

## Appendix E

### VICTORIA PUTS TOTE TASMANIA ON NOTICE

From the Minister for Racing

**Saturday, 04 July 2009**

The Brumby Labor Government is considering revoking a tax exemption granted to TOTE Tasmania in order to protect Victorian racing industry revenue, Deputy Premier and Minister for Racing Rob Hulls said today.

Mr Hulls said the Victorian racing industry had expressed concerns over the current pooling arrangements with TOTE Tasmania, and the Government was keen to ensure that Victorian racing industry revenues were not jeopardised by any predatory practices of pooling partners.

He said there was a risk of revenue leakage from Victoria to the jurisdictions of pooling partners who have lower tax rates. This was because of the potential for them to offer rebates and inducements.

"In the absence of any national consensus on wagering regulation, it is critical to ensure that pooling arrangements deliver the best outcomes for Victoria and our fabulous racing industry," Mr Hulls said.

"In the modern wagering market we must take whatever steps are necessary to ensure that interstate wagering providers do not use their access to the Supertab pool to disadvantage Victoria's fantastic racing product."

Wagering tax exemptions are currently provided to interstate and overseas totalisator operators who participate as part of the Supertab pool, based on potential benefits to Victoria and the Victorian racing industry.

Mr Hulls said the Brumby Labor Government had extended the current wagering tax exemption for TOTE Tasmania for a period of two months while advice was sought from TOTE Tasmania as to how the current pooling arrangements were of benefit to Victoria and the Victorian racing industry.

"In the current changing national wagering landscape, the Brumby Labor Government must look to secure the position of our own racing industry," Mr Hulls said.

"The Government is committed to stamping out free riding on Victorian racing, including by wagering service providers in other jurisdictions who seek to gain an unfair advantage through pooling with Victoria.

"If you are not prepared to pay your way, then you will get no favours from Victoria."