

Hon John Carter

Minister of Racing



11 October 2010

Speech

Speech to Judicial Control Authority for Racing Annual Meeting

Travelodge Hotel, Gilmer Tce, Wellington

Speech to Judicial Control Authority for Racing Conference

Travel lodge Hotel, Gilmer Tce, Wellington. 1.15pm

Thanks to Kristy McDonald, Chair of the Judicial Control Authority for Racing, for inviting me to speak to you today.

I would also like to acknowledge Associate Professor David Gerrard, from the University of Otago, who will be talking to you about some of the drug related issues that affect racing and sport.

One of the decisions I have made as Minister for Racing is to support the New Zealand Racing Board in its moves to improve integrity, across the board, for the racing industry. I will talk to you today about where some of this work is at.

I also want to talk about what improving integrity means for the overall health and future of the racing industry, not just in New Zealand.

Worldwide, the industry is taking issues of integrity seriously and putting systems in place to address it. New Zealand is at risk of isolation if our racing industry doesn't work as one to improve integrity.

My comments on integrity are not designed to slight the many honest and hard-working people who make their living out of racing.

However, some of those people will be grappling with integrity issues.

It may be that they are aware of things going on in other stables that they think aren't their business, but this may be behaviour that affects the

impression the punting public has of racing.

Or at an administrative level, someone may know something that doesn't feel quite right. Again they may think it is nothing to do with them.

But ultimately, if integrity issues in racing are not vigilantly addressed, everyone who makes their living from this industry is adversely affected. Every time another person turns their back on racing because they perceive it is not a "clean" sport, that move impacts on the money supply chain.

Participation is critical to the viability of racing. That is, people owning horses, people attending race meetings and people wanting to bet on horses with the TAB.

So one of the key reasons for constantly improving the integrity of racing is an awareness of how the outside world looks in at this industry.

I was pretty much an outsider when I took over this Ministerial portfolio, so I am a good example of how people get introduced to racing.

On a Sunday I look through the *Sunday Star Times*. In doing so, I can see how it has come to half the New Zealand population having a negative impression of racing and betting on racing in New Zealand. This statistic was the finding of a recent survey undertaken by Nielsen. The survey tackled public perceptions of the racing industry and the results were disturbing.

Let me show you what I am talking about. Sunday 19 September has these two headlines on one page:

**Exclusive: TV Frontman Gone. Geurin in credit betting scandal.
Row over second hearing into Collett's "psycho" episode**

The following Sunday it's: **Credit betting "dirty secret" says former agent.** The article says: "Harness racing's prime *Trackside* presenter Michael Geurin lost his job last week for betting on credit. Barry Lichter checks out what one former agent calls the TAB's 'dirty secret'."

And the Sunday after there is a whole page with the very prominent headline: **Snake Venom Fears Mount.** "The racing industry is abuzz with talk of snake venom being used on our racehorses to mask pain."

I think I can be forgiven for sometimes feeling that the racing industry is not so different to the way it is portrayed in the fictional novels by Dick Francis or John Francome. Both were former jockeys who turned their hands to writing crime fiction with a racing theme. I get the impression they may have had some real life experiences to draw on in creating their fictional works.

Picking the *Sunday Star Times* as a newspaper that has a lot of racing coverage and is likely to be read by all sorts of people who have more time to look through the newspaper on a Sunday, it paints a fairly bleak picture of

racing for the general public.

My office analysed the racing coverage from January 2009 until now in this newspaper. There were at least 27 articles relating to racing integrity issues falling broadly into three categories – drugs (that is drug use by industry participants or horse doping); issues around gaming machines; and violence within the industry.

Drugs made the front page on 13 June 2010 under the heading **Riding High**. The article detailed the rise of a “drug subculture” in racing.

To quote the legendary popular culture magazine *Rolling Stone* in one of the most successful advertising campaigns of modern times: “perception is reality”.

It is very clear to me that perceptions around the racing industry and corruption need addressing.

It is at best, burying ones head in the sand if the people who make their living out of racing want to believe this is an industry without integrity issues.

As I’m sure Associate Professor Gerrard will tell you, drug use is not peculiar to racing. Performance enhancing drugs are an issue for all professional sports. And illegal drug use is across society. Racing is not being singled out. However, it is entirely appropriate for industry leaders to want to address drug use and other integrity issues.

Industry leaders have agreed there is a need for an over-arching strategy to turn public perceptions of racing around and work is underway on this.

Undeniably, the New Zealand racing industry needs to improve its performance. It needs greater participation from owners, race goers and punters. Racing faces a wagering decline of \$1.2 billion in the past 25 years.

At the heart of moving racing into a profitable future is image. People will not invest in an industry – with time or money – if they don’t believe in its integrity.

But to successfully present racing as a sport of skill and reward, free from corruption, everyone who participates in and/or makes their living out of racing has to want to see perceptions change and has to understand why they need to change.

The industry’s leaders have decided it is time to act and a decision was made in June this year to establish a new, independent Racing Integrity Unit.

This new model of integrity services will give more independence to the “policing” of racing.

Making the rule-making, policing and the judicial systems independent and transparent is critical to the integrity of racing.

There must be no suggestions of cronyism. Indiscretions must not be ignored because of the value to the industry of the people involved. Integrity issues must be addressed in a professional and independent way. And there must always be an independent judicial system for a fair trial.

The Racing Integrity Unit has been incorporated as a limited company and its shareholders are the three racing codes and the New Zealand Racing Board.

Recruitment of key personnel is underway and those setting up the unit are working to a timeline that sees it operational from February 2011.

It is essential that the industry backs its leaders on all matters of integrity, because I certainly do. They have a passion for racing and they want to see racing flourish.

There is a lot of magic on the racetrack and I want to see more of the great stories of racing in mainstream media.

There are so many tales I'd love to see told of triumph against the odds, of great friendships forged, of mighty athletes both human and animal. These are the stories I hope to be holding up before you if I address you at next year's conference.

Thank you.

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