One of the world’s largest telephone bookmaking operations has relocated to Darwin, bringing benefits to the racing industry and the Territory, Minister for Racing, Gaming and Licensing Syd Stirling announced today.

Mr Stirling said Sportingbet Australia Pty Ltd was moving its Vanuatu-based operations to the Fannie Bay Racecourse. Last year, it achieved a turnover of more than A$500m.

Sportingbet Australia Pty Ltd is a subsidiary of the UK publicly listed company Sportingbet (UK) plc.

One of Sydney’s leading rails bookmakers, Michael Sullivan, has also moved his operations to Darwin and will be managing Sportingbet’s racing operations.

"This is great news for Australian and Territory racing, and the Territory generally," Mr Stirling said.

"Sportingbet’s decision to operate in Darwin will create around 40 jobs locally, which is expected to inject more than $1 million into the economy.

"Sportingbet will also be injecting funds into the racing industry by renting space and acquiring other ancillary services at the Fannie Bay course from the Darwin Turf Club for around $150,000 pa.

"The company will also be making a $50,000 grant towards racing industry training."

Mr Stirling said Sportingbet’s move to Darwin also lays to rest concerns that Australian punters were placing large numbers of bets off-shore, when the company had been based in Vanuatu.

"These concerns stem from the loss of tax revenue and industry assistance that flows from Australian-based operators," he said.

"I’m very pleased to see Sportingbet move to Australia where the benefits the business generates will not be lost overseas."

Mr Stirling also announced today that the government would reduce the rate of turnover tax for racing turnover.

"Territory bookmakers have been calling for the Territory’s turnover tax rates to become more competitive for some time," he said.

"From 1 March 2002 a single rate of 0.33 per cent will apply to all bookmakers for their racing turnover. There is no allowance for GST or betbacks unless placed through the NT TAB.

"I’m pleased to be able to deliver this significant boost to the Territory’s racing industry, which will also act as an incentive for new operators."

The new rate will be paid by all of the 11 current bookmakers operating in the Territory and is in line with the lowest equivalent rate paid by bookmakers elsewhere in Australia.

Mr Stirling said Sportingbet had been drawn to the Territory because of its
strong regulatory regime and competitive tax rate. Under the new tax rate, government revenue derived from turnover tax will increase by around $1 million per year as a result of Sportingbet and Michael Sullivan’s relocation to Darwin.

"Today’s announcement is a welcome boost to the local racing industry, which is a major contributor to the Territory’s economy and lifestyle," Mr Stirling said.