



Racing Governance and Industry Reforms

Advancing industry initiatives and reforms

April 2019



Background

The Queensland Government is committed to working collaboratively with the racing industry to achieve a more sustainable racing industry in Queensland.

On 29 September 2018, the Queensland Government announced that revenue from the new wagering Point of Consumption Betting Tax (PoCT) would be used to benefit communities across Queensland. This included a \$20 million grant to Racing Queensland in 2018-19 and additional financial support to ensure there would be no negative impact on Queensland's racing industry. The Queensland Government also agreed to forgive 50 per cent (\$17.8 million) of debt owed by Racing Queensland, putting them in a better financial position to keep growing the industry.

In October 2018, the Queensland Government also agreed, following significant consultation with the racing industry, to increase funding levels for Queensland thoroughbred TAB race meetings by \$26 million in exchange for a commitment to broader industry reforms. Funding is being provided by the Queensland Government in two stages:

- \$18 million per annum from 1 November 2018
- A further \$8 million per annum subject to the development and implementation of governance and industry reforms over a six-month period.

On 27 November 2018, Racing Queensland announced a \$5.5 million increase to prize money co-funded by the Government for harness and greyhound racing. Racing Queensland has committed up to \$2.5 million collectively for these codes, subject to the development and implementation of governance and industry reforms aligned with the quantum provided for the thoroughbred industry.

On 6 March 2019, the Honourable Stirling Hinchliffe MP, Minister for Local Government, Minister for Racing and Minister for Multicultural Affairs held a Racing Industry Forum with industry stakeholders at Parliament House to discuss racing reform initiatives.

The Racing Industry Forum was an opportunity for the Government, Racing Queensland and a range of industry stakeholders from all codes of racing to discuss an industry reform agenda that will drive the modernisation of the Queensland racing industry.

A summary of key industry reform initiatives and activities that have been underway over the past six months and were proposed at the industry forum, in March 2019, are outlined in this document.



Objective

A shared objective of the Queensland Government and the racing industry is to have a commercial and self-sustainable racing industry.

Aim

The aim of this document is to outline and advance racing industry initiatives and reforms targeted at improving the thoroughbred, greyhound and harness racing industry's competitiveness in Queensland.

Roles

The Department of Local Government, Racing and Multicultural Affairs (the department) supports the Minister for Local Government, Minister for Racing and Minister for Multicultural Affairs in monitoring the performance of Racing Queensland and assists it to achieve the Government's policy and strategic objectives.

Racing Queensland is a statutory authority established under the *Racing Act 2002* (the Act). The Racing Queensland Board is the control body for all three codes of racing (thoroughbred, harness, and greyhound) in Queensland and coordinates, manages and regulates the industry.

Racing Queensland must perform its function in a way that is in the best interests of the three codes collectively, balanced with the interests of each individual code.

The Queensland Racing Integrity Commission (QRIC) is a statutory body under the *Racing Integrity Act 2016*. The Department of Agriculture and Fisheries (DAF) has administrative responsibility for QRIC and the Racing Integrity Act. DAF will conduct a review of the Racing Integrity Act during 2019.

Implementation

The department and Racing Queensland will report to the Minister on the implementation of reform initiatives.



Principles of racing industry reform



Industry engagement

Enhanced engagement between industry and the Queensland Government to encourage collaboration, innovation and overall progression to a vibrant and self-sustainable future for the racing industry.



Commercialisation

Promoting commercial outcomes for Racing Queensland, racing clubs and the racing industry will be at the core of racing reform initiatives, seeking to diversify, modernise and capitalise on Queensland's competitive advantages.



Infrastructure

Racing Queensland will commit to delivering key racing infrastructure projects across Queensland to improve the quality of Queensland racing.



Governance

Governance arrangements will be strengthened between Racing Queensland and Queensland racing clubs through new funding models, licensing agreements and compliance requirements to improve transparency on outcomes in line with State Government objectives.



Industry engagement

	Reform initiative	Lead	Support	Timeframe
1	The Minister for Local Government, Minister for Racing and Minister for Multicultural Affairs to host an all-codes industry and Government forum that will encourage innovation and collaboration.	Dept.	RQ	Completed (March 2019)
2	The Minister for Local Government, Minister for Racing and Minister for Multicultural Affairs will attend at least one of each racing code panel meeting per annum.	RQ	Dept.	Immediate
3	Racing Queensland to review its advisory panel system, and the composition of advisory panels to ensure they are providing optimal outcomes. The advisory panels and Racing Queensland will form working groups to address specific matters, share ideas and to enhance better engagement between racing industry participants and the Government.	RQ	Industry and clubs	August 2019
4	The Minister for Local Government, Minister for Racing and Minister for Multicultural Affairs to consider hosting a second all-codes industry Government forum in 12 months to evaluate progress against reform initiatives. At this time, three 'code specific' meetings to also be considered.	Dept.	RQ	April 2020



Commercialisation

	Reform initiative	Lead	Support	Timeframe
5	Racing Queensland to review racing product in Queensland to ensure best commercial outcomes across all codes of racing. For example, a 6 per cent revenue increase on Queensland product is forecast in 2019.	RQ	TAB Clubs	Ongoing
6	Deliver a commercially focused race schedule across all codes of racing including the promotion of iconic events. Race schedules should be considerate of race club business models. For example, a 7.4 per cent revenue increase is forecast for the Summer Racing Carnival held in 2019.	RQ	All Race Clubs	Ongoing
7	Support race clubs to diversify and promote the practice of multi-use facilities, with Racing Queensland and the Queensland Government being enablers of positive outcomes, where it is appropriate.	RQ/Dept.	All Race Clubs	Ongoing
8	Convert non-TAB racing to TAB racing across all codes, where viable.	RQ	Non-TAB Clubs	Immediate (underway)
9	Exercising Tabcorp merger benefits including potential enhancements to the existing Product and Program Deed with Tabcorp. For example, negotiating a long-term funding model that aligns the interests of Racing Queensland, Tabcorp and the State.	RQ	N/A	Ongoing
10	Promote racing under lights in South East Queensland.	RQ	SEQ Race Clubs Industry associations	2019-20
11	Implement a review of Race Field Fees to increase revenue that is returned to the industry.	RQ	-	June 2019 (underway)



	Reform initiative	Lead	Support	Timeframe
12	Return Thoroughbred racing to Eagle Farm and continue to program a racing schedule in accordance with the recommendations of the Monteith Report.	RQ	Brisbane Racing Club	Race programming on going
13	Review the 2019-20 Training Track Subsidy Scheme.	Dept.	RQ and Clubs	2019-20

Infrastructure

	Reform	Lead	Support	Timeframe
14	Racing Queensland to provide clear timings to the industry regarding the content and delivery of its Infrastructure Plan.	RQ	Dept.	By June 2019
15	Racing Queensland and clubs to develop a solution for TAB club maintenance funding. A pilot working group will be considered for this initiative.	RQ	Race Club	June 2020
16	The Albion Park Raceway site has the potential to unlock significant long-term benefits for the Queensland racing industry. Racing Queensland is to continue working with its stakeholders and is to propose to government how it will progress this project to maximise outcomes and benefits for the industry.	RQ	Albion Park Harness Racing Club Brisbane Greyhound Racing Club Other key industry groups Dept.	August 2019
17	The infrastructure delivery model will ensure there is appropriate levels of involvement of stakeholders in the planning, design and delivery stages. Commencing immediately, each business case will include an assessment of delivery models.	RQ	Dept. Clubs	Immediate



Governance

	Reform	Lead	Support	Timeframe
18	Racing clubs will work with Racing Queensland in signing up to new licensing agreements and compliance requirements and funding agreements (as required) to promote transparency and integrity. Compliance requirements will be relative to Racing Queensland's classification of club tiers.	RQ	Race Clubs	All 2018-19 agreements should be finalised, with 2019-20 agreements to be reviewed and agreed by 31 July 2019.
19	Race clubs will actively seek to add people from more diverse backgrounds and independent members to their boards and committees, as a modern best-practice governance model.	Race Clubs	RQ Dept.	Ongoing
20	Review the QRIC process (including Queensland Civil and Administrative Tribunal), in relation to the hearing of racing matters, as part of the racing integrity reforms.	DAF/QRIC	RQ Industry stakeholders	December 2019

Key reporting metrics

The department will report on its actions and reporting metrics through its operational plan.

Racing Queensland will incorporate actions and reporting metrics into its operational plan, which is provided to the Minister on a quarterly basis.

The department will work with Racing Queensland to assist race clubs attract more diverse people to its committees and boards. Racing Queensland will include this information in its Annual Report on Licensed Clubs.