

RACEHORSE SYNDICATES

133. Hon COLIN HOLT to the minister representing the Minister for Racing and Gaming:

I refer to legislation and regulations in regard to racing in Western Australia.

- (1) Under what legislation or regulations are thoroughbred horse trainers prohibited from advertising shares in horses?
- (2) Do these rules also apply to standardbreds and greyhounds?
- (3) What is the rationale for such a prohibition?
- (4) When were these rules last reviewed; who conducted that review; is that review publicly available; and, if it is available, where can it be accessed?

Hon ALANNAH MacTIERNAN replied:

I thank the member for this very interesting question. The following information has been provided to me by the Minister for Racing and Gaming.

- (1) Racehorse syndicates are managed investment schemes under the meaning of the commonwealth Corporations Act 2001 and are regulated under that act or the ASIC Corporations (Horse Schemes) Instrument 2016/790 in accordance with ASIC Regulatory Guide 91. Racehorse syndicates are also subject to the Australian Rules of Racing.
- (2) Yes.
- (3) Trainers are unable to advertise shares without a conditional relief granted by a lead regulator; in this case, it is Racing and Wagering Western Australia. This reflects the stringent requirements of the Australian Securities and Investments Commission in ensuring that those advertising shares in and other credentials of horses and greyhounds are qualified to do so. This is a consumer protection measure.
- (4) The rules were reviewed in 2016 by ASIC in consultation with lead regulators, with new instruments and arrangements implemented. A media release titled “ASIC releases new instrument for horse schemes” is available on the ASIC website, as well as a report on the submissions received. I table the documents.

[See paper 2456.]