD 14	Real Per Capita Revenue from Racing
QLD 15	Government Revenue from Racing as a Percentage of Total Gambling Revenue
QLD 16	Total Gaming Turnover
QLD 17	Real Gaming Turnover
QLD 18	Per Capita Gaming Turnover
QLD 19	Real Per Capita Gaming Turnover
QLD 20	Total Gaming Expenditure
QLD 21	Real Gaming Expenditure
QLD 22	Per Capita Gaming Expenditure
QLD 23	Real Per Capita Gaming Expenditure
QLD 24	Gaming Expenditure as a Percentage of Household Disposable Income
QLD 25	Gaming Expenditure Share of Market
QLD 26	Government Revenue from Gaming
QLD 27	Real Government Revenue from Gaming
QLD 28	Per Capita Revenue from Gaming
QLD 29	Real Per Capita Revenue from Gaming

QLD 30	Government Revenue from Gaming as a Percentage of Total Gambling Revenue
QLD 31	Total Sports Betting Turnover
QLD 32	Real Sports Betting Turnover
QLD 33	Per Capita Sports Betting Turnover
QLD 34	Real Per Capita Sports Betting Turnover
QLD 35	Total Sports Betting Expenditure
QLD 36	Real Sports Betting Expenditure
QLD 37	Per Capita Sports Betting Expenditure
QLD 38	Real Per Capita Sports Betting Expenditure
QLD 39	Sports Betting Expenditure as a Percentage of Household Disposable Income
QLD 40	Sports Betting Expenditure Share of Market
QLD 41	Government Revenue from Sports Betting
QLD 42	Real Government Revenue from Sports Betting
QLD 43	Per Capita Revenue from Sports Betting
QLD 44	Real Per Capita Revenue from Sports Betting
QLD 45	Government Revenue from Sports Betting as a Percentage of Total Gambling Revenue
QLD 46	Total Gambling Turnover
QLD 47	Real Gambling Turnover
QLD 48	Per Capita Gambling Turnover
QLD 49	Real Per Capita Gambling Turnover
QLD 50	Total Gambling Expenditure
QLD 51	Real Gambling Expenditure
QLD 52	Per Capita Gambling Expenditure
QLD 53	Real Per Capita Gambling Expenditure
QLD 54	Gambling Expenditure Percentage of Household Disposable Income
QLD 55	Gambling Expenditure as a Percentage of Total Gambling Revenue
QLD 56	Government Revenue from Gambling
QLD 57	Real Government Revenue from Gambling
QLD 58	Per Capita Revenue from Gambling
QLD 59	Real Per Capita Revenue from Gambling
QLD 60	Government Revenue from Gambling as a Percentage of Total Gambling Revenue
QLD 61	Gaming Machines Operating as at 30 June

## South Australia

SA 1	Total Racing Turnover
SA 2	Real Racing Turnover
SA 3	Per Capita Racing Turnover
SA 4	Real Per Capita Racing Turnover
SA 5	Total Racing Expenditure
SA 6	Real Racing Expenditure
SA 7	Per Capita Racing Expenditure
SA 8	Real Per Capita Racing Expenditure

SA 9	Racing Expenditure as a Percentage of Household Disposable Income
SA 10	Racing Expenditure Share of Market
SA 11	Government Revenue from Racing
SA 12	Real Government Revenue from Racing
SA 13	Per Capita Revenue from Racing
SA 14	Real Per Capita Revenue from Racing
SA 15	Government Revenue from Racing as a Percentage of Total Gambling Revenue
SA 16	Total Gaming Turnover
SA 17	Real Gaming Turnover
SA 18	Per Capita Gaming Turnover
SA 19	Real Per Capita Gaming Turnover
SA 20	Total Gaming Expenditure
SA 21	Real Gaming Expenditure
SA 22	Per Capita Gaming Expenditure
SA 23	Real Per Capita Gaming Expenditure
SA 24	Gaming Expenditure as a Percentage of Household Disposable Income
SA 25	Gaming Expenditure Share of Market
SA 26	Government Revenue from Gaming
SA 27	Real Government Revenue from Gaming
SA 28	Per Capita Revenue from Gaming
SA 29	Real Per Capita Revenue from Gaming
SA 30	Government Revenue from Gaming as a Percentage of Total Gambling Revenue
SA 31	Total Sports Betting Turnover
SA 32	Real Sports Betting Turnover
SA 33	Per Capita Sports Betting Turnover
SA 34	Real Per Capita Sports Betting Turnover
SA 35	Total Sports Betting Expenditure
SA 36	Real Sports Betting Expenditure
SA 37	Per Capita Sports Betting Expenditure
SA 38	Real Per Capita Sports Betting Expenditure
SA 39	Sports Betting Expenditure as a Percentage of Household Disposable Income
SA 40	Sports Betting Expenditure Share of Market
SA 41	Government Revenue from Sports Betting
SA 42	Real Government Revenue from Sports Betting
SA 43	Per Capita Revenue from Sports Betting
SA 44	Real Per Capita Revenue from Sports Betting
SA 45	Government Revenue from Sports Betting as a Percentage of Total Gambling Revenue
SA 46	Total Gambling Turnover
SA 47	Real Gambling Turnover
SA 48	Per Capita Gambling Turnover
SA 49	Real Per Capita Gambling Turnover
SA 50	Total Gambling Expenditure
SA 51	Real Gambling Expenditure



SA 52	Per Capita Gambling Expenditure
SA 53	Real Per Capita Gambling Expenditure
SA 54	Gambling Expenditure Percentage of Household Disposable Income
SA 55	Gambling Expenditure as a Percentage of Total Gambling Revenue
SA 56	Government Revenue from Gambling
SA 57	Real Government Revenue from Gambling
SA 58	Per Capita Revenue from Gambling
SA 59	Real Per Capita Revenue from Gambling
SA 60	Government Revenue from Gambling as a Percentage of Total Gambling Revenue
SA 61	Gaming Machines Operating as at 30 June

## Western Australia

WA 1	Total Racing Turnover
WA 2	Real Racing Turnover
WA 3	Per Capita Racing Turnover
WA 4	Real Per Capita Racing Turnover
WA 5	Total Racing Expenditure
WA 6	Real Racing Expenditure
WA 7	Per Capita Racing Expenditure
WA 8	Real Per Capita Racing Expenditure
WA 9	Racing Expenditure as a Percentage of Household Disposable Income
WA 10	Racing Expenditure Share of Market
WA 11	Government Revenue from Racing
WA 12	Real Government Revenue from Racing
WA 13	Per Capita Revenue from Racing
WA 14	Real Per Capita Revenue from Racing
WA 15	Government Revenue from Racing as a Percentage of Total Gambling Revenue
WA 16	Total Gaming Turnover
WA 17	Real Gaming Turnover
WA 18	Per Capita Gaming Turnover
WA 19	Real Per Capita Gaming Turnover
WA 20	Total Gaming Expenditure
WA 21	Real Gaming Expenditure
WA 22	Per Capita Gaming Expenditure
WA 23	Real Per Capita Gaming Expenditure
WA 24	Gaming Expenditure as a Percentage of Household Disposable Income
WA 25	Gaming Expenditure Share of Market
WA 26	Government Revenue from Gaming
WA 27	Real Government Revenue from Gaming
WA 28	Per Capita Revenue from Gaming
WA 29	Real Per Capita Revenue from Gaming
WA 30	Government Revenue from Gaming as a Percentage of Total Gambling Revenue

WA 31	Total Sports Betting Turnover
WA 32	Real Sports Betting Turnover
WA 33	Per Capita Sports Betting Turnover
WA 34	Real Per Capita Sports Betting Turnover
WA 35	Total Sports Betting Expenditure
WA 36	Real Sports Betting Expenditure
WA 37	Per Capita Sports Betting Expenditure
WA 38	Real Per Capita Sports Betting Expenditure
WA 39	Sports Betting Expenditure as a Percentage of Household Disposable Income
WA 40	Sports Betting Expenditure Share of Market
WA 41	Government Revenue from Sports Betting
WA 42	Real Government Revenue from Sports Betting
WA 43	Per Capita Revenue from Sports Betting
WA 44	Real Per Capita Revenue from Sports Betting
WA 45	Government Revenue from Sports Betting as a Percentage of Total Gambling Revenue
WA 46	Total Gambling Turnover
WA 47	Real Gambling Turnover
WA 48	Per Capita Gambling Turnover
WA 49	Real Per Capita Gambling Turnover
WA 50	Total Gambling Expenditure
WA 51	Real Gambling Expenditure
WA 52	Per Capita Gambling Expenditure
WA 53	Real Per Capita Gambling Expenditure
WA 54	Gambling Expenditure Percentage of Household Disposable Income
WA 55	Gambling Expenditure as a Percentage of Total Gambling Revenue
WA 56	Government Revenue from Gambling
WA 57	Real Government Revenue from Gambling
WA 58	Per Capita Revenue from Gambling
WA 59	Real Per Capita Revenue from Gambling
WA 60	Government Revenue from Gambling as a Percentage of Total Gambling Revenue
WA 61	Gaming Machines Operating as at 30 June

## Tasmania

TAS 1	Total Racing Turnover
TAS 2	Real Racing Turnover
TAS 3	Per Capita Racing Turnover
TAS 4	Real Per Capita Racing Turnover
TAS 5	Total Racing Expenditure
TAS 6	Real Racing Expenditure
TAS 7	Per Capita Racing Expenditure
TAS 8	Real Per Capita Racing Expenditure
TAS 9	Racing Expenditure as a Percentage of Household Disposable Income

TAS 10	Racing Expenditure Share of Market
TAS 11	Government Revenue from Racing
TAS 12	Real Government Revenue from Racing
TAS 13	Per Capita Revenue from Racing
TAS 14	Real Per Capita Revenue from Racing
TAS 15	Government Revenue from Racing as a Percentage of Total Gambling Revenue
TAS 16	Total Gaming Turnover
TAS 17	Real Gaming Turnover
TAS 18	Per Capita Gaming Turnover
TAS 19	Real Per Capita Gaming Turnover
TAS 20	Total Gaming Expenditure
TAS 21	Real Gaming Expenditure
TAS 22	Per Capita Gaming Expenditure
TAS 23	Real Per Capita Gaming Expenditure
TAS 24	Gaming Expenditure as a Percentage of Household Disposable Income
TAS 25	Gaming Expenditure Share of Market
TAS 26	Government Revenue from Gaming
TAS 27	Real Government Revenue from Gaming
TAS 28	Per Capita Revenue from Gaming
TAS 29	Real Per Capita Revenue from Gaming
TAS 30	Government Revenue from Gaming as a Percentage of Total Gambling Revenue
TAS 31	Total Sports Betting Turnover
TAS 32	Real Sports Betting Turnover
TAS 33	Per Capita Sports Betting Turnover
TAS 34	Real Per Capita Sports Betting Turnover
TAS 35	Total Sports Betting Expenditure
TAS 36	Real Sports Betting Expenditure
TAS 37	Per Capita Sports Betting Expenditure
TAS 38	Real Per Capita Sports Betting Expenditure
TAS 39	Sports Betting Expenditure as a Percentage of Household Disposable Income
TAS 40	Sports Betting Expenditure Share of Market
TAS 41	Government Revenue from Sports Betting
TAS 42	Real Government Revenue from Sports Betting
TAS 43	Per Capita Revenue from Sports Betting
TAS 44	Real Per Capita Revenue from Sports Betting
TAS 45	Government Revenue from Sports Betting as a Percentage of Total Gambling Revenue
TAS 46	Total Gambling Turnover
TAS 47	Real Gambling Turnover
TAS 48	Per Capita Gambling Turnover
TAS 49	Real Per Capita Gambling Turnover
TAS 50	Total Gambling Expenditure
TAS 51	Real Gambling Expenditure
TAS 52	Per Capita Gambling Expenditure

TAS 53	Real Per Capita Gambling Expenditure
TAS 54	Gambling Expenditure Percentage of Household Disposable Income
TAS 55	Gambling Expenditure as a Percentage of Total Gambling Revenue
TAS 56	Government Revenue from Gambling
TAS 57	Real Government Revenue from Gambling
TAS 58	Per Capita Revenue from Gambling
TAS 59	Real Per Capita Revenue from Gambling
TAS 60	Government Revenue from Gambling as a Percentage of Total Gambling Revenue
TAS 61	Gaming Machines Operating as at 30 June

## Australian Capital Territory

ACT 1	Total Racing Turnover
ACT 2	Real Racing Turnover
ACT 3	Per Capita Racing Turnover
ACT 4	Real Per Capita Racing Turnover
ACT 5	Total Racing Expenditure
ACT 6	Real Racing Expenditure
ACT 7	Per Capita Racing Expenditure
ACT 8	Real Per Capita Racing Expenditure
ACT 9	Racing Expenditure as a Percentage of Household Disposable Income
ACT 10	Racing Expenditure Share of Market
ACT 11	Government Revenue from Racing
ACT 12	Real Government Revenue from Racing
ACT 13	Per Capita Revenue from Racing
ACT 14	Real Per Capita Revenue from Racing
ACT 15	Government Revenue from Racing as a Percentage of Total Gambling Revenue
ACT 16	Total Gaming Turnover
ACT 17	Real Gaming Turnover
ACT 18	Per Capita Gaming Turnover
ACT 19	Real Per Capita Gaming Turnover
ACT 20	Total Gaming Expenditure
ACT 21	Real Gaming Expenditure
ACT 22	Per Capita Gaming Expenditure
ACT 23	Real Per Capita Gaming Expenditure
ACT 24	Gaming Expenditure as a Percentage of Household Disposable Income
ACT 25	Gaming Expenditure Share of Market
ACT 26	Government Revenue from Gaming
ACT 27	Real Government Revenue from Gaming
ACT 28	Per Capita Revenue from Gaming
ACT 29	Real Per Capita Revenue from Gaming
ACT 30	Government Revenue from Gaming as a Percentage of Total Gambling Revenue
ACT 31	Total Sports Betting Turnover

ACT 32	Real Sports Betting Turnover
ACT 33	Per Capita Sports Betting Turnover
ACT 34	Real Per Capita Sports Betting Turnover
ACT 35	Total Sports Betting Expenditure
ACT 36	Real Sports Betting Expenditure
ACT 37	Per Capita Sports Betting Expenditure
ACT 38	Real Per Capita Sports Betting Expenditure
ACT 39	Sports Betting Expenditure as a Percentage of Household Disposable Income
ACT 40	Sports Betting Expenditure Share of Market
ACT 41	Government Revenue from Sports Betting
ACT 42	Real Government Revenue from Sports Betting
ACT 43	Per Capita Revenue from Sports Betting
ACT 44	Real Per Capita Revenue from Sports Betting
ACT 45	Government Revenue from Sports Betting as a Percentage of Total Gambling Revenue
ACT 46	Total Gambling Turnover
ACT 47	Real Gambling Turnover
ACT 48	Per Capita Gambling Turnover
ACT 49	Real Per Capita Gambling Turnover
ACT 50	Total Gambling Expenditure
ACT 51	Real Gambling Expenditure
ACT 52	Per Capita Gambling Expenditure
ACT 53	Real Per Capita Gambling Expenditure
ACT 54	Gambling Expenditure Percentage of Household Disposable Income
ACT 55	Gambling Expenditure as a Percentage of Total Gambling Revenue
ACT 56	Government Revenue from Gambling
ACT 57	Real Government Revenue from Gambling
ACT 58	Per Capita Revenue from Gambling
ACT 59	Real Per Capita Revenue from Gambling
ACT 60	Government Revenue from Gambling as a Percentage of Total Gambling Revenue
ACT 61	Gaming Machines Operating as at 30 June

## Northern Territory

NT 1	Total Racing Turnover
NT 2	Real Racing Turnover
NT 3	Per Capita Racing Turnover
NT 4	Real Per Capita Racing Turnover
NT 5	Total Racing Expenditure
NT 6	Real Racing Expenditure
NT 7	Per Capita Racing Expenditure
NT 8	Real Per Capita Racing Expenditure
NT 9	Racing Expenditure as a Percentage of Household Disposable Income
NT 10	Racing Expenditure Share of Market

NT 11	Government Revenue from Racing
NT 12	Real Government Revenue from Racing
NT 13	Per Capita Revenue from Racing
NT 14	Real Per Capita Revenue from Racing
NT 15	Government Revenue from Racing as a Percentage of Total Gambling Revenue
NT 16	Total Gaming Turnover
NT 17	Real Gaming Turnover
NT 18	Per Capita Gaming Turnover
NT 19	Real Per Capita Gaming Turnover
NT 20	Total Gaming Expenditure
NT 21	Real Gaming Expenditure
NT 22	Per Capita Gaming Expenditure
NT 23	Real Per Capita Gaming Expenditure
NT 24	Gaming Expenditure as a Percentage of Household Disposable Income
NT 25	Gaming Expenditure Share of Market
NT 26	Government Revenue from Gaming
NT 27	Real Government Revenue from Gaming
NT 28	Per Capita Revenue from Gaming
NT 29	Real Per Capita Revenue from Gaming
NT 30	Government Revenue from Gaming as a Percentage of Total Gambling Revenue
NT 31	Total Sports Betting Turnover
NT 32	Real Sports Betting Turnover
NT 33	Per Capita Sports Betting Turnover
NT 34	Real Per Capita Sports Betting Turnover
NT 35	Total Sports Betting Expenditure
NT 36	Real Sports Betting Expenditure
NT 37	Per Capita Sports Betting Expenditure
NT 38	Real Per Capita Sports Betting Expenditure
NT 39	Sports Betting Expenditure as a Percentage of Household Disposable Income
NT 40	Sports Betting Expenditure Share of Market
NT 41	Government Revenue from Sports Betting
NT 42	Real Government Revenue from Sports Betting
NT 43	Per Capita Revenue from Sports Betting
NT 44	Real Per Capita Revenue from Sports Betting
NT 45	Government Revenue from Sports Betting as a Percentage of Total Gambling Revenue
NT 46	Total Gambling Turnover
NT 47	Real Gambling Turnover
NT 48	Per Capita Gambling Turnover
NT 49	Real Per Capita Gambling Turnover
NT 50	Total Gambling Expenditure
NT 51	Real Gambling Expenditure
NT 52	Per Capita Gambling Expenditure
NT 53	Real Per Capita Gambling Expenditure



NT 54	Gambling Expenditure Percentage of Household Disposable Income
NT 55	Gambling Expenditure as a Percentage of Total Gambling Revenue
NT 56	Government Revenue from Gambling
NT 57	Real Government Revenue from Gambling
NT 58	Per Capita Revenue from Gambling
NT 59	Real Per Capita Revenue from Gambling
NT 60	Government Revenue from Gambling as a Percentage of Total Gambling Revenue
NT 61	Gaming Machines Operating as at 30 June

## 2.3 Tables by gambling product

Product	Table number	Table name
<b>On-course totalisator</b>	On Tot 1	On-Course Totalisator Turnover
	On Tot 2	Real On-Course Totalisator Turnover
	On Tot 3	Per Capita On-Course Totalisator Turnover
	On Tot 4	Real Per Capita On-Course Totalisator Turnover
	On Tot 5	On-Course Totalisator Expenditure
	On Tot 6	Real On-Course Totalisator Expenditure
	On Tot 7	Per Capita On-Course Totalisator Expenditure
	On Tot 8	Real Per Capita On-Course Totalisator Expenditure
	On Tot 9	On-Course Totalisator Expenditure as a Percentage of Household Disposable Income
	On Tot 10	Government Revenue from On-Course Totalisator
	On Tot 11	Real Government Revenue from On-Course Totalisator
	On Tot 12	Per Capita Government Revenue from On-Course Totalisator
	On Tot 13	Real Per Capita Government Revenue from On-Course Totalisator
	On Tot 14	On-Course Totalisator Revenue as a Percentage of Total State Gambling Revenue
<b>TAB</b>	TAB 1	TAB Turnover
	TAB 2	Real TAB Turnover
	TAB 3	Per Capita TAB Turnover
	TAB 4	Real Per Capita TAB Turnover
	TAB 5	TAB Expenditure
	TAB 6	Real TAB Expenditure
	TAB 7	Per Capita TAB Expenditure
	TAB 8	Real Per Capita TAB Expenditure
	TAB 9	TAB Expenditure as a Percentage of Household Disposable Income
	TAB 10	Government Revenue from TAB
	TAB 11	Real Government Revenue from TAB
	TAB 12	Per Capita Government Revenue from TAB
	TAB 13	Real Per Capita Government Revenue from TAB
	TAB 14	TAB Revenue as a Percentage of Total State Gambling Revenue
<b>On-course bookmaker</b>	On Book 1	On-Course Bookmaker Turnover
	On Book 2	Real On-Course Bookmaker Turnover
	On Book 3	Per Capita On-Course Bookmaker Turnover

	On Book 4	Real Per Capita On-Course Bookmaker Turnover
	On Book 5	On-Course Bookmaker Expenditure
	On Book 6	Real On-Course Bookmaker Expenditure
	On Book 7	Per Capita On-Course Bookmaker Expenditure
	On Book 8	Real Per Capita On-Course Bookmaker Expenditure
	On Book 9	On-Course Bookmaker Expenditure as a Percentage of Household Disposable Income
<b>Off-course bookmaker</b>	Off Book 1	Off-Course Bookmaker Turnover
	Off Book 2	Real Off-Course Bookmaker Turnover
	Off Book 3	Per Capita Off-Course Bookmaker Turnover
	Off Book 4	Real Per Capita Off-Course Bookmaker Turnover
	Off Book 5	Off-Course Bookmaker Expenditure
	Off Book 6	Real Off-Course Bookmaker Expenditure
	Off Book 7	Per Capita Off-Course Bookmaker Expenditure
	Off Book 8	Real Per Capita Off-Course Bookmaker Expenditure
	Off Book 9	Off-Course Bookmaker Expenditure as a Percentage of Household Disposable Income
<b>Bookmakers</b>	Book 10	Government Revenue from Bookmakers
	Book 11	Real Government Revenue from Bookmakers
	Book 12	Per Capita Government Revenue from Bookmakers
	Book 13	Real Per Capita Government Revenue from Bookmakers
	Book 14	Bookmakers Revenue as a Percentage of Total State Gambling Revenue
<b>Racing</b>	Racing 1	Total Racing Turnover
	Racing 2	Real Total Racing Turnover
	Racing 3	Per Capita Total Racing Turnover
	Racing 4	Real Per Capita Total Racing Turnover
	Racing 5	Total Racing Expenditure
	Racing 6	Real Total Racing Expenditure
	Racing 7	Per Capita Total Racing Expenditure
	Racing 8	Real Per Capita Total Racing Expenditure
	Racing 9	Total Racing Expenditure as a Percentage of Household Disposable Income
	Racing 10	Government Revenue from Total Racing
	Racing 11	Real Government Revenue from Total Racing
	Racing 12	Per Capita Government Revenue from Total Racing
	Racing 13	Real Per Capita Government Revenue from Total Racing
	Racing 14	Total Racing Revenue as a Percentage of Total State Gambling Revenue
<b>Casino</b>	Casino 1	Casino Turnover
	Casino 2	Real Casino Turnover
	Casino 3	Per Capita Casino Turnover
	Casino 4	Real Per Capita Casino Turnover
	Casino 5	Casino Expenditure
	Casino 6	Real Casino Expenditure
	Casino 7	Per Capita Casino Expenditure
	Casino 8	Real Per Capita Casino Expenditure

	Casino 9	Casino Expenditure as a Percentage of Household Disposable Income
	Casino 10	Government Revenue from Casino Gaming
	Casino 11	Real Government Revenue from Casino Gaming
	Casino 12	Per Capita Government Revenue from Casino Gaming
	Casino 13	Real Per Capita Government Revenue from Casino Gaming
	Casino 14	Casino Revenue as a Percentage of Total State Gambling Revenue
<b>Minor gaming</b>	Minor Gaming 1	Minor Gaming Turnover
	Minor Gaming 2	Real Minor Gaming Turnover
	Minor Gaming 3	Per Capita Minor Gaming Turnover
	Minor Gaming 4	Real Per Capita Minor Gaming Turnover
	Minor Gaming 5	Minor Gaming Expenditure
	Minor Gaming 6	Real Minor Gaming Expenditure
	Minor Gaming 7	Per Capita Minor Gaming Expenditure
	Minor Gaming 8	Real Per Capita Minor Gaming Expenditure
	Minor Gaming 9	Minor Gaming Expenditure as a Percentage of Household Disposable Income
	Minor Gaming 10	Government Revenue from Minor Gaming
	Minor Gaming 11	Real Government Revenue from Minor Gaming
	Minor Gaming 12	Per Capita Government Revenue from Minor Gaming
	Minor Gaming 13	Real Per Capita Government Revenue from Minor Gaming
	Minor Gaming 14	Minor Gaming Revenue as a Percentage of Total State Gambling Revenue
<b>Lottery</b>	Lottery 1	Lottery Turnover
	Lottery 2	Real Lottery Turnover
	Lottery 3	Per Capita Lottery Turnover
	Lottery 4	Real Per Capita Lottery Turnover
	Lottery 5	Lottery Expenditure
	Lottery 6	Real Lottery Expenditure
	Lottery 7	Per Capita Lottery Expenditure
	Lottery 8	Real Per Capita Lottery Expenditure
	Lottery 9	Lottery Expenditure as a Percentage of Household Disposable Income
<b>Lotto</b>	Lotto 1	Lotto-Tattslotto Turnover
	Lotto 2	Real Lotto-Tattslotto Turnover
	Lotto 3	Per Capita Lotto-Tattslotto Turnover
	Lotto 4	Real Per Capita Lotto-Tattslotto Turnover
	Lotto 5	Lotto-Tattslotto Expenditure
	Lotto 6	Real Lotto-Tattslotto Expenditure
	Lotto 7	Per Capita Lotto-Tattslotto Expenditure
	Lotto 8	Real Per Capita Lotto-Tattslotto Expenditure
	Lotto 9	Lotto-Tattslotto Expenditure as a Percentage of Household Disposable Income
<b>Instant Lotto</b>	Instant Lotto 1	Instant Lottery Turnover
	Instant Lotto 2	Real Instant Lottery Turnover
	Instant Lotto 3	Per Capita Instant Lottery Turnover
	Instant Lotto 4	Real Per Capita Instant Lottery Turnover

	Instant Lotto 5	Instant Lottery Expenditure
	Instant Lotto 6	Real Instant Lottery Expenditure
	Instant Lotto 7	Per Capita Instant Lottery Expenditure
	Instant Lotto 8	Real Per Capita Instant Lottery Expenditure
	Instant Lotto 9	Instant Lottery Expenditure as a Percentage of Household Disposable Income
<b>Pools</b>	Pools 1	Pools Turnover
	Pools 2	Real Pools Turnover
	Pools 3	Per Capita Pools Turnover
	Pools 4	Real Per Capita Pools Turnover
	Pools 5	Pools Expenditure
	Pools 6	Real Pools Expenditure
	Pools 7	Per Capita Pools Expenditure
	Pools 8	Real Per Capita Pools Expenditure
	Pools 9	Pools Expenditure as a Percentage of Household Disposable Income
<b>Keno</b>	Keno 1	Keno Turnover
	Keno 2	Real Keno Turnover
	Keno 3	Per Capita Keno Turnover
	Keno 4	Real Per Capita Keno Turnover
	Keno 5	Keno Expenditure
	Keno 6	Real Keno Expenditure
	Keno 7	Per Capita Keno Expenditure
	Keno 8	Real Per Capita Keno Expenditure
	Keno 9	Keno Expenditure as a Percentage of Household Disposable Income
<b>Gaming machines</b>	Gaming Machines 1	Gaming Machines Turnover
	Gaming Machines 2	Real Gaming Machines Turnover
	Gaming Machines 3	Per Capita Gaming Machines Turnover
	Gaming Machines 4	Real Per Capita Gaming Machines Turnover
	Gaming Machines 5	Gaming Machines Expenditure
	Gaming Machines 6	Real Gaming Machines Expenditure
	Gaming Machines 7	Per Capita Gaming Machines Expenditure
	Gaming Machines 8	Real Per Capita Gaming Machines Expenditure
	Gaming Machines 9	Gaming Machines Expenditure as a Percentage of Household Disposable Income
<b>Gaming</b>	Gaming 1	Total Gaming Turnover
	Gaming 2	Real Total Gaming Turnover
	Gaming 3	Per Capita Total Gaming Turnover
	Gaming 4	Real Per Capita Total Gaming Turnover
	Gaming 5	Total Gaming Expenditure
	Gaming 6	Real Total Gaming Expenditure
	Gaming 7	Per Capita Total Gaming Expenditure
	Gaming 8	Real Per Capita Total Gaming Expenditure
	Gaming 9	Total Gaming Expenditure as a Percentage of Household Disposable Income
	Gaming 10	Government Revenue from Total Gaming

	Gaming 11	Real Government Revenue from Total Gaming
	Gaming 12	Per Capita Government Revenue from Total Gaming
	Gaming 13	Real Per Capita Government Revenue from Total Gaming
	Gaming 14	Total Gaming Revenue as a Percentage of Total State Gambling Revenue
<b>TAB fixed odds</b>	TAB FO 1	TAB Fixed Odds Turnover
	TAB FO 2	Real TAB Fixed Odds Turnover
	TAB FO 3	Per Capita TAB Fixed Odds Turnover
	TAB FO 4	Real Per Capita TAB Fixed Odds Turnover
	TAB FO 5	TAB Fixed Odds Expenditure
	TAB FO 6	Real TAB Fixed Odds Expenditure
	TAB FO 7	Per Capita TAB Fixed Odds Expenditure
	TAB FO 8	Real Per Capita TAB Fixed Odds Expenditure
	TAB FO 9	TAB Fixed Odds Expenditure as a Percentage of Household Disposable Income
	TAB FO 10	Government Revenue from TAB Fixed Odds
	TAB FO 11	Real Government Revenue from TAB Fixed Odds
	TAB FO 12	Per Capita Government Revenue from TAB Fixed Odds
	TAB FO 13	Real Per Capita Government Revenue from TAB Fixed Odds
	TAB FO 14	TAB Fixed Odds Revenue as a Percentage of Total State Gambling Revenue
<b>TAB tote odds</b>	TAB TO 1	TAB Tote Odds Turnover
	TAB TO 2	Real TAB Tote Odds Turnover
	TAB TO 3	Per Capita TAB Tote Odds Turnover
	TAB TO 4	Real Per Capita TAB Tote Odds Turnover
	TAB TO 5	TAB Tote Odds Expenditure
	TAB TO 6	Real TAB Tote Odds Expenditure
	TAB TO 7	Per Capita TAB Tote Odds Expenditure
	TAB TO 8	Real Per Capita TAB Tote Odds Expenditure
	TAB TO 9	TAB Tote Odds Expenditure as a Percentage of Household Disposable Income
	TAB TO 10	Government Revenue from TAB Tote Odds
	TAB TO 11	Real Government Revenue from TAB Tote Odds
	TAB TO 12	Per Capita Government Revenue from TAB Tote Odds
	TAB TO 13	Real Per Capita Government Revenue from TAB Tote Odds
	TAB TO 14	TAB Tote Odds Revenue as a Percentage of Total State Gambling Revenue
<b>Bookmaker and other fixed odds</b>	Bookmaker FO 1	Bookmaker and Other Fixed Odds Turnover
	Bookmaker FO 2	Real Bookmaker and Other Fixed Odds Turnover
	Bookmaker FO 3	Per Capita Bookmaker and Other Fixed Odds Turnover
	Bookmaker FO 4	Real Per Capita Bookmaker and Other Fixed Odds Turnover
	Bookmaker FO 5	Bookmaker and Other Fixed Odds Expenditure
	Bookmaker FO 6	Real Bookmaker and Other Fixed Odds Expenditure
	Bookmaker FO 7	Per Capita Bookmaker and Other Fixed Odds Expenditure
	Bookmaker FO 8	Real Per Capita Bookmaker and Other Fixed Odds Expenditure
	Bookmaker FO 9	Bookmaker and Other Fixed Odds Expenditure as a Percentage of Household Disposable Income

	Bookmaker FO 10	Government Revenue from Bookmaker and Other Fixed Odds
	Bookmaker FO 11	Real Government Revenue from Bookmaker and Other Fixed Odds
	Bookmaker FO 12	Per Capita Government Revenue from Bookmaker and Other Fixed Odds
	Bookmaker FO 13	Real Per Capita Government Revenue from Bookmaker and Other Fixed Odds
	Bookmaker FO 14	Bookmaker and Other Fixed Odds Revenue as a Percentage of Total State Gambling Revenue
<b>Bookmaker and other pool betting</b>	Bookmaker PB 1	Bookmaker and Other Pool Betting Turnover
	Bookmaker PB 2	Real Bookmaker and Other Pool Betting Turnover
	Bookmaker PB 3	Per Capita Bookmaker and Other Pool Betting Turnover
	Bookmaker PB 4	Real Per Capita Bookmaker and Other Pool Betting Turnover
	Bookmaker PB 5	Bookmaker and Other Pool Betting Expenditure
	Bookmaker PB 6	Real Bookmaker and Other Pool Betting Expenditure
	Bookmaker PB 7	Per Capita Bookmaker and Other Pool Betting Expenditure
	Bookmaker PB 8	Real Per Capita Bookmaker and Other Pool Betting Expenditure
	Bookmaker PB 9	Bookmaker and Other Pool Betting Expenditure as a Percentage of Household Disposable Income
	Bookmaker PB 10	Government Revenue from Bookmaker and Other Pool Betting
	Bookmaker PB 11	Real Government Revenue from Bookmaker and Other Pool Betting
	Bookmaker PB 12	Per Capita Government Revenue from Bookmaker and Other Pool Betting
	Bookmaker PB 13	Real Per Capita Government Revenue from Bookmaker and Other Pool Betting
	Bookmaker PB 14	Bookmaker and Other Pool Betting Revenue as a Percentage of Total State Gambling Revenue
<b>Sports betting</b>	Sports Betting 1	Total Sports Betting Turnover
	Sports Betting 2	Real Total Sports Betting Turnover
	Sports Betting 3	Per Capita Total Sports Betting Turnover
	Sports Betting 4	Real Per Capita Total Sports Betting Turnover
	Sports Betting 5	Total Sports Betting Expenditure
	Sports Betting 6	Real Total Sports Betting Expenditure
	Sports Betting 7	Per Capita Total Sports Betting Expenditure
	Sports Betting 8	Real Per Capita Total Sports Betting Expenditure
	Sports Betting 9	Total Sports Betting Expenditure as a Percentage of Household Disposable Income
	Sports Betting 10	Government Revenue from Total Sports Betting
	Sports Betting 11	Real Government Revenue from Total Sports Betting
	Sports Betting 12	Per Capita Government Revenue from Total Sports Betting
	Sports Betting 13	Real Per Capita Government Revenue from Total Sports Betting
	Sports Betting 14	Total Sports Betting Revenue as a Percentage of Total State Gambling Revenue
<b>All gambling</b>	All Gambling 1	Total Gambling Turnover
	All Gambling 2	Real Total Gambling Turnover
	All Gambling 3	Per Capita Total Gambling Turnover
	All Gambling 4	Real Per Capita Total Gambling Turnover
	All Gambling 5	Total Gambling Expenditure
	All Gambling 6	Real Total Gambling Expenditure
	All Gambling 7	Per Capita Total Gambling Expenditure



All Gambling 8	Real Per Capita Total Gambling Expenditure
All Gambling 9	Total Gambling Expenditure as a Percentage of Household Disposable Income
All Gambling 10	Government Revenue from Total Gambling
All Gambling 11	Real Government Revenue from Total Gambling
All Gambling 12	Per Capita Government Revenue from Total Gambling
All Gambling 13	Real Per Capita Government Revenue from Total Gambling
All Gambling 14	Total Australian Gambling Expenditure
All Gambling 15	Total Real Australian Gambling Expenditure
All Gambling 16	Total Australian Per Capita Gambling Expenditure
All Gambling 17	Total Real Australian Per Capita Gambling Expenditure
All Gambling 18	Total Australian Gambling Expenditure as a Percentage of Household Disposable Income
All Gambling 19	Total Government Revenue from Gambling
All Gambling 20	Real Total Government Revenue from Gambling
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All Gambling 22	Real Per Capita Total Government Revenue from Gambling
All Gambling 23	Racing Revenue Components
All Gambling 24	Real Racing Revenue Components
All Gambling 25	Per Capita Racing Revenue Components
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All Gambling 27	Sports Betting Revenue Components
All Gambling 28	Real Sports Betting Revenue Components
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All Gambling 31	Total Gaming Machines Operating as at 30 June

# Australian Gambling Statistics

## 32nd edition

### Summary Tables 2014–15

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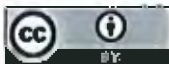
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TABLE ON TOT 1  
ON-COURSE TOTALISATOR TURNOVER

	ACT	NSW	NT	QLD	SA	TAS	VIC	WA	AUSTRALIA
	Value (\$ million)								
1989-90	6.266	485.816	4.180	159.901	71.891	9.182	324.379	47.808	1,109.423
1990-91	6.664	534.175	4.146	162.870	70.565	9.827	317.695	49.400	1,155.342
1991-92	6.200	518.988	4.904	158.809	58.639	10.602	292.850	49.721	1,100.713
1992-93	7.712	483.417	6.396	159.538	56.089	11.273	284.642	52.019	1,061.086
1993-94	7.365	419.978	6.172	156.915	60.692	13.276	275.660	59.463	999.521
1994-95	5.836	406.165	7.628	164.393	57.053	14.244	247.954	61.350	964.623
1995-96	6.878	405.414	10.693	157.600	53.029	14.089	235.067	67.177	949.947
1996-97	5.356	388.900	13.700	147.600	53.912	13.532	223.353	65.690	912.043
1997-98	4.918	394.923	12.232	129.600	51.063	12.626	215.486	70.420	891.268
1998-99	7.244	325.700	16.563	114.700	48.635	11.491	206.632	69.366	800.331
1999-00	4.409	299.200	16.163	-	(2)	48.742	208.272	64.934	652.569
2000-01	7.071	275.800	13.663	-	(2)	48.378	200.710	65.249	621.858
2001-02	8.017	-	(1)	17.193	-	(2)	43.920	10.445	199.080
2002-03	7.049	-	(1)	18.100	-	(2)	44.227	9.701	206.709
2003-04	5.940	282.633	17.982	-	(2)	40.362	10.296	200.711	66.707
2004-05	3.200	264.610	12.543	-	(2)	45.592	11.291	207.263	69.699
2005-06	5.013	285.165	15.020	-	(2)	37.400	11.564	195.304	75.283
2006-07	4.037	306.822	13.896	-	(2)	36.512	11.586	242.604	83.976
2007-08	3.549	248.259	11.387	-	(2)	32.024	11.660	269.592	84.685
2008-09	4.656	314.868	15.303	-	(2)	31.614	10.818	339.284	85.330
2009-10	4.465	218.232	18.515	-	(2)	29.949	10.580	457.657	72.286
2010-11	3.705	182.814	17.151	-	(2)	27.600	10.331	E	438.957
2011-12	3.651	261.539	19.178	-	(2)	29.864	9.268	E	410.167
2012-13	3.494	148.379	15.484	-	(2)	21.960	6.661		452.630
2013-14	2.926	82.026	13.336	-	(2)	-	U	5.415	326.140
2014-15	3.355	81.663	12.341	-	(2)	-	U	4.571	282.655
									42.321
									485.909
									426.906

Notes: These data should be read in conjunction with the explanatory notes.

(1) Figure is included in TAB turnover (discrete data were not available).

(2) Data item is under \$1 million for small on-course clubs running their own tote.

(3) Total turnover incomplete due to unavailable figures for South Australia.

E = Estimated data

U = Unavailable data

TABLE TAB 1  
TAB TURNOVER

	ACT	NSW	NT	QLD	SA	TAS	VIC	WA	AUSTRALIA
	Values (\$ million)								
1989-90	70.631	2,958.340	41.259	904.246	463.842	144.410	1,898.608	478.610	6,959.946
1990-91	76.995	3,170.753	47.974	990.540	491.740	157.498	1,996.558	460.537	7,392.595
1991-92	79.632	3,217.192	49.831	1,059.920	494.491	181.697	2,104.547	459.058	7,646.368
1992-93	82.813	3,221.439	52.818	1,122.745	503.183	201.132	2,230.886	519.048	7,934.064
1993-94	87.199	3,329.177	60.634	1,249.199	526.852	221.512	2,323.920	583.869	8,382.362
1994-95	83.465	3,467.924	69.235	1,281.074	513.283	267.060	2,259.918	619.472	8,561.431
1995-96	102.631	3,574.283	72.000	1,295.100	496.392	253.145	2,274.362	658.249	8,726.162
1996-97	112.880	3,625.400	87.900	1,329.000	522.926	226.116	2,285.145	676.719	8,866.086
1997-98	113.027	3,554.474	74.095	1,344.900	590.304	204.833	2,371.919	733.455	8,987.007
1998-99	115.128	3,672.300	70.240	1,418.100	617.823	206.855	2,537.683	779.194	9,417.323
1999-00	110.915	3,772.700	67.819	1,526.065	616.363	195.108	2,576.276	813.080	9,678.326
2000-01	129.171	3,912.400	70.796	1,551.565 (2)	630.254	208.395	2,687.640	846.171	10,036.392
2001-02	126.538	4,485.000 (1)	76.987	1,590.191 (2)	622.050	229.493	2,818.234	886.898	10,835.391
2002-03	128.905	4,642.100 (1)	86.119	1,686.593 (2)	631.043	261.980	2,940.641	961.381	11,338.762
2003-04	151.210	4,343.950	91.337	1,808.578 (2)	663.895	273.879	3,074.044	1,030.888	11,437.781
2004-05	157.582	4,448.803	101.914	1,915.544 (2)	683.780	286.660	3,242.283	1,168.319	12,004.885
2005-06	168.134	4,285.428	106.722	1,931.923 (2)	657.715	302.550	3,269.919	1,267.357	11,989.748
2006-07	158.325	4,322.166	128.750	2,065.409 (2)	700.604	366.891	3,476.624	1,418.427	12,637.196
2007-08	159.633	4,175.968	135.071	2,066.364 (2)	671.135	466.290	3,381.992	1,443.191	12,499.644
2008-09	170.022	4,470.149	148.758	2,230.662 (2)	717.910	631.156	3,501.875	1,513.450	13,383.982
2009-10	160.006	4,673.163	134.762	2,214.088 (2)	739.724	712.341	3,330.166	1,435.045	13,399.295
2010-11	155.800	4,383.388	118.570	2,239.010 (2)	777.362	933.736 E	3,229.290	1,572.348	13,409.504
2011-12	152.800	4,020.584	118.183	2,248.818 (2)	749.566	915.285 E	3,116.064	1,754.816	13,076.116
2012-13	145.638	4,038.130	106.039	2,202.268 (2)	654.681	198.217	2,990.484	1,811.016	12,146.473
2013-14	136.415	3,797.620	99.514	2,153.231 (2)	- U	196.632	2,791.871	1,731.250 (4)R	10,906.534 (3)R
2014-15	132.578	3,621.477	65.466	2,068.511 (2)	- U	179.793	2,712.408	1,576.779	10 357.012

Notes: These data should be read in conjunction with the explanatory notes.

(1) TAB Turnover includes on-course totalisators, off-course totalisators (racing and FootyTAB), fixed odds racing and sports betting.

(2) Figures are inclusive of both on- and off-course betting.

(3) Total turnover incomplete due to unavailable figures for South Australia.

(4) Amended due to incorrect value being provided in 2013/14 report.

E = Estimated data

U = Unavailable data

R = Revised data

TABLE ON BOOK 1  
ON-COURSE BOOKMAKER TURNOVER

	ACT	NSW	NT (1)	QLD	SA	TAS	VIC	WA	AUSTRALIA
	Value (\$ million)								
1989-90	51.672	1,353.616	22.909	485.175	141.156	57.620	661.625	201.312	2,975.085
1990-91	46.502	1,236.401	30.032	446.183	128.728	50.981	577.631	173.613	2,690.071
1991-92	42.181	1,060.745	20.464	396.191	106.694	38.910	491.850	130.432	2,287.467
1992-93	38.473	869.269	21.265	383.152	97.937	33.395	373.542	129.805	1,946.838
1993-94	35.646	780.074	20.037	359.460	142.933	27.732	344.242	154.338	1,864.462
1994-95	33.935	833.762	25.317	347.402	129.345	20.218	453.987	176.471	2,020.437
1995-96	31.062	691.531	67.867	306.100	87.293	15.365	441.608	198.217	1,839.043
1996-97	22.452	610.200	63.919	265.400	78.838	16.894	365.090	178.937	1,601.730
1997-98	22.527	610.658	73.636	256.800	74.567	14.891	384.155	182.708	1,619.942
1998-99	21.100	558.778	90.567	228.200	68.044	11.603	301.782	188.411	1,468.485
1999-00	18.716	489.000	99.284	199.600	73.528	10.301	249.908	170.037	1,310.374
2000-01	15.670	483.625	190.851	- (2)	98.320	11.376	339.281	147.977	1,287.100
2001-02	13.233	475.660	525.683	- (2)	139.969	6.674	418.574	110.755	1,690.548
2002-03	10.955	605.140	835.720	- (2)	100.340	4.460	490.192	107.683	2,154.490
2003-04	8.760	670.321	1,097.880	- (2)	97.207	4.424	531.963	110.655	2,521.210
2004-05	13.890	629.900	1,533.900	- (2)	149.642	4.316	558.122	114.717	3,004.487
2005-06	13.272	583.406	1,769.852	- (2)	87.556	5.193	259.548	101.344	2,820.171
2006-07	9.734	599.344	2,728.782	- (2)	84.672	4.212	232.850	91.993	3,751.587
2007-08	10.440	523.830	3,023.818	- (2)	72.430	4.514	229.860	95.399	3,960.291
2008-09	10.107	563.219	3,521.731	- (2)	59.621	4.600	315.100	92.317	4,566.695
2009-10	10.778	473.378	3,925.390	- (2)	30.312	3.863	295.830	37.099	4,776.650
2010-11	7.871	433.246 (3)	4,068.233	- (2)	25.663	2.890 E	291.030	64.620	4,893.553
2011-12	4.804	497.307 (3)	4,224.384	- (2)	17.688	2.220 E	280.340	52.098	5,078.841
2012-13	3.717	193.947 (6)	4,950.365	- (2)	12.810 (4)	1.740 E	- U	41.880	5,204.459 (5)
2013-14	2.644	703.683 (3)	5,764.289	- (2)	5.439	1.378	- U	33.090	6,510.523 (5)
2014-15	1.383	461.599 (3)	6,301.958	- (2)	10.947	1.269	- U	29.495	6,806.651 (5)

Notes: These data should be read in conjunction with the explanatory notes.

(1) Bookmakers on course figures include figures from corporate bookmakers and registered on-course bookmakers.

(2) Figure is included in TAB turnover.

(3) On course and Racing Offices

(4) Total turnover on course bets.

(5) Total turnover incomplete due to unavailable figures for Victoria.

(6) On course and Racing Offices. 2012-13 figure incomplete due to resource restrictions.

E = Estimated data

U = Unavailable data

TABLE RACING 1  
TOTAL RACING TURNOVER

	ACT	NSW	NT	QLD	SA	TAS	VIC	WA	AUSTRALIA
	Value (\$ million)								
1989-90	128.569	4,797.772	68.741	1,549.322	686.219	211.212	2,884.612	727.730	11,054.177
1990-91	130.161	4,941.329	83.248	1,599.593	698.132	218.306	2,891.884	683.550	11,246.203
1991-92	128.013	4,796.925	75.199	1,614.920	667.679	231.209	2,889.247	639.211	11,042.403
1992-93	128.998	4,574.125	80.479	1,665.435	663.201	245.800	2,889.070	700.872	10,947.980
1993-94	130.210	4,529.229	86.843	1,765.574	735.537	262.520	2,943.822	797.670	11,251.405
1994-95	123.236	4,707.851	102.180	1,792.869	704.311	301.522	2,961.859	857.293	11,551.121
1995-96	140.571	4,671.228	150.560	1,758.800	640.222	282.599	2,951.037	923.643	11,518.660
1996-97	140.688	4,624.500	165.519	1,742.000	658.720	256.542	2,873.588	921.346	11,382.903
1997-98	140.472	4,560.055	159.963	1,731.300	717.702	232.350	2,971.560	986.583	11,499.985
1998-99	143.472	4,556.778	177.370	1,761.000	736.156	229.949	3,046.097	1,036.971	11,687.793
1999-00	134.040	4,560.900	183.266	1,725.665	739.755	216.258	3,034.456	1,048.051	11,642.391
2000-01	151.912	4,671.825	275.310	1,551.565	777.677	230.758	3,227.631	1,059.397	11,946.075
2001-02	147.788	4,960.660	619.863	1,590.191	806.602	246.612	3,435.888	1,064.789	12,872.393
2002-03	146.909	5,247.240	939.939	1,686.593	776.208	276.141	3,637.542	1,135.631	13,846.203
2003-04	165.910	5,296.904	1,207.199	1,808.578	801.814	288.599	3,806.718	1,208.250	14,583.972
2004-05	174.672	5,343.313	1,648.357	1,915.544	879.033	302.267	4,007.668	1,352.735	15,623.589
2005-06	186.419	5,153.999	1,891.594	1,931.923	782.692	319.307	4,029.161	1,443.984	15,739.079
2006-07	172.096	5,228.332	2,871.428	2,065.409	821.838	382.689	4,247.698	1,594.396	17,383.886
2007-08	173.622	4,948.057	3,170.276	2,066.364	775.645	482.464	4,109.834	1,623.275	17,349.537
2008-09	184.785	5,348.236	3,685.792	2,230.662	809.204	646.574	4,469.989	1,691.097	19,066.339
2009-10	175.249	5,364.773	4,078.668	2,214.088	826.412	726.784	4,242.323	1,544.430	19,172.727
2010-11	167.376	4,999.455	4,203.954	2,239.010	850.187	946.957	4,128.777	1,714.628	19,250.344
2011-12	161.255	4,787.502	4,361.745	2,248.818	807.799	926.773	4,022.021	1,889.675	19,205.588
2012-13	152.849	4,384.442	5,071.888	2,202.268	699.650	206.619	3,443.114 (1)	1,923.721	18,084.550 (1)
2013-14	141.985	4,583.833	5,877.139	2,153.231	10.708 (1)	203.425	3,118.012 (1)	1,820.406 R	17,908.739 (1)R
2014-15	137.316	4,165.301	6,379.765	2,068.511	15.326 (1)	185.633	2,995.063 (1)	1,648.595	17,595.510 (1)

Notes: These data should be read in conjunction with the explanatory notes.

(1) Total racing turnover is incomplete due to unavailable figures.

R = Revised data



TABLE TAB FO 1  
TAB FIXED ODDS TURNOVER

	ACT	NSW	NT	QLD	SA	TAS	VIC	WA	AUSTRALIA
	Value (\$ million)								
1994-95	-	-	-	-	-	-	12.823	-	12.823
1995-96	-	-	-	-	-	-	17.455	-	17.455
1996-97	-	-	-	-	-	-	19.848	-	19.848
1997-98	-	-	-	-	-	-	33.149	-	33.149
1998-99	-	42.600	-	-	-	-	37.900	-	80.500
1999-00	-	81.500	-	8.544	-	1.002	45.954	0.927	137.927
2000-01	-	- U	-	15.332	2.288	1.339	49.534	6.745	75.238 (3)
2001-02	1.922	- (1)	0.906	23.252	- U	2.706	80.630	15.823	125.239 (3)
2002-03	2.255	- (1)	1.168	26.909	10.803	3.027	78.837	20.231	143.230
2003-04	3.560	255.433	1.546	43.167	14.104	3.766	78.926	30.531	431.033
2004-05	3.905	318.100	2.212	44.468	17.494	4.470	113.166	34.577	538.392
2005-06	5.789	396.349	3.819	66.566	27.931	5.827	147.233	54.258	707.772
2006-07	6.243	434.771	- (2)	82.555	34.098	7.183	184.983	60.897	810.730
2007-08	8.595	492.902	-	105.806	42.789	18.934	275.162	73.502	1,017.690
2008-09	10.760	522.775	-	121.892	58.980	104.448	341.858	90.301	1,251.014
2009-10	15.568	642.961	-	147.025	48.862	33.490	654.311	166.368	1,708.585
2010-11	16.249	749.003	-	144.603	54.624	17.367 E	861.854	155.444	1,999.144
2011-12	19.379	806.283	-	155.430	57.825	13.372 E	1,024.402	179.601	2,256.292
2012-13	19.137	767.368	-	146.548	59.453	19.416 E	1,138.195	228.540	2,378.657
2013-14	29.982	808.279	-	155.476	61.185	40.103 E	1,367.457	410.833 (4)R	2,873.315 (4)R
2014-15	30.013	901.799	-	152.071	66.095	46.117 E	1,660.810	530.172	3,387.077

Notes: These data should be read in conjunction with the explanatory notes.

(1) Data included in TAB turnover.

(2) TAB fixed odds are no longer reported. These figures are included with bookmaker fixed odds.

(3) Total turnover incomplete due to unavailable figures from one or more states/territories.

(4) Amended due to incorrect value being provided in 2013/14 report.

U = Unavailable data

E = Estimated data

R = Revised data

TABLE BOOKMAKER FO 1  
BOOKMAKER AND OTHER FIXED ODDS TURNOVER

	ACT	NSW	NT	QLD	SA	TAS	VIC	WA	AUSTRALIA
	Value (\$ million)								
1994-95	-	-	56.354	-	1.099	0.017	3.349	2.044	62.863
1995-96	14.712	-	64.628	1.200	1.413	5.224	1.735	1.848	90.760
1996-97	67.352	-	85.036	1.300	1.865	5.517	1.259	3.233	165.562
1997-98	78.730	38.964	154.520	0.100	2.312	3.248	1.312	6.903	286.089
1998-99	95.863	51.120	188.379	0.027	2.580	1.056	5.113	8.180	352.318
1999-00	163.268	59.209	239.486	0.050	2.280	0.540	9.660	9.523	484.016
2000-01	325.247	53.457	339.566	- U	2.107	0.243	55.921	11.108	787.649 (3)
2001-02	491.822	43.190	513.574	- U	7.439	0.000 (1)	99.149	8.133	1,163.307 (3)
2002-03	625.848	50.792	609.388	- U	11.533	-	116.771	6.789	1,421.121 (3)
2003-04	277.768	71.718	634.588	- U	8.540	-	117.193	8.019	1,117.826 (3)
2004-05	260.558	63.390	660.800	- U	6.841	-	51.465	4.288	1,047.342 (3)
2005-06	172.986	96.121	742.430	- U	7.453	-	91.932	2.573	1,113.495 (3)
2006-07	101.545	130.555	897.198	- U	6.167	-	108.406	7.347	1,251.218 (3)
2007-08	121.008	169.735	1,106.156	- U	4.219	-	47.580	6.646	1,455.344 (3)
2008-09	76.887	109.810	1,166.295	- U	3.092	-	93.450	8.851	1,458.385 (3)
2009-10	88.248	102.272 (2)	1,274.752	- U	3.092	-	72.370	1.448	1,542.182 (3)
2010-11	109.169	89.826 (2)	1,473.944	- U	1.653	-	- (4)	0.082	1,674.674 (3)
2011-12	-	84.751 (2)	1,507.221	- U	1.792	-	- (4)	0.072	1,593.836 (3)
2012-13	0.768	90.287 (2)	2,223.300	- U	1.281 (5)	-	- (4)	-	2,315.636 (3)
2013-14	2.039	155.009 (6)	2,746.430	- U	1.998	-	- (4)	0.004	2,905.480 (3)
2014-15	1.207	429.377 (6)	3,354.530	- U	0.423	-	- (4)	0.101	3,785.638 (3)

Notes: These data should be read in conjunction with the explanatory notes.

(1) Turnover from bookmaker (and other) fixed odds totalled \$2,000 in 2001–02.

(2) Bookmakers declared events betting.

(3) Total turnover incomplete due to unavailable figures from one or more states/territories.

(4) No information is available for bookmaker sportsbetting/fixed odds.

(5) Total turnover all bets on and off course.

(6) Includes turnover on sports betting at all racing offices.

U = Unavailable data

IN THE AUSTRALIAN COMPETITION TRIBUNAL

ACT 1 of 2017

**Re:** Application by Tabcorp Holdings Limited under section 95AU of the *Competition and Consumer Act 2010* for an authorisation under subsection 95AT(1) to acquire shares in the capital of a body corporate or to acquire assets of another person

**Applicant:** Tabcorp Holdings Limited

ANNEXURE CERTIFICATE

This is the confidential annexure marked **RAH-5** annexed to the expert report of **Robert Andrew Hines** dated 25 April 2017.

**Annexure RAH-5**

**Unincorporated Joint Venture Agreement between  
Tabcorp and the Victorian racing industry**

Filed on behalf of	Australian Competition and Consumer Commission		
Prepared by	Simon Uthmeyer		
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IN THE AUSTRALIAN COMPETITION TRIBUNAL

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**Applicant:** Tabcorp Holdings Limited

ANNEXURE CERTIFICATE

This is the annexure marked **RAH-6** annexed to the expert report of **Robert Andrew Hines** dated 25 April 2017.

Annexure RAH-6

**Racing Victoria 2016 Annual Report**

Filed on behalf of	Australian Competition and Consumer Commission		
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[PUBLIC VERSION]



**Racing  
Victoria**

2016

**ANNUAL REPORT**









Racing Victoria Limited ACN 096 917 930  
Financial report for the financial period ended 30 June 2016

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## Acting Chairman's report

I am pleased to reflect on a very successful year for Racing Victoria and the Victorian thoroughbred racing industry as a whole.

We have enjoyed the sight of Victorian racing being showcased on Free-To-Air TV on a 24/7 basis thanks to Racing.com's partnership with Seven West Media – the only racing jurisdiction in the country to have its own FTA station. By securing a dedicated channel, the sport has been granted a unique and unprecedented opportunity to attract new audiences in homes across Australia. The broadcast coverage is world class and is proving to be highly sought after by wagering service providers and our customers. The reach of digital streaming of our broadcasts is rapidly expanding and places the sport on a sound footing to meet the demands of racing fans and engage with them at all levels.

The widespread availability of Victorian racing vision and the overall consistency and quality of our racing program have been significant factors in the popularity of Victorian wagering product with annual turnover increasing by 6.4%. Changes to race fields policy have enabled us to capitalise on positive performance within the corporate bookmaking sector and to gain revenue growth of \$10.5m, but unfortunately, this was insufficient to offset a decline of \$12.6m of revenue from the Tabcorp Joint Venture. As complex wagering market forces continue to dramatically evolve, Racing Victoria needs to respond and position itself to ensure we gain value from the national and international customer base. We are presently conducting a deep and strategic analysis of the market to better inform our future options.

Media rights and services revenue grew to \$34.4m reflecting the benefits of the new media arrangements. There is further upside to be gained by completing the full aggregation of media rights which, as demonstrated in other major sports, will allow the industry to extract maximum value from the broadcast market.

Overall, Racing Victoria generated revenue totalling \$402.7m (up from \$361.2m in FY15 and \$314.0m in FY14) and a surplus of \$27.9 million. This follows

last year's surplus of \$50.0 million which was off the back of a four year debt elimination program that had peaked at a debt of almost \$40m in FY12. The reduced surplus in FY16 was due to our investment of \$19.7m of additional prizemoney and VOBIS bonuses and supporting the new Racing.com businesses.

The strategic direction of Racing Victoria has resulted in a strong balance sheet and led to stronger investment back into the industry.

The financial strategy we have developed and followed has again delivered an incredibly robust balance sheet in a challenging environment, with cash balances of almost \$75m at year end. As demonstrated by the extent of our investments in the year past, Racing Victoria is committed to adopting a responsible and balanced approach to investing wisely in growth opportunities and encouraging industry participation whilst maintaining the industry's financial security.

A key element of our strategy is to also reduce cost and improve efficiency. Administrative costs were slightly reduced in FY16 to a total of \$23.4m, however there is a current cost review underway which is aiming to implement ongoing structural savings across the business. We consider this to be the forerunner of an efficiency program that needs to be rolled out across the industry.

The three metropolitan racing clubs have variously put forward far reaching master plans for the development of their respective racecourses. Racing Victoria is working closely with each of the clubs with the objective of identifying the optimal long term future infrastructure footprint and ensuring that development is undertaken in a coordinated and effective manner. We want to ensure the industry has the best infrastructure for participants and fans, giving the sport the best opportunity to grow and prosper.





## Acting Chairman's report continued

The industry and the Victorian Government's Victorian Racing Industry Fund partnered in undertaking major capital works across country racing with the commencement of night and synthetic racing at Pakenham; the building of on-course stabling at Cranbourne and Ballarat; and the commencement of a major track reconstruction at Seymour among the highlights.

One of Racing Victoria's constitutional objectives is to protect Victorian thoroughbred racing and ensure it is conducted with the highest integrity. Equine welfare and racing integrity are the two pillars to protect the reputation of racing and its standing in the community. We have recently launched a new equine welfare strategy that encompasses initiatives for improving welfare outcomes especially in relation to life before and after racing. A key decision was the Government, the University of Melbourne and Racing Victoria jointly agreeing to commit a total of \$5.25 million to fund the University's research program into the early detection and prevention of bone injury to racehorses.

Integrity assurance programs were enhanced by heightened levels of drug testing and compliance activity. The structure of integrity services has come under review following the release of the Bittar Report in May. We are presently working with the Government and the other racing codes to consider the implementation of the report's recommendations and to identify the best practice model that ensures Victoria continues to lead the way in protecting the integrity of the sport.

Meanwhile on the track, we witnessed some stunning racing performances including Prince of Penzance, Michelle Payne and Darren Weir creating a Melbourne Cup fairytale in an historic 2015 edition; the whirlwind finishes both here and abroad of Victorian Racehorse of the Year Chautauqua; Winx's tearaway Cox Plate victory; and a wonderful premiership battle between Craig Williams and Dwayne Dunn with the latter subsequently claiming his maiden Scobie Breasley Medal.

In closing, I wish to commend the clubs, industry associations and business partners for their support

and collaboration throughout the year in helping to build a stronger industry. I want to acknowledge the passion and commitment of every owner, trainer, jockey, breeder, stable employee and of course the fans of Victorian racing. The continuing support of the Andrews Labor Government and the Minister for Racing Martin Pakula are also greatly appreciated.

In thanking my fellow Directors and the Racing Victoria team, I must pay special tribute to our outgoing CEO Bernard Saundry who will finish up in December after more than 13 years of dedicated service with the organisation. Bernard can be proud of his extensive achievements throughout his time with us, including the completion of the broadcast deal with Seven West Media and elimination of a \$40m debt and delivery of a \$75 million cash balance that has allowed Racing Victoria to increase prizemoney and investment in the industry. Bernard leaves a strong and experienced Executive team in place and he will be deeply missed. We wish him all the best in the next phase of his career.

Finally, I would like to acknowledge the outstanding contributions of Michael Caveny and Andrew Twaits. Michael has been an invaluable Deputy Chairman over the past three-and-a-half years and provided great service and wisdom to the Board across seven years, including an initial one year term on the inaugural Board in 2002. Andrew displayed impressive expertise throughout his term, particularly in relation to the creation of the new Racing.com business and the partnership with Seven West Media.

Victorian thoroughbred racing's future has never looked brighter and with the industry working together to drive growth in the sport, I'm sure it will be an exciting time both on and off the track.



**Mike Hirst**  
**Acting Chairman**

18 October 2016



## CEO's report

It's been a rewarding and exciting year for all at Racing Victoria as we implemented the final year of the *Racing for the Future Strategic Plan 2013-2016*, while developing a new strategic framework to guide our future decision making and planning.

The realisation and continued evolution of our media rights strategy has been both a focus and highlight, together with the continued strengthening of our balance sheet to ensure that Victorian thoroughbred racing can continue to thrive into the future.

We have been committed to ensuring that Victoria continues to deliver premium racing product that appeals to customers and fosters participation across the state, making sure that more people, more often, have the opportunity to engage in and enjoy our sport.

Summarised under the seven strategic objectives and goals of *Racing for the Future Strategic Plan 2013-16* are the key achievements over its final year, together with a snapshot of priority projects over the next 12 months:



## RACING FOR THE FUTURE

### Build attendance, viewership and engagement in Victorian thoroughbred racing

#### Racing.com

Racing Victoria has pursued a bold media rights strategy on behalf of the industry over the past two years to ensure that more people can watch Victorian racing anywhere, anytime.

This strategy reached its most significant milestone in August 2015 when Australia's only free-to-air TV channel dedicated to a single sport, Racing.com, was launched.

A joint venture partnership between Racing Victoria and Seven West Media, Racing.com is now a fully integrated television and online business, providing a showpiece presentation of Victorian racing to audiences nationwide and beyond.

As a result of Racing.com more than 95 per cent of the Australian population today has access to live Victorian racing 363 days-of-the-year through Seven West Media and regional affiliates Prime7 and Southern Cross. Racing.com is also simulcast on subscription TV via Foxtel and streamed free digitally through [www.racing.com](http://www.racing.com) and on mobiles via its App.

The current free-to-air access is in stark contrast to the previous model where only 30 per cent of the Australian population could watch daily Victorian

thoroughbred racing via subscription TV and only 5 per cent of our racing was broadcast on free-to-air TV.

Racing.com has attracted great support from its primary commercial partners CrownBet and Ladbrokes and racing's customers that have embraced it for its exclusive vision, broad news service and engaging content.

The Racing.com digital framework has expanded over the past 12 months to include Country Racing Victoria and the Moonee Valley Racing Club, furthering its reach and attraction as a central industry destination.

Racing+, the customer data service developed to enable a deeper and far more personalised relationship with Racing.com's customers and fans, with close to 140,000 current subscribers and strong growth targets over the next 12 months.

Over FY16, customers engaged with Racing.com over 19 million times consuming 5.5 million videos and viewing more than 500,000 hours of live racing.

#### Media partnerships and distribution

After a period of disruption, Racing Victoria welcomed a new broadcasting agreement with Tabcorp in August 2015 covering domestic, international and digital rights. The agreement guarantees the broadcast of Victorian racing into pubs, clubs and homes via the Tabcorp-owned Sky Racing until 2020.

Over the past year we've also expanded our digital broadcast partners to seven with Racing.com vision



now available live on the digital platforms of wagering operators Tabcorp, Sportsbet, CrownBet, Ladbrokes, Bet365, William Hill and RWWA for account holders.

These partnerships have delivered strong returns to the industry while furthering our goal of an expanded broadcasting footprint.

We have also consolidated our radio audience with a new multi-year broadcast agreement signed with SEN ahead of the 2016 Spring Racing Carnival to showcase Friday night and Saturday racing outside of the AFL season. This supports the full-time coverage of Victorian racing on industry broadcaster RSN and its national relay stations.

### Integrated media businesses

Racing Victoria acquired iconic publications, Best Bets and Winning Post, in March 2015 following the disaggregation of TVN. The publications, which complement the Racing.com digital network, have proven valuable acquisitions returning a healthy collective profit for FY16.

Ensuring close relationships between Racing.com, Best Bets, Winning Post, the industry's radio broadcaster RSN and production company Thoroughbred Racing Productions (TRP) has been a priority throughout the past year.

A holistic review of our media production by renowned sports broadcasting executive, David Barham, commenced in 2016 and remains on-going. We want to ensure that our technology footprint and framework continues to evolve and be placed to capitalise on opportunities in a rapidly evolving and dynamic environment.

### Racing Photos

High quality racetrack imagery is now available at a single destination for racing fans and participants alike with the launch of Racing Photos in April 2016.

Racing Photos replaced the five official raceday photographers across the state with a centralised model to deliver savings and enhancements to those seeking photos from any of our 520 professional race meetings.

As a wholly owned subsidiary of Racing Victoria, all proceeds are re-invested back into the Victorian racing industry rather than remain with third party suppliers.

The exciting initiative delivers a one-stop shop for racehorse owners, customers and media wanting to

access high quality digital imagery, framed prints, memorabilia or merchandise at affordable prices.

### Owner engagement

In addition to the benefits afforded by the launch of Racing Photos, there has been a focus on building our deeper relationships with Victoria's owners, which are in excess of 55,000, through the benefits of our Customer Relationship Management (CRM) system launched in May 2015.

The CRM delivers tailored communications via email to owners notifying them of initial race acceptance, delivered within 30 minutes of each race with the replay and access to Racing Photos imagery.

The enhancement of direct relationships with all of Racing Victoria's owners, participants and customers will continue to be a primary focus throughout FY17.

### 30 minute race gaps

A trial of 30 minute gaps between races commenced in February 2016 with a view to enhancing the raceday experience for attendees and off-course customers.

After an initial impact on wagering due to national programming clashes, the concept has been embraced by punters and was a contributing factor to the uplift in wagering returns for FY16.

The use of 30 minute gaps continues for weekday meetings and non-feature Sundays into 2016-17 racing season with the strong support of industry participants.

### Major Racing Carnivals

RV's role working with our clubs is to promote the major Autumn and Spring Racing Carnivals in their entirety, which encompasses brilliant racing, fashion and unique social experiences.

The 2015 Spring Racing Carnival attracted 630,000 attendees of which 24 per cent were interstate and overseas visitors. It delivered \$701.1 million in economic benefit to the Victorian economy – up 13 per cent since 2012 – with 6,185 owners collecting a share of the prizemoney on offer across the Carnival's 23 premier race meetings.

The 2016 Autumn Racing Carnival delivered terrific results, under an industry 'Relaxed Racing' campaign, which presented racing in a different way to the traditional Spring period, offering customers a real point of difference, still led by outstanding racing on the track.



## CEO's report continued

RV has continued to evolve our overarching role for the 2016 Spring Racing Carnival, in supporting and amplifying each Club's marketing of their respective Carnivals and Racing events, in particular through investments in digital assets including **springracingcarnival.com.au** that drive industry-wide outcomes.

The 2016 Spring Racing Carnival was launched at the earlier time of 1 September to create longevity and support the Clubs' ticket sales, which it did with positive effect across the board, generating an estimated \$5 million of value in media coverage and exposure.

### Consumption of Racing

In early 2016, leading market research company, Forethought, were engaged to size and profile Victorian Thoroughbred Racing's customer base with the primary purpose being to build statistically proved models of how Victorians engage and consume racing and to play a major role informing future strategic decisions.

At a high level, the research indicates that 42.4% of Victorians are active customers of racing, being one or combination of a punter, viewer, racegoer or owner. Not surprisingly, owners were identified as the most engaged customers, with punters and viewers the largest customer bases.

Throughout FY17 we will be further analysing and investing in customer-led research and determining what strategies are required to deepen our engagement to maintain and ultimately grow our customer base and racing's footprint in all areas that racing is experienced and consumed.

## Grow national and international wagering

Racing Victoria is committed to maintaining its position as the nation's wagering product of choice and we continue to look at avenues to grow our wagering revenue streams.

Total wagering turnover on Victorian racing across our 240 approved Wagering Service Providers (WSPs) in FY16 was \$5.67 billion representing an increase of 6.4 per cent on the previous year.

Our wagering Joint Venture with Tabcorp remains critical to the health of the industry, while the contribution made by other WSPs continues to grow.

### Race Fields Policy

After achieving significant growth in returns in FY15 off the back of broad changes to the Race Fields Policy, FY16 delivered record returns with approved WSPs contributing to total Race Fields Revenue of \$139.9 million for the year – more than 40 per cent of our total wagering revenue.

The record returns from approved WSPs, underpinned by an expanded broadcast model, have helped drive the strong surplus achieved by Racing Victoria in FY16.

With a view to best servicing the needs of our customers, Racing Victoria introduced a Minimum Bet Limit (MBL) among the conditions for WSPs in its 2016-17 Race Fields Policy.

The MBL, which was introduced after extensive consultation, applies from 9am raceday for day meetings and 2pm raceday for night meetings and allow punters to win up to \$2000 on any one metropolitan win bet and \$1000 on any one non-metropolitan win bet.

We are committed to ensuring adherence with our Race Fields Policy and to that end have signalled the cessation of approvals for WSPs licensed by the Norfolk Island Gaming Authority (NIGA) from 30 November 2016 due to concerns around the standard of probity applied in granting wagering licences.

Racing Victoria worked closely with the Federal Government to review the NIGA after a number of ongoing concerns relating to their regulatory oversight which resulted in the potential for serious integrity concerns, including licensed operators becoming access points into unapproved offshore operators.

### Victorian Official Price

Racing Victoria announced a new method for the collection and dissemination of the Victorian Official Price (VOP) for implementation in Victoria from 1 September 2016.

The VOP incorporates the official price fluctuations for thoroughbred races in Victoria and will be assessed from a spread of prices being offered by a minimum 10 leading off-course WSPs.

RV has engaged Dynamic IT Group, the team behind DynamicOdds.com, to deliver the VOP which replaces the previous process which assessed prices from on-course bookmakers exclusively.





## CEO's report continued

On average, 98 per cent of wagering on a Victorian race meeting is now conducted off-course, so the VOP is more reflective of the true betting market and of greater benefit to both punters and WSPs. In addition to delivering a more accurate view of the overall betting market, the new service is timelier and delivers important cost efficiencies to the industry.

### Wagering strategy review

With the wagering landscape continuing its rapid evolution, a review of our wagering strategy is a primary focus for the business heading into FY17. It is incumbent on Racing Victoria to closely consider market trends, new technologies and customer behaviours in considering our strategies to maximise wagering returns both in the short and long term.

## High performance racing

### Spring Racing Carnival

The 2015 Spring Racing Carnival proved a beacon for Victorian racing with Michelle Payne becoming the first female jockey to win the Emirates Melbourne Cup in its 155-year history, doing so aboard \$100 outsider Prince of Penzance.

Sydney mare Winx claimed the William Hill Cox Plate en route to being crowned Australian Racehorse of the Year, while Mongolian Khan did likewise in New Zealand after a dynamic victory in the BMW Caulfield Cup.

Across the entire Carnival, taking in our metropolitan showpieces and iconic meetings throughout country Victoria, there were 3,896 individual horses that participated, 773 trainers that saddled up a runner and 228 jockeys who rode in at least one race.

The Carnival continued to attract significant international participation which both enhances the level of competition and showcases Victorian racing abroad. In 2015, 21 internationally-trained horses competed in 12 races.

### Night racing expansion

A primary objective of the *Racing For The Future Strategic Plan* was realised during FY16 with the expansion of our successful night racing circuit to a third track.

The launch of Thursday night racing at Racing.com Park (Pakenham) in April 2016 means that we will now conduct a little over 10 per cent of our meetings annually under lights with Moonee Valley and

Cranbourne sharing the Friday night timeslot.

Thursday night racing provides a significant opportunity for growth in both domestic and international wagering and engagement, with Racing.com Park able to share duties across its turf and synthetic tracks.

A total of 42 night meetings were held in the 2015-16 season, with an additional nine twilight meetings conducted at Racing.com Park.

### Maintaining field sizes

The quality and depth of the racing program is critical to our ability to showcase Victorian racing globally and to ultimately maximise returns to stakeholders through strong wagering and customer engagement.

To that end, we were pleased to see our Saturday metropolitan and feature meeting field sizes rise to a nation high 11.3 horses in the 2015-16 season, with midweek metropolitan field sizes up from 9.8 to 10.2 over the past five years.

The growth in Saturday metropolitan field sizes has led to a significant reduction in the number of races with less than eight starters – down to just 8.1 percent of races in 2015-16.

The average field size for country TAB meetings rose by 0.1 year-on-year to 10.0 and, coupled with enhanced coverage on Racing.com, was an important contributor to our strong financial result.

Racing Victoria is committed to the success of staying races and in the 2015-16 season, the number of 2000m+ races on Saturday metropolitan and feature meetings represented a nation high 18.7 per cent of the program. Pleasingly, these races attracted average field sizes of 11.3 starters.

### VOBIS

The Victorian Owners and Breeders Incentive Scheme (VOBIS) was expanded over the past year to include VOBIS Sires – a joint initiative between Racing Victoria and Thoroughbred Breeders Victoria (TBV) to promote Victorian stallions.

Launched in October 2015, it attracted nominations for 54 stallions whose progeny will be eligible for the inaugural \$1 million two-year-old race for VOBIS Sires in 2019 and the \$500,000 race for three-year-olds in 2020.

Super VOBIS attracted in excess of 2500 nominations for the third year in succession when entries closed for

## 2016 ANNUAL REPORT

## CEO's report continued

2014-born foals in February 2016, while the premium VOBIS Gold program continued to reward investors with five-year-olds eligible for the first time.

The second annual Victorian Owners and Breeders Raceday in April 2016 at Caulfield was a success with six VOBIS Gold Premier Races showcasing great locally-bred talent.

Significant enhancements were announced in June 2016 for the 2016-17 racing season with Super VOBIS bonuses on two and three-year-old races increased to record levels, while the VOBIS Gold Premier Race Series will offer in excess of \$3 million in prizemoney and bonuses across 16 races.

## Industry financial strength and optimum infrastructure

### Financial Performance

As outlined within the Chairman's Report, solidifying the financial strength of the industry has been a primary objective of the business to ensure that we are best placed to embark on future strategies and projects to grow Victorian racing.

With a rapidly evolving wagering market providing uncertainties over long-term funding streams and the need for strategic investment in customer facilities and tracks, this year's surplus of \$27.9 million helps strengthen the financial security of the industry.

We can't rest on our laurels though and thus we have embarked on an extensive cost review heading into FY17 to ensure that we have the right structures to maintain the positive financial results.

### Prizemoney

Increasing returns to participants remains a continual goal to underpin the strength of the industry and since 2012 prizemoney in Victoria has increased by 25 per cent thanks to our improved balance sheet.

The 2015-16 racing season saw prizemoney increases of \$16.5 million which were aimed primarily at rewarding participation at the base of the sport and providing owners with the potential for earlier returns.

They included a 25 per cent increase in the minimum prizemoney offered for all country TAB races (excluding 0-58 races) which rose to \$20,000 and non-TABs to \$10,000.

Prizemoney was increased across all maidens – which

represent 33 per cent of the state's TAB races, while the minimum stake for over 70 per cent of metropolitan midweek and standard night races was lifted.

Nine Group 1 races during the feature late summer/early autumn period also enjoyed significant prizemoney injections with the 2016 Australian Cup, Blue Diamond Stakes, Black Caviar Lightning and Australian Guineas all rising by 50 per cent.

Further prizemoney injections were made in June 2016 for the 2016-17 season with stake for the Emirates Stakes (formerly Mackinnon Stakes) at Flemington doubled to \$2 million and a further seven Group 1 races increased to a minimum \$500,000.

### Major projects

One of the objectives of the *Racing For The Future Strategic Plan 2013-16* was the development of key racing centres accessible to each major growth corridor.

A \$5.2 million reconstruction and widening – from 17m to 23m – of the Seymour Racecourse, in the Hume corridor, was one such initiative. Works commenced in October 2015 with racing scheduled to run in November 2016.

Delivering night racing to a third Victoria track was an infrastructure priority that was realised in April 2016 at Racing.com Park (Pakenham). The \$12 million project has serviced both the turf and synthetic tracks to allow night racing from September to May.

A new \$1.3 million CLOPF fibre sand track was opened at the Werribee Racecourse in September 2015. It provides an additional training track for international horses in quarantine at the Werribee International Horse Centre, while assisting to protect the turf course proper for programmed race meetings and jump outs.

A \$1 million upgrade of the Ballarat tie-up stalls and adjoining exercise yard and veterinary block was unveiled in early 2016, while the first boxes of a new \$6.5 million on-course stabling complex for 246 horses at the Cranbourne Training Centre was opened in August 2016.

Other major projects have included the upgrade of sand training tracks at Cranbourne, Bendigo and Hamilton, along with the irrigation systems at the latter two and Swan Hill.

All projects have been achieved with the on-going support of the State Government's Victorian Racing Industry Fund (VRIF).



As part of our commitment to safety, plastic running rail has also been erected at Mansfield meaning that 97 per cent of Victorian race meetings are conducted with the plastic rail in place. Throughout FY17 we will be exploring options to introduce a plastic rail solution for Clubs conducting one meeting a year.

Furthermore, the introduction in FY17 of the GoingStick at Victoria's four metropolitan tracks and at five key regional racing centres is an important enhancement in the capture and dissemination of information on the condition of our tracks.

FY17 will also see the rollout of the Trakus timing equipment across Flemington and Caulfield meetings, after its introduction on-course at Moonee Valley over the past 12 months, with the integration of data into Racing.com a priority. Trakus maps the location, speed and position of each horse offering a platform of graphical and statistical tools to present this information in broadcast and post-race analysis.

### Infrastructure footprint

Racing Victoria has been actively engaged in consultation with the three metropolitan clubs – the Victoria Racing Club (VRC), the Melbourne Racing Club (MRC) and the Moonee Valley Racing Club (MVRC) – to develop a whole-of-industry approach to the long-term planning of the state's metropolitan infrastructure.

To assist in future decision making, an independent business analysis of Victoria's metropolitan racing and training infrastructure was commissioned in 2015 to explore and assess multiple long-term options.

Subsequent to this, Racing Victoria has been consulting with the three metropolitan clubs on how the industry invests in its future resources to ensure that Victorian racing fans and participants are able to experience world-class facilities while enjoying great racing at the best racecourses in the country.

The three metropolitan clubs are at different stages in the progression of their individual master plans and this has formed part of the consultation process which will continue into FY17.

Racing Victoria is seeking to determine what metropolitan footprint and customer facilities can build a better and sustainable Victorian racing industry for future generations of fans and participants.

On the country front, the 2015-16 to 2017-18 Victorian Country Racecourse and Training Facilities Infrastructure Plan, which commits to racing continuing

at each of the state's 62 country racetracks provided they remain safe for participants and engage with their communities, took effect in August 2015.

Racing Victoria, in conjunction with Country Racing Victoria (CRV), continues to work with Clubs in developing sustainable business models in-line with the number of race meetings and other community activities conducted.

### World leading equine welfare

The past 12 months has focused on consolidating initiatives, programs and goals around equine welfare into a strategic plan that provides a defined pathway for the industry over the next 18 months.

The strategic plan was developed following an extensive consultation process with industry stakeholders and external bodies to best understand and address the key issues relating to equine welfare.

Racing Victoria's vision is to be a leader in equine welfare and build a racing culture in which the safety and welfare of the racehorse is paramount to all participants and owners.

We are focused on the welfare of the thoroughbred before, during and after racing and are committed to working with the industry on ensuring that equine welfare is a priority for all.

### Equine Welfare Manager

Raelene Harrison, a legal practitioner specialising in animal ethics and welfare, was appointed to the newly created position of Equine Welfare Manager in June 2016 as one of the first steps in implementing the strategic plan.

Ms Harrison, who owns and rides retired racehorses in her leisure time, is overseeing Racing Victoria's programs and initiatives aimed at protecting the welfare of thoroughbreds, including the successful *Off The Track* program.

### Research Programs

One of the key welfare objectives of the *Racing for the Future Strategic Plan 2013-16* was to develop and implement an equine research plan to promote equine health and wellbeing.

Throughout FY16, Racing Victoria has supported several research projects and after considerable development work we were delighted to announce in





August 2016 a \$5.25 million research project aimed at the early detection and prevention of bone injuries in thoroughbred racehorses.

The tripartite project between Racing Victoria, the University of Melbourne and Victorian State Government is the biggest investment of its kind into equine welfare research in Australia with the findings to help inform trainers of best practice for catastrophic limb injury prevention.

Through the research, which will be completed in 2019, Racing Victoria aims to reduce the rate of raceday fatalities in flat racing from an average 0.051 per cent of starters per season towards 0.00 per cent.

A study by Dr Meredith Flash, which tracked the 2005 Victorian foal crop from birth, was a winner of the Australian Veterinary Association's prestigious Bain Fallon Award in July 2015.

The *'Epidemiology of Thoroughbred Racehorses entering and leaving the Victorian Racing Industry'* research project, which was funded by Racing Victoria, provides valuable statistics about the life cycle of the thoroughbred, and further studies of the 2010 and 2015 foal crops will follow to benchmark trends.

### Before Racing

Racing Victoria has been working closely with Racing Australia to achieve national reforms that enable greater traceability of all thoroughbreds from birth to gain a better understanding of their lifecycle.

We advocated strongly throughout FY16 for new rules that took effect in August 2016 and require breeders to register a foal with the Stud Book within 30 days of its birth and its ownership details within 60 days.

### After Racing

The number of Racing Victoria *Off the Track* acknowledged retrainers has grown from 29 to 40 over the past 12 months and we are committed to further progression into the future.

Under the auspices of our *Off the Track* program, Racing Victoria continued its sponsorship of a number of equestrian events throughout Victoria as an integral part of promoting the virtues of the thoroughbred.

Data collated by Racing Australia in year two of the compulsory national retirement rule, again showed that 90 per cent of retiring horses are rehomed to breeding, pleasure or equestrian industries.

## Best practice integrity assurance

### Drug detection programs

Racing Victoria's goal within the Strategic Plan was to ensure that the reputation of, and confidence in, Victorian racing is protected by the best practice integrity assurance.

In August 2015, with Racing Victoria welcomed the purchase of a new Cobalt-testing machine at the Racing Analytical Services Limited's (RASL) Flemington Laboratory. The \$350,000 project was funded by the Andrews Labor Government, RASL, and the Victorian Racing Industry and has improved efficiency in testing for heavy metal substances.

In the 2015-16 season, prohibited substances were detected in 0.108 per cent of the 12,968 equine samples analysed across raceday and out-of-competition testing. This compares to an average of 0.112 per cent across the previous three years.

Among the detections were a number of samples that were positive to the non-steroidal anti-inflammatory drug Ibuprofen which was proving erratic in its clearance from the system of a small group of horses that were subjected to a particular rehabilitation regime.

Those trainers who, in good faith, had undertaken and received clear elective tests with horses within this rehabilitation group were not charged for the positive detection of Ibuprofen, however the horses were disqualified from the races in question.

The number of stable inspections conducted by the Compliance Assurance Team (CAT), Stewards and Equine Welfare Manager across the 2015-16 season increased by more than a third to 1623.

### The Rules of Racing

Important reforms to the Australian Rules of Racing and Victorian Local Rules of Racing were adopted and/or announced within Victoria over the past 12 months to assist in best maintaining the integrity of the sport and to protect the welfare of the horse.

In September 2015, a new Victorian Local Rule determined that it was an offence for a person who is bound by the Rules of Racing to bet on Victorian racing with a non-approved wagering operator, in particular offshore corporate bookmakers and betting exchanges.



Non-approved wagering operators pay no returns to the industry for the use of our product, nor are they complying with our integrity requirements for information sharing and compliance.

A prohibition on the injection of horses within one clear day of competition was introduced in October 2015, while new rules limiting both backhand and forehand use in flat races to five strikes prior to the 100-metre mark took effect in December 2015.

A lowering of the cobalt threshold in urine from 200 micrograms per litre in urine (Qg/L) to 100 Qg/L in line with all other major international jurisdictions was announced mid-year with effect from 1 September 2016. In addition, a cobalt plasma threshold of 25 Qg/L has been introduced for the first time.

### Intelligence management

Our Intelligence and Case Management System remained central to our Integrity Services and the past 12 months has seen Greyhound Racing Victoria, Harness Racing Victoria and Racing New South Wales adopt the same system.

In the 2015-16 season, 255 investigations, 911 information reports and 334 enquiries were recorded in the system with an Intelligence Analyst helping to support an intelligence-driven approach to the policing of the Rules of Racing.

### Trainer consultation

Racing Victoria, together with the Australian Trainers' Association (ATA), has made communication and consultation with Victoria's 900-strong training base a priority in 2016.

As part of this, a series of trainer consultation sessions were held throughout 2016, the first of which were conducted at Benalla, Bendigo, Mornington and Ballarat in February.

A second round of consultation sessions were held in August at Warrnambool and Cranbourne, with information on the Rules of Racing and broader integrity programs central to the discussions.

### Integrity governance structure

FY16 saw increased information sharing and uniformity between the integrity teams of the state's three racing codes as a forerunner to the Bittar Review into the *'Integrity Structures of the Victorian Racing Industry'* which was handed down in May 2016.

The report recommended the establishment of a new Victorian Racing Integrity Unit (VRIU) to deliver integrity services for the three codes of racing within the next two years.

It also recommended that the appeals and disciplinary system be restructured to remove the appeal to the Victorian Civil and Administrative Tribunal (VCAT) of decisions by Racing Appeals and Disciplinary Board (RADB) and to establish a single cross-code RADB.

Since the announcement, the three codes and Government have commenced discussions on how a three-code integrity unit could work and this will remain a high priority for Racing Victoria throughout FY17.

While there is still much water to flow under the bridge, we are fully committed to the continued development and strengthening of our integrity programs and resources.

## Great people and an inclusive industry

### Female participation

The historic win of Michelle Payne in the Emirates Melbourne Cup generated much publicity and discussion around the role of women in racing. Racing is a sport that allows both genders to compete head-to-head and we are blessed to have a vibrant and growing female participation base in our sport.

At the conclusion of FY16, women represented 23 per cent of jockeys (up from 10 per cent in 2005); 24 per cent of trainers (up from 19 per cent in 2005); and half of our stable employees which includes track riders and stablehands. In addition, 40 per cent of Victorian race clubs were managed by women.

Six of the seven 2016 inductees into Racing Victoria's Apprentice Jockey Training Program were females continuing a recent trend of a greater intake of aspiring female riders.

### Apprentice Jockey Training Program

The Racing Victoria Apprentice Jockey Training Program (AJTP) was guiding 47 apprentices at the end of the 2015-16 racing season, having seen Patrick Moloney, Katelyn Mallyon, Harry Coffey and Thomas Sadler successfully graduate to the senior ranks throughout.



The strength of the AJTP was highlighted during the 2015 Spring Racing Carnival when apprentices Patrick Moloney and Regan Bayliss both gained rides in Group 1 races.

A new monthly TV series on Racing.com titled 'The Jockey Apprentice' began airing in 2016 to showcase the behind the scenes workings of the AJTP and the development of young professional athletes.

Interstate and overseas riding invitations again provided exceptional personal and professional development for a number of Racing Victoria apprentices with the highlight being Ben Thompson's win in the World Apprentice Championships in Abu Dhabi in November 2015.

Separately, a joint review between Racing Victoria, the Victorian Jockeys Association and Australian Trainers Association to consider the most appropriate long-term conditions and terms of employment for apprentice jockeys was announced in June 2016 and remains ongoing.

To ensure an appropriate and healthy work-life balance for apprentice jockeys, whilst furthering their skills and career development as a rider, changes were made effective from the 2016-17 season that precludes them from competing in two meetings on one day.

### People and Culture

The cultural objective for Racing Victoria is to have a high performance team culture which involves empowering "Our People" and embedding diversity and inclusion into the way we think and do business.

The People and Culture department was a critical component of the business and its achievements in FY16, delivering services to employees across Racing Victoria, Country Racing Victoria (CRV), Racing.com and Racing Clubs.

It managed the payroll service for 1500 individuals across Racing Victoria, CRV, Racing.com, Australian Racing Museum, Thoroughbred Racing Productions and 42 Racing Clubs, together with jockey and contractor superannuation and Work Cover payments.

The implementation of the *High Performance Team Culture Survey Action Plan 2015 - 2017* was a focus, together with a key workforce planning project aimed at ensuring that Racing Victoria's workforce is best placed to achieve business objectives.

### Diversity and Inclusion

Racing Victoria launched its *Diversity and Inclusion Strategy* in mid-2015 with a focus on education.

Key achievements under RV's strategy to date include a prayer room and lactation facility; policy introductions including Domestic Violence Support Policy; dedicated website section; the introduction of senior management diversity KPI's; and the delivery of *Blinkers Off!* - Unconscious bias and diversity workshops conducted for all staff in early 2016.

Racing Victoria has also been an active participant in the Elite Sport Male Champion of Change (ESMCC) over the past 12 months. The ESMCC focusses on promoting women's leadership in the management of the sport and gender equality and is focussed on building more diverse and inclusive culture focusing on the inclusion of women.

ESMCC participants include CEO's from Tennis Australia, Basketball, Swimming, Rugby Union, Soccer, AFL clubs and NRL clubs and our participation provides key learnings for the implementation of our strategy both at Racing Victoria and across the broader industry.

### Trainer Wellbeing

The health and wellbeing of the state's 900 trainers and their staff was a key focus following the FY15 appointment of psychologist Kirra Fitzgerald as our Trainer Wellbeing Liaison.

Ongoing mental health support continues to grow with an online platform on [rv.racing.com](http://rv.racing.com) dedicated to trainers called *TrainersPlus* delivering important wellbeing information.

This was supplemented by the creation of a Trainers Handbook that was sent to all Victorian trainers with their 2016 licensing renewals. The handbook contained a range of information to assist trainers and their staff in successfully managing their businesses and their personal health.

The launch of *Trainer Wellbeing Champions* was a focus in 2016, with a group of 21 trainers undertaking training to help them identify and potentially reach out to colleagues that may be struggling with mental health issues.

The Trainer Wellbeing Program was also showcased as part of trainer consultation sessions in six regions across the state in 2016.





## Future Strategy

With the *Racing For the Future Strategic Plan* reaching its conclusion in 2016, the Board and Management have been focused this year on developing our next strategic framework.

Our future vision is "Racing For All". We want more people, more often engaging and enjoying our sport.

To guide Racing Victoria and our decision-making into 2017 and beyond we have developed a strategic framework in which the customer is at the centre of our existence.

Punters, viewers, racegoers and owners are the customers of Victorian racing and they represent the central reason why we conduct our sport.

Our purpose is, through great racing, to provide exceptional value to our customers.

To that end, we will be focused on growing our customer base and deepening their engagement; strengthening our right to exist by investing in equine welfare and integrity; and ensuring that we are providing the best racing to our customers.

Management's planning and goals for FY17 have been underpinned by the principles of the strategic framework and all at Racing Victoria are committed to ensuring a strong and viable future for our sport.

## Acknowledgements

I want to acknowledge all of the Racing Victoria team for their hard work and dedication over the past 12 months.

I have worked with some wonderful people, all whom have shared the common goal of wanting to make Victorian racing the best it can be.

I want to thank the Board for their support of the executive and staff throughout FY16, a year in which the business enjoyed significant growth.

Our Racing Clubs, their staff and volunteers are to be commended for their continued efforts in showcasing and delivering the sport to our customers, both here and abroad.

To racing's valued customers, thank you for your ongoing and enthusiastic support of Victorian racing.

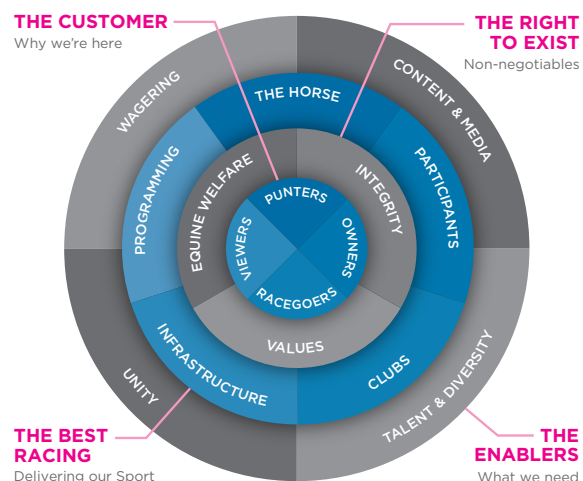
Finally, I want to extend my sincere thanks to the owners, trainers, jockeys, breeders and stable employees who all have made significant contributions to this year's results.

Best wishes for your future in racing and may you always end up in the winner's circle.



Bernard Saundry  
Chief Executive

## The Strategic Framework has four elements:





## Racing snapshot

The 2015-16 racing season is one that will be remembered for many as the year Michelle Payne etched her name into racing's history books.

Payne was a central figure in one of racing's greatest fairytales, piloting Darren Weir's 100-1 shot Prince of Penzance to an emotional victory in Australia's greatest staying race, the \$6.2 million Emirates Melbourne Cup (3200m), with her brother, Stevie, involved as the horse's strapper.

In doing so, Payne became the first female jockey to win the 2015 Emirates Melbourne Cup, inspiring leagues of young riders watching from all corners of the globe.

It was just one of a season full of 'firsts' in Victoria.

New Zealand stayer Mongolian Khan secured trainer Murray Baker and jockey Opie Bosson their maiden win in the world's richest 2400-metre handicap, the 2015 BMW Caulfield Cup, while the all-star combination of Chris Waller and Hugh Bowman were the toast of The Valley after Winx's remarkable victory in the 2015 William Hill Cox Plate (2040m) – the pair's first win in one of the Spring Racing Carnival's three marquee races.

History continued to be made at the 2015-16 Scobie Breasley Medal awards, with jockey Dwayne Dunn

breaking a run of near-misses in the medal for the state's premier rider, taking home the prestigious Scobie Breasley Medal by five votes from Craig Williams.

Williams didn't leave empty handed however, winning his first Roy Higgins Medal, which was inaugurated in 2015 for the winner of the Metropolitan Jockeys' Premiership.

Darren Weir also rewrote the record books, setting a new Commonwealth Training Record after saddling 348 winners across the nation. His efforts saw him take home his first Fred Hoysted Medal, in addition to the Victorian and Metropolitan Trainers' Premiership Awards.

Team Hawkes enjoyed another fruitful season thanks to their all-conquering sprinter Chautauqua, who was named the Victorian Racehorse of the Year on the back of a season that saw him add a further two Group 1 victories – the Manikato Stakes (1200m) and Black Caviar Lightning (1000m) – to his growing tally.

Following is a snapshot of the season, the leading performers and key racing statistics, which demonstrate the impact thoroughbred racing has had across Victoria.

### 2015/16 VICTORIAN THOROUGHBRED RACING AWARDS

Scobie Breasley Medal	<b>Dwayne Dunn</b>
Victorian Racehorse Of The Year	<b>Chautauqua</b>
Fred Hoysted Medal	<b>Darren Weir</b>
Tommy Corrigan Medal	<b>John Allen</b>
Roy Higgins Medal (Metropolitan Jockeys' Premiership)	<b>Craig Williams</b>
Victorian Jockeys' Premiership	<b>Dean Yendall</b>
Metropolitan Apprentices' Premiership	<b>Dylan Dunn</b>
Victorian Apprentices' Premiership	<b>Ben Allen</b>
Metropolitan Trainers' Premiership	<b>Darren Weir</b>
Victorian Trainers' Premiership	<b>Darren Weir</b>
Bert Wolfe Award (Excellence In Media)	<b>Tony Kneebone</b>



## Racing snapshot continued

### 2015/16 PREMIERSHIPS (1 August 2015 to 31 July 2016)

METRO TRAINER	WINS
Darren Weir	106
David Hayes & Tom Dabernig	83
Robert Smerdon	43

METRO JOCKEY	WINS
Craig Williams	70
Dwayne Dunn	66
Damien Oliver	51

METRO APPRENTICE	WINS
Dylan Dunn	33
Michael Dee	31
Jye McNeil	22

STATE TRAINER	WINS
Darren Weir	329
David Hayes & Tom Dabernig	207
Robert Smerdon	100

STATE JOCKEY	WINS
Dean Yendall	162
Damian Lane	121
Brad Rawiller	110

STATE APPRENTICE	WINS
Ben Allen	87
Jye McNeil	68
Michael Dee	65

COUNTRY TRAINER	WINS
Darren Weir	223
David Hayes & Tom Dabernig	124
Robbie Griffiths	74

COUNTRY JOCKEY	WINS
Dean Yendall	150
Jamie Mott	91
Damian Lane	82

COUNTRY APPRENTICE	WINS
Ben Allen	74
Jye McNeil	46
Jordan Childs	46

PICNIC TRAINER	WINS
Barry Goodwin	15
Troy & John Kilgower	10
Rebecca Waymouth	6

PICNIC JOCKEY	WINS
Reece Goodwin	29
Courtney Pace	27
Toby Lake	18

JUMPS TRAINER	WINS
Darren Weir	14
Patrick Payne	10
Eric Musgrove	8

JUMPS JOCKEY	WINS
John Allen	12
Steven Pateman	10
Brad McLean	8




## Racing snapshot continued

## 2015/16 STATISTICS (1 August 2015 to 31 July 2016)

### NUMBER OF MEETINGS CONDUCTED

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Country	403	421	425	420	409	411
Metro	112	108	107	100	109	108
Picnic	31	30	34	34	31	31
Total	546	559	566	554	549	550

### AVERAGE FIELD SIZES

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Country	10.2	9.9	9.8	9.7	9.8	9.9
Metro	10.4	10.5	10.5	11.0	11.0	10.9
Picnic	6.7	5.9	5.9	5.9	6.2	6.8
Total	10.1	9.9	9.7	9.7	9.9	10.0

### PARTICIPANT NUMBERS

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Individual Starters	9020	9010	8957	8749	8780	8827
Individual Trainers	1156	1165	1120	1104	1074	1070
Individual Jockeys	313	318	335	325	330	317

(Note – Country statistics include TAB and non-TAB races)

# 2016 Annual Report

## Directors' report

The directors of Racing Victoria Limited submit herewith the annual financial report of the company for the financial year ended 30 June 2016. In order to comply with the provisions of the Corporations Act 2001, the directors' report as follows:

The names of the directors of the company during or since the end of the financial year are as follows.

<b>David Moodie</b> <b>Chairman</b>	Appointed director 3 December 2009 and Chairman 15 May 2015
<b>Michael Caveny</b> <b>Deputy Chairman</b>	Appointed director 9 December 2010 and Deputy Chairman 7 March 2013 (and previously served as a director from 17 December 2001 until 5 December 2002)
<b>Bryan Gurry</b>	Appointed 4 December 2008
<b>Prue Hayes</b>	Appointed 22 October 2013
<b>Mike Hirst</b>	Appointed 20 October 2015
<b>Mohan Jesudason</b>	Appointed 21 October 2014
<b>Jodie Leonard</b>	Appointed 21 September 2015
<b>Pearse Morgan</b>	Appointed 8 December 2011
<b>Greg Nichols</b>	Appointed 29 November 2012
<b>Barbara Saunders</b>	Appointed 1 December 2005 and retired 20 October 2015
<b>Andrew Twaits</b>	Appointed 22 October 2013
<b>Bernard Saundry</b> <b>(Chief Executive Officer)</b>	Appointed 1 December 2012
<b>Mark Close</b> <b>(Company Secretary)</b>	Appointed 22 May 2008

### SHORT AND LONG TERM OBJECTIVES AND STRATEGY

The consolidated entity's short and long term objectives, specific to Victorian thoroughbred racing, are to:

- a) Provide a centre of excellence;
- b) Provide effective customer service;
- c) Maintain high standards of integrity and welfare for racing generally;
- d) Manage the racing calendar with optimal efficiency;
- e) Encourage high participation levels ;
- f) Optimise economic benefits;
- g) Meet social obligations; and
- h) Maintain independence.

The consolidated entity's strategy for achieving these objectives include to encourage, develop, promote and manage the conduct of the racing of thoroughbred horses in Victoria and to do all things the Board considers to be conducive of doing so.



## Directors' report

### PRINCIPAL ACTIVITIES

The consolidated entity's principal activities in the course of the financial period were the administration of thoroughbred racing in the State of Victoria. These activities have assisted the consolidated entity in achieving its short and long term objectives by enabling it to provide, maintain and maximise:

- (a) **excellence:** Victorian thoroughbred racing is, and is recognised throughout Australia and worldwide as, a centre of racing excellence;
- (b) **service to customers:** Victorian thoroughbred racing competes effectively in the leisure and entertainment markets by providing:
  - (i) excellent service to patrons, punters and other customers; and
  - (ii) provides a source of exciting entertainment for a wide audience.
- (c) **Integrity and welfare:** Victorian thoroughbred racing generally, and race meetings in particular, are managed and conducted to ensure the highest levels of integrity and equine welfare, building continuously on the reputation and integrity of Victorian thoroughbred racing;
- (d) **efficiency:** Victorian thoroughbred racing is managed with optimal efficiency in order to best enable the meeting of the objectives;
- (e) **participation:** Victorian thoroughbred racing is managed to encourage the fullest possible participation in all aspects and at all levels of the Victorian thoroughbred racing industry by the widest range of people, particularly women and young people;
- (f) **economic benefits:** the management of the Company's revenues, costs, assets and liabilities optimises the economic benefits delivered by Victorian thoroughbred racing to all of the Members, stakeholders and participants of the Victorian thoroughbred racing industry, including in particular:
  - (i) the owners of thoroughbred racehorses;
  - (ii) the breeders of thoroughbred racehorses;
  - (iii) other participants and stakeholders in Victorian thoroughbred racing;
  - (iv) the communities in which Victorian thoroughbred racing operates; and
  - (v) the Victorian economy generally.
- (g) **social obligations:** Victorian thoroughbred racing is conducted to ensure that it meets its social obligations to Victoria and the communities in which it operates, including but not only by:
  - (i) promoting Victorian country thoroughbred racing;
  - (ii) encouraging responsible wagering and gaming; and
  - (iii) optimising employment in the Victorian thoroughbred racing industry.
- (h) **independence:** the Company conducts its operations and exercises its powers and functions in a manner which ensures the public confidence in the Company's integrity and independence from any improper external commercial influence.



## Directors' report

### PERFORMANCE MEASURES

The consolidated entity's key performance measures are its share of joint venture net wagering revenue and national turnover on Victorian race fields.

### DIVIDENDS

Under the company's constitution no dividends may be declared or paid.

### REVIEW OF OPERATIONS

The total revenue from operations increased to \$402.712 million (i) in the twelve months to 30 June 2016. The net profit of the consolidated entity for the twelve months to 30 June 2016 was \$28.604 million compared to a profit of \$48.881 million in the prior twelve months.

(i) Refer to page 44 of the financial report for a full breakdown of joint venture and other operating revenue.

### CHANGES IN STATE OF AFFAIRS

In December 2015, Moonee Valley Racing Club became a participant for the purposes of the Racing.com Joint Operation, with a participating interest of 20%. All other participants, including Racing Victoria Limited, reduced their interest from 25% to 20% at this time.

Other than that noted above, there was no significant change in the state of affairs of the consolidated entity during the financial year.

### SUBSEQUENT EVENTS

On 27 July 2016, a Special General Meeting was held where it was unanimously resolved to adopt a new Constitution incorporating a range of amendments primarily relating to a reform of the process for appointing directors. A subsequent meeting of the Industry Body Members held on the same day unanimously resolved to approve the associated variation to their class rights pursuant to section 246B(2)(c)(ii) of the Corporations Act 2001 (Cth).

Other than that noted above, there has not been any matter or circumstance occurring subsequent to the end of the period that has significantly affected or may affect the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in future financial years.

### FUTURE DEVELOPMENTS

Disclosure of information regarding likely developments in the operations of the consolidated entity in future financial periods and the expected results of those operations is likely to result in unreasonable prejudice to the consolidated entity. Accordingly, this information has not been included in this report.

## Directors' report

### DIRECTORS' MEETINGS

The following table sets out the number of directors' meetings (including monthly and special meetings of the board and meetings of the audit committee) held during the financial period and the number of meetings attended by each director (while they were a director or committee member). During the financial year, 11 monthly board meetings, 5 special board meetings and 6 audit committee meetings were held.

Directors	BOARD OF DIRECTORS				AUDIT COMMITTEE	
	No. of Monthly Meetings Held <sup>(*)</sup>	No. of Monthly Meetings Attended	No. of Special Meetings Held <sup>(*)</sup>	No. of Special Meetings Attended	No. of Meetings Held <sup>(*)</sup>	No. of Meetings Attended
David Moodie (Chairman)	11	11	5	5		
Michael Caveny (Deputy Chairman)	11	10	5	5		
Bryan Gurry	11	11	5	5	2	2
Prue Hayes	11	11	5	4		
Mike Hirst	7	7	3	2	4	4
Mohan Jesudason	11	10	5	5	6	6
Jodie Leonard	9	9	3	3		
Pearse Morgan	11	11	5	5	6	6
Greg Nichols	11	11	5	5		
Barbara Saunders	4	4	2	2		
Andrew Twaits	11	11	5	4		
Bernard Saundry (CEO)	11	11	5	5	6	4

(\*) The number of meetings held during the time the directors held office during the 12 months to 30 June 2016.

### INDEMNIFICATION OF OFFICERS AND AUDITORS

During the financial year, the consolidated entity paid a premium in respect of a contract insuring the directors of the consolidated entity, the company secretary and all executive officers of the consolidated entity and of any related body corporate against a liability incurred as such a director, secretary or executive officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The consolidated entity has executed deeds of indemnity in favour of each of the directors. Each of these deeds provides for the consolidated entity to indemnify each director to the maximum extent permitted by law against:

- all liabilities incurred by the director as an officer of the consolidated entity and each subsidiary; and
- all legal costs and expenses arising from proceedings or an investigation incurred by the director as an officer of the consolidated entity or of a subsidiary.

The deeds also give the directors a right of access to board papers for a period of seven years after their retirement and require the consolidated entity to maintain insurance cover for the directors. A director's right of access to board papers is subject to protection of the consolidated entity's legal professional privilege rights and to the director keeping the board papers in confidence.

The consolidated entity has not otherwise, during or since the financial year, indemnified or agreed to indemnify an officer or auditor of the consolidated entity or of any related body corporate against a liability incurred as such an officer or auditor.

## Directors' report

### **AUDITOR'S INDEPENDENCE DECLARATION**

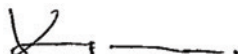
The auditor's independence declaration is included on page 24 of the financial report.

### **ROUNDING OFF OF AMOUNTS**

The company is a company of the kind referred to in Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the directors' report and the financial statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

Signed in accordance with a resolution of the directors made pursuant to s.298(2) of the Corporations Act 2001.

On behalf of the directors



**DAVID MOODIE**

Chairman

Melbourne, 29 September 2016



## Auditor's independence declaration

**Deloitte.**

The Board of Directors  
Racing Victoria Limited  
400 Epsom Road  
Flemington VIC 3031

Deloitte Touche Tohmatsu  
ABN 74 490 121 060

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29 September 2016

Dear Board Members

**Racing Victoria Limited**

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Racing Victoria Limited.

As lead audit partner for the audit of the financial statements of Racing Victoria Limited for the financial year ended 30 June 2016, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

A stylized signature of Deloitte Touche Tohmatsu.

DELOITTE TOUCHE TOHMATSU

A handwritten signature of Don Pasquariello.

Don Pasquariello  
Partner  
Chartered Accountants



## Independent auditor's report

**Deloitte.**

Deloitte Touche Tohmatsu  
ABN 74 490 121 060

550 Bourke Street  
Melbourne VIC 3000  
GPO Box 78  
Melbourne VIC 3001 Australia

DX 111  
Tel: +61 (0) 3 9671 7000  
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### **Independent Auditor's Report to the members of Racing Victoria Limited**

We have audited the accompanying financial report of Racing Victoria Limited, which comprises the consolidated statement of financial position as at 30 June 2016, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity, comprising the company and the entities it controlled at year's end or from time to time during the financial year as set out on pages 10 to 42.

#### *Directors' Responsibility for the Financial Report*

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control, relevant to the entity's preparation of the financial report that gives a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



## Independent auditor's report

### **Deloitte.**

#### *Auditor's Independence Declaration*

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Racing Victoria Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

#### *Opinion*

In our opinion, the financial report of Racing Victoria Limited is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

A handwritten signature in black ink that reads "Deloitte Touche Tohmatsu".

DELOITTE TOUCHE TOHMATSU

A handwritten signature in black ink that reads "Don Pasquariello".

Don Pasquariello  
Partner  
Chartered Accountants  
Melbourne, 29 September 2016



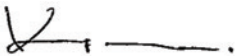
## Directors' declaration

The directors declare that:

- (a) in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- (b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

Signed in accordance with a resolution of the directors made pursuant to s.295(5) of the Corporations Act 2001.

On behalf of the directors



**DAVID MOODIE**

Chairman

Melbourne, 29 September 2016

## Consolidated statement of profit or loss and other comprehensive income

for the year ended 30 June 2016

		30 JUNE 2016	30 JUNE 2015
	NOTE	\$'000	\$'000
Revenue	2(a)	402,712	361,212
Share of profit of associates accounted for using the equity method	8	1,033	1,005
Expenses from ordinary activities	2(b)	(120,678)	(95,482)
<b>Profit from operations before funding</b>		283,067	266,735
Member funding	2(c)	(254,463)	(217,854)
<b>Profit before income tax</b>		28,604	48,881
Income tax expense	1(n)	-	-
<b>Profit for the year</b>		28,604	48,881
Other comprehensive income for the year			
Items that will not be reclassified to profit or loss	18	(730)	1,167
<b>Total comprehensive income for the year</b>		27,874	50,048

Notes to the financial statements are included on pages 32 to 59.

## Consolidated statement of financial position

as at 30 June 2016

		30 JUNE 2016	30 JUNE 2015
	NOTE	\$'000	\$'000
<b>Current Assets</b>			
Cash and cash equivalents	26(a)	74,752	53,889
Trade and other receivables	3	26,122	24,472
Other	4	5,198	7,241
<b>Total Current Assets</b>		106,072	85,602
<b>Non-Current Assets</b>			
Other financial assets	5	3,720	1,148
Property, plant & equipment	6	18,200	18,128
Intangible assets	7	11,139	11,013
Investments accounted for using the equity method	8	7,276	6,243
<b>Total Non-Current Assets</b>		40,335	36,532
<b>Total Assets</b>		<b>146,407</b>	<b>122,134</b>
<b>Current Liabilities</b>			
Trade and other payables	10	25,069	26,760
Borrowings	11	239	1,465
Provisions	12	6,141	6,573
<b>Total Current Liabilities</b>		31,449	34,798
<b>Non-Current Liabilities</b>			
Borrowings	13	36	281
Provisions	14	3,283	3,290
<b>Total Non-Current Liabilities</b>		3,319	3,571
<b>Total Liabilities</b>		<b>34,768</b>	<b>38,369</b>
<b>Net Assets</b>		<b>111,639</b>	<b>83,765</b>
<b>Equity</b>			
Issued capital	15	-	-
Retained earnings	16	111,639	83,765
<b>Total Equity</b>		<b>111,639</b>	<b>83,765</b>

Notes to the financial statements are included on pages 32 to 59.

## Consolidated statement of cash flows

for the year ended 30 June 2016

		30 JUNE 2016	30 JUNE 2015
	NOTE	\$'000	\$'000
<b>Cash flows from operating activities</b>			
Receipts on behalf of wagering activities		368,557	353,673
Payments to and on behalf of members		(238,744)	(241,744)
Payments to suppliers and employees		(166,071)	(92,415)
Interest received		1,592	588
Interest paid		(59)	(127)
Receipts from other activities		64,480	35,031
<b>Net cash generated by operating activities</b>	26(c)	29,755	55,006
<b>Cash flows from investing activities</b>			
Payments for property, plant & equipment		(3,119)	(733)
Payments for intangibles		(953)	(2,152)
Payment for business acquisition	25	-	(8,600)
Receipts from sale of property, plant & equipment		899	38
<b>Net cash used in investing activities</b>		(3,173)	(11,447)
<b>Cash flows from financing activities</b>			
Repayment of borrowings		(1,471)	(599)
Advance – other related entities		(4,248)	-
<b>Net cash used in financing activities</b>		(5,719)	(599)
<b>Net increase/(decrease) in cash held</b>		20,863	42,960
Cash at beginning of financial year		53,889	10,929
<b>Cash at the end of financial year</b>	26(a)	<b>74,752</b>	<b>53,889</b>

Notes to the financial statements are included on pages 32 to 59.



## Consolidated statement of changes in equity

for the year ended 30 June 2016

		Issued capital	Retained earnings	Total
	NOTE	\$,000	\$,000	\$,000
<b>Balance at 1 July 2014</b>		-	33,717	33,717
Profit for the period		-	48,881	48,881
Actuarial gain on defined benefit plans	18	-	1,167	1,167
<b>Balance at 30 June 2015</b>		-	83,765	83,765
<b>Balance at 1 July 2015</b>		-	83,765	83,765
Profit for the period		-	28,604	28,604
Actuarial loss on defined benefit plans	18	-	(730)	(730)
<b>Balance at 30 June 2016</b>		-	111,639	111,639

Notes to the financial statements are included on pages 32 to 59.

## Notes to the financial statements

for the year ended 30 June 2016

### 1. Summary of Accounting Policies

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the consolidated entity consisting of Racing Victoria Limited and its subsidiaries.

#### **Basis of preparation**

##### ***Compliance with Australian Accounting Standards – Reduced Disclosure Requirements***

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, other authoritative pronouncements of the Australian Accounting Standards Board and Interpretations and the Corporations Act 2001.

For the purposes of preparing the consolidated financial statements, the Company is a not-for-profit entity.

The financial statements were authorised for issue by the directors on 29 September 2016.

##### ***Historical cost convention***

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities (including derivative instruments) at fair value through profit or loss, certain classes of property, plant and equipment and investment property.

The company is a company of the kind referred to in Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the directors' report and the financial statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

The financial report has also been prepared in accordance with the terms of various agreements with the Victoria Racing Club, the members (as defined at (i), (ii), (iii) and (iv) below) and the racing industry in Victoria as follows:

#### ***(i) Establishment of Operations***

The consolidated entity was incorporated on 17 December 2001 for the purpose of administering the Victorian thoroughbred racing industry which was previously the responsibility of the Victoria Racing Club (VRC).

On 19 December 2001 the four thoroughbred racing bodies – Victoria Racing Club ("VRC"), Melbourne Racing Club, Moonee Valley Racing Club and Country Racing Victoria (collectively the members) entered into a Members Agreement with the consolidated entity. Under this agreement the members agreed to establish the consolidated entity as the new principal club and governing body for thoroughbred racing in Victoria, to be owned and funded by the members. The VRC agreed to relinquish its status as the principal club and its role as governing body to facilitate the granting to the consolidated entity of that status and role.

#### ***(ii) New Constitution***

On 21 June 2007 the consolidated entity announced that agreement had been reached with its four members (Country Racing Victoria, Melbourne Racing Club, Moonee Valley Racing Club and Victoria Racing Club) in relation to the outcomes of the Victorian Thoroughbred Racing Industry Review.

A number of the outcomes agreed with members related to changes to the consolidated entity's governance and required amendment to the consolidated entity's Constitution.

As a consequence a Special General Meeting was held on 24 September 2007 at which a special resolution was passed to adopt a new Constitution.



## Notes to the financial statements

for the year ended 30 June 2016

### 1. Summary of Accounting Policies (continued)

The principal changes to the Constitution provided that:

- the membership of the consolidated entity be expanded to include Racing Victoria Limited's ten stakeholder bodies subject to those new members satisfying minimum qualification criteria before being eligible to vote;
- a vote of 66.66% be required to pass all resolutions other than a special resolution (which will continue to require a vote of 75%);
- a new independent board be appointed with effect from the close of the 2007 Annual General Meeting; and
- with effect from the 2008 Annual General Meeting directors will be required to retire by rotation and be subject to appointment by direct election of the members in the event of any member nominating candidates in addition to candidates proposed by the consolidated entity's Board.

The new Constitution came into operation on 29 November 2007 being the day upon which the Victorian Government Gazette published a certification by the Minister for Racing that the special resolution had not been disallowed by either House of the Victorian Parliament.

The new Constitution provides that consolidated entity's membership and the associated voting rights are as follows:

- Country Racing Victoria - ten votes;
- Melbourne Racing Club - five votes;
- Moonee Valley Racing Club - five votes;
- Victoria Racing Club - five votes;
- Thoroughbred Racehorse Owners' Association - three votes;
- Thoroughbred Breeders Victoria - two votes;
- Australian Trainers' Association - two votes;
- Victorian Jockeys' Association - one vote;
- Australian Jumping Racing Association and Victorian Bookmakers' Association - one vote exercisable jointly; and
- Australian Services Union, Australian Workers Union, Liquor, Hospitality & Miscellaneous Workers Union and Media and Entertainment Arts Alliance - one vote exercisable jointly.

#### ***(iii) Thoroughbred Racing Industry Revenue and Distributions***

On the 16 August 2012, the racing industry in Victoria entered into new joint venture and information supply agreements with the Tabcorp group of companies. Under a racing industry Deed of Operations executed on 21 December 2011, the thoroughbred, harness and greyhound racing codes have determined arrangements between themselves, including the allocation of joint venture profits and information supply fees.

Wagering income is received by the thoroughbred racing industry in the form of the above joint venture distributions, international distributions and race fields fees (refer Note 2(a)).

Following the adoption of the new constitution on 21 June 2007 (refer Note 1(ii)), the consolidated entity and the clubs agreed to terminate the Members' Agreement as it operated between them and a new club Members' Deed was entered into for the purpose of providing for certain arrangements in relation to the governance of the Tabcorp Joint Venture, the making of grants to the clubs and the re-licensing process.

## Notes to the financial statements

for the year ended 30 June 2016

### 1. Summary of Accounting Policies (continued)

In relation to the consolidated entity making grants to the clubs the following principles apply:

- The consolidated entity will from time to time make grants to participants in the Victorian thoroughbred racing industry for the purpose of encouraging thoroughbred horseracing.
- In making grants, the consolidated entity will seek to:
  - (i) adequately support the objectives of the Victorian thoroughbred racing industry;
  - (ii) provide incentives for club performance and achievements of industry objectives; and
  - (iii) encourage and optimise participation in the ownership of thoroughbred race horses throughout Victoria by maximising returns to owners through statewide prize money strategies and other incentives.
- The clubs further acknowledge that, consistent with the constitution of the consolidated entity, no portion or amount of the income or assets of the consolidated entity may be distributed, paid or transferred directly or indirectly by way of dividend, bonus, or otherwise by way of profit to or amongst the clubs in their capacity as members.

#### (iv) Retained Profits

Under the terms of the Members Agreement net profit and the ongoing retained profits of the consolidated entity cannot be distributed as dividends to the members.

### Significant Accounting Policies

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

#### (a) Borrowings and Borrowing Costs

Borrowings are recorded initially at fair value, net of transaction costs. Subsequent to initial recognition, borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the borrowing using the effective interest rate method.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset form part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

#### (b) Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

#### (c) Employee Benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave, and sick leave when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values, using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of employee benefits which are not expected to be settled within 12 months, are measured as the present value of the estimated future cash outflows to be made by the consolidated entity in respect of services provided by employees up to the reporting date.

## Notes to the financial statements

for the year ended 30 June 2016

### 1. Summary of Accounting Policies (continued)

#### Defined Contribution Plans

Contributions to defined contribution superannuation plans are expensed when incurred.

#### Defined Benefit Plans

For defined benefit superannuation plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each reporting date. Actuarial gains and losses are recognised in full, directly in retained earnings, in the period in which they occur.

Past service is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight line basis over the average period until the benefits become vested.

The defined benefit obligation recognised in the statement of financial position represents the present value of the defined benefit, net of the fair value of the plan assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

#### **(d) Financial Assets**

Investments are recognised and derecognised on trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs except for those financial assets classified as at fair value through profit or loss which are initially measured at fair value.

#### Loans and Receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment interest which is recognised by applying effective interest rates.

#### **(e) Financial Instruments issued by the consolidated entity**

##### Debt and Equity Instruments

Debt and equity instruments are classified as either liabilities or as equity in accordance with the substance of the contractual arrangement.

##### Interest

Interest is classified as an expense consistent with the balance sheet classification of the related debt.

#### **(f) Goods and Services Tax**

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- (i) where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- (ii) for trade receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from or payable to the taxation authority is classified as operating cash flows.

## Notes to the financial statements

for the year ended 30 June 2016

### 1. Summary of Accounting Policies (continued)

#### (g) *Impairment of Other Tangible and Intangible Assets*

At each reporting date, the consolidated entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the consolidated entity estimates the recoverable amount of the cash generating unit to which the asset belongs. Where a reasonable and consistent basis can be identified, corporate assets are also allocated to individual cash generating units, otherwise they are allocated the smallest group of cash generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. Notwithstanding this, value in use is depreciated replacement cost of an asset when the future economic benefits of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where the consolidated entity would, if deprived of the asset, replace its remaining future economic benefits. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior periods. A reversal of an impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### (h) *Intangible Assets*

##### Capitalised Software

Capitalised software is recorded at cost less accumulated amortisation and impairment. Amortisation is charged on a straight line basis over the estimated useful life of the software being five years.

##### Mastheads

Mastheads recognised by the Group have an indefinite useful life and are not amortised. Each period, the useful life of this asset is reviewed to determine whether events and circumstances continue to support an indefinite useful life assessment for the asset. Such assets are tested for impairment in accordance with the policy stated in note 1(g).

##### Domain Names

Domain Names recognised by the Group have an indefinite useful life and are not amortised. Each period, the useful life of this asset is reviewed to determine whether events and circumstances continue to support an indefinite useful life assessment for the asset. Such assets are tested for impairment in accordance with the policy stated in note 1(g).

#### (i) *Leased Assets*

Leased assets are classified as finance leases when terms of the lease transfer substantially all the risks and rewards incidental to ownership of the leased asset to the lessee. All other leases are classified as operating leases.



## Notes to the financial statements

for the year ended 30 June 2016

### 1. Summary of Accounting Policies (continued)

Finance leased assets are amortised on a straight-line basis over the estimated useful life of the asset. Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

#### (j) *Payables*

Trade payables and other accounts payable are recognised when the consolidated entity becomes obliged to make future payments resulting from the purchase of goods and services. Trade and other payables are stated at amortised cost.

#### (k) *Property, Plant and Equipment*

Plant and equipment, buildings and infrastructure capital are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

Depreciation is provided on property, plant and equipment, including freehold buildings but excluding land. Depreciation is calculated on a straight-line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its residual value. Leasehold improvements are depreciated over the period of the lease or estimated useful life; whichever is the shorter, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, with effect of any changes recognised on a prospective basis.

The following estimated useful lives are used in the calculation of depreciation:

Buildings and Improvements	10 to 40 years
Plant and Equipment	2 to 20 years
Infrastructure Capital	5 to 10 years

During the period the consolidated entity undertook the management of projects which are part of the capital infrastructure program. These projects are individually assessed for appropriateness of recognition as assets within the consolidated statement of financial position of the consolidated entity. The key elements for recognition of any capital expenditure as an asset are control and ensuring that future economic benefits will flow to the consolidated entity.

#### (l) *Provisions*

Provisions are recognised when the consolidated entity has a present obligation (legal or constructive) as a result of a past event, it is probable that the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation, the future sacrifice for economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cashflows estimated to settle the present obligation, its carrying amount is the present value of those cashflows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

#### *Accident Insurance Fund*

Prior to 1 September 1985 the Fund was an authorised insurer for the purposes of the Workers Compensation Act 1958. The provision for outstanding claims is disclosed at note 14. The provision is reviewed annually by management having regard for material events impacting the calculation of the provision.

## Notes to the financial statements

for the year ended 30 June 2016

### 1. Summary of Accounting Policies (continued)

#### **(m) Revenue**

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

##### Wagering Revenue

Thoroughbred racing industry revenue is recognised when receivable under the joint venture and information supply agreements with the Tabcorp group of companies.

Race fields revenue is recognised when receivable under the policy applied to all licensed wagering service providers for the publication and use of Victorian thoroughbred race fields.

##### Sale of Goods and Disposal of Assets

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the consolidated entity has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the consolidated entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the consolidated entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### Rendering of Services

Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract. The stage of the contract is determined as follows:

- installation fees are recognised by reference to the stage of completion of the installation, determined as the proportion of the total time expected to install that has elapsed at reporting date;
- servicing fees included in the price of products sold are recognised by reference to the proportion of the total cost of providing the servicing for the product sold, taking into account historical trends in the number of services actually provided on past goods sold; and
- revenue from time and material contracts is recognised at the contractual rates as labour hours are delivered and direct expenses incurred.

##### Contributions of Assets

Revenue arising from the contribution of assets is recognised when the consolidated entity gains control of the contribution or the right to receive the contribution.

##### Interest Revenue

Interest revenue is accrued on a time basis, by reference to the principal outstanding and effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the assets carrying amount.

##### Government Grants

Revenue from government grants relating to the roll out of capital infrastructure programs are recognised in accordance with AASB 1004 "Contributions".

#### **(n) Income Tax**

The consolidated entity is exempt from Income Tax under section 50-45 of the Income Tax Assessment Act.



## Notes to the financial statements

for the year ended 30 June 2016

### 1. Summary of Accounting Policies (continued)

#### (o) *Investments in Associates*

An associate is an entity over which the consolidated entity has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with AASB 5. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of AASB 139 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with AASB 136 'Impairment of Assets' as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with AASB 136 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate, or when the investment is classified as held for sale.

#### (p) *Interests in Joint Operations*

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When a group entity undertakes its activities under joint operations, the Group as a joint operator recognises in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the AASBs applicable to the particular assets, liabilities, revenues and expenses.

## Notes to the financial statements

for the year ended 30 June 2016

### 1. Summary of Accounting Policies (continued)

When a group entity transacts with a joint operation in which a group entity is a joint operator (such as a sale or contribution of assets), the Group is considered to be conducting the transaction with the other parties to the joint operation, and gains and losses resulting from the transactions are recognised in the Group's consolidated financial statements only to the extent of other parties' interests in the joint operation.

When a group entity transacts with a joint operation in which a group entity is a joint operator (such as a purchase of assets), the Group does not recognise its share of the gains and losses until it resells those assets to a third party.

#### **(q) Critical Accounting Judgements and Key Sources of Estimation Uncertainty**

In the application of the consolidated entity's accounting policies, which are described above, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

#### Critical judgements in applying the consolidated entity's accounting policies

Judgements made by management in the application of the consolidated entity's accounting policies that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next period are disclosed, where applicable, in the relevant notes to the financial statements.

Accounting policies are selected and applied in a manner that ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at balance date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

#### Useful lives of Property, Plant & Equipment and Computer Software & Databases

As described in note 1(k), the consolidated entity reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period.

#### **(r) Subsidiaries**

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Racing Victoria Limited ("consolidated entity" or "parent entity") as at 30 June 2016 and the results of all subsidiaries for the period then ended. Racing Victoria Limited and its subsidiaries together are referred to in this financial report as the group or the consolidated entity.

Subsidiaries are all entities (including special purpose entities) over which the consolidated entity has control. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

## Notes to the financial statements

for the year ended 30 June 2016

### 1. Summary of Accounting Policies (continued)

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Racing Victoria Limited established Racing Victoria Media Pty Ltd (a wholly owned subsidiary with a shareholding of one share) on 20 May 2009.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

#### (s) *Parent Entity Financial Information*

The financial information for the parent entity, Racing Victoria Limited, disclosed in note 22 has been prepared on the same basis as the consolidated financial statements.

#### (t) *Business combinations*

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with AASB 112 'Income Taxes' and AASB 119 'Employee Benefits' respectively;

## Notes to the financial statements

for the year ended 30 June 2016

- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with AASB 2 'Share-based Payment' at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with AASB 5 'Non-current Assets Held for Sale and Discontinued Operations' are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another Standard.

Where the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or liability is remeasured at subsequent reporting dates in accordance with AASB 139, or AASB 137 'Provisions, Contingent Liabilities and Contingent Assets', as appropriate, with the corresponding gain or loss being recognised in profit or loss.

Where a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

## Notes to the financial statements

for the year ended 30 June 2016

**(u) Goodwill**

Goodwill arising on an acquisition of a business is carried at cost as established at the date of the acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

**(v) New Accounting Standards and Interpretations**

The consolidated entity has adopted all new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current annual reporting period.

There was no material impact on the financial statements on the application of new and revised accounting standards.

**(w) Comparative amounts**

Certain comparative expense and member funding amounts have been reclassified to accord with the current year's presentation. The reclassification of comparative amounts has not resulted in a change to the aggregate expense or member funding amounts as reported in the prior year financial report.

## Notes to the financial statements

for the year ended 30 June 2016

	30 JUNE 2016	30 JUNE 2015
	\$'000	\$'000
<b>2. Profit from Operations</b>		
<b>(a) Revenue</b>		
Revenue from operations consisted of the following items:		
Joint venture distributions	192,549	205,085
International distributions	7,076	5,872
Race fields	139,914	129,395
Total wagering revenue	339,539	340,352
Media rights	20,152	3,317
Media services	5,290	1,463
Publications	8,948	2,278
Racing	2,618	2,804
Scratching fees	1,220	1,052
VOBIS	4,082	3,910
Racecourse infrastructure program	15,186	1,221
Industry service recoveries	1,680	1,772
Rent received	791	895
Marketing and sponsorship	1,189	956
Interest	1,698	661
Other	319	531
	402,712	361,212



## Notes to the financial statements

for the year ended 30 June 2016

	30 JUNE 2016	30 JUNE 2015
	\$'000	\$'000
<b>2. Profit from Operations (continued)</b>		
<b>(b) Expenses:</b>		
Profit/(loss) has been arrived at after charging the following expenses:		
<u>Wagering</u>		
Joint venture contributions	2,679	3,634
Race fields	-	2,853
Wagering operations	1,124	831
	<u>3,803</u>	<u>7,318</u>
<u>Customer and Commercial</u>		
Media services	8,708	4,970
Publications	5,862	1,631
Photography	358	-
Technology	589	-
Race telecasting	7,863	7,656
Racing.com - digital	3,235	3,937
Racing.com - production	9,961	-
Marketing and promotion	7,279	7,104
Formguide	1,968	1,969
Grants - Australian Racing Museum	600	600
	<u>46,423</u>	<u>27,867</u>
<u>Racing</u>		
Race day services	9,403	9,101
Racing operations	2,638	3,097
	<u>12,041</u>	<u>12,198</u>
<u>Integrity and Welfare</u>		
Integrity services	6,986	5,098
Equine welfare and veterinary	4,977	4,556
	<u>11,963</u>	<u>9,654</u>

## Notes to the financial statements

for the year ended 30 June 2016

	30 JUNE 2016	30 JUNE 2015
	\$'000	\$'000
<b>2. Profit from Operations (continued)</b>		
<b>(b) Expenses:</b>		
<u>Infrastructure</u>		
Infrastructure operations	1,200	1,238
Racecourse infrastructure program	21,829	13,193
	23,029	14,431
<u>Administration and other</u>		
Services and administration	8,618	7,535
Information services	2,056	1,694
Legal	1,937	2,397
Occupancy	1,957	1,857
Fleet costs	809	1,011
Bookmakers development fund	110	160
Depreciation and amortisation	2,889	5,413
Loan discounting	895	-
Interest expense	59	127
Other	4,089	3,404
	23,419	23,598
Total operating expenditure	120,678	95,066
Expenses from ordinary activities include:		
Employee benefits expense	18,281	15,893
Defined benefit superannuation plan expense	259	290
AIF Actuarial Assessment	-	989
Depreciation of non-current assets:		
Property, plant and equipment	2,355	5,084
Amortisation of non-current assets:		
Computer software and databases	924	330
Operating lease rental expenses	26	22
Operating expenses – other related party:		
Australian Racing Museum	600	600

## Notes to the financial statements

for the year ended 30 June 2016

	30 JUNE 2016	30 JUNE 2015
	\$'000	\$'000
<b>2. Profit from Operations (continued)</b>		
<b>(c) Member funding:</b>		
<u>Prize money and VOBIS</u>		
Prize money	165,201	146,247
VOBIS	10,047	9,257
	<u>175,248</u>	<u>155,504</u>
<u>Returns to participants</u>		
Riding fees	11,152	10,215
Jockey workcover	5,534	6,339
Jockey welfare	1,824	1,740
Workforce development	889	837
Other initiatives	136	160
	<u>19,535</u>	<u>19,291</u>
<u>Club funding</u>		
Club funding	15,107	15,352
Track maintenance funding	13,579	12,694
Media rights	19,983	8,542
Wagering funding	11,011	7,308
	<u>59,680</u>	<u>43,896</u>
Total member funding	<u>254,463</u>	<u>218,691</u>

## Notes to the financial statements

for the year ended 30 June 2016

	30 JUNE 2016	30 JUNE 2015
	\$'000	\$'000
<b>3. Current Trade and Other Receivables</b>		
Trade receivables (i)	11,447	8,978
Allowance for doubtful debts (ii)	(89)	(93)
	11,358	8,885
Joint venture fees and indexation receivable	1,554	7,313
Joint venture profit share receivable	7,874	6,278
Media rights receivables	3,283	848
Sundry receivables	2,053	1,148
	26,122	24,472
 (i) The majority of trade receivables arise as a result of transactions with wagering service providers, trainers and racing clubs with credit periods provided at 10 days, 60 days and 30 days respectively. A provision has been made for estimated irrecoverable amounts from these receivables, determined by reference to past default experience.		
 (ii) <i>Reconciliation of doubtful debts</i>		
Allowance for doubtful debts at the beginning of the period	93	99
- Bad debts written off	(23)	(76)
- Movement in allowance account taken to profit and loss	19	70
Allowance for doubtful debts at the end of the period	89	93
<b>4. Other Current Assets</b>		
Prepayments – other	86	2,041
Financial assets – cash deposits	5,112	5,200
	5,198	7,241
<b>5. Other Non-Current Financial Assets</b>		
Superannuation – defined benefit fund (Note 18)	367	1,148
At amortised cost:		
Receivable from Pakenham Racing Club – other related party	3,353	-
	3,720	1,148



## Notes to the financial statements

for the year ended 30 June 2016

### 6. Property, Plant and Equipment

	Buildings	Freehold Land	Infra-structure Capital	Plant & Equipment	Total
	\$,000	\$,000	\$,000	\$,000	\$,000
<b>Gross carrying amount (at cost)</b>					
Balance at the beginning of the period	9,380	3,199	6,400	11,303	30,282
Additions	56	-	-	3,353	3,409
Assets written off	(47)	-	(214)	(2,980)	(3,241)
Balance at the end of the period	9,389	3,199	6,186	11,676	30,450
<b>Accumulated Depreciation</b>					
Balance at the beginning of the period	(2,358)	-	(2,939)	(6,857)	(12,154)
Assets written off	12	-	213	2,034	2,259
Depreciation expense	(267)	-	(601)	(1,487)	(2,355)
Balance at the end of the period	(2,613)	-	(3,327)	(6,310)	(12,250)
<b>Net Book Value</b>					
As at the beginning of the period	7,022	3,199	3,461	4,446	18,128
As at the end of the period	6,775	3,199	2,859	5,366	18,200

	30 JUNE 2016	30 JUNE 2015
	\$'000	\$'000
Aggregate depreciation allocated whether recognised as an expense or capitalised as part of the carrying amount of other assets during the period.		
Buildings	267	264
Infrastructure capital	601	3,373
Plant and equipment	1,487	1,447
	2,355	5,084



## Notes to the financial statements

for the year ended 30 June 2016

### 7. Intangible Assets

	Computer software & databases	Mastheads	Goodwill	Domain name	Total
	\$,000	\$,000	\$,000	\$,000	\$,000
<b>Gross carrying amount (at cost)</b>					
Balance at the beginning of the period	3,156	2,052	6,125	947	12,280
Additions	1,054	-	-	-	1,054
Assets written off	(11)	-	-	-	(11)
Balance at the end of the period	4,199	2,052	6,125	947	13,323
<b>Accumulated Amortisation</b>					
Balance at the beginning of the period	(1,267)	-	-	-	(1,267)
Assets written off	7	-	-	-	7
Amortisation expense	(924)	-	-	-	(924)
Balance at the end of the period	(2,184)	-	-	-	(2,184)
<b>Net Book Value</b>					
As at the beginning of the period	1,889	2,052	6,125	947	11,013
As at the end of the period	2,015	2,052	6,125	947	11,139

### 8. Investments accounted for using the Equity Method

Name of entity	Principal activity	Balance date	Ownership interest 2016	Ownership interest 2015	Carrying amount 2016	Carrying amount 2015
					\$,000	\$,000
Racing Australia Pty Ltd	Racing Information	30/06/16	35%	35%	7,276	6,243

Significant influence is derived over Racing Australia Pty Ltd through the Board's appointment of a nominee director. Pursuant to a shareholder agreement the consolidated entity has the right to cast 33% of the votes at a shareholder meeting.

	30 JUNE 2016	30 JUNE 2015
	\$'000	\$'000
<b>Movements in investments in associates</b>		
At the beginning of the financial period	6,243	5,238
Share of profit	1,033	1,005
At the end of the financial period	7,276	6,243



## Notes to the financial statements

for the year ended 30 June 2016

### 9. Interests in Joint Operations

The consolidated entity has the following significant interests in joint operations:

A 20% share (2015: 25%) in an unincorporated joint arrangement relating to the development and operation of the digital and television platform, Racing.com. In December 2015, Moonee Valley Racing Club became a participant with an interest of 20%. All other participants, including Racing Victoria Limited, reduced their interest from 25% to 20% at this time.

	30 JUNE 2016	30 JUNE 2015
	\$'000	\$'000
<b>10. Current Trade and Other Payables</b>		
<b>Unsecured:</b>		
Trade payables	6,344	6,071
Joint venture payable	1,957	3,883
Prize money accruals	1,169	2,788
Sundry payables	5,154	5,990
Media rights payable	3,774	1,411
Financial liabilities - other	5,112	5,200
GST payable	1,559	1,417
	<u>25,069</u>	<u>26,760</u>

Accruals and payables represent liabilities for goods and services provided to the consolidated entity, prior to the end of the financial period, which are unpaid. Amounts are normally settled within 30 days and are carried at nominal value. Racing Victoria Limited has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

### 11. Current Borrowings

#### Secured at amortised cost:

Motor vehicle hire purchase facility (i) & (ii)	239	1,465
	<u>239</u>	<u>1,465</u>

(i) Secured by a fixed and floating charge over the assets of Racing Victoria Limited.

(ii) During the period there were no defaults or breaches on any of the loans.

### 12. Current Provisions

Employee benefits	6,141	5,573
Media rights	-	1,000
	<u>6,141</u>	<u>6,573</u>

## Notes to the financial statements

for the year ended 30 June 2016

	30 JUNE 2016	30 JUNE 2015
	\$'000	\$'000
<b>13. Non-Current Borrowings</b>		
<b>Secured at amortised cost:</b>		
Motor vehicle hire purchase facility (i) & (ii)	36	281
	36	281
(i) Secured by a fixed and floating charge over the assets of Racing Victoria Limited.		
(ii) During the period there were no defaults or breaches on any of the loans.		
<b>14. Non-Current Provisions</b>		
Accident claims (i) (Note 1(I))	2,952	2,952
Employee benefits	331	338
	3,283	3,290
(i) <i>Accident claims</i>		
Balance at beginning of the period	2,952	1,964
Additional provisions written back	-	988
Balance at end of the period	2,952	2,952
<b>15. Issued Capital</b>		
The entity is a company limited by guarantee. Every member undertakes to and must contribute an amount not exceeding \$10 in the event of the winding up of the entity.		
<b>16. Retained Earnings</b>		
Balance at beginning of financial period	83,765	33,717
Actuarial (losses)/gains	(730)	1,167
Net profit	28,604	48,881
Balance at end of financial period	111,639	83,765

## Notes to the financial statements

for the year ended 30 June 2016

	30 JUNE 2016	30 JUNE 2015
	\$'000	\$'000
<b>17. Commitments for Expenditure</b>		
(a) Non-cancellable operating leases:		
Not later than 1 year	-	18
Later than 1 year but not later than 5 years	-	11
	-	29

Operating leases relate to the leasing of motor vehicles. The term of each individual lease is three years. These lease agreements are not subject to rental adjustments.

(b) Hire Purchase:		
Not later than 1 year	239	1,465
Later than 1 year but not later than 5 years	36	281
	275	1,746

The consolidated entity entered into a hire purchase arrangement to facilitate the replacement of its motor vehicle fleet. The term of each hire purchase is 3 years (2015: 3 years). At the end of each term, the consolidated entity has an obligation to purchase the motor vehicle, which until this time is secured by the title of the asset.

Interest rates underlying all obligations are fixed at 5.65% (2015: 5.65%) per annum.

(c) Other (broadcast contract):		
Not later than 1 year	7,021	7,021
Later than 1 year but not later than 5 years	7,607	14,628
	14,628	21,649

Other relates to the supply of outside broadcasting services to the Victorian Thoroughbred Racing Industry by Thoroughbred Racing Productions (TRP).

- (d) The consolidated entity has undertaken to provide financial support to the Australian Racing Museum to a maximum of \$0.908 million (indexed) for ten years ceasing 2019/20.

## Notes to the financial statements

for the year ended 30 June 2016

### 18. Superannuation Commitments

The employees of the consolidated entity are members of Victorian Racing Industry Superannuation Fund, which also includes employees of the Victoria Racing Club and Country Racing Victoria. The fund has a composition of defined benefit and accumulation membership.

The financial information of the fund disclosed in this report relates to the employees of the consolidated entity.

Under the defined benefit plan, employees are entitled to retirement benefits based on a multiple of their deemed final salary upon attainment of their retirement age of 60. No other post-retirement benefits are provided to these employees.

The defined benefit plans are funded plans. The net surplus determined in the plans most recent financial report, being the annual reports for the financial period ended 30 June 2016, was \$0.367 million (2015: \$1.148 million). The plan actuaries have not recommended that additional contributions beyond the current contribution level be made. Funding recommendations are made by the actuaries based on their forecast of various matters, including future plan assets performance, interest rates and salary increases.

The consolidated entity has a legal liability to make up a deficit in the plans but no legal right to use any surplus in the plans to further its own interests.

	30 JUNE 2016	30 JUNE 2015
	\$'000	\$'000
<i>Amounts recognised in income in respect of the defined benefit plan is as follows:</i>		
Current service cost	296	297
Net Interest	(37)	(7)
Total including employee benefit expense	259	290
Actuarial gains during the period and recognised in the statement of changes in equity	(730)	1,167
Cumulative actuarial gains recognised in the statement of changes in equity	2,395	3,125
<i>The amount included in the statement of financial position arising from the consolidated entity's obligations in respect of its defined benefit plan is as follows:</i>		
Present value of funded defined benefit obligations	(5,023)	(5,012)
Fair value of plan assets	5,390	6,160
Net asset arising from defined benefit obligations	367	1,148

## Notes to the financial statements

for the year ended 30 June 2016

	30 JUNE 2016	30 JUNE 2015
	\$	\$

### 19. Key Management Personnel Remuneration

The aggregate compensation of key management personnel, including directors of the consolidated entity, is set out below:

#### Key management personnel

Short-term employee benefits	2,445,226	2,618,184
Other long-term benefits	154,070	56,951
	<u>2,599,296</u>	<u>2,675,135</u>

#### Non executive directors

Short-term employee benefits	757,898	771,148
Other long-term benefits	(2,738)	(2,549)
	<u>755,160</u>	<u>768,599</u>

### 20. Remuneration of Auditors

Audit of the financial report	102,300	101,300
	<u>102,300</u>	<u>101,300</u>

The auditor of Racing Victoria Limited is Deloitte Touche Tohmatsu.

### 21. Subsidiaries

Details of the consolidated entity's material subsidiaries at the reporting period are as follows:

Name of entity	Country of incorporation	Ownership interest 2016 %	Ownership interest 2015 %
RVL Media Pty Ltd	Australia	100	100

## Notes to the financial statements

for the year ended 30 June 2016

	30 JUNE 2016	30 JUNE 2015
	\$'000	\$'000
<b>22. Parent Entity Financial Information</b>		
<u>Assets</u>		
Current assets	102,193	85,037
Non-current assets	40,335	36,532
Total assets	142,528	121,569
Current liabilities	27,675	34,237
Non-current liabilities	3,319	3,572
Total liabilities	30,994	37,809
<u>Shareholders' equity</u>		
Retained earnings	111,534	83,760
<b>Total equity</b>	111,534	83,760
Profit for the period	28,504	48,462
Total comprehensive income for the period	27,774	49,629

All contingent liabilities of the parent company are consistent with those listed in Note 27 of the consolidated entity.

## 23. Segment Reporting

The consolidated entity operates in the thoroughbred racing industry in the State of Victoria.



## Notes to the financial statements

for the year ended 30 June 2016

### 24. Related Party Disclosures

#### (a) Equity interests in associates and joint arrangements

Details of interests in associates and joint arrangements are disclosed in notes 8 and 9 to the financial statements.

#### (b) Key management personnel compensation

Details of key management personnel compensation including directors are disclosed in note 19 to the financial statements.

#### (c) Transactions with key management personnel

Key management personnel, including certain directors participate in the thoroughbred racing industry via means of ownership of race horses either individually or through related entities. This involvement is on terms and conditions no more favourable than other participants in the thoroughbred racing industry.

#### (d) Other related party disclosures

Transactions with key management personnel and their related entities

The net profit reported in the consolidated statement of profit or loss and other comprehensive income in 2016 includes expenses in relation to activities paid by Racing Victoria Limited on behalf of the Australian Racing Museum Ltd (director related entity) totalling \$0.600 million (2015: \$0.600 million). These expenses were incurred only after approval by the Racing Victoria Limited Board. During the financial period the consolidated entity also provided administrative services to the entity on normal commercial terms and conditions as agreed by the parties.

### 25. Business Combinations

There were no business combinations during the year ended 30 June 2016.

In the prior year on 16 March 2015, Racing Victoria Limited acquired the print publications of Winning Post and Best Bets. Details of the acquisition are as follows:

	30 JUNE 2015
	\$'000
<b>Consideration transferred</b>	
Cash	8,600
	<hr/> 8,600 <hr/>
<b>Assets acquired and liabilities assumed at date of acquisition</b>	
<b><i>Current assets and liabilities</i></b>	
Net other assets and liabilities	423
<b><i>Non-current assets</i></b>	
Masthead - Winning Post	701
Masthead - Best Bets	1,351
Goodwill	6,125
	<hr/> 8,600 <hr/>

## Notes to the financial statements

for the year ended 30 June 2016

	30 JUNE 2016	30 JUNE 2015
	\$'000	\$'000

### 26. Notes to the Statement of Cash Flows

#### (a) Reconciliation of cash

For the purpose of the statement of cash flows, cash and cash equivalents includes cash on hand and in banks and investments, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the financial period as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

Cash at bank	74,752	53,889
--------------	--------	--------

#### (b) Financing facilities

Secured hire purchase facilities, reviewed annually:

- amount used	275	1,746
- amount unused	2,925	1,454
	3,200	3,200

#### (c) Reconciliation of net profit to net cash flows from operating activities

Profit from ordinary activities	28,604	48,881
Share of associates (profit)	(1,032)	(1,005)
Depreciation & amortisation of non-current assets	2,889	5,413
Asset vesting & impairment	87	7,723
Actuarial movement (gain)/loss	50	1,047
Interest income	(106)	(73)
Discounting interest free loan	895	-
Changes in net assets & liabilities:		
(Increase)/decrease in:		
Receivables	(1,545)	3,741
Prepayments	1,955	(1,670)
Increase/(decrease) in:		
Payables	(2,603)	(10,439)
Provisions	561	1,388
Net cash provided by operating activities	29,755	55,006

## Notes to the financial statements

for the year ended 30 June 2016

### 26. Notes to the Statement of Cash Flows (continued)

#### (d) Non-cash transactions

During the current period, the consolidated entity did not enter into any non-cash financing activities which are not reflected in the consolidated statement of cash flows (2015: \$0.065 million).

### 27. Contingent Liability

Under the Deed of Contribution and Indemnity with the Victoria Racing Club, the consolidated entity has indemnified the Victoria Racing Club against any claims against the Victoria Racing Club arising from its previous operation of the thoroughbred racing industry in Victoria.

Racing Victoria Limited has guaranteed a loan facility of Racing Australia Pty Ltd of \$3.594 million (2015: \$4.689 million). This facility has been guaranteed following the acquisition by Racing Australia Pty Ltd of the Australian stud book.

Racing Victoria Limited has guaranteed a loan facility of Pakenham Racing Club Inc. of \$10.000 million (2015: \$10.000 million).

### 28. Subsequent Events

On 27 July 2016, a Special General Meeting was held where it was unanimously resolved to adopt a new Constitution incorporating a range of amendments primarily relating to a reform of the process for appointing directors. A subsequent meeting of the Industry Body Members held on the same day unanimously resolved to approve the associated variation to their class rights pursuant to section 246B(2)(c)(ii) of the Corporations Act 2001 (Cth).

Other than that noted above, there has not been any matter or circumstance occurring subsequent to the end of the period that has significantly affected or may affect the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in future financial periods.

### 29. Additional Consolidated Entity Information

Racing Victoria Limited is a consolidated entity incorporated and operating in Australia.

Principal Registered Office and Principal Place of Business

Racing Victoria Limited

400 Epsom Road

Flemington Victoria 3031

Telephone: (03) 9258 4258

[www.rv.racing.com](http://www.rv.racing.com)

[PUBLIC VERSION]



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Victoria**

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Flemington Victoria 3031  
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IN THE AUSTRALIAN COMPETITION TRIBUNAL

ACT 1 of 2017

**Re:** Application by Tabcorp Holdings Limited under section 95AU of the *Competition and Consumer Act 2010* for an authorisation under subsection 95AT(1) to acquire shares in the capital of a body corporate or to acquire assets of another person

**Applicant:** Tabcorp Holdings Limited


ANNEXURE CERTIFICATE

This is the annexure marked **RAH-7** annexed to the expert report of **Robert Andrew Hines** dated 25 April 2017.

Annexure RAH-7


**Michael Lynch, 'Racing's dispute hits the bottom line', The Age, 22 July 2005**

Filed on behalf of	Australian Competition and Consumer Commission		
Prepared by	Simon Uthmeyer		
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THE AGE

## Racing's dispute hits bottom line

By Michael Lynch

July 22, 2005

Punters confused by the racing television war between TVN and Sky Channel have reacted by keeping their hands in their pockets, according to a top stockbroking analyst.

A report by Macquarie Research on gambling stocks Tabcorp Holdings and Unitab says that both companies can expect "soft wagering figures" in the second half of the financial year 2004-05 when accounts are ruled off.

It claims that growth in NSW has already headed south in May and June.

"The confusion created among punters by two (non-aligned) racing broadcasters . . . has resulted in a reduction in wagering turnover. We understand that total wagering growth in May and June 2005 fell by roughly 1.5 to 2 per cent (compared with the same period in the corresponding year)," the analyst says.

In contrast, says Macquarie, "in the four months preceding this wagering turnover was growing at around 2.5 per cent. This impact only became obvious from the date the Victorian racing clubs joined TVN on 4 May 2005."

According to the study, NSW thoroughbred wagering on meetings broadcast by TVN tumbled in excess of 10 per cent over the last eight weeks of the financial year despite efforts to shore up turnover by increased broadcasts of international racing from Hong Kong and New Zealand and more races being run in country NSW and Western Australia.

"This suggests that a lack of vision on individual race meetings may be disengaging punters altogether . . . the presence of TVN as an independent broadcaster is now starting to hurt TAH (Tabcorp Holdings).

"For that reason we expect TAH may be even more willing to bury the hatchet and return to the table to negotiate content fees. This is consistent with our view that TVN will ultimately act as a broker to a better deal for the racing clubs it represents," the report said. "Assuming TAH ultimately pays content fees to TVN, coupled with the threat of Betfair and delays surrounding pooling in NSW and Victoria, financial year 2005-6 earnings could be impacted by 3 to 5 per cent."

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IN THE AUSTRALIAN COMPETITION TRIBUNAL

ACT 1 of 2017

**Re:** Application by Tabcorp Holdings Limited under section 95AU of the *Competition and Consumer Act 2010* for an authorisation under subsection 95AT(1) to acquire shares in the capital of a body corporate or to acquire assets of another person

**Applicant:** Tabcorp Holdings Limited

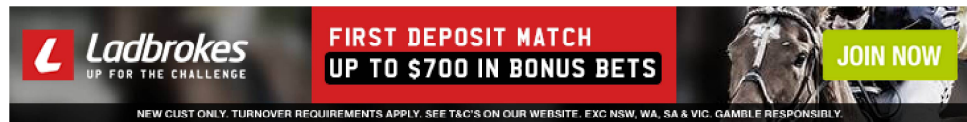
ANNEXURE CERTIFICATE

This is the annexure marked **RAH-8** annexed to the expert report of **Robert Andrew Hines** dated 25 April 2017.

Annexure RAH-8

**Clinton Payne, Racing Victoria delivers its reasons for split with  
NSW over vision rights, racenet, 26 December 2014**

Filed on behalf of	Australian Competition and Consumer Commission		
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Industry

## Racing Victoria delivers its reasons for split with NSW over vision rights


[Clinton Payne](#) - 26 Dec 2014

**Racing Victoria says Racing NSW's involvement on the TVN board was the cause of a "two-year period of disruptive governance" which has ultimately led to the possible demise of TVN.**

"Through the aggregation of NSW country and provincial rights into TVN, Racing NSW was able to secure two spots on a total board of eight. As most decisions of commercial importance required a vote of acceptance by at least seven of the eight, Racing NSW effectively secured negative control over the commercial operations of TVN," an RV release said.

"Furthermore, Racing NSW has a NSW Government-backed authority to veto any media deals for the ATC and NSW metropolitan racing."

It was announced on Boxing Day that the NSW and Victoria racing industries will be separately "responsible for the distribution of its broadcast and digital media rights" leaving TVN's future open to debate.

"RV's understanding is that TVN will continue to operate throughout January 2015 in its current format, providing an extensive broadcast of Victorian racing into homes, pubs and clubs via Channel 522 on FOXTEL and digitally via the Racing Network assets," an RV release said.

"RV will work with the Victorian Clubs to try and ensure the fair and appropriate outcomes for all staff through the transition period."

RV listed 15 points they claim are the sequence of events that has led to Friday's announcement:

1. TVN has been unable to agree to Tabcorp's (Sky Racing's) proposed terms for a new media rights deal, primarily because [TABcorp](#) (Sky Racing) have been seeking to pay TVN less money for more rights. [TABcorp](#) has also sought to impose penalties on the already reduced domestic rights offer if the Victorian industry (i) increased its race fields' fees; (ii) did not grant Tabcorp (Sky Racing) its international media rights; or (iii) increased coverage of its racing on free-to-air television. RV supports the Clubs' decision to not accept Tabcorp's proposed terms;
2. From 19 December, Tabcorp (Sky Racing) decided to reject TVN's revised proposals and as such, not broadcast TVN on Sky Racing channels into home or into pubs and clubs. TVN has been able to ensure wide broadcast of TVN via FOXTEL Channel 522 into homes, Agencies and pubs and clubs that have FOX SPORTS subscriptions; the free availability of TVN on desktop from online sites and racingnsw.com.au and also the free availability on mobile devices via apps;
3. The primary source of income for TVN has been rights fees paid by Sky Racing. During this Sky Racing blackout period, TVN has not been generating revenue from media rights;
4. Throughout 2014, the TVN Board and TVN Executive had been developing alternative strategies for the long term commercialisation of commercial, pay TV and digital rights that did not see Tabcorp having exclusive control of all of Victoria and NSW's media assets;
5. The Victorian thoroughbred racing Industry is supportive of exploring these strategies as it sees the widening of access to live and archive racing vision to more punters and more wagering operators as a core platform for growing our sport;



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6. Racing NSW has been consistent that an exclusive position with Tabcorp on all media rights was their preferred position, and were not convinced as to the veracity of alternative proposals;

7. An example of this misalignment in views was that the TVN Board had previously agreed to the sale of live racing vision to wagering service providers. The Victorian Thoroughbred Racing Industry saw this outcome as a key source of revenue growth for TVN if TVN was forced into agreeing to the reduced terms Tabcorp (Sky Racing) was offering for commercial and pay TV rights. This would also be a key source of revenue for TVN in the Sky Racing blackout period. Racing NSW, however, used its negative veto to block TVN agreeing to a negotiated contract with a leading wagering operator in December 2014;

8. With negative control over all commercial decisions, Racing NSW was effectively able to prevent TVN agreeing to anything other than an exclusive agreement with Tabcorp. The Victorian shareholders were not satisfied this was in the best interests of the Victorian thoroughbred racing industry or the best strategy to grow audience and wagering for the sport;

9. In mid-December 2014, Racing NSW informally offered to RV to agree to a disaggregation of the rights within TVN. RV could not agree to this proposal, as RV is not a shareholder in TVN, and, together with the Victorian Clubs, it was committed to the future of TVN. The Victorian Clubs also believed that the ATC was committed to the future of TVN and to exploring all options for the sale of media rights for NSW metropolitan racing;

10. To be able to continue to fund operations in the Sky Racing blackout period, TVN needed to draw down on available debt with its bankers;

11. To draw down on these funds required all shareholders to sign a debt guarantee to the bank. Victorian shareholders were willing to provide this guarantee and had the support of RV. The Victorian shareholders hoped that with more time, robust alternative proposals could help persuade Racing NSW to change its view, or that Tabcorp (Sky Racing) would improve its offer to commercially acceptable levels;

12. Racing NSW, however, would only allow the ATC to sign a guarantee if all parties agreed to disaggregate the media rights from TVN. This leverage was linked to Racing NSW's legislative right to approve all media arrangements for the ATC;

13. As a result, the ATC could not provide the required debt guarantees to keep all rights aggregated within TVN. The Board of the ATC met on Christmas Eve and resolved to ask the TVN Board for the orderly separation of the TVN business;

14. As a result, the near-term solvency of TVN was put at risk. Combined with the continued detrimental effect of Racing NSW's negative control of commercial outcomes, these factors meant that the Victorian Directors on TVN had no option but to accept this request, and recommend to the shareholders the orderly separation of the media rights, and the appropriate break-up of the TVN business;

15. The TVN Board met late on Christmas Eve and agreed to an orderly separation, and to guarantee the funds required for TVN to operate within this period. It is anticipated that this negotiation will occur throughout January 2015.

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**Clinton Payne - Racing Editor**

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Since 2004, Clinton Payne has been covering major Australian horse racing events, and currently holds the position of Racing Editor for the acclaimed Racenet. Based in Sydney, Clinton travels across the nation to follow his passion and cover all major racing carnivals. Clinton was awarded as the 2006 winner of the George ... [read more](#)

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#### UPCOMING GROUP I RACES

Date	Race Name	Track
06/05/2017	<b>AUSTRALASIAN OAKS</b>	Morphettville
<a href="#">Trainers</a>   <a href="#">Jockeys</a>   <a href="#">Results</a>   <a href="#">Favourites</a>   <a href="#">Barriers</a>   <a href="#">History</a>		
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ACT 1 of 2017

**Re:** Application by Tabcorp Holdings Limited under section 95AU of the *Competition and Consumer Act 2010* for an authorisation under subsection 95AT(1) to acquire shares in the capital of a body corporate or to acquire assets of another person

**Applicant:** Tabcorp Holdings Limited

ANNEXURE CERTIFICATE

This is the annexure marked **RAH-9** annexed to the expert report of **Robert Andrew Hines** dated 25 April 2017.

Annexure RAH-9

**Sporting News, Sky Racing has its say on Racing Victoria's  
30-minute move, 10 February 2016**

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## Sky Racing has its say on Racing Victoria's 30-minute move

[PUBLIC VERSION]

sportingnews.com

Sky Racing will open the Sky Racing 2 (Channel 520) for all Foxtel customers in a bid to limit the impact to punters while Racing Victoria continues its trial of half-hour breaks between races.

Racing Victoria's trial of 30-minute gaps caused multiple clashes with other venues during last Saturday's peak racing period, which prompted Sky to bump Caulfield races to Sky 2.

Sky Racing released a statement noting Victorian TAB turnover was down 2.8 percent on the corresponding meeting last year despite the card enjoying larger field sizes while turnover on other meetings was down 10.3 percent.

Racenet has decided to publish Sky Racing's statement regarding the impact of Racing Victoria's move to extend its trial of 30-minute gaps for another seven days in full to help punters plan their betting on Saturday.

The statement is below.

"Yesterday afternoon, Racing Victoria advised that it would schedule Saturday's Caulfield and Yarra Valley race meetings with 30-minute race gaps as part of an extension of its shorter raceday trial.

"Tabcorp and its racing broadcaster, Sky Racing, fully respect racing's push to innovate and experiment with the raceday experience. However, this must be done with the agreement of the industry nationally where the changes impact on the other states.

"Australian racing leads the world in presenting its customers with a well co-ordinated racing program that optimises customer experience and industry funding. The importance of a co-ordinated national racing schedule should not be taken for granted.

"This decision by Racing Victoria, with minimal notice to the rest of the Australian racing industry, will lead to a situation this Saturday where:

- The country's two feature races - the Apollo Stakes featuring Winx and the Orr Stakes - will be run within five minutes of each other.
- Five Caulfield races will be run within five minutes of Randwick races, which will not only create problems for Sky Racing and punters, but impact free-to-air coverage of Randwick and Caulfield.
- There is significant additional disruption to the racing schedule, which is traditionally synchronised in the interests of the customer and a national approach to racing.

"Sky Racing has been placed in a no-win situation this Saturday where it has to balance obligations to race clubs who expect their meetings to be covered on Sky Racing 1, notwithstanding the Caulfield and Yarra Valley race times.

"Sky Racing will be doing its very best to minimise the significant disruption that punters will experience, which is often challenging in a live racing environment where races can run late due to circumstances beyond the control of the respective clubs. Measures to be taken on Saturday include:

- As a one-off, Sky Racing 2 (Channel 520) will be opened up this weekend and be on the base tier for FOXTEL home viewers.
- Caulfield will be given audio priority over non-metropolitan races in TAB venues in the event that

a Caulfield race is broadcast on Sky Racing 2.

[PUBLIC VERSION]

Turnover on last Saturday's trial of 30-minute race gaps

"Victorian TAB turnover on last Saturday's meeting at Caulfield was down 2.8% on last year, despite stronger field sizes and the meeting being held at Caulfield as opposed to Sandown in 2015. Turnover on other meetings on the day was down 10.3%.

"Around 50 per cent of RV wagering revenue is on non-Victorian thoroughbred racing product. This underlines the importance of interstate racing to the funding of the Victorian industry. RV does not get any payment from corporate bookmakers on interstate races.

"A co-ordinated national racing schedule is essential to optimise industry funding and customer experience, particularly in the retail partner venues."



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ACT 1 of 2017

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**Applicant:** Tabcorp Holdings Limited

ANNEXURE CERTIFICATE

This is the annexure marked **RAH-10** annexed to the expert report of **Robert Andrew Hines** dated 25 April 2017.

Annexure RAH-10

**Rob Burnet, 'AHA signs exclusive deal for TVN broadcasting rights',  
Thoroughbred News, 17 February 2005**

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## Industry



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### AHA signs exclusive deal for TVN broadcasting rights

17 FEB 2005 | BY ROB BURNET

An announcement was made in Melbourne on Thursday that the Australian Hotels Association (AHA) had agreed to an exclusive arrangement to take the ThoroughVision (TVN) thoroughbred stand alone television broadcast from May 4th, 2005.

TVN's broadcast will include all Sydney metropolitan racing from the Australian Jockey Club (AJC) and the Sydney Turf Club (STC) and Victorian metropolitan and country racing.

TVN's stand alone thoroughbred channel will be broadcast into the AHA's members pubs and clubs Australia wide, as well as been available on the FOX digital cable platform for home subscribers.

The agreement between TVN and AHA is for four years, with an option for another four years. It also is for further racing rights that TVN may acquire over that period.

The fee to be paid by AHA to TVN is substantially lower than the present fee paid by AHA members to the SKY Channel broadcaster.

Under the agreement the AHA will be responsible for promoting and selling the Channel to Australian pubs and clubs, and will be recommending its members take up the service as soon as possible.



In a statement on the agreement TVN Chairman, Mr Harold Mitchell, AO, said: "The historic agreement with the AHA represents an endorsement of the TVN Channel and is expected to maximise the penetration of the Channel into Australian pubs and clubs, a key distribution channel for the sport and its wagering.

"ThoroughVision is delighted to work in partnership with the AHA to provide pubs, clubs and their customers with optimum access to the world's best racing. We join with the AHA in recognising the importance of providing the highest quality thoroughbred racing broadcasts.

"Lowering the costs of broadcasts and partnering with the AHA achieves our objective of enabling the largest possible audience to enjoy thoroughbred racing," Mitchell said.

AHA President, Mr John Thorpe, said: "This momentous partnership with TVN is of the utmost significance to our membership, associated clubs and most importantly, their customers.

"It will guarantee excellence of service while reducing costs. Our role will also ensure the availability of the TVN channel to the maximum number of hotels and clubs throughout Australia."

"Our member states' associations and their constituents are very excited about this breakthrough," Thorpe said.

The AHA will work in consultation with the various club's associations to provide the TVN channel. In recognition of the partnership, the AHA and Club's Associations will be offered two TVN board seats

The statement said that over time, TVN intends to acquire the rights to, or provide broadcasts from, other Australian racing clubs.

TVN, owned by Racing Victoria, AJC and STC, has continued its aim of broadcasting a stand alone thoroughbred channel using the media rights of its shareholders. This announcement is another step towards the launch of the channel which will take place on either May 4th, 2005, or earlier if SKY Channel does not continue to carry Sydney metropolitan racing when the latest short term agreement runs out in a week.

The racing industry has belatedly understood that their media rights are a powerful tool for not only earning royalties, but also to prevent the unauthorised use of their intellectual capital such as race fields and industry data.

With SKY Channel reportedly earning \$20 million from the racing industry in its last year under the ownership of the NSW TAB, the thoroughbred industry naturally wanted to renegotiate the fees it was receiving for its product from SKY Channel as contracts fell due. The industry was also keen to move away from the wall to wall punting presentation of the thoroughbred code on SKY Channel as it revamped itself for the new, and younger, crowds it is attracting to carnivals and major race days.

With no agreement reached between TVN and SKY Channel on Sky continuing to pay for a broadcast signal for its wagering channel TVN has continued to position its new channel on a stand alone basis. The financial agreement with AHA announced on Thursday is one further part of the financial building block towards the thoroughbred only channel to shortly commence broadcasting, with the channel expected to break even in its first year of operation.



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23°C

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IN THE AUSTRALIAN COMPETITION TRIBUNAL

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**Applicant:** Tabcorp Holdings Limited

ANNEXURE CERTIFICATE

This is the annexure marked **RAH-11** annexed to the expert report of **Robert Andrew Hines** dated 25 April 2017.

Annexure RAH-11

**Rob Burnet, 'TVN in control of destiny', Thoroughbred News, 4 March 2005**

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### TVN in control of its destiny

04 MAR 2005 | BY ROB BURNET

The ThoroughVision (TVN) broadcasting battle with the former monopoly racing broadcaster SKY Channel, owned by Tabcorp, is playing its way out to a conclusion that leaves the most powerful sector of the Australian thoroughbred industry in control of its own media rights.

At a broad based media briefing in Sydney on Friday TVN chief executive Peter Sweeney, along with other senior Sydney racing executives, set out the essential aspect of the operating TVN thoroughbred only broadcast channel. With an agreement reached on Thursday evening between TVN, SKY Channel and Racing NSW the Sydney metropolitan racing signal will be broadcast by both TVN and SKY until May 3rd, 2005.

The TVN broadcast will continue to be offered to Foxtel digital subscribers on Channel 520 and through the TVN pubs, clubs and TAB outlets already established. The channel is broadcast on the internet through BigPond at [www.horseracing.bigpond.com](http://www.horseracing.bigpond.com).

From May 4th, 2005, all Victorian racing will be broadcast from the TVN broadcast platform and Sweeney said that in essence the signal will be accessible through out Australia except on the Austar and Optus cable cable networks and in NSW TAB agencies.

Sweeney said that it was ironic that Tabcorp had not allowed a rollout of satellite receivers to NSW TAB agencies when all Victorian TAB agencies had receivers from last year and that simply turned on their decoders to receive Sydney racing.

TVN had proposed to Tabcorp's CEO Matthew Slatter in a letter on February 16th asking to be able to negotiate "a fair and equitable rollout" to the NSW TAB agencies and to discuss an interim agreement until May 3rd. To-date TVN had not had a response from Tabcorp.

All of which calls into question Tabcorp's motive when they, like bodies such as Racing NSW, are charged with not performing to the detriment of racing.

Sweeney said that if they received an agreement with Tabcorp within a week they would expect to have all NSW TAB agencies on the service by May 3rd.

The Sydney Turf Club's (STC) chief executive Michael Kenny stated that the STC and Australian Jockey Club (AJC) were very firm in their belief that they, the club's, held their own media rights and not Racing NSW.

"We have legal advice that we do have the power and I have indicated this to Peter V'Landy's," said Kenny referring to Racing NSW's chief executive.

"We share the intellectual property such as weights and fields, but with TV there is no debate," he added.

Racing NSW was due to receive a PWC report on Friday on TVN's business plan as it considered its next move in the process, but Sweeney was not encouraged by the prospect.

"PWC have not spoken to me," he said at mid-day Friday saying that he was due to meet with them at 3.00pm later in the afternoon.

"We have had our business model, in conjunction with Merrill Lynch, in place from June last year so I cannot understand where they have got there information from," he said.

Sweeney made it quite clear that the TVN shareholders (MRC 12.5%, MVRC 12.5%, VRC 12.5% CRV 12.5%, AJC 25% and STC 25%) would protect their positions on any aspect of the building their industry media company. It was clear from the meeting that TVN has legal opinion on the Racing NSW issue, as well as others, that they would not hesitate to test it.

The problem with Australian country potential customers not being able to access TVN's channel through the Austar and Optus cable network's is one that potentially the ACCC might have to consider. SKY presently holds exclusive rights over those networks, but TVN have asked SKY to relinquish the exclusive right. After May 4th SKY will not be able to broadcast Sydney metropolitan and Victorian racing so that have no reason to hold the exclusive right to something they cannot broadcast. Sweeney indicated that he had held talks with the ACCC about the situation.

Sweeney made it clear that TV as a media company was expanding saying that along with Racing NSW he was actively meeting with NSW country and provincial race clubs. He said that he met with the country clubs at Gosford on Thursday and he will have further meeting next week.

He said that even though the country race clubs signed with SKY last year to 2007, and SKY activated an extension clause to extend the provincial clubs on SKY to 2011, Racing NSW had found that the contracts could be wound back to July 1st, 2006. This raises the very real prospect that all of Victorian and NSW racing would be broadcast on TVN within 16 months.

"They understand that it hard to build a product without a premium product," said Sweeney.

"It was a very positive meeting and we are well prepared for the next round of discussions," he added.



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"We believe TVN has a viable business model, we do not want to interfere with SKY.

"We just want to run a dedicated racing service and we will acquire rights as they become available," he said.

Sweeny said that TV had commitments from Queensland and Victorian clubs, UNITAB agencies in Queensland, South Australia and the NT, and commercial rates are been discussed with West Australia.

He indicated that pubs and clubs could expect an overall discount of around 20% across both channels once SKY lowered their charges in line with the amount of racing they would be broadcasting.

All of which calls into question the value of the SKY Channel to Tabcorp whose major focus is casinos and entertainment. As previously reported on ThoroughbredNEWS merchant bank UBS says that SKY Channel will lose \$100 million of value once TVN's role out of Sydney metropolitan and Victorian racing is complete. Should all of NSW racing come onto TVN that value must drop again and that could well prompt action into selling his media division from Slatter, even if only to keep the unforgiving financial markets at bay..

Sweeny opened the door to Slatter who must be considering the rapid turnout against his monopoly wagering company, "If Michael Slatter would call me and discuss an acquisition then we would consider that."

"If Matthew was to consider selling then I would take it to my board.

"However our priority is to roll out TVN," he added.

Sweeny did not turn down the concept of the racing industry going further and buying the entire wagering division out of Tabcorp.

"It is no secret that the Victorian Government is considering the renewal of the (Victorian) licences in 2012 in the next couple of years," he said.

"When the dust settles after this I would not be surprised that we are not working together again, we have distribution and they have wagering

"At the moment our focus is on making TVN a stand alone media company," said Sweeny.

It was clearly a watershed moment on Thursday when Tabcorp blinked and agreed to continue to take the Sydney metropolitan signal at the agreed commercial rate to the club's. The power that TVN's shareholders now have over their own product, their subsequent ability to earn from their own product, and to put that earning power straight back into the industry will be felt for many years to come.

The UBS report states that they estimate in 2004 SKY Channel would have expenses of \$55 million of which \$35 million is paid to the racing clubs as fees and \$20 million covers the cost of running the channel. Their estimated earnings are \$45 million for being the middle man between taking the picture paid for by the clubs and selling it to pubs and clubs.

These figures are for the entire coverage of all racing the SKY broadcasts, but it not hard to determine that a couple of year's investment by TVN into their own media product will pay off handsomely.

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