

QUEENSLAND RACING COMMISSION OF INQUIRY

*Commissions of Inquiry Act 1950*

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

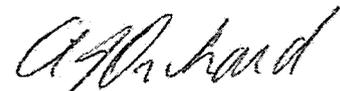
I, **ALFRED JAMIE ORCHARD** care of level 10, 300 Adelaide Street, Brisbane QLD 4000, do solemnly and sincerely declare as follows:

**BACKGROUND**

1. I was admitted as a solicitor in Queensland in 1987 and since that time I have worked in a series of legal and regulatory roles.
2. I was employed as a prosecutor by the Commonwealth Department of Prosecutions in Brisbane and then moved into a role with the Australian Securities & Investment Commission ('ASIC'). In 1998 I relocated to Melbourne as I took up to the position of the Director of Enforcement (Victoria) with ASIC.
3. I moved to Dubai in 2003 where I was the Managing Director, Enforcement at the Dubai Financial Services Authority. In 2005 I moved to Doha as the Managing Director, Legal and Regulatory Compliance with the Qatar Financial Centre Regulatory Authority.

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Deponent

**Statement of Alfred Jamie Orchard**

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Taken By

**RODGERS BARNES & GREEN**

Lawyers

Level 10, 300 Adelaide Street

Brisbane QLD 4000

Tel: + (61 7) 3009 9300

Fax: + (61 7) 3009 9399

Email: admin@rbglawyers.com.au

Ref: GWR:AKM:130250

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4. I moved back to Australia in 2008 and commuted for a period of time from Australia to Qatar in my role as director at the Financial Centre Regulator Authority.
5. Due to the pressures of commuting and family needs I decided to return to working and residing full time in Brisbane.
6. Given my experience in regulatory and compliance work, I responded to an advertisement for what later turned out to be the role of Director of Integrity with Queensland Racing Limited. I was successful with that application and commenced in that role in July 2008.
7. I had no previous experience or involvement in either the thoroughbred, harness or greyhound racing industries before my commencement at Queensland Racing.
8. In my role as Director of Integrity at Queensland Racing I was responsible for the regulatory aspects of the racing industry including overseeing the enforcement of the rules of racing, managing integrity staff (including stewards, veterinarians etc), and handling appeals (to the Racing Appeals Tribunal and, later, QCAT).

#### **POLICIES, CONTRACT MANAGEMENT AND PROCUREMENT**

9. In my role as Director of Integrity there was a statutory obligation under the Racing Act 2002, particularly section 81, that required there to be policies about certain areas that fell within my areas of responsibility.
10. I would, as required, review those policies and draft and necessary changes to ensure compliance with the obligations under the Racing Act.

#### **MANAGEMENT AND CORPORATE GOVERNANCE**

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Signed:



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11. The structure of Racing Queensland was such that the Board would, every month, at the board meeting consider a paper, that I would prepare, relating to the integrity department's operations.
12. I would attend the board meeting each month to present that paper and field any questions or queries that the Board had. Other than when the Board was required to exercise a power reserved for the Control Body (such as warning off a person), members of the Board would not intervene in the day to day running of the integrity department.
13. I kept the Chairman and the Board informed of current activities so that they were not surprised if a member of the industry raised an issue with them or if they read about a matter in the press. When advising the Chairman of such matters, he would commonly comment, "do what you've got to do" by which I understood him to mean that I should proceed with such action as I considered appropriate.

#### **OVERSIGHT BY THE GOVERNMENT**

14. My only contact with the Government was in respect of integrity issues focusing mainly around the Racing Science Centre which was answerable to the Office of Racing. As such, any contact with the Government was from an operational perspective.

#### **EMPLOYMENT CONTRACTS**

15. Leading up to the renegotiation of employment contracts in 2011 there was an ongoing period of comment and speculation that if there was a change in government (as was expected) the Board and executives of RQL would be removed.

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Signed:



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16. In my role as director of integrity, I had the approach that the same rules applied to all industry participants, including once Racing Queensland became the 3-code control body. This, coupled with the fact that I was not from the racing industry, meant that I was not a popular figure in the industry.
17. I established an Investigations and Operations team as part of the Integrity Department at Racing Queensland. The team was managed by a former Detective Chief Superintendent and consisted of persons who had a legal or police and as well as a stewarding background. I developed a relationship with the Queensland Police Service and arranged for Racing Queensland to enter into a Memorandum of Understanding with the police. Less formal relations were developed largely through the operational relationships between members of the Investigations and Operations team and various sections of the police service.
18. I believed that my position within the racing industry would not be secure if a change of government was to happen in the 2012 election. There was regular speculation on industry websites about my future and people with whom I dealt (within Racing Queensland and elsewhere in the industry) would often ask what I would do after the election as it was generally accepted that I would somehow be removed from my position. At one point I believe there was even a comment on a website to the effect that I might be removed before the election.
19. It was in this setting that I was concerned about my ongoing employment until, and especially after, the election. This was of particular concern to me given my financial obligations in respect of supporting my family but also my reputation. The regulation industry is a specialist area and I was concerned that continual negative media and also internet material attacking me both personally and professionally would affect my ability to continue to work in the regulatory industry after the election.

Signed:



Taken by:



20. I recall discussions with the other 3 executives about our concerns and signing the letter that went to the board.
21. After the letter was provided to the Chairman, I was advised by Malcolm Tuttle that the Board had agreed to provide funds for the executives to seek independent legal advice about the terms of an employment agreement that would give us some comfort and incentive to stay.
22. I had previously dealt with Murray Proctor of Norton Rose on various matters and I suggested that he may be able to assist. I called Murray Proctor that day, detailed briefly the executives concerned and arranged an appointment to meet with him in company with Malcolm Tuttle and Shara Murray.
23. At that meeting Murray Proctor provided initial views to the effect that in considering what is appropriate for the Board to offer, reference could be had to what would be appropriate in the case of executives of listed companies. He suggested that a salary increase of 20 to 30% could be reasonable and that a material adverse event clause could be inserted allowing the payout of a fixed period.
24. We agreed at the meeting that Murray would deal directly with Shara and from that time I didn't deal with him. Shara subsequently shared with me the written advice provided by Murray Proctor.
25. From that time, I did not discuss or negotiate the contract with the Board or any member of it, except for one occasion on which the Chairman briefly attended an impromptu meeting of the four executives.
26. I was aware that Racing Queensland was getting legal advice from Clayton Utz.
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27. At a later point (presumably on the date of the contract) I believe Shara advised me that the Board had prepared a contract offer and it was ready for me to sign. I don't specifically recall the process by which I signed it but the fact that Debbie Toohey witnessed it suggests that I went to Shara's office to sign it. I recall asking Shara to confirm that the Board had before it all of the legal advice (from Norton Rose and Clayton Utz) when they decided on the content of the contract. I wanted to ensure that the Board had made a fully informed decision about the offer being made.

28. Having signed the contract, I felt I had a positive obligation to remain in my position. I felt as though the Board had given us a level of security.

29. After the contract was signed, the speculation continued. Websites and blog sites continued to reference the fact that we were all to be removed. I was questioned regularly by staff and industry participants about my future after the change of government. The speculation intensified with statements made by the then opposition racing spokesman about the plans to change the integrity structure and I expected that this would certainly affect my position. I even received a farewell greeting card leading up to the election. It was addressed to me personally at RQL with a stamp (not postmarked). Inside the card was one handwritten word - 'adios'.

30. On one occasion, leading up to the election, I had cause to speak to a government officer at the Office of Racing.

31. In the course of the conversation we discussed what would happen post election and I commented that the announcements and speculation suggested that I would not have a role. She told me that she was tidying her office as she was also concerned that she might be moved out herself. That was the general mood leading up to the election.



## RESIGNATION

32. I was left with no doubt that I would be removed some way after the election. Nonetheless, even on the weekend of the election I was thinking very seriously about what action to take. I was concerned that if I resigned I had no job to go to and I had financial obligations. I knew I could seek a payout but I would have to find a job and at my level of seniority such jobs are not common. I did consider staying on and risking it but I was concerned that I would be removed, receive no payout and have no financial resources. Ultimately I decided that I had no choice but to resign and seek a payout.

33. I do not recall the specifics of the day of my resignation. I recall attending a meeting at which the four executives advised individually, I think, the Chairman and deputy chair of the intention to resign.

34. Subsequent to my resignation I was unemployed until July 2012. I finally found employment but it required my relocation to Melbourne away from my family who stayed in Brisbane so my daughter could finish her schooling there.

## RACE PRODUCT CO AND TATTS BET

35. I had no involvement in Product co or the race fields information.

## FUNDS FROM QUEENSLAND GOVERNMENT TO RACING QUEENSLAND ACCOUNT

36. I had no dealings with anyone from Queensland government leading up to the elections other than in respect of operational matters relating to integrity..

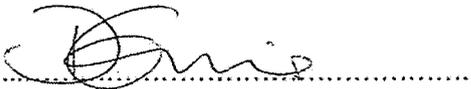


And I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the *Oaths Act 1867*.

**SIGNED AND DECLARED** )  
at *MELBOURNE* )  
on: *26 JULY 2013* )  
in the presence of: )



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Solicitor / Justice of the Peace