

QUEENSLAND RACING COMMISSION OF INQUIRY

Commissions of Inquiry Act 1950

FOURTH STATEMENT PURSUANT TO SECTION 5(1)(d).

I, ALFRED JAMIE ORCHARD of Level 10, 300 Adelaide Street, Brisbane QLD 4000, do solemnly and sincerely declare as follows:

1. I refer to my statements dated 26 July 2013, 30 August 2013 and 19 October 2013.
2. I have been provided with a further letter from the Commission dated 23 October 2013 ("Notice"), which gives notice of further potential adverse findings that may be made against me. I address those matters in this statement.
3. I have now been shown a copy of a four-page document titled "Conflict of Interest Disclosure" bearing a document reference RQL.136.006.0001. I do not recall ever seeing that document prior to it being shown to me by my solicitors on 23 October 2013. For ease of reference, and to reflect more accurately what I believe to be the nature of the document, I refer to the document in this statement as the "*Alleged Conflict Policy*".
4. I note that the Alleged Conflict Policy appears to be modelled on a five-page document titled "Conflict of Interest and Racing Interest Disclosure" bearing a document reference RQL.109.014.0892 and is similar to another document, the creation for which I was responsible, being a four-page document titled "Conflict of Interest Disclosure and Punting Requirements" bearing a document reference RQL.110.001.0439.
5. I am informed by my solicitors that the Alleged Conflict Policy is annexed to Adam Carter's first statement as annexure "ABC 126" in respect of which Mr Carter states at

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Signed:



**Further Supplementary Statement of
Alfred Jamie Orchard**

197907

Taken by:



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paragraphs 80 and 108 of his statement that this was a policy that RQL had in place. I believe he is wrong.

6. The QRL document mentioned in paragraph 4 above being the Conflict of Interest and Racing Interest Disclosure bearing a document reference RQL.109.014.0892 relates to employees and not to board members, as the text suggests.
7. At the time of the merger of the codes in 2010, I discussed with Mal Tuttle the possible concern that new employees coming into the new RQL structure should provide disclosure in relation to potential conflicts of interest and that staff involved in integrity, handicapping/grading and racing operations should not be involved with punting. I prepared a board paper titled "RQL Staff Conflicts" which went to the informal board meeting of RQL held on 7 May 2010. Annexed and marked "AJO 1" is a copy of that board paper.
8. I have been shown a copy of the minutes of the informal board meeting of RQL held on 7 May 2010 (document reference RQL.101.004.2236) which records, under the heading "Discuss RQL staff conflicts":

The board discussed the paper prepared by Mr Jamie Orchard, titled RQL Staff Conflicts. After discussing the contents of the paper the board agreed with the following recommendations:

- *To issue all RQL staff before July 1, 2010, a form of disclosure with instructions requiring the disclosure of any interest of racing interest relevant to any code.*
- *To restrict those in integrity, racing and handicapping/grading from betting on races of any code.*

9. Following that resolution, I put together the document described in paragraph 4 hereof as "Conflict of Interest Disclosure and Punting Requirements" bearing a document reference RQL.110.001.0439. It should be noted that this document relates to staff. It does not relate to board members.
10. I do not believe I created the Alleged Conflict Policy, nor do I recall it ever coming to my attention. I am informed by my solicitors and verily believe that they have checked the board minutes of RQL and have not found any entry where such a policy was ever adopted.
11. I have been shown copies of declarations signed by some board members that are in the form attached to the Alleged Conflict Policy. I do not recall ever receiving such documents from board members. I believe that I would not have received such

Signed: 

Taken by: 

documents. If such disclosure was made to me, especially in the absence of a policy delegating such responsibility to me, then I think I would remember it. My role as Director of Integrity Operations did not extend to governance arrangements of the board. As far as I was aware, the board would be responsible for putting in place their own governance arrangements. In fact, I note clause 3.2.1 of the RQL Code of Conduct (document reference RQL.003.001.0741 at 0745) provides, "The Chair of the Board of Racing Queensland plays an important leadership role in ensuring Racing Queensland works effectively. These responsibilities include ensuring ... Members of the Board comply with their statutory obligations and with the provisions of the Code."

12. Having stated the above, I now turn to responding to the allegations made in the Commission's Notice.

13. In response to the assertion by the Commission in the Notice that –

In relation to the RQL Conflict of Interest Disclosure policy for directors, Mr Orchard should have, but failed to,

- a. counter-sign the Conflict of Interest and Racing Interest Declaration Forms signed by the RQL directors Messrs Hanmer, Milner, Ludwig and Lette in June 2010,*
- b. create and document any strategy to resolve or manage conflicts of interest or racing interests for those directors who declared conflicts and/or interests, as provided for by the Conflict of Interest Disclosure policy read with the Conflict of Interest and Racing Interest Declaration Form;*
- c. require the Chairman, Mr Bentley, to complete any Conflict of Interest and Racing Interest Declaration Form on commencement as Chairman of RQL or subsequently*
- d. require any RQL director to complete the Conflict of Interest and Racing Interest Declaration Form annually as required by the Conflict of Interest Disclosure policy.*

I say:

- a. I believe that the Alleged Conflict Policy is not a policy that was ever adopted by RQL;
- b. I do not recall ever seeing the Alleged Conflict Policy;

- c. I do not believe that the declaration forms that appear to have been signed by Messrs Hanmer, Milner, Ludwig and Lette ever came to me;
- d. I did not create or document any strategy for resolving or managing conflicts or potential conflicts of board members as I was under no obligation to do so;
- e. I do not believe that Mr Bentley was required to complete a declaration as that attached to the Alleged Conflict Policy, as there was no obligation in any policy requiring it;
- f. In terms of the disclosure made by board members as noted in board minutes from time to time, it appears to me that the board continued to handle conflict issues in the manner that had been adopted in QRL by making disclosure at every board meeting. It was a matter for the board to determine whether the disclosure of those matters was sufficient as it was not part of my responsibility.

And I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the *Oaths Act 1867*.

SIGNED AND DECLARED
at Melbourne on 28 October 2013
in the presence of:

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Solicitor / ~~Justice of the Peace~~

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ANNEXURE

Annexure '**AJO 1**' to the Fourth Statement of **ALFRED JAMIE ORCHARD** signed October
2013 at Melbourne.



Alfred Jamie Orchard



Solicitor/~~Justice of the Peace~~

Annexure to Fourth Statement of **ALFRED JAMIE ORCHARD** of **RODGERS BARNES & GREEN**
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BOARD PAPER NUMBER: 3

RQL Staff Conflicts

PURPOSE:

The purpose of this paper is to determine the Board's attitude to the management of conflict of interest and racing interests disclosures and related conduct matters prior to the commencement of Racing Queensland so that the necessary disclosures can be sought prior to 1 July 2010.

BACKGROUND AND ISSUES:

CONFLICT OF INTEREST/RACING INTERESTS

Conflicts of interest arise regularly in practice and the mere fact of a conflict of interest does not of itself present a significant difficulty but a failure to properly identify or manage a conflict may become a very significant issue. This is particularly so in relation to bodies (such as Racing Queensland) that standards of integrity are met within a particular industry.

Accordingly, it is important that Racing Queensland has in place a robust and effective process for the identification and proper management of every possible conflict of interest, whether it be a real, perceived or potential conflict.

At present, conflicts of interests are addressed in the Rules of both Greyhounds Queensland and Harness Racing Queensland (at least in respect of Stewards). At Queensland Racing Limited, conflicts are addressed in the Code of Conduct and through an annual disclosure management process which applies to all staff.

In order to meet the appropriate standards of probity, it is proposed that all Racing Queensland staff be required to make a disclosure before 1 July each year (including 2010) of any real, perceived, or potential conflict of interests. Moreover, to avoid the risk of staff believing that a certain interest does not amount to a conflict it is recommended that staff also be required to disclose any interests they have in the racing interest (such as an interest in an agistment property, an interest in a racing animal or a business relationship with a licensed person).

It is proposed that the disclosure be made in writing (using a standard form) initially addressed to the person's manager. The manager will then be required to develop and agree with the staff member appropriate arrangements to manage any disclosed interests. Of course, the arrangements will vary depending on the circumstances including the nature of the interest, the position held by the person involved etc. The highest standards will apply to those in departments such as Integrity, Racing and Handicapping/Grading.

The disclosures should then be forwarded to the Director of Integrity to ensure that every employee makes disclosure and that there is a consistent approach adopted (allowing for appropriate variations given the circumstances of the disclosure).

One issue that will arise is the extent to which a Racing Queensland employee whose duties relate exclusively or primarily to one code ought to be required to disclose interests relating to other codes. Given that even those that work within one code may well have access to confidential information relevant to other codes it is proposed that employees disclose interests relevant to any code of racing. Again, the fact that the interest is from another code is a matter that can be taken into account in determining how any conflict which might arise can be managed.

WAGERING

An associated issue relates to wagering by Racing Queensland staff.

It is suggested that not all staff need be prevented from betting on racing events. In fact it is recommended that restrictions only be imposed upon those in Integrity, Racing and Handicapping/Grading. All other staff should simply be advised that it would be a breach of expected standards of behaviour if they were to take advantage of any information gained by them in the course of their duties in deciding to place bets.

Those that do work in Integrity, Racing and Handicapping/Grading are in a different position as they may be able to affect the outcome of races and may have access to more sensitive information. Accordingly, higher standards apply to those individuals and it proposed that they be prevented from betting on races in any code. While some may argue that they ought to be able to bet on codes other than which they work, the fact is that they are likely to have access to information about other codes and the perception of the conflict will at least arise. Given that and given that as a Control Body the highest standards are expected, a blanket prohibition ought to apply.

Moreover, it is proposed that the same staff (Integrity, Racing Department and Handicapping/Grading) also be prevented from betting on races in other states. Again, through national databases, those staff may have access to 'inside information' even about interstate races. Secondly, if they are seen betting, the perception may well be that they are betting locally and that will cast RQL in a poor light. Ultimately, it is preferable that this category of staff is simply prevented from betting on races at all.

I note that the proposed approach to conflicts and restriction on punting has the support of the Chief Stewards of all three Codes.

DECISION REQUIRED:

It is recommended that the Board agree to:

1. issue to all Racing Queensland staff before 1 July 2010 a form of disclosure with instructions requiring the disclosure of any interest or racing interest relevant to any code; and
2. restrict those in Integrity, Racing and Handicapping/Grading from betting on races of any code.



A.J. Orchard

*Director of Integrity Operations
Queensland Racing Limited*