

THE JOINT STANDING COMMITTEE ON ENVIRONMENT, RESOURCES AND DEVELOPMENT MET IN COMMITTEE ROOM 1, PARLIAMENT HOUSE, HOBART, ON THURSDAY 19 MARCH 2009.

Mr KEVIN THOMAS RING WAS CALLED, MADE THE STATUTORY DECLARATION AND WAS EXAMINED.

CHAIR (Mr Hall) - Thank you, Kevin. Please focus just on the main term of reference, which is the proposed sale of TOTE by the Tasmanian Government, and just give your opinion, particularly coming from your perspective as representing jockeys and having been a jockey.

Mr RING - Our association has spoken in depth about this. In fact we had a meeting last week about the subject of the sale of TOTE. Our members are not against the sale of TOTE. What our members are worried about is whether the jockeys and racing will be looked after in the same way as previously, and whether the Government will have a declaration in place that will be binding even with changes of government and changes over the years so that the same percentage of money, if not more hopefully, will be given back to racing. That is the jockeys' biggest fear with what is happening.

CHAIR - Yes, future sustainability.

Mr RING - We have all been reading about the sale of TOTE and the for and againsts in different articles and comments, but we have not heard a comment yet from the minister as to safeguards on racing, especially the financial aspects, and that is a concern. There are a lot of rumours as to who is buying et cetera, and until it is actually resolved we won't know who it is.

CHAIR - No, we have no idea.

Mr RING - It is just speculation at the moment. We hope it will result in the same situation as before, if not better, and wonder whether anything will be put in place to safeguard racing.

Mr HARRISS - Flowing from that then, Kevin, can I conclude that your association has not been engaged by the Government in any negotiation? You have said you have heard the Treasurer or the minister making comment, so is that a reasonable conclusion?

Mr RING - That is a reasonable conclusion.

Mr HARRISS - What is your feeling about that as an association?

Mr RING - As an association we like to think that we are fairly important in the whole scheme of racing in this State. We are a sub-branch of the Australian Jockeys Association as of last year. If our State association was not informed we would have liked our Australian Jockeys Association to have been informed. We think that this whole sale is very important to

everyone and we feel we are a big part of that, and that the jockeys should be aware of what is happening. We have a small number of jockeys at the moment compared to previous years and if they are unsure as to how things are going I think we will lose more.

Mr HARRISS - Have they made an approach to the Government?

Mr RING - No, they have not made an approach.

Mr HARRISS - Yet the sale is on our doorstep. The Treasurer would, I presume, be desirous of having legislation in front of the Parliament fairly shortly. I suppose one could then argue that if your association, your jockeys, are not properly taken account of and the sale proceeds but you have no assurances before the sale, you would be a little concerned. Would you?

Mr RING - We have concerns. We have not made an approach, but thought as a courteous thing that the Government would have made an approach to us, even in writing.

CHAIR - Has there been nothing at all?

Mr RING - Nothing at all.

CHAIR - You have had no consultation.

Mr RING - No consultation. That is a concern to us. As I said, there has been no information as to the long-term stability of racing in this State financially.

Mr WILKINSON - Kevin, it seems to me from over the last couple of weeks asking a few questions around the place that people in your situation, not only the jockeys but other people in your situation, are saying you do not know whether it is a good thing or not as yet because you do not know what certainty there is going to be for the racing industry if TOTE is sold. Is that right?

Mr RING - That is right.

Mr WILKINSON - Am I right in saying that you are not really against it, it is only a lack of communication that leads you to not knowing whether to agree with it or not?

Mr RING - That is right. We are not against it because we can see that if handled right this could be good for racing in general in this State financially. We have always been of the view that, especially over the last 10 years, there has been a lack of race meetings in this State for our members. That is one of the reasons for the shortage of jockeys here. If there can be an input of more finances through the sale of TOTE then that would be good, but we do not know.

Mr WILKINSON - You obviously have plenty of experience in the industry. Have you any idea as to what has happened interstate where TOTEs have been sold, how their industries are going?

Mr RING - I think South Australia is a fairly good example. There are problems at the moment but they are only minor compared to what has happened over the last few years with the sale of racetracks et cetera. Their industry, from our association's point of view, has halted.

Mr WILKINSON - If - and I do not know yet because we are in the same position to some degree as you are - TOTE were to be sold, what would be a way of, in your opinion, ensuring that the industry would have the same if not better return than it has had over the last few years?

Mr RING - I am not an expert on it but I honestly think there should be a greater percentage of money returned to racing. I have always thought that. Racing is a very good industry for this State, financially for the Government. People from TOTE will tell you things are always being put in place to try to earn extra money for TOTE and the Government. I would like to see a little bit more put back in. We have great prize money for our big races but I would like to see the board put more money in over a 12-month period to create more money especially for our members, and also more race meetings.

Mr WILKINSON - It would seem to me that with any proposed sale the Government would need to ensure that whoever purchased TOTE would have to give some type of agreement in writing, in a contract, to say that they would be willing to put back into the industry a figure not less than whatever they decide is appropriate.

Mr RING - That is right. There has to be a guarantee as far as we are concerned and it has to be a binding guarantee that if there is a change of government and a change in the status quo then that money percentage-wise has to keep coming back in, if not more over the years. There has to be something in place.

Mr WILKINSON - Because you could say there is uncertainty if it is left with government to decide how much money you are to get. In hard economic times there is going to be an argument around the cabinet table, I suppose, or the treasury tables as to how much racing can get as opposed to health, education et cetera.

Mr RING - I would like to see something where the new racing board was able to have an input and have a binding contract. Not so much keeping government away from that aspect but have a binding contract with the Tasmanian Racing Board that will stay for years to come.

Mr GUTWEIN - Over what period of time, Kevin?

Mr RING - I would say a 20-year period. To me that would be fair. Then it can be readdressed in that period. Anything could happen in 20 years. It could be sold again. But there has to be something that is binding. I think a 20-year period would be very good.

Mr BOOTH - Kevin, are you concerned then in terms of long-term future stability and support of the industry that, by selling TOTE and leaving the stake money and support for the industry coming directly from government, politics will get in the road of industry during

that 20 years? Guarantees are only worth the paper they are written on, as you know. Does that concern your industry? It certainly concerns me and people who have made submissions to me have stated that they do not want it to be taken out of TOTE because at the moment it is actually an industry that is self-supporting, whereas if it comes back then it is seen as a dividend from the public purse, that politics are getting in the way of the industry being sustainable.

Mr RING - My opinion is that politics have gotten in the way of racing for a fairly long time. I came to this State in 1989. Racing was going very well in the early 1990s. To me, over the last 10 years - or maybe a little bit longer - politics have gotten in the way of racing. Racing is a very large industry and it is a sport. Politics and sport do not really go hand in hand. It has been proven in other sports. I think politics may get in the way of this too much. I think it needs to be handled by the businesspeople who will be buying TOTE and the racing board.

Mr BOOTH - Just to clarify that, you do not have a concern either way, if TOTE was sold and then the Government put money into racing rather than TOTE putting money into racing as it does now, that then politics might get in the road of the future of that money coming directly from government to racing? At the moment it appears to be a bit more at arm's length.

Mr RING - I have a concern that it may get in the way. The Government gets their percentage out of racing and I think they should leave it at that. They should not interfere in the process of it, especially between TOTE and the racing board, as far as their percentage goes. The racing board - now different to how it used to be - controls all three codes. They should be allowed to handle them as they see it, with no interference. But they should be funded the same as it is at the moment, if not better over the period of years once TOTE is sold. These security things should be put into place to make sure it is. To me, over the 10 years racing has declined in this State. Some of our carnivals are quite big. The mainlanders love it, prize money-wise. But as for the general local racing population, it is declining as far as I am concerned. The chances of our jockeys earning a reasonable living - especially from our association's point of view - has declined with the declining numbers as well.

Mr BOOTH - You speak as though there is an inevitability of the TOTE being sold. Would you rather have the support coming from TOTE to the industry or from the public purse to the industry in the future?

Mr RING - I think the public purse would be a more concrete step rather than the sale of TOTE. That's not saying we are against it, we just think from the public purse. For what is put into the TOTE over the years percentage-wise I think it has been fairly good but from the top down it hasn't been handled in a way that look's after the industry's people.

Mr BOOTH - So if that distribution was handled properly, the TOTE model funding the industry and TOTE being owned by the Government as it is at the moment is better than TOTE being sold and the money coming from the public purse?

Mr RING - We don't know until something is put in place, until the minister tells us what is happening if it is sold, what guidelines will be put in place and what will be put in place to look after the people in the industry. At the moment we are only guessing.

Mr GUTWEIN - Your association is a sub-branch of the Australian Jockeys Association. What has been the situation in, say, South Australia or Victoria where it has been privatised? Has it been better for jockeys or worse? Could you explain why in either case?

Mr RING - Victoria has been terrific for jockeys. If I was 30 and still riding I wouldn't be here, I would be in Victoria where you have a chance to ride every day of the week. Even if you are a battling rider, you can ride on a Saturday at non-TAB meetings or on Mondays, Tuesdays - which is very average but you can pick up some rides. But, apart from that, you can make a good living riding barrier trials. Their fees are better, there are more of them. Even race riding, they are \$160 a ride, whereas here we get \$130 and they are riding them every day of the week if they can. In trials they are getting over \$50 a ride and you could ride 10, 15, maybe 20 trials at Cranbourne, for instance, and earn a week's wages just riding trials, plus you are riding track work. There is a young rider over there at the moment, Dean Larson, who battled here but he has done well over there, not through getting a lot of race rides or winners but making a good living. He now owns two houses and I think he's got a little business going as well, just from that. From a jockey's perspective, Victorian racing has been terrific.

CHAIR - It is more a function of economies of scale, Victoria being a bigger State rather than the way the organisation is?

Mr RING - Yes, numbers and population betting-wise, but it has been handled very well. Racing is still in a very good position financially. Then you go to South Australia -

CHAIR - You mentioned South Australia and I just want to follow up on that. You mentioned that is a bit of a dog's breakfast at the moment, but you also talk about tracks being sold off. That was a separate issue from what happened since the TOTE had been privatised there, was it?

Mr RING - Yes, it's a separate issue to what has been going on at the moment. For instance, David Hayes, one of the leading trainers in Australia, has scaled down his team at Lindsay Park in South Australia. He has even sent horses over to Western Australia to be trained because their racing is going well. He has scaled things down to the point where he is not training horses at Lindsay Park anymore. He does have runners in South Australia - and David Hayes is a very good businessman - but from that point of view he's even set up a place at Euroa in Victoria because he knows that's the place to be. Western Australia and Victoria are the places he wants to be; they are the places he knows he's going to earn the money.

CHAIR - The model Western Australia currently operates under is the model we have here in Tasmania.

Mr RING - It is, it is very similar. That was discussed last year at the forums for the new board.

CHAIR - So would you go down the track of saying, 'If it ain't broke, don't fix it', or not?

Mr RING - That is right, to be honest. This new board is new. They are feeling their way. But I think it will be very good in the long-term, but with the sale of TOTE, that is a different ball game.

Mrs RATTRAY-WAGNER - Kevin, you talked about the restructure from last year. What input did your organisation have in that restructure and also, would you mind telling the committee whether you asked the question whether the restructure had anything to do with the potential sale of TOTE and whether it would have made any difference to your support?

Mr RING - I asked the question a few times. Once was at one of those forums at Mowbray Racecourse and it was also asked by a member of the AWU because all our jockeys are members of the AWU. It was asked at the forum at Bellerive as well. I also asked at some meetings at the Thoroughbred Racing Council whether the TOTE was going to be sold and the answer was always no, and it was a very straight no. It is felt in the industry a bit that the new board was set up so they could separate TOTE and the board because previously TOTE had a lot of input into the racing part of it, especially tracks and maintenance and things like that. Whether it is correct, the feeling was that the new board was set up to separate TOTE so that it then could be put on the market and sold.

Mrs RATTRAY-WAGNER - Would your association's support for the restructure have remained the same had you known that?

Mr RING - If we had known that there was to be a sale of TOTE we would have asked why it was being sold and we would have asked at the time whether there was a guarantee that the same set-up would be in place for the financial reasons for racing. We would not have been against it as long as it was known that everything would remain the same financially.

Mrs RATTRAY-WAGNER - In your opinion, is your industry disappointed at the fact that the Government and the minister have chosen not to take the industry and your association along for the ride in the sale?

Mr RING - Yes, we are. We would have liked to have known last year, and we would like to know now what guidelines will be in place as far as the racing the concerned.

Mr BOOTH - Kevin, how definite was this no when you asked the question a number of times? Was it an equivocal or an unequivocal no?

Mr RING - There was no thought put into it. It was straight off and done.

Mr BOOTH - Were you left with any impression that it was being considered or that there was a process in place?

Mr RING - We always thought it was going to happen. It was no surprise when we read at the start of this year that the TOTE was being sold. I think it was in the media within a week after the new board started. It was no surprise to us, let's put it that way.

Mr BOOTH - Basically you did not believe them when they told you no, then, or did you believe them when you asked them?

Mr RING - I do not think anyone believed it, to be honest. That is the opinion of a lot of people I have spoken to in racing. I don't think anyone believed them. You hear a lot of rumours, and especially in racing, but if it is said often enough you start to think it is true; and it was said plenty of times.

Mr GUTWEIN - Kevin, I want to bring you back to a point Mr Booth raised earlier in regard to the level of consultation. My understanding of what you said was that there had been no contact with the Jockeys' Association regarding the possible proposed sale of TOTE, nor have you been contacted since to provide input in regard to concerns or suggestions you might have about the proposed sale of TOTE. Is that correct?

Mr RING - The minister and the Government say they want to sell TOTE and that is fine, but we are disappointed that they did not let everyone know. They should do it officially in writing and give the reasons to the racing groups. As far as the running of racing is concerned, which has been put to me by the Racing Board, it is separate from the TOTE, especially now with the new board. It has been put to me by the board that we cannot tell the Government that we don't think they should sell TOTE because that is the business of the Government. But it is also the business of the people that make a lot of money for the Government through racing as well; as far as we are concerned, racing depends on TOTE.

The TAB was set up as an agency years ago to fund racing, but it also helps fund a lot of capital programs as well for hospitals and things like that but it was also set up to make sure that racing survived. Therefore we think that we should have some say or be informed, at least, about what is happening.

Mr WILKINSON - Kevin, you were saying that you do not believe that racing is as good now as it was when you first arrived in 1989. Secondly, you say that you do not know whether it is a good idea, it would seem, to sell TOTE because you do not know what the price would be and what racing would get out of it, and that there is no certainty for you. And, as I understand it, you say that there has to be more improvement in racing, more race meets, more this, that and one thing and another as you have described over the last half-hour. How are we going to do that, we might ask, if there is not a change in the ways things are dealt with?

Mr RING - One of the things that has been discussed by trainers, jockeys and owners is that we do not need the big prize money for those cups, not as big anyway. Money can be evenly disbursed over the year, with more minor race meetings, say mid-week, and we used to have a fair amount of mid-weeks years ago.

The jockeys, trainers and owners would be quite happy for those mid-weeks to have less prize money than, say, a Sunday meeting. At least it gives everyone a chance to earn some money and make a decent living out of it. The money needs to be spread across the board more evenly, and not just for those January and February race meetings.

Mr WILKINSON - So whether TOTE is sold or not, your major concern is as you have just described?

Mr RING - Yes. It has been explained to us by TOTE and the board also that they want quality, and that is fine. These people in business are talking about quality, but you have to have quantity to get quality and we are not doing that with the number of race meetings we have. There are fewer owners coming into the racing and there are fewer horses about because of a lack of chances to earn a living and a reasonable amount of money. So they are either getting out of racing or going interstate.

Mr WILKINSON - You are saying, aren't you, that the bigger the base of the pyramid the higher it goes?

Mr RING - Yes. I can understand that they want quality but the quality that we are getting over that two-month period when we have so much prize money is all coming from the mainland. People will certainly bet on them and that is what TOTE are trying to do and I can understand that; people will bet on them a lot more because they know the horses. Fifteen years ago we had some very good horses in this State that were able to go to Melbourne and win cups and reasonable races and we have not had those horses for a number of years because of the decline in racing in this State, as far as I'm concerned.

Mr BOOTH - Kevin, from your understanding of the Treasurer's proposal to sell TOTE, do you think that it is being done for the good of the industry or for the good of Treasury?

Mr RING - I cannot answer that until I get more information, but as it stands from just sitting back and hearing and reading and different things, I think that it is for the good of Treasury at the moment.

Mr BEST - Just quickly, Mr Chair, I was a bit late this morning as it was a 5 a.m. start at Liffey Falls, so I am sorry. First of all Kevin, congratulations on all the work that you have done with workers compensation for jockeys and other gains. I am sure that other committee members would be aware of the fine work that you have done there for jockeys. If we were to dot some of the key recommendations that you are making about quantity, where do you think that could take the industry over the next 10 years?

Mr RING - I think we could end up with more jockeys here and more owners, but it will take time. In the first five years, say, over a 10-year period it is not going to improve a lot because people are going to be a bit dubious about investing here, but I think it will improve. There is a decline in jockey numbers across the board across Australia but I think the decline in this State is very low; we have a higher percentage than anywhere. I think with some of

the suggestions I have put forward today that eventually we will have more owners, more horses, more jockeys and even more trainers - probably more professional trainers.

CHAIR - Kevin, our time has expired, unfortunately. Thank you very much. The information you have given to the committee has been very informative. We have about 12 witnesses today so we have to keep rocking along.

Mr RING - You'd better drink lots of water.

Laughter.

CHAIR - Thank you very much. We appreciate your coming in.

THE WITNESS WITHDREW.