

Racing Queensland Limited

POLICY FOR RACING QUEENSLAND LIMITED'S COMMERCIAL DECISION-MAKING

DATE THE POLICY WAS MADE

This policy was made on 1 July 2010.

COMMENCEMENT DATE

This policy comes into effect on 1 July 2010.

PURPOSE

The *Racing Act 2002* (Act) authorises Racing Queensland Limited (Racing Queensland) to make policies for the sound management of the industry. Section 80(1) (b) of the Act empowers Racing Queensland to make a policy it believes is good management.

This policy deals with Racing Queensland's commercial decision-making processes.

What is commercial decision-making?

In a commercial context, decision-making involves seeking to optimise the outcomes for the Queensland racing industry and its stakeholders. The outcomes include financial return, employment, quality of product and program, quality of infrastructure and the regional viability of the industry. These outcomes are achieved by allocating resources to their best possible uses in order to achieve the commercial objectives of the industry.

Racing Queensland has three key commercial objectives:

- To develop an efficient and effective Queensland racing industry that is sustainable over the long term
- To produce the highest possible quality product and program both for Racing Queensland and nationally
- To optimise over time the level of financial return obtained for the industry and its key stakeholders.

Commercial decision-making involves ensuring that all commercial decisions are directed at furthering these commercial objectives. There can be trade offs that need to be taken into account in decision-making. There can be trade offs between the three objectives and between short-term and longer-term considerations. For example, there is the conflict between distributing all available revenue as prize money to maximum returns and incentives to improve the racing program now and the longer-term need to maintain and develop the key racing infrastructure.

It may be argued that there is another conflict that between commercial and integrity functions. However, this is not the case as the commercial objectives are vitally dependent on achieving and maintaining the highest standards of integrity. Any compromise in this area has the potential to cause the most immediate and lasting damage to the commercial position of the Queensland racing industry. The truth of this is well illustrated by commercial organisations that have compromised on integrity, resulting in the complete destruction of the company.

Principles of good commercial decision-making

The following describes the principles of good commercial decision-making:

- A clear set of commercial objectives are articulated
- All available options are identified and evaluated against the commercial objectives
- Each option is assessed in terms of its impact on the Queensland racing industry and its stakeholders
- The option is selected which achieves the maximum net benefit to the Queensland racing industry and its stakeholders
- The decision is lawful and is not induced or affected by self interest or fraud
- The evidence and information on which the decision is based supports the decision
- The making of the decision is a proper exercise of the power conferred
- There is full documentation of the decision and the decision-making process.

Responsibilities of decision makers

The responsibilities of decision makers have been described¹ as follows:

- The decision maker understands her or his decision-making power
- The decision maker identifies the steps required in the decision-making process and ensures these have been undertaken
- The decision maker gathers information or evidence relevant to each substantive issue
- The decision maker makes findings of fact on the information or evidence, including ascertaining the status and quality of the information or evidence
- The decision maker gives weight to relevant evidence, considers the facts and disregards irrelevant or improper criteria or policies
- The decision maker considers and applies the merits on a case-by-case basis
- The decision maker exercises discretion to make a decision
- The decision maker records the decision
- The decision maker implements or advises of the decision, including reasons for the decision if required at the time the decision is made or in response to a request for reasons, and
- The decision maker provides information about review mechanisms.

Racing Queensland commercial decision-making

Racing Queensland makes important commercial decisions on things such as race day allocation, provision of funding, education and training, broadcasting corporations and interstate and international racing bodies. These commercial decisions can have a dramatic effect on the Queensland racing industry's profitability.

Some of the decisions Racing Queensland makes are commercially sensitive. Some of Racing Queensland's commercial decision-making, especially the board's decision-making, is confidential and this confidentiality must be recognised and protected. It will not always be possible, appropriate or desirable for Racing Queensland's commercial decision-making to be open to public scrutiny. However, Racing Queensland's commercial decision-making will, at all times, comply with the principles of good decision-making.

¹ Better Decisions Project, Enhancing Administrative Decision Making, Discussion Paper Number 1 [Contemporary Influences in the Development of Administrative Decision Making Systems](#), Department of Tourism, Racing and Fair Trading, July 2003

The purpose of this policy is to help ensure Racing Queensland makes correct and preferable commercial decisions at all levels of the organisation. This is achieved by ensuring Racing Queensland's decision-making processes are open and transparent, decisions are made in accordance with the principles of good decision-making, decisions are documented and decision makers understand their role and responsibilities and are accountable for their decisions.

POLICY STATEMENT

Racing Queensland's commercial decisions

Racing Queensland will make commercial decisions in accordance with the principles of good decision-making.

Racing Queensland's commercial decisions will be lawful, not induced or affected by fraud, based on evidence and consistent with public administration standards and codes of conduct.

Racing Queensland will provide sufficient training to its decision makers to ensure they understand their roles and responsibilities and understand the provisions of the Rules of Racing, *Racing Act 2002* and other legislation relevant to their decisions.

Accountability

Racing Queensland's decision makers will be accountable for their decisions.

Administrative improvement

Racing Queensland will collect and analyse data relating to its commercial decisions to identify problems with its decision-making processes and improve the quality of its decisions.

APPLICATION

This policy applies to commercial decision makers in Racing Queensland generally. A separate policy applies to decision-making on integrity-related matters, such as stewarding, licensing and handicapping/grading.

DEFINITIONS

'Administrative decisions' refers to decisions of an administrative character made, proposed to be made, or required to be made, under an enactment (whether or not in the exercise of discretion).

'Making a decision' includes:

- (a) making, suspending, revoking or refusing to make an order, award or determination or
- (b) giving, suspending, revoking or refusing to give a certificate, direction, approval, consent or permission or
- (c) issuing, suspending, revoking or refusing to issue a licence, authority or other instrument or
- (d) imposing a condition or restriction or
- (e) making a declaration, demand or requirement or
- (f) retaining, or refusing to deliver up, an article or
- (g) doing or refusing to do anything else and a reference to a "failure to make a decision" is to be construed accordingly.

PROCEDURES

Roles and responsibilities

Racing Queensland's board and officers must make commercial decisions in accordance with the principles of good decision-making and this policy.

Rules of Racing

Rules of Racing will not be made for this policy.

Review

Review date will be July 2012.

REVISION HISTORY

Version	Date	Description
1.01	July 2010	Board adopted under exceptional circumstances
1.02	September 2010	Board confirmed this policy continued to have effect