



# **PARLIAMENT OF TASMANIA**

## **TRANSCRIPT**

### **LEGISLATIVE COUNCIL**

### **GOVERNMENT BUSINESS SCRUTINY COMMITTEE B**

**TasRacing Pty Ltd**

**Wednesday 30 November 2022**

### **MEMBERS**

Hon Rosemary Armitage MLC (Deputy Chair)

Hon Jane Howlett MLC

Hon Tania Rattray MLC (Chair)

Hon Rob Valentine MLC

Hon Meg Webb MLC

Hon Josh Willie MLC



## **WITNESSES IN ATTENDANCE**

**Hon. Madeleine Ogilvie MP** - Minister for Small Business, Minister for Science and Technology, Minister for Advanced Manufacturing and Defence Industries, Minister for Racing, Minister for Heritage

**Mr Gene Phair**, Chair – Tasracing Board

**Mr Andrew Jenkins**, Acting Chief Executive Officer (CEO)

**Mr Daron Heald**, Chief Financial Officer



## PUBLIC

**The committee met at 1.59 p.m.**

**CHAIR** - Thank you, and welcome minister.

**Ms OGILVIE** - Thank you.

**CHAIR** - We appreciate your time today. We are looking at Tasracing and you are the responsible minister.

**Ms OGILVIE** - My pleasure.

**CHAIR** - I would like to introduce our team at the table. To my left, Josh Willie; Rob Valentine; myself, Tania Rattray; Rosemary Armitage; Jane Howlett; and Meg Webb. So that is us and we have some secretariat support, Julie Thompson and Gaye on *Hansard*. Minister, we invite you to make an opening statement. I'm well known for not wanting to hear long ones.

**Ms OGILVIE** - I know. It's alright, I've warned them that you might say that. I have a very short opening statement. That's fine.

**CHAIR** - Thank you, then we'll start the questions, but you might introduce your team.

**Ms OGILVIE** - Absolutely, and that's part of the opening statement. Yes, I did think you'd like it short and sharp, so let's see how we go. Thank you, Chair. To my right I have Gene Phair, Tasracing chair, who you have probably met previously; to my immediate left is Andrew Jenkins, acting CEO, who you may have met; and Daron Heald, chief financial officer, who you may have met.

**CHAIR** - Well known to the committee, welcome.

**Ms OGILVIE** - By way of overview, the Tasmanian Liberal Government is a strong supporter and advocate for the Tasmanian racing industry. We believe it's critical to our state, generating economic activity right across our state, particularly in the rural and regional areas. We value that at around \$180 million in value-added contributions to the economy and we think, according to our data, 38 per cent directly benefits regional communities. We're quite proud of that figure. More than 5800 individuals are involved in racing, either as an employee, a participant, or as a volunteer. There's a lot of complexity to the business that we run and we think that the importance of the industry cannot be underestimated to the state and shows the positive impact racing has on Tasmania, from an economic, cultural and community perspective.

The 2021-22 financial year was another successful year for Tasracing and the industry. Wagering turnover on Tasmanian racing increased from \$799 million to \$860 million, delivering increased race field revenue of \$25.2 million. Point of consumption tax - I know there's always interest in this - funding increased to \$6.83 million from \$2.54 million in 2021-22, due to 2021-22 being the first full year of funding. Tasracing's total comprehensive profit for the year totalled \$4.23 million, whilst increasing prize money and industry funding by \$4.58 million. So, just on the figures, this included \$3.63 million increase in sustainable code funding, plus a one-off investment of \$1.31 million in club and code initiatives, and I know they were very well received.

In May, the Tasmanian Liberal Government was pleased to receive and publicly release the independent review into Tasmania's Racing Regulation Act 2004. It's been a passion project of mine and I think the former minister's as well. The Government at that time noted its in-principle support to the recommendations and I'm pleased to announce today that the Government has released a response to each of the recommendations. We've been able to put out a more detailed, comprehensive response. The new model will see the creation of a Tasmanian Racing Integrity Commissioner (TasRIC), with the powers to set integrity and animal welfare standards and comprehensive audit compliance and investigatory functions. This work has been ongoing, and by way of updates you'll have more detailed information at your disposal.

Tasracing will become operationally responsible for all three codes of racing, including race field creation, and stewards, who will sit within a separate integrity division. In terms of supporting animal welfare, in addition to the reforms in that Monteith Review, the TasRIC has staffing with animal welfare policy and regulatory experience. I see that as an uplift for the animal welfare side of things, something I've been working on very hard and put together with the team. We recognise the importance of ensuring that animal welfare measures in racing meet with community expectations. We are investing more in animal welfare measures for horses and greyhounds than ever before, and it will only increase in coming years.

I'm personally supportive and, as a minister of this Government, supportive of any initiative or change which enhances welfare outcomes for racing animals. I will continue to work closely with Tasracing, national bodies, key stakeholder groups - including the RSPCA - and racing participants with regard to welfare developments and reform. With that, you'll be pleased to know, Tania, I'm going to hand over. I would like to thank Tasracing chair, Gene Phair, his board and the team at Tasracing for their significant contributions over the reporting period.

**CHAIR** - Thank you, minister. Nothing to add at this stage, Gene?

**Mr PHAIR** - I have some introductory remarks, if you'd like.

**CHAIR** - Brief?

**Mr PHAIR** - I can make them very brief for you.

**CHAIR** - Thank you; that's what we like.

**Mr PHAIR** - A number of significant events occurred during the reporting period that should be noted. Perhaps most significantly, after recovering from the COVID-19-related industry shut down last financial year, the company and the industry positioned itself well for future growth - driven in large part by the decisions that Tasracing took.

In summary, we are in a good place to invest sustainably into the industry infrastructure.

During the year the Tasmanian Government announced one-off infrastructure upgrades for training activities at Longford, Brighton and Spreyton. Tasracing also completed a number of infrastructure projects through the reporting period that are detailed in the CEO section of the annual report.

## PUBLIC

We also announced a new preferred location for harness and greyhound tracks on the north-west coast on 27 hectares of land near the Devonport airport and -

**CHAIR** - And your due diligence?

**Mr PHAIR** - Absolutely, we have.

**Ms OGILVIE** - Since I have been in charge.

**Mr PHAIR** - This is an important investment and development opportunity for the industry there. Animal welfare continues to be of critical importance to Tasracing and the board. The Off the Track program to support race horse owners looking to rehome their retired race horses continued to develop during the year. We sponsored 28 events and shows using the Off the Track brand. Ninety-three horses were assisted under the Subsidised Lessons Program that provides tailored support for eligible horses.

In the sales and marketing space our digital products, Formplus Pro, and the Tasracing.com.au website grew by 10 per cent thanks to expanded social media marketing and other various strategic media partnerships.

We continued to meet with industry representatives for the three codes on a quarterly basis via the Greyhound Reference Group, the Harness Industry Forum and the Thoroughbred Advisory Network.

We also met regularly, as required, with the Tasmanian Trainers Association, the Tasmanian Jockeys Association and the Harness and Greyhound Breeders, Owners & Trainers Associations.

This direct engagement works well, and I'd like to thank all the industry representatives who have given up their time to participate.

I would also like to mention the excellent work of acting CEO, Andrew Jenkins, his management team and all the Tasracing employees.

It is also important to recognise former Racing minister, Jane Howlett, for her work through the year in which she was involved and to thank the current Minister for Racing, Madeleine Ogilvie, for her strong support of our business and the Tasmanian racing industry since she assumed the role.

**CHAIR** - Thank you. I invite Ms Webb to commence the questioning.

**Ms WEBB** - I want to go straight to a couple of animal welfare matters that I am interested in, if that's all right?

You've mentioned that you've announced your responses to recommendations and reforms that might be covered by this, but does the Government intend to establish an animal welfare committee for the racing industry, which would include a range of independent external stakeholders such as, I believe, most other states have? Is that part of the plan on the way forward?

## PUBLIC

**Ms OGILVIE** - Certainly, I will be happy to answer that. It goes to the heart of the racing review that we've just completed and the new act that we're bringing forward. I will give you a little bit of an overview and then I will hand to Tasracing, perhaps one for you, Andrew.

The review of the act and the regulations that we've been undertaking has been a big piece of work that we've done over a year. I think Jane probably kicked it off - thank you very much for doing that. It is the first time we have looked at it in 20 years.

We have been working very closely with RSPCA and others and they will become a stronger voice. They want to have a regulatory role in animal welfare as part of the renewed act in the future. We anticipate that drafting instructions will go through perhaps, next month, looking to bring on the act for consideration by the lower House in the first quarter of next year. So, I think the answer is - yes. There is some detail to it and if it's all right with you, Andrew, I might ask you to go into a bit more of that detail.

**Ms WEBB** - My question was about an intention to establish an animal welfare committee with external stakeholders involved.

**Ms OGILVIE** - I think Andrew can assist with that.

**Mr JENKINS** - Thank you, minister, and Ms Webb. As the minister has indicated, there is some detail to be worked through in terms of the structure. As I understand it at the moment, an animal welfare committee would be established as a subcommittee of the board of Tasracing. That would include members who have animal welfare expertise and who are not necessarily members of the TasRacing board. There is intended to be a level of independence. I should also note once that committee is established, it would have a similarly dotted or direct report line to the new TasRacing Integrity Commissioner and then directly through to the minister. There is that separation structure between the commercial operation of TasRacing as the principal racing authority and the Tasmanian Racing Integrity Commissioner.

**Ms WEBB** - I have another one along similar lines, it is a bit more focused on the greyhound adoption program and some commentary of the data that is presented there and dropping off of adoptions. Previously, a select committee recommended a review of the greyhound adoption program and other adoption services separate to that. Has there been that kind of review in any recent times? How is the funding looking and how is the performance looking in terms of adoptions?

**Mr JENKINS** - Back in August 2021, my understanding is that a review was completed and resulted in the implementation of a revised and enhanced behavioural training program at the greyhound adoption facility. That has now been implemented and continues to be enhanced with the intention of increasing a throughput of greyhounds through the adoption facility. In terms of funding, as you stated in our financial report, the adoption centre received nearly \$900 000 in funding over the reporting period. We fully intend at least that level of funding will be continued in the new reporting period.

**Ms WEBB** - Can I just pick up on a couple of details there to get a bit more information? You mentioned the new behavioural program to be implemented, how long has that been implemented and is it delivering the results expected in terms of increasing rates of rehoming? In regard to the \$900 000 of funding into the greyhound adoption program itself, of the



## PUBLIC

statewide total greyhound adoptions through all organisations that do it, that \$900 000 is funding what proportion of the total in the state?

**Ms OGILVIE** - Can I just clarify, your question is, with the \$900 000 being deployed, how much is part of the GAP program and how much is external to GAP, is that it?

**Ms WEBB** - Yes.

**Mr JENKINS** - The figure that I have referenced is related exclusively to the greyhound adoption program and its facilities.

**Ms WEBB** - I am talking about - that funds what proportion of all greyhounds adopted out in the state? I am trying to find out, is that 10 per cent? And, therefore, 90 per cent succeed externally and all the others, or what proportion does that represent in terms of total greyhounds rehomed?

**Mr JENKINS** - I would need to check and confirm the figures, but as I have stated, that figure relates solely to the GREYHOUND ADOPTION PROGRAM, so 81 per cent over the reporting period.

**Ms WEBB** - \$900 000 per year?

**Mr JENKINS** - That is correct.

**Ms WEBB** - For 81 adoptions in the last reporting year?

**Mr JENKINS** - Yes.

**Ms WEBB** - And we do not know how many external adoptions there are through other agencies, you do not have that data or do not collect it?

**Mr JENKINS** - I do not have that to hand at the moment.

**Ms WEBB** - Is it data though that is collected by Tasracing so you understand where you sit in terms of the broader picture?

**Mr JENKINS** - It is not data collected by Tasracing, it is collected by the Office of Racing Integrity. The Office of Racing Integrity has responsibility for traceability of all of our racing greyhounds during their racing career and while they are a licensed racing animal. Yes, we do have traceability over that tenure as a racing greyhound of where those dogs are rehomed, whether it be through GAP or through a private rehoming facility, such as Brightside, RSPCA or an appropriate private residence or home.

**Ms WEBB** - Can I clarify with you minister, does the government funding go to any other of those agencies for rehoming or just to the GAP?

**Ms OGILVIE** - I will ask Andrew to answer that one again. My understanding is that there is a broad-based rebate program, but as far as responsibility for the GAP program, that sits within that \$900 000, if that makes sense.

## PUBLIC

**Ms WEBB** - Yes, I am just trying to clarify if there is government funding available for the others, then I have finished that line of questioning.

**Mr JENKINS** - No, the answer is no at present.

**Ms OGILVIE** - There is no sustainability.

**CHAIR** - Brightside used to receive some funding in the past?

**Mr HEALD** - They did receive it one year, I do not know which year that was.

**CHAIR** - A one-off payment.

**Ms ARMITAGE** - While we are talking about greyhounds, just looking at the greyhounds euthanised, what does 'failed assessment, return to owner, unsuitable for rehoming' actually mean, and how is it different to being 'euthanised on behavioural grounds'? What is the difference there - 'failed assessment'?

**Ms OGILVIE** - Thank you, I will ask Andrew.

**Ms ARMITAGE** - As opposed to 'euthanised on behavioural grounds'?

**Ms OGILVIE** - That is quite a technical question I think, Andrew if you could.

**Mr JENKINS** - Thank you minister. 'Failed assessment, return to owner' would indicate that the greyhound has behavioural or other -

**Ms ARMITAGE** - But, most of them say 'on behavioural grounds'. It just says 'failed assessment' because there is another category, isn't there, 'on behavioural grounds'?

**Ms OGILVIE** - We can seek some clarity if you need a definition?

**Ms ARMITAGE** - 'Return to owner' - would that dog be euthanised as well when it is returned to owner?

**Mr JENKINS** - I will refer to my notes Ms Armitage. I won't be a moment.

**Ms ARMITAGE** - 'Behavioural grounds' is a separate one. The second one is 'failed assessment, return to owner, unsuitable for rehoming'. What is the difference between 'euthanised on behavioural grounds'? What other grounds would there be?

**Ms OGILVIE** - We might need to seek that information for you. Some definitions might help, we can get that for you.

**Mr JENKINS** - If we can get that information minister, that would be preferred, thank you.

**Ms OGILVIE** - Yes, we can do that, we will get it right.

## PUBLIC

**Ms ARMITAGE** - If we could, I just wonder whether 'return to owner' means it is actually still going to be euthanised, obviously, because if the owner does not want it what else are they going to do if it cannot run or race?

**Ms OGILVIE** - We will get the definitions for you.

**Ms ARMITAGE** - One other question while we are on greyhounds if I could. Chair, in the 2021-22-year, category D and category E - on page 16 in the annual report - category D went up to 50, and obviously, E varies a bit but it was seven last financial year and went up to nine. What do you believe is the reason behind this and what are you doing to make sure the numbers go down?

**Ms OGILVIE** - Perhaps, if I can just open by saying in general terms, that the numbers of animals euthanised is trending downwards. We have a government policy and strategy to make sure we are improving how we manage this situation. The Racing Review Act and what we are doing to restructure that will also help. In relation to the data on the specific numbers on page 16 -

**Ms ARMITAGE** - On the track injury.

**Ms OGILVIE** - Yes, I am going to ask Andrew to address that.

**Mr JENKINS** - Thank you, minister. To echo your comments, the overall trend, perhaps most importantly as regards euthanasia, is reducing over the five-year period. I do note that inconsistent trend in category D. Tasracing's strategy to manage on-course injuries - in particular those in category D of a more serious nature - is primarily related to maintenance and design of tracks, ensuring appropriate surfaces, camber, radius, and racing conditions, such that the greyhounds are operating in an environment as safe as can possibly be. We continue to review our track management and design.

**Ms ARMITAGE** - You are looking to introduce targets or key performance measures to reduce the number of on-track injuries for all racing animals?

**Mr JENKINS** - We have not specifically looked to introduced targets at this point. Suffice to say our target is to minimised and mitigate injuries wherever possible through facility design and maintenance, and also, the highest levels of veterinary practices associated with pre and post-racing care, thereby ensuring our greyhounds pre-race and post-race are in a fit state to compete.

**CHAIR** - A supplementary on greyhounds?

**Mr VALENTINE** - Are straight tracks in your thinking, or not?

**Ms OGILVIE** - I will jump in there and I will refer it to Andrew, but I know that we have done quite a bit of work and research with the latest data because we are looking at the west coast track.

**CHAIR** - I think it's the north-west. I don't think they need one at Queenstown.

## PUBLIC

**Ms OGILVIE** - They might like one. I do know that some recent work has gone into this, and the project manager for Tasracing did the research. Are you happy to talk through the latest understanding?

**Mr JENKINS** - Going back two years or so when the original design was being considered for the north-west coast greyhound track, there was some consideration of building a straight track because the data seemed to indicate at the time there was a decrement in likely injuries based on a straight track design.

Subsequently, working closely with Professor Eager at the University of Technology in Sydney, who was a professor in Risk Management and Injury Prevention in greyhound track design, we have become satisfied that the construction of an appropriately designed single turn or U-turn track with appropriate radius and camber can provide superior injury performance even when compared to a straight track. We are currently and continuing to work through with Professor Eager, and finalising a design for the north-west coast track on that basis.

**Mr VALENTINE** - My main question was about the statements from the Office of Racing Integrity regarding the tar burn incident. That is with regard to the fact there must be a veterinary surgeon present at all race meetings and official greyhound club trial events or alternatively procured in a manner that provides for immediate on track attendance in the event of an injury.

The other one was that the Office of Racing Integrity review all local rules, animal welfare guidelines and associated documents et cetera. Can you address that, and exactly how you are going to provide for that?

**Ms OGILVIE** - I am familiar with that report and the recommendations. I think it is fair to say that clubs are finding it difficult to get the services of veterinarians who are able to be on track or willing or available to do that. There are some barriers to making sure that with the shortage of vets nationally that those resources are deployed carefully and strategically to make sure that they are there when they need to be and those services are available.

I will ask Andrew to talk through what we are doing to make sure we address that, particularly as part of the review of the racing regulations that we have undertaken and the thinking that we are going through regarding animal welfare and how we provide those services.

**Mr JENKINS** - Vets are present at every greyhound race meeting. Tasracing has undertaken to act upon the recommendation to have a vet available within the recommended period of time for official trial events at both the Elwick and Mowbray trial facilities. We had arrangements in place with AHVEC in Hobart and the Mowbray Veterinary Centre in Launceston.

**Mr VALENTINE** - And on race days?

**Mr JENKINS** - Vets are always present on race days, all races.

**Mr VALENTINE** - Is it other codes as well?

## PUBLIC

**Mr JENKINS** - Yes, both pacers and gallopers will always have a vet in attendance or we do not race.

**Ms OGILVIE** - Just to add, it does help a bit that Tasracing has engaged greyhound veterinarian Dr Chris Boemo to assist with on-track practices so there is some current thinking going on. He has hosted an industry forum on greyhound first aid and care. Tasracing and Dr Boemo will be continuing to work together to ensure best practice.

**Ms HOWLETT** - In relation to talking about the U-turn track, can you give us an update on the north-west track?

**Ms OGILVIE** - I think that's a great idea. As everybody here will no doubt be aware -

**CHAIR** - We spent \$210 000 on a former site that was not suitable.

**Ms OGILVIE** - I will answer the question, which was an excellent question. I was very pleased to announce in last August that Tasracing has secured a new location for harness and greyhound tracks on the north-west coast. It is opposite the Devonport Airport, I have been up there and had a look at it, it is a great spot. The proposed site is on 27 hectares of private land on Mill Road in Wesley Vale. The new harness and greyhound tracks will be designed to the highest standards possible to ensure safe racing for horses and greyhounds. Yes, while there have been some setbacks, the Government has remained committed to this project, which will ensure harness and greyhound racing has a long future on the north-west coast.

Tasracing submitted a subdivision and development application to the Latrobe council on 4 November 2022, which goes to your question, Ms Rattray, regarding planning. The detailed design package will commence in late 2022 or early 2023. The Tasmanian Government is going to contribute \$8 million to underpin the development of these new harness and greyhound racing facilities. Tasracing will also contribute funding to the project from cash reserves and funding which would otherwise have been committed to major upgrades at the ageing Devonport showground facilities.

The level of Tasracing funding will depend on the final cost of the new facilities. The decision to cease work at the first identified site on Palmers Road in Latrobe was very disappointing for many participants and everybody on the north-west. However, we acknowledge and thank everybody, particularly the participants on the north-west coast for all their patience while Tasracing identified an appropriate new site. I hope that this announcement provides surety for the many participants located on the north-west. I also recognise Ms Howlett as the former Racing minister and her work in making sure that this was delivered. Thank you.

**Ms WEBB** - To follow up on what I was asking earlier about what proportion of rehomed dogs through GAP of the total rehomed dogs, I have found some data in your report on page 16 in the table that relates to greyhound retirement data. It says for 2021-22 there were 219 dogs rehomed. For GAP in the same period, 81 were adopted, 66 entered the program and 81 were adopted. Presumably some had been in the program prior to the year.

**Mr JENKINS** - Yes.

## PUBLIC

**Ms WEBB** - That is a pretty small proportion of the total from the 219. Why is it that it is such a low proportion of rehomed dogs coming out of the GAP program compared to other services or programs that are doing it?

**Mr JENKINS** - I would not agree that it is a small proportion, I think 81 out of 219, in a relative sense, is a material contribution toward rehoming. I would acknowledge that the GAP program, over the reporting period, did not perform to the level of throughput that we had targeted at 150 or certainly north of 100.

There were some contributing factors to that drop-off in performance over the reporting period. We have taken a number of steps in consultation with industry participants and other external experts to address throughput of the centre, including a restructure of the organisation chart at GAP. We are bringing in external specialists on a consulting basis to assist our staff on an as needs rotational basis to ensure they are continuing to grow their skills and also have the time available to spend with the greyhounds and undertake the actual behavioural work, which is what moves the animals through the process towards achieving a green collar and being able to rejoin their new home or their next home.

**Ms OGILVIE** - I will add, the flow of greyhounds through the program is dependent on quite a few variables. I think Andrew has touched on a couple of those, but they do include the skill and development of the GAP staff, for example, finding and securing, retaining staff who can assess canine behaviour and implement appropriate behaviour training programs, market demand, suitability of the match between the dogs available for adoption and the prospective new owners.

GAP tries its best to match each dog with a new owner's lifestyle and home environment, but it has to be a partnership, so we have to get this right. Individual characteristics of the dog, for example, dogs with a high prey drive, typically take longer to transition from that behavioural perspective than dogs with a low prey drive. The ability of the owners and trainers to socialise the greyhounds and break the racing routine during wind down, while waiting to enter GAP - that is that succession of animals coming in, the availability of foster carers and the number of returns.

GAP accepts any previously adopted dog back into the program. It is nice to have that information.

**Ms WEBB** - One of the things I wonder, given it is a target for GAP of somewhere between 100 and 150, that is still only getting about half of those that are coming out to be rehomed each year on the data. Why does the Government only fund the re-homing of half the retiring and re-home dogs through funding of GAP? Why does not the Government fund according to dog, rather than according to program?

In some way, an estimated 81 re-homed out of 900 000 - it is about \$11 grand each you are paying for the re-homing of these dogs. Some of those other services would think they were in seventh heaven if they were to get \$11 000 per dog.

**Mr JENKINS** - I cannot comment.

**Ms WEBB** - It is probably a government question, why does the Government not fund per dog, rather than per program?

**Ms OGILVIE** - The funding of GAP is the remit of Tasracing and the Tasracing Board. I do not reach into their operational matters in how they manage their budgets. There is not a person around this table who does not want things to be done better with animals. I am a dog lover, we are all dog lovers. If there are ways we can do things better, we are certainly happy to look at that.

We have had some challenges to find and resource the people who can do the behavioural work with the animals. That has been something that is a necessary piece of this puzzle. In relation to the sheer number of animals and dogs, the data we have for GAP as part of our business is important, but again it is not the whole picture.

I am very aware of other organisations that also do re-homing. I do not think they have restrictions on where those greyhounds come from. We are focused on the local industry. With that preamble, I ask Andrew to add some more detail around the statistics.

**Mr JENKINS** - Thanks minister. It should be noted we are in the process of doubling the size of the kennelling facility at the GAP program, Ms Webb, with a view to add in 25 to 27 kennels. We recognised as the principal racing authority we own accountability for the re-homing of our greyhounds post-racing and we are very mindful there for it making an appropriate capital investment to increase our capacity to do so.

That facility is likely to commence its build toward Q2, Q3 in the current reporting period. In terms of the cost per dog on a through put basis you articulate, you are quite correct. However, one of the considerations once we doubled the kennel size is we will derive economies of scale. Whilst our throughput will realistically be expected to near on double, our incremental cost and opex will be nowhere near that on an ongoing basis. We are continuing to invest in that welfare outcome for our post racing greyhounds.

**Mr WILLIE** - Minister, in Estimates you said the former CEO, Paul Eriksson, was reappointed in March this year. Can you tell me the specific date he was reappointed?

**Ms OGILVIE** - Yes, I can. 16 March.

**Mr WILLIE** - Minister, were you consulted with that? Or do you play any role on the reappointment?

**Ms OGILVIE** - Reappointments are for noting.

**Mr WILLIE** - It went to cabinet for noting?

**Ms OGILVIE** - Reappointments are for noting and that is a decision of the board. I note as minister. Decisions of the board are decisions of the board and again, I do not reach into operational matters.

**Mr WILLIE** - Mr Eriksson have previously ordered to attend communications training after an intense argument with industry participants over the state's greyhound adoption program. Was that training ever completed and was that incident considered when reappointing Mr Eriksson?

## PUBLIC

**Ms OGILVIE** - Because it's a decision of the board, it's probably one for Gene to address.

**Mr PHAIR** - Mr Willie, certainly, the training was completed by the CEO at the time. That was taken into account. You have to consider that when a reappointment is being considered, there is a time period well before the actual appointment date that things happen. For example, the incumbent needs to tell the board whether or not they seek reappointment. The board then tells the person at the time whether they would be offering reappointment, and that is six months prior to the expiry of their date. The reappointments happen in September of that year, not March. March is the effective date, but not really the re-employment date.

**Mr WILLIE** - What was the reason, minister, for Mr Eriksson's departure?

**Ms OGILVIE** - Again, I'll ask Gene to answer that.

**Mr PHAIR** - The board conducted a cultural survey of the organisation and there was a pathway forward - bearing in mind that, with the review of the Racing Act taking place at the same time, we had a cultural road map decision to make. We asked the CEO for the consideration in our presentation to the board for what that road map would look like; and the board decided that the road map didn't meet the expectations of the board, so the employment was terminated.

**Mr WILLIE** - So, the board received that culture review, through you, minister, on the 31 May, and then you outlined some steps that you took in response to that. What was Mr Eriksson's response - resignation?

**Ms OGILVIE** - I'm happy for Gene to continue. What was the question? Sorry, I didn't hear.

**Mr WILLIE** - What was Mr Eriksson's response to the cultural review summary report I have here?

**Mr PHAIR** - His response was to outline a plan forward of how we could address some of the issues that were highlighted in the cultural survey which, I might add, is something that we do on an annual basis. It's not anything new, it's something that every organisation should undertake. As a result of those survey results, we asked Mr Eriksson for his pathway forward.

**Mr WILLIE** - Minister, at the time you issued a statement saying that he was leaving to spend more time with his family. That's very different to what we're hearing right now. Was that statement false?

**Ms OGILVIE** - I think that's a little bit churlish on your part but, again, I will ask Gene to pick up the reasons Mr Eriksson gave for departure.

**Mr WILLIE** - I am asking a legitimate question here. It's in writing.

**Mr PHAIR** - At the time, the board decided that the pathway forward that had been presented to the board wasn't satisfactory.



## PUBLIC

**Mr WILLIE** - Minister, were you aware of the cultural review and the pathway forward when you issued this statement?

**Ms OGILVIE** - I was broadly aware of the trajectory of this matter but it's a board decision and I don't reach into operational matters. The chair and I have a good working relationship, but he has his remit and I have mine. I'm not quite sure what your question is now.

**Mr WILLIE** - When were you made aware of the cultural review and the pathway forward?

**Ms OGILVIE** - I was made aware of the cultural review in high-level terms at the time it was occurring. I will ask Gene to comment further on the cultural review and the trajectory of the process.

**Mr PHAIR** - We received the results of the survey that was conducted by an external consultant. We had a high participation rate from staff, which was very pleasing. The result of that cultural survey was distributed to all staff members, because that was the commitment made by the board that we would make all the results available. I made the minister aware of the results at the same time that the staff were. In fact, the staff were advised first and then the minister, second.

**Mr WILLIE** - What date was that?

**Mr PHAIR** - It was in June.

**Mr WILLIE** - This statement was issued in July, minister, where you said:

Mr Eriksson will be returning to Sydney to spend more time with his family.

**Ms OGILVIE** - I think that's a statement Mr Eriksson made. I was probably picking up from that but I am happy to find out the source.

**Mr WILLIE** - There were other matters at hand, obviously.

**Ms OGILVIE** - Certainly, but the other matters at hand are a matter for the board and that's an operational matter that I don't reach into, clearly. However, I will say that cultural surveys are an important tool that organisations use for HR reasons. It's very important to recognise the good work that this cultural survey did in clarifying a way forward for an organisation that obviously needed to evolve.

I'm very aware that as part of our racing regulation review, there are changes as well. Those conversations are very important, from an HR and an operational perspective. Whilst I'm not a member of the board, Gene is able to speak to those matters, because they are operational in nature. It is my deep hope that as we go through this process of renewal and review, we will have an organisation that has a deeply good culture and that is the goal.

**CHAIR** - Thank you, do you have a final question?

**Mr WILLIE** - I have quite a number of questions on this line, Chair.

## PUBLIC

**CHAIR** - Can you narrow a couple down, because other members need to have some opportunity as well.

**Mr WILLIE** - Minister, did the chairman - or anyone else at Tasracing - to your knowledge, give a reference to Mr Eriksson to get his new job at Racing Australia?

**Ms OGILVIE** - You'd probably have to ask the chairman that. I'm very happy for you to do that through me.

**Mr PHAIR** - Absolutely, minister. I was not asked to give a reference for Mr Eriksson. That's a matter for Racing Australia, not for Tasracing.

**Mr WILLIE** - Minister, I understand this culture review was instigated after a Tasracing employee raised a sexual harassment and culture concern, specifically with the board. What date did that meeting occur?

**Ms OGILVIE** - Again, you're asking about operational matters. Unfortunately, I'm not in charge of those, but I'm very happy for Gene to answer that.

**Mr PHAIR** - That's simply not true. We had a cultural survey that was undertaken last year. There was a low participation rate. This year we decided to go externally to get another cultural survey done, guaranteeing confidentiality so there could be no question about people participating in the survey and the results kept confidential. That's the process that was undertaken.

**CHAIR** - Is it always an annual thing that happens?

**Mr PHAIR** - It's not necessarily an annual thing -

**CHAIR** - Was there any reason why you did it two years in a row?

**Mr PHAIR** - The reason was that there was a low participation rate the year before because people didn't feel comfortable that the participation in that survey would remain confidential - which it is; but it's a matter of convincing those employees. This time we did it externally to guarantee the confidentiality of their responses. As a result, we got over 70 per cent of participants participating in the survey.

**Mr WILLIE** - Let me split the question. Minister, did an employee of Tasracing meet with the board to discuss a sexual harassment allegation, and if so, what date?

**Ms OGILVIE** - Again, it's an operational matter, I'm obviously not a party -

**CHAIR** - Would you just direct the question, then, minister?

**Ms OGILVIE** - I'm happy for Gene - I do think he's answered already -

**Mr PHAIR** - I have answered the question. There was no meeting with the board. I don't know what you're talking about.

**CHAIR** - Thank you, Mr Valentine.

**Mr VALENTINE** - You have a very significant increase in national wagering on Tasmanian racing from 2018-19. It's gone up by \$261.41 million to \$860.33 million. The increase in wagering revenues is perceived in some quarters as a positive; quite clearly, it would be from a corporation's perspective, in other quarters. Such an increase in wagering revenue is reflective of significant social harm. Can you identify what strategies you had in place to minimise the social harms associated with wagering? Given your desire to grow market share in the industry, what actions are you taking, in line with a growing market share?

**Ms OGILVIE** - Thank you, Mr Valentine, I will ask Andrew to address this one and then perhaps if you have more we can provide a bit more detail too, from my notes.

**Mr JENKINS** - Thank you, minister. Tasracing maintains a compliance with all relevant legislation and other regulatory requirements regarding harm minimisation and responsible gambling. We are bound to undertake activities, such as bearing the logo of responsible gambling and the 1800 help number on our printed and digital assets, as required by legislation and other regulations.

It's important to note that the end wagering customer is not owned by Tasracing. We do not have a direct relationship with a punter, so to speak. Those individuals enter into a bookmaking arrangement with a corporate book maker or otherwise, such as the TAB or SportsBet. That said, those entities are bound under their licensing conditions by Tasracing to also ensure compliance with relevant harm minimisation activities and initiatives and that will continue and flow over into the likely National Consumer Protection Framework amendments expected to land in April, 2023. That will bring new accountabilities to both Tasracing and to our wagering service provider partners.

**Mr VALENTINE** - Do you have any relationship with those who are doing advertising, for instance, on television, those sorts of things? Do you have a relationship with any entities that advertise betting?

**Mr JENKINS** - We do to the extent we receive sponsorship payments from wagering service providers, Ladbrokes being the obvious example. There will be occasions where those wagering services providers are advertising, whether it be on television or digital assets, they will be promoting Tasmanian racing products, so yes.

**Mr VALENTINE** - What percentage of your revenue would come from that source?

**CHAIR** - From those financial arrangements.

**Ms OGILVIE** - I want to clarify the question. You are asking what percentage is the value of the sponsorships as opposed to -?

**Mr VALENTINE** - Well, are you getting money back out of that, or is it just simply a sponsorship arrangement you get a benefit from? Both really. I would like to know the total value of the sponsorship, but also how much it is physically bringing in.

**Mr JENKINS** - It is difficult to quantify the exact return on the incremental wagering delivered by a given advertising campaign, whether it be on broadcast or digital assets, and

wagering services provide as a change in their promotional strategies on a week-to-week basis, whether that be Ladbrokes or any other.

We are not always, or consistently, participating - or a participating product - in those types of promotions. There will be weeks or maybe months that pass where Tasracing product is not specifically promoted by a given wagering services provider and hence, that is why it is difficult to quantify the ROI that comes back to us.

**Mr VALENTINE** - Ok, but what about the actual payments back to Tasracing?

**Mr JENKINS** - In terms of the sponsorship amount we receive; the primary relationship is with Ladbrokes by the Entain Group as our statewide naming rights and track partner across all three racing codes. I believe the annual sponsorship figure is in the order of \$850 000.

**Mr VALENTINE** - What percentage of your revenue is that?

**Mr HEALD** - The amount is one sixtieth and the revenues are about \$67 million for the year. It is a significant amount given an \$800 000 contribution is a number of race meetings and things like that. It is a significant amount, but in terms of the total value of our revenue, it does not hit very high in terms of total.

**Ms ARMITAGE** - My question is in regard to apprentices and track riders. Do we have an agreement with Hong Kong around bringing over apprentices and track riders to Tasmania?

**Ms OGILVIE** - Great question, that is one for Andrew, if that is alright Andrew?

**Mr JENKINS** - We do not have a standing agreement per se with the Hong Kong Jockey Club. You will of course be aware that, historically, there have been a number of track riders and apprentices who have come over from Hong Kong with varying degrees of success and development in their riding careers. I can advise that we are currently well progressed in new discussions with the Hong Kong Jockey Club with a view to bringing out more than likely two apprentices and two track work riders. There are some complexities with current visa requirements and also delays at a federal level. But we have an excellent working relationship with the Hong Kong JC and I am comfortable we will be able to work through those matters. It is simply a matter of time in principle, we are entirely supportive of recommencing.

**Ms ARMITAGE** - It was an informal agreement previously, then?

**Mr JENKINS** - They are individual contracts or deeds with the individuals who are coming up to ride. To answer your specific question there, there is not an overarching or agreement, it is an individual contract with the riders.

**Ms ARMITAGE** - Is it not a fact that most of them at the moment from Hong Kong are going to South Australia and it is a likelihood they will be going to Rockhampton, as opposed to Tasmania?

**Mr JENKINS** - I cannot comment regardign Rockhampton, but yes, I am aware that there are apprentices and/or track riders who are being utilised by Racing South Australia.

## PUBLIC

**Ms ARMITAGE** - You are fairly confident that Tasmania will reach some sort of agreement with Hong Kong and actually have the track riders and the apprentices coming back?

**Mr JENKINS** - That is right, entirely supportive in principle.

**Ms OGILVIE** - I want to be clear. I was not sure whether you were asking if we are going to formalise an agreement?

**Ms ARMITAGE** - I was not sure whether there was a formalised agreement, previously or hither, it was an informal agreement in principle; or whether you are happy for it to happen; or whether you are aware it is going to happen. They are a little bit different, in principle agreement is fine, but are you aware, are you facilitating with Hong Kong to bring them out?

**Mr JENKINS** - Sure, thank you I understand the distinction you are making. When I say in principle, I am talking about support and we are absolutely in principle supporting that happening. Are we actively facilitating those contracts and getting young riders on planes and riding and developing in Tasmania? Absolutely. We have had multiple online calls with Hong Kong JC stakeholders, we have another one next week. Categorically, yes is the answer.

**Ms OGILVIE** - At the risk of overegging it, a good deal of support is going into local jockeys and riders also. It is worthwhile popping this on record, because it might be helpful.

**Ms ARMITAGE** - Do we have enough?

**Ms OGILVIE** - It goes directly to that and it is brief. Firstly, this is good news, Cody Jordan was a leading jockey for 2021 with 61 winners; she was also the leading apprentice jockey for the 2021-22 season. It is great to see a woman really dominating.

There are currently nine apprentice jockeys in Tasmania as at October 2022. Tasracing has six apprentices currently race riding. Tasracing has an assistance scheme for interstate jockeys as well, travelling to Tasmania to ride, which helps with the jockey population when local numbers are low. With \$26 000 allocated towards this for the financial year 2022, the jockey riding fee has risen, 10.6 per cent over the last two years. We have seen senior jockeys go from the 2016-17 number of 14 up to ranging through 18, 17, 17, 17, 17 in the prevailing years and then back to 14 in this 2021-22. It had a peak and then it's levelled out again. Apprentice jockeys are tracking around 11 through to 9, so there has been a dip there.

**CHAIR** - Is the apprentice jockey program like a TAFE credited programme? How does that actually work?

**Ms OGILVIE** - We have been doing some work on training and it is worthwhile asking Andrew to deep dive into that, if you can? It is a positive.

**Mr JENKINS** - There was a question about are there enough track work riders? The short answer is, we would like more. In that scenario, we do not differ to any state in Australia. It is a known issue that we are taking steps to address.

That links into the apprentice jockey program in the sense that we have recently created an incremental position at a senior management level of participant development manager. That role has the remit of not only developing existing participants in their riding, business and

other life skills, but equally importantly, attracting new people to roles within our industry including becoming apprentice jockeys and also track riders. That role has only been recently appointed so it is in its nascent phase, but, it is evidence of Tasracing's acknowledgement that we need to take strategic steps to ensure growth in participation in our industry on an ongoing basis.

**CHAIR** - What sort of requirements does somebody need to carry out that role?

**Mr JENKINS** - I would need to refer in detail to the job description, but broadly the role has the accountability of developing what will largely be a greenfield curriculum, and pulling together what I would describe as some disparate accreditations and certifications that apply at the moment - for example, needing to complete a Certificate III to become a track rider, and then subsequent certifications as you move through to become an apprentice jockey.

**CHAIR** - So, is it a TAFE course?

**Mr JENKINS** - Yes, some are, that's correct. Yes. One of the key responsibilities of the new role is to package those types of accreditations and certifications into career paths for individuals so they can see a life in racing, and see continued growth and sustain their participation.

**CHAIR** - Okay. So, you wouldn't just get a former jockey to do that sort of role? It would be someone with some expertise in all those areas that are going to be covered?

**Mr JENKINS** - To some extent. It's more a commercial and facilitation role of developing that type of overall curriculum and then drawing upon the likes of former jockeys and coaches to plug in and provide the specialist skills and augment TAFE certifications and accreditations on an as-needs basis.

**CHAIR** - How many positions does that role encompass? Is it just one position, or is it the support positions as well?

**Mr JENKINS** - At present it is a single position, having just been appointed. Once it's up and running, it will need some support elements to it but at present, it's a stand-alone general manager.

**Ms OGILVIE** - I'd like to congratulate Tasracing for getting this up and going. It's been a lot of hard work that both Gene and Andrew have driven and we are hoping that it will start to address this challenge we have around bringing people in.

**CHAIR** - We've been talking about this for a number of years, about the lack of jockey apprentices.

**Ms OGILVIE** - Now we are getting some runs on the board, so it's very good.

**CHAIR** - Thank you. Ms Howlett.

**Ms HOWLETT** - Minister, could you please give us an update on the recent stakes increase? I know that the industry is extremely happy about it.

## PUBLIC

**Ms OGILVIE** - They were happy. They were.

**Ms HOWLETT** - It is really important to continue to build confidence in the industry. Could you provide me with some more information?

**Ms OGILVIE** - Yes, there was happiness in the industry when this information was conveyed. If there has been a consistent objective across the racing industry, it has been to boost stakes money to encourage investment in breeding and racing here in Tasmania. We've listened, we are listening to the industry, and our Government continues to be a strong supporter and an advocate for the racing industry.

This industry is critical for the state. It generates quite a lot of money per annum - \$185 million, according to our calculations. As I get around the state I see what's going on around the tracks, and the race meets, and with the people who own animals and participate and volunteer.

**CHAIR** - You're going to be busy on New Year's Day, getting between Longford and St Marys. Good luck.

**Ms OGILVIE** - Oh well, I'll perhaps have to ride a horse.

**CHAIR** - No, you'll probably get a helicopter.

**Ms OGILVIE** - If I could fly one myself I might do it, but no, that's not going to happen.

**Mr WILLIE** - It doesn't end well with politicians.

**Ms OGILVIE** - No, I had some terrible flashbacks. I can't even remember who it was.

**Members** - Bronwyn Bishop.

**Ms OGILVIE** - Let me just rule that out. Very clearly, for the record, there will be no helicopters involved. It's nice to have some humour at the table. In 2021, through an election commitment, we committed to increase stakes by 16 per cent over our term in office. We have already exceeded that commitment in the first 18 months, with the total code stakes allocations increasing from \$24.698 million to \$31.159 million. It's a pretty substantial lift; and this includes the \$1.442 million announced for implementation on 1 December, which will be allocated to the three codes - split evenly, which is good news.

**CHAIR** - Hooray!

**Ms OGILVIE** - Is that what you wanted?

**CHAIR** - You still haven't fixed up the formula though, across the codes. When are you going to do that?

**Ms OGILVIE** - All of this is entirely put into stakes money. This results in a total increase of \$6.460 million, or 26.1 per cent over the 18 months, which well-exceeds the 16 per cent four-year promise. These increases have been able to be made due to strong financial performance and increased returns from both racefield fee revenue and point of

consumption tax. Stakes increases give the industry the confidence they need to invest in their animals and in their business and to employ the people who support the industry. We are talking about stablehands, track riders, strappers and a range of other roles. The increases in stakes since 2018 have not only been a great achievement for the racing industry, but they have been sustainable and affordable; so we're looking at that sustainability piece as well.

We will continue to support racing.

**CHAIR** - We might see some increase in some greyhound litters then in the future on the strength of that.

Thank you, Ms Webb.

**Ms WEBB** - You can go, Chair, you haven't had any of yours.

**CHAIR** - No, that's fine. I have my question. You go.

**Ms WEBB** - This is not an area I know a great deal about, but I understand that the industry, as it stands, is not viable without government funding, and the Government Funding Deed ends in 2029. What is the expectation of the plan past that period of time, at this stage?

**Ms OGILVIE** - I have been asked this question a number of times in a number of different ways. The Tasmanian Government is not going to withdraw funding from the racing sector. The deed expires in 2029. There will be negotiations for that to be an ongoing investment. As said about four times this morning, we are a very strong supporter of this industry. It generates not only a lot of revenue but there is a place for everybody in racing. It's very important that we have industries and sectors that cater for all sorts of people in all sorts of areas. That's a big thing for us.

I will ask Andrew to speak a little bit about the trajectory of where we go, particularly during the review of the act, and the structural changes that we're looking at because that will impact the funding arrangements in some respects. Sorry, I think Gene is suggesting he will start.

**Mr PHAIR** - The funding deed ends in 2029. We have created a subcommittee of our board - a revenue committee - to look at what funding is needed after that funding deed finishes in 2029. Between now and 2029, we will be negotiating very hard with the Government to at least maintain that funding -

**Ms OGILVIE** - Watch out.

**Mr PHAIR** - because previously our funding was secured from the money through the Tasmanian TAB which was then -

**CHAIR** - The Treasurer at the time had a nose for that deal.

**Ms OGILVIE** - I know that Treasurer.

**Mr PHAIR** - The funding deed then replaced that income that came from the TAB. We will be seeking to continue that funding deed post 2029.



**Ms WEBB** - Picking up on earlier questions from the member for Hobart about gambling-related matters and the comments from the CEO about the messaging there, there's a change that's coming in from the Commonwealth level about online messaging relating to gambling. We don't use any terminology around 'responsible gambling' or 'gamble responsibly' because it's outdated and discredited messaging, as far as harm minimisation goes. Is that new requirement that's coming, in relation to online -

**Ms OGILVIE** - Your question is?

**Ms WEBB** - I am just about to express the question, with that preamble. How is Tasracing going to embrace that new requirement for the sort of messaging that is associated with harm reduction in gambling?

**Ms OGILVIE** - Andrew, are you happy to take that one?

**Mr JENKINS** - Certainly, minister. We will continue our current practice of compliance and entirely embracing expectations placed upon us as the principal racing authority to promote, and advertise, and put in place the enhanced or altered messaging, and taglines, if and when they come to pass in April 2023.

As I referenced earlier, we will also be holding our wagering service partners to account under their licence conditions to ensure their compliance likewise.

**Ms WEBB** - I have seen in different places different reports about employment in this industry. Can you clarify for me what the standard figure is that the Government and Tasracing use in employment relating to this industry, direct or indirect?

**Ms OGILVIE** - We could give you the detailed figures for Tasracing and their employment figures. That is probably one part of the answer. Then there would be a larger category which would include participants and volunteers, and other people as well.

**Ms WEBB** - I am asking about employment, so I would not include volunteers, for example.

**Ms OGILVIE** - So, this is why I will ask Andrew to kick off and then we will see how we go and if we need more information.

**Mr JENKINS** - The figure that we refer to based on the most recent IER study is about 5800 individuals, either directly or indirectly, or on a volunteer basis, employed by the racing industry.

I do not have, unless my colleagues do, a break-down -

**Ms WEBB** - Does that include volunteers?

**Mr JENKINS** - Yes, it does.

**Ms WEBB** - So, not employed in the sense of paid employment?

## PUBLIC

**Mr JENKINS** - That is right.

**Ms WEBB** - So, if it was 5800 jobs, when you say jobs, it is paid employment. That is somewhere the vicinity of 2.5 per cent of Tasmania's jobs total, which sounds a little high.

**Mr JENKINS** - I might clarify, if I may. The report that I referenced does refer to 5800 direct participants around the state. That same report shows that the racing industry sustains in the order of 1500 FTE positions around the state.

**Ms WEBB** - So is that direct? Or is that direct and indirect?

**Mr JENKINS** - That is both.

**CHAIR** - Thank you. Supplementary, Mr Willie?

**Mr. WILLIE** - It is not supplementary. I would like the call at some stage.

**Ms ARMITAGE** - I will start off with the funding, if I could. For the three clubs, Tas Turf Club, Terracing Club and the Devonport Racing Club, they are concerned with the amount of funding they receive. I am more familiar with Launceston.

Night racing at Launceston is successful, they do not have many crowd attendances. However, I believe there were two Friday night meetings held in Launceston on 21 and 22 October, 22 October coincided with the Mankato Stakes at the Moonee Valley and produced a turnover of \$10.8 million, a significant increase on the previous year. It was only bettered by the Launceston Cup with an average turnover of \$7.2 million per meeting. Also, I believe they are the only meet that is on a Wednesday night in Australia, which is very valuable to Sky Racing.

The concern they have or, the question they have, is there any likelihood that the clubs could be funded on a pro rata basis by Tasracing to enable them to have independence to adequately staff and function on an annual basis rather than relying on interim grants and handouts from Tasracing? The fact that the money that is generated, the low crowd attendances, makes it very difficult for them to plan going forward when you are forever having to go cap in hand.

**Ms OGILVIE** - I see the critical changes in that.

**Ms ARMITAGE** - Is there a likelihood that is a possibility? Then they could formulate a budget of expenditure each month, and then it can be tracked.

**Ms OGILVIE** - Yes, thank you. In the interest of time, I will ask Andrew to talk to that, but I hear you and I hear what your participants have asked you to ask.

**Ms ARMITAGE** - I think it is across all clubs. Attendances are low, but they do generate quite a serious amount of money.

**Ms OGILVIE** - There are structural issues there. I will ask Andrew to answer, but I do have some additional information.

## PUBLIC

**CHAIR** - Can we have the percentages as well for each code?

**Ms OGILVIE** - We have that, so let us ask Andrew to start and then I can give you some more detail if you need it.

**Mr. JENKINS** - The current model is as described. The clubs do have an ability to budget now, and do so. The risk in moving to a turnover or some performance-based model is removing, or adding risk rather, and removing equity across regions and having a detrimental impact, in particular, to the smaller clubs, many of whom are staffed by volunteers. Tasracing's payments to clubs over the reporting period totalled \$1.3 million. It's not an insubstantial amount of money. I do understand the nature of the question and we have ongoing dialogue with the clubs in this regard. Our position is, and it likely to remain, as I've indicated, on the basis of equity across the regions and clubs, that we would be unlikely to move to the model suggested.

**Ms ARMITAGE** - Thank you. I do have another question.

**CHAIR** - You can have yours and then I'm going to Mr Willie.

**Ms ARMITAGE** - I'm going to move to something a little bit different now. I'm going to move to the board. I notice when I look at the board of directors and this is a question I do ask the Government regularly, so I'm not just picking on your board. One of the questions I have is where they are located. I find that more often than not, a high proportion of board members are located interstate, rather than statewide.

I do notice on their website it doesn't actually say where your board members are located. Can you advise me please whether they're in Tasmania, and if they're not, what special attributes do they have that we've sought someone from outside the state?

**Mr PHAIR** - I can answer that easily. There are seven members of our board, six of whom are Tasmanians, live in Tasmania. We have one interstate director who lives on the Gold Coast. His specialty is digital marketing and wagering which is important for us from a revenue point of view. On a skills matrix he ticked a lot of the boxes as far as revenue goes and what we were doing with our website, the Form plus product that we have on our website for punters -

**Ms ARMITAGE** - So, no-one from Tasmania was interested in that position, or there was no-one suitable?

**Mr PHAIR** - Nobody with that skill applied for the role and he was the successful candidate, which was three years ago now. He has been on our board for three years.

**Ms ARMITAGE** - What is the time frame for the board, how long?

**Mr PHAIR** - They are three-year terms.

**Ms ARMITAGE** - He is coming up for re-election, or will you be advertising for that position?

## PUBLIC

**Mr PHAIR** - We have already done so. That process took place a couple of months ago. We are now having those positions approved with a likely appointment for the directors in the next couple of weeks. Just for clarity, there's a term of three years. Directors can have a second three-year tenure as well, of up to six years.

**Ms ARMITAGE** - Was there anyone else with that qualification, or is Mr Garnier likely to be reappointed? Or did anyone else with those qualifications apply, can you tell me that?

**Mr PHAIR** - Not specifically with those qualifications, no, but other people did apply, yes.

**Mr. WILLIE** - Minister, I'm going to walk through a time line and then ask a question. The former CEO, Paul Eriksson, was reappointed on 16 March after discussions for about six months. On 31 May, the board received the culture review. Subsequent to that the board asked the CEO to outline a cultural pathway. That wasn't to the satisfaction of the board. You received the survey and the pathway information in June. The survey included things like a 54-question employee survey that revealed less than 20 per cent of Tasracing employees thought its executive team 'leads well,' and 'leads by example'.

You then issued a statement on 6 July claiming that Mr Eriksson is returning to Sydney to spend more time with his family. After that an RTI is released to the ABC. It's quite clear Mr Eriksson didn't leave for family reasons. Will you correct the public record?

**Ms OGILVIE** - I'm sure Mr Eriksson had a number of reasons. I do have some more information for you that should help and I will ask Mr Phair to run through the time line, particularly placing some emphasis on the detail of the review and the report both at a high level, and the more detailed -

**Mr WILLIE** - The question is about your statement, minister, and whether you will correct the public record.

**CHAIR** - I think the time lines have been clearly articulated.

**Ms OGILVIE** - Well, we are trying to answer the question. Mr Phair, if you wouldn't mind please running through that. Then I have some additional information that I will think will help you.

**CHAIR** - I think the time lines have been articulated. I don't think we need time lines again.

**Mr WILLIE** - It's a question for the minister, about the statement, whether she will correct the public record; because clearly that is not true.

**Ms OGILVIE** - I don't think that there is an issue regarding correcting public records at hand. However, I do take your point, Mr Willie, that it is a complex matter. Now, as the minister, as I've said, I can't reach into operational matters. It's not the role of the minister to do that. The management of HR issues - particularly cultural issues and the movement of staff members - is one for the board. That is why I want Mr Phair to run through the trajectory of this matter again, for the record. Then, if you still feel that we need to say more we will, at that stage.

**Mr WILLIE** - The question is about your statement, minister.

**Ms OGILVIE** - Gene, if you wouldn't mind answering that.

**Mr WILLIE** - It smacks of a coverup.

**Ms OGILVIE** - Sorry?

**Mr WILLIE** - It smacks of a coverup. It does. If this RTI wasn't released to the ABC, your statement would stand, in public, without this extra information. It's misleading.

**Ms OGILVIE** - Mr Willie, matters of improving culture are deeply important to me. As both a minister, and as a woman, I like to see organisations with which I have steerage, well run. That is where we are at now with Tasracing. I see where you are trying to go with this, but I think that it's a bridge too far. It is my perspective, view and hope that the cultural survey that was completed will improve the culture of this organisation. As I have said, we are going through a process of reviewing the act more broadly.

As it happens, I have asked for input from everybody, very openly and transparently. I'm not sure if Labor has made a submission to that. Are you aware of that?

**Mr WILLIE** - That's the shadow minister.

**Ms OGILVIE** - It probably would have been helpful to do that at the time as well.

**CHAIR** - Minister, the question is that earlier you stated that the information that you received from Mr Eriksson was that he had made that statement about returning to family. Is that what you are standing by?

**Ms OGILVIE** - That is my understanding of where that quote came from, but I'm very happy to go and have a look for it. That's my understanding. I think you are trying to make an argument that perhaps I wasn't adequately informed.

**Mr WILLIE** - No, I'm not; I'm saying you were informed - in June.

**Ms OGILVIE** - In which case -

**Mr WILLIE** - Before you made this statement, you were informed.

**Ms OGILVIE** - Well, I really must insist then that I ask Mr Phair to speak to the question of -

**CHAIR** - But, we don't have time to go through.

**Ms OGILVIE** - No, we do. I think we do actually.

**CHAIR** - No.

**Mr WILLIE** - My question is directed to you, minister.

## PUBLIC

**Ms OGILVIE** - I'm not being allowed to answer the question.

**CHAIR** - No, actually minister. We run the committee. Thank you, with all due respect.

**Ms OGILVIE** - So, I can't answer the question?

**Mr WILLIE** - The question is, will you correct the public record, because clearly this statement is false?

**Ms OGILVIE** - Mr Willie, I don't believe any statements I make are false. However, what I'm very happy to do is locate the origin of that comment and I can provide you with that information; and if I've got it wrong, of course I'm happy to do whatever we need to do.

**Mr WILLIE** - Quite clearly, there were cultural issues within the organisation. You were informed of that. You were informed that the board was not happy with the pathway forward.

**Ms OGILVIE** - Certainly aware.

**Mr WILLIE** - And then in a public statement you were saying he had resigned for family reasons.

**Ms OGILVIE** - Now, Mr Willie, there can be a number of reasons people move, as you would be aware. Mr Eriksson's family was in New South Wales. I can appreciate that he might want to spend more time with his family, but that doesn't take away from the fact that you're quite right, there was a cultural issue. There was a need to do this work. This work was done diligently and carefully. Decisions were made, they were hard decisions. They were made by the board, and unfortunately, I would like Mr Phair to address that last question but you don't want that.

**Mr WILLIE** - It's a question to you, minister. You would be well aware of the Ministerial Code of Conduct about ministers not deliberately making statements that mislead parliament or the public.

**Ms OGILVIE** - I don't make any.

**Mr WILLIE** - And in line with parliamentary practice are obliged to correct the record in a manner that is appropriate to the circumstances as soon as possible after an incorrect statement is made.

Mr Eriksson issued a statement on 6 July. He left on 8 July. People who leave for family reasons don't walk out the door that quickly.

**Ms OGILVIE** - Well, you'd have to ask Mr Eriksson that.

**Mr WILLIE** - I'm asking about your statement. That's what you claimed was the reason for his resignation.

**CHAIR** - This is the final answer on this, because we are running out of time.

**Ms OGILVIE** - Well, I haven't given the answer yet. My recollection, and as I've said I'm very happy to review the documentation and find out what the advice was, but my clear recollection is the advice I received is that he would return for family reasons. Now, obviously, there were other matters going on at the time in addition, and I'm very happy to triage that with the dates that you've -

**Mr WILLIE** - You told me you were informed in June of the survey and the pathway forward, and how the board was happy.

**Ms OGILVIE** - Mr Willie, you seem to be wanting to say there must be only one thing going on at any one time. Mr Eriksson, it is my understanding, did want to return for family reasons. Can I finish? I also understand, because it was a very meaningful and important piece of work, that a cultural survey was ongoing. I don't believe that I've misled, and certainly wouldn't do so intentionally; but as I've said, I'm very happy to check the record, check my documents, and then get a response for you.

**Mr WILLIE** - How do you expect to improve culture in an organisation when you're trying to cover up the matter at hand? None of this would have been known if the RTI to the ABC hadn't been released.

**CHAIR** - The minister has given a commitment to provide a time frame.

**Ms OGILVIE** - No, I'd said I'd check my records -

**CHAIR** - Or check your records, whatever you might do.

**Ms OGILVIE** - and just find out how that comment sits within it. The information I was provided clearly stated that there were a number of issues at hand, one of which was Mr Eriksson wished to return for family reasons.

**Mr PHAIR** - Could I clarify what I said was that the survey was provided to the minister? The survey was provided to the minister. That is all that was provided to the minister in June.

**Mr WILLIE** - Not the cultural pathway forward and the board's unsatisfactory decision?

**Mr PHAIR** - No. I said it was the copy of the cultural survey that was distributed to all staff. It was distributed to all staff in the morning, and sent to the minister in the afternoon.

**Mr WILLIE** - Well, that has just clarified one piece of information; but the question still stands.

**CHAIR** - My question is about the compensation or subsidies for those people who live around Devonport and the north-west. I am interested in how much the compensation is to date for those, thank you.

**Ms OGILVIE** - Yes, I do have that information. I'll just pull that out for you.

**CHAIR** - Obviously, it is going to be ongoing for quite some time.

## PUBLIC

**Ms OGILVIE** - Well, the good news is that that progress has been made. What we have, while harness and greyhound racing is paused, as we know, trainers from the area get travel subsidies to Launceston and Hobart. Harness subsidies include for Carrick, Mowbra, and Elwick - \$50, \$60, and \$120. For trainers and horse transport - now, it is a little bit detailed, because it depends on the number of horses travelling. So, a mount for a house, one, two, three horses for Carrick, it's \$100. For Mowbray, \$120, and \$200 for Elwick.

**CHAIR** - A total. A quantum.

**Ms OGILVIE** - I'd have to calculate it. Financial year 2022, total \$44 375, with \$13 720 paid to harness participants, and \$30 655 paid to greyhound participants.

**CHAIR** - But that's not a full year.

**Ms OGILVIE** - As at 20 November, \$78 550 has been paid out for year to date, for financial year 2023, including \$12 500 for harness participants, and \$66 050 for greyhound participants. Is that what you wanted?

**CHAIR** - Yes. I think we have a question from Ms Howlett?

**Ms HOWLETT** - Thank you, minister. Could you please provide the committee with an update on how the Government is supporting the industry outside of the funding deed?

**CHAIR** - Sure. So, we already know about the \$8 million for Devonport. We can pass on that one.

**Ms OGILVIE** - We can restate it. I think Devonport is happy with it.

**CHAIR** - No.

**Ms OGILVIE** - Certainly, and thank you for the question. During the 2021-22 financial year, the Government announced details of its \$3 million election investment into one-off infrastructure upgrades at the Longford Race Course, the Brighton Training Centre, and the Devonport Racing Club. The breakdown of investments is as follows: the Longford Training Centre, to improve thoroughbred track trainage upgrade and construction of a new 800-metre trial starting chute is important. Brighton Training Centre, thoroughbred track drainage upgrades and harness rack upgrades; Spreyton Park, amenities building upgrade. Sometimes these important training facilities upgrades have been identified as areas requiring improvement, to ensure that training infrastructure was fit for purpose, allowing trainers to adequately prepare their animals for racing. Training facilities identified are used 365 days a year, five participants across all three codes which is important to note. The projects are at various levels of completion, though all are expected to be completed in 2022-23.

In addition, more than \$330 000 was awarded to the Tasmanian racing clubs under the Tasmanian Community Racing Club Infrastructure Grants. I see you nodding, familiar with those.

The Tasmanian Government developed a capital grants program also to assist racing clubs across the state to fund infrastructure that falls outside of Tasracing existing infrastructure plan. \$250 000 worth of funding per annum over four years has been committed through the



## PUBLIC

Government to Taseacing, a total of \$1 million. The commencement of the program was in the 2020 financial year and the final year 2023. In the financial year 2022, seven grants were awarded to four clubs, as follows: Carrick Park Pacing Club, funding to support demolition of the existing judges' box and direction of new box, installation and new fibre optic table to support race day Sky TV channel coverage and the upgrade of female drivers' rooms. As an aside I heard some really good things about that and how pleased everybody was about seeing the women's participation supported.

**CHAIR** - It is a great little track.

**Ms OGILVIE** - Yes, it really warmed my heart.

**CHAIR** - In the McIntyre electorate.

**Ms OGILVIE** - Oh right, there we have it. Devonport Racing Club upgrades to toilet block and ticket box; Tasmanian Turf Club, second phase of refurbishment of jockey rooms; Burnie Harness Racing Club, replacement of photo finish camera and upgrade of photo finish lighting system. The Tasmanian Liberal Government continues to be a strong supporter and advocate for the racing industry, as we have said a number of times.

**Mr VALENTINE** - I am going to page 22 on the statement of corporate intent. I am looking at the lost hours employees, jockey race day injury claims, jockey training injury claims and jockey training injury claims Tasracing. Can you give us an understanding as to the target was for jockey race day injury claims and how it ended up being 13? Where are those injuries occurring and what is wrong? There must be something that is causing these.

**Ms OGILVIE** - Let's see what the experts have to say, sorry did not meant to cut you off, Rob.

**Mr VALENTINE** - No, you did not cut me off, I stated the question.

**Mr JENKINS** - The numbers are above what we forecast, Mr Valentine. It is important to note that racing is a dangerous elite level competitive sport. Whether a jockey, track rider, apprentice or a driver, there is always the risk of injury. Despite our continued investment in track and facility design and safety mechanisms via process, there is always the risk of incidents. Our role is to try to minimise those risks and minimise those incidents. Though it is apparent there was an increase in the number of those incidents, we do not have a view that there is a systemic or a root cause here contributing on a consistent bias.

**Mr VALENTINE** - Not track condition? There was one circumstance where there was some instant lawn laid down and it did not get enough root, there was slippage or was that somewhere else?

**Mr JENKINS** - No, absolutely not. I believe that was the prior reporting period and a track that is presented in that fashion would typically - I was not here at the time, as an observer. I recall that racing stopped because we simply will not send out animals or people.

**Mr VALENTINE** - That was the previous year, that is okay. My question goes to the fact you have training injury claims against Tasracing - target of five - and yet race day claims - target of two. It seems to me that you are likely to have far more jockey injuries on race days,

## PUBLIC

because you have so many horses in the mix in such a confined space than on training. Why is that target so high?

**Mr JENKINS** - I can see that perspective. It is often quite the opposite, because race days are the retail end of racing. Our animals are being worked and horses in particular on a daily basis - whether they be racing that week or the coming week or not. Sure, on a race day you might have 100 horses occupying day stalls at Elwick, for example. That happens once a week or once a fortnight.

**Mr VALENTINE** - Not every day.

**Mr JENKINS** - That is right, whereas in the case of our structuring in Tasmania you have Brighton, training centre; Spreyton or Devonport training facilities and Longford where you might have a total near 200 horses going around every single morning to be worked and hence, as I say, it is actually the flip.

**Mr VALENTINE** - One very quick question.

**CHAIR** - A quick question and a quick answer.

**Mr VALENTINE** - Magic Millions. Does TasRacing at all reap any benefit, apart from the broader issue, minister?

**CHAIR** - If we happen to win, we do.

**Ms OGILVIE** - I am aware of timing. I have the answer to Mr Willie's question so after this perhaps I could let you know that.

**Mr VALENTINE** - I am interested to know whether there is any revenue that comes back to Tasracing directly through the Magic Millions event?

**Mr JENKINS** - Not directly to Tasracing. We have a relationship with Magic Millions to promote and facilitate the critical breeding industry in Tasmania.

**Mr VALENTINE** - I appreciate that.

**CHAIR** - If you get a couple of good winners out of it you get a bit of kudos.

**Mr VALENTINE** - I do not think they own horses.

**CHAIR** - No, but the state gets the kudos for good breeding.

**Ms HOWLETT** - And the great economic benefits too.

**Mr VALENTINE** - I appreciate that. I was asking directly about Tasracing.

**Ms OGILVIE** - I have the information Mr Willie was seeking. Is it all right if I provide that?

## PUBLIC

I am advised on the 6 July 2022, Tasracing issued a statement which included comments from departing CEO, Mr Paul Eriksson and I quote:

The past two years during COVID-19, given the lockdowns and restrictions, had been significantly personally challenging,

and that he was:

returning to Sydney to spend time with his family before looking for a new role.

My release went out the same day, that is a reflection of what I was advised.

**Mr WILLIE** - You had further information to that statement and you repeated it when clearly -

**Ms OGILVIE** - That is a statement, not a question, but anyway I promised I would get the information and I have done that. Thank you.

**CHAIR** - On behalf of the committee, we would like to thank you very much for your time and obviously, a lot of effort goes into bringing the information because you never know what the committee is going to ask. I do not know what they are going to ask at times; but we do appreciate the opportunity and it is our role to provide this scrutiny on behalf of the Tasmanian people, because there are significant public funds put into a very important industry in this state.

We thank you, and we wish you a very safe and happy Christmas and certainly, a restful New Year.

**The committee suspended at 3.34 p.m.**