

Investigation into the **Darwin Greyhound Association**

FINAL REPORT

20 JULY 2021

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Executive Summary and Recommendations

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PREFACE

The Northern Territory Racing Commission (**Racing Commission**) and the Commissioner for Consumer Affairs each have a regulatory interest in the management and operation of the Darwin Greyhound Association Incorporated (**DGA**), pursuant to the *Racing and Betting Act 1983* (NT) (**Racing and Betting Act**) and the *Associations Act 2003* (NT) (**Associations Act**), respectively.

On 24 April 2020, the Chairperson of the Racing Commission and the Commissioner for Consumer Affairs determined to appoint an investigator to consider matters relating to the DGA's compliance with its various obligations, animal welfare standards, and other matters. Terms of Reference for the investigation were jointly signed that day.

On 5 June 2020, Hutton McCarthy was instructed by Licensing NT, within the Department of the Attorney-General and Justice, to act as the investigator.

This Report is the result of the investigation into the DGA's operations that followed.

Numerous investigations and inquiries have been conducted into the greyhound racing industry and its participants in other jurisdictions within Australia. Many were prompted, in particular, by the Australian Broadcasting Corporation's program *Four Corners* airing footage on 16 February 2015 of greyhound trainers using live animals for baiting greyhounds, or 'live baiting'.

This Report has drawn upon those earlier completed investigations and inquiries, where appropriate.

However, as can be seen from the Terms of Reference and from this Report, live baiting was not the focus of our investigation, nor is it believed to be a practice that is employed in the Northern Territory. Among the reasons for this is that most racing greyhounds in the Northern Territory are trained and kennelled at the racetrack at Winnellie Park, in view of the other greyhound trainers who reside at the premises, as well as DGA staff.

Rather, the focus of this investigation was to consider the validity of the concerns expressed by some trainers, members, and other industry stakeholders about the manner in which the DGA operates.

On 19 June 2020, the Chairperson of the Racing Commission released a media statement announcing the investigation, noting that there had been a '*series of complaints about the operation of*' the DGA. According to the Chairperson, the focus of this investigation required consideration of '*the complaints and ensuring the Association and the operations of greyhound racing meet industry and legislative requirements*'.

Among the complaints which had been received regarding the DGA was one submitted on 20 August 2018 to the Commissioner of Consumer Affairs, on behalf of concerned members, which identified nine separate grievances. Our sixth Term of Reference expressly required that we investigate the matters raised in the 20 August 2018 complaint.

Licensing NT had also received various correspondence from individuals similarly concerned about the operation of the DGA, prior to the announcement of this investigation.

At the commencement of our investigation, interested parties were invited to raise with us any matters of concern, relevant to the DGA and to our Terms of Reference, as they saw fit.

Several DGA members and other industry stakeholders availed themselves of this opportunity, and particularised their concerns in written submissions. Others too, wrote to us expressing support for the DGA and its leadership.

In considering the matters before us, and in responding to each of the Terms of Reference, we have endeavoured to prepare a Report that will improve the DGA, its Management Committee, and the Northern Territory greyhound industry more broadly.

The Commissioner of Consumer Affairs and the Racing Commission should be commended for their proactivity in commissioning this investigation, and for inviting scrutiny of their own practices.

It is our opinion that the current Racing Commission has provided greater oversight of the greyhound industry than any composition of that body before it, however there remain significant opportunities for regulatory improvement. This was recently underscored by the DGA itself determining to cease racing at Winnellie Park, citing concerns regarding the condition of the track, rather than the regulator doing so.

We wish to express our appreciation to all of the individuals and organisations who participated in this investigation, and especially to the DGA, the Racing Commission and the Chief Steward, who each responded to numerous requests for information, and were of great assistance to us.

1.

TERMS OF REFERENCE

The Terms of Reference for this investigation were jointly signed by the Chairperson of the Racing Commission and the Commissioner for Consumer Affairs, and are publicly available on the Racing Commission's website. They required the investigator, in accordance with the principles of procedural fairness, to do the following:

- i. investigate whether the DGA is operating their association in accordance with the Associations Act, appropriate governance and business practice and standards, and meeting obligations as set out in their NT Government funding agreement;*
- ii. investigate whether the DGA is compliant with building/construction, tenancy and other laws in relation to the DGA premises located at 15 Hook Road, Winnellie;*
- iii. investigate whether the greyhound industry in the Northern Territory has sufficient policies and procedures to ensure best practice animal welfare standards are being adhered to;*
- iv. investigate whether additional policies, procedures and guidelines are required for the DGA to meet their obligations under the Racing and Betting Act;*
- v. investigate whether the Constitution adequately addresses, and is consistent with, the greyhound rules;*
- vi. investigate specific claims with regard to a complaint dated 20 August 2018; and*
- vii. note any additional information that may be relevant to the regulation of greyhounds in the Northern Territory that is not addressed above.*

Further, the investigator was required to consider all available evidence; document the investigation; and, where there were contentious facts, a recommendation was to be made as to which evidence should be preferred, to provide reasons for preferring that evidence over other evidence.

The investigator was to 'complete a report on the findings of the investigation, including any recommendations and directions to the Management Committee of the DGA'.

The Terms of Reference authorised the investigator, as was necessary for the purposes of the investigation, to:

- 1. interview persons he/she considers necessary to carry out the investigation;*
- 2. access records in Licensing NT in relation to the matters relevant to the Terms of Reference; and*
- 3. seek any guidance required from time to time from the Commissioner for Consumer Affairs or the Chairperson of the Racing Commission.*

We utilised each of the above methods of gathering information during the course of our investigation, as is set out in Chapter 4 of this Report.

2.

EXECUTIVE SUMMARY

The greyhound industry in the Northern Territory has experienced a considerable growth in revenue in recent years, due to a concerted effort by the DGA to expand its racing offering, and consequently the product fee that it receives.

Appropriate governance practices and controls at the DGA have not kept pace, and nor has the regulatory oversight provided by the industry's controlling body, the Racing Commission.

The risk to the industry of seeking only to maximise its commercial viability is clearly demonstrated by the challenges encountered in other greyhound racing jurisdictions.

This investigation has not uncovered evidence of live baiting, or of fraud or widespread misconduct in Northern Territory greyhound racing. However, inadequate treatment of greyhounds was observed, particularly in relation to kennelling, as were unacceptably high rates of injury and euthanasia. Further, the jurisdiction conducts the fewest drug swabs as a percentage of starters, nationally, yet those swabs return the highest percentage of positive results: almost four times higher than that of the next jurisdiction.

In our view, the industry here must immediately put in place the necessary safeguards to protect the welfare of racing greyhounds, and to ensure the integrity of greyhound racing is maintained.

Adherence to animal welfare standards is a prerequisite for the success of the greyhound industry, its receipt of public funding, and it remaining the holder of a 'social license' to operate.

The Racing Commission is central to this task. It is empowered to do all things necessary or convenient to be done in connection with controlling, supervising, regulating, and developing greyhound racing. In the past 18 months, the Racing Commission has taken steps to improve its supervision of greyhound racing, such as investigating complaints concerning the DGA, and including the greyhound industry as a regular agenda item for discussion at its board meetings. Further steps must be taken if the Racing Commission is to properly discharge its statutory function.

We have made a number of recommendations intended to strengthen the supervision and regulation provided by the Racing Commission, though many of these changes will be ineffective unless additional resources are committed to the Racing Commission by the Northern Territory Government. Accordingly, this Report also makes recommendations in respect of funding arrangements for the industry.

Once adequately funded, we consider that the current regulatory framework for the industry, whereby the Racing Commission performs the integrity function, and the DGA drives its commercial operations, is appropriate for an industry of this size. In our view, given the delineation between commercial and integrity functions, no significant structural reform is required.

Our key findings in relation to the individual Terms of Reference are as follows.

The DGA operates in accordance with the majority of the obligations provided by the *Associations Act*,

however is non-compliant in several respects, including in relation to dispute resolution processes, and in neglecting to appoint a Secretary to its Management Committee.

The DGA has failed to meet certain obligations under its Funding Agreement with the Northern Territory Government. In particular, the DGA has not prepared adequate Service Plans, which allocate the funds received from the Government to actions and objectives, or maintained records tracking its expenditure towards those actions and objectives. Licensing NT has similarly failed to adequately monitor and evaluate the use of funds by the DGA.

Despite improvements to governance and business practices at the DGA in recent years, deficiencies remain, including:

- a. the role and responsibilities of the Management Committee are not clearly defined, nor well understood by the Committee itself;
- b. no guidance is provided to new appointees to the Management Committee with respect to their duties, the operation of the DGA or on matters of compliance;
- c. there is no requirement for elected members of the Management Committee to possess relevant experience or complete any training relevant to corporate governance; and
- d. there is no formal process for the monitoring and management of risks facing the DGA by the Management Committee.

The DGA has received Building and Occupancy Permits issued by Building Certifiers with respect to the buildings constructed at Winnellie Park in the past five years. However, given their size, habitation by greyhounds and regular use by persons for commercial gain, it is likely the buildings are currently inappropriately classified.

The kennelling of greyhounds and the accommodation of trainers at Winnellie Park is not permitted under the consent currently held by the DGA to operate the premises for a “Leisure and Recreation” use, and there is no approval in place that sanctions this use. However, permitting trainers to reside at the DGA premises is not in breach of tenancy laws.

The Northern Territory greyhound industry does not have sufficient policies and procedures to ensure best practice animal welfare standards are being adhered to:

- a. Greyhounds Australasia’s *Greyhounds Welfare Strategy* has not been implemented in the Northern Territory, despite a commitment by all greyhound racing jurisdictions to do so by 2017;
- b. numerous animal welfare related issues are not the subject of any policy or procedure, including in relation to health management and hygiene, exercise, education and training, socialisation, and vaccination; and
- c. where policy does exist, it is often insufficiently detailed to be of any real guidance to owners/trainers, and/or it is not being adequately enforced.

The *Greyhound Racing Rules 1981* (NT) (**Local Rules**) are outdated, and do not adequately address matters concerning animal welfare. Further, the DGA Constitution does not adequately address either applicable racing rules or animal welfare.

Three of the nine claims raised in the 20 August 2018 complaint (**August 2018 Complaint**) regarding the DGA were legitimate and required appropriate action by the Management Committee. In particular, as at

August 2018, there was no membership register, the person acting in the role of Secretary was not permitted to do so, and the procedure used to resolve disputes did not ensure parties were afforded natural justice.

The remainder of the claims made in the August 2018 Complaint were without merit.

The Racing Commission has not developed and implemented adequate policies regarding the control, supervision, regulation, and development of greyhound racing, as required under the *Racing and Betting Act*, and consequently the DGA has no corresponding policy framework, as may be required by section 60 of that Act.

Once developed by the Racing Commission, the DGA must ensure it and its members comply with those policies. Further, the DGA must immediately and significantly increase the assistance it provides rehoming organisations to reduce euthanasia rates.

3.

RECOMMENDATIONS

We recommend that the **DGA**:

- i. appoint a member to the role of Secretary, in accordance with the requirements of the *Associations Act* and its Constitution;
- ii. appoint a third, skills-based member to the Management Committee, in accordance with its Constitution;
- iii. amend its Constitution to require the three skills-based members appointed to the Management Committee to be endorsed by the relevant Minister, in accordance with the recommendations of the Monteith Report and the Funding Agreement;
- iv. amend its Constitution to prevent persons who have been found to have deliberately breached the Greyhound Rules from being appointed to the Management Committee for a period of at least three years, in circumstances where the breach:
 - a. carried a maximum penalty of 20 penalty units or more; or
 - b. may have resulted in the person being disqualified from participating in greyhound racing or facing a suspension of 12 months or more,
- v. implement a formal process for appointment to the Management Committee, which should commence not less than three months prior to the expiry of any appointment, and assign responsibility for compliance with this appointment process to the Operations Manager;
- vi. prepare a Service Plan that complies with the terms of the Funding Agreement, for approval by Licensing NT, and comply with the associated record keeping and reporting obligations once that approval is forthcoming;
- vii. allocate additional internal resources to assist the Management Committee to ensure compliance with its obligations under the *Associations Act* and the Funding Agreement;
- viii. develop an induction process for members of the Management Committee which addresses the duties of the Management Committee and the compliance obligations of the DGA, in consultation with Occupational Licensing and Associations, Business and Workforce in the Department of Industry, Tourism and Trade;
- ix. develop a proposal for remuneration of skills-based appointees to the Management Committee, to be voted upon by its members, with a view to attracting greater interest in those appointments;
- x. sponsor certain members of the Management Committee and the Operations Manager to complete the Australian Institute of Company Directors course, or a similarly approved course, to improve the

capabilities of those individuals and the Management Committee more broadly;

- xi. routinely seek to elect skills-based appointees to its Management Committee with appropriate governance and business standards experience;
- xii. require candidates for the position of Treasurer and Secretary to demonstrate expertise relevant to the performance of their role, prior to their appointment;
- xiii. amend its Constitution to allow for skills-based Management Committee members to perform the roles of Treasurer and Secretary, in the event that appropriate appointments for those positions cannot be found;
- xiv. amend its Constitution to implement an effective dispute resolution mechanism;
- xv. develop and implement a Conflicts of Interest policy that applies to the Management Committee and to DGA staff, including the Racing and Operations Managers, requiring the disclosure of interests and prohibiting the ownership of greyhounds by DGA staff;
- xvi. engage with its Independent Auditor to rectify the issues identified in its accounts;
- xvii. include as a standing agenda item at Management Committee meetings, sufficient and timely reminders to prompt consideration of governance and compliance related issues;
- xviii. review the Position Descriptions for each of the Racing Manager and Operations Manager to ensure they accurately reflect what is required in the performance of those roles;
- xix. engage a building certifier to confirm the correct classification of the buildings at the Winnellie Park premises;
- xx. ensure any additional kennel facilities built at the Winnellie Park premises are purpose built;
- xxi. engage with the Development Consent Authority to ensure the DGA has the necessary consents for the current use of the premises, including in relation to animal boarding and trainer accommodation;
- xxii. enter, as soon as reasonably practicable, written tenancy agreements with the on-course trainers;
- xxiii. significantly increase the financial and other assistance it provides to organisations that facilitate greyhound rehoming, particularly GRANT, and enter into written agreements or Memorandums of Understanding with those organisations;
- xxiv. review its Track Injury Rebate Scheme, to increase its utilisation by industry participants, and actively promote an understanding of that Scheme once it has done so;
- xxv. proactively consider whether improvements to the facilities could reduce injury rates, at least annually;
- xxvi. ensure all facilities used for kennelling at Winnellie Park are compliant with the minimum requirements for racing greyhounds;
- xxvii. conduct frequent inspections of the kennels at Winnellie Park to ensure ongoing compliance with those minimum requirements, and report to the Stewards on those inspections on at least a six-monthly basis;
- xxviii. include within its Strategic Plan and its Service Plans clear objectives in the next three years for the

advancement of the welfare needs of greyhounds, and monitor its progress towards those objectives;

- xxix. consult with the Animal Welfare Advisory Committee, GRANT and other relevant stakeholders as to how animal welfare standards can be improved in the industry, including for the purposes of the objectives referred to above;
- xxx. amend its Constitution to state a clear commitment to adherence to animal welfare standards;
- xxxi. amend its Constitution to require the appointment of one person to its Management Committee with animal welfare expertise;
- xxxii. implement the findings of the Hiscock Report, and require the DGA staff responsible for regular monitoring of the track surface, recommended in the Hiscock Report, to report to the Stewards;
- xxxiii. amend its Constitution to state that the DGA conducts greyhound racing in accordance with the Greyhound Rules, and in the event of any inconsistency between the Greyhound Rules and the DGA's Constitution, the Greyhound Rules will apply; and
- xxxiv. adopt and follow proper processes for the sale of greyhounds through the DGA, and for the allocation of kennel facilities at Winnellie Park.

We recommend that the **DGA membership** follow the revised dispute resolution mechanism, once implemented by the DGA.

We recommend that the **Racing Commission**:

- i. implement Greyhounds Australasia's *Greyhound Welfare Strategy*, including measures to improve the tracking of greyhounds;
- ii. prepare a comprehensive Code of Practice for the keeping of racing greyhounds that is appropriate for the conditions in the Northern Territory (**NT Code of Practice**), and that addresses each of the issues within Greyhound Racing Victoria's Code of Practice;¹
- iii. within the NT Code of Practice, or in addition to it:
 - a. implement policy that aims to improve health management and hygiene of greyhounds, and to prevent the euthanasia of unwanted racing greyhounds, including through measures relating to socialisation;
 - b. review the adequacy of the minimum requirements for kennels for racing greyhounds, including in relation to size requirements and lighting;
- iv. amend the Local Rules to specifically provide for a range of penalties in relation to animal welfare offences, including suspension and disqualification for serious breaches and continuing or repeated breaches, and a penalty of disqualification for life for any person found to be involved in the practice of live baiting;
- v. consult with relevant animal welfare stakeholders within the Northern Territory, including the Animal Welfare Advisory Committee, in the preparation of animal welfare related policies and amendments,

¹ See: <https://agriculture.vic.gov.au/livestock-and-animals/animal-welfare-victoria/dogs/greyhounds/code-of-practice-for-the-keeping-of-racing-greyhounds>

including those recommended above;

- vi. seek additional resources from the Northern Territory Government to ensure that animal welfare standards are met within the industry, including, but not limited to, by:
 - a. requiring Stewards to undertake frequent inspections of all kennels used for racing greyhounds, on at least a six-monthly basis;
 - b. increasing the number of drug tests or swab samples that are completed;
 - c. requiring the completion of all relevant paperwork by participants in the industry, as a condition of their ongoing participation, including paperwork associated with greyhound retirement and death; and
 - d. making available to industry participants appropriate training and information regarding animal welfare,
- vii. require the Chief Steward to report publicly on animal welfare matters, including compliance with the NT Code of Conduct, and statistics in relation to injuries, kennel inspections and swabs conducted, rehoming rates, deaths and euthanasia, on at least a six-monthly basis;
- viii. conduct research or an investigation into the high rates of euthanasia in the Northern Territory greyhound industry, noting its function at section 17(b) of the *Racing and Betting Act*;
- ix. consider whether, on the information available to it, research or an investigation concerning the high prevalence of injuries in the Northern Territory greyhound industry is also warranted;
- x. monitor and record the number of injuries sustained by greyhounds racing or trialling at Winnellie Park, and proactively consider whether improvements to the facilities at Winnellie Park could reduce injury rates, at least annually;
- xi. develop policy or guidelines with respect to the conduct of greyhound races and trials, and offences associated with greyhound racing, including the penalties those offences may attract, to supplement the Greyhound Rules;
- xii. amend the Local Rules to reflect the provisions in the Australasian Rules, where it is considered that the approach set out in the Australasian Rules is preferable;
- xiii. amend the Local Rules to prevent a transfer of greyhounds to family members or associates, following a breach of the Local Rules;
- xiv. amend the Local Rules to increase the maximum penalties available, consistent with the penalty provisions in other jurisdictions;
- xv. consider whether further amendment of the Local Rules is necessary, following the completion of the review of the Australasian Rules by Greyhounds Australasia; and
- xvi. utilize its power under section 59 of the *Racing and Betting Act* to require payment from the DGA for services rendered, as appropriate.

We recommend that **Licensing NT**:

- i. appropriately engage with the Service Plan prepared by the DGA, once it is received, and consider

- the actions and objectives of the DGA against its own priorities for the greyhound racing industry;
- ii. incorporate into the Service Plan requirements that the DGA:
 - a. obtain necessary consents for the use of the premises,
 - b. enter written tenancy agreements with the trainers who reside on track;
 - c. meet contemporary animal welfare standards, and
 - iii. ensure that it discharges its obligations under the Funding Agreement thereafter.

We recommend that the **Northern Territory Government:**

- i. ensure that the Racing Commission, including the Stewards it appoints, are adequately resourced to carry out their functions;
- ii. undertake a review of the funding arrangements relevant to the greyhound industry, and maximise the provision of funding towards measures that promote Government priorities or community expectations, including animal welfare;
- iii. implement legislative reform in the context of the current review of the *Racing and Betting Act*, including by:
 - a. amending the *Racing and Betting Act* to include amongst the functions of the Racing Commission explicit reference to ensuring the integrity of greyhound racing and adherence to animal welfare standards;
 - b. amending the *Racing and Betting Act* to remove the right of appeal to the DGA Management Committee; and
 - c. amending the *Racing and Betting Act*, Local Rules and *Animal Welfare Act*, to clarify their interrelationship, and to require the DGA and the Racing Commission to report animal welfare related breaches to the Animal Welfare Authority.

We recommend that **GRANT** and all other rehoming services implement appropriate record keeping processes, including in relation to assessments completed, veterinary costs incurred and greyhounds successfully rehomed.

We recommend that by no later than 1 November 2021, a meeting be conducted between representatives of the Racing Commission, the DGA, Licensing NT, GRANT and PAWS, to discuss the development of an industry funded greyhound adoption program (or programs), to be operational by no later than 1 July 2022. As part of this process, we recommend the following be considered:

- i. the DGA funding dedicated resources at GRANT and/or PAWS to assist with greyhound rehoming;
- ii. the DGA constructing dedicated kennel facilities specifically for use in relation to rehoming, either at Winnellie Park or elsewhere;
- iii. the DGA funding socialisation programs for racing greyhounds, to improve rehoming rates;
- iv. the various rehoming programs successfully implemented in other jurisdictions; and

- v. the reallocation of funding provided by the Northern Territory Government to the industry towards rehoming.

We recommend that the DGA, the Racing Commission and the Animal Welfare Authority enter into a Memorandum of Understanding regarding the discharge of animal welfare responsibilities and information sharing.

Background to the Investigation

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4.

CONDUCT OF THE INVESTIGATION

1. On 5 June 2020, we were instructed by Licensing NT to conduct this investigation, pursuant to the Terms of Reference set out above.

Announcement of the investigation

2. On 19 June 2020, the Chairperson of the Racing Commission released a media statement announcing the investigation, and invited participants to provide relevant information to us as the investigators, as follows:

This is about investigating complaints and ensuring the Association and the operations of greyhound racing meet industry and legislative requirements. The Darwin Greyhound Association is supportive of this investigation and will work with the investigators in a spirit of cooperation. ...

To assist the commencement of the investigation, the NT Racing Commission has established an email address for members of the Association and industry participants to provide information.

3. The email address created by the Racing Commission was AGD.GreyhoundInvestigation@nt.gov.au and was included within the Racing Commission's media statement. Further, the Racing Commission published the investigation's Terms of Reference on its website at <https://industry.nt.gov.au/boards-and-committees/racing-commission/investigations>.
4. The announcement of the investigation by the Chairperson of the Racing Commission was reported on by various media outlets, including the NT News and the ABC.
5. On 19 June 2020, Licensing NT sent emails to individuals who had, 'over recent months, raised complaints regarding the Darwin Greyhound Association.' The email requested the consent of those persons to provide us with their contact details, and noted they should provide us with 'the particulars of your complaints, including any documentation that you may have.'
6. On 23 June 2020, the DGA Chairperson sent a letter to its members regarding the investigation, which stated as follows:

By now you would all be aware of the recently announced investigation being jointly authorised by the Racing Commissioner and the Commissioner for Consumer Affairs. ... Members are invited to provide information or contributions to the Investigators in the context of the Terms of Reference which are attached in this email. ... The investigators have advised that submissions are open until close of business 20 July 2020.

7. In addition to the correspondence from the Racing Commission, Licensing NT, and the DGA President, on 22 June 2020, we wrote directly to a number of individuals, inviting them to provide submissions to us.

Submissions

8. On 22 June 2020, the first submission relevant to the investigation was received from the President of the Greyhound Rehoming Association NT (**GRANT**). We spoke with the President of GRANT that day, and met with her the following week, on 2 July 2020. The submission from GRANT was also provided to the Animal Welfare Authority, given its subject matter.
9. The closing date for submissions to be received was 20 July 2020, however we continued to accept submissions after that date.
10. In total, 22 submissions relevant to the investigation were received, either electronically or in hard copy.
11. The submissions varied considerably in both their scope and in their content.
12. Several shorter submissions were received which expressed support for the DGA Management Committee and frustration with a group of '*de-stabilising members*', for example. These stood in contrast to a number of wide-ranging and voluminous submissions, including one spanning multiple lever arch folders, which were highly critical of industry stakeholders.
13. Where we considered that a submission required clarification, or that corroborating evidence may be able to be provided, the authors of those submissions were contacted, and that clarification or information was sought. This was so in the case of the majority of the submissions received. Of the 22 submissions received, 16 of the authors were contacted and further information requested.
14. Many of the individuals contacted provided further information and evidence in support of their submissions, however several did not. In some circumstances, where the matters alleged in the submissions were vague or imprecise, this failure to provide further information meant that we had no ability to meaningfully investigate those matters.
15. It was not practicable or desirable for us to grapple with every individual allegation made in the submissions we received. Rather, where appropriate, our approach was to attempt to identify systemic failures that may have given rise to the circumstances described in the submissions.
16. Further, some of the matters raised in submissions were plainly outside of the Terms of Reference and not relevant to our investigation.
17. Investigating and commenting on submissions at times required the balancing of competing factual accounts. Where the evidence available to us justified a factual finding on the balance of probabilities, those findings have been made.

Stakeholder engagement

18. In addition to contacting the authors of certain submissions, as described above, we met with a number of the key stakeholders in the greyhound industry, during the period from 26 June 2020 until 11 September 2020, as follows:
 - a. the Chairperson of the Management Committee, the DGA Racing Manager and Operations Manager, on 26 June 2020;
 - b. the President of GRANT, on 2 July 2020;
 - c. the Chief Steward, on 2 July 2020;
 - d. the Director of Animal Welfare, Department of Primary Industries, on 7 July 2020;

- e. the Chairperson of the Racing Commission, on 8 July 2020;
 - f. the Commissioner of Consumer Affairs, on 13 July 2020; and
 - g. a veterinarian regularly engaged to attend race meetings, on 11 September 2020.
19. Further, we contacted the General Manager of the RSPCA Darwin, and the CEO of PAWS on 29 October 2020 and 9 November 2020, respectively.

Information requests

20. Following the meetings with the stakeholders referred to above, we wrote to each requesting that they provide us with various materials relevant to the investigation.
21. Several hundreds of documents were received from the DGA, GRANT, the Chief Steward, the Racing Commission and Licensing NT, throughout the course of our investigation.
22. Most recently, on 22 June 2021, the DGA provided us with a copy of a track report provided by an external consultant that resulted in a decision being taken by the DGA to suspend racing and bring forward track maintenance at Winnellie Park.
23. In some instances, and despite the best efforts of those concerned, there were considerable delays in receiving the information requested.
24. In particular, the DGA did not provide the information we requested on 30 June 2020 until an incomplete production on 13 August 2020, and the documents requested on 15 August 2020 were provided in two tranches, on 15 September 2020 and 16 October 2020, respectively. A further tranche of documents was received from the DGA on 23 November 2020. The documents we requested from a veterinary clinic on 22 September 2020 were not received until 22 March 2021.
25. These delays necessarily hampered our ability to complete the investigation in a more timely fashion.

Kennel Inspections

26. On 5 November 2020, we conducted an inspection of each of the kennel facilities in use at Winnellie Park, as well as a bank of vacant kennels on the premises, accompanied by the Chief Steward and a Senior Steward.
27. During that inspection, 19 kennels were identified that were housing greyhounds which were not compliant with the minimum size requirements (3 sq.m.) for use as a racing kennel.
28. On 25 January 2021, we conducted an inspection of kennel facilities at an off-track trainer's premises, again accompanied by the Chief Steward and a Senior Steward. Those off-track kennel facilities met the relevant requirements for use as racing kennels.
29. A number of photographs taken during the course of the above kennel inspections are included at **Annexure A** to this Report.
30. We requested to inspect another off-track trainer's kennel facilities, however our request was refused, with the trainer stating he would only permit Stewards onto his premises. We requested that the Stewards undertake that inspection and confirm those facilities met the requirements for use as a racing kennel. No inspection had been undertaken by the Stewards as at the time of this Report.

Statement from the DGA Racing Manager

31. On 9 November 2020, Gregory Aldam, the Racing Manager at the DGA provided an updated written statement to us (**Aldam Statement**), from that which he prepared in 2017 for the Australian Competition Tribunal. A copy of Mr Aldam's 2017 statement is publicly available.

Veterinarian Statement

32. On 25 December 2020, the veterinarian provided a written statement confirming a number of matters which we had discussed during our conference on 11 September 2020 (**Veterinarian Statement**). This individual was identified to us by the Chief Steward as the veterinarian most frequently engaged to attend greyhound race meetings at Winnellie Park, and with whom we should liaise for the purposes of this investigation.²
33. The Veterinarian Statement confirmed that the greyhounds associated with racing at the DGA are generally in good health and well cared for, that he/she did not have any concerns regarding doping or live baiting, and was not aware of whelping occurring in the Northern Territory for racing. However, the Veterinarian Statement did express concerns regarding husbandry and oral hygiene.

Clinic Statistics

34. On 22 March 2021, a veterinary clinic provided statistics regarding the greyhounds euthanised at that particular clinic from 2006 until present (**Clinic Statistics**). All identifying details of the greyhounds, trainers and owners were masked.
35. The Clinic Statistics relevantly demonstrated the following:
 - a. 266 greyhounds were euthanised at that clinic, from 2006 until 22 March 2021, 235 of which were in the care of racing owners/trainers at the time of their euthanasia, and 31 which were not.
 - b. Since 2010, 17 or more greyhounds have been euthanised at the clinic annually, with the exception of 2020, in which 12 greyhounds were euthanised.
 - c. The highest number of greyhounds euthanised in a calendar year was 32 in 2017, followed by 31 in 2016.
 - d. Of the owners/trainers represented in the Clinic Statistics, 26 have had between 1 and 5 greyhounds euthanised, and 16 have had over 5 greyhounds euthanised.
 - e. The largest numbers of greyhounds euthanised by an individual owner/trainer was 28 (Person A), followed by 23 (Person B), two instances of 19 (Persons C and D), and one of 18 greyhounds (Person E).

Stakeholder conferences

36. Having considered various documentation provided by the stakeholders, a number of conferences were conducted to discuss our preliminary views in relation to the investigation.
37. In particular, conferences were held with representatives from the DGA on 12 October 2020, 10 November 2020, 10 December 2020, 14 December 2020, 23 December 2020, 11 January 2021 and 11 February 2021.

² Documents provided by the Chief Steward on 7 August 2020.

38. Conferences were also held with the Chairperson of the Racing Commission on 17 February 2021, with the Chief Steward on 28 January 2021, and with Licensing NT.
39. On 2 March 2021, we attended a meeting of the Racing Commission to discuss the investigation and our likely findings.

Retirement forms from the Racing Commission

40. Following discussions with the Racing Commission, including in relation to the Clinic Statistics, on 13 April 2021 we requested a copy of all notifications of retired greyhounds from 2019 and 2020, and a copy of any statistics regarding euthanasia maintained by the Racing Commission.
41. The materials provided by the Racing Commission demonstrated that 18 greyhounds that were euthanised in 2019 and a further 18 greyhounds were euthanised in 2020.
42. Of the 36 greyhounds euthanised for which retirement forms were provided, the majority were 2, 3 or 4 years old, with an average age of 3.9 and 4.1 years, when euthanised, respectively. The expected lifespan of a greyhound is 12 – 15 years of age.
43. 21 of the 36 greyhounds were euthanised as a result of injury and 12 were stated to be '*not suitable for rehoming*'.

Notices of adverse material

44. From 19 January 2021 until 26 May 2021, Notices of Adverse Material (**NAMs**) were issued to industry stakeholders.
45. The NAMs set out potential findings from the investigation that we considered were available on the evidence before us, which were adverse to the interests of the recipient. The purpose of the NAMs was to ensure each recipient was afforded procedural fairness by providing an opportunity to respond to any potentially adverse findings before they were made.
46. We considered the responses we received to the NAMs in the course of finalising this Report.

5.

GREYHOUND RACING IN THE NORTHERN TERRITORY

1. The first greyhound race to be conducted on a racetrack in Australia was held at Epping Racecourse (later renamed, Harold Park) in 1927.³ The sport became colloquially known as ‘tin hare racing’.⁴ Advertised as ‘the sport of the masses’, greyhound racing grew quickly and the Epping Racecourse soon attracted between 20,000 and 30,000 spectators and multiple bookmakers.
2. As greyhound racing developed, a number of regulatory bodies were established, including in 1937, the Australian and New Zealand Greyhound Association (which later became Greyhounds Australasia), and in the 1960s, the Commonwealth Greyhound Racing Association (which later became the Australian Greyhound Racing Association).
3. Greyhound racing gained traction in the Northern Territory in the 1960s, when several greyhound owners and trainers began to race greyhounds recreationally.
4. In around 1967, Darwin resident and racing enthusiast, Alan Ford, arranged a meeting at Phillip House in Darwin City, to ascertain whether support could be garnered to establish a greyhound racing club in the Northern Territory. The meeting was attended by some 30 greyhound owners, trainers and enthusiasts, and what would later come to be the Darwin Greyhound Association was borne out of that meeting.⁵
5. With the support of the greyhound racing community, Mr Ford and his father leased Winnellie Park and constructed a greyhound racetrack and kennels. They employed stewards to assist with conducting races and operated Winnellie Park as the only privately managed racetrack in Australia at that time.
6. In 1974, the Winnellie Park greyhound track was damaged by Cyclone Tracy and many greyhounds kennelled at the track were severely injured and euthanised. With the assistance of other participants, Mr Ford rebuilt the track and arranged for approximately 50 greyhounds from several other Australian states to be donated to Darwin. Those greyhounds were drawn in a raffle held at Winnellie Park by greyhound racing participants, and races recommenced shortly thereafter.
7. Following the recommencement of racing at Winnellie Park, Mr Ford and his father offered management of the track to other greyhound racing participants. Several owners and trainers who had been associated with Winnellie Park since the late 1960s combined funds and formed a committee to take over the operation of the track, forming the DGA.⁶
8. In 1976, the DGA was incorporated as an association and was registered with the Racing

3 See: <https://australianracinggreyhound.com/>

4 See: <https://australianracinggreyhound.com/>

5 Discussion with Graeme Ferns, 5 February 2021. See also, Aldam Statement, para [11].

6 Discussion with Graeme Ferns, 5 February 2021.

Commission.⁷ It was, and remains, the Northern Territory's only greyhound racing club and operates the sole greyhound racing venue in the Northern Territory, at Winnellie Park.⁸

9. Some of the earlier members of the DGA's Management Committee included Kevin Manskie, who oversaw Darwin's Waterside Workers Federation, Jeff Crouch who headed the Darwin Bookmaker's Association, and Graeme Ferns, who continues to race greyhounds as a member of the DGA today. They arranged race trials on Tuesday evenings and races on Friday evenings, and employed stewards to assist with those races until the Racing Commission and Licensing NT took over that function in the early 1980s.
10. On 1 March 1981, the Local Rules came into force, and an amended version of those Local Rules continues to operate today.
11. In 1981, the DGA was accepted as a member of Australian Greyhound Racing Association and sent representatives from Darwin to compete in the Australian Sprint Championships and Australian Distance Championships. In 1983, 'Defiant Lee' became the first Northern Territory greyhound to become a finalist in a national race - "the National Sprint" - held at Harold Park. Defiant Lee's success was significant for the DGA, as it provided the Northern Territory's greyhound racing industry with national recognition that it had not previously received.
12. The DGA continued to grow and in 1982, a racetrack pavilion and club were built at Winnellie Park for the comfort of spectators. Races conducted at Winnellie Park were family-oriented social events. Members of the DGA have told this investigation that it was common for owners or trainers whose greyhounds had won races on Friday evenings to prepare sausage sizzles for those who attended race trials the following week.
13. Until the mid-1980s, the DGA was also a member of the Greyhound Breeders, Owners and Trainers Association (**GBOTA**), which existed for greyhound racing participants to raise concerns in relation to, and ideas for the growth of, the industry. The GBOTA had local bodies in each jurisdiction, and DGA member, Graeme Ferns, was President of the Northern Territory's GBOTA committee. Between 1982 and 1985/1986, Mr Ferns attended national GBOTA conferences in Tasmania, Adelaide and Perth as a representative of the Northern Territory.⁹
14. By 1986, the Northern Territory's GBOTA committee dissolved and the DGA ceased to be represented in that forum. In around the 1990s, the DGA was excluded from national events by reason of the DGA's greyhounds not being of the same calibre as those competing in other jurisdictions.
15. Greyhounds were not bred in Darwin and by the 1990s, most of the greyhounds racing at the DGA had been transferred to Darwin from other jurisdictions on account of their age or inability to compete at the same level as greyhounds in those jurisdictions. The majority of greyhounds racing in the Northern Territory today continue to be bred interstate.
16. For most of the 1990s and 2000s, the DGA continued to hold race trials and weekly races in the same manner as it had done previously. It maintained a consistent number of greyhounds racing and continued to provide a social function for the local community. For a short period, Dennis Booth, a Sports Editor for the NT News, and Race Caller, Mick Stumbles, hosted a weekly television show on Sunday mornings, during which all races conducted at the DGA the previous week were screened within the Northern Territory.

7 DGA Certificate of Incorporation 1976.

8 Aldam Statement, para [11].

9 Discussion with Graeme Ferns, 5 February 2021.

17. A landmark event for the greyhound industry in the Northern Territory occurred in 2015, with the establishment of a relationship between the DGA and Sky Channel Pty Ltd (**Sky Channel**) and Tabcorp for broadcasting the races at Winnellie Park domestically and internationally into New Zealand and Asia, on a trial basis.¹⁰
18. On 1 July 2017, the trial arrangement between Sky Channel and the DGA was formalized, and the DGA entered into a Domestic and International Rights Agreement with Sky Channel, requiring the DGA to program a minimum of 52 race meetings per year.
19. The revenue generated from this broadcasting agreement with Sky Channel has transformed what was once a hobbyist association into a commercial enterprise.
20. In FY2019, the DGA's revenue had risen to \$2,454,002, nearly double that in FY2016.
21. In an effort to maximise its commercial returns, the DGA has increased the number of greyhound races conducted at Winnellie Park, or "its product". Whereas in 2016, the DGA conducted approximately 51 races, 60 race meetings were conducted in FY2020. The average number of attendees at those 60 race meetings was 95. The DGA plans to race approximately 70 times per year moving forward.¹¹
22. Races are governed by the Local Rules and the *Greyhounds Australasian Rules* (**Australasian Rules**) (together the **Greyhound Rules**). Where there is an inconsistency between the Local Rules and the Australasian Rules, the Local Rules apply.
23. Racing is currently conducted at Winnellie Park over three distances: 312, 383 and 537 metres.
24. The prizemoney offered to participants across each of those distances has increased significantly in recent years. For example, in 2017, the prize money for a Grade 5, 312 metre race was 1st \$425, 2nd \$180 and 3rd \$120. The prize money effective from 1 March 2021 is as follows:

312 m					
Grade	1st	2nd	3rd	Unplaced	Total
Maiden	\$750	\$300	\$180	\$50	\$1,480
5th	\$750	\$300	\$180	\$50	\$1,480
4th	\$750	\$300	\$180	\$50	\$1,480
3rd	\$850	\$320	\$190	\$50	\$1,610
2nd	\$850	\$320	\$190	\$50	\$1,610
Open	\$850	\$320	\$190	\$50	\$1,610

10 Aldam Statement para [11]; Discussion with Mr Graeme Ferns, 5 February 2020.

11 Aldam Statement, para [18].

383 m					
Grade	1st	2nd	3rd	Unplaced	Total
Maiden	\$850	\$320	\$190	\$50	\$1,610
5th	\$850	\$320	\$190	\$50	\$1,610
4th	\$850	\$320	\$190	\$50	\$1,610
3rd	\$950	\$350	\$200	\$50	\$1,750
2nd	\$950	\$350	\$200	\$50	\$1,750
Open	\$950	\$350	\$200	\$50	\$1,750

537 m					
Grade	1st	2nd	3rd	Unplaced	Total
Maiden	\$1,000	\$350	\$225	\$75	\$1,950
5th	\$1,000	\$350	\$225	\$75	\$1,950
4th	\$1,000	\$350	\$225	\$75	\$1,950
3rd	\$1,200	\$360	\$240	\$75	\$2,175
2nd	\$1,200	\$360	\$240	\$75	\$2,175
Open	\$1,200	\$360	\$240	\$75	\$2,175

25. 'Unplaced' refers to the 'unplaced fee' paid to trainers for each greyhound that races, which is intended to ensure that trainers and owners are sufficiently resourced to feed and upkeep their greyhounds.
26. As the revenue associated with greyhound racing in the Northern Territory continues to grow, its description as 'hobbyist' or recreational, rather than professional or commercial, is no longer apposite for all of its participants.
27. It is now possible to generate sizeable income from the greyhound industry, and a review of prize money payments confirms that several trainers do so.
28. The contribution made to the Northern Territory by the greyhound racing industry is described as follows on the DGA website:

Greyhound racing is a major contributor to the local economy, with 20 registered trainers and approximately 150 racing greyhounds trained in the Northern Territory. Along with 15 staff employed each week to conduct race meetings, further investment is generated by betting turnover both on and off track.¹²

12 See: <https://www.darwingreyhounds.com/contact/>

6.

INDUSTRY PARTICIPANTS

Darwin Greyhound Association Incorporated

1. The DGA is an incorporated association pursuant to the *Associations Act*, and has been so since 1976. The registered office of the DGA is Winnellie Park, 15 Hook Road, Winnellie, where it also conducts its greyhound racing activities.
2. The DGA operates the only greyhound racing track in the Northern Territory.
3. The DGA is registered as a greyhound racing club pursuant to the requirements of the *Racing and Betting Act*¹³ and the Local Rules.¹⁴
4. The DGA is governed by a constitution, which is able to be altered from time to time in accordance with its provisions, as it was most recently in 2019 (**the DGA Constitution**).
5. The DGA Constitution lists its objectives as to:
 - a. *foster an interest in greyhound racing, subject to the Racing and Betting Act and other regulations which shall include any form of dog racing or dog running, be it with mechanical lure or drag lure; and*
 - b. *provide, prepare and maintain any lands or ground for greyhound racing purposes, and to construct, maintain, improve grandstands or other stands, booths, kennels, refreshment rooms and other erections, buildings and conveniences, and to conduct, hold and promote greyhound meetings.*¹⁵

Membership

6. The DGA Constitution requires that the DGA maintain a membership of at least 15 people,¹⁶ whilst the *Associations Act* requires a membership of at least five people.¹⁷ The *Associations Act* requires the establishment and maintenance of a register of members, which is to include certain information in relation to each member. Further, the register must be available for inspection by members at reasonable times.¹⁸
7. The categories of membership listed in the DGA Constitution are members, life members, and social members.

13 *Racing and Betting Act*, s 58.

14 Local Rules, rule 14.

15 DGA Constitution, clause 2.

16 *Ibid*, clause 3.

17 *Associations Act*, s 26.

18 *Ibid*, s 34.

8. As at December 2020, the DGA had 45 members, seven life members, and one social member.
9. In order to become a member of the DGA, an individual must, with the support of two members, apply to and be accepted by the Management Committee.¹⁹ Each member is entitled to one vote during general meetings.²⁰ Special resolutions can be passed when voted for by at least threequarters of the DGA membership present at general meetings that comply with notice requirements.²¹

Management Committee

10. The Management Committee is responsible for administering or managing the administration of the DGA.²² In effect, this means carrying out all business of the DGA except for any business reserved for members.
11. According to the DGA Constitution, election of members to the Management Committee is to take place annually at general meetings. The Committee is to have seven members, including:
 - a. a Chairperson;
 - b. a Vice-Chairperson;
 - c. a Secretary;
 - d. a Treasurer; and
 - e. three members.²³
12. One Committee member is to act as the DGA's Public Officer.
13. The only eligibility requirements for election to the Management Committee are minimum age (18 years) and written notice of nomination seven days prior to the next meeting. The period of office is two years, and Committee members are able to serve consecutive terms without limitation.²⁴
14. Robert Brennan is currently the Chairperson of the DGA. He was elected to the position on 30 November 2019.
15. Mr Brennan was preceded in the role by Daniel McKeown, who commenced on 22 May 2018, and by Nick Day, from approximately late 2014.
16. Noel Vansleve is currently the Vice Chairperson, and Mr Vansleve has been appointed as the Public Officer since 21 January 2021.
17. The Secretary position is listed as vacant, and the Treasurer is Steele Bolton.
18. The other elected Committee members are Robert Brown, Richard Carr and Adam Poulter. Mr Bolton, Mr Carr and Mr Poulter each reside "on-track" at Winnellie Park.

19 *Ibid*, Part 3 Division 1.

20 *Ibid*, ss 45 - 50.

21 *Ibid*, s 37.

22 *Ibid*, Part 4 Division 1.

23 DGA Constitution, clause 23.

24 *Associations Act*, Division 2.

19. In addition to the above, the Management Committee is required by its Constitution to appoint three persons for a three-year period '*with such skill sets as determined by the committee*'. Those persons are not required to be elected at an Annual General Meeting.²⁵
20. The current skills-based Committee members are Dr Kerry Dennis and Ben Halliwell.²⁶ The third skills-based Committee member position is vacant.
21. Division 3 of the DGA Constitution lists the duties of members of the Management Committee. As a Committee, they are collectively responsible for ensuring that the DGA complies with the *Associations Act* and the *Associations Regulations 2004* (NT) (**Associations Regulations**).²⁷ Individual member responsibilities include:
 - a. Chairperson and Vice-Chairperson: presiding at meetings.
 - b. Secretary: coordinating DGA correspondence; keeping meeting minutes; maintaining the register of members; and maintaining custody of books and records.
 - c. Treasurer: managing payments to and from the DGA; maintaining accounting records; and complying with financial reporting duties.
 - d. Public Officer: managing document filing with the Department of Consumer Affairs; and keeping a copy of the Constitution.
22. The Management Committee is required to meet a minimum of eight times per financial year. Quorum for such meetings is half of all Committee members.

Other officials/officers

23. Under section 4 of the *Associations Act*, individuals acting in the following roles constitute 'officers' of the DGA:
 - a. a member of the Committee of the association;
 - b. the Secretary, Treasurer or Public Officer of the association;
 - c. those who are concerned, or take part, in the management of the affairs of the association, by whatever name called and whether or not validly appointed to occupy, or duly authorised to act in, the position;
 - d. the holder of another office established by the constitution of the association (except a patron or the holder of some other honorary office that confers no right to participate in the management of the affairs of the association); and
 - e. a person in accordance with whose directions or instructions the committee is accustomed to act.
24. Officers of the DGA are prohibited from committing an act in the exercise of their duties which intentionally deceives or defrauds the DGA, members, or creditors. The *Associations Act* further prohibits officers from using information obtained during the course of their duties in order to

²⁵ *Ibid.*

²⁶ Their appointment was endorsed by the relevant Minister on 5 October 2020.

²⁷ DGA Constitution, Part 4, Division 3.

provide themselves with a monetary benefit, from using their position improperly in order to gain a pecuniary benefit or material advantage for themselves or another person, and from causing a detriment to the association.²⁸

25. Further, the Local Rules prohibit ‘officials’ of the DGA (defined to include individuals appointed by the Racing Commission or club to officiate as a secretary, Steward, kennel attendant, identification officer, starter, judge, lure-driver, grader, veterinarian or timekeeper, or in some other capacity directly connected with greyhound racing) from being involved in greyhound racing in terms of betting on races they officiate, having an interest in a greyhound, or acting as an attendant of a greyhound at a meeting unless permitted by a Steward.²⁹ An attendant is a person, other than the owner or trainer, who handles greyhounds at a meeting or a qualifying trial.³⁰
26. A range of staff typically work at Winnellie Park, the majority of whom are employed by the DGA, and some of whom are not. These include:
 - a. a full-time groundskeeper;
 - b. a race caller and a camera man;
 - c. four bar/TAB staff;
 - d. an on-course veterinarian, who attends on race days;
 - e. the Chief Steward and Stewards appointed by the Racing Commission;
 - f. five or six casual, Club Officials, engaged by the DGA to assist the Stewards;
 - g. a bookkeeper;
 - h. a Racing Manager, Mr Aldam; and
 - i. an Operations Manager, James Winter.³¹

Racing Manager

27. The Racing Manager is responsible for managing the racing component of the DGA’s activities, “including Sky Channel and race day involvement”.³² The Racing Manager reports to the Chairperson and the Management Committee. According to the position description, it is a permanent, part-time position, requiring approximately 15 – 20 hours per week.
28. The Racing Manager’s Position Description states that their duties include:
 - a. *to facilitate and administer the race book, box draw and field requirements to pagemasters;*
 - b. *to work with NT Government and Sky Channel in regards to all race day procedures including stewards reports, racing numbers and race scheduling;*
 - c. *to work closely with the Office Manager to support and assist where necessary and to fill the*

28 Associations Act, s 30.

29 Local Rules, rule 20.

30 Local Rules, rule 3.

31 Aldam Statement, para [17].

32 DGA ‘Racing Manager’ Position Description dated 12 November 2018.

*role of the Office Manager when they are on leave.*³³

29. Notwithstanding the above, the Racing Manager does not facilitate and administer the box draw. Rather, this is the function and responsibility of the Stewards. The Racing Manager can add a feature race to a race meet, however is not otherwise involved in the box draw.

Operations Manager

30. The Operations Manager, previously referred to as the Office Manager, also reports to the Chairperson and the Management Committee, and is required to manage the operational and day-to-day operations of the DGA.³⁴
31. The core objectives of the role include facilitating and administering financial transactions, advertising and administering the racing calendar, and working with suppliers and contractors to maintain services to the DGA.
32. Further, the Operations Manager is expected to attend Management Committee meetings to report on how the club is functioning, and to present a Manager's report at each meeting.³⁵ We understand that the Operations Manager does not prepare or present a report to the Management Committee, despite the requirements of the Position Description, however does provide to the Management Committee various pieces of correspondence received, and other day-to-day business matters, such as quotes for spending approval.

Funding and Disbursements

33. According to the Aldam Statement, the DGA has five primary sources of funding:
 - a. The DGA has issued an exclusive licence to Tatts/UBET for the right to conduct totalisator betting on greyhound racing which takes place at Winnellie Park. As part of this Licencing Agreement, the DGA annually receives a proportion of UBET's profits from this enterprise.
 - b. Direct funding from the NT Government, pursuant to a Funding Agreement entered in 2016. As per the agreement, the DGA is to receive funding from the Northern Territory Government from 2016 to 2021. Adjusted yearly according to CPI, this maximum is approximately \$800,000, minus the amount received by the DGA from UBET, above.³⁶ The combined effect of the Licencing agreement / Funding Agreement is annual funding of approximately \$800,000.
 - c. Race field fees, called "product fees" that are payable under the *Racing and Betting Act* on a quarterly basis. In the FY 2019, the DGA's product fee return was \$937,838.
 - d. Race day gate takings, from an admission charge of \$8 per adult, with children and seniors admitted free of charge, and from bar and hospitality services provided on race days.
 - e. Sponsorship revenue, including from advertising displays at Winnellie Park, of approximately \$50,000 - \$60,000, per annum.
34. Contrary to the Aldam Statement, the DGA does not issue the totalisator licence to Tatts / UBET,

33 *Ibid.*

34 DGA 'Operations Manager' Position Description dated 1 October 2019.

35 *Ibid.*

36 Northern Territory Government and Darwin Greyhound Association Incorporated, 'Services Funding Agreement' (2016), Schedule 1.

rather this is issued by the Director of Totalisator Licensing and Regulation, appointed under section 5 of the *Totalisator Licensing and Regulation Act 2000* (NT).

35. The DGA is bound by the Funding Agreement to only use funding provided by the Northern Territory Government in accordance with an annual Service Plan.³⁷ According to the Funding Agreement, the DGA must comply with the Service Plan diligently and regularly report to the Government as to its progress.
36. In addition to the revenue described in the Aldam Statement, we are advised that the DGA receives \$160 per week from each of the trainers who reside on track. As at the time of our kennel inspection in November 2020, there were a minimum of five on-track trainers, equating to approximately \$41,600 in rental revenue, annually.
37. The DGA's financial records demonstrate that its revenue has risen sharply over recent years:
 - a. in FY 2016: \$1,261,447;
 - b. in FY 2017: \$1,530,654;
 - c. in FY 2018: \$1,969,828;
 - d. in FY 2019: \$2,454,002; and
 - e. in FY 2020: \$2,011,416.
38. The DGA has a number of operational costs, the major of which include:
 - a. the provision of prize money for races, including the 'unplaced fee' - \$833,586 in FY 2020;
 - b. wages - \$472,882 in FY 2020;
 - c. 'Other operating expenses' - \$528,123 in FY 2020; and
 - d. utilities - \$157,384 in FY 2020.
39. The DGA Constitution stipulates that other than any restrictions placed during general meetings, the Management Committee is empowered to approve expenditure on behalf of the DGA within the limits of its budget.³⁸ Financial documents connoting payments such as cheques, drafts and bills of exchange must be signed by two Management Committee members.³⁹
40. Under the Local Rules, the DGA (i.e. the Management Committee), must forward to the Racing Commission yearly, 14 days after its annual general meeting:
 - a. an audited balance sheet and income and expenditure accounts;
 - b. evidence of certification of the above from a public accountant; and
 - c. a list of the club's office bearers (Management Committee members) as elected at the annual general meeting.⁴⁰

37 *Ibid*, clause 5.

38 DGA Constitution, clause 53(2).

39 *Ibid*, Part 7.

40 Local Rules, rule 18.

The Northern Territory Racing Commission

41. The Racing Commission is a statutory body created under the *Racing and Betting Act*⁴¹. It is the controlling body of the greyhound industry. Among its functions is to:
 - a. have the control and general supervision throughout the Territory of greyhound racing;
 - b. undertake research and investigations into matters relating to greyhound racing;
 - c. allot race days for such period or periods as it thinks fit to registered clubs;
 - d. control, supervise, regulate and develop greyhound racing; and
 - e. initiate, develop and implement such policies as it considers conducive to the development and welfare of the greyhound racing industry and the protection of the public interest.⁴²
42. The Racing Commission is equipped with plenary powers to do all things that are necessary in order to perform its functions. Section 57 of the *Racing and Betting Act* contains an extensive list of such powers, which includes:
 - a. amending the Local Rules;
 - b. deeming when greyhound racing clubs can hold races;
 - c. licensing or cancelling the licence of a greyhound racing club;
 - d. supervising the activities of clubs;
 - e. imposing fees for greyhound racing clubs; and
 - f. giving directions to clubs in relation to their affairs.⁴³
43. It is the duty of the DGA, as a racing club, to comply with section 57 above, as well as to recognise the Racing Commission as its controlling authority and supervisory body and cooperate with the Racing Commission in the exercise of its powers⁴⁴
44. Complementing the powers listed in the *Racing and Betting Act*, the Local Rules give certain powers to the Racing Commission in relation to the conduct of greyhound racing meetings and trials. This includes inquiring into suspected 'dishonest, corrupt, fraudulent or improper' acts perpetrated in the course of greyhound racing⁴⁵
45. The Local Rules require the Commission to prepare and maintain various registers, including of owners, trainers and greyhounds, and for the owner of a greyhound to notify the Commission of its death within 7 days⁴⁶
46. The Chairperson of the Racing Commission, and four to five general members, are appointed by the Attorney General and Minister for Justice for up to three years. The current members are:
 - a. Alastair Shields (Chairperson);

41 *Racing and Betting Act*, s 6.

42 *Ibid*, ss 17 & 56.

43 *Ibid*, s 57.

44 *Ibid*, s 60.

45 Local Rules, rule 6.

46 *Ibid*, rule 11, Part V, and rule 59.

- b. Allan McGill;
 - c. Amy Corcoran;
 - d. Cindy Bravos; and
 - e. James Pratt.
47. Licensing NT provides administrative and operational support to the Racing Commission to enable it to undertake its functions.
48. Beyond the greyhound industry, the Racing Commission is also responsible, among other things, for the regulation and monitoring of all Northern Territory bookmakers and their websites, pursuant to the *Racing and Betting Act* and the associated *Regulations*.
49. In the past 18 months, the Racing Commission has increased the level of oversight provided to the greyhound industry, including by:
- a. designating greyhound racing as a standing agenda item at the Racing Commission's board meetings (prior to 2020, updates concerning greyhound racing were provided to the Racing Commission on an ad hoc basis);
 - b. approving alcohol testing procedures during track meetings, in April 2020;
 - c. amending the Local Rules from dollars to revenue units, in June 2020;
 - d. the appointment of an additional Steward to attend race meetings for a period of four weeks, on 13 July 2020;
 - e. determining to approve the continuing appointment of two DGA officials, subject to greyhound retirement forms being received, in October 2020; and
 - f. seeking further information from the Chief Steward as to the circumstances involving the death of two greyhounds, in March 2021.
50. The Racing Commission told us that it considered the oversight provided was sufficient, '*had been performed as is required*', and in accordance with minimum regulatory intervention and performance-based risk management controls in mind⁴⁷
51. We disagree. In our view, the inadequacy of the oversight provided by the Racing Commission is demonstrated by the following:
- a. the lack of animal welfare policies implemented by the Racing Commission, as is set out in detail in Chapter 9 below;
 - b. no evidence having been provided to us of the Racing Commission considering the high rates of greyhound euthanasia in the Northern Territory;
 - c. the DGA itself making the decision to suspend greyhound racing, due to the poor condition of the track at Winnellie Park, in June 2021, rather than the Racing Commission doing so;

47 Letter from the Racing Commission, 11 May 2021.

- d. the small percentage of drug swabs performed in this jurisdiction, per starter, despite the highest percentage of positive samples being returned;
 - e. no material amendments having been made to the Local Rules since 1992, in circumstances where the Stewards responsible for their enforcement consider them to be outdated;
 - f. the Racing Commission not exercising its power to impose penalties, cancel or suspend registration in the past three years, pursuant to Rules 8 and 68 of the Local Rules;
 - g. the Racing Commission not requiring the annual reports, etc. of the DGA to be submitted to it, pursuant to Rule 15 of the Local Rules;
 - h. no reports having been made to the Racing Commission of greyhounds with skin complaints or being in an unclean condition, pursuant to Rule 209 of the Local Rules, despite the concerns raised in the Veterinarian Statement, *inter alia*; and
 - i. no appeals having been conducted by the Racing Commission under Part XXV of the Local Rules.
52. Further, in response to our request for the Racing Commission's list of persons suspended, disqualified or warned off, required to be maintained pursuant to Rule 243 of the Local Rules, we received only a notification of disqualification dated 3 December 2003.
53. The ability of the Racing Commission to provide oversight to the greyhound industry is almost certainly inhibited by the demands placed on that body by its adjudication of gambling disputes.
54. We were advised by the Chairperson that a considerable portion, if not the majority, of the Racing Commission's time is spent determining gambling disputes between bookmakers and their clientele⁴⁸. This is supported by an examination of the Racing Commission's board meetings minutes.
55. Gambling disputes arise as a result of disagreement as to whether a bet was lawful or unlawful. Disputes are also lodged regarding the conduct of bookmakers and betting exchange operators, and whether this conduct is in breach of legislation, regulations, licence conditions, and gambling codes of practice. The Racing Commission adjudicates disputes initiated by persons residing throughout Australia. It falls within the remit of the Racing Commission because many bookmakers are licenced in this jurisdiction, and the bets at issue are therefore 'struck' in the Northern Territory.
56. Analysis provided to this investigation by Licensing NT demonstrates that the number of gambling disputes commenced has risen considerably in the past five years: from 287 in 2015, to 821 in 2018 and 717 in 2019.
57. All gambling disputes commenced are investigated by compliance officers within the Gambling and Racing Team at Licensing NT, in the first instance, some of whom also undertake the functions of Stewards. The compliance officers resolve some of those disputes under delegation, and the balance are referred to the Racing Commission for determination.
58. The Racing Commission publishes its decisions online. Of the 29 decisions published in 2020, five resulted in a monetary amount payable in favour of the initiating party, and 24 did not. Four of those five payments were for less than \$1,500. An overview of the decisions reached by the Racing Commission in 2020 is set out in the table at **Annexure B** to this Report.
59. Neither the bookmaker nor the gambler is required to pay a fee to the Racing Commission for the

48 Discussion with Chairperson of the Racing Commission, 8 July 2020.

resolution of their dispute.

Stewards

60. A Steward is a person appointed to control a meeting or qualifying trial. They can be appointed by the Racing Commission or by the DGA (subject to approval),⁴⁹ and are vested with a range of powers necessary for supervising, regulating and controlling meetings.⁵⁰
61. The Racing Commission has appointed three Stewards to regulate and control race meets, who are employed by Licensing NT, as Senior Compliance Officers, Gambling and Racing. We are advised that the majority of activity undertaken as Stewards occurs outside of business hours, and over and above these Officers' other work responsibilities and commitments.
62. The current Chairman of the Stewards, or Chief Steward, is Edward Berry, who was first appointed to this role by the Racing Commission on 19 December 2005. Mr Berry has a wealth of knowledge regarding greyhound racing in the Northern Territory.
63. Jodi Kirstenfeldt and Erica Harper were appointed by the Racing Commission as Stewards in 2016. On 2 December 2019, Ms Kirstenfeldt's and Mrs Harper's tenures were extended by the Racing Commission, pursuant to Rule 82(1) of the Local Rules, such that they remain Stewards presently.
64. Stewards have a range of general powers under the Local Rules. Among other things, Stewards may:
 - a. regulate and control, inquire into and adjudicate upon the conduct of an official, owner or trainer and a person attendant on or connected with a greyhound;
 - b. enter any land, ground, course, track, building, kennels or other place used for the purpose of the meeting;
 - c. expel or exclude a person from a meeting;
 - d. alter or amend the meeting program;
 - e. inquire or investigate a matter, act or omission which, in their opinion, is negligent, dishonest, corrupt, fraudulent or improper in connection with a greyhound or greyhound racing;
 - f. require and obtain production of and examine all books and documents relating to a meeting;
 - g. charge a person for a breach of the Local Rules and impose a penalty.
65. Pursuant to Rule 86 of the Local Rules, where a greyhound performs unsatisfactorily in a race at a meeting, the Stewards may hold an inquiry and take such action as they consider necessary. Stewards supervising a meeting are required to notify in writing the Commission and the relevant committee of a club of their findings in respect of all investigations or inquiries arising out of that meeting.
66. Stewards' inquiries are governed by Part XXIII of the Local Rules. Once a matter is dealt with by Stewards, in accordance with that Part, they may warn a person off, disqualify a person or greyhound, or suspend a person.
67. Similarly to the Chairperson of the Racing Commission, the Chief Steward readily conceded that

49 Local Rules, rule 82.

50 *Ibid*, rule 87.

resourcing constraints prevented a more comprehensive performance of the Stewards' duties under the Local Rules. We are advised that there is no internal budget allocation for performance of the Stewarding function within Licensing NT, despite the importance of their role to the health of the industry.

68. The Chief Steward told us greater attention needed to be given to matters concerning racing integrity, in particular.⁵¹
69. Relevantly, documents produced by the Chief Steward record that the number of drug samples or swabs tested in the Northern Territory is *significantly lower* than in any other jurisdiction, and the percentage of positive samples returned is *significantly higher*.⁵²
70. Further, registration records for greyhounds are inadequate, and kennel inspections are not being routinely conducted by the Stewards, despite that falling within their remit. The need for an increased number of kennel inspections to be conducted was underscored by our identification on 5 November 2020 of 19 kennels, approximately one third of those inspected, as non-compliant with minimum size requirements.

Greyhounds, Trainers & Owners

71. Greyhounds generally commence racing after they reach 1.5 years of age, and race until they reach 3.5 to 4.5 years of age.⁵³ The expected lifespan of a greyhound is 12 – 15 years of age.⁵⁴
72. According to records produced to us by the Chief Steward, in the 60 days prior to 1 January 2021:
 - a. 119 greyhounds were drawn to race at Winnellie Park, of which 73 were owned by individuals and 46 were owned by syndicates;
 - b. 20 syndicates, 24 owners, and 15 trainers were associated with the DGA; and
 - c. 12 individuals were both owners and trainers.
73. When injury or illness is accounted for, the total number of greyhounds currently racing in the Northern Territory is likely to be greater than 119.
74. By way of comparison, in the 60 days prior to 1 January 2018, 159 greyhounds were drawn to participate in races at the DGA.
75. The number of starters in greyhound races in the Northern Territory in FY 2020 was 3,685. Assuming the number of greyhounds in the jurisdiction was in the vicinity of 160, that equates to an average of approximately 23 races, per greyhound, during that 12-month period.
76. As noted in the Chapter 4 of this Report, the Clinic Statistics indicate that in each year from 2010 – 2019, 17 or more greyhounds were euthanised by that particular veterinary clinic. The highest number of greyhounds euthanised by the clinic in one year was 32 in 2017, followed by 31 in 2016. In a jurisdiction with a racing cohort of approximately 160 greyhounds, those euthanasia figures from one clinic alone are alarming.

51 Discussion with Chief Steward, 2 July 2020.

52 Racing Commission Briefing Paper, 24 June 2020.

53 Special Commission of Inquiry into the Greyhound Racing Industry in New South Wales, Volume 2, Chapter 11.

54 *Ibid*. See also <http://gap.grv.org.au/greyhound-info/frequently-asked-questions/>;

77. The Racing Commission referred us to a report it had extracted from OzChase, which stated that the number of greyhounds euthanised in 2016 and 2017 were 24 and 37, respectively.⁵⁵ In 2017, this is approximately one in four racing greyhounds being destroyed. According to OzChase, euthanasia rates did decline in 2019 and 2020.
78. Regrettably, the registration records maintained by the Stewards on behalf of the Racing Commission do not provide a complete picture of the greyhounds within the industry, or of the greyhounds that are lost from it. For the reasons set out below, and particularly the admissions made to us by trainers regarding their noncompliance with registration and notification obligations, we have concerns regarding the accuracy of the records that are kept.
79. The Racing Commission informed us that to date the Stewards have relied on voluntary compliance or the goodwill of industry participants, for the maintenance of accurate registration records.
80. It is clear that this is no longer sufficient in such a high-risk industry.

Licensing NT

81. In order to operate certain businesses or professions in the Northern Territory, it is necessary to be registered with Licensing NT. Activities required to be licenced or registered include:
 - a. gambling;
 - b. acting as a greyhound owner or trainer;
 - c. operating a totalisator; and
 - d. operating as an association.
82. Licensing NT maintains an online public register of all individuals, companies and firms registered on its system.⁵⁶
83. Licensing NT (or its Director) is a party to the Funding Agreement entered with the DGA.
84. Relevantly, Licensing NT also provides administrative and operational support to the Racing Commission, and employs the Stewards.
85. The Gambling and Racing Team at Licensing NT, which is comprised of approximately seven staff members, also conducts investigations into gambling complaints, determines delegated disputes, conducts compliance operations with wagering operators and prepares reports relating to licensing applications and other issues of interests. Further, this Team is involved in regulatory functions associated with the *Gaming Control Act 1993* (NT) and the *Totalisator Licensing and Regulation Act 2000* (NT), has duties in relation to casinos, lotteries, internet gaming and UBET, as well as undertaking research and investigations into bookmaker licensing, and sports bookmaker matters such as approvals for new products and reviews.
86. Beyond gambling and racing, Licensing NT provides services to numerous other industries and professions, including auctioneers, commercial and private agents, liquor, motor vehicle dealers, pawnbrokers, real estate, business and conveyancing agents, and the security and tobacco industries.

55 Letter from the Racing Commission, 5 May 2021.

56 See: <https://licensingnt.nt.gov.au/PublicRegister/>.

Greyhounds Australasia

87. Greyhounds Australasia Pty Ltd comprises representatives from jurisdictional controlling bodies in Australian States and Territories, including the Northern Territory, and New Zealand.
88. The Chairperson of the Racing Commission in the Northern Territory is a member of Greyhounds Australasia's Board, and the Director of Gambling and Racing at Licensing NT is an Alternate Director.⁵⁷
89. Greyhounds Australasia's objective is to encourage a nation-wide approach to regulating the greyhound racing industry. It is responsible for the national rules governing greyhound racing, the Australasian Rules.
90. The Australasian Rules apply to each jurisdictional controlling body of greyhound racing in Australian states and territories and in New Zealand, and to every registered greyhound racing club, its members, officers, officials, stewards, servants, and any other persons associated with matters governed by those Rules.⁵⁸
91. Following multiple inquiries and reviews, Greyhounds Australasia has commenced a major project to review and modernise the Australasian Rules, to ensure they are simplified and easily understood by participants.
92. The timing for the rollout of the revised Australasian Rules is the second half of 2021.

Consumer Affairs

93. Relevantly for the purposes of this investigation, the Commissioner of Consumer Affairs is responsible for the administration of the *Associations Act*.
94. The functions of the Commissioner for Consumer Affairs under the *Associations Act* are delegated to a Compliance Team within the Business and Workforce, Engagement and Delivery in the Department of Industry, Tourism and Trade.
95. The Compliance Team consists of five staff and aims to promote and regulate responsible business conduct through administration of a regulatory system that protects consumer interests.
96. There are approximately 1,700 associations registered in the Northern Territory. Consumer Affairs' involvement in associations includes:
 - a. support and education functions, such as the guidance regarding association constitutions, policies, procedures and governance; and
 - b. the receipt of the accounts or audited accounts of associations.

Animal Welfare Stakeholders

97. The standards of care for animals found in the *Animal Welfare Act 1999* (NT) (***Animal Welfare Act***) apply to greyhounds used for racing in the Northern Territory. This requires individuals in charge of a greyhound to provide a minimum level of care to the animal, including ensuring appropriate food and water, accommodation, treatment for disease, etc.⁵⁹

57 <http://www.galtd.org.au/general/greyhounds-australasia-limited-board>

58 Australasian Rules, rule 3.

59 *Animal Welfare Act*, s 7.

98. A person can be found guilty of cruelty towards a greyhound if they fail to provide the minimum level of care or cause it intentional harm.⁶⁰
99. The *Animal Welfare Act* also prohibits certain kinds of treatment of animals, such as trapping and the use on an animal of electrical devices. In relation to sport, it is prohibited to:
- a. be involved in any activity in which an animal is being released from confinement for the purpose of:
 - i. being hunted, caught, confined, killed, or caused suffering by another animal; or
 - ii. used to train or exercise another animal.
 - b. possess an animal for use as a lure;
 - c. possess an animal for the purpose of bleeding greyhounds;
 - d. possess an animal for any other use in connection with the training or racing of coursing dogs.⁶¹

Animal Welfare Authority

100. The Animal Welfare Authority is established under the *Animal Welfare Act*⁶² with the purpose of ensuring compliance with and prosecuting offences under that Act. It has the power to appoint inspectors and officers, whose duties are to assess whether the *Animal Welfare Act* is being complied with and to collect evidence to support any prosecutions.⁶³
101. Officers from the Animal Welfare Authority do not routinely inspect kennels at Winnellie Park or on other premises, and historically the Authority has had little to do with the greyhound industry.⁶⁴
102. The Authority does not, for example, publish any policies or procedures in relation to the treatment or housing of greyhounds.
103. The *Animal Welfare Act* also establishes the Animal Welfare Advisory Committee. Constituted by representatives from a range of organisations, the Committee is responsible for:
- a. advising the Minister of Primary Industry and Resources about matters relevant to animal welfare;
 - b. investigating and reporting on matters relating to animal welfare referred to it by the Minister;
 - c. participating in the development of codes of practice; and
 - d. providing advice to third parties in order to improve animal welfare practices.⁶⁵

Greyhound Rehoming Association NT

104. GRANT is a voluntary organisation that works with the greyhound racing industry in the Northern

60 *Ibid*, s 9.

61 *Ibid*, s 21.

62 *Ibid*, s 26.

63 *Ibid*, s 60.

64 Discussion with the Director of the Animal Welfare Authority and officers, 7 July 2020.

65 *Animal Welfare Act*, s 70.

Territory to facilitate the adoption of greyhounds once they retire from racing.⁶⁶

105. Trainers can surrender their greyhounds to GRANT at three to five years old, and then individuals can apply to adopt them as pets. The fee to surrender a greyhound is \$100, and to adopt a greyhound is \$295.00.
106. In 2019, GRANT successfully rehomed 54 greyhounds, and in 2018, 60 greyhounds.
107. The DGA allocates a certain amount of money each year to go towards GRANT. The DGA website states that it is “a strong supporter of rehoming retired greyhounds with procedures and practices put in place to support owners and trainers to work with welfare agencies in this area”.⁶⁷
108. There is no written agreement in place between GRANT and the DGA.
109. According to the Racing Manager, the DGA estimates that 30 – 40 greyhounds will require rehoming each year, but has made allowance for funding for up to 50 greyhounds, as the number of greyhounds requiring rehoming has increased in recent years. At an approximate cost of \$400 - \$500 per greyhound, this equates to an allocation of approximately \$25,000, annually.⁶⁸
110. The DGA’s financial records indicate it spent \$22,983.80 on greyhound rehoming in FY 2019, up from \$18,115.26 in the preceding year.
111. The Racing Manager’s estimate on the cost associated with rehoming greyhounds, i.e. \$400 - \$500 per greyhound, is significantly lower than the evidence as to rehoming costs received by investigations conducted into the greyhound industry in other jurisdictions.⁶⁹ A summary of the investigations conducted in other jurisdictions is set out in **Annexure C** to this Report.
112. In addition to providing funding to GRANT, the DGA supports GRANT by hosting a greyhound re-homing day (though this was not possible in 2020, due to COVID-19), and by including a link to GRANT’s website on the DGA Facebook page.⁷⁰
113. GRANT is the only greyhound rehoming service in the country that is not administered by the jurisdiction’s controlling body. Greyhound Adoption Programs (GAP) are coordinated by Greyhound Racing Victoria (GRV), the Queensland Racing Integrity Commission (QRIC), Tasracing, and Greyhound Racing South Australia (GRSA). Greyhounds Racing New South Wales (GRNSW) and Racing and Wagering WA (RWWA) similarly run Greyhounds As Pets programs.
114. QRIC’s GAP is fully funded by the Queensland State Government,⁷¹ and GRV’s predominantly from TABCORP distributions.⁷² In Tasmania, the State Government has appropriated \$27 million per year for greyhound rehoming, over a 20-year period. It derives revenue from race field fees charged to wagering operators, to this end.⁷³

66 See: <https://www.grant.org.au/adopt-greyhound-northern-territory>.

67 See: <https://www.darwingreyhounds.com/contact/>

68 Aldam Statement, para [23].

69 See, for example, Special Commission of Inquiry into the Greyhound Racing Industry in New South Wales, Final Report Vol 1 dated 16 June 2016.

70 Aldam Statement, para [23].

71 <https://qric.qld.gov.au/veterinary-services-animal-welfare/greyhound/rehoming/>

72 <https://www.grv.org.au/wp-content/uploads/2021/01/GRV-2019-2020-Annual-Report.pdf>

73 <https://tasracingcorporate.com.au/about/funding/>

PAWS

115. PAWS is a local, animal welfare organisation, also located in Winnellie, that provides care for unwanted and stray animals, with a view towards re-homing those animals. PAWS also plays a role in community education and offers a veterinary service, PAWS Darwin Community Vets.
116. PAWS estimated it had rehomed approximately 30 greyhounds in the past two to three years, amongst the other animals it had cared for and successfully rehomed during that period. All but one of the greyhounds that PAWS has endeavoured to rehome during that period have been successful.
117. PAWS expressed a willingness to play a greater role in rehoming and the provision of veterinary services to greyhounds, subject to financial support being provided by the DGA which would enable it to do so. Correspondence provided by PAWS was provided by this investigation to the Operations Manager, for further consideration by the DGA.

RSPCA Darwin

118. The RSPCA is an organisation dedicated to the care and protection of animals, which operates out of each state and territory in Australia. RSPCA Darwin runs shelters, engages in education and advocacy, hosts community events, and is a member of the NT Animal Welfare Advisory Committee.
119. In the Northern Territory, animal welfare legislation does not confer powers of animal welfare investigation to the RSPCA. According to the General Manager of the RSCPA Darwin, the Northern Territory is the only jurisdiction where the RSPCA does not possess any powers to enter properties or seize animals.⁷⁴ Those powers rest with the Animal Welfare Authority, as noted above.
120. Accordingly, the RSPCA does not play a significant role in relation to the greyhound industry in this jurisdiction.⁷⁵

74 Discussion with General Manager of the RSCPA, Darwin, 29 October 2020.

75 *Ibid.*

Responses to the Terms of Reference

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7.

TOR 1 – To investigate whether the DGA is operating their association in accordance with the *Associations Act*, appropriate governance and business practice and standards, and meeting its obligations as set out in their NT Government funding agreement

Chapter Summary

1. The DGA operates in accordance with the majority of its obligations under the *Associations Act*, noting in particular:
 - a. the DGA Constitution addresses each of the requisite elements of an incorporated association's constitution;
 - b. the DGA now maintains a register of members;
 - c. the DGA has appointed a Management Committee in accordance with the *Associations Act* and the DGA Constitution, subject to the exceptions noted below;
 - d. the DGA holds an annual general meeting each year and maintains minutes with respect to the same;
 - e. the DGA Management Committee meets at least eight times per year and maintains minutes with respect to the same; and
 - f. the DGA has audited accounts prepared each year, copies of which are provided to its members and to the Commissioner for Consumer Affairs.
2. However, the DGA is non-compliant with the *Associations Act* in the following respects:
 - a. there is no person appointed to the position of Secretary on the DGA Management Committee presently;
 - b. the information contained in the register of members is incomplete;
 - c. the procedure for the resolution of disputes is inadequate, and not used consistently by the Management Committee; and

- d. the procedure used for the resolution of disputes has failed to ensure that the rules of natural justice are observed.
3. Further, the DGA has not appointed a third skills-based Management Committee member, contrary to clause 23(2) of the DGA Constitution, and nor has it met certain obligations under its Funding Agreement with the Northern Territory Government. In particular, the DGA has failed:
 - a. to prepare adequate Service Plans required under the Funding Agreement, which allocate the funds received from the Government to actions and objectives;⁷⁶
 - b. to maintain records that allow the tracking of that expenditure by the DGA towards those actions and objectives;⁷⁷ and
 - c. to adequately report on the expenditure of the funds provided to Licensing NT.⁷⁸
 4. Licensing NT has similarly failed to adequately monitor and evaluate the use of funds by the DGA in accordance with the Funding Agreement.⁷⁹
 5. Governance and business practices at the DGA have improved in recent years, including via the appointment of independent skills-based individuals to the Management Committee, and the hiring of an Operations Manager to facilitate and administer financial transactions, and to assist the Management Committee with their oversight of the running of the DGA.
 6. However, a number of deficiencies with governance and business practices at the DGA remain, as follows:
 - a. the roles and responsibilities of the Management Committee are not clearly defined, nor well understood by the Committee itself;
 - b. no qualifications or experience are required for members to be elected to the Management Committee, including to the roles of Secretary or Treasurer;
 - c. there is no guidance provided to new members of the Management Committee with respect to their duties and the operation of the DGA;
 - d. the Management Committee does not have a sufficient focus on compliance with its obligations, for instance, under the *Associations Act* or under the Funding Agreement;
 - e. there is no requirement for the Management Committee, in whole or in part, to complete any formal training in relation to corporate governance;
 - f. the DGA has no Conflicts of Interest policy; and
 - g. there is no formal process for the monitoring and management of risks facing the DGA.
 7. While the DGA has been effective in driving financial growth and increasing the quantity and consistency of the greyhound racing offered, it has demonstrated an insufficient focus on compliance with its obligations under the *Associations Act*, its Funding Agreement, and appropriate governance and business standards more broadly.

⁷⁶ Funding Agreement, clauses 5.1 and 5.2

⁷⁷ *Ibid*, clause 8.1.

⁷⁸ *Ibid*, clauses 8.1 and c 8.2.

⁷⁹ *Ibid*, clause 5.5.

Recommendations

8. We recommend that the DGA:
 - a. appoint a member to the role of Secretary, in accordance with the requirements of the *Associations Act* and its Constitution;
 - b. appoint a third, skills-based member to the Management Committee, in accordance with its Constitution;
 - c. amend its Constitution to require the three skills-based members appointed to the Management Committee to be endorsed by the relevant Minister, in accordance with the recommendations of the Monteith Report and the Funding Agreement;
 - d. amend its Constitution to prevent persons who have been found to have deliberately breached the Greyhound Rules from being appointed to the Management Committee for a period of at least three years, in circumstances where the breach:
 - i. carried a maximum penalty of 20 penalty units or more; or
 - ii. may have resulted in the person being disqualified from participating in greyhound racing or facing a suspension of 12 months or more;
 - e. implement a formal process for appointment to the Management Committee, which should commence not less than three months prior to the expiry of any appointment, and assign responsibility for compliance with this appointment process to the Operations Manager;
 - f. prepare a Service Plan that complies with the terms of the Funding Agreement, for approval by Licensing NT, and commence complying with the associated record keeping and reporting obligations under that agreement;
 - g. allocate additional internal resources to assist the Management Committee to ensure compliance with its obligations under the *Associations Act* and the Funding Agreement;
 - h. develop an induction process for members of the Management Committee which addresses the duties of the Management Committee and the compliance obligations of the DGA, in consultation with Occupational Licensing and Associations, Business and Workforce in the Department of Industry, Tourism and Trade;
 - i. develop a proposal for remuneration of skills-based appointees to the Management Committee, to be voted upon by its members, with a view to attracting greater interest in those appointments;
 - j. routinely seek to elect skills-based appointees to its Management Committee with appropriate governance and business standards experience;
 - k. sponsor certain members of the Management Committee, and the Operations Manager, to complete the Australian Institute of Company Directors course, or a similarly approved course, to improve the capabilities of those individuals and the Management Committee more broadly;
 - l. require candidates for the position of Treasurer and Secretary to demonstrate expertise relevant to the performance of their role, prior to their appointment;
 - m. in the event that appropriate candidates for the roles of Treasurer and Secretary cannot be

- found, amend its Constitution to allow for skills-based Management Committee members to perform those roles;
- n. amend its Constitution to implement an effective dispute resolution mechanism;
 - o. develop and implement a Conflicts of Interest policy that applies to the Management Committee and DGA staff, including the Racing and Operations Managers;
 - p. review the Position Descriptions for each of the Racing Manager and Operations Manager to ensure they accurately reflect what is required in the performance of those roles;
 - q. engage with its Independent Auditor to ensure the issues identified in its accounts are rectified; and
 - r. include as a standing agenda item at Management Committee meetings, sufficient and timely reminders to consider governance and compliance related issues.
9. We recommend that Licensing NT:
- a. appropriately engage with the Service Plan prepared by the DGA, once it is received, and consider the actions and objectives of the DGA against its own priorities for the greyhound racing industry;
 - b. ensure that it discharges its obligations under the Funding Agreement thereafter.

A - Compliance with the *Associations Act*

10. The *Associations Act* imposes a range of obligations on associations, including in relation to the process and effect of their incorporation, the management of internal affairs, accounts and auditing, and the disposal of property. We consider each of these obligations below.
11. As noted, the Commissioner for Consumer Affairs is responsible for administering the *Associations Act*.⁸⁰

Requirements of an association's constitution

12. Section 21 of the *Associations Act* requires the constitution of an association to provide for the following:
- a. the qualifications of members of the association;
 - b. the creation of the executive offices of the association and the procedure for filling those offices;
 - c. the procedure for the settling of disputes between the association and its members;
 - d. the constitution of the committee of the association and the powers of that committee;
 - e. the procedure for the conduct of meetings of the committee of the association;
 - f. the manner in which the funds of the association are to be managed;

⁸⁰ Under the previous Act, the Registrar of Associations was responsible for administering the Act, though this office was typically filled by the same person.

- g. the method of altering, adding to or rescinding the constitution of the association; and
 - h. the method of altering the objects or purposes of the association.⁸¹
13. Where an association is operating in breach of its constitution, action can be taken by its members or the Commissioner to ensure compliance.⁸²
14. The DGA Constitution addresses each of the matters that are required to be included in an association's constitution and is compliant with section 21 of the *Associations Act*.
15. In particular, the DGA Constitution provides for the following:
- a. the qualifications its members, at Part 3;
 - b. the creation of the executive offices of the association and the procedure for filling those offices, at Part 4;
 - c. the procedure for the settling of disputes between the association and its members, at clause 55;
 - d. the constitution of the committee of the association and the powers of that committee, at Part 4;
 - e. the procedure for the conduct of meetings of the committee of the association, at Part 5;
 - f. the manner in which the funds of the association are to be managed, at Part 7;
 - g. the method of altering, adding to or rescinding the constitution of the association, at clause 8; and
 - h. the method of altering the objects or purposes of the association, at clause 8.
16. The DGA Constitution has been amended twice in the last five years: first in 2016 pursuant to recommendations of the Monteith Report and as a result of requirements under the Funding Agreement, and subsequently in 2019.⁸³
17. Prior to 2016, the DGA Constitution was not compliant with the *Associations Act* in that it did not contain a mechanism for dealing with grievances and disputes.⁸⁴

Membership and Register of Members

18. The *Associations Act* requires that associations maintain a membership of at least five people.⁸⁵ Further, the *Associations Act* and the corresponding regulations require associations to establish and maintain a register of members, which is to include certain information in relation to each

⁸¹ *Associations Act*, s.21.

⁸² The Commissioner can issue a certificate allowing the wind up of the association in the Supreme Court in circumstances of the breach of the constitution (s.73); Commissioner can appoint a statutory manager in circumstances of the breach of the constitution (s.78); members or former members can bring a claim of oppressive or unreasonable acts where an association is acting in breach of its constitution (s.109).

⁸³ Prior to 2016, the Constitution had not been amended since 1996.

⁸⁴ DGA Constitution 2016, clauses 7(i) and 19.

⁸⁵ *Associations Act*, s 26.

member.⁸⁶ The register must be available for inspection by members at reasonable times.⁸⁷

19. In November 2018, the DGA did not maintain a membership register in compliance with the requirements of the *Associations Act*.⁸⁸ Following intervention by Licensing NT, the DGA sought out the relevant details from each of its members and by March 2019, a register was in place that identified 42 members, and listed their full name, address, email address and the date on which their membership commenced and was to expire.⁸⁹
20. The DGA has continued to maintain the register of members since this time.
21. We have reviewed the current register maintained by the DGA and are satisfied that it records the name and email address of each member, as well as the date on which each member (save for two) commenced their membership with the DGA.⁹⁰
22. The register does not presently state the date on which any individual ceased to be a member, however the DGA is aware of the need to remedy this to achieve compliance with the *Associations Act* and *Associations Regulations*, and intends to do so.⁹¹

The management of the internal affairs of an association

23. Part 4 of the *Associations Act* governs the management of the internal affairs of an association.
24. It requires that all associations appoint both a Management Committee and a Public Officer. Further, it imposes obligations and duties on each and sets out minimum requirements with respect to record keeping, the conduct of meetings and the keeping of minutes.

Appointment of the Management Committee

25. The Management Committee (sometimes referred to as the Committee or the Board) is responsible for overseeing the running of the association, including its financial affairs, decision making, and ensuring compliance with its various obligations (for instance, under the *Associations Act*, the DGA Constitution and Funding Agreement).
26. The *Associations Act* requires the constitution of an association to provide for the appointment of the Management Committee.⁹² Typically, the Management Committee will be made up of a Chair/ President, a Vice Chair/ President, a Secretary, a Treasurer and a number of other committee members. For larger associations, this Management Committee would typically include persons independent of the affairs of the association.
27. Under the *Associations Act*, all associations are required to have a Public Officer who resides in the Northern Territory.⁹³ Public Officers are essentially the legal representative and the point of contact of the association, for both Licensing NT and the public.
28. The *Associations Act* requires that the Public Officer reside in the Northern Territory, and does not preclude the Public Officer from holding another position in the association if the constitution

86 *Ibid*, s 34(1); *Associations Regulations*, reg 8.

87 *Ibid*, s 34.

88 Email from Daniel McKeown to Dean Moloney regarding the DGA's membership register, 8 November 2018.

89 The DGA lacked an email address for 1 financial member and the 'starting date' for another.

90 Membership Register, 2020.

91 Discussion with the Operations Manager

92 *Associations Act*, s 21.

93 *Ibid*, s.27.

permits it, which the DGA Constitution does in regard to the Public Officer being elected to the Management Committee.

29. On the records available to us, the Management Committee, including the President, Vice President, Treasurer, and two skills-based members, have been elected in accordance with the requirements of the *Associations Act* and the DGA's Constitution. So too was the Public Officer.

Secretary

30. The DGA Constitution requires the appointment of a Secretary to carry out a number of roles, including coordinating correspondence, keeping meeting minutes, maintaining the membership register, and maintaining custody of books and records.⁹⁴
31. At present, there is no Secretary appointed to the Management Committee.
32. The failure to appoint a Secretary is a substantive issue and must be addressed. It likely provides some explanation as to why certain obligations under the *Associations Act* and the Funding Agreement have not been met by the DGA.
33. Further, it is widely accepted as good practice for the Secretary to play a significant role within a Management Committee, including by providing support with respect to governance, monitoring compliance with policies and procedures, and facilitating induction and professional development of committee members.⁹⁵
34. An effective Secretary will be vital in ensuring the DGA adheres to compliance obligations in the future, and delivery of the recommendations of this Report. We recommend an appropriately qualified Secretary be appointed by the DGA as a matter of priority.

Skills Based Committee Members

35. Under the current DGA Constitution, as well as the previous iteration implemented in 2016, three skills-based members are required to be appointed to the DGA Management Committee.
36. We understand that the Management Committee has had some difficulty attracting and appointing these skills-based committee members.
37. Presently, there are two skills-based members on the Management Committee, Messrs Halliwell and Dennis, whose appointment was endorsed by the Minister for Racing, Gaming and Licensing on 5 October 2020.
38. The diversity of expertise and independence brought by these individuals to the Management Committee is a positive development for the DGA, and it is important that the appropriate steps are taken to ensure these positions remain occupied.
39. We recommend the DGA implement a formal process for the appointment of persons to the Management Committee, including in relation to how and when vacancies on the Management Committee are publicised, and suitable skills-based candidates are identified. We recommend that this process commence at least three months prior to the expiry of a Management Committee appointment, and that the Operations Manager be tasked with facilitating this process.

94 DGA Constitution, clause 35.

95 Australian Institute of Company Directors (2016) 'Role of the Company Secretary', located at:https://aicd.companydirectors.com.au/-/media/cd2/resources/director-resources/director-tools/pdf/05446-6-7-duties-directors_role-company-secretary_a4_web_ashx

Restrictions on the appointment of certain persons to the Management Committee

40. The *Associations Act* precludes certain categories of persons from serving as Management Committee members, including:
 - a. persons who are insolvent;
 - b. persons who have been convicted of an offence in connection with the promotion, formation or management of a body corporate;
 - c. persons who have been convicted of an offence involving fraud or dishonesty punishable on conviction by imprisonment for not less than three months; and
 - d. persons who have been convicted of an indictable offence or an offence against the *Associations Act*.⁹⁶
41. Plainly, the intent of the legislation is to ensure persons involved in the management of an association are fit and proper to do so.
42. This investigation is aware that in August 2020, a member of the Management Committee pleaded guilty to betting against his own greyhound, in breach of Rule 87 of the Australasian Rules and was fined \$3,925. This individual had his responsibilities on the Management Committee removed, as a result of the conviction, however remained a member of the Committee.⁹⁷
43. At the most recent annual general meeting, that individual nominated for, and was reappointed to, a substantive role on the Management Committee.
44. The *Associations Act* does not preclude this appointment to the Management Committee. However, given this individual's contravention of the Greyhound Rules, we have concerns as to whether he is a fit and proper person to occupy this position. This concern is heightened by this individual having been penalised by the Stewards in relation to other breaches of the Greyhound Rules, and our having identified his kennelling of greyhounds in facilities that did not meet minimum size requirements.
45. We recommend that the DGA Constitution be amended to prevent persons who have been found to have intentionally breached the Greyhound Rules from being appointed to the Management Committee for a period of at least three years, from the date of the conviction, in circumstances where that breach:
 - a. carried a maximum penalty of 20 penalty units or more, or
 - b. may have resulted in the person being disqualified from participating in greyhound racing or facing a suspension of 12 months or more.

Annual General Meetings and minutes

46. Under the *Associations Act*, associations must hold an annual general meeting once in each calendar year, within five months after the end of the association's last financial year.⁹⁸ At an annual general meeting, the association's financial statements and auditor's report are presented to the meeting and members are given the opportunity to ask questions and provide comment.

96 *Associations Act*, ss 30 and 40.

97 DGA Management Committee meeting minutes, 20 August 2020

98 *Associations Act*, s.36. This requirement is included in clause 43 of the DGA Constitution, and was included in section 6(a) of the DGA's 2016 Constitution, insofar as it required the DGA to hold an AGM by the end of September each year.

47. The annual general meeting provides an opportunity for the Management Committee to provide members with an understanding of the operations and overall health of an association, including its financial health. It also serves as an opportunity to elect or appoint office bearers and ordinary committee members. It is vital to ensuring transparency and accountability to members.
48. The records confirm that the DGA held an annual general meeting in every year between 2016 and 2020. A review of the minutes of those meetings indicates that those meetings were conducted in accordance with the *Associations Act*.⁹⁹
49. The *Associations Act* does not provide any requirements with respect to notice of an upcoming annual general meeting. However, notice is addressed in the DGA Constitution, which requires that the Secretary give all members “not less than twenty one (21) days’ notice”.¹⁰⁰ The records available to us do not raise any concerns with the DGA’s compliance with this notice requirement. Appropriate notice has been given to members, including in relation to an extraordinary general meeting in August 2018.

Management Committee meetings and minutes

50. Committee meetings provide a forum for the Management Committee to meet and undertake their duties, including making decisions with respect to the strategic direction of the association and overseeing the running of the association.
51. The DGA Constitution requires that the Management Committee meet on at least eight occasions per year, whereas the 2016 Constitution required monthly meetings.
52. Since 2017, the Management Committee has typically met monthly. Relatively comprehensive minutes are prepared that summarise what was discussed and note decisions made. This is adequate for an association of the size and complexity of the DGA.¹⁰¹
53. While the meetings appear to adequately deal with issues associated with the general running of the club, the minutes confirm that insufficient attention is given by the Management Committee to matters of compliance.
54. Given the DGA’s ongoing obligations under the *Associations Act*, the *Racing and Betting Act*, its Constitution and Funding Agreement, we recommend that each Management Committee meeting include a discussion of matters associated with compliance. We recommend the agenda prepared for each meeting expressly prompt such discussion.

Complaints and dispute resolution

55. The *Associations Act* requires associations to include a procedure for the settling of disputes between the association and its members in its constitution.¹⁰² Since 2016, the DGA Constitution has done so.
56. Clause 55 of the DGA Constitution currently addresses the procedure for the resolution of grievances and disputes, and it applies to disputes between members, as well as between a member and the Management Committee.

99 The investigation has identified some procedural breaches with respect to the timing of meetings however these are minor in nature. Namely, between 2016 and 2019, the DGA did not hold its Annual General Meeting by the end of September each year. Further, in 2020, the DGA did not hold its Annual General Meeting within 5 months of the end of the financial year.

100 See DGA Constitution, clause 45 and DGA’s 2016 Constitution, Clause 6(c).

101 The Model Constitution provided by the Northern Territory Government, requires the committee meet on no less than 4 times per year. See: https://nt.gov.au/_data/assets/pdf_file/0005/237308/incorporated-association-model-constitution-template.pdf

102 *Associations Act*, s.21.

57. Pursuant to clauses 55(2) and 55(3) of the Constitution, within 14 days after the dispute comes to the attention of the parties to the dispute, they must meet to discuss the matter. If the dispute is unable to be resolved, then the parties must, within ten days after the meeting, hold another meeting in the presence of a mediator.
58. While the DGA has indicated the dispute resolution procedure, as set out in the Constitution, was used in relation to a small number of disputes, it was not applied in relation to the vast majority, including with respect to those disputes that are referred to in the August 2018 Complaint.¹⁰³
59. In our discussions with the DGA, it was noted that where a member had a complaint with respect to the running of the DGA, they were required to raise the issue with the Management Committee, and the matter would be dealt with by the Management Committee, at its discretion.¹⁰⁴
60. The *Associations Act* requires that the DGA ensure that the rules of natural justice are observed in the adjudication or resolution of a disputes.¹⁰⁵ For a person to be afforded natural justice, there are two main obligations that must be satisfied: the person must have an opportunity to be heard (the “hearing rule”) and the decision-maker must not be biased (the “bias rule”).
61. We consider that the failure by the DGA to implement its dispute resolution procedure, likely resulted in a number of occasions on which the DGA failed to ensure the rules of natural justice were followed. In particular:
 - a. it is not clear that where the dispute involved a person on the Management Committee, that person was excluded from adjudicating the dispute;
 - b. it is not clear that contrary evidence was put to the complainant;
 - c. persons who made complaints were not aware of the relevant process, and as a result, were unable to meaningfully engage with the process;
 - d. it is not clear that the findings of the Management Committee were communicated to the complainants.
62. Throughout this process, the DGA has expressed a willingness to improve its dispute resolution procedure to ensure it is better able to respond to member disputes and complaints.¹⁰⁶ We recommend that the DGA do so.
63. We further recommend that the DGA membership follow the DGA dispute resolution process, once amended and implemented. There are numerous examples before this investigation of industry participants seeking to voice their concerns regarding the DGA outside of proper processes, including by writing directly to Ministers about trivial matters, and without having raised their concerns with the DGA in the first instance. This practice is destabilising and unhelpful. It should cease.

Prohibition on distributing profits or assets to members

64. The *Associations Act* prohibits an association from distributing the profits, or disposing of the assets, of an association to its members.¹⁰⁷

103 Discussion with R Brennan, G Aldam, J Winter, 10 December 2020.

104 *Ibid.*

105 *Associations Act* s.39

106 Discussion with R Brennan, G Aldam, J Winter, 10 December 2020.

107 *Associations Act*, s 13A.

65. This prohibition does not capture reasonable remuneration of a member for work done, or payments or dispositions incidental to activities carried on by the association, in accordance with or consistently with, its objects.
66. A significant amount of money is paid to members of the DGA in the form of prize money. This inquiry considers such payments to be incidental to the greyhound racing. In support, we note that parallel legislation in other jurisdictions often includes a specific carve out for prize money.¹⁰⁸
67. No evidence was provided to this investigation that would indicate money was being inappropriately dispersed to members. Further, our review of the audited accounts and the transaction records of the DGA did not raise any concerns of that nature.

Accounts and Audit

68. Part V of the *Associations Act* contains provisions relating to accounts and audit.
69. Associations are required to maintain accounting records that correctly record and explain the transactions and financial position of the association.¹⁰⁹ These records are required to be maintained for a period of seven years.¹¹⁰
70. Based on these records, associations are required to prepare an annual statement of accounts which provides a fair and accurate account of, among other things:
 - a. the income and expenditure of the association during the last financial year of the association;
 - b. the assets and liabilities of the association at the end of that financial year; and
 - c. mortgages, charges or other securities of any description affecting property of the association at the end of that financial year.¹¹¹
71. The annual statement of accounts is required to be audited,¹¹² presented to the committee,¹¹³ and filed with the Commissioner.¹¹⁴
72. For the purposes of auditing, there are three tiers of incorporated associations. The tier is determined by reference to the turnover or assets of the association. The higher the turnover or the assets of an association, the greater the requirements for audit, including with respect to the qualifications of the auditor and the matters on which the auditor is required to comment. This recognises that larger associations, handling larger amounts of money, have the potential to cause greater harm should they be mismanaged or become insolvent.
73. As an association with more than \$250,000 income, the DGA is a Tier 3 Association.¹¹⁵ As a Tier 3 Association, the DGA is subject to the most onerous accounting and audit requirements under the *Associations Act*.

108 *Associations Incorporation Act 2009* (NSW), ss 40 and 5; *Associations Incorporation Reform Act 2012* (Vic), ss 33 and 4; *Associations Incorporation Act 1981* (Qld).

109 *Associations Act*, s 41.

110 *Associations Act*, s 41.

111 *Associations Act*, s.42.

112 *Associations Act*, ss. 46, 47 and 48.

113 *Associations Act*, s.43.

114 *Associations Act*, ss. 45.

115 *Associations Regulations*, reg 8.

74. The DGA's auditor is required to hold a public practice certificate from one of the three professional accounting bodies.
75. The auditor is required to review the DGA's accounts and provide comment in relation to a number of matters, including:
- a. whether the accounts give a true and fair view of income, expenditure, assets, and liabilities of the association;
 - b. whether they are in compliance with the *Associations Act*;
 - c. whether they are in compliance with applicable Australian Accounting Standards;
 - d. that there are reasonable grounds to believe the association will be able to pay its debts when they fall due;
 - e. defects or irregularities in the accounts identified during the audit; and
 - f. any matters that are missing, that prevent a true and fair view of the accounts being obtained.¹¹⁶
76. As noted above, the accounts, and the views of the auditor, are then required to be put before the members of the DGA and filed with the Commissioner.
77. This investigation considers that the DGA is compliant with these obligations and has been each year since 2015, insofar as:
- a. it has submitted its accounts for review by appropriately qualified independent auditors and has been provided with an auditor's report for each financial year since 2015;
 - b. for each of those years, a Committee's Report has been signed by two Committee members, stating that there are reasonable grounds for forming the view that the DGA will be able to pay its debts, as and when they fall due; and
 - c. the auditor's report for each year has concluded that, notwithstanding issues identified in the DGA's accounts, the financial reports of the DGA present a true and fair view of its financial position and the results of its operations.¹¹⁷
78. However, a review of the financial statements relevant to the DGA and audits of the same shows that, in each year since 2015, the DGA's asset register did not contain information as to the "accumulated depreciation, depreciation rate and written down value of the assets owned by the Association".
79. As at the date of writing, this issue had not been rectified, but the DGA has committed to engaging with its auditor and ensuring these issues are rectified.¹¹⁸

116 *Associations Act*, s.48.

117 The investigators did not request corresponding records prior to 2015.

118 DGA response to the NAM dated 16 February 2021.

B - Compliance with the Funding Agreement

80. As noted in Chapter 6 above, the DGA receives considerable financial assistance from the Northern Territory Government pursuant to the terms of a Funding Agreement.
81. The current Funding Agreement between the Director-General of Licensing and the DGA was executed on 26 July 2016.
82. The funding derived by the DGA from the Government under the Funding Agreement is a maximum of \$800,000 annually,¹¹⁹ less the amount received by the DGA from UBET under the UBET totalisator licence.¹²⁰ In practice, the DGA receives between \$400,000 and \$550,000 under the Funding Agreement, annually.
83. In receipt of this funding, the Funding Agreement imposes a number of obligations on the DGA, including in relation to how the funding may be used, record keeping and reporting, and governance. The DGA does not meet those requirements.

The use of funding; Service Plans

84. Clause 4.2(a)(i) of the Funding Agreement states that the DGA must use the funding received “solely for the Purpose, in accordance with the Service Plan”.
 - a. The “Purpose” is defined in the Funding Agreement to mean “to further the development and welfare of the greyhound racing industry in the Northern Territory, and includes the purchase of capital or fixed assets and operational funding”.
 - b. A “Service Plan” means the “Service Plan agreed to between the parties in accordance with clause 5.2”.
85. Clause 5 of the Funding Agreement requires the DGA to provide a Service Plan which addresses a number of matters, including:
 - a. a strategic plan for the growth and development of greyhound racing in the Northern Territory;
 - b. clear and measurable benchmarks and performance indicators by which achievement of the objectives and strategies identified in the Service Plan can be measured;
 - c. a specific allocation of funds to each of the priorities/components set out in the Service Plan; and
 - d. a racing calendar providing at least 51 wagering race meetings to be held, containing at least 5 starters per race and 20 starters overall.
86. The DGA is required to provide a Service Plan to Licensing NT by no later than 30 October on each year the Funding Agreement is in operation.¹²¹
87. Once submitted, Licensing NT is required to review the Service Plan and notify the DGA as to whether or not it was satisfactory.¹²² Where it was not, the Funding Agreement provided a process by which the Service Plan could be improved and then approved. In this way, the Service Plan represented an agreement by the parties with respect to how the funding was to be spent.

119 Adjusting upwards by approximately 1.5% per year, in accordance with the Consumer Price Index.

120 The amount received by the DGA under the Funding Agreement in any year is determined by reducing \$800,000, by any amounts paid by UBET, as is required by UBET under its totalisator licence with the Northern Territory Government.

121 Funding Agreement, clause 5.2(a).

122 Funding Agreement, clause 5.2.

88. In the course of the Funding Agreement, five Service Plans or updates should have been provided by the DGA to Licensing NT, on or before 30 October 2016, 30 October 2017, 30 October 2018, 30 October 2019 and 30 October 2020.
89. The DGA prepared four Service Plans (although they were at times referred to as a “strategic plan”), some of which purported to relate to multiple years. The date on which each document was prepared is unclear.
90. Further, while some discussion of a Service Plan is recorded in the Management Committee meeting minutes, and in 2018 and 2019, Licensing NT met with the DGA to discuss improvements that were required, neither Licensing NT nor the DGA has been able to provide any evidence that the Service Plan was approved by Licensing NT each year.
91. The first Service Plan prepared by the DGA included eight key objectives including the following:
 - a. *promote the sport of greyhound racing in Darwin;*
 - b. *achieve growth in greyhound racing;*
 - c. *increase revenue;*
 - d. *increase returns to owners / trainers;*
 - e. *maintain a professionally managed association;*
 - f. *increase and maintain the integrity of greyhound racing in the NT;*
 - g. *continue to be recognised by and maintain funding support from the NT Government; and*
 - h. *increase investment to upgrade and maintain facilities.*
92. It also identified a series of actions required to meet each objective, timeframes for undertaking those actions, and performance indicators in respect of each objective.
93. The subsequent Service Plans are essentially brief updates in relation to the operation of the DGA. They are often general in nature, for instance, stating that the DGA ‘*met all criteria and goals*’ set out in its previous plan.
94. Some, but not all, detail objectives for the coming year (such as ‘*building a new kennel block*’, ‘*conducting 10 races with full fields on a consistent basis*’, ‘*formulating a policy for rehoming retired greyhounds*’). Importantly, all but the first Service Plan fail to sufficiently identify the objectives of the DGA, and all fail to identify the actions required to be taken by the DGA to meet the objectives of the Service Plan.
95. No attempt has been made in any of the Service Plans to allocate the funding received under the Funding Agreement to particular activities, objectives or strategies set out within. For example, how funding would ‘*increase and maintain the integrity of greyhound racing*’, consistent with the first Service Plan, is unstated.
96. Negotiating each of the Service Plans with the DGA presented an opportunity for Licensing NT to consider governmental priorities or matters of public interest and use the Service Plan to require action by the DGA in those areas. It was open to Licensing NT to require that particular initiatives be included in the Service Plan with respect to, for example:

- a. rehoming of greyhounds;
- b. animal welfare initiatives including in relation to kennelling standards or reducing track injuries;
- c. compliance with construction, tenancy and planning laws;
- d. development of procedures associated with dispute resolution; and
- e. improvements to governance at the DGA, including through the completion of relevant training.

Record keeping and reporting obligations

97. The Funding Agreement requires that the DGA maintain records that allow it to track expenditure of the funding toward its objectives,¹²³ and report on their progress to Licensing NT.¹²⁴
98. Without the development of adequate Service Plans, it follows that the DGA has been unable to comply with its record keeping and reporting obligations under the Funding Agreement.
99. In relation to record keeping, the Funding Agreement required that the DGA:
- a. clearly identify the receipt of the funding within its accounting records separately from all other monies; and
 - b. keep detailed financial records linking actual expenditure by the DGA of the funding received to the activities, objectives or strategies set out in the Service Plan, separately from all other monies.¹²⁵
100. The DGA has maintained records that allow it to record the receipt of the funding, however no attempt has been made to track the spending of that funding on particular activities or components and as such, there are no records with respect to the same.
101. In relation to reporting, the Funding Agreement requires that the DGA submit an Annual Progress Report to Licensing NT.¹²⁶ The Annual Progress Report was required to provide an update with respect to the various components that were specified in the Service Plan, including expenditure and progress toward their completion.
102. Again, without a Service Plan that sets out objectives and activities with specific funding allocated to each, nor records of expenditure, the DGA has been unable to provide a meaningful Annual Progress Report or update.
103. Though the DGA has submitted an Annual Progress Report for each year of the Funding Agreement, they do not contain the level of detail required to allow Licensing NT to track the use of the funding.

Review of the performance of the DGA under the Funding Agreement

104. Under the Funding Agreement, Licensing NT and the DGA are required to meet twice per year to

¹²³ Funding Agreement, clause 8.1.

¹²⁴ Funding Agreement, clauses 8.1 and 8.2.

¹²⁵ Funding Agreement, clause 8.1.

¹²⁶ Funding Agreement, clause 8.2 and Schedule 3.

review the DGA's performance against the Service Plan.¹²⁷

105. Further, the parties are required to conduct an annual review.¹²⁸ Through this review, Licensing NT is able to consider whether the DGA is compliant with its obligations under the agreement and the Service Plan, with reference to budgets, timeframes and performance measures. At the conclusion of the review, Licensing NT is required to prepare a report and provide the report to the DGA.
106. While both Licensing NT and the DGA have indicated that there have been ongoing discussions throughout the term of the Funding Agreement, including in 2018 and 2019, when Licensing NT provided directions with respect to improvements needed to be made to the Service Plan, they have also advised that the formal processes under the Funding Agreement have not been followed.¹²⁹
107. While the evidence suggests this failure is a result of a lack of resources, rather than a decision to disregard the requirements of the Funding Agreement, it constitutes a missed opportunity for Licensing NT to engage with the DGA and ensure that the money being provided under the Funding Agreement was being spent for the purpose specified and in accordance with its terms.
108. Such regular engagement between these two key stakeholders would also provide Licensing NT with the opportunity to understand emerging issues for the industry. These could then be addressed as they arise or could inform priorities for future Service Plans.

Governance

109. Pursuant to the Funding Agreement, the DGA was required to make several governance changes associated with the Management Committee.¹³⁰
110. Primarily, this required amendment of the DGA Constitution to allow for appointment of Management Committee members with particular skill sets, following endorsement by the Minister for Racing Gaming and Licensing.
111. In 2016, the DGA's Constitution was so amended, to include a clause requiring the Management Committee to nominate "up to 3 skills based independent directors", and for the appointment of those directors to be endorsed by the Minister for Racing Gaming and Licensing. The amended Constitution was adopted at a Special General Meeting of the DGA on 26 October 2016.
112. Pursuant to the current DGA Constitution, the Management Committee *shall* appoint three persons for a three-year period, with such skill sets as determined by the Committee. Under the Funding Agreement, the appointment of these additional Committee Members, must be endorsed by the Minister for Racing and Gaming. As noted above, the Management Committee presently only has two skills-based representatives, contrary to the Constitution.

C – Appropriate corporate governance and business practice and standards

113. Corporate governance refers to the systems and processes put in place to control and monitor, or 'govern' an organisation.¹³¹

127 Funding Agreement, clause 5.4.

128 Funding Agreement, clause 5.5

129 Discussion with Anna McGill, E Berry, T Te Whata, 16 December 2020; Discussion with R Brennan, G Aldam, J Winter, B Halliwell, 10 December 2020.

130 Funding Agreement, Schedule 2.

131 Australian Institute of Company Directors (2013) Good Governance Principles and Guidance for Not-for-Profit Organisations, located at <http://www.companydirectors.com.au/>.

114. The systems and processes that are appropriate for each organisation will vary depending on the size, purpose and maturity of that organisation, and the industry in which it operates.
115. For example, sophisticated, corporate entities engage highly qualified directors to oversee the operation and direction of their business, and employ or engage professional advisors to identify and mitigate risk. Smaller associations, such as the Darwin Model Plane Flying Club, need not and should not hold themselves to such an exacting standard.
116. We consider the following factors as relevant to the governance processes and procedures appropriate for the DGA:
- a. the DGA, and the greyhound racing industry in the Northern Territory, are smaller than their counterparts in other jurisdictions;
 - b. the Management Committee at the DGA are volunteers;
 - c. the DGA is the only greyhound racing provider in the Northern Territory;
 - d. the DGA has a revenue of approximately \$2.5 million per year;
 - e. the DGA employs approximately 15 staff;
 - f. the DGA receive a significant amount of government funding and assistance;
 - g. the DGA conducts or facilitates an activity centred upon the use of live animals, which has the potential to create significant animal welfare related issues; and
 - h. the prize money paid in relation to greyhound racing and the capacity to wager on races creates considerable risk associated with misappropriation and misconduct.
117. The corporate governance systems and processes that would be expected of an organisation in the circumstances described above include the following:
- a. a Management Committee with a breadth of backgrounds, skills and expertise, including skills-based members, and a requirement that the Management Committee (or certain members of it) complete training relevant to their role;
 - b. clearly defined roles and responsibilities for each member of the Management Committee and the Management Committee as a whole, and an induction process that provides new members of the Management Committee with an understanding of the same;
 - c. processes within the organisation which demand a focus on its compliance obligations;
 - d. a clearly defined strategy for the direction of the DGA, with a considered path forward; and
 - e. an appropriate system of organisational oversight or risk management.
118. We set out further details with respect to each, below.

Composition of the Management Committee

119. The appointment of persons with a breadth of skills and experience to the Management Committee

reduces the chances that the Management Committee will engage in 'group think' or will have 'blind spots' that will make them ineffective in dealing with the challenges that arise.

120. Independent Management Committee members also play a vital role in corporate governance. An independent Management Committee member is an appointed member who is free from any business or other relationship that could materially interfere (or could reasonably be perceived to materially interfere) with the independent exercise of that person's judgment.¹³² Independent Management Committee members add value in a number of ways, including through their capacity to:
 - a. act in the best interest of the association without compromise;
 - b. ensure decision making is, and is seen to be, fair and reasonable (this is likely to be particularly useful to the DGA in their dealings with members); and
 - c. bring an independent and fresh perspective to decision making.¹³³
121. Generally, it is expected that the majority directors on the board of a large or public company will be independent. Given the size of the DGA and of the jurisdiction more broadly, this is not a reasonable expectation.
122. Further, non-independent, or ordinary members of the Management Committee are likely to bring an enthusiasm for greyhound racing to the position that independent members may not, which is equally of benefit to the DGA.
123. We consider that it is appropriate for the DGA to maintain the current requirement of three skills-based members on the Management Committee.
124. In our view, the DGA's Constitution should require the appointment of at least one person to the Management Committee with appropriate animal welfare expertise.
125. As stated above, we recommend that the DGA formalise a process to manage the appointment of members of the Management Committee, to ensure that all of the positions, including the skills-based positions, are filled by appropriately qualified individuals, insofar as is possible.
126. During this investigation, we were informed that the DGA has encountered some difficulty in appointing members to the various positions on the Management Committee, due to a lack of interest being expressed in performing the role. The currently vacant Secretary and skills-based member positions support this proposition.
127. We recommend that the DGA develop a proposal for remunerating skills-based members of the Management Committee, to be voted upon by members. If this proposal is accepted by the DGA membership, remuneration should assist the DGA in attracting greater competition for these appointments.
128. In the event that difficulties regarding appointments to certain roles on the Management Committee remain, we recommend that the DGA amend its Constitution to allow for those roles to be performed by the skills-based members.

132 Australian Institute of Company Directors (2016) Types of Directors, located: https://aicd.companydirectors.com.au/-/media/cd2/resources/director-resources/director-tools/pdf/05446-1-10-mem-director-t-bc-types-of-directors_a4_web.ashx ; Deloitte Touche Tohmatsu Limited (2014) The Different Types of Directors, located <https://www2.deloitte.com/za/en/pages/governance-risk-and-compliance/articles/the-different-types-of-directors.html>

133 Australian Institute of Company Directors (2016) Role of non-executive directors, located https://aicd.companydirectors.com.au/-/media/cd2/resources/director-resources/director-tools/pdf/05446-1-11-mem-director-tools-bc-non-executive-directors_a4_web.ashx, p.2.

129. Further, we recommend that the DGA sponsor the completion by certain appointees to the Management Committee, and the Operations Manager, of the Australian Institute of Company Directors course, or a similarly approved course. This may also assist the DGA to attract candidates to those appointments. Occupational Licensing and Associations, Business and Workforce in the Department of Industry, Tourism and Trade also provide free training on the *Associations Act* for Management Committees and members.
130. Upon completion of such training, those individuals will have a better understanding of their duties, the legal environment in which the DGA operates, and the function and responsibilities of the Management Committee. We consider this will have a considerable, positive impact on the governance processes at the DGA.

Clearly defined roles and responsibilities and a Management Committee induction process

131. Individual members of the Management Committee and the Management Committee as a whole are more likely to be effective in their roles when they clearly understand their responsibilities and what is expected of them.¹³⁴ This includes both a practical understanding of what it means to govern, as well as an understanding of the duties of members of the Management Committee at law (for instance, the duty to act in good faith, for proper purposes and with an appropriate level of skill and diligence).¹³⁵
132. It should not be expected that individuals who join the Management Committee inherently gain this understanding following their appointment. This is particularly the case where an individual is appointed to the Management Committee without any or little, previous board experience. Such appointments ought to be avoided, however for unpaid positions in associations with a small membership to draw upon, at times it will be unavoidable.
133. Good governance requires that members of the Management Committee be provided with some instruction with respect to their duties, the obligations of the association under relevant laws or agreements, and the general operation of the business.¹³⁶ This type of guidance ensures that the Management Committee can govern effectively.
134. Depending on the size of the organisation, such guidance may range from an introductory conversation with the Chairperson and Operations Manager involved in the day to day running of the association, followed by a letter of appointment, through to a documented, detailed, Committee Member induction program.
135. The DGA does not currently provide an induction or any formal guidance to new Management Committee members, with respect to the above.
136. We recommend that an induction package be developed for the DGA, in consultation with the Compliance Team at Consumer Affairs, and all new members of the Management Committee should receive a Letter of Appointment that addresses the following matters, at minimum:
 - a. how they were nominated/appointed and from what date;
 - b. their role, responsibilities and duties;

134 *Ibid*, p.13.

135 *Ibid*.

136 *Ibid*.

- c. the compliance related obligations of the DGA, including under the *Associations Act*, the *Racing and Betting Act*, and the Funding Agreement;
- d. the term (length) of their appointment and any conditions or limits under the DGA Constitution;
- e. behaviour that is prohibited by Management Committee members;
- f. the strategic plan of the DGA; and
- g. the resources available to them within the DGA, including the role of the Racing and Operations Manager.

137. All current members of the Management Committee should also be provided with the above guidance.

Clearly defined strategy

138. Good corporate governance demands that an association's strategic goals and plans are clearly articulated, and its progress towards those goals and plans regularly reviewed.¹³⁷
139. The Service Plans required under the Funding Agreement and the associated reporting obligations, as discussed in Part B of this Chapter above, provide a good framework for this type of planning and performance measurement to occur.
140. Adopting a more rigorous approach to the Service Plan, as recommended, will assist the Management Committee in ensuring their efforts and resources are allocated appropriately, and the DGA is achieving its objectives.
141. We were provided with a copy of the DGA Strategic Plan 2020 – 2024 (**Strategic Plan**). The Strategic Plan does not address what is required for Service Plans under the Funding Agreement and particularly what is required under Schedule 1, Item 2 of that Agreement. Nor, in our view, does it provide adequate detail regarding how the DGA intends to achieve its goals in the future. By way of example, a goal listed in the Strategic Plan is to increase the DGA's sponsorship earnings "through developing a more structured layout for sponsors", however the Strategic Plan provides no detail about what the "structured layout" will look like, how it is being developed or by whom, or when it is proposed to be implemented.
142. We recommend a more comprehensive and considered strategy for the DGA be developed, with "clear and measurable benchmarks and performance indicators", as required under the Funding Agreement.

An increased focus on compliance

143. There is significant overlap between what is considered to constitute good governance practices, and what is required pursuant to the *Associations Act*, the DGA Constitution and the Funding Agreement. This is no coincidence. Examples include:
- a. the requirements for the composition of the Management Committee under the DGA Constitution, to ensure the Management Committee encompasses each of the roles required;
 - b. the requirements for annual general meetings, minutes of meetings and the provision of

137 *Ibid*, p.24.

- audited financial reports, to encourage accountability and transparency;
 - c. the requirement to develop a Service Plan under the Funding Agreement, to ensure the DGA pursues a clearly defined strategy; and
 - d. financial recording and reporting requirements under the Funding Agreement, to ensure the DGA applies funding it receives from the Government in accordance with the strategy.
144. A practical way of improving governance practices at the DGA is to simply increase the association's focus on its obligations under the *Associations Act*, its Constitution and Funding Agreement, in the manner set out above.

An appropriate system of organisational oversight or risk management

145. There are a variety of types of risk that associations need to manage in order ensure they continue to operate successfully, including legal risks, financial risks, compliance risks and operational risks.
146. The management of the risks associated with the operations of the DGA is one of the key responsibilities of the Management Committee.¹³⁸
147. There are a number of risks that face the DGA, which, if they eventuated, would have significant consequences for the association, and for the industry as a whole. By way of example only:
- a. a failure to meet its obligations under its Funding Agreement may result in a loss of Government funding;
 - b. a failure to meet its obligations under the *Associations Act* may result in the Commissioner for Consumer Affairs taking remedial action, or a loss of Government funding;
 - c. a failure to ensure the integrity of its racing may result in a loss of funding or a loss of registration;
 - d. a failure to ensure appropriate animal welfare standards are met may result in significant harm to those animals, adverse public attention, a loss of funding, a loss of registration, or the 'social license' to operate; and
 - e. a failure to obtain appropriate planning approvals from the DCA to continue to house greyhounds on track may negatively impact upon the quality of racing offered.
148. Principles of good governance require that the DGA:
- a. identify the significant risks facing it;
 - b. analyse these risks in terms of how likely they are to occur and what impact they may have;
 - c. develop and implement strategies to manage the risks, as appropriate, applying effort and resources in accordance with the magnitude of the risk; and
 - d. document the above in a risk register and review the relevant risks and the strategies in place to protect the DGA on a regular basis.¹³⁹

138 *Ibid*, p.26.

139 We refer the DGA to the Australian Institute of Company Directors (2013) Good Governance Principles and Guidance for Not-for-Profit Organisations as well as the more general, 10 Guidance Principles.

149. We recommend that the Management Committee embark on the above risk management exercise.
150. Once a risk register has been established, the various risks identified should be considered by the Committee on a regular basis to ensure appropriate actions and resources are being applied to mitigate against those risks.
151. It is acceptable for the Operations and Racing Managers to assist with risk management, provided the Management Committee have sufficient oversight of the process.

8.

TOR 2 - To investigate whether the DGA is compliant with building/construction, tenancy and other laws in relation to the DGA premises located at 15 Hook Road, Winnellie

Chapter Summary

1. Relevant to TOR 2 above, we were instructed by the Commissioner for Consumer Affairs and the Chairperson of the Racing Commission to consider, in particular:
 - a. whether or not appropriate building approvals had been received for recently constructed buildings at 15 Hook Road, Winnellie (**the premises**);
 - b. whether or not the kennelling of greyhounds and the accommodation of trainers is permitted under the planning laws of the Northern Territory; and
 - c. whether or not the DGA is compliant with tenancy laws with respect to the arrangements between the DGA and the on-course trainers, in allowing the trainers to reside at the premises.
2. The DGA has sought and received Building and Occupancy Permits issued by Building Certifiers with respect to the buildings constructed at the premises in the past five years (**the buildings**).
3. However, given their size, habitation by greyhounds and regular use by persons for commercial gain, we consider that it likely that the buildings are currently inappropriately classified.
4. The kennelling of greyhounds and the accommodation of trainers is not permitted under the consents currently held by the DGA, to operate the premises for a 'Leisure and Recreation' use, and there is no approval in place that sanction this use.
5. Permitting trainers to reside at the DGA premises at the premises is not otherwise in breach of the tenancy laws of the Northern Territory.

Recommendations

6. We recommend that the DGA:
 - a. Engage a building certifier to confirm the correct classification of the buildings at the premises. A detailed briefing with respect to the purpose for which they are designed and constructed, and are now used, should be provided to the building certifier for that process.

- b. Ensure any additional kennel facilities built at the Winnellie Park premises are purpose built.
 - c. Seek the necessary consents from the Development Consent Authority for the current use of the premises, including in relation to animal boarding and trainer accommodation.
 - d. Enter, as soon as reasonably practicable, written tenancy agreements with the on-course trainers. The terms of the residential tenancy agreement should address:
 - i. the term of the lease;
 - ii. a requirement that the tenants comply with the policies and procedures of the DGA, whilst on the premises;
 - iii. a “right of inspection” with respect to the kennel facilities at the premises;
 - iv. a requirement that the tenant provide a bond; and
 - v. a procedure for termination of the lease.
7. Further, we recommend that obtaining the necessary consents for the use of the premises, and entering written tenancy agreements, as set out above, should each be incorporated within the DGA’s objectives in the Service Plans required pursuant to its Funding Agreement with Licensing NT.

A – DGA compliance with building and construction law

- 8. Before a person can construct, alter, relocate or demolish a building or part of a building, the owner of the building or the person hired by the owner to manage the building works, must obtain a “*building permit*” from a registered building certifier.
- 9. A person must not carry out building work unless a building permit in respect of the work has been granted and is in force, and the work is carried out in accordance with the permit, pursuant to the *Building Act 1993* (NT) (**Building Act**).¹⁴⁰
- 10. An application for a building permit must be accompanied by information and drawings that detail a number of matters, including the proposed usage, the size and location of structural members, the plumbing and draining work to be carried out, the position and dimension of the building, including the relationship to the boundary and other buildings.¹⁴¹
- 11. Once the building work is complete, the owner must acquire occupancy certification before the building can be occupied.¹⁴²
- 12. The National Construction Code (**NCC**) issued by the Australian Building Codes Board (**ABCB**) and adopted by the *Building Regulations 1993*, provides guidance with respect to the minimum technical requirements that must be met for new buildings. Under the NCC, buildings are given a classification from Class 1 to Class 10 depending on their function and use.
- 13. This classification provides minimum standards that will apply to the building, relevant to its use. By way of example, a Class 6 building is typically a shop, restaurant or a café and will have relatively high standards with respect to fire resistance, the provision for fire escapes, access for persons with

140 *Building Act*, s.55.

141 *Building Regulations 1993*, Part 2A.

142 *Building Act*, s.65

a disability, and access to sanitary and other facilities. Conversely, a Class 10a building is a non-habitable shed (generally associated with non-commercial construction) and the standards that apply with respect to each of these matters are comparatively lower.

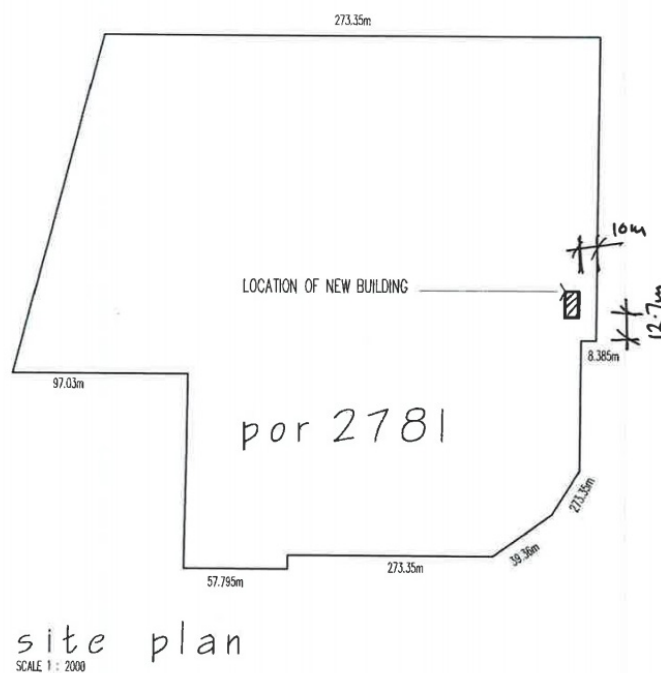
14. In considering whether the DGA is currently compliant with building and construction laws, including the technical aspects of the NCC, the key matters that need to be considered are as follows:
 - a. whether appropriate building and occupancy permits were sought and received by the DGA; and
 - b. whether the classification of the building is consistent with the actual use of the building, such that the registered certifier was applying the correct standards, primarily the NCC.

Buildings constructed at the premises

15. In the past five years, records held by Building Advisory Services (**BAS**), within the Department of Infrastructure, Planning and Logistics, indicate that three new buildings have been constructed at the premises. In order to provide comment on the DGA's compliance with constructions laws, we have examined relevant approvals in relation to these three buildings.

Building 1

16. Building 1 (Permit No. 055/02781/9) is a kennel block located in the eastern portion of the premises, identified as the "New Building" on the following site plan:

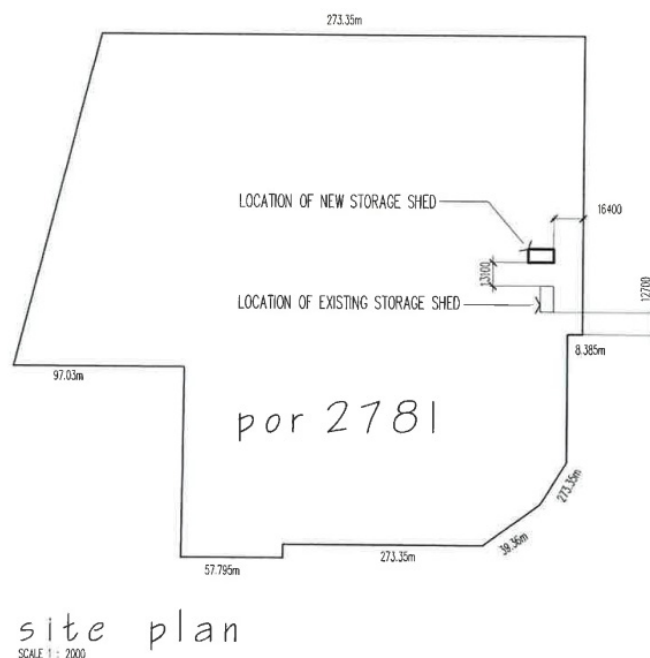


17. Building 1 is equipped to kennel approximately 16 greyhounds and is occupied by a trainer who we will refer to as Trainer A.

18. During our inspection of Building 1, 14 of the 16 kennels were in use.
19. Trainer A advised us that he had occupied Building 1 from the DGA in late 2020. Trainer A stated that he spent time in the kennels on a daily basis, tending to the needs of the greyhounds, including feeding and watering the greyhounds, cleaning the kennels and letting them out for exercise.
20. A review of the records held by BAS establishes that the DGA has a Building Permit and Occupancy Permit with respect to Building 1.

Building 2

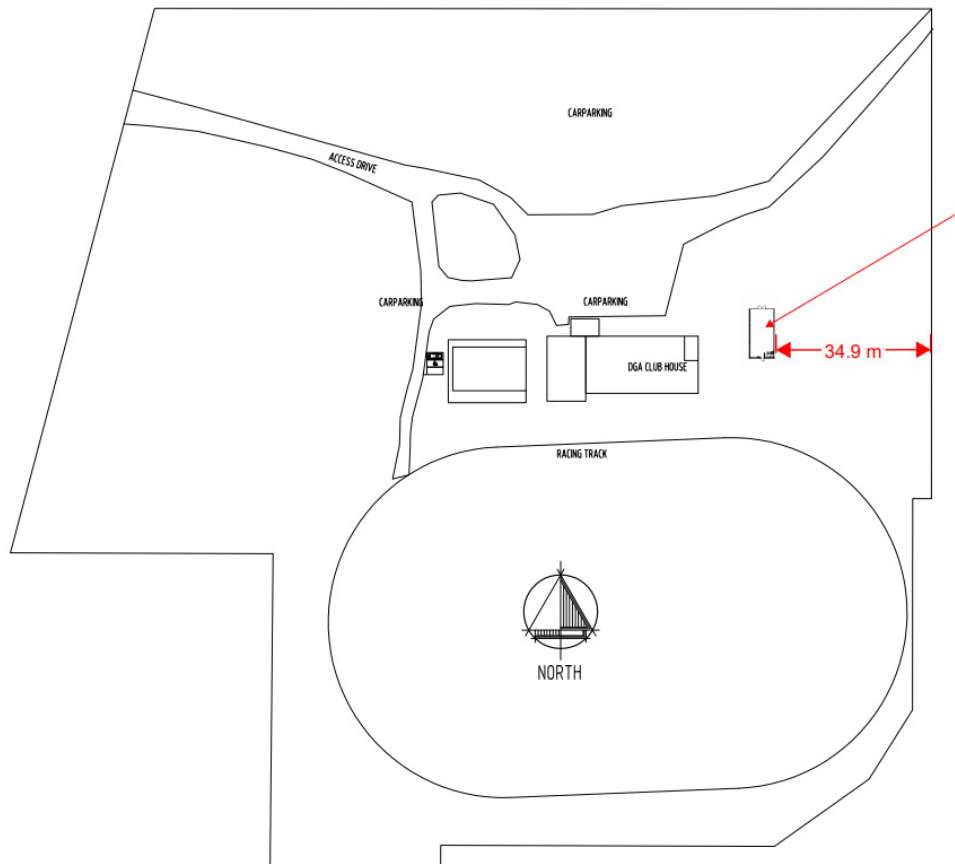
21. Building 2 (Permit No. 055/02781/10) is also a kennel block located in the eastern portion of the premises, identified as the “New Storage Shed” on the following site plan:



22. Building 2 is equipped to kennel approximately 17 greyhounds and occupied by a trainer who we will refer to as Trainer B.
23. During our inspection of Building 2, all of the 17 kennels housed a greyhound.
24. Trainer B advised us that he had occupied Building 2 from the DGA in approximately 2018. Trainer B stated that he spent time in the kennels on a daily basis, tending to the needs of the greyhounds, including feeding and watering the greyhounds, cleaning the kennels and letting them out for exercise.
25. A review of the records held by BAS establishes that the DGA has a Building Permit and Occupancy Permit with respect to Building 2.

Building 3

26. Building 3 (Permit No. 055/02781/11) is a kennel block located between the clubhouse and the eastern perimeter of the premises, 34.9 metres from that perimeter, as indicated on the following site plan:



27. Building 3 is equipped to kennel approximately 22 greyhounds across two banks of kennels and is occupied by a trainer who we will refer to as Trainer C.
28. During our inspection of Building 3, 20 of the kennels housed a greyhound.
29. Trainer C advised us that he had occupied Building 3 since early 2020. Trainer C also stated that he spent time in the kennels on a daily basis, tending to the needs of the greyhounds, including feeding and watering the greyhounds, cleaning the kennels and letting them out for exercise. Trainer C also engaged other persons to assist him with these tasks.
30. A review of the records held by BAS establishes that the DGA has a Building Permit and Occupancy Permit with respect to Building 3.

Application of the law

31. The classifications provided for buildings under the NCC are relatively broad and there is a level of overlap between them. If there is uncertainty regarding the classification of a building under the NCC, the relevant building surveyor must classify the building as belonging to the class it most closely resembles.
32. Buildings 1, 2 and 3 have received Building and Occupancy Permits on the basis that they are each a Class 10a shed.
33. In considering whether or not this classification is appropriate, it is necessary to consider the purpose for which each building was designed and constructed, and for which it is used.
34. Buildings that are occupied by animals will typically be classified as Class 8 or 10a, noting:
 - a. a Class 8 building is defined as a building in which handicraft or process for the production, assembling, altering, repairing, packing, finishing or cleaning of goods or produce, is carried out for sale or gain; and
 - b. a Class 10a building is defined as a non-habitable building, including sheds, carports, and private garages, with not more than 3 vehicle spaces.
35. As Class 8 buildings will need to accommodate employees, they have greater requirements with respect to access, fire safety and amenity.
36. The design and use of Buildings 1, 2 and 3 are such that they do not neatly fit within one Class.
37. Matters that tend toward a Class 10a classification include:
 - a. while the buildings are used for commercial purposes, the training and racing of greyhounds at the DGA is not necessarily conducted on a large or profitable scale; and
 - b. the trainers only spend a short period of time within the building, each day.
38. Matters that tend toward a Class 8 classification include:
 - a. the buildings are relatively large in size, being greater than 100m²;¹⁴³
 - b. each of the buildings are used for kennelling greyhounds on a full-time basis; that is, they are habitable;
 - c. the greyhounds kennelled in the buildings all participate in racing for gain or profit;
 - d. while some of the greyhounds are owned by the trainers, others are owned by persons or by syndicates who provide some commercial benefit to the trainer in return for training the dogs;
 - e. the DGA has advised that trainers are required to pay for use of the buildings;¹⁴⁴
 - f. trainers occupy the buildings each day to tend to the needs of the greyhounds; and
 - g. from time to time, Trainer C engages the assistance of other persons in order to assist with tending to the greyhounds.

143 Under the NCC, a car garage to be classified under Class 10a will need to be limited to 3 cars and 54m². If the garage is any larger than 54m², it will typically be classified under Class 7a or Class 8.

144 DGA response to NAM, 16 February 2021.

39. We are satisfied that the correct classification of the buildings is Class 8, due to their size, habitation by greyhounds, and daily use by trainers for commercial gain.
40. In the course of preparing this Report, we engaged with BAS regarding the appropriate classification of Buildings 1 – 3. While BAS have not engaged in an inspection of the premises, a desktop review undertaken by BAS confirmed they hold the same concerns with respect to the appropriateness of their classification as Class 10a.
41. Given the classification of the building has implications for fire protection, access and other facilities, as well consequences under other legislative schemes, including work health and safety and planning laws, we recommend that the DGA immediately engage a Building Certifier to reconsider the classification of the buildings.
42. A detailed briefing with respect to the purpose for which they are designed and constructed, and are now used, should be provided to the Building Certifier, to that end.

B - DGA compliance with planning law

43. The planning and control of the use and development of land in the Northern Territory is governed by the *Planning Act 1999* (NT), *Planning Regulations 2000* (NT) and the *Northern Territory Planning Scheme 2020* (**Planning Scheme**).
44. Under this framework, areas of land are designated a particular zone, which then controls the types of use and development that are allowed within that area, the manner in which a use will be assessed, and the specific development requirements that apply to those uses.
45. The DGA premises is zoned as “Organised Recreation” and the DGA has previously sought and received consent to operate under a “Leisure and Recreation” use.
46. The Planning Scheme states that the purpose of Organised Recreation zoning is “*to provide for the development of community and commercial facilities for organised recreation activities*”.¹⁴⁵
47. Further, the Planning Scheme defines “Leisure and Recreation” as:

*the provision indoors or outdoors of recreation, leisure or sporting activities and includes cinemas, theatres, sporting facilities, gymnasiums and the like as a commercial enterprise but does not include a club or community centre.*¹⁴⁶
48. To be compliant with planning law, the DGA is only permitted to use the premises in a manner that falls within the above definition, or is considered ancillary to that use.
49. The Planning Scheme sets out a number of uses that are considered ancillary to “Leisure and Recreation”, including the running of a small bar, a café, a take-away food venue, a restaurant, an office or a shop.¹⁴⁷ These are permitted without approval, provided they conform with certain specified requirements.
50. The kennelling of greyhounds and the accommodation of trainers at the premises does not fall

145 *Planning Scheme*, Part 4, 4.18.

146 *Planning Scheme*, Schedule 2. We note that the DGA clubhouse, containing the bar and restaurant, was constructed in 1982. At that time, a club was considered a “permitted use” and as a result, was able to be built without seeking approval from the planning authority.

147 *Planning Scheme*, Schedule 2.

within the “Leisure and Recreation” use, and nor we suggest, does it fall within the defined ancillary uses, as set out within the *Planning Scheme*.

51. As a result, we consider the DGA is not currently compliant with Northern Territory planning law.¹⁴⁸
52. In order to continue to provide kennelling facilities and accommodation for trainers, at the premises, the DGA will need to seek the consent of the Development Consent Authority (**DCA**) at the Department of Infrastructure, Planning and Logistics.
53. Given neither the boarding of animals, nor the accommodation of trainers, are an assessment category that are typically considered in relation to the “Organised Recreation” zoning, an Impact Assessment will need to be undertaken by the DCA.¹⁴⁹
54. In 2019, the DGA began this process, by seeking the consent of the DCA for animal boarding (kennels) and trainer accommodation ancillary to the running of the greyhound racing track. The Chairperson at the time, Dan McKeown, liaised with planning consultants and the DCA in relation to that process.
55. The DCA considered the request, and sought input from relevant government stakeholders, including Power & Water, the local council, the Department of Health, the Department of Environment and Natural Resources, and the Department of Defence.
56. Further information was requested by the DCA to assist with the DCA’s consideration of the application, including detail with respect to parking, the connection to reticulate services on site, and the necessity for the trainers to be accommodated on site.
57. Shortly after this request was received by the DCA, the Chairperson resigned from his position on the Management Committee and no further action was taken with respect to the application.
58. As at the date of writing, approximately two years have elapsed since the making of the application. Further, the Planning Scheme that was in place at the time of the application has since been amended.
59. We recommend the DGA re-engage with the DCA to seek the necessary consents for the current use of the premises, including in relation to animal boarding and trainer accommodation.
60. Further, we recommend this action form a discrete objective of the Service Plan under the Funding Agreement, to be agreed between the DGA and Licensing NT. This will ensure the application is appropriately funded and Licensing NT are able to monitor the DGA’s progress with the application.

C – DGA compliance with tenancy law

61. At the time of our inspection of the premises, there were five trainers residing at the premises.
62. No written tenancy agreements are in place between those trainers and the DGA. Rather, the parties to this arrangement rely upon a verbal agreement that each of the trainers will pay \$160 per week in rent.
63. This weekly \$160 payment includes all utilities, and there is no differentiation of rent based on the relative desirability of where on the premises each trainer resides, or proximity to the kennel

148 *Planning Scheme*, Part 1, Section 1.9(c).

149 See *Planning Scheme*, Part 1, Section 1.9(c). Neither boarding of animals, nor the accommodation of trainers, are a defined use in the Assessment Table for land zoned as Organised Recreation.

facilities, for example. No agreement has been reached as to the term of the tenancy, nor how a termination of the tenancy should proceed.

64. The laws of the Northern Territory do not require a written tenancy agreement between landlord and tenant. Where no written tenancy agreement is in place, the *Residential Tenancies Act 1999* (NT) provides that a standard form tenancy agreement, as set out in the *Residential Tenancies Regulations 2000* (NT), is taken to be the agreement between the parties (**Deemed Agreement**).¹⁵⁰
65. The Deemed Agreement provides a number of basic protections for both the tenant and the landlord, including for instance, the payment of rent, the right of quiet enjoyment by the tenant, duties of both tenant and landlord with respect to the premises, and the liabilities of the tenant.
66. Based on the evidence reviewed by this investigation, the DGA is in compliance with the terms of the Deemed Agreement.
67. Despite there being no legal necessity for a written tenancy agreement as between the DGA and the relevant trainers, we consider the Deemed Agreement is not sufficiently comprehensive to protect the interests of the DGA or the tenants, and is far from best practice.
68. By way of example, the Deemed Agreement is silent with respect to the following:
 - a. the term of the lease;
 - b. a requirement that the tenants comply with the policies and procedures of the DGA, whilst on the premises;
 - c. a requirement that the tenant provide a bond; and
 - d. a procedure for termination of the lease.
69. The DGA has advised that it has engaged a lawyer to prepare tenancy agreements to be entered with the on-course trainers.¹⁵¹ We recommend that these be executed as soon as reasonably practicable.
70. The terms of the residential tenancy agreement should address:
 - a. the term of the lease;
 - b. a requirement that the tenants comply with the policies and procedures of the DGA, whilst on the premises;
 - c. a “right of inspection” with respect to the kennel facilities at the premises;
 - d. a requirement that the tenant provide a bond;
 - e. dispute resolution; and
 - f. a procedure for termination of the lease.

150 Section 19(4) of the *Residential Tenancies Act 1999* (NT) and Schedule 2 of the *Regulations*.

151 DGA Response to NAM, 16 February 2021.

71. Further, we recommend this action form a discrete objective of the Service Plan under the Funding Agreement, to be agreed between the DGA and Licensing NT. This will ensure it is appropriately funded, and Licensing NT are able to monitor the DGA's progress towards the execution of the agreements.
72. Since we wrote to the DGA outlining our findings associated with TOR 2, the DGA has confirmed that compliance with building and construction law is a work in progress, and that it will obtain professional advice.¹⁵²

152 Email from the DGA Chairperson, dated 18 June 2021.

9.

TOR 3 – to investigate whether the greyhound industry in the Northern Territory has sufficient policies and procedures to ensure best practice animal welfare standards are being adhered to

Chapter Summary

1. The Northern Territory greyhound industry does *not* have sufficient policies and procedures to ensure best practice animal welfare standards are being adhered to.
2. Greyhounds Australasia's *Greyhounds Welfare Strategy* has *not* been fully implemented in the Northern Territory, despite a commitment by all greyhound racing jurisdictions to do so by 2017. The Racing Commission, as the controlling body, is responsible for implementing that strategy.
3. Numerous animal welfare related issues are not the subject of any policy or procedure at all in this jurisdiction, including in relation to:
 - a. health management and hygiene;
 - b. exercise;
 - c. education and training;
 - d. socialisation;
 - e. transportation; and
 - f. vaccination.
4. Where animal welfare policy does exist:
 - a. it is often insufficiently detailed or instructive to be of any real assistance to owners/trainers, or to the industry's regulators, for example in relation to nutrition, retirement and rehoming, and euthanasia; and/or
 - b. it is not being appropriately monitored or implemented, for example in relation to minimum kennelling requirements, the tracking / registration of greyhounds, and in relation to track injury rebates.
5. Notwithstanding the limitations on the information available, injury and euthanasia rates in the Northern Territory are understood to be among the highest in the country.

6. Stewards, who play a central role in ensuring adherence to animal welfare standards, are critically under-resourced.
7. The Local Rules do not adequately address matters concerning animal welfare. The Australasian Rules do address certain animal welfare matters.
8. The DGA readily conceded that animal welfare is the “*most complicated issue facing the industry and needs to be addressed to move forward*”.¹⁵³

Recommendations

9. We recommend that the **Racing Commission**:
 - a. implement Greyhounds Australasia’s *Greyhound Welfare Strategy*;
 - b. prepare a comprehensive Code of Practice for the keeping of racing greyhounds that is appropriate for the conditions in the Northern Territory (**NT Code of Practice**), and addresses each of the issues within Greyhound Racing Victoria’s Code of Practice;
 - c. within the NT Code of Practice, or in addition to it:
 - i. implement policy that aims to improve health management and hygiene of greyhounds, and to prevent the euthanasia of unwanted racing greyhounds, including through measures relating to socialisation;
 - ii. review the adequacy of the minimum requirements for kennels for racing greyhounds;
 - d. amend the Local Rules to specifically provide for a range of penalties in relation to welfare offences, including suspension and disqualification for serious breaches and continuing or repeated breaches, and a penalty of disqualification for life for any person found to be involved in the practice of live baiting;
 - e. consult with relevant animal welfare stakeholders within the Northern Territory, including the Animal Welfare Advisory Committee, in the preparation of animal welfare related policies and amendments, including those recommended at (b) – (d) above;
 - f. commit additional resources to ensure that animal welfare standards are met, including, but not limited to, by:
 - i. its Stewards undertaking frequent inspections of all kennels used for racing greyhounds, and on at least a six-monthly basis;
 - ii. increasing the number of drug tests or swab samples that are completed;
 - iii. requiring the completion of all relevant paperwork by participants in the industry, as a condition of their ongoing participation, including paperwork associated with greyhound retirement and death; and
 - iv. making available to industry participants appropriate training and information regarding animal welfare.

153 Email from the Chairperson, dated 18 June 2021.

- g. require the Chief Steward to report on animal welfare matters, including compliance with the NT Code of Conduct, and statistics in relation to injuries to greyhounds, kennel inspections and swabs conducted, rehoming, deaths and euthanasia, on at least a six-monthly basis, and that report be made publicly available;
 - h. conduct research or an investigation into the high rates of euthanasia in the Northern Territory greyhound industry, noting its function at section 17(b) of the *Racing and Betting Act*;
 - i. consider whether, on the information currently available to it, research concerning the high prevalence of injuries in the Northern Territory greyhound industry is also warranted; and
 - j. monitor and record the number of injuries sustained by greyhounds racing or trialling at Winnellie Park, and proactively consider whether improvements to the facilities at Winnellie Park could reduce injury rates, at least annually.
10. We recommend the Northern Territory Government ensure that the Racing Commission, including its Stewards, are adequately resourced to carry out their functions.
11. We recommend that the DGA:
- a. significantly increase the financial and other assistance it provides to organisations that facilitate greyhound rehoming, particularly GRANT, and enter into written agreements or Memorandums of Understanding with those organisations;
 - b. review its Track Injury Rebate Scheme, to increase its utilisation by industry participants, and actively promote an understanding of the Scheme, once it has done so;
 - c. proactively consider whether improvements to the Winnellie Park facilities could reduce injury rates, at least annually;
 - d. ensure that all facilities used for kennelling at Winnellie Park are compliant with the minimum requirements for racing greyhounds;
 - e. conduct inspections of the kennels in use at Winnellie Park every six months to ensure ongoing compliance with those minimum requirements, and report on those inspections to the Stewards;
 - f. include within its Strategic Plan and its Service Plans clear objectives in the next three years for the advancement of the welfare needs of greyhounds, and monitor its progress towards those objectives;
 - g. consult with the Animal Welfare Advisory Committee, GRANT and other relevant stakeholders as to how animal welfare standards can be improved in the industry, including for the purposes of the objectives referred to above; and
 - h. amend its Constitution to state a commitment to adherence to animal welfare standards;
 - i. amend its Constitution to require the appointment of one person to its Management Committee with animal welfare expertise; and
 - j. implement the findings of the Hiscock Report, and require the DGA staff responsible for regular monitoring of the track surface, recommended in the Hiscock Report, to report to the Stewards.

12. We recommend that by no later than 1 November 2021, a meeting be conducted between representatives of the Racing Commission, the DGA, Licensing NT, GRANT and PAWS to discuss the development of an industry funded greyhound adoption program (or programs), to be operational by no later than 1 July 2022. As part of this process, we recommend the following be considered:
 - a. the DGA funding dedicated resources at GRANT and/or other rehoming organisations to assist with greyhound rehoming;
 - b. the DGA constructing dedicated kennel facilities specifically for use in relation to rehoming, either at Winnellie Park or elsewhere;
 - c. the DGA funding socialisation programs for racing greyhounds, to improve rehoming rates;
 - d. consideration of rehoming programs successfully implemented in other jurisdictions; and
 - e. the reallocation of Northern Territory Government funding towards rehoming.

A – Greyhounds Australasia’s Greyhounds Welfare Strategy

13. According to the Greyhounds Australasia website, it and its members are:

now working together holistically to ensure that welfare of greyhounds meets best practice and to reduce the incidence of euthanasia. All parties are committed to: ... Improved tracking mechanisms and data collection throughout the life of a greyhound to enable monitoring of both participants and greyhounds; continued development of mandatory education and licencing across the racing sector; ... A consistent approach to the provision of veterinary services and injury reporting at race meetings to assist in development of minimum standards for track preparation and the monitoring of injury trends; and increased investment in greyhound adoption or re-homing programmes...

14. Relevantly, Greyhounds Australasia lists ‘increasing the number of kennel inspections and penalising participants for non-compliance’ among the significant advancements it and its members have made towards improving the welfare of greyhounds.
15. Greyhounds Australasia has developed a range of policies relevant to the welfare of greyhounds, including, most relevantly, the *Greyhounds Welfare Strategy*.

Greyhound Welfare Strategy

16. In 2014, all States and Territories committed to Greyhounds Australasia’s *Greyhounds Welfare Strategy* (the **GA Welfare Strategy**).
17. The *GA Welfare Strategy* recognised that uniform standards of care, education, accountability and enforcement are required across the country to ensure the best possible outcome for greyhounds, at every stage of their lifecycle.
18. As noted in the *GA Welfare Strategy*, “Industry success is tightly paired to excellence in greyhound welfare”. We agree.
19. The *GA Welfare Strategy* advocated for a range of steps to be taken by Greyhounds Australasia’s members, including:
 - a. a move towards all greyhounds having to be under the care of a registered participant at all

- times during their lifecycle, unless they were retired as a pet;
- b. improving the tracking of greyhounds throughout their lifecycle, to ensure that all greyhounds, not just those within the racing population, are housed and cared for in a manner that maximises their welfare;
 - c. increased vaccination requirements;
 - d. implementing specific and innovative changes that will ensure that the industry Greyhound Adoption Programs are operating in the most effective manner possible;
 - e. developing racing calendars that provide ample racing opportunities for greyhounds of all grades, ages and abilities;
 - f. increasing data collection at the time of retirement;
 - g. developing formal education modules on relevant topics for delivery to all participants;
 - h. developing fact sheets covering all aspects of the industry to support education material;
 - i. introducing a tiered system of trainer licence types which stipulate how many greyhounds trainers are able to train; and
 - j. all facilities at which greyhounds are housed with licensed people, throughout their lifecycle, being subjected to regular inspection.¹⁵⁴
20. All States and Territories committed to the full implementation of the *GA Welfare Strategy* over three years, by 2017:
- Controlling bodies will now engage their registered participants to confirm strategy implementation plans. The GA Welfare Working Party will determine an appropriate oversight body to support each jurisdiction with their implementation.*
21. It is clear from a review of the animal welfare policies currently in place in the Northern Territory, which are summarised below, that the measures set out in the *GA Welfare Strategy* have not been fully implemented in this jurisdiction.
22. Correspondence from the Racing Commission to us confirmed that it has not implemented or prepared any documents relating to the *GA Welfare Strategy*.¹⁵⁵
23. We recommend that the Racing Commission, as the controlling body responsible for the industry in this jurisdiction, fully implement the *GA Welfare Strategy*, as a matter of priority.
24. We consider that a number of the steps identified in the *GA Welfare Strategy* will be of material assistance to the welfare of greyhounds in the Northern Territory, particularly:
- a. improving the tracking of greyhounds throughout their lifecycle, to ensure that all greyhounds, not just those within the racing population, are housed and cared for in a manner that maximises their welfare;

154 Greyhounds Australasia, 'Greyhounds Australasia Animal Welfare Strategy' (2014).

155 Email from the Racing Commission, dated 17 February 2021.

- b. increasing data collection at the time of retirement;
 - c. developing formal education modules on relevant topics for delivery to industry participants;
 - d. developing fact sheets covering all aspects of the industry to support education material;
 - e. introducing a tiered system of trainer licence types which stipulate how many greyhounds trainers are able to train; and
 - f. requiring that all facilities at which greyhounds are housed with licensed people, throughout their lifecycle, be subjected to regular inspection.
25. Relevant to (a) and (b) above, the data that we have reviewed does not allow for all Northern Territory greyhounds to be accurately tracked, and there are clear limitations regarding data collection at the time of retirement and end of life.
26. Further, limited education or information is currently provided to trainers or owners, and regular inspections of greyhound kennelling facilities are not being undertaken. The completion of appropriate training, and compliance with *Greyhound Racing Rules* and minimum kennelling requirements should inform the number of greyhounds individuals are permitted to train.

B – Animal welfare policies in the Northern Territory greyhound industry

27. The two sources of animal welfare policies in the Northern Territory greyhound industry are those implemented by the Racing Commission, including via the Stewards it appoints, and those implemented by the DGA itself.
28. We summarise the relevant policies of each, below. The animal welfare provisions contained within Local Rules are also briefly considered.

Racing Commission policies

29. We wrote to the Racing Commission requesting that it provide us with copies of any policies or procedures it has implemented relevant to animal welfare standards, and any documents created in furtherance of the *GA Welfare Strategy*.
30. In response, the Racing Commission provided us with five current policies, as well as two policies relating to COVID-19 and Canine Gastroenteritis, which we were advised had been revoked.
31. Four of the policies provided by the Racing Commission are summarised below. The fifth policy, “*Appealing NT Greyhound Steward Decisions*”, is not relevant to this Term of Reference.

Greyhound animal welfare webpage

32. The Northern Territory Government website contains information in relation to “Greyhound racing” generally, and information regarding greyhound animal welfare in particular, at the following address: <https://nt.gov.au/industry/gambling/racing/greyhound-racing/greyhound-animal-welfare>
33. This webpage appears to be the primary source of animal welfare information for the greyhound industry in the Northern Territory.
34. According to the webpage, “*If you are a greyhound owner, you must take responsibility for your greyhound’s welfare and make sure trainers and others follow welfare rules*”. The guidance provided

by the webpage is then set out by reference to the following subheadings.

- a. **Greyhound welfare** – *greyhounds have the same rights as other animals, including access to food and water, safe and secure accommodation and living conditions, prevention and treatment of disease or injury, control of parasites and freedom from fear or distress.*
 - b. **Kennels and enclosures** – *greyhound enclosures must be kept clean and tidy and free of vermin, be designed and maintained to minimise risk of injury, disease, theft or escape, be designed for ease of cleaning, feeding and watering, have adequate shade from direct sunlight, be weather and rain proof, provide a dry and comfortable environment with light and ventilation, be securely fastened or locked, and have individual sleeping areas with no bedding contact with the floor.*
 - c. **Food and water** – *greyhounds must receive sufficient food and water. Food must be stored to prevent it rotting, spoiled food must be removed from kennels, accommodation and feeding areas, easily chew-able eating and drinking utensils are not allowed, and all dishes must be washed once a day.*
 - d. **Veterinary care** – *you must act quickly to prevent the spread of disease and protect the wellbeing of greyhounds. Appropriate veterinary care must be provided for sick or injured greyhounds. You must not allow diseased or injured greyhounds to race, be overworked or offered for sale. You must consult a vet if your greyhound has an unexplained illness or dies.*
 - e. **Retirement** – *healthy retired greyhounds should be given away as pets to appropriate homes. When you retire a greyhound, you must say what is happening to the dog. You will need to fill in the notification of retired registered greyhound form and submit it with the dog's registration certificate to the greyhound controlling body.*
 - f. **Euthanasia** – *It is appropriate to euthanise a greyhound if it cannot recover from injury or illness, or its long-term wellbeing is in danger. Euthanasia must only be performed by a veterinarian or other approved person.¹⁵⁶*
35. We note that, limited to six topics as it is, the information provided by the webpage does not address many of the animal welfare related issues that are the subject of policy in other greyhound racing jurisdictions, including health management and hygiene, exercise, education and training, socialisation and vaccination. Further, the guidance provided on the topics that are addressed is limited and general in nature. For example, “*sufficient food and water*” provides no guidance on what constitutes a nutritional and healthy diet for a racing greyhound.
36. Further, the webpage does not set out any consequences for non-compliance by industry participants with these guidelines.
37. We were advised during our investigation that industry participants are not consistently completing and submitting the retired registered greyhound form, referred to at subparagraph (e) above,¹⁵⁷ though some examples of completed forms were able to be provided by the Chief Steward.
38. Compliance with greyhound retirement forms is considered in further detail below.

156 The above constitutes the totality of the information provided by the webpage regarding greyhound animal welfare, rather than a summary.

157 Discussion with trainer, Kennel inspection dated 5 November 2020.

Greyhound Racing Heat Policy

39. The Greyhound Racing Heat Policy is also published online. It states that greyhound racing meetings in the Northern Territory are to be cancelled in extreme weather conditions.
40. Day and twilight meetings will be cancelled if the estimated daily maximum is over 35 degrees Celsius, unless a vet is in attendance, or over 40 degrees Celsius. Where meetings are to proceed in extreme weather conditions, measures such as opening the kennels later, the use of ice water, and minimum time requirements spent outside, are imposed.

Greyhound Racing Alcohol Policy

41. According to the above Policy, where the Stewards at a meeting are of the opinion that any person handling or in charge of a greyhound is, by reason of intoxication, incapable of doing so properly, they shall order the person to submit to a breathalyser analysis test. Any person who exceeds an alcohol level of .05% shall be guilty of an offence and “shall be liable to penalty pursuant to GAR 86”.
42. The purpose of the Policy is to provide a framework to reduce the likelihood of injury, damage and/or other negative effects resulting from alcohol in a racing environment.
43. The Racing Commission has also released *Alcohol Testing Guidelines* to support this Policy, which set out the procedure to be followed if a positive reading is recorded, among other things.

Procedures in the Event of Thunderstorm or Lightning Activity

44. When it has been determined that lightning and thunder is within a ten-kilometre safety zone of the venue, racing activities are to be suspended. An on-course announcement is made to ensure all participants at the venue seek shelter and arrangements are made to secure greyhounds in the kennels.
45. Racing should not resume until fifteen minutes after the final recorded lightning and thunder activity within the safety zone.

Stewards' policies

46. The Chief Steward provided us with one document relevant to kennel requirements for racing greyhounds, which stated as follows:

Racing Kennel – Minimum size = 3 sq.m (e.g 2m x 1.5m)

A kennel enclosure for housing a single greyhound in race training, generally situated within a secure building and designed to encourage the greyhound to rest.

Fencing should be appropriately constructed and well maintained fencing mesh being 1.8m high on a concrete or fixed base.

Posts may be steel and/or wood. Fencing should be strained as appropriate to ensure the security of the greyhound.

General construction and materials

Greyhound kennels must be designed, constructed, serviced and maintained in a way that ensures the good health and well-being of the animals, whilst preventing escape or injury to humans.

Housing must provide protection from the weather (wind, rain, sun and extremes of climate,

vermin and harassment from other animals).

Materials should be selected for ease of maintenance and cleaning, durability and non-toxicity.

Where water impervious materials capable of conducting heat are utilised, adequate insulation must be incorporated in the ceiling and north and west facing walls to minimise heat conduction.

47. It is noteworthy that the kennel requirements document provided by the Chief Steward differs in some respects from the information which is published on the Government website.
48. No policy was provided regarding the regularity of kennel inspections to be conducted by the Stewards. We do not understand that such a policy exists.
49. Similarly, a procedure detailing “*How to perform a Drug Swab (Urine)*” was provided, which details the manner in which a swab is to be obtained, however not the frequency in which swabs shall be taken.
50. We were informed that the Racing Commission and Licensing NT have no budget allocation to perform drug swabs, which are expensive. The Racing Commission advised us that nine positive cases have been recorded since 2008.
51. As noted, the number of samples tested in the Northern Territory, as a percentage of starters, is significantly lower than in other jurisdictions. In 2018/19, only 1.6% of starters were tested in the Northern Territory, compared to 5.0% of starters in Western Australia (the second lowest) and 14.6% in Queensland (the highest). From the tests conducted during that period, 2.78% returned positive in the Northern Territory, the highest percentage of any jurisdiction, in front of Queensland, which was the next highest, returning 0.70% of positive swabs.¹⁵⁸
52. In view of the above, there is a clear need for swabbing numbers in the Northern Territory to be increased and reported on.
53. Further, we recommend that the Racing Commission consider expanding the use of its power at section 59 of the *Racing and Betting Act* to require the DGA to meet the costs, in whole or in part, of swabbing greyhounds, as necessary.

Greyhound retirement forms

54. Pursuant to Australasian Rule 106(3), registered owners are required to notify the Racing Commission where a greyhound is transferred to another owner or an adoption program, retired as a pet or a breeding greyhound, or is euthanised. In the Northern Territory, this notification is made by submitting a ‘*Notification of Retired Registered Greyhound Form*’.
55. The forms fulfill an important purpose. By way of example, if a greyhound is to be euthanised, the form requires the signature or a certificate of euthanasia from a registered veterinarian, ensuring that the greyhound is euthanised in a humane manner and allowing the veterinarian to provide comment, if they consider it appropriate.
56. Veterinarians have done so in several the forms provided to us. In one instance, that the greyhound was noted to be ‘*extremely dehydrated and lethargic*’ and was having ‘*difficulty breathing*’. In

158 *Ibid.*

another, the greyhound presented as *'acutely unwell and in distress'*. A third greyhound was similarly noted by the veterinarian to be *'acutely unwell and in distress'*, prior to being euthanised.

57. Alternatively, if a greyhound is to be rehomed through a greyhound rehoming organisation, the form requires the owner to include the details of the organisation on the form, so that the controlling body is able to confirm that the greyhounds were handed over to that organisation.
58. In the course of this investigation, we considered these forms alongside other materials held by the Racing Commission recording retirement of greyhounds. These materials evidenced the following:
 - a. In 2019, 18 greyhounds were euthanised in the Northern Territory. On average, the greyhounds were 3.9 years old at the time they were euthanised.
 - b. In 2020, 18 greyhounds were euthanised in the Northern Territory. On average, the greyhounds were 4.1 years old at the time they were euthanised.
 - c. The majority of the greyhounds euthanised were 2, 3 or 4 years old (26 of 36) and none were older than 7, noting greyhounds have an average lifespan of 12 to 15 years.
 - d. Of the 36 greyhounds euthanised in 2019 and 2020, 21 were euthanised as a result of an injury and 12 were considered *'not suitable for rehoming'*.
59. We also considered compliance with Australasian Rule 106(3), and identified the following deficiencies.
60. *First*, of the 36 greyhounds euthanised in 2019 and 2020, there are 3 for which the Racing Commission were unable to produce greyhound retirement forms. It is not clear whether owners have failed to submit these forms, or the Racing Commission have failed to retain the relevant records. In either case, this is an area for improvement by the Racing Commission as the controlling body, and the Stewards.
61. *Second*, of the 49 greyhounds that the retirement forms indicate were transferred to a greyhound rehoming organisation, nine had deficiencies that prevented checks from being made with the relevant organisation to confirm their acceptance into the rehoming program.
62. The Racing Commission have indicated that where this issue is identified, enquiries are made to ensure the relevant greyhound was received by a greyhound rehoming organization. Given the importance of the relevant information, our view is that owners and trainers must be required to complete these forms in full.
63. The Chairperson of the DGA advised that he considered the completion of paperwork associated with racing greyhounds was an area for potential improvement, including by the Stewards. Though there had been improvements with respect to record-keeping, practices remained open to criticism, and the Stewards *'could be more diligent ... We should know the movements of the dogs'*.¹⁵⁹ We agree.

DGA policies

64. The DGA provided us with two documents, entitled *"Track Injury and Rebate Scheme"* and *"Animal Welfare and Support Protocols"*, in response to our request for copies of its current policies and procedures relating to animal welfare standards.

159 Discussion with R Brennan, G Aldam and J Winter, 14 December 2020.

Track Injury and Rebate Scheme

65. The above Scheme is aimed at “ensuring the instances of euthanasia resulting from severe race meeting injuries are minimised”. Pursuant to the Scheme, the DGA “will commit a financial contribution to participants for the cost of surgery for injuries that occur in the course of a normal race meeting or trial night...”.
66. Following a significant racing injury, the on-track veterinarian and Steward may direct a greyhound be taken off track for further investigation to determine whether the greyhound needs surgical intervention.
67. Once surgery has been completed and the invoice has been paid, participants can apply for reimbursement of up to \$1,000,¹⁶⁰ with all relevant paperwork, as well as supporting documentation from the Steward, submitted to the DGA for consideration by the Management Committee.
68. The DGA can also provide a \$200 subsidy for any greyhound that has been directed off course for further veterinary investigation to alleviate costs when surgery has not been found to be necessary. Again, the invoice and supporting documentation must be provided to the DGA.
69. According to the Scheme, “The recommendation from the DGA is that the veterinary clinic to be used is the one where the on-track vet works”.
70. We were advised by the Racing Manager that the Scheme was modelled on the South Australian policy, referred to below, however that as at December 2020, it had not been used since it was introduced, and was not well understood by industry participants.¹⁶¹
71. The on-track veterinarian was unaware of the existence of the Scheme as at December 2020. The Chairperson of the Management Committee conceded that it had not been communicated to the veterinarian formally.¹⁶² Given the centrality of the role of that veterinarian to the Scheme, it is unsurprising that the Scheme’s utilization has been poor. We are advised that in 2021, the Scheme has been implemented twice.
72. The Racing Manager and the Chairperson of the DGA accepted that the Scheme could be improved, including if the DGA met or approved the costs of veterinary assistance initially, rather than owners or trainers seeking recompense after those costs had been incurred.¹⁶³
73. We recommend that the DGA review the Scheme, with a view to improving its efficacy, and take steps to actively promote an understanding of its operation within the industry, once it has done so. We recommend that analogous schemes operating in other jurisdictions be considered in that process, particularly that in Western Australia.

Animal Welfare and Support Protocols

74. The Animal Welfare and Support Protocols is a high-level, one-page document that commences by stating that the DGA “has in recent times in particular gone to the next level in regards to the importance and welfare of our greyhounds”.
75. It identifies eight measures, some of which are attributable to the DGA and others which are not, relating to animal welfare, as follows:

160 The Racing Commission indicated that up to \$3,000 is available under this Scheme, however the DGA website’s published application form indicates \$1,000.

161 Discussion with R Brennan, G Aldam and J Winter, 14 December 2020.

162 *Ibid.*

163 *Ibid.*

- a. *Re-homing assessment of all retired greyhounds through our volunteer group called GRANT. They use our race day kennels approximately every 6-8 weeks to check the suitability of these greyhounds for foster care and then to find their forever homes.*
 - b. *All greyhounds are de-sexed and checked that they are healthy and well through the vet and the club pays for the de-sexing of all greyhounds.*
 - c. *In recent times we have an excellent working relationship with GAWA (Greyhound Adoption Western Australia), they work with GRANT and allow us the opportunity to also re-home greyhounds in Perth. ...*
 - d. *At each race meeting it is a requirement we have an on-track vet for the safety and checking of all greyhounds on a race night.*
 - e. *There is a heat policy in place and scrutinized by our Stewards, to assist with this the race day kennels are air-conditioned, the club purchased ice vests to use if required if any animal comes back distressed and there is adequate running water for cooling down after they have raced in the wash down bay.*
 - f. *A recently completed track injury rebate scheme has been implemented for the greyhounds on a race night, again the club happily supports the owner and or trainer in the opportunity for a greyhound to be cared for after a serious track injury.*
 - g. *\$50 unplaced subsidy is paid to the trainer for all unplaced runners on a race night, this allows for strong cash flow for the trainer to maintain a happy and comfortable lifestyle for all greyhounds in their care.*
 - h. *Senior Stewards do periodic kennel inspections to make sure all kennels are adequate, clean and up to the required standards for the greyhounds in the trainer's care.*
76. We are confident the above measures are well intended and do promote, to varying degrees, greyhound welfare. However, we make the following comments in relation to certain of those measures.
77. *First, in relation to providing a "Rehoming assessment of all retired greyhounds", our understanding is that though an assessment may be available, there is no requirement that greyhounds associated with the DGA undergo this assessment, or that those greyhounds are rehomed.*
78. Further, the evidence provided by GRANT was that greyhounds that are presented for a rehoming assessment are often presented in poor condition.¹⁶⁴ For example, GRANT reported that they had concerns regarding the welfare and treatment of greyhounds which were assessed on 9 February 2021, including that:
- a. a number of greyhounds had overgrown nails, scars and smelt of urine and faeces;
 - b. one greyhound had a missing tail tip;
 - c. one greyhound had a wound on his testicles; and
 - d. the majority of greyhounds demonstrated anxiety and fearful body language, including tails between their legs, ears pinned back, and refusal to move.

164 Discussions with GRANT President, including on 18 February 2021; documents provided by GRANT.

79. The poor condition in which greyhounds are presented to GRANT is considered further in Chapter 13 of this Report, below.
80. Greyhound owners must ultimately take responsibility for ensuring their greyhounds receive appropriate treatment during their racing careers, and for ensuring they are rehomed, once that career comes to an end.
81. However, as a significant beneficiary of the exertions of racing greyhounds, and a facilitator of their importation into this jurisdiction, we consider it is incumbent on the DGA to appropriately support greyhound rehoming.
82. The DGA does provide a modest amount of financial assistance towards GRANT annually, however that amount has not meaningfully increased in recent years, despite the significant growth in both the DGA's revenue and the number of races conducted in the Territory. This is in contrast to the increase in prize money demonstrated by the table in Chapter 5 above.
83. The financial assistance that is provided by the DGA is certainly not sufficient to sustain GRANT without its volunteer support. Further, there is also no formal agreement in place between the DGA and GRANT.
84. The Northern Territory is the only greyhound racing jurisdiction in the country which relies on the dedication of a volunteer organisation for the rehoming of greyhounds. In our view, this is untenable.
85. The DGA must provide more substantial assistance towards rehoming, particularly as it continues expand upon the number of racing greyhounds and therefore the demand for rehoming services.
86. Since 2016, the DGA has been aware of the need to do more to assist GRANT and rehoming generally, and has contemplated a number of potential measures to assist, including *"use [of] spare kennels to assist with rehoming"*,¹⁶⁵ the setting up of a *"greyhound superannuation type fund"*,¹⁶⁶ *"build or hire permanent kennels to be used for rehoming"*,¹⁶⁷ hiring part time officers to facilitate rehoming,¹⁶⁸ and appointing a person responsible for "Animal Welfare / Rehoming" to assist with communication with GRANT.¹⁶⁹ Greater assistance towards rehoming should be reconsidered and appropriate steps taken, as a priority.
87. The industry must move towards fully funding a greyhound adoption program or programs, bringing the jurisdiction into line with the rest of the country. As part of this process, we recommend the following be considered:
 - a. the DGA funding dedicated resources at GRANT and/or other rehoming organisations to assist with greyhound rehoming;
 - b. the DGA constructing dedicated kennel facilities specifically for use in relation to rehoming, either at Winnellie Park or elsewhere;
 - c. the DGA funding socialisation programs for racing greyhounds, to improve rehoming rates, following assessment; and

165 DGA Committee Meeting, 21 June 2016.

166 DGA Committee Meeting, 31 October 2017

167 DGA Committee Meeting, 31 October 2017, 14 November 2017, 28 May 2018

168 DGA Committee Meeting, 14 November 2017

169 DGA Committee Meeting, 7 November 2018

- d. the Northern Territory Government reallocating funding otherwise provided to the industry towards rehoming.
88. *Second*, the veterinarian attending the DGA on race nights does not check that greyhounds are healthy and well. Rather they confirm the greyhounds who present to race are capable of doing so. General husbandry and oral hygiene, for example, are not within their purview. The Veterinarian Statement advised of concerns regarding greyhound health, as follows:
- my primary concerns are their overall hygiene. Dogs are presenting unbathed with dirty, smelly coats and moderate to severe dental disease.*¹⁷⁰
89. Greyhounds that are not presented to race, due to injury or illness, are not seen by the on-track or race day veterinarian at all. The veterinarian services currently provided at the DGA must be viewed within these limitations.
90. *Third*, as set out above, the Track Injury Rebate Scheme has seldom been used. This is despite the Northern Territory having comparatively high injury rates compared with other jurisdictions.¹⁷¹ As at November 2019, the jurisdiction had the equal highest number of track incident related deaths for the past two years: being seven track injury deaths in 2018/19, and four track injury deaths in 2019/20.¹⁷²
91. *Fourth*, in relation to kennel inspections, the Chief Steward conceded that due to resourcing constraints and the prioritization of other responsibilities of Compliance Officers, those inspections are not regularly completed by the Stewards.¹⁷³ This was confirmed by our inspection of the facilities at Winnellie Park, during which a considerable proportion of the kennels we inspected were under the minimum size requirements. In particular, we noted that:
- a. one facility, occupied by Trainer A, had four kennels of dimensions of 1.10 x 2.05 = 2.25 sq m; and a fifth of 0.95 x 2.05 = 1.95 sq m;
 - b. a second facility, also occupied by Trainer A, had nine kennels of dimensions 1.20 x 2.40 = 2.88 sq m, and a tenth of 1.10 x 2.00 = 2.20 sq m; and
 - c. a third facility, occupied by Trainer B, had five kennels with dimensions of 2.00 x 1.25 = 2.50 sq m.
92. All of the kennels described above were housing greyhounds at the time of our inspection, with the exception of one empty kennel within the facility occupied by Trainer B.
93. Further, not all of the kennels inspected had mesh fencing of 1.8m in height, as required.
94. On 6 November 2020, we wrote to the Chief Steward regarding the use of undersized kennels, and on 17 November 2020, he in turn wrote to Trainer A and Trainer B, requesting that they and the DGA, as the lessor of the premises, rectify the kennels by 1 January 2021.
95. We are not aware of Trainer A or Trainer B being penalised for the non-compliance of those kennel facilities, notwithstanding Greyhounds Australasia's citing of such penalties for participants as a significant advancement towards animal welfare.

170 Veterinarian Statement.

171 Racing Commission Briefing Paper, 24 June 2020.

172 Racing Commission Briefing Paper, 31 March 2020

173 Discussion with Chief Steward, 2 July 2020.

96. On 18 November 2020, the Chairperson of the DGA responded on Trainer A's behalf, as follows:

The DGA Committee has considered your letter regarding [Trainer A's] extra kennels that he is utilising at the moment. We questioned why this has suddenly become an issue and why the Investigators are involved. All these kennels were built before this requirement came in and as required, all new kennels built on behalf of the DGA since have been to the new specifications. I have spoken to [Trainer A] and we will enlarge each kennel to meet the specifications. We should meet the desired timeline. It should be noted that these kennels were primary used as overflow kennels and used for such things as isolating new arrivals or waiting for rehoming.¹⁷⁴ (sic)

97. The explanation provided by the Chairperson as to the use of the kennels for new arrivals or waiting for rehoming is contrary to what Trainer A told us during our inspection.

98. Further, the use of smaller kennels immediately prior to rehoming is contrary to the guidance of codes of conduct published in other jurisdictions. It underscores the need for an NT Code of Practice to be implemented.

99. The 1 January 2021 deadline for rectification of the kennels was subsequently not met.

100. In view of that fact, the tenor of the Chairperson's response, and the lack of meaningful animal welfare policy implemented by the DGA, we are not as confident as we would wish to be that the current Management Committee places sufficient importance on matters concerning animal wellbeing.

101. We are not aware of any penalties having been issued to the trainers for their non-compliance with the minimum.

102. It is apparent that the DGA does not see itself as playing a major role in upholding animal welfare standards. Rather, the Chairperson views that as "*primarily the responsibility of owners and trainers*".¹⁷⁵ We consider that the DGA must fundamentally alter its approach to animal welfare, moving forward, if it and the industry is to remain the recipient of public funding.

103. Among other things, we recommend the DGA:

- a. include within its Strategic Plan and its Service Plans clear objectives in the next three years for the advancement of the welfare needs of greyhounds, and monitor its progress towards those objectives;
- b. consult with the Animal Welfare Advisory Committee, GRANT and other relevant stakeholders as to how animal welfare standards can be improved, including for the purposes of the objectives in its Strategic Plan and Service Plans; and
- c. amend its Constitution to:
 - i. state a firm commitment to adherence to animal welfare standards; and
 - ii. require the appointment of one person to its Management Committee with animal welfare expertise.

104. Further, we recommend that the DGA complete frequent inspections of the kennelling facilities at

174 Email from the Chairperson, 18 November 2020.

175 Email from the DGA Chairperson, dated 18 July 2021.

Winnellie Park, and report upon those inspections to the Stewards. Trainers operating the kennels in compliance with the minimum requirements for racing greyhounds should be a condition imposed by the DGA for their use.

Winnellie Park track assessment & closure

105. The DGA's Management Committee recently commissioned an assessment of the racing track at Winnellie Park. This included, but was not limited to, a review of lure operations, sand composition, track camber, moisture content and track maintenance.
106. Cory Hiscock, track manager of The Meadows in Melbourne, travelled to Darwin to complete the track assessment from 18 – 21 May 2021. Mr Hiscock provided a report of his findings to the Management Committee at 11:55 p.m. on Sunday, 23 May 2021 (**Hiscock Report**).
107. The Hiscock Report found that the track at Winnellie Park was unsuitable for racing, following an audit of racing equipment, track and procedures. This conclusion was informed by the following considerations:
 - a. *Track surface* – the track was found to contain a higher than acceptable content of coarse material, which was attributable to prior installations or top-ups of the surface. As a direct consequence, the greyhounds who raced on the track sustained injuries to their feet. The Hiscock Report recommended the complete removal of the existing surface to a minimum of 100mm. The implementation of quality control practices was suggested to ensure screeding contains only trace coarse material. The materials comprising the surface should also deviate from the 50/50 mix currently being used and align more closely with Victoria's surface compositions.
 - b. *Surface levels* – the surface contours of the track were determined not to be to current to Australian specifications and presented a hazard to racing greyhounds. In particular, several depressions of up to 75mm drops over a 10m length of the surface were evident at crucial points on the track that could affect a greyhound's balance. The Hiscock Report recommended installing the track from 3-4% to 3% on both straights, and from 5.5% to 8% on both turns. A further recommendation was made to utilise a Box-Blade or Machine Guidance Blade to ensure consistent levels of the surface.
 - c. *Surface maintenance* – a significant variance in the watering and compaction methods used on the track was observed during Mr Hiscock's assessment. Such discrepancy impacted the consistency of the surface during meetings. The current irrigation system was said to struggle to water the entire track and is only deployed at 4.00 a.m. and 1.00 p.m., causing the surface to vary in firmness from the first race. The Hiscock Report recommended using brooms, in conjunction with the current tyre and matt set-up, to assist the surface material being compacted into the prints present after a race. By minimising such tripping hazards, the number of greyhound injuries would be reduced. The levels and surface of the track should also be regularly monitored by the DGA through weekly reporting and regular surface grading to maintain quality control. Pre-race data should be kept to maintain integrity and the surface regularly graded.
 - d. *Racing equipment* – the Hiscock Report recommended that racing equipment be improved to reduce injuries and increase the consistency of racing greyhounds. Improvement could take the form of installing the new Victorian lure system, upgrading the starting box positioning and floor material, and applying a '*uniformity*' approach to trip-start positions across all starts.

108. On 1 June 2021, nine days after the Hiscock Report was received, the DGA Chairperson wrote to the Chief Steward, on behalf of the Management Committee and advised it had *'reviewed the track consultants report which recommended that the track surface was unsafe to race on, the [Management] Committee has recommended to the Racing Commission that the scheduled meeting [be] Abandoned and no meetings be scheduled until the tracks been deemed safe to race on. Many Thanks'*.
109. On 2 June 2021, the Operations Manager wrote to DGA members, advising that the race meeting scheduled for that evening and all future race meetings had been abandoned until further notice. From 7 June 2021, trainers received \$25 a week for each greyhound that was registered to them, which was to continue until racing recommenced. The Racing Commission noted and supported the DGA's decision.
110. Despite having received the Hiscock Report on 23 May 2021, greyhound racing was conducted at Winnellie Park one week later, on Sunday, 30 May 2021.
111. According to the Stewards' Report, several greyhounds were injured during the eight races conducted at the 30 May meet:
 - a. in Race 4, a greyhound suffered an *'integument laceration left hindleg biceps femoris m. injury'* and was suspended from racing for 20 days;
 - b. in Race 5, a greyhound suffered an *'integument lacerations left hindleg abraded paw pad'*, and was suspended from racing for 10 days;
 - c. in Race 7, a greyhound suffered musculoskeletal right hindleg split webbing, and was suspended from racing for 14 days; and
 - d. in Race 8, a greyhound suffered *'musculoskeletal right hindleg gracilis m. injury'* and was suspended from racing for a period of 10 days.
112. It is unclear how many of the above injuries are attributable to the various concerns raised in the Hiscock Report, however it is notable that at the only race meet conducted since improvements at the track were completed, on 11 July 2021, there was a marked reduction in injuries. One greyhound was injured on 11 July 2021, during an 11-race meet: the same greyhound that was injured in Race 7 on 30 May 2021.
113. What is clear is that the 30 May meet should not have proceeded, in view of the Hiscock Report's finding on 23 May that the track was unsuitable for racing. It is unacceptable that it did.
114. The DGA's commissioning of its own report into the safety or suitability of the track, and then its delayed abandonment of racing, once that report was received, highlights again the lack of oversight being provided by the controlling body.
115. The Racing Commission was advised in June 2020 that the 2017/18 and 2018/19 national injury rates demonstrated that track injuries in this jurisdiction were comparatively high. It has not acted upon that information.
116. We recommend the Racing Commission consider whether research concerning the high prevalence of injuries in the Northern Territory greyhound industry is warranted, given the totality of the information before it, and the findings of the Hiscock Report.
117. We recommend that the DGA implement the findings of the Hiscock Report. Further, we recommend that the DGA staff responsible for regular monitoring of the track surface, as

recommended in the Hiscock Report, be required to provide those regular reports to the Stewards.

Greyhound Racing Rules 1981 (NT)

118. The Local Rules contain a limited number of provisions relevant to animal welfare, including with respect to:
 - a. the registration of industry participants, facilities and greyhounds;
 - b. the death of a greyhound, at Rule 58;
 - c. the powers of Stewards to enter and inspect, at Rule 70; and
 - d. detection of drugs, at Part XVIII.
119. However, compliance with the above Local Rules is patchy, including because the Stewards who police them are critically under resourced. Notification to the Racing Commission of the death of a greyhound does not appear to be happening consistently, if at all.
120. The registration records that are maintained by the Stewards do not allow for greyhounds to be reliably traced at any given time.
 - a. For example, during our inspection of the kennel facilities at Winnellie Park on 5 November 2020, we were informed by a trainer that he was currently training 43 greyhounds.
 - b. The data produced by the Stewards recorded this trainer as having 28 greyhounds racing, within the 60 days prior to 1 June 2020 and 1 January 2021. We consider it unlikely that this trainer had 15 greyhounds not racing at the time of our inspection, to account for this discrepancy. This trainer also advised us during the inspection that his compliance with registration forms, including retirement of registered greyhound forms, was imperfect.¹⁷⁶ OzChase records were subsequently produced for this trainer, which identified him as training 55 greyhounds as at 5 November 2020.
 - c. Further, the data provided by the Stewards is informed by greyhounds being nominated to race. The limited utility of such a system for injured or unwell greyhounds, and for those who are euthanised, is self-evident.
121. A review of the Local Rules confirms that they have not been amended by the Racing Commission since October 2014, and do not reflect contemporary practices in relation to animal welfare.
122. The Local Rules should be amended to require industry participants to adhere to clearly defined standards, and resources be committed to ensuring that those Rules are followed.
123. We note the following potential amendments to the Local Rules for consideration by the Racing Commission:
 - a. the creation of an offence for providing false or misleading statements in relation to a notification of transfer or retirement;
 - b. a requirement that industry participants supply further information to the Stewards as directed;

¹⁷⁶ Kennel inspection at Winnellie Park, 5 November 2020.

- c. the establishment of an enforceable NT Code of Practice;
- d. an obligation upon industry participants to report to the Stewards any injuries not detected by the on-track veterinarian within 48 hours;
- e. introduction of mandatory reporting obligations in connection with animal welfare offences;
- f. a provision confirming that a breach of the *Animal Welfare Act* is a serious breach of the Local Rules; and
- g. a penalty of disqualification for life for any person found to be involved in the practice of live baiting.

C - Animal welfare policies in other greyhound racing jurisdictions

124. TOR-3 required consideration of best practice regarding animal welfare, and whether the industry in the Northern Territory had sufficient policies and procedures in place to ensure those standards were being adhered to.
125. We set out below a summary of the key animal welfare policies from other Australian greyhound racing jurisdictions, against which the Northern Territory, and best practice, can be assessed.
126. This analysis makes plain that the policies and procedures in the greyhound industry in the Northern Territory are inadequate.
127. Many of the animal welfare issues addressed in policy and procedure documents in other jurisdictions are either not addressed at all in the Northern Territory, or not addressed substantively.

Table - Animal welfare policies in Australian greyhound racing jurisdictions cf. the Northern Territory

Welfare issue	Policy in other jurisdictions	Policy in the NT
Euthanasia	ACT, SA, Tas, Vic, WA	Yes, however insubstantial
Lures	ACT, NSW, SA, Tas, Vic, WA	Yes
Hygiene	SA, Tas, Vic, WA	No
Food and Water	ACT, GA, NSW, SA, Tas, Vic, WA	Yes, however insubstantial
Hot weather	NSW, SA, Tas, Vic	Yes
Housing / Kennelling	ACT, GA, NSW, SA, Tas, Qld, Vic, WA	Yes, however not enforced
Rehoming	ACT, NSW, SA, Tas, Qld, Vic, WA	Yes, however insubstantial
Track injury subsidy	NSW, SA, Vic, WA	Yes, however not implemented
Health management	ACT, GA, NSW, SA, Tas, Vic, WA	No

Socialisation	ACT, NSW, Qld, Vic	No
Breeding	ACT, NSW, SA, Vic, WA	N/A
Education/training	ACT, NSW, Tas	No
Transport	ACT, NSW, Tas, Vic	No
Vaccination	GA, SA, Vic	No

128. In other sections in this Report, we have cited the relative size of the greyhound industry in the Northern Territory as an explanation, and at times a justification, for some of the less sophisticated or comprehensive practices that have been adopted here.
129. However, where animal welfare standards are concerned, the industry must strive for best practice. The size of the jurisdiction has no impact on how a greyhound should be housed, the food and exercise it requires, appropriate standards of veterinary care and hygiene, and the enrichment it derives from socialisation. Summarily, the industry's size offers no explanation or excuse for the inferior treatment of greyhounds.
130. We recommend that the Racing Commission, as the controlling body, prepare a comprehensive Code of Practice for the keeping of racing greyhounds that is appropriate for conditions in the Northern Territory, and will assist animal welfare standards to be met (NT Code of Practice).
131. We recommend that the NT Code of Practice address each of the issues within Greyhound Racing Victoria's Code of Practice, as on our review, the Code of Practice in that jurisdiction is the most comprehensive, and currently represents best practice. The Racing Commission should also have regard to the policies and procedures in force in other jurisdictions, summarised below, in the preparation of that Code of Conduct.
132. Further, we recommend the Racing Commission give particular attention to policy designed to improve the health management and hygiene of greyhounds, and to prevent the euthanasia of unwanted racing greyhounds, as these are recognised issues within the Northern Territory greyhound industry. We note that:
- a. The veterinarian's concerns above regarding overall hygiene, dirty, smelly coats and moderate to severe dental disease were supported by documentation provided to us by GRANT, among others.
 - b. Accurate statistics regarding euthanasia are not currently maintained by the Racing Commission or the DGA, however the DGA Chairperson informed us that his understanding was that euthanasia rates in the Northern Territory are the highest in the country, per racing greyhound.¹⁷⁷ The Clinic Statistics are also very concerning in this regard. A greater emphasis on socialization and enrichment of greyhounds will contribute to a lowering of euthanasia rates
133. These recommendations are in addition to the implementation of the measures set out in the *GA Welfare Strategy*, however there will inevitably be some common ground between these tasks.
134. The Racing Commission and its Stewards must play a greater role in the enforcement of animal welfare policies and procedures, including once the above recommendations have been

implemented, if animal welfare standards are to be met. We recommend dedicated resources be allocated to the Racing Commission for this purpose.

Australian Capital Territory

135. From 30 April 2018, greyhound racing and trialling was prohibited in the ACT. Nevertheless, ACT residents can still own, keep, breed and train greyhounds in the ACT for racing elsewhere, provided they comply with the animal welfare standards found in its *Code of Practice for Keeping and Breeding Racing Greyhounds*.

Code of Practice for Keeping and Breeding Racing Greyhounds in the ACT

136. The Code regulates the treatment of racing greyhounds, which are specifically those ‘used or intended to be used’ for greyhound racing. It is approved as a mandatory code under section 23 of the *Animal Welfare Act 1992*.
137. The overall objective of the Code is that racing greyhounds that are kept in the ACT are provided with care that maximises their long-term health and well-being, and are protected from pain, distress, danger, illness and injury.
138. Additionally, the Code aims to prevent the euthanasia of unwanted racing greyhounds.¹⁷⁸
139. Greyhounds in the ACT, whether racing or not, are subject to the same requirements as all other dogs. The *Domestic Animals Act* and the associated *Domestic Animals Regulation 2001* contain particular management or control requirements regarding greyhounds and dogs more broadly. These requirements include, for example, registration, identification by microchip, de-sexing and permits for breeding or keeping multiple dogs. Racing greyhounds are also subject to additional requirements as outlined in the Code.¹⁷⁹
140. The Code notes that under section 6B of the *Animal Welfare Act* “a person in charge of an animal has a duty of care to the animal”. To that end, all animal owners in the ACT are guilty of an offence if they fail to take reasonable steps to provide the animal with appropriate:
- a. food and water;
 - b. shelter or accommodation;
 - c. opportunity to display behaviour that is normal for the animal;
 - d. treatment for illness, disease, and injury; or
 - e. abandons the animal.¹⁸⁰
141. Expanding on section 6B of the *Animal Welfare Act*, the Code sets out minimum standards for caring for greyhounds in a range of areas. The Code also emphasises that each dog’s requirements should be assessed according to its specific needs.
142. **Nutrition** - Adult greyhounds and greyhounds over six months of age must be fed appropriate canine food of sufficient quality and quantity to meet the individual dog’s daily requirements.

178 Code of Practice for Keeping and Breeding Racing Greyhounds in the ACT 2018, 3.

179 *Ibid*, para [4].

180 *Ibid*.

Pregnant and lactating greyhounds require more food and must be fed multiple times daily, in a way that meets the requirements of that dog. Fully weaned puppies less than 16 weeks of age must be fed multiple times daily, in a way that meets their requirements. Greyhounds between four and six months of age must be fed multiple times daily, in a way that meets their requirements.

143. Food must be stored appropriately in sealed, vermin-proof containers, and fresh meat stored at less than 4°C. Food must not be allowed to become rancid, decayed or insect/pest infested. Food storage and preparation areas must be kept clean and disinfected. Dogs must not be fed raw offal due to the risk of hydatids. Fresh, clean drinking water must be available at all times and in sufficient volumes.¹⁸¹
144. **Health management** - Except where a veterinary surgeon advises otherwise, puppies under 12 weeks of age must be vaccinated against and treated for a range of diseases. The first treatment/vaccine must not be given before 10 days of age; puppy vaccinations must begin at 6-8 weeks and then repeated at 10-12 weeks and 14-16 weeks. After 16 weeks of age, greyhounds must be vaccinated annually or as prescribed by a veterinary surgeon.
145. Greyhounds must be placed on a safe and proven effective worming prevention and flea program. Keepers must closely monitor greyhounds daily to ensure they are eating and drinking normally, are able to defecate and urinate normally, are able to move about freely and without pain, and that their skin, teeth and coat are in a normal condition.
146. Veterinary advice must be sought if a greyhound is showing any signs of ill health, including lethargy and change of behaviour, repeated sneezing or abnormal coughing, vomiting or diarrhoea, lameness or inability to stand or walk, bleeding or swelling of body parts, weight loss or lack of appetite, apparent pain, fits or staggering, wounds, irritations or inflammations, significant or unusual hair loss, or repeated scratching and shaking of the head.
147. All greyhounds must have a general health check, including a dental check, by a veterinary surgeon at least once per year, or more regularly as directed by a veterinary surgeon. Greyhounds must be provided with hard chews or alternatively must have teeth brushed at least twice a week using a special canine toothpaste.
148. Where certain behaviours indicating stress or anxiety are observed, the racing greyhound controller must identify the trigger or cause of the stress or anxiety, then either remove the greyhound from the situation or remove the trigger or cause.
149. Greyhounds must be groomed by brushing or bathing regularly enough to maintain coats in a good, clean condition. Greyhounds must have their toenails checked and trimmed regularly enough to prevent overgrowth. All supplements and injectable substance regimes, including dosages, must be approved annually by a veterinary surgeon. The racing greyhound controller must keep records of all supplements and injectable substances provided to each greyhound, and these records must be signed off at least annually by a veterinary surgeon. Greyhounds must be kept free of prohibited substances.¹⁸²
150. **Housing and environment** - Housing must be appropriate for the greyhound's age, anatomy and behavioural patterns. The minimum enclosure size for a single greyhound is 3m².
151. If a greyhound is being kept in an enclosure of the minimum size, it must have no less than five 15-minute breaks each day for toileting and exercise, including a minimum of 30 minutes exercise per day.

181 *Ibid*, para [8].

182 *Ibid*, paras [9]-[11].

152. Enclosures must always provide at least enough space for each greyhound to feed, sleep, sit, stand, lie with limbs extended, stretch and move about.
153. Housing pens and yards must provide adequate protection from rain, wind, direct sunlight and extremes of temperature.
154. Sleeping areas must include a raised bed or wooden pallet so that the dog is not forced to sleep on concrete or the ground. Bedding material in sufficient volumes must be provided to ensure thermal and musculoskeletal comfort. Indoors housing areas must provide comfortable conditions of temperature, humidity and ventilation to prevent dampness, noxious odours and draughts at all times.
155. Perimeter fencing must be constructed around the housing and exercise areas at the establishment, in a manner so as to provide a barrier for escape but also to provide protection from entry by unwanted people or animals.
156. Each greyhound's environment must be maintained in a clean, hygienic and safe state at all times. Pens and kennels must be cleaned out at least once per day, or more often as required, by hosing or other appropriate means. Small animals (such as rabbits, hares, mice, possums, guinea pigs, cats etc.) must not be housed on premises where racing greyhounds are kept.¹⁸³
157. **Exercise, socialisation, enrichment** - the Code contains a detailed table of the minimum appropriate amount of socialisation/interaction for greyhounds at various ages, from birth to pre-training and training.¹⁸⁴
158. **Education and training** - according to the Code, during education and pre-training, greyhounds must have access to a minimum of twice weekly isolation from other greyhounds and humans for 30 to 60 minutes. This can be part of race crate training or other training activities. Greyhounds must not be muzzled in their housing environment except under the direction of a veterinary surgeon, when a veterinary examination or treatment is being administered. Greyhounds must be monitored regularly throughout the day for signs of stress, poor acclimatisation, and the development of behavioural stereotypies. Live animals, and parts of deceased animals, must not be used in the training of racing greyhounds. Lures used to train greyhounds must be made of a synthetic material only.
159. **Transport** - greyhounds must be transported at all times in a way that does not cause injury, escape or undue stress, and in the shortest practicable time. Compartments and cages must be weatherproof, have adequate ventilation and be at a comfortable temperature and level of humidity for greyhounds. Other than in cases of exceptional circumstances or emergency, greyhounds must be physically separated and individually restrained during transport or transported in separate compartments or cages. Compartments/cages must be kept clean, securely fixed to the vehicle, and must not pose a risk to the welfare of the greyhound. Certain duration and space standards apply.
160. **Preparation for retirement and re-homing** - When a greyhound is no longer considered suitable for racing or breeding at any stage of its life, the registered owner must make all reasonable efforts to rehome that greyhound to an appropriate home. The owner is responsible for undertaking appropriate socialisation and behavioural training with a certified, suitably qualified, trainer. Retired greyhounds may either be re-homed, taken to a shelter, or kept as a pet.
161. **Euthanasia and death of greyhounds** - Euthanasia must only be performed on the advice of, and by, a veterinary surgeon, and only when:

183 *Ibid*, 12-13.

184 *Ibid*, 16.

- a. the greyhound's pain, distress or suffering is likely to exceed manageable levels,
- b. when the health or welfare of the greyhound is irredeemably compromised, or
- c. when the greyhound is found to be unsuitable for rehoming following temperament and behavioural testing conducted by a suitably qualified and trained assessor.

162. This may only be performed by barbiturate overdose administered by a veterinary surgeon. Veterinary surgeons must provide the registered owner with a Euthanasia Certificate once a greyhound has been euthanised, and a copy of this certificate must be provided to the Registrar of Domestic Animals.

Canberra Greyhound Racing Club Welfare Strategy

163. The Canberra Greyhound Racing Club Welfare Strategy contains the following key regulations:

- a. All instances of dogs becoming injured or euthanised will be reported via the Stewards Report and Injury Reporting procedures. This information is used to reduce future injuries.
- b. There are security cameras operating in all boxes, on the track, in the competing yards and on the front gate.
- c. A system of 'finishing on the lure', in which greyhounds are allowed to finish the race on the artificial lure as a reward for their efforts, rather than finish the race in a "catching pen". This is hoped to reduce the number of greyhounds that do not make the track due to specific behavioural flaws and to reward the greyhound for their effort.
- d. All licensed trainers in the ACT are subject to regular kennel inspections by the Greyhound Racing NSW Compliance Officers, and trainers not meeting the code of practice can be suspended, disqualified and/or fined.
- e. 'Golden Oldies' events organised to increase attention on and value of older greyhounds.
- f. Installation of a 'Steriline Racing Safety Rail' to reduce injuries.
- g. Replacement of all track padding around the track fencing to reduce injuries.

New South Wales

164. Greyhound Racing New South Wales (**GRNSW**) is the governing body for greyhound racing in that state. As well as being committed to the National Welfare Strategy discussed above, GRNSW operates under various of its own animal welfare policies.

Race Day Hydration and Hot Weather Policy

165. The purpose of this policy is to protect the health, comfort and safety of greyhounds with respect to their race day hydration and muzzling, and during hot weather, while ensuring the integrity of greyhound racing.¹⁸⁵

166. To counter the risk of dehydration while greyhounds are in confinement on race days, the policy requires that water be provided during race day confinement to all greyhounds kennelled for the

¹⁸⁵ Greyhound Racing NSW, 'Race Day Hydration and Hot Weather Policy' (5 January 2017), 1.

race meeting.¹⁸⁶ Specifically, each greyhound's handler must provide a clean bowl to officials at the time of weigh-in, and officials are responsible for providing clean water. The policy also prohibits the use of barking muzzles at all NSW racetracks.¹⁸⁷

167. Regarding hot weather, the policy states that stewards may allow a greyhound to be withdrawn from an event without penalty where the Bureau of Meteorology official forecast temperature is 32°C or higher at the track. Where the temperature rises above 38°C or the stewards are of the opinion that the temperature is likely to rise above 38°C, the stewards may abandon the meeting or a race or races at the meeting. The Club must abandon any trialling where the temperature rises above 38°C or the Club is of the opinion that the temperature is likely to rise above 38°C.¹⁸⁸
168. If the temperature in the race kennels reaches 24°C the veterinarian on duty is to inspect each greyhound after it has been removed from the race kennel and prior to competing in an event. Any greyhound found to be suffering from any signs of heat stress may be permitted to be scratched without penalty.
169. If the temperature in the race kennels reaches 26°C, the steward and veterinarian are to consult with club officials and if the temperature cannot be reduced promptly then the upcoming events for that meeting may be abandoned or postponed at the direction of the steward in charge of the meeting.
170. When the temperature reaches 22°C or higher, greyhounds must not be kept in vehicles or trailers during race meetings or trialling unless the vehicles or trailers are air-conditioned.¹⁸⁹ There are also a number of requirements for handlers to comply with in terms of pre- and post-race transport.

GRNSW Race Injury Rebate Scheme

171. This scheme is intended to support GRNSW's ongoing commitment to improving welfare outcomes for racing greyhounds by preventing unnecessary euthanasia of greyhounds in NSW and providing greyhounds which are physically healthy and behaviourally sound the opportunity to live out their natural life span as a companion animal.¹⁹⁰
172. The premise of the scheme is that GRNSW will pay all reasonable off-track veterinary costs for treatment of an injured greyhound admitted into the scheme, up to a maximum of \$2,500. The participant responsible for the greyhound (the owner or the trainer) may take the greyhound to any NSW registered veterinary practitioner(s) for off-track assessment, diagnosis and treatment under the scheme. Following this, the owner is responsible for the greyhound's care and rehoming.¹⁹¹

Greyhounds as Pets & Greenhounds Programs

173. The Greyhounds as Pets (GAP) program is a not-for-profit initiative coordinated by Greyhound Racing NSW. It aims to facilitate the adoption of greyhounds through responsible rehoming practices, as well as educate industry participants about the options available to their greyhounds after racing.
174. GAP operates out of facilities on the Central Coast and in Western Sydney. Greyhounds that pass through the program are behaviourally assessed, vet checked, de-sexed, microchipped, and registered with council.
175. The Greenhounds program allows pet greyhounds to roam muzzle free in public places after

186 *Ibid.*, 2.

187 *Ibid.*, 3.

188 *Ibid.*

189 *Ibid.*, 3-4.

190 Greyhound Racing NSW, 'GRNSW Race Injury Rebate Scheme', 1.

191 *Ibid.*

successfully completing a re-training program and have been deemed suitable to do so. According to the GRNSW website, there are currently more than 1,000 certified Greenhounds with a muzzling exemption, and this has assisted in changing the perception of greyhounds as an aggressive breed.

176. The Greenhounds program is fully funded and administered by GRNSW.

Homing Assistance Scheme

177. The Homing Assistance Scheme is a financial rebate scheme for NSW industry participants who have retired their greyhounds and are preparing them for life as pets in their own home, with friends or family or through GAP and other approved rehoming organisations.¹⁹² Under the Scheme, a rebate of up to \$950 is available for comprehensive care to be provided to those greyhounds.

Greyhound Re-Homing Organisation Grant Scheme

178. GRNSW launched the Greyhound Re-Homing Organisation Scheme in January 2021, for GAP to provide up to \$10,000 in financial assistance to eligible rehoming organisations. The financial assistance must directly benefit the applicant's rehoming activities. Examples of items which may be eligible for a grant include dog trailers, kennel renovations or extensions.

179. The eligibility requirements for applicants are set out on the GRNSW website, and applications may be made twice a year.

The use of live animals, animal carcasses or parts of an animal in lures

180. This policy mandates that the use of any live animal, animal carcass or part of an animal as a lure in greyhound training, education or racing is strictly prohibited. A 'lure' is any item, natural or man-made, that is used in any way for the purposes of encouraging or enticing a greyhound to pursue, attack or excite it in response.¹⁹³

Swabbing Policy

181. The swabbing policy is intended to prevent the use of permanently banned and prohibited substances to enhance greyhound performance, and safeguard the integrity of racing in NSW.¹⁹⁴

182. The policy requires the mandatory swabbing of greyhounds in certain categories (such as greyhounds achieving certain results or entered into some races), and random swabbing as deemed necessary.¹⁹⁵

NSW Greyhound Welfare Code of Practice

183. The Code applies to all participants in the NSW greyhound industry and greyhounds kept by them, regardless of whether or not the greyhound is being kept for the purpose of racing. It contains the following standards of care.

184. **Food and water** - all greyhounds must be fed at least once daily. Food must be provided in sufficient quantity and nutritional quality. Food must be canine-appropriate and meet the daily requirements for the greyhound's age, size, condition, and level of activity. Fresh, clean drinking water must be available to greyhounds at all times.¹⁹⁶

192 See: <https://www.grnsw.com.au/welfare/rehoming/rehoming-assistance-schemes>

193 Greyhound Racing NSW, 'The Use of Live Animals, Animal Carcasses or Parts of an Animal in Lures' (1 December 2015), 1-2.

194 Greyhound Racing NSW, 'Swabbing Policy' (1 November 2016), 1.

195 *Ibid*, 5.

196 Greyhound Welfare and Integrity Commission, 'NSW Greyhound Welfare Code of Practice' (May 2020), 4.

185. **Health and wellbeing** - participants must inspect greyhounds in their care at least twice a day. Participants must ensure that they have reliable access to a veterinarian. Sclerosing agents must not be administered to greyhounds. Participants must keep a written treatment record for each greyhound or puppy in their care. Participants must ensure that all greyhounds in their care are vaccinated from the age of 6–8 weeks, and that vaccinations are kept up to date. Participants must monitor the dental health of all greyhounds in their care, and seek veterinary treatment if required.¹⁹⁷
186. **Housing and environment** - all enclosures used to keep greyhounds must provide at least enough space for each greyhound to feed, sleep, sit, stand, lie with limbs extended, stretch and move about. Housing must be secure and safe, and cannot be located below a building or vehicle. Indoor housing must have adequate ventilation, and be of an appropriate temperature. Sleeping areas must be large enough, equipped with bedding, and afford privacy. Greyhounds must be supervised when tethered. Greyhound housing areas and bedding must be maintained in a clean, hygienic and safe condition at all times. Certain measures must be taken to prevent transmission of disease and pests.¹⁹⁸
187. **Transporting greyhounds** - greyhounds must not be transported in a manner likely to cause injury or undue stress to the greyhound, and must be weatherproof. Certain conditions must be met to maintain the greyhound's comfort.¹⁹⁹
188. **Exercise, socialisation and enrichment** - all greyhounds, from the age of 3 weeks, must be provided with daily exposure to humans through gentle handling, and other vaccinated dogs. Participants must have a written plan detailing how the exercise, socialisation and enrichment standards in this Code will be met for the greyhounds in their care. Greyhounds that are in training require access to at least 30 minutes of free exercise each day, and toys. Barking muzzles are not to be used, and other muzzles must be the correct size.²⁰⁰
189. **Training, trialling and racing** - all training facilities, trial tracks and equipment used in the training, trialling and racing of greyhounds must be appropriately constructed, maintained, and fit for purpose, and supervised at all times when being used. Training must be based on positive reinforcement and a reward-based method. The use of walking machines is to be limited, and trials must occur at a registered trial track or licensed racecourse.²⁰¹
190. **Rehoming** - where a greyhound owner does not wish to retain a greyhound, the owner must ensure, as far as is reasonably possible, that the greyhound is prepared for rehoming as a companion animal. Certain requirements must be met prior to rehoming of greyhounds, such as de-sexing. It is an offence to euthanise a greyhound other than in specific emergency circumstances.²⁰²

Queensland

Racing Queensland - Local Rules of Racing (Greyhound Racing)

191. The Racing Queensland Local Rules govern greyhound racing in that state. Though they do not deal extensively with animal welfare requirements, Rule 27 provides guidance relevant to the housing of racing greyhounds.
192. Pursuant to Rule 27, those having care of greyhounds must ensure that they provide an

197 *Ibid*, 5.

198 *Ibid*, 11-12.

199 *Ibid*, 13.

200 *Ibid*, 14-15.

201 *Ibid*, 16.

202 *Ibid*, 17.

accommodation environment that is weatherproof, comfortable, well-ventilated, and an appropriate temperature. The structure must also be appropriately constructed and secure.

193. Further, the environment must contain clean fresh water, adequate and appropriate food, a safe and secure exercise area, and be free of pests.

194. Authorised persons shall also carry out inspections of kennels.

Racing Queensland – Animal Welfare ‘Greyhound Training and Racing’ Policy

195. This policy came into effect in March 2015, and is aimed at ensuring that no harm or cruelty is inflicted on racing greyhounds.

196. The policy states that Racing Queensland does not tolerate cruelty to or improper treatment of animals, and that ‘improperly’ includes, without limitation, acts which would constitute animal cruelty or allowing a greyhound to injure or kill another animal in furtherance of greyhound racing.²⁰³

197. Under the policy, Racing Queensland reserves the right to prevent any greyhound exposed to live baiting from participating in races, until they have undergone an assessment by a steward.²⁰⁴

198. When nominating a greyhound for a qualifying trial or event, trainers are required to submit a statutory declaration stating, among other things, that they have not taken part in any act of animal cruelty in relation to greyhound training in the past 10 years, including the practice known as live-baiting or bleeding.²⁰⁵

The Queensland Racing Integrity Commission

199. The Queensland Racing Integrity Commission (**QRIC**) is an independent statutory body which oversees the integrity and welfare standards of racing animals and racing industry participants in Queensland, including greyhounds.

200. QRIC describes itself as committed to preventing training practices that are harmful or cruel to animals, or which involve live baiting of greyhounds, and that an industry participant must be of appropriate character and fitness to participate in the industry.

201. To ensure this is the case, QRIC require each participant to submit, when applying for or renewing their license or registration, a statutory declaration which states that they have not taken part in any acts which constitute animal cruelty in that past ten years.²⁰⁶

202. The QRIC website contains information for owners and trainers of greyhounds to maintain the welfare of their animals.

203. Information is provided on the following topics:

- a. Socialisation – guidelines for socialising a greyhound puppy, including vaccinations and training;
- b. Prohibited substances – which substances are prohibited and how to use veterinary products; and

203 Racing Queensland, ‘Animal Welfare “Greyhound Training and Racing Policy”’ (2 March 2015), 2.

204 *Ibid.*

205 *Ibid.*, 2-3.

206 *Ibid.*, 3.

- c. Rehoming – the Greyhound Adoption Program run by QRIC.

South Australia

South Australian Greyhound Racing Industry Animal Welfare Policy

204. This policy was developed and implemented by Greyhound Racing South Australia (**GRSA**), the controlling body for greyhound racing in the state. The policy has been in place since 2016.
205. It provides the minimum standards of caring for greyhounds. Specifically, it specifies standards of accommodation, management and care which are appropriate to the physical and behavioural needs of greyhounds housed in establishments, including those designed for the breeding, rearing, boarding and training of greyhounds. The policy applies to owners and operators of racing organisations, as well as staff of such organisations.²⁰⁷
206. The policy designates the supervisory responsibilities for certain positions in greyhound racing organisations. Broadly, proprietors are responsible for the overall wellbeing of greyhounds under their care, and the supervision of staff. Kennel attendants are responsible for seeing to the needs of the greyhounds such as daily feeding, watering and inspection, daily cleaning of facilities, exercising the greyhounds and immediately reporting to management should any greyhounds show symptoms of illness.²⁰⁸ The policy also requires that all owners and trainers of greyhounds notify GRSA if any domesticated animals or livestock are kept on the same premises as greyhounds.
207. **Health and veterinary** – each greyhound must be checked a minimum of once daily to monitor its health and comfort. A range of welfare requirements must be established daily, such as that the animal is eating, drinking and defecating. The proprietor must have access to a veterinarian in case of emergencies. If euthanasia is deemed necessary, then GRSA must be notified within two days.²⁰⁹ Euthanasia must only be considered where a greyhound becomes seriously ill or injured and where it is recommended by a veterinarian who has examined the greyhound.²¹⁰
208. **Greyhound adoption program** - owners of greyhounds must inform GRSA of the whereabouts of their greyhounds at all stages of their life cycle. They have a responsibility to, and are accountable for, the care and welfare of their greyhounds not only during their racing careers, but also away from racing or upon retirement. It is incumbent upon owners to consider the options available to them such as the Greyhound Adoption Program South Australia.²¹¹
209. **Disease prevention and notification** – the policy requires all racing greyhounds to be vaccinated against distemper, hepatitis, canine cough and parvovirus. Vaccination certificates must be kept for each greyhound. Vaccination against (and checking for) heartworm infections is recommended prior to admission to racing organisations or mating. Greyhounds must be placed on a proven effective and safe worming program. GRSA also has the capacity to declare certain diseases to be ‘reportable’, meaning that an owner or trainer must report to GRSA as soon as any symptoms of that disease become apparent.²¹²
210. **Nutrition** - greyhounds must be provided with adequate amounts and quality of food and must be fed at least daily. All food must be stored in a secure hygienic area and a variety of foods shall be supplied for a balanced diet. Dry food must be kept in a rodent free area and fresh meat stored in

207 Greyhound Racing South Australia, ‘The South Australian Greyhound Industry Animal Welfare Policy’ (26 February 2016), 4.

208 *Ibid*, 4-5.

209 *Ibid*, 6.

210 *Ibid*, 7.

211 *Ibid*, 8.

212 *Ibid*, 10.

a refrigerated environment. Specific nutritional requirements also apply to pregnant and lactating greyhounds. All greyhounds must have a permanent supply of fresh, clean drinking water provided in a non-chewable, non-spillable container.²¹³

211. **Exercise** - greyhounds must have the opportunity to exercise for at least 30 minutes daily, unless being treated for significant illness or injury.²¹⁴
212. **General hygiene** - registered facilities are to be kept clean and hygienic at all times. All kennels must be cleaned out at least daily by hosing out or other appropriate means. Prior to hosing out, all used, contaminated bedding, litter and all uneaten food must be removed and disposed of. Greyhound establishment sites must have an adequate water supply. The food preparation area must be kept hygienically clean and tidy at all times and all watering and feeding utensils must be cleaned daily. Pests including fleas, ticks, flies, mosquitoes and rodents must be effectively controlled.²¹⁵
213. **Kennels** - Greyhound kennels must be designed, constructed, serviced and maintained in a way that ensures the good health and well-being of the greyhounds housed therein, whilst preventing escape or injury to the greyhounds. Housing must provide protection from the weather (wind, rain, sun and extreme climate) as well as protection from vermin and harassment from other animals. Requirements for the construction of kennels, including materials, design and ventilation, are also included.²¹⁶
214. The policy concludes by reminding readers it has a zero-tolerance policy for live baiting.

Track Injury Surgery Rebate Scheme

215. The Scheme was developed by GRSA to enable financial contributions to be made to repairing / rehabilitating greyhounds who suffered serious injuries as a result of race meetings, in order to prevent instances of euthanasia.
216. It provides that GRSA will contribute to the cost of surgery for injuries that occur during race meetings, are eligible injuries pursuant to the schedule, or are considered severe enough to warrant surgery and financial assistance, by the on-track vet. Eligible and ineligible injuries are separated as follows:
 - a. 'Injuries covered by rebate' include: injuries to the humerus, radius, ulna, metacarpus/ metatarsus, femur, hocks, tibia.
 - b. 'Injuries not covered by rebate' include: injuries to the cranium, vertebrae, scapula, sternum, carpus, metacarpus, phalanges, thorax, thoracic vertebrae, lumbar vertebrae, pelvis, patella, fibula, and tendon injuries, ligament injuries, muscle injuries, lacerations.
217. When a greyhound is injured, the on-track vet, steward-in-charge and a representative of the greyhound, are to consult in relation to the likely outcome of treatment and the prospects of the greyhound recovering from the injury.
218. Once the greyhound has undergone surgery, the 'participant' can apply for reimbursement by submitting an official GRSA form together with 'evidence of the paid invoice'. GRSA will refund 80% of the surgery and associated costs, such as bandaging and prescribed medication, up to \$1,200.
219. The on-track vet or a steward may direct that a greyhound be taken off-track for assessment by a vet and any such direction must be complied with. GRSA will also provide a \$200 subsidy in the event

213 *Ibid*, 13.

214 *Ibid*, 14.

215 *Ibid*, 15.

216 *Ibid*, 16-17.

that a greyhound has been directed off-track, and surgery has not been considered necessary. Again, the participant will need to submit an official GRSA form together with 'evidence of the paid invoice'.

220. If an injury is discovered after a race meeting, it must be reported pursuant to GAR 75, and within 24 hours of the greyhound's last start in a race, in order for it to be considered under this Scheme.
221. If the greyhound is intended to be rehomed after surgery ("enter GAP"), the owner is responsible for caring for the greyhound for a minimum of 4 weeks following surgery (subject to the nature of the injury/surgery), to allow the greyhound time to recover.
222. Participants may appeal a decision that an injury is not covered by the Scheme. Any such appeal will be heard by the GRSA Chief Executive Officer and an independent consultant with veterinary experience.

Other policies

223. In addition to the above, the South Australian greyhound racing industry is also bound by a range of more targeted animal welfare policies, as follows.
224. **Hot weather policy** –provides a range of contingency procedures to be followed in the case of a number of forecast temperatures for race days, including race cancellations and scratching of greyhounds.
225. **Approved lure policy** - details the materials permitted to be used as an approved lure in connection with greyhound training, education or preparation to race, racing and trialling.
226. **Bedding at race meetings and trials policy** – states that all greyhounds kennelled at South Australian tracks must be provided at all times with appropriate warm, clean, vermin resistant bedding.
227. **Return to racing policy** - states the minimum requirements which must be satisfied in the event that an owner of a retired greyhound intends to return it to racing.

Tasmania

Greyhound Animal Welfare Manual

228. In 2015, Tasracing published the Greyhound Animal Welfare Manual, aimed at protecting and enhancing the welfare of racing animals in Tasmania.
229. The Manual states at the outset that the welfare of the animal remains paramount and should never be subordinated to competitive or commercial influences,²¹⁷ and provides guidelines for the care of greyhounds in each area of their lives.
230. **Preparation and presentation of animals for racing** – the Manual states that the housing, feeding and training of animals should be compatible with good management and must not compromise their welfare. Any practices which cause physical or mental suffering, whether in housing, training or racing, should not be tolerated.
231. Training methods should not cause fear or stress to the greyhounds, and should be appropriate for that animal. Injuries should be prevented from occurring during transport, and allow for adequate rest for the animal.²¹⁸

217 Tasracing, 'Greyhound Animal Welfare Manual' (30 April 2015), 6.

218 *Ibid.*, 6.

232. Conditions of animals prior to competing – all animals should be fit and healthy prior to competing. Greyhounds showing symptoms of injury or illness should not race, and veterinary inspections should take place where there is any doubt.²¹⁹
233. **Race meeting conditions** – the Manual describes certain race meeting conditions that should be met to maintain the welfare of racing greyhounds, including for the surface of the track, during extreme weather events, and on-course accommodation, which should be safe, hygienic, comfortable and well ventilated. After any veterinary treatment, time should be allowed for full recovery before competitions.²²⁰
234. **Post-race care** – every effort should be made to ensure that animals receive proper attention after they have raced, and that they are treated humanely when their racing careers are over. Tasracing encourage access to veterinary care on all racecourses, and that any injuries sustained should be closely monitored.
235. Euthanasia may be required if the injury is sufficiently severe, but should only be performed by a veterinarian. Owners are to make every effort to ensure that their animals are sympathetically and humanely treated when they leave racing. Animals should be identifiable so that their welfare in retirement can be monitored.²²¹

Other policies

236. Tasracing has also implemented the following standalone policies.
237. **Care during training** – outlines the recommended standards of care during training for greyhounds, such as preventing excessive training, and monitoring greyhounds for injury.
238. **Euthanasia** – states that the only acceptable method of euthanasia for racing and retired greyhounds is by an intravenous lethal injection of Pentobarbitone.
239. **Food and water** – outlines the recommended standards for the food and water requirements for greyhounds. This includes ensuring animals receive appropriate and sufficient food and water at all times to maintain good health and growth, recognising the special needs of differing ages. All greyhounds must receive appropriate, uncontaminated and nutritionally adequate food according to the accepted requirements for their activity levels and age, served in a hygienic and appropriate manner.
240. **Health and veterinary care** – details the recommended standards of health and veterinary care for greyhounds. This requires daily health checks and the care of a veterinary surgeon. Medical records must be maintained for each greyhound.
241. **Hot weather** – requires referral to weather forecasts on the morning of race meetings. Applications for scratchings without penalty will be approved if the daily forecast is above 30 degrees Celsius. If the temperature at the venue reaches 33° Celsius during the course of the meeting, the Stewards may abandon the race meeting.
242. **Hygiene** – outlines the recommended standards of hygiene for greyhound kennels and enclosures. Greyhound enclosures, their surrounds and enclosed equipment must be kept clean to assist with disease prevention and to ensure the wellbeing of greyhounds. Enclosures should be disinfected at least once per week. Pests must be kept under control, and all waste disposed of promptly.

219 *Ibid*, 7.

220 *Ibid*, 7.

221 *Ibid*, 8.

243. **Kennels** - this policy describes the appropriate conditions of kennels in terms of construction, location, temperature, noise, lighting, ventilation and security.
244. **Muzzles** - an approved type of muzzle is one that is of standard design, is of wire and includes a strap behind the ears and a nose band, and enables the greyhound to open its mouth without hindrance. A greyhound participating in a run-on trial may have its muzzle removed, however in all other trials a muzzle must be worn.
245. **Retirement** - the last registered owner of any racing greyhound is deemed responsible for the welfare of that greyhound until such time as they advise that the greyhound has been retired as a pet, surrendered to an adoption program, been euthanised, or died for any other reason.
246. **Transport** - outlines the appropriate conditions for transporting greyhounds.

Victoria

Code of Practice for the Keeping of Racing Greyhounds

247. Greyhound Racing Victoria's (**GRV**) Code of Practice for the Keeping of Racing Greyhounds was published in April 2018 and contains numerous animal welfare provisions.
248. **Health Management Plan** - the Code of Practice requires every property used to keep racing greyhounds to have an Establishment and Health Management Plan (**EHMP**) in place. EHMPs must be approved by a veterinary practitioner initially and every three years thereafter. Each EHMP must include protocols on a range of factors, including daily welfare assessments, education and training of greyhounds, exercise and enrichment, and retirement and rehoming.²²²
249. **Veterinary practitioners** - the person in charge of a property used to keep racing greyhounds must enter a written agreement with at least one veterinary practitioner for the use of the practitioner's facilities for the treatment of greyhounds in matters such as vaccinations, the EHMP, humane euthanasia and other veterinary assistance.²²³
250. **Euthanasia** - euthanasia must be performed by a veterinary practitioner, except in exceptional emergency situations. Euthanasia must be performed in an area that is separate from any greyhound housing area and must not be carried out in view of any other greyhounds or the general public.²²⁴
251. **Greyhound transport vehicle** - the Code of Practice details the minimum requirements for vehicles transporting greyhounds in terms of temperature, construction/design, restraint and other considerations. It also regulates the confinement of greyhounds in transport crates.²²⁵
252. **Security** - the Code of Practice states that property used to keep racing greyhounds must be adequately secure. This includes securely confining all greyhounds to prevent their escape from the property. Kennel areas must be able to be securely locked.²²⁶
253. **Records** - in Victoria, each greyhound must be accompanied by up-to-date records throughout its lifetime. The person in charge of a greyhound must ensure that this is the case when a greyhound moves out of the establishment, whether it be due to sale, retirement, rehoming or giveaway.

222 Victoria and Jobs Department of Economic Development Transport and Resources, *Code of Practice for the Keeping of Racing Greyhounds*. (2018) <<http://nla.gov.au/nla:obj-728677984>>, 10-11.

223 *Ibid*, 11-12.

224 *Ibid*, 12.

225 *Ibid*, 12-13.

226 *Ibid*, 13.

Records are established at birth. For each greyhound, recorded information includes their name, microchip number, sex, birthdate, distinguishing features, and other information.²²⁷

254. **Nutrition** – All greyhounds must be fed at least once daily. Food must be provided in sufficient quantity and nutritional quality. Food must be canine appropriate and meet the daily requirements for the condition, level of activity, age and size of the greyhound. Food must also be provided in a clean receptacle, and must be age and condition appropriate. Similarly, greyhounds must have access to an adequate supply of fresh water.²²⁸
255. **Health care** – the Code of Practice includes detailed information for the appropriate provision of health care to greyhounds, such as vaccinations, parasite prevention, health checks, and treatment plans.²²⁹
256. **Muzzling** – any muzzle used must not restrict normal and necessary behaviour such as panting and drinking or cause pain or distress to the greyhound. The Code of Practice stipulates that greyhounds must not be muzzled for more than 30 minutes at a time unless in certain circumstances.²³⁰
257. **Rearing** – the Code of Practice goes into detail concerning the appropriate conditions and procedures for rearing greyhound pups, including handling, socialisation, veterinary care, housing, and contact with the mother. Such protocols are separated into appropriateness according to age.²³¹
258. **Retirement or rehoming** – a registered owner is responsible for ensuring their greyhound undergoes retirement and rehoming preparations, though they may appoint a qualified person to make the necessary preparations. Certain preparations are deemed necessary at different stages of the lead-up to retirement, i.e. preparation weeks 1-4, weeks 5-6, week 7 and onwards.
259. When a greyhound is identified as unsuitable for racing or breeding and is suitable for rehoming, every effort must be made to rehome that greyhound to an appropriate home.
260. Greyhounds may be suitably rehomed, rehomed through the Greyhound Rehoming Program, surrendered to a shelter, kept as a pet, or euthanised by a veterinary practitioner. They must not be surrendered to a pound.²³²
261. **Exercise, socialisation and enrichment** – all greyhounds must be provided with a minimum amount of daily exercise, socialisation and enrichment. Minimum requirements for each are outlined in Table 1 of the Code of Practice.
262. **Facilities** – minimum housing requirements are outlined in this section of the Code of Practice. If housed in 9 sqm or less, greyhounds must be given at least four 15-minute breaks per day, except in extreme weather conditions. Greyhounds undergoing preparations for retirement and rehoming are not to be kept in kennels of less than 9 sqm, other than overnight.
263. Sleeping areas must be provided for greyhounds that are raised off the ground, soft, dry and warm, and changed or cleaned, among other things. In-depth information on hygiene, disinfecting, and pens/yards is also provided.²³³

227 *Ibid.*

228 *Ibid.*, 16.

229 *Ibid.*, 18.

230 *Ibid.*

231 *Ibid.*, 20-22.

232 *Ibid.*, 22.

233 *Ibid.*, 29-36.

Other policies

264. In addition, GRV has published a range of other standalone policies, including those identified below.
265. **Track injury claim policy** – owners of registered greyhounds can claim compensation for a greyhound race injury that occurs because of the acts or omissions of an official or race track item.
266. **Hot weather policy** – GRV checks the temperature forecast for the venue regularly in the week prior to a meeting. A venue can be declared hot weather affected if the temperature is forecast to be 32 degrees and above. A range of contingencies exist in these circumstances.
267. **Lures policy** – only artificial materials are permitted to be used as a lure for the purpose of training a greyhound. Examples of acceptable and unacceptable lures are given.

Western Australia

Rules of Greyhound Racing

268. Racing and Wagering WA's (**RWWA**) Rules of Greyhound Racing contain the following provisions relating to animal welfare.
269. Rule 79 allows stewards to conduct testing and swabbing of any greyhound entered into a racing event, for the detection of any of the substances prohibited by Rule 83 (testosterone, ethanol, hydrocortisone, 3-methoxytyramine, cobalt or arsenic).²³⁴
270. Rules 86A and B prohibit the use of certain types of lures and create an offence for the use of any live animal, animal carcass or part of animal in the racing of greyhounds.²³⁵
271. Rule 105(A) allows the greyhound racing Controlling Body to declare certain infections to be reportable diseases, in which case a person who owns a greyhound has a duty to inform the Controlling Body as soon as possible if that greyhound shows signs of that reportable disease.²³⁶
272. Rule 106 contains guidelines for the proper care of greyhounds. It provides that greyhounds must be provided at all times with proper and sufficient food, drink and protective apparel, proper exercise, kennels constructed and of a standard approved by the Controlling Body which are adequate in size and which are kept in a clean and sanitary condition, and veterinary attention is given when necessary.
273. Furthermore, the registered owner must exercise such reasonable care and supervision as may be necessary to prevent greyhounds pursuant to the person's care or custody from being subjected to unnecessary pain or suffering.
274. Regarding euthanasia, the registered owner must include a veterinary certificate of euthanasia when lodging the appropriate form for any greyhound that has been euthanised by that veterinary surgeon.²³⁷

Code of Practice for the Keeping of Racing Greyhounds

275. The Code of Practice is designed to describe standards and guidelines that safeguard the welfare of greyhounds within the racing industry in Western Australia.

234 Racing and Wagering WA, 'Rules of Greyhound Racing 2008' (1 January 2008).

235 *Ibid.*

236 *Ibid.*

237 *Ibid.*

276. **Establishment and Health Management Plan** – the RWWA requires every racing establishment to create and comply with an EHMP, with the same requirements as found in Victoria’s Code of Practice.²³⁸
277. **Euthanasia** – the only appropriate method of humane euthanasia for any greyhound is a rapid intravenous injection of concentrated barbiturate solution. Euthanasia must be performed by a registered veterinary surgeon and all such events must be reported to RWWA Stewards, including provision of a Euthanasia Certificate.²³⁹
278. **Security** – kennel facilities must be secure to prevent access by unauthorised people but allow rapid access in the event of emergencies. Kennels must not be able to be opened by greyhounds.²⁴⁰
279. **Pest control** – Appropriate controls must be in place to effectively control pests, including flies, fleas, mosquitoes, snakes and rodents.²⁴¹
280. **Accommodation** – the Code of Practice sets out extensive guidelines for the appropriate accommodation of greyhounds. This includes standards for disinfectant and hygiene, location, environmental controls, security, and size requirements, as well as conditions to be provided for mating or whelping.²⁴²
281. **Training facilities** – all training facilities used for the purpose of educating greyhounds or pursuing a lure must be registered with RWWA. They must also comply with certain construction requirements.²⁴³
282. **Management and Health** – greyhounds must be provided with adequate nutrition, including access to fresh and clean food and water in appropriate containers. Certain vaccinations are required at specific times in a greyhound’s life. All greyhounds, regardless of breeding status, should receive an annual general health check by a veterinary surgeon. Persons in charge of greyhounds must be able to recognise common signs of disease and ill health and take reasonable measures to respond to these observations, which includes seeking veterinary advice. Owners must also comply with muzzling requirements.²⁴⁴
283. **Retirement and rehoming** – Owners must carefully consider and plan appropriate retirement or rehoming options for their greyhound well in advance of when that retirement might occur. When a greyhound is identified as unsuitable for racing or breeding and is suitable for rehoming, every effort must be made to rehome that greyhound to an appropriate home.
284. The options for retired greyhounds are identified as including suitable rehoming, rehoming through Greyhounds as Pets, rehomed through a greyhound rehoming group, kept as a pet, or euthanised in certain circumstances. The last registered owner, or person responsible for the greyhound at the relevant time is responsible for ensuring their greyhound(s) undergoes retirement and rehoming preparations.²⁴⁵

238 Racing and Wagering WA, ‘Code of Practice for the Keeping of Racing Greyhounds’, 9.

239 *Ibid.*

240 *Ibid.*

241 *Ibid.*

242 *Ibid.*, 11-14.

243 *Ibid.*, 21.

244 *Ibid.*, 22 - 30.

245 *Ibid.*, 30-32.

RWWA Holistic Greyhound Welfare Strategy

285. This strategy provides guidance on the proper treatment of greyhounds at four stages of their lives.
286. **Breeding** - breeders must first obtain a Breeding License. Once a license has been issued, breeders must comply with all relevant Rules of Racing in relation to registration and recording of breeding sires, breeding females and whelping/litter notifications/records. The management of the greyhounds during the weaning and rearing stages should follow a program that best equips the individual dog for their future life, both on and off the track. Such protocols should be based around knowledge of the greyhound's socialisation period and a priority during the sensitive period of development, during the first three months of life. A female greyhound is not allowed to be used for breeding purposes unless they are registered by RWWA as a Breeding Female. There is also an age restriction for breeding females, and a three litter maximum.
287. **Rearing** - owners must first obtain a License with RWWA before any rearing activities take place. The management of the greyhounds during the weaning and rearing stages should follow a program that best equips the individual dog for their future life, both on and off the track. Such protocols should be based around knowledge of the greyhound's socialisation period and a priority during the sensitive period of development, during the first three months of life. As part of RWWA's Code of Practice for the Keeping of Greyhounds within the Western Australian Racing Industry, young greyhounds must be provided with a structured programme of controlled exposure to a range of stimuli from an early age.
288. **Racing** - greyhound trainers are required to establish a relationship with a veterinary practitioner to provide advice and treatment as needed and immediate veterinary attention must be provided for sick or injured greyhounds, to relieve pain, suffering and distress. Persons in charge of greyhounds must be able to recognise common signs of disease and ill health and take reasonable measures to respond to these observations, which includes seeking veterinary advice. Racing greyhounds must be vaccinated in accordance with the RWWA Rules of Greyhound Racing which includes at a minimum vaccination against distemper, hepatitis, parvovirus, parainfluenza virus and Bordetella bronchiseptica. In cases of hot weather certain protocols must be complied with. However, where the temperature rises above 40°C, or the Stewards are of the opinion that the temperature is likely to rise above 40°C during the meeting, the Stewards may abandon the meeting, or cancel particular races of that meeting.
289. **Retirement** - The last registered owner, or person responsible for the greyhound at the relevant time, must report to RWWA Stewards the retirement or re-homing of a greyhound. Greyhounds are able to be retired through the Greyhounds as Pets program.

10.

TOR 4 – to investigate whether additional policies, procedures and guidelines are required for the DGA to meet their obligations under the *Racing and Betting Act*

Chapter Summary

1. The obligations on the DGA under the *Racing and Betting Act* are twofold:
 - a. those of general application to all racing codes, at Part III, Division 1; and
 - b. those specific to greyhound racing clubs, Part III, Division 5.
2. No additional policies, procedures or guidelines are required for the DGA to meet the obligations which apply to all racing codes: the requirements of Part III, Division 1 of the *Racing and Betting Act* are clear and readily followed.
3. The primary obligation on the DGA as a greyhound racing club is that it shall take such steps and do such acts as are necessary to give effect to section 57, pursuant to section 60 of the *Racing and Betting Act*. Section 57 in turn empowers the Racing Commission to do all things necessary or convenient to be done in connection with its functions, which include controlling, supervising, regulating, and developing greyhound racing.
4. The Racing Commission has not developed and implemented adequate policies regarding the control, supervision, regulation, and development of greyhound racing, and consequently the DGA has no corresponding policy framework, as may be required by section 60 of the *Racing and Betting Act*.
5. This lack of guidance has contributed to confusion regarding greyhound racing and led to disputes among industry participants.

Recommendations

6. We recommend the Racing Commission develop policy or guidelines with respect to:
 - a. the conduct of greyhound races and trials; and
 - b. offences associated with greyhound racing, including the penalties those offences may attract, to supplement the Greyhound Rules.

7. Once developed, we recommend:
 - a. the DGA take such steps and do such acts and things as are necessary to give effect to those policies and guidelines; and
 - b. they be made available to members of the DGA via email and/or the DGA's Race Book and published on the Racing Commission and DGA websites.

The DGA's obligations under the Racing and Betting Act

Part III, Division 1 – General Application

8. The *Racing and Betting Act* requires the DGA to apply to the Racing Commission for approval in relation to the number of days on which race meetings may be held, and to allocate days for meetings on receipt of approval from the Commission.²⁴⁶
9. The DGA is required to conduct races when it is directed to do so by the Commission and to comply with any rules made by the Commission in respect of the conduct of races.²⁴⁷
10. Further, the *Racing and Betting Act* obliges the DGA to maintain proper books of account and records regarding its operations, and to prepare a report on its operations as soon as practicable after the end of each financial year.
11. That report must be provided to the Commission, together with a statement of the DGA's accounts and a balance sheet audited by a person authorized by the Commission.²⁴⁸
12. The DGA has not complied with the requirement of the *Racing and Betting Act* immediately above, however we do not consider a discrete policy is required to remedy this. Rather, it should be addressed through the increased focus on compliance and associated recommendations above in response to TOR 1.

Part III, Division 5 – Duties of greyhound clubs; section 60

13. Pursuant to section 60 of the *Racing and Betting Act*, the DGA is required to “take such steps and do such acts and things as are necessary to give effect to section 57” of the Act, and shall not, by act or omission, prevent or hinder the exercise or performance by the Commission of a power, authority, function or duty conferred upon it.

The DGA's policy framework

14. The DGA's current suite of policies is limited to its Code of Conduct, Complaints Procedure Manual, and two documents pertaining to the welfare of greyhounds.
 - a. The Code of Conduct prohibits disorderly behaviour, intoxication, violence and the use of derogatory language at Winnellie Park and seeks to maintain a “family friendly venue”. It states that the DGA is committed to complying with applicable legislation, such as the

²⁴⁶ *Racing and Betting Act*, s 31.

²⁴⁷ *Racing and Betting Act*, s 36.

²⁴⁸ *Racing and Betting Act*, s 28.

Note: The *Racing and Betting Act* also imposes obligations on registered clubs in respect of dealing with totalisators (see ss 114 to 117). This Inquiry has not considered those obligations in any detail, given that this is dealt with in the DGA's Funding Agreement.

Racing and Betting Act and the Local Rules.²⁴⁹ However, it does not elaborate on what compliance entails.

- b. The Complaints Procedure Manual was developed by HWL Ebsworth following receipt of the August 2018 Complaint. It establishes processes for the management of complaints of varying levels of seriousness and is intended to apply equally to all members of the DGA.²⁵⁰ However, we have not been provided with any evidence of its application.
 - c. The DGA's policies relevant to welfare have been considered in detail in the preceding chapter.
15. The existing policy framework, it can be seen, is largely targeted at managing the behaviours and interactions of persons associated with the DGA.
 16. Currently, the DGA does not provide practical guidance to participants in relation to the conduct of greyhound racing, including the application and operation of the Greyhound Rules.
 17. The entity responsible for the preparation of such policy is the Racing Commission.

The Racing Commission's obligations under the Racing and Betting Act

18. The *Racing and Betting Act* establishes the Racing Commission, whose functions, at section 17, relevantly include to control, supervise, regulate and develop greyhound racing.
19. Section 56 of the *Racing and Betting Act* reiterates that function, providing that the Racing Commission “*shall have the control and general supervision throughout the Territory of greyhound-racing*”, and shall “*initiate, develop and implement such policies as it considers conducive to the development and welfare of the greyhound racing industry*” (emphasis added).
20. Pursuant to sections 18 and 57 of the *Racing and Betting Act*, the Racing Commission has power to do all things that are necessary or convenient to be done for or in connection with or incidental to the performance of its functions and the exercise of its powers.
21. Section 57 of the Act confers a non-exhaustive list of powers relevant to the performance of those functions, on the Racing Commission, including:
 - a. Supervising the activities of greyhound racing clubs and associated persons, and giving directions to those clubs for the advancement of greyhound racing.
 - b. Making, amending, or repealing the Local Rules, and scrutinizing the constitutions of greyhound racing clubs to ensure that they conform with those Rules.
 - c. Enforcing registration requirements, including registering, refusing to register or suspending or cancelling the registration of, a greyhound, greyhound club, owner, trainer, bookmaker, employee or other associated person. The Racing Commission may also impose registration fees and exclude unregistered greyhounds from participating in races.
 - d. Enforcing penalties. The Racing Commission has the power to disqualify or suspend persons or greyhounds from racing for specified times, and to prohibit persons from attending or taking part in greyhound meetings. It may also impose penalties on persons associated with greyhound racing, for other breaches of the Rules.

249 Winnellie Park Code of Conduct, clauses 2.1 and 2.2.

250 DGA Complaints Procedure Manual, undated.

- e. Investigating and reporting on proposals for the alteration or renovation of existing greyhound racing grounds and supervising those alterations or renovations.²⁵¹

The Racing Commission's policy framework

22. The Racing Commission has developed and implemented a limited number of policies applicable to the DGA, in exercise of its power under section 56 of the *Racing and Betting Act*, as follows:
 - a. In 2014, it implemented a Grading Policy outlining the system for the grading of greyhounds competing at Winnellie Park, which is consistent with, and applied in conjunction with the Australasian Rules.²⁵²
 - b. The Racing Commission has also developed a small number of animal welfare policies, including a procedure for obtaining a urine sample, the contents of which are described in the preceding chapter.
 - c. Finally, though not in policy form, the Racing Commission provides some guidance, via its website, on the registration requirements applicable to greyhound racing clubs, owners, trainers, attendants and greyhounds, imposed by the Local Rules.

Additional policies required

Nominations, withdrawals and race day procedures

23. Parts XI to XVIII of the Local Rules govern aspects of the arrangement and conduct of greyhound races, from the allocation of race days to race day procedures. Those Rules require:
 - a. Greyhounds to be nominated for races or qualifying trials, and specify that, subject to any direction provided by the Commission, a club is not to accept a nomination unless it is in the approved form.²⁵³ The Rules do not elaborate on what constitutes the 'approved form' for nominations.
 - b. The Commission to advertise the time and place for nominations and for conducting a box draw, and prevent nominations from being received thereafter, unless otherwise approved.²⁵⁴
 - c. In respect of race day procedures, race day Stewards to undertake inspections of race day kennels and tracks on race days, and to weigh and identify the greyhounds produced to them.²⁵⁵ The Rules govern the placement of greyhounds in their boxes and the starting positions of lures, and stipulate strict processes to be adhered to by owners or trainers who seek to have their greyhound withdrawn from a race.²⁵⁶
24. As noted earlier in this Report, the Australasian Rules also apply to racing in the Northern Territory, save for where there is an inconsistency with the Local Rules, in which case the latter apply. The Australasian Rules do, for example, supplement the procedures for conducting box draws as is otherwise prescribed by the Local Rules.

251 *Racing and Betting Act*, s 57(2)(a) to (w). The *Racing and Betting Act* also empowers the Commission to liaise with other bodies in respect of breeding or racing, and to supervise the dissolution of greyhound racing clubs or appoint administrators, where appropriate.

252 Department of Sport, Recreation and Racing, Grading Policy, 17 February 2014; Discussion with Greg Aldam, 23 December 2020.

253 Local Rules, rules 112, 113(2).

254 Local Rules, rule 123.

255 Local Rules, rules 105 - 107, 123 - 128, 130 - 145, 153 - 157.

256 Local Rules, rules 112, 113, 124 - 130, 131 - 157, 159 - 171.

25. Appropriate processes for arranging and conducting greyhound races are essential to the efficient operation of the DGA. However, at the time of writing, the Greyhound Rules are not adequately supported any policy documents or procedures.
26. Where the rules do not adequately explain the manner in which some processes, for example nominations, are to be carried out in practice, this creates a difficulty for industry participants.
27. Similarly, where the rules are drafted in statutory, or legal, rather than practical terms.
28. We recommend the Racing Commission develop a policy framework which clarifies the processes for arranging and conducting greyhound races. The policy framework should clearly identify the persons on whom key obligations are imposed and incorporate matters, including:
 - a. the forum through which race nominations are to be submitted (i.e. OzChase), the time at which acceptance of nominations for weekly races will open and close, and the process by which race programs are drawn from those nominations;
 - b. the circumstances in which greyhounds may be withdrawn from races, and the procedures for doing so by the owners and/or trainers of those greyhounds, and by race day Stewards;
 - c. the production of greyhounds to Stewards on race days, including the time at which greyhounds are to be produced, the persons permitted / obliged to produce greyhounds for kennelling, and the persons prohibited from doing so;
 - d. identification checks to be carried out on greyhounds (including their weighing) prior to kennelling and racing, and which persons are responsible for carrying out those checks;
 - e. the obligations of veterinarians on race day;
 - f. the powers and duties of Stewards, including but not limited to, on race day;
 - g. transportation of greyhounds to race meetings;
 - h. the testing of greyhounds for the presence of drugs.
29. Equivalent policy should also be formulated by the Racing Commission in relation to conducting trials.

Offences and penalties

30. The *Racing and Betting Act* empowers the Racing Commission to, among other things, disqualify greyhounds from participating in races and prohibit persons from attending or taking part in race meetings.²⁵⁷
31. The Local Rules detail a broad range of offences and breaches in respect of which the Racing Commission may issue penalties. They, and the Australasian Rules, also provide maximum penalties that may be imposed.
32. However, as with the provisions concerning the conduct of greyhound racing, the operation of these penalty provisions would benefit from further explanation. It has become apparent to us, for example, that there is confusion amongst members of the DGA as to the operative offences, the

²⁵⁷ *Racing and Betting Act*, s 57(2)(j),(m),(n).

penalties applicable, and frustration at what is perceived to have been leniency in penalties issued.²⁵⁸

33. We recommend that the Racing Commission develop policy with respect to offences and penalties that:
 - a. identifies key offences associated with greyhound racing and potential breaches of the applicable rules, alongside the penalties they may attract;
 - b. specifies which entity or person is responsible for issuing the penalty; and
 - c. outlines the practical impacts of each penalty on greyhounds, trainers and owners, including, for example, whether disqualification attaches to greyhounds by reason of the penalty, as well as rights of appeal.
34. Policy which clearly details offences and the applicable penalties that are accessible to all stakeholders within the industry is likely to improve compliance, and reduce the perception that some persons have been (or are being) dealt with unfairly. Increased compliance should also reduce the burden on the Racing Commission and its Stewards as the industry's regulators.

258 Submission provided 23 June 2020; Submission provided 21 July 2020; Submission provided 5 August 2020; Submissions provided 11 August 2020.

11.

TOR 5 – to investigate whether the constitution adequately addresses, and is consistent with, the greyhound rules

Chapter Summary

1. The DGA Constitution does not currently address the Greyhound Rules, however nor does it contain any clauses that are inconsistent with those rules.

Recommendations

2. We recommend that the DGA amend its Constitution, so that it clearly states that:
 - a. the DGA conducts greyhound racing in accordance with the Greyhound Rules;
 - b. it is a requirement for members and all other persons associated with the DGA to fully comply with those rules;
 - c. persons who breach those rules will be held liable for those breaches and for penalties associated with them; and
 - d. in the event of any inconsistency between the rules and the DGA's Constitution, the Greyhound Rules will apply.

Greyhound Rules

3. The Greyhound Rules in the Northern Territory are comprised of the Local Rules and the Australasian Rules.

Local Rules

4. The Local Rules came into operation on 1 March 1981 and continue in force pursuant to section 156 of the *Racing and Betting Act*.²⁵⁹
5. The Local Rules govern and relate to the control of greyhound racing in the Northern Territory. They apply to registered greyhound racing clubs, members of those clubs, and any other persons who take part in race meetings, qualifying trials or matters conducted under or controlled by, the Local Rules.²⁶⁰
6. The DGA is registered greyhound racing club.

259 Local Rules, rule 2; *Racing and Betting Act*, s 156.

260 *Racing and Betting Act*, s 4; Local Rules, rule 4(1).

Australasian Rules

7. On 1 August 2018, an amended version of the Australasian Rules, endorsed by Greyhounds Australasia, became effective.²⁶¹
8. The Australasian Rules apply to each jurisdictional controlling body of greyhound racing in Australian states and territories and in New Zealand, and to every registered greyhound racing club, its members, officers, officials, stewards, servants, and any other persons associated with matters governed by those Rules.²⁶²
9. The Australasian Rules recognise that individual jurisdictions may be prevented, by virtue of other legislation governing those jurisdictions, from adopting the Australasian Rules in their entirety. The Australasian Rules provide for individual members of Greyhounds Australasia to adopt local rules, which take precedence in the event of any inconsistency with the Australasian Rules.²⁶³

The DGA Constitution

10. The DGA Constitution contains no express reference to the Greyhound Rules or the *Racing and Betting Act*, and nor does it contain any provisions which mirror or replicate their requirements.
11. The DGA Constitution also does not contain any provisions that are inconsistent with the Greyhound Rules. It is silent as to their operation and focuses instead on the obligations imposed on the DGA, as an incorporated association, pursuant to the terms of the *Associations Act*.

Previous iterations of the Constitution

12. The version of the DGA's Constitution in force between October 2016 and November 2019 did refer to the 'Rules of Greyhound Racing' and stated that the "*rules of the racing and gaming authority of the Northern Territory as adopted from time to time*" were to apply to the DGA.²⁶⁴
13. It additionally provided for the DGA to appoint suitable persons to act as Stewards, consistent with Rule 82 of the Rules, and its objectives included the making or altering of rules and regulations in connection with greyhound racing.²⁶⁵ That objective was inappropriate, given those responsibilities rest with the Racing Commission.
14. The DGA's Constitution was amended in 2019, at which time the references to the rules of racing were removed. Those amendments were made in consultation with the Associations Compliance Team within Licensing NT.
15. We understand the Associations Compliance Team was predominantly concerned with the DGA's compliance with the *Associations Act*. It did not consider the DGA's compliance with the Greyhound Rules.

Recommended amendments

16. We do not consider that for the DGA's Constitution to adequately address the Greyhound Rules, it is necessary to address each of those rules in detail. However, it is desirable for the DGA's Constitution to refer to, and confirm, the application of the Greyhound Rules, and the requirement

261 Australasian Rules, rule 1; Greyhounds Australasia website – 'Our History': <http://www.galtd.org.au/general/about-greyhounds-australasia>

262 Australasian Rules, rule 3.

263 Australasian Rules, rules 5, 6, 7.

264 DGA's 2016 Constitution, clause 22.

265 2016 Constitution, clause 17, clause 3(j).

for the DGA and its participants to conduct themselves in accordance with those rules.

17. We recommend that the DGA amend its Constitution to require and reflect adherence to the Greyhound Rules. We consider the DGA Constitution should contain statements to the following effect:
 - a. the DGA conducts greyhound racing in accordance with the Greyhound Rules (as defined);
 - b. it is a requirement for members and all other persons associated with the DGA to fully comply with those rules;
 - c. persons who breach those rules will be held liable for those breaches and for penalties associated with them; and
 - d. in the event of any inconsistency between the Greyhound Rules and the DGA's Constitution, the former will apply.
18. In the preceding chapter, we have recommended that the Racing Commission and the DGA implement policies to address certain aspects of the Greyhound Rules, and regarding race day procedures and offences, in particular.
19. We also recommend the DGA's Constitution state a requirement for all persons associated with the DGA to adhere to the policies enacted by the DGA and the Racing Commission.

12.

TOR 6 – to investigate specific claims with regard to a complaint dated 20 August 2018

Chapter Summary

1. Three of the nine claims raised in the August 2018 Complaint were legitimate and required appropriate action by the Management Committee. In particular, at 20 August 2018:
 - a. there was no membership register;
 - b. the person acting in the role of Secretary was not permitted to do so under the DGA Constitution; and
 - c. the procedure used to resolve disputes did not ensure that the parties were afforded natural justice.
2. Further, the 14 August 2018 extraordinary general meeting was inappropriately conducted and curtailed by the Management Committee.
3. The remainder of the claims made in the August 2018 Complaint were without merit.
4. The claim regarding the DGA's dispute resolution procedure is the only matter raised by the August 2018 Complaint that requires rectification currently.

Recommendations

5. We recommend that the DGA:
 - a. amend its Constitution to incorporate a clear and effective dispute resolution procedure, which:
 - i. appropriately distinguishes between different types of disputes;
 - ii. identifies how, when and by whom each dispute is to be resolved;
 - iii. provides for an avenue of appeal, where appropriate; and
 - iv. confirms that the rules of natural justice apply.
 - b. publish and make available to members and other interested parties the revised dispute resolution procedure; and
 - c. follow the dispute resolution procedure, once it is adopted.

6. We recommend that the DGA membership follow the revised dispute resolution mechanism, once implemented by the DGA.

August 2018 Complaint

7. On 20 August 2018, fourteen concerned members of the DGA wrote a letter to the Commissioner of Consumer Affairs listing nine “grievances” in relation to the operation of the DGA, as follows:
 - 1) *Nobody can determine who is actually a member*
 - 2) *The understanding that a paid employee cannot hold any office*
 - 3) *The executive committee is making decisions outside its charter*
 - 4) *The appointment of the manager*
 - 5) *Extra remuneration to the manager, possibly without committee approval*
 - 6) *The secretary’s inability to keep full and accurate minutes*
 - 7) *The presentation of statement at the DGA AGM*
 - 8) *The misappropriation of government grants*
 - 9) *No natural justice in dealing with disputes*
8. The August 2018 Complaint arose in the context of prolonged dissatisfaction on the part of those members, and a perceived failure to address what they considered to be longstanding issues.
9. On 3 September 2018, the Director of Liquor, Gambling & Racing wrote to the Chairperson of the Management Committee at the DGA, providing the complete list of grievances and inviting the DGA to respond. A number of the grievances raised by the August 2018 Complaint appear to have been discussed and resolved by the DGA and Licensing NT thereafter, however few of the outcomes, if any, were communicated to the members concerned, or to the DGA membership more broadly.
10. We consider each of the grievances raised by the August 2018 Complaint, below.

1. *Nobody can determine who is actually a member*

11. The August 2018 Complaint expressed a concern that the DGA had “*no legal membership*” and that the DGA’s Secretary had not fulfilled his obligation to retain required documents for seven years. This concern arose following a request by members to view the DGA’s membership register and the provision of with “*a single page printout which was obviously lacking the required information*”, in response.

Membership register requirements

12. Pursuant to the *Associations Act* and the *Associations Regulations* the DGA is required to maintain a membership register that includes:
 - a. the name and address of each member;

- b. the date on which each member becomes a member of the association; and
 - c. if a member ceases their membership, the date on which that membership ceases.²⁶⁶
13. The DGA's 2016 Constitution required the DGA to maintain a register that recorded the full name and address of each member, as well as each member's occupation.²⁶⁷ The register was to be maintained by the Secretary of the DGA, who was permitted to "*strike off the register*", the names of persons who ceased to be members of the DGA.²⁶⁸
 14. There was no requirement in the *Associations Act* or *Associations Regulations*, for membership records to be retained for seven years, nor was that obligation imposed on the DGA by its 2016 Constitution.

Contemporaneous response by the DGA

15. Prior to the receipt of the August 2018 Complaint, the DGA retained a hard copy file of membership applications and renewal forms, but had no central register that compiled the details required by the *Associations Act* and *Associations Regulations*, and the DGA's 2016 Constitution.²⁶⁹ Members were justified in raising this issue in their Complaint, as the DGA was in breach of the *Associations Act* and its 2016 Constitution.
16. The DGA's lack of membership register was also of concern to Licensing NT as it raised some doubt with respect to whether or not the DGA was readily able to ascertain who its financial members were, whether it had the requisite number of financial members, and whether it could provide notice of general meetings to members as required under the Constitution.²⁷⁰
17. Notification of the August 2018 Complaint prompted the compilation of members' details into the form of register required of an incorporated association. In early November 2018, the DGA contacted each of its members, either by telephone, email, text message or internal publication, to request that members update their details. It also held an information session for members to explain why those details were required.²⁷¹ Licensing NT worked closely with the DGA in that regard.²⁷²
18. In March 2019, the Chairperson provided Licensing NT with the DGA's updated membership register in the form of an excel spreadsheet. The register clearly identified 30 financial members of the DGA, five social members and seven life members. For all but two of the listed financial members, the register recorded their full name, address, email address and the date on which their membership commenced and was to expire.²⁷³
19. The register did not record the date on which any person's membership ceased. This may have been a result of the 2016 Constitution permitting the Secretary to "*strike off*" the name of any person who ceased their membership with the DGA.²⁷⁴ It also failed to record the occupations of several members. However, this was not a requirement of the *Associations Act* or *Associations*

266 *Associations Act*, s 34(1); *Associations Regulations*, reg. 8.

267 DGA's 2016 Constitution, clause 4(m).

268 *Ibid.*

269 Meeting with R Brennan, G Aldam and J Winter, 10 November 2020.

270 Briefing Paper dated 4 September 2018, prepared by Travis Te Whata for Racing Commission Meeting on 11 September 2018.

271 Email from Daniel McKeown to Dean Moloney regarding the DGA's membership register, 8 November 2018.

272 *Ibid.*

273 The DGA lacked an email address for 1 financial member and the 'starting date' for another.

274 The membership register lacked the contact details for the DGA's life members. However, Mr McKeown explained that those details were lost in a fire some years ago.

Regulations, and was removed from the DGA's Constitution in 2019.²⁷⁵

The DGA's current membership register

20. Clause 35(c) of the DGA's current Constitution requires the Secretary of the DGA to maintain a register that complies with the *Associations Act* and *Associations Regulations*. It also permits the Management Committee to delegate to its staff, any of its powers or functions (save for its power of delegation and any duties specifically imposed on the Management Committee by law).²⁷⁶
21. On that basis, the DGA's Operations Manager has been assigned responsibility for maintaining the membership register and making it available to members to peruse on request.
22. We have reviewed the current register maintained by the Operations Manager and note that it records the name and email address of each member, as well as the date on which each member (save for two) commenced their membership with the DGA, in compliance with the *Associations Act* and *Associations Regulations*.²⁷⁷ The register does not yet state the date on which any member ceased to be a member of the DGA, though the Operations Manager is aware of the need to keep a record of those dates in the future, and intends to do so.

2. Understanding that a paid employee cannot hold any office

23. The August 2018 Complaint expressed a concern that the Manager of the DGA, Mr Aldam, was holding the positions of Secretary and Public Officer, whilst he was a paid employee of the DGA, in contravention of clause 4(q) of the 2016 Constitution. On that basis, they considered '*any business transacted*' by Mr Aldam in those roles, to be '*illegal*', and referred specifically to Mr Aldam signing a statutory declaration as the DGA's Public Officer, in respect of amendments made to the DGA's Constitution in 2016.
24. The August 2018 Complaint concluded that the DGA's incorporation had been obtained by fraud or mistake, pursuant to section 78(1) of the *Associations Act*.

Contemporaneous response by the DGA

25. On 2 November 2018, the Chairperson noted in an email to Licensing NT that concerns regarding the positions of Secretary and Public Officer could be dealt with via elections at the DGA's Annual General Meeting.²⁷⁸
26. In a Briefing Paper dated 23 January 2019, prepared by Licensing NT for a meeting of the Racing Commission, Licensing NT noted that the DGA had confirmed that Mr Aldam was not elected to the position of Secretary, but had been carrying out the duties of Secretary, contrary to clause 4(q) of the 2016 Constitution.²⁷⁹
27. In March 2019, the Chairperson provided Licensing NT with a written response to the issue, stating that Mr Aldam was never '*officially appointed*' as the DGA's Secretary, but had been invited to attend meetings of the Management Committee in his capacity as General Manager and to keep minutes. The Chairperson otherwise noted that Mr Aldam had been the DGA's Public Officer since adoption of the DGA's amended Constitution in November 2016. Further, the Chairperson reiterated that the positions

275 Amendments were made to the DGA's Constitution in late 2019. However, the amended version of the Constitution was not properly lodged with Licensing NT until January 2020. The Constitution was not effective until its lodgement with Licensing NT.

276 DGA Constitution, clause 24.

277 Membership Register, 2020.

278 Email from Daniel McKeown to Dean Moloney regarding the DGA's membership register, 8 November 2018.

279 Briefing Paper (undated), prepared for Racing Commission Meeting on 23 January 2019.

of Secretary and Public Officer would be filled during elections at the DGA's Annual General Meeting.²⁸⁰

Requirements of the Associations Act and 2016 Constitution

28. The *Associations Act* does not prevent a paid employee of an association from holding any other office within the association or being appointed as a member of the association's management committee. To the contrary, it expressly provides that an employee is not precluded, by reason of their employment, from being appointed to an association's management committee. However, the legislation states that this is subject to the association's constitution.²⁸¹
29. The DGA's 2016 Constitution prohibited a paid employee of the DGA from also being a member of the association. It provided that the management committee of the association was to consist of a President, Vice President, Treasurer and four ordinary *members* of the association, one of whom was to hold the position of Secretary.²⁸² Given that any person appointed to the position of Secretary was required to be a member of the DGA, the 2016 Constitution prevented that person from being a paid employee.
30. Neither the *Associations Act* nor the 2016 Constitution, imposed any prohibition on a paid employee of the DGA holding the position of Public Officer. The *Associations Act* states that a Public Officer of an association may hold any other office within the association, subject to its constitution, and contemplates circumstances in which a public officer may be required to be an employee of the association.²⁸³ The DGA's 2016 Constitution only stated that a Public Officer of the DGA was to be appointed by the Committee.²⁸⁴

Mr Aldam's appointments

31. Mr Aldam was employed as the DGA's General Manager in July 2015 and was paid at an hourly rate.²⁸⁵ He was first referred to as the DGA's Secretary in the Committee Report included with the DGA's audited financial records for the financial year ending 30 June 2016.²⁸⁶ He continued to be listed as the DGA's Secretary in the Committee Reports for the financial years ending 30 June 2017 and 30 June 2018.²⁸⁷
32. Mr Aldam was not elected to the positions of Secretary during elections of the Management Committee at the DGA's Annual General Meetings held on 10 November 2015, 16 October 2017, and 25 October 2018, nor was any other member of the DGA elected to that position.²⁸⁸ Members of the Management Committee have told this investigation that this was due to no members being willing to undertake the duties of the Secretary.²⁸⁹
33. On 17 March 2016, Mr Aldam signed an 'Appointment of Public Officer of an Incorporated Association' form, stating that he was appointed to the position of Public Officer of the DGA.²⁹⁰ He was recorded as an attendee at a meeting of the Management Committee on 19 April 2016, and minutes of that

280 Email from Daniel McKeown to Travis Te Whata attaching written responses to August 2018 Complaint, 26 March 2019.

281 *Associations Act*, s 29(2).

282 2016 Constitution, clause 7(a).

283 *Associations Act*, ss 27(3), 27(5).

284 2016 Constitution, clause 7(d).

285 Aldam Statement, para [1], [17].

286 Financial Report, 30 June 2015; Financial Report, 30 June 2016.

287 Financial Report, 30 June 2017; Financial Report, 30 June 2018.

288 Minutes of Annual General Meeting, 10 November 2015; Minutes of Special General Meeting and Annual General Meeting, 26 October 2016; Minutes of Annual General Meeting, 25 October 2017.

289 Meeting with R Brennan, G Aldam, J Winter, B Halliwell, 10 December 2020.

290 Appointment of Public Officer form for Greg Aldam, 17 March 2016.

meeting confirm that the Committee approved Mr Aldam's appointment as Public Officer.²⁹¹

34. Despite there being no official appointment of Mr Aldam as Secretary, we consider that he was in substance acting in that position, contrary to the 2016 Constitution.
35. Conversely, Mr Aldam's appointment to the position of Public Officer was approved by the Management Committee, in circumstances where the *Associations Act* permits a Public Officer to hold other offices, and the DGA's 2016 Constitution only required a Public Officer to be appointed by the Management Committee.
36. In respect of 'business conducted' by Mr Aldam, we understand that he signed a Statutory Declaration on 26 October 2016 in his capacity as Public Officer of the DGA, for the purpose of declaring that a resolution to amend the DGA's Constitution had been passed at a Special General Meeting on the same date.²⁹²
37. The requirements for validly amending an association's constitution are set out in section 23 of the *Associations Act*. Relevantly, the person required to sign a statutory declaration in respect of any such amendment, is the association's Public Officer.²⁹³ Given that Mr Aldam's appointment as Public Officer had been approved by the Management Committee some six months prior to his signing of the statutory declaration, there was no 'fraud or mistake' involved in lodging amendments to the DGA's constitution.
38. We have not otherwise been provided with any evidence of business conducted by Mr Aldam in his capacity as Secretary of the DGA, which could be rendered 'illegal' by virtue of his holding that position in breach of the DGA's 2016 Constitution.
39. In any case, at the DGA's Annual General Meeting on 2 December 2018, Peter Hogan was elected to the position of Secretary and Mr McKeown was appointed its Public Officer.²⁹⁴ Further, the DGA's Constitution was amended thereafter to remove any prohibition on a paid employee of an association holding other offices within the association.

3. The executive committee is making decisions outside its charter

40. The third grievance raised in the August 2018 Complaint was that the DGA's Executive had raised the prices of beverages at Winnellie Park without discussing the matter with the wider Management Committee, in breach of clause 10(e) of the 2016 Constitution.

Requirements of the 2016 Constitution

41. Clause 7 of the 2016 Constitution stated that the DGA's Executive was constituted by the President, Vice President and Treasurer. Any two members of the Executive, constituted a quorum of the Executive for the purposes of decision making.²⁹⁵
42. Section 10(e) of the 2016 Constitution then stated:

The Executive shall carry out all duties and authorities given to it by the Committee and generally transact and carry out any routine business of the Committee and shall have the

291 Minutes of Management Committee meeting, 19 April 2016.

292 Statutory Declaration accompanying lodgement of 2016 Constitution, 26 October 2016.

293 *Associations Act*, s 23(2).

294 Email from Daniel McKeown to Travis Te Whata attaching written responses to August 2018 Complaint, 26 March 2019.

295 2016 Constitution, clause 7.

authority to instruct the manager as to their action in connection with any matter on which requires instruction (emphasis added).

43. The powers of the Committee, in turn, encompassed the 'affairs and property' and 'entire control and management' of the DGA, save for where the Constitution stated otherwise, pursuant to clause 12 of the 2016 Constitution.
44. Raising the price of beverages then was within the remit of the Committee, and the Executive, in turn.

Evidence of the Chairperson

45. The Chairperson told this investigation that in 2015, in his capacity as Treasurer, he considered it appropriate to increase bar prices at Winnellie Park as those prices had remained unchanged for some years, despite the wholesale price of alcohol continuing to rise. The Chairperson considered the reference to 'routine business' in section 10(e), to include decisions pertaining to the day-to-day operations of the DGA.
46. We agree with the Chairperson's interpretation of section 10(e) of the 2016 Constitution.
47. In any case, the Chairperson did discuss the increase in bar prices at a meeting of the Management Committee, which was supportive of the proposal. Minutes of a Management Committee meeting held on 4 May 2015 confirm the Chairperson's recollection. They state:

Management have advised DGA Committee that after meeting with our Bar Supervisor and Bookkeeper that a Beer / Fee pour spirit price rise was in order due to not having changed in at least 3 years. All beers to go up 0.50 cents / free pour spirits up \$1.00.

Moved by Nick Day

Approved

48. The Chairperson stated that the practice of the Executive was to consult with the Management Committee and DGA members more broadly in relation to decisions which would have a significant impact on members, however the Executive did not consider it necessary to engage in discussions regarding minor business matters.²⁹⁶
49. We have observed several examples of such consultations in minutes of the DGA's Annual General Meetings. For example, on 26 October 2016, there was discussion about improvements required to the DGA's track and the imposition of age limits and adjustments to freight subsidy rebates for the transfer of greyhounds from other jurisdictions.²⁹⁷ Similarly, on 25 October 2017, members voted on ceasing the use of throw in lures, and on 2 December 2018, the DGA's grading policy was discussed.²⁹⁸
50. We consider that raising bar prices to accord with increased prices of wholesale alcohol was a routine business decision that the Executive was entitled to make without consultation of the Management Committee. The minutes of the meeting held on 4 May 2015 evidence the fact that the Chairperson (then Treasurer) did nevertheless consult with the Management Committee and receive its approval to increase bar prices.

296 Meeting with R Brennan, G Aldam, J Winter, B Halliwell, 10 December 2020.

297 Minutes of Annual General Meeting, 26 October 2016.

298 Minutes of Annual General Meeting, 25 October 2017; Minutes of Annual General Meeting, 2 December 2018.

4. The appointment of the manager

51. The August 2018 Complaint challenged whether a *'correct and proper process had been engaged'* when Mr Aldam was appointed to the position of General Manager of the DGA. In addition to their concerns about Mr Aldam holding two offices *'illegally'*, it was suggested that Mr Aldam *'lacked certain skillsets'* and expressed the view that a criminal history check should have been a *'pre-requisite'* for the position.

Contemporaneous response by the DGA

52. In the written response provided to Licensing NT in March 2019, the Chairperson explained that in 2015, the committee had advertised the position of General Manager and shortlisted three applicants to interview. Those applicants, including Mr Aldam, were interviewed by a selection panel comprised of four Management Committee members, including the then Chairperson. The selection panel recommended to the Executive that Mr Aldam be employed as General Manager.²⁹⁹

Interview and employment process

53. Mr Aldam was employed as the General Manager of the DGA in July 2015, at which time, the DGA's 1996 Constitution was still in force. Pursuant to the 1996 Constitution, the Committee was empowered to appoint a manager and any other employee *'as they deem[ed] necessary for the proper carrying out of the objectives, business and affairs of the club'*.³⁰⁰
54. On the basis of documents we have reviewed, the former Secretary and Manager of the DGA advised the Management Committee at its meeting on 4 June 2015 that he would be resigning from his positions as Manager and Secretary of the DGA by the end of June 2015. The Management Committee determined at that meeting that an advertisement for the position of General Manager, would be published in the NT News on either 13 or 17 June 2015.³⁰¹
55. Following the publication of the advertisement, the DGA received several applications for the position. Consistent with the Chairperson's written response, three candidates were shortlisted, including Mr Aldam, and a selection panel was formed to interview those candidates.
56. The former Chairperson told this investigation that the selection panel considered Mr Aldam to be the most suitable candidate on the basis that his credentials accorded with the DGA's requirements at that point in time, and particularly its intention to enter a contract with Sky Channel. Mr Aldam had previously held roles with BetChoice, the Darwin Turf Club and Unibet.³⁰² On that basis, the selection panel recommended Mr Aldam's employment to the Management Committee, and Mr Aldam commenced in that role shortly after.³⁰³
57. We are satisfied that the selection process undertaken by the DGA was correct and proper, and that Mr Aldam was appointed to the position of General Manager because he was deemed to be the most suitable candidate for the position.

5. Extra remuneration to the manager possibly without committee approval

58. The August 2018 Complaint stated that the DGA's General Manager, Mr Aldam, had remunerated himself \$25,000 without seeking prior approval from the Management Committee. According to

299 Email from Daniel McKeown to Travis Te Whata attaching written responses to August 2018 Complaint, 26 March 2019.

300 1996 Constitution, clause 12(b), 14(a).

301 Minutes of management committee meeting, 4 June 2015.

302 Greg Aldam Curriculum Vitae.

303 Discussion with Daniel McKeown, 10 December 2020.

the August 2018 Complaint, a former Committee member had wanted to report the matter to police, however was “*outvoted*” by the Committee and subsequently resigned.

Contemporaneous response by the DGA

59. The Chairperson, then Treasurer, addressed this issue during the DGA's Annual General Meeting on 2 December 2018. He explained to attendees that Mr Aldam had been remunerated for overtime work that was required to be undertaken, in order to reinstate and solidify the DGA as a greyhound race provider, on Sky Channel. The minutes of the Annual General Meeting state that members were ‘*happy this issue was clarified and resolved*’.³⁰⁴
60. In a Briefing Paper prepared for a meeting of the Racing Commission on 23 January 2019, Licensing NT noted that, although this issue had been addressed at the DGA's 2018 Annual General Meeting, it was suggested subsequently that the explanation provided by the Management Committee had been reached *after* payments were made to Mr Aldam. Licensing NT had not considered Mr Aldam's employment contract at that time, or the minutes of Committee meetings at which the payment of overtime was approved. The DGA did not provide those documents to Licensing NT and Licensing NT did not request them.³⁰⁵
61. In the written response provided to Licensing NT in March 2019, the Chairperson referred to the Treasurer's Report and minutes of the 2018 Annual General Meeting, at which the overpayment to Mr Aldam was discussed. He did not provide any further explanation as to whether the position taken by the Management Committee had been reached before or after Mr Aldam was remunerated more than his usual wage.³⁰⁶

Evidence provided by Mr Aldam and members of the Management Committee³⁰⁷

62. We were advised that in 2016 and 2017, Mr Aldam undertook additional work outside of his usual hours and aside from his usual duties to address issues that Sky Channel had raised with respect to coverage of the DGA's races. The purpose of doing so was to ensure that the DGA was in a position to enter into, and maintain its commitments pursuant to, a contract with Sky Channel. As a result, Mr Aldam accrued overtime payments of approximately \$25,000 in value.
63. Mr Aldam stated that he worked most Sundays and some Saturdays, for approximately one year, whilst issues with the DGA's coverage of races for Sky Channel were addressed and resolved. Mr Aldam's work included attending Winnellie Park on Sunday mornings to ensure that equipment and necessary audio and visual connections were in working order for races scheduled to occur on Sunday evenings. He was then present at Winnellie Park during the course of races held on Sunday evenings, to address any issues that arose with the DGA's coverage in that time. Mr Aldam spent 3 to 4 hours at Winnellie Park on Sunday mornings, and an additional 3 to 4 hours during Sunday evening races.
64. Mr Aldam's evidence accords with Payroll Activity Summaries provided to this investigation, which evidence a significant increase in Mr Aldam's gross income from \$67,219.08 for the period from 1 July 2015 to 30 June 2016, to \$84,743.75 for the period between 1 July 2016 and 30 June 2017.³⁰⁸ Those summaries show that between 1 July 2016 and 30 June 2017, Mr Aldam worked 122 hours on

304 Email from Daniel McKeown to Travis Te Whata attaching written responses to August 2018 Complaint, 26 March 2019.

305 Briefing Paper (undated), prepared for Racing Commission Meeting on 23 January 2019.

306 Email from Daniel McKeown to Travis Te Whata attaching written responses to August 2018 Complaint, 26 March 2019.

307 Meeting with R Brennan, G Aldam, J Winter, 10 November 2020; Meeting with R Brennan, G Aldam, J Winter, B Halliwell, 10 December 2020.

308 Payroll Activity Summary, 30 June 2016 to 30 June 2017.

Saturdays, earning \$4,593.75 and 410 hours on Sundays, earning \$20,500.³⁰⁹

65. Mr Aldam was paid an hourly rate of \$28 for work undertaken between Monday and Friday, during the relevant period. His hourly rate increased to \$42 per hour for work undertaken on Saturdays (calculated at time and a half) and \$56 per hour for work undertaken on Sundays (calculated at double time). On that basis, and given the hours recorded in Payroll Activity Summaries, Mr Aldam worked approximately 16 Saturdays and 51 Sundays during the 2016 / 2017 financial year.
66. The Chairperson told this Inquiry that Mr Aldam's overtime wages were not pre-approved by the Management Committee, as the Committee was unaware of the work required to be undertaken by Mr Aldam. However, the Treasurer and former Chairperson of the DGA, had instructed Mr Aldam to "*do whatever it took*" to ensure the DGA obtained and retained a contract with Sky Channel. The documentation we have reviewed confirms the significance of the contract with Sky Channel to the Management Committee, and the work that was required for the DGA to achieve and maintain its position on Sky Channel. The DGA's three-month trial with Sky Channel was discussed at Management Committee meetings on 19 April 2016, 24 May 2016, June 2016, and August 2016.³¹⁰ Those minutes note discussions amongst the Management Committee about:
 - a. the need to ensure '*full fields*' during the '*Sky Channel trial series*';
 - b. potential increases in prize money to encourage owners and trainers to race their greyhounds at the DGA;
 - c. the need to prepare two separate budgets to account for circumstances in which the DGA continued to appear on Sky Channel, and circumstances in which it did not;
 - d. requests for feedback from Sky Channel; and
 - e. the need to improve the vision of the DGA being provided to Sky Channel.
67. In February 2017, Mr Aldam informed Management Committee that Sky Channel had confirmed it would screen the DGA's races for a minimum of 52 meetings per year until the end of February 2021, with an option to extend for two years. He noted that Sky Channel had referred to and congratulated the DGA on its progress as a greyhound racing club.³¹¹ At a meeting on 31 October 2017, the Chairperson thanked Mr Aldam for '*his efforts*' in managing '*the media, Sky Channel, NT Government and members*'.³¹²
68. During the 2016/2017 financial year, DGA staff hand-recorded the hours that they worked, and provided those hours to the DGA's bookkeeper for payment. No member of the DGA's Management Committee reviewed daily or weekly timesheets or approved overtime paid to employees. As a result, overtime amounts paid to Mr Aldam were only discovered in mid-2017, when the Treasurer was reviewing group certificates being issued to DGA employees for tax purposes at the end of the 2016/2017 financial year.
69. The Chairperson (then Treasurer) informed us that he raised the payments made to Mr Aldam at a meeting of the Management Committee. Both the current and former Chairpersons gave evidence that whilst the Committee noted that Mr Aldam may have been able to undertake some tasks during his usual work hours rather than on weekends, it ultimately recognized that Mr Aldam had worked

309 Payroll Activity Detail in relation to Greg Aldam, 2016 to 2017.

310 Minutes of Management Committee meeting, 19 April 2016; Minutes of Management Committee meeting, 24 May 2016; Minutes of Management Committee meeting, 21 June 2016; Minutes of Management Committee meeting, 16 August 2016.

311 Minutes of Management Committee meeting, 21 February 2017.

312 Minutes of Annual General Meeting, 31 October 2017.

a considerable amount of overtime to ensure the DGA obtained and secured a contract with Sky Channel, and that payments to him were warranted.

70. Our review of the records indicates that the overtime payments to Mr Aldam were discussed at a meeting of the Management Committee held on 29 August 2017. Minutes of that meeting record the following:

Treasurer 'Robbie' requested the Manager 'Greg' leave the meeting so the committee could have a general discussion in private.

- *Upon Greg coming back into the meeting Robbie discussed that the committee has requested the hours for the Manager be reduced and the recommendation is for the position to be approximately \$65k a year moving forward. This was to be monitored by himself and the Club President and a contract would be put in place asap to finalise these details.*
 - *In regards to this discussion Greg P mentioned he had voted for the Manager to be removed and wanted to 'bring this out in the open'.*
 - *Greg A said that the last year had been a substantial year in growth and consolidation and if not carefully monitored things could just as easily fall over. He went on to say he does not take the position lightly as seen by confirming Sky Channel coverage locked in until 2020, increase in dog numbers to strengthen our product and numerous other areas including consistent and reliable coverage as well as excellent staff where our gross profit percentage to sales over the bar is the best it has ever been.*
71. The content of the private discussion is not recorded in the minutes. However, the minutes support the evidence provided by the current and former Chairpersons.
72. It is clear from the minutes that some members of the Committee were displeased with the situation, and both the current and former Chairpersons have conceded that the Management Committee should have had greater oversight of the hours worked by the DGA's employees and the wages paid to them.³¹³ However, there does not appear to have been any dispute about Mr Aldam having worked the hours for which he was remunerated.
73. We consider the Management Committee responded appropriately when the amount of overtime paid to Mr Aldam was brought to its attention. The Treasurer ensured that the matter was discussed at a meeting of the Management Committee and the Committee implemented mechanisms to ensure there would be no repeat of the incident.
74. The DGA was already engaging with Employsure in relation to implementing employment contracts for all employees at that time. The Committee resolved that those contracts were to contain a clause requiring any overtime work to be approved by the DGA's Treasurer and/or Chairperson, and the Treasurer arranged for the DGA's bookkeeper to email to him the wages that were to be paid to the DGA's employees, every Monday morning. We understand that the Operations Manager is now responsible for reviewing those emails.
75. Mr Aldam signed an employment contract with the DGA on 12 November 2018. That contract specified that Mr Aldam was to work approximately 15 to 20 hours per week in a permanent part-time position and was to be paid an hourly rate of \$35. It stated that he was to report to

313 Meeting with R Brennan, G Aldam, J Winter, B Halliwell, 10 December 2020; Discussion with Daniel McKeown, 10 December 2020.

the Chairperson of the DGA and the Executive of the Management Committee.³¹⁴ Mr Aldam has told this investigation that in circumstances where overtime work may be required, he now seeks approval from the Chairperson or Treasurer prior to undertaking that work.

76. In conclusion, our view is that this complaint is without merit:
- a. *First*, at no time did Mr Aldam remunerate himself. As with other DGA staff, Mr Aldam submitted timesheets for hours worked and was remunerated by the bookkeeper accordingly.
 - b. *Second*, there is no evidence before us to suggest that the timesheets submitted by Mr Aldam did not accurately reflect the hours he worked.
 - c. *Third*, the work completed by Mr Aldam was done so explicitly at the request of the Chairperson and Treasurer of the DGA, notwithstanding they did not direct precisely when he should perform it.
 - d. *Fourth*, the Management Committee did ultimately approve the remuneration paid to Mr Aldam.

6. The Secretary's inability to keep full and accurate minutes at meetings

77. The August 2018 Complaint stated that the Secretary of the DGA had not been keeping full and accurate minutes of meetings, by reference to the obligations at clause 13(a) of the DGA's 2016 Constitution and section 38(1) of the *Associations Act*. Further, it stated that the DGA's document keeping practices were unacceptable "*for a tier 3 association*", and that important documents were not being retained.

Contemporaneous response by the DGA

78. The Chairperson's written response to Licensing NT in March 2019 relevantly stated that all minutes of Committee meetings were moved and seconded as accurate by members, and that basic facts and decisions were recorded in the minutes.³¹⁵
79. The written response did not address the allegation that the DGA's document keeping practices were '*unacceptable for a tier 3 association*' and that '*important documents were not being retained*'.

Requirement to keep minutes

80. The *Associations Act* requires incorporated associations to keep minutes of all general meetings and all meetings of the association's management committee.³¹⁶ It requires those minutes to be confirmed by members of the association who are present at a subsequent meeting, and signed by either:
- a. a member who presided at the meeting in respect of which, minutes were kept; or
 - b. a member presiding at the meeting at which the minutes are confirmed.³¹⁷

81. The requirement to keep full and accurate minutes was reflected in clause 13(a) of the DGA's 2016

314 Greg Aldam Employment Contract, November 2018.

315 Email from Daniel McKeown to Travis Te Whata attaching written responses to August 2018 Complaint, 26 March 2019.

316 *Associations Act*, s 38(1)(a).

317 *Associations Act*, s 38(b).

Constitution. It provided that, subject to the direction and control of the Management Committee, it was the Secretary's duty to 'take full and accurate minutes of all proceedings and general and committee meetings...'.

82. Neither the *Associations Act* nor the 2016 Constitution imposed a broader requirement on the DGA to retain minutes of meetings for seven years.

Full and accurate minutes

83. We have reviewed the minutes of each of the DGA's Annual General Meetings from 2015 to 2019, and the minutes of each of the DGA's Management Committee meetings from February 2015 to the present.
84. Minutes of the DGA's Annual General Meetings clearly record the meeting's attendees, apologies, the time at which each meeting was opened and closed, the election of members of the Management Committee, and discussions of the DGA's general business. From 2017, the minutes also record the presentation of the Chairperson's (President) and Treasurer's reports.
85. Each set of minutes of the Annual General Meetings held between 2015 and 2018 refer to minutes of the previous meeting being '*accepted as correct by members*' or simply, '*approved*'. Minutes of the meeting held on 20 November 2019 state that the minutes of the previous AGM were amended to record a statement that had been made at that meeting. Once that amendment was made, those minutes were also approved.
86. Similarly, each of the minutes of meetings of the DGA's Management Committee record the meeting's attendees, apologies, and discussion of various matters, including correspondence received by the committee, business arising from the previous meeting, ongoing issues and other general business. From March 2019, Committee meetings were recorded and the minutes of those meetings noted that the purpose of recording meetings was to assist with minute keeping.
87. Each set of Committee Meeting minutes for 2015 to the present (save for three), refer to the minutes of the previous meeting as being '*approved*', '*approved and seconded*' by two members of the Committee, or '*accepted by all*'. The minutes provided for meetings held in August 2019, January 2020 and February 2020, do not record any approval of minutes of the previous meetings.
88. A former member of the Management Committee submitted to this investigation that minutes of meetings recorded by the DGA were at times, purposefully recorded inaccurately and that she was 'bullied' for seeking to keep accurate minutes. In particular, this individual submitted that a conversation regarding a particular trainer's greyhounds having necrotising fasciitis was not accurately recorded. That discussion took place at a meeting of the management committee held on 26 June 2018. The relevant section of the minutes stated:

[X] asked [Y] about [Z] approaching him with 3 dogs having necrotising fasciitis, [Y] advised this information was incorrect. [X] said he would follow this up with the Chief Steward in regards to members knowing.

89. We were provided with audio records of some meetings, which have been reviewed as against the written minutes produced by the DGA. Those recordings support the submission that the discussion referred to above had *not* been accurately recorded. The audio record of that discussion shows that:
 - a. [X] learned that some of [Y's] greyhounds had necrotising fasciitis and that [Y] had not made other DGA members aware of this.

- b. [Y] told [X] that he had spoken to the Chief Steward about the matter and ensured that he had not broken any rules in continuing to train his infected greyhounds on-track.
 - c. [X] asserted that the Committee should be made aware when greyhounds have an infectious disease.
90. The Management Committee amended the minutes to more accurately reflect the discussion and at the following meeting of the management committee on 28 August 2018, it was recorded that *'minutes of the previous meeting [were] accepted with changes'*.³¹⁸
91. Aside from that single example of an inaccurate record of a discussion (which was acknowledged and rectified), we did not find any discrepancies between the audio recordings provided to us and the written minutes of meetings produced by the DGA. To the contrary, the audio supported the accuracy of the minutes. Accordingly, there is insufficient information before us to support the allegation that the DGA failed to keep full and accurate minutes of meetings.
92. Separately, we note that neither the minutes of Annual General Meetings Management Committee meetings were signed by the member who presided at the meeting in respect of which minutes were kept, or a member presiding at the meeting at which minutes were confirmed, pursuant to section 38(1) of the *Associations Act*.
93. When we raised this issue with members of the DGA's Management Committee, those members stated that they were unaware of the requirement for meeting minutes to be signed.
94. We accept this, and consider the breach to be administrative, rather than deliberate, and does not impact on the substance or reliability of the minutes.

Document retention

95. With the exception of accounting records, neither the *Associations Act* nor the *Associations Regulations* impose any specific obligations on a tier 3 association with respect to document retention. However, the *Associations Act* details the matters to be considered and reported on by an association's auditor and, included amongst those matters is, whether or not "*proper accounting records and other records have been kept by the association*" as required by the *Act*.³¹⁹
96. During this investigation, we requested the DGA's audited financial reports and underlying financial records for the past five years and were provided copies of:
- a. audited financial reports for the financial years ending 30 June 2015 to 30 June 2019;
 - b. profit and loss statements and balance sheets for the financial years ending 30 June 2015 to 30 June 2019; and
 - c. account transaction records for 2015 to 2019, in relation to veterinary expenses, expenses associated with advertising, repairs and maintenance, and bookkeeping, and the payment of wages, prize money, and amounts for video and race calling contractors.
97. We also requested various other documentation be provided to us by the DGA, including different iterations of its Constitution, appointment of its Public Officer and skills-based Committee members, minutes of meetings, policy instruments and so on. Though we have stated elsewhere in our

318 Minutes of Management Committee meeting, 28 August 2018.

319 *Associations Act*, s 48(6)(a)(ii).

Report, our concerns with the adequacy of some of those documents, we do not have any particular concerns regarding document retention by the DGA. Further, document retention practices appear to be improving under the stewardship of the Operations Manager.

7. The presentation of a statement at the DGA AGM

98. The August 2018 Complaint stated a 'Committee Statement' had never been produced to members at an annual general meeting, as per the requirement set out in section 43(1)(c) of the *Associations Act*.

Contemporaneous response by the DGA

99. In the written response provided to Licensing NT in March 2019, the Chairperson stated that the Committee Statement had been provided to members at annual general meetings and would continue to be provided to members. He sent copies of the relevant statements to Licensing NT for the financial years ending 2017 and 2018.³²⁰

Requirements of the Associations Act

100. Section 43 of the *Associations Act* requires the management committee of an incorporated association to present to its members at each annual general meeting an audited statement of the association's accounts in respect of the last financial year and a copy of an independent auditor's report in relation to those accounts. Additionally, the management committee is required to present a report signed by two of its members, which includes:
- a. the name of each member of the association's management committee during the last financial year and as at the date of the report (if different);
 - b. the principal activities of the association during the last financial year;
 - c. any significant change in the nature of the association's principal activities that occurred during the financial year; and
 - d. the net profit or loss of the association for the last financial year.
101. An association must ensure that the prescribed number of copies of the association's audited financial statements and independent auditor's report are made available for perusal immediately before and during its annual general meeting.³²¹
102. The DGA provided us with its audited financial statements and auditor's reports for each of the financial years between 2015 and 2019. Included with those statements and reports for each financial year, is the 'Committee Statement', prepared in accordance with section 43 of the *Associations Act*.
103. Each of those statements records the names of the Committee members for the relevant financial year, the DGA's principal activity and confirmation that there has been no significant change in the nature of the DGA's activities, and the DGA's net profit or loss.
104. Minutes of the annual general meeting held on 10 November 2015 state: "*Financial Report for 2014/2015 accepted by the committee and members*", whilst the minutes of annual general

³²⁰ Email from Daniel McKeown to Travis Te Whata attaching written responses to August 2018 Complaint, 26 March 2019.

³²¹ *Associations Act*, s 43(2). The prescribed number of copies is 20, or as many as required to equal a quorum at the AGM, in accordance with the association's constitution.

meetings held on 26 October 2016 and 25 October 2017, record the Treasurer discussing the relevant financial years.

105. Minutes of the annual general meeting held on 2 December 2018 specifically state that the “*auditor’s financial statements were reviewed*”, and minutes of the annual general meeting held on 30 November 2019, record that “*the financial statements and auditor’s report were sent out to all members prior to the AGM*”.
106. Members of the DGA’s Management Committee have confirmed that the DGA’s audited financial statements and reports have been available for perusal at each of the DGA’s annual general meetings, and that the Committee Statement required to be prepared in accordance with section 43 of the *Associations Act*, has been included within those documents. Moreover, since 2018, those documents, including the Committee Statement, have been sent to members by of the DGA by email, prior to the DGA’s annual general meeting.
107. In view of the above, we do not accept the allegation that there was a failure to produce a statement to the members at each annual general meeting.

8. Misappropriation of government grants

108. The August 2018 Complaint raised concerns about the DGA spending “*government grant money*” on buildings or tractor sheds, despite advising members that those buildings would be “*certified kennels*”. It stated that the tractor sheds were being “*occupied illegally*” as kennels, and that the cost of having those buildings re-certified as kennels would be significant (approximately \$100,000.00). Further, trainers whose greyhounds were occupying those tractor sheds were said to have shortcomings in the buildings, given they were being used as kennels.

Contemporaneous response by the DGA

109. In the written response submitted to Licensing NT in March 2019, the Chairperson stated that the DGA applied for and received funds from two grants, for the purpose of building kennels. The Chairperson otherwise noted that the DGA was commencing the task of checking the status of all kennel blocks, to ensure those blocks complied with relevant regulations.³²²

Information provided by the DGA bookkeeper

110. We were advised by the DGA’s bookkeeper that:³²³
 - a. The DGA only ever received one grant of funds from the Northern Territory Government for the purpose of constructing a kennel block. That grant was applied for and received in 2017 (**2017 Grant**).
 - b. In addition to the kennels constructed using the funds received in 2017, the DGA constructed two other kennel blocks. One of those kennel blocks was constructed using the DGA’s own funds, and the other was built using funds paid to the DGA pursuant to an insurance policy, following the destruction of an existing kennel block during Cyclone Marcus.
 - c. The DGA received government funds in late 2014 or early 2015, for the general improvement of the club. However, the DGA did not apply for those funds, nor were those funds expended on the construction of a kennel block (**2015 Grant**).

322 Email from Daniel McKeown to Travis Te Whata attaching written responses to August 2018 Complaint, 26 March 2019.

323 Discussion with DGA Bookkeeper, 11 February 2021.

111. The information provided by the DGA's bookkeeper accords with the evidence provided to us by the Chairperson of the DGA and its Racing Manager.³²⁴ We discuss each of the 2015 and 2017 Grants, below.

2017 Grant

112. The DGA provided us with an application for a 'Not-for-Profit Community Organisations Immediate Works Grant', prepared by the Racing Manager and submitted to the relevant Government department on 20 January 2017.³²⁵ The Racing Manager advised us that this application was the only application that he has submitted for funds to build a kennel block.³²⁶
113. The application referred to the DGA's contract with Sky Channel, its increased numbers of greyhounds and its conduct of 51 races per year, and included a tick-box list of the work that would be carried out with any funds granted to the DGA. Of the options listed, the Racing Manager selected items including 'concreting', 'plumbing', 'repairs and maintenance' and 'carports / shade structure / sheds'.
114. The DGA's intended use of the funds was expressed as follows:

We need the new kennel block to provide adequate kennelling of the race dogs and importantly it will give the club the option of having a comfortable number of kennels on track to assist with the re-homing of our retired greyhounds back into this community.

We see this as an integral part of our club going forward and want to make sure once a greyhound has finished racing the large majority are given the opportunity to find a nice new home, this can take some time hence a new kennel block would greatly assist this process.³²⁷

115. The minutes were signed by the Chairperson and Racing Manager, to indicate the Management Committee's authorisation to undertake work valued at over \$100,000. The minutes relevantly stated:

The committee discussed the co-contribution over the \$100,000 mark as per the smartygrants application in regards to a new kennel block to assist with the re-homing of greyhounds

and more kennel space for the racing dogs. The committee approved this and are greatly appreciative of this opportunity / initiative put forward by the NT Government.³²⁸

116. The DGA's underlying financial records included a journal entry for the exact amount of the Immediate Works Grant, with the description: 'Jnl to take up Immediate works grant for new Kennl block' (sic).
117. There are no other references in the DGA's account, to the receipt or use of the \$120,928.10 granted to the DGA. However, the bookkeeper and Racing Manager advised us that a construction company was engaged to undertake the construction of a new kennel block using the Immediate Works Grant, and did so, shortly after the DGA was notified that its application for the 2017 Grant was successful.³²⁹
118. The DGA's bookkeeper explained that the Immediate Works Grant operated using payment vouchers. That is, the funds were never transferred into the DGA's account, nor did the DGA make

324 Discussion with DGA Bookkeeper, 11 February 2021; Discussion with R Brennan, 11 February 2021; Discussion with G Aldam, 10 February 2021.

325 Not-for-Profit Community Organisations Immediate Works Grants Program, Application form submitted 20 January 2017.

326 Discussion with G Aldam, 10 February 2021.

327 Application for Not For Profit Community Organisations Immediate Works Grant, 20 January 2017.

328 Minutes of Management Committee meeting, 21 February 2017.

329 Discussion with DGA Bookkeeper, 11 February 2021.

any payments to the construction company that built the kennel block. Rather, the Racing Manager signed 'vouchers' on completion of certain stages of work, and the construction company in turn provided those vouchers to the Government, for payment from the grant funds.³³⁰

119. The DGA's bookkeeper was advised by the DGA's independent auditors, to create a journal entry in the DGA's accounts, recording receipt of the Immediate Works Grant, so that the DGA could account for a structure valued at that amount.³³¹ Further, the DGA has provided us with two vouchers, indicating payments totalling the amount of the 2017 Grant, were paid to GSK Patrick Builders, a construction company based in Darwin.
120. In circumstances where the '*intended use of funds*' described in the application noted that the funding would be used to build kennels, and the grant money has been applied to build kennels, this investigation does not accept that there has been a '*misappropriation*' of Government funds in respect of the 2017 Grant.
121. In Chapter 8 of this Report, we discuss the DGA's compliance with relevant building laws. The kennel block built using the Immediate Works Grant (along with many of the other kennels built on the DGA premises), are classified as 'sheds' under the relevant building permits. While this does not appear to be the appropriate building classification, and work may need to be undertaken in relation to the buildings as a result, this does not render the actions of the DGA in applying the money against the construction of the kennels, as a misappropriation.

2015 Grant

122. The DGA's audited financial records for the financial year ending 30 June 2015, record receipt by the DGA of \$209,090.91, described as '*additional funding grant*'.³³²
123. The DGA's bookkeeper, its Chairperson and its former Chairperson, informed us that in late 2014 or early 2015, the Management Committee was contacted by the Department of Tourism and advised that it would be provided with funds of approximately \$200,000 for the DGA to undertake improvements at Winnellie Park.³³³
124. We were told that the funds provided to the DGA were spent on, among other things:
 - a. undertaking necessary repairs to the roofs of kennels at Winnellie Park;
 - b. upgrading the 'entrance' and 'exit' lighting signs, and improving lighting generally;
 - c. purchasing new indoor and outdoor furniture and laying new carpets;
 - d. laying fresh tar to improve the carpark;
 - e. purchasing new lawnmowers; and
 - f. purchasing and installing appropriate equipment to assist with broadcasting races through Sky Channel.³³⁴

330 *Ibid.*

331 *Ibid.*

332 Audited Financial Records, 30 June 2015.

333 Discussion with Daniel McKeown, 10 February 2021; Discussion with DGA Bookkeeper, 11 February 2021; Discussion with R Brennan, 11 February 2021.

334 Discussion with D McKeown, 10 February 2021; Discussion with DGA Bookkeeper, 11 February 2021; Discussion with R Brennan, 11 February 2021.

125. The DGA's accounting records for the financial years ending 30 June 2015, 30 June 2016 and 30 June 2017, evidence the DGA's spending funds on the categories of items listed above.³³⁵
126. Relevantly, we have also been provided with:
- a. Minutes of a Management Committee meeting held on 25 February 2015, which state: *'Update to the DGA \$200K grant for capital improvements show that there is around \$30K to \$40K left with quotes for updating the outside toilets and entrance signs and lighting and finish line lighting as a priority'*.
 - b. Minutes of a Management Committee meeting held on 25 March 2015, which repeat the comment at (a) above and otherwise record the following 'Ongoing Issues':
 - *Quotes for facility upgrades continue. DGA is waiting for a quote for a shower in the ladies toilet with quotes also to be sourced in regards to a permanent Bain Marie.*
 - *Upgrades to improve power supply ongoing.*
 - c. Minutes of a Management Committee meeting held on 4 June 2015, which record: *'\$200K grant spend-Management advised that invoices for ladies shower, new kennels and upgrade of the car park will use up the remainder of the grant'*.
127. We have not received any documentary evidence to confirm whether or not there were conditions on which the 2015 Grant funds were provided, or the assertion that the DGA did not apply for those funds.
128. The DGA's bookkeeper informed us that he was required to submit an 'acquittal form' to the Department of Tourism once the total amount of the funds granted to the DGA had been spent. He confirmed submitting the acquittal form and provided a copy of a spreadsheet, referred to as the 'acquittal form', which lists a number of items for which the \$200,000 was used.
129. In the absence of any documentary evidence to the contrary and, having regard to the consistency of the evidence provided by the DGA's former and current Chairperson, its Racing Manager and bookkeeper, we consider it more likely than not, that:
- a. The DGA was provided with a one-off payment (described by the DGA as a 'grant') by government of in the order of \$200,000 in 2014 / 2015, and used that funding to undertake improvements to Winnellie Park.
 - b. The funds were not provided to the DGA for the specific purpose of constructing a kennel, and so, utilizing the funds for other purposes was not a misappropriation of those funds on the part of the DGA.

9. No natural justice when dealing with grievances

130. The August 2018 Complaint stated that the Management Committee lacked an understanding of 'natural justice'. They referred, by way of example, to an Extraordinary General Meeting that members called to discuss the DGA's direction at that time. The members signed a requisition requesting the meeting on 4 July 2018, and the meeting was scheduled for 14 August 2018 and attended by 22 members. However, according to the August 2018 Complaint, the Chairperson

335 Account Transaction Records in relation to repairs and maintenance, 1 July 2014 to 30 June 2015, 1 July 2015 to 30 June 2016, 1 July 2016 to 30 June 2017.

determined not to open the meeting on the basis that the requisition required all members to be present, and they were not.

Contemporaneous response by the DGA

131. In the written response provided to Licensing NT in March 2019, the Chairperson stated that the DGA members who had called for the Extraordinary General Meeting were asked to submit their specific queries to the Management Committee prior to the meeting, but did not do so, nor did they prepare any agenda for the meeting. On that basis, the Management Committee was only prepared to discuss the future direction of the DGA and considered any other topics to be outside the scope of the meeting.
132. The Chairperson stated that the meeting commenced with a brief discussion about the DGA's financial position and strategic plan, but *'broke down'* shortly after. Following the meeting, he arranged for a subcommittee to be formed to engage with those members who had requested the meeting, but those members declined to engage with the subcommittee.
133. The Chairperson otherwise confirmed that the Management Committee was aware of its obligation to ensure natural justice was afforded at all times, but would consider complaints to be *'vexatious'* if complainants could not provide clear supporting evidence.³³⁶

14 August 2018 Extraordinary General Meeting

134. Pursuant to clause 6(b) of the 2016 Constitution, the Management Committee was bound to call an Extraordinary General Meeting if it received *'a requisition signed by at least twenty-five (25) percent of membership'*. That requisition was required to state the reasons for, and the business to be transacted at, the meeting, and was to be served on the Secretary of the DGA.
135. The documents we have reviewed indicate that the Extraordinary General Meeting was arranged in accordance with those requirements.
136. 16 members of the DGA signed and submitted a requisition to Mr Aldam in his capacity as Secretary of the DGA, on 4 July 2018. The requisition stated: *'The reason for this Extraordinary General Meeting is to discuss with all current members the position and direction the club is pursuing under the current leadership'*. Mr Aldam notified the Management Committee of receipt of the requisition and arranged the meeting for 14 August 2018, allowing a minimum of 21 days' notice of the meeting.
137. The DGA's former Chairperson told this investigation that, in his capacity as Chairperson, he chaired the 14 August 2018 meeting. He gave evidence that the meeting was opened, contrary to the August 2018 Complaint, and it commenced with a discussion about the DGA's financial position. However, the meeting was derailed when members began to raise issues that had been previously ventilated and resolved, and the Management Committee refused to respond.
138. The former Chairperson and other members of the Management Committee told this investigation that they took the view that they were prevented, by the DGA's Constitution, from discussing matters that were not specifically noted in the signed requisition for the meeting. Correspondence from other members of the Management Committee at the time, indicates that some of those members were disappointed that members were not able to raise and discuss their grievances in the manner they had intended.
139. We disagree with the Management Committee's interpretation of clause 6(b) of the 2016 Constitution.

336 Email from Daniel McKeown to Travis Te Whata attaching written responses to August 2018 Complaint, 26 March 2019.

140. The clause stated that a requisition for an Extraordinary General Meeting was to “*state the reason for and business to be transacted*” at the meeting, but it did not impose any restriction on discussing matters that were outside the scope of the reason recorded in the requisition. Further, we consider that the wording of the requisition, being a discussion of the “*position and direction*” of the DGA, was broad enough to include any issues raised by members, relevant to the operations of the DGA.
141. The Management Committee should have allowed its members the opportunity to discuss their concerns at the Extraordinary General Meeting, and followed the processes set out in the 2016 Constitution as to how any questions or motions arising were to be resolved, thereafter.

Natural Justice

142. Pursuant to section 39 of the *Associations Act*, an incorporated association is to observe the rules of natural justice in circumstances where it adjudicates a dispute between members or a dispute between members and the association. The *Associations Act* otherwise requires the constitution of an incorporated association to include a procedure for the settling of disputes between an association and its members.³³⁷
143. What is required in order to afford natural justice in relation to a dispute, varies depending on the circumstances of the case.³³⁸ Broadly speaking, there are two main obligations that must be satisfied for a person to have been afforded natural justice: *first*, the person must have an opportunity to be heard (the “hearing rule”), and *second* the decision-maker must not be biased (the “bias rule”).
144. The 2016 Constitution provided a procedure for dealing with disputes between two or more members of the DGA or between a member of the DGA and its Management Committee.³³⁹ It required the parties to a dispute to meet to discuss and attempt to resolve a dispute within 14 days of the dispute coming to their attention, and, in the event that the dispute could not be resolved, it provided for parties to meet in the presence of a mediator.³⁴⁰
145. Notably, the mediator was required to:
- a. *allow the parties to the mediation every opportunity to be heard;*
 - b. *allow for due consideration of any written submissions provided by the parties; and*
 - c. *ensure natural justice [was] accorded to the parties throughout the mediation process.*³⁴¹
146. We requested copies of documents evidencing the application of the dispute resolution procedure from the DGA. In response, we were provided with:
- a. a limited number of documents in relation to an attempt by Mr Aldam to apply the dispute resolution procedure to an issue that arose between a former Chairperson of the DGA and one of its members; and
 - b. minutes of Management Committee meetings in which the application of the procedure to an altercation between two members was discussed.

337 *Associations Act*, s 21(1)(c), s 39.

338 *Kioa v West* (1985) 159 CLR 550.

339 *Ibid.*

340 *Ibid.*, s 19(b), (c).

341 *Ibid.*, s 19(h).

147. In June 2018, the former Chairperson submitted a complaint to Mr Aldam against a member of the DGA in respect of his use of obscene language. The former Chair specifically requested that the dispute resolution procedure outlined in the 2016 Constitution be followed.
148. By mid-August 2018, Mr Aldam had attempted to arrange a meeting between the parties in the presence of a third-party mediator. However, the parties were unable to agree on the appointment of a mediator, and their inability to agree, coupled with the length of time they were taking to respond to Mr Aldam, rendered the attempt to utilise the dispute resolution procedure unsuccessful. The matter was ultimately referred to the Racing Commission.³⁴²
149. This investigation has been advised that the altercation between two members referred to at (b) above, resulted in legal action.
150. Few other examples in which that dispute resolution process was sought to be applied were able to be identified by the DGA, and each was unsuccessful.³⁴³
151. A more rudimentary complaints procedure appears to have been applied. We were informed that typically, where a member had a complaint with respect to the operation of the DGA, they were required to raise the issue with the Management Committee, and the matter would then be dealt with by the Management Committee, at its discretion.³⁴⁴ In some circumstances, the Management Committee invited a member who had submitted a complaint, to attend the next Management Committee meeting to discuss the issue.
152. This process appears to stem from a parallel complaint handling process, set out in the 2016 Constitution, which was removed in 2019. Clause 18 of the 2016 Constitution provided:
- All complaints shall be made in writing to the manager who, if they are unable to deal with them, shall submit them to the Committee whose decision shall be final. In no instance shall a servant of the Club be reprimanded directly by a member.*
153. The DGA conceded that there had never been any communication to members informing them of the presences of the dispute resolution processes and the manner in which they operated.³⁴⁵
154. The Management Committee meetings minutes confirm that it received and considered correspondence from its members at those meetings, including in respect of certain behavioural issues or disputes that came to the attention of the Management Committee. In a limited number of circumstances, the Management Committee meeting minutes evidence members involved in an issue or dispute, attending a meeting to discuss their issue or dispute.
155. However, in most circumstances, the Management Committee appears to have reached a decision as to how a dispute would be dealt with prior to discussing the issue with the members concerned, and, in some circumstances where members attended a Management Committee meeting, they appear to have been issued with a reprimand. For example:
- a. At a meeting on 16 January 2018, member [X] attended a meeting of the Management Committee in relation to a dispute he was involved in with member [Y]. The Management Committee issued a verbal warning to member [X], and determined to issue a 'show cause letter' to member [Y], who did not attend the meeting.

³⁴² Emails between Dan McKeown, Greg Aldam and Richard Smith, 29 June - 15 August 2018.

³⁴³ Meeting with R Brennan, G Aldam, J Winter, B Halliwell, 10 December 2020.

³⁴⁴ Meeting with R Brennan, G Aldam, J Winter, B Halliwell, 10 December 2020.

³⁴⁵ Meeting with R Brennan, G Aldam, J Winter, B Halliwell, 10 December 2020.

- b. At a meeting on 10 April 2018, the Management Committee determined that a member who had sent a disgruntled email should be required to *'front 2 committee members... in the near future'*, prior to discussing the matter with the aggrieved member.
156. We have also been advised that on one occasion, an aggrieved member was invited to attend a meeting of the Management Committee, but refused to do so.
157. The minutes do not evidence the Management Committee considering or dealing with any significant dispute, aside from that which resulted in legal action and the examples referred to above, and we have not been provided with any other documents in that regard, despite requesting evidence of the complaints process being applied.
158. In circumstances where we do not have access to records evidencing the application of this process, it is difficult to make a conclusive finding with respect to whether or not complainants were afforded natural justice.
159. However, we are satisfied that the application of the process at clause 18 of the 2016 Constitution almost certainly would have resulted in the denial of natural justice to complainants. The process itself was not explained to complainants, and did not accommodate contradictory evidence being put to each or an opportunity afforded to reply, before a determination was made.

Current policies

160. The current DGA Constitution removed the less formal complaints procedure, and applied a procedure in largely similar terms to the more formal dispute resolution process as set out in the 2016 Constitution.³⁴⁶ It provides for the parties to a dispute to meet to discuss the matter within 14 days of the dispute coming to their attention, and for those parties to meet in the presence of a mediator, if they are unable to resolve the dispute between them.³⁴⁷ Like the 2016 Constitution, it specifies that the mediator must:
- a. *give the parties to the mediation process every opportunity to be heard;*
 - b. *allow due consideration by all parties of any written statement submitted by any party; and*
 - c. *ensure natural justice is accorded to the parties to the dispute throughout the mediation process.*³⁴⁸
161. A formal “*Complaints Handling Policy*” was prepared by an external service provider for consideration by the DGA. The purpose of the policy was to establish and provide a clear process for resolving complaints in a timely manner, that would apply equally to all members of the DGA.³⁴⁹ The policy stipulates that the principles of natural justice are to apply throughout the complaints handling process, and specifies the matters that may be complained about and the persons permitted to submit complaints.³⁵⁰ It outlines the timelines in which complaints are to be raised and the persons to whom complaints should be submitted, and provides for either an “*informal grievance process*” or a “*formal grievance process*” for addressing and resolving complaints.³⁵¹ The policy otherwise contains template letters for the DGA to send to parties at different points during the dispute resolution process.

³⁴⁶ DGA Constitution, clause 17 and Part 8.

³⁴⁷ *Ibid*, clause 55(2), (3).

³⁴⁸ *Ibid*, clause 55(8).

³⁴⁹ Complaints Handling Policy prepared by HWL Ebsworth, clause 2.2.

³⁵⁰ *Ibid*, clauses 2.3, 3 to 5.

³⁵¹ *Ibid*, clauses 6.1, 12.4, 13, 14.

162. Theoretically, the policy establishes a process for the management of complaints which affords procedural fairness to all parties and is available for perusal and use by all DGA members.
163. However, we received evidence that the policy has never been implemented, as it is too complex for practical application.³⁵²
164. We agree with that assessment of the current policy.
165. We recommend the DGA implement a revised dispute resolution policy that is clear, concise and practical in its application, and identifies who is responsible for handling complaints, and the timeline in which they will do so. The policy should require the decision-maker to acknowledge receipt of the complaint, discuss the complaint with affected parties, and provide a written response as to the way in which a complaint is to be addressed. It should countenance an escalation of the dispute, where parties remain unsatisfied, where appropriate. The policy should also be easily accessible to members and the Management Committee alike.
166. The DGA has expressed a willingness to improve in this space and have agreed to develop and implement a new dispute resolution process, which better deals with member disputes and complaints.³⁵³ Creating and utilizing a policy that can be easily reviewed, understood, and applied equally to all will assist the DGA to ensure that it satisfies the obligations of procedural fairness when dealing with complaints.

352 Meeting with R Brennan, G Aldam, J Winter, 10 November 2020.

353 Meeting with R Brennan, G Aldam, J Winter, B Halliwell, 10 December 2020.

13.

TOR 7 – to note any additional information that may be relevant to the regulation of Greyhounds in the Northern Territory that is not addressed above

Chapter Summary

1. The 22 submissions we received during this investigation raised a range of issues, including complaints with respect to the allocation of the DGA's resources, the misuse by the DGA of funds, and regarding the welfare of greyhounds.
2. In accordance with our instructions, we focused our attention on the issues raised by those submissions of a systemic nature. We make the following findings:
 - a. *Unfair allocation of resources* – Previously, there was no process at the DGA for the allocations of the use of kennels at Winnellie Park in a fair and transparent manner. Since late 2020, the availability of kennels has been communicated to all members, expressions of interests sought, and a decision made by the Management Committee with respect to their allocation. Since that date, all members are also provided the opportunity to purchase greyhounds offered to the DGA from interstate.
 - b. *Misuse of funds* – Until late 2019, the DGA did not appropriately monitor and record the payment of prize money. On 4 August 2019, an overpayment of prize money was paid during the 2019 Darwin Cup as a result of which, unplaced greyhounds were paid \$200 rather than \$50. This overpayment was inadvertent, discussed with members and resulted in changes to processes to prevent its re-occurrence. The process currently used for the payment of prize money is adequate.
 - c. *Euthanasia* – There is no adequate policy in place in the Northern Territory regarding when it is acceptable to euthanise a greyhound, and the rates at which greyhounds are currently being euthanised are unacceptably high. Further, it is likely that fewer greyhounds would be euthanised than are being so currently if GRANT, and other rehoming organisations, received greater funding.
 - d. *Kennels* – The majority of the kennels at Winnellie Park are constructed in a manner that does not facilitate the entry of natural light. Where natural lighting is not possible or desirable, artificial lighting should be used and be similar in duration and intensity to natural lighting.
 - e. *Dental care and hygiene* – some owners/trainers are failing to provide adequate dental care and hygiene for the greyhounds in their care.

- f. *Application of the rules* – The Australasian Rules are being applied in circumstances where the Local Rules are operative, due to provisions in the Local Rules being antiquated or outdated.

Recommendations

3. We recommend that the DGA:
 - a. adopt and follow processes for the sale of greyhounds through the DGA, and for the allocation of its kennel facilities at Winnellie Park, as set out below;
 - b. ensure rental agreements include minimum standards to be met by persons who occupy the on-track kennel facilities and a power of entry in favour of DGA to staff to inspect the kennels and require clean up or remediation;
4. We recommend that the Racing Commission:
 - a. amend the Local Rules to reflect the Australasian Rules, where it is considered that the approach set out in the Australasian Rules is preferable;
 - b. amend the Local Rules to prevent such transfer of greyhounds to family members or associates, following a breach of the Local Rules;
 - c. amend the Local Rules to increase the maximum penalties available, to be consistent with the penalty provisions in other jurisdictions;
 - d. consider whether further amendment of the Local Rules is necessary, following the completion of the review of the Australasian Rules by Greyhounds Australasia; and
 - e. conduct research or an investigation into the high rates of greyhound euthanasia in the Northern Territory.
5. We have otherwise made a number of recommendations relevant to euthanasia earlier in this Report.

Submissions process

6. At the commencement of this investigation, we wrote to a number of interested parties seeking submissions in relation to the issues raised on the Terms of Reference. Licensing NT, and the Chairperson of the DGA did likewise.
7. In total, 22 submissions relevant to the investigation were received, either electronically or in hard copy. Where it was considered that a submission required clarification, or that corroborating evidence may be able to be provided, the authors of those submissions were contacted, and that clarification or information was sought.
8. It was not practicable or desirable for us to grapple with every individual allegation made in the submissions we received. Rather, where appropriate, our approach was to attempt to identify systemic failure(s) that may have given rise to the circumstances described in the submissions.
9. The following systemic issues were raised on the submissions we received:
 - a. unfair allocation of DGA resources;
 - b. the misuse of DGA funds;

- c. failures in maintain adequate standards with respect to animal welfare;
 - d. the acceptance of late nominations of greyhounds for races;
 - e. the withdrawal of greyhounds from races for insufficient reasons; and
 - f. discrepancies in penalties issued for offences and breaches of the Local Rules and / or the Australasian Rules.
10. We consider each in turn, below.

Unfair allocation of DGA resources

11. The most prevalent concern raised by during the submission process was the unfair allocation of DGA resources amongst members, and as between owners / trainers who reside at Winnellie Park (on-track) and those who do not (off-track).

Allocation of kennels

12. According to submissions we received, the DGA does not have a transparent system for applying for the use, or allocation of, on-track kennel facilities. Some submitters suggested that members of the Management Committee who own or train greyhounds have a vested interest in the allocation of kennel space and that trainers who reside on-track receive benefits and/or notifications that those who reside off-track do not receive.³⁵⁴
13. Members of the Management Committee advised us that the membership is notified when kennels are or will become available for use, via emails sent by Mr Aldam attaching the weekly Race Book. Members are otherwise generally aware of the upcoming availability of kennel space through conversations amongst owners and trainers at Winnellie Park.
14. The Management Committee stated that typically, members are required to submit expressions of interest for the use of kennel space, to the Committee. The Committee then determines the allocation of kennels on the basis of the expressions of interest it receives.
15. However, it was conceded that kennel space has, at times, been allocated absent any notification of the availability of kennels or expressions of interest being sought.³⁵⁵
16. In 2018, the Management Committee used insurance payments that it received for a kennel block that had been destroyed during Cyclone Marcus to build a new kennel block for a particular trainer and owner. Members of the Management Committee told us that the significant number of greyhounds the owner was willing to race at Winnellie Park, justified the use of the club's funds to build a kennel block for that individual. They explained that increasing the number of greyhounds at Winnellie Park is necessary to ensure the DGA was able to conduct enough races to meet its obligations to Sky Channel and thereby maintain its coverage and income.³⁵⁶
17. In mid to late 2020, another on-track trainer was forced to cease training greyhounds due to health issues and left a block of kennels and 12 greyhounds to be re-assigned. The Management Committee allocated the block to another trainer residing at the premises, who had expressed the willingness to care for the 12 greyhounds already occupying the kennel block. The Management

354 For example, Submissions provided 19 July 2020, 16 July 2020, 14 July 2020.

355 Meeting with R Brennan, G Aldam, J Winter, 10 November 2020.

356 *Ibid.*

Committee indicated it made its decision to allocate the kennels to this trainer on an expedited basis, to ensure the welfare of the greyhounds.³⁵⁷

18. On 23 October 2020, Mr Aldam circulated an email to members of the DGA attaching the Race Book for 25 October 2020. The email and Race Book invited expressions of interest for use of another kennel block that had been undergoing renovation. The kennels were allocated to a trainer whose expression of interest was submitted to, and considered by, the Management Committee.³⁵⁸
19. The DGA has available to it a system which if applied would ensure that all owners and trainers associated with the DGA are afforded an equal opportunity to apply for the use of kennel space. That is, advertising the availability of kennels in the DGA's Race Book and emails attaching the Race Book, and accepting expressions of interest. However, it is clear that the Management Committee only follows that process intermittently, leaving it open to the criticism that it has no transparent process in place.
20. Further, we have not been provided with any evidence that the Management Committee explains to its members its reasons for allocating kennels to certain persons, or that there are criteria which are applied.
21. In the two recent examples of the Management Committee allocating kennels without publicizing their availability, it did so for reasons that benefited the club. Irrespective of the justifiability of its reasons, the Management Committee will continue to be criticized for favouring the interests of some members over others, if it does not make decisions according to procedure, and provide explanations for the decisions that it makes.
22. To ensure that the allocation of kennel space is made pursuant to a transparent system, we recommend that the Management Committee undertake to applying the following process on every occasion that kennels become available at Winnellie Park:
 - a. *First*, publicise available kennel space, including via the Race Book and emails attaching the Race Book for two consecutive weeks.
 - b. *Second*, accept and consider all expressions of interest provided to it, at Management Committee meetings.
 - c. *Third*, reach a decision with respect to which applicant will move into the kennels, by reference to a written set of criteria known to the applicants and the membership.
 - d. *Fourth*, notify the membership of its decision to allocate the kennels *and* the reasons for that decision, in the first Race Book issued after the decision is made.
23. The Conflicts of Interest policy which we have recommended the DGA implement in Chapter 7 above must be followed in respect of kennel allocations, such that members of the Management Committee do not participate in the determination of kennel applications that they submit.

Offers to purchase greyhounds

24. Submitters told this investigation that notifications received by the DGA, in respect of opportunities to purchase greyhounds from interstate trainers, are not equally relayed to all owners and trainers associated with the DGA. Submitters were particularly concerned that Mr Aldam, the Racing

357 Meeting with R Brennan, G Aldam, J Winter, 10 November 2020; Email from Adam Poulter to DGA, 27 October 2020.

358 Kennel inspection undertaken 5 November 2020.

Manager, who is often the first point of contact for persons wishing to sell their greyhounds, does not consistently communicate those offers to owners and trainers at Winnellie Park.³⁵⁹

25. The Chairperson and Mr Aldam explained that from time to time, owners and trainers in other jurisdictions notify them that they are selling or giving away their greyhounds. Both the Chairperson and Mr Aldam rejected the suggestion that they do not relay those offers to all members of the DGA, equally.³⁶⁰
26. Mr Aldam confirmed that he sends emails to members of the DGA notifying them of any offers that he receives. He also provides sellers' contact details, so that interested persons may liaise directly with the seller in respect of the pricing and transfer of greyhounds.³⁶¹
27. We have reviewed email correspondence evidencing that practice. For example:
 - a. On 27 October 2019, Mr Aldam received an email asking him for the names of three trainers who may have been interested in purchasing a greyhound. Mr Aldam responded, *'usually if you give me the name I would distribute it out to the owners and trainers via our facebook and website with your contact email on there...'*³⁶²
 - b. On 23 November 2020, Mr Aldam wrote to the trainers associated with the DGA in relation to a phone call he had received about a greyhound for sale. Mr Aldam provided the seller's name and contact details and encouraged trainers to *'give him a ring if interested'*³⁶³
 - c. On 10 December 2020, Mr Aldam emailed DGA members in respect of two greyhounds for sale. Again, he provided members with the seller's name and contact details, stating that the seller was *'happy for you to call him to discuss if interested'*.³⁶⁴
28. We have reviewed correspondence in which Mr Aldam appears to be less impartial. In emails dated July 2020, Mr Aldam offered to *'direct'* greyhounds for sale to *'trainers who have spare kennels'* and to *'guide'* the seller *'in the direction of trainers who are well equipped to look after them [the greyhounds] and to get the best out of them'*.³⁶⁵ In an email the following month, Mr Aldam suggested the names of two particular trainers to a seller.³⁶⁶ Similarly, On 30 April 2019, a seller emailed to Mr Aldam, details of a greyhound for sale. Mr Aldam responded on the same date, confirming that he had sent the email *'around to a few trainers... they will contact you directly'*.³⁶⁷
29. These emails suggest that previously, if not currently, inconsistencies existed in the way in which notifications of greyhounds for sale were communicated. The Management Committee have indicated that previously, Mr Aldam used his knowledge of kennel openings and the trainers' relative desire for more greyhounds to inform who greyhounds were offered to.³⁶⁸
30. To avoid any suggestion of partiality in the future, we recommend that a process for the sale of greyhounds through the DGA be adopted, whereby:

359 Submissions provided 16 July 2020, 7 July 2020, 30 July 2020.

360 Meeting with R Brenan, G Aldam, J Winter, 10 November 2020.

361 Discussion with Greg Aldam, 23 December 2020.

362 Emails between Mr Aldam and prospective seller re 'Sale of Greyhound', 27 October 2019.

363 Email from Greg Aldam to DGA trainers re 'Molly Magic Available', 23 November 2020.

364 Email from Greg Aldam to DGA members re 'Ladbroke's Christmas Cup Race Night', 10 December 2020.

365 Emails between Greg Aldam and John MacMillon re 'Darwin Greyhounds', July 2020.

366 Emails between Greg Aldam and John MacMillon re 'Spring Double', August 2020.

367 Emails between Mr Aldam and prospective seller re 'Dog for Sale', 30 April 2019.

368 DGA response to NAM, 16 February 2021.

- a. A response is issued to the seller, confirming their offer will be relayed to all owners and trainers and that any interested persons will contact them directly. Recommendations to sellers as to the most suitable trainers to purchase their greyhounds should not be made.
 - b. The opportunity for the acquisition be communicated to all members, owners and trainers associated with the DGA, and the details of the greyhound for sale, and the seller's contact details be provided. The DGA should advise prospective buyers to contact the seller directly for further information.
31. Pro forma communication from the DGA can be readily prepared, into which the details of the greyhound and seller may be inserted on each occasion.
32. Adopting a process to that effect will ensure that the DGA affords and is seen to afford an equal opportunity to purchase greyhounds for sale.

Offers from Mr Aldam's personal contacts

33. Mr Aldam advised us that on several occasions per year, he receives notifications from his own personal contacts about greyhounds they are wishing to sell. Mr Aldam indicated that these contacts are persons with whom he has had a relationship since prior to taking on the role of Racing Manager, or are otherwise unconnected with that role.
34. Given that those contacts are persons with whom Mr Aldam became acquainted separately to his employment with the DGA, he does not consider it necessary to relay notifications from those persons to all members, owners and trainers associated with the DGA.³⁶⁹
35. Given Mr Aldam's role at the DGA, this approach has the potential to continue to create controversy among trainers, owners and members.
36. Ultimately, our view is that Mr Aldam should not be compelled to communicate offers to all members of the DGA, where those offers come from personal contacts whom he met prior to becoming Racing Manager, or in a manner unconnected to his role as Racing Manager.
37. To the extent that Mr Aldam receives offers from contacts made following his appointment to the role, and in connection with it, those offers must be passed on to the entire membership of the DGA.
38. Should further concerns regarding impartiality or favouritism be received, Mr Aldam should be required to demonstrate his relationship with the contact, so as to be assessed in accordance with this approach.

Misuse of DGA funds

39. Second to the unfair allocation of resources, submitters raised concerns about what they perceived to be misuses of DGA funds. Those submitters placed particular emphasis on the payment of prize money and other subsidies and incentives offered to owners and trainers.

Calculation and payment of prize money

40. Some submitters told this investigation that the DGA has no processes in place to ensure that prize money is accurately paid out and that this has resulted in instances of overpayments. It was alleged

369 Meeting with R Brenan, G Aldam, J Winter and B Halliwell, 10 December 2020.

that the DGA's bookmaker does not reconcile inaccuracies in prize money payments and that the Management Committee has refused to deal with those concerns when members have raised them.³⁷⁰

41. Historically, prize money paid by the DGA was lower than the amounts paid in other jurisdictions, resulting in less stringent processes being developed around the payment of prize money. Mr Aldam described those processes as being 'very loose' until more recent years. He explained that prize money was generally stored in a cash bag kept at the Winnellie Park bar. Trainers who were entitled to receive prize money for greyhounds which placed in a race, or seeking payment in respect of unplaced greyhounds, were required to sign their names on sheets provided at the bar. Bar staff were responsible for making the relevant payments from the cash bag.³⁷¹
42. In February 2019, the Management Committee discussed the need for clearer processes and the need to pay trainers directly.³⁷² In March 2019, the committee considered mechanisms for ensuring that a 'paper trail exists' and noted correspondence from members in relation to the payment of prize money.³⁷³ The reconciliation of prize money was also raised at an annual general meeting held in November 2019, as was the need for remittance advices or receipts to evidence payments made.³⁷⁴
43. The DGA's processes underwent significant changes in mid to late 2019. The DGA commenced using 'Prize Money Split' forms available on its website, whereby owners and trainers nominate the percentage of prize money to be paid to each. In the absence of a completed form, prize money is paid directly to the trainer.³⁷⁵ The DGA also ceased paying prize money in cash and commenced making electronic transfers of prize money into the bank accounts of eligible owners / trainers. The purpose of doing so was to ensure the accuracy of payments made and the retention of records of those payments. The DGA otherwise invested its office managers with responsibility for maintaining records of payments owed to trainers, and implemented a system requiring two people to review and confirm the accuracy of, those records.³⁷⁶
44. We are informed that the Operations Manager now maintains an excel spreadsheet recording the names of each trainer eligible to be paid a prize for a greyhound which places in a race, and those eligible to receive the unplaced free. The spreadsheet is used to reconcile prize money so that payments are made accurately. The Operations Manager prepares 'Payment Voucher Forms' for each owner / trainer on the basis of the amount owed to them as identified in the spreadsheet, and the Racing Manager reviews, reviews and authorizes those payments. The Operations Manager is responsible for making the prize money payments via electronic transfers and notifying the DGA's Bookkeeper of payments made.³⁷⁷
45. The DGA has provided us with the spreadsheet used to reconcile prize money payments, and examples of the signed Payment Voucher Forms which record the amounts to be paid to each owner / trainer (based on the spreadsheet), the date on which payment is made, and the electronic transfer reference number.³⁷⁸
46. The DGA does not issue physical receipts for prize money payments. However, the spreadsheet

370 Submissions provided 19 July 2020, 14 July 2020, 16 July 2020, 20 July 2020, among others.

371 Discussion with G Aldam, 23 December 2020.

372 Minutes of Management Committee meeting, 19 February 2018.

373 Minutes of Management Committee meeting, 19 March 2019.

374 Minutes of Annual General Meeting, 30 November 2019.

375 Prize Money Split Form, available at: <https://www.darwingreyhounds.com/wp-content/uploads/2019/06/Prizemoney-Split-Form-DGA.pdf>. The DGA's Operations Manager has confirmed that in the absence of a completed Prize Money Split Form, prize money is paid to the trainer.

376 Meeting with R Brennan, G Aldam, J Winter, B Halliwell, 10 December 2020.

377 Meeting with R Brennan, G Aldam, J Winter, B Halliwell, 10 December 2020

378 Prize Money Spreadsheet, 14 February 2021; Examples of Payment Voucher Forms, February 2021.

maintained by the Operations Manager together with the signed Payment Voucher Forms and the DGA's account activity summaries listing each electronic transfer made, provide detailed records of the prize money paid by the DGA and the recipients of those amounts.

47. We have reviewed the DGA's account activity summary against the amounts of prize money recorded in the DGA's audited financial statements for 2019 and did not identify any discrepancies in the reconciliation of those amounts.³⁷⁹
48. The DGA's payments of prize money significantly increased between 2015 and 2019, from a total of approximately \$345,000 to \$777,000.³⁸⁰ We are satisfied that the Management Committee appropriately recognized the need for improvement in its systems for the distribution of prize money and was receptive to the suggestions of members in that regard.
49. The DGA has implemented a system that is sufficient at present, in detecting and preventing errors from arising, and in deterring any misuse of DGA funds. However, we recommend that the Management Committee review the systems for the payment of prize money annually, to ensure its ongoing suitability.

Darwin Cup Day overpayment

50. Several of the submissions provided referred to an overpayment of prize money that was made to trainers on Darwin Cup Day in 2019. Some members stated that trainers were overpaid by some \$4,000 and that the Management Committee took no steps to recover the overpayments. Others stated that the Management Committee '*covered up*' the overpayment of prize money, by characterizing it as '*goodwill payments*' to trainers.³⁸¹
51. The Management Committee conceded there had been a significant overpayment of prize money to trainers on Darwin Cup Day in 2019. They explained that the overpayment resulted from a miscalculation in the amount payable for unplaced greyhounds, by an office manager who had recently commenced in the role and was unfamiliar with prize money amounts. The office manager mistakenly recorded that trainers were to be paid \$200 instead of \$50 for each unplaced greyhound and processed those payments.³⁸²
52. We were informed that the office manager notified the Management Committee of her error, immediately upon realizing it. The Management Committee considered that seeking reimbursement of the additional amounts paid to each trainer would have imposed an unnecessary burden on those trainers. It also considered that:
 - a. the DGA had made a profit during the previous financial year, such that the overpayment did not have any significant impact on its financial position; and
 - b. the overpayment benefited the DGA's trainers, which was ultimately beneficial to the DGA.
53. On that basis, the Management Committee determined that it would allow trainers to retain the additional amounts they had received, as a gesture of goodwill. It also determined that it would repay any trainers who had already reimbursed the DGA, the amount of the overpayment.³⁸³

379 Audited financial records for financial year ending 30 June 2019; Account Activity Summary in relation to prize money payments, 1 July 2018 to 30 June 2019. No discrepancies were identified in the records for 2015 to 2018.

380 Audited financial records for financial years ending 30 June 2015 to 30 June 2019.

381 Submissions provided 19 July 2020 and 14 July 2020.

382 Meeting with DGA R Brennan, G Aldam, J Winter and B Halliwell, 10 December 2020; Discussion with G Aldam, 23 December 2020.

383 *Ibid.*

54. The deliberations of the Management Committee are not recorded in minutes of the Management Committee's meetings. However, we have reviewed the minutes of the DGA's annual general meeting held on 30 November 2019, which state '*Questions were raised over prize money over payments at the time of the Darwin Cup. Any trainer that paid back the overpaid prize money in relation to the Darwin Cup overpayments would be paid back*'.³⁸⁴ Those minutes accord with our discussions during this investigation.
55. We are satisfied that:
- a. the overpayment of prize money on Darwin Cup Day resulted from an error on the part of a new employee;
 - b. the Management Committee did not seek to 'cover up' the issue. It was discussed at an annual general meeting, at which its decision to allow trainers to retain the additional payments they had received was noted; and
 - c. the updated processes implemented by the DGA to regulate the payment of prize money (as discussed earlier in this chapter), are designed to prevent similar errors from recurring in future.

Incentives and subsidies

56. Several submitters were concerned that some owners and trainers were arranging for elderly greyhounds which are no longer capable of racing competitively to be brought to Winnellie Park, solely for the purpose of receiving freight subsidy payments and the unplaced fee on each occasion those greyhounds raced.³⁸⁵
57. Subsidies and incentives provided by the DGA are limited to:
- a. the payment of the unplaced fee (historically \$50; increasing to \$75 as of 1 March 2021 for 537m races) in respect of greyhounds which do not place in races; and
 - b. the payment of a subsidy for the freight expenses associated with transferring greyhounds to the DGA from other jurisdictions.
58. The amount of the freight subsidy payable is dependent upon the age of the greyhound transferred into the jurisdiction. For greyhounds less than 2 years of age, the DGA pays \$800; for greyhounds of between 2 and 3 years of age, the DGA pays \$600; and for greyhounds over 3 years of age, the DGA pays \$300.³⁸⁶
59. We were informed that unplaced payments are available to all trainers who race greyhounds at Winnellie Park, without limitation, in the same way as some other jurisdictions offer travel subsidies to their greyhound owners and trainers.³⁸⁷ The DGA's Animal Welfare Support Protocol describes the unplaced fee as being for the purpose of '*allowing trainers to maintain comfortable lifestyles for the greyhounds in their care*'.³⁸⁸

384 Minutes of Annual General Meeting, 30 November 2019.

385 Submissions provided 23 June 2020 and 14 July 2020.

386 Minutes of Management Committee meeting, 8 November 2016. Increases to the freight subsidy appear to have been discussed at meetings of the Management Committee on 10 December 2019 and 16 July 2020. This Inquiry has not been provided with any evidence of the subsidy being increased.

387 Discussion with Greg Aldam, 23 December 2020.

388 Animal Welfare Support Protocol.

60. Similarly, each owner or trainer who transfers a greyhound to Winnellie Park from another jurisdiction, is eligible to apply for a freight subsidy. The purpose of the subsidy is to assist owners and trainers to source greyhounds, given they are not whelped in the Northern Territory. The subsidy is also used to incentivize owners to purchase greyhounds for racing at Winnellie Park.³⁸⁹
61. When questioned about owners and trainers bringing elderly greyhounds to Winnellie Park for the sole purpose of receiving the unplaced amount and freight subsidy, Mr Aldam conceded that it was a possibility. Mr Aldam explained that it was difficult for the DGA to restrict certain trainers from having access to its subsidies and incentives, in circumstances where:
- a. Those subsidies and incentives are used to ensure that owners and trainers have sufficient means to provide for the welfare of greyhounds in their care, and to encourage owners and trainers to race greyhounds at Winnellie Park.
 - b. The DGA is obliged to hold a significant number of races each week, pursuant to its contract with Sky Channel, and this requires adequate numbers of greyhounds to be available to conduct those races.
 - c. The DGA is generally home to older greyhounds than those which race in other jurisdictions. The prize money on offer at the DGA has historically been less than that paid out in other jurisdictions. It has therefore been inevitable that the greyhounds brought to the DGA have been those nearing the end of their racing careers.
62. Notwithstanding those difficulties, Mr Aldam told us that the freight subsidy paid to owners is dependent upon the age of the greyhounds transferred to Winnellie Park and that younger greyhounds attract larger subsidies.³⁹⁰ The freight subsidy will also only be paid once the greyhound has participated in six races. This provides an incentive for owners and trainers to seek out younger greyhounds who remain healthy, rather than older greyhounds.
63. We have reviewed the DGA's spreadsheet of freight subsidy payments for 2020, which lists the age of each greyhound transferred to Winnellie Park that year. The spreadsheet accords with Mr Aldam's evidence, insofar as it is clear that elderly greyhounds form a minority of those transferred from other jurisdictions. Of the 55 greyhounds that were transferred to Winnellie Park in 2020, only 3 were aged 4 years or over, and an additional 7 were aged 3 years or over. The average age of a greyhound transferred to Winnellie Park in 2020 was 2.28 years.³⁹¹
64. We do not consider the payment of freight subsidies and amounts for unplaced greyhounds to have been a misuse of the DGA's funds. Further, the restrictions regarding eligibility for the freight subsidies are sufficient so as to appropriately curtail, if not to eliminate, the practices complained of in the submissions.

Failures in maintaining adequate animal welfare standards

65. Several of the submissions received in the course of this inquiry raised concerns in relation to the welfare of greyhounds racing at Winnellie Park.
66. While none suggested the maltreatment of animals at the scale found in NSW or Victoria during their investigations, a number of submissions did raise potential systemic issues, including the following:

389 Discussion with Greg Aldam, 23 December 2020.

390 *Ibid.*

391 Freight Subsidy Calculator spreadsheet, 2020.

- a. high rates of euthanasia in the Northern Territory;
 - b. a number of occasions of greyhounds being euthanised in improper circumstances were identified;
 - c. a number of occasions of greyhounds being surrendered to GRANT in very poor condition, and in particular, with significant dental issues, were identified;
 - d. unhygienic kennels in use at Winnellie Park, which were unfit to house greyhounds; and
 - e. concerns with respect to the transportation of greyhounds to Western Australia.
67. With the exception of those submissions made by GRANT, the submitters did not provide evidence of the submissions made, and as such, our investigation progressed by requesting and reviewing materials provided by other stakeholders (such as those provided by the Chief Steward, the Animal Welfare Authority, and veterinary clinics) and by interviewing industry participants.

High rates of euthanasia

68. We received submissions expressing concern regarding the high rates of greyhound euthanasia occurring in the Northern Territory.
69. In the course of our investigation, we considered euthanasia rates as evidenced by OzChase records, greyhound retirement forms held by the Racing Commission, and the Clinic Statistics, among other things.
70. OzChase records suggest that the number of greyhounds euthanised in 2016 and 2017 was 24 and 37, respectively.³⁹² In 2017, this was the equivalent of approximately one in four racing greyhounds being destroyed.
71. The records held by the Racing Commission indicate that the numbers of greyhounds euthanized in the Northern Territory reduced somewhat in 2019 and 2020, with 18 greyhounds having been euthanized in each of 2019 and 2020. The majority of these greyhounds (26 of 36) were 2, 3 or 4 years old.
72. The Clinic Statistics demonstrated that:
- a. 266 greyhounds were euthanized at one clinic, from 2006 until 22 March 2021, 235 of which were in the care of racing owners/trainers at the time of their euthanasia, and 31 which were not.
 - b. Since 2010, 17 or more greyhounds have been euthanized at the clinic annually, with the exception of 2020, in which 12 greyhounds were euthanized.
 - c. The highest number of greyhounds euthanized in a calendar year at the veterinary clinic was 32 in 2017, followed by 31 in 2016. The 2017 figures are consistent with the high numbers of euthanized greyhounds captured in the OzChase records that year.
 - d. Of the owners/trainers represented in the Clinic Statistics, 26 have had between 1 and 5 greyhounds euthanized, and 16 have had over 5 greyhounds euthanized.
 - e. The largest numbers of greyhounds euthanized by a single owner/trainer was 28 (Person A), followed by 23 (Person B), two instances of 19 (Persons C and D), and one of 18 greyhounds (Person E). Further:

392 Letter from the Racing Commission, 5 May 2021.

- i. Person B had 8 greyhounds euthanized in 2016, 5 in 2019, and 5 in 2020;
 - ii. Person D's 19 greyhounds were all euthanized between December 2015 and 2020; and
 - iii. 7 of Person E's greyhounds were euthanized in 2010 and 5 in 2012.
73. Another veterinary clinic provided details of greyhounds it euthanised in 2020, of which there were five:
- a. Greyhound A, aged 4 years and 9 months, due to '*extensive dog fight wounds*';
 - b. Greyhound B, aged 4 years 10 months, due to a '*fractured right forelimb*';
 - c. Greyhound C, aged 2 years, due to '*aggression*';
 - d. Greyhound D, age unknown, due to an '*acute collapse*'; and
 - e. Greyhound E, age unknown, due to '*dog fight wounds fractured skull*'.
74. That there is no one reliable data set for the number of greyhounds euthanised in the Northern Territory is itself very problematic, as has been commented upon earlier in this Report. It undermines industry accountability for reducing the incidence of euthanasia, and is expressly contrary to the Greyhounds Australasia's commitment to improving the tracking of greyhounds.
75. In our view, based on the information that is available, the rate of greyhound euthanasia in the Northern Territory is unacceptably high.
76. There is a clear need for greater socialization of greyhounds, to improve their prospects of rehoming, for greater investment into rehoming programs, and for a greater commitment amongst all stakeholders in this jurisdiction to reduce euthanasia rates.

Greyhounds euthanised in improper circumstances

77. We received a small number of submissions that indicated that greyhounds had been euthanised in improper circumstances.
78. One submission indicated that Trainer A, who owned a number of greyhounds, was leaving the jurisdiction and was seeking to rehome a number of greyhounds through GRANT.
79. We were informed by GRANT that Trainer A stated that he would be euthanizing any dogs that had not been taken by GRANT for rehoming by the time he departed.³⁹³ Records from GRANT indicated that they were able to take one of the greyhounds trained by Trainer A that had already been assessed, though were not capable of taking the balance until an assessment had been completed.
80. We received evidence that two greyhounds owned by Trainer A were euthanised at or about the time of his departure from the jurisdiction. In the notification of retired registered greyhounds, Trainer A wrote that the greyhounds were "*not suitable for rehoming or gap*". No further explanation was provided. Nor is one required under the current notification form.
81. A second submission indicated that a greyhound, pseudonym "Trevor" owned by Owner X was considered for rehoming by GRANT. The submission noted that Trevor was assessed by GRANT

393 File note of GRANT President, dated 12 September 2019.

and in the course of the process had shown aggression to some smaller dogs, which resulted in a delay in the entry into the GRANT program. Rather than keep kennelling Trevor in the interim, Trevor was euthanised.

82. A review of the records provided by the Chief Steward indicate that Trevor was owned by a syndicate, which included Owner X, the Racing Manager and Trainer A, above. Further, the records suggest that Trevor's last race was in July 2019 and he was euthanised in January 2020.
83. A third submission indicated that a greyhound, "Sonia" owned by Owner Y and trained by Trainer B had been euthanised by the Racing Manager without Owner Y's knowledge. OzChase records indicate that Sonia was brought to Darwin in April 2016, raced in 11 races until July 2016, and then ceased racing. Records from a veterinary clinic indicate that a dog similarly named and owned by Owner Y, was euthanised in August 2016.
84. When the allegation was put to the Racing Manager he did not recall Sonia though suggested it was possible he was involved in his relocation to Darwin and it was possible that he owned a share in him with Owner Y.³⁹⁴ The Racing Manager indicated that he would never facilitate a dog being put down, without the permission of the dog's owner.
85. On the basis of our investigation of these submissions, the following findings are available:
 - a. it is likely that greyhounds are being euthanised where they would otherwise be rehomed, if GRANT was provided with greater resources; and
 - b. there is no adequate policy addressing when it is appropriate or permissible to euthanise a greyhound (as was noted in response to TOR 3).
86. The first finding above is supported, to some extent, by the high rates of euthanasia observed in the Clinic Statistics, OzChase records and greyhound retirement forms provided by the Racing Commission.

Greyhounds surrendered with significant dental issues

87. We received a submission from GRANT that suggested a number of greyhounds had been surrendered in poor condition, including with rotten teeth. GRANT provided us with supporting documentation regarding two greyhounds, including veterinary records, a letter from the foster carer and photos.
88. *First*, GRANT submitted that a greyhound, "Lachie" owned by Trainer C was rehomed via GRANT in April 2018 and that between April 2018 and July 2019, all of Lachie's teeth had to be removed. Records provided by the Chief Steward confirm that Lachie was retired in April 2018.
89. A letter from the veterinarian confirmed the removal of all of Lachie's teeth, noting the removal was required as a result of Chronic Ulcerative Parodontal Stomatitis.³⁹⁵ GRANT provided invoices from the veterinarian evidencing extractions that cost in the order of \$1,839.40.
90. *Second*, GRANT submitted that a greyhound, "Abi" owned by Trainer D, and previously Trainer C, was surrendered for rehoming in May 2020, and in the same month, had 42 of her 44 teeth removed.
91. Records from the Chief Steward confirm that Abi was retired in May 2020, and records from the veterinarian confirmed 42 of her 44 teeth were removed at a cost of \$2,970.66. GRANT's records

394 Meeting with G Aldam, 17 December 2021.

395 Letter from veterinarian, dated 10 July 2020.

suggest the cost was significantly higher. Further, correspondence from the GRANT foster carer stated that when Abi was surrendered, she was “severely malnourished”, “almost emaciated” and “her ribcage and pelvis were visible”.

92. The DGA has at times agreed to pay the veterinary bills associated with these issues, however Management Committee discussions regarding the management of animal welfare issues demonstrates they are not proactive in managing owners / trainers recognized as “mismanaging” greyhounds.
93. For example, on 4 June 2020, in discussing contribution towards veterinary expenses, the Management Committee noted:

We will pay \$1500.00 of Grant's Vet bill but request Grant review policy of acceptance of bad health greyhounds. DGA not prepared to keep picking up the tab for owners offloading greyhounds that have been mismanaged.

94. In the Veterinarian Statement, the main concern identified with respect to the greyhounds that race at the DGA was their overall hygiene. In the veterinarian’s experience at the track, “dogs are presenting unbathed with dirty, smelly coats and moderate to severe dental disease”.³⁹⁶
95. While some literature indicates that dental disease affects greyhounds at a greater rate than any other dog breed,³⁹⁷ the extent of the dental issues with the greyhounds identified by GRANT and the concerns raised by the veterinarian support a finding that certain owners/trainers are failing to provide adequate dental care for the greyhounds in their care.
96. As noted in Chapter 9 above, there is currently no policy requirement for owners/trainers to provide a minimum level of dental care to their greyhounds, nor any meaningful information provided as to how they should be cared for more broadly.

Winnellie Park kennels are unhygienic and unfit to house dogs

97. The maintenance of standards of hygiene are vital for both the prevention of disease and the general welfare of greyhounds. Several submissions commented on the unhygienic conditions of kennels at Winnellie Park, and the lack of oversight from the Management Committee and the Chief Steward.³⁹⁸ No evidence was provided in support of these submissions, however the Chief Steward conceded that inspections were too infrequently conducted.³⁹⁹
98. To investigate this issue further, we conducted a review of the materials provided by other stakeholders, including the Animal Welfare Authority, the Chief Steward and GRANT. We also conducted our own inspection of the kennels on 5 November 2020.
99. There are relatively few issues raised on the documents before us in relation to the cleanliness or condition of the kennels during the period from 2015 to 2019. However, this must be understood in the context of inspections of the kennels on track not being conducted systematically or regularly during this period.
100. On 5 April 2019, Stewards conducted an inspection of the on-track kennels. Following that inspection, the Racing Commission indicated that their ‘expectations of cleanliness and upkeep

396 Veterinarian Statement

397 O'Neill, D.G., Rooney, N.J., Brock, C., Church, D.B., Brodbelt, D.C. and Pegram, C. (2019) ‘Greyhounds under general veterinary care in the UK during 2016: demography and common disorders’, Canine Genetics and Epidemiology, available: [dx.doi.org/10.1186/s40575-019-0072-5](https://doi.org/10.1186/s40575-019-0072-5).

398 Submissions provided 23 June 2020, 2 July 2020 and 14 July 2020, among others.

399 Discussion with the Chief Steward, 2 July 2020.

have not been met'. In correspondence from the DGA to all on track trainers, it was noted that an immediate clean-up of kennels and surrounding areas was required, and in particular, *'bowls need to be emptied and cleaned', 'loose metal fencing needs to be removed ASAP'* and *'dog dropping and bags are put in the bins that are available'*. The DGA stated that race meetings would be cancelled unless there was a noted improvement.

101. The documents indicate that at that time, a large kennel facility on site was in poor condition, and had a damaged roof, which resulted in water entering the kennels. Further, a number of the kennels on site were affected by poor drainage and dense foliage, which resulted in the kennels emitting an offensive odour.
102. Following this inspection, both the DGA and the trainers/ owners who occupied the kennels took a number of steps to address the issues raised, including:
 - a. the cleaning of all on-track kennels;
 - b. tree works, totalling \$49,000 would commence on 15 April 2019;
 - c. the removal and disposal of all rubbish on site; and
 - d. engaging a plumber to rectify drainage issues and further workers were being carried out to rectify drainage issues.⁴⁰⁰
103. The DGA also indicated that it would move towards signing lease agreements with all trainers operating kennels at Winnellie Park, enabling the DGA to inspect the kennels and require improvements/ rectification as required.⁴⁰¹ That has not occurred.
104. While further inspections at the DGA premises identified isolated incidents (in June 2020 it was noted that there was a "smell" coming from one of the same larger kennel block on site), no further significant issues associated with cleanliness were noted by the Stewards or other persons in the documents provided to us.
105. On 5 November 2020, we conducted an inspection of each of the kennel facilities in use at Winnellie Park, as well as a bank of vacant kennels on the premises, accompanied by the Chief Steward and a Senior Steward. Photographs of our inspection are at Annexure A to this Report.
106. During that inspection, each of the on-track trainers told us that routine cleans of the kennels were undertaken and each of the kennels appeared clean and tidy. Further, while some of the kennels were quite dated, there were no obvious concerns with respect to roofing or drainage and no pooling of water in or around the kennels. Nevertheless, it is important that appropriate hygiene standards are maintained.
107. We reiterate our recommendation that Stewards undertake routine inspections of the kennel. Additionally, as was foreshadowed in 2019, the DGA must ensure rental agreements include minimum standards to be met by persons who occupy the on-track kennels and a power of entry, to allow the DGA to inspect the kennels and require clean up or remediation, separately to any routine inspections undertaken by the Stewards.
108. During our inspection, it was noted that the majority of the kennels on site were constructed in a manner that did not facilitate the entry of any or much natural light. In several, natural light had

400 Email from Dan McKeown to Travis Te Whata dated 11 April 2019.

401 The DGA have been considering rental agreements since at least February 2018 (see Committee Minutes 20 February 2018).

been completely excluded from the building in order keep the kennel cool.

109. Kennelling greyhounds in the dark for extended periods of time throughout the day is not acceptable practice. Where natural lighting is not possible, artificial lighting should be used and be similar in duration and intensity to natural lighting.

Transfers to Western Australia

110. A number of stakeholders suggested that it was becoming more difficult to rehome greyhounds in the Northern Territory, because the number of greyhounds already in the community was relatively high. The Chairperson of the DGA described the Northern Territory as “oversaturated”.⁴⁰²
111. To deal with this issue, certain owners in the Northern Territory have taken steps to transfer greyhounds to Western Australia, which is considered able to rehome a greater number of greyhounds.
112. Records suggest that in 2019 and 2020, approximately 18 greyhounds were transferred to an owner based in Western Australia, for rehoming within that jurisdiction. This was primarily facilitated by an individual from Western Australia, who we were advised by the WA Chief Steward had previously been disqualified by the RWWA due to an animal welfare matter, and later refused a license. It is understood that several greyhounds had also been relocated to Western Australia, with the assistance of that individual, in 2017.
113. Various submissions and a number of persons involved in rehoming in Western Australia raised concerns with the process of receiving greyhounds from the Northern Territory, including that one or more greyhounds had died in the course of the journey, either from heat exhaustion or dehydration, and that some greyhounds arrived in very poor condition.
114. In our view, interstate transfer should only be conducted where owners are able to ensure the conditions of carriage do not have a materially adverse impact on the health of the greyhounds.
115. Further, the Racing Commission should monitor transfers of greyhounds interstate, and take steps to prevent such transfers if it is found that the welfare of greyhounds cannot be assured in the process. The Racing Commission should also notify its counterpart, the controlling body in the relevant jurisdiction, of any proposals for greyhounds to be rehomed within their jurisdiction.

Racing Issues

116. We received a number of submissions regarding improper nominations and withdrawals of greyhounds from races, and inappropriate penalties issued by Stewards for offences or breaches of the Local and Australasian Rules.
117. This appears to be a result of a misunderstanding as to which Rules are applicable and their operation. In particular:
 - a. The DGA and Stewards are presently adhering to the Australasian Rules in circumstances where the Local Rules are operative. That is so notwithstanding the Australasian Rules state that the Local Rules are to take precedence in the event of any inconsistency between them.
 - b. The penalties imposed on persons for offences associated with greyhound racing or breaches of the Local Rules, the Australasian Rules, and the DGA’s Constitution, differ. Those

402 Discussion with R Brennan, G Aldam and J Winter, 14 December 2020.

differences appear not to be widely understood by members, owners and trainers associated with the DGA.

118. As stated in Chapter 10 above, we recommend that the Racing Commission develop and adopt policy documents which outline the processes to be adhered to in respect of nominations and withdrawals of greyhounds, offences and penalties.

Nominations

119. Submitters told this investigation that greyhounds are often nominated after the specified time for nominations and that permitting nominations to occur after the specified time would advantage some trainers over others. That is, trainers nominating late would be aware of the greyhounds already nominated for a particular race, and able to adjust their nominations to benefit their greyhounds accordingly.⁴⁰³
120. The Local Rules require the Racing Commission to advertise the time and place for nominations to occur, and state that nominations are not to be received thereafter, unless they are approved by the Commission.⁴⁰⁴ Nominations are not to be accepted by the Racing Commission if they are not in the approved form.⁴⁰⁵ The Australasian Rules do not provide any further detail in respect of nominations.
121. The Racing Manager and the Chief Steward provided us with details of the conduct of nominations in practice.⁴⁰⁶ They explained that:
- a. Nominations close on Wednesdays for races that are scheduled to occur on Sundays, and on Thursdays for races that are scheduled to occur the following Wednesdays. The Racing Manager provided us with several emails to DGA members, stating that ‘nominations close at 9am sharp’ on the relevant dates.⁴⁰⁷
 - b. Owners and trainers associated with the DGA use the OzChase system for nominations. OzChase is an online nominations system that is used in New South Wales, Queensland, Western Australia and Tasmania.⁴⁰⁸ The closing times for nominations are stated on the OzChase system so that all owners / trainers are aware of those dates and times and are required to log into the system to make their nominations prior to the specified closing times.
 - c. Whilst owners / trainers are able to see the number of greyhounds nominated for races via OzChase, the names and details of those greyhounds remain confidential until the official race schedule is released.
 - d. The only persons who have access to view the nominations made by each owner / trainer are the Stewards appointed by the Racing Commission.
122. The Chief Steward and the Racing Manager both rejected the assertion that any owner or trainer could use a late nomination to their advantage, given the confidentiality around nominations. The

403 Submissions provided 23 June 2020 and 20 July 2020.

404 Local Rules, rule 123.

405 *Ibid*, rule 113.

406 Discussion with Greg Aldam, 23 December 2020; Discussion with Chief Steward, 28 January 2021.

407 Emails from Mr Aldam attaching race book, 26 November 2020, 4 December 2020, 10 December 2020.

408 <https://noms.ozchase.com.au/Login/Login>

Chief Steward also confirmed that neither he nor the other Stewards had ever disclosed any of the nominations submitted to them, prior to the release of the official race schedule.⁴⁰⁹

123. However, the Racing Manager advised that late nominations do occur in some circumstances, including, when an owner / trainer who ordinarily nominates a greyhound each week, fails to do so, or when additional greyhounds are required for a race to proceed. The Racing Manager noted that in those circumstances, the Stewards had contacted owners / trainers to remind them that their nominations were due, or to ask them to nominate additional greyhounds.⁴¹⁰
124. The Chief Steward disagreed with the Racing Manager's account, stating that he has accepted late nominations in circumstances where the OzChase system has closed while an owner / trainer was still entering their nominations. He explained that he considered it necessary to show more leniency in such circumstances, than would be shown in other jurisdictions, due to the smaller numbers of greyhounds racing at the DGA. He reiterated that no owner or trainer has ever been shown preferential treatment in respect of nominations and denied accepting late nominations on any other bases.
125. The Chief Steward accepted that Stewards had contacted owners / trainers in relation to their nominations on one occasion whilst he was on leave. He explained that those Stewards were newly appointed at the time and asked trainers to nominate additional greyhounds so as to ensure there were sufficient greyhound numbers for certain races to proceed. The Chief Steward confirmed that, at no time did those Stewards disclose any existing nominations to the trainers they spoke with. Following the incident, the need to adhere to nominations processes and closing times was relayed to the Stewards in question, and an incident of this kind has not been repeated.⁴¹¹
126. We are unable to review the numbers of late nominations made by owners / trainers associated with the DGA, as those records are not retained by the Chief Steward or the OzChase system. We have been assured by the Chief Steward, and we accept, that late nominations occur very rarely.
127. Having regard to the confidentiality associated with the OzChase system, we also accept that owners and trainers are unable to use late nominations to their advantage and do not receive any preferential treatment in that regard.

Withdrawal of greyhounds from races

128. Submitters told this investigation that some trainers withdraw their greyhounds from races '*at the last minute*' in order to manipulate races, without any consequences. Those submitters noted that certain trainers were more likely to withdraw their greyhounds from races, than others.⁴¹²
129. In response, the Chief Steward told us that greyhounds may be withdrawn from a race or trial, without any penalty being issued to their owner / trainer, in circumstances where:
 - a. The owner / trainer of a greyhound makes an application to withdraw the greyhound prior to 8.00 am on the date of the race or trial.
 - b. The greyhound is presented to the Stewards after 8.00 am on the date of the race or trial, and the stewards are satisfied that the greyhound is ill or injured.
 - c. An ill or injured greyhound is prevented from participating in races or trials for 10 days, rendering them 'ineligible' to participate in other races for which they may have been nominated.

409 Discussion with Chief Steward, 28 January 2021.

410 *Ibid.*

411 *Ibid.*

412 Submission provided 23 June 2020.

- d. The greyhound has gained weight.
 - e. The greyhound was only listed as a reserve for a race and is 'scratched' from the race if it is not required to participate.
 - f. The Stewards otherwise provide permission for a greyhound to be withdrawn from a race.⁴¹³
130. In all other circumstances, owners or trainers who withdraw their greyhounds from a race or trial after 8.00 am on the date of the race or trial, are issued with penalties.
131. The Chief Steward agreed that some trainers withdraw their greyhounds from races more often than others. However, he explained that those trainers own and race larger numbers of greyhounds than others, thereby increasing the chances that they will need to withdraw some greyhounds due to injury, or that those greyhounds will be scratched from races after being listed as reserves. The Chief Steward rejected the assertion that some trainers do not receive penalties for late withdrawals, when those penalties are warranted.⁴¹⁴
132. We have reviewed the Stewards' Reports of race meetings occurring between June and December of 2020 and are satisfied the details of withdrawals of greyhounds in those Reports accord with the Chief Steward's account. The Reports list the name of each greyhound that has been withdrawn from a race and the reason for their withdrawal. Where those withdrawals are late and warrant a penalty, that is also noted.⁴¹⁵
133. We have not been presented with any evidence that owners or trainers are being permitted to withdraw greyhounds from races without receiving penalties, in circumstances where the rules indicate a penalty should apply. Nor have we any evidence that greyhounds are being withdrawn from races for insufficient reasons.
134. Rather, the Stewards' Reports show that the majority of greyhounds being scratched from races are withdrawn on the basis that they have been injured, are ill, or are illegible to race following an injury or illness. It is important that injured greyhounds are able to be withdrawn for such reasons. Many of those greyhounds belong to the owners and trainers who operate the largest kennels within the DGA.
135. Further, the Stewards' Reports record those trainers being issued with fines, when their withdrawal has been late or lacking a valid reason.⁴¹⁶
136. The Stewards' Reports otherwise record instances in which greyhounds which have not suffered any injury or illness, have been withdrawn from races, with the permission of the Stewards. The two most prominent examples occurred on:
- a. 2 February 2020 - when Stewards permitted withdrawal of greyhounds due to a sudden death in the family of the trainer / owner; and
 - b. 16 February 2020 - when the Stewards permitted a trainer to quarantine all of his greyhounds after some of them contracted gastroenteritis.⁴¹⁷

413 Discussion with Chief Steward, 28 January 2021.

414 *Ibid.*

415 See, for example, Steward's Report, 4 October 2020 and Steward's Report, 21 October 2020.

416 See, for example, Steward's Report dated 30 August 2020, in which a fine was received for a late withdrawal.

417 Steward's Report, 2 February 2020; Steward's Report, 16 February 2020.

137. In both cases, we are satisfied that the Stewards exercised their power to permit the withdrawal of greyhounds from races, appropriately.
138. Notwithstanding the above, we have identified some minor discrepancies between the Local Rules and the Australasian Rules, insofar as they apply to the withdrawal of greyhounds from races, which may have contributed to confusion among some members.
139. For example:
- a. The Australasian Rules permit owners or trainers of greyhounds to make an application for the withdrawal of a greyhound from a race on the basis of illness or injury, on the date of the race, provided the application is made prior to the '*appointed scratching*' time. The Rules permit the stewards to authorize the withdrawal if they are satisfied that the application is for an acceptable reason. They provide that the stewards *may* require the greyhound to be examined, but do not mandate that examination. The Chief Steward's practice accords with this process.
 - b. The Local Rules also permit owners or trainers of greyhounds to make an application for the withdrawal of a greyhound from a race on the basis of illness or injury, prior to a specified time. However, the Local Rules require that, prior to approving any such application, Stewards are presented with the greyhound for inspection, or with a veterinarian's certificate or statutory declaration made by the owner or trainer, confirming the greyhound's inability to race.⁴¹⁸
140. The approach taken to withdrawals in the Australasian Rules appears to be more practical, and presumably for that reason it has been adopted by the Chief Steward.
141. Another example of reliance on the Australasian Rules, rather than the Local Rules, relates to certificates required to be issued pursuant to Rule 132 of the Local Rules. A certificate is required to be issued by the Stewards, under that Rule, following an inspection of the track, kennels and equipment, pursuant to Rule 131. The Stewards certificate confirms the fit and proper state of the kennels and starting boxes, and that the track is satisfactory, for example.
142. The Australasian Rules do not provide for such a certificate, and the practice of the Chief Steward has been not to issue one. Rather, the Chief Steward informed us that he raises any concerns identified with the DGA groundskeeper on the night, and follows up with the DGA, subsequently, via email.
143. We recommend the Local Rules be reviewed and amended by the Racing Commission to reflect the Australasian Rules, where it is considered that the approach set out in the latter is preferable.

Insufficient penalties issued for breaches of applicable rules

144. Several submitters told this investigation that penalties issued to various persons for breaches of the Greyhound Rules have been insufficient. Some submitters claimed that this was due to the Stewards appointed by the Racing Commission protecting the DGA rather than adequately fulfilling their duties, whilst others claimed that the penalties issued by Stewards reflected their preferential treatment towards trainers with greater numbers of greyhounds.⁴¹⁹
145. The Chief Steward rejected each claim, stating that he and the other Stewards investigate all issues brought to their attention and within their power to investigate, pursuant to the Local Rules and the Australasian Rules, and issued penalties accordingly. The Chief Steward denied that he or other

418 Local Rules, rule 210.

419 Submissions provided 5 August 2020 and 23 June 2020.

Stewards showed favouritism to any trainers, irrespective of the numbers of greyhounds they train. He referred by way of example, to several penalties issued to the largest trainer of greyhounds at the DGA, for a range of offences.⁴²⁰

146. We have reviewed records in relation to several Stewards inquiries.
147. Neither those records or any other documentation we received evidence that the Stewards failed to exercise their authority to issue penalties when those penalties have been warranted. Nor do those records suggest that Stewards have showed preferential treatment to some trainers over others, or to have used their discretion inappropriately when determining the penalties to be issued.
148. In March 2020, Trainer E who owns and races the largest number of greyhounds at the DGA, was fined \$100 for breaching Rule 86(t) of the Australasian Rules, and in June 2020, he received a fine for breaching Rule 48 of the Australasian Rules.⁴²¹ Most recently, in August 2020, Trainer A was fined \$3,925 for betting against his own greyhound.⁴²² Trainer E does not appear to have been given any preferential treatment in relation to these penalties. To the contrary, the novelty of the breach in August 2020 required careful consideration by the Stewards to ensure he was held accountable.
149. In 2017, Trainer F was charged with breaching Rule 83(2)(a) of the Australasian Rules and issued with a three-month suspension. In August 2019, when Trainer F was charged with the same offence, the Stewards inquiring into the matter considered Trainer F's history of breaching applicable rules, before issuing him with a 12-month disqualification.⁴²³ We consider the exercise of the Stewards' discretion in increasing Trainer F penalty to have been appropriate in the circumstances.

Trainer G

150. In mid-2019, Trainer G was issued with a four-week suspension from the DGA as a result of his behaviour towards other DGA members. During the period of his suspension, Trainer G transferred his greyhounds to Trainer E, who continued to nominate those greyhounds for races. Members of the DGA complained that this was not in accordance with the penalty he had been issued to Trainer G, but that the Stewards had approved it in any event.
151. The Racing Commission considered this matter in October 2019 and concluded that Trainer G's DGA membership had been suspended pursuant to the DGA's Constitution. He had not been suspended or disqualified pursuant to the Local Rules or the Australasian Rules. On that basis, and given that Trainer G had notified the Stewards that he had transferred his greyhounds into Trainer E's name, the Racing Commission did not consider Trainer E to have breached any of the applicable rules.⁴²⁴
152. The Chief Steward told us that Trainer E would have been permitted to transfer his greyhounds to another trainer for the period of his suspension, even if he had been suspended or disqualified pursuant to the Local Rules or the Australasian Rules. He stated that a disqualified or suspended person is not permitted to train their greyhounds or nominate them for races, but that those greyhounds are permitted to continue to race, provided that they are transferred into another trainer's name, and trained and nominated for races by that trainer.⁴²⁵
153. The Racing Commission have indicated they do not agree with this interpretation. They note that in

420 Discussion with Chief Steward, 28 January 2021.

421 Information provided by Chief Steward in relation to penalties issued; Stewards Inquiry, March 2020.

422 ABC News: 'NT dog trainer guilty of betting against his own greyhound in Australian first', 15 August 2020, available at: <https://www.abc.net.au/news/2020-08-15/nt-dog-trainer-guilty-of-betting-against-his-own-greyhound/12560522>

423 Steward's Inquiry, 7 August 2019.

424 Briefing Paper prepared by Licensing NT for a meeting of the Racing Commission, 1 October 2019.

425 Discussion with Chief Steward, 28 January 2021.

circumstances where it was the owner that was disqualified under the Local Rules, the Local Rules would have prevented the transfer.

154. We have considered the circumstances in which Trainer E was suspended by the DGA and the Rules applicable to suspensions and disqualifications. We agree with the Racing Commission that Trainer G was permitted to transfer his greyhounds into Trainer E's name, because his suspension did not arise from any breach of the Greyhound Rules. However, we disagree with the Chief Steward that Trainer G would have been permitted to transfer his greyhounds into the name of another trainer, pursuant to those Rules.
155. Rule 99 of the Australasian Rules states that any person who is disqualified must not, for the period of their disqualification, nominate a greyhound for any event or otherwise participate in any meetings. It also requires a disqualified person to return all certificates of registration of their greyhounds to the Racing Commission. The Australasian Rules do not explicitly permit greyhounds to continue to race in the name of another trainer. However, they do not contain any rules which would prevent this from occurring.
156. Conversely, Rule 233 of the Local Rules states that:

*Where a greyhound is trained for fee or reward the disqualification of the trainer of the greyhound does not extend to the greyhound if it is removed from his care, control and possession as soon as practicable, **unless:***

 - a. *that greyhound is specifically disqualified; or*
 - b. **the trainer is proved to have an interest in that greyhound other than solely as its trainer.** (emphasis added)
157. Given that the Local Rules take precedence over the Australasian Rules in the case of inconsistency, and in circumstances where Trainer G was both the owner and trainer of his greyhounds, and correct application of the Greyhound Rules would have prevented Trainer G from transferring his greyhounds to Trainer E.
158. The Local Rules do not necessarily prevent a greyhound from being nominated for a race because its trainer is disqualified, unless the trainer is also an owner or part owner, and appears to permit participation following transferred into the name of another trainer. The Racing Commission noted, in its consideration of this matter, that had the DGA's Constitution reflected relevant sections of the Local Rules, Trainer G would not have been permitted to transfer his greyhounds into the name of Trainer E.
159. We recommend that the Racing Commission amend the Local Rules to prevent such a transfer of greyhounds to family members or associates, following a breach of the Local Rules. The Racing Commission should have regard to Rule 11.8 of the Greyhound Racing Victoria Local Rules, when drafting this amendment. Ensuring that the DGA's Constitution makes reference to compliance with the Greyhound Rules, will also mean that any suspension or disqualification issued under the Constitution will be governed by the amendment made to the Local Rules.

Trainer H

160. In February 2020, a Stewards inquiry was conducted into a breach of Rule 83(2)(a) of the Australasian Rules by Trainer H after a urine sample taken from one of his greyhounds was found to contain heptaminol. Rule 83(2)(a) requires that a greyhound nominated to compete in an event is free of prohibited substances.

161. The Stewards considered the matter and issued Trainer H with a three-month disqualification.⁴²⁶ The Chief Steward told us that the Stewards considered the penalty to have been appropriate in the circumstances. However, Trainer H exercised a right of appeal available to him under the *Racing and Betting Act*, which resulted in the Management Committee reviewing the Stewards determination. The Management Committee resolved to issue Trainer H with a three-month suspension, rather than a three-month disqualification.⁴²⁷
162. In circumstances where appeals are made to the Management Committee, the Stewards play no further part in the process. Rather, they are notified of the DGA's determination by members of the Management Committee, whose determination stands, as was the case in respect of Trainer H.
163. The Australasian Rules provide that a person is required to abide by any decision made by Stewards following an inquiry conducted in accordance with those Rules, 'other than on the exercise of any right of appeal provided for by the Act'.⁴²⁸ The 'Act' is the *Racing and Betting Act*, which provides a person aggrieved by a steward's decision, with a right of appeal to either the 'appropriate appeal committee' or the Racing Appeals Tribunal, depending upon the seriousness of the penalty imposed on them.⁴²⁹
164. Given that Trainer H was issued with a disqualification of no more than three months, his right of appeal was to the 'appropriate appeal committee'. Pursuant to section 145B, that committee was the Management Committee of the DGA.⁴³⁰ In those circumstances, the *Racing and Betting Act* empowers the DGA as the 'appropriate appeal committee' the power to set aside, reverse or vary a decision being appealed.⁴³¹
165. The Chief Steward is strongly opposed to the existence of a right of appeal to the Management Committee. He considers it inappropriate for decisions made by Stewards appointed by the Racing Commission to be reconsidered and potentially reversed by, members of the DGA, in circumstances where those members are generally fellow greyhound racing participants of the appellant.⁴³² We agree.
166. Members of the Management Committee are often participants in greyhound racing at Winnellie Park and could be seen to have a vested interest in the outcomes of inquiries conducted by Stewards.
167. Further, given the DGA's revenue is informed by the number of races conducted, there is a commercial disincentive against confirming a suspension handed down by a Steward that limits participation.
168. Conversely, Stewards are obliged to comply with the Local Rules, Australasian Rules and the *Racing and Betting Act*, in inquiring into matters brought before them and imposing penalties.
169. It is counterproductive to allow aggrieved owners / trainers to appeal decisions of Stewards to the Management Committee, and we recommend the *Racing and Betting Act* be amended to remove that avenue of appeal. All appeals from decisions made by stewards, should be brought before an independent third party vested with some authority from the Racing Commission.

426 Steward's Inquiry, 12 February 2020.

427 A disqualification would have prevented Mr Brown from attending Winnellie Park for three months. However, due to Mr Brown's personal circumstances, the DGA considered that a suspension would be more appropriate. This prevented him from participating in racing or training greyhounds, but allowed him to continue to attend Winnellie Park.

428 Australasian Rules, rule 94.

429 *Racing and Betting Act*, s 145D.

430 *Racing and Betting Act*, s 145D(3)(c).

431 *Racing and Betting Act*, s 145E(2).

432 Discussion with Chief Steward, 28 January 2021.

170. The Racing Appeals Tribunal was established for the purposes of the *Racing and Betting Act* and is required to consist of two members and a Chairman appointed by the Minister.⁴³³ The Chairman is required to be either, a Supreme Court Judge, a Local Court Judge, or a Lawyer.
171. We consider the Racing Appeals Tribunal to be the most appropriate forum to hear appeals from the decisions of Stewards. The *Racing and Betting Act* should be amended to remove the avenue of appeal to the DGA Management Committee.

Maximum penalties

172. The maximum financial penalty for offences under the Local Rules is 35 penalty units. One penalty unit is currently \$157 in the Northern Territory. Accordingly, the maximum fine that can be issued under the Local Rules is \$5,495.
173. This is considerably less than the maximum penalty available in other jurisdictions: in Victoria, \$20,000; in Tasmania, \$24,000, and in Queensland, \$20,000.
174. We recommend the maximum penalties available under the Local Rules be revised upwards, to be consistent with the penalty provisions in other jurisdictions.

433 *Racing and Betting Act*, s 145F.

14.

FUTURE OF THE NORTHERN TERRITORY GREYHOUND INDUSTRY

1. The greyhound racing industry in the Northern Territory is at a critical moment in its trajectory.
2. Previously a hobbyist pursuit, participated in by keen amateurs, the industry has expanded considerably in the past five years, due to a deliberate approach by the DGA to maximise its commercial viability.
3. At the centre of this approach was securing a lucrative broadcasting agreement with Sky Channel, pursuant to which a greater number of greyhound races are now conducted at Winnellie Park, and significant revenue is generated.
4. The financial maturity of the greyhound industry in the Northern Territory has followed that of its larger counterparts in other jurisdictions within Australia.
5. The shared experience of those jurisdictions confirms that the Northern Territory greyhound industry has a number of difficult challenges ahead.
6. Decisions taken by the DGA in the near term, as well as by the Racing Commission, as the industry's controlling body, are likely to determine whether the industry remains the recipient of public funding, and the holder of a 'social licence' to operate.
7. The commercial success of greyhound racing must not be pursued single-mindedly. In our view, the future of the industry depends upon equal importance being given to safeguarding the welfare of racing greyhounds, and to ensuring the integrity of the racing.

Regulatory framework

8. We have considered whether an alternative regulatory framework for the greyhound industry in the Northern Territory is necessary or preferable. Our view is that it is not.
9. The prevailing characteristic of an effective regulatory regime within the racing industry is that it appropriately separates its commercial and integrity functions. Tasmania was the first jurisdiction to achieve this separation, and others have since followed.
10. In Tasmania, Tasracing conducts the commercial and operational functions of the racing industry (thoroughbred, greyhound and harness), and the Office of Racing Integrity is responsible for integrity. Each are Government bodies:
 - a. Tasracing was established under legislation in November 2008, and is now a state-owned company, operating under a Constitution. It has two members, the Treasurer and Minister for Racing, who hold shares in trust for the people of Tasmania.

- b. The Office of Racing Integrity is a division of the Department of Primary Industries, Parks, Water and Environment, and responsible for maintaining the probity and integrity of the thoroughbred, harness and greyhound racing industries.
- 11. Tasracing sits above the racing clubs in the jurisdiction, including the Hobart Racing Greyhound Racing Club for example, which is in turn governed by a Management Committee, has members and conducts weekly race meets.
- 12. The DGA is akin to the Hobart Greyhound Racing Club, however in the Northern Territory there is no Tasracing equivalent, (for example, no 'Greyhound Racing Northern Territory'), responsible for the commercial and operational functions of the industry. That no such supra club entity exists in the Northern Territory is almost certainly a function of the DGA operating the only venue for greyhound racing, at Winnellie Park.
- 13. The Northern Territory has nevertheless largely achieved the necessary separation of commercial and integrity functions, albeit under a different structure to those employed interstate:
 - a. The DGA pursues and promotes commercial opportunities, such as with Sky Channel, and in accordance with its Strategic Plan, for the benefit of its members.
 - b. Integrity functions rest with the Racing Commission and its Stewards, who additionally play an administrative or operational role in relation to racing, for example through conducting box draws.
- 14. Though it may be preferable for the integrity and administrative functions to be completely separated, the more important demarcation is that currently in place between integrity and commercial considerations. In our view, the regulatory framework should remain in its current form, with increased resourcing provided to the Racing Commission to discharge its integrity functions properly.
- 15. Should the Government wish to embark on a restructure of the greyhound industry, there are three apparent means by which it could do so.
- 16. *First*, it could establish an entity, such as Greyhound Racing Northern Territory, to assume control over the commercial and operational arm of the industry. In a jurisdiction with only one racing venue, the efforts of that entity would inevitably be duplicative of those of the DGA Management Committee, and create unnecessary regulatory 'red tape'.
- 17. *Second*, responsibility for the integrity function could be transferred from the Government to the industry itself, or to a third party, funded by the industry. This may have some appeal to Government from a resourcing perspective, as it would no longer be required to employ the Stewards, via Licensing NT or otherwise. However, such a reform would create considerable issues regarding conflicts of interest, which do not exist presently. Further, the Racing Commission is able to require payment for services rendered under the current framework, pursuant to section 59 of the *Racing and Betting Act*. In our view, placing integrity outside the remit of Government would be a significant backwards step and we strongly urge against it.
- 18. *Third*, an entity that sat above both the thoroughbred and greyhound racing industries, for example, 'Racing Northern Territory', could be established to perform the commercial and operational functions of each. For the greyhound industry, this may mean access to greater resources and expertise associated with thoroughbred racing, and efficiencies from the pursuit of interests common to both codes.
- 19. In the event that such an entity is considered, our recommendation is that the integrity function relevant to racing be vested in a Government body, such as an Office of Racing Integrity, rather than to a principal club, as it is currently in relation to horse-racing under the *Racing and Betting Act*.

Whether that integrity function sat within Licensing NT, to draw upon their employees' knowledge of the gambling and racing industries, or the Department of Primary Industries, for their animal welfare expertise, is a matter for debate. However, quarantining the integrity function from any commercial motivation is paramount.

20. The necessary reform to the current framework is the removal of the mechanism to appeal certain decisions made by the Stewards to the DGA Management Committee, pursuant to the *Racing and Betting Act*. For the reasons set out in Chapter 13 of this Report, we consider that such an avenue of appeal is inappropriate, and blurs the separation of commercial and integrity functions described above.

Resource allocation

21. The increased revenue generated by the DGA has for the most part been directed towards greater prize money for industry participants. This is understandably prioritised by the DGA as a means to incentivize greater participation in the industry and to support its commercial viability.
22. Notwithstanding the legitimacy of this ambition, the shortcomings we have identified during this investigation lead us to recommend that the DGA reallocate its resources to supporting its Management Committee, and towards animal welfare measures, including in relation to rehoming. Our view is that this should occur at the expense of prize money, as necessary.
23. We have also recommended that the Northern Territory Government allocated greater resources to the Racing Commission to enable it to properly discharge its function.
24. Further to the above, we recommend that the Northern Territory Government undertake a comprehensive review of the funding arrangements relevant to the greyhound industry.
25. We make the following observations in the context of such a review.
 - a. The DGA currently has approximately 45 ordinary members and a retained surplus of \$2,455,403, as at the end of FY 2020.
 - b. The DGA is the recipient of considerable direct financial assistance from the Government.
 - i. Under the terms of the Funding Agreement, is eligible to receive a maximum of \$800,000 in funding, per annum. That amount has not reduced despite the significant increase in revenue received by the DGA from its Sky Channel product fee.
 - ii. It has also been successful in recent grant applications, worth in excess of \$120,000 and \$200,000, respectively.
 - c. The Service Plans required to be submitted under the Funding Agreement provide a mechanism by which the Government can direct its financial assistance towards particular areas, such as integrity or animal welfare measures. This mechanism has not been utilized appropriately or at all.
 - d. The DGA is also the beneficiary of the Government funding the Racing Commission and its Stewards, which are required for the industry to operate.
 - e. The Racing Commission and the Stewards are demonstrably under resourced. We are instructed there is no budget allocation for swabs to be conducted, for example, despite the clear need for increased swabbing to occur, and resourcing is cited as having prevented kennel inspections from being undertaken.

- f. Pursuant to section 59 of the *Racing and Betting Act*, the Racing Commission is able to require the DGA to pay to it such amounts as the Commission thinks fit to meet the services rendered by the Commission, including the Stewards. It seldom does so.
 - g. The adjudication of gambling disputes is a considerable burden on the resources of Licensing NT, and on the Racing Commission. Gambling disputes have risen considerably in the past five years: from 287 in 2015, to 821 in 2018 and 717 in 2019. No fee is imposed on gambling licensees to participate in those disputes, as for example is imposed by the Australian Financial Complaints Authority on financial services institutions, which may incentivise their early resolution. As is set out in Annexure B to this Report, 24 of the 29 adjudication decisions completed by the Racing Commission in 2020 resulted in no payment being made to the applicant, and four of the five decisions in which payments were awarded were for less than \$1,500.
26. We recommend that the review of the industry's funding arrangements be completed before a further Funding Agreement is entered with the DGA, and further, that it seek to maximise the provision of funding towards measures that promote Government priorities or community expectations, such as animal welfare.

Animal welfare

27. The regulation of greyhound welfare in the Northern Territory is disjointed.
28. The Racing Commission is responsible for the control, supervision, and regulation of greyhound racing, and for amending the Local Rules. Pursuant to those Rules, its Stewards register industry participants, facilities and greyhounds, and are empowered to inspect facilities. However, the Stewards are under-resourced. Registration records are not being adequately maintained and neither are sufficient kennel inspections or drug swabs being completed.
29. Greyhounds are also subject to the standards of care for animals set out in the *Animal Welfare Act*, which is enforced by the Animal Welfare Authority. However, we were instructed by the Animal Welfare Authority that it has had very little interaction with the greyhound industry, and this was confirmed by the documents provided to us.
30. Each of the two statutory regimes is silent to the existence of the other.
31. Additionally, in the Northern Territory the RSPCA is not empowered to conduct inspections of premises, seize animals or prosecute animal welfare offences. The Northern Territory is the only jurisdiction where the RSPCA does not possess those powers.
32. We recommend the Northern Territory Government amend the *Racing and Betting Act*, the Local Rules and *Animal Welfare Act*, to clarify their interrelationship, and to require the DGA and the Racing Commission to report animal welfare related breaches to the Animal Welfare Authority.
33. Further, we recommend the DGA, Racing Commission and Animal Welfare Authority enter into a Memorandum of Understanding regarding the discharge of animal welfare responsibilities and in relation to information sharing.

Rehoming & euthanasia

34. We have made a range of recommendations in this Report intended to increase rehoming rates for unwanted or retired greyhounds, and to decrease incidents of euthanasia.

35. In our view, this is the single greatest challenge facing the industry, and for that reason we reiterate some of our analysis here.
36. *First*, an NT Code of Practice is required that prescribes the treatment of racing greyhounds, including minimum standards with respect to euthanasia, health and wellbeing, housing and environment, exercise, socialisation and enrichment. In our view, mandating socialisation is critical, as a failure to appropriately socialise greyhounds contributes to an inability to rehome those animals. Relevantly, the Select Committee on Greyhound Racing in NSW received the following evidence, for example:

These dogs are very stressed. They lose contact with other dogs that they have grown up with; they are often shut in their sleeping quarters and even if it is a very clean kennel, environmental enrichment is lacking. These dogs are suffering mentally and we see that as fear, which compromises welfare and which leads to wastage. In general, that approach of basic dog behaviour is lacking.

37. Environmental enrichment was similarly lacking from the kennel facilities we inspected, as is demonstrated by the photographs at Annexure A to this Report.
38. The NT Code of Practice, once implemented, must be enforced by the Racing Commission and its Stewards, and breaches result in an appropriate penalty. That penalty should not be appealable to the DGA Management Committee.
39. *Second*, the Stewards must improve their capacity to trace greyhounds throughout their lifecycle, and at their death, consistent with the *GA Welfare Strategy*. Stewards should be required to report on animal welfare matters publicly, including compliance with the NT Code of Conduct, and statistics in relation to injuries, kennel inspections and swabs conducted, rehoming rates, deaths and euthanasia, on at least a six-monthly basis.
40. *Third*, in view of the reported high rates of euthanasia, including in the OzChase records and Clinic Statistics, and the substantiated instances of greyhounds being euthanised where they could otherwise have been rehomed, the Racing Commission should conduct research or an investigation into euthanasia of greyhounds in the Northern Territory, consistent with its function at section 17(b) of the *Racing and Betting Act*.
41. *Fourth*, the DGA must immediately increase the funding it provides to rehoming organisations, including, but not limited to GRANT. The funding provided to those organisations has not materially increased in recent years, despite an increase in the number of greyhounds in the jurisdiction, which has been supported by the DGA and driven its revenue growth. The DGA should enter into written agreements, or Memoranda of Understanding with those rehoming organisations, providing certainty of funding.
42. *Fifth*, an industry funded greyhound adoption program is required in the Northern Territory. The ongoing reliance on the goodwill of volunteers is not a viable long-term solution to rehoming, particularly in the context of the DGA's intention to continue increasing the number of greyhound races conducted.
43. We recommend that a meeting be conducted between relevant stakeholders, regarding the development of an industry funded greyhound adoption program be held by no later than 1 November 2021, and a program be operational by no later than 1 July 2022. Undoubtedly this will require a greater funding commitment from the DGA. In the event that the DGA is unwilling to provide the funding required, the Northern Territory Government should reallocate funding otherwise provided to it.

44. The DGA Management Committee meeting minutes reveal that it has been aware of the need to increase its assistance towards greyhound rehoming for some time. The matters canvassed in those Management Committee meetings should also be discussed with representatives of the Racing Commission, the DGA, Licensing NT, GRANT and PAWS, including:
- a. the DGA funding dedicated resources at GRANT and/or other rehoming organisations to assist with greyhound rehoming;
 - b. the DGA constructing dedicated kennel facilities specifically for use in relation to rehoming, either at Winnellie Park or elsewhere; and
 - c. the DGA funding socialisation programs for racing greyhounds, to improve rehoming rates.

Local Rules

45. The Local Rules are widely considered to be outdated, including by the Stewards responsible for their enforcement.⁴³⁴
46. Commencing on 1 March 1981, the Local Rules have been amended on eight occasions, pursuant to the following amending instruments:
- *Amendments of the Greyhound Racing Rules* (SL No. 27, 1983);
 - *Amendments of the Greyhound Racing Rules* (SL No. 29, 1984);
 - *Amendments to the Greyhound Racing Rules* (SL No. 46, 1987);
 - *Amendment of Greyhound Racing Rules* (SL No. 34, 1989);
 - *Amendment of Greyhound Racing Rules* (SL No. 12, 1991);
 - *Amendment of Greyhound Racing Rules* (SL No. 44, 1992);
 - *Statute Law Revision Act 2005* (NT) (No. 44); and
 - *The Greyhound Racing Amendment Rules 2014* (NT).
47. Amendments made to the Local Rules between 1983 and 1992 were largely in respect of increasing penalties for breaches, extending timeframes for certain acts, and incorporating additional definitions. There were also several amendments made to rules regarding the weighing of greyhounds and the withdrawal of greyhounds from races.
48. The last amendment to the wording and substance of one of the provisions of the Rules occurred in 1992.
49. In 2005, the *Statute Law Revision Act* amended the words ‘veterinary surgeon’ and ‘veterinary surgeon’s’ to ‘veterinarian’ and ‘veterinarians’, to accord with the *Veterinarian’s Act* (NT) and amendments made by the *Greyhound Racing Amendment Rules 2014* (NT) only affected the penalty provisions in the Rules. That instrument omitted references to monetary fines that appeared in the Rules and substituted them with penalty provisions allowing for maximum fines of

434 Documents provided by the Chief Steward, 7 August 2020

35 penalty units to be issued. It also increased the periods of suspension and / or disqualification available in respect of some offences.

50. The current version of the Rules, incorporating the amended penalty provisions, commenced on 8 October 2014 and remain in force. Again, aside from changes to those penalty provisions, the Rules have remained substantively unchanged since 1992.
51. In our view, the Local Rules are clearly in need of review and amendment, and we have made several recommendations in this Report as to how that should occur.
52. Greyhounds Australasia has announced and commenced a review and rewriting of the Australasian Rules. To the extent that the peak body's review of the Australasian Rules identifies further areas of potential improvement in the Local Rules, the latter should be updated accordingly.

GLOSSARY

<i>Aldam Statement</i>	Written statement provided by Gregory Aldam, Racing Manager of the DGA on 9 November 2020, updating a previous statement prepared in 2017 for the Australian Competition Tribunal
<i>Animal Welfare Act</i>	<i>Animal Welfare Act 1999 (NT)</i>
<i>Associations Act</i>	<i>Associations Act 2003 (NT)</i>
<i>Associations Regulations</i>	<i>Associations Regulations 2004 (NT)</i>
<i>August 2018 Complaint</i>	Letter of complaint listing 9 grievances in relation to the operation of the DGA, submitted to the Commissioner of Consumer Affairs by fourteen members of the DGA on 20 August 2018
<i>Australasian Rules</i>	Greyhounds Australasia Rules 2018 formulated by Greyhounds Australasia
<i>BAS</i>	Building Advisory Services, Department of Infrastructure, Planning and Logistics
<i>Building Act</i>	<i>Building Act 1993 (NT)</i>
<i>Clinic Statistics</i>	Statistics provided by a veterinary clinic in Darwin, at the request of the investigators
<i>DCA</i>	Development Consent Authority, Department of Infrastructure, Planning and Logistics
<i>DGA</i>	Darwin Greyhound Association Incorporated
<i>DGA Constitution</i>	Current version of the Constitution of the DGA, amended in 2019 and lodged with Licensing NT in January 2020
<i>Funding Agreement</i>	Agreement between the Director General of Licensing and the DGA, in respect of funding provided to the DGA, executed on 26 July 2016
<i>GA Welfare Strategy</i>	Greyhounds Welfare Strategy implemented by Greyhounds Australasia Ltd in 2014
<i>GRANT</i>	Greyhound Rehoming Association NT
<i>Greyhounds Australasia</i>	Greyhounds Australasia Ltd
<i>Greyhound Rules</i>	The Australasian Rules and the Local Rules, collectively
<i>Hiscock Report</i>	“Darwin Track Assessment” Report completed by Cory Hiscock on 23 May 2021

<i>Local Rules</i>	<i>Greyhound Racing Rules 1981 (NT)</i>
<i>Monteith Report</i>	“Northern Territory Racing Review 2014” completed by Dale G Monteith on 30 June 2014
<i>NAM</i>	Notice of Adverse Material
<i>NCC</i>	National Construction Code issued by the Australian Building Codes Board and adopted by the Building Regulations 1993 (NT)
<i>Racing and Betting Act</i>	<i>Racing and Betting Act 1983 (NT)</i>
<i>Sky Channel</i>	Sky Channel Pty Ltd
<i>Veterinarian Statement</i>	A written statement provided by a Veterinarian on 25 December 2020
<i>Winnellie Park</i>	15 Hook Road, Winnellie

ANNEXURE A – KENNEL INSPECTION PHOTOGRAPHS



Figures 1 and 2 - Kennels, Kennel Block 1





*Figures 3 and 4 -
Lighting and fans, Kennel Block 1*

Figures 5 and 6 - Bedding, Kennel Block 1



Figure 7 - Bedding, Kennel Block 2



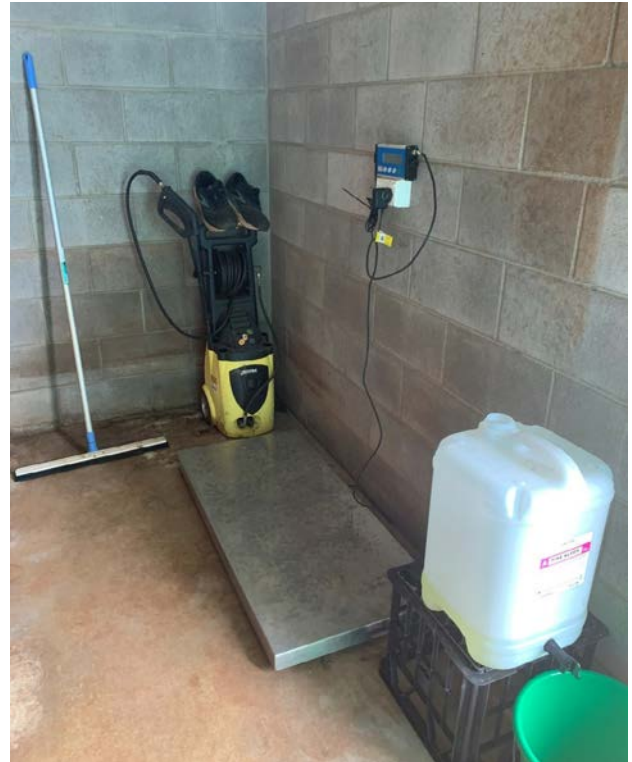
Figure 8 - Outdoor space, Kennel Block 2



Figure 9 - Feeding bowls, Kennel Block 2



Figure 10 - Cleaning equipment, Kennel Block 2



Figures 11 and 12 - Kennels, Kennel Block 3



Figures 13 and 14 - Bedding, Kennel Block 3



Figures 15 and 16 - Fans, Kennel Block 3



Figures 17 and 18 - Lighting, general conditions, Kennel Block 3



Figures 19 and 20 - Kennels and lighting, Kennel Block 4



Figures 21, 22 and 23 - Fans, bedding and outdoor space, Kennel Block 4



Figures 24 and 25 - Kennels, Kennel Block 5



Figures 26 and 27 - Lighting, general conditions, Kennel Block 5



Figures 28 and 29 - Bedding and outdoor area, Kennel Block 5



Figures 30 and 31 - Kennels, lighting, Kennel Block 6



Figures 32, 33 and 34 - Kennels, size and lighting, Kennel Block 7



Figures 35 and 36 - Kennels and bedding, Kennel Block 8



Figures 37 and 38 - Outdoor areas, Kennel Block 8



ANNEXURE B – DISPUTES DETERMINED BY THE RACING COMMISSION IN 2020

PARTIES	DATE OF LODGING	DATE OF DECISION	AMOUNT OF BET OR DEPOSIT	QUANTUM OF CLAIM	NATURE OF CLAIM	AMOUNT RECOVERED
<i>S v Neds & Ladbrokes</i>	20/02/2018	02/11/2020	N/ A	\$10,000 >	Failed to correctly calculate winnings and provided incorrect betting history	\$0
<i>L v Sportsbet</i>	02/02/2018	04/09/2020	\$19 bet	\$1,292,312	Incorrectly voided multi bets	\$0
<i>M v Lottoland</i>	04/07/2019	27/08/2020	\$5 bet	\$3.622 billion	Breached regulations broke Australian law and acted fraudulently with intent	\$5
<i>G v Sportsbet</i>	31/01/2020	27/08/2020	\$3,736 total	\$3,736	Failure to implement permanent exclusion	\$0
<i>W v Ladbrokes</i>	01/09/2018	17/08/2020	\$21,200 total	\$21,000	Failure to properly implement a deposit limit across all platforms	\$0
<i>O v Lottoland</i>	08/02/2020	14/08/2020	Price of 1 lottery ticket (cost not listed)	\$238 million	Claims of misleading and deceptive advertising	\$0
<i>A v TopBetta</i>	26/02/2019	13/08/2020	\$1,298 total	\$1,298	Failure to detect problem gambling	\$0
<i>K, L & S v Sportsbet</i>	13/12/2018	02/07/2020	NA	\$35,641.54	Incorrectly striking out bets	\$0
<i>B v Lottoland</i>	03/02/2019	02/06/2020	NA	\$126 million	Claims the complainant had the winning ticket for the Powerball	\$0
<i>J v Unibet</i>	07/03/2019	03/06/2020	\$713 bet	\$13,643.50	Incorrect use of discretion to cap total payout	\$0
<i>S v Bet365</i>	08/06/2019	26/06/2020	\$2,800 total	\$2,800	Failure to implement self-exclusion	\$0
<i>G v BetEasy</i>	23/08/2018	22/06/2020	\$46,000 total	\$46,000	Failure to complete a withdrawal request	\$0
<i>M v Sportsbet</i>	17/05/2018	16/06/2020	\$6,850 total	\$6,850	Failure to properly implement a deposit limit	\$0

A v Sportsbet	05/12/2017	10/06/2020	\$146,171.17 total	\$146,171.17	Breach of self-exclusion, failure to provide financial data and failure to identify red flag behaviour	\$93,082.04
S v Sportsbet	12/03/2019	05/06/2020	\$31,318.33 total	\$31,318.33	Failure to undertake sufficient checks, failure to identify red flag behaviour	\$1,349.80
M v Sportsbet	14/06/2018	05/06/2020	\$157,888.19 bet	\$157,888.19	Bet was placed as an honest and reasonable mistake in part as a result of lack of clarity in advertising	\$0
L & C v BetEasy	10/10/2019	05/06/2020	\$258.06 bet	\$13,760.31	Incorrectly voided multi bets	\$0
S v Sportsbet	24/01/2019	23/04/2020	\$10,000 bet	\$37,600	Misleading advertisement	\$0
F v TopBetta	25/07/2018	25/03/2020	\$888 bet	\$5483.66	Incorrect voiding of bets	\$0
J v Lottoland	14/01/2019	10/03/2020	\$49.99 bet	\$320 million	Claims the complainant won on five numbers and was incorrectly paid winnings	\$0
G v PlayUp	20/02/2019	10/03/2020	NA	All bets placed over self-exclusion period (no figure provided)	Failure to implement self-exclusion	\$731 PlayUp fined \$8,007
B v BetEasy	16/04/2019	28/02/2020	\$3,562 bet	\$10,009.22	Incorrectly voided multi bets	\$0
R v Ladbrokes, Neds & Pointsbet	11/04/2018	24/02/2020	\$21,800 bet	\$43,760	Incorrect application of tote manipulation rules	\$0
M v Ladbrokes	21/04/2018	24/02/2020	\$3,750 bet	\$6,000	Incorrect application of tote manipulation rules	\$0
K v Sportsbet	26/11/2018	31/01/2020	\$1,971 bet	\$1,971	Failure to implement self-exclusion	\$1,360.46 Sportsbet fined \$6,751
G v PlayUp	25/07/2019	29/01/2020	\$24,000 bet	\$35,850.05	Failure to complete a withdrawal request and failure to adhere to a deposit limit	0
B v PlayUp	23/11/2018	21/01/2020	\$600 bet	\$2,669.78	Incorrect suspension of account and incorrect voiding of bets	\$0
B v PlayUp & TopBetta	17/10/2018	18/01/2020	\$6,450 total deposits	\$30,000	Failure to implement self-exclusion	\$0
K v Lottoland	03/12/2018	15/01/2020	\$15 bet	Seeking payment of restitution	Claims of theft or cheating, trading without agreement, and fraud	\$0

ANNEXURE C – INVESTIGATIONS CONDUCTED IN OTHER JURISDICTIONS

1. On 16 February 2015, the Australian Broadcasting Corporation's *Four Corners* program aired an episode titled 'Making a Killing', which showed graphic images of live baiting in greyhound racing across New South Wales, Queensland and Victoria.
2. A number of investigations and inquiries were established in the wake of the *Four Corners* episode, in those jurisdictions and elsewhere. The findings of those investigations, as well as those conducted since, are summarised below.
3. The comprehensive consideration given by inquirers into larger, more established greyhound racing industries within Australia presents an opportunity to identify learnings and improvements that may be implemented within the industry in the Northern Territory, as it seeks to expand.
4. Several recommendations from prior investigations have been incorporated into the Chapter 14 of this Report, concerning the future of the greyhound industry in the Northern Territory.

New South Wales

5. In February 2015, the New South Wales Government established an inquiry into the greyhound racing industry, pursuant to the *Special Commissions of Inquiry Act 1983* (NSW) (Inquiry).
6. On 16 June 2016, the Special Commission of Inquiry into the Greyhound Racing Industry (Commission), chaired by Michael McHugh AC QC, completed its report (Report).
7. The Inquiry conducted by the Commission was far-reaching and considered most aspects of the greyhound industry in New South Wales, as well as aspects of the industry in other states of Australia and other countries.
8. In the course of its Inquiry, the Commission received over 151,000 pages of evidence, 115 hours of videos, and 804 wide-ranging submissions. It engaged stakeholders, as well as specialists and experts. Further, it reviewed previous inquiries that had been conducted into the industry, particularly the 2014 Select Committee on Greyhound Racing in New South Wales, and Greyhound Racing New South Wales' five-year statutory review of the *Greyhound Racing Act 2009* (NSW).
9. The focus of the Inquiry was on animal welfare and it comprehensively considered a number of issues that fall under that umbrella, including wastage, socialisation, live baiting, deaths and injuries at race meetings, and unregistered veterinarians. The Inquiry also considered in some detail how governance arrangements could be improved to deal with these animal welfare issues.
10. The Inquiry compared the animal welfare matters described above against positive contributions made by the industry, such as social good (family fun, betting, exercise, enjoyment, etc.) and the financial contribution to New South Wales, to determine whether greyhound racing had a 'social licence' and should continue to operate in the State.
11. The Report advocated that Parliament '*should consider whether the industry has lost its social licence and should no longer be permitted to operate in NSW*', given its findings concerning the management and governance of the greyhound racing industry.

Wastage

12. The normal life expectancy of a greyhound is between 12 and 15 years.

13. The Report stated that over the last 12 years, 97,783 dogs were whelped in New South Wales. At the time of its publication, there were approximately 6,809 registered greyhounds. A greyhound is eligible to be registered when it is 12 months old. Absent death through misadventure or illness, the average life expectancy indicated that another 90,974 greyhounds should still be alive. Reducing that number for pups within litters or yet to be broken in (approximately 10,253), the Report asked '*where are the remaining 80,721 greyhounds? What has happened to them?*'.¹
14. According to the Report, '*the evidence before the Commission indicates that at least 50% of those whelped – and perhaps up to 70% or even more of them – were deliberately killed simply because they never were, or no longer were, capable of being competitive racing greyhounds*'.²
15. The evidence received by the Commission was that 40% of the greyhounds whelped never made it to the racetrack. Dogs without the instinct to chase or the tools to be a consistent winner were reportedly killed en masse.
16. The Commission's conclusion was that unless the number of greyhounds being bred in the State was reduced by a very large number, the greyhound racing industry in NSW could not solve its problem of the mass slaughtering of healthy greyhounds. The Commission concluded that, unless the controlling body for the industry, Greyhound Racing New South Wales ('GRNSW') was able to obtain such a reduction in numbers, it was unlikely to be able to govern the industry in a manner that can appropriately address what is, in effect, the mass slaughter of healthy greyhounds by or on behalf of industry participants.
17. The difficulty facing GRNSW was labelled as insuperable, on the basis that:

*the industry in NSW presently needs and, without a dramatic reduction of the race meetings that it holds, will probably continue to need, 6,000 or more greyhounds to be whelped each year to maintain its racing schedules. However, the industry cannot, and will not be able to, find homes for somewhere between 50% and 70% of these dogs.*³
18. GRNSW examined the careers of 16,000 greyhounds and found that, on average, a racing greyhound in NSW has 24 starts during its career; a career which, on average, last for only 363 days. The racing career of the vast majority of greyhounds is over when they are 4.5 years old. Apart from approximately 6% who have breeding value, the remaining dogs have no commercial value for the industry after their racing careers are over. Their demise then becomes 'probable'.⁴
19. The Report noted that despite the best intentions and plans of GRNSW, the '*economics of the industry will ensure that this cycle of birth, short period of racing (if at all), and destruction will continue for the foreseeable future*'.⁵
20. The Report further outlined the effect of greyhound injury on wastage levels. The regularity of which greyhounds race, as well as their considerable speed, means there is always a risk of catastrophic injury which will require the animal to be euthanised.⁶
21. The Report also acknowledged the importance of socialisation and habituation, and its effect on wastage. The evidence before the Commission suggested that greyhounds were inadequately socialised and habituated, and that there was little, if any, structured industry process addressing

1 Special Commission of Inquiry into the Greyhound Racing Industry in New South Wales, Final Report Vol 1 dated 16 June 2016, p.1

2 *Ibid.*

3 *Ibid.*, p.2

4 *Ibid.*

5 *Ibid.*, p.3

6 Special Commission of Inquiry into the Greyhound Racing Industry in New South Wales, Report Vol 2 dated 16 June 2016, p.105

the need for habituation and socialisation. Levels of socialisation and habituation effect the likelihood of a greyhound being permanently rehomed, and consequently, levels of wastage within the industry.

Rehoming

22. In NSW, attempts have been made to reduce wastage rates through the rehoming of greyhounds. However, the Report noted that rehoming efforts have not been very successful. GRNSW rehomed only 593 greyhounds through its Greyhounds As Pets (GAP) program since 2007, at a cost of \$200,000 per year.
23. Volunteer organisations had achieved greater rehoming figures. In the 2014/15 financial year, volunteer and welfare organisations (including the RSPCA) rehomed 412 greyhounds, whereas GAP rehomed 173.⁷ Still, that equated to approximately 4% of the greyhounds whelped in NSW.
24. Allowing for considerable improvements in GRNSW rehoming facilities, 78% - 82.5% of dogs whelped each year have to be retained as breeders or pets, find a home elsewhere or be destroyed.
25. In evidence before the Select Committee in 2013, Dr Karen Cunnington of the Greyhound Rehoming Centre said that even if only 50% of the dogs being bred in NSW each year were trained for rehoming, the cost of the training would be up to \$60 million. This indicated that rehoming the number of dogs that are being bred is not a viable proposition.⁸ Further, it did not take account of another problem in getting greyhounds rehomed: they are in competition with other breeds of dogs that seek rehoming.

Deception of the public concerning deaths and injuries

26. Stewards' reports are the chief means by which the industry informs the general public as to incidents that have occurred at a race meeting. They are prepared at the end of the meeting and published on GRNSW's website. They are an important means for making the industry accountable.
27. The Commission discovered that, from at least April 2013 until November 2015, GRNSW had adopted a policy of deliberately misreporting the extent of injuries suffered by greyhounds at racetracks. Further, GRNSW deliberately failed to make available to the public information about deaths of greyhounds at racetracks.⁹ The Report described both aspects of this policy as '*wholly inappropriate*'.¹⁰
28. The Commission found that GRNSW did so to sanitise the information publicly available. Historically, GRNSW had only acknowledged its members and industry participants as stakeholders, rather than the public more generally.¹¹
29. Particularly disturbing, the Report noted, was that this deception had continued notwithstanding the establishment of the Commission, and its investigations in connection with GRNSW. The deception also continued notwithstanding the removal of the GRNSW Board, following the *Four Corners* program, and the appointment of an interim Chief Executive.
30. The Report found that the processes GRNSW utilised for the collation of information from on-track veterinarians to stewards for inclusion in stewards' reports was flawed. It was apt to, and did, result

7 Special Commission of Inquiry into the Greyhound Racing Industry in New South Wales, Final Report Vol 1 dated 16 June 2016.

8 *Ibid*, p.4

9 *Ibid*, p.9

10 *Ibid*, p.104

11 *Ibid*, p.9.

in the omission from stewards' reports of important information on greyhound injuries.¹²

Injuries and tracks

31. The Commission described the extent of injuries to greyhounds during races, training trials and when being broken in, to be of '*great concern*'. The most frequent injuries were tears to the back muscle of the hind legs, the hip support muscles and the shoulder muscles, ligament ruptures and tarsal fractures. Racing greyhounds also suffered a number of other fractures and dislocations including metacarpal, pelvis, elbow, styloid, radial carpal, ischial, femoral, tibial and talar fractures.¹³
32. Extrapolating on figures reported by GRNSW, which had limitations, the Commission found that each year 21.17% of greyhounds that compete in a race suffer an injury; 3.26% suffer a major injury; and 1.23% suffer a catastrophic injury resulting in the greyhound's death or euthanasia on track.¹⁴
33. The causes of greyhound injuries were described as '*various*' and resulting from a '*complex interplay of different factors*'. A racing greyhound travels at considerable speed, which contributes to injuries being suffered depending upon surface conditions and track design, particularly on tracks with turns. The track surface may also play a role: tendon and ligament injuries appear to be significantly higher on grass tracks, and below hock fractures on tracks with a sand surface. The Commission also made the relevant point that the proper maintenance and preparation of the track, whatever its composition, was intrinsically linked to the risk and severity of injury.¹⁵
34. The Commission's conclusion was that there was no simple answer to the question of why injuries are so frequent and often severe. It recommended that, should the industry continue, further research on racing injuries be treated as a priority.¹⁶

Social licence

35. Australia is one of only a small number of countries worldwide where commercial greyhound racing occurs. Greyhound racing has been banned in the majority of States in the U.S.A., and in South Africa. Only Australia, Mexico, Macau, New Zealand, Ireland, the U.K., a limited number of States in the U.S.A., and Vietnam host a commercial greyhound racing industry.
36. Greyhound racing did take place in several other countries, in addition to those listed above, for example in Argentina and Chile, where races were organised locally by clubs, and similarly in continental Europe, however those countries did not host commercial, regulated industries.
37. The trend, according to the Report, was clear: '*throughout the world, the social licences of the commercial greyhound industry are being withdrawn*'.¹⁷
38. The Report noted that based on the annual figures published by the peak industry body, Greyhounds Australasia, for FY2014 and FY2015, the two largest greyhound industries within Australian were undoubtedly NSW and Victoria.
39. In FY2015, the NSW greyhound industry comprised 29% of the race meetings held within Australasia, 27% of individual races held; 23% of stake money paid; 43% of greyhound racing clubs;

12 *Ibid*, p.104 - 105.

13 *Ibid*, p.10

14 *Ibid*, p.11.

15 *Ibid*, p. 124

16 *Ibid*, p.12

17 *Ibid*, p.18

46% of greyhounds named; and 39% of greyhound litters registered.¹⁸

40. The Commission was of the view that the industry had lost the integrity-based trust of the community and other stakeholders, finding:

It could hardly be otherwise. This is because the greyhound racing industry has been exposed as an industry that:

- *has implicitly condoned as well as caused, the unnecessary deaths of tens of thousands of healthy greyhounds;*
- *has failed to demonstrate that in the future it will be able to reduce the deaths of healthy greyhounds to levels the community could tolerate;*
- *has engaged in the barbaric practice of live baiting;*
- *has caused and will continue to cause injuries to greyhounds that range from minor to catastrophic;*
- *has treated greyhounds as dispensable commercial commodities;*
- *has deceived the community concerning the extent of injuries and deaths caused during race meetings;*
- *has preferred the commercial interests of the industry to the animal welfare interests of greyhounds;*
- *has exported greyhounds to race in places such as Macau where animal welfare standards are very poor; and*
- *has ignored or failed to recognise that the industry has obligations to the community that go beyond its strictly legal obligations.¹⁹*

Animal welfare

41. The Report found that the regulation of welfare of greyhounds in NSW was fragmented, and that it was not unlike other jurisdictions in this regard. Information sharing and the referral of potential animal welfare breaches between the different stakeholders had been poor.²⁰
42. The Report noted that in Victoria, except when responding to specific complaints, RSCPA Victoria and local government had deferred responsibility for greyhound welfare to the GRV, which was underpowered.
43. At the time of the Report, the *Greyhound Racing Act 2009* (NSW) did not deal expressly with the welfare of greyhounds. Nevertheless, GRNSW had exclusive responsibility to control, supervise and regulate greyhound racing in the State. RSCPA Australian's submission to an earlier review noted that, for statutory consistency, it was important that the relationship between that Act and the *Prevention of Cruelty to Animals Act 1979* (NSW) (POCTAA) be clearly defined. It was suggested that animal welfare issues could be better defined within the former, including by the adoption of a provision

18 *Ibid*, p.109; see also Greyhounds Australasia website, "Australasian statistics"

19 *Ibid*, p.18

20 *Ibid*, p.135

as follows:

*This Act, and any regulations, rules or minimum standards made under it, are subject to and do not affect the operation of the Prevention of Cruelty to Animals Act 1979 (NSW).*²¹

44. The Commission considered that the officers of the regulator should not be given similar powers of investigation to those exercised by officers under the POCTAA. The Commission highlighted the need to ensure that GRNSW does *not* investigate breaches of the law in relation to animal welfare. Possible breaches of the POCTAA needed to be referred to RSPCA NSW, the Animal Welfare League or the Police Force for investigation. They had a range of powers '*which will assist in that process*'. The same procedures should also be followed in relation to suspected breaches of other criminal laws. This should remain the case if the Government accepted the Commission's recommendation to establish the NSW Greyhound Racing Integrity Commission, described below.²²

Animal welfare: the compliance regime, policies and codes

45. GRNSW submitted that the Greyhound Racing Rules acted as the guiding regime of the regulations and obligations of all industry participants with respect to animal welfare.
46. The Commission, however, was of the view that the Rules did not clearly outline or define animal welfare rules and regulations. Whilst GRNSW, as the Controlling Body had power under the Act to enhance the welfare of greyhounds, GRNSW had not utilised this power to embed any sort of comprehensive welfare standards into the Rules.
47. The Commission considered that the Rules needed to specifically provide for a range of penalties in relation to welfare offences. The range of penalties should include suspension and disqualification for serious breaches and continuing or repeated breaches.
48. The Commission also concluded that all Codes of Practice produced by GRNSW were inadequate in relation to animal welfare. The GRNSW Training Code was developed by an employee of GRNSW who held no formal qualifications in animal welfare, and with no external independent input of any substance. The Commission found that the RSPCA, or other relevant animal welfare bodies, had not been appropriately consulted in the development of the training program.²³ The same unsatisfactory method was undertaken when developing the GRNSW Breeding Code. The Commission outlined various aspects of the GRNSW Breeding Code which lowered the minimum standard of breeding, as compared to the enforceable Breeding Code, which is the statutory code made pursuant to the POCTAA and the corresponding rules.²⁴
49. The Commission noted the importance of transparent records in tracking the lifecycle of greyhounds in their overall welfare. The Report outlined the importance that transfers to third parties were verified and closely monitored by the industry, which was not currently being undertaken by industry participants.²⁵
50. The Commission stated that, with regard to animal welfare compliance, there had never been a focus on regular kennel inspections within the industry, which are critical to maintaining animal welfare compliance. There was evidence before the Commission that some industry participants had never been the subject of inspections, whilst others had not been inspected for decades. The

21 *Ibid*, p.161

22 *Ibid*, p.167

23 *Ibid*, p 188

24 *Ibid*, p 195-200

25 *Ibid*

Commission was of the view that regular inspections were essential to maintaining animal welfare across the industry.²⁶

51. The Report outlined numerous examples in which complaints related to animal welfare issues were not communicated to RSPCA NSW. The Commission was of the view that all animal welfare complaints of significant quality and concern, and which would likely be in breach of the POCTAA, should be referred to the RSPCA for preliminary investigation.²⁷ The Commission also took the view that it was essential for effective policing of animal welfare for GRNSW to enter into a Memorandum of Understanding between RSPCA NSW, as well as the Animal Welfare League.²⁸

Integrity: veterinarian care

52. The Commission outlined the importance of veterinarian care throughout a racing greyhound's life. Veterinarian care plays an integral role in assessing whether a dog is fit to race, examining injuries which may occur during a race, and euthanising injured dogs from time to time.²⁹
53. The Commission found that industry attitudes to veterinarians were often negative, as they were considered expensive, and cheaper 'alternatives' were frequently relied upon. These alternatives included 'muscle men' who are unqualified industry participants and hold themselves out as able to treat greyhounds, and 'self-help measures' which involve industry participants providing inappropriate medical interventions to their greyhounds without consulting a professional.³⁰
54. It was concluded that many industry participants underestimate the cost of maintaining a greyhound, and as a result, choose to adopt these 'alternative' measures. The effect is that often veterinary treatment is viewed as optional. The Commission determined this to be wholly unsatisfactory and stated that any individuals who could not afford or was unwilling to provide proper veterinary care had no place in the industry.³¹

Kennel inspections

55. Kennel inspections are essential for the protection of the welfare of greyhounds. The Commission found that there had been significant deficiencies in GRNSW's inspection processes; for example, approximately only 10% of licensed persons had been inspected in 2009 across NSW.³²
56. On the evidence before it, the Commission found that GRNSW failed to implement any appropriate kennel inspection strategy which involved frequent and random inspections of participant's property. The Commission concluded this had the potential to drastically effect compliance with animal welfare.³³
57. The Commission also noted that no public records were available as to the extent of GRNSW's kennel inspections. This represented the unsatisfactory lack of transparency by GRNSW.³⁴

26 *Ibid*, p 211

27 *Ibid*, p. 220

28 *Ibid*, p. 224

29 Special Commission of Inquiry into the Greyhound Racing Industry in New South Wales, Report Vol 2 dated 16 June 2016, p.157

30 Special Commission of Inquiry into the Greyhound Racing Industry in New South Wales, Report Vol 2 dated 16 June 2016 p.178

31 *Ibid* p. 179

32 Special Commission of Inquiry into the Greyhound Racing Industry in New South Wales, Report Vol 3 dated 16 June 2016 p.33

33 *Ibid* p. 38

34 *Ibid* p. 42

Licensing of industry participants

58. The Commission found that the Rules, which are intended to address particular aspects of regulation within the industry, were not ‘user-friendly’ and contained substantial deficiencies in content.³⁵
59. The lack of separate licensing and registration requirements for rearers, educators (breakers) and pre-trainers was also concerning to the Commission. The actions of each of these persons can significantly impact on the welfare of greyhounds with which they have involvement. For this reason, the Commission found the lack of requirement for any registration to be unsatisfactory.³⁶

Stewards

60. Stewards are essential to the appropriate functioning of the greyhound industry.
61. Club-appointed stewards are often industry participants who can be volunteers. They often lack the training and experience that GRNSW-appointed stewards possess. The Commission found that NSW was the only jurisdiction which maintained club-appointed stewards, mostly in light of concerns about professionalism, quality and consistency, and funding influence.³⁷
62. In the evidence submitted by GRNSW, it acknowledged the need for “*comprehensive training of stewards*” to ensure they could appropriately discharge their functions. Evidence before the Committee found that resources devoted to stewards had been insufficient and had not adequately allowed stewards to carry out functions diligently and appropriately.³⁸
63. The Commission was of the view that tasks such as property inspections and investigations of industry participants should be carried out by compliance officers and investigators within the GRNSW. This would reduce the likelihood of perceived conflicts and would be an efficient use of resources.³⁹

Economic sustainability

64. GRNSW is principally funded through Race Field Information Use Fees, which are charged to the racing control bodies to wagering operators, and contractual arrangements with TAB Limited.
65. The Commission found that the industry directly employs many persons on a full-time, part time or casual and voluntary basis. A report accepted by the Commission found that the NSW greyhound industry provided an economic contribution of around \$145 million per year, and provided 1500 people with full time employment.
66. The GRNSW admitted that the current racing facilities across NSW were outdated and required significant infrastructure upgrades, including improved track designs, however ‘*the current level of funding is insufficient to support the level of change required*’. Despite this, a report set out for the Commission by PricewaterhouseCoopers concluded that GRNSW could ‘probably’ maintain operational standards across the existing network.⁴⁰
67. In 2014, the Select Committee found that ‘*returns to trainers and owners do not cover costs, which leads to the loss of quality dogs to Victoria and elsewhere, a reduced number of industry*

35 *Ibid* p.68

36 *Ibid* p.68

37 *Ibid* p. 82

38 *Ibid*

39 *Ibid* p. 85

40 *Ibid* p. 87

participants and contributes to making existing clubs and tracks unviable', likely making the industry unsustainable.⁴¹

68. Submissions received by industry participants suggested a general concern that their costs were increasing, and prize money was not adequate to cover the costs of participation. The Commission found that lower financial returns for industry participants would inevitably impact upon animal welfare matters.⁴²

Social contribution of industry

69. The social implications of the industry, both positive and negative, were considered by the Commission.⁴³
70. Submissions to the inquiry made clear the significant positive social impacts of the industry across NSW. These positive impacts were outlined as opportunities for social and family interaction, contribution to a healthy lifestyle, use of facilities for community events, and involvement of clubs in community programs.
71. It was questioned by the Commission whether these translated to benefits for the broader community. The Commission also stated the importance of considering these social benefits in context, with the countervailing negative factors being evident.⁴⁴
72. The Commission considered that the negative implications of the industry, such as inadequate animal welfare standards and industry deception of the public in relation to welfare issues, were widespread. Over 90 per cent of the submissions received by the Commission outlined the negative impacts of the industry on individuals, communities, and society overall. The 'significant costs' said to relate to the industry were outlined, with some being the strain unwanted greyhounds placed on the community; the mental health consequences for staff of veterinary clinics, pounds and animal shelters; and the devastating implications of problem gambling.⁴⁵

Recommendations

73. If the greyhound racing industry in NSW was to continue, the Commission made 79 recommendations in its Report, including as follows:⁴⁶
 - a. The Rules of Racing be amended to provide a penalty of disqualification for life for any person found to be involved in the practice of live baiting.
 - b. Greyhounds should be registered on the NSW Register of Companion Animals throughout their lifecycle.
 - c. The *Greyhound Racing Act 2009* (NSW) should be amended to clarify, or any new Act establishing a new regulator should specify its interrelationship with the *Prevention of Cruelty to Animals Act 1979* (NSW) and *Prevention of Cruelty to Animals Regulation 2012* (NSW).
 - d. The *Greyhound Racing Act 2009* (NSW) should be amended to include a requirement that GRNSW consult with the RSCPA NSW and other relevant welfare organisations when

41 *Ibid* p. 90

42 *Ibid*

43 *Ibid* p. 159

44 *Ibid*

45 *Ibid* p. 171

46 *Ibid*, p.22 - 29.

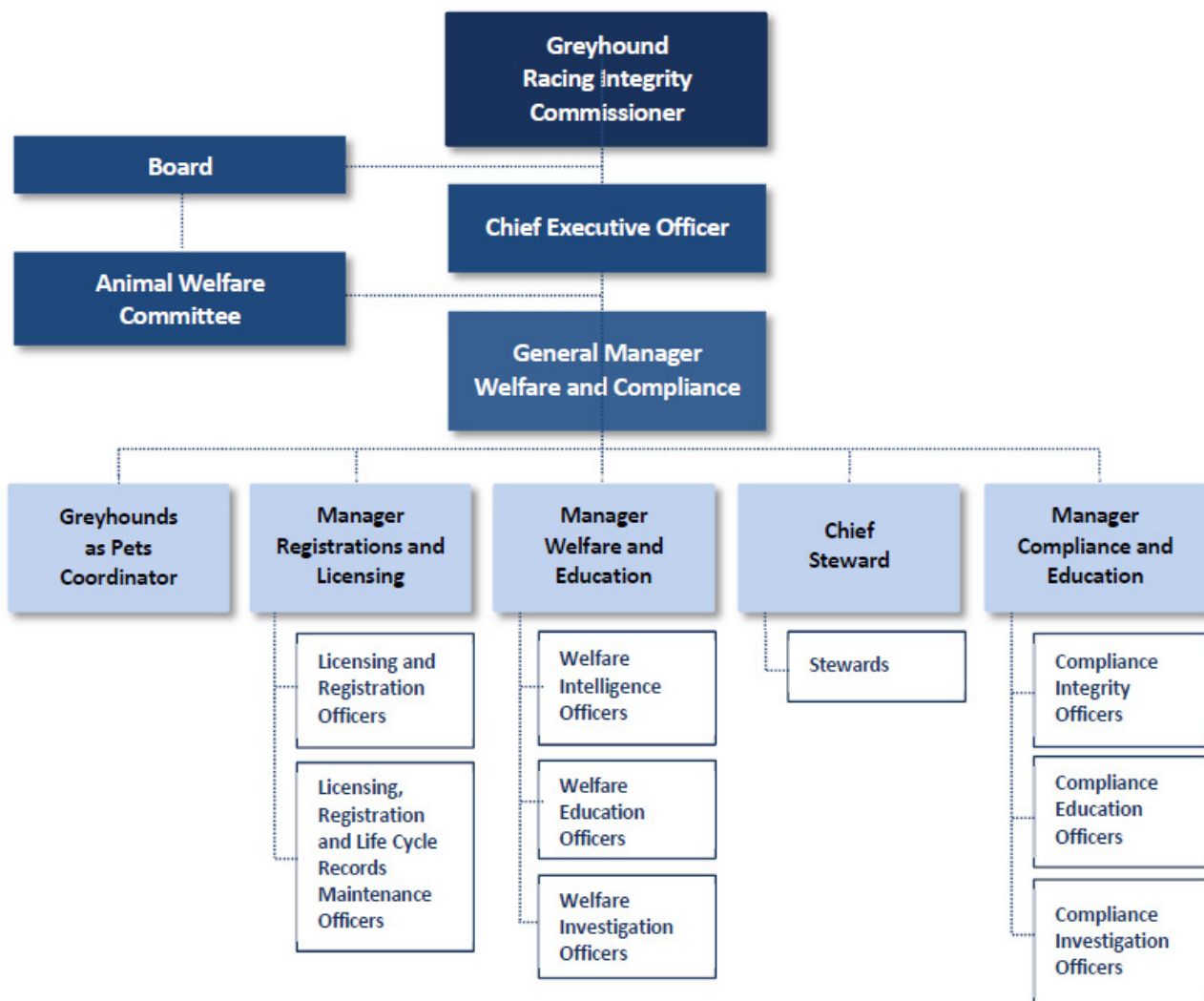
- developing and amending regulations, rules and minimum standards relating to pr potentially impacting on animal welfare.
- e. The *Greyhound Racing Act 2009* (NSW) should be amended to include a provision that requires GRNSW and its stewards to report any serious or repeated breaches of an animal-welfare related rule of standards to RSPCA NSW or the Animal Welfare League.
 - f. The *Greyhound Racing Act 2009* (NSW) should be amended to impose an obligation on GRNSW to report annually details of any proceedings brought for welfare related disciplinary offences, including progress and outcomes.
 - g. The Rules of Racing should specifically provide a range of penalties for welfare offences.
 - h. GRNSW or any new regulator should be required to use all reasonable endeavours to enter into Memoranda of Understanding with RSCPA NSW and with the Animal Welfare League, which properly reflect the roles and responsibilities of each organisation.
 - i. GRNSW or any new regulator should bear the costs of RSPCA NSW and the Animal Welfare League in the performance of their obligations under the Memoranda of Understanding.
 - j. The *Greyhound Racing Act 2009* (NSW) should be amended to require GRNSW to include in its strategic plan the measures it will take, in the three years which follow, for the advancement of the welfare needs of greyhounds.
 - k. GRNSW should assume direct responsibility for providing veterinary services at all NSW race meetings, whether held at TAB tracks or non.
 - l. A random swabbing regime should be introduced to complement GRNSW's existing swabbing policy.
 - m. GRNSW or any new regulator should undertake frequent and random kennel inspections, and publicly report on the number of inspections undertaken in its annual report each year.
 - n. GRNSW should ensure that adequate resources are provided for stewards to be able to carry out their functions appropriately.
 - o. Property inspections and investigations of industry participants (other than stewards' inquiries) should be undertaken by compliance staff and dedicated investigators withing GRNSW (or any new regulator) and should not ordinarily be undertaken be stewards.
 - p. The regulatory and commercial functions of GRNSW should be separated. A separate regulator, the NSW Greyhound Racing Integrity Commission (Integrity Commission), should be established. It should not be independent of Government but it should be independent of GRNSW.
 - q. The Integrity Commission should be required to report to the NSW Minister for Racing annually. Apart from including audited financial statements the report must contain comprehensive details of its operations including disciplinary action taken by it for breach of the Rules of Racing, drug testing results, and the investigation and outcome of breaches of animal welfare standards, including prosecutions conducted by RSPCA NSW, the Animal Welfare League and NSW Police. The report should specify any steps taken by the Integrity Commission in the year to which the report relates to maintain appropriate welfare standards and enhance them, including through the education of industry participants.

- r. The amendments to the *Greyhound Racing Act 2009* (NSW) that create the Integrity Commission should specify the following objectives: the control, regulation and integrity of greyhound racing in NSW; the maintenance, protection and enhancement of animal welfare and animal welfare standards in greyhound racing; and the maintenance of accurate, transparent and publicly accessible records including lifecycle records for each greyhound purpose bred to race.
- s. The functions of the Integrity Commission should include, among others:
 - i. The licencing and registration of industry participants such as bookmakers, breeders and pre-trainers, rearers, educators, owners and trainers. This includes making determinations whether, in the opinion of the Integrity Commission, persons are fit and proper persons to be licenced or registered.
 - ii. The registration of greyhounds.
 - iii. The appointment and management of stewards.
 - iv. The initiation, development and implementation of policies to protect and enhance the integrity of greyhound racing.
 - v. The development of compulsory animal welfare and compliance education and training and the delivery of such education and training.
- t. The powers of the Integrity Commission should include, among others:
 - i. The power to make rules for or with respect to the control and regulation of greyhound racing in NSW.
 - ii. The power to investigate the conduct of any racing official in respect of the exercise of functions relating to greyhound racing;
 - iii. The power to cancel or suspend registration, and, in the case of clubs, the power to appoint an administrator in appropriate cases.
 - iv. The power to hold hearings, summon persons and receive oral evidence on oath or affirmation.
 - v. The power to investigate and prosecute breaches of the Rules of Racing by way of disciplinary action.
 - vi. The power to investigate complaints from members of the public and industry participants concerning compliance and animal welfare.
 - vii. The power to impose fines, periods of disqualification and like penalties.
- u. Upon the establishment of the Integrity Commission, it and GRNSW must enter into a Memorandum of Understanding dealing with the operational relationship between the two bodies including the sharing of resources.

Future governance: models and issues

- 74. The model of governance which vested commercial and regulatory functions in GRNSW was considered by the Commission to have failed. The irreconcilable conflict of interest between its commercial considerations and the managing the integrity of the industry meant that the combined model did not work, and the Commission had no confidence that it would work in the future.
- 75. It was concluded that a separate regulator, the NSW Greyhound Racing Integrity Commission, needed to be established if the industry was to continue. The suggested model for the Racing Integrity unit is outlined below.

Figure 30.1 Commission’s suggested model for the Greyhound Racing Integrity Commissioner



Tasmania

76. The Joint Select Committee on Greyhound Racing in Tasmania (the Committee), comprised of nine Tasmanian Parliamentarians, and chaired by the Hon. Tania Rattray MLC, was established in March 2015, to inquire into and report upon, amongst other things:
 - a. practices in the Tasmanian greyhound industry, including whether live baiting, ‘wastage’, and ‘draining’ of greyhounds was occurring;
 - b. the role of regulatory authorities in upholding animal welfare standards; and
 - c. the level of state government funding produced to the industry in Tasmania.
77. The Committee invited interested persons and organisations to make a submission in relation to its Terms of Reference. In addition to this general invitation, the Committee directly invited a number of persons and organisations to provide it with any information they deemed to be relevant to the inquiry.
78. 86 submissions were received by the Committee and six public hearings were held. The Committee also attended a greyhound race meeting in August 2015.
79. The Final Report of the Committee was tabled in Parliament on 14 September 2016.

Live baiting

80. No substantiated evidence of live baiting occurring in Tasmania was provided to the Committee.
81. At the time of the Committee’s Final Report, Tasmania was the only state-based racing jurisdiction in Australia that had separated its integrity unit from its commercial operations.
82. This industry structure, as well as the use lure and training facilities in Tasmania, was considered to have made the prospect of live baiting in Tasmania less likely.⁴⁷

Wastage & Draining

83. ‘Wastage’ has been defined as *“the number of healthy greyhounds bred for the purpose of greyhound racing that are subsequently destroyed either prior to being named, prior to being raced, or upon retirement from racing.”*⁴⁸
84. The Final Report noted the evidence before it that provided greyhounds were euthanised in a human fashion, ‘wastage’ was not an animal welfare issue.⁴⁹ Further, it noted that there was evidence of significant overbreeding and high wastage rates within the greyhound industry across Australia generally, and within Tasmania specifically.
85. The evidence before the Committee was that between 1 July 2013 and 9 June 2016, 1,608 racing greyhounds died in Tasmania. Those figures were reliant on those in charge of a greyhound notifying the regulator, and therefore needed to be viewed as a minimum.⁵⁰
86. A new grading system which provided increased racing opportunities for greyhounds was suggested by some inquiry to be one means of combating wastage.⁵¹

47 *Ibid*, p.31

48 *Ibid*, p.43

49 *Ibid*, p.44. We were similarly advised by the Animal Welfare Authority, during our discussion on 8 June 2020.

50 *Ibid*, p.47

51 *Ibid*, p.112 and following

87. 'Draining' is a term used to describe the process of extracting blood from a greyhound that will be subsequently euthanised. Again, the Committee heard that the act of extracting blood from greyhounds is not an animal welfare issue. However, as with wastage, it was noted to be an issue of community concern.⁵²
88. The Committee found that reducing wastage rates would reduce the number of greyhounds made available for draining/blood collection.

Animal Welfare

89. Evidence presented to the inquiry indicated there were a range of welfare issues additional to live baiting, wastage and draining within the greyhound racing industry.
90. *Housing standards* was such one issue that raised welfare concerns. Tasracing's CEO noted that housing standards for working dogs, such as greyhounds, may not be in line with community expectations for a family pet.
91. The RSPCA's evidence was that keeping dogs in kennel environments can produce high physiological stress in those animals, and that there were links between poor welfare and stress in a kennelling environment and poor performance. The desirability of housing that complemented the environment in which greyhounds are going to live when they retire was also noted by the RSCPA.⁵³
92. The sufficiency of the *exercise* afforded to greyhounds similarly raised welfare concerns.
93. Further, the Committee heard the level of *injuries* sustained by greyhounds through racing was an issue of concern. The RSPCA outlined the types of injuries sustained during races and why racing injuries were a major welfare concern, as follows:

*Injuries are a major animal welfare issue for greyhounds as they cause pain, suffering and distress to affected animals. Injuries are common in greyhound racing and are a major cause of wastage. Various types of injuries are reported including serious bone fractures and other musculoskeletal injuries. Other types of injuries such as hypoxic fits (seizures caused by a lack of oxygen) have also been reported.*⁵⁴

94. Tasracing's evidence was that during 2013/14 the injury rate for medium to major injuries in Tasmania was 0.75% of all starters, and that it monitored all injuries to ensure there were no underlying trends in the injuries being sustained.⁵⁵
95. The use of *illegal substances* in the industry was identified as another animal welfare concern. The Committee noted the increased detection of illegal substances in the industry, as well as the regulator's diminishing capacity to undertake an effective testing regime, due to cost.

Rehoming & the Greyhound Adoption Program

96. The Committee heard that rehoming rates for greyhounds in Tasmania was low, despite the efforts of the greyhound adoption program (GAP), and that there were limited incentives for people to rehome:

We have GAP, who do a wonderful job. I think in the last four years they have rehomed an average of 50 dogs a year... In four years, it is 167 dogs, [for a] \$110 surrender fee. It costs a

52 *Ibid*, p.68

53 *Ibid*, p.73

54 *Ibid*, p.83

55 *Ibid*, p.85

*trainer between \$40 and \$55 to euthanase a dog.*⁵⁶

97. It was noted that the limited resources of GAP also led to dogs being euthanised when they may have otherwise been rehomed. Tasracing's increased funding to GAP in 2014/15 had resulted in a greater number of adoptions that year.⁵⁷
98. The Committee found that the resources for the rehoming of greyhounds needed to be increased, and recommended that the Government commission a review of GAP and other adoption services.

Education and training

99. The need for increased education and training for industry participants in relation to welfare standards and best practice was also raised.
100. Education and training programs are linked to licencing requirements. Tasracing noted that it has implemented a program that mandated industry participants have nationally accredited training credentials in order to be licensed to participate in the industry. Industry participants were reported to be supportive of the need for mandatory education.
101. The Committee found that unlike trainers, owners and breeders were not required to undertake mandatory education as part of their licencing requirements, and further, noted that the industry considered it was not being adequately informed when the Rules of Racing changed.
102. The Final Report recommended that mandatory education and training on contemporary animal welfare standards and the provisions of the *Animal Welfare Act 1993* be required for all licensed participants within the greyhound industry. Further, it recommended that timely information and ongoing education be provided by Tasracing when the Rules of Racing were amended.⁵⁸

Stewards

103. The Committee noted that while the powers of stewards under the Rules of Racing were extensive, there remained some uncertainty regarding the circumstances in which they could undertake inspections and seize evidence, especially at a private residence. Stewards also could not compel an unlicensed person to appear before an inquiry or to provide required evidence.
104. The Committee sought and received evidence from industry participants about the regularity of their properties being inspected by stewards, which varied. The Final Report recommended the powers of stewards be reviewed.⁵⁹

Regulation

105. The Tasmanian greyhound industry is regulated by two separate entities: the commercial operation of the industry is managed by Tasracing, while the integrity functions are conducted by the Office of Racing Integrity (formerly Racing Services Tasmania).
106. Tasracing described the structure of the industry as follows:

Tasracing is a Tasmanian Government owned company and the peak industry body governing the three codes of racing (thoroughbred, harness and greyhounds) in Tasmania.

56 *Ibid*, p.102

57 *Ibid*, p.106

58 *Ibid*, p.124

59 *Ibid*, p.130

It is the corporate entity that governs the racing industry in the state, providing the strategic direction and funding required to produced quality racing.

Tasracing is responsible for the following specific activities (as defined in the Racing Regulation Act 2004): provision of stakes; promoting the development of an efficient and effective horse and greyhound breeding industry; funding of clubs; media rights; management of the racing and training venues; thoroughbred handicapping; allocation of race dates and race programming (across the three codes); industry training; making rules and policies for governing the racing industry; national representation on peak controlling bodies.

Separate to Tasracing's operations, Racing Services Tasmania (RST) a division of the Department of Primary Industries, Parks, Water and Environment, is the integrity body for the three codes of racing (thoroughbred, harness and greyhound) in Tasmania.

The general manager of RST is appointed to the statutory role of director. RST is responsible for the following: provision of integrity services; participant licencing and animal registration; harness handicapping and greyhound grading; registrations of racing clubs and bookmakers.⁶⁰

107. RST's transfer in 2015 to sit within the Department of Primary Industry, Parks, Water and Environment (DPIPWE) was considered to be positive, because of the existing biosecurity and animal welfare capabilities existing within DPIPWE and the ability to RST to leverage of those skills to achieve better outcomes.

108. The Director of the Office of Racing Integrity advised the inquiry that:

There are a number of key areas that are considered essential for the delivery of best practice integrity. These include:

- A swabbing regime that promotes drug-free racing and is consistent with contemporary practices;
- The provision of a high-quality, skilled workforce, with particular emphasis on attracting, training and retaining stewards;
- The provision of high-legal regulatory controls to ensure that those participating in the industry are fit and proper, and appropriately skilled persons;
- The ability to utilise modern integrity practices, inclusive of human resources and technology;
- The benchmarking of integrity practices and procedures with national and international racing and sports integrity jurisdictions; and
- An effective monitoring regime to ensure industry participants are compliant with the relevant Rules of Racing and policies with respect to animal welfare in the racing industry.⁶¹

109. From a legislative perspective, it was noted that the Tasmanian greyhound industry was governed by a body of animal welfare and control legislation comparable to its mainland counterparts, which were regularly updated and developed.

60 *Ibid*, p.138

61 *Ibid*, p.139

Financial arrangements

110. Tasracing stated that pursuant to its then current funding arrangement, it was receiving \$27 million over 20 years. This arrangement was described as necessary as the industry has been traditionally funded from revenue from TOTE Tasmania (which was sold to the Tattersall's Group by the previous state government). Approximately 19% of that amount was provided to the greyhound industry.
111. The funding deed provided Tasracing with its major revenue source. The balance was provided by sponsorship and other income (for example, race field fees, which is income payable to Tasracing by national wagering operators).
112. Tasracing acknowledged that efficiencies needed to be found in its administrative functions to ensure that it was able to maintain its operations and the required prize money, submitting "Effective 1 August 2015, all greyhound stakes will be paid to recipients by direct deposit rather than cash". It continued:

Tasracing, since its inception, has been constantly looking to streamline its administrative functions after assimilating the operational functions of four different administrative entities. This has included reducing costs, streamlining processes and improving accountability and governance mechanisms.⁶²

113. The Greyhounds Owners, Trainers and Breeders Association reported a concern amongst industry participants that continued growth in wagering may not be sustainable, and that prize money had not increased to the required level to sustain a viable greyhound industry. Concerns were also raised that there was no financial incentive for people to stay in the industry.
114. The Committee found that there was conflicting evidence regarding the financial arrangements of the Tasmanian greyhound racing industry, and a discrepancy between the funds raised by the industry compared to the funds allocated by Tasracing.

Government subsidies

115. A number of submissions to the inquiry called for the cessation of Government subsidies to the racing industry and in particular the greyhound industry.
116. The Final Report recommended that the Government undertake an independent cost-benefit analysis of the Tasmanian racing codes to inform a review of the current funding model for the racing industry.

Future of the industry

117. As at the time of the Final Report, Tasmania was the only jurisdiction in Australia that separated the commercial/operational functions (Tasracing) and integrity functions (the Office of Racing Integrity).
118. The Joint Select Committee heard evidence that this model had advantages for improving animal welfare outcomes, but it was also identified that the model had created difficulties in the relationship between Tasracing and the Office of Racing Integrity.
119. The Committee also heard that there were tensions between Tasracing and the industry, including the distribution of funding between the racing codes, the level of consultation and the perceived lack of support provided to the industry. The Final Report recommended that Tasracing and the Office of Racing Integrity review their current communication methods to effectively engage with industry participants to improve animal welfare.

62 *Ibid*, p.157

120. Further, the Final Report recommended that the Government establish standards and identify benchmarks for improving animal welfare outcomes to be reported in Tasracing's annual report.⁶³

Recommendations

121. In its Final Report, the Committee ultimately made 31 recommendations, including as follows:⁶⁴

- a. that the Government review the legal framework underpinning the prohibition of live baiting in Tasmania;
- b. that the separation between the Office of Racing Integrity and Tasracing be maintained;
- c. that all training facilities including but not limited to trial tracks, training tracks and bullrings be registered with the Office of Racing Integrity;
- d. that the Government support the Office of Racing Integrity and Tasracing's statement of commitment to Greyhounds Australasia's "Towards Zero Euthanasia" framework and actively monitor progress towards this goal;
- e. that the Government implement a rule of racing that at all times (from whelping onwards) a greyhound must be in the possession of, and under the ownership, care and control of a licensed person;
- f. that the Office of Racing Integrity undertake further reviews in relation to matters such as the housing and rearing of greyhounds, and penalties imposed for the use of prohibited substances;
- g. that the Office of Racing Integrity be appropriately resourced in order to increase inspections of properties and strengthen its capacity to undertake effective routine swabbing;
- h. that the Government commission an independent review of the Greyhound Adoption Program and other adoption services;
- i. that mandatory education and training on contemporary animal welfare standards and the provisions of the *Animal Welfare Act 1993* be required for all licensed participants within the greyhound industry;
- j. that continued government funding of the greyhound industry be conditional on upholding contemporary animal welfare outcomes; and
- k. that a lifetime ban be implemented for a person found guilty of live baiting.

Queensland

122. On 2 March 2015, the Minister for Sport and Racing in Queensland initiated a three-month review into the regulation of the Queensland greyhound racing industry.

123. On 9 April 2015, the Governor in Council made an order approving the establishment of a Commission of Inquiry with identical terms of reference to those announced by the Minister (the Commission).

63 *Ibid* p.212

64 Joint Select Committee on Greyhound Racing in Tasmania's Final Report, *Inquiry into Greyhound Racing in Tasmania*, p. 18 - 20.

124. On 1 June 2015, Mr Alan MacSporran QC, the Commissioner, presented his final report to the Premier of Queensland.⁶⁵ The Commissioner was assisted in this task by dedicated legal, business and administrative staff, and consultants.
125. The Commission issued 12 requests for documents and information, and nine requests for statements. Two witnesses were examined at hearings. A total of 342 submissions were received. The timeframe in which the Commission was required to report meant that it was not possible to investigate every allegation made in the submissions. The authors of those submissions appear at Appendix F to the report.
126. Prior to the completion of the report, notices of potential adverse findings were given to Racing Queensland and to the Office of Racing, and an opportunity was provided to make full submissions as to why such findings or comments should not be made.
127. The Commission consisted of five phases: establishment, exploration, examination, construct and test, and recommend and report.
128. The Commission was satisfied that the system of self-regulation under the then current model in Queensland had failed to ensure integrity in the industry and failed to safeguard animal welfare. Racing Queensland *“failed in these important obligations because it did not operate a system which adequately assessed risk and it failed to plan an overall strategy to deal with the risk to integrity and animal welfare across all three codes of racing”*.⁶⁶
129. Racing Queensland’s ability to meet its obligations was found to be compromised by the conflict of interest inherent in having oversight and control of the commercial and integrity aspects of the business.
130. The Commission recommended an alternative model where the commercial and integrity aspects of the industry are completely separated.

*This model is designed to allow the control body to concentrate on the business of racing and maximise its prospects of commercial success whilst the new Queensland Racing Integrity Commission (QRIC) is entirely focused on ensuring integrity within the industry, with the aim of restoring public confidence.*⁶⁷

131. The Commission was generally satisfied that the powers available in the animal welfare legislation and the Greyhounds Australasia Rules, and the Local Rules of Racing, were adequate to allow for the appropriate investigation and prosecution of offences. Education as to the extent of those powers, and the appropriate methods for their exercise, together with training in investigative techniques, was considered to be likely to remedy any confusion.
132. The Commission noted that a number of other animal welfare issues had been exposed during the course of the inquiry. These included overbreeding, which in turn focused attention on the related issue of wastage.

Greyhound Adoption Program & wastage

133. The Commission described GAP as a commendable initiative of Racing Queensland to assess and if possible re-home retired racing greyhounds, however the number of dogs successfully rehomed was wholly inadequate to deal with all of those available.

65 Final Report of the Queensland Greyhound Racing Industry Commission of Inquiry, 1 June 2015.

66 *Ibid*, p.3

67 *Ibid*.

134. Other organisations did their utmost to assist in re-homing retired dogs but again, the sheer numbers mean that there are a great number that cannot be accommodated.
135. At the time of the report, Racing Queensland had drafted a Heads of Agreement which would create a partnership between Racing Queensland and the RSPCA, the purpose of which was to significantly increase the number of greyhounds being re-homed.
136. Under the draft agreement, Racing Queensland had agreed to fund 32 additional kennels at the RSPCA facility specifically for greyhounds and the RSPCA would conduct behavioural assessments and dedicate two to three kennels at their animal training centre specifically for greyhounds.⁶⁸
137. Racing Queensland also committed to introduce a levy on prize money from participants to assist in funding the GAP.

Socialisation of greyhounds

138. The Commission noted that a separate but closely related issue was to ensure that greyhound pups were properly socialised. Many participants and others the Commission spoke to raised concerns about the failure to socialise, with the resultant consequence of an inability to re-home the greyhound when it became unsuitable for racing.⁶⁹ Relevantly, the report stated:

The critical socialisation period is said to be between 3 to 17 weeks when the greyhound's experiences will influence its behaviour throughout its life. The way in which greyhounds are typically reared is that they are allowed to run in open paddocks with other greyhounds and are not socialised with other dogs. When their training commences they are transferred from the large paddocks to small kennels and immediately come under great stress.⁷⁰

139. Relevantly, it was noted that the Select Committee on Greyhound Racing in NSW had received the following related evidence:

These dogs are very stressed. They lose contact with other dogs that they have grown up with; they are often shut in their sleeping quarters and even if it is a very clean kennel, environmental enrichment is lacking. These dogs are suffering mentally and we see that as fear, which compromises welfare and which leads to wastage. In general, that approach of basic dog behaviour is lacking.

Licensing

140. According to the Commission, public confidence in the integrity of the greyhound industry could only be achieved if there was a transparent system of licensing of participants which can effectively be monitored and, if necessary, be used as an investigative tool.
141. The Commission recommended implementing a requirement that licensed individuals notify, by statutory declaration to the QRIC, various information regarding the training of their greyhounds. This would also permit a permanent record to be maintained of all those involved in the life cycle of the greyhound.

Training

142. A lack of professionalism in the industry was identified as a current difficulty. The Commission

68 *Ibid*, p.45

69 *Ibid*, p.46

70 *Ibid*, p.47

found that there were “currently very few requirements for any licensee to possess any formal qualifications in order to grant a licence”.

143. The initiatives outlined by the Manager of the Racing College of Queensland, the only registered training organisation within the racing industry in Australia, were commended by the report, as “clearly necessary if the industry is to meet the public expectation that those who participate in the industry behave as professionals...”.

Steward reports

144. The Commission reviewed all of the 83 steward reports published since July 2012 and identified
- a. Approximately 55% of matters related to charges associated with a greyhound testing positive for a prohibitive substance.
 - b. Approximately 72% of steward reports related to matters alleged to have occurred at race meetings.
 - c. Six incidents, or approximately 7% of steward report related to animal welfare concerns, including the death of greyhounds, all but one of which occurred otherwise than at a race meeting.
 - d. Prior to March 2015, no steward reports highlighted any sanctions in connection with the practice of live baiting.
145. It was apparent to the Commission that the focus of the stewards was directed towards race meetings, whereas the majority of animal welfare issues are detected outside of race meetings.

Future compliance and enforcement

146. Regarding a future compliance and enforcement framework, the Commission found that the implementation of any program required the balancing of:

the need to allow racing to be undertaken with a minimum of regulatory “red tape”, whilst ensuring the integrity of the greyhound racing industry through a comprehensive compliance and enforcement program capable of detecting, assessing, mitigating and prosecuting breaches of the Racing Act or any other applicable act.⁷¹

147. The report noted that the legislative framework governing the greyhound racing industry in Queensland is designed with the objectives of:
- a. maintaining public confidence in the racing of animals in Queensland for which betting is lawful;
 - b. ensuring the integrity of all persons involved with racing or betting; and
 - c. safeguarding the welfare of all animals involved in racing.
148. According to the report, this sets the general framework for the industry’s social licence to operate.
149. Racing Queensland’s objectives initiatives aimed at ensuring the sustainability of the industry. These initiatives include measures designed to ensure the industry continues to operate within the

71 *Ibid*, p.126

boundaries of its social licence to operate. *‘However, the strategic plan is dominated by initiatives aimed at maximising the commercial returns to be earned by the industry, which is necessary to ensure the financial viability of the industry’.*

150. The Commission found that there is potential for a conflict between the industry’s need to maximise commercial returns and its obligations to uphold the integrity of industry participants and safeguard the welfare of racing animals. The report stated:

This potential for conflict has been starkly demonstrated in the findings of this Inquiry. There is no doubt that the viability of the racing industry depends in large measure upon the adequacy of the rewards generated by the prize money offered to participants. There is also no doubt that there is a very difficult balancing exercise to be undertaken in deploying resources within the industry to maintain commercial viability whilst safeguarding integrity to ensure the maintenance of public confidence. Fundamentally, failure to comply with obligations in relation to integrity and animal welfare presents a risk to the industry’s commercial prospects, through the loss of the industry’s social licence to operate.⁷²

151. The Commission identified the following arguments for vesting regulatory compliance functions within a separate body:

- a. Better practice standards require a compliance function not to be compromised by conflicting priorities, particularly where compliance is embedded in the business.
- b. It is reasonable to expect such a move would contribute to improved public confidence.
- c. Removing compliance from the racing control body may result in a more efficient allocation of resources, enabling the control body to focus on commercial obligations.
- d. Establishing QRIC as a statutory authority which represents the State will enable it to draw upon complementary resources, such as methodologies, case tools, and technical expertise.
- e. The Commissioner considered the control body’s allocation of compliance function resources to particular racing codes was not optimally aligned with compliance risks and objectives. An independent body would be able to more effectively consider the allocation of compliance function resources, based on compliance risks and obligations, free of any conflicting commercial interests.

152. Arguments against vesting regulatory compliance functions within a separate body included the following:

- a. The ‘red tape’ accompanying outsourcing of compliance functions to an independent body may impede controls, such as communication protocols, being efficiently embedded.
- b. Effectively managing risks associated with animal welfare obligations requires insights into the drivers and motivators of certain behavioural aspects of licenced industry participants. Those charged with operating in the industry are potentially more attuned and better placed to detect indicators of non-compliance.

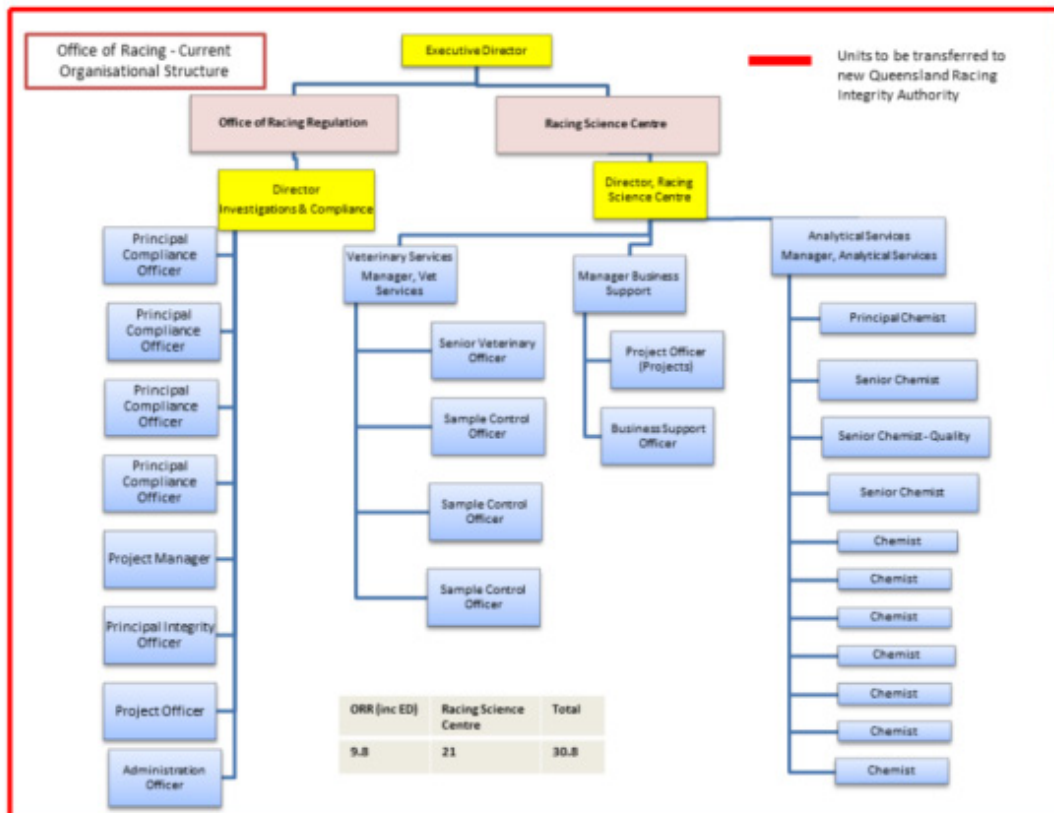
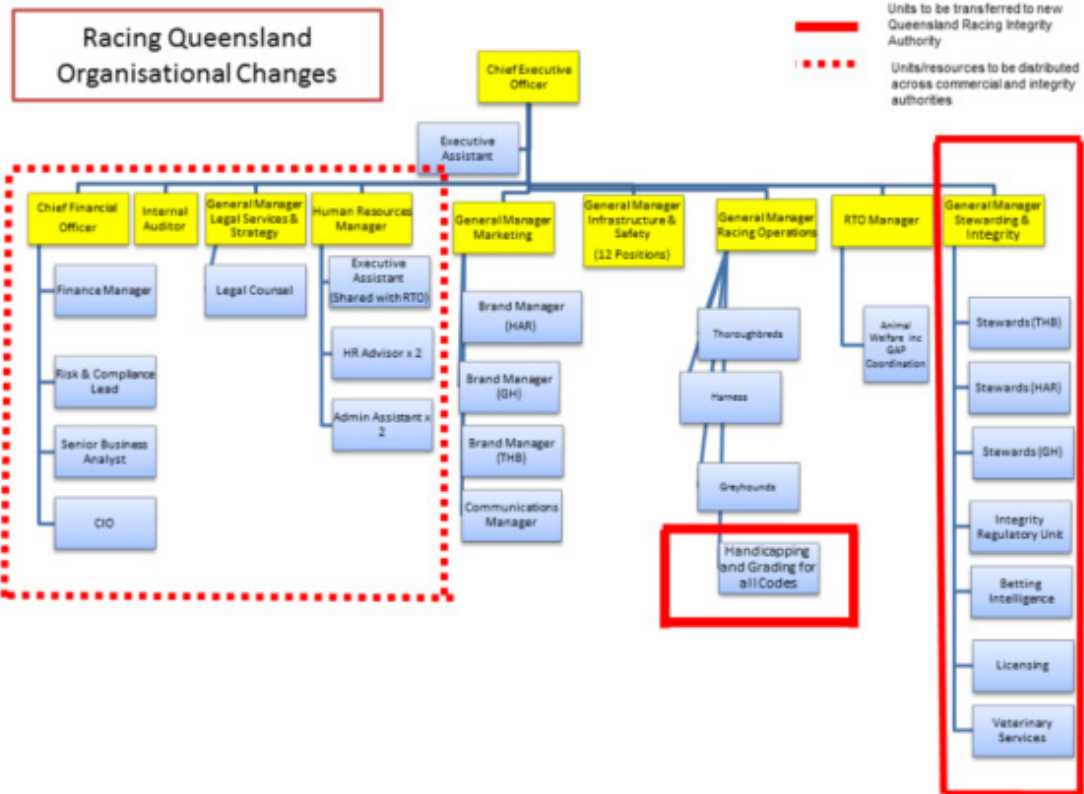
153. The following charts display the recommended functional model and the then existing units or functions proposed to be transitioned to the QRIC by the Commission:

72 *Ibid*, p.128

**Queensland Racing Integrity Commission
Recommended Functional Structure**

- The Commission, as a Statutory Authority will:
- Represent the State
 - Not be a body corporate
 - Have the usual good governance processes by which government organisations are directed, controlled and held to account.
 - Good governance processes encompass organisational authority, accountability, stewardship, leadership, direction, control and performance.





Recommendations

154. The Commission made the following recommendations, among others:

- a. A new statutory authority be created which was dedicated to ensuring the integrity of the Queensland racing industry. The new authority be created as soon as possible, and in parallel with a review of the *Racing Act 2002* (Qld).
- b. Consideration be given to the head of power for the new entity to be established in a new Act, which will provide for the naming of the entity, commencement, application of other Acts, purpose and objectives, functions of the entity, appointment of a full-time Racing Integrity Commissioner (RIC) and other staff, accountabilities of the RIC, reporting requirements, financial arrangements, etc.
- c. The new statutory authority be the QRIC and be headed by the RIC.
- d. The QRIC should be distinct from the control body and not form part of the Department.
- e. The control body should focus on the commercial operations of the industry.
- f. The QRIC comprise the resources of existing entities, being the Office of Racing from the Department, the stewarding and integrity operations from Racing Queensland; the functions of grading and handicapping from Racing Queensland; rotating officers on secondment from the Queensland Police Service; and a reasonable proportion of corporate support function personnel and funding from Racing Queensland.
- g. An all codes board be established as the control body for all three codes of racing (Thoroughbred, Harness and Greyhound), consisting of seven members, four of whom are independent. The remaining three should have relevant experience in the industry and be drawn from each code of racing.
- h. The individual code boards should be abolished.
- i. When the review of the *Racing Act* is carried out, there be a similar review of the *Animal Care and Protection Act 2002* (Qld) and *Criminal Code* to eliminate duplication, coordinate and rationalise powers, and make provision for the reporting of breaches.
- j. A review be undertaken to ascertain whether the rules enable individual greyhounds to be traced at all times during their lifecycle. It was recommended that there be a requirement that each pup be registered as soon as ear branding and micro chipping is possible so that the greyhound is fully traceable from this time.
- k. QRIC maintain a database of information such as OzChase, available to the public upon request, to enable identification of greyhounds, injuries and euthanasia.
- l. The breeding incentive program, QGreys, be discontinued and that the money currently funding the program be redirected to the Greyhound Adoption Program (GAP) or similar.
- m. A further, lower class of racing be made available for greyhounds which for a variety of reasons may not be competitive and thus forced into retirement from the industry. This would extend the racing career of many greyhounds and ease the burden of numbers that need rehoming.

Victoria

Animal Welfare & Cruelty Review

155. Greyhound Racing Victoria (GRV), in conjunction with Chief Veterinary Officer Dr Charles Milne, lead a review into animal welfare and cruelty in the Victorian greyhound industry in 2015 (the Review).
156. The Review considered current industry codes and standards; examined current governance systems and enforcement strategies; and made recommendations on how standards and compliance with animal welfare could be improved.
157. The Review was conducted over 10 weeks and gathered information from a wide range of key stakeholders.
158. The Final Report (Final Report) was published on 30th April 2015 and included 50 recommendations.⁷³ The key issues identified in the Final Report were:
 - a. the current complex regulatory framework of regulating animal welfare;
 - b. the conflict between GRV's role as controlling body and GRV's responsibility to protect the welfare of animals within the industry; and
 - c. the lack of coordinated oversight between different agencies and within the industry which reduces accountability.

Regulatory framework - animal welfare rules, codes and standards

159. There are five codes of practice under the *Domestic Animals Act 1994* (DAA) that relate to the management of dog-related business, and these codes are mandated where an establishment meets the definition of a 'Domestic Animal Business' (DAB) under the DAA. Greyhound establishments that meet the definition of a DAB are required to comply with the DAA's *Code of Practice for the Operation of Greyhound Establishments* (COPG), which establishes the minimum standard for accommodation, management and care of greyhounds in Victoria.
160. The Review considered that the COPG lacked content and scope in relation to the lifecycle of a racing greyhound. A revision of the COPG was recommended to increase relevant standards. The Final Report stated:

*A review of its content shows that the COPG does not include critical standards that address a greyhound's exercise, socialisation, handling, transportation and enrichment needs at all stages of the dog's life. The COPG also does not include policies to guide greyhound management and care after they retire from racing. The animal welfare standards embodied in the COPG are considered to fall short of contemporary community expectations.*⁷⁴
161. The Review also identified gaps in the application of COPG which resulted in reduced compliance obligations for GRV members. The Review found that due to GRV's lack of clarity in relation to what constitutes a greyhound DAB and confusion as to the interpretation of 'Applicable Organisation', a large amount of greyhound establishments had not registered with local council, which presented a significant compliance and enforcement issues. The Review considered that changes should be made to ensure the COPG applied to majority of greyhound establishments to facilitate consistent enforcement of policy and rules.
162. A wide variation between the penalties applicable to equivalent offences under the various animal

73 Investigation into animal welfare and cruelty in the Victorian greyhound industry, Final Report dated 30 April 2015, p. 3-7.

74 *Ibid*, 18.

welfare regulatory frameworks was also identified. The legislative penalties prescribed under POCTAA, the *Racing Act* and DAA were found to be significantly higher than that of the GRV Local Rules. The Review recommended that the penalties and sanctions under the GRV Local Rules be revised to make them consistent with community expectations.

Role and powers of greyhound inspectors

163. The Review considered the powers of GRV stewards and inspectors in facilitating welfare compliance within the industry. It found that officers *'have inadequate powers to conduct meaningful unannounced inspections of registered greyhound premises.'*⁷⁵ The following statements were made in relation to integrity officers:⁷⁶
- a. GRV inspector powers are very limited in comparison to DAA or POCTAA authorised inspectors, and the Review recommended greyhound inspectors be authorised under the DAA and POCTAA so as to ensure appropriate oversight;
 - b. powers of entry for Stewards and Inspectors be extended to enter non-residential premises at any time to increase possible detection of non-compliance;
 - c. that a process for more rigorous investigation of complaints, including surveillance, be established;
 - d. the Local Rules be enhanced to require all deaths of greyhounds be reported to GRV and carcasses only be disposed of with permission by GRV; and
 - e. GRV determine the capabilities required of inspectors and stewards, and facilitate appropriate formal and informal learning processes to enable proper execution of powers and duties by such officers.

The Greyhound Inspectorate

164. The Review outlined the potential real or perceived conflict between GRV's role as controlling body in promoting the economic interests of racing, and its responsibility to regulation of animal welfare within the industry. On this conflict, the Review stated that *'good regulatory practice requires a degree of separation of the regulatory authority from industry interest.'*⁷⁷
165. Animal welfare has not been a central focus of GRV, with the Review noting that GRV inspectors have often not felt empowered to prosecute breaches of animal welfare offences. To reduce the conflicting interests of GRV, the Review recommended the establishment of a *Greyhound Inspectorate* which focused solely and independently on animal welfare:

*The introduction of a high-quality authority (the Greyhound Inspectorate) which manifestly has animal welfare in the greyhound industry as its first priority and has appropriate investigative and executive powers is a fundamental component of the series of developments needed to rebuild public confidence. An industry-funded, statutory Greyhound Inspectorate should be established to regulate animal welfare in the greyhound industry.*⁷⁸

166. Among other responsibilities, a Greyhound Inspectorate body would be responsible for audits, inspections, and registration of greyhound DABs. The body would be responsible for registration

75 Investigation into animal welfare and cruelty in the Victorian greyhound industry, Final Report dated 30 April 2015, 15.

76 *Ibid.*, 24.

77 Investigation into animal welfare and cruelty in the Victorian greyhound industry, Final Report dated 30 April 2015, 16.

78 *Ibid.*

and inspection of greyhound establishments, which would include overview of rearing, breeding, breaking-in and training establishments. This would remove the role of registering and inspecting greyhound DABs from local Victorian councils, which at the time of the Review had limited resources and took limited action in this regard.

167. The Review also noted the need to establish a compliance strategy in consultation with relevant agencies such as the RSPCA, GRV, local councils and police. Information gathered during the Review suggested stewards had not acted consistently on animal welfare issues and inspectors had not been empowered to take compliance action. A compliance strategy would include various reporting requirements and briefings on breaches of legislation, and as such demonstrate a willingness to take require action and outline how compliance and enforcement for breaches will be undertaken within the industry.
168. The Review concluded that establishing this separate organisation charged with protection of animal welfare would provide greater community confidence that animal welfare standards would be properly enforced.
169. In relation to the *Greyhound Inspectorate*, the following recommendations, among others, were made:⁷⁹
 - a. that the audit and inspectorate functions be removed from GRV and located in an independent *Greyhound Inspectorate*, under the direct control of government and funded by industry;
 - b. that the *Greyhound Inspectorate* develop best practice guidelines for the establishment of greyhound establishments;
 - c. that the *Greyhound Inspectorate* be responsible for regulating greyhound establishments including 'Domestic Animal Businesses' under the *Domestic Animals Act 1994*;
 - d. that all premises involved in greyhound breeding, rearing, breaking-in, bullrings, boarding, and training should be registered and monitored by GRV under the current governance framework prior to establishment of the *Greyhound Inspectorate*; and
 - e. that the *Greyhound Inspectorate* develop, in consultation with all relevant agencies, a greyhound *Domestic Animals Act 1994* and *Prevention of Cruelty to Animals Act 1986* compliance strategy, including reporting requirements and memorandums of understanding with appropriate agencies to define liaison, assistance and briefings on breaches of legislation for compliance action.

Accountability between agencies

170. The Review also considered it necessary to establish a new model for agency accountability across the industry, due to the current framework resulting in gaps in animal welfare compliance regimes resulting from a lack of power, poor interagency coordination and confusion as to primary regulatory authority. The alternative accountability model suggested numerous changes, some of which included that:⁸⁰
 - a. the GRV Board is designated a statutory obligation under the *Racing Act 1958* to promote animal welfare, including greyhound welfare, across the industry;
 - b. a member of the GRV Board is required to have expertise in animal welfare;

79 *Ibid*, 4-5.

80 Investigation into animal welfare and cruelty in the Victorian greyhound industry, Final Report dated 30 April 2015, 5-6.

- c. GRV work in conjunction with a range of participants to reduce the number of greyhounds bred, improve rehoming and fund improved post-racing retirement;
- d. GRV consider enhanced training and education requirements for registration and licensing of participants which are assessed regularly, and training should be ongoing;
- e. GRV develop a formal referral mechanism for serious breaches of welfare legislation;
- f. GRV optimise their use of existing sanctions to enforce compliance with relevant legislation;
- g. a compliance strategy is developed by GRV in consultation with all relevant agencies;
- h. stewards increase gathering of critical intelligence through use of informal channels and increased inspections;
- i. a national discussion of greater harmonisation of rules, and gathering and sharing of information is considered; and
- j. the Racing Appeals and Disciplinary Board include an independent member with appropriate animal welfare and/or veterinary expertise when considering animal welfare related issues.

171. These changes were aimed at clarifying responsibilities for the various agencies, with the Review stating:

The Review proposes a new model for agency accountability: one which is simplified, sets out clear responsibilities and facilitates information sharing in order to improve enforcement. GRV should remain responsible for the registration of greyhounds and participants, and licensing of race tracks and trial tracks. GRV's animal welfare role and reporting requirements should be broadened, as should Greyhounds Australasia's role in facilitating consistent animal welfare standards. The responsibility of inspecting greyhound premises should move from local councils to the new Greyhound Inspectorate, which will also be charged with registering the premises. The RSPCA will continue to be the lead enforcement agency responsible for general domestic animal welfare under POCTAA and work with the Greyhound Inspectorate on serious animal welfare matters. ORIC's role should be expanded to include oversight of GRV and the Greyhound Inspectorate's compliance to animal welfare regulation.⁸¹

172. In relation to participant education and training, the Review noted that despite compulsory induction seminars for new participants and increased education opportunities for existing participants, greater education was required across the industry to ensure participants understand their responsibilities. It was recommended that requirements for participant licensing and registration be reviewed to include increased education on responsibilities for animal welfare.

173. The Review stated that Greyhounds Australasia had a greater role to play in harmonising animal welfare statistics reporting across the Controlling bodies in Australia and New Zealand. When considering the varying format and content gathered by each Controlling Body in each separate jurisdiction, the Review noted the potential benefit of being able to compare data across jurisdictions if harmonised reporting were to be implemented.

174. Further, the Review outlined the importance of the Office of the Racing Integrity Commissioner (ORIC) in reviewing each separate agency's performance in executing its duties. It noted:

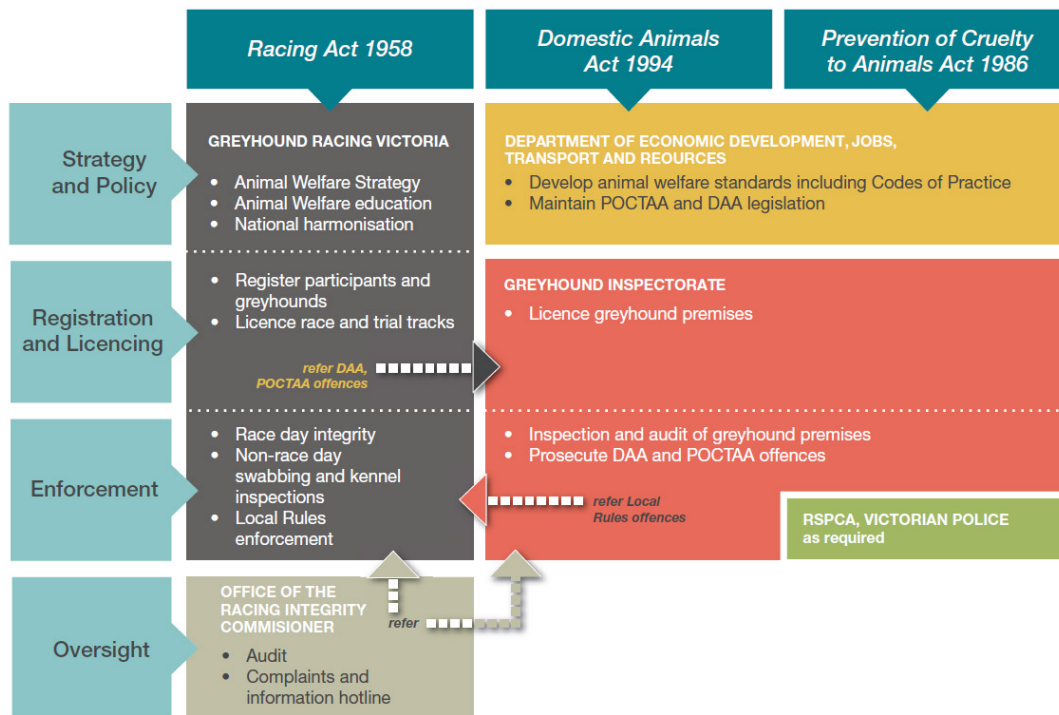
The Review recommends that the responsibilities of ORIC be expanded to explicitly include

81 Investigation into animal welfare and cruelty in the Victorian greyhound industry, Final Report dated 30 April 2015, 31.

investigations into animal welfare compliance and an annual audit of the Greyhound Inspectorate.⁸²

175. Figure 2 outlines the Review's proposed changes to accountability between agencies.

Figure 2. Overview of proposed agency accountabilities



Information management

176. Interviews conducted during the Review identified numerous issues relating to data collection, analysis and use in relation to a number of matters including number of active greyhounds, lifecycle, and retirement. Whilst the lack of accountability between agencies undoubtedly impacted this, the Review suggested that GRV had also failed to implement any data collection systems which were vital to effective animal welfare oversight. Significant changes to case management and data collection were essential in facilitating transparent exchange of information between industry members, GRV Board members and the public.⁸³

177. Stakeholders consulted throughout the Review emphasised the importance of developing a case management system. Such a system would be shared between GRV and the Greyhound Inspectorate to ensure detailed information about participants and premises was appropriately stored. This system would interact with the National Data Repository, administered by GA, to increase overall national information management.

178. The recommendations made by the Review in relation to information management included

82 *Ibid*, 38.

83 Investigation into animal welfare and cruelty in the Victorian greyhound industry, Final Report dated 30 April 2015, 39.

the following:⁸⁴

- a. a rigorous and consistent approach to documentation of retirement and exportation of greyhounds be adopted, and creation of an offence to failure to document such events;
- b. Greyhounds Australasia coordinate collection of greyhound lifecycle information;
- c. GRV consider introducing a rule that greyhounds be kept only at registered premises and in the custody of GRV licensed participants;
- d. GRV closely monitor injuries at trial tracks and racetracks and publish annual reports;
- e. GRV implement and develop a case management system that enables lifetime monitoring of greyhounds with capabilities for complex reporting, analysis and review of the industry;
- f. GRV and the *Greyhound Inspectorate* share access to the case management system to support intelligence gathering and exchange; and
- g. GRV increase sharing of information with local councils and the RSPCA.

Own Motion Inquiry

179. On 17 February 2015, the Victorian Racing Integrity Commissioner initiated an Own Motion Inquiry (Inquiry) into the greyhound racing industry in Victoria.⁸⁵
180. Pursuant to the Inquiry, the Commissioner extended a public invitation to any person with information concerning live baiting practices in Victoria to provide information; conducted interviews with participants within the industry; analysed all relevant materials presented to the Commissioner; considered national and international developments; and consulted with stakeholders.
181. A total of 66 information reports, 83 enquiries, and seven complaints were considered by the Commissioner. Further, 29 people including members of the former GRV Board, senior management of GRV and industry participants suspended by GRV were examined through the Commissioner's exercise of board of inquiry powers.
182. The Inquiry focused particularly on the issue of live baiting and its prevalence in Victoria, and allegations of governance and system integrity issues within the controlling body of GRV. The Commissioner also considered ancillary issues raised during the Inquiry, including the lifecycle of a Greyhound and the use of alternative lures.
183. On 5 May 2015, the Commissioner completed the final report on the Inquiry (Final Report).

Live baiting and GRV knowledge and corruption

184. The Commissioner concluded that despite thorough investigation efforts, no substantiated evidence existed as to how regular and widespread the practice of live baiting was in Victoria. The Commissioner was confident that the practice was unlikely to be confined to one property or group, and circumstantial evidence suggested it was a practice well-known and occurring within the industry.

84 *Ibid.*, 7.

85 Own Motion Inquiry into Live Baiting in Greyhound Racing in Victoria, Published 17 February 2015.

185. Evidence presented to the Inquiry revealed that the GRV Board had not appropriately identified animal welfare issues, other than greyhound welfare, as a current or ongoing risk. The Commissioner acknowledged that had appropriate training, powers and industry knowledge been provided to Welfare Officers the capacity of GRV to detect live baiting practices would have increased.
186. The Commissioner noted that on the evidence before the Inquiry no corruption, cover-up or complicity in live baiting had been found.

Addressing welfare issues in GRV rules and policies

187. The Inquiry noted that the lack of a central repository for GRV Board directions and policy resulted in unclear and often conflicting directions by GRV staff to industry participants in relation to welfare issues. The Commissioner considered that more proactive education by GRV was required to ensure industry participants were fully compliant with regulatory rules and policies, and that inclusion of animal welfare-related issues in the Rules of Racing should be considered.

Powers and training of integrity-related staff

188. Evidence considered by the Inquiry suggested that the lack of authority and power provided to Welfare Officers encouraged a view that welfare issues were secondary to Rules of Racing, and as a result issues identified by such officers were frequently dismissed by industry participants.
189. The Commissioner considered that the powers of Welfare Officers should be extended to include the Stewards powers of enforcement and the ability to impose pecuniary penalties. Extending such powers would afford Welfare Officers with the same authority and respect provided to Stewards within the industry, as well as enabling officers to enforce Rules of Racing.
190. The Commissioner also stated that animal-welfare issues should be included in the Rules of Racing and not be relegated only to directions or policies due to their importance within the industry.
191. The evidence indicated that no structured training existed for any integrity-related roles at GRV. The Commissioner noted that integrity staff needed to be provided with specific training in relation to their legislative powers, Rules of Racing, and understanding of other laws relevant to racing to execute their functions appropriately and effectively.

Conflicts of interest and an independent integrity body

192. Evidence presented by industry participants raised concerns over conflicts of interest within the industry. To appropriately discharge their functions GRV staff are required to be independent from the industry whilst also maintaining industry knowledge which can lead to unavoidable conflicts of interest. The Commissioner acknowledged this conflict as significantly reducing industry confidence in GRV. The Commissioner stated:

However, industry participants raised conflicts of interest concerns due to GRV staff who are responsible for 'policing' due to their personal and family connections with industry participants. My view is that this results in distrust of GRV staff by industry participants, and is a factor in the reticence of participants to come forward (and report issues such as live baiting) and is the cause of complaints regarding favourable treatment of registered persons with GRV connections. I am of the view that until such time that the GRV Board addresses this issue, industry confidence in GRV will be affected.⁸⁶

86 Own Motion Inquiry into Live Baiting in Greyhound Racing in Victoria, Published 17 February 2015 20.

193. The Inquiry highlighted the need to separate the integrity function and commercial function of GRV. The establishment of a separate integrity body would remove all integrity function from the controlling bodies and function as a wholly independent body. The Final Report stated:

Integrity, which includes Stewards and Welfare Officers, amongst others, must be, and seen to be, independent of any management influence and commercial concerns of a controlling body. A dedicated, professional body tasked with preventing, detecting and enforcing the Rules of Racing with close working relationships with other intelligence and law enforcement bodies is critical to ensure the integrity of racing in Victoria.⁸⁷

Approach to welfare generally

194. The Commissioner criticised the ‘softly softly’ approach to enforcing compliance with welfare-related breaches. Industry participants were not penalised for obvious breaches of rules and policy, and instead held a focus on educating the industry on welfare issues. The lack of maintenance of official records and no central repository of information related to welfare-related breaches was also outlined as a downfall in GRV’s approach to welfare. Blurred reporting lines between the Integrity and Welfare Departments were also considered to play a part in the overall lenient approach to welfare breaches.

GRV Board Composition

195. The Final Report recommended that the Act require a minimum of one GRV Board member to have suitable animal welfare experience. The Commissioner considered that in light of the evidence reviewed during the Inquiry, it was necessary for GRV to make welfare a major focus and a requirement as such would facilitate this change.

Lifecycle of Greyhounds

196. The RSPCA’s evidence was that approximately 53 – 59% of Greyhounds born in Victoria were ultimately named and registered, but a widespread lack of documentation existed as to what occurred with the remaining animals.
197. The Inquiry raised issues of unregulated breeding, and concerns over re-homed, euthanised or disposed of greyhounds. The Commissioner acknowledged the need for a regulatory framework to be established to ensure the overseeing of greyhound lifecycles in Victoria.

Use of alternative lures

198. The Inquiry revealed two opposing views of the use of alternative mechanical lures in Victoria. One approach regarded ‘run on’ lures as superior as they reward the greyhound and remove the competitiveness that live baiting fosters through allowing the dog to catch the lure. Alternatively, some evidence before the Commissioner suggested ‘run on’ lures increased risk of injury including dislocated jaws and fractures, whilst having no real effect on greyhound performance and inappropriately representing racing and training to the public.⁸⁸
199. The Commissioner acknowledged the need to explore alternative methods to lure training to reduce the perception within the industry of live baiting providing a competitive edge.

87 *Ibid*, 109.

88 Own Motion Inquiry into Live Baiting in Greyhound Racing in Victoria, Published 17 February 2015, 91.

Recommendations

200. The Final Report made a total of 18 recommendations, including that:⁸⁹

- a. GRV's Animal Welfare Compliance and Education Officers and Investigators be designated as Stewards under the Rules of Racing, and their power of entry and inspection increased;
- b. GRV introduce a regulatory framework for all premises and persons involved in the rearing, education, breaking in and training of greyhounds;
- c. alternative methods of assisting greyhounds to chase the lure and perform at their best be reviewed and trialled by the GRV;
- d. GRV commit to banning animal lures and allowing only use of synthetic or artificial materials as lures;
- e. GRV restrict transfer of a greyhound from a disqualified or suspended person and ensure any suspension of a person also applies to that persons property;
- f. GRV initiate engagement with animal welfare groups through formal agreements and Memoranda of Understanding;
- g. GRV appoint a Law Enforcement Liaison Officer to liaise with law enforcement agencies on a regular basis;
- h. welfare training be provided by GRV to training staff conducting inspections and those generally involved in the welfare of greyhounds;
- i. Local Rules be amended to ensure a breach of section 13 of the POCTA (and any other relevant provisions) is automatically a breach of the Rules of Racing, and that resulting penalties are substantial to act as a deterrent;
- j. a review of Welfare Penalty Guidelines occur to ensure provisions are consistent with other relevant laws, breaches of welfare-related provisions are strongly enforced, and the penalty for welfare-related issues is sufficient to act as a deterrent;
- k. the Rules of Racing and other related GRV policies and processes are amended to ensure mandatory reporting to Victoria Police and RSPCA Victoria of prima facie criminal offences;
- l. Government amend the *Racing Act 1958* (Vic) to establish an independent integrity body with accountability for racing integrity;
- m. Government amend the *Racing Act 1958* (Vic) to include a requirement that an appropriately qualified person with a background in animal welfare be appointed to the GRV Board;
- n. a national approach be considered by the Minister for Racing to ensure State and Territory integrity bodies meet to review state based 'Live-Baiting Review teams' to share knowledge and adopt a coordinated approach to integrity and animal welfare related matters;
- o. an information management system is implemented by GRV that appropriately collects, analyses, reports and shares information between areas of GRV;
- p. GRV require all policies to be written and recorded on the GRV website;

89 *Ibid*, 21-25

- q. Government amend the *Racing Act 1958* (Vic) to allow the Racing Integrity Commissioner's powers to apply to any person who has been registered in the racing industry within the preceding three years; and
- r. a review of GRV management of conflicts of interest is considered to ensure that confidence in impartiality of GRV staff is maintained.

