

Greyhound Racing Prohibition Bill 2016

Second Reading

The Hon. DUNCAN GAY (Minister for Roads, Maritime and Freight, and Vice-President of the Executive Council) (11:47): I move:

That this bill be now read a second time.

Following the exposure of widespread live baiting practices and animal cruelty the New South Wales Government established a special commission of inquiry into the New South Wales greyhound racing industry to investigate animal welfare and integrity issues. The special commission, conducted by former High Court Justice Michael McHugh, has undertaken an extensive examination of the industry. A final report was handed to the Government by the special commissioner on 16 June 2016 making recommendations about the future of the greyhound racing industry in New South Wales.

The special commission heard about barbaric practices of live baiting, or bleeding as it is known. While live baiting is an horrendous practice in itself and the catalyst for the special commission of inquiry, the inquiry also heard of a significant number of dogs being killed because they were deemed uncompetitive as racing dogs, the underreporting of deaths and injuries of dogs at racetracks and deception by the controlling body to cover up the extent of deaths and injuries of dogs to avoid public criticism. The inquiry findings have far-reaching implications and the report's recommendations focused on two options: to no longer permit greyhound racing in New South Wales and to close the industry down or to allow the continuation of the industry but with extensive reforms to improve transparency and governance and reduce greyhound deaths.

However, Justice McHugh's findings concluded that there was a very real risk that practices such as live baiting would continue despite any further reform. In coming to that conclusion Justice McHugh examined in detail evidence from the industry itself and looked at many similar reports conducted last year in other States. Justice McHugh presented a forensic, detailed and balanced set of reasons for his conclusion—reasons that persuaded the Government.

When considering the findings of the report, the Government considered whether the industry could or should continue. What is clear is that, despite a number of reports, including a Legislative Council Select Committee on Greyhound Racing in New South Wales report, which directly identified wastage as an issue in 2014, we are dealing with an industry that ultimately relies heavily on the overbreeding of these animals—significant "wastage"—and that has been systematically hiding the truth from the community. We have also seen clear evidence of an industry where the problems run so deep, where there is an endemic culture of animal cruelty and deception at all levels. The incomplete records kept mean there is no accountable tracking of animals from birth throughout their entire life or the records were being kept from public scrutiny—or, worse still, the true facts covered up. How can the community trust such an industry to operate ethically and in keeping with community and animal welfare standards in future? How can the community trust an industry that has demonstrated over many years that it is not capable of recognising and fulfilling broader community standards for the prevention of animal cruelty?

While the industry had been working to clean up the sport and introduced reforms since the live-baiting scandal first came to light, it is a case of too little, too late. Justice McHugh clearly identified the changes made and the entrenched resistance from the industry to those changes.

Fundamentally all of the incentives and motivators in greyhound racing will always lead to unacceptable animal welfare outcomes. This Government considers that the level of reforms necessary to make the industry accountable, transparent and ethically responsible would require such significant and generational change that it would render the industry unsustainable, even if the incentives that maximise profit over animal welfare could be overcome. Also, to continue the industry would still see an unacceptable level of deaths of healthy greyhounds, which could not be tolerated. From either an economic or welfare perspective, it just does not add up.

The industry itself has said in its plan for viability that it can be sustainable only if it kills thousands of dogs a year. The industry has failed community expectations but, worst of all, the industry has failed these animals—especially the many thousands of greyhounds that have been horrifically injured or killed. Dumping greyhound bodies in pits after caving in their skulls is not acceptable. When confronted with the longstanding pattern of disturbing and cruel behaviour throughout the industry, the Government considered it was left with no choice. The barbaric, wasteful and cruel behaviour evidenced in the report should be repudiated by all. It is anathema to the very high standards of animal husbandry practised throughout New South Wales farming communities.

A lot has been said about this decision in the weeks since the Government's announcement, much of it concerning issues beyond the greyhound racing industry. Let me be clear what this decision is: It is a specific response to a specific issue in a specific industry that has been uncovered in a detailed report prepared by a special commission of inquiry led by an eminent former High Court judge. It is not a response to issues in our food and fibre industries or the other racing codes. In fact, it has no bearing whatsoever on our food and fibre industries, which are examples of world's best practice in their animal welfare standards. It has no bearing whatsoever on the other racing codes, which have a strong focus on animal welfare in all their activities. This bill deals specifically with an industry that has an appalling track record when it comes to animal welfare issues and has shown reluctance at best, if not outright recalcitrance, when it comes to improving its standards.

The suggestion that this bill represents a slippery slope simply does not hold water. The Government agrees with the special commission's findings that the industry had lost community support and the industry cannot be allowed to go on. This is why the Government made the incredibly hard decision—and it was a hard decision; easy decisions are easy, but this one was hard—announced on 7 July 2016 that it would seek to shut down the greyhound racing industry in New South Wales and ban greyhound racing from 1 July 2017. I appreciate this decision has caused stress and angst for many people. A transition plan is being developed and a transition task force has been established to plan an orderly shut down of the industry. Dr John Keniry, AM, has been appointed as the coordinator-general to head the Greyhounds Transition Taskforce, which is consulting with the greyhound industry and animal welfare organisations. I am advised that Mr Keniry is actively consulting with the industry and is building a clear picture of the kinds of measures that will help people make the transition away from greyhound racing.

The task force will work with industry to ensure a suitable and appropriate range of assistance and support services are available for industry participants and other supply chain businesses affected by the shutdown. The bill before the House is the first step in helping to facilitate the shutdown and transition process. The alternative, if the industry were allowed to continue, would be the closure of most country tracks. While industry advocates claim to have KPMG modelling that shows a way forward with country racing continuing, it was KPMG modelling that suggested there should be only six to 11 tracks across the State—and it was far from the only group to

model a reduction in tracks. Greyhound Racing NSW itself has advocated a reduction to eight to 14 tracks under a centres of excellence model. A joint working group dominated by industry participants suggested that centres of excellence should only host TAB racing—to bring New South Wales into line with Victoria, which has no non-TAB racing. Urbis modelled options for as few as four tracks to operate statewide and PwC financial analysis suggests that, financially, the industry can only afford to upgrade 12 tracks.

All of this points to the fact that, across most of the State, greyhound racing would come to an end regardless of the decision taken by the Government. What is different, and what makes the action we are taking better for regional communities and communities across the State, is that under the Government's plan to transition to closure of the industry there will be an assistance package to provide financial and other support to affected industry participants—unlike the alternative scenario, which would have had the same effect but no assistance package.

The bill implements the legislative component of the Government's announcement to shut down greyhound racing in New South Wales. The package provides for the appointment of a greyhound racing administrator to manage the close-down of the industry and the continuation of greyhound racing until the closure date. The administrator will also oversee the continued welfare of greyhounds affected by the greyhound racing industry closure, the dissolution of Greyhound Racing New South Wales [GRNSW] after the closure date, the repeal of the Greyhound Racing Act 2009 while continuing certain regulatory and compliance functions of the Act, new animal welfare offences and consequential amendments to other Acts.

I turn to the detail of the bill. The bill defines the greyhound racing closure date as 1 July 2017 and prohibits greyhound racing in New South Wales from that date. The Government has already confirmed that racing will be permitted to continue until 1 July 2017. The bill reflects that announcement. This will enable the industry to continue to operate for the immediate future and will allow participants to consider their options as an assistance package is rolled out later in the year. The bill authorises the Minister to appoint a greyhound racing administrator whose role is twofold: to wind up greyhound racing in New South Wales, including the affairs of Greyhound Racing New South Wales, and to manage the continued operation of greyhound racing in New South Wales until the closure date.

The administrator will have the powers and functions of Greyhound Racing New South Wales. Amendments in the bill will immediately remove the members of Greyhound Racing New South Wales and the position of chief executive officer, allowing the administrator to manage the affairs of GRNSW until its dissolution. As the board and the chief executive officer were stood down in early 2015, after the disturbing live baiting scandal, Mr Paul Newson has acted as interim chief executive since February 2015. The Government thanks Mr Newson for his efforts and strong regulatory leadership over the past 18 months and for his cooperation and assistance during the special commission of inquiry.

During the transition to the closure date of 1 July 2017, one of the first key tasks for the greyhound racing administrator will be to develop a business plan. This plan will provide a road map for winding up greyhound racing in New South Wales and the affairs of Greyhound Racing New South Wales. The bill provides a framework for the Minister to approve the plan and any changes to the approved plan. The Minister will consult as necessary in determining whether to approve or modify the plan. The administrator is to make the plan publicly available, ensuring full transparency throughout the process. The administrator may also engage any person or body

with relevant expertise to assist the administrator, including expertise to ensure that the regulatory and compliance functions of GRNSW continue as the industry is shut down.

From 1 July 2017 greyhound racing in New South Wales will be banned, with strict penalties applying. The bill makes it an offence for any person to conduct a greyhound race meeting or officiate at a greyhound race. The maximum penalty for committing an offence will be \$11,000 and/or a year imprisonment. It will also be an offence to provide betting services for greyhound racing that is conducted in New South Wales. Placing a bet in New South Wales on a greyhound race conducted in another jurisdiction will not be prohibited. From 1 July 2017, the closure date, any greyhound racecourse licence is terminated. Greyhound Racing New South Wales has advised that its registrations issued under the Greyhound Racing Act—such as for race clubs, trainers, breeders and bookmakers—are due to expire on 30 June 2017 and will not be renewed after that date.

The keeping of greyhounds for racing in New South Wales will be prohibited from 1 July 2017. This will not prohibit people from owning greyhounds as companion animals. Nor will it stop people from keeping greyhounds for the purpose of racing interstate. A regulation-making power will enable the keeping of greyhounds that race in other jurisdictions. How long people will be able to own greyhounds for racing interstate is open for consultation with industry by Dr Keniry, but the Government has discussed this at length in its party rooms and is keen to see a smooth transition on this important point to create the least amount of concern for owners and to ensure the welfare of the animals. Allowing a glide path on ownership will ensure that more dogs are humanely kept and are not discarded. Greyhounds kept in New South Wales for this purpose would still be bound by the rules of racing in other jurisdictions and would still be oversighted by our animal welfare legislation and compliance operations. Let us sit down with industry and do the work to make sure that we get it right.

Similarly, the cessation of training is also to be dealt with via regulation. As the industry is wound up in New South Wales, how long trainers can continue their business after the cessation of racing in this State is also open for consultation with Dr Keniry and his taskforce, who will provide further advice to government. I acknowledge that this is an important issue for my Coalition parliamentary colleagues, and they have held preliminary discussions about it. There has been healthy discussion on how best to end greyhound training in New South Wales in such a way as to not only allow for the interests of the dogs but assist the industry in transition as much as possible.

I have dealt with owning and training. I turn now to the breeding of greyhounds. Breeding is the part of the industry that unfortunately has contributed to the biggest proportion of healthy dogs being deemed surplus to requirements and meeting untimely deaths. The breeding of greyhounds in New South Wales for racing will be prohibited from a date to be proclaimed. Again, the date of an end to greyhound breeding is open to consultation with the industry, the RSPCA and the community. The Government is very reluctant to announce a snap end to breeding, as that would lead to more dogs being put down. It would also maximise the hardship felt by the industry—something this Government is keen to avoid. Allowing a staggered wind-up of the industry will provide the best possible chance for greyhounds to continue to live as pets with their owners following the cessation of racing or to be rehomed or appropriately transferred interstate to race there.

It is the Government's intention to determine an appropriate time frame, in conjunction with the development of an industry adjustment package and in consultation with industry, the RSPCA

and government, to ensure that the welfare of greyhounds is protected and the pain caused to industry is minimised. The passage of this bill will see a definite end date to greyhound racing in New South Wales and a strong range of levers still available to government, industry and welfare agencies to work together to ensure that the transition causes the least amount of damage to the dogs and to employment in greyhound racing communities.

Owning, breeding, training, and industry and community assistance are all still on the table to be discussed and agreed to over the coming months.

I turn now to the welfare of the greyhounds themselves. The welfare of greyhounds is a significant consideration for government, particularly during the immediate future as the industry is shut down. The Government has already taken swift action by recently introducing regulations requiring Greyhound Racing NSW to be notified when a greyhound is transferred or its consent obtained in certain other cases. This action was taken to ensure greyhounds are treated humanely and are not inappropriately sent to jurisdictions that do not have similar welfare standards or are unnecessarily or inhumanely destroyed. Those provisions in the Greyhound Racing Regulation have been carried forward into this package and will continue to apply.

The Government is working closely with the RSPCA and others to ensure the welfare of greyhounds as the industry is shut down. It is our strong preference that greyhounds can remain with their current owners or alternatively be rehomed through an adoption program or transferred to another jurisdiction with appropriate animal welfare standards. Registered greyhound owners must notify Greyhound Racing NSW before retiring a greyhound from racing or before transferring the greyhound to a greyhound adoption program.

It will be an offence where a greyhound racing owner does not obtain the express consent of Greyhound Racing NSW before retiring a greyhound from racing, transferring a greyhound to a person not registered under the racing rules or the law of another Australian jurisdiction, or destroying a greyhound unless done so by a vet in an emergency situation due to injury or illness. Greyhound Racing NSW may give consent only in these cases if it is satisfied the greyhound will be appropriately cared for or humanely destroyed.

The bill will repeal the Greyhound Racing Act on a future date when the industry is wound down. Importantly, the bill will continue the regulatory and disciplinary functions of the Act ensuring any matter that comes to light in future may be fully dealt with using the full force of the law. In the meantime, the Greyhound Racing Administrator will have the same powers as Greyhound Racing NSW and engage anyone necessary to help ensure the industry operates within the framework of the laws and rules of racing until its closure. The bill also provides regulation making powers including the provision for penalty notices for offences under these new laws which police and others such as council rangers may issue. Penalty notice offences will include the unlawful keeping or breeding of greyhounds or providing false and misleading information on the transfer of a greyhound.

The Government will be working hard to ensure that all dogs are treated humanely and accounted for during this transition process and the industry continues to operate within the laws and rules of racing. Disciplinary action is continuing to be taken for those who choose not to operate under the animal welfare and racing laws. Investigations by Greyhound Racing NSW, the RSPCA NSW and the NSW Police Force into live baiting and other practices have already occurred and are also continuing. Greyhound Racing NSW is also taking action to ensure integrity and welfare standards are maintained.

In the meantime, the Government is working closely with the transition taskforce and industry as an adjustment package is developed, which will be announced later this year. The Government recognises the need for an orderly transition, and the taskforce is working hard to ensure it does not create a situation where a participant considers the only option is to euthanise their dogs. If people have not done so already, I urge them to read the special commission's report. They will then appreciate why this Government is making this difficult choice to shut down the greyhound racing industry in New South Wales and protect these innocent animals from unnecessary and horrific injuries and death. I commend the bill to the House.