

Mr GRAEME JOHN RUSSELL WAS CALLED, MADE THE STATUTORY DECLARATION AND WAS EXAMINED.

CHAIR (Mr Hall) - Mr Russell, we invite you to introduce yourself and make a statement and then we will ask you some questions.

Mr RUSSELL - My name is Graeme Russell, I am Vice-Chairman of the Devonport Racing Club and an ex-committee member of the Thoroughbred Racing Council which, as you aware, no longer exists. So I am here to represent the racing club of Devonport and see where everything goes.

CHAIR - We have given our terms of reference, the proposed sale of TOTE. Do you have an opinion or has the club formed an opinion as to whether it is a good or bad thing?

Mr RUSSELL - I have not really formed an opinion and, I guess, listening to a lot of the others as well - because we have not had a lot of information on the conditions of sale of the TOTE and all the other things that are going on - it is really a 'not knowing' situation as yet. We have spoken at our committee meetings and it all comes out the same - 'Give us some information on why it is going to be sold and what the conditions will be when it is sold'.

CHAIR - Has it created some anxiety within the club?

Mr RUSSELL - I think it has because even a lot of our committee members have backed off on buying horses at the yearling sales. I settled for one. I do not have a race horse at the moment because I have just held back because I am not sure -

CHAIR - You might be saving money.

Laughter.

Mr RUSSELL - Or making money. Until the decision has been made to either sell or not to sell, and with the new racing council as well, nobody really knows what is happening in the industry.

CHAIR - So I suppose the sooner that Parliament make a decision in that respect so we know which way we are going, it could be an advantage to the industry.

Mr RUSSELL - That is exactly right.

Mrs RATTRAY-WAGNER - Graeme, in your mind, had this proposed sale been held off, say, for 12 months while the new racing structure is bedded down, so to speak, do you believe that would have been more beneficial and your part of the industry may have had more time to digest what was going to happen?

Mr RUSSELL - I think it probably would have been a good idea to move the industry forward a little slower than it is. It seems that everything is trying to happen right at the one time and when you talk to a lot of the trainers and owners they all ask the same question, 'What the hell is happening at TOTE? What's going on with the industry?'. There are a lot of 'don't knows' at the moment.

Mr BOOTH - Drilling down on what you said in regard to buying horses at the sale, for example, you said you no longer have any horses yourself. Had the sale not been announced, would you have proceeded in the same environment as pre the announcement and bought horses?

Mr RUSSELL - I probably would have. If I went to the sale I probably would have bought two but I decided not to go because I am a bit of a sucker when I go to an auction - I seem to put my hand up.

Laughter.

Mr RUSSELL - So, yes, I possibly would have looked at buying, but just at the moment the industry is in a little bit of an unsure situation so I thought maybe I would just hold off for 12 months.

Mr BOOTH - So is it a reasonable thing to extrapolate from that then that the industry is concerned that the sale or privatisation of TOTE might be detrimental to the industry?

Mr RUSSELL - I do not know. This is going back to what I said a while ago, but I think it is just that the industry does not know. I think if the industry was told that the conditions of sale would be that the money would go straight back into the racing industry it would be different. If we have to sit and look at our money for racing coming out of consolidated revenue, maybe there is going to be a lot of public reaction out there that we are taking money away from hospitals and education and all the rest of it, whereas now, you still read in the media that we still have a few problems like that, but at least now we know that the money for racing is coming from racing.

Mr BOOTH - So do you see a need to sell to privatise TOTE under the current arrangements? Is there any reason that you see why it ought to be sold?

Mr RUSSELL - Not particularly, unless of course the conditions and whatever comes out of the sale make a big improvement to our racing industry. If we can get more race meetings and improve the balloting system - and the only way I believe we can improve that is by having more race meetings - I believe the sale would be a good idea, but the timing of it is probably not just quite right.

Mr BOOTH - From where you sit in the industry, and given the positions that you hold and have held, there has been a lot of white noise about the potential for a sale, which was denied; in fact it was unequivocally stated that it wasn't going to be sold. Were you shocked when you heard that it was going to be sold?

Mr RUSSELL - I was actually, because we were told at, I think it was our last or second-last Thoroughbred Racing Council meeting, that there was no intention of TOTE being sold.

Mr BOOTH - When was that?

Mr RUSSELL - That was probably a month before the Tasmanian Racing Board took over. Whether it was a quick decision after that or not, it's -

Mr BOOTH - Do you feel you were misled in regard to this?

Mr RUSSELL - Probably a little, yes, but by whom we don't quite know.

Mr BOOTH - Do you think that the industry should have a plebiscite on the sale, all codes, an industry-wide plebiscite in terms of whether the industry accepts it should be sold or not?

Mr RUSSELL - I don't think you could do that until, as I say, the information gets out and things are a little more transparent about how it's being sold, maybe who the contenders are for buying, and that sort of thing.

Mr GUTWEIN - How much capital might be required to bring some of the other racetracks up to scratch, so to speak? We've heard this morning that money has been spent in recent years, on Launceston for example, but Devonport particularly?

Mr RUSSELL - I reckon for Devonport we'd be looking at \$12 million to \$15 million to bring it up to scratch. I probably believe Launceston is a fantastic track now with the new StrathAyr. We're looking at some prospects at the moment so that when the board comes to us and tells us they're going to spend a heap of money at Devonport, we can say, 'This is what we'd like' or 'This is not what we'd like', instead of being able to say, 'Oh, we don't know'. We are looking at a StrathAyr against the other tracks like Geelong has, the synthetic tracks. We are getting some information together as a club for that.

Mr GUTWEIN - Over what sort of time frame do you think that upgrade would occur, or is it important that something is done with Devonport relatively quickly?

Mr RUSSELL - I think it's very important that in the next two or three years something's done at Devonport. We found a problem last year when Launceston was closed, and the racing industry really struggled to have enough because our track's not up to scratch enough to race through the winter. We had two or three meetings cancelled, so more horses get balloted out, owners get frustrated and trainers are crabby. Yes, it becomes very important, I think, that we have the three tracks up and running.

Mr BOOTH - Are you concerned that there might be a strategy for a two-track model in Tasmania?

Mr RUSSELL - I don't believe so. A lot of people talk about that, but I don't believe it's possible that you could run Tasmanian racing on two tracks. I think it's important that if we had to have two tracks we'd never survive.

Mr BEST - Pretty much from my reading of what you're saying is that your view in relation to the sale of TOTE really would be dependent upon what might be the situation in the funding model. If you could see that, then you could actually probably give the committee a firm view either way, couldn't you?

Mr RUSSELL - For sure, yes. As I said before, it could be a wonderful thing for racing, but it's probably like a motor car that no-one's ever seen.

Mr BEST - In that, there are some matters that have been raised about things that people would like to see in a funding model. Do you have anything other than what's been said today, or would you like to enforce some of the things that may have been said today?

Mr RUSSELL - Not really, no. I think from what I've heard from two or three speakers today, everyone's is of virtually the same opinion. We need some transparency and to find out what the reasons are and what the conditions of sale are, then we can sit down and make a fair assessment.

Mrs RATTRAY-WAGNER - Graeme, it was said previously today that for your particular part of the racing industry to grow and have more opportunity for the horses to race, so from your perspective do you believe that Devonport needs to be upgraded for that to happen?

Mr RUSSELL - Definitely.

Mrs RATTRAY-WAGNER - In your mind, does there need to be a commitment for that \$12 million to \$15 million to be committed before that next part could well and truly take place.

Mr RUSSELL - Yes, definitely. I do not believe there has been money spent on Devonport in a major upgrade for probably 15 to 20 years. I am not sure. The track at the moment requires really heavy maintenance all the time just to keep it up and running so that we can race on it.

Mrs RATTRAY-WAGNER - That is at the level that you already race at. That is not being able to extend out those opportunities for racing people?

Mr RUSSELL - That is right.

Mrs RATTRAY-WAGNER - To get equal coverage across the State, Devonport would need that \$12 million to \$15 million, in your mind?

Mr RUSSELL - In my mind, I am sure it would, yes.

Mrs RATTRAY-WAGNER - Are you supported by the rest of your organisation on this issue?

Mr RUSSELL - Yes. It was stated by TOTE before all this happened that they were verbally guaranteeing that Devonport would be the next upgrade. But now this is all happening it all up in the air again.

Mrs RATTRAY-WAGNER - Ahead of Launceston lights?

Mr RUSSELL - No, Launceston lights would be going ahead and the next major restructure would be Devonport.

Mr BOOTH - In terms of the politics, you make it clear that, if it were to be funded out of consolidated revenue, how would you feel going out and competing against football, health, education and so forth for an annual support for stakes and so forth?

Mr RUSSELL - I guess it would make it much harder, wouldn't it? You are also competing against football, hospitals, health and all the rest of it, but you are also competing against the public because of the look of it, more than anything. Even though maybe the money is going into Consolidated Revenue and then coming out and going into racing.

Mr BEST - Your money would be going into it.

Mr RUSSELL - Yes, but it probably does not look quite as good if it is coming straight from racing back into racing.

CHAIR - Graeme, thank you very much for your evidence. We appreciate your coming down and wish you all the best. Have a safe trip back.

Mr RUSSELL - Thank you.

THE WITNESS WITHDREW.