

**GOTBA VIC – GRV MEDIATION**

**Report: 21 August 2021**

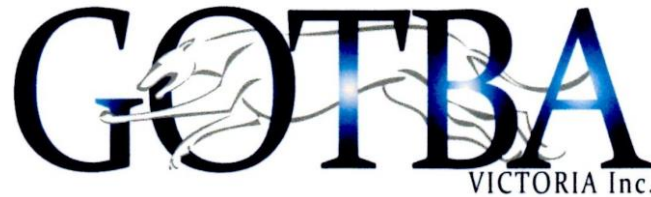
*This document summarises ‘outcomes’ of a mediation conducted between GOTBA Vic and Greyhound Racing Victoria ending 20 August 2021, by reference only to (and using) an issues list published by GOTBA Vic before agreement to mediation. It does not describe the detail of information received/exchanged during mediation.*

**On each matter below, GOTBA Vic, as publicly announced, sought agreed, written outcomes from GRV.**

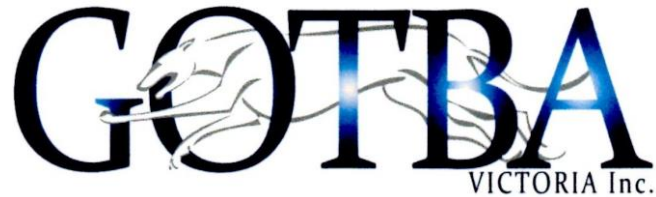
## Participant returns

POINT	Y/N	OUTCOME & NOTES
<p><b>Minimum return</b> - GRV to commit to a minimum 50% of <u>actual</u> revenue<sup>1</sup> return to participants from 2021/2022 onwards, by way of actual revenue true-up mechanism in the following year.</p> <p>That is, GRV budgets \$x prize money and, to the extent that actual revenue performance results in that budgeted figure being &lt; 50% of revenue, the difference (previous year top up payment - <b>PYTUP</b>) is retained and added to the <u>following</u> year’s budgeted prizemoney.</p> <p><b>Example below.</b></p> <p><i>2020/2021 prizemoney is \$52M of a budget of \$106m</i></p> <p><i>2020/2021 revenue is \$127M (50% is \$63.5m).</i></p> <p><i>To rectify the % shortfall, the PYTUP would have been <b>\$11.5M</b> (\$52M + \$11.5M = \$63.5M)</i></p>	<p><b>N</b></p>	<p><b>OUTCOME: GRV did not agree to any minimum % return of its actual income to participants.</b></p> <p><b>GRV did not agree to a floating adjustment /payment mechanism that would commit to share increased revenue with participants.</b></p> <p><i>GOTBA Vic Comment: Participants have no certainty of share unless a % of GRV income is assured into the long term.</i></p>

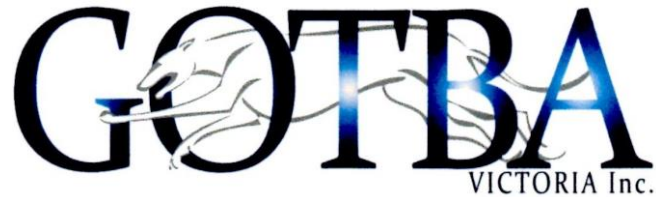
<sup>1</sup> This we believe is a fair share in industry revenue, taking in consideration expanded administration costs and 9 years of falling participants returns in adjusted terms.



POINT	Y/N	OUTCOME & NOTES
<p>2021/2022 prizemoney is budgeted at \$58M (48% of GRV budgeted revenue)</p> <p>2021/22 actual payment = \$58m plus \$11.5M PYTUP (see Notes column) .</p> <p>If 2021/22 <u>actual</u> revenue = \$130m: a \$7m (\$65m - \$58m) PYTUP carries over into 22/23, to be added to 22-23 budgeted payment figure.</p> <p>Say, 22-23 budget base prizemoney at \$64.8m of \$135m budgeted revenue (48%). Add \$7m PYTUP to this. Actual 22-23 payment = \$71.8m.</p> <p>Ensures 50% of annual income payment over time.</p> <p>It is accepted that there may be years in which no PYTUP is paid. We cannot have years like 19-20, and 20-21 – albeit for different reasons – happening again.</p> <p><b>GOTBA VIC NOTE TO GRV BOARD 7 July:</b> Participants must share uplift, and in sport income. It is accepted that some downside risk is involved.</p> <p>[NOTE: GOTBA Vic accepts that the whole \$11.5m PYTUP from 20-21 not be distributed in 21/22 BUT expects a significant proportion of it to be so distributed. See below]</p> <p>Not distributing any of the actual \$21m FY20-21 revenue increase to participants (note: budgeting \$58m of the \$122m 21-22 projected income is <u>not</u> doing this) is unacceptable.</p> <p>As revenue projection can be unpredictable this proposal gives GRV the whole year to assess “actual” revenue. At years end should the revenue reach or exceed the budgeted figure, GRV will adjust to the 50% figure and then add this amount to the following years prizemoney.</p> <p>This amount has nothing to do with the initial 48% allocated and will be called something like PYTUP (previous year top up payment).</p>		<p>Not doing so allows long-term underperformance.</p> <p>GOTBA Vic notes that % of GRV income returned to participants in the last 6 years: 48%, 45%, 46%, 45%, 43%, approx. 40%.</p> <p>GRV annual income in that time has increased in the region of 50% (by \$40m annually), its other expenses by around 70% annually.</p> <p>Despite \$40m more annual income, overall annual prizemoney increased by only \$8m in that time. Far more races (around 2000) were run to earn that prizemoney.</p>

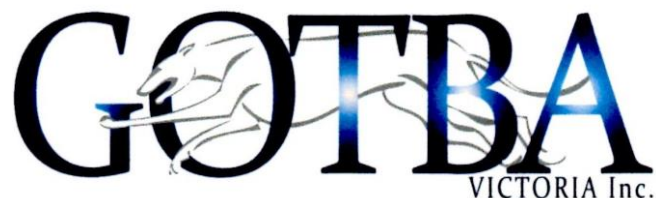


POINT	Y/N	OUTCOME & NOTES
<p><i>GOTBA suggest that as a minimum, GRV commit to 48% of “budgeted” revenue for base prizemoney (as is the case for 21/22)</i></p> <p><i>Yearly true-up model ensures lumpy month to month GRV income is not an issue</i></p>		
<p><b><u>21-22 modified adjustment for 20-21 PYTUP</u></b></p> <p><b>GRV commit to increased payments as follows (in order of priority):</b></p> <ul style="list-style-type: none"> <li>a. Unplaced \$50 payment – all levels (in addition to the \$70 travel fee).</li> <li>b. 12% city and 12% provincial (standard races) increase from current levels.</li> </ul> <p>(a) To be in place asap, no later than 1 September.</p> <p>(b) In place 1 September.</p>	<p><b>N</b></p>	<p><b>OUTCOME: GRV did not agree <u>now</u> to make increased payments applying income received from the year to 30 June 2021.</b></p> <p><i>Comment: This means that you were not rewarded for a result you generated in 20/21.</i></p> <p><i>Carefully scrutinise GRV public audited results and announcements appearing this year.</i></p>



## Safety

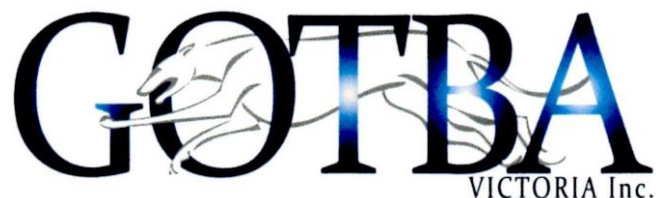
POINT	Y/N	OUTCOME & NOTES
<p><b>Harrowing:</b></p> <ul style="list-style-type: none"> <li>- Immediate, announced stop to deep harrowing (70mm to 100mm) in winter, pending assessment of ability and time required to prepare a satisfactory surface after this occurs. This will change for each track. Ideally x and x would be involved.</li> <li>- An assessment of race and trial injuries after deep, medium and light harrows.</li> </ul> <p><b>GOTBA Vic Note 7 July</b> – <i>[harrowing] This would be announced via Fasttrack immediately. Assessment on a rolling basis.</i></p>	<p><b>PARTIAL</b></p>	<p><b>OUTCOME: GRV is undertaking a harrowing study/review.</b></p> <p><b>GOTBA Vic has trainers/regs providing input to the widely respected reviewer.</b></p> <p><b>No public statement re stop deep harrowing in Winter.</b></p> <p><i>GOTBA Comment: GOTBA expects the review to be made public.</i></p>
<p><b>Freedom of action – club curators</b>  <i>[Timeframe – group selected by end of July, findings delivered by end of October 2021]</i></p> <ul style="list-style-type: none"> <li>- Clubs / curators to have freedom of action over track preparation and maintenance, at least until a proper preparation study is completed and remedial work is completed.</li> </ul> <p>GRV to step in with directions to club staff only when set deterioration of known, study evidenced parameters. Support still maintained. Orders in writing. Use more experienced track curators for mentoring and training of those less experienced.</p> <p>Track preparation – <i>What are the current parameters? Who decided what they are? What was the basis on which the current parameters</i></p>	<p><b>N</b></p>	<p><b>OUTCOME: No agreed outcome.</b></p> <p><i>GOTBA Comment: May be affected by harrowing review (above).</i></p>



POINT	Y/N	OUTCOME & NOTES
<p><i>were set? We would like to sit down with relevant Management, selected track curators and selected trainers (nominated by GOTBA) for discussion around current track preparation parameters ie: penetrometer readings, water content and potentially have new guidelines set</i></p>		
<p><b>Works plan:</b> [<i>Timing: Draft plan 3 months; Final mid December 2021</i>]</p> <ul style="list-style-type: none"> <li>- GRV board commit to a priority plan (road map) for infrastructure spend on our aging tracks. To develop and commit to a 5 and 10 year works program for track investment, funded, at a level commensurate with workload.</li> </ul>	N	<p><b>OUTCOME: No agreed outcome.</b></p>
<p><b>Gold standard</b> [<i>Set up: 8 weeks; Report: before end 21-22</i>]</p> <ul style="list-style-type: none"> <li>- independent study<sup>2</sup> into developing a ‘Gold Standard’ for the new development, remedial work, preparation and maintenance of our tracks. Independent Chairperson, and panel represented by selected club track curators, trainers and management. In addition soil science and veterinary expertise.</li> <li>- Injury study: part of above or separate. Race Interference (where ? what distances ? what grades ?), Catching Pens, Veterinary evidence – scans, Pre race injury detection, Comparisons with other racing</li> </ul>	N	<p><b>OUTCOME: No agreed outcome.</b></p>

---

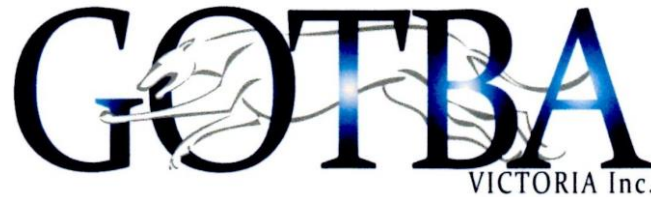
<sup>2</sup> *Terms of reference.* Existing reports undertaken for GRV – Dexis Report etc; Existing overseas studies; Comparisons with other racing jurisdictions; Management guidelines – line of command; Track Preparation and Maintenance.



POINT	Y/N	OUTCOME & NOTES
jurisdictions		

## Participant fairness

POINT	Y/N	NOTES
<p><b>Mutual respect and property inspections</b></p> <ul style="list-style-type: none"> <li>Integrity officers and stewards agree to cultural change with pledge to treat participants respectfully and fairly (participants to respect Integrity officers, their role and responsibility)</li> <li>Private property inspections to be booked in the ordinary course save where Integrity officers suspect welfare related contravention (and so state at time of inspection) or are conducting out of competition swabs.</li> </ul> <p><i><b>GOTBA Note 7 July:</b> As ought be clear, participants perceive and receive poor treatment.</i></p> <p><i>The compulsory private property inspection, permitted though it is, is still an invasion of privacy – in all bar the identified scenarios (which are acknowledged as requiring no notice), notice should be given and can be given.</i></p>	<p><b>N</b></p>	<p><b>OUTCOME: No agreed outcome.</b></p> <p><i>GOTBA Comment: GOTBA Vic's specific measure – booked property inspections (with exceptions) is such a simple mechanism.</i></p>
<p><u>Prompt action</u> [with report on compliance with measure].</p> <ul style="list-style-type: none"> <li>Anybody suspended on an interim basis pending charges to be charged and brought before the VRT within 3 months of interim suspension.</li> </ul>	<p><b>N</b></p>	<p><b>OUTCOME: No agreed outcome.</b></p> <p><i>GOTBA Comment: This is a simple measure to test prompt action (and therefore encourage it). It is not prevented by any published GRV policy or common sense. GOTBA recognises there would be</i></p>



POINT	Y/N	NOTES
<ul style="list-style-type: none"> <li>Charges to be laid and person brought before VRT / stewards for determination within 6 months of alleged incident / swab positive.<sup>3</sup></li> </ul> <p><b>GOTBA Vic Note 7 July:</b> <i>Report on compliance with measure. It is acknowledged that the exceptional, rare case may require a &gt;6 month charge laying time.</i></p>		<p><i>exceptions to the general rules (a small number of matters that fall outside the timeframes).</i></p>
<p><u>Baiting rules</u> - Amend Local Rule 42.12 and 42.18 to define and list specific (limited, explicable) exclusions such as tanned sheep skins/ car seat covers, etc.</p> <p><b>GOTBA Vic Note 7 July:</b> <i>This is not about live baiting. It is completely defensible, and should be capable of regulatory defence.</i></p>	N	<p><b>OUTCOME: No agreed outcome.</b></p> <p><i>GOTBA Comment: This is, again, a very simple measure that ought be defensible by a regulator concerned also to consider participants.</i></p>
<p><u>Contaminants</u> – Develop - 6 months - a list of substances, and published thresholds thereof, at which findings of prohibited substances will be subject to warning only, focusing first on human medication, by-products for which a person responsible can produce a medical certificate, and then extending to thresholds for common environmental contaminants.</p> <p><b>GOTBA Vic Note 7 July:</b> <i>GOTBA Vic would be willing to accept a commitment now to have this project implemented in 6 months.</i></p> <p><i>This item is not for GA. It is an enforcement matter, and therefore one for GRV.</i></p>	N	<p><b>OUTCOME: No agreed outcome.</b></p> <p><i>GOTBA Comment: There is no practical reason this cannot be achieved at a local level – taking into account proposals under the National Rules. It is a proposal for welfare of the human participants.</i></p>

<sup>3</sup> The mental health of participants and GRV staff is of the utmost importance and these matters should be dealt with in a timely manner for all involved