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The status and funding of greyhound racing

1 Introduction

The following paper examines the classification of greyhound racing in three regions the UK, the Republic of Ireland and Australia. In all three regions the activity is classed as an industry rather than a sport, although there is a degree of debate surrounding its status.

In all regions the industry has access to funding streams, although funding mechanisms differ. The level of funding available in Northern Ireland is substantially lower than in other regions.

Greyhound racing is popular globally, with governing bodies operating in Belgium, Cyprus, the Czech Republic, Denmark, Finland, Finland, the Netherlands, Russia, Spain, Sweden and Switzerland. Racing is also legal in 12 American states. The European regions have not been examined in detail as part of this paper, as little information is available in English.

It is worth noting however that the Continental Greyhound Racing Confederation, European racing's umbrella body, refers to racing as a sport.¹ This is in contradiction to the European Commission on Sport, which does not list greyhound racing amongst its

list of European and International Sport Federationsⁱⁱ, highlighting the dichotomy between practitioners and policy makers.

In America racing is governed by State Law. State Codes outline the terms under which the activity is legal (see for example the code of Alabama Section 13A-12-31ⁱⁱⁱ). These codes do not explicitly define racing as either a sport or an industry.

2 The recognition of Sport in the UK and the status of greyhound racing

For an activity to be recognised as a sport in the UK its status ‘*must be agreed by each of the four home country sports councils and UK Sport*’.^{iv} All four sports councils have adopted the Council of Europe’s European Sports Charter 1993 definition of sport:

Sport means all forms of physical activity which, through casual or organised participation aim at expressing or improving physical fitness and mental well-being, forming social relationships or obtaining results in competition at all levels.^v

As such none of the four councils within the UK include greyhound racing within their list of recognised activities and governing bodies.^{vi}

Recent statements from the Minister for Culture, Arts and Leisure in Northern Ireland reflect this, notably:

Greyhound racing is not recognised as a sporting activity and has therefore received no funding from SNI over the last two years.^{vii}

And previously:

I have no plans to include dog racing on the list of activities officially recognised as sports. It would be for the British Greyhound Racing Board to apply for recognition.^{viii}

Since January 2009, the Greyhound Board of Great Britain has regulated the industry within England, Scotland and Wales, assuming the functions of two previous governing bodies – the British Greyhound Racing Board and the National Greyhound Racing Club.^{ix}

It should be noted that whilst greyhound racing is not recognised as a sport by the UK sports councils, the board itself is keen to stress the sporting side of the activity in its literature. Its website, for example, states:

*With attendances reaching three million and £2.5 billion wagered on races each year, it is no surprise that greyhound racing remains one of the country’s most popular **spectator sports**. (emphasis added)^x*

Clubs registered with the Greyhound Board of Great Britain may apply for funding through the British Greyhound Racing Fund (BGRF). The BGRF is funded by voluntary contributions from bookmakers. In 2008 the total voluntary contribution was £13.8m. The fund is available for the following functions:

- improving the welfare of the racing greyhound;
- maintaining racing integrity;
- supporting prize money;
- encouraging and supporting marketing;
- supporting initiatives to improve the infrastructure of the sport; and
- encouraging investment into the improvement of customer facilities.^{xi}

Northern Ireland's greyhound race tracks are regulated by the Irish Coursing Club (ICC).^{xii} It is noted that the ICC is not in a position to provide greyhound racing in Northern Ireland with the same level of funding offered to racing in the Republic of Ireland by Bord na gCon (Irish Greyhound Board). A 2008 newspaper article reporting the inaugural meeting of the Drumbo racetrack noted:

Track racing [in Northern Ireland] is currently administered and controlled by the Irish Coursing Club and while it continues to provide an umbrella of authority and regulation, the ICC can not provide the investment and wherewithal to keep greyhound racing flourishing in a manner enjoyed in the [Republic of Ireland].^{xiii}

Currently the ICC provides the two tracks in the Northern Ireland with approximately €9,000 per annum, which is split equally between the two (€4,500 each). This funding is derived from the ICC's own operations. The organisation is currently exploring options for further funding and is keen to explore the possibility of a joint-funding programme between the legislatures in Northern Ireland and the Republic of Ireland.^{xiv}

3 Greyhound racing in the Republic of Ireland

Responsibility for the regulation of greyhound racing in the Republic of Ireland falls to Bord na gCon, a 'commercial semi-state organisation'.^{xv}

Legislation in the Republic of Ireland defines greyhound racing, like horse racing, as an industry, rather than a sport (interestingly an industry funded by the Department of Arts, Sport and Tourism, see below). Greyhound racing was first established as an industry by the *Greyhound Industry Act 1958*.^{xvi}

There is however, a degree of debate over the activity's status. A 2009 review of the "Horse and Greyhound Racing Fund", noted that relationship between greyhound racing and the Exchequer was predicated by the:

...view that is taken as to whether or not horse and greyhound racing are sports or industries and, therefore, on whether or not public policy in this arena should be formulated in the context of support for a sport (the beneficiaries of which are those who participate) or support for industries which are important to the economy (the beneficiary of which is the economy as a whole).^{xvii}

In resolving this conflict the Department of Arts, Sport and Tourism (DAST) took the view that both greyhound and horse racing are industries, stating:

...the Review must be predicated on the concept that horse and greyhound racing, in the context of the Irish economy, are substantial industries in their own right and which, therefore, need to be evaluated within a framework which transcends the considerations which would arise if they were evaluated solely in the context of sports which exist primarily for the benefit of those who participate actively or as attendees at race meetings.^{xviii}

Historically (since 2001), the horse and greyhound industry in the Republic of Ireland has been in receipt of public money, in the form of the Horse and Greyhound Racing Fund. The fund, which is controlled by the DAST Minister, provides a yearly amount to the industry equal to the 'revenue from excise duty on off-course betting paid into the Exchequer in the preceding year or the year 2000 increased by reference to the Consumer Price Index, whichever is the greater'.^{xix} Effectively, the Government funds the industry through monies earned from excise duty on bets placed at licensed betting offices.

Upon conception the fund was intended to exist until 2004, but was extended to 2008. The total fund paid to the industry by the exchequer was initially limited to €200m in total over the course of the scheme. This was increased to €550m in 2004 (extending to 2008). Yearly funds are divided between the two industry sectors with Horse Racing Ireland receiving 80 per cent and Bord na gCon receiving 20 percent. The governing bodies may use the money to fund the '*performance of their functions*'.^{xx}

Table 1 outlines the amounts paid to the industry since 2001. Since 2003 Exchequer contributions, over and above monies earned through excise duty have equated to 28 percent of the total fund. The table demonstrates that total funding levels over the life of the fund fell just short of the €550m limit set in 2004.

Furthermore it is evident that the contribution from excise taxes has decreased from 100 per cent in 2001 to 48 per cent in 2008.^{xxi} The 2009 review notes that:

This reflects a steady decline in the rate of excise tax on betting which stood at 20% in 1985 and which gradually reduced to 10% in the mid-1990s, to 5% in 2000, to 2% in 2001 and to 1% in 2004.^{xxii}

In 2009 excise duty on off-course betting rose from 1 per cent to 2 per cent.^{xxiii}

As demonstrated by the table, the fund increased year-on-year since its inception. In 2009 the fund was reduced by €6.6m on the previous year, to €69.7m. Previous arrangements, whereby fund allocations were calculated to reference to the previous year's betting duty or to the amount of the contribution to the Fund in 2000 adjusted for inflation, were abandoned in 2009. The future of the fund is uncertain.^{xxiv}

Table 1: The expenditure and funding mix of the Horse and Greyhound Racing Fund 2001-2008

Year	2001	2002	2003	2004	2005	2006	2007	2008	Total
€m									
Fund Expenditure	58.89	68.06	64.19	66.91	68.35	70.06	73.11	76.29	545.86
Excise Income (previous year)	58.89	68.07	47.95	38.42	45.55	45.85	54.3	36.44	395.47
Exchequer Contribution	0	0	16.24	28.49	22.8	24.21	18.81	38.85	150.4
% provided by excise	100%	100%	75%	57%	67%	65%	74%	48%	72%

4 Greyhound Racing in Australia

In Australia greyhound racing is regulated by separate bodies which cover separate geographic territories – Greyhound Racing New South Wales, Greyhounds Western Australia, Greyhound Racing South Australia and Greyhound Racing Victoria. In all instances, greyhound racing is legislated for by the regional parliament. The regional legislations refer to greyhound racing as an industry: For example see (not an exclusive list, the three remaining territories have separate legislation):

- Greyhound Racing Act 2002 (as amended) - New South Wales.^{xxv}
- Racing and Wagering Act 2003 - Western Australia.^{xxvi}
- Authorised Betting Operations Act 2000 (as amended) - South Australia.^{xxvii}
- Racing (Amendment) Act 1997 - Victoria.^{xxviii}

Funding for Australian greyhound racing industry is provided by commercial activity. Greyhound Racing New South Wales, for example, operates as Scheme of Distribution Policy, which they define as the *‘mechanism that regulates the distribution of funds received by the greyhound racing industry via our commercial arrangements with the other racing codes with respect to the Racing Distribution Agreement and Publishing Fees received as a result of the Race Fields Legislation’*.^{xxix} Levels of funding are distributed according to club type as follows:

- For a “Metropolitan Club” funding can be allocated up to \$8,484,424;
- For a “Tab Club” funding can be allocated up to \$11,544,300; and
- For a “non-Tab Club” funding can be allocated up to \$3,536,250.^{xxx}

Total yearly funding levels are currently unavailable as the fund was introduced in July 2009.

Generally, in Australia, a Tab Club refers to a *‘greyhound racing club on whose races a wagering licence holder...does not or is not likely to offer wagering services’*. A non-Tab Club refers to a *‘greyhound racing club on whose races a wagering licence holder offers or is likely to offer wagering services’*.^{xxxi} Metropolitan Clubs

are so called on account of the type of track they race on (referred to as Metropolitan Tracks, as opposed to Provincial or County Tracks), such tracks are often of superior quality to their counterparts and offer higher prize money.^{xxxii}

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- ⁱ Continental Greyhound Racing Confederation, *About Us*, <http://www.cgrc.eu/> (accessed 29/04/10)
- ⁱⁱ European Commission on Sport, *European and International Sport Federations* http://ec.europa.eu/sport/annexes-sport/doc180_en.htm (accessed 29/04/10)
- ⁱⁱⁱ Code of Alabama, Section 13A-12-31 *Legalized pari-mutuel betting not affected* <http://www.legislature.state.al.us/codeofalabama/1975/coatoc.htm> (accessed 23/04/2010)
- ^{iv} Sport England, *How we recognise sport* http://www.sportengland.org/about_us/recognised_sports/how_we_recognise_sports.aspx (accessed 28/04/10)
- ^v *Ibid*
- ^{vi} Sport Scotland, *Sporting Activities and Governing Bodies Recognised by the Sports Councils* <http://www.sportscotland.org.uk/NR/rdonlyres/AB0F28DA-A202-436B-A3D8-30894455D4FA/0/RecognisedGoverningBodiesforScotlandandtheUK.doc> (accessed 28/04/10)
- ^{vii} Northern Ireland Assembly Questions (written) 5421/10 (05/03/10)
- ^{viii} Northern Ireland Assembly Questions (written) 4957/09 (06/02/09)
- ^{ix} Greyhound Racing of Great Britain *About Us* <http://www.thedogs.co.uk/AboutUs.aspx> (accessed 28/04/10)
- ^x Greyhound Racing of Great Britain *Welcome* <http://www.thedogs.co.uk/> (accessed 28/04/10)
- ^{xi} British Greyhound Racing Fund, *Annual Report 2008*, http://www.bgrf.org.uk/media/files/BGRF_Annual_Report_2008_Web.pdf (accessed 28/04/10)
- ^{xii} Irish Coursing Club *Rules and Regulations* <http://www.irishcoursingclub.ie/iccdocs/doku.php?id=start&idx=a.summary.of.directives.instructions.and.guidance.notes> (accessed 29/04/10)
- ^{xiii} The Belfast Telegraph *Going to the Dogs has a new meaning at Drumbo* (31 July 2008) <http://www.belfasttelegraph.co.uk/sport/racing/going-to-the-dogs-has-a-new-meaning-at-drumbo-13925364.html> (accessed 29/04/10)
- ^{xiv} Correspondence with the Irish Coursing Club (29/04/10)
- ^{xv} Irish Greyhound Board *About Us* <http://www.igb.ie/top/About-Us/> (accessed 28/04/10)
- ^{xvi} Irish Statute Book, Greyhound Industry Act 1958, <http://www.irishstatutebook.ie/1958/en/act/pub/0012/sec0002.html> (accessed 23/04/10)
- ^{xvii} Department of Arts, Sport and Tourism Review of The Horse and Greyhound Racing Fund May 2009 available http://www.arts-sport-tourism.gov.ie/pdfs/DAST_%20Review_of_H%20GFund%20FGS_Final_May%2009.pdf (accessed 21/04/10) p6
- ^{xviii} *Ibid*
- ^{xix} Irish Statute Book, *Horse and Greyhound Racing Act (2001) Ch3 s12*
- ^{xx} *Ibid*
- ^{xxi} Department of Arts, Sport and Tourism Review of The Horse and Greyhound Racing Fund May 2009 available http://www.arts-sport-tourism.gov.ie/pdfs/DAST_%20Review_of_H%20GFund%20FGS_Final_May%2009.pdf (accessed 21/04/10) p6
- ^{xxii} *Ibid* p3
- ^{xxiii} *Ibid*
- ^{xxiv} *Ibid* p6
- ^{xxv} Government of New South Wales, *Greyhound Racing Act 2002 No 38* http://www.austlii.edu.au/au/legis/nsw/num_act/gr2002n38202/ (accessed 22/04/2010)
- ^{xxvi} Government of Western Australia, *Racing and Wagering Western Australia Act 2003*, [http://www.slp.wa.gov.au/pco/prod/FileStore.nsf/Documents/MRDocument:5049H/\\$FILE/RacingAndWgrWAAct2003_00-00-02.html?OpenElement](http://www.slp.wa.gov.au/pco/prod/FileStore.nsf/Documents/MRDocument:5049H/$FILE/RacingAndWgrWAAct2003_00-00-02.html?OpenElement) (accessed 22/04/2010)
- ^{xxvii} Government of South Australia, *Authorised Betting Operations Act 2000* <http://www.legislation.sa.gov.au/LZ/C/A/AUTHORISED%20BETTING%20OPERATIONS%20ACT%202000/CURRENT/2000.95.UN.PDF> (accessed 22/04/10)

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- ^{xxviii} Victorian Legislation and Parliamentary Documents, *Racing (Amendment) Act 1997*
[http://www.legislation.vic.gov.au/Domino/Web_Notes/LDMS/PubStatbook.nsf/edfb620cf7503d1aca256da4001b08af/925A13844F849B18CA256E5B00213AC7/\\$FILE/97-011a.pdf](http://www.legislation.vic.gov.au/Domino/Web_Notes/LDMS/PubStatbook.nsf/edfb620cf7503d1aca256da4001b08af/925A13844F849B18CA256E5B00213AC7/$FILE/97-011a.pdf) (accessed 22/04/2010)
- ^{xxix} Greyhound Racing New South Wales, *Scheme of Distribution Policy* (July 2009)
<http://www.thedogs.com.au/Uploads/Userfiles/090622%20-%20FY10%20SOD%20-%20Final.pdf> p2
- ^{xxx} *Ibid* p5
- ^{xxxi} Greyhounds of Queensland, *Allocation of Race Dates Policy*, (November 2004),
<http://www.greyhoundsqueensland.com.au/gql/policies/Allocation%20of%20Race%20Dates%20Policy2.pdf>
(accessed 06/05/10)
- ^{xxxii} Melbourne Track Report, *Australian Racetracks*
http://www.melbournetrackreport.com/how_to_bet_australia.html (accessed 06/05/10)