

# AJP VIC \$PRING RACING Fact File

## BACKGROUND INFORMATION

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### HORSE RACING AUSTRALIA

**RACING.COM**

[www.racing.com](http://www.racing.com)

Constitution:

“Primary purpose: The primary object for which the Company is established is for the encouragement and promotion of horse races..”

Racing is an Australian private company. It is managed by a Board of Directors (as set out in its constitution).

Current Chairperson is **John Messara** - AM (Chairman) - Racing NSW Nominated Director (2 year rotating position)

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# HARNESS RACING VICTORIA



<http://www.harness.org.au/vic.cfm>

On 7 January 2015, the Minister for Racing, the Hon Martin Pakula MP, commissioned an independent audit of Harness Racing Victoria (HRV).

Read the report: <http://www.justice.vic.gov.au/home/justice+system/laws+and+regulation/report+on+the+audit+of+harness+racing+victoria>

“The audit was a high-level review of HRV and more generally key components of the harness racing industry (the industry) in Victoria..

Flat or reduced income from wagering over the past five years has been a major issue for HRV and I am not sure that this will change substantially in the future unless the industry, not only in Victoria but nationally..

It has become apparent, through that process, that there are a number of key deficiencies in the area of integrity that need to be addressed, including the level of funding allocated by HRV for integrity services, the training of stewards and drug testing. To that end, I have recommended that there is a need for the government to consider whether responsibility for the integrity of harness racing should remain with HRV..

However, it is clear that participants believe that the industry is ‘fractured and polarised’ and that this is the result of an absence of leadership..

The current Board does not have the expertise or specialist skills it needs in a broad range of areas such as legal,.. This has led me to recommend that the Board composition provisions of the Racing Act 1958 (the Act), be amended to reflect modern governance arrangements. In amending the Act, consideration should be given to the appropriate size and skill mix required for the Board. .

Priority must be given to increasing the funding for integrity services and ensuring that HRV has the right leadership to move the organisation forward and reinvigorating the racing product.

## The Victorian Government’s response to the HRV Integrity Audit

“Mr Perna has made one recommendation to the Government, which involves the establishment of an independent body with responsibility for integrity across the three racing codes, removing it from the controlling bodies. As Minister for Racing, I have made it clear that I believe Victorian racing needs a modern governance structure - one that puts integrity front and centre and avoids conflict of interest...”

Read more: <http://www.martinpakula.com.au/media-releases/statement-on-the-2014-ballarat-pacing-cup/>

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# RACING VICTORIA



[www.rv.racing.com](http://www.rv.racing.com)

Racing Victoria Ltd RVL is the 'controlling body', or 'Principal Racing Authority', for thoroughbred racing in this state. **It is a private company incorporated under the Corporations Act 2001** (Cth) and has responsibility under the Act for the regulation of thoroughbred racing, including the promulgation and enforcement of both the national and local (state) rules of racing. **Whilst RVL is not a statutory body, it is recognised by statute and performs a public regulatory role.**

Racing clubs are independent entities that work collaboratively with the controlling bodies, they act as event managers.

Under the Racing Act 1958, the Minister for Racing licenses racing clubs. In addition to the controlling bodies and racing clubs, the **Office of Racing in the Department of Justice (DOJ)** advises the Minister for Racing on racing legislation and regulation, racing licensing, and racing industry issues. **The Office of Racing is also responsible for implementing the government's racing program, including its racing grants programs.**

Ged Prescott is the Manager of the Office of Racing (DOJ).

Contact:

03 8684 1916

[ged.prescott@justice.vic.gov.au](mailto:ged.prescott@justice.vic.gov.au)

**Board of Directors:**

**David Moodie** - Racing Victoria Nominated Director

Contact:

03 9258 4258

[information@racingvictoria.net.au](mailto:information@racingvictoria.net.au)

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## VICTORIAN RACING INCOME

The racing industry gets most of its income from its joint venture with Tabcorp, the Victorian wagering licensee. Other income sources for the controlling bodies include race field fees, racing regulation and service fees, and sponsorships. Tabcorp's payments to the racing industry comprise fees for racing product and a share of wagering profits.

Racing's controlling bodies also charge fees for non-Victorian wagering organisations' use of race field information.

VRIF also provides money to Racing Victoria through grants and other approved projects.

Racing Victoria 2014 Annual Report

[https://cdn.racing.com/~media/rv/files/reports/rvl\\_ar14\\_annualreport\\_web.pdf](https://cdn.racing.com/~media/rv/files/reports/rvl_ar14_annualreport_web.pdf)

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## VICTORIAN RACING INDUSTRY FUND

The Victorian Racing Industry Fund (VRIF) started in July 2011 and will operate until June 2015. It gives grants for approved projects to controlling bodies, clubs and other racing industry bodies such as picnic racing clubs, generally with an equal contribution required of the applicant.

The level of funding available from these sources depends on the value of funds wagered and the level of unclaimed wagering dividends. VRIF program guidelines state that the program 'provides funding support to the Victorian racing industry for improvements at racing and training venues and for selected programs designed to further stimulate industry growth and development.'

Read more: <http://www.audit.vic.gov.au/publications/20131128-Racing-Grants/20131128-Racing-Grants.pdf>

*Martin Pakula confirmed this fund has been renewed for a further four years.*

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## REGIONAL RACING INFRASTRUCTURE FUND

The Regional Racing Infrastructure Fund (RRIF) was announced in November 2008 and operated until September 2012. It also aimed to support controlling bodies' capital development projects.

The purpose of RRIF was to financially support controlling bodies' projects at racing and training venues outside Melbourne, and to stimulate industry growth and development. RRIF was intended to support drought-proofing and water-saving measures, occupational health and safety improvements, infrastructure developments, and initiatives to stimulate industry growth and development.

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## VICTORIAN AUDITOR GENERAL AUDIT INTO RACING GRANTS SYSTEM

“The audit found weaknesses with the department’s administration of racing industry grants that repeatedly arise in public sector administration and which were documented in this office’s review of audits tabled between 2006 and 2012. They include shortcomings in the analysis underpinning decisions, weaknesses in procurement, no assessment of the outcomes achieved, and a lack of public information on grants awarded.”

Read more: <http://www.audit.vic.gov.au/publications/20131128-Racing-Grants/20131128-Racing-Grants.pdf>

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## DAMIEN OLIVER BETTING SCANDAL

In 2012 Damien Oliver was found guilty for betting \$10,000 on a rival horse. There was strong criticism towards RACING VICTORIA that they did not suspend Oliver immediately, instead they waited until the end of the Carnival before suspending him.

<http://www.heraldsun.com.au/sport/superracing/champion-jockey-damien-oliver-expected-to-be-charged-with-illegal-betting/story-fn67sphz-1226515417329>

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## AUDIT INTO RACING VICTORIA’S INTEGRITY OVER OLIVER BETTING SCANDAL

As a result of the public outcry, an inquiry conducted by the Office of Racing Integrity Commissioner into RACING VICTORIA’s handling of the matter.

Read more: [http://www.racingintegrity.vic.gov.au/resources/7cb75fda-3c9b-40ad-9a03-f32f68201654/final-report-on-the-investigation-of-the-'damien-oliver-inquiry'-2012-by-racing-victoria-limited-\(rvl\).pdf](http://www.racingintegrity.vic.gov.au/resources/7cb75fda-3c9b-40ad-9a03-f32f68201654/final-report-on-the-investigation-of-the-'damien-oliver-inquiry'-2012-by-racing-victoria-limited-(rvl).pdf)

My investigation proved to be difficult, protracted and frustrating, in the main due to two factors: (a) My lack of adequate powers. Whilst RVL past and present employees accepted my request to attend interviews, other key participants did not. These included Damien Oliver, Mark Hunter and Laurie Bricknell.. (central figures)

***There were a number of occasions however when the IP could and should have exercised the power to stand Oliver down prior to 13 November 2012, the date he was stood down.*** These include 25 October 2012 following the Hunter interview, 1 November 2012 following the Smerdon interview and 7 November 2012 following the Bricknell interview. In my examination of the information, I am of the view that the decision taken not to do so until Oliver made admissions was too conservative and cautious in the circumstances. Such view is not shared by RVL.

My view is that the ***information provided by Victoria Police was misinterpreted by RVL, consequently affecting their decision not to bring Oliver before a stewards’ inquiry.*** In my examination of this aspect, Victoria Police have confirmed that the rights normally afforded under Section 464 of the Crimes Act 1958 were not applicable in this instance. The IP should have pressed Victoria Police for clarity in a critical aspect such as Oliver’s status in the police investigation

## **RACING VICTORIA's response to Office of Racing Integrity Commissioner's report:**

RV claim that they acted in the best interests in racing by not standing down Damien Oliver until after the completion of the spring carnival in Melbourne.

<https://www.racenet.com.au/news/90997/Racing-Victoria-disagree-Oliver-should-have-been-stood-down-earlier>

## **VICTORIAN GOVERNMENT's response to Office of Racing Integrity Commissioner's report:**

Dr Napthine backed Perna's calls in his response to the report, suggesting RV implement the changes as soon as possible. "I urge Racing Victoria to act immediately to implement Recommendation 1 of this report," Dr Napthine said.

Dr Napthine said the Victorian Government was already working on three other recommendations from Perna's report in which he repeated his call for greater powers for his office, the capability of police to share information with stewards and the establishment of "dedicated, specialist investigators for sports crime and corruption".

<https://www.racenet.com.au/news/90994/Victorian-Premier-urges-action-on-stand-down-rules>

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# HORSE RACING IS ANIMAL CRUELTY



For more information, go to the Coalition for Protection for Racehorses (CPR) website. CPR and AJP VIC are campaigning together on the issues of horse welfare.

[www.horseracingkills.com](http://www.horseracingkills.com)

There are four major issues the Coalition for the Protection of Racehorses focuses on:

**WASTAGE:** Defined by the Racing Industry as “When horses are prematurely withdrawn from racing” the reality is when horses are no longer financially viable a significant number are sent to the knackery to be killed.

**JUMPRS RACING** Galloping at high speed over obstacles of considerable height is extremely dangerous resulting in a high percentage of horses falling, sustaining severe injuries and being killed on track.

**THE WHIP:** Whipping not only inflicts physical and psychological pain but pushes an exhausted horse beyond its physical capabilities often leading to them breaking down and sustaining serious injury.

**TWO YEAR OLD RACING:** Horses are not skeletally mature until five years of age and therefore a significant number of two-year-olds sustain injuries in their first year of racing and do not return in the subsequent year.