



## **Greyhounds Australasia**

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# **POLICY GUIDE TO BETTER REGULATIONS**

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## **BACKGROUND**

GRNSW recently adopted clear principles and guidelines for considering the introduction of new regulations or the amendment of existing regulations, and suggested that these principles be considered by GA.

GRNSW is of the view that well designed and properly targeted regulation helps it meet its goals as administrator and is an important tool for managing the integrity of the sport. In addition, feedback from GRNSW stakeholders indicates that they feel over governed and overburdened, that current regulations are too complicated and stringent, and that there may be a number of unnecessary rules.

In response to the GRNSW proposal, GA accepts that processes to amend national rules has over the past few years become more involved predominately due to the timing and consultative process with stakeholders. As a result, the CEO of GA has modified the current principles of GRNSW into a reduced format, which he believes may be acceptable to the directors.

'Regulation', as it is used in this paper, refers to GA's role in coordinating uniformity with the racing rules; licensing and registration activities; as well as the development of new policies, standards and procedures for participants.

The Board does not currently have a policy position on regulation-making that outlines clear principles and guidelines for considering the introduction of new regulations or the amendment of existing regulations, with the exception of an agreed form and timing for introduction of rules.

## **COMMENT**

### ***Best Practice***

International and domestic best regulatory practice includes some or all of the following: formal commitments to reducing red tape or regulatory burdens; adoption of better regulation principles and statements (also known as regulatory impact statements); commitments to streamlining and simplifying regulation; regular reviews of regulation; targeted regulatory reform; and consultation during regulation making.

Most governments in Australia have made some kind of commitment to the removal of unnecessary or poorly designed regulation in order to reduce business costs and support long-term productivity growth. Similarly, many commercial businesses pride themselves on their ability to provide fast, efficient, cost effective and streamlined services to their customers when operating in a deregulated environment.

### ***Member regulatory activities***

Regulation is necessary in many cases to help achieve Members' objectives in the area of integrity and probity. Some burden flowing from regulation is unavoidable; however, ineffective and unwarranted regulation can impose unnecessary compliance costs on participants, including:

- costs associated with demonstrating compliance with a regulation (such as paperwork or record-keeping costs);
- costs related to required capital and production expenditure (such as equipment and training expenses); and
- financial costs (such as fees and fines).

As administrators of the sport, it is important for GA Members to adequately justify the introduction of new regulations to stakeholders. In addition, it is imperative that the benefits of new regulation outweigh the costs of implementation and administration.

### ***Better Regulation Principles***

To remain competitive, GA Management believes it is imperative that its members adopt a regulatory framework that is risk based, practical, simple, consultative and consistent with international and domestic best practice.

To achieve this, it is proposed the Board adopt the following Better Regulation Principles to assist with regulation-making in the future. These principles would become the cornerstone of GA's commitment to good regulation-making and be used by Management, Members and Sub-Committees when preparing regulatory proposals for the Board, to demonstrate that any new regulation is necessary, reasonable and responsive.

The Better Regulation Principles are as follows:

**Principle 1** - The need for action should be established.

**Principle 2** - The objective of action should be clear.

**Principle 3** - The impact of action should be properly understood by considering the costs and benefits of a range of options, including non-regulatory options.

**Principle 4** - Action should be effective and proportional.

**Principle 5** - Consultation should inform regulatory development.

**Principle 6** - The simplification, repeal, reform or consolidation of existing regulation should be considered.

**Principle 7** - Regulation should be periodically reviewed and if necessary reformed to ensure its continued efficiency and effectiveness.

**Principle 8** - Regulation should be appropriate and enforceable.

***Better regulation statement***

A Better Regulation Statement is to be prepared for all new and amending regulatory proposals. The statement must demonstrate that a regulatory proposal is justified by documenting the analysis undertaken to apply the Better Regulation Principles outlined above. In preparing a statement, Management, Members and Sub-Committees will be required to consider and answer a number of questions to ensure regulation is required, reasonable, simple, practical and responsive. A Better Regulation Statement will be a concise, stand-alone document. A guide and template for developing these Statements is referred to in *Attachment A*.

The purpose of a Better Regulation Statement is to provide the Board with sufficient information to enable an informed decision about whether to approve new and amending regulatory proposals. In addition, Better Regulation Statements will ensure that regulation is used by GA Members only when completely justified and in circumstances where the benefits clearly outweigh the costs of implementation and administration.

The Board's leadership in this area will be crucial in achieving a better understanding within the Australian greyhound racing community of the importance and benefits of a more balanced and considered approach to regulation-making.

**POLICY POSITION**

Effective 18 November 2010 the GA Board **RESOLVED** to adopt a policy position that, the "*Guide to a Better Regulation statement including the eight principles*" are to be used as a checklist when considering new regulations or amendments to existing regulatory activities.

## Guide to a Better Regulation Statement

This document supports the Board's commitment to better regulation-making. A Better Regulation Statement must be completed and attached to any document proposing the introduction of new regulations or amendments to existing regulatory activities. The guide will assist Management, Members and Sub-Committees to apply the eight Better Regulation Principles to ensure new regulation is required, reasonable and responsive.

### **Principle 1: The need for action should be established.**

- What is the issue to be examined?
- How big is the issue and how severe are its consequences?
- What are the broad impacts of the issue and who is affected?
- Have affected parties been consulted on the nature and impact of the issue?
- What will happen if no action is taken?

### **Principle 2: The objective of action should be clear.**

- What is the outcome to be achieved?
- Are objectives specified clearly?

### **Principle 3: The impact of action should be properly understood by considering the costs and benefits of a range of options, including non-regulatory options.**

#### ***Key Components***

The key components of determining the impact of any action include:

- developing viable options;
- assessing the impact of options;
- developing a plan for implementation and compliance; and
- considering how performance will be monitored and reported.

#### ***Options***

- Have a number of options been considered, including non-regulatory alternatives?
- Has the status quo been considered as an option?
- Do the options reflect the significance of the issue to be addressed and the availability of resources?
- Can existing regulation be amended to achieve the objectives?
- Could alternative approaches, such as less complex regulation, information campaigns or industry self-regulation, satisfactorily achieve the underlying goals?
- Have stakeholders been consulted to assist with options development?
- Have the education and training needs of participants been considered?

### ***Assessing impacts***

- Is the level and detail of the assessment of costs and benefits proportionate to the size of the issue and the potential impacts of options?
- Have financial, economic, social and environmental impacts been identified, including both direct and indirect costs and benefits?
- Have compliance costs to participants been assessed?

### ***Implementation***

- Does the implementation strategy clearly set out how the proposal would be implemented and enforced?
- Are compliance burdens commensurate with the size of the issue?

### **Principle 4: Action should be effective and proportional.**

- Is the scope of the regulatory proposal proportionate to the seriousness of the issue?
- Is the amount of time, effort and other resources spent developing the regulatory proposal proportionate to its importance and its impact?

### **Principle 5: Consultation should inform regulatory development.**

- Is consultation required as part of the regulatory development process?
- Does the consultation period allow stakeholders adequate time to prepare responses?
- Is the approach to consultation commensurate with the size of the issue to be addressed?

### **Principle 6: The simplification, repeal, reform or consolidation of existing regulation should be considered.**

- Does the new proposal make other regulatory requirements obsolete which can now be repealed?
- Is it feasible to consolidate the requirements in a number of instruments into a single regulation?
- Is existing regulation still valid?
- Is the new proposal and associated information presented in 'plain English'?

### **Principle 7: Regulation should be periodically reviewed and if necessary reformed to ensure its continued efficiency and effectiveness.**

- Have monitoring and review requirements been included in the regulatory proposal?
- Does the planned type and frequency of reviews reflect the significance and scope of impacts, complexity of the regulation and the impacts of reviews on affected parties?

### **Principle 8: Regulation should be appropriate and enforceable.**

- Is the new regulation or rule enforceable?
- Do we have the detection capacity to enforce the new regulation or rules – both in terms of resources and technology?