

INQUIRY INTO GREYHOUND RACING IN NSW

Name: Mr Clayton Barr MP
State Member for the Electorate of Cessnock

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Clayton Barr, MP

STATE MEMBER FOR THE ELECTORATE OF CESSNOCK

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5 November 2013

Select Committee on Greyhound Racing
in New South Wales
Parliament House
Macquarie Street
SYDNEY NSW 2000

To The Director

I offer this submission with full disclosure that:

- I have engaged with and assisted a group of greyhound owners and trainers over the past 18 months, now known as the Greyhound Action Group (GAG) to further their concerns in NSW Parliament as a means to securing the long term future of greyhound racing in NSW;
- Racing of greyhounds at the Cessnock track has been one of the victims of the maladministration of Greyhound Racing NSW, a fact that may have more to do with personalities and personal vendettas than it does with economics, prosperity or strategic planning.

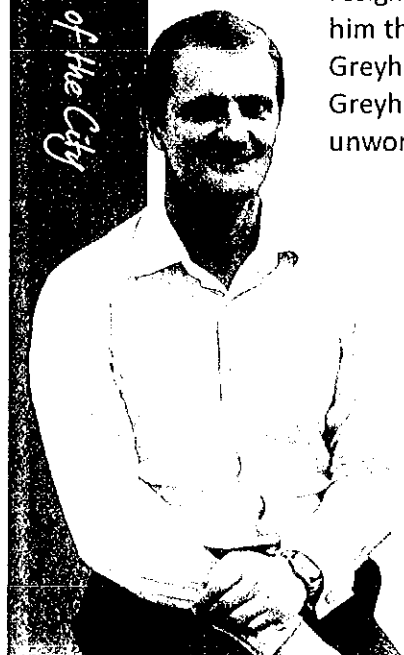
My first interaction with a greyhound trainer/owner was on the 10th October, 2011. A Cessnock constituent brought forward a comprehensive story, with evidence that clearly indicated he had been falsely accused and charged with misconduct. Further to this, his pursuit of appeal to seek justice was headed off at every possible turn, including him being given a false address to which to write for the sake of his appeal. His position was further vindicated by words sent to him by Mr David Landa OAM, Integrity Auditor, prior to his very public resignation (April 2012). Mr Landa wrote directly to my constituent to inform him that his case was indeed symptomatic of a broader blight on the integrity of Greyhound Racing in NSW. In Mr Landa's open letter published in The Greyhound Recorder he noted that the position of Integrity Auditor was unworkable and that Legislation was failing the intent of the role.

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As reported in the Sydney Morning Herald, July 15, 2012:

Scandal has again rocked the NSW greyhound racing industry as the man charged with keeping a watchful eye on the sport, warning it was a "dangerous fiction" to believe current laws were enough to ensure it was adequately audited.

David Landa, a former NSW Ombudsman, former Chief Magistrate of NSW Local Courts and one of the state's most experienced public investigators, has resigned as the Integrity Auditor for Greyhound Racing NSW, criticising the role as compromised and unworkable.

On behalf of my constituent, and seeking to support his quest for justice, I have put the position of Mr Landa to the Minister for Tourism, Major Events, Hospitality and Racing, Mr George Souris, but have received no support or action.

Just months into my first term as a Member of Parliament, I was concerned at the inaction of Government; the absence of any willingness to seek integrity and justice in Government's own Agencies and Departments; a void of commitment to protecting an important revenue source for the NSW taxpayer.

Should the Committee so desire, I am more than happy to provide to the Committee all representations made by my constituent, on the grounds that they would be viewed and considered "in camera" to protect the constituents name and identity.

The role of Integrity Auditor, or a role like this, is integral to all further complaints, concerns and allegations that I have since heard regarding Greyhound Racing in NSW.

On July 21, 2012 I attended my first community rally where trainers and owners from across the Hunter Valley gathered to express their frustration and disdain for the integrity of Greyhound Racing NSW. At this meeting of approximately 50 plus people it quickly became apparent that an enormous variety of indiscretions were a part of the fabric of the industry and most remain unresolved, unexplained and unacceptable. And yet, despite all of this, those that campaigned loudest were hunted out and "gagged" by Greyhound Racing NSW, instead of being heard and accommodated. Bizarre!

Since my first exposure to the troubles of the greyhound industry in NSW (October 2011) I have since been informed of a range of concerns that carry varying weight of authenticity, including:

- Misappropriation of funds that are unexplained.
- Misappropriation of funds where the guilty party is discovered but not charged or brought to account, but are removed from the industry.
- Misappropriation of funds where the guilty party is discovered but not charged or brought to account, and are allowed to stay in active employment within the industry.
- That appointment to the various Boards and Governance structures within GRNSW be reviewed, and tested for integrity and transparency. A "job for the boys" culture appears to be rife.

- Investment of significant funds (\$M's) from within the peak body of the industry (GRNSW) to support causes or infrastructure without any due diligence, research or business model.
- Ongoing uncertainty as to the future and prosperity of country racing tracks, the number of meets each will be permitted to hold, the number of meets and standard of meets that will be linked to TAB betting and screening.
- Prize money that has failed to move forward in line with the costs of breeding, training, transporting and racing greyhounds.
- Allegations that senior management within GRNSW have betting habits, gambling debts, and profits from race fixing across codes.
- Interstate greyhound racing that has reformed itself and is now prospering, attracting greyhounds from NSW, to the detriment of GRNSW.
- Failure of GRNSW to show leadership and engage with the Minister and/or the other racing bodies to pursue a fairer allocation from the Inter-code Agreement, which jeopardises the future of greyhound racing in NSW.
- The inconsistencies and flip-flop approach of decision making by GRNSW.
- The determined efforts of GRNSW to "gag" those that speak out, to harass those that dare to ask questions or demand answers, and the failure of GRNSW to operate with openness, integrity or transparency.

It requires just a brief search of Hansard to see the variety of contributions, concerned and alarmed, from various Members of Parliament over the past 7-8 years. While I attach some of these Hansard recorded speeches, in brief it is worth noting that they include contributions from:

- Neville Newell (former Member for Tweed).
- Geoff Provest (Member for Tweed).
- Kevin Humphries (Member for Barwon).
- Christine Robertson MLC.
- Andrew Stoner (Member for Oxley).
- Kerry Hickey x 5 (former Member for Cessnock).

With such widespread concern, from the public and from Members of Parliament, it is imperative that this Inquiry be the driver for action.

The role of Integrity Auditor must become an independent, powerful and consequential participant within the industry.

The financial future of the industry must be secured.

Those responsible for the strategic position and direction of the industry must be held responsible for the absence of any such plan.

Persons found to have acted unlawfully must be charged to the full extent of the law.

Future earning from gambling, through TAB and Corporate Bookmakers, must be secured. In doing so, prize money and reward for those that provide the industry must be assured.

I wish you all the very best for your inquiries.

Yours sincerely

CLAYTON BARR, MP
State Member for the
Electorate of Cessnock

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Tweed Heads Greyhound Club

Tweed Heads Greyhound Club

Extract from NSW Legislative Assembly Hansard and Papers Friday 25 June 2004.

TWEED HEADS GREYHOUND CLUB

Page: 10219

Mr NEVILLE NEWELL (Tweed—Parliamentary Secretary) [10.23 a.m.]: I pay tribute to the Tweed Heads Greyhound Club, an organisation in my electorate that has been in existence for a long time. The club occupies premises at Border Park, where it has been located since the mid-1970s—about 30 years. However, the club was in operation before that time and greyhound races were held at what is now called Recreation Park. The Tweed Heads Greyhound Club is not a designated TAB club, but it is a successful club. Over the past 12 months it has paid out \$420,000 in prize money and it received \$380,000 in subsidies from the central body in Sydney. The club contributed \$40,000 of that \$420,000 in prize money from its own funds, which indicates just how successful it is.

On Monday 14 June—the Queen's birthday weekend—I had the pleasure of attending the 2004 Border Park Galaxy meeting, which was well attended. This annual event, which has been held since 1971, is well known in greyhound racing circles. Trainers, owners and supporters come to the North Coast from Victoria, the Illawarra, Sydney and other areas because the prize money for the 2004 Border Park Galaxy, a major event that is held on that day, is \$39,500. The owner of the first and fastest dog home receives a prize of \$30,000, a considerable amount of money when the fact that this club is not a designated TAB club is taken in to account. The club continues to exist because of the success of its committee. I pay tribute to its chairman, Mr Harry Pledger, directors Mr Bryant Jackson, Mr McKeering and Mr Ahrens, and the secretary, Huey Clarke.

As I said, the club is successful despite the fact that it is not a designated TAB club. However, TAB clubs operate to the north: in Brisbane, on the lower Gold Coast and at Parklands, Casino and Lismore. Following a strategic review of the New South Wales greyhound racing industry, Greyhound Racing NSW is determined to change the scheme of distribution for 29 non-TAB clubs, which includes the Tweed Heads club. Greyhound Racing NSW has said that no club, whether a TAB club or non-TAB club, would be closed. **However, as a result of the proposed distribution formula the Tweed Heads club will be severely affected.** Directors at the Tweed Heads Greyhound Club are extremely concerned about the exposure draft of the proposed new scheme of distribution, which has been circulated to all clubs for their comments.

If the board of Greyhound Racing NSW adopts that exposure draft and implements it on 1 July 2004, 20 non-TAB clubs will benefit and nine clubs will be adversely affected. I am concerned that the Tweed Heads Greyhound Racing Club will be severely affected. I ask Mr Percy Allan, Chairman of Greyhound Racing NSW, and the Chief Executive Officer, George Bawtree, who have met with Harry Pledger and Huey Clarke, to establish what impact the proposed scheme will have on the club. I ask them to seriously consider some rearrangements so that the Tweed Heads Greyhound Club will not be severely affected. Many people are employed by the related greyhound club industry on the North Coast. Any setback to this club would have a severe impact on industry, training and jobs in that area. The local economy benefits from money that is distributed by the club either in prize money or to greyhound owners and trainers in the Tweed region.



Tweed Greyhound Racing

Tweed Greyhound Racing

Extract from NSW Legislative Assembly Hansard and Papers Wednesday 7 May 2008.

TWEED GREYHOUND RACING

Page: 7178

Mr GEOFF PROVEST (Tweed) [6.16 p.m.]: Once again, I am 100 per cent for the Tweed. Today I condemn Greyhound Racing New South Wales's ill thought out decision to cut the number of race days at Tweed's Border Park racetrack by an enormous 20 per cent, which will result in the number of race meetings at the track falling from 50 a year to just 40. Since the beginning of this year I have continually rallied Greyhound Racing New South Wales to reconsider this plan, as I believe it shows an extraordinary lack of vision as well as failing to take into consideration a number of important underlying circumstances.

Only recently the Parklands greyhound racing track, the only greyhound racing track on the Gold Coast, was closed to allow for the development of a new Gold Coast Hospital. This closure will have a monumental effect on greyhound racing at Border Park as large numbers of both race-day patrons and participants entering greyhounds in Tweed race meetings will make the trip across the border to continue their sport. The added pressure that will be placed on Border Park Raceway by this surge in demand from the displaced Gold Coast greyhound enthusiasts will be immense, and cutting the number of race days at Border Park will only increase pressure on the raceway and its ability to cater for its patrons.

The Tweed is not the only electorate where the greyhound racing industry has faced enormous cuts. My Nationals colleagues the members for Barwon and for Murray-Darling also faced big slashes to the racing calendars at their local greyhound tracks. Whilst neither Broken Hill nor Moree greyhound tracks ended up losing any of the race days originally proposed by Greyhound Racing New South Wales, the Tweed lost 10 race days, which have been gifted directly to the Dapto raceway in the Illawarra. As things currently stand at Border Park Raceway, approximately 25 per cent of all race participants come from Queensland.

As I understand it, the primary concern of Greyhound Racing New South Wales was the potential for an increased amount of prize money to leave New South Wales and go to Queensland. While at face value this may be a valid point, it is clear that Greyhound Racing New South Wales has not given any consideration to the huge potential increases in revenue and patronage that these displaced Gold Coast residents will bring to New South Wales at Border Park as a result of losing 104 of their own race days because of the closure of their old track. The lack of vision shown by Greyhound Racing New South Wales chairman, Percy Allen, and chief executive officer, Brent Hogan, is extraordinary.

Simple economics dictates that if an organisation is trying to foster the growth of greyhound racing in New South Wales, it would be foolish to purposely reduce the number of race days when demand is set to increase rapidly. Brett Hogan's statement that cutting race days at Border Park would better reflect demand for greyhound racing is absurd. Cutting race meetings at Border Park and granting them to Dapto, which is hundreds of kilometres south of my electorate, in no way, shape or form reflects the huge demand for greyhound racing on the New South Wales North Coast, nor the increase in demand that is set to be experienced in Queensland as a result of the closure of the Border Park racetrack.

Border Park provides not only a service to its many patrons but also a means of employment for many Tweed residents in hospitality, cleaning and gambling facilities. This ill-conceived strategy means not only that Border Park will lose 20 per cent of its race days but also, ultimately, that the staff who work at the track will lose 20 per cent of their working days and therefore 20 per cent of the income they count on to get by. This decision by Greyhound Racing New South Wales Chairman Percy Allan and Chief Executive Officer Brent Hogan is unnecessary, and clearly little thought has been put into it.

The arguments put forward by Greyhound Racing New South Wales are dubious at best, and nothing said or presented to me by the organisation at the meeting I attended at its headquarters indicates to me that cutting race days in the Tweed would better reflect the demand for greyhound racing or provide any benefits to my electorate. Border Park Raceway is one of the State's most successful regional greyhound racing tracks, and Secretary Steve McGrath does a fine job in overseeing its operation. However, there is simply no logic in slashing the number of days the raceway is permitted to operate.

I urge the Minister for Gaming and Racing, the Hon. Graham West, to look into this matter and act to prevent the Border Park facility from being put on the chopping block to cater for other raceways. The organisation that owns the racetrack is about to sell five hectares of its land, and that will generate another \$5 million. The organisation has visions of using its own money to put in a sand-based track, which would further enhance the sport of greyhound racing. Once again, I am 100 per cent for the Tweed.



Greyhound Racing Industry

Greyhound Racing Industry

Extract from NSW Legislative Assembly Hansard and Papers Tuesday 4 March 2008.

GREYHOUND RACING INDUSTRY

Page: 5755

Mr KEVIN HUMPHRIES (Barwon) [1.18 p.m.]: I refer to the greyhound racing industry in New South Wales, particularly country New South Wales. The member for Cessnock might want to stay in the Chamber to listen. If horseracing is the sport of kings then greyhound racing is the sport of the people. Two weeks ago I was invited by the Moree Greyhound Racing Committee to attend its track meeting, which was very handy because it was only 300 metres from where I live. I pay tribute to Terry Wilson, the president, and Veronica, his hardworking wife, who is also the secretary of the club. I also pay tribute to committee members Sam Sabine, Gay and Bobby Moore, Larry Price, May Townsend and Bob Mumford.

I have also had contact with those associated with another racetrack in my electorate at Coonamble. My good friend Rolley has some connections with the Rooty Hill Returned and Services League Club, which provided significant sponsorship for the running of the Country Cup, which is one of the largest country greyhound race meetings in Australia. I also pay tribute to bookmaker Terry Picone. The Picone family has had a long bookmaking history in New South Wales and it supports that venue extremely well.

Moree attracts trainers from Goondiwindi, Inglewood, Inverell, Narrabri, Baan Baa and Barraba. Some of the trainers of note are Gary and Bobby Moore, Neil Dalison, Helen Ayre, Bob Mumford, Peter Rice from Goondiwindi—who is south-west Queensland's most successful trainer—Barry Russell, the Sutton family, Merv Pratt, Elwyn Kahn, Philip McMurray, David Rose, Harold and Barbara Keelin, Mel Suckling, May, Maude and Mandy Townsend, Hunter Wilson, Jane Milgate, Col Walker, Glen Aulhouse, John Holsweld, Shane White and Wayne Robinson. I have read out those names because the greyhound racing fraternity in and around Moree is very much a family and part of the social fabric of our community. Traditionally, the club has run 26 race meetings each year—one every fortnight. That caters for racegoers in my electorate and from across the border in southwest and central Queensland.

Recently Greyhound Racing New South Wales conducted an audit and demand study for racing in New South Wales. My concern and the concern of other country members—including the members for Murray-Darling and Tweed—is that it has been recommended that race meetings at Moree be reduced from 26 to 20 and at Coonamble from 20 to 15 a year. That is unacceptable. **The fact that the study was conducted without any thought or consideration being given to distance and isolation is an indictment of the way that it was undertaken.** One of the study benchmarks was to rationalise racing catchments to 150 kilometres or a comfortable two-hour drive to the next nearest racetrack. There is no greyhound racing track within 150 kilometres of Moree—the nearest would be about 250 kilometres away—and it is certainly not a comfortable two-hour drive to another track. The Moree club services a wide area and we must maintain that facility in our area.

Bob Whitelaw, who represents the Metropolitan and Country Dog Trainers and Handlers Association, said regarding the proposed allocations of non-TAB dates for the 2008 financial year that his members feel that **if this draft proposal is put in place it will be the death of the greyhound racing industry in country New South Wales** and eventually it will flow through to the city. Greyhound Racing New South Wales is perceived as an independent body charged by the 2002 Act to represent, fund and control the commercial operation of the greyhound racing industry in this State. It was created with the express purpose of enabling the greyhound industry to go forward and not for a select few.

The fact that greyhound racing spends 44 per cent of its total income on administration needs to be looked at. Country races should not be sacrificed because of administration expenses and the conversion of non-TAB to TAB-based meetings. Moree averages eight races a fortnight, involving between 60 and 70 dogs, and pays out more than \$100,000 in prize money. It is still profitable and the club looks after the gate and the bar. It has a great relationship with the racing fraternity and it should be supported. I have met with the Chief Executive Officer, Brent Hogan, and I am working with the Moree and Coonamble clubs to draft a submission to the board. We hope to meet with the board on 1 April and eyeball its members on maintaining the industry. Country greyhound racing should be supported and not administered according to economic rationalist theory.



Country Greyhound Racing Clubs

Country Greyhound Racing Clubs

Extract from NSW Legislative Council Hansard and Papers Thursday 3 April 2008.

COUNTRY GREYHOUND RACING CLUBS

Page: 6381

The Hon. CHRISTINE ROBERTSON [5.05 p.m.]: I want to place on record concerns about greyhound racing in New South Wales, particularly regarding country greyhound racing clubs. Recently there have been many stories in the rural media, especially relating to my duty electorates of Barwon and Tamworth, about grave concerns that country greyhound racing clubs are losing out to city clubs and even to other country clubs. Two clubs in the Barwon electorate, Moree and Coonamble clubs, stand out as being disadvantaged by a decision by Greyhound Racing New South Wales to reallocate race dates. Moree Greyhound Racing Club has been threatened with the loss of 6 of its annual allocation of 26 racing dates and Coonamble faces a reduction from 20 to 15 dates a year. This is an ongoing saga. Race dates are vital to the viability of country greyhound clubs. A reduction in the number of race dates has contributed to the demise of a number of clubs in the past five years—Albury non-TAB club, Orange non-TAB club, Moss Vale non-TAB club, Wyong non-TAB club, Singleton TAB club and, as my colleague the member for Cessnock, Kerry Hickey, mentioned recently in the other House, Cessnock TAB club.

The Moree Greyhound Racing Club and the New South Wales Greyhound Racing Clubs Association approached me in their pursuit of a more just distribution of race dates. I have a great deal of sympathy for their cause, as I have been involved in lobbying for country greyhound clubs for many years as a Country Labor member, and prior to my election to Parliament in 2003. I well understand that country greyhound clubs are run for the most part by volunteers, with trainers racing their dogs for sport and not for the modest prize money available at the non-TAB clubs. It is a social sport the whole family can be involved in, without needing a lot of money to do so. Although it costs some money, people do not have to be rich to participate. Greyhound racing is a community sport that provides entertainment and fun for rural towns such as Coonamble and Moree, as well as Broken Hill and Tweed, which have faced a loss of race dates. A critical minimum of race dates is required for greyhound clubs to operate under the regulations of Greyhound Racing New South Wales. If that number is reduced, many clubs will not be viable.

In a sport where administration costs are high, small clubs, with their limited number of race dates, are on tight budgets. The big clubs, such as Dapto, Nowra and Bathurst, have the money and patronage to keep them profitable. Often they are the clubs soaking up the dates and the dollars. A number of years ago when the legislation was reviewed and reformed I assisted country greyhound clubs. That process saw country clubs adhering to very strict regulatory conditions at the risk of losing their licences. Many of them worked very hard to comply. The goalposts keep being moved. Today there are reports of a backdown from Greyhound Racing New South Wales on cutting some of the race dates at Moree, Coonamble and Broken Hill greyhound clubs. That is welcome news. However, I call for a thorough independent review of greyhound racing in New South Wales, particularly Greyhound Racing New South Wales and its board of management. That body has an imperfect structure, otherwise clubs would not be falling over. There is a widely held perception that board members favour their own clubs in reallocating race dates. Whether that is true or not, only an independent review can remedy the deeply held mistrust in the board, particularly among non-TAB country New South Wales greyhound clubs.

Recently I discussed the situation with the Minister for Gaming and Racing, Graham West, and I believe he is considering it. I am not the only Labor member in this House who has worked hard on this issue for a considerable time; the Hon. Amanda Fazio has also worked very hard on behalf of those who have contacted us seeking assistance. It is very concerning that a structure originally set up to receive input from the industry, to represent the industry in making regulations and conditions, and to share the spoils has become what would appear to be incredibly insular and is looking after only the individual clubs that are represented on that board. This is an incredibly unfortunate situation. This group of people is playing some sort of game on both sides of the political fence. More importantly, it is very distressing for the persons whose livelihood and fun is based on a sport that is endorsed by the people of New South Wales. It must be defended at all costs.



Kempsey Greyhound Racing Club

Kempsey Greyhound Racing Club

Extract from NSW Legislative Assembly Hansard and Papers Thursday 21 October 1999.

KEMPSEY GREYHOUND RACING CLUB

Mr STONER (Oxley) [4.34 p.m.]: I draw to the attention of the House the threat by the Greyhound Racing Authority to close country greyhound racing tracks, in particular the Kempsey Greyhound Racing Club. The authority's plan seems to be economic rationalism at its worst again affecting country towns. Recently this House debated a motion about banks and branch closures; this plan by the Greyhound Racing Authority will result in the closure of approximately 10 country greyhound racing clubs.

The disturbing issue is that not all clubs have been targeted and asked to show cause why they should not be closed. This process has not been totally fair. The 10 clubs in question have been asked to show cause, produce figures and meet with the Greyhound Racing Authority to try to justify their continued existence. I wrote to the Minister for Gaming and Racing about the fear these clubs have expressed about their possible closure.

Unfortunately, the Minister has washed his hands of the matter. He has done a Pontius Pilate and said this matter is the responsibility of the Greyhound Racing Authority.

The Kempsey Greyhound Racing Club under the management of its president, Alan Thoroughgood, and through its members, has run an efficient operation. It is a viable club; it has not carried losses throughout past financial years, unlike many of the other clubs that have not been targeted in this review. The club is supported strongly by the Kempsey and Macleay communities; in fact it is supported across the mid North Coast. The club does not hold race meetings every week - unlike some of the bigger clubs, which again are those that carry debts - because it targets the needs of the Kempsey area.

However, that is certainly not a reason to pinpoint it for review by the Greyhound Racing Authority. Policy measures like this deserve to undergo a social and economic impact study, particularly when country towns are affected. The University of New South Wales released the results of a recent study that shows country towns are amongst the most disadvantaged in New South Wales - indeed, in Australia - in terms of impact to the greyhound racing industry. Country tracks and clubs like the Kempsey Greyhound Racing Club are a breeding ground for the State's industry. Certainly many champion dogs have come from country towns where breeders have the facilities and know-how to breed and train these dogs.

Many retirees in country town breed and train dogs as a hobby. To take that pleasure and social activity from country areas would be a socially unfair move. Trainers, owners, punters from across the North Coast and the State come to Kempsey and help to boost the economy. They spend money having meals in town, buying petrol and even staying the night. Certainly closing the local greyhound racing club on the back of the closure of the King Gee factory, which was the subject of a debate in this House recently, would be another unfair move and would take away another economic spinner for the Kempsey and Macleay economies.

I have presented a number of petitions signed by hundreds of patrons of the Kempsey Greyhound Racing Club. On behalf of the community of Macleay and the Kempsey Greyhound Racing Club I therefore implore the Minister to intervene. I challenge Country Labor to place on record its position about the closure of country greyhound racing clubs. Let us see what it can do.

Page 1860

Mr FACE (Charlestown - Minister for Gaming and Racing, and Minister Assisting the Premier on Hunter Development) [4.39 p.m.]: A strategic plan released by the Greyhound Racing Authority in August last year identified the need for some rationalisation of greyhound racing clubs in the post-TAB privatisation era. In this regard the Greyhound Racing Authority recently considered a report from its special projects officers on the proposed rationalisation of the New South Wales greyhound racing industry.

The authority subsequently issued show cause notices to 13 clubs, of which Kempsey was one. Clubs wishing to avail themselves of the opportunity to show cause were invited to address the authority at a special meeting held last month. A 14-day extension has been granted. Clubs that have been requested to show cause and subsequently do not apply for renewal of registration or clubs that fail to gain renewal of registration after a show cause appearance will be afforded the opportunity to discuss with the authority the possibility of maintaining their racecourse for the purpose of conducting a gymkhana, trial track and training facility.

The authority will also receive and consider submissions from clubs seeking a subsidy to assist their operational

costs in providing these facilities for local participants. The authority has indicated that as a result of the planning rationalisation process the remaining country clubs will receive additional funding, which will place them in a position to increase the level of prize money. This should benefit the increased number of people participating in the greyhound racing industry in New South Wales.

Honourable members will recall that the legislation to restrict the Greyhound Racing Authority that passed through the spring session of Parliament last year included special provisions to make the authority no longer subject to the direction of the Minister. The other side of the Parliament voted, quite rightly, that the Minister should not involve himself. I will not go back to the days of the old Country Party and the National Party. This is the proper statutory authority, more independent now than ever. Tonight members opposite have asked me to interfere in that process. I will not do it. In the past members of the Coalition were the worst offenders. They sent clubs broke. They are hypocrites.



Cessnock Greyhound Racing Track

Cessnock Greyhound Racing Track

Extract from NSW Legislative Assembly Hansard and Papers Tuesday 9 May 2006.

CESSNOCK GREYHOUND RACING TRACK

Page: 22796

Mr KERRY HICKEY (Cessnock—Minister for Local Government) [5.42 p.m.]: The Cessnock greyhound racing track is 79 years old. It is the second oldest track in the country and the lifeblood of dishlickers in the Cessnock area. Sadly, 47 days ago the governing body, Greyhound Racing New South Wales, told Cessnock track officials that it plans to axe TAB meetings at the track from 1 July. That is disgraceful. If the board believes that the track is not viable and it must be closed, the Cessnock showground will be sold and the profit will go to charity. If the track loses its TAB status, the local community will lose the facility. **The Cessnock track is one of the biggest TAB earners in country greyhound racing, but the board is planning to move the race dates to a track that is not as profitable—in fact, it is losing money. This is a poor decision.**

The chairman of the board, Mr Percy Allan, has just completed a report about the financial sustainability of councils across New South Wales in which he suggests running them as businesses. If that is his position, why is he supporting the closure of a viable business and moving the race dates to a track that is not viable? The board should reconsider what it is doing. Greyhound Racing New South Wales has been forced to dump 96 race meetings. I understand why it is rationalising, but why do it this way? It just does not add up; it is not good business.

According to official figures, no other non-metropolitan greyhound racing venue comes anywhere near Cessnock's appeal as far as the punting dollar is concerned. At the close of nominations last Monday the Cessnock club had received 156 entries compared to its neighbouring track, The Gardens, which had 92. That demonstrates the loyalty of those involved with the Cessnock track. Anyone who read the article about the track in the *Sunday Telegraph* would have noted the passion voiced at Cessnock. The facility, which is located at the sports ground, is the largest greyhound track in operation. It has an 8.41 metre radius and is claimed to be the greatest greyhound racing track in the country.

To appease the board the Cessnock club has just spent \$120,000, which was provided by the board, on kennelling facilities, but the race dates are now being moved. I am concerned about the threat to this community facility, which will be lost because of a board decision. It could be argued that the decision to rationalise the industry, which was based on a business case, is inappropriate. A subcommittee comprising three board members was formed to examine the rationalisation and it reported back to the board, which has six members. The procedure appears to be unfair and unjust. It should be re-examined taking into account social responsibility and social facilities. Such a profitable and effective club should be supported. **The only difference between the Cessnock club and the other clubs is that the Cessnock club is independent; it is not a member of any association. That concerns me. It is making money—it is the biggest money taker in country New South Wales—and it is doing very well. I ask the board to reconsider this decision and to address this anomaly.**



Cessnock Greyhound Racing Track

Cessnock Greyhound Racing Track

Extract from NSW Legislative Assembly Hansard and Papers Wednesday 14 November 2007.

CESSNOCK GREYHOUND RACING TRACK

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Mr KERRY HICKEY (Cessnock) [5.23 p.m.]: I bring to the attention of the House the impact the board of Greyhound Racing New South Wales has had upon the community of Cessnock. The greyhound track at Cessnock has been reduced to non-TAB race meetings because of a personality issue between the board and the local club. That will have a devastating impact upon this community asset. Months after allocating hundreds of thousands of dollars to upgrade facilities, the board of Greyhound Racing New South Wales resolved not to allocate racing dates to the non National Coursing Association Limited and the non Greyhound Traders, Owners and Trainers Association track at Cessnock. Cessnock was arguably the most successful TAB track in terms of betting turnover. When greyhounds were racing at Cessnock the greyhound percentage of the TAB turnover was 17.5 per cent. However, since the closure the TAB turnover has dropped to 15 per cent.

The Cessnock greyhound track was financially sound. The TAB takings were high and all the functions were going swimmingly until the racing authority decided to take the TAB days off the track. The board now claims that the only way the greyhound track can get its TAB days back is to pay court costs to the board. That is not sound business. If greyhound racing is to survive the board needs to look at it from a business perspective, not a personal one. The reasoning behind the removal of the track is the propping up of The Gardens establishment, which was running at a loss. The question must be asked: What people in their right mind would close down a financially sound track, with more nominations than could be raced, which was of major benefit to the community of Cessnock? The Gardens has been given millions of dollars to prop it up. When the board decided it needed more help, it closed Cessnock. To my mind that is not good business sense, nor was it a rational decision.

The board of Greyhound Racing New South Wales comprises two warring factions: the National Coursing Association Limited and the Greyhound Traders, Owners and Trainers Association. The two bodies appear to take advantage of the changes in industry, and independent tracks such as Cessnock have not received racing dates or funding. Many have been closed. We need to look at the way the funds are allocated through the National Coursing Association Limited and Greyhound Traders, Owners and Trainers Association. The funds should be dispersed in prize money instead of being used to fund the management infrastructure of these two private bodies. This problem needs to be addressed. Who is the chairman of the board? Mr Percival Allan.

This is the same man who is screaming that there is not enough infrastructure funding going to councils, the same person who is helping councils to invest their money into higher risk investments and losing tens of millions of dollars. The same person who prepared a report into local government at considerable cost and told them they were in financial difficulties. Yet he makes judgments on greyhound tracks that must be based on personality, not on financial decisions and not in the best interests of communities, and invests millions of dollars into an unfinancial greyhound track that has to be propped up with funding, to the detriment of the industry.

Mr Percival Allan is constantly on paper beating up business with local government. We already know about the financial crisis and about infrastructure; we have been raising it for quite some time. In the *Sydney Morning Herald* last Tuesday, in an article headed "Time to face financial facts" Percival Allan again raised the issue of the \$6.3 billion infrastructure backlog. Mr Allan's constant media focus on the financial viability of councils and the way he seeks more work for his consultancy concerns me. One must wonder what his self-promotion is all about. I quote from the article in the *Sydney Morning Herald*:

Naturally, we would like to help those councils that on a desktop analysis don't pass the sustainability test do a more in depth review to more accurately gauge the situation and come up with a long-term strategy for dealing with it as Newcastle Wollongong, Albury and the Great Lakes Council have done.

That is self-promotion. Councils should be looking at how they should address the situation. Do they need another consultant who wants to line his pockets with ratepayer's money? Mr Percival Allan is promoting himself as a guru for local government when, in fact, he helped run the Treasury for years. He created the long-standing problem of money coming from the State sector. People need to be financially switched on. That is what Mr Percival Allan is saying about local government, but in the next breath, as Chairman of Greyhound Racing of New South Wales, he wants to make decisions that will ultimately affect the financial situation and the longevity of the industry. If all the small country tracks are closed down, how does a greyhound prepare itself for a major race? I have not been involved in the greyhound industry—I do not even bet—but I do understand that tracks are needed across New South Wales to allow dogs and dog owners access to the industry. Without those tracks there will be no industry.



Cessnock Greyhound Racing Track

Cessnock Greyhound Racing Track

Extract from NSW Legislative Assembly Hansard and Papers Wednesday 28 November 2007.

CESSNOCK GREYHOUND RACING TRACK

Page: 4620

Mr KERRY HICKEY (Cessnock) [5.23 p.m.]: As members of Parliament we must take all reasonable steps to declare any conflict of interest between our private financial interests and the decisions in which we participate when executing the duties of our office. This is done by declaring our interests on the disclosure register of the relevant House, by declaring our interest when speaking on the matter in the House or in a committee, or by declaring our interest in any other public, appropriate manner. A conflict of interest does not exist when a member of Parliament is affected only as a member of the public or as a member of a broad class. This code of conduct, which applies to all members of Parliament, delivers transparency.

There needs to be transparency also when boards are dealing with public assets, such as greyhound tracks, across New South Wales. This issue affects the entire industry and the broader community. I brought to the attention of the House on 7 November and on 14 November the issue of financial management by councils and the attitude of Greyhound Racing New South Wales to independent tracks across New South Wales. My case in point is the Cessnock greyhound track and its treatment by Greyhound Racing New South Wales. If one trawls the website of Percival Allan one discovers that Percy Allan and Associates was established in 1996. The website goes on to say that Percival Allan undertakes most assignments on his own but uses the services of specialist associates and Mediate Today where necessary. When one considers the work that Mr Percival Allan has done on council financial management one can see that Review Today has a big impact on that work.

If people visit www.reviewtoday.com.au they will notice that Mr Percival Allan is the chairman and research director who examined the sustainability of New South Wales local government and Mr Bob Gaussen is the managing director and a leading provider of alternative dispute resolution services. The website states that Review Today Pty Ltd provides multidisciplinary services to the local government sector, looks at local government infrastructure finances and identifies its funding needs. The company brings together managers that form a unique consortium of leading consultants. They give economic and financial advice, with Mr Allan coordinating and preparing the findings in respect of each council. It is apparent that these two men have a very close relationship working at Review Today, and are confident about fixing the financial crisis in local government by investing in the financial sector.

So why am I raising this issue again today? It has been brought to my attention that Mediate Today was involved in mediating between Cessnock greyhound track and Greyhound Racing New South Wales. Who is the featured mediator at Mediate Today? It is Mr Bob Gaussen—the same person who works with Mr Percival Allan, the Chairman of Greyhound Racing New South Wales, on Review Today. On 7 November I stated that Professor Allan—who claims that councils are on the brink of financial ruin—was the same Professor Allan who was reported in the *Daily Telegraph* last month as having directed councils to make risky investments associated with the sub-prime mortgage market. Councils and ratepayers have good reason to question Review Today's relationship with the local government sector and Grange Securities, a central player in the sub-prime mortgage meltdown. It is estimated that councils could lose tens of millions of dollars as a result of risky investments in the financial products provided by Grange Securities, which is a company used by Professor Allan's Review Today.

I wonder whether the House finds it strange that Review Today is the same company that Mr Percival Allan uses when undertaking work for the local government sector. He has used Mediate Today while chairman of Greyhound Racing New South Wales and has strong business ties with the featured mediator, Mr Bob Gaussen. It is not unusual for boards to go to companies for financial and mediation advice. But seeking advice from business associates, and thereby possibly gaining financially, may be perceived as a conflict of interest. But the situation gets worse: it is reported that the National Coursing Association, which benefited from the closure of Cessnock greyhound track, is now in financial crisis. This crisis exists because the board subsidised the gardens to the tune of many millions of dollars. It is reasoned that the Cessnock track had to be closed to all but non-TAB race meetings in order to prop up the Gardens and complex. We must ask where the board is getting its advice and who is providing that advice. We must ensure that the process is transparent. All parties should declare their interests, as occurs in this place.



Cessnock Greyhound Racing Track

Cessnock Greyhound Racing Track

Extract from NSW Legislative Assembly Hansard and Papers Tuesday 26 February 2008.

CESSNOCK GREYHOUND RACING TRACK

Page: 5408

Mr KERRY HICKEY (Cessnock [1.05 p.m.]: I draw attention to the board of Greyhound Racing New South Wales and the way in which it has been conducting business throughout the industry since it was established. The board comprises different association representatives from across the industry who are keen to ensure their association gets a fair deal from Greyhound Racing New South Wales. This is where the Cessnock Showground Society failed as it was independent of any association, financially sound and not reliant on the board.

When one looks at the money that has been distributed to clubs such as Birmingham Gardens, which is owned by the National Coursing Association [NCA], and the Maitland track, which is owned by the Greyhound Breeders, Owners and Trainers Association [GBOTA], one quickly realises that Cessnock was always going to be treated in this way. Last financial year the money distributed to the Birmingham Gardens complex totalled \$267,860 and the money distributed to the Maitland track totalled \$65,422. Greyhound Racing New South Wales paid Sky Channel \$199,959 in compensation for not allowing Cessnock to race greyhounds, and it has spent a total of \$533,241 propping up industry in the Hunter since the closure of the Cessnock track.

The National Coursing Association struck a deal between Tabcorp and Sky Channel that will have severe ramifications across industry well into the future, that is, because \$2.1 million was owed to Greyhound Racing New South Wales for the garden complex and the loan was extended on a number of occasions. The National Coursing Association is about to obtain another \$1.5 million loan from Greyhound Racing New South Wales, but that is conditional on the sale of office space in Sydney. In light of this, the showground society at Cessnock has been told that it will receive back its TAB dates when it pays a bill of \$250,000 for the court case involving *Cessnock v Greyhound Racing New South Wales* because of the inequities of the board's decision to take the TAB dates off the Cessnock course.

One question that must be asked is: Why are the board and Mr Perceval Allan, the independent chair, running this industry in such a discriminatory and biased way? It is apparent that Greyhound Racing New South Wales is hell-bent on looking after two associations—the National Coursing Association and the Greyhound Breeders, Owners and Trainers Association. Other questions that must be asked relate to fairness on all independent tracks in New South Wales. If Cessnock cannot operate for \$250,000 how can Birmingham Gardens operate for \$2.1 million when it did not meet its initial contract with Greyhound Racing New South Wales?

It is time for the Minister for Gaming and Racing to step in and sort out this issue. The board controls millions of dollars across New South Wales and it is spending money like a drunken sailor looking after its association and the supposedly independent chairman of the board, who is busily building his empire and enabling the growth of his business associates. Currently there is a proposal to take dates off the independent tracks at Moree, Coonamble, Coonabarabran and Appin, which is affiliated with the Greyhound Breeders, Owners and Trainers Association, which is quite ironic as the Appin track is run by Mr Chris McKay, secretary of the Cessnock track when the TAB dates were taken off.

Tracks such as those at Young, Dapto, Gunnedah and Tamworth have not been touched. Debbie Priest, who is involved at the Young track, just happens to be on the board of Greyhound Racing New South Wales. Mr Jeffrey Rose, who is involved at the Gunnedah track, is also on the board of Greyhound Racing New South Wales. And surprise, surprise, Mr Jack Primer, who is also on the Greyhound Racing New South Wales board, is involved at Dapto, which received 26 non-TAB racing dates in this proposal. It would have been much fairer to spread those dates across all tracks, such as Cessnock.

Tamworth is also aligned to the National Coursing Authority, so to touch it would be a sin by the Greyhound Racing New South Wales board. The Cessnock association raised in court issues of conflict of interest with Greyhound Racing New South Wales and that it looked after its associated members ahead of independent tracks. It seems that the Greyhound Racing New South Wales board has learned nothing from the court case and is making all its decisions for the benefit of the two major associations. Mr Perceval Allan, chairman of Greyhound Racing New South Wales, should hang his head in shame for the way this proposal is being pushed through the industry. It is very clear that the board is loaning money and also the way that TAB dates have been distributed. This is being done at the expense of the industry as well as independent tracks and is not in the best

interest of the industry. Anyone wanting their club to get ahead needs to be on the Greyhound Racing New South Wales board and their club will be looked after.

I need only hark back to previous speeches about Cessnock track and TAB takings that have fallen away since closure of the track. It is time that the Greyhound Racing New South Wales board explained clearly to interested people in the greyhound racing industry why these decisions have been made because the whole industry regards these decisions as being only in the interests of associated members of Greyhound Racing New South Wales. I call on the Minister for Gaming and Racing to look at the issues I have raised and will continue to raise.
[Time expired.]



Cessnock Greyhound Racing Track

Cessnock Greyhound Racing Track

Extract from NSW Legislative Assembly Hansard and Papers Friday 20 June 2008.

CESSNOCK GREYHOUND RACING TRACK

Page: 8988

Mr KERRY HICKEY (Cessnock) [2.00 p.m.]: I again bring to the attention of the House the issue of greyhound racing in New South Wales and, in particular, greyhound racing in the Cessnock area. Previously I have very pointedly raised the issue of greyhound racing in Cessnock because I am very concerned about the future of greyhound racing in New South Wales. The current board of Greyhound Racing New South Wales closed down the Cessnock track, turned it into a trial track, and transferred meeting dates to the Gardens track at Newcastle, which is owned by the National Coursing Association.

The National Coursing Association has met financial difficulty in repaying loans granted to it by Greyhound Racing New South Wales to the extent that it has had to sell its property at Lidcombe to meet its debts. The National Coursing Association was given numerous extensions over a long period to repay its debts. As I have pointed out several times in previous speeches, Mr Richard Zammit was a member of the Greyhound Racing New South Wales board representing the National Coursing Association. He recently resigned. I have been informed that his reason for resigning was a conflict of interest which caused him to be excluded continuously from sections of board meetings when National Coursing Association issues were being discussed, particularly the Newcastle track known as the Gardens complex. This raises the questions: Was Mr Mangofas excluded when the board discussed tracks such as Maitland, and were independent members of the board excluded when discussing independent tracks?

When the Greyhound Racing New South Wales board was set up by Steve Rosier the structure provided for two Sydney metropolitan clubs to be members. But since the National Coursing Association sold its race dates at Wentworth Park there is only one metropolitan club, the Greyhound Breeders, Owners and Trainers Association [GBOTA]. Why is it necessary to have a representative from the National Coursing Association on the board when its original structure was to represent only two metropolitan clubs in the Sydney area? The other issue is: **How can one association sell or organise the sale of race dates to another association? I cite the example of the National Coursing Association selling dates to the Greyhound Breeders, Owners and Trainers Association without the Minister or department being involved. Does that not create a problem in its own right?**

One must ask how the National Coursing Association has been allowed to get into its current financial position. How much money has been allocated from the industry to the National Coursing Association for the Gardens complex? How much did the National Coursing Association lose on the sale of the offices that it owned at Lidcombe? How will the National Coursing Association repay money to the industry, considering it is the industry's money, when the Garden complex constantly is being propped up, requesting money from industry, and is involved in a losing proposition through its association with the Gardens at Newcastle? One must query the business reasons for shutting down independent tracks that are owned outright, are not costing Greyhound Racing New South Wales one cent, and are supporting other tracks, such as the Gardens complex, that impose on the industry for quite a large chunk of its profits, time and money.

The questions I have posed today regarding activities of the Greyhound Racing New South Wales have been directed to me by members of the Greyhound Breeders, Owners and Trainers Association and by members of the House. Members should be very careful about making comments in support of the Greyhound Racing New South Wales board. They should have regard to what has been happening in the greyhound industry and to the absurd decisions that have been made at the expense of the training and betting sectors of the industry and average owners of greyhounds. I have had conversations with George Bautree as well as the former and current Ministers for Gaming and Racing, but to date I have not been given a reasonable excuse for shutting down the Cessnock track.

I have outlined just some of the issues that the members of the Cessnock Showground Society have been raising with me for quite a few years. To be quite honest, I would not allow the Greyhound Racing New South Wales board to run any business that I have anything to do with. My principal reason for that would be that, under the leadership of Percy Allan, the board shut down the most profitable country track and reduced it to a trial track, but gave no reason for doing so. To demonstrate the high regard in which the Cessnock track is held by the greyhound industry, the Cessnock Showground Society has been holding trials at the track. So many nominations were received that the trial times had to be extended. What were the prizes people were competing

for? Petrol vouchers and bottles of wine!

The other issue that really needs to be investigated is that I am told the Greyhound Racing New South Wales board is trying to charge the Cessnock Showground Society interest on moneys owed in relation to court action. If that is true, has the industry charged the National Coursing Association interest on moneys it owed in the past? It is the board discriminating against the Cessnock Showground Society? Was the court case involving the Cessnock Showground Society not about conflict of interest? Was not conflict of interest the reason for Richard Zammit's resignation? I ask the Minister to treat all the issues I have discussed with the seriousness they deserve and provide me with a response as soon as is practicable.

Ms TANYA GADIEL (Parramatta—Parliamentary Secretary) [2.05 p.m.]: As a Cessnock girl, it would be remiss of me not to comment on the importance of the greyhound racing, particularly the Cessnock Greyhound Racing Track, to Cessnock. You can take the girl out of Cessnock, but you cannot take the Cessnock out of the girl! The member for Cessnock is a very fierce advocate for the Cessnock region and I consider him to be a very good friend. The Cessnock community is in very good hands with him as its representative. I reiterate that the greyhound track is highly valued by the people of Cessnock, and we have an interest in its continued operation.



Greyhound Racing Industry

Greyhound Racing Industry

Extract from NSW Legislative Assembly Hansard and Papers Wednesday 24 February 2010.

GREYHOUND RACING INDUSTRY

Page: 20872

Mr KERRY HICKEY (Cessnock [4.30 p.m.]): I again draw the attention of the House to greyhound racing in New South Wales and, in particular, to the problem facing the Birmingham Gardens complex at Newcastle. On 20 June 2008 I referred to this issue in a private member's statement in which I said:

One must ask how the National Coursing Association has been allowed to get into its current financial position. How much money has been allocated from the industry to the National Coursing Association for the Gardens complex? How much did the National Coursing Association lose on the sale of the offices that it owned at Lidcombe? How will the National Coursing Association repay money to the industry, considering it is the industry's money, when the Garden complex constantly is being propped up, requesting money from industry, and is involved in a losing proposition through its association with the Gardens at Newcastle? One must query the business reasons for shutting down independent tracks that are owned outright, are not costing Greyhound Racing New South Wales one cent, and are supporting other tracks, such as the Gardens complex, that impose on the industry for quite a large chunk of its profits, time and money.

On 24 January an interesting article appeared in *Dog Watch* entitled "Far from rosy at The Gardens". That article stated:

National Coursing Association President Murray Nicol has offered a frank appraisal of the bleak financial predicament at The Gardens.

It is understood GRNSW management will review the audit statements in March, with the express purpose of purchasing a track from the NCA and then leasing it back to them.

Predicted returns at the Newcastle complex have failed to materialise, resulting in a \$4.1 m bank loan becoming difficult to service.

"This whole project centred on secondary income and unfortunately a lot of evidence which was put before the NCA board was fraudulent," Nicol said.

"I was part of the decision-making process and I guess 70 per cent of me wanted to believe this would work.

But I guess something you wouldn't do as an individual, you do in the end for the industry.

Experts told us the registered club would pay for this; that has not happened. But does that mean greyhound racing should walk away from an \$8 m investment in one of the largest cities in the country?

I guess GRNSW management will come up with the best outcome and it will then go to the Board for discussion."

The Gardens dire financial concerns stretch back to the project's inception with accountants expressing concerns about cash flow in 2003.

On 31 January Mr Darren Witherspoon, President of the Cessnock track, was reported in another article in *Dog Watch* as follows:

President Darren Witherspoon has called on GRNSW to reinstate his club in light of the financial difficulties plaguing The Gardens.

"Show me where the consistency is", Mr Witherspoon said.

"They closed Singleton and Cessnock which were not costing industry a penny, and built The Gardens complex on the basis of fanciful reports.

The industry would be better off, if they just cut their losses and reopened Cessnock, like participants want."

Mr Percy Allan was warned that the gardens would not survive as on two previous occasions it had been in receivership. He would not listen then and it has now happened. The gardens still has its huge debt and

Greyhound Racing New South Wales is looking at bailing it out. One would have to ask: What happened to the millions of dollars the NCA had for the sale of its Wentworth Park dates? When the board took away the Cessnock dates for greyhound racing it was the third highest TAB holding in New South Wales behind Wentworth Park and Richmond. Who will be held accountable for the large industry debt and the servicing of that debt? Good, strong race meetings are being closed down to prop up bad financial decisions that are being made by the board of Greyhound Racing New South Wales, which has many critics.

One must ask: Who put forward that fraudulent evidence and will he or she be held accountable for doing so? When will the Minister wade into this argument and fix this industry once and for all? I have referred on many occasions in this House to greyhound racing, especially at Cessnock, and to the impact it is having on the Cessnock community, but my pleas have fallen on deaf ears. This industry continues to throw good money after bad and someone must be held accountable for its decisions. It is time to fix the industry and to ensure that these bad decisions are not made in the future. Many people on the board of Greyhound Racing New South Wales must be held accountable, and I call on the Minister to do so.