

Response to the Review of Victorian Sports Betting Regulation

The Victorian Government welcomes the report of the Review of Victorian Sports Betting Regulation conducted by Mr Des Gleeson.

The Government recognises the growing popularity of betting on sport and understands that, for many people, betting enhances enjoyment of the many sports on offer in Victoria.

The Government is concerned, however, that the growth in betting on sport has increased the integrity risks for sports and agrees that these risks, if not properly controlled, have the capacity to undermine public confidence in our sports and their controlling bodies.

The Government shares the view that those offering betting on sporting events should make an appropriate financial contribution to the sports from which they profit. This is particularly important because sports controlling bodies bear the cost of managing the increased integrity risks that betting creates.

In 2007, the Victorian Parliament enacted the *Gaming and Racing Legislation Amendment (Sports Betting) Act 2007*. This Act created Australia's first statutory scheme specifically for sports betting. It was designed to ensure that sports receive a financial benefit from the betting that takes place on their events and that they have the capacity to ensure that the integrity risks created by betting are appropriately managed. It gave sports controlling bodies the capacity to require wagering service providers to enter into agreements that make provision for the fees, if any, to be paid by the betting provider for the use of the sports' product and for sharing information that can be used to identify suspicious betting behaviour.

Given recent growth in sports betting and community concerns about its capacity to undermine the integrity of our sporting events and culture, the Government agrees that it is timely to review how well the statutory scheme is coping with these challenges and whether there are additional measures that can be put in place to enhance the existing arrangements.

The Government welcomes the review's finding that Victoria is a national leader in the regulation of betting on sports. The review states that there is "...overwhelming support for the Victorian sports betting legislation" and that sports controlling bodies see the benefits that "...have accrued to them as a result of the introduction of the legislation...".

The review identifies some improvements that can be made to the regulatory arrangements. The Government will implement all the recommendations made by the review where it has the power to do so and will work with the gambling regulator, other Australian governments, sporting bodies and betting providers to seek the implementation of those recommendations that require action by others.

The Government notes the review's recommendations on the need for a national approach to deal with many of the integrity issues created by betting on sport.

Since Mr Gleeson provided his report to the Government, Australian sports ministers have adopted, on 10 June 2011, a *National Policy on Match-Fixing in Sport*.

This policy commits all Australian governments to pursue nationally consistent legislation to address match-fixing, including a consistent approach to the criminal penalties that should apply where a person has been found guilty of a match-fixing offence.

The policy also commits Australian governments to pursuing nationally consistent legislative arrangements dealing with agreements between sports controlling bodies and betting providers. The Government is pleased to note that these arrangements will be based on the Victorian sports betting legislation; a testament to the fact that our scheme works well and is a suitable model for a national approach.

On behalf of the Government, I would like to thank Mr Gleeson for the thoroughness with which he conducted his review and for his excellent report.

Together with the Minister for Sport and Recreation, I look forward to working with sporting bodies and betting providers to implement Mr Gleeson's recommendations as soon as possible. To this end, we will be inviting representatives of sporting bodies and betting providers to participate in a working party to be convened by the Department of Justice and with representation from Sport and Recreation Victoria and the Victorian Commission for Gambling Regulation. The working party will consider how to best implement the recommendations from the review.

By adopting the enhancements recommended by the review, Victoria will remain at the forefront of ensuring that our sporting heritage and culture is protected, while at the same time allowing those who enjoy a bet on sport to continue to do so.

HON. MICHAEL O'BRIEN MP
Minister for Gaming

Government response to recommendations

Enforcement of existing legislation

Recommendation 1

That the sports controlling bodies be required to provide the Victorian Commission for Gambling Regulation (VCGR) with a list of sports betting providers with whom they have agreements.

*The Government **supports** this recommendation and will work with the Commission to impose an appropriate obligation on betting providers.*

Recommendation 2

That the VCGR prosecute sports betting providers who are offering markets on events for which they have no agreement with the relevant sports controlling body.

*The Government **supports** this recommendation in principle but notes that the decision to prosecute an alleged offence is a matter for the independent regulator and it is not appropriate that the Government interfere with the prosecutorial process.*

Improving integrity assurance

Recommendation 3

That smaller sports be encouraged to consider setting up an integrity body to service their collective integrity needs and enable them to obtain sports controlling body status.

*The Government **supports** this recommendation in principle and will work with sporting bodies to examine ways to improve the capacity of smaller sports to improve their integrity measures.*

Recommendation 4

That the sports controlling bodies be encouraged to share information with each other about their integrity policies and processes in the interests of ensuring best practice.

*The Government **supports** this recommendation and will work with sporting bodies to encourage information sharing.*

Recommendation 5

That the sports controlling bodies, either through the Coalition of Major Professional and Participation Sports (COMPPS) or some other mechanism, consider developing a model code of conduct and guidelines for the conduct of education programs that would act as a minimum standard for all sports.

*The Government **supports** this recommendation and will work with sporting bodies to encourage the development of a code of conduct and guidelines.*

Recommendation 6

That the sports controlling bodies be encouraged to negotiate agreements that include the power to ban betting on contingencies that raise reasonable integrity concerns.

The Government **supports** this recommendation but notes that the content of sports betting agreements is a matter between sports controlling bodies and betting providers.

Suggested legislative amendments

Recommendation 7

That, in the event other Australian jurisdictions move to introduce sports betting legislation, Victoria grants reciprocal rights to out-of-state approved sports controlling bodies and encourages other jurisdictions to do likewise.

*The Government **supports** this recommendation in principle, noting that Australian sports ministers recently agreed to pursue a national approach to sports betting legislation, using the Victorian scheme as a model. Granting reciprocal rights would depend on the legislative approach taken by other jurisdictions in the future.*

Recommendation 8

That the penalty for offering a betting service on a sports betting event without the agreement of the relevant sports controlling body be increased.

*The Government **supports** this recommendation and will introduce legislation into the Parliament to implement the recommendation at the earliest appropriate opportunity.*

Recommendation 9

That the GRA be amended to provide for the VCGR to have an ongoing monitoring role to ensure that sports controlling bodies are applying their integrity policies and processes.

*The Government **supports** this recommendation and will introduce legislation into the Parliament to implement the recommendation at the earliest appropriate opportunity.*

Recommendation 10

That consideration be given to amending the *Gambling Regulation Act 2003* to allow the VCGR to adjudicate if a sports controlling body and a sports betting provider cannot reach agreement on the banning of a particular contingency.

*The Government **supports** this recommendation and will introduce legislation into the Parliament to implement the recommendation at the earliest appropriate opportunity.*

Recommendation 11

That the Department of Justice liaise with Sport and Recreation Victoria in relation to the development of criminal provisions to deter and deal with match-fixing.

*The Government **supports** this recommendation, noting the National Policy on Match-Fixing in Sport recently agreed to by Australian sports ministers.*

Matters requiring national action

Recommendation 12

That the Minister for Gaming place the issue of mirror sports betting legislation on the agenda of the COAG Select Council on Gambling Reform or other appropriate national forum.

*The Government **supports** this recommendation noting the National Policy on Match-Fixing in Sport recently agreed to by Australian sports ministers.*

Recommendation 13

That the Minister place the issue of retention and supply of betting information by sport betting providers on the agenda of the COAG Select Council on Gambling Reform or other appropriate national forum.

*The Government **supports** this recommendation noting the National Policy on Match-Fixing in Sport recently agreed to by Australian sports ministers.*

Recommendation 14

That the Minister place the issue of amending the *Interactive Gambling Act 2001* to remove the ban on internet betting 'in the run' on the agenda of the COAG Select Council on Gambling Reform or other appropriate national forum.

*The Government **supports** a nationally consistent policy position to betting 'in the run' and notes the recent announcement by the Australian Government in response to representations made by states through the COAG Select council on Gambling Reform that it will review the Interactive Gambling Act 2001.*