

# **Racing Amendment Bill 2004**

## **Explanatory Notes**

### **Short Title**

*Racing Amendment Bill 2004*

### **Policy Objectives of the Legislation**

The primary policy objectives of the Bill are to:

- Reform the structures established to provide advice and recommendations in relation to country or non-TABQ thoroughbred racing in Queensland to better address and serve the needs of non TABQ clubs and participants; and
- Ensure funding for non-TABQ thoroughbred racing by requiring that 7% per annum of the Queensland Thoroughbred Racing Board's share of the net UNiTAB product fee is allocated to non-TABQ thoroughbred race clubs as prize money for non-TABQ races.

“Non-TABQ clubs” are those clubs for which the TABQ does not, or is unlikely to, offer wagering on the majority of the clubs' races of thoroughbred horses.

“Non-TABQ races” are those races of thoroughbred horses on which the TABQ does not, or is unlikely to offer wagering.

### **Reasons why the Legislation is necessary**

The purpose of the legislation is to address the needs of regional and country racing in Queensland.

The Queensland Thoroughbred Racing Board, the thoroughbred control body, has undertaken significant reforms during the past two years, which have benefited the TABQ clubs and participants. However, there have been concerns that current arrangements do not meet the needs of non-TABQ or country racing.

In particular, non-TABQ clubs have voiced concerns that their interests and views have been over-shadowed by the TABQ clubs within their

associations and therefore, they have been unable to have their issues effectively considered.

### **Achievement of Policy Objectives**

The policy objectives of the Bill will be achieved by:

- Establishing eight (8) country racing associations that replace the five (5) current racing associations. The Country Racing Associations will be comprised of representatives of non-TAB clubs and will be based on geographical areas that reflect a better alignment of the interests of their members and licensee representatives;
- Establishing the Queensland Country Racing Committee (the Committee) which will replace the Queensland Regional Racing Council;
- Providing a process for the appointment of members to the Committee;
- Appointing a Chair of the Queensland Country Racing Committee, who must be a member of the Queensland Thoroughbred Racing Board, but not the Chair of the Board;
- Requiring the thoroughbred control body to allocate 7% per annum of its share of the net UNiTAB product fee to non-TABQ clubs as prize money for non-TABQ races.

### **Assessment of administrative cost to government**

The Bill has no cost implications for government.

### **Consistency with Fundamental Legislative Principles**

The Bill is consistent with fundamental legislative principles as outlined in section 4 of the *Legislative Standards Act 1992*.

### **Consultation**

#### *Government*

- The Departments of the Premier and Cabinet, Queensland Treasury, State Development and Innovation and Communities have been consulted.
- The Office of Queensland Parliamentary Counsel prepared the Bill.

*Industry*

- Widespread industry consultation with thoroughbred race clubs throughout Queensland was undertaken.
- The Chair of the Queensland Thoroughbred Racing Board, the Chief Executive Officer of the Australian Racing Board and the Managing Director and Chief Executive of UNiTAB were consulted.

## **Notes on Provisions**

### **Part 1—Preliminary**

#### **Short Title**

Clause 1 states that the short title is the *Racing Amendment Act 2004*.

#### **Commencement**

Clause 2 states that the Bill will commence on a date to be fixed by proclamation.

#### **Act Amended**

Clause 3 provides that the Act amended is the *Racing Act 2002*.

#### **Replacement of ch 2, pt 5, div 1, hdg**

Clause 4 amends the heading of the division to reflect the new provisions in the division.

#### **Replacement of s 61 (Racing associations)**

Clause 5 establishes eight (8) country racing associations. The country racing associations are based on geographical areas that reflect a better alignment of the interests of the members than the geographical composition of the current five (5) racing associations.

**Amendment of s 62 (Composition of each racing association)**

Clause 6 omits references to ‘racing association’ and replaces them with references to ‘country racing association’.

Clause 6 redrafts section 62(5) which specifies the persons who are ineligible to be appointed as a member of a country racing association.

Section 62 provides that a country racing association is comprised of members as prescribed under a regulation. The regulation will also provide that if a non-TABQ club becomes a TABQ club it will be automatically excluded from the country racing association.

**Amendment of s 63 (Functions of each racing association)**

Clause 7 omits references to ‘racing associations’ and replaces them with references to ‘country racing associations’.

Clause 7 amends section 63(a) by providing that it is a function of a country racing association to provide advice to the Queensland Country Racing Committee (the Committee) instead of to the thoroughbred control body, about race meetings held by clubs that are members of the country racing association. This reflects the Committee’s role to provide advice and recommendations to the Queensland Thoroughbred Racing Board.

Clause 7 amends section 63(b) to provide that a country racing association must nominate a person to be a member of the Committee.

**Amendment of s 64 (Powers of racing association)**

Clause 8 omits the references to ‘racing association’ and replaces it with ‘country racing association’.

**Insertion of ss 64A and 64B****New Section 64A Nomination of committee member by country racing association**

Clause 9 inserts a new section 64A that requires each country racing association to form a selection panel consisting of three (3) persons to choose a person for nomination to the Committee.

Clause 9 specifies that the three (3) person selection panel must consist of:

- Two (2) persons, each of whom is a member of a different race club that is a member of the relevant country racing association; and

- One (1) person who is a licensed trainer, racing bookmaker or licensed jockey.

The licensed trainer, racing bookmaker or licensed jockey need not live in or work in the country racing association geographical region.

The selection panel's decision to nominate a person as a member of the Committee must be unanimous.

### **New Section 64B Revocation of nomination**

Clause 9 inserts a new section 64B providing for a country racing association to revoke its nomination of a member of the Committee by the agreement of three quarters of its members or if three-quarters is not a whole number, the next highest whole number.

### **Replacement of ch 2, pt 5, div 2, hdg**

Clause 10 omits the heading to division 2 and replaces it with a new heading "Queensland Country Racing Committee" that reflects the new provisions of the division.

### **Omission of s 65 (Definitions for div 2)**

Clause 11 omits section 65 which contains definitions that are now contained in the dictionary in schedule 3.

### **Replacement of s 66 (Establishment of Queensland Regional Racing Council)**

Clause 12 establishes the Queensland Country Racing Committee (the Committee).

### **Amendment of s 67 (Functions of council)**

Clause 13 omits references to the Queensland Regional Racing Council and replaces them with references to the Committee.

Clause 13 omits the reference to 'racing associations' and replaces it with 'country racing associations'.

Clause 13 inserts a new subsection that provides that recommendations made by the Committee about a distribution strategy for prize money and other funding and about racing calendars for non-TABQ races must be accompanied by written reasons for the recommendations.

Clause 13 inserts new subsections that specify the matters that must be contained in a notice given by the Committee to the Thoroughbred Control Body.

## **Insertion of new ss 67A and 67B**

### **New Section 67A Committee to review membership of country racing association**

Clause 14 inserts a new section 67A that requires the Committee to:

- review the composition of the country racing associations and develop recommendations about:
  - the effectiveness of the structure of the country racing associations; and
  - whether the interests of a club or a number of clubs would be better served by moving a club or a number of clubs from one country racing association to another.

The Committee must within one (1) year of the commencement of the section provide a written report to the thoroughbred control body in relation to its review. The report must include recommendations and reasons for the recommendations. The Committee must review the composition of the country racing associations at least once every two (2) years.

### **New Section 67B Committee to develop formulae for allocation of non-TABQ races**

Clause 14 inserts a new section 67B that requires the Committee to develop, in consultation with the thoroughbred control body, a formula for the allocation of non-TABQ race dates. The intent of this provision is that once the formula is developed it will be used by the Committee as the basis for the allocation of non-TABQ race dates.

### **Replacement of s 68 (Composition of council)**

Clause 15 omits section 68 and inserts a new section 68 that provides for the composition of the Committee.

The Committee consists of nine (9) members. The eight (8) country racing associations will each nominate one person to be a member of the Committee.

The thoroughbred control body must nominate one of its members to be the chair of the Committee. The chair of the thoroughbred control body cannot be the chair of the Committee.

The clause sets down disqualifying criteria for membership of the Committee.

One of the disqualifying criteria is that a member of a committee of a TABQ club is ineligible to be a member of the Committee. TABQ clubs are excluded from the country racing associations and Committee as the purpose of both country racing associations and the Committee is to further the interests of non-TABQ racing and ensure that non-TABQ clubs are able to advocate their case free from influence of TABQ club interests.

### **New Section 68A Appointment of member to committee**

Clause 15 inserts a new section 68A which provides that upon nomination, a person is appointed as a member of the Committee.

### **New Section 68B Term of office**

Clause 15 inserts a new section 68B that provides that a member of the Committee holds office for two (2) years from the date of appointment.

### **New Section 68C Vacation of office**

Clause 15 inserts a new section 68C that specifies the circumstances in which the office of a member of the Committee becomes vacant.

### **New Section 68D Casual vacancies**

Clause 15 inserts a new section 68D that provides for the filling of casual vacancies on the Committee.

### **Insertion of new ch 2, pt 5, div 2A**

Clause 16 inserts a new division 2A of part 5 of chapter 2 with the heading "Provisions applying to the thoroughbred control body"

### **New Section 68E Thoroughbred control body must consider committee's recommendations**

Clause 16 inserts a new section 68E that requires the thoroughbred control body to consider recommendations made by the Committee about a

distribution strategy for prize money and other funding and about racing calendars for non-TABQ races. Within 14 days of making its decision, the thoroughbred control body must give the Committee written notice of its decision, together with the details of any changes and the reasons for the changes.

### **New Section 68F Committee may request review of thoroughbred control body's adoption of recommendation with changes**

Clause 16 inserts section 68F which provides for the Committee to give written notice to the thoroughbred control body requiring the control body to review its decision to change the recommendations of the Committee. If the thoroughbred control body receives a notice to review, the control body must review its decision and provide written notice of the outcome of its review to the Committee. Fourteen (14) day time limits apply for the giving of written notice for the review by the control body and for the provision of written notice of the outcome of the review to the Committee.

### **New Section 68G Thoroughbred control body must give public notice of changes to committee's recommendations**

Clause 16 inserts new section 68G which requires the thoroughbred control body to give public notice of changes to the Committee's recommendations.

### **New Section 68H Thoroughbred control body must not make racing calendar available**

Clause 16 inserts new section 68H which states that the thoroughbred control body must not make the racing calendar available until after notice periods have expired.

### **New Section 68I Thoroughbred control body may change distribution strategy or racing calendar only in certain circumstances**

Clause 16 inserts new section 68I which specifies the circumstances in which the thoroughbred control body may change the distribution strategy for prize money or other funding or the racing calendar for non-TABQ races after the calendar has been published under section 68G.



**New Section 68J Thoroughbred control body must consider committee's reports**

Clause 16 inserts new section 68J which requires the thoroughbred control body to consider specified reports from the Committee.

**New Section 68K Thoroughbred control body must develop policy about reimbursement of expenses**

Clause 16 inserts new section 68K that requires the thoroughbred control body to develop and implement a policy for reimbursement by the control body of expenses relating to home office facilities and other out-of-pocket expenses incurred by members of the Committee.

**New Section 68L Thoroughbred control body must provide secretariat services to committee**

Clause 16 inserts new section 68L that requires the thoroughbred control body to provide secretariat support services to the Committee.

**New Section 68M Thoroughbred racing board must pay share of net UNiTAB product fee as prize money**

Clause 16 inserts new section 68M that imposes an obligation on the Queensland Thoroughbred Racing Board to pay 7% of its net UNiTAB product fee for a year as prize money for non-TABQ races conducted by non-TABQ clubs in the year.

If at the end of a year, the Queensland Thoroughbred Racing Board has not paid 7% of its net UNiTAB product fee for the year as prize money the Board must as agreed with the Committee use the amount remaining for supporting non-TABQ racing.

**Replacement of ch 2, part 5, div 3, hdg**

Clause 17 omits the heading and replaces it with 'Provisions applying to country racing associations and the committee' that reflects the subject of the provisions in the division.

**Amendment of s 69 (Definition for div 3)**

Clause 18 defines 'thoroughbred entity' for division 3 to be a country racing association or the Committee.

**Replacement of s 71 (Chairperson of thoroughbred entity)**

Clause 19 omits section 71 and inserts a new section 71 that provides that a country racing association must elect a member as its chairperson. The chairperson must give written notice of the election to the thoroughbred control body and the chair of the Committee.

The chairperson of the country racing association must give written notice to the Committee, containing information about:

- each member of the association;
- if a person ceases to be a member; and
- if a new member is appointed to the country racing association.

Section 71(4) specifies the matters that must be contained in a notice given to the Committee.

**Amendment of s 72 (Presiding at meetings)**

Clause 20 amends section 72(2) by omitting references to ‘thoroughbred entity’ and replacing it with ‘country racing association’ and omitting ‘the entity’ and replacing it with ‘the association’.

Clause 20 amends section 72(2) to provide that if the chairperson of a country racing association is absent from a meeting of the association, or if the office is vacant, a member elected by the members present must preside.

Clause 20 inserts new subsections that provide that if the Chairperson of the Committee is absent from a meeting of the Committee, or if the office is vacant another member of the thoroughbred control body (other than the Chairperson of the control body) nominated by the chairperson of the thoroughbred control body is to preside.

**Amendment of s 73 (Times and places of meetings)**

Clause 21 amends section 73(2)(a) to provide that a country racing association must meet at least twice each year and the Committee must meet at least four (4) times each year.

Clause 21 amends section 73(3) by replacing the reference to ‘racing association’ with ‘country racing association’ and replacing the reference to ‘council’ with ‘Committee’.

Clause 21 inserts a new subsection (4) that requires the chairperson of a country racing association and the chairperson of the Committee to give at least 14 days notice of a meeting to each member.

Subsection (5) provides that a meeting may be held without giving 14 days notice if three-quarters of the members have agreed it is necessary because of the urgency of a matter for it to be considered at the meeting. If three-quarters of the members is not a whole number, the next highest whole number of members must agree.

### **Replacement of s 74 (Quorum)**

Clause 22 amends section 74 to provide that a quorum for a country racing association or the Committee is one third of the number of members. If one-third is not a whole number, the next highest whole number.

### **Insertion of new Ch 10, Pt 3**

Clause 23 inserts a new section 396A which is a transitional provision providing that the first chairperson of a country racing association is not required to give advice to the chair of the Committee as required by new section 71(2). This provision is necessary as the Committee cannot be formed until the country racing associations have nominated a person to be their representative on the Committee and therefore, the Committee would not be in existence when the chair of a country racing association is elected.

### **Amendment of sch 1 (Relocated Provisions)**

Clause 24 omits sections 11A(4) and (5) in part 2 of schedule 1 which made it a function of the Queensland Thoroughbred Racing Board to consider reports and recommendations of the Queensland Regional Racing Council. New sections 68E and 68J provide similar functions for the Queensland Thoroughbred Racing Board in relation to the Committee's reports and recommendations.

Clause 24 omits the reference to 'racing association' in section 11G(f)(ii) in part 2 of schedule 1 and replaces it with 'country racing association'.

### **Amendment of Sch 3 (Dictionary)**

Clause 25 amends schedule 3 that contains definitions for the Act.

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