

And they're off! ... A guide to race fields approvals in Australia

Part 1 of Series: "I have a bookmaking licence now what?"

What is different kinds racing are conducted in Australia?

There are three racing "codes" in Australia. They are as follows:

- Harness racing is a type of horse racing where a driver steers the horse from a two wheeled cart that is pulled behind the horse. It is sometimes called 'trotting.' Harness racing is conducted in every Australian jurisdiction except the Northern Territory.
- Greyhound racing is a type of racing where greyhounds are raced on a track. Greyhound
 racing is conducted in every Australian jurisdiction except the Australian Capital Territory
 which banned greyhound racing in 2018.¹
- Thoroughbred racing is a type of horse racing where a jockey sits atop the horse during the race. Thoroughbred racing is conducted in every Australian jurisdiction.

What is a "race field"?

A "race field" is commonly understood in state and territory legislation as information that can identify the name or number of a horse or greyhound that: ²

- has been nominated for, or is otherwise taking part in, a particular race; or
- is ultimately scratched or withdrawn form a particular race.

Some jurisdictions have also expanded the concept of "race field" to also include: 3

- the name, number, or time of a race;
- the name or number of a rider, or trainer, of a horse or greyhound that is nominating or participating in a particular race; and
- the outcome of a race.

It is impossible to offer markets on racing without the use and publication of "race field" information.

How is the use and publication of "race fields" regulated?

The regulation of race fields is done at a state and territory level. There are sixteen (16) governing bodies nationwide that are responsible for administering the use and publication of race fields in their respective jurisdictions:

¹ Racing (Greyhounds) Amendment Act 2017 (ACT).

² See Betting and Racing Act (NSW) s 27 definition of "NSW race field information"; Gambling Regulation Act (Vic) s 1.3 definition of "race field"; Racing Regulation Act 2004 (TAS) s 3 definition of "Tasmanian race field information"; Racing and Betting Act 1983 (NT) s 69A(1) definition of "NT sports information"; Betting Control Act 1954 (WA) s 4 definition of "WA race field."

³ See Racing Act 2002 (QLD) s 131 definition of "Queensland race information"; Racing Act 1999 (ACT) s 61E definition of "race field information."

Table: Governing bodies

Jurisdiction	Thoroughbred	Harness	Greyhound
Australian Capital Territory	Thoroughbred Park	Harness Racing ACT	N/A
New South Wales	Racing NSW	Harness Racing NSW	Greyhound Racing NSW
Northern Territory	Thoroughbred Racing NT	N/A	Darwin Greyhound Association
Queensland	Racing Queensland		
South Australia	Racing SA	Harness Racing South Australia	Greyhound Racing South Australia
Tasmania	TasRacing		
Victoria	Racing Victoria Limited	Harness Racing Victoria	Greyhound Racing Victoria
Western Australia	Department of Local Government, Sports, and Cultural Industries (WA)		

By law, a bookmaker must obtain race field approval from each body that governs the kind of race it wants to offer betting markets on. For example, if a bookmaker wants to offer markets on Victorian thoroughbred racing and not ACT harness racing, the bookmaker must obtain approval from Racing Victoria Limited but is not required to obtain approval from Harness Racing ACT.

Are there penalties for using and publishing race fields without approval?

It is a criminal offence to use and publish race fields without approval.⁴ The penalties for non-compliance vary greatly between jurisdictions. For example, the penalty in Western Australia is a fine of \$5,000,⁵ whereas the maximum penalty in Queensland is a fine of 4,000 penalty units (currently equating to \$619,200) or a term of imprisonment of 5 years.⁶

Do conditions apply to the race fields approval?

Yes, bookmakers must comply with the conditions of their race fields approval. Whilst each governing body imposes a unique set of conditions, approvals generally have one or more of the following:

- 1. Reporting conditions this condition may include an obligation to provide regular reporting on the betting activity on that kind of race and/or an obligation to respond to specific requests for information made by the governing body.
- 2. <u>Payment of a fee</u> the payment of fees to the governing bodies is a common condition. Each governing body calculates the relevant fee differently; however, it generally involves:
 - a greater of calculation between a percentage of turnover and a percentage of revenue; or

⁴ Betting and Racing Act (NSW) s 33; Gambling Regulation Act (Vic) s 4.2.3A; Racing Regulation Act 2004 (TAS) s 54A; Racing Act 2002 (QLD) s 133; Authorised Betting Operations Act 2000 (SA) s 62E; Racing Act 1999 (ACT) s 61F; Racing and Betting Act 1983 (NT) s 69F; and Betting Control Act 1954 (WA) s 27D.

⁵ Betting Control Act 1954 (WA) s 27D.

⁶ Racing Act 2002 (QLD) s 133.

- a percentage of turnover calculation; or
- a percentage of turnover and a percentage of revenue calculation.

Each governing body may set thresholds which permit the non-payment of fees (or a reduced rate) and may also vary the fee depending on the kinds of bets and kind of race meeting.

These fee calculation models can be complex to navigate and do change from time to time.

- 3. <u>Minimum betting limits</u> this condition involves imposing an obligation on the bookmaker to accept a fixed odds bet (or series or bets) from customers on a particular race up to a certain limit. This limit describes the amount the bookmaker must stand to lose. The bookmaker cannot engage in any action or inaction to avoid this obligation unless one or more exceptions apply.
- 4. <u>Bet types</u> there may be a condition that limits the kinds of bet types that can be offered by a bookmaker on that particular kind of racing.

How do operators apply for "race fields" approval?

Each principal racing authority has their own application process. For example, some governing bodies require the payment of an application fee and detailed responses to due diligence questions, whereas other governing bodies only require basic information about a bookmaker and a copy of the bookmaker's licence.

We encourage operators to apply as early as possible for approvals as the process can take some time and will be impacted by factors such as resourcing constraints of the authorities and any issues arising in the course of the review of the application that require further inquiry.

How can Senet help me?

Senet can assist you with the end-to-end race fields assessment and application process. This includes providing up to date advice on race field fee calculations to assist with commercial modelling and establishing finance and reporting systems. You may also require assistance with the application process itself for one or more principal racing authorities, provide advice regarding the conditions of approval and establish compliance frameworks to ensure that you remain compliant from day one.