

Explanatory Statement

[RACING AND WAGERING AMENDMENT BILL 2026]

SERIAL NO.59

LEGISLATIVE ASSEMBLY OF THE
NORTHERN TERRITORY

MINISTER FOR RACING

GENERAL OUTLINE

This Bill amends the *Racing and Wagering Act 2024 (Act)*.

The purpose of this Bill is to make amendments as a result of a Technical Review of the Act, a review held into the Northern Territory's thoroughbred and greyhound racing industries, as well as a review into the membership of the Northern Territory Racing and Wagering Commission, and the possible conflicts of interest of its membership.

NOTES ON CLAUSES

Clause 1. Short title

This is a formal clause which provides for the citation of the Bill. The Bill when passed will be cited as the *Racing and Wagering Amendment Act 2026*.

Clause 2. Commencement.

This clause sets out how the amendment Act will be commenced. In this case it will be done by notice given by the Administrator in the Northern Territory Government Gazette. If for any reason a provision of the Act does not commence before 9 March 2028, it commences on that day.

Clause 3. Act amended

This clause provides that the *Racing and Wagering Act 2024* is amended.

Clause 4. Definitions

This clause amends Section 4 of the Act by omitting the existing definitions of '*disciplinary action*', '*licence*' and '*licensee*', and inserting new definitions of each, plus definitions for the new terms: '*eligible corporate body*' and '*racecourse licence*'.

Further, the definition of '*Commission*' has been amended to Northern Territory Wagering Commission; this, and the other amendments under this clause, have been done so to primarily reflect the removal of all racing related responsibilities from the Northern Territory Racing and Wagering Commission (Commission).

Clause 5. Part 2, Division 2 heading amended

This clause reflects amendments in the change of name of the '*Northern Territory Racing and Wagering Commission*' to the '*Northern Territory Wagering Commission*' in response to all racing related responsibilities being removed from it.

Clause 6. Section 14 amended (Northern Territory Racing and Wagering Commission)

This clause effects amendments made to reflect the change in name of the Commission following the removal of all racing related responsibilities.

Clause 7. Section 15 amended (Functions of Commission)

This clause makes amendments to the existing functions of the Commission by removing those functions that relate to their current racing related responsibilities. The amendment to section 15(c) highlights that the Commission may only take disciplinary action with regards to wagering related matters captured under the Act.

Clause 8. Section 16 replaced

This clause reflects the new powers of the Northern Territory Wagering Commission, as they relate to the regulation of the wagering industry, and the removal of all racing related powers. The majority of the powers are carried over from the current legislation.

Clause 9. Section 17 amended (Delegation)

This clause amends current provisions in relation to the Commission's ability to delegate powers and functions. Under the current legislation, such delegations are limited to what is prescribed in the regulations however, this was found to be limiting in the efficiency of Commission operations.

This clause introduces an amendment that will allow the Commission to delegate any of its powers and functions. The person the delegation may be granted to is still restricted to the Director of Racing and Wagering, or a suitably qualified public servant.

Clause 10. Section 19 amended (Eligibility to hold office)

This clause makes amendments pertaining to the eligibility criteria for membership to the Commission. Given the removal of all racing related functions from its responsibilities, a member of the Commission will no longer be required to possess skills and/or experience tied to the thoroughbred, harness or greyhound racing industries. Having such experience or skills will not preclude a person from being appointed.

This clause sees the replacement of the term '*legal practitioner*' with the term '*lawyer*' as it pertains to the Chair, Deputy Chair and one other member, as a qualification that the Commission requires. This amendment has been brought in to reflect the legal requirements of other similar commissions, such as the Northern Territory Liquor Commission.

Similar to an amendment under Clause 11, this clause has been amended to address the intrinsic link between racing and wagering, but significantly the Commission's past role as the race control body for greyhound racing. This updates an existing provision with regards to Commission membership criteria, which sees the removal of the thoroughbred racing related restriction, which has not been retained as the Commission were not the race control body for horse racing in the NT.

Clause 11. Sections 19A to 19C inserted

This clause introduces amendments to strengthen the membership criteria of the Commission, following an external review of the current membership. This clause inserts 3 new provisions that further reduce the chances of conflicts of interests amongst the membership and goes to strengthening the public trust in the Commission, in ensuring that no member has a direct tie with a holder of a wagering licence issued under the Act.

Firstly, a member of the Commission is prohibited from holding an account with a wagering operator licensed under the Act throughout the term of their appointment. This amendment also prohibits the opening of such an account while a member. This change will help with regards to any perceived claims of bias in the determining of, say, a dispute, involving a licensee and a customer. It will also ensure that members are not offered inducements that may be above and beyond that provided to an ordinary customer of the licensee, which may be seen as trying to '*curry favour*' with the Commission.

A person appointed to the Commission has 5 business days in which to close any accounts held with a licensee. This provision does not prohibit a member from holding a wagering account with a wagering operator regulated in another jurisdiction.

Secondly, given the intrinsic link between racing and wagering, the decision has been made to prevent a member from owning, whether outright or a share of, any racing animal, while holding office. This clause provides that a racing animal is defined as an animal involved in thoroughbred, harness or greyhound racing. This prohibition has been introduced to once again address possible concerns regarding bias or a conflict of interest between the Commission and the wagering industry. It is this perception that supports this clause, despite the fact that the Commission will no longer have any responsibilities tied to the racing industry.

Lastly, this clause introduces an amendment to strengthen the existing conflict of interest provisions as it relates to the Commission found in section 28 of the Act. The current conflict of interest provisions only requires a member to disclose a conflict where it relates to a matter before the Commission for determination. The new provisions require a person appointed as the member to advise the responsible Minister within 10 business days of any direct or indirect interest that may conflict with the role as a member. Further, this notification must also be made if, during the term of office, the member acquires such an interest

This provision does not apply to goods or services that are available to members of the public on the same terms and conditions available to the member. The provision has been included to ensure that there is no perceived bias by a member who may benefit from a direct or indirect interest tied to the Commission's powers, functions and responsibilities.

In acknowledging that a member may have an interest that is not declared (whether inadvertently or otherwise), but that interest is subsequently found to be a possible conflict, this clause includes a provision that ensures a Commission decision is not invalidated by the failure of a member to declare such an interest. This is included to protect a Commission decision made following a possible oversight of the member in not declaring the interest, or thinking the interest is not a conflict.

Clause 12. Section 21 amended (Term of office)

This clause inserts a new provision that limits a person's membership to the Commission to a maximum of 6 years, unless the Minister decides exceptional circumstances exist for their continued appointment. Currently, there is no limit on the amount of time a member may serve however, a recent review found that having long term members in place can reduce the Commission's capacity to evolve in the way it discharges its responsibilities, and that this can prevent the Commission from operating efficiently.

Clause 13. Section 23 amended (Vacancy in office)

This clause amends the section of the Act that deals with how a position held by a member can become vacant as well as updating the reasons as to why the responsible Minister may terminate a member's appointment.

The first amendment clarifies that a person may be ineligible to hold office if they are ineligible under section 19 of the Act. This amendment is aimed at clarifying this provision applies to a person already appointed as a member and who has failed to continue to comply with the requirements of section 19.

The second amendment is a change to include the new provisions added to the Act as set out under Clause 11 (i.e. section 19A, 19B and 19C), in as much as failure to comply by a member is a reason why the responsible Minister may revoke the appointment of said member.

Clause 14. Section 27 amended (Annual report)

This clause removes the requirement for the Commission to include in its annual report their operations as a race control body (as this function is being removed from them), as well as the need to report on the financial statements of the Racing and Wagering Fund.

This last amendment addresses an error in the Act, whereby the responsibility for the Racing and Wagering Fund was incorrectly attributed to the Commission, when it should have been the responsibility of the Director of Racing and Wagering. This is further addressed in the amendments under Clause 15.

Clause 15. Section 30 replaced

This clause repeals the existing provisions relating to the powers and functions of the Director of Racing and Wagering, separating them into powers and functions (rather than combined as is currently the case) and reflects the Director's newly granted responsibilities over the racing industry.

Along with the existing powers and functions captured under the Act, the Director now has additional responsibilities that used to rest with the Commission, including the power to take disciplinary action where appropriate and provided for under the Act, as it relates to the NT racing industry. These have been transferred as a result of the Commission's appointment as the race control body for greyhounds being removed, and to ensure that there still is an overarching authority for racing.

The Director assumes powers that include the ability to direct a race control body in the execution of its responsibilities, issues racing related guidelines, as well as having its role in overseeing the Racing and Wagering Fund, confirmed in the legislation (refer Clause 14).

Clause 16. Section 40 and Part 2 Division 5 heading replaced

This clause establishes provisions that prevents a member of the Commission from working with a wagering operator licensed under the Act for a period of one year following the end of their appointment. This clause was added as a result of it being overlooked in the original drafting and mirrors an existing provision which is in place for the Director and a person appointed as an inspector, although for a period twice as long due to the type and sensitivities of the materials that Commission members are privy to.

The provision has been included to prevent the possible passing of information to the licensee that the member may be privy to in their role, especially where that information pertains to an investigation being conducted by the Commission into the licensee. The new provisions also prevent a licensee from engaging the member for any work, for much the same reason.

Clause 17. Section 42 replaced

This clause repeals the existing section and inserts 2 new sections that provides that both the Commission and the Director may make guidelines for the wagering and racing industries respectively. The provisions have been separated as a result of the removal of all racing responsibilities from the Commission but overall the provisions mirror those currently in the Act.

Clause 18. Section 44 amended (Extending or abridging a time)

This clause introduces a new provision to this section of the Act whereby neither the Commission nor Director can extend the time to lodge a complaint about a matter covered by the Act beyond 2 years.

This amendment was required as there was some confusion over whether the Commission could extend the time beyond the 2 years, stated in section 221, for a complaint to be lodged. In the original drafting of the Act, it was always the intention to allow a maximum of 2 years to lodge a complaint (from when the complainant became aware of the matter) to prevent persons from coming back to the Commission years after losing a sum of money and claiming they had a gambling issue at the time.

The amendment has been made on the back of legal advice received which recommended clarifying the existing provision. The amendment makes it clear that the power for the Commission or Director to extend or abridge a time limit specified under the Act, does not apply to section 221(3), which deals with the timeframes for which a complaint may be lodged.

Clause 19. Section 46 replaced

This clause repeals the existing section 46 and inserts 2 new sections. The ability for the responsible Minister to appoint a body corporate as the race control body for thoroughbred, harness or greyhound racing, is carried over, except a new section has been included to define what makes an eligible body corporate.

Further, instead of having the power to appoint the Commission as a race control body, the responsible Minister may now appoint the Director if there is no suitable body corporate, or where the appointed body has been revoked for non-compliance.

Along with defining what makes an eligible body corporate, power has been granted to the responsible Minister to be able to establish the criteria, including skills and experience of the governing members of the body corporate, and have that criteria published in the Gazette. This power has been included to enable the Minister to have persons with skills and experience other than racing related, to be appointed in these positions. The skills that could be included in such criteria may include business related skills such as financial, media communication, etc as well as broad general experience in the running of a business. Such skills and experience are hoped to be used to improve the overall running of the NT racing industries.

Clause 20. Section 48 amended (Powers of race control body)

This clause introduces amendments related to the removal of all racing related responsibilities from the Commission. Changes reflect that the Director will receive reports and recommendations regarding racecourses, instead of the Commission, and that a new power has been introduced whereby a race control body may request the Director to investigate or research a matter relating to the racing industry, where said matter is captured by the Act.

Clause 21. Section 48A inserted

This is a new section that has been inserted to allow the responsible Minister to establish a charter for a race control body. If exercised, the charter must be published in the Gazette. The charter may include the rights and responsibilities of the race control body as it pertains to the racing industry it oversees. It has been inserted to allow for the establishment of clear responsibilities which will address some of the confusion and misalignment found between the current thoroughbred race control body, and the race clubs.

This clause also introduces the requirement that the charter must take effect from a date specified in the Gazette notice, and that a race control body must exercise its powers and functions in a manner consistent with the charter.

Clause 22. Section 50 replaced

This clause repeals existing section 50 and inserts a new section. This section gives the Director the power to issue a direction to a race control body. This is a function that previously sat with the Commission but has been transferred on the back of all racing related responsibilities being removed from the Commission.

To complement this transfer of power, a new offence has been created if a race control body fails to comply with a direction issued under this section. This offence was previously captured under section 205(1)(b) when it was the Commission's responsibility but has been established here as a standalone offence in acknowledgement that the original maximum penalty (2,500 penalty units) was excessive. The new maximum penalty is 50 penalty units.

Clause 23. Section 52 amended (Enforcement of racing rules)

This clause repeals the existing section 52(7) and inserts a new provision to provide where fines are paid to in relation to penalties issued to the racing industry. Where the Director has been appointed by the responsible Minister as the race control body, the money is to be paid to the Territory, otherwise it is paid to the race control body appointed to that particular racing code.

Essentially, this new provision ensures that the race control body receives the money for all fines it hands down, except where the Director has been appointed the control body, in which case it just goes into consolidated revenue.

Clause 24. Section 56A and 56B inserted

This clause inserts 2 new sections related to the issuing of a racecourse licence. The licence has been separated from all other licences (all wagering relates) provided by the Act, to reflect the responsibility for issuing the racecourse licence is now taken on by the Director, following all racing related responsibilities being removed from the Commission.

New section 56A reflects that the term of a racecourse licence is that prescribed, or a shorter term chosen by the Director. This mirrors what is in place for the wagering related licences available under the Act.

New section 56B provides the process for which a racecourse licence can be renewed, including what fee is payable and what qualifying criteria applies. An existing licence continues in force while the application to renew it, is being determined. This new section was included as it was overlooked in the original drafting of the Act.

Clause 25. Section 154 amended (Discretionary conditions on licence)

This clause repeals existing provisions and inserts new ones to clarify that the Commission may impose a condition on an existing licence. This was omitted when the original drafting of the Act was undertaken, and it has meant that the Commission has not been able to add a condition on an already existing licence (although it has the powers to do so on a licence it issues). This is a power the Commission had under the previous legislation.

Clause 26. Section 221 amended (Lodging complaints)

This clause makes an amendment to provide that a complaint regarding a racecourse licence is to be made to the Director. This is a result of the removal of all racing related responsibilities from the Commission. A minor change to section 221(2) has been made to reflect this new requirement.

A further change to section 221 has been made to the number of days in which a person may lodge a complaint. Currently, under the Act, a person has 14 days from when they became aware of the matter to lodge a complaint, and this is being increased to 60 days. The reason for the increase is that it has been found the current 14 days does not give the wagering operator sufficient time to consider a customer's complaint and take action to resolve it. This leads to complaints being lodged with the Commission which are, while the investigation is conducted, being resolved between the licensee and customer.

This change will hopefully lead to a reduction in the number of complaints being lodged with the Commission as it increases the time the licensee and the complainant have to resolve the matter.

Clause 27. Section 222 amended (Investigation of complaint to Commission)

This clause makes amendments to section 222 of the Act to recognise the removal of all racing related functions from the Commission, resulting in the fact that a complaint can now be made to the Director as well.

This change has been made to recognise that all wagering related complaints are to be made to the Commission, as is currently the case, but a complaint in relation to a racecourse licence must be lodged with the Director, instead of the Commission.

Clause 28. Section 222A inserted

This clause inserts a new section in response to the Commission having all racing related responsibilities removed from it. It provides what action the Director may take following the investigation of a complaint dealing with a racecourse licence. Some of these actions mirror that which can be taken in relation to a wagering related complaint, e.g. take no action as there are no grounds for it.

Given the nature of the racecourse licence, the provision to take disciplinary action is included on the off chance that the race club fails to follow the direction of the Director as it relates to the licence and is a similar power to that of the Commission with regards to dealing with a wagering licensee.

The provision of a decision notice will allow the parties to the complaint to seek a review of the decision by the Northern Territory Civil and Administrative Tribunal if they are not satisfied with the decision.

Clause 29. Section 223 amended (Action after investigation)

This clause makes an amendment to section 223 to reflect that this section deals with a complaint made to the Commission, i.e. a matter dealing with wagering. It is a consequence of the new section 222A inserted in Clause 28 and has been made to clarify it is a Commission complaint.

Clause 30. Section 225 replaced

This clause replaces the existing section 225 and also inserts a new section 225A. This is a result of the Commission losing all racing related responsibilities. Section 225 basically provides that the Director may investigate a race club or race control body and provides the actions that may be taken following the investigation. These actions are similar to those already in place for how the Commission may deal with a complaint.

The new section 225A is essentially a copy of the existing section 225, and deals with the actions the Director may take in investigating a complaint lodged with the Commission.

Clause 31. Section 227 amended (Grounds for disciplinary action)

This clause makes amendments to recognise the removal of the racing related responsibilities from the Commission. It separates the racing related matters from the wagering ones, and attributes similar grounds for taking action by either the Director or Commission. Subsection 1A is a new section that basically mirrors the existing s227(1) but omits the racing related references.

Clause 32. Section 228 amended (Disciplinary action)

Similarly to Clause 31, this clause makes amendments to an existing section to reflect the removal of racing related responsibilities from the Commission. It provides the types of action the Director may take against a race club by way of disciplinary action, and the Commission against a wagering licensee. The Commission actions are basically the same as currently found in the Act.

Clause 33. Section 239 amended (Review by NTCAT)

This clause amends section 239 to allow certain decisions made by the Director, in relation to a racecourse licence or a direction to a race control body, to be reviewed by the Northern Territory Civil and Administrative Tribunal. It also makes small changes to existing provisions to reflect the removal of all racing related responsibilities from the Commission.

Clause 34. Section 267 amended (Authority to prosecute)

This clause amends section 267 to allow a race control body to ask the Director to undertake prosecution action on its behalf, for an offence against the Act. This mirrors power already granted to the Director to take similar action on behalf of the Commission.

Clause 35. Part 14 inserted

This clause inserts a new part to deal with transitional matters related to the *Racing and Wagering Amendment Act 2026*. This part has been inserted to ensure that matters operating under the Act, continue to operate under the amended legislation.

This clause includes definitions of 'amending act', 'commencement' and 'former' to help identify those matters affected between the current Act and the new legislation. Matters under this part include:

- the new Commission membership requirements captured by Clauses 10 and 11 apply to current Commission members

- any guidelines issued under section 42 of the Act continues in force under the new legislation
- a race body appointed by the Minister under section 46 of the Act, aside of the appointment of the Commission, continues under the new legislation (this enables Thoroughbred Racing NT to continue to act as the race control body for thoroughbred racing until Racing NT are in a position to take over)
- a direction given by the Commission to a race control body under the Act continues under the new legislation
- a racecourse licence issued under the Act by the Commission, continues under the new legislation.

This new part also provides for transitional regulations to be made because of the enactment of the new legislation or otherwise to allow and facilitate transition from the operation of the former Act to this new legislation. Any retrospective operation cannot apply earlier than the day of commencement of this Act, and it must not operate to disadvantage a person by decreasing rights or imposing liabilities. This section and any regulation made under it expires one year after commencement.

Clause 36. Act further amended

This clause provides for a Schedule at the end which contains various amendments as a consequence of the removal of all racing related responsibilities from the Commission, where they have been passed to the Director. On the whole, the changes are a swap of the term '*Commission*' with '*Director*' and a schedule has been used to save drafting time.

Part 3 Consequential amendments

This part deals with consequential amendments as a result of the amending act.

Division 1 Associations Act 2003

Clause 37. Act amended

This clause advises that this division amends the *Associations Act 2003*.

Clause 38. Section 6 amended

This clause amends section 6 of the *Associations Act 2003* by changing '*Northern Territory Racing and Wagering Commission*' to '*Northern Territory Wagering Commission*'. This amendment is a result of the removal of all racing related responsibilities from the Commission.

Division 2 Racing and Wagering Regulations 2024

Clause 39. Regulations amended

This clause advises that this division amends the Racing and Wagering Regulations 2024.

Clause 40. Regulation 5 repealed

This clause repeals existing Regulation 5 of the Racing and Wagering Regulations 2024. The existing regulation lists those powers and functions which the Commission may currently delegate under section 17 of the Act.

Originally, it was thought that the powers and functions prescribed were sufficient to allow the smooth operations of administrative matters tied to the investigation of complaints, and the assessment of licence applications however, it has been found (through operational experience) that this has resulted in more matters being brought before the Commission for determination, than what occurred under the repealed legislation. This has resulted in the delay of determinations, primarily complaints.

It has been determined that for operational efficiency, the regulation is to be repealed and the Commission will have the power to delegate any of its powers and functions to the Director or a qualified public servant. This returns the delegation mechanism what it was under the *Racing and Betting Act 1983* (repealed).

Clause 41. Regulation 10 amended (Renewal fees)

This clause amends Regulation 10 to establish the fee for the renewal of a racecourse licence.

Clause 42. Regulation 13 amended (Annual fees)

This clause makes an amendment to Regulation 13 to remove the annual fee tied to a racecourse licence. This has been removed as the Act reference (section 142(1)) only deals with wagering licences available under the Act. There is no current annual fee for a racecourse licence. The footnote to the Regulation has also been amended.

Clause 43. Regulation 16 amended (Terms of licences)

This clause amends Regulation 16 to provide for a prescribed term for a racecourse licence.

Clause 44. Regulation 19 replaced

This clause repeals the existing Regulation 19 and inserts a new one. Regulation 19 deals with the Commission's powers to vary, revoke or add a condition to a wagering licence. It has been amended to reflect new provisions inserted into the Act, as captured by Clause 25. The amendments essentially require the Commission to give written notice to a licensee when the Commission intends to revoke or vary an existing licence condition, or impose a new one. The ability for the licensee to lodge a submission within 28 days is retained from the current regulation.

Clause 45. Regulation 20 amended (Reportable events)

This clause amends Regulation 20, which deals with the types of events that wagering licensees must inform the Commission of. It has been amended to reflect that, as well as the commencement of an investigation into the licensee by another regulator/authority, the licensee must inform the Commission of the outcome/conclusion of this same investigation.

A further amendment has been made to reflect an incorrect reference to the Director in this sub-regulation. It should be the Commission that receives reports of an issue with the licensee's wagering system, and not the Director.

Clause 46. Repeal of Act

This is a standard clause that repeals this act the day after commencement.

Schedule

This schedule lists all the other amendments made to the Act and is tied to the removal of all racing related responsibilities from the Commission, where they have been passed to the Director.