

# Statutory declaration Queensland

I, David Anthony Stitt of [REDACTED] solemnly and sincerely declare that:

1. I am responding to questions from the Queensland Racing Commission of Inquiry (the "Commission") in the Schedule (the "Notice Schedule") to its 5 July 2013 *Requirement To Give Information in a Written Statement*.
2. For my responses, I adopt terms defined in the Notice Schedule.
3. During the Relevant Period:
  - (a) I was a board member of the Greyhound Racing Authority, from 1 January 2007 to 30 June 2008 and a director of Greyhounds Queensland Limited from 1 July 2008 to 30 June 2010;
  - (b) I was not a board member, director, executive or employee of any other Relevant Entities, or of Contour or any entity connected with Contour, and have no knowledge of any matter relating to the business or affairs of any of the other Relevant Entities concerning the matters detailed in the Notice Schedule.
4. I make this statement only in so far as it relates to the Greyhound Racing Authority ("GRA") or Greyhounds Queensland Limited ("GQL") ("Greyhound Bodies").
5. I do not have access to the books and records of the Greyhound Bodies in connection with the matters detailed in the Notice Schedule, and this statement is based on my recollection of those matters concerning that part of the Relevant Period referred to in paragraph 3 above ("my tenure").

## *Contract Management and Financial Accountability (Notice Schedule section 1)*

6. In relation to paragraph 1.1:
  - (a) I believe there were policies, processes and measures adopted to ensure contracts awarded by the Greyhound Bodies delivered value for money. The Greyhound Bodies adopted a number of formal policies on a broad range of matters but I do not have access to these and cannot recall if there was a formal written policy dealing with procurement, contract management and financial accountability. There were procedures applied regularly and consistently, to obtain at least two quotes when services were required, and the board of directors the relevant Greyhound Body ("Board") discussed these quotes or the reasons for any exception to these procedures.
  - (b) I do not recall there being, during my tenure, any arrangements entered with any entity in which it was identified, or where I believed, that any Board member, director, executive or employee had a financial interest. I believe all Board members understood that any such interest was to be declared to the Board.
  - (c) During my tenure I rejected suggestions that my then employer be engaged to provide services to the Greyhound Bodies given potential conflict of interest, and independent service providers were sourced for those services.
7. In relation to paragraph 1.2:
  - (a) I believe that, with limited exception, where outside services were provided, two quotes from market-based contractors were sought.

- (b) I recall the following limited exceptions:
- (i) For legal advice connected with the suggested redevelopment proposals suggested by the Albion Park joint ownership committee (formerly the separate Albion Park Trust) and the potential development of a stand-alone Greyhound track in Logan City, Clayton Utz were engaged due to the expertise of specific individual members of that firm.
  - (ii) For legal advice connected with the incorporation of Greyhounds Queensland Limited, I believe the law firm engaged was one engaged generally by the State Government to oversee this process.
  - (iii) For legal advice on racing-related and disciplinary and employment matters, there was a continuation of services by the advisor generally engaged on these matters before my appointment to the Greyhound Bodies.
  - (iv) For specific engineering services (eg lure and starting box repairs or replacement etc):
    - There was limited general market expertise and the contractor had been a longstanding contractor to the Greyhound Bodies.
    - This did not occur in all cases, and I believe generally only occurred for small or very specific services. I did not believe that that contractor was connected to Contour.
    - I believed that specific engagements and quotes for work were always put to the Board for approval.
    - The only other instance where I believe that a particular specific contractor was engaged was in relation to design and engineering design work in in or about June 2010. I believe that quotes were obtained from two independent market-based contractors, but at that time, approximately June 2010, GQL was about to be merged with Racing Queensland and Racing Queensland expressed a preference to the GQL general manager to engage one of these contractors as Racing Queensland had used that contractor for works at their facility at Deagon.
8. In relation to paragraphs 1.3 and 1.4, I do not believe that Contour was engaged by the Greyhound Bodies during my tenure.

*Management (Notice Schedule section 2)*

9. Paragraph 2.1 is unclear to me.
- (a) I do not recall formal policies regarding the functions of specific management personnel, but as mentioned previously there were a number of formal policies adopted on a number of aspects regarding the management of the Greyhound Bodies.

- (b) The General Manager was responsible for oversight of these policies and I believed would refer matters to the Board as necessary, including with recommendations.
  - (c) I also recall that there was a policy review process as I believe recommendations regarding review were raised in Board discussions from time to time.
  - (d) The Board of the relevant Greyhound Body reviewed the financial position of that body at each board meeting, with detailed monthly accounts and detailed expenditure details being contained in the board papers for consideration and as necessary discussion.
  - (e) The General Manager was responsible for workplace oversight and management and was responsible for raising matters for discussion by the Board, and in my belief did raise them in a thorough way. I am not aware of any activities or matters that were not disclosed to the Board.
10. In relation to paragraph 2.2:
- (a) I did not believe that there was any practice or occasions when the Chair of the Greyhound Bodies or particular directors would:
    - (i) become involved in day-to-day management where the relevant matter had not been discussed at a Board meeting; or
    - (ii) interfere in the functions or actions of the executive management team.
  - (b) There were times when the Chair or specific directors assisted the General Manager or other executive management on particular matters, but my understanding was that this was always in the context of providing support or assistance at the request of management with the knowledge of the Board, or as determined by the Board.

*Corporate Governance (Notice Schedule section 3)*

11. I had no knowledge of or involvement with any corporate governance arrangements of Racing Queensland, the operation or actions of that body or its personnel, or the rules, policies or practices of that body.

*Oversight by the Minister, the Executive Government, the Chief Executive (Notice Schedule section 4)*

12. I do not believe I was aware of any direct oversight or direction of the affairs and operations of the Greyhound Bodies by any of the Minister, the Executive Government, or the Chief Executive (the "Government and the Racing Department") that I understood at the relevant times as unusual in the circumstances, other than the Government decision to introduce legislation to amalgamate the racing codes in 2010.
13. Communications on this matter were almost exclusively through the Chair of GQL and I do not recall the Board receiving at the time any correspondence or thorough explanation from Government for that decision. My recollection, from oral explanations from the Chair of GQL, was that there was no possibility of negotiation to alter the Government's decision or approach.

14. My understanding from Board discussions was that:
- (a) although the Board did not consider the amalgamation was in the best interests of the greyhound racing code in Queensland, comments from the Chair indicated it would not be able to stop the amalgamation; and
  - (b) it therefore requested the Chair to seek assurances that the position of the greyhound racing code was protected as well as possible.
15. I believe that the Chair obtained assurances regarding the continued development of the proposed Logan racing facility, and that the overall asset and economic position of the greyhound code enjoyed by GQL would be preserved, if not improved through a review of prizemoney and continued work to develop GQL's preferred two track proposal for the proposed greyhound track facility at Logan.
16. With the Chair's agreement, I spoke with Michael Kelly of the Racing Department regarding whether there would be any protection for the minor codes in the legislation to effect the amalgamation:
- (a) I was advised that there would not be, but that if the Government considered the amalgamated Racing Queensland was not acting appropriately, the Minister could revoke its licence.
  - (b) This was communicated to the Board.
  - (c) I believe that:
    - (i) the Chair also provided the Board with a very limited number of emails, and possibly a copy of a letter, to support at least some of the assurances regarding preserving the economic position of the greyhound racing code; and
    - (ii) this material may have been provided to the Chair via Racing Queensland.
17. In the ordinary course during my tenure there were usual annual reporting procedures as well as communications from the Racing department regarding the formation and adoption of operational and governance procedures that had been commissioned by the department.
18. Also, meetings or correspondence with the Government and the Racing Department occasionally transpired concerning:
- (a) the Hinze Stand issues at Albion Park;
  - (b) the suggested Albion Park redevelopment proposals;
  - (c) the Greyhound Bodies' funding needs;
  - (d) Government closure of the greyhound track at the parklands complex on the Gold Coast;
  - (e) proposals and funding for a replacement greyhound racing facility at Logan; and
  - (f) correspondence sent by individuals to the Minister's office.

19. I believe that:
- (a) there was only limited engagement from the Government or Racing Department in connection with introduction of the Race Fields legislation and the amalgamation of all racing codes into Racing Queensland: but
  - (b) the communications to the Board were through the Chair; and
  - (c) on the basis, as I understood it, the Government had made a policy determination and there was little that the Board could do to influence that policy.
20. I do not recall any direction by Government or the Racing Department as to the engagement of staff or contractors, or interference in the day-to-day operations of the Greyhound Bodies.

*Employment Contracts: Tuttle, Orchard, Brennan, Reid (Notice Schedule section 5)*

21. I had no knowledge of any events or matters surrounding the employment contracts of any of Malcolm Tuttle, Jamie Orchard, Paul Brennan or Shana Reid (Murray) during my tenure.

*Queensland Race Product Co Limited and Tatts Group (Notice Schedule section 6)*

22. In relation to paragraph 6.1:
- (a) I had no direct knowledge of any of the matters to do with Queensland Race Product Co Limited or Tatts Group, or any arrangements as between those entities.
  - (b) I was aware of the Product and Programme Agreement between the Greyhound Bodies and Queensland Race Product Co Limited.
  - (c) I believe that a Chair of the Greyhound Bodies advised at a Board meeting, in discussions regarding the information provided by that company and the realitive returns to the three Queensland racing codes, that as Queensland Race Product Co Limited was a separate legal entity, it was not possible for the Chair (who was also a director of that body) to provide information to the Board regarding that company other than the reports provided by it on turnover of the relevant racing bodies and the financial entitlement of the racing codes under the Product and Programme Agreement.
23. In relation to paragraph 6.2:
- (a) I do not recall the Greyhound Bodies being advised of any issues or concerns that I understood to relate to how Queensland Race Product Co Limited responded to the introduction of race information fees.
  - (b) I recall that the form of authorisations for race information users and template company minutes and legal advices on these matters was provided by the then Racing Queensland when the fees were introduced. This material was separately considered by the Board of the applicable Greyhound Body.

24. In relation to paragraphs 6.3 and 6.4:
- (a) I do not believe that the applicable Greyhound Body sought any advice as to the effect on fees payable by the Tatts Group to Queensland Race Product Co Limited as a consequence of race information fees being introduced;
  - (b) I do not recall that this was identified to the Board as an issue of concern, by either the General Manager or Chair of the applicable Greyhound Body (who was also a director of Queensland Race Product Co Limited).
  - (c) I recall Board discussions at times regarding what I understood to relate to the impact on turnover on which fees were payable under the Product and Programme Agreement, of increased international race coverage by Tatts group and that Queensland Race Product Co Limited fees were adversely impacted by this.
  - (d) I also recall Board discussions regarding the adverse financial impact from the introduction of race information fees in different jurisdictions.
  - (e) I do not recall, and I do not believe, that the Board had a copy of the agreement or other information available to it regarding arrangements between Tatts Group and Queensland Race Product Co Limited to suggest that there was a cause for enquiry, or on which it could obtain advice. I believe that the Board considered the Chair, as its representative on the board of Queensland Race Product Co Limited, was then best placed to represent the interests of the Greyhound Bodies.
25. In relation to paragraph 6.5, I do not believe that I had any reason to consider that any board members or executives of the Greyhound Bodies did not act, in good faith, consistently with their responsibilities, consistently with their duties and legal obligations, and in the best interests of the Greyhound Bodies, or that their actions were influenced by conflict of interest.
26. In relation to paragraph 6.6, I do not believe that any of the directors or executives of the Greyhound Bodies were in a position to use, or had used their position, to gain a personal advantage when race information fees were introduced.

*Funds Transfer in February 2012: Queensland Government to Racing Queensland Limited Infrastructure Trust Account (Notice Schedule section 7)*

27. This period was after the my tenure and I have no information concerning the matters referred to in section 7.

*Any Other Relevant Matter (Notice Schedule section 8)*

28. I have no other information relevant to the Terms of Reference.

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

Taken and declared at Brisbane this 3rd day of September 2013, before me:

  
sign here ▶  
Signature of person administering the declaration  
**Adrian Thomas Rich**  
print name Solicitor  
Full name and qualification of the person administering the declaration

  
sign here ▶  
Signature of declarant  
David Anthony Smith