

**GOVERNMENT RESPONSE
INQUIRY INTO RACING AND WAGERING WESTERN AUSTRALIA ACTS**

Recommendation	Response	Comments
EVALUATING THE NEEDS FOR THE CONTINUATION OF THE OPERATIONS OF RWWA		
Governance (Chapter 2.2)		
Recommendation 1		
Replace section 8(2) of the <i>Racing and Wagering Western Australia Act 2003</i> (RWWA Act) to replace 'regional development' with 'country racing' to more appropriately capture the requirement for knowledge of, and experience in, country racing.	Accepted	RWWA has advised that it supports this recommendation.
Recommendation 2		
RWWA implements a structure where regional and country clubs will have formal access to the administration through existing or new regional and industry groups.	Noted	The recommendation is a matter of policy for RWWA to determine. RWWA has agreed to implement the recommendation.
Recommendation 3		
The WA TAB Agents' Association be represented in the nomination and selection of board members with respect to section 8(1)(e) of the RWWA Act.	Not Accepted	It is open to the Selection Panel to canvass input from the WA TAB Agents and other stakeholder groups in the selection of Board members.
Recommendation 4		
Amend section 12 of the RWWA Act to stipulate that the process where eligible bodies are to be determined and the publication of eligible bodies be specified in regulation.	Accepted	RWWA has advised that it supports this recommendation.
Recommendation 5		
Pursuant to section 9 of the Act, the Minister clarifies the nomination and selection procedures for directors to include: <ul style="list-style-type: none"> - any pending board vacancy be advertised widely; - all clubs and industry associations through appropriate mediums of pending board vacancies be distributed to their members; - individual candidates are able to nominate themselves for consideration for the position of director under section 8(1)(b), (c) or (d) of the Act. 	Noted	The extent to which eligible bodies communicate with their members is an operational matter for the eligible bodies. However, guidance in accordance with the terms of the recommendation will be provided when future nominations are sought.

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<p>Recommendation 6</p> <p>Any member of the selection panel nominated under section 11(2)(c), (d) or (e) of the RWWA Act should not be eligible to stand for consecutive terms under section 11(8) of the RWWA Act.</p>	<p>Not Accepted.</p>	<p>Restricting the membership on the RWWA Selection Panel nominated by racing codes to a single term will reduce flexibility and impinge of the discretion of industry groups.</p>
<p>Recommendation 7</p> <p>RWWA should delineate and publicly disclose the role of the board and executive and disclose any written delegations pursuant to section 33(3) of the RWWA Act.</p>	<p>Noted</p>	<p>The recommendation is a matter of policy for RWWA to determine. RWWA has agreed to implement the recommendation.</p>
<p>Recommendation 8</p> <p>The RWWA Act be amended to insert a clause explicitly preventing the same individual from holding the positions of CEO and Chair of the board concurrently.</p>	<p>Accepted</p>	<p>RWWA has advised that it supports this recommendation.</p>
<p>Recommendation 9</p> <p>RWWA clarifies and publicly discloses any governance procedures that it has in place.</p>	<p>Noted</p>	<p>The recommendation is a matter of policy for RWWA to determine. RWWA will implement the recommendation.</p>
<p>Recommendation 10</p> <p>RWWA, pursuant to section 16 of the Act, reviews the committee framework of the board to establish whether a board risk committee separate from the audit committee would be beneficial to its operations.</p>	<p>Noted</p>	<p>The recommendation is a matter of policy for RWWA to determine.</p>
<p>Objectives of RWWA (Chapter 2.3)</p>		
<p>Recommendation 11</p> <p>The RWWA Act be amended to insert the following in relation to racing in general:</p> <p><i>RWWA is to foster the development, promote the welfare and ensure the integrity of metropolitan and country thoroughbred racing, harness racing and greyhound racing. In undertaking these objectives, RWWA is to recognise the unique characteristics of each racing code so as to maximise the sustainability of racing in WA.</i></p>	<p>Noted</p>	<p>Section 35 of the RWWA Act establishes the functions of RWWA in relation to racing. In particular, a very similar statement exists at section 35(1)(b) of the Act.</p>

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Accountability (Chapter 2.4)		
<p>Recommendation 12</p> <p>RWWA to publicly disclose its overarching decision making procedures to provide greater transparency to the industry.</p>	Noted	The recommendation is a matter of policy for RWWA to determine. RWWA has agreed to implement the recommendation.
<p>Recommendation 13</p> <p>RWWA to introduce transparency measures to facilitate greater awareness among race clubs of relative financial performance.</p>	Noted	The recommendation is a matter of policy for RWWA to determine.
<p>Recommendation 14</p> <p>Amend section 74 of the RWWA Act to allow the Treasurer to impose some direction on the draft RWWA Strategic Development Plan in order to expedite the approval process.</p>	Not Accepted	It is considered that the current process and level of Government involvement for approving RWWA's Strategic Development Plan are adequate.
<p>Recommendation 15</p> <p>The Minister to review the content requirements of RWWA's Strategic Development Plan and Statement of Corporate Intent.</p>	Accepted	RWWA has advised that it supports this recommendation.
<p>Recommendation 16</p> <p>The content requirements of RWWA's Strategic Development Plan and Statement of Corporate Intent be specified in regulation.</p>	Not Accepted	Sections 70 and 79 of the RWWA Act already require RWWA's Strategic Development Plan and Statement of Corporate Intent to be tabled in Parliament.
<p>Recommendation 17</p> <p>Amend section 85 of the RWWA Act to include a reasonable timeframe where notice of financial difficulty must be given by RWWA to the Minister.</p>	Accepted	RWWA has advised that it supports this recommendation.

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Appealing Decisions by RWWA (Chapter 2.5)		
<p>Recommendation 18</p> <p>RWWA, in conjunction with DRGL, publish guidance material for racing industry stakeholders and participants on how to lodge complaints and/or appeals.</p>	Noted	The recommendation is a matter for the Department of Racing, Gaming and Liquor and RWWA to determine and implement.
<p>Recommendation 19</p> <p>Appeals to the Minister against RWWA board decisions should not be established.</p>	Noted	
<p>Recommendation 20</p> <p>The RWWA Act be amended to include a new provision for a club to make representations to the board in instances of club closure or a significant reduction in meetings that will affect a club's long term viability.</p>	Accepted	RWWA has advised that it supports this recommendation.
Consultation (Chapter 2.6)		
<p>Recommendation 21</p> <p>Amend section 82 of the RWWA Act to include that nothing in section 82(2) precludes RWWA from consulting outside of the prescribed bodies in relation to the operations of RWWA or a subsidiary.</p>	Accepted	RWWA has advised that it supports this recommendation.
<p>Recommendation 22</p> <p>RWWA to make its consultation procedures widely known throughout the industry.</p>	Noted	The recommendation is a matter of policy for RWWA to determine. RWWA has agreed to implement the recommendation.

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<p>Recommendation 23</p> <p>As a priority, RWWA to continue to develop and implement the following changes to the way it consults with stakeholders:</p> <ol style="list-style-type: none"> 1. an outreach program to regional areas; 2. the convening of an AGM; combined with 3. the establishment of an industry wide conference. 	<p>Noted</p>	<p>The recommendation is a matter of policy for RWWA to determine. RWWA has agreed to implement the recommendation.</p>
<p>The Distribution of Funds by RWWA (Chapter 2.7)</p>		
<p>Recommendation 24</p> <p>As a matter of policy, RWWA resolves meeting fee discrepancies within its funding distribution model.</p>	<p>Noted</p>	<p>This is a matter of policy for RWWA to determine.</p>
<p>Recommendation 25</p> <p>Delete section 105 of the RWWA Act and make consequential amendments to remove references to section 105.</p>	<p>Noted</p>	<p>State Solicitor's Office/Parliamentary Council's Office advice will be sought in relation to this recommendation.</p>
<p>Recommendation 26</p> <p>The establishment of a dedicated racing industry infrastructure fund to be administered by RWWA.</p>	<p>Noted</p>	<p>The Government notes that a five year, \$13m racecourse infrastructure fund is currently in place. However, the Government is aware that some of the larger infrastructure projects that have been identified cannot be accommodated within the current fund.</p> <p>Further consideration of this recommendation will occur in conjunction with Recommendation 27.</p>

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Taxation (Chapter 2.8)		
<p>Recommendation 27</p> <p>The Minister, in conjunction with the Treasurer, to review the rates of tax for totalisator and fixed odd wagers in sections 4 and 5 of the RWWA Act with a view to enable RWWA to compete more effectively.</p>	<p>Noted</p>	<p>The Government will consider the Committee's finding that RWWA needs a wagering tax regime that is consistent with other Australian jurisdictions in order for it to compete more effectively.</p> <p>This issue will be further assessed by Minister for Racing and Gaming in conjunction with the Treasurer.</p>
<p>Recommendation 28</p> <p>The Minister to pursue a coordinated national approach to wagering taxation through the appropriate Council of Australian Governments forum.</p>	<p>Noted</p>	<p>This matter was discussed during 2010 meetings of the States only Heads of Treasury.</p>
<p>Recommendation 29</p> <p>The RWWA Act to be amended to establish a special purpose account for the infrastructure fund.</p>	<p>Noted</p>	<p>This recommendation relates to Recommendation 26 and will be dependent upon the outcome of Recommendation 27.</p>
<p>Recommendation 30</p> <p>The percentage of RWWA's profits, fixed by regulation at a rate sufficient to address critical infrastructure needs is quarantined annually into the infrastructure fund.</p>	<p>Noted</p>	<p>This recommendation relates to Recommendation 26 and will be dependent upon the outcome of Recommendation 27.</p>
<p>Recommendation 31</p> <p>Amend section 77(2) of the RWWA Act to require the inclusion of proposed infrastructure spending in the Statement of Corporate Intent for RWWA.</p>	<p>Accepted</p>	<p>RWWA has advised that it supports this recommendation.</p>

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Wagering Revenues (Chapter 2.9)		
Recommendation 32 Virtual racing and Keno should not be expanded to TABs and licensed premises.	Noted	
Recommendation 33 Amend section 63 of the RWWA Act to enable RWWA to offer wagering services through electronic agents.	Accepted	RWWA has advised that it supports this recommendation.
Structure and Ownership of RWWA (Chapter 2.10)		
Recommendation 34 RWWA continues to operate as a statutory authority with roles of governance for all three racing codes and ownership of the principal off-course TAB business in WA.	Noted	
OTHER MATTERS RELEVANT TO THE OPERATIONS AND EFFECTIVENESS OF THE ACTS		
Ratings/Handicapping System for Horse Racing Codes (Chapter 3.2)		
Recommendation 35 RWWA, in consultation with the Thoroughbred and Harness Racing Consultative Groups, review the ratings/handicapping systems for each code, with a view to producing balanced and competitive race fields and to address the perceived handicapping inequities between city, provincial and country racing.	Noted	The recommendation is a matter of policy for RWWA to determine.
Liquor Licensing (Chapter 3.3)		
Recommendation 36 The Minister to urgently review liquor licensing and enforcement	Noted	Recommendation outside the scope of the RWWA Acts review.

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requirements for major race meetings.		
The Power to Direct Race Clubs and Conduct Racing in Extraordinary Circumstances (Chapter 3.4)		
<p>Recommendation 37</p> <p>The RWWA Act to be amended to include the power for RWWA to direct clubs and allied bodies where there is a severe threat to the welfare of racing.</p>	Accepted	RWWA has advised that it supports this recommendation.
<p>Recommendation 38</p> <p>The RWWA Act be amended to ensure RWWA cannot impose sanctions for not complying with a direction without those clubs and allied bodies first making representation.</p>	Accepted	RWWA has advised that it supports this recommendation.
Meeting Allocations, Race Programming and Vision (Chapter 3.5)		
<p>Recommendation 39</p> <p>RWWA to prepare a more extensive forward looking plan with indicative dates in order to assist clubs with planning and provide greater surety to clubs with respect to ongoing survival.</p>	Noted	The recommendation is a matter of policy for RWWA to determine. RWWA has agreed to implement the recommendation.
<p>Recommendation 40</p> <p>Wherever possible, RWWA should assist race clubs to secure Sky Vision access and coverage.</p>	Noted	The recommendation is a matter of policy for RWWA to determine. RWWA has agreed to implement the recommendation.
<p>Recommendation 41</p> <p>The Minister initiates communication with Commonwealth Government to expedite the roll-out of the National Broadband Network to race clubs in country WA.</p>	Noted	The Government will take every opportunity to encourage the Commonwealth government to roll-out broad band services in regional areas of Western Australia.

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Resolving Conflicts of Interest with Respect to Wagering (Chapter 3.6)		
<p>Recommendation 42</p> <p>The Minister reviews the most appropriate manner in which any prescribed function of RWWA that conflicts with its prescribed functions to carry out its wagering business under section 50 and 120 of the RWWA Act be removed and subsequently vested with the Gaming and Wagering Commission.</p>	Accepted	The review will include consultation with the Gaming and Wagering Commission of WA.
Miscellaneous Administrative Amendments to the RWWA Act (Chapter 3.7)		
<p>Recommendation 43</p> <p>Section 118 of the RWWA Act be amended to remove the requirement for a common seal, provided alternative document execution requirements can be applied.</p>	Accepted	RWWA has advised that it supports this recommendation.
<p>Recommendation 44</p> <p>Section 63 of the RWWA Act be amended to remove references to wagers and payments by letter sent through the post and that consequential amendments are made to the regulations.</p>	Accepted	RWWA has advised that it supports this recommendation.
<p>Recommendation 45</p> <p>Section 86 of the RWWA Act be amended to remove any provisions which duplicate the State Records Act 2000.</p>	Accepted	RWWA has advised that it supports this recommendation.
<p>Recommendation 46</p> <p>Section 22(3)(a) and (b) of the RWWA Act be amended to reflect applicable legislative requirements defining the minimum remuneration and other terms or conditions of employment of staff.</p>	Accepted	RWWA has advised that it supports this recommendation.

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<p>Recommendation 47</p> <p>Amend section 3(1) of the Act to replace:</p> <ul style="list-style-type: none"> - 'Australian and New Zealand Greyhound Association' with 'Greyhounds Australasia'; and - 'Australian Harness Racing Council' with 'Harness Racing Australia'. 	<p>Accepted</p>	<p>RWWA has advised that it supports this recommendation.</p>
<p>Future Directions for the Industry (Chapter 3.8)</p>		
<p>Recommendation 48</p> <p>Amend section 44 of the RWWA Act to include the explicit function to allow RWWA to warn-off and lift a warning-off and that this function be carried out in accordance with regulation 72.</p>	<p>Accepted</p>	<p>RWWA has advised that it supports this recommendation.</p>
<p>Recommendation 49</p> <p>Consequential amendments be made to regulation 72 to include:</p> <ul style="list-style-type: none"> - any warning-off notice must have a prescribed time limit; - the conditions by which RWWA can impose additional notices; and - the process by which the recipient can apply to RWWA to have a warning-off notice lifted. 	<p>Accepted</p>	<p>RWWA has advised that it supports this recommendation.</p>
<p>Recommendation 50</p> <p>Amend section 44(1)(e) of the Act to include a maximum time limit and:</p> <ul style="list-style-type: none"> - any requirement that this section be enacted in accordance with regulation 72 be appealed; and - new procedures be set out in the regulations that prescribe 'shirt term' incidences to which this section should apply. 	<p>Accepted</p>	<p>RWWA has advised that it supports this recommendation.</p>
<p>Recommendation 51</p> <p>That Racing and Wagering Western Australia reviews the commission rates payable to operators of SL1 and SL2 TAB Licences to help ensure the maintenance and potential growth of the retail sales network.</p>	<p>Noted</p>	<p>This is a commercial matter for RWWA to determine.</p>

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<p>Recommendation 52</p> <p>That Racing and Wagering Western Australia continue to investigate the viability of synthetic tracks for training purposes.</p>	<p>Noted</p>	<p>This is an operational matter for RWWA to determine.</p>
<p>Recommendation 53</p> <p>That the Minister for Racing and Gaming and Racing and Wagering Western Australia pursue any avenue available to achieve a national totalisator pool.</p>	<p>Noted</p>	<p>This matter has previously been discussed at a national level through the Australasian Racing Ministers' Conference.</p>