



Tennis Australia

Submission

to the

Joint Select Committee on Gambling Reform

June 2011



Joint Select Committee on Gambling Reform

Preliminary Notes to Terms of Reference

In regard to the Terms of Reference of the Gambling Reform review as detailed, Tennis Australia would like to note that there are two very distinctive elements under review, that of the regulatory frameworks governing gambling and betting, and the broader social issue of problem gambling.

1. Regulatory review: As an opening comment, it is important to note that there is in reality a very low incidence of match fixing and corrupt activities within Australian sport, and that the major Australian professional sports generally do an excellent job in regulating their competitions and participants to the full extent that our powers allow. It is often the case however, that sporting organisations themselves have no capacity to police inappropriate activities. To address corrupt sport gambling activities that occur outside the jurisdiction of major professional sports, significant regulatory review is required. While the national and international governing bodies of tennis have in place stringent codes and penalties to deal with the participants in our sports and others over whom we have some control, we have no capacity to investigate or prosecute the corrupt activities of those operating outside our direct control. It is the activities of these criminals and corrupt individuals that have the capacity to bring the integrity of our sport into question, and significant legislative review is required to empower the legal system to take action against these persons. In these cases it must be the responsibility of the legal system to enforce laws against criminal activity, and as such Tennis Australia welcomes changes to the current regulatory frameworks which are long overdue for review. Our position in regard to these matters is outlined below.
2. Problem Gambling: in regard to the risk and incidence of problem gambling, Tennis Australia does not take a position in what is to a large degree a debate of moral and ethical issues. As the governing body for tennis in Australia, Tennis Australia's role is to protect the integrity of our sport and take all steps possible to ensure our sporting events are at all times conducted fairly and honestly without interference. We do not presume to evaluate the moral rights and wrongs of an individual's choice to gamble on an event or not. As such Tennis Australia will only provide comment on those issues that are of relevance to our role as a national governing body.

In view of the comments above, the following pertains primarily to the following issues outlined in the terms of reference:

(c) the relative regulatory frameworks of online and non-online gambling; and

(h) appropriate regulation, including codes of disclosure, for persons betting on events over which they have some participation or special knowledge, including match-fixing of sporting events;



Response to Relevant Terms of Reference

As the owner and operator of the Australian Open Tennis Championship and associated ATP events, Tennis Australia takes very seriously our role in ensuring the integrity of all tennis events. As one of only four Grand Slam tennis tournaments worldwide, the Australian Open and its associated lead up events generate a significant amount of national and international interest, and this includes in the area of interactive gambling. Both the International Tennis Federation and Tennis Australia have in place stringent integrity structures to ensure we do everything possible to protect against inappropriate gambling activities.

It is worth noting that the major Australian professional sports generally do an excellent job in regulating their competitions and participants, and there has been a comparatively low incidence of match fixing and corrupt activities within Australian sport. However, while the governing bodies of tennis and other sports have in place strong codes of conduct and associated penalties to control the activities of those over whom we have some control, there is unfortunately a broader criminal element working outside the sports whose inappropriate activities have the capacity to affect the integrity of all sports, and over whom we have no jurisdiction. To deal effectively with the corrupt activities of these persons, significant changes to current criminal law are required to ensure Australian sporting contests are future proofed against criminality and corruption.

Tennis Australia has taken an active role in working to promote the integrity of the sport of tennis through our support of tennis' national and international integrity units, and will continue to enforce our integrity codes of conduct to the full extent of our ability. The internal regulation of participants within our sport is sound and robust, and ensures the integrity of tennis is not damaged by our participants. Sport alone however cannot police the full extent of corrupt activities that occur outside of the sport's participants. As outlined in the following, Tennis Australia believes there are five key areas across which sport and the legal system must work together to address the issue of corrupt sports betting.

1. Strong Codes of Conduct

Tennis Australia, the International Tennis Federation, the ATP (men's tour) and WTA (women's tour), all have in place stringent anti-corruption codes of conduct that apply to all persons under the control of any of these organisations who are directly or indirectly involved in tennis. This includes players, coaches, officials and administrators.

This code substantially restricts the activities of these persons in regard to betting or gambling on matches, inappropriately influencing the outcome of a match, and any other form of corrupt conduct in relation to any match or other tennis related event or activity. Tennis Australia fully supports the need for every sport to have both a strong and appropriate code of conduct. This code must have in place a transparent and effective process for policing the activities of those



under our control, and in relevant cases, in appropriately penalising any person under our control who abuses the system.

Tennis organisations at all levels take very seriously our role in protecting the integrity of our sport. As the article below clearly shows, tennis is leading world's best practice in regard to establishing and enforcing an anti-corruption code.

Koellerer Banned for Life for Match Fixing

Austrian Daniel Koellerer bears the unfortunate distinction of becoming the first tennis player to be banned from the sport for life after being found guilty of offenses under the Uniform Tennis Anti-Corruption Program. He has also been handed a massive \$100,000 fine.

Koellerer was found guilty of three charges under Article D of the 2010 Uniform Tennis Anti-Corruption Program, namely:

- Contriving or attempting to contrive the outcome of an Event
- Soliciting or facilitating a Player not to use his or her best efforts in an Event, and
- Soliciting, offering or providing money, benefit or Consideration to any other covered person with the intention of negatively influencing a Player's best efforts in any Event

The three violations of the Uniform Tennis Anti-Corruption Program for which he has been disciplined occurred between October 2009 and July 2010. The case against him was based on the findings of a Tennis Integrity Unit investigation and considered by an independent Anti-Corruption Hearing Officer at a two-day Hearing held in London. Consistent with the confidentiality of the Anti-Corruption Hearing process, no details of the Hearing or Decision will be made public.

The life ban applies with immediate effect, and means that he is not eligible to participate in any tournament or competition organised or sanctioned by the governing bodies of professional tennis.

While tennis as a sport very effectively polices the activities of persons with whom we have contracts or whom we accredit, sports have no control over those outside our system, for example corrupt gamblers or bookmakers, and as such has no capability to investigate or prosecute their activities.

In a response to questions regarding the issue of match fixing in football, FIFA security chief Chris Eaton made the following comments:

“Criminality involved in fixing football matches is global, enormous and organised. Football is too respected globally to not be protected. These are criminals taking advantage. They are not to be respected – they are not Robin Hoods – they are not good people. They hurt players and they destroy careers.”

“We protect young players, we protect young referees by teaching them to resist the temptations that these people are trying to take advantage of,” said Eaton, a one-time Interpol officer. “FIFA is a football management organisation. It is not an investigation organisation. We don't conduct a lot of security operations with a little bit of football. We conduct a lot of football with a little bit of security. Prosecution is not my priority, in fact, not a priority at all.”



As Eaton's comments indicate, the role that sport organisations alone can play in policing corrupt activities is limited. To effectively shut down the root cause of corrupt activity, legislation needs to be in place to ensure such activities are clearly defined as illegal activities, and that appropriate penalties are in place to deter such activities. It should be noted that this call for action via the criminal system is in no way an attempt by sport to abrogate our responsibilities in regard to policing corrupt activities where we can, but rather is an acknowledgement of the fact that the basis for corrupt activities starts with criminals who sit outside the sport system directly, and over whom a sport's code of conduct and associated penalties has no authority.

2. Sports Specific Criminal Law

As noted above, it is not the role of the sporting organisation to investigate and prosecute corrupt activities undertaken by persons outside our direct control. This is a matter for the criminal system. Unfortunately, in Australia, existing criminal law does not effectively address issues of match fixing and cheating as it relates to sports betting. There are general criminal offences that could be used to prosecute this sort of corrupt or criminal activity, but these are inadequate to address the sophisticated nature of modern match fixing and corruption in sports betting. To address this issue, Tennis Australia supports the introduction of new legislative provisions that are targeted and specifically relate to cheating in connection with sports wagering. To be most effective, this should take the form of a strong federally consistent legislation that binds all States and Territories.

Tennis Australia believes that to be effective, this legislation must very clearly define any form of cheating in connection to sports wagering as a criminal offence, and impose heavy and appropriate penalties. In 2005 in the UK, new legislation was introduced which specifically defined cheating at gambling as a criminal offence. Unfortunately, this legislation when introduced failed to specifically define elements in regard to cheating at sport, but rather kept a broader general approach to cheating at any form of gambling. In addition, offences carry a maximum sanction of two years imprisonment. To date there appears to be little interest from police in prosecuting potential offences, and it could be strongly argued this is due to the vague nature of the legislation, and the weak penalties that can be imposed which have significantly limited the potential effectiveness of the legislation.

In Victoria, new provisions for betting on sport and other events took effect on 1 October 2007, and importantly provided for:

- the ability for sporting organisations to apply to the Victorian Commission for Gambling Regulation to be approved as the sports controlling body for betting purposes on their sport; and
- the restrictions on sports betting providers who have 6 months to reach a revenue-sharing agreement with the relevant approved sports controlling body of an approved sporting event. Without an agreement, bets cannot continue to be offered on the sporting event. Agreements with new entrants to the Victorian betting market will need to be made with sports controlling bodies before bets can be taken.

Importantly, though negotiated agreements with sports betting providers, sporting organisations in Victoria have:



- the capacity to control the specific types of bets that are offered on their sports, and control the incidence of spot or exotic bets that can affect the integrity of the sporting contest; and
- have established information sharing arrangements whereby the sports betting providers inform the sports of suspicious betting activities and provide other relevant information that assists with the management of integrity issues within the sports.

It is recommended that the Victorian Sports Betting Act be used as a guide for the introduction of nationally consistent legislation. At a Sport and Recreation Minister's Council meeting in February, a number of recommended legislative provisions were tabled. Tennis Australia supports these provisions as put forward as follows:

All Australian governments agree to pursue nationally consistent legislative arrangements that provides:

- a 'Sport Controlling Body' for each sport or competition to be identified and registered by an appropriate regulator, for example, a state or territory gaming commission, and be recognised in each jurisdiction;*
- the Sport Controlling Body to deal with betting agencies, licensed in any state or territory, on behalf of their sport; and*
- the Sport Controlling Body to register all events subject to betting with the relevant regulator.*

All Australian governments also agree that this legislation, or binding agreements made pursuant to legislation, will deal with arrangements between the Sport Controlling Body and betting agencies including:

- requirements that a sporting organisation must apply to the appropriate regulator for approval as the Sport Controlling Body for a sports betting event;*
- requirements that a betting agency must not offer a betting service on an event unless:*
 - an agreement is in effect between the registered Sport Controlling Body and the betting agency; or*
 - a determination of the appropriate regulator is in effect for the betting agency to offer a betting service on the event;*
- requirements for betting agencies to obtain agreement from the sporting organisation on all bet types offered on the sport involved, including what level of competition bets may offered on (for example, minor leagues versus premier leagues), with sports having the ability to veto bet types; and*
- arrangements for financial return to the sport based on betting on that particular sport.*

Tennis Australia supports the introduction of appropriate legislative controls, including as set out above, as a matter of urgency.

3. Education Processes



Education is a key element in the successful enforcement of any code of conduct. It is imperative that appropriate education processes are in place to ensure all those persons who are subject to any code are fully educated as to the provisions of the code, and the penalties imposed by a breach of the code. Tennis Australia, via the international integrity unit, takes an active role in ensuring all relevant persons under our control are appropriately educated in regard to our integrity code and associated anti-corruption issues.

4. Intelligence Gathering

Information sharing and intelligence gathering processes are key elements in identifying and effectively sanctioning or penalising those who seek to undertake corrupt activities. To ensure any code or legislative controls put in place are effective, strong and compulsory processes for sharing of information both between, and within, sports and sports betting agencies, must be put in place. This should include sharing of relevant and appropriate information on a national and international basis between sports and sport betting agencies, and where relevant and appropriate, referral of information to the responsible regulator or law enforcement agency.

5. Investigation & Prosecution

In addition to the specifics areas outlined above, there are associated matters pertaining to investigation and prosecution of criminal activities that must be addressed. As these are matters for the criminal system, Tennis Australia will not provide comment as to how to best investigate and prosecute offenders beyond noting that any investigatory provisions must be efficient and effective in their implementation, and penalties imposed significant enough to deter those who might seek to abuse the system.

In summary, while tennis is doing everything within our control to stamp out corrupt practices, to genuinely deal with the root cause of the problem, strong and effective criminal legislation must be introduced as a matter of urgency to support the codes of conduct sporting organisations like Tennis Australia and the International Tennis Federation uphold.

Tennis Australia is pleased to present this submission to the Joint Select Committee. Tennis Australia is happy to meet with the Joint Select Committee to further elaborate on the information contained within this submission at a time convenient to the Committee.

If you have any queries regarding this submission please do not hesitate to contact me.

Best regards

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