The Northern Territory Government is not convinced that an outright prohibition of Bet Exchanges is either feasible or in the best interests of Australian racing, Minister for Racing, Gaming and Licensing Syd Stirling said today.

Mr Stirling, responding to the release of a State and Territory Taskforce report into Bet Exchanges, said like any other industry, the racing industry must keep pace with the latest technologies and recognise customer demand in order to survive and prosper.

"Punters in England and elsewhere are clearly interested in using the Internet to match bets with other punters and the figures here suggest that our punters are no different," Mr Stirling said.

"But having said that, the primary consideration of all jurisdictions must be to protect the Australian racing industry and that means protecting the level of returns to racing from all forms of gambling.

"At this stage, the Northern Territory Government would only consider issuing a bet exchange licence on Australian racing if:

- the issuing of such bet exchange licences is otherwise endorsed by Australian Racing Ministers; or
- another Australian jurisdiction issues a bet exchange licence; or
- we can be satisfied, in liaison with the Australian Racing Board, that the issuing of such a bet exchange licence would lead to an equal or better return to the Australian racing industry.

"However, the Northern Territory Government will reserve our right to issue Bet Exchange licences for Sports betting and overseas racing."

Mr Stirling said the Northern Territory Government had adopted a consistent in-principle approach in relation to the issuing of Bet Exchange licences since the matter was first raised.

"We believe it is an approach that should also be adopted by other jurisdictions," he said.

"The fact is that some very big overseas betting organisations such as Betfair are now beginning to target Australian racing and we cannot expect them to simply go away nor can we expect legislation, Federal or State, to be able to effectively stop their activities in Australia.

"A better approach would be to establish an appropriate regulatory arrangement whereby the integrity of and returns to Australian racing are protected and the Australian punter is protected too."