

DRAFT SECOND READING SPEECH

HON JANE HOWLETT MP

Racing Regulation and Integrity Bill 2024
Racing Regulation and Integrity (Consequential Amendments) Bill 2024

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Madam Speaker, I move that these Bills be now read a second time.

The Bills I am introducing are personally significant to me, I grew up around racing, it's always been part of my family life. The Tasmanian racing community is made up of proud, passionate Tasmanians, loved by families all over the state with intergenerational links going back decades. I know that it is an important part of many regional Tasmanian communities.

I also know that racing's reputation has taken a hit, these significant reforms will improve and strengthen integrity and probity for the Tasmanian racing industry. They will rebuild trust and restore faith in the racing industry.

They mean that the Tasmanian community can have confidence that the integrity framework is based on industry best practice, delivering a contemporary, effective, and fit for purpose model for regulation and integrity.

Implementation of these important reforms provide certainty and support for Tasmania's racing industry – which contributes \$205 million per annum to the Tasmanian economy, with 38 per cent of that directly benefiting our regional communities.

Madam Speaker, returning members to this place will recall the tabling of these Bills in November of last year. Since tabling, the Bill has been updated but is materially the same, with the exception of a minor amendment for the purposes of strengthened procedures and clarity regarding the issuing of warning of notices.

The Bill is built on the recommendations arising from the comprehensive review in 2022 of the *Racing Regulation Act 2004* undertaken by independent expert Mr Dale Monteith. Mr Monteith's report: *Securing the Integrity of the Tasmanian Racing Industry* was developed

based on meetings with 50 individual stakeholders and assessing over 30 written submissions to a Discussion Paper. The then Government's detailed response gave full or in principle support for the recommendations from that independent review. This Government reaffirms its strong support for the implementation of these reforms.

Madam Speaker, these reforms provide a modernised and best practice regulatory framework to ensure a sustainable future for the Tasmanian racing industry.

The Racing Regulation and Integrity Bill is made to regulate thoroughbred, harness and greyhound racing, to ensure the integrity of persons involved in such racing, to safeguard the welfare of animals, and for related purposes. It provides for the repeal of the *Racing Regulation Act 2004* and the removal of the existing role of the Director of Racing and the Office of Racing Integrity, with functions and powers to be split, as appropriate, between a newly created Tasmanian Racing Integrity Commissioner and Tasracing.

The Racing Regulation and Integrity Bill establishes the independent Tasmanian Racing Integrity Commissioner (the Commissioner) with comprehensive oversight of the administration and regulation of the Tasmanian racing industry.

Madam Speaker, the Bill provides the Commissioner with extensive powers to make integrity and animal welfare standards for participants in the racing industry and for any matter relating to the conduct of racing. These powers extend to a Ministerial power to refer matters to the Commissioner to ensure the industry is continuously improved through the development of appropriate standards.

The Bill empowers the Commissioner to make recommendations to participants in the racing industry and to Tasracing about the implementation of, and compliance with, these standards.

In addition, the Bill requires Tasracing to submit an annual plan to the Commissioner for endorsement, including budgets, for integrity and welfare, including animal welfare, in racing. The Commissioner will review these plans and will be able to make recommendations in relation to them.

Madam Speaker, the Commissioner will also have comprehensive investigative and referral powers. Under the new legislation, the Commissioner will be empowered to refer information and matters for investigation to Tasmania Police, the Tasmanian Integrity Commission, Tasracing and national racing bodies, enabling the Tasmanian racing industry

to align and operate within the national racing integrity system. The Bill also provides scope for the Commissioner to refer investigations and information for investigation to other parties as appropriate to their functions under other legislation, including to the RSPCA for non-systemic animal welfare matters.

The Bill also gives the Commissioner the power to hold own-motion inquiries into systemic issues in racing, as well as to inquire into systemic issues in racing as referred to it by the Minister for Racing.

The Bill also retains the independent Tasmanian Racing Appeal Board as the hearer of appeals in relation to decisions of Tasracing, stewarding decisions, and other decisions, as before.

The Bill is therefore clear as to which responsibilities lie with which entity.

Madam Speaker, the Commissioner will report on the exercise of its functions and the performance of its functions. The Bill provides the Commissioner with the function of advising and reporting to the Minister for Racing on these activities, and it provides for the Commissioner to make recommendations and policy proposals in respect of racing in Tasmania.

The Commissioner will also report on the exercise of its functions and the performance of its powers in an annual report to the Minister, which the Minister will table in Parliament.

Madam Speaker, the Bill provides for the Commissioner to be supported by arrangements with the Heads of State Service Agencies for employees and resources, with the intention of ensuring appropriate resourcing for the performance of its functions and the exercise of powers. In this way, the Bill enables the Government to ensure that the Commissioner is appropriately supported by animal welfare, policy, investigative, and compliance expertise.

The Tasmanian Racing Integrity Commissioner will be appointed by the Governor on the recommendation of the Minister for Racing.

Madam Speaker, while integrity oversight and monitoring the administration and regulation of the racing industry will be the remit of the Commissioner, Tasracing will

become operationally responsible for all three codes of racing and pre-race day and race day management, including stewarding and enforcement functions.

The Bill creates the Tasracing Integrity Unit, which is separate from the commercial and administrative arm of Tasracing. It will comprise racing officials, including stewards and betting supervisors, as well as such persons as are necessary to support its functions and powers, including veterinarians.

To support the establishment of the Tasracing Integrity Unit, the Bill provides a mechanism for the transfer of experienced staff and resources from the Office of Racing Integrity to the Unit to support the transition of integrity and licensing functions critical to the operation of the three codes in Tasmania. The Government listened through consultation and, consistent with this Government's commitments, the Bill now also provides that if a transferred employee returns to the State Service within five years of unbroken employment at Tasracing, then that employee will be taken to have continuity of State Service employment for the purpose of calculating leave and other entitlements.

A Chief Racing Integrity Officer will be responsible for the operation of the Unit. Its activities will be overseen by a Racing Integrity Committee comprising two non-executive Board members of Tasracing and two independent persons appointed by the Minister for Racing with appropriate knowledge and experience, one of whom will be appointed as the Chair.

Madam Speaker, Tasracing will gain responsibilities for day-to-day regulation of integrity and animal welfare practices, including a responsibility to enforce compliance with the Rules of Racing, to implement integrity and welfare standards. Tasracing, as the Principal Racing Authority will also retain responsibility for making Rules of Racing in each code by adopting National Rules and by prescribing local rules, policies and codes of practice tailored to the requirements of the Tasmanian jurisdiction. Under the Bill, administrative responsibility for the Rules of Racing is allocated to the Tasracing Integrity Unit. The Bill therefore centralises regulation and enforcement – where they were previously split between the commercial body (Tasracing) and the integrity body (the Office of Racing Integrity).

Madam Speaker, because Tasracing is the Principal Racing Authority, it is appropriate that Tasracing is responsible and accountable for integrity practices across the whole industry in Tasmania. Madam Speaker, I would reiterate Mr Monteith's view, expressed on pages

8-9 of his 2022 report, that *“racing can suffer significant public reputational damage when the integrity of racing is called into question. Principal Racing Authorities without responsibility for integrity find it very difficult to mitigate such potential damage to the industry, if they do not have carriage of integrity functions”*.

This position was reaffirmed by Mr Murrphy in his 31 August 2023 Interim Report as expressed on pages five and seven of his report, where he states *“The Monteith Report and its recommendations have formed the basis of a draft Bill that is currently out for consultation. I fully support the Monteith Review and the Government’s proposed reforms to implement a new Tasmanian Racing Integrity framework (page 5). These reforms provide the pathway forward by joining together welfare policy and enforcement, with Tasracing assuming the powers of enforcement under the Rules of Racing, now held by ORI. It is proposed by Monteith that this will include the establishment of an appropriately ringfenced and independent Integrity Unit in Tasracing, which will include Stewards, investigators, race officials and animal welfare support functions (page 7)”*.

Madam Speaker, Mr Murrphy reiterated his full support for these reforms within his Final Report issued on 28 November 2023 on page 13 where he states *“In providing the following advice in this report, it is done on the assumption that the Tasmanian Government will implement the recommendations of the Monteith Review through legislative reform, which are fully supported.”* On the same page, Mr Murrphy further emphasised that *“These changes are essential for integrating welfare policy and enforcement, unifying the industry’s governance and addressing the rehoming of retired racehorses.”*

The Government’s Bill provides an arrangement that is consistent with national best-practice and is supported by industry stakeholders and two of the nation’s leading experts, Mr Monteith and Mr Murrphy.

Madam Speaker, the integrity of participants in the racing industry is of paramount importance.

The Bill requires Tasracing to develop and implement a code of conduct for persons licenced and registered under the Rules of Racing, which is an assurance designed to ensure that these persons are fit and proper persons for licences and registrations.

Madam Speaker, Tasracing must refer applications by racing clubs and bookmakers for registrations to the Racing Integrity Committee for consideration. The Racing Integrity

Committee will give advice and make recommendations to Tasracing about the suitability of racing clubs and bookmakers for registrations, and about the suitability of other applicants for licences and registrations in racing as requested, by exception.

The Racing Integrity Committee will also advise and make recommendations to Tasracing with respect to the implementation of integrity and animal welfare standards and the development of associated policies and procedures, having the power to advise and make recommendations about the responsibilities and operations of the Tasracing Integrity Unit.

The Racing Integrity Committee will also oversee the appointments and dismissals of the Chief Racing Integrity Officer and stewards, excepting the appointment of the first Chief Racing Integrity Officer, which will be approved by Tasracing's shareholder Ministers.

Minutes from the meetings of the Racing Integrity Committee will be provided to the Commissioner.

Madam Speaker, the consultation versions of the Bills issued in 2023 enabled Tasracing to make Sports Betting Rules for matters relating to bookmaking. The *Racing Regulation Act 2004* gave this power to the Director of Racing. On the advice of the Department of Treasury and Finance, and because Tasracing derives a financial benefit from tax collected from betting operators, this power has been removed to eliminate any conflict of interest from Tasracing in relation to its administration of bookmakers' registrations, while the Bills continue to empower the Governor to make Regulations for purposes relating to bookmaking. The *Racing (Bookmaker Betting) Regulations 2015* will be continued.

The Bill will otherwise continue to legislate for the regulation of bookmaking.

Madam Speaker, the Bill also provides for the fees and fines administered by Tasracing under the Rules of Racing to be collected and enforced by Tasracing for and on behalf of the Crown. This is to ensure that those monies proceed from racing industry participants to the Crown for application, including for the purposes of the Commissioner. This arrangement assures impartiality and integrity in the administration and enforcement of fees and fines by Tasracing. It further enables the Crown to apply those monies for the purposes of the Commissioner, strengthening and assuring resourcing for integrity and welfare in racing.

Madam Speaker, the Bill also creates an Integrity and Animal Welfare Advisory Committee to advise the Commissioner on animal welfare, biosecurity, and integrity

matters. The Advisory Committee is a consultative forum for the Commissioner, and the Commissioner must consult with the Advisory Committee about the making, amending, or revoking of any integrity or animal welfare standards for the racing industry. The Committee will meet at least twice per year, and appointments to the Committee will be approved by the Minister for Racing.

Madam Speaker, the Advisory Committee must include representatives from Tasracing, a person from the department responsible for the administration of the *Biosecurity Act 2019*, a person from the department responsible for the administration of the *Animal Welfare Act 1993*, and RSPCA Tasmania. The Bill also provides for the Commissioner to nominate two persons with relevant knowledge and experience to be members of the Advisory Committee, providing scope for the Commissioner to nominate persons with knowledge of industry, welfare, veterinary science, or other expertise as the Commissioner requires.

These arrangements provide an advisory role for RSPCA Tasmania to the Commissioner while retaining the power for independent investigation of animal welfare matters.

Madam Speaker, the Racing Regulation and Integrity (Consequential Amendments) Bill 2024 is ancillary to the Racing Regulation and Integrity Bill 2024. It is made for the purpose of consequently amending several Acts, which facilitates the commencement of the Racing Regulation and Integrity Bill 2024 and the repeal of the *Racing Regulation Act 2004*. It is in the nature of machinery or administrative legislation.

Madam Speaker, the Government consulted extensively on these reforms, and these reforms are evidence that the Government takes integrity and welfare seriously in the racing industry.

These reforms implement the recommendations of the Monteith Review, establishing independent oversight and monitoring of the racing industry. The Government has listened to the public on these matters.

Nearly 6 000 people participate in the Tasmanian racing industry, including breeders, owners, trainers, stablehands, racing club staff, jockeys, drivers, bookmakers, administrators and stewards and other officials. It is important for those participants, as well as animal welfare advocates and the wider community, that they can have confidence in the oversight and regulation of racing in Tasmania. In delivering the Racing Regulation and

Integrity Bill to this place, the Government is confident with their passage and implementation that the Tasmanian racing industry is on the right track for a bright and sustainable future.

Madam Speaker, I commend the Bills to the House.