

10 NOVEMBER 2021

Review of the Racing Regulation Act 2004

DISCUSSION PAPER



Securing the integrity of the Tasmanian racing industry

Invitation to comment

The purpose of this paper is to help you have your say on how we can best improve and strengthen probity and integrity in the Tasmanian racing industry into the future.

The racing industry is an important contributor to the Tasmanian economy, and especially in our regional areas.

Probity and integrity in the racing industry and among its participants is critically important and underpins confidence in racing across all three codes: thoroughbred, harness and greyhounds.

The *Racing Regulation Act 2004* provides for integrity in racing. The Act, when introduced, was a leader in Australia in separating integrity and racing functions.

The Act has not, however, been significantly reviewed since it was enacted.

Racing is undertaken in an environment of increased scrutiny. There have also been new integrity models introduced in other jurisdictions, from which Tasmania can potentially adopt what best suits our racing industry.

Mr Dale Monteith, an independent expert with knowledge of racing will undertake broad consultation with industry, peak groups and the community. He will complete a report and provide recommendations aimed at modernising the Act and our approach to probity and integrity in Tasmania.

This Discussion Paper suggests a potential new framework for racing integrity which retains a separation of integrity functions from Tasracing.

Your feedback on the proposed framework is encouraged and welcome. We want your views on: is the framework fit for purpose? Could the framework be improved? Is there a different integrity framework that could be adopted in Tasmania?

If reforms to support probity and integrity in the racing industry are ultimately supported by Government, there would also be consultation on any changes to the *Racing Regulation Act 2004* and if consequential amendments are required to the *Racing (Tasracing Pty Ltd) Act 2009*.

I am passionate about supporting Tasmanian racing and ensuring that it is underpinned by strong probity and integrity. I encourage you to participate and put your views forward as we progress with the important review of racing integrity in Tasmania.

Jane Howlett MLC
Minister for Racing

How to have your say

The purpose of this paper is to help you have your say on how we can best improve and strengthen the probity and integrity of the Tasmanian racing industry into the future.

The paper provides an overview of the racing industry, how integrity functions are currently managed, key issues and a potential future framework for governance and management of probity and integrity of the Tasmanian racing industry.

The paper invites discussion on the proposed framework.

The framework is not final, and any suggestions put forward that would strengthen probity and integrity will be considered.

You can provide your feedback through:

- Participation in industry consultation session facilitated by Mr. Dale Monteith.
- A submission in writing and submissions which must be received by 5.00 pm on 21 January 2022.

Submissions can be either emailed to: RacingRegulationReview@dipwe.tas.gov.au or posted to Racing Regulation Act Review, DPIPWE GPO Box 44 Hobart, TAS 7001

Consultation sessions

The consultation process is described as:

- The sharing of views on the Discussion Paper.
- Participants given reasonable opportunity to express their views and raise issues.
- The views of participants will be collated and inform the decision process.

The timetable for the consultation process is:

- Release of Consultation paper: November 2021
- Stakeholder engagement : November to 21 January 2022
- Written Submissions close: 21 January 2022
- Independent expert Report to be provided to the Minister no later than 25 February 2022
- Government position on the review released: March/April 2022

The legal information

All submissions will be treated as public information and made available on the Department's website. If you wish for your submission to be treated as confidential, either whole or in part, please note this in writing at the time of making your submission. No personal information other than the name of individual submitters will be disclosed.

The *Right to Information Act 2009* and confidentiality

By law, information provided to the Government may be provided to an applicant under the provisions of the *Right to Information Act 2009* (RTI). If you have indicated that you wish all or part of your submission to be confidential, the statement that details your reasons will be taken into account in determining whether or not to release the information in the event of an RTI application for assessed disclosure.

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PART A – BACKGROUND

The Tasmanian racing industry

Tasmania's racing industry generates more than \$185 million a year in economic activity in Tasmania, particularly benefiting rural and regional areas.

The racing industry in Tasmania consists of three codes: thoroughbred, harness (pacers) and greyhound. The codes refer to the breed and type of animal competing in industry competition.

Racing operations are dispersed throughout Tasmania. Race meetings are conducted by race clubs, which operate as community associations registered under the *Racing Regulation Act 2004* by the Office of Racing Integrity (ORI).

There are fourteen race clubs licensed in Tasmania. All clubs bring important economic and social benefits to their regions. The recent Tasracing report on the size and scope of the Tasmanian racing industry showed there were 5 800 people involved in racing with 63 per cent of in regional communities.

Confidence in the probity and integrity of the racing industry supports engagement with the codes, through industry participation, public attendance at race meets and wagering. Wagering turnover on Tasmanian thoroughbred, harness and greyhound racing is significant (\$799M in FY21).

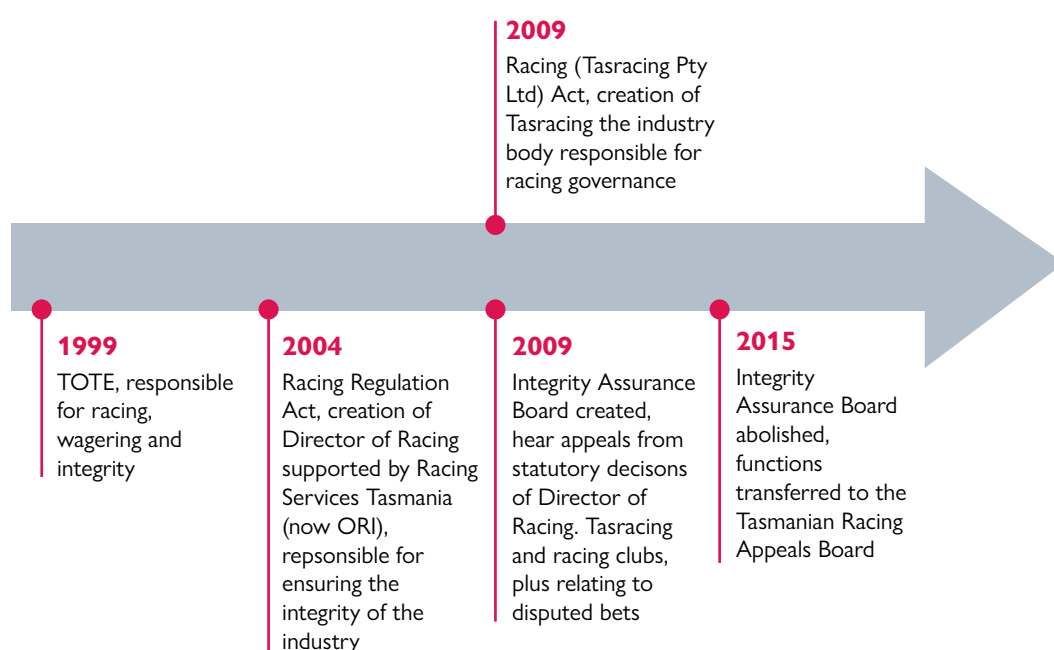
Additional revenue streams to industry include racefield income (\$22.2M, FY21) and Point of Consumption Tax (\$2.57M, FY21). This revenue provides Government and Tasracing the ability to increase returns to participants through prizemoney. Prizemoney returns to industry reached \$24.7M (annualised) in FY21 and therefore it is vital that confidence is maintained in the Tasmanian product by ensuring the ongoing probity and integrity of the racing industry.

Current regulation of the Tasmanian racing industry

History of integrity governance

The *Racing Regulation Act 2004* and *TOTE Tasmania (Racing Regulation) Act 2004* were passed in November 2004. At the time it was noted: “The overarching principle underpinning the restructure is the separation of integrity and commercial functions, with integrity matters to become the responsibility of Racing Services Tasmania. Commercial matters will remain the responsibility of the three code councils and TOTE Tasmania.” Further amendments in 2008 under the *Racing Regulation Amendment (Governance Reform) Act 2008* established Tasracing as an over-arching administrative body for the racing industry. Tasracing took over the governance and administration functions from TOTE Tasmania commencing on 1 January 2009.

Figure 1 – Evolution of the governance of integrity functions of the Tasmanian racing industry



Tasmania, along with Queensland and Western Australia (WA), has one body responsible for the development and regulation of the three codes of racing (also referred to as a tri code body). The other jurisdictions have separate bodies for each code of racing. See below and appendix 1 for a summary for each jurisdiction.

Tasracing

Tasracing is a state-owned company (SOC), established in 2009 under the *Racing (Tasracing Pty Ltd) Act 2009* and the *Corporations Act 2001 (Cth)*. Tasracing has two members, the Treasurer and the Minister for Racing, who hold shares in the company in trust for the Crown. Tasracing provides the strategic direction and funding required to produce quality racing products that meet customer demands in a globally competitive industry.

As a SOC, the Tasracing Board must comply with the *Corporations Act 2001* requirements. Directors have a fiduciary duty, meaning that a director undertakes to act in the interests of the company and not in his or her own interests. Directors must act in good faith, with due care and diligence, avoid conflicts of interest and ensure compliance with financial, consumer and workplace health and safety laws.

In terms of corporate integrity, Tasracing is also obliged to act in accordance with relevant Treasurer's Instructions and the Guidelines for Tasmanian Government Businesses, the governance framework for Government businesses and other Government policies specifically applying to Tasracing, as advised by its members. The *Racing Regulation Act 2004* also has a function to develop a code of conduct to be complied with by Tasracing and its employees (s. 11(1)(r)).

The principal purpose of Tasracing, as outlined in the Members' Statement of Expectations (dated September 2012) is developing a competitive and sustainable racing industry.

The *Racing Regulation Act 2004*, section 11, outlines the specific functions and powers of Tasracing. In summary, the core responsibilities of Tasracing under the Act are:

- the ongoing development of racing and breeding industries in Tasmania;
- providing advice to the Minister and making appropriate policy recommendations for the development of racing;
- the promotion of Tasmanian racing to local, national and international wagering markets;
- the funding of racing clubs;
- race programming;
- management of media rights, racing venues and tracks; and
- management of race day operations, except stewards.

The Act also provides that in the performance of its functions and exercise of its powers under this Act, Tasracing or a representative of Tasracing is to meet with the Director, racing clubs and racing industry associations at least once every three months and report to the Director, racing clubs and racing industry associations the outcomes of those meetings.

Whilst the Racing Regulations Act does not include any specific welfare regulations it does through (s11(1)K) and (s11(11)) of the Act require adherence to the Rules of Racing (both national and local) which encompass welfare requirements. These rules apply to racing and racing participants from a racing and integrity perspective. Tasracing in consultation with industry and the Director of Racing formulates local (state) welfare guidelines and rules based on directions and developments across national and international Principal Racing Authorities to improve the welfare of animals. These guidelines and rules include track maintenance benchmark monitoring, facility safety improvements, stable and kennel specifications, euthanasia rules and retirement rules. Tasracing reports on animal welfare matters in its Annual Report, publishing retirement data for equine and greyhound as well as injury data for greyhounds. Tasracing also undertakes animal welfare activities assisting the retirement of racing animals through its Off the Track and Greyhound Adoption Program.

Director of Racing

The Director of Racing (the Director) is appointed by the Governor. The Director can be a State Service officer or employee.

The Director is a separate entity to Tasracing and is responsible for maintaining the probity and integrity of the thoroughbred, harness and greyhound racing codes in Tasmania.

The Director provides advice to the Minister on racing integrity and related matters and on the making of appropriate policy recommendations for the development of racing.

The Director is supported by ORI. ORI is a Division of the Tasmanian Department of Primary Industries, Parks, Water and Environment (DPIPWE). The Director undertakes statutory functions independent of the Secretary DPIPWE.

The Director of Racing responsibilities include:

- regulating and controlling racing to ensure that it is conducted with integrity
- ensuring that the rules of racing for all codes of racing are properly enforced by stewards
- managing the testing of animals and industry participants for the use of banned substances
- approving registration and granting of licences under the Rules of Racing
- administering, licensing and regulation of the operations of Tasmanian on-course bookmakers
- investigating racing integrity and related matters

The Director/ ORI provide the following services to the Codes:

Thoroughbred Racing	Harness Racing	Greyhound Racing
Stewarding oversight of the code	Stewarding oversight of the code	Stewarding oversight of the code
Licensing of all participants	Handicapping of harness horses	Grading of greyhounds
Ownership change applications	Receive and process all race and trial nominations	Receive and process all race qualifying trial nominations
Registration of racing colours	Conduct eligibility checks	Conduct eligibility checks
Registration of syndicates (note – Tasracing also has a role for syndicates over a certain size)	All field selection and barrier draws	All field selection and box draws
	Produce and distribute race fields and form guides	Produce and distribute race fields
	Receive (or ensure an electronic platform is in place) and distribute scratching information	Receive (or ensure an electronic platform is in place) and distribute scratching information
	Process all race and trial results, stable returns, gear notifications, training notifications, nomination forms, clearances and claiming authorities.	Process all race and trial results, training notification of named greyhounds, nomination forms and any other race related paperwork
	Process all applications relating to licensing and registration of people and animals	Process all applications relating to licensing and registration of people and animals

In terms of animal welfare, national and state rules of racing encompass animal welfare requirements upon the industry and racing participants. The Director of Racing/ORI are responsible for implementing and regulating those rules and policies. At a state level, Tasracing are responsible for the formulation of local welfare rules in consultation with the Director, and involving industry consultation. These guidelines and rules include track maintenance benchmark monitoring, facility safety improvements, stable and kennel specifications, euthanasia rules and retirement rules

The Director has an overarching role to advise the Minister on racing integrity and related matters including policy recommendations appropriate for the development of racing.

In undertaking its regulatory function in respect of animal welfare ORI employs a regulatory veterinarian to advise the Director and to lead on animal welfare matters. ORI's regulatory veterinarian and stewards undertake random checks of industry participants.

As is the case for other sectors and industries, the *Animal Welfare Act 1993* applies to incidents of animal cruelty. The Director and ORI staff work closely with the Chief Veterinary Officer and Biosecurity Tasmania animal welfare inspectors. ORI staff may be appointed as officers under the *Animal Welfare Act 1993*. To support its animal welfare functions ORI has a regulatory veterinarian. ORI's regulatory veterinarian and stewards may undertake random checks of industry participants.

As is the case for other sectors and industries, the *Animal Welfare Act 1993* applies to incidents of animal cruelty. The Director and ORI staff work closely with the Chief Veterinary Officer and Biosecurity Tasmania animal welfare inspectors. ORI staff may be appointed as officers under the *Animal Welfare Act 1993*.

Tasmanian Racing Appeal Board (TRAB)

The TRAB was first constituted in 1983 to adjudicate appeals against certain decisions of the controlling bodies, clubs and stewards for all three codes of racing in Tasmania (thoroughbred, harness and greyhound), as well as appeals in relation to disputed bets.

The TRAB is an independent body established under the *Racing Regulation Act 2004*. In 1999, the Board assumed the additional role of hearing minor appeals, previously heard by the three code controlling bodies. The chairperson and deputy chairpersons are required to be Australian legal practitioners of at least five years' standing.

The TRAB is responsible for the hearing of appeals of specified decisions made by Tasracing, stewards, the Director of Racing or if a person is in dispute with a bookmaker. Most appeals to the Board are brought by jockeys, drivers, trainers and owners, and are against decisions of stewards made under the respective codes' Rules of Racing.

Matters outside the scope of the review

Gaming control

The *Gaming Control Act 1993* provides the legislative framework for the licensing and regulation of gambling in Tasmania. Activities regulated by the Act include sports betting, interactive gaming and wagering, foreign games permits and minor gaming. A key purpose of the Act is to maintain the integrity of gambling in Tasmania. The Act establishes the Tasmanian Liquor and Gaming Commission and provides for the taxation of regulated gambling activities.

Gaming control is outside of scope of this review, except as it relates to administration, licensing and regulation of the operations of Tasmanian on-course bookmakers in accordance with section 7 and (primarily) Part 7 of the *Racing Regulation Act 2004*, and the associated Regulations (Racing (Bookmaker Betting) Regulations 2015, the Racing (Miscellaneous) Regulations 2015 and the Racing (Race Fields) Regulations 2019).

Industry funding

The Government has significantly increased stakes to support the industry and delivered a 19 per cent increase in stakes over three years to February 2021. The Government has committed to an annual increase in stakes across all three racing codes of 16 per cent over four years, including six per cent in 2021-22. Total stakes money across all three racing codes has increased from \$20.75M in early 2018 to an annualised \$24.7 million in the current financial year.

The introduction of a Point of Consumption Tax from 1 January 2020 under a Deed for a term of 3-years provides the racing industry with a new stream of revenue, with 80 per cent of the additional tax to be allocated to the three codes to help fund stakes, infrastructure and animal welfare measures.

A recent review of industry funding was undertaken by the Department of Treasury and Finance *Tasracing Pty Ltd: A Desktop Review of the Costs and Functions of Tasracing*, 2020. The review can be found on the Department of Treasury and Finance website:

Industry funding is therefore outside of scope of this review.

Probity and integrity management in other countries and within Australia

Britain

The British Horseracing Authority (BHA) is responsible for the governance, administration and regulation of horseracing and the wider horseracing industry in Britain. The BHA leads on the development and growth of racing, and prioritises the health and welfare of the sport's participants.

BHA functions include regulation and governance; health, development and growth of the sport; and health and welfare of the sport's horses and people. The BHA is responsible for all aspects of the racing industry in Britain, inclusive of licensing, regulating racecourses, pre and race day functions and management, participant and equine welfare.

The BHA appoints a Judicial Panel Chair to lead and oversee the activities of the Judicial Panel. The Judicial Panel is comprised of a Disciplinary Panel, Licensing Committee and the Appeal Board. Disciplinary Panel and Licensing Committee hearings must be chaired by a legally-qualified member. The Appeal Board comprises legally-qualified chairs and raceday Stewards. A regulatory team is responsible for the preparation, case management and presentation of all cases before the Independent Judicial Panel.

The Greyhound industry in Britain is separately governed by the Greyhound Board of Great Britain. The Board comprises representatives from across the industry, including track promoters, veterinary experts and specially elected owner and trainer representatives. There are also several independent directors who bring vital, wider expertise to the Board. In terms of integrity functions, the Greyhound Regulatory Board (GRB) undertakes regulatory processes, including but not limited to: implementing and managing the Rules of Racing, including investigating any alleged breaches; the licensing of racecourses, trainers, kennel staff and track officials and registration of owners and their racing greyhounds; managing our drug sampling programme and setting standards to safeguard the sport's integrity. There is common representation between the Board and the GRB.

Both of these models integrate racing functions with integrity.

New Zealand

New Zealand has made recent changes to its racing industry, following the Review of the New Zealand Racing Industry (the Messara Report 2018) and the Special Review of the Structure and Efficacy of the Racing Integrity Unit (RIU) and Allied Integrity Bodies (The Burgess Report 2019).

New Zealand restructured its industry with the creation of New Zealand Racing, TAB NZ and the Racing Integrity Board. Industry administrative functions, previously conducted by the Racing Industry Transition Agency (RITA) which operated the New Zealand TAB, became the responsibility of the three racing codes.

The New Zealand *Racing Industry Act 2020* established a Racing Integrity Board which commenced operating on 30 June 2021. The Board "promotes and ensures compliance with high standards of integrity, animal welfare and professionalism by people in the racing industry." Its core functions are: compliance and enforcement with racing rules and regulations; prohibited substances testing for animals and people; raceday veterinary services and monitoring racing code animal welfare policies and initiatives; and adjudicative services.

Integrity officials (including Stipendiary Stewards and Racing Investigators) exercise the functions, duties and powers assigned to them in the rules of Thoroughbred, Harness and Greyhound Racing. The Board is supported by a Chief Executive and staff.

The industry model introduced in New Zealand is similar to the current Tasmanian model, however the Board merges Director of Racing and TRAB functions into one entity.

Australia

Sports

Sport Integrity Australia (SIA) was newly created in 2020, combining the existing functions of the Australian Sports Anti-Doping Authority, the National Integrity of Sport Unit and the nationally focused integrity functions of Sport Australia.

The agency is a non-corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013*. SIA has three primary areas of focus:

- regulation
- monitoring, intelligence and investigations
- policy and program delivery (including engagement, education, outreach and development).

The SIA also functions as Australia's National Anti-Doping Organisation.

SIA provides a single point of contact for athletes, sporting organisations, law enforcement bodies and other stakeholders for matters relating to sports integrity.

In terms of integrity, SIA has developed a National Integrity Framework to mitigate integrity threats to sports and provide a safe, fair and healthy environment for participants at all levels of sport. The Framework includes Complaints, Disputes and Discipline Policy. This policy outlines the procedures for managing, reporting, assessing and determining potential breaches of the integrity policies contained in the Framework. Under this policy, SIA undertakes independent complaint assessment and review processes.

A National Sporting Organisation is required to put in place practices to enable it to manage the application and implementation of the National Integrity Framework. This includes appointing an Integrity Unit or Integrity Manager, and Complaints Manager (as per the Complaints, Disputes and Discipline Policy). It also sets out requirements and responsibilities of the National Sporting Organisation in relation to binding members, volunteers and contractors to the framework, the recruitment of employees, contractors and volunteers, education and promotion of the framework, and reporting policy breaches to Sport Integrity Australia and other agencies.

Racing

Tasmania is one of three jurisdictions, including Queensland and Western Australia (includes wagering), which has one body responsible for the development of the three codes of racing (also referred to as a tri code body).

After the commencement of the *Racing Regulation Act 2004* in Tasmania, two jurisdictions have introduced significant reforms to their legislated integrity model. These changes, in summary, were:

Queensland

In July 2016, the *Racing Integrity Act* in Queensland transfer integrity and animal welfare matters from Racing Queensland (RQ) to the Queensland Racing Commission. The Commission has responsibility for licensing suitable animals and participants for a code of racing; managing the testing of animals or things involved in the racing industry; managing the integrity of race meetings (including stewards); safeguarding the welfare of animals participating in racing; and promoting compliance and integrity by participants. It also provided investigatory powers for integrity breaches.

Victoria

In 2008, after the Lewis Report, the Victorian Government in September 2009, the Racing Legislation Amendment (*Racing Integrity Assurance*) Act 2009 (Vic).

In 2018, the Victorian Racing Integrity Board was created as an independent cross-code integrity Board that oversees the delivery of integrity functions by Racing Victoria, Greyhound Racing Victoria, and Harness Racing Victoria (the three racing controlling bodies). Annual reporting to VRIB is required, including an Annual Integrity Plan. Each of the Codes has a representative on the VRIB Board independent of the Codes Governing bodies.

Victoria has a Racing Integrity Commissioner. The Commissioner is an independent statutory officer, appointed by the Governor in Council. The Commissioner has standalone, independent statutory powers and a broad charter associated with integrity assurance. The Commissioner provides independent oversight of integrity within all three racing codes. An integrity matter as applied to the Commissioner's role is broad and not limited to alleged breaches of the rules of racing or other general matters concerning possible breaches of integrity principles in the racing industry. Integrity related information may include a wide array of behaviours that may or may not be considered criminal or corrupt.

Integrity officials of each controlling body and stipendiary stewards have responsibility for the day to day enforcement of the rules of racing. Stewards are also responsible for investigating and prosecuting participants on charges relating to specified offences.

The Victorian Racing Tribunal has sole responsibility for hearing and determining appeals, serious offence charges or matters referred to it by Harness Racing Victoria, Greyhound Racing Victoria or Racing Victoria (or their Stewards). The Victorian Civil and Administrative Tribunal can review certain decisions. Ultimately, participants can also appeal to the Supreme Court on legal grounds.

Other Jurisdictions

In the ACT there is a Racing and Wagering entity, with a focus on regulating and maintain the integrity of racing. The Northern Territory Racing Commission has responsibility for promoting and maintaining probity and integrity in racing and betting, and the Act is currently under review.

In New South Wales and South Australia, the integrity and administration functions are managed through the racing controlling entities.

Appendix 1 includes a summary of each State and Territories racing integrity legislation.

Issues with the current integrity model

Confidence in the regulation of industry

Tasmanian participants must have confidence and trust in both Tasracing and the Director of Racing/ORI.

To ensure confidence the governance and integrity functions must be best practice. In recent years, there has been concerns raised about animal welfare across the codes highlighted by the 2015 Inquiry into live baiting in the greyhound code

National and state rules of racing apply animal welfare standards for all three Codes of Racing. Tasracing considers welfare outcomes through the implementation of national rules, formulation of local rules of racing, policies and participation in various welfare initiatives at a state and national level. Tasracing's Off the Track (OTT) program, and Greyhound Adoption Program (GAP) are two examples of the many welfare-related activities undertaken by Tasracing.

While Tasracing is responsible for guiding the development of rules and policies in relation to racing animal welfare, the implementation and regulation of these rules and policies is the responsibility of the Director of Racing through the ORI.

Tasracing's Animal Welfare Manager and Greyhound Adoption Manager have no powers stipulated to them under the *Racing Regulation Act 2004* and matters requiring investigation or review in respect of animal welfare are directed to ORI.

Unclear functions and powers

The ORI model is a hybrid, with integrity functions as well as other racing functions split between Tasracing and the Director of Racing. The clearest example of this is the role of each in the management of greyhound, harness and thoroughbred codes.

	Director of Racing	Tasracing
Greyhounds	race nominations, gradings, field selections, box draws and scratchings	
Harness	race nominations, acceptances, field selections, handicapping, barrier draws and scratchings	
Thoroughbred		race nominations, acceptances, field selections, handicapping, barrier draws and scratchings

Stewards are appointed by the Secretary of DPIPWE, pursuant to section 51 of the *Racing Regulation Act 2004*, but the Director of Racing is responsible for the monitoring and controlling racing to ensure that it is undertaken with integrity and ensure that the Rules of Racing for all codes of racing are properly enforced by stewards.

The *Racing Regulation Act 2004* does not stipulate the powers and functions of each entity relating to animal welfare. The Regulatory Veterinarian within ORI is not appointed as a specific statutory position under the Act. The Act also does not specify the relationship between the Director of Racing and the Regulatory Veterinarian and that of the Chief Veterinary Officer. Tasracing's Animal Welfare Manager and Greyhound Adoption Manager have no powers stipulated to them under the Act.

Inefficiencies in the model

There are inefficiencies or duplication of roles in the ORI/Tasracing model as specified under the *Racing Regulation Act 2004*. Some in industry consider some steps in the current process to be a formality, adding little integrity value.

Areas of potential duplication of roles and functions include:

- Tasracing has responsibility under the Act for field controls for thoroughbreds and undertakes race programming.
- ORI has responsibility under the Act for Harness code and Greyhounds code race field creation but Tasracing undertakes race programming.
- Tasracing set licensing and registration standards having regard to recommendations of the Director of Racing. The Director of Racing then has responsibility for the considering and granting of licences.
- The Australian Rules of Racing are applied in Tasmania by the Tasracing Board having regard to the Director of Racing, and in consultation with industry. Tasracing can also draw up its own local rules (also in consultation with industry) and policies. The Director of Racing through the ORI then enforce these rules.
- Track Stewards are employed by Tasracing to oversee training and safety and therefore are not allocated the same powers as Stewards under the Act. For incidents and investigations ORI Stewards must become involved.
- Regulation of Publication of Race Field Information includes powers for Tasracing, with Integrity Conditions applied under s. 54B(2)(a) by the Director of Racing.

Importantly, the Director of Racing advises the Minister for Racing on racing integrity and related matters and making appropriate policy recommendations for the development of racing. Tasracing also has responsibility to provide advice to the Minister and making appropriate policy recommendations for the development of racing. Ultimately the Tasracing Board approves any policy recommendations.

In terms of gaming, other than on-course bookmakers, all gaming and wagering licence holders within Tasmania are regulated under the *Gaming Control Act 1993* and the *TT-Line Gaming Act 1993*. The Tasmanian Gaming Commission (TGC), an independent body established under the Act, is responsible for the regulation of gaming and wagering.

Monitoring of Tasracing and ORI

Under the *Racing Regulation Act 2004* the Director of Racing, as noted, has responsibility for monitoring the administration of racing and ensuring adherence with the Rules of Racing. This broad scope would provide the power to investigate Tasracing or any Club on matters, but this has been seldomly undertaken.

If a person is aggrieved by a decision made by the Director of Racing or Stewards outside of the current rights of appeal to the TRAB, there is no avenue for the participant to progress this except for supreme court proceedings.

It could be argued that there is no formal avenue for an aggrieved person to appeal or challenge a decision made by Tasracing with the exception of the Director of Racing under the *Racing Regulation Act 2004*. However, noting that recourse under the *Public Interest Disclosures Act 2002* and to the Ombudsman Tasmania and the Integrity Commission is available, depending upon the circumstances.

PART B – A PROPOSED FRAMEWORK TO IMPROVE AND STENGTHEN PROBITY AND INTEGRITY

Objectives and principles

The objective of the new framework is, at its simplest, the maintenance of confidence in the racing of animals in Tasmania. It must also ensure the integrity of all persons involved with racing and safeguard the welfare of all animals involved in racing.

The principles of the new framework include:

- All participants in the industry have an obligation to support and meet integrity objectives.
- The separation of the commercial and integrity functions of racing industry regulation will be maintained.
- Governance must be effective and the processes that underpin probity and integrity not duplicative.
- The integrity system must be robust with appropriate education, compliance and enforcement functions, and be easily understood by participants and the community.

Question 1: *Are these principles suitable for an integrity model in Tasmania? What others should apply?*

Tasmanian Racing Integrity Commissioner

It is proposed that the Director of Racing role could be replaced with a new position of Tasmanian Racing Integrity Commissioner (TasRIC).

While the Director of Racing is a statutory role, with specific functions, the role is not specified to be independent.

The Racing Integrity Commission would be authorised to act independently in relation to the performance of their functions, subject to the Act (as amended) and any other laws. This is modelled on how the Auditor-General role is legislated.

The functions of the TasRIC would include:

- Independent oversight of Tasracing and racing Codes.
- Requiring an annual Integrity Plan from Tasracing
- Creation of Integrity Industry Standards
- Regularly review and assess compliance and the integrity of participants and practices in the racing industry, on the Commissioners own initiative or at the request of the Minister
- Undertake at request of Minister or Tasracing or instigate own-motion integrity and animal welfare investigations.
- Advice to the Minister on the Rules of Racing and final approval of Tasracing Board recommended racing rules.

- Audit of integrity process and systems.
- Audit of Clubs governance and finances.
- Promotion of compliance and integrity through the provision of information and education.

Key to this model is the creation of Integrity Industry Standards, which would be mandated for particular aspects of racing, with the Minister empowered to request development of a Standards. It is envisaged that Standards would be required for:

- Licensing for the racing Codes.
- Testing requirements for animals and humans (both in-competition and out of competition).
- Animal welfare inspections (including stable inspections).

The TasRIC would retain some core integrity functions of the Director of Racing, specifically:

- Administering, licensing and regulating the operations of Tasmanian on-course bookmakers.
- Powers to hold an Inquiry (though those powers would be reviewed to ensure they were sufficient to ensure probity and integrity).
- Investigatory powers.
- Warning off notices (stewards to potentially also have this power).
- Show cause notices (stewards to also have this power).
- Undertaking reviews of a persons suitability to be licenced. i.e. a person returning from a period of disqualification or being deemed not a fit and proper person to hold a licence.

As in Victoria, the TasRIC's jurisdiction would not be limited to alleged breaches of the Rules of Racing and would include other general matters concerning possible breaches of integrity principles in the racing industry. Integrity related information may include a wide array of behaviours that may or may not be considered criminal or corrupt. The Commissioner would also be able to disclose integrity related information, as appropriate, to agencies, such as the Tasmanian Integrity Commission.

The TasRIC would be supported by a team to manage its core functions as determined in the final model adopted by Government.

Question 2: *Does the creation of a TasRIC support strengthened integrity?*

Question 3: *Are the proposed powers and functions appropriate?*

Question 4: *What role should the TasRIC have in relation to bookmakers?*

Question 5: *What role should the TasRIC have in relation to animal welfare?*

Question 6: *Should stewards remain under the control of TasRIC?*

Tasracing functions

Under the proposed new framework, there would be one entity responsible for Codes pre-race and on race day.

Tasracing would be responsible for:

- Registration and granting of licences under the Rules of Racing, in-line with any standards established by TasRIC.
- Permitting race meets.
- Current harness handicapping and greyhound grading functions undertaken by the Director of Racing/ORI.

If Stewards were to be embedded with Tasracing, they would undertake these functions:

- Stewards race day functions.
- Managing the testing of animals and industry participants for the use of banned substances.

This is a model used in most other jurisdictions, aside from Queensland. Stewards would continue to have the same powers as under the Racing Regulation Act 2004 and will ensure compliance with the Rules of Racing.

Appeals of Stewards relating to the application of the rules of racing to the TRAB would remain.

Question 7: *What are your views on the proposed revised functions of Tasracing?*

Question 8: *Should any changes be made to TasRacing governance if its functions are changed?*

Question 9: *What role should Tasracing have in relation to animal welfare?*

Question 10: *Should stewards be embedded in Tasracing?*

Tasmanian Racing Appeal Board

Under the proposed new integrity framework, TRAB would remain as the primary mechanism to lodge appeals for specified decisions. TasRIC would support the TRAB, as ORI does now.

Question 11: *What improvements to TRAB powers and functions could be considered to enhance probity and integrity?*

Summary of the Proposed Integrity Framework

Current state		Future State
Integrity Commission TRAB		Integrity Commission TRAB
ORI Licensing Registration Testing animals and humans Animal welfare investigations	Tasracing Racing and breeding Funding of Clubs Management of racing venues and tracks Data on racing form, track conditions	Tasmanian Racing Integrity Commissioner Setting Integrity Standards Integrity Investigations Final approval of Rules of Racing for Tasmania Audit of integrity processes and systems Education on integrity
ORI Greyhound and harness grading Stewards race day management	Tasracing Thoroughbred grading Management of race day operations GAP	Tasracing Funding of Clubs, Racing and Breeding, GAP and OTT

Question 12: *What are your views on the proposed integrity model?*

Question 13: *What improvements could be made to the proposed integrity model?*

QUESTIONS

1. *Are these principles suitable for an integrity model in Tasmania? What others should apply?*
2. *Does the creation of a TasRIC support strengthened integrity?*
3. *Are the proposed powers and functions appropriate?*
4. *What role should the TasRIC have in relation to bookmakers?*
5. *What role should the TasRIC have in relation to animal welfare?*
6. *Should stewards remain under the control of TasRIC?*
7. *What are your views on the proposed revised functions of TasRacing?*
8. *Should any changes be made to TasRacing governance if its functions are changed?*
9. *What role should Tasracing have in relation to animal welfare?*
10. *Should stewards be embedded in Tasracing?*
11. *What improvements to TRAB powers and functions could be considered to enhance probity and integrity?*
12. *What are your views on the proposed integrity model?*
13. *What improvements could be made to the proposed integrity model?*

APPENDIX 1

SUMMARY OF RACING INDUSTRY INTEGRITY STRUCTURES BY JURISDICTION

	VIC	NSW	QLD	SA	ACT	NT	WA	TAS
Integrity and oversight functions	<p>Victorian Racing Integrity Board An independent cross-code integrity board that oversees the delivery of integrity functions by Racing Victoria, Greyhound Racing Victoria, and Harness Racing Victoria (the three racing controlling bodies).</p> <p>The powers and functions of the Board complement those of the controlling bodies, racing stewards and the Racing Integrity Commissioner:</p> <p>Racing Integrity Commissioner Has standalone, independent statutory powers and a broad charter associated with integrity assurance.</p>	<p>The controlling bodies for each code of racing are responsible for integrity services for their code.</p> <p>Racing NSW An independent, autonomous body established under the <i>Thoroughbred Racing Act 1996</i></p> <p>Racing NSW's Investigation and Surveillance Unit works in conjunction with the Racing NSW Stewards Panel to assist stewards in maintaining the integrity of thoroughbred racing.</p> <p>Empowered to investigate any suspected breach of the Rules of Racing and other specified matters.</p> <p>Stewards officiate at all Racing NSW race meetings and official trials.</p>	<p>Queensland Racing Integrity Commission An independent statutory body which oversees the integrity and welfare standards of racing animals and racing participants.</p> <p>Authorised Officers Appointed under the <i>Racing Integrity Act 2016</i> to investigate cases of animal cruelty and to respond to breaches of the <i>Racing Integrity Act 2016</i> and the <i>Racing Act 2002</i>. Authorised officers have investigative powers similar to those given to RSPCA inspectors.</p>	<p>The three codes of racing are governed by separate controlling bodies, each undertaking integrity functions.</p> <p>Racing SA Racing SA's stewards conduct integrity management, race day administration and licensing, and investigations.</p> <p>Harness Racing SA (HRSA) The Board of HRSA oversees the integrity function in harness racing.</p> <p>The Chairman of Stewards is responsible for the administration, enforcement and modification of the Rules of Racing to ensure that the integrity of harness racing is maintained.</p>	<p>ACT Gambling and Racing Commission An independent body established under section 5 of the <i>Gambling and Racing Control Act 1999</i>. Its function includes regulating racing (harness and thoroughbred) and investigating and conducting inquiries into issues and activities of persons in relation to racing related matters.</p> <p>Canberra Racing Club Principal racing authority responsible for management and administration of thoroughbred racing. Promotes the integrity of racing by focusing on proactive engagement</p>	<p>Northern Territory Racing Commission Established under the <i>Racing and Betting Act 1983</i> with responsibility for promoting and maintaining probity and integrity in racing and betting. The commission also conducts investigations into the operation of bookmakers and deals with disputes.</p> <p>Thoroughbred and greyhound racing make up the racing sector in the NT and are governed by separate bodies.</p> <p>Racing Appeals Tribunal Conducts appeals of substance from persons aggrieved by a decision of a steward or an official of a race club.</p>	<p>Racing and Wagering Western Australia Established as the controlling authority for thoroughbred, harness and greyhound racing.</p> <p>RWVWA's charter under the <i>Racing and Wagering Western Australia Act 2003</i> includes responsibility for regulating and maintaining the integrity of lawful racing.</p> <p>Racing Penalties Appeal Tribunal An impartial judicial forum for the hearing of appeals against RWVWA determinations, created to maintain industry confidence in the enforcement of the various racing rules.</p>	<p>Office of Racing Integrity Responsible for maintaining the probity and integrity of the three racing codes. On behalf of the Director of Racing, administrators, licenses and regulates the operations of on-course bookmakers in accordance with s 6 & 7 of the <i>Racing Regulation Act 2004</i>.</p> <p>Director of Racing Statutory officer responsible for regulating and controlling racing to ensure that it is conducted with integrity. Advises the Minister on racing integrity and related matters.</p>

SUMMARY OF RACING INDUSTRY INTEGRITY STRUCTURES BY JURISDICTION continued

	VIC	NSW	QLD	SA	ACT	NT	WA	TAS	
Integrity and oversight functions	<p>Provides independent oversight of integrity within all three racing codes.</p> <p>Integrity officials of each controlling body and stipendiary stewards</p> <p>Responsibility for the day to day enforcement of the rules of racing.</p> <p>Stewards are also responsible for investigating and prosecuting participants on charges relating to specified offences.</p> <p>Victorian Racing Tribunal</p> <p>A quasi-judicial body completely independent of the controlling bodies of the racing codes.</p> <p>Hears matters under the rules of racing of all three racing codes.</p>	<p>They also attend track work, conduct track and stable inspections, administer drug testing operations, address safety issues and ensure the integrity of racing by conducting inquiries into race rides, horse health, wagering and the use of prohibited substances.</p> <p>Harness Racing NSW</p> <p>An independent body established under the <i>Harness Racing Act 2009</i>.</p> <p>Harness Racing NSW's integrity department comprises regulatory staff and incorporates stewards, integrity personnel, and investigators.</p> <p>Stewards act as a regulatory officer for harness racing, tasked with ensuring that the integrity of racing is</p>	<p>Stewards</p> <p>Appointed by the Racing Integrity Commissioner to enforce the Rules of Racing.</p> <p>Responsible for overseeing the integrity of racing activities across the three codes and are empowered to penalise any person committing a breach of the Rules.</p> <p>Internal reviews</p> <p>A Queensland Government process implemented by the Queensland Racing Integrity Commission which allows applicants to seek a review of a decision or penalty. Reviews are conducted by a single reviewer</p>	<p>The Chairman of Stewards is also responsible for managing a panel of stewards who are responsible for the control of all racing activities.</p> <p>Greyhound Racing SA (GRSA)</p> <p>The controlling body for greyhound racing whose key responsibility is to ensure that the sport is managed in a responsible and ethical manner.</p>	<p>with local participants, as well as continual maintenance of track facilities to ensure best practice horse welfare standards.</p> <p>The harness code in the ACT is governed by the NSW Harness body.</p> <p>Greyhound racing is banned in the ACT.</p> <p>Racing Appeals Tribunal</p> <p>Hears appeals from certain decisions of the Canberra Racing Club, the Harness Racing Club and persons conducting a race meeting.</p>			<p>It is authorised to conduct appeals against penalties imposed in disciplinary proceedings arising from, or in relation to, the conduct of or activities related to the three codes.</p>	<p>Stewards</p> <p>Wide-ranging powers to control and regulate respective racing codes.</p> <p>Responsible for ensuring the Rules of Racing are adhered to, and to investigate, determine and where necessary, penalise any breaches of the Rules. Stewards are responsible for the conduct of race meetings, and the conduct of all registered persons. They are also responsible for drug testing both human and animal racing participants.</p> <p>Tasmanian Racing Appeal Board</p> <p>An independent body established under s 23 of the <i>Racing Regulation</i></p>

SUMMARY OF RACING INDUSTRY INTEGRITY STRUCTURES BY JURISDICTION continued

	VIC	NSW	QLD	SA	ACT	NT	WA	TAS	
Integrity and oversight functions		<p>maintained and enhanced through the development, implementation and enforcement of local and national rules, regulations and policies concerned with racing and trialling activities. Stewards also have the primary oversight of drug testing, licensing and handicapping.</p> <p>The primary function of the Integrity Officer is to enhance the integrity of harness racing through non-raceday functions and strategies. The role also coordinates the human drug testing regime.</p> <p>The Investigator conducts all investigative work in the course of gathering evidence which may be used at a stewards inquiry. The investigator also oversees security matters relating to competitors and</p>	<p>appointed by the Commission. The position is independent from the original decision maker and the reviewer has knowledge of the racing industry. The internal review process replaced the Racing Disciplinary Board.</p>	<p>GRSA has two bodies to support its delivery of integrity outcomes and introduce a greater level of independence to its inquiry framework, the Integrity and Welfare Committee and the Integrity Hearings Panel. The independent Integrity and Welfare Committee reports to the GRSA Board on all integrity-related aspects of the GRSA operation, and includes representation independent of the Board and GRSA. Its primary purpose is to provide oversight of the GRSA integrity and welfare functions and to advise and make recommendations to the GRSA</p>					<p>Act 2004 to handle certain appeals for the racing industry.</p>

SUMMARY OF RACING INDUSTRY INTEGRITY STRUCTURES BY JURISDICTION continued

	VIC	NSW	QLD	SA	ACT	NT	WA	TAS
Integrity and oversight functions		<p>the conduct of race meetings and testing of drivers.</p> <p>Greyhound Welfare and Integrity Commission</p> <p>Independent regulator of the greyhound industry. Responsible for the regulatory functions of greyhound racing, including developing and implementing policies relating to the welfare of greyhounds and the integrity of racing, registration and licensing of greyhounds and participants, administering and enforcing the Greyhound Racing Rules, and conducting stewards inquiries and investigations.</p> <p>Stewards investigate breaches of the racing rules and can apply penalties for non-compliance with specified rules.</p> <p>Stewards are also responsible</p>		<p>Board on such matters.</p> <p>The Integrity Hearings Panel hears inquiries deemed to be more serious either by their nature or impact.</p> <p>SA Racing Appeals Tribunal</p> <p>Responsible for hearing and determining appeals from all three racing codes, against a decision made under the rules of the controlling authority, the disqualification or suspension of a person from participating in that code, or the imposition of specified fines.</p>				

SUMMARY OF RACING INDUSTRY INTEGRITY STRUCTURES BY JURISDICTION continued

	VIC	NSW	QLD	SA	ACT	NT	WA	TAS
Integrity and oversight functions		<p>for safeguarding the welfare of greyhounds and participants, drug testing and regulating race meetings.</p> <p>The Commission also employs inspectors to carry out compliance and enforcement activities under the <i>Greyhound Racing Act 2017</i>, to support its welfare and integrity functions.</p> <p>A process of 'Internal Review' under the <i>Greyhound Racing Act 2017</i> allows greyhound racing industry participants to apply to the Commission to have certain decisions reviewed. It is an additional avenue of review.</p> <p>Racing Appeals Tribunal Deals with appeals by racing industry participants, who are aggrieved by certain decisions.</p>						



Securing the integrity of the Tasmanian racing industry