

# GREYHOUND RACING PROHIBITION BILL 2016

## *Second Reading*

**Mr TROY GRANT ( Dubbo—Deputy Premier, Minister for Justice and Police, Minister for the Arts, and Minister for Racing) (10:14):** I move:

That this bill be now read a second time.

It is with a heavy heart that I introduce the bill to the House today. At the outset I want to make it clear that it is not a decision the New South Wales Government has taken lightly, nor is it one that it has taken quickly without due consideration of the significant evidence before it. I acknowledge that this issue has been the subject of considerable debate across the communities of New South Wales, within The Nationals party room and the Liberals party room, and rightly so. Make no mistake, this is a very significant decision. I thank all members of my party for the way in which they have been able to come together over a series of lengthy and robust debates, ventilating and acknowledging all the issues that surround this decision. Those debates have had a significant impact on this bill, which has opened the way for a more considered and staggered industry shutdown period with the hope of smoothing the transition for industry participants and achieving better animal welfare outcomes.

Although it has been a difficult decision, it is based on the evidence from the most informed and extensive examination of the greyhound industry in our history, which was supported by two upper House inquiries in 2013 and 2014 into that industry. I believe it is the right decision. I urge all members, if they have not already done so, to read the report of the Special Commission of Inquiry into the Greyhound Racing Industry in New South Wales and they will appreciate why this Government is making the difficult choice to shut down the greyhound racing industry in New South Wales and to protect innocent animals from unnecessary horrific injuries and death.

Following exposure of widespread live baiting practices and animal cruelty, the New South Wales Government established the special commission 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 Government by the special commission on 16 June 2016, making recommendations about the future of greyhound racing in New South Wales. The special commission heard of barbaric practices of live baiting, or blooding, as it is known. While live baiting is an horrendous practice in itself that has been outlawed in this State since 1953 and that was 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. We heard of the underreporting of deaths and injuries of dogs at racetracks and the 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 focus essentially on two options—to no longer permit greyhound racing in New South Wales and 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 the many similar reports conducted in the past year in other States. Justice McHugh presented a forensic, detailed and balanced set of reasons for his conclusion—reasons that ultimately persuaded the Government.

When considering the findings of the report the Government considered whether or not the industry could or should continue. It is clear that despite a number of reports, including a report of the Legislative Council Select Committee on Greyhound Racing in New South Wales that directly identified that the killing of healthy dogs for not being fast enough was an issue in 2014, we are dealing with an industry that, ultimately, relies heavily on the overbreeding of these animals, and that has been systematically hiding the truth from the community. We have also seen clear evidence that

in the industry the problems run deep and there is an endemic culture of animal cruelty and deception at all levels. The incomplete records mean that there is no accountable tracking of animals from birth throughout their lives; or that the records were being kept from public scrutiny; or, worse still, the facts were covered up.

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 profits 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 only be sustainable if it continues to kill thousands of dogs a year.

The industry has failed community expectations but, worst of all, it 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 with a hammer is simply not acceptable. When confronted with the longstanding pattern of disturbing and cruel behaviour throughout the industry the Government considered that 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 the talk has concerned issues beyond the greyhound racing industry. Let me be clear about 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. Let me tell members what this decision is not. 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 that have a strong focus on animal welfare in governance and 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 will represent a slippery slope simply does not hold water. The Government agrees with the special commission's findings that the industry has lost community support and the industry cannot be allowed to go on. That is why the Government made the incredibly hard decision, which was 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 truly appreciate this decision has caused stress and angst for many people. Consequently, a transition plan is being developed and a transition task force already has been established to plan an orderly shutdown of the industry.

Dr John Kennery, 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 Dr Kennery is actively consulting with the industry and is building a clear picture of the types of measures that will assist people to make the transition away from greyhound racing. The task force will work with the industry to ensure that a suitable and appropriate range of assistance and support services are available to industry participants and other supply chain businesses that will be affected by the shutdown. The bill before the House is the first step in helping to facilitate the shutdown and the transition process. The alternative, if the industry were allowed to continue, would be the closure of most country tracks with no government assistance available.

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 entire State—and KPMG was far from the only group to model a reduction in tracks. Greyhound Racing NSW itself advocated a reduction of from eight to 14 tracks under a centres of excellence model. A joint working group that is dominated by industry participants suggested that centres of excellence should host only TAB racing to bring New South Wales into line with Victoria,

which has no non-TAB racing, unlike country New South Wales. Urbis modelled options for as few as four tracks to operate across New South Wales. PricewaterhouseCoopers [PWC] financial analysis suggests that financially the industry could afford to upgrade only 12 tracks.

All of that points to a very clear 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 the Government is taking better for regional communities, is that under the Government's plan of transition to closure of the industry, there will be an assistance package to provide financial and other support to affected industry participants. This bill implements the legislative component of the Government's announcement to shut down greyhound racing in New South Wales. I will now turn to the details in 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. This will enable the industry to continue to operate for the immediate future and 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 NSW, 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 NSW.

Amendments to the Act contained in this bill will immediately remove the members of Greyhound Racing NSW and the position of chief executive officer, allowing the administrator to manage the affairs of Greyhound Racing NSW until its dissolution.

During the transition to the closure date of 1 July 2017, one of the first key tasks for the Greyhound Racing NSW 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 NSW. The bill provides a framework providing the Minister may approve the plan and any changes to the approved plan. The Minister will consult as necessary in determining whether or not to approve or modify the plan. The administrator is to make the plan publicly available, ensuring full transparency over this process.

In regard to industry closure 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 to officiate at a greyhound race. 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. The keeping of greyhounds for racing in New South Wales will be prohibited from 1 July 2017. This will not prohibit people 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 and for consultation with industry by Dr Keniry but the Government in our various party rooms has discussed this at length and we are keen to see a smooth transition on this important point.

The cessation of training is also similarly to be dealt with by a regulation. As the industry is wound up in New South Wales, how long trainers can continue their business after the cessation of racing in New South Wales, if at all, is open for consultation with Dr Keniry and his task force, who will provide further advice to Government. I acknowledge this is an important issue which my Liberal and Nationals parliamentary colleagues have held preliminary discussions about.

We have dealt with owning and training and now on to the issue of 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 in New South Wales is open to consultation with industry, the RSPCA and community.

Allowing a staggered wind-up for the industry will provide the best possible chance for greyhounds to continue on as pets with their owners following the cessation of racing or be re-homed or be 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, to achieve this aim. This will be done in consultation with industry to ensure the welfare of greyhounds is protected and the pain caused to industry and the people within that industry is minimised.

The passage of this bill will see a definitive 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 the transition causes the least amount of damage to the dogs themselves and employment in greyhound racing communities. Owning, breeding, training and industry and community assistance are still on the table to be discussed and agreed to over the coming months.

Turning to the welfare of the greyhounds themselves, the welfare of these greyhounds is a significant consideration for Government, particularly during the immediate future, as the industry is shut down. It is our strong preference that greyhounds can remain with their current owners or, alternatively, be re-homed 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.

In regard to the repeal of the Greyhound Racing Act, 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 NSW administrator will have the same powers as Greyhound Racing NSW. The Government recognises the need for an orderly transition and the task force is working hard to ensure it does not create a situation where a participant considers the only option is to euthanize their dogs.

With regards to section 29(1) and compensation, the clause deals with standard compensation matters and does not prevent the Government from providing a financial assistance package as I have committed, as it would for any industry in transition. The Government has indicated an initial commitment to provide the taxation revenue stream of greyhound racing received by the Government for both local and interstate racing—approximately \$30 million this year—to commence to transition dogs and people out of the industry.

We have also committed to putting the tax the Government gets from interstate greyhound racing towards the cost of keeping the current crop of dogs for their natural lives. The package will include training programs, business advice, linkages with other government services and, importantly, financial assistance to help mitigate transition costs.

To inform the development of the assistance package Dr Keniry will consult widely with the industry to hear its concerns and ideas, and on how to address them. I reiterate that the Government has committed the revenue from wagering taxes will be used to fund a transition plan. The plan is under development and Dr Keniry will continue to consult extensively with the industry to ensure that he hears from direct participants and the supply chain businesses that support them.

The Government has made the commitment that training and skills programs will be available to help affected people find new jobs. Businesses affiliated with the greyhound industry will be given access to business advice and assistance through an expanded Small Biz Connect program. Direct financial assistance will be made available to support those who are affected in their transition out of the industry.

Dr Keniry has advised that he is also actively working towards developing a specialised mental health service to support people as the transition occurs. The Government is working genuinely on this issue.

Animal welfare will be a significant part of the transition package. We are consulting on options such as payments related specifically to the costs of moving dogs out of the New South Wales industry, supporting the RSPCA and other animal welfare services in the re-homing and fostering of greyhounds, and creating incentives in the long run for people to care for their own dogs.

We recognise that the people who are affected need to know what will be available to them so they can plan for the future. To that end, the Government commits that it will announce its package of measures of help and support within three months from the passing of this legislation. We also commit to tabling the transition plan in both Houses of this Parliament.

In regard to interstate racing, just on this issue, I want to make it abundantly clear that the New South Wales Government does not have a position on whether other States and Territories should continue greyhound racing; it is a matter for each of those States and Territories.

They were not the subject of the findings of our special commission of inquiry and may have entirely different integrity and oversight systems and, in fact, a different culture in their industry. It is entirely a matter for each jurisdiction to appropriately control greyhound racing as they see fit. As such, the current long-term agreement between the New South Wales Government and the TAB, which I remind members has bipartisan support across this Chamber, will not be impacted in so far as the continuation of betting on greyhound racing that occurs in others jurisdictions being a product that is offered in New South Wales through the TAB network.

With respect to Crown lands, which have been subject to much speculation, the New South Wales Government will ensure that they are used, as we have committed publicly, for open public space, alternative sports facilities or other community use. It is clear that the Government's only intent is to make sure that the myriad other community and sporting groups that currently use or want to use the facilities will be able to do so after the closure date for the industry. Dr Keniry, the Coordinator General of the Greyhounds Transition Taskforce, will engage with industry on a club-by-club basis to establish proper arrangements that meet the Government's intent. The Minister responsible for Crown land, the Hon. Niall Blair, is working on a detailed review of Crown land in New South Wales. That is the best place to integrate the output from Dr Keniry on that matter. Amendments to Crown land matters should be contained within the Crown Lands Act.

So, that is it. That is the collective position of the New South Wales Government. It is clear, it is honest and it is there for all to see. I will leave it to the community to judge us on our position. Whether individual members of the community agree with us or not, at least they know where we stand and they can exercise their democratic rights accordingly. In a similar vein, though, I call on those opposite, members of the Labor Party, the Luke Foley team to also be honest with the community and their constituents on their position on this important issue. Yes, they have clearly indicated they do not support the ban, and I will be watching and waiting for the contributions to this debate from all members of the Opposition, in particular the members for Summer Hill and Blue Mountains, so that their communities know why they support or do not support the continuation of greyhound racing in this State. It is only fair, and their communities should expect and demand this of their representatives in this place. [*Extension of time*]

I also will be waiting to hear from those opposite about their plans to bring greyhound racing back to New South Wales should they win the 2019 general election. That is the clear and unequivocal position stated numerous times by the Leader of the Opposition, Luke Foley, and the shadow Minister, Michael Daley. I do note that on this, despite a lengthy 8½ hour debate and contributions from seven members of the Labor Party in the other place yesterday, not one of them made the commitment that a Labor Government would return greyhound racing in 2019—not one. Not even the Leader of the Opposition in the other place gave that undertaking. So, is this the Labor Party's position or is it not? It is their leader's position. I encourage all Labor Party members in this House to place on the record in this debate their steadfast commitment to the Leader of the Opposition's pledge to bring back greyhound racing in 2019.

**The DEPUTY SPEAKER:** Order! I remind the member for Cabramatta that he will have his opportunity to make a contribution to debate on this bill.

**Mr TROY GRANT:** Silence from those opposite on this key part of the Labor Party's platform is just not good enough. We on this side of the Chamber—Liberals and Nationals—are happy to be held to account for our actions and the decisions and commitments we make. The community deserves and demands this of all parliamentarians. I look forward to Labor Party members in this place standing up and in an open and transparent way taking the Foley 2019 pledge. I commend the bill to the House.

**Debate adjourned.**

**The DEPUTY SPEAKER ( Mr Thomas George ):** Government business having concluded, the House will now consider General Business Notices of Motions for Bills.