



MEDIA RELEASE

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New Zealand Racing Board Welcomes Report on Offshore Betting

New Zealand Racing Board (NZRB) Chair Glenda Hughes has today welcomed the findings of an off-shore betting working group announced by the Minister for Racing, Nathan Guy.

Speaking at the organisations' Annual General Meeting in Petone today, Minister Guy outlined recommendations designed to combat the impact of off-shore betting on racing and sport.

These include the introduction of an offshore bookmaker fee and changes to the Racing Act designed to make NZRB more competitive.

It is estimated that New Zealanders spend with overseas agencies an estimated \$58 million of gross betting revenue (turnover less dividends) from a total turnover of up to \$518 million per year. Further, corporate bookmakers take an estimated \$300 million of betting on New Zealand's domestic racing product.

Hughes says offshore bookies are freeloading on quality New Zealand sport and racing products - they contribute nothing back to our domestic racing industry, they give nothing back to our local communities and pay nothing to the New Zealand Government.

"The purpose of NZRB is to ensure the benefits from betting go to funding sport and racing, but offshore bookmakers erode this return back to the community," says Hughes.

"It is not just for the Government to act, the NZRB also needs to be more competitive, ensure that Kiwis can get the same level of service and product offerings as are available offshore," says Hughes.

In 2013/14, NZRB contributed \$47.5 million in duties, tax and levies to the Government.

NZRB CEO John Allen says the Governments recommendations are pleasing news for an industry that contributes \$1.6 billion to the New Zealand economy and employs more than 17,000 people.

"Racing is facing challenges, but it is an industry that can and will flourish – we just need to act now.

"We are working on a series of projects and innovations designed to make us more competitive, so that we can grow Net Profit for distributions and properly support the racing and sports industries that depend on us."

For the financial year ending 31 July the NZ Racing Board posted a Net Profit of \$144.0 million – an increase of 5.1% on the 2013/14 financial year.

The three racing codes – NZ Thoroughbred Racing, Harness Racing NZ and Greyhound Racing NZ received \$134.2 million in distributions with a further \$10.6m applied to the racing industry from gaming. National Sporting Organisations received \$6.1 million and a record \$2.7 million was paid or provided to other sporting bodies from gaming activities.

ENDS

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