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**THE PARLIAMENTARY STANDING COMMITTEE ON PUBLIC ACCOUNTS  
MET IN COMMITTEE ROOM 2, PARLIAMENT HOUSE, HOBART ON  
THURSDAY 20 JUNE 2013.**

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### **INQUIRY INTO THE RSPCA**

**Mr PAUL SWIATKOWSKI**, PRESIDENT, **Ms ANGELA AYLING**, VICE PRESIDENT, AND **Mr PAUL McGINTY**, CHIEF INSPECTOR, RSPCA, WERE RECALLED AND RE-EXAMINED.

**CHAIR** (Mr Dean) - Good morning, everyone. You took the oath on the last occasion you were before us as a committee and I remind you, you are still on oath. If there is a need to go in camera, there is always that opportunity, but I ask that you be careful when going in that direction so we are able to proceed in a public hearing if we can. We cut you off part-way through your presentation last Friday because of time. The committee has heard evidence in relation to many issues. I remind you of the term of reference and we want to stick to that.

We are interested in knowing where the RSPCA is going from here, what you are doing, the changes you believe should be made, and you can make, to satisfy this committee and the government that you can effectively run the business and in handling government money. Do you wish to make any further statement?

**Ms AYLING** - I believe we can safely say we thought we were called back to finish what we had started at the last meeting. So we haven't prepared or brought any business model to show you in terms of where we are going forward. We are more concerned with why we are here and why we got here. We considered those issues included the regular distractions we have been faced with, and one of those is obviously being put here. That has been our focus, to prepare and get the information that has been put on notice to us from the committee and bring that information back.

**Mr SWIATKOWSKI** - Maybe going on to what Ivan has brought up as to where we have been moving forward, it should be clearly noted that we were participating in a financial review with the state government. There is broad recognition that our model, as it stood, wasn't working and needed to be changed. We were hoping that the financial review carried out by the state government was going to give us some answers as to what the options were for the RSPCA in the future.

As to what it does, from our statistics I think it costs us more than \$300 per animal to look after and re-home on average. In animal welfare, we are cost-intensive and there is no other way around it.

What the RSPCA wants is support in terms of what we do, both support from the government and the community. I do not think anybody would argue that we haven't taken a battering in the media in recent times and in my opinion undeservedly so, but without wanting to go in camera, there has been negativity in some corners of the media in relation to the RSPCA.

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The RSPCA performs a very important service in the community in looking after animals and animal welfare. Paul McGinty, sitting next to me, is a shining example of what we do. Statistically, I do not think there is any comparison around Australia in terms of the inspectorate. Per head of population we have the greatest number of prosecutions, investigations and random inspections. Maybe Paul can talk a little bit more about that later on if he gets the opportunity.

What I am looking for, I guess, is help to make the RSPCA a sustainable and viable organisation. I will probably leave it at that.

**CHAIR** - It has been made clear to this committee, and it is in evidence in many places, that the RSPCA brand is a wonderful brand, a great brand, and there is no desire from anybody to damage that in any way. Any questions?

**Mr BOOTH** - I want to ask in a general sense, Paul, with regard to we have heard about what has occurred at the RSPCA with regard to the ability to even function. It is a miracle that actually the organisation was able to function given the distractions you have spoken about.

There is another problem in the sense that the business case doesn't seem to stack up. It is quite clear that you don't have the cash flows or certainly an income to go on into the future. There are a couple of issues there. One is the make up of the board, and the capacity of the board to manage a company of that size effectively. I want to ask you whether you felt that the new board, you now have three new members?

**Mr SWIATKOWSKI** - Yes.

**Mr BOOTH** - We are hoping to call at some point in time and we may well do that, Chair. That is something that we would really like to hear from you whether you think that the new board made up as it is with additional capacity will have the ability to be able to govern the thing and have a long-term viability?

Also whether in fact with the business case that you currently have - whether you have a business case or not - it seems like the vet clinic, for example, is such a huge burden on the Society to keep running, which I think it appears from evidence in good faith that you have promised that you would get funding for that that has not materialised. So, assuming that you have good governance and the ability to get more money, heaps more money, or slash and burn some of the things that you do and go back to some core functions?

**Mr SWIATKOWSKI** - We reviewed the core functions of the RSPCA in July 2012. In the papers it was summarised as the board of six, then, which included Scott Wade, Wendy Kennedy, Heather Butler, Angela Ayling, myself and Debbie McGrath, and principally the main core function that we saw was prevention of cruelty to animals, which represented the inspectorate, and looking after the welfare of animals, which represented the shelters. I should point out it is something that the RSPCA would never do, but if we divested ourselves of the shelters we could be profitable tomorrow, but it is a core part of what the RSPCA does. At some point both the community and government will have to decide what value they place on that.

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I put the alternative argument where would Tasmania be if there wasn't an RSPCA and it is, in my opinion, a valid argument.

Getting onto what the RSPCA does, its core functions, the other was political lobbying to facilitate change. In recent press we have made comments about sentences being too lenient in some cases, and maybe the judiciary not taking animal welfare as seriously as they should. We certainly understand that that may be opinionated.

The fourth aspect of what we identify was basically education in terms of a new generation as to what current community expectations are and what future expectations are. There have been significant shifts in intensive industries such as battery hens and sow stalls. We commend the government for tackling that. Also in the media has been live animal exports. Those sort of intensive industries are really amongst the last bastions of animal welfare that need to be tackled. That is really, in a nutshell, what we believe.

**CHAIR** - Just on that, does that incur a lot more work obviously on the RSPCA - the sow stalls, the battery hens and so on?

**Mr SWIATKOWSKI** - All our policy's relate to national policies and positions which have to be agreed to unanimously by all the states. If you look at the national website, all of the policies and positions are agreed to nationally. Having said that, RSPCA Australia is a federation of different bodies. We are autonomous within Tasmania. RSPCA Australia has no direct influence in terms of what we do.

**Mr BOOTH** - You have not really answered the question.

**Ms AYLING** - I think I know what you were asking there.

**Mr SWIATKOWSKI** - I may have got side-tracked.

**Mr BOOTH** - It is good back ground stuff to hear about those other functions but we really need to know the answer to the question.

**Mr SWIATKOWSKI** - Just repeat the question and I will try to answer it more directly.

**Mr BOOTH** - Well Angela,

**Ms AYLING** - I think I understand the question. Obviously at the beginning of 2012 we were seriously looking at the issues with regard to money and operations and what it was costing us and what we needed to do. From that point on then, our then CEO had discussions with the government and came back to us and said, there will be a process undertaken and there will be some funding available. That figure was given to us as being \$1.8 million and then it changed to \$1.2 million.

**Mr BOOTH** - So the CEO gave advice to the board that there would be \$1.8 million? They came back at \$1.2 million?

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**Ms AYLING** - No, it was \$1.8 million first of all, the advice that was emailed and given to the board; that our budget showed that deficit and the government would assist in providing that short fall.

**Mr BOOTH** - Like \$1.8 million potentially? And you have got that in email?

**Ms AYLING** - Yes, we do.

**Mr SWIATKOWSKI** - In the current round of documents which you should receive.

**CHAIR** - There has been a fair amount of documentation I might add.

**Ms AYLING** - That gave us some hope that maybe the government would assist us to actually get the structures in place that we needed to, to reduce our costs and give us some breathing space to get ahead of what we were doing.

**Mr BOOTH** - Could I just confirm then that you actually got \$1.2 million, was it that you were saying?

**Ms AYLING** - We got nothing. Sorry, we got \$400 000.

**Mr BOOTH** - This is quite important, at least in my state of mind with this anyway, Angela, I am sorry if I am distracting you. But you had some form of written indication/undertaking from the government was it, or through the CEO?

**Ms AYLING** - It was from the CEO following the briefing he had with the department.

**Mr BOOTH** - Okay. Is it correct that it left you with an expected funding shortfall at \$1.4 million?

**Ms AYLING** - \$1.8 million he said.

**Mr BOOTH** - Yes but you had \$400 000 you said.

**Ms AYLING** - No, the figures changed again then. It went from \$1.8 million and then the CEO told me it would not be \$1.8 million it would actually be \$1.2 million recurrent for three years which would equal \$3.6 million but that we had to go through the financial review process first to identify where we would make changes. So we undertook that process and we did - we have implemented some of those changes that the interim document presented. But he did say that that process was an exercise to justify giving us the further \$800 000 for that year plus the recurrent \$1.2 million for another two years.

**Mr BOOTH** - Had that money arrived as you expected, would you be solvent, effectively? Would you have been able to run all of the activities that you had planned?

**Ms AYLING** - We certainly are solvent, and we always were solvent. We only had cash flow problem when we went insolvent. We have undertaken the changes that we saw as being a problem and that was the commercial arm of the vet clinic that was costing us around \$250 000 to operate. We restructured that and now we just provide veterinary services to the inspectorate and to the shelters.

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**Mr BOOTH** - So it is in-house work?

**Ms AYLING** - Yes.

**Mr BOOTH** - Is that rational and logical and cost-effective?

**Ms AYLING** - Yes. But I think the question for us is where the \$1.8 million was and/or where the \$1.2 million recurrent for three years is, because that definitely gave us the impression that the government would assist us through that transitional process to get on top and bring the organisation around.

**Mrs TAYLOR** - The vet clinic and the \$1.8 million or the \$1.2 million, whatever. That was not an extra \$1.2 million, was it? Was that made up of you would normally expect, plus \$400 000 a year extra?

**Ms AYLING** - No. The CEO said that we would get \$1.2 million for three years, so that is \$3.6 million.

**Mrs TAYLOR** - Extra?

**Ms AYLING** - Yes, \$3.6 million.

**Mrs TAYLOR** - On top of what was have been normally -

**Ms AYLING** - But the \$400 000 formed the first \$1.2 million. The \$400 000 was the first of three payments of the first \$1.2 million.

**CHAIR** - To make up that?

**Mrs TAYLOR** - You were expecting to get \$1.2 million that year?

**Ms AYLING** - Yes, and that \$400 000 was the first part of the \$1.2 million.

**Mrs TAYLOR** - Do you have that in writing from the government, or from a department, or anybody?

**Ms AYLING** - No, it was just from the CEO.

**Mr SWIATKOWSKI** - We have a CEO's report where he says he was asking for \$1.8 million but did not quite expect that much. We have emails, two slightly different versions, one to Scott Wade which came via Cindy Hanson, sorry, that came from [inaudible] and apparently it was a modified email that was originally sent to either Cindy Hanson or Lloyd Klumpp at some point.

**Mrs TAYLOR** - Is there any evidence that the government ever said they would provide, not potentially or that they understood your deficit, but that the government or a government agency ever, in writing to you, said -

**Ms AYLING** - Only from the CEO.

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**Mrs TAYLOR** - No, from the government, I am talking about?

**Mr SWIATKOWSKI** - No, only from the CEO.

**Ms AYLING** - Saying the government would.

**Mr BOOTH** - Was it referenced like, 'The government have told me that'?

**Ms AYLING** - Yes.

**Mrs TAYLOR** - But no evidence, except verbal?

**Ms AYLING** - No, just his word.

**Mr SWIATKOWSKI** - Verbal and written.

**CHAIR** - I had a question on the vet clinic. It has been suggested that perhaps the better way - and this is why I am asking you - if you looked very closely at the vet clinic, it is a service that could have been contracted out, or that you could have gone to a private veterinarian for the purposes of undertaking those responsibilities. Has the RSPCA considered that and is that an option? Is it a better option?

**Ms AYLING** - Yes, and we have costed that.

**CHAIR** - Is it a better option when you cost it?

**Ms AYLING** - No, not at this point. We have one vet for two days a week, a part-time vet and that covers all our in-house needs.

**Mr SWIATKOWSKI** - That number of days came from pre-identified actual need from when Greg Tredinnick was CEO. The perceived actual need for the inspectorate and the shelter was around two days per week. But we did look at all the options. In Launceston and Devonport, veterinary services are sought from local vets. In our estimation, when we looked at what was happening in Hobart, the cost of running a veterinary clinic was far greater per animal than it was anywhere else.

**CHAIR** - Than it was in Launceston. It was far higher than Launceston.

**Mr SWIATKOWSKI** - Absolutely.

**CHAIR** - You have addressed that?

**Ms AYLING** - Yes, we have.

**Mr BOOTH** - I want to get back to that point about the commitment by the government that you understood as a board. We can look at the emails, but I need to know whether, as a board, professionally, you were led to believe and had a reasonable expectation, and that you were being told by the CEO, that you were going to get that funding? Is that the basis of how you have proceeded with the thing and then had the funding pulled?

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**Ms AYLING** - Definitely.

**Mr BOOTH** - There was never any doubt in the board's mind that this future expenditure would be met? For your business case I guess you had some sort of forward cash flow modelling?

**Ms AYLING** - Definitely.

**Mr SWIATKOWSKI** - We did not believe it would \$1.8 million but we had an expectation it would well over \$1 million to help support the organisation, et cetera.

**Ms AYLING** - The CEO did say to me that it would be \$1.2 million recurrent over three years, and that the financial review was an exercise the government had to go through in order to fund all the money to us, but that in that exercise somebody had to be hung out to dry and take responsibility for the finances of the RSPCA and that had to be the treasurer, Debbie McGrath.

I told the CEO that that was not going to happen. The board would not accept that, that we had always had difficult financial situations, we are a charity and we have an interesting demographic, and that we would work through it as a team. But that is what I was told. There is a statutory declaration in your information from me to that effect. We were always under the impression that we would be receiving well over \$1 million and probably recurrent.

**Mr BOOTH** - Why would they want a scalp, so to speak?

**Ms AYLING** - The CEO told me they had to have a scalp to blame the financial situation of the RSPCA on and it would not be him.

**Mr BOOTH** - It would not be him?

**Ms AYLING** - No.

**Mr BOOTH** - Was there anything in regard to the close association of the CEO to government through a relationship with family and so forth that you think led to the situation?

**Ms AYLING** - I think there definitely was. There definitely was and I think there were things that were said to me suggesting that other things were going on behind the scenes in order to assist us financially, but it was not very specific.

**Mr BOOTH** - Other things?

**Ms AYLING** - Just things between officers and ministers.

**Mr BOOTH** - Okay.

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**Mr BEST** - I want to ask about the structure of the board. You mentioned a core function review in July 2012 and a financial review. Is that the same review that you are referring to?

**Mr SWIATKOWSKI** - The core function review was RSPCA-specific which the CEO participated in as well.

**Mr BEST** - Who undertook that review then?

**Mr SWIATKOWSKI** - The board did.

**Mr BEST** - Using what expertise?

**Mr SWIATKOWSKI** - Just using the expertise of the board at the time.

**Mr BEST** - What was the structure of the board then in July 2012?

**Mr SWIATKOWSKI** - In terms of?

**Mr BEST** - What did you have in place? What was the board - you would have had a chair?

**Mr SWIATKOWSKI** - A chairperson, myself; vice president; honorary treasurer, which are really the office bearers as defined under the constitution.

**Mr BEST** - An honorary treasurer?

**Mr SWIATKOWSKI** - An honorary treasurer.

**Mr BEST** - Was that the same person that was just cited a minute ago?

**Mr SWIATKOWSKI** - Debbie McGrath, yes.

**Mr BEST** - So an honorary treasurer, you had a chair, but did you have a deputy chair?

**Ms AYLING** - Myself.

**Mr SWIATKOWSKI** - Vice president is normally the deputy.

**Mr BEST** - You were the chair and you were the deputy chair. What other positions did you have?

**Mr SWIATKOWSKI** - Just board members.

**Mr BEST** - Primarily, there were three main positions. I am just interested then with regard to the structure, how did that actually work? How did you function then as a board? How did you meet? Did you meet monthly?

**Mr SWIATKOWSKI** - Mostly it was monthly, sometimes by teleconference. I am pretty sure we did not have any meetings beyond face-to-face meetings and teleconference meetings.



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**Mr BEST** - This is what I am trying to get a picture of, because we had quite a bit of evidence about the functionality of the board. I am just interested what your understanding is of the role and responsibilities of boards of directors?

**Mr SWIATKOWSKI** - Effectively, the board sets the direction of the society. The CEO, under normal circumstances, is the operational part of the board.

**Mr BEST** - I would like to put to you something that we have heard, and we have heard this now from a number of people:

'Rather than the board demanding that we methodically work through this work of budget and break-even and then incorporate restructure of the organisation, the board wanted to get rid of the veterinary clinic so there was all this ad hoc stuff of get rid of a bit of that, get rid of this person and that person, and we do not need the CEO any more. It was like a dog chasing its tail. There was never any structure.'

**Mr SWIATKOWSKI** - I would have said that is ridiculous.

**Mr BEST** - If I can just finish:

'... and never saying to the CEO, do your job without interfering with the CEO. Through that process it was going to be clear that if the CEO was any good he was going to be able to work his way through that process, supported by the board, but it never got to that. There was daily interference in the operations'.

What do you say to that? I have to put it to you that that was not one person; this was a number of people.

**CHAIR** - Order. I am conscious of where we are now going with this. I am not certain that is going to be beneficial to this committee in moving forward. That evidence has been given but I do not see where that is going to impact on the position of the RSPCA to manage government funding into the future.

**Mr BEST** - What I am trying to raise here is the opportunity to implement good governance, and the resources being used that way in delineating the roles and functions of the board and operating on a daily basis.

**CHAIR** - If it goes to that point, I would allow it.

**Mr BEST** - I am interested because this is common evidence we are receiving. I am happy for you to dismiss it, but there seems to be this inherent culture problem with the board and the daily operations of the business.

**Mr SWIATKOWSKI** - The board is 100 per cent aware that it is not meant to be operational. When you say, 'The board did this, that and the other thing', the board had 100 per cent confidence in the CEO during the first six months of his tenure. That happened, strangely enough, to be the probationary period for which the CEO was employed.

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**Mr BEST** - We have heard that this happened right from the very start. That there is a culture of engagement between board members about the daily operations of the business, and that there is constant contact. We had evidence to say there was daily interference right from the very start.

**Mr SWIATKOWSKI** - I am not aware of that.

**Mr BEST** - We have a number of people who have come forward and said that.

**Mr SWIATKOWSKI** - Could you please cite examples?

**CHAIR** - You have put it to them, Mr Best, and they have said they are not aware of it.

**Mr BEST** - Can I ask then in relation to investment in good corporate governance, how do you see yourself moving forward on that, to get yourself out of being involved in the daily operations but being more strategic in putting through the visions and goals of the organisation? How do you see that happening?

**CHAIR** - Order. Once again, the board hasn't said that was their position, that they haven't been strategic. We need to be fair to them in relation to that.

**Mr BEST** - But I have evidence to the contrary, Mr Chair.

**CHAIR** - But the board hasn't said that was the position, that they are aware that has been said, but that is it.

**Mr BOOTH** - A point of order, Chair. The board should be aware that Mr Best is talking about - it is not evidence, it is just statements.

**CHAIR** - Well, it is evidence given to this committee.

**Mr BOOTH** - But it's only in the sense that somebody has come in and said -

**Mr BEST** - It is under oath, so I would have to assume it is the truth.

**Ms AYLING** - I would like to answer that. We have been working very hard to deal with our strategic issues. We have dealt with the constitution and have now put it up. We have made significant changes to the constitution. We are redrafting our business plan and focusing on a whole range of governance issues.

**Mrs TAYLOR** - Can I ask you about the constitution? Is that finalised now? We understood it was not yet accepted.

**Ms AYLING** - We have accepted the draft but we put it out for comment for 30 days. It has now come back so we intend to hold a special meeting.

**Mrs TAYLOR** - So that has not been finalised.

**CHAIR** - Can you identify any of the significant changes that will be in the constitution to the previous constitution you had in place? What will change, if it is supported?

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**Ms AYLING** - The model of it is far more streamlined and the duties are far more defined. One of our biggest problems as an organisation is the stacking of membership, to get people onto votes and wipe boards out and turn boards over. That has been a regular, ongoing problem. So one of those issues is the membership and how we process memberships, and stop that from happening. It is a much clearer constitution. Ours is 2006 - the existing one.

**CHAIR** - Who has it gone out to?

**Ms AYLING** - Our members.

**CHAIR** - To all the members of the RSPCA?

**Ms AYLING** - Yes.

**Mr BEST** - Mr Ruddick says that a more professional level of governance was required at the board. What do you have to say about that?

**Ms AYLING** - I think Mr Ruddick would have to say that to us because we are not exactly sure what he is talking about. We did note, though, in the comments -

**Mr BEST** - But he has said it.

**Ms AYLING** - that were made that he was actually referring to duties of a CEO in what a CEO should have been doing, not what a board should be doing.

**Mr BEST** - No, this is a direct quote from his report that he provided to you.

**Ms AYLING** - He would have to raise the specifics with us in terms of governance because he hasn't.

**Mr BEST** - But he has though.

**Ms AYLING** - Not with us he hasn't.

**Mr BEST** - We will move on.

**Mr BOOTH** - Chair, a point of order. This is a report that has been provided to the committee by Mr Ruddick that Mr Best is now quoting from. He is expecting the board to respond to a document that it hasn't seen that says far more than that. I think it is quite unreasonable that he would put those things as though they were a matter of fact without allowing them to have a look at the report.

**Mr BEST** - There is a lot of dysfunction on the board, Mr Chair, and I think that is an important issue, that we need in moving forward - it has to be resolved.

**CHAIR** - There is a reference to Evans that was given to Mr Ruddick. Some of the evidence was given by Mr Ruddick in a public hearing and I think the witness is entitled, in those

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circumstances, to question the witnesses in relation to that matter, on the evidence given by Mr Ruddick in a public session.

**Mr BOOTH** - He is reading from the document that Mr Ruddick handed up which presumably at this time is privileged.

**CHAIR** - That is not so.

**Mr BEST** - No, that's not so.

You have three new board members who have been chosen. How did you choose those new board members?

**Ms AYLING** - Under our constitution, if an elected position becomes vacant, we can appoint a person into that position until the following election. That is what we have done. There were three vacant positions.

**Mr SWIATKOWSKI** - There were five applicants and we chose who we thought to be the best three applicants.

**Mr BEST** - Did you advertise?

**Ms AYLING** - No, we looked at the CVs - we take that from our membership -

**Mr BEST** - But you didn't advertise?

**Ms AYLING** - No, because it is from our membership.

**Mr BEST** - Yes, but you could advertised to your membership.

**Ms AYLING** - There is no constitutional requirement to advertise for membership. It says the board can appoint members into vacant positions.

**Mr BEST** - You made the comment about stacking of membership, and that is pretty serious, and no-one would want to see that happen. I would have thought to be democratic -

**Mrs TAYLOR** - Transparent.

**Mr BEST** - Yes, transparent, that you would -

**Ms AYLING** - It is only an interim position though; it is only for several months until the elections.

**Mr BEST** - It wouldn't matter whether it was interim. I think from a democratic sense you would have to say that for transparency all members should be advised that there will be vacancies. I don't know how you have said, 'There are five people, they're the ones we like, and we'll just pick three of those'.

**CHAIR** - Is it that you headhunted specific areas that you believed would be beneficial to the board - in other words in finance or with a lawyer background; I think one was in

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taxation. Did you headhunt or identify people with those specific abilities that they may have brought to the board?

**Mr SWIATKOWSKI** - We identified a specific skills set rather than people.

**Mr BEST** - How many meetings have those people been involved in at this point?

**Ms AYLING** - Four or five.

**Mr SWIATKOWSKI** - Somewhere in that vicinity. We have had more teleconference meetings and email discussions obviously.

**Mr BEST** - And they have had financial and legal documents that they have looked at either prior or during these meetings?

**Mr SWIATKOWSKI** - Yes.

**Mr BEST** - Do we have the minutes of recent meetings?

**CHAIR** - We have minutes of meetings attached to documentation - it is one of the folders. I am not quite sure which folder - I looked at them again this morning - but they are there.

What is the membership of the RSPCA?

**Ms AYLING** - It is around 260.

**Mrs TAYLOR** - For the sake of clarity, were these three new appointees long-term members of the RSPCA? I ask you this because we have heard in evidence from previous witnesses that some of them who were appointed last year - before you did this review, so your attitude may well have changed - that some of them were actually not long-term members of the RSPCA. In fact, at least one of them said that they became a member when you asked them to be on the board so that would indicate that you were not looking from your membership, you were looking outside, which I think is not a bad thing. I just want for clarity -

**Ms AYLING** - The two members you are talking about would be Wendy Kennedy, who was a contractor of the RSPCA last year, and also Scott Wade. Nobody on the board approached either of those two people. They were actually nominated to the board by the CEO and by Gabrielle Lawson, the chief vet, and they were also signed up by those two people as members.

**Mrs TAYLOR** - Nevertheless, it is the board that makes the appointments.

**Ms AYLING** - Yes, I am sorry, I thought you asked about membership.

**Mr BEST** - You were asked about the current three members. Were they members?

**Mrs TAYLOR** - I was asking, because of that history, the current three new members you have, are they long-term members of RSPCA or were they asked?

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**Ms AYLING** - Yes, one is with a long-term history on the mainland with the RSPCA, and the other two are new members. So one of the three is.

**Mrs TAYLOR** - Those two members were they signed up as a result of you asking them to be on the board, because you said earlier -

**Ms AYLING** - Yes, they were.

**Mrs TAYLOR** - that they were members that you identified that could go onto the board? That is not quite the same thing.

**Ms AYLING** - No, they were not members, the first two. They were people who had expressed an interest in coming on the board and had the skill set to come one, but we did advise them that they did need to be members. The third person has a history of being a member in the RSPCA throughout Australia.

**Mrs TAYLOR** - And that is an interstate member on the board now?

**Ms AYLING** - Yes.

**Mrs TAYLOR** - So it is not a local?

**Ms AYLING** - They are local now.

**Mr SWIATKOWSKI** - The person we are referring to is Judith King who came from interstate and moved to Tasmania some time ago.

**Mrs TAYLOR** - That is okay, I think it is clear. I just wanted to clarify because you said earlier that the new board members, you found them in your membership. In actual fact that is not quite true. You found them and then they became members.

**Ms AYLING** - They were on the periphery of the organisation.

**Mrs TAYLOR** - Again, the question was asked earlier: how do you find candidates for board membership?

**Ms AYLING** - We certainly ask for CVs, so if people become interested and approach us we ask for a CV.

**Mrs TAYLOR** - They approached you to be on the board?

**Ms AYLING** - Yes, and we ask for a CV.

**Mrs TAYLOR** - A number of people approached you? How do people know you are looking for board members?

**Ms AYLING** - Some members do.

**Mrs TAYLOR** - But they weren't members?

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**Ms AYLING** - There were five people that actually approached us -

**Mrs TAYLOR** - Just out of the blue?

**Ms AYLING** - No, two were members. They did know there were vacancies because they were involved in meetings, so they did know. They put CVs to the board, which were considered with the other three people's CVs.

**Mr SWIATKOWSKI** - It wasn't just three members. We had a list of five or six different people who had showed interest in coming onto the board who had approached us over a period of time.

**Mrs TAYLOR** - I want to know how did they know, Paul?

**Mr SWIATKOWSKI** - There has been a lot of media interest obviously in the RSPCA.

**Mrs TAYLOR** - They were just people who approached you and said, 'Look we are interested in helping.'

**Mr SWIATKOWSKI** - You could ask the same about Wendy Kennedy and Scott Wade and say, well, who approached them to come onto the board.

**Mrs TAYLOR** - Absolutely. I am not suggesting one is better - I am suggesting how does the board membership renew itself?

**Ms AYLING** - We had a lot of negative publicity about having three board members and being an illegitimate board and various other things like that, and that does attract interest.

**CHAIR** - Sorry, again, have you finished?

**Mrs TAYLOR** - I don't think I am going to get any further with this, Chair, so that is all right.

**Mr BEST** - Only just that I want to verify. You say you have 260 members or thereabouts. Are you saying to this committee that out of the 260 members that you have, that there wasn't any that would have had the sorts of skill sets that you have now found because these people came forward to say, 'Are there any board positions and do you have anything going'?

**Ms AYLING** - Certainly, no-one who has expressed an interest in the last 18 months from our membership, or 12 months, has had business skills and have expressed along the lines of being interested in animal welfare.

**Mr BEST** - I understand that. What I am saying is that the membership wasn't canvassed at the time.

**Ms AYLING** - No. It wasn't canvassed because it was an appointed position under the constitution not an elected position.

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**Mr BEST** - I understand that.

**Ms AYLING** - There is a difference.

**Mr BEST** - The difference is that some people walked in off the street and asked you, 'Hey, is there any board position vacancies going on,' and you have gone, 'Yes, can we have your CV.' Then there are people who have been long-term members of the RSPCA, 260 in fact, or if you minus the other two or three who came in? They were not aware and I am wondering if they had the skill sets, that they have not been given that opportunity.

**Ms AYLING** - They will in September when we hold elections because those positions become vacant. These are interim, casual appointed positions.

**Mr BEST** - I understand that.

**Ms AYLING** - We cannot hold an election every time. We cannot contact 260 members every time a board member departs.

**Mr BEST** - No, it is not about an election; it is about an expressions of interest.

**CHAIR** - Order. There is too much talking over one another and it is making it difficult for *Hansard*. One at a time.

**Mr BEST** - I do not understand why you would not at least give the opportunity to hand-pick from the board membership.

**CHAIR** - With the greatest respect, I think that the board members here have answered that to the best of their ability at this stage. I do not think we can take that too much further.

**Mr BEST** - That is fine. It clarifies it on the record for me.

**Mr BOOTH** - In terms of moving forward, how do you propose to fill that gap at the moment, that you have that shortfall that you said that you had a reasonable expectation as a board that you would get that amount of money that has left you in situation where you have become, to some degree, impecunious. Perhaps that is not quite the right word, but certainly in meeting your liabilities when they fell due, you have an expectation that you would get recurrent government funding of some level. But the skill set on the board then to be able to, in the future, do what a board needs to do, what is the skill set of your current board and will that get you through? In September you are going to have the elections for that team.

**Mr SWIATKOWSKI** - Maybe if we go back one step before we go forward.

**Mr BOOTH** - That is fine. I am really interested to know how you are going to go, going forward to manage the organisation.

**Mr SWIATKOWSKI** - The RSPCA is a multi-million organisation, technically. There is a recognition by the current board that good intentions are sufficient skills to run an organisation like that. The new constitution tries to address the issue of skill sets in that the balance of the board has to be balanced with people who have a genuine interest in



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animal welfare and people who have business skills to run an organisation. I do not think anybody would argue that is not true.

In the new constitution we are trying to tackle that by the elected board being able to appoint people. That means, the board elected by the membership, should be allowed to appoint other board members with particular skill sets that they believe can help the organisations in terms of running the organisation.

Potentially, if you look at Mr Ruddick's report, in the media it was quoted, 'Get rid of the president.' Mr Ruddick was trying to imply that potentially you need somebody with really good governance acumen and be able to manage or help manage the organisation in moving into the future. It has changed from being just the community group that have a general interest in animal welfare to being a multi-million organisation that needs good running and good governance.

The board is a voluntary board. In some respects I agree with Mr Ruddick, that maybe the government needs to potentially hire somebody who has a particular skill set in being a director and maybe pay for that to ensure the RSPCA can move forward in a productive manner.

**Mr BOOTH** - To give you the opportunity to respond to the claim of micro-management, you were saying that, in fact, for the first six months the CEO did what the board expected a CEO to do?

**Mr SWIATKOWSKI** - There was zero interference in terms of the CEO. In my opinion, the CEO went off the rails in March/April. We had to firstly remove his ability to hire and fire people, simply because he was threatening to fire staff because he did not like them. That is documented -

**Mr BOOTH** - To hire or fire?

**Mr SWIATKOWSKI** - Fire staff that he did not like. It is document and Caroline Dean, who did our independent report in there, makes it very clear that there were serious grounds for misconduct in her report, and she left it up to the board as to what it should do under those sort of circumstances. But I do not want to go through the old history as you have all that.

**Mr BEST** - What do you think about KPI's -

**CHAIR** - I will come back to you in a minute, Brenton, and give you the call after Kim.

**Mr BOOTH** - In the future then in terms of either the constitution or the way the governance rules around the association, how would you deal with this situation again where you had a CEO, in your view, who is not doing what the board had expected?

**Mr SWIATKOWSKI** - What we did want to do but did not quite get around to it was review the CEO's PD and set him proper KPIs. When we did try to do that, the CEO rebelled and his response to that was, 'I want a support person to come with me when you look at that'. But the board at that point recognised that it did not have the skills and were seeking services from KPMG Searson Buck to help us to set proper KPIs and adjust the

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CEO's PD to maybe more realistic expectations. That, in our opinion, seems to have triggered the CEO to try to, in my opinion, get rid of the board.

**Mr BOOTH** - In your view, the board's view, it effectively it sounds to me - and I do not want to put words in your mouth so clarify this if I am not summing it up properly - that what you are saying is that the board appointed a CEO who did not do what the board expected a CEO would do, and then the financial situation arose because, first of all, statements made by the CEO that you would receive funding that in fact may not have actually ever been there, or do you think the funding was there?

**Ms AYLING** - Can I answer that, what Paul said is that when we did employ the CEO, for the first six months he was under a probation period and it was a learning process and things were all right. From January, February and March it went down hill drastically, and we did have to implement changes about hiring and firing staff. Then in March, April and May the issue of the government funding and discussions with the government arose. I do believe, because I think I have probably the closest relationship with the CEO, that there was definitely money on the table for the RSPCA. How it was going to be provided to us I was not sure of, but that it was there and that would assist us to build the structure.

In that short period of time between March and September, the other issues of misconduct with the CEO, basically he just went rampant in the organisation.

**Mr BOOTH** - How will you guard against that then in the future, if we accept that is the case? In the future with your constitution and the new board, how would you deal with a similar situation arising?

**Ms AYLING** - I think the first thing we would do is go to an organisation like KPMG to do the employment and not have that done through the RSPCA on the mainland, and make sure that happens. Extensive reference checks, which I just wonder how far they actually went in this matter, and -

**CHAIR** - That was a question I was going to ask before with your due diligence. How much emphasis did you put on due diligence, and not only with the employment of the CEO but also with the board members?

**Ms AYLING** - With the CEO, the process was handed out to the RSPCA ACT and RSPCA Australia to do the interviews and call for nominations. We also had Damon Thomas involved and Alison Ball from our own HR perspective. But I think the other problem, too, really significantly, is we offer quite a poor pay - \$80 000; when you offer that sort of money you do not attract the sort of person you need. Consequently, we had a small pool of people who were interested and maybe the reference checks could have been more in-depth, and you would not have probably been here now.

**Mr BOOTH** - If this is the reason that the RSPCA is where it is now, what are you going to do if it happens again? How can you assure the committee that you are going to have governance structures in place with the board governance rules to be able to deal with something like that? It is a critical position, isn't it?

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**Ms AYLING** - Yes. We have had initial conversations with Dr Lloyd Klumpp of DPIPWE about moving forward with the inspectorate service. We have also asked if the financial review can be completed so that we can get the governance recommendations from the financial review. Dr Klumpp was definitely in favour of that but said - and so did Cindy Hanson - that PAC would have to finalise before that. We are looking for those recommendations from the financial review and/or PAC to assist us with that.

**Mr BOOTH** - You feel you will have some mechanism that will enable the board to do something about a CEO who is not doing the job?

**Ms AYLING** - Definitely.

**Mr SWIATKOWSKI** - Beforehand we had a dedicated HR manager, which evidence should show, who left as a result of issues with the CEO. The HR manager, even after the urging of the board, was never replaced. The CEO took it upon himself to carry on the HR role, and he believed he was doing a good job. Principally it relates to the structure of the organisation. There are some positions in a larger organisation, in my opinion, you can't do without. The CEO is the operational part of an organisation with a reasonably large workforce. HR management is paramount as well and I believe we suffered from the lack of that.

**Mr BEST** - We have had it put to us that there needed to be some radical changes in the attitude of the board, and that if we could separate the two issues - that is, the board needed to work out whether it wanted to work in the business or on the business. That has been put fairly firmly to this committee of inquiry. It was very clear the view of the board was that it wanted to work daily on the business - that is the information we have had. What sort of professional investment have you put into understanding your roles as board members?

**Ms AYLING** - This is interesting. We don't want to be involved in the operation of the business at all. We have only become involved -

**Mr BEST** - I am not asking about that. I am asking what you have done professionally to invest in your skills as board members to understand what your role is.

**Ms AYLING** - We have not spend any money on our own professional development at the expense of animal welfare in Tasmania.

**Mr BEST** - Why not?

**Ms AYLING** - That would not be seen as an appropriate spend, training directors - we are volunteers.

**Mr BEST** - But you've had to spend money on other things. How much did you spend on O'Neill?

**Ms AYLING** - I couldn't tell you off hand - we are not industrial consultants.

**Mr BEST** - Can you give me an idea of what it might have been?

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**Ms AYLING** - Probably \$20 000.

**Mr BEST** - How much would you spend on your solicitor, Mr Fernandez?

**Ms AYLING** - Depending on which case.

**Mr BEST** - Over a 12 month period roughly.

**Ms AYLING** - It is probably best we provide it directly to you.

**Mr BEST** - I am not trying to hold you to a position and say, 'You told me this', but would you spend \$20 000?

**Ms AYLING** - No, it would be more than \$20 000. Our budget annually for legal is around \$35 000.

**Mr BEST** - This is what I don't understand. Wouldn't you see it as better value - and this is what we are hearing from experienced people with skills and training in this area - they are saying you needed to be strategic in your approach and more focused on the vision and where it is going, but that is not the experience they had. Wouldn't it have been better to have invested that money to get the skills to work out how to work as a functional board on a strategic process?

**Ms AYLING** - It would have been but unfortunately we were too busy dealing with a recalcitrant CEO. That is what occupied out time.

**CHAIR** - Order. I can see where we are getting to. I am not saying it was an improper question but I am conscious of where we are going with it. You can provide, on notice, the costs for your solicitor and consultants over the last 12 months that Brenton is asking for?

**Ms AYLING** - Certainly, yes.

**Mr BEST** - What we have heard is this is not the first time. There have been many issues ongoing prior to the CEO where you had to spend quite a lot of money and time on these sorts of issues. It all comes back to the same thing - that there is a culture that I think moving forward you are going to have to address and make a decision: are you going to be strategic or are -

**CHAIR** - Is this a question?

**Mr BEST** - Yes.

**CHAIR** - I need to make sure it is a question and that you are not making a statement. We need it in the form of a question. The committee will discuss these issues.

**Mr HARRISS** - When you were addressing some questions by Kim a moment ago, I think you indicated that your auditor, Ruddicks, had made some suggestions about the structure of the board and that there was capacity within your current constitution for the government to make a nomination or an appointment to your board?

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**Mr SWIATKOWSKI** - There has been since 2006, but in recent times the government has chosen not to provide a representative. It did occur to me a long time ago that if the government had have had a representative on the board that they could not argue that they did not have confidence. But because they do not have anybody directly, it is easy to look at things and see the board or organisation in a different way to everybody else.

Looking from a staff point of view, the board does not take any decision lightly in terms of decisions that it makes. What we had was a situation that often information was being withheld from the board on a number of different matters. Often we did not have the information. What comes to mind is we have staff that are both on contracts and on awards, and obviously the people on awards get the wage case. When it came to reviewing the contract staff, some of the contract staff received independent pay rises during the year. So when it was put to us by the CEO that we should be passing on the wage case percentage to all the contract staff, if we had known that some of the staff had already received independent pay rises in the middle of the year, or at other times in the year, that could very well have influenced our decision, or influenced our interpretation of what was happening.

**Mr HARRISS** - In terms of the capacity for the government to make an appointment to the board, has Mr Ruddick made any - I thought I heard you say that he had suggested that would be a positive direction for the board to embrace? Did I hear you say that?

**Ms AYLING** - That position has been available since 2006.

**Mr HARRISS** - I know it has been available.

**Mr SWIATKOWSKI** - We have actively encouraged the government to place a representative. I think last time I asked was in about July-August last year, it may have even been before that. But we have regularly asked and we have been regularly knocked back because the government has seen it as a conflict of interest, is the story that we get.

**Mr HARRISS** - That said, again, has Mr Ruddick made a recommendation to you through his auditing process?

**Ms AYLING** - No. Never.

**Mr SWIATKOWSKI** - Not that I can recall anyway.

**Mr HARRISS** - The Society has had that capacity since 2006 by virtue of the constitution?

**Mr SWIATKOWSKI** - Yes.

**Mr HARRISS** - Does your draft constitution provide that flexibility?

**Mr SWIATKOWSKI** - Only from the point of view of appointing - not specifically - but the option is to appoint three board members with skills, so potentially a government representative could come out of that in the new constitution.

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**Mr HARRISS** - Could come out of it, but is that not different than the current constitution which allows the government to - if I can use the term - implant or appoint specifically somebody to your board.

**Ms AYLING** - It is quite different.

**Mr HARRISS** - Your intention, by the change to the constitution, is to remove that capacity for the government to themselves appoint somebody to your board?

**Mr SWIATKOWSKI** - Only from the point of view that they have shown no interest, which is why we have not included in the current review.

**Ms AYLING** - It has just been a vacant position.

**Mr SWIATKOWSKI** - It has always been available. It is just that they have never availed it. I did in email form ask Cindy Hansen, 'Well, why not? Why don't you want to appoint someone?' I think it was deflected but I can't remember the specifics.

**Mrs TAYLOR** - If you knew that there is an appointment to the board by the government, did you in any one year, or every year, formally ask the government who the appointment was going to be - in writing, I mean?

**Ms AYLING** - Yes, in writing every year and the minister has declined.

**Mr HARRISS** - In that vein does the Society, through the board, have a three, five or 10-year strategic plan?

**Ms AYLING** - We are working on revamping. The CEO did prepare one, it was a one-page document, at the end of 2011 - a draft one-page strategic plan which never went any further - so we have gone back to our 2005-11 one and we are registering that.

**Mr HARRISS** - 2005-11?

**Mr AYLING** - Yes.

**Mr HARRISS** - There was a plan there for a six-year strategic direction for the society?

**Ms AYLING** - Yes.

**Mr HARRISS** - Staying with that sort of thread with regard to the strategic approach by the board, how are you tracking in terms of achieving your projected cash balance, if it is positive, for the year about to end, and how are you sitting with regard your operating balance? You would understand the nature of operating balances, particularly how you would need to separate bequests and the like out of the operating balance. The first question is how are you tracking in terms of achieving your budgeted cash balance, if there was one budgeted?

**Ms AYLING** - We are tracking quite well for this period, until the end of the financial year, but we have concerns about moving forward next year. We are working on budgets now. We have all the staff working on individual shelter budgets and organisational budgets.

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Paul has been very hard at it, and we are trying to make as many prudent cuts as we possibly can for our money, but there is not much we can actually shave off. We are working on that process now.

**Mr HARRISS** - So in terms of your cash projections for the year about to end, what reliance is there in that body of documentation on bequests?

**Ms AYLING** - Bequests have always formed a significant amount of what we rely on. I think it has been about \$800 000 this year that has been received.

**Mr SWIATKOWSKI** - Yes. The budget that was implemented was for \$800 000 which historically has been around what the RSPCA receives on an annual basis over a period of time - the last two to three years. That is my understanding.

**Mr HARRISS** - So you are indicating to the committee that you are on-track to achieve a cash balance?

**Ms AYLING** - A neutral cash balance.

**Mr SWIATKOWSKI** - It is pretty close to a neutral budget. I cannot remember whether there is a small surplus or a small debit.

**Mr HARRISS** - That then goes to the second part of my question, your operating balance. What does your operating balance look like?

**Ms AYLING** - Again it is looking okay at this point in time, but it is a worry for us going into the next financial year in terms of how we do our budgets, to bring down costs and reduce operating costs. We are looking at it very strongly at the moment - very deeply.

**Mr HARRISS** - What are the challenges into the future?

**Ms AYLING** - The continued distractions.

**Mr SWIATKOWSKI** - Not wanting to be in rude but even this parliamentary inquiry is a distraction to the RSPCA for which we are having to expend resources to justify our existence. It is a hard one.

**Mr HARRISS** - It is not about justifying your existence. One could contend it doesn't go to your operating capacity. Your operating balance - those sorts of things are a matter of fact which any organisation needs to get its mind around. We have a state government whose operating balance blew out by 1 000 per cent over the last three years. My concern sitting here and making some sort of assessment as best I can about the proper use of public money to an organisation, whether it be this one or another one, is for me to understand what the challenges are to you in the future as to your operating balance. Whether it is an inquiry like this, we all confront distractions, but we have to deal with our operating capacity. Some of your operating opportunities arise because of public funding.

**Ms AYLING** - The public funding is limited, and it has been to the inspectorate service about \$400 000 a year. That is about \$280 000 short of what it actually costs us to run

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the inspectorate. Our first conversation has been with the department to get proper funding for the inspectorate of around \$260 000 minimum a year.

**CHAIR** - Extra on top of the \$400 000?

**Ms AYLING** - No, \$260 000 instead of \$400 000.

**CHAIR** - \$600 000.

**Ms AYLING** - Sorry, yes, \$680 000 instead of \$400 000. We are addressing issues of cost of service that we currently have. We are also looking at the models that we have for the organisation, so whether we continue with the flat structure or whether we need a managing office, or how we do that. We would also, if we go down that path of making any changes, look at getting somebody like KPMG to assist us but that is not firm; we are still working through what the structure looks like. But certainly trying to get our cost recovery services well and truly up and ensuring that we have more income in those areas.

**CHAIR** - If I can ask a question on that, the expected funding. The government's position has been one-off funding the inspectorate, is that it?

**Mr SWIATKOWSKI** - Yes, it has but it has never been full cost recovery.

**CHAIR** - But it has never been full cost recovery. In previous years it has gone over and above that.

**Mr SWIATKOWSKI** - Part of it is that the inspectorate is the essential component -

**CHAIR** - Absolutely.

**Mr SWIATKOWSKI** - To do the job that we do, every year I think things like wages and other costs go up, and there is partly community expectation that out of their donation some of that should go to inspectorate as well.

**CHAIR** - My question is, when to government first started funding the inspectorate? When was that?

**Ms AYLING** - That was in the late 1980's.

**CHAIR** - Did it then cover?

**Ms AYLING** - No.

**CHAIR** - So it has never ever meant to cover the full costs of the inspectorate.

**Ms AYLING** - No. It has been a matter of the government saying, here is \$300 000 now you go and do this.

**CHAIR** - And they are aware of the fact that the money they provide not cover the functions and duties of the inspectorate?



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**Ms AYLING** - Yes and Dr Lloyd Klumpp has acknowledged that a month ago at a meeting.

**CHAIR** - What has been your position there with the government in relation to that? Have you put that in writing to them?

**Ms AYLING** - Yes.

**CHAIR** - How have you impressed on them the need to get the appropriate funding for the inspectorate?

**Ms AYLING** - We did provide a submission for the inspectorate service.

**Mr SWIATKOWSKI** - It is in the folder. The submission provided to the government is currently in this folder. I can find it if you would like me to. There is already evidence being given from Lloyd Klumpp and Chris Evans.

**CHAIR** - Yes, they have.

**Mr SWIATKOWSKI** - Whatever RSPCA Australia, I think their tender was about \$800 000 or \$900 000.

**CHAIR** - We are going to have an opportunity to speak to them again this afternoon as well.

**Mr BOOTH** - In regard to that while you are on the inspectorate, what percentage of your inspectorate costs are based on looking at commercial operations as opposed to pets?

**Mr McGINTY** - I would say probably 20 per cent of our time and money goes into looking at intensive industries and unannounced random inspections. A high majority of our role is reactive to the 3 500 - 4 000 complaints that we get per year. A majority of our time, money and energy is put into those complaints.

**Mr BOOTH** - So the industry funding, the industry costs in other words, costs the RSPCA servicing industry about 20 per cent of the inspectorate costs?

**Mr McGINTY** - No, that is for the inspections of those intensive industries but the 4 000 calls that we receive are still public generated calls.

**Mr BOOTH** - Yes, that is what I am saying. If you have a pool of costs for your inspectorate and could you clarify that?

**Ms AYLING** - About \$680 000.

**Mr BOOTH** - Twenty per cent of that \$680 000 is spent on looking at matters to do with animal welfare surrounding commercial industry and the balance, 80 per cent is on these calls and private?

**Mr McGINTY** - Yes, because 20 per cent of our role or thereabouts, is doing those intensive industry inspections. There are only limited premises in the state to inspect. The rest of the time is reacting to the complaints.

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**Mr BOOTH** - I am trying to get my head around how much of this would be seen as a public service for government funding, and how much was a subsidy to industry, to a degree. It is not quite as black and white as that.

You said that you felt that you were tracking okay into the forward period, but is that predicated on getting continued government support and what level is that you have predicated that on, just on the \$400 000?

**Ms AYLING** - No, it is not predicated on any further support.

**Mr BOOTH** - With zero support, do you think that you can possibly survive?

**Ms AYLING** - We can possibly survive increase in the funding for the inspectorate service but it really means stripping back things more than we have and possibly looking at closures of other areas.

**Mr BOOTH** - What would the picture look like without that additional support?

**Ms AYLING** - I think we would have to say that we could look closing the Hobart shelter, unfortunately, and probably further reductions along those lines.

**Mr BOOTH** - What would happen if the Hobart shelter shut? What are the repercussions of closing that shelter?

**Ms AYLING** - The government is going to have a lot of animals inside Parliament House.

**CHAIR** - On that point, what was the difference in the costings between Hobart and Launceston with the shelters? Why was it so much higher here in Hobart when I think Launceston were dealing with more, as I understand it, in that area?

**Ms AYLING** - It was the Hobart vet clinic that pumped up all the prices.

**CHAIR** - Thanks.

**Mr BOOTH** - That has been dealt with now in terms of that?

**Ms AYLING** - It has been dealt with but we are still looking that maybe Hobart is our biggest asset, it is about 28 acres. We cannot close Launceston because there is no dogs' home, we are it. We cannot close Devonport because there is no cat centre, we are it. Those two services are vital there. We have been getting valuations and Cindy Hanson has helped too in the land package at Mornington and that might need to be the way we have to go.

**Mr BOOTH** - Can we get back to the professional capacity of not only the board but also staff? We have talked about the need to have a higher salary bracket to attract a broader pool of people for the CEO position, and governance issues that you might be able to make sure that if you have the same issue again then you can deal with it quickly. What about the board itself, are they all voluntary positions, from the president right through to the chair and all of the board members?

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**Mr SWIATKOWSKI** - It is all voluntary. Apart from what we call casual vacancies, all positions are elected positions via the membership. Elections generally occur annually, depending if there are any positions vacant and they are generally for a term of three years to allow for continuity with the board. The biggest problems that we have seen, and that relates back to around 2010, was that there was almost a complete change in the board, which potentially created a situation where the wheel needed to be recreated and a lack of continuity of knowledge base or expertise or understanding of what animal welfare is went there as well. I will not go through some of the issues that happened but it was not a good time to be with the RSPCA in 2010.

Since then, we received a lot of help from different people but particularly Michael Linke, the current CEO of the ACT in giving us directions of what the RSPCA should be doing in terms of animal welfare and where we should be going with the board. The thing that has changed is that we have whole bunch of policies now that were not there in 2010 that have helped guide and control us.

**Ms AYLING** - For that question, Kim, we are all volunteers. We meet monthly, we pay all our own expenses. Paul pays his own travel to national meetings, his own accommodation. It is quite expensive being a board member for the RSPCA. There are no junkets going on up our end.

**Mr BOOTH** - So the entire costs of the board in terms of the individuals is all voluntary?

**Ms AYLING** - Yes.

**Mr BOOTH** - How many meetings would you have? Can you give us a bit of detail about the workload of the board?

**Ms AYLING** - Monthly.

**Mr SWIATKOWSKI** - Usually it is at least monthly.

**Mr BOOTH** - For how long?

**Ms AYLING** - Six or seven hours. I would probably do a day a week personally in my own time assisting staff with things.

**Mr BOOTH** - For the board?

**Ms AYLING** - For HR, OH&S, for the organisation.

**Mr BOOTH** - Why would you need to do that as a board member?

**Ms AYLING** - I am not doing that as a board member. I am doing that with my experience in workplace health and safety, and policies, and those sorts of things.

**Mr BOOTH** - That is voluntary, working under the CEO effectively, but not as a board member?

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**Ms AYLING** - No.

**Mr BOOTH** - Given the size of the budget and the sheer workload as a voluntary board - and I would commend who has done that amount of work, it is quite extraordinary to do that for nothing, presumably you all love animals?

**Ms AYLING** - Yes, the RSPCA is worth fighting for.

**Mr SWIATKOWSKI** - We respect what the RSPCA stands for. That is certainly my motivation.

**Mr BOOTH** - Do you believe there should be some funding for board members, say sitting fees? Do you believe there is a role for a president of the RSPCA, or a chair, to be paid to do the advocacy work the president should do? It is a bit hard to ask you, Paul, perhaps Angela.

**Ms AYLING** - There is always a problem when you have voluntary boards because it is relying on people's goodwill, as opposed to boards where you receive sitting fees. If we could have assistance from the government to have that sort of flavour at a board level, it would be very good. It attracts people with greater business acumen than people who just want to be a member of the RSPCA and support it. That is where we started and by default ended up where we are on the board. I believe that would be very helpful to the organisation.

**Mr BOOTH** - Where do you see the roles and responsibilities of government in animal welfare? The RSPCA is carrying the can and acts as a flak-catcher for any issue - the government is able to say, 'Speak to the hand. Go and talk to the RSPCA'. Where do you think the government's roles and responsibilities start and end in this - apart from legislation to give legislative teeth to protective measures for animal welfare legislation - in terms of the day-to-day running of the RSPCA?

**Ms AYLING** - There is definitely the inspectorate; that we have discussed.

**CHAIR** - You are saying a fully-funded inspectorate?

**Ms AYLING** - If that was fully-funded it would be an enormous help. We deal with local councils all the time. We are picking up injured and stray animals, we are catching things out of roofs - there is no fee for service anywhere there.

**CHAIR** - You get nothing from local government at all for that?

**Ms AYLING** - No. We do in Launceston through the local pound.

**Mr SWIATKOWSKI** - We run the local pound in Launceston and there is an agreement for the work that is done in Launceston.

**Mr BOOTH** - Here, if the council impounds an animal - do the councils have pounds?

**Mr SWIATKOWSKI** - Dog control is a local council responsibility, so each council is responsible for dog control under the act.

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**Mrs TAYLOR** - Do they contract the Dog's Home to look after them?

**Ms AYLING** - Primarily, but out-of-hours work they don't. For example, on a Saturday or Sunday, we will get a call from a council that there is a dog roaming. Our approach has always been preventative, to go and get the dog before it is hit by a car, et cetera. There are all those local council services that we provide.

**Mrs TAYLOR** - There is no contribution from any council in the south?

**Ms AYLING** - No. There used to be. We used to have a sick and injured dog scheme but that has gone somewhere. If we could get some more assistance with those council activities, and also some fee for the shelter services we provide, at least some subsidy. The shelters are the biggest sink hole.

**Mr BOOTH** - You have dealt with all of the operational things that you think perhaps should be the responsibility of the government. What about in terms of the board, do you think that a government-funded position - not necessarily, but it could even be a government-appointed one - but principally do you think the government should be responsible for providing a stable cash flow to employ a president, or a chair, and perhaps provide sitting fees for the organisation? Is that something that you think would be a government responsibility?

**Mr SWIATKOWSKI** - Okay, I will answer that in two parts. Firstly, it would be of great benefit to the organisation, but potentially there is a compromise in terms of the independence of the organisation. That is really the main sticking point.

**Mr BOOTH** - But does that go to the appointment, or the payment of it?

**Ms AYLING** - The appointment.

**Mr SWIATKOWSKI** - Yes.

**Ms AYLING** - I think it would definitely need to be an independent appointment.

**Mr BOOTH** - Rather than the government just choosing someone, it would be provide funding for - would that then be for a president that would be funded through a stream of funding by the government, but the appointment would be made by the board of an independent president, not appointed by the government?

**Mr SWIATKOWSKI** - It has been put upon us today, but it needs a little more thought. The payment introduces the concept of 'are they truly independent' if they are paid by the government. If you pay for, say, a professional president or somebody with a high profile, and I guess it goes back to the highest profile president we ever had - I think was Michael Kent at one point in time. I do not think anybody questioned his credentials or anything like that. That sort of support I would see as being positive. But it is just a question whether you can get around potentially if the government is paying for it does it compromise the independence of the position? It is a hard one for me to answer on that.

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**Mr BOOTH** - Chair, it may be appropriate that you think about that and you address us in writing as to the areas that you regard as functions that should be the responsibility of government and therefore funding, and that would go to the board as well, would be useful?

**CHAIR** - I think it would be useful as well. Are other committee members happy with that and if you were able to do that.

**Ms AYLING** - Yes.

**CHAIR** - We have given others the opportunity to do that.

**Ms AYLING** - We have a board meeting on this Sunday.

**CHAIR** - If you could do that.

**Mr BOOTH** - Sorry to impose another burden on you, it will have to be an eight-hour meeting.

**CHAIR** - If you can provide that document to Jenifer at your earliest convenience it would be appreciated.

**Mrs TAYLOR** - There are two areas I wanted to explore, Chair. You two and Debbie have hung in there for a long time. It has obviously been very difficult for a number of years. Can I ask you why have you stayed and what would happen if you left, either now or at any other point? It is a genuine question because I have been in the position myself and you have been in the position where you have had board members come and go. Obviously you love animals, but there is more than that I presume?

**Ms AYLING** - I think we stay because there is no one else putting their hand up that is doing it for genuine reasons. There is too much rubbish going on with memberships and things like that, so I think we stay in part to protect it and also because there is no one else.

**Mrs TAYLOR** - But you just have three new board members.

**Ms AYLING** - I know, but we think walking out on three new people, if we were to leave straight up, would probably not be the right thing.

**Mrs TAYLOR** - It has happened. Not with RSPCA, but plenty of organisations that have thought things need to change.

**Mr SWIATKOWSKI** - There is an argument that maybe you can be there too long. I can say from a personal point of view my intention was to leave in September last year at the AGM simply because I personally believe there is a need for sometimes new ideas in these situations.

**Mrs TAYLOR** - All boards find that.

**Mr SWIATKOWSKI** - I am the first to recognise that, but then suddenly we were then thrust into a crisis where we had allegations made that I will not go through again now,

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but I could not leave in the middle of a crisis. I still couldn't leave now in the middle of a crisis. It is just not in my nature.

**Mrs TAYLOR** - Your old constitution didn't have, for instance, as many constitutions do of board of a similar ilk as yours, that you can be elected for a three-year term and that then that can be renewed once, or a maximum of three three-year terms. You did not have anything like that in your old constitution?

**Ms AYLING** - No.

**Mrs TAYLOR** - Do you in your new constitution?

**Mr SWIATKOWSKI** - Yes, we do. I am not sure how it is addressed but it is certainly staggered boards and, from memory, in the version that we sought a draft from you could only sit there for, say, a maximum of two terms before taking at least a rest for a term.

**Mrs TAYLOR** - Yes, and lots of constitutions have that.

**Mr SWIATKOWSKI** - Then potentially coming back again at some future point in time.

**Ms AYLING** - We were elected in 2009 and our term ends this year.

**Mrs TAYLOR** - Were you re-elected or elected?

**Ms AYLING** - No, elected.

**Mrs TAYLOR** - Have you only been there since 2009?

**Ms AYLING** - We were board members in early 2000 and then not.

**Mrs TAYLOR** - So it has not been continuous membership for 10 years or whatever?

**Ms AYLING** - No, so when people say 'this board', there was a different board for a period.

**Mrs TAYLOR** - Thank you, I was not clear about that. I would like to ask a different question in relation to budgets so if somebody wants to ask follow up questions on this -

**CHAIR** - I think you should continue on, Adriana, because I am looking at the time as well and we need to finish at midday.

**Mrs TAYLOR** - It concerns me that your budget is so reliant on bequests. I am a member of a number of boards and chair of a couple of boards. I would be horrified if my annual operational budget was dependent on bequests. Being involved in a couple of voluntary boards like yours, when we get bequests we put them into a reserve fund because some years you get a lot and some years you might not, but you can never depend on it. It would seem to me that if next year you received no bequests, which is not going to happen presumably, but if you did then all your reserves would be used up in one year and you would be at risk of trading insolvent?

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**Ms AYLING** - That is quite right. We cannot generate any other income stream of \$800 000 overnight. We know we can't. That is what we need or closer to \$1 million, and that is why we are looking at options of the Hobart shelter and properties.

**Mr SWIATKOWSKI** - Going back one step, the government's financial review - and I know there is a little bit of confusion as to what it is - we were looking for answers for potentially long-term solutions for the RSPCA. Things like bequests, we recognise that we need to keep some of the bequests for a rainy day but because of the circumstances of the previous year of a major sponsor pulling out we were not able to do that. A real impediment is the low population base within Tasmania in generating income. Personally, I have had a look at all the other RSPCAs and in any one particular year, you are quite right, any particular RSPCA can run at a deficit but what they have, which we do not have, are reserves.

**Mrs TAYLOR** - Absolutely. So you are not addressing that in your current financial plan?

**Mr SWIATKOWSKI** - We are addressing it in terms of a bequest policy, but from here on in every bequest will have a proportion of it put away for rainy days, as you have suggested.

**Ms AYLING** - We have a small share portfolio that is quarantined also.

**Mrs TAYLOR** - But that makes your operational budget look worse for next year, I presume, if you have that set aside in the future, a proportion - and presumably a sizeable proportion?

**Ms AYLING** - Definitely. We need to increase income streams even further. We need to realise some assets possibly, which we do not want to, but that may well be and, hopefully, get the recommendations and the financial review or the PAC review finalised so we can get it on track once and for all.

**Mrs TAYLOR** - It has been a hard time.

**Mr SWIATKOWSKI** - I do not think anybody will argue with that.

**CHAIR** - I have a couple of points. Obviously you are hinging some of your future probably on the shelter here and sale of it. Is that what you are talking about here?

**Mr SWIATKOWSKI** - A proportion of it. We have actually -

**CHAIR** - That would be a short-term cure only, wouldn't it?

**Mr SWIATKOWSKI** - Sell all your assets -

**Ms AYLING** - If we closed the shelter it will also save us close to \$350 000 in a year in operations.

**CHAIR** - So that is what you get on top of that?

**Ms AYLING** - Yes.



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**CHAIR** - What does that mean? The facility now is serving a certain purpose, but where does that purpose go to - who picks that up?

**Ms AYLING** - The government.

**Mr BOOTH** - They said parliament house.

**Ms AYLING** - Rabbits, horses, ducks, dogs, cats - the lot.

**CHAIR** - You talked about the battery hens and the sow stalls earlier. That will require more work on the inspectorate and the RSPCA in general. Have you worked out what that may be? Will that amount to an extra FTE, or an extra \$100 000 for the RSPCA in money terms?

**Mr McGINTY** - We have an arrangement with the department already whereby we share a roster of industry inspections. We alternate with the department. We attend a certain number of intensive industries per year, as do they, and the next year we will swap industries. I am not quite sure how any extra money from the government would change that policy. It is set up that we, as an independent body and a government as the department, will attend these industries. That way it is not seen to be done by one party but by both. That wouldn't change. Whether or not we did some more, that could occur. As far as having both us and the department attend these industries, that would not change because we both need to be seen to be involved and not as a one-sided inspection.

**CHAIR** - Have you asked RSPCA Australia for its support moving forward on how you might restructure and run the organisation, as to who should be there and who shouldn't? Have they given any support?

**Ms AYLING** - We asked them for specific support, particularly with what you are talking about. Their response was that that would make them the follower not the leader, and that instead they wanted to present us with an MOU that was designed by the department.

**CHAIR** - By them?

**Ms AYLING** - No, by DPIPWE and RSPCA Australia, which presented enormous legal risk to us being RSPCA Tasmania. In effect it was to hand over all the roles and functions of RSPCA Tasmania to RSPCA Australia until it determined the functions, so that MOU was not signed and followed. We would seek their support, and we have asked for it, but it has been contingent on us signing a document, which we have been unable to sign due to our contracts and legal arrangements with other organisations.

**CHAIR** - So that has stopped you from doing that?

**Ms AYLING** - Yes.

**Mr SWIATKOWSKI** - Legally, potentially, it would have broken our service agreement with the inspectorate if we signed another agreement with RSPCA Australia. The grant deed funding would have been compromised in terms of that agreement. It would have

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given the government the impetus to withdraw any further funding to RSPCA Tasmania had we signed an agreement with RSPCA Australia.

**CHAIR** - How can we be confident the new board, the three new members, will have the capacity and ability to move the RSPCA forward long term? Do you think you have it moving in the right areas? That you have the right people there? The right expertise, the right skill sets? There have been other boards in place that have only last three or four months, and some of them not even that long. How can we be confident?

**Ms AYLING** - We are confident in the three new people and their skills and what they can bring. I believe it is a matter of the new constitution and for new positions also to come on the board with more skills along those areas. We are working on our strategic plan and our business plan and our budget, so we need to fill the board with some more experience. It would be very helpful for us to have the government assist us, too, in that process and maybe provide some mentoring, even if it was a mentoring package.

**CHAIR** - That was the next point I was going to get to.

**Ms AYLING** - That would be wonderful if we could have that sort of support to make sure that the structure is strong.

**Mr SWIATKOWSKI** - The idea of in-kind help.

**CHAIR** - I think that is really - with the greatest respect to Bob Ruddick - where Bob Ruddick was coming from in some of the comments he made that he was wanting support given to help you, mentoring, and I think he was saying for at least a period of time to get you in the right area.

**Mr SWIATKOWSKI** - The RSPCA is not seeking just financial support. Part of the support that we need to have is in-kind support. If people can help with our organisational skills, running skills, and what is essential to the organisation, for example. [inaudible] a vet. A vet has certainly been helpful in terms of providing advice on different matters, but somebody with financial skills or maybe someone with legal skills.

**CHAIR** - It is a great brand the RSPCA and we want to try to protect that. I will just say this, we are running out of time so any new areas if you have points you can make them fairly quickly.

**Mr BOOTH** - I wanted to ask Paul McGinty, you are employed by the RSPCA as an inspector; is that correct?

**Mr McGINTY** - Yes.

**Mr BOOTH** - You are a frontline worker who is employed by the organisation. You have heard the evidence that has been given today and presumably you have looked at some evidence, maybe, on the ground. How has this whole thing affected the delivery of your services and in your view that of the organisation?

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**Mr McGINTY** - I was just going to answer the question that you posed before, so that has helped me out a bit. Positivity and culture are not enough to run a company or a business. If it matters, as far as my belief is, this is the most positive that I have seen the company from the ground up. I am in my sixth year here now. We have had several bad runs. We have had lots of negativity. As we know negativity breeds and that creates distractions, and creates involvement in things that you do not want to be involved in.

At the moment I am part of the management team in the absence of the former CEO. The management team is cohesive, it is united, it is supportive of the board. I know, personally, that they are quite a courageous board to do what they have done in relation to responding to the complaints against the CEO and getting the independent investigation underway. Knowing who - I do not want to go over old ground - but knowing Mr Sturges's, shall we say, contacts, I think it took courage for the board to have the investigation conducted and determine the result that they did. I think if the board can do that and the board is happy to front up here and - not justify themselves, but certainly answer questions in a desolate environment, they have my support. As far as I am aware they have the support of the entire inspectorate.

We have made cuts. We have made staffing cuts. We have made certain procedural and accoutrement-type cuts based on budget. We are happy to do so. Like I said, I have not seen this much consistent positivity since I have been here and I am in my sixth year.

If you are asking me if I support the board, yes I do. If you are asking me if I support the board as a manager of a team and as a manager in a management team that has replaced the CEO effectively, the answer to both of those questions is yes, as well.

I am very, very proud of my inspectorate team. They have been through a lot and they are still here. They are still doing good work and statistically we are just incredible. While the positivity is there and while there is no negativity to breed, and while we are all on the same page and for once heading in the same direction, I could not be happier.

Like Paul mentioned earlier, I went through a patch where I was going to leave. Then I thought, no, again like these guys, I believe that the company is worth giving a fair crack to, so I have not left. The last thing I am going to do now is leave because we are in a position now where I have wanted to be for years, where we are going forward and we are united and there is no-one here, that I can think of, at any level in this company who has an agenda. Everyone just seems to be on the same track. In my opinion, that is the first time since I have been here.

**Mr BOOTH** - Have you any suggestion to this committee with regard to future structures of funding streams that we have spoken about to add value?

**Mr McGINTY** - If there was an increase to the funding of the inspectorate by the government, that, in turn, assists the RSPCA company itself. We are a separate arm, in some respects, given that we have that funding from the government, whereas the RSPCA does not. We are in a different stream. But if we were fully funded by the government, that saves the RSPCA filling up the gap.

We have a team now that is aware of our financial struggles, being a not-for-profit charity. It is not news that all charities are struggling. We are aware of that. There are

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certain things that we cannot budget for. Some years we might have very limited animal seizures. One year we might seize 50 cows which have to be fed. Our budget fluctuates, depending on the jobs we go to and the number of animals we seize. Even our fuel can fluctuate from going to Smithton to going to Launceston. We find it hard to budget for a lot of specifics every year because they do change. But we are aware of the issues that the company has and we are all collectively trying to save as much money as we can in the inspectorate.

**Mr BOOTH** - Given your response there in regard to the fact that you alternate inspections between DPIPWE and the RSPCA of commercial operations, and this is a question to all of you: in my view, that seems to highlight what you had said before, that the appointment of either a paid president or a paid chair would have to be done by the board, not by the government because otherwise there could be a real perception of conflict of interest.

**Mr McGINTY** - There are two sides to every coin. What some perceptions are that they do not want, the industry do not necessarily want the RSPCA doing the inspections. Whereas, other industries do not want the government doing their inspections. There has to be that level that the independence of alternating with the department to go and do all these inspections, so that way they cannot just allege that it was conducted by the government or by the RSPCA. I personally think that it is a good idea that we both do them and not just the department and not just the RSPCA.

**Mr BOOTH** - Why has it taken so long - you might not be able to answer this but I am interested in terms of prosecution and whether there is that rigour and timely prosecution of animal abuse issues? There is that issue with the Smithton dairy farmer case that has been dragging on and on.

**Mr McGINTY** - Unfortunately, the way it is in the Australian legal system, as you are well aware, it is the adversarial system. The defendants, through their lawyers, have rights and those rights can extend to adjournment, seeking other opinions, and changing lawyers. Unfortunately, in a perfect world, people would decide whether they were going to plead guilty or not guilty on their first appearance. Unfortunately, they normally do not.

**Mr BOOTH** - Is that matter still before the courts and still ongoing?

**Mr McGINTY** - I believe so. I think it has been finalised. I think the prosecution wrapped up and the defence have finished and it might still be in some submission stage or pending.

**Mr BOOTH** - I do not want you to comment on it then because it is sub judice. I was going to ask whether there is an issue with funding of the prosecution side of things?

**Ms AYLING** - This is very important to us because we did initiate a prosecution's officer role a couple of years ago which we started funding. Prior to that it was done through the police. Our prosecution rate has soared now, our successful prosecutions, because we have our own designated person.

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The ideal position for the RSPCA would be to receive no government money, for us to be able to run the whole lot. If we had millions and millions, we would have a selection of lawyers that could prosecute, we could arrange more inspectors, and we would have all the things.

Only a couple of weeks ago Paul was looking to find some money to purchase some stock yards to move stock and we were looking for \$10 000 to get stock yards. We would not have those logistical problems if we could have the money. But in terms of prosecutions and the delivery of the service and we would also operate everything that DPIPWE does. Our view would be that we did all the inspections of commercial facilities and had the complete independence over the industry.

**Mr BOOTH** - How much is a tonic in terms of obviously you are interested in the abuse of animals but attitudes are changing and the respect of animals in the future, how important is a successful prosecution to get people to stop behaving badly towards animals?

**Mr McGINTY** - It is like police with speed cameras; they are going to have people speeding no matter what they do. We are going to have people who are either going to neglect their animals or be intentionally cruel to them no matter how many people are fined and jailed. Unfortunately, we are in a job that I see is permanent and never ending. There are deterrents. Penalties can be a deterrent but some people simply don't get. We could have all the deterrents in the world and it is not going to stop.

**CHAIR** - In relation to the prosecution office, is that a position the RSPCA, in all the current conditions you are under and the financial situation, should retain? I would be interested to know why you took that on? The police were doing it. The RSPCA would be in exactly the same position as the police - you gather evidence and get it to a position of going before the court, then it is a matter for the court and the prosecutors as to what happens. It should not really be your concern, and it is the same with police. Why did you take on that position in the circumstances? Could you return it to the police or the DPP, whoever it might be?

**Mr McGINTY** - There were multiple discussions around that time, but the majority of the reasons why was because the police have many different acts they work under and various offences that occur. They were very busy, short staffed and overworked, and there were literally occasions where they would be reading a file walking up the stairs to the courthouse. We thought if we had our own prosecutor who was focused on the one act and had time in advance to read it all, talk to witnesses and the inspectors before court, that it would have to have a positive effect on the result and the appearance in court, as opposed to reading the file whilst entering the courtroom.

**CHAIR** - I don't disagree with what you are saying or the competent person you have employed - I know him very well; he was a police prosecutor at one stage, alongside me - I accept all that, but it is a reasonable cost against the RSPCA. The police never asked you to take it on yourself, did they? It was a decision made by the board?

**Ms AYLING** - It was a decision made by us. I believe DPIPWE has also used our prosecutions officer, so there are some synergies going on there we could look at for cost recovery.

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**CHAIR** - Is that a financial benefit to you?

**Ms AYLING** - It is definitely a benefit to them, but also our prosecutions officer is only a part-time position.

**Mr McGINTY** - The department has used our prosecutor on occasions for reasons best explained by them. The police did not approach us. We said we wanted to have a go at doing it ourselves, given that our prosecutor might go to court with two files, as opposed to one of their police who would turn up with 50 files in one day and be so busy they would try to get through them as fast as they could.

**Mr BEST** - On the changes to management - and I think Mr McGinty, you had mentioned that you have taken over a portion of the previous CEO's role, and you are indicating a number of people are now sharing this role -

**Mr McGINTY** - I am still 99 per cent in charge of the inspectorate, as part of the team of four people we have, but the four people are performing the role of the CEO. I am still virtually the entire inspectorate.

**Mr BEST** - I don't have a problem with that; I am trying to get to the point. Was that part of a strategic decision of the board?

**Ms AYLING** - No, it was an interim solution to have a flat structure from September last year. We said we would try it and see how we went. We were in a time of crisis.

**CHAIR** - In concluding, I will give you an opportunity to sum up. Is there any position you want to put in concluding, or anything you would like to say to this committee knowing that we at the end have a function here to resolve and to put a report in?

**Mr SWIATKOWSKI** - There is nothing I can sum up on under about 20 minutes.

**CHAIR** - No, we are not going down on that one, Paul.

**Mr SWIATKOWSKI** - All I would say is that I believe the RSPCA is deserving of not only community support but government support as well. The job that we do, I believe, is essential. I think it is generally recognised that what we do for very little money, we have a dedicated staff and I am personally proud of them. I cannot speak highly enough of our staff. Even to yesterday obviously people have heard of things going viral on Facebook but what it demonstrates to us in relation to sentencing, for example, or what we see as inadequate sentencing for certain types of aggravated cruelty or cruelty crimes there is massive community support out there. In spite of all the problems the RSPCA has had the community is still out there supporting us and they see what we do is essential.

What we want the government to do is see what we do is essential so beyond the inspectorate we believe we carry out an essential task in looking after sick and injured stray animals, and whether it is local government or state government I personally would like to see some more support for that as well because I believe it is an essential community service.

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**Mr McGINTY** - There is a lot of support out there. We had our Million Paws Walk recently, which is our annual fund raiser, one-off. I worked on a merchandise stall and we had hundreds of people approach us and they were all just so positive. I left that day just feeling so buoyed because prior to that day it was just the usual negativity from either ex-employees or the press. To hear hundreds of people approach and they did not even know that I was even an employee. They thought I was just a volunteer - I was not in uniform - and they were approaching us saying so many positive things. It was not about them walking their dog around an oval, it was about them showing their support for us, and there were a lot of people there. Dr Paul was quite correct, there is a lot of support for us out there and it is not all doom and gloom.

**CHAIR** - Thanks for that, Paul, and thanks, Angela. I appreciate and thank you very much for the way in which you have given your evidence and the way in which you have answered the questions. Your frankness to accept the positions is much appreciated. Thank you very much for that and we would hope to be able to resolve our position on this - I will not put any time on it - as quick as we can so that the RSPCA knows where it is going and what is happening and so on. I think it is important for your future.

**Mr SWIATKOWSKI** - We thank you very much for your time and we all appreciate that.

**THE WITNESSES WITHDREW.**