



**Greyhound Owners Trainers & Breeders
Association of Victoria, Inc.**

Reg No: A0017661V

ABN 67 306 599 068

E: gotbav@gmail.com

P: 0423 357 620

www.gotbav@org.au

2020 Annual General Meeting – President’s Report

Lynton Hogan

November 2020*

*** This version is dated 22 November 2020. Minor amendments may be made prior to presentation at the AGM on 29 November 2020.**

Table of Contents

1. Introduction	3
2. Your Committee	3
3. Summary of activities: The work GOTBA Vic does for you	4
4. What you can do to assist GOTBA Vic’s work in 2021	5
5. State of the Victorian greyhound racing industry in 2020.....	5
2020 – first, a note of thanks	5
The state of the industry in Victoria: an unvarnished viewpoint.....	5
The state of the industry in Victoria according to us: outlook	6
The state of the industry in Victoria: the why	6
6. The state of GOTBA Victoria	10
GOTBA Victoria: collaboration or confrontation?.....	10
GOTBA Victoria: what can you do?	12

1. Introduction

- 1.1 As you all know, GOTBA Vic is a member-based organisation that has been representing Victorian greyhound owners, trainers, breeders, attendees and other interested persons for several decades. We want an industry that is open, fair and rewarding for all involved and in which the welfare of the participant and the greyhound are always a priority.
- 1.2 We are primarily an advocacy and support organisation, to promote the interests of those who participate and work in the sport of greyhound racing at all levels. We do that both within the greyhound racing industry and outside of it.
- 1.3 It seems an obvious thing to say, but 2020 has been an incredibly difficult year for many of you, as it has been for us.
- 1.4 Just as too many Victorians have lost friends and family this year, we too lost our friend and fellow GOTBA Vic committee member Karen Leek in 2020 in tragic circumstances.
- 1.5 Loss affects us each in different ways: as a greyhound racing community, we lost a friend, mentor and a person who cared deeply about the welfare of people and greyhounds and was willing to act on that care.
- 1.6 We do and will miss her.
- 1.7 I would not be telling the truth if I said that this loss did not affect the way that we as a committee have worked this year. The little things have been tougher, the confrontations that are from time to time necessary to press a participant focus more difficult to maintain.

2. Your Committee

- 2.1 Your present Committee is Lynton Hogan, Robert Britton, Geoff Miles, Gayle Osborne, John Reid, Noel McMahon, Carly Feltham, Stan Ralph, and Jason Sharp. Jess Spoljaric retired from the Committee in 2020.
- 2.2 Carly Feltham and Noel McMahon each filled a casual vacancy on the Committee in 2020.
- 2.3 John Reid and Geoff Miles will as of the opening of the AGM retire from the Committee and I and everyone else on the Committee thank each of them.
- 2.4 John’s wise input into matters before the Committee have been invaluable: Geoff’s passion and dedication, particularly on track safety and surfaces, often in the face of bureaucracy

that works so attentively to quelling agitation and questions, has been of enduring benefit to the welfare of the greyhounds that each of us own, train or breed.

3. Summary of activities: The work GOTBA Vic does for you

3.1 The Committee meets 6-8 times a year. We will increasingly use online capability to do so.

3.2 The Committee provides written feedback or submissions on every formal consultation process that GRV runs, canvassing expertise of committee members, associates and those of members we have contact with.

3.3 We have participated in and provided feedback to GRV groups as follows:

- **Industry Consultative Group** –Lynton Hogan and Jason Sharp.¹
- **Racing Reference Group** – Stan Ralph and Rob Britton
- **Breeding Reference Group**.

3.4 GOTBA representatives have been a constant on these groups. We do query their effectiveness, in the sense that they usually involve presentations by GRV and give rise to limited discussion on issues of significance. Members of the consultation group do not receive ‘return feedback’ on why suggestions or input that is made by participants are not given effect.

3.5 In 2020, we conducted a member survey of the racing program, tracks and grading, with 170 responses. We found no support within that group for an expansion of the racing program, and a significant need for prizemoney increases. There was a degree of dissatisfaction on track surfaces generally. Survey recipients considered grading to require a significant overhaul.

3.6 We also provided significant input – importantly, based on prior member surveys – to GRV and the Office of Racing on potential support and stimulus packages to greyhound racing participants in 2020, should the industry have had to go into temporary shutdown due to Covid. Thankfully, that did not occur.

¹ GRV removed Lynton Hogan from the ICG in 2020. Its reasons –conflict of interest between representing certain participants (GOTBA Vic members) from time to time in disciplinary actions, and ICG input - were spurious - the ICG does not address individual disciplinary proceedings.

- 3.7 Further, we coordinated a major roundtable with GRV and major trainer members on tracks and track safety in August 2020. GRV has, albeit in vague terms, committed to do better in several areas including track maintenance and in use of expertise in major works programs.
- 3.8 We have also recently provided input into a replacement participant representative to the GRV Board to the Racing Minister and Office of Racing.

4. What you can do to assist GOTBA Vic’s work in 2021

- 4.1 Join us. Get all those participants you know to join us. Spread the word. We are stronger together. Numbers matter.
- 4.2 Be ready to act. If you are not, en masse, you may be ignored.
- 4.3 Send us your ideas. And your problems. We WANT to know about them. We can only possibly help with them if we know about them.
- 4.4 Keep in contact with us. We are on **Facebook** - <https://m.facebook.com/GOTBAVic/> ; the **internet** generally <https://www.gotbav.org.au>; on **email**: gotbav@gmail.com. Our secretary keeps a dedicated phone for member contacts: **0423 357 620** and we will return to you on member enquiries.

5. State of the Victorian greyhound racing industry in 2020

2020 – first, a note of thanks

- 5.1 In 2020, greyhound racing participants, clubs and GRV itself have done a **wonderful** job in keeping a racing program going while our society faced significant restrictions. A lot of people worked incredibly hard, often behind the scenes, often in tight timeframes, often in very uncertain and stressful conditions, to ensure that a racing product could continue to be offered. While racing continued everywhere during Covid (save in Tasmania, for a short time), continuation in Victoria required the most skill and hard work to bring about.
- 5.2 In silver lining to this, operating during COVID has resulted in significant punting uplift, and therefore revenue to the sport -albeit not to you, yet. See below.
- 5.3 To **everyone involved** – participants, clubs, GRV alike - an amazing effort, well done.

The state of the industry in Victoria: an unvarnished viewpoint

- 5.4 I, we at GOTBA Vic, have a deep respect and care for the people who participate in greyhound racing, for the sport itself, and for the greyhounds in it, though the GOTBA Vic committee unashamedly approaches matters with the participant firmly in mind.
- 5.5 You will not see what follows in the massaged marketing messaging produced by, or paid for by, Greyhound Racing Victoria.

The state of the industry in Victoria according to us: outlook

- 5.6 Look more than surface deep at Victorian greyhound racing and you will see an industry whose medium-term outlook - if you are a person who owns, trains or breeds a greyhound - is clouded.
- 5.7 The Victorian model is big (and getting bigger), and really inefficient. The sport provides poor average returns to participants compared to what they should be. Victoria is not anywhere near a world leader, or even Australian leader, in racing terms.
- 5.8 Medium term, GOTBA Vic perceives a real risk of the creation in Victoria of a large, low-quality, inflexible racing program where the majority of participants supply their own dogs, while struggling to do so. That is, a sport operating with little margin to support expanded post racing obligations and adoption requirements for a greyhound population that is made much bigger through program expansion.
- 5.9 On that scenario, over time, third party ownership – a vital lifeline, including from the perspective of generating wider community support for the sport – will wither, as may care standards.
- 5.10 Ultimately, both participant and greyhound would be worse off. Sustainability comes into sharp focus.

The state of the industry in Victoria: the why

- 5.11 Why participate in Victorian greyhound racing compared to other States? Unfortunately, that question is not that easy to answer. Being blunt, **there’s a good chance that you can do better by prudently placing your greyhound interstate rather than racing it in Victoria.**
- 5.12 Victoria runs a high cost, low average return, decreasing quality racing program under the stewardship of a very bureaucratic regulator.

- 5.13 Victorian greyhound racing is high cost. All participants have felt the burden of costs that have increased significantly in recent years, much due to further regulation.
- 5.14 In terms of running the sport, averaged out on a per race meeting basis, and excluding prizemoney, **Victoria probably runs the most expensive to stage greyhound racing in Australia, possibly the world**. See the table further below. Much of that is taken up in employee and other administrative expenses that just should not be that high, and aren’t in other States. This is expenditure that is not finding its way to you.
- 5.15 In calendar 2020, Victorian greyhound racing has expanded. But to us that seems based upon growing, as cheaply as possible (at Level 3 prizemoney), to try to match the size of the racing program to the cost of administration, and repair recent poor financial performance by GRV.
- 5.16 Victorian greyhound racing is low average return, and getting worse:
- in June 2020, GOTBA Vic calculated that Victoria was **5th out of 7** Australian greyhound racing jurisdictions for average per race returns;
 - average per meeting returns to participants in 2020 in Victoria almost certainly went *backwards* (despite wagering revenue holding up during COVID);
 - in 2021, average per meeting & per race returns look likely to go *backwards*, absent further increases (despite recent ‘prizemoney increases’: these were offset by additional meetings at the lowest possible prizemoney).
- 5.17 The Victorian greyhound racing model is maximum product, lowest cost. You are the cost. One that is pressed ever lower.
- 5.18 If *passion*– for the animal or the sport – is your reason to participate, then personally invasive, bureaucratic and anachronistic regulation (there’s never an issue that can’t be solved by writing a rule or policy to be followed); a sense of condescension of officialdom towards participants, wick that away.
- 5.19 These trends are **not** improving. Judge GRV by actions not words.
- 5.20 As recently as a few months ago, GRV expanded the racing calendar to 26 meetings per week, from 23, an increase of 13%. With prizemoney adjustments, GRV’s projected prizemoney spend increases only 12%.

5.21 Further, GRV has indicated a general desire to increase the number of races at certain meetings to 13 or more. There is no proposal yet to increase starter fees or adequate concern for people welfare as the time commitment for meetings expands.

5.22 But while participant returns have stagnated, GRV’s internal costs of administration and producing races have not:

GRV BOARD AND EXECUTIVE REMUNERATION / WAGE AND EXPENSES; GRV AV. EXPENDITURE PER RACE MEETING – all from or calculated from Annual Reports (latest available report is 18/19)

ITEM	FY15/16 unless noted	FY18/19	% change	NOTES
Total GRV expenditure, excluding prizemoney,² per race meeting held	\$36,372	\$49,032	UP 34.8%	In 18/19, other States: - WA: \$30,000 - SA: around \$28,000 - NSW: GRNSW alone: around \$30,000 (non TAB included) - NSW: GRNSW and GWIC together: \$44,238
Key management remuneration (CEO, senior execs and board)	\$2.475m (FY16/17)	\$3.024m	UP 22% in 2 years	CEO wage up 15% since commencement in 2015/16 (remun was min \$430k in 18/19).
Admin employee cost	\$3.533m	\$5.708m	UP 61.56%	
Per race meeting prizemoney³	\$38,387	\$39,108 ⁴	UP 1.8%	<i>Note: In FY13/14 av per meeting prizemoney was \$39,029</i>

5.23 The first figure in the table above is remarkable. Victoria, while running a bigger program than other States, runs a far more expensive one on a per meeting basis. Imagine if GRV cut these costs by 15% and increased prizemoney accordingly.

² (Total expenses – prizemoney), divided by number of race meetings held.

³ Prizemoney divided by number of meetings held.

⁴ NOTE: GOTBA Vic expects this to be driven **DOWN** in FY19/20 and again in 20/21 without increases.

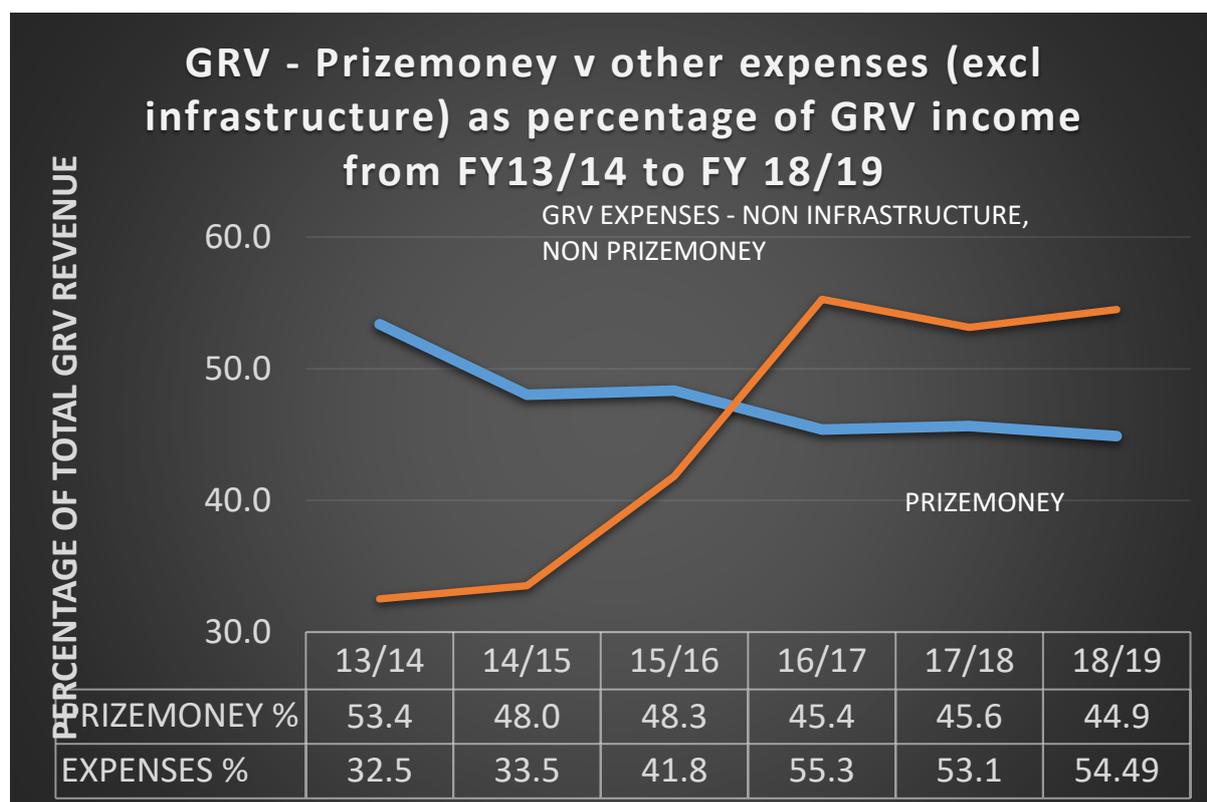
5.24 No-one looking at the above can fail to notice that it is good to **run** greyhound racing (noting the above occurred while generating \$13m of losses between 16/17 and 18/19 on *increasing* revenues), but less good to be working to provide greyhounds for it.

5.25 All participants want is an equitable outcome and a proper share.

PRIZEMONEY: a FAIR return

5.26 Victorian greyhound racing will continue to decline, particularly in a highly regulated environment where supply costs keep increasing, unless participant returns are addressed. Really and permanently. We don’t think this will be fixed in Victoria until participants get a guaranteed minimum percentage of GRV revenue returned as prizemoney and bonuses. **This figure should be well above 50% (currently mid 40s).**

5.27 In Victoria, prizemoney as a percentage of GRV revenue continues to decline:



5.28 Added to this, in Victoria, we have had an underinvestment in existing track and other infrastructure over recent years that is bearing fruit (in the need for major redevelopments).

5.29 So the headwinds in Victoria are known. They can be overcome, but not without being real about their existence and the taking of significant corrective action.

5.30 GRV actions to date do not convince us this is occurring.

6. The state of GOTBA Victoria

- 6.1 Being blunt about others means being blunt about oneself if hypocrisy is to be avoided.
- 6.2 We are a volunteer organisation. We have a solid number of owner, trainer, breeder members – more than any Victorian greyhound club (save for those with pokies members or slipping track members). A short analysis in early 2020 had our members racing (as owners or trainers) up to 50% of race dogs in a given week. At some meetings, the figure can be as high as 80-90%, and as low as 10-15%. We are in a financially sound position.
- 6.3 Our successes in the recent past have been ensuring the Code of Practice was amended, getting at least one participant onto the GRV board (it’s not enough), and drawing out (in 2020) continuing issues on track safety and surfaces, while dealing with a variety of other issues.
- 6.4 We have also maintained some pressure on GRV on matters of prizemoney, but we are nowhere near there on it.
- 6.5 However, we do find it intensely difficult to inspire the collective action that, unfortunately, is often necessary to inspire change in a monolith. Our progress can be slow, our communication less than strong.

GOTBA Victoria: collaboration or confrontation?

- 6.6 GOTBA Vic oscillates between confrontation and collaboration with GRV on major issues.
- 6.7 Collaboration feels very ineffective when it is completely routine – completely – for consultation by Greyhound Racing Victoria to take the form of either:
- whitewashing a pre-decided issue through an internal consultative group process, such as the Industry Consultative Group or Racing Reference Group, by presenting a matter at short notice without opportunity for constructive input; and/or
 - simply failing to respond to questions or submissions made.
- 6.8 Why accept collaboration, when it is ineffectual?
- 6.9 Equally, confrontation – certainly when action is limited - can be problematic. It is (very) hard to maintain, especially with limited personnel and other resources.

6.10 GRV is very vulnerable to media or public scrutiny (and also vulnerable from a financial perspective, ie to lost meetings), but does not like being questioned: whether on prizemoney, track surfaces or otherwise. It takes action accordingly. A large organisation, in response to questioning, can readily try to set the dial to ignore and try and ride it out.

6.11 During the past year, GOTBA Vic has experienced these things on several occasions:

- as members know, in 2019/2020 (pre COVID) prizemoney was a key focus, on which we pressed GRV. Nonetheless, in early 2020, we supported temporary prizemoney reductions at group level due to COVID uncertainty. When we did, however, GOTBA sought information from GRV on its own costs and what it was doing to reduce them or share any burden with participants. Despite this being quite a fair request, for information already provided to participants in other States, our committee members were told they were being divisive and disrespectful for having the temerity to make the request. A response was provided only after further pressure and intervention;
- GRV has not passed certain proposals to GOTBA Vic at all – eg proposals to increase races on a program – or only in vague terms, in the context of consultative groups that do not actually have a proper chance to consider those proposals (especially if they have by then already been passed by the GRV board by the time they get to a consultation) – eg expansion of the racing program to 26 meetings per week;
- the GOTBA Vic President’s Report column was removed from the Greyhound Monthly in early 2020 and replaced with a Greyhound Clubs Victoria column/ad – GRV does not appreciate views seen to be contrary to its preferred ones;
- I, as President, was required by GRV to cease being on the Industry Consultative Group, purportedly for conflict reasons arising from representation (I am a barrister) of GOTBA Vic members in a professional context (disciplinary proceedings), notwithstanding that the ICG does not discuss disciplinary matters – I and my committee perceive that as merely a wish to minimise questioning to GRV;
- at various times, GOTBA Vic has assisted members charged with disciplinary offences (usually with simply some advice or even comfort, never financial assistance using GOTBA Vic resources), or made representations on behalf of current and former members: this is met with an attitude of horror by GRV (with certain honourable exceptions);

- it is comparatively regular for rumours to return to us of denigration of the organisation by members of the regulator, usually in private meetings with other participants (ie behind our back).

6.12 At a general level, GOTBA Vic has a strained relationship with GRV, as we have been willing in recent times to go around GRV management when we see no or what we regard as insufficient progress on key issues that we have engaged with GRV on for too long, such as prizemoney or track surfaces.

6.13 Why do we identify these matters? To inform you, our members, of them.

6.14 My present view is that agitation, and to some extent, confrontation is and remains necessary, and that pure collaboration does not work with this GRV.

6.15 To get outcomes, participants need to stick together and take action. Power sometimes needs to be exercised for it to really exist.

6.16 Only then will collaboration that then follows be true collaboration.

6.17 Of course, that is a matter that is reconsidered from time to time, and will be reconsidered by the new GOTBA committee post AGM.

GOTBA Victoria: what can you do?

6.18 Act.

6.19 *Join GOTBA Vic. Join the committee. Even if you don’t, act as a collective – it’s hard, it can involve personal sacrifice to get a collective outcome.*

6.20 *Make your participation in GRV activities that are not pure racing activities conditional on a getting what you want and what is best for participants.*

6.21 *EVERY TIME you speak to a GRV board member or senior management, ask:*

- *Why do you run Australia’s biggest, but still most costly racing program?*
- *Why are participant returns declining as a % of GRV revenue?*
- *Why won’t you agree to returning at least 50% of GRV’s gross revenue to participants?*

6.22 *Mention concerns you may have with grading or track conditions etc.*

6.23 *Be critical – definitely look with scepticism at regulator announcements.*

6.24 *Importantly , don’t accept issues getting kicked into the long grass without an explanation and, if really necessary, a hard later date for them being addressed.*