

INQUIRY INTO GREYHOUND WELFARE AND INTEGRITY COMMISSION

Organisation: Greyhound Welfare and Integrity Commission

Date Received: 27 July 2022

CONCLUDING SUBMISSION

I wish to make a final brief submission to the Committee seeking to cover some important relevant issues that the Committee needs to be aware of that we were not able to traverse during the Commission's appearance on the 30 June 2022.

This submission seeks to provide the Committee with an understanding of the challenges faced by the Commission in seeking to establish itself and deliver on its stated objectives.

Greyhound Racing NSW's relationship with the Commission

It is not unexpected that people associated with Greyhound Racing NSW (GRNSW) would be aggrieved by the creation of the Commission. It was to be expected that the creation of a government agency to regulate the welfare and integrity of the sport would have been viewed by those people as an unwelcome encroachment within their domain. The original funding model for the Commission, which has now been resolved, largely militated against the development of a cohesive working relationship.

In the face of this forced change and diminution of power, responsibility and span of control as a result of the creation of the Commission, a lack of wholehearted cooperation, a level of resistance and perhaps obfuscation could have been reasonably expected. However, almost from the outset the Commission has experienced a significant lack of cooperation and resistance.

In 2021, a senior member of GRNSW requested certain information from a then GWIC Steward regarding a participant registered by the Commission. Within thirty minutes of the former Steward providing that information to the senior member of GRNSW it, was aired on the 2GB/4BC Ray Hadley morning program.

In mid-2021, GRNSW conducted a telephone survey of 200 industry participants. The primary questions of the survey sought to gauge participant views regarding the performance of the Commission. Two months later, GRNSW conducted an industry wide online survey seeking similar information. GRNSW did not obtain the Commission's approval, nor did it advise the Commission of the surveys before they were undertaken.

As GRNSW has no legislative remit to oversee the conduct and performance of the Commission we can only assume that the surveys were a further attempt to obtain anti-GWIC sentiment to be used to undermine the Commission.

Valid requests by the Commission to GRNSW for information needed by the Commission to perform its functions have frequently been ignored by GRNSW, particularly relating to information concerning compliance with Minimum Track Standards. This obfuscation forced the Commission to recently direct that information be provided to it pursuant to requirements under GRNSW's operating licence.

For the past four years the Commission has found itself in a position of often defending itself from media attacks, a number of which appear, based on circumstantial evidence, to have been instigated or propagated by GRNSW.

Transitional Issues

The need to rapidly establish the Commission and minimise the impact to the industry of the transition necessarily, required the Commission to employ many staff from GRNSW. The concern raised that the Commission does not have staff that understand the industry is hard to reconcile given from the outset it employed 18 staff who had previously worked as stewards for GRNSW. Notwithstanding, the establishment of the Commission in this way produced some very adverse unintended consequences.

The most significant of these is that some staff moved across from GRNSW to the Commission were aggrieved about being effectively forced to move to the Commission. A small number of these former GRNSW employees, now employed at the Commission, continued to be actively critical of the Commission. This included providing selective internal information to external parties whose stated objective is to see GWIC abolished, in addition to raising allegations based on limited or selective information with the intent of undermining the Commission.

As was presented in evidence at the hearing on the 30 June 2022, over the past two years the Commission has embarked on a major restructuring of its operations with a view to improving its performance in regulating and supporting the sport. This restructuring has resulted in the displacement and disengagement of some staff and loss of amenity for others.

As much as the Commission has attempted to sensitively manage this restructuring, it is not unexpected that this forced change has aggrieved some current and former staff.

In my view this has resulted in a small number of staff lodging allegations in late 2021. These allegations were not initially managed by the Commission, but rather the Department of Customer Service, with preliminary fact finding inquiries conducted by an external investigative firm. I was informed of these allegations in late April 2022 and then conducted an investigation into the allegations relating to the Commission's Chief Executive Officer. Based on contemporaneous records and evidence provided by third parties, I found that these allegations were baseless. My draft report on the investigation was then peer reviewed by DCS Internal Audit.

Following the conclusion of my investigation, the Chief Executive Officer investigated the allegations relating to the Commission's Director, Race Day Operations & Integrity. He found that all matters were without foundation and were largely based upon either a lack of information/misinformation or a lack of understanding of public sector processes.

While the findings in my report did not create in my mind a reasonable suspicion that they concerned or may concern corrupt conduct (as defined in the ICAC Act), based on the nature of the allegations I anticipated that the campaign to destabilise GWIC was likely to continue and therefore on 16 June 2022, I provided copies of my full report to the ICAC and the NSW Ombudsman for their information and any action either of those organisations may deem appropriate.

On 5 July 2022, the ICAC wrote back to me advising that having regard to the action taken by the Commission, including the findings of the external investigative firm's initial review, the ICAC had determined that it would not be investigating the matters raised.

Unfortunately, I have been advised that while the responses to go to the persons who made the allegations were sent to the firm managing the DCS Integrity Hotline on 24 June 2022, those responses were not provided to those persons until 5 July 2022. From information made public on the Ray Hadley 2GB/4BC morning program, I assume that one or more of those people may have felt that they were left with no other recourse but to provide in-camera evidence to the Committee at its hearings on 30 June 2022 due to the inordinate delay in being provided with a response to their disclosures.

Conclusion

Clearly the establishment of the Commission has been met with a level of industry and, indeed internal, resistance. As is the case with forced change to long established practices, some within the industry are resistant to those changes, some strongly. However, in my opinion these are the few, and judging by the relatively few participants who gave evidence to the Committee at its hearings (compared the number who did so to the 2014 Select Committee hearings) a majority of them were people who have been the subject of disciplinary action by the Commission, or employees or relatives of such people. I believe that the majority of participants would understand the need for change and the benefits to them and the sport of doing so.

When one compares the evidence and submissions of participants and stakeholders made during the 2014 Select Committee into GRNSW and those made during the course of this inquiry, the level of concern about the Commission is much lower now. During the 2014 inquiry, evidence was given the relationship between GRNSW and participants was 'toxic'. That is certainly not the description participants have ascribed to this inquiry. Furthermore, the number of submissions to the 2014 inquiry (1076) when compared to this inquiry (88) provides further evidence that the level of concern regarding the Commission as controlling body is far less than it was eight years ago when GRNSW was the controlling body.

The ongoing failures to cooperate with the Commission displayed by GRNSW and its direct and indirect obstruction of the Commission in the discharge of its functions has, in my view, emboldened the relatively few participants in the industry that want to see a return to the GRNSW light touch regulation.

The original funding model for the Commission, together with the manner in which the Commission was established in utilising aggrieved former GRNSW employees, created almost insurmountable problems for the Commission. This has included those disaffected employees having an impact on the workplace culture within the Commission, some of which have been raised during the course of this inquiry.

Any reasonable assessment of the Commission's performance needs to be viewed in the context of these challenges. Despite this, the Commission continues to evolve and improve and, regardless of its detractors, the industry has done well, not only from a financial perspective but also a welfare, integrity and transparency perspective.

The Committee has heard suggestions that welfare and integrity functions be returned to GRNSW, mostly by those who want to see a return to light touch regulation and preannounced inspections. Nonetheless, given the findings of the McHugh Inquiry in 2015 and the 2014 Select Committee Report into GRNSW's regulatory capability, such suggestions are unfathomable. Given the Commission's experience in dealing with GRNSW, this would be retrograde step for the industry.

We note detractors of the Commission state that the Commission is 'driving participants out of the industry' and 'closing the industry by stealth'. The reality is that the facts don't support these propositions at all.

In 2020-21, **781** new participants entered the industry for the first time, more younger people are registering in the industry than ever before, breeding has increased by almost 30 per cent over the past four years from 3976 in 2018 to over 5000 this year. In addition, the Commission's customer service satisfaction survey results from the past 2 years consistently show satisfaction scores above 84 per cent (with an extra 5 per cent being neutral).

Clearly the detractors of the Commission will continue to deny the facts as they simply don't suit an anti-GWIC agenda.

Any fair, reasonable and objective assessment of the Commission would see through the personal agenda of the few and be more connected with facts pertaining the present health of the industry and the Commission's role in supporting the industry in achieving these notable outcomes.

The Commission has made significant progress towards its overarching goal to ensure the highest standards of welfare and integrity are at the heart of greyhound racing. The progress is measurable and relevant, the result of the strategic introduction of new policies and practices, always with the sustainability and prosperity of the industry in mind. The Committee is reminded that the Commission has only been in operation for four years, however in that time has delivered the following key achievements:

- The average rate of fatal injuries in the 2021-22 financial year was half that in the 12 months prior to the inception of the Commission
- Euthanasia of greyhounds for non-medical reasons has declined by 73 per cent since the Commission introduced the greyhound rehoming policy. More greyhounds than ever before are finding homes as pets in the community
- For the first time in industry history, the Commission can report how many people and greyhounds are engaged in greyhound racing, following extensive data cleansing
- Race officials are now registered by the Commission, a significant step in supporting the integrity of the industry
- An assessment program has been introduced for Trainers, Breeders and Attendants, ensuring that there are knowledge standards for these greyhound-handling roles
- The NSW Greyhound Welfare Code of Practice commenced on 1 January 2021 and sets the highest welfare standards in the country
- The Greyhound Racing Rules have been extensively reviewed, revised and consulted on (a continual process) to ensure they meet modern expectations of integrity and welfare
- Developed, and published on our website, a *Fit and Proper Persons* Framework to allow for greater transparency in what factors the Commission considers when an applicant applies for registration in the industry
- A Greyhound Industry Participants Advisory Council (GIPAC) has been established, to provide advice to the Commission on industry policies in addition to providing the Commission with performance feedback

- A Syndicates Policy has been introduced to make it easier for individuals to invest in greyhound racing without the need to be a registered participant; and
- We have implemented a world leading eTracking capability.

All this and more has been achieved by the Commission while maintaining the annual racing schedule through more than two years of Covid19, widespread bushfires and multiple major flood events.

In response to the evidence and submissions made to the Committee, the Commission has made substantial changes to its operational processes. These include:

- Development of a comprehensive Penalty Guideline, in consultation with key industry stakeholders, published on the GWIC website, which allows for greater consistency and transparency in disciplinary matters and ensures the Commission is accountable for the decisions it makes
- Development of new Kennel Inspection Protocols, setting out the circumstances when the Commission will conduct unannounced and announced inspections and when it will utilise body worn camera technology
- Implemented ongoing training of its On-Track-Veterinarians by leading industry veterinarians
- Decentralisation of its decision-making processes to be regionally based and more responsive
- Reduced legal complexity of its disciplinary processes.

The Commission is of the view that these enhancements to its operational processes will further improve the manner in which it engages with participants to efficiently and effectively regulate the industry.

The Commission is today more committed than ever to working collaboratively with the industry's key stakeholders and participants to secure the future prosperity of the industry through improved welfare and integrity.

Your sincerely,

Mr Chris Wheeler PSM
Acting Chief Commissioner
 27 July 2022