

# Proposed Code of Practice for the Keeping of Racing Greyhounds (2017)

Regulatory Impact Statement

Code of Practice for the Keeping of Racing Greyhounds Regulatory Impact Assessment,  
February 2017.

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Resources



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### **Consultants**

Rivers Economic Consulting and Tracy Helman.

## Assessment Letter



COMMISSIONER FOR  
BETTER REGULATION

GPO Box 4379  
Melbourne Victoria 3001  
Telephone: 03 9092 5800

3 March 2017

Ms Sally Fensling  
Executive Director, Domestic Animals, Forestry and Game Branch  
Department of Economic Development, Jobs, Transport and Resources  
475 Mickleham Road  
ATTWOOD VIC 3049

Dear Ms Fensling

### **REGULATORY IMPACT STATEMENT FOR THE PROPOSED CODE OF PRACTICE FOR THE KEEPING OF RACING GREYHOUNDS 2017**

I would like to thank the staff of the Domestic Animals, Forestry and Game Branch within the Department of Economic Development, Jobs, Transport and Resources (DEDJTR) for working with my team on the preparation of the Regulatory Impact Statement (RIS) for the *Proposed Code of Practice for the Keeping of Racing Greyhounds 2017*.

Under section 10 of the *Subordinate Legislation Act 1994* (the Act), the Commissioner for Better Regulation is required to provide independent advice on the adequacy of all RIS prepared in Victoria. The Commissioner's role is to advise on the adequacy or otherwise of the analysis presented in the RIS, rather than the merits or otherwise of policy or regulatory proposals. A RIS is deemed to be adequate when it contains analysis that is logical, draws on relevant evidence, is transparent about assumptions made, and is proportionate to the proposal's expected effects. The RIS also needs to be clearly written so that it can be a suitable basis for public consultation.

I am pleased to advise that the final version of the RIS received on 23 February 2017 meets the adequacy requirements of the Act.

The proposed Code prescribes and enforces requirements for greyhound owners, rearers and trainers, including health management plans, independent veterinarian checks, fencing and housing requirements, and socialisation requirements. Greyhound Racing Victoria (GRV) will administer and enforce the proposed Code.

The RIS states that the Department's objectives in regard to the proposed Code are:

*"To increase (improve) the quality of life and welfare of greyhounds, throughout their lifecycle and provide consistent management which will alleviate stress and therefore enable an easy, smooth and rapid, transition to a pet at any time point in its lifecycle."*

To achieve this, the RIS explains that the proposed Code covers a range of matters related to:

*"management practices that impact on animal welfare and quality of life (excluding the issues of live baiting and wastage), and the transition to rehoming."*

The RIS notes that:

*"The issue of wastage (oversupply of dogs) and euthanasia is not addressed specifically in this RIS" but that "Although the proposed Code does not address wastage in itself, GRV strategies and policies (running in conjunction with the proposed Code) will."*

The RIS analyses 6 options to achieve the Department's objectives which are variations of the preferred option – the proposed Code with GRV enforcement. These include adjusting elements of the proposed Code that have more significant compliance costs (health management plans and rearing requirements), and options based around the instruments or enforcement tools used to influence compliance (including voluntary compliance with the proposed Code supported by an information campaign; adopting the proposed Code in local rules; or using local councils to enforce the proposed Code). The RIS uses a multi-criteria analysis to examine options against the criteria of animal welfare, rehoming potential, and net cost to industry and government. The Department concludes that the proposed Code achieves the best welfare and rehoming outcomes, while also considering the costs.

The Department estimates that the proposed Code will impose a net cost of around \$118 million over 10 years, which will affect greyhound breeders and trainers, and GRV in administering and enforcing the Code. The Department notes that many of these costs will be passed on to owners, which is likely to increase the "cost by \$1,550 per dog over their lifetime ... a 7.8% increase from the average estimated costs of ownership. It is unclear if this will reduce involvement in the industry."

The Department expects that "small industry participants are not likely to face significantly different or disproportionate costs in complying with the proposed Code", as the costs that breeders and trainers will face 'per dog' are likely to be similar, and driven by existing levels of compliance rather than size of operation.

In regard to the costs for hobby breeders, the proposed Code exempts hobby breeders (defined as 2 adult greyhounds and 1 litter) from complying with housing pen/yard requirements, but that "all record keeping requirements, vet agreements, health plans etc. however, would still need to be undertaken."

In terms of evaluation, the Department notes that the proposed Code will be evaluated in the context of GRV's "broad-based animal welfare evaluation strategy" from mid-2019. The stated aims of this evaluation strategy include:

- *"Preventing excessive breeding (reducing litter numbers);*
- *Reducing the premature death of racing greyhounds;*
- *Optimising the use of the racing greyhound populations;*
- *Improving outcomes for rehoming greyhounds;*
- *Informing GRVs infrastructure investments into greyhound welfare; and*
- *Providing training to industry participants to improve greyhound welfare at every stage of the dog's lifecycle."*

The Department notes the high level of cooperation it has received from GRV in preparing the RIS, especially in regard to the provision of data, and relevant information.

Should you wish to discuss any of the issues raised in this letter, or the implications of new information or policy options identified through the public consultation process for your proposal, please do not hesitate to contact our office on (03) 9092 5800.

Yours sincerely



Anna Cronin

**Commissioner for Better Regulation**

## Executive Summary

This Regulatory Impact Statement (RIS) assesses the proposed *Code of Practice for the Keeping of Racing Greyhounds* (proposed Code) which is intended to replace the *Code of Practice for the Operation of Greyhound Establishments* (existing Code). The proposed Code is a mandatory code and so is a legislative instrument within the meaning of the *Subordinate Legislation Act 1994*. Therefore, a regulatory impact statement (RIS) is required to be prepared to identify any significant economic or social burden imposed by the proposed Code.

## Current regulatory arrangements for greyhounds

The existing Code is enforced throughout Victoria, under Greyhound Racing Victoria (GRV) local rules and used for guidance and prescriptive detail for prosecution under the rules. Local rules are in fact rules for the whole of the state of Victoria made under the powers of the *Racing Act 1958*. The existing Code is used as a defensible code and is enforced by GRV enforcement officers. Greyhound participants do not have to follow the *Code of Practice for the Operation of Breeding and Rearing Businesses*, which came into effect on 10 April 2014 to improve the welfare of animals in puppy farms. The new breeding and rearing code reflects society's expectations about the treatment of dogs and cats. Additionally, under the *Domestic Animals Act 1994* (DAA) greyhound owners are exempt from the requirements of registration with local government if the dog is registered with GRV. The current reporting requirements of greyhounds to GRV are predominately limited to requirements during the stages of birth, naming, racing and retirement.

## Major issues in the greyhound racing industry

There have been a number of investigations and reports that have been conducted on the greyhound racing industry including:

- The ABC Four Corners program that aired an exposé entitled *Making a Killing* (on live baiting);
- The *Investigation into animal welfare and cruelty in the Victorian greyhound industry* by Chief Veterinary Officer, Dr Charles Milne;
- The *2015 Own Motion inquiry into Live Baiting in Greyhound Racing Victoria* by the Racing Integrity Commissioner, Mr Sal Perna;
- The *Review of the Integrity Structures of the Victorian Racing Industry* by Racing administrator Mr Paul Bittar;
- The *Queensland Greyhound Racing Industry Commission of Inquiry* by Commissioner, Mr Alan MacSporran QC; and
- The *Special Commission of Inquiry into the Greyhound Racing Industry in NSW* by Commissioner, Mr Michael McHugh AC QC.

Although the investigations into the Queensland and NSW greyhound industry are not a reflection of the industry in Victoria, the investigations identified a variety of concerns in relation to the greyhound racing industry in a broader context across Australia, including; a lack of transparency or identification of operators; lack of education or information of operators; perceived poor breeding and training programs; poor welfare of dogs; wastage (oversupply) of animals; governance of racing and betting, and; the live baiting issues.

**Comment by GRV;**

Under a new Board and new CEO Alan Clayton, GRV has taken significant steps to address industry issues and has implemented, and continues to implement, a raft of reforms to address industry issues and to drive strong animal welfare outcomes.

As a result of the Milne, Perna and Bittar reports GRV has taken significant steps, and flagged many more initiatives, to address the issues raised with animal welfare and integrity as its overriding priorities. Reported outcomes include:

- An increase in Animal Welfare Inspectors from 2-18, as at 1 January 2017;
- A new Investigations Unit, which increased investigations staff from 1 to 10, including intelligence capability;
- A more than tripling of samples for prohibited substances;
- A \$3.5 million expansion of the Greyhound Adoption Program's Seymour facilities;
- A new regulatory framework which adopts a risk based assessment of the industry and which will include better management of breeding;
- A 31 per cent reduction in the numbers of pups whelped in 2015-16 on the previous year;
- A major capital works program with specific focus on animal welfare and education and training programs focused on whole-of-life plans for all Victorian greyhounds, and;
- Track safety improvements, stronger reporting requirements for race day veterinarians and better capture and analysis of race injury data.

**The proposed Code of Practice for the Keeping of Racing Greyhounds**

The creation of a new code under the DAA will standardise, consolidate and give effect to various provisions of existing legislation and local rules. This includes the welfare and keeping conditions of greyhounds which exists in the above 'complex' legislative framework. The proposed Code will provide a clearer regulatory framework and wider coverage of all people involved with greyhounds at all stages of their lifecycle. In addition, as the proposed Code will be made under the DAA, it provides greater powers to authorised officers to enforce and audit and comes with significantly higher penalties. Local rules made by Greyhound Racing Victoria, including a series of national rules, will remain in place. The proposed Code will enhance and bolster existing rules made by GRV, enabling greater enforcement of animal management and welfare provisions under the DAA.

**Comment by GRV;**

The proposed Code will support the important industry reform work being undertaken by GRV.

**Scope of the Code and broader GRV strategy**

The proposed Code is limited to the specifications under section 63AC(2) of the DAA. Section 63AC(2) allows the code to specify any or all of the following; *'standards for the keeping, treatment, handling and care of GRV greyhounds'*; *'standards for the facilities, equipment and conditions at premises where GRV greyhounds are being kept'* and; *'standards for the procedures and practices to be adopted in relation to the keeping of GRV greyhounds'*<sup>1</sup>.

<sup>1</sup> Domestic Animals Act 1994 (Authorised Version No. 067) 4 May 2016

The scope of the proposed Code relates to management practices that impact on animal welfare and quality of life (excluding the issues of live baiting and wastage), and the transition to rehoming. The social licence ramifications of live baiting and wastage are not directly covered in this RIS. A social licence to operate has been defined as the ‘ongoing acceptance or approval from the local community and other stakeholders’. Nevertheless, the animal welfare standards covered by the proposed Code may have a *knock-on effect* on broader animal welfare issues and social licence and will support GRV in the work it is doing to actively address these issues.

#### **Comment by GRV;**

The proposed code may have a knock on effect of supporting GRV in the work it is doing to actively address animal welfare and social license issues.

The issue of wastage (oversupply of dogs) and euthanasia is not addressed specifically in this RIS and the proposed Code does not directly address wastage rates. Whilst reducing euthanasia/wastage is not the objective of the proposed Code, it is a positive consequence of good management practices during the lifecycle of the greyhound. Although the proposed Code does not address wastage in itself, GRV strategies and policies (running in conjunction with the proposed Code) will. GRV strategies include:

- Reducing the premature injury and death of racing greyhounds;
- Preventing excessive breeding (reducing litter numbers);
- Optimising the use of the racing greyhound population;
- Creating more rehoming opportunities for greyhounds;
- Operating an incentives framework that promotes animal welfare at all stages of the greyhound lifecycle;
- Making informed decisions about GRVs infrastructure investments to maximise animal welfare outcomes; and
- Providing training to industry participants to improve greyhound welfare at every stage of a greyhound’s lifecycle.

Governance issues around racing and betting are also outside the scope of the proposed Code, however the proposed Code helps to address concerns raised around scattered legislation in relation to welfare and management requirements and effective enforcement. Additionally, the issue of lifetime tracking of greyhounds is being addressed through GRV policies and local rules which are also outside the scope of the proposed Code and this RIS.

#### **Outline of the RIS**

This RIS formally assesses the regulatory proposal against the requirements of the *Subordinate Legislation Act 1994* and the Victorian Guide to Regulation by:

- examining the problem to be addressed by the proposed regulations;
- clarifying the desired objectives of the proposed regulations;
- identifying options for achieving the desired regulatory objectives;
- assessing the costs and benefits of the options;
- identifying the preferred option and its expected impacts, and
- detailing planned and completed consultation processes.



## Objectives

The policy objectives of the regulatory proposal are:

*To increase (improve) the quality of life and welfare of greyhounds, throughout their lifecycle and provide consistent management which will alleviate stress and therefore enable an easy, smooth and rapid, transition to a pet at any time point in its lifecycle.*

## Description of Code components

In order to achieve the main objective, the assessment of options and the proposed Code deals with the following management issues, which are related to the primary objectives in the following ways:

- *Staff ratios:* to ensure the adequate care and management of greyhounds, minimum ratios of breeding staff to greyhounds are proposed (1:25 dogs) (proposed Standard 3.1);
- *Independent veterinary advice:* where owners of greyhounds are also veterinarians, an independent perspective on health can help to ensure appropriate treatment of health-related issues (proposed Standard 3.6);
- *Health management plans:* These plans help to ensure that a participant has considered and planned around the health of their greyhounds, as well as sought input from a veterinarian for their care (includes one off input from veterinarians in the development of one plan per participant with the size of the plan, depending on how many dogs participants manage, as well as, ongoing annual follow up by a veterinarian (proposed Standard 4.1);
- *Storage of establishment records:* this requirement helps those taking possession of a greyhound better understand their health/welfare profile at any stage in the lifecycle and would allow timely and appropriate follow up with any flagged issues of concern (proposed Standard 5).
- *Record of supplements, drugs, transfers, rehoming activities and disposals and provision of statement of health and management for dog transfers:* assist with administration and enforcement of the Code and ensure that the ongoing health and welfare of a greyhound is maintained as it moves through their lifecycle (proposed Standard 5.2.1);
- *Access to food receptacles which are regularly cleaned (all breeders) and adequate storage of food (large breeders only):* these requirements are designed to improve hygiene of facilities and therefore prevent health problems (proposed standard 6.1.1);
- *Health checks and treatment plans for breeding females:* more intensive health checks of breeding females to improve risk management of health/welfare issues (proposed Standard 6.2.3).
- *Additional health check for all dogs:* an additional health check to that provided during vaccination and annual follow up under proposed Standard 4.1, helps to ensure additional risk management of greyhound health/welfare issues (proposed Standard 6.2.3);
- *Bedding materials, exercise, enrichment and socialisation:* these requirements are designed to improve the quality of life for dogs, as well as improve their behavioural development to make it easier for them to transition to a pet (proposed Standard 6.3.9);

- *Owners taking responsibility for the initial rehabilitation and rehoming:* this requirement is to improve incentives throughout the greyhound's life for improving rehoming potential, reduce the overall costs of rehoming, and increase the likelihood of more dogs being rehomed. Currently the average length of time that a dog is in the GAP program is 42 days (which includes foster to adopt and long term stayers) with an average of 14 days in kennel facilities, new programs under the proposed code, should drop this average down to 7 days, allowing more dogs to move through the GAP program and shift much of the cost from GRV to the owner. (proposed Standard 6.3.12) (for a more detailed discussion of the GAP reform see Section 3.3 of this RIS);
- *Perimeter fencing requirements:* helps to prevent dogs leaving the premises and being exposed to welfare and safety risks (proposed Standard 6.6.4);
- *Adequate weather proofing of outdoor housing and raised sleeping beds:* improving the adequacy of housing and bedding is designed to improve dogs' health, safety and alleviate stress (proposed Standard 6.6.5);
- *Indoor kennel facilities improvements, including sleeping areas with solid partitions:* welfare benefits in terms of space and security from other dogs (proposed Standard 6.6.6); and
- *GRV notifications of transfer between properties:* assist with administration and enforcement of the Code, so that non-compliance and welfare risks can be identified (proposed Standard 7.1).

#### **Comment by GRV;**

Extensive work has already been undertaken by GRV to improve rehoming of greyhounds.

### **Problems to be addressed**

#### ***Risks to animal welfare and quality of life***

Notwithstanding the legislation in various Acts of Parliament, in Local Rules and the Greyhound Australasia Rules, there is currently no clear requirement for veterinary oversight of a holistic health management plan for a greyhound establishment, no matter how big or small. According to information provided to the department during consultation with the greyhound industry, the industry is made up of mostly small owners with 1 to 2 dogs and knowledge is generally passed on between relatives or friends and is deeply guarded to protect 'a winning formula'. Therefore there is a great risk that small size owners do not have an external expert review their practices – leaving the dogs in their care at risk of poor practice and bad management, which leads to health and welfare problems throughout the various stages of its lifecycle. It is not in the interest of racing dog owners to allow animal welfare to fail significantly as the racing success of dogs could be adversely affected by health issues arising from poor care. In reality, poor management, leading to poor welfare outcomes, is most often a result of lack of knowledge and/or resources. For example, participants in charge of dogs may not recognise poor welfare outcomes (eg stress-related disorders).

The number of estimated greyhounds affected by individual welfare risks are shown in Table 13.

Table 13: Estimated No. greyhounds affected by individual welfare risks

Category of potential welfare risk drivers	Estimated population of dogs affected by risk
Low staff to greyhound ratios in large facilities	353
Lack of independent VET	23
Inadequate health management plans at each stage of life	14,185
Lack of record keeping	14,185
Lack of records of health & transfer	14,185
Insufficient food receptacles and hygiene	5,747
Inadequate food storage	320
Inadequate health checks for breeding females	451
Inadequate health checks for all greyhounds	14,185
Lack of sufficient bedding for greyhounds 8 to 16 weeks	2,818
Insufficient rearing activities for greyhounds 16 weeks to 18 months	5,413
Insufficient perimeter fencing	14,185
Insufficient outdoor housing	2,706
Insufficient indoor housing	3,374
Failure to notify GRV of sale and transfer of greyhound out of the industry	3,667

**Comment by GRV;**

GRV note this table shows the total greyhound population potentially at risk due to current animal welfare requirements, it does not identify whether or not a greyhound would actually be affected by the risk nor the potential of the risk to translate into an animal welfare issue.

***Inadequate rehoming potential***

The sport of greyhound racing is focused on greyhounds being 'raised to race' with the potential for less consideration being given to raising a greyhound to be rehomed and to their life post racing. In their paper titled "**Improving the welfare of the racing greyhound – A GRV perspective**", Greyhound Racing Victoria considers this to be a significant factor in many greyhounds which '*are not suitable for re-homing due to injury, disease or temperament issues*'. Lack of adequate socialisation may also make dogs less suitable for rehoming once retired or no longer required for racing purposes.

The current risk is that wherever greyhounds leave the industry during their lifecycle, their potential for rehoming is not maximised.

**Comment by GRV;**

GRV is currently delivering a number of initiatives which are already improving rehoming outcomes.

The primary objective of the proposed Code is to look at whether greyhounds, wherever they are in the lifecycle, are suitable for rehoming, rather than necessarily to successfully rehome a greater number of greyhounds – this is the focus of other GRV strategies which are pursuing a significant increase in rehoming. Of the 5,353 reported greyhounds being retired per annum on average, between 2013-14 and 2015-16, it is estimated that around *4,189 dogs* are affected by poor rehoming potential each year.

## Options considered in this RIS

Feasible options considered in this RIS with different enforcement regimes include:

<b>Option 1</b>	Media/information campaign	Local rules and Greyhound Australasia Rules with civil enforcement (fines and bans) by GRV + criminal enforcement under POCTA + Media/information campaign with respect to the <a href="#">proposed code</a> .
<b>Option 2</b>	Adoption of the proposed code under the local rules	Local rules (including <a href="#">proposed code</a> ) and Greyhound Australasia Rules with civil enforcement (fines and bans) by GRV + criminal enforcement under POCTA.
<b>Option 3</b>	The proposed code with industry enforcement	Local rules and Greyhound Australasia Rules with civil enforcement (fines and bans) by GRV + criminal enforcement under POCTA + <a href="#">proposed code</a> under DAA with criminal enforcement by GRV.
<b>Option 4</b>	The proposed code with local government enforcement	Local rules and Greyhound Australasia Rules with civil enforcement (fines and bans) by GRV + criminal enforcement under POCTA + <a href="#">proposed code</a> under DAA with criminal enforcement by councils.
<b>Option 5</b>	The proposed code with industry enforcement and no additional health checks	Local rules and Greyhound Australasia Rules with civil enforcement (fines and bans) by GRV + criminal enforcement under POCTA + <a href="#">proposed code</a> under DAA with criminal enforcement by GRV and no additional health checks.
<b>Option 6</b>	The proposed code with industry enforcement and reduced rearing requirements	Local rules and Greyhound Australasia Rules with civil enforcement (fines and bans) by GRV + criminal enforcement under POCTA + <a href="#">proposed code</a> under DAA with criminal enforcement by GRV and reduced rearing requirements for greyhounds 16 weeks to 18 months.

## Evaluation of options

Qualitative benefit (including animal welfare and rehoming potential) and cost criteria is applied to a *Multi-Criteria Analysis (MCA)*, as shown in Table 17.

**Table 17: Criteria to be used for MCA**

Criterion	Description	Weighting
<b>Animal welfare</b>	Welfare of animals associated with the greyhound racing industry throughout their lifecycle.	25%
<b>Rehoming potential</b>	Greyhound is given the chance to maximise its potential to be rehomed throughout the lifecycle.	25%
<b>Net compliance cost to industry and government</b>	Administrative and major compliance costs to industry and government including any unintended market consequences.	50%

The proposed Code and alternative options are scored against each of the aforementioned criteria on a scale of -10 to +10 with the base case reflecting a score of '0', +10 representing a significant improvement on the base case, and -10 representing a significantly worse outcome than the base case. Options are considered in relationship to this scale, and in relationship to each other, to determine their score. Reasons for the scores allocated are described below.

### ***Animal welfare criterion***

Given that the economic value of improved welfare per dog remains unknown, the *number of dogs affected* (scale of care) by improved standards of care under the proposed Code is used as a proxy value for welfare. However, a qualitative discussion is also provided around the *scope of care* under each of the options.

Option 1 (media/information campaign) provides improved animal welfare of up to 560 dogs. However this option is limited in being able to change behaviour (voluntary adherence) and is likely to affect only those participants who currently lack knowledge or awareness around various dog management activities. It is unlikely to have an effect on participants with attitude, cultural or generational (age) issues – or those with financial constraints. Based on the number of dogs affected and scope of care Option 1 is awarded a score of +0.4.

Option 2 (adoption of the proposed code under the local rules) is estimated to affect the welfare of up to 3,707 dogs due to greater compliance than Option 1. It is also likely to affect large participants. Option 2 is therefore awarded a score of +2.6.

Option 3 (the proposed Code with industry enforcement) is estimated to affect the welfare of the maximum number of dogs (i.e. 14,185) as compared to the base case. Option 3 is also likely to have the greatest impact on dogs in terms of scope with all proposed standards being enforced in a criminal capacity. Option 3 is therefore awarded a score of +10.

Option 4 (the proposed Code with local government enforcement) is estimated to affect the welfare of up to 8,946 dogs as compared to the base case due to lower compliance from less effective enforcement by councils who have conflicting priorities and are not specialised in greyhound management issues. Option 4 is therefore awarded a score of +6.3.

Option 5 (the proposed Code with industry enforcement and no additional health checks) is estimated to affect the welfare of up to 14,185 dogs (identical to Option 3) except for health checks where it is expected to have a '0' incremental effect on animal welfare. Option 5 is therefore awarded a score of +8.

Option 6 (the proposed Code with industry enforcement and reduced rearing requirements) is estimated to affect the welfare of up to 14,185 dogs (identical to Option 3) except it is likely to expose a maximum of 14,185 dogs to welfare risk from reduced socialisation with dogs exposed to only half the rearing opportunities (time) as compared to Option 3. Option 6 is therefore awarded a score of +7.

### ***Rehoming potential criterion***

The rehoming potential criterion is based on the premise that greyhounds are given the chance to maximise their potential to be rehomed throughout the lifecycle. Although all of the proposed standards are designed to have some influence on the rehoming potential of greyhounds, rehoming reform under proposed standard 6.3.12 is considered to be the main dedicated driver of rehabilitation and rehoming potential. Consequently, options are assessed on their ability to encourage rehabilitation by owners under proposed standard 6.3.12. Given that the economic value of improved rehabilitation potential per dog remains unknown, the *number dogs affected* is used as a proxy value for rehoming potential benefits.

Option 1 is expected to result in an estimated 311 additional dogs being rehabilitated as compared to the base case and 7.4% of the maximum number of dogs rehabilitated under any of the options (see Table 16). Option 1 is therefore awarded a score of +0.7.

**Table 16: Summary of estimated changes to retirement outcomes under Options 1 to 6 – compared to the base case**

Retirement outcome	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6
Rehabilitation by owners	311	1,206	4,189	2,698	4,189	2,170

Option 2 is expected to result in an estimated 1,206 additional dogs being rehabilitated (i.e. 28.8% of the maximum number of dogs under any of the options). Therefore, Option 2 is awarded a score of +2.9.

Options 3 and 5 are expected to result in the maximum number of additional dogs being rehabilitated under any of the options (i.e. 4,189 dogs). Therefore, Options 3 and 5 which maximise opportunities for socialisation, provide the largest rehoming potential and are provided a score of +10 against this criterion.

Option 4 is expected to result in 2,698 additional dogs being rehabilitated, as compared against the base case, and 64.4% of the maximum number of dogs being rehabilitated and therefore Option 4 is awarded a score of +6.4.

Finally, Option 6 is expected to result in 2,170 additional dogs being rehabilitated, as compared against the base case, and 51.8% of the maximum number of dogs being rehabilitated and therefore Option 6 is awarded a score of +5.2.

### ***Net costs criterion***

The following table provides a summary of all estimated incremental costs as a comparison against all Options 1 to 6. All costs are presented over 10 years, for the industry as a whole, and are discounted at a rate of 3.5% to show the present value of the costs.

**Summary of estimated incremental costs \$m – Options 1 to 6<sup>2</sup>**

Std.	Nature of quantifiable cost	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6
		10-year PV	10-year PV	10-year PV	10-year PV	10-year PV	10-year PV
N/A	Media	\$0.965	N/A	N/A	N/A	N/A	N/A
3.1	Staff Ratio 1:25	\$0.000	\$2.074	\$7.938	\$5.006	\$7.938	\$7.938
3.6	Independent VET	\$0.000	\$0.001	\$0.004	\$0.003	\$0.004	\$0.004
4.1	Health management plans	\$0.668	\$0.939	\$1.835	\$1.387	\$1.835	\$1.835
5	Record keeping	\$0.027	\$0.178	\$0.679	\$0.428	\$0.679	\$0.679
5.2.1	Records of health & transfer	\$0.043	\$0.284	\$1.087	\$0.685	\$1.087	\$1.087
6.1.1	Food	\$0.027	\$0.185	\$0.707	\$0.446	\$0.707	\$0.707
6.2.3	Health checks	\$0.620	\$4.110	\$15.727	\$9.918	\$0.000	\$15.727
6.3.9	Rearing	\$1.531	\$9.777	\$37.416	\$23.596	\$37.416	\$19.599
6.3.12	Rehoming reform	-\$12.345	-\$6.312	\$13.796	\$3.742	\$13.796	\$0.185
6.6.4	Perimeter fencing	\$0.418	\$2.921	\$11.178	\$7.049	\$11.178	\$11.178
6.6.5	Outdoor housing	\$0.303	\$2.016	\$7.713	\$4.864	\$7.713	\$7.713
6.6.6	Indoor housing	\$0.004	\$0.022	\$0.086	\$0.054	\$0.086	\$0.086
7.1	Sale and transfer out of industry	\$0.005	\$0.013	\$0.039	\$0.026	\$0.039	\$0.039
	Enforcement	\$0.000	\$19.584	\$19.584	\$4.973	\$19.584	\$19.584
	<b>Total</b>	<b>-\$7.735</b>	<b>\$35.791</b>	<b>\$117.790</b>	<b>\$62.179</b>	<b>\$102.063</b>	<b>\$86.361</b>

The MCA scoring of costs have been determined based on their relationship to the base case, and to option 3, which the Department believes is a 'mid-range' cost option, scoring -5.

Option 1 results in a *net cost savings* of \$7.74m over 10 years in present value dollars and represents 7% of \$117.79m under Option 3. It is awarded a score of +0.3 (7% of option 3's -5.0).

Option 2 results in a 10-year *net cost* of \$35.79m in present value dollars, and is awarded a score of -1.5 as it represents 30% of the value of option 3.

Option 3 results in the highest *net cost* of \$117.79m over 10 years in present value dollars. This equates to a cost of approximately \$1500 per dog over its life time. While these requirements will have a noticeable impact on industry participants, the Department believes that this increase in costs will not be too significant in the context of the overall costs of owning a greyhound over its lifetime (estimated to be around 7.8%). For these reasons, Option 3 is awarded a mid-range score of -5.0.

Option 4 results in a 10-year *net cost* of \$62.18m in present value dollars and is awarded a score of -2.6 as it represents 53% of the value of option 3.

Option 5 results in a 10-year *net cost* of \$102.06m in present value dollars and is awarded a score of -4.3 as it represents 87% of the value of option 3.

Option 6 results in a present value 10-year cost of \$86.36m and is awarded a score of -3.7 as it represents 73% of the value of option 3.

<sup>2</sup> See Table 18 of this RIS for a more detailed break-up of costs.

Table 25, summarises the relative scores discussed in Sections 5.2.1 to 5.2.3 as part of a multi-criteria analysis.

**Table 25: Multi-Criteria analysis**

Criterion (Weighting)	Score type	Base Case	Option					
			1	2	3	4	5	6
<b>Animal Welfare</b> (25%)	Assigned score	0.00	+0.4	+2.6	+10.0	+6.3	+8.0	+7.0
	<b>Weighted score</b>	<b>0.00</b>	<b>+0.1</b>	<b>+0.7</b>	<b>+2.5</b>	<b>+1.6</b>	<b>+2.0</b>	<b>+1.3</b>
<b>Rehoming potential</b> (25%)	Assigned score	0.00	+0.7	+2.9	+10.0	+6.4	+10.0	+5.2
	<b>Weighted score</b>	<b>0.00</b>	<b>+0.2</b>	<b>+0.7</b>	<b>+2.5</b>	<b>+1.6</b>	<b>+2.5</b>	<b>+1.3</b>
<b>Net cost to industry and government</b> (50%)	Assigned score	0.00	+0.3	-1.5	-5.0	-2.6	-4.3	-3.7
	<b>Weighted score</b>	<b>0.00</b>	<b>+0.2</b>	<b>-0.8</b>	<b>-2.5</b>	<b>-1.3</b>	<b>-2.2</b>	<b>-1.8</b>
Total score		0.00	+1.5	+4.0	+15.0	+10.1	+13.7	+6.5
<b>Total weighted score</b>		<b>0.00</b>	<b>+0.4</b>	<b>+0.6</b>	<b>+2.5</b>	<b>+1.9</b>	<b>+2.3</b>	<b>+1.2</b>

Based on Table 25, **Option 3 (the proposed Code with industry enforcement) provides for the highest weighted score +2.5** followed by Option 5 (the proposed Code with industry enforcement and no additional health checks) with a score of +2.3 then Option 4 (the proposed Code with local government enforcement) with a score of +1.9. Option 6 (the proposed Code with industry enforcement and reduced rearing requirements) provides a score of +1.2; Option 2 (adoption of the proposed Code in the Local Rules) provides a score of +0.6; and Option 1 (media and information campaign) provides the lowest score of +0.4. Based on these scores, **Option 3 the proposed Code with industry enforcement is selected as the preferred option.**

### Impact on small business and competition

For the purposes of this RIS small breeders are established as those participants who have whelped less than 3 litters and small trainers/owners are those with less than 9 greyhounds who have made a start. Small breeders constitute 21.55% of unique breeders and trainers and small trainers represent 64.5% of unique breeders and trainers. 97.5% of unique owners are considered to be small. Overall, the analysis undertaken in this section suggests that small industry participants are not likely to face significantly different or disproportionate costs in complying with the proposed Code. The complete analysis of small business impacts is contained in Section 6 of this RIS.

#### *Impact on small breeders (those who whelped less than 3 litters)*

The 'per dog' impact for smaller and larger breeders are likely to be the same, therefore the proposed Code would not be likely to disadvantage small businesses.

#### *Impact on small trainers (those who had less than 9 greyhounds who made a start)*

As smaller trainers are currently likely to be less compliant compared to large trainers, the proposed Code may have a larger effect on them overall. However, smaller trainers that are already engaging in better practices will not experience disproportionately higher costs than larger trainers, therefore the ongoing costs for small and large trainers are likely to be similar.



***Impact on small owners (those who had less than 9 greyhounds who made a start)***

For an owner, there is most likely to be a \$12 to \$13 increase in rearing costs per dog per week for 36 weeks and around a \$49 increase in training costs per week per dog for 12 weeks. The additional cost per dog is therefore likely to be around \$450 for rearing and around \$588 for training, over their lifetime. Additionally, there is also the direct cost to owners from rehoming reforms and the transfer of responsibility of rehabilitation of dogs to owners at a cost of around \$512 per dog under proposed Standard 6.3.12 – a total increase of around \$1,550 per dog over its lifetime.

For large owners made up of as many as ten syndicate members (on advice from GRV) this is not likely to constitute an impost. For small owners with less than 9 greyhounds then this could result in a larger proportionate burden. However even for small owners – a rise in cost by \$1,550 per dog over their lifetime (including the cost of rehabilitation) represents a 7.8% increase from the average estimated costs of ownership. It is unclear if this will reduce involvement in the industry. Importantly, unlike large owners, small owners are more likely to participate in the industry as a hobby, not for the winnings and earnings.

***Impact on competition***

The markets affected by the proposed Code are predominantly those for greyhound breeding, training and ownership. Keeping in line with the discussion of impacts on small establishments, the proposed Code is highly unlikely to have an impact on the number or size of participants in relevant markets. According to DEDJTR, the proposed Code is not expected to affect the costs of an establishment (even small establishments) sufficiently or in an ongoing way as to create any significant impact on competition, including any barriers to entry. According to DEDJTR, breeders and trainers are expected to ‘fully’ pass on any cost increased rearing and training (of around \$1,100 per dog) to owners. With respect to owners DEDJTR notes that it is unlikely an increase of cost of \$1,100 in rearing and training and \$512 for rehabilitation per dog over its lifetime will affect decisions of small owners (consumers) to participate in an adverse way – given the hobby/social status of owning a greyhound. Given that 97.5% of unique owners are considered to be small then this cost increase is expected to affect all owners equally and therefore the proposed Code is not considered to be a restriction on competition in relation to greyhound ownership.

**Comment by GRV;**

*GRV Industry Reform Initiatives*

It should also be noted that the economic impact may also be further reduced through the many reform initiatives currently being delivered by GRV. These initiatives are already driving improved animal welfare outcomes and improved participant behaviour.

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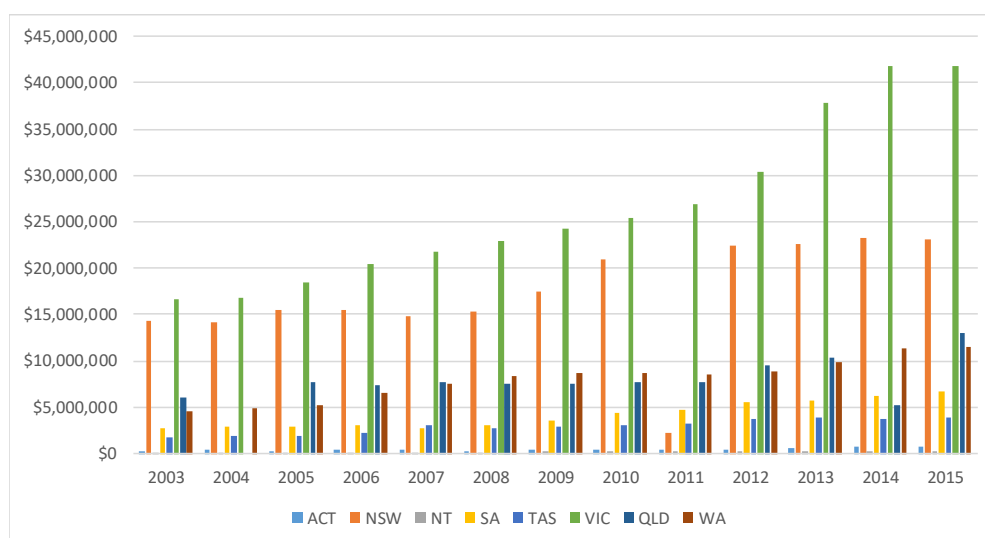
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## Section 1 Background

### 1.1 The context

The greyhound **racing** industry provides employment and revenue to the Victorian economy through tourism, entertainment, wagering and taxes. According to Greyhound Racing Victoria (GRV), wagering grew to \$83.8 million *'with \$42.6 million in prize money<sup>3</sup>, bonuses and travel fees distributed in FY15<sup>4</sup>*. An illustrative comparison of stakemoney paid across each jurisdiction is provided for in Chart 1 with Victoria consistently representing the largest amount paid. Indeed, GRV note that *'the richest greyhound race in the world is held in Melbourne with a prize of \$500,000 for the winner<sup>5</sup>*. In 2015, Victoria held more races than any other Australian state or territory (13,494)<sup>6</sup>. The Victorian Responsible Gambling Foundation reported a 13.3% increase in betting on greyhounds<sup>7</sup> in 2015.

**Chart 1: Stakemoney paid in greyhound racing by state and territory 2003 to 2015**



Source: Greyhounds Australasia website (September 2016)

Greyhound racing remains popular entertainment, a popular hobby and an added value to the Victorian economy. However, at the same time, greyhound racing remains very unpopular within various animal welfare and social circles, with some of these groups calling for closure of the industry<sup>8</sup>.

On 16 February 2015, ABC Four Corners program aired an exposé entitled [Making a Killing](#). The program featured footage, obtained covertly, of live animals being used to bait and train greyhounds across Australia and led to significant public outrage. The airing of this program led to the commissioning of a number of reports.

<sup>3</sup> Also known as stakemoney.

<sup>4</sup> Greyhound Racing Victoria, 2013-2014 ANNUAL REPORT, p.5.

<sup>5</sup> GRV website (May 2016)

<sup>6</sup> Greyhounds Australasia website (September 2016)

<sup>7</sup> Victorian Responsible Gambling Foundation, (2015)

<sup>8</sup> McHugh M, (16 June 2016), p22

Following the ABC program, the Chief Veterinary Officer, Dr Charles Milne, presented the [Investigation into animal welfare and cruelty in the Victorian greyhound industry](#). The report concluded that *'The problem is not just one of public perception'*, and identified three main issues including animal welfare rules, codes and standards; the role and power of greyhound inspectors; and the greyhound inspectorate with related recommendations.<sup>9</sup>

The Racing Integrity Commissioner, Mr Sal Perna, presented the [2015 Own Motion inquiry into Live Baiting in Greyhound Racing Victoria](#). The report concluded *'In my view, the existing legal framework in which the Victorian Greyhound industry operates can, at times, be complex, overlapping and confusing'*<sup>10</sup>. This report made numerous recommendations on amendments to the legislative framework and other matters including information management and processes.

Racing administrator Mr Paul Bittar presented a [Review of the Integrity Structures of the Victorian Racing Industry](#) on behalf of the Department of Justice and Regulation in 2016. This review examined the integrity functions of Racing Victoria, Harness Racing Victoria and Greyhound Racing Victoria, and considered the current framework for the racing appeals and disciplinary system. The review recommended establishing a Victorian Racing Integrity Unit and restructuring the appeals and disciplinary systems across the three arms of racing by establishing a single cross-code Racing Appeals and Disciplinary Board.<sup>11</sup>

#### **Comment by GRV;**

Importantly, the Bittar Review into the integrity of all the State's racing codes said GRV 'should be applauded' for the work it has done in terms of animal welfare and integrity.

Commissioner, Mr Alan MacSporran QC, delivered a report to the Queensland Premier on 1 June 2015. The [Queensland Greyhound Racing Industry Commission of Inquiry](#) made recommendations in relation to: integrity management a combined racing code board, prosecutions, tracking of greyhounds, over breeding (wastage), licensing and training tracks.<sup>12</sup>

Commissioner, Mr Michael McHugh AC QC, delivered a report to the Governor of NSW on 16 June 2016. The [Special Commission of Inquiry into the Greyhound Racing Industry in NSW](#) made 80 recommendations covering the breadth of the industry including: management, welfare, wastage, identification, integrity, an enforceable code of practice, prosecutions and regulations. Most notably though, McHugh challenged the government of NSW to *'consider whether the industry has lost its social licence and should no longer be permitted to operate in NSW'*<sup>13</sup>. This report led to the Premier of NSW, The Hon Mike Baird, announcing on 7 July 2016 that NSW will shut down greyhound racing<sup>14</sup>. However, on the 10<sup>th</sup> of October 2016, NSW Cabinet ministers officially signed off on a plan to reverse the ban with a view of reducing races, having fewer tracks and a suite of tougher animal welfare measures.<sup>15</sup>

<sup>9</sup> Mine, C., (30 April 2015)

<sup>10</sup> Perna, S., (2015), p.10.

<sup>11</sup> Bittar, P., (2016).

<sup>12</sup> MacSporran, A., (1 June 2015), p5

<sup>13</sup> McHugh M, (16 June 2016), p22

<sup>14</sup> Baird M, (7 July 2016).

<sup>15</sup> (see <http://www.abc.net.au/news/2016-10-11/greyhound-ban-baird-government-confirms-backflip/7921000> - accessed 10 October 2016)

In his response to the Public Accounts and Estimates Committee (PAEC) in May 2016, the Victorian Minister for Racing acknowledged that racing ‘operates under a social licence’ and that ‘that social licence was at risk after the live baiting scandal erupted’<sup>16</sup>.

#### Comment by GRV;

The Government has made animal welfare a priority for GRV. Since these reviews, GRV and the Victorian Government, with oversight from the Greyhound Welfare Reform Taskforce, have already implemented many of the 68 recommendations made by the RIC and CVO Reports including prioritising animal welfare within GRV (including the appointment of a veterinarian on the GRV board), statutory animal welfare requirements, banning lures that use animal materials, stronger penalties for animal cruelty and increased inspection and investigation powers.

Other recommendations are now being implemented such as a new mandatory code of practice for greyhound premises. The integrity issues raised by the RIC and CVO reports are being dealt with through the Bittar Review’s recommendations.

GRV has committed \$3.5 million to expand its Greyhound Adoption Program, one of the largest in the world, which has rehomed around 7,000 greyhounds to date and is also working with other greyhound rehoming agencies.

GRV has also created new senior integrity, animal welfare and legal roles and is putting in place major initiatives to reduce breeding, injury and euthanasia rates and strengthen greyhound racing clubs as community centres.

## 1.2 The Victorian greyhound racing industry

Greyhound racing is promoted as a relatively low cost and affordable sport and associated with ‘battlers’<sup>17</sup>. According to GRV the average price of a greyhound in a 2014 auction in Bendigo was \$5,800<sup>18</sup>. The greyhound racing industry (‘the industry’) is generally made up of hobbyists and small businesses, commonly referred to as ‘participants’. Greyhound Racing Victoria (GRV) controls the registration of dogs and participants. Owners are typically made up of a single individual or a syndicate of people with the around 98% of owners being small (i.e. having less than 9 greyhounds that had a start), as shown in Table 1.

**Table 1: Average No. registered unique<sup>19</sup> owners including syndicates (participants) by size**

Category of participants <sup>#</sup>	2015-16	2014-15	2013-14	Avg. No. unique participants	%
Large owners	87	91	84	87	2.5%
Small owners	3,346	3,441	3,430	3,406	97.5%
<b>Total</b>	<b>3,433</b>	<b>3,532</b>	<b>3,514</b>	<b>3,493</b>	<b>100%</b>

**Source:** GRV data October 2016 \* (10 or more greyhounds that had a start), \*\* (< 9 greyhounds that had a start). <sup>#</sup>Ownership of greyhounds does automatically constitute care and management of greyhounds.

<sup>16</sup> Pakula, M., (17 May 2016), p.3

<sup>17</sup> The Daily Telegraph (8 July 2016) *Greyhound racing ban: Sad day for the battlers’ sport*.

<sup>18</sup> GRV website (May 2016)

<sup>19</sup> Unique means ‘an individual or dog engaged in an activity at least once during the year’, it excludes double counting.



The care and management of a greyhound is often contracted out to specialists such as veterinarians, whelpers, rearers, educators/breakers and trainers<sup>20</sup> however some owners, including some who are veterinarians, are vertically integrated and manage the care of greyhounds 'in-house'. The median cost to look after the health and wellbeing of each greyhound, of around \$2,500 to \$3,000 annually and a maximum of around \$15,000 annually<sup>21</sup>, with veterinary care being a potential costly component<sup>22</sup>. Other businesses/specialists related to the industry include pet suppliers and equipment suppliers.

Around 86% of participants have two or less people caring for their greyhounds and 56% of total participants rely on a family member to assist in greyhound care<sup>23</sup>. Greyhounds are generally not treated as 'pet dogs' with only 33.29% of participants housing a greyhound within the family home.<sup>24</sup> Dogs are generally kennelled. GRV has identified the following two main broad categories of unique<sup>25</sup> participants in the industry according to the care and management of greyhounds including:

- **Breeders** (including *mating, whelping* and *rearing*), and
- **Trainers** (including *breaking in* (i.e. educating), *training/racing*).

GRV is currently developing enhanced registration categories which will drive enhanced animal welfare and regulatory outcomes, however due to a historical lack of specific registration requirements for unique whelpers or rearers within the industry, it is currently not possible to identify numbers of participants who may be represented in these categories. For this reason, participants are designated in the broad 'breeder' or 'trainer' category for the purpose of this regulatory impact statement (RIS), as shown in Table 2.

**Table 2: Average No. registered unique breeders and trainers (participants) by size**

Category of participants	2015-16	2014-15	2013-14	Avg. No. unique participants	%
Large Breeders*	40	65	69	58	2.58%
Small Breeders**	392	527	534	484	21.55%
Large Trainers <sup>#</sup>	265	258	243	255	11.36%
Small Trainers <sup>##</sup>	1,395	1,432	1,521	1,449	64.50%
<b>Total</b>	<b>2,092</b>	<b>2,282</b>	<b>2,367</b>	<b>2,247</b>	<b>100%</b>

**Source:** GRV data October 2016 \* (Whelped 3 or more litters), \*\* (Whelped < 3 litters), # (10 or more greyhounds that had a start), ## (< 9 greyhounds that had a start).

According to Table 2, 79.3% of unique registered participants identified themselves as being involved with training (including racing) in 2015-16. This estimate aligns with 2016 DEDJTR survey which found that 80.1% of 724 respondents indicated that their primary activity was racing/training<sup>26</sup>. The distribution of the number of dogs under the care of industry

<sup>20</sup> GRV has confirmed that greyhounds may need to be spelled (i.e. rested) as part of their lifecycle but that this can happen at any stage by anyone (i.e. specifically breakers, or trainers) and that there were no specialist dedicated spellers in the industry.

<sup>21</sup> DEDJTR, (2016)

<sup>22</sup> McHugh M, (16 June 2016), p179

<sup>23</sup> DEDJTR, (2016) survey of 724 respondents across the industry

<sup>24</sup> DEDJTR, (2016)

<sup>25</sup> Unique means 'an individual or dog engaged in an activity at least once during the year', it excludes double counting.

<sup>26</sup> Whilst respondents identified themselves as mainly trainers/racers, they may be involved in other activities.

participant is given by the findings of the 2016 DEDJTR survey, as outlined in Table 3, and varies for dogs under and over 16 weeks of age<sup>27</sup>.

**Table 3: Distribution of No. dogs under care of industry participants**

Age of dog	No. responses	1 to 5 dogs	6 to 10 dogs	11 to 29 dogs	30 or more dogs
< 16 weeks	300	51.30%	29.70%	8.94%	10.06%
> 16 weeks	512	49.50%	17.50%	23.10%	9.90%

Source: Data from DEDJTR 2016 survey

Table 4 combines this distribution of dogs under the care of participants with the average number of unique participants (2013-14 to 2015-16) in Table 2 and designates small breeders as having less than 3 litters and small trainers as having less than 10 dogs as recommended by GRV.

**Table 4: Distribution No. registered breeders and trainers by estimated No. dogs under care<sup>28</sup>**

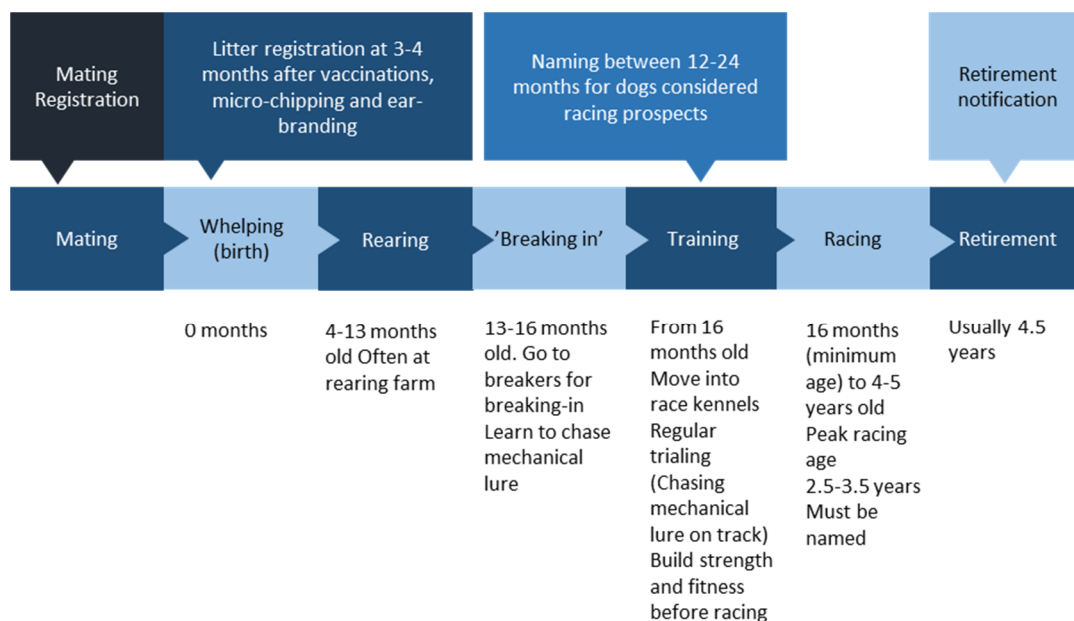
Category of participation	1 to 5 dogs	6 to 10 dogs	11 to 29 dogs	30 or more dogs	Total
Estimated % for large breeders	N/A	N/A	30.76%	69.24%	100%
Estimated % for small breeders	60.02%	34.75%	5.23%	0.00%	100%
Estimated % for large trainers	N/A	N/A	70.00%	30.00%	100%
Estimated % for small trainers	73.88%	26.12%	0.00%	0.00%	100%
Large Breeders	0	0	18	40	58
Small Breeders	291	168	25	0	484
Large Trainers	0	0	179	77	255
Small Trainers	1,071	379	0	0	1,449
<b>Total</b>	<b>1,361</b>	<b>547</b>	<b>222</b>	<b>117</b>	<b>2,247</b>

As shown in Chart 2, there are several stages in the lifecycle of greyhounds with dogs moving through different carers in a racing life, including; breeders (whelpers or rearers) and trainers (breakers, pre-trainers and racers). Up to retirement, a greyhound will spend roughly a third of its time being prepared for racing and roughly two thirds of its time racing.

<sup>27</sup> A litter of 6 dogs typically reflects dog numbers only for the first 6 weeks when dogs are being whelped.

<sup>28</sup> Information presented as whole numbers is done so for ease of presentation and subject to rounding error.

Chart 2: Lifecycle of a racing greyhound



**Source:** Reproduced in part from Milne, C. Chief Veterinary Officer. 30 April 2015. *Investigation into animal welfare and cruelty in the Victorian greyhound industry*. Report to Parliament of Victoria.

According to GRV, during 2015-16 there were 20,706 registered dogs in Victoria. Table 5 shows an estimated distribution of those dogs during the various stages of the lifecycle based on the assumptions above.

Table 5: Distribution of greyhounds by stage in lifecycle<sup>29</sup>

Lifecycle stage	2015-16	2014-15	2013-14	Avg. No. greyhounds
Whelping*	4,068	5,810	6,065	5,314
Rearing**	3,913	5,589	5,834	5,112
Breaking in	3,913	5,589	5,834	5,112
Training***	3,052	4,360	4,551	3,988
Racing****	5,759	5,786	5,853	5,799
<b>Total</b>	<b>20,706</b>	<b>27,134</b>	<b>28,138</b>	<b>25,326</b>

**Source:** Based on actual GRV data October 2016

\*4,068 dogs represent total amount whelped and registered in 2015-16. Registration captures the number of dogs in the litter as well as sex of the dog.

\*\*The percentage of dogs whelped but not reared as a proportion of average dogs whelped between 2013-14 and 2015-16 is 3.8%.

\*\*\* The training stage is prior to racing and includes pre-training (just before racing).

\*\*\*\*The number of dogs that are racing 5,759 are unique dogs (associated only with racing).

<sup>29</sup> All data in Table 5 represents actual annual data. The data is across the whole financial year and reflects the number of dogs associated with each activity in that financial year recorded as at 30 June 2016. Dogs can be counted twice as dog numbers reflect the activity being undertaken.

**Comment by GRV;**

GRV has undertaken an extensive program of reform following animal welfare issues identified in the industry. This program of reform has already delivered significant benefits, including a reduction in breeding.

GRV has recommended that 2015-16 figures (rather than a three-year average of greyhound numbers) be used as the baseline for the purpose of other estimations in this RIS, as these are more reflective of current breeding and training activities in the industry following the successful delivery of a number of GRV strategies. There was a substantive reduction in the number of pups whelped by 1,742 (just over 30% compared to the previous year) due to a reduction in the number of litters from 926 in 2014-15 to 634 in 2015-16 and coinciding with the removal of the GOBIS breeding incentive scheme in 2016<sup>30</sup>.

The apportionment of greyhounds in Table 5 for 2015-16 against the unique breeder and trainer participants in Table 4 is provided in Table 6. Table 6 assumes an even apportionment between large and small operators due to the current lack of data on the number of typical greyhounds managed by large breeders and trainers versus small breeders and trainers. Whilst the DEDJTR 2016 survey allows the distribution of numbers of breeders and trainers against groupings in the range of dogs under their care (one of them being 30 or more dogs) in Table 4, it is limited in its ability to determine the actual number of dogs being cared for.

**Table 6: Apportionment of greyhounds against unique breeder and trainer participants<sup>31</sup>**

Category of participants	No. participants*	Apportionment of registered greyhounds 2015-16 <sup>#</sup>	% of greyhounds
Large Breeders	58	854	4.12%
Small Breeders	484	7,128	34.42%
Large Trainers	255	1,906	9.20%
Small Trainers	1,449	10,819	52.25%
<b>Total</b>	<b>2,247</b>	<b>20,706</b>	<b>100.00%</b>

\*See Table 4 for estimates. <sup>#</sup>See Table 5 for source of estimates.

Greyhounds that do not participate in the racing industry have a life expectancy of between approximately 12 and 15 years and for those that do participate racing usually begins at 16 months, after breaking in. Retirement, from racing, most commonly occurs anywhere between two and five years of age. Each stage in the animal's lifecycle presents a potential risk of 'failure' to become or stay on as a racing animal; resulting in an 'exit' from the industry. The stages of the greyhound lifecycle are outlined in more detail in the following sections.

<sup>30</sup> An incentive scheme for greyhound owners and breeders aimed at promoting greyhound breeding and industry by providing bonuses and incentives to owners, GOBIS encouraged volume not a sound breeding strategy.

<sup>31</sup> No. whelping and rearing greyhounds (7,981) apportioned against the percentage of large (10.69%) and small (89.31%) breeders, No. breaking in, training, and racing greyhounds (12,725) apportioned against the percentage of large (14.98%) and small (85.02%) trainers.

### 1.2.1 Mating stage

The mating stage involves the need to breed more greyhounds, through the selection of the right male and female, the care of the bitch during pregnancy and the care and management of the pups in the very early stages of their life. GRV requires every breeder to be registered with a breeder prefix. There were 2,377 registered breeders as at 30 June 2016<sup>32</sup>. To be able to participate in any aspect of the industry a person has to be registered as a participant. Registration periods are typically as follows; Owner – 5 Years; Catcher/Attendant/ Owner Trainer/Public Trainer/Breeder/Owner Breeder – either 1 or 3 years depending on the option chosen. Most breeders are small scale operators (breeding 1 or 2 litters in a year). Around 12% of unique breeders would be considered large breeders (3 or more litters in a year)<sup>33</sup> (see ratio of small to large breeders in Table 2). Thus, breeding is generally carried out by smaller operators who may have limited insight and resources to developing strategic breeding plans.

### 1.2.2 Whelping Stage

There were 4,068 pups whelped in 2015-16 (see Table 5). The whelping stage covers birth to 16 weeks of age and is carried out by a breeder<sup>34</sup>. Pups are raised in litters and generally weaned at around 6 to 12 weeks of age, when they may be sold or transferred and move to the rearing stage (see 1.2.3), and often moved off the property to a rearer. GRV require every litter to be registered within seven days of birth including the number of dogs in a litter, as well as the sex of the dog. Individual dogs are registered with GRV during the period of 12-16 weeks of age when they are vaccinated, microchipped and ear branded. During the transfer or sale process, an owner may not necessarily take possession of the greyhound, but may pay to have the animal cared for and trained through the various stages of the lifecycle (see Chart 2 in this RIS). The owner may have very little contact or knowledge of the care or management of their greyhound.

### 1.2.3 Rearing Stage

Puppies are grown up, or 'reared' by a breeder from the time they are weaned until they are ready for the education/breaking in process (see 1.2.4) that usually starts from 13 to 14 months of age<sup>35</sup>. It is during this period of the lifecycle that the greyhounds may be moved to another participant for extra exercise and early development. At the rearing stage puppies interact with other greyhounds and their human handlers to learn socialisation skills as well as exercise and develop physically and mentally<sup>36</sup>. Rearing is often done by a professional service (not the owner) charging a minimum of \$50 per week per dog<sup>37</sup>. There were around 3,913 greyhounds reared in 2015-16 (see Table 5 in this RIS) equating to approximately \$7.04 million<sup>38</sup> in revenue earned by rearers in 2015-16. Currently there are no requirements for the registration of rearers through GRV and there is limited knowledge of the participants or their properties. However, as part of its extensive program of industry reform, GRV is introducing registration requirements for rearers to commence in 2017 and which will be outside the proposed Code.

<sup>32</sup> Those that have breeding competency. GRV data July (2016). This is different to the number of unique breeders (engaged in the activity) per annum. Participants considered active are those that have bred a litter in that year. This number will change from year to year.

<sup>33</sup> GRV data July (2016).

<sup>34</sup> GRV data October (2016).

<sup>35</sup> GRV data October (2016).

<sup>36</sup> GRV data October (2016).

<sup>37</sup> GRV website (2016)

<sup>38</sup> Equal to 3,913 dogs x \$50/week/dog x 36 weeks of rearing per dog

#### 1.2.4 Breaking-in stage

The education stage, also called 'breaking in' carried out by a trainer or breaker/educator, represents a potential movement of a greyhound to a different carer in the lifecycle chain<sup>39</sup>. Education/breaking in, usually commences around 12 to 15 months of age and generally lasts for approximately 4 to 12 weeks<sup>40</sup>. This involves learning to chase the lure and exit the starting box at speed, adapting to feeding and living in kennels, accepting restraints, grooming and working alongside other greyhounds, as well as, the use of rugs, muzzles, collars, leads, walking machines, treadmills, pools and hydro baths<sup>41</sup>. According to Table 5, there were an estimated 3,913 dogs 'educated/broken in' during 2015-16. Some greyhounds go straight from education/breaking-in to 'training' (1.2.6) while others are 'spelled' (1.2.5). Some are assessed as unsuitable for racing and do not progress any further in a racing career. Professional breakers are not currently required to be registered with GRV as a separate category (they are currently registered as "trainers") and so there may be limited knowledge of the participants or their properties. However, as part of its extensive program for industry reform, GRV is introducing registration requirements for breakers to commence in 2017 and which will be outside the proposed Code.

#### 1.2.5 Training stage

Training, including pre-training, is regarded as the final step for a greyhound before it starts racing<sup>42</sup>. During this stage, the greyhound begins trailing at racetracks for racing and adjusting to kennel life. Pre-training usually begins when the greyhound is around 16 months of age and lasts 2 to 4 months. There were an estimated 3,052 greyhounds involved in training in 2015-16 (see Table 5 in this RIS). Training costs about \$80 to \$100 per week per dog<sup>43</sup>. In 2015-16 those involved in training earned around \$3.29 million<sup>44</sup>. It is typically at the training stage that the dogs considered to have racing potential are officially 'named', however naming can also occur earlier.

#### 1.2.6 Racing stage

There were 5,759 unique greyhounds that raced on Victorian tracks in 2015-2016 (see Table 5). The racing stage is when greyhounds and the premises in which they are kept, are most identifiable. All racing dogs must be registered and microchipped and their location provided to GRV. Whilst all registered greyhounds are subject to regulatory scrutiny by GRV, racing greyhounds experience more regular scrutiny through GRV's on track presence and associated regulatory activities. There is a specific reporting requirement at the racing stage where GRV correlates and reconciles data which determines whether or not dogs can go on to race. During other stages of the lifecycle, issues come to GRV's attention typically only via spot audits/checks and dogs may be on premises (in breach of local rules) which are currently unregistered through GRV.

Racing starts for dogs from as early as 16 months of age (the minimum nomination age) and continues until they are retired usually around 4 to 5 years old. For those with a successful race career, normally a greyhound is competing approximately once per week. At this stage the dog is in the care of a trainer who must be registered with GRV on premises monitored

<sup>39</sup> GRV data October (2016).

<sup>40</sup> GRV data October (2016).

<sup>41</sup> GRV website, (2016) and GRV data October (2016).

<sup>42</sup> GRV website, (2016).

<sup>43</sup> GRV website, (2016).

<sup>44</sup> Equal to 3,052 dogs (see Table 7) x \$90/week/dog x 12 weeks of pre-training per dog

by GRV. Around 85% of trainers have less than 10 greyhounds racing at one time. Owner-trainers must complete two levels of competency training through GRV before they can be registered, and three levels should they wish to train other people's greyhounds.

Greyhounds, when racing, can reach speeds of up to 65km per hour. At this speed, there is a risk of 'catastrophic' injury (resulting in death or requiring euthanasia), or injuries of a lesser nature requiring treatment<sup>45</sup>. Greyhounds requiring a short break from racing are sent to rest, 'have a spell', and recuperate typically as a result of illness<sup>46</sup> or injury. Often during spelling, the greyhound is again moved to a different location for care.

### 1.2.7 Retirement stage

All greyhounds are retired at some stage in the lifecycle; even the most successful greyhound will become too old to race or breed. In 2015-16 there were 5,538 greyhounds retired from the industry (see Table 7).

**Table 7: Retirement of greyhounds from industry by category**

Category of retirement	2015-16	2014-15	2013-14	Average
Pet	858	584	498	647
Other*	336	474	515	442
Breeding	411	468	440	440
Export	18	65	19	34
GAP**	1,095	878	564	846
Euthanasia <sup>#</sup>	2,820	3,246	2,771	2,946
<b>Total</b>	<b>5,538</b>	<b>5,715</b>	<b>4,807</b>	<b>5,353</b>

**Source:** GRV data October 2016: \*Reason not specified/error in reporting by participant/death by natural causes, \*\*Includes returned dogs/dogs rehomed/third party green collars passed/dogs euthanased at GAP, <sup>#</sup>Excluding those euthanased through GAP

A dog may be retired for a variety of reasons throughout the life cycle. Very successful dogs may move back to the start of the cycle as a breeding animal. Dogs may become pets, exported or sent through the Greyhound Adoption Program (GAP) or another adoption/rehoming agency. GAP is a GRV initiative dedicated to finding homes for greyhounds that are no longer suitable for racing. GAP is the one of the most well known of GRV's initiatives and is aimed at finding loving family homes for greyhounds who have retired from the racetrack. All dogs that enter GAP are temperament tested so behavioural issues and traits associated with racing greyhounds can be adequately managed.

Whilst some behavioural training may occur through the rehoming process, greyhounds who have come from a lifetime in the racing environment may therefore benefit from a period of reconditioning (in terms of many of these behaviours) to successfully transition from being a racing animal to a pet, before they can be put into the community. Once considered suitable for re-homing (which may or may not require a period of reconditioning), greyhounds are generally well suited to apartment living and properties with small yards – are quiet and rarely bark. GRV intensively promotes greyhounds as great pets.<sup>47</sup> A summary of GAP activities is provided in Table 8.

<sup>45</sup> McHugh M, (16 June 2016), p105 (V2).

<sup>46</sup> GRV website, (2016).

<sup>47</sup> <http://gap.grv.org.au/about-gap/intake-model/> accessed 4 July 2016



**Table 8: Retirement of greyhounds from industry by category through GAP**

Greyhound category	2015-16	2014-15	2013-14	Avg.
Unique Greyhounds rehomed through GAP	809	700	415	641
Greyhounds euthanased through GAP	192	130	156	159
Third party green collars passed	36	91	-	64
<b>Total</b>	<b>1,037*</b>	<b>921</b>	<b>571</b>	<b>864</b>

Source: GRV data October 2016. \*Does not include returned dogs.

GAP has a current capacity of 180 kennels with 120 kennels at Seymour (with plans in place to expand by another 100 in 2017) and 60 kennels in Ballarat<sup>48</sup>. With plans to expand by another 100 kennels at Seymour, this provides a future capacity to put 1,564 greyhounds through GAP per annum.

As part of GRV's ongoing commitment to continue to drive increased rehoming numbers, a new GAP facility is also being developed in the Melbourne CBD which will provide greater accessibility for those seeking to adopt a greyhound. With dogs taking residence for 42 days, and plans to expand by another 100 kennels at Seymour, this provides a future capacity to put 1,564 greyhounds through GAP per annum. The average cost to put a greyhound through GAP is around \$1,200 including: 1.4 months' food and shelter at a cost of \$229 per month; rehabilitation costs of \$556; and a \$300 cost of rehoming and de-sexing = \$1,176.60. There is no entry fee for greyhounds into GAP.

In 2015-16 there were 3,012 greyhounds euthanased with veterinary certificates provided to GRV<sup>49</sup> including 192 euthanased through GAP (see Table 7)<sup>50</sup>. Reasons provided included injury, illness, behavioural issues, owners unable to find homes, and end-of-career decisions by owners.

#### **Comment by GRV;**

GRV has since implemented a number of important initiatives to decrease unnecessary euthanasia. Through these programs, GRV drove a 42% increase in rehoming outcomes in the 2015-2016 year.

Notwithstanding euthanasia certificates provided to GRV in 2015/16, there may be a number of deaths that are unaccounted for. It may well be that they were euthanased by a veterinarian, but the owner did not follow up with certification to GRV (see 'Other' category in Table 6), or in a number of instances it may be that they were destroyed by some other inhumane/illegal manner. There is no evidence or information on the fate of these animals.

<sup>48</sup> On advice from DEDJTR

<sup>49</sup> GRV data July (2016).

<sup>50</sup> According to Animals Australia, an estimated '5,000 Victorian greyhounds are euthanased each year in total, a figure that encompasses unwanted puppies, retired racers and retired breeders' (see Milne, C., 2015, p.48).



### 1.3 Legislative framework in Victoria

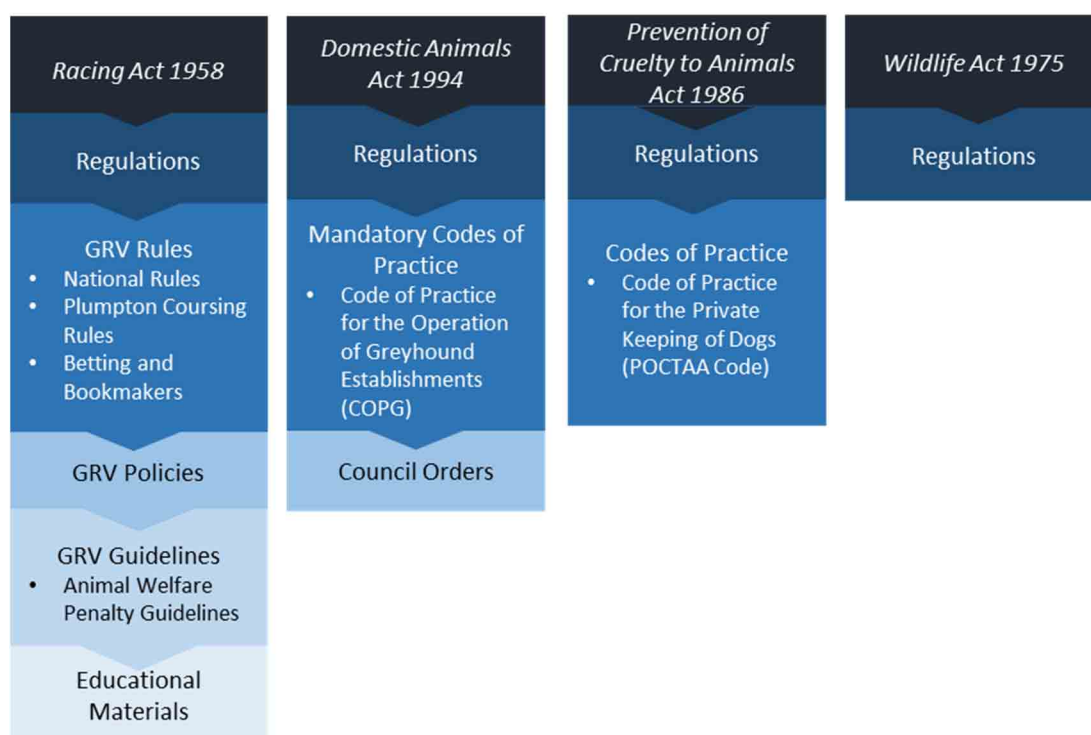
The legislative framework, under which greyhound racing operates in Victoria, is complex and is spread across multiple Acts and subordinate documents:

- *Prevention of Cruelty to Animals Act 1986, last revised 4 May 2016 (POCTAA);*
- *Domestic Animals Act 1994, last revised 4 May 2016 (DAA);*
- *Racing Act 1958, last revised 4 May 2016;*
- *Greyhound Racing Victoria – Local Rules;*
- *Greyhounds Australasia – Greyhounds Australasia Rules;* and
- *Wildlife Act 1975* (which is only relevant to the use of native animals for live baiting).

#### 1.3.1 General legislative framework

The flow of the legislation is provided in Chart 3.

**Chart 3: Hierarchy of Acts, regulations, rules and Codes relevant to greyhounds**



**Source:** Reproduced from Milne, C. Chief Veterinary Officer. 30 April 2015. *Investigation into animal welfare and cruelty in the Victorian greyhound industry*. Report to Parliament of Victoria. **Note:** GRV Rules includes Local Rules of Racing

The intricacies of the legislation, including the focus and coverage are explained in Table 9.

**Table 9: Intricacies of the legislative framework, relevant legislation, purpose and coverage**

Legislation	Focus/Purpose	Requirement coverage
POCTAA	Prevent cruelty to animals.	Sets codes of practice for Private Keeping of Dogs – not mandatory. Defines animal cruelty and aggravated cruelty. Sets offences for cruelty, ill-treatment, causing pain or suffering or abandonment. Sets offences for people involved in baiting and luring, breeding with heritable defects. Requires disclosure on sale or defects.
DAA	Main legislation that relates to dog ownership.	General care, registration and identification requirements for dogs and domestic animal businesses. Greyhounds are exempt from local council registration requirements. Creates a duty for the restraint of greyhounds outside the owners' property. Provides ability to make a Code of Practice, specifically in relation to the keeping of greyhounds.
Racing Act	Regulates the racing of greyhounds (as well as horse racing and trotting).	Establishes GRV as controlling body. Provides powers to the Racing Integrity Commissioner to conduct audits and investigate animal welfare processes. Creates offences for use of an animal as a lure. Allows the GRV to make rules to control greyhound racing, registration, welfare, kennelling and breeding.
GRV – Local Rules	The regulation of racing, people and management of greyhounds in the industry throughout Victoria.	Allows for the adoption of Greyhounds Australasia rules as local rules. Make requirements for the registration of a person wishing to engage in whelping, rearing, breaking in, or education of greyhounds. Requires a registered person to have complete prescribed education or qualifications. Creates offences in relation to welfare, keeping in conditions that are dangerous to health, or permitting suffering. Provide requirements for retirement, death and euthanasia.
Greyhounds Australasia – GA Rules	The regulation of racing greyhounds and duties of a person keeping greyhounds, veterinary surgeons, ownership and breeding throughout Australia.	Requirement for a person in charge of a greyhound to keep records. Makes provisions of the duties of a person keeping a greyhound in relation to care, welfare, notification and control. Provides a requirement for microchip and ear brand identification, registration and ownership of a greyhound. Requires approval for breeding and registration of breeding dogs, mating, and litters (including coverage of artificial insemination controls).
Code of Practice for the Operation of Greyhound Establishments	Minimum standards for accommodation, management and care which are appropriate to the physical and behavioural needs of greyhounds.	Provides requirements and duties for the manager, veterinarian and kennel attendants responsible for greyhounds. Requires minimum standards of food and water. Makes provisions relating to vaccination and health care, sale of pups, hygiene, exercise and security. Sets minimum size and standards for housing and enclosure sizes. Provides specific requirements of record keeping.
Wildlife Act	Protect and conserve wildlife.	Controls the keeping, hunting, killing or taking of wildlife.

The complex legislative framework is further complicated in that each piece of legislation has a different emphasis depending on the section of the industry and each piece of legislation has a different level of detail (prescriptiveness) to guide a person in-charge of a

greyhound (education) and a different penalty for non-compliance (deterrence) as shown in Table 10.

**Table 10: Intricacies of the legislative framework and gaps in coverage**

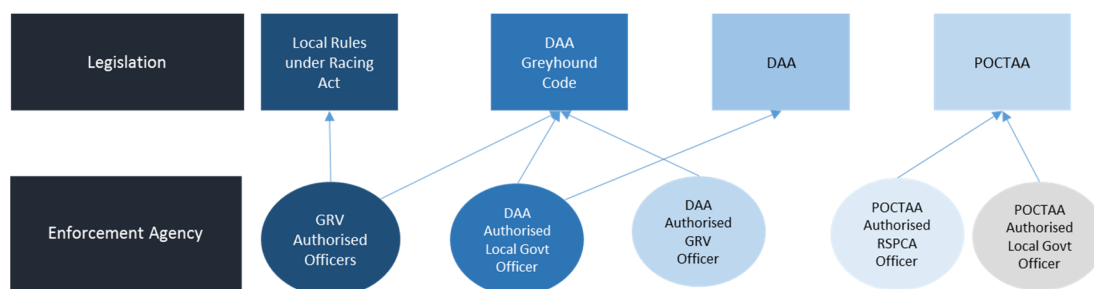
Legislation /main requirement	Penalty for non-compliance (up to) <sup>51</sup>	Not covered (gaps)
<b>POCTAA</b>		
<b>Protection of animals</b>		
-cruelty	\$38,865 (or 1 year jail)	Management practices in line with a code of practice that might lead to poor animal welfare.
-live baiting	\$77,730 (or 2 years jail)	Tracking or identification of animals at any stage of the lifecycle to identify properties and dogs at risk of being used for live baiting
<b>DAA</b>		
<b>Registration of dogs:</b>		
-Not registered dog	\$3,109.20	GRV greyhounds being required to register with local council whilst registered with GRV
<b>Conduct of a domestic animal business:</b>		
-Non-compliance with mandatory code	\$38,243.16	Greyhound operators do not have to comply with the much more prescriptive mandatory dog breeding code that covers such requirements as: staffing levels, breeding plans, health management plans, veterinary checks, socialisation and enrichment.
<b>Racing Act</b>		
<b>Restrictions on and licences for greyhound racing:</b>		
-Involved in Live baiting	\$15,546	There are no requirements for the general Care of greyhounds at all stages.
-Trials on unregistered tracks	\$7,773	
<b>GRV – Local Rules</b>		
<b>Welfare of greyhounds:</b>		
-compromised welfare	\$1,000	Management practices in line with a code of practice that might lead to poor animal welfare.
-poor welfare leading to death	2 years disqualification +/- \$2,000	Current rule does not identify properties other than owners, breeders and trainers, to identify where enforcement might be required.
-live baiting	10 years disqualification.	
<b>Greyhounds Australasia – GA Rules</b>	See local rules above.	See local rules above
<b>Code of Practice for the Operation of Greyhound Establishments</b>	See above (DAA non-compliance with Code if enforced under DAA) OR (GRV Local Rules if enforced under GRV requirements).	Greyhound operators do not have to comply with the much more prescriptive mandatory dog breeding code that covers such requirements as: staffing levels, breeding plans, health management plans, veterinary checks, socialisation and enrichment.
<b>Wildlife Act</b>		
<b>Offence:</b>		
-taking or destroying threatened wildlife	\$37,310.40 +/- 2 years jail	Any animal other than wildlife

<sup>51</sup> See Chart 4 for relevant enforcement agency

The current legislative environment does not offer consistent protection of a greyhound, throughout its whole lifecycle. In addition, it offers no prescriptive requirements to ensure adequate housing, socialisation, health checks and monitoring. Failures in any or each of these areas can have a cumulative effect on an animal's welfare. Furthermore, depending which offence a person is found guilty of, the penalty is often so small it offers no deterrent to the industry (see Table 8. GRV – Local Rules).

The framework for control and enforcement is equally complex, in that different licensing and registration, oversight and compliance falls under the *Domestic Animals Act 1994*, the *Prevention of Cruelty to Animals Act 1986*, the *Racing Act of 1958* and the GRV itself, as shown in Chart 4.

**Chart 4: Legislation and enforcement**



### 1.3.2 The existing code

The focus of the proposal in this RIS is the replacement of The *Code of Practice for the Operation of Greyhound Establishments*, 'the existing code' as it does not provide the same level of prescribed care as provided to other dogs in Victoria. Currently the existing code is enforced throughout Victoria, under GRV local rules and used for guidance and prescriptive detail for prosecution under the GRV local rules. Local Rules are in fact rules for the whole of the state of Victoria made under the powers of the Racing Act. The code is used as a defensible code and enforced by GRV enforcement officers. Greyhound owners/carers do not have to follow the *Code of Practice for the Operation of Breeding and Rearing Businesses*, which came into effect on 10 April 2014 to improve the welfare of animals in puppy farms. The new breeding and rearing code reflected the current social value placed on dogs and cats by society. Additionally, under the DAA greyhound owners are exempt from the requirements of registration with local government if the dog is registered to GRV. The current reporting requirements of greyhounds to GRV at birth, naming, racing and retirement, mean that greyhounds are effectively unregulated in the period between litter registration and naming and post retirement (see Chart 2).

Victoria's Chief Veterinary Officer, Dr Charles Milne, presented his final report to Parliament on 30 April 2015. The Review determined that the existing code is lacking in content and scope, in particular he noted:

*'It does not adequately cover all of the different stages of a greyhound's life and does not include critical standards that address a greyhound's exercise, socialisation, handling, transportation and enrichment needs. He added that the existing code is ... inconsistent with the detail of the DAA Code of Practice for the Operation of Breeding and Rearing Businesses that applies generally to dog breeding and rearing [and]...does not include critical standards that address a greyhound's exercise, socialisation, handling, transportation and enrichment needs at all stages of the dog's life'.<sup>52</sup>*

GRV subsequently do not charge offending participants under the current code of practice per se, but rather any disciplinary action is undertaken under Local rules 42.1 and 42.2. These rules set minimum standards for the keeping of racing greyhounds. Rule 106 of Greyhound Australasia rules (GAR) prescribes responsibilities of owners of carers towards providing veterinary attention and monitoring the general welfare of a Greyhound. The current code of practice is used as prescriptive detail under which a person can be charged under the Local Rules.

#### 1.4 Current issues in greyhound racing

Historically, there are a variety of concerns in relation to greyhound racing including a lack of transparency or identification of operators, lack of education or information of operators, perceived poor breeding, rearing and training programs, poor welfare of dogs, wastage (oversupply) of animals, governance of racing and betting, and the live baiting issue. As discussed in Section 1.1 of this RIS, reports and investigations of all of these matters identified issues falling into six main categories including:

- erosion of public confidence in the greyhound racing industry
- roles and powers - unclear accountabilities;
- weaknesses and fragmented current regulatory environment;
- information management (of greyhounds);
- training/education/information (for carers); and
- animal welfare/cruelty.

#### **Comment by GRV;**

GRV now comprises a new CEO, Board and Executive that are committed to the delivery of strong animal welfare and regulatory outcomes and which is implementing a range of programs to address historical issues. These programs are aimed at the reduction of premature injury and death of racing greyhounds, enhanced care of greyhounds at all stages of their lifecycle, prevention of excessive breeding through an enhanced registrations and monitoring regime, ensuring greyhounds get more opportunities to race, improving racing and training infrastructure and developing training and awareness programs for industry participants.

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<sup>52</sup> Milne, C., (2015), p.15.

This is being supported by a strong program of regulatory scrutiny, including participant education. Through these initiatives GRV has reported the achievement of:

- An increase in Animal Welfare Inspectors from 2 to 18 as at 1 January 2017,
  - A new Investigations Unit, increasing the number of inspectors from 1 to 10, including an intelligence capability
  - A more than tripling of samples for prohibited substances,
  - A \$3.5 million expansion of the Greyhound Adoption Program's Seymour facilities,
  - A new regulatory framework which adopts a risk based assessment of the industry and which will include better management of breeding,
  - A 31 per cent reduction in the numbers of pups whelped in 2015-16 on the previous year,
  - A major capital works program with specific focus on animal welfare and education and training programs focused on whole-of-life plans for all Victorian greyhounds,
- Track safety improvements, stronger reporting requirements for race day veterinarians and better capture and analysis of race injury data.

The current main issues in the industry are summarised in the next sections.

#### *1.4.1 Social license (including wastage and live baiting)*

For greyhound racing to exist it requires social licence from community. A social licence to operate has been defined as the 'ongoing acceptance or approval from the local community and other stakeholders'<sup>53</sup>. The Minister for Racing acknowledged that greyhound racing 'operates under social licence' and that 'that social licence was at risk after the live baiting scandal erupted'<sup>54</sup>. McHugh claims 'Loss of integrity-based trust of the community and other stakeholders in NSW was due to the fact that the industry:

- has implicitly condoned as well as caused, the unnecessary deaths of tens of thousands of health greyhounds;
- has failed to demonstrate that in the future it will be able to reduce the deaths of healthy greyhounds to levels the community could tolerate;
- has engaged in the barbaric practice of live baiting;
- has caused and will continue to cause injuries to greyhounds that range from minor to catastrophic;
- has treated greyhounds as dispensable commercial commodities;
- has deceived the community concerning the extent of injuries and deaths caused during race meetings;
- has preferred the commercial interests of the industry to the animal welfare interests of greyhounds;
- has exported greyhounds to race in places such as Macau where animal welfare standards are very poor; and
- has ignored or failed to recognise that the industry has obligations to the community that go beyond its strictly legal obligations'.<sup>55</sup>

<sup>53</sup> KPMG, *The Community Investment Dividend* 2013 p.4.

<sup>54</sup> Pakula, M., (2016), p.3.

<sup>55</sup> McHugh M, (16 June 2016), p18

**Wastage:**

Greyhound racing is an asset to Victoria and industry viability requires an adequate number of dogs to continue the industry. A major concern in the community, that affects community assurance, and therefore risks the social licence, is 'wastage' which comes about from the oversupply of greyhounds and the unnecessary use of euthanasia.

It is reported that 'wastage' is a function of the interaction between over breeding of greyhounds in the pursuit of more competitive dogs and the destruction of excess greyhounds if they do not meet the competitive threshold or are no longer competitive'<sup>56</sup>.

**Comment by GRV;**

It should also be noted that destruction becomes an issue where adequate rehoming is not achieved.

The RSPCA claim many *'unwanted greyhounds will be euthanased despite being otherwise healthy and rehomingable'*<sup>57</sup>. Figures recently released in the NSW special commission states they have evidence that 40% of greyhounds born (in NSW) do not make it to the race track<sup>58</sup>. Animals Australia<sup>59</sup> estimate that only 10% of greyhounds live out their natural lifespan of 12 to 14 years.

High wastage increases the risk of a societal backlash, decaying the social licence to operate. The Queensland Office of Racing Regulation recognised that greyhounds have a short racing career and that there are also greyhounds that never make it to track, and so there is a reality that many animals are being euthanased despite being perfectly healthy<sup>60</sup>.

Furthermore, on 7 July this year the Premier of NSW announced the shutdown of greyhound racing in NSW believing that the industry had lost its 'social license', citing the massive killing of greyhounds (through wastage) as one of the reasons for the shutdown<sup>61</sup> notwithstanding plans officially signed off on by Cabinet Ministers on 10 October to reverse this decision.<sup>62</sup>

Wastage has also been an issue in the UK where it has been noted that, *'reducing the number of puppies bred each year then should be a continued priority to secure the long term sustainability of the industry, as well as animal welfare.'*<sup>63</sup> For a society that values dogs and sees them as a family member, euthanasia of healthy animals is distasteful. In this sense, the euthanasia of greyhounds where there is oversupply has a severe effect on the industry's social licence.

<sup>56</sup> GRNSW, Response to Order (May 2015).

<sup>57</sup> RSPCA, (2016), p.1

<sup>58</sup> McHugh M, (16 June 2016), p1

<sup>59</sup> Animals Australia *Bred for no other purpose than to race* (2015)

<sup>60</sup> Office of Racing Regulation (1 April 2014) *Control Body Assessment Program*, Report 2013, p.12.

<sup>61</sup> Mike Baird, Premier NSW, 7 July 2016.

<sup>62</sup> (see <http://www.abc.net.au/news/2016-10-11/greyhound-ban-baird-government-confirms-backflip/7921000> - accessed 10 October 2016)

<sup>63</sup> Wilberforce Society (Draft Policy Paper) (2011), p.5.

Euthanasia is distasteful and not supported, however in some cases the alternative (life for the animal) may be worse. An alternative for a greyhound living with painful extended health outcomes, or a life of confinement, or being shipped overseas to a disreputable destination is a very poor quality of life. Any in-humane method of killing an animal is cruel and illegal and prohibited under POCTA.

As well as initiatives which have significantly reduced breeding numbers, under local rules the owner must notify GRV at least 14 days prior if, in certain circumstances, an animal is being euthanased for non-medical reasons where dogs do not have behavioural concerns or stress. Furthermore, there are strict controls on who may do it and how under regulation.

While GRV is currently reviewing these rules (which are to be strengthened), in certain situations where euthanasia is being contemplated this gives a chance for GRV to intervene to find alternative to euthanasia if possible. Whilst this does not frequently occur this provides an opportunity for GRV to recommend rehoming and rehabilitation through GAP. GRV also *identifies* who is euthanasing dogs without a Veterinary certificate when following up on dogs that have been inactive for 6 months. In 2015/16 there were 3,012 dogs euthanased with a Veterinary certificate.

However notwithstanding this, there are still some cases where *wastage is a welfare issue* because it is not managed well (i.e. dogs inhumanely euthanased). The extent of such occurrences is likely to be small in Victoria and is a subset of the 'other' category for retirement defined as "reason not specified/error in reporting by participant/death by natural causes" (i.e. a subset of 336 dogs in 2016-17 (see Table 7)). This is likely to be a small subset however, due to the follow up process employed by GRV where a greyhound has been flagged as being inactive for a six month period. This process has been going on for two years and follow up is currently undertaken by phone. GRV determine what has happened to a dog, and if it has been euthanased without a Veterinary certificate the owner will be fined and disqualified from participation under the Local Rules. It is intended that the process of follow up will become more routine and be monitored electronically through a web based login rather than manually by phone in future.

#### **Comment by GRV;**

GRV has delivered and continues to deliver significant programs of work aimed at reducing unnecessary euthanasia, noting the significant decrease in pups bred and whelped in the 2015-2016 financial year.

The proposed tightening of rules regarding euthanasia notification periods is one example of the important proactive work GRV is undertaking to reduce euthanasia. The extension of the notification period provides GRV with more time to work with participants and take action to avoid euthanasia where it becomes aware that a participant is seeking to euthanase a greyhound. GRV's compliance teams have also been significantly enhanced and are equipped with the skills and capacity to work with our participants. This will ensure euthanasia is avoided wherever possible and is an absolute last resort.

To further support this, GRV has also enhanced its rehoming program and strengthened its partnerships with Victorian re-homing bodies to create more re-homing opportunities for racing greyhounds at the end of their careers. In addition to the GRV branded GAP



rehoming facility at Seymour, GRV has just opened a second facility at Mount Mercer and will soon open a third facility in the Melbourne CBD. GRV is also working with participants to ensure they better understand their rehoming obligations and the steps they need to take to ensure their greyhounds are rehomed once they finish racing. This includes training programs for both participants and for greyhounds that drives strong eligibility for rehoming.

#### ***Live baiting:***

On 16 February 2015, the ABC's 'Four Corners' program aired an undercover operation by Animals Australia, entitled 'Making a Killing'. The program aired footage of live animals being used as bait to train greyhounds in Queensland, New South Wales and Victoria. Reviews were commissioned in all three states. Live baiting is illegal and cruel and has a significant effect on the public's acceptance of the industry to operate.

#### ***1.4.2 Governance***

Both the Racing Integrity Commissioner and racing administrator reviewed matters in relation to governance of racing and betting<sup>64 65</sup>. The Racing Integrity Commissioner found no evidence of corruption or cover up by GRV staff or the GRV (former) Board of live baiting, but did find that governance controls were not effective in identifying the practice of live baiting<sup>66</sup>. The racing administrator report covered all arms of racing but specifically noted that 'the GRV of today is unrecognisable from the GRV of 12 months ago, and should be applauded for its absolute commitment to all strategic and policy areas covering integrity and welfare services without being conflicted on investment'<sup>67</sup>.

#### **Comment by GRV;**

There is now a clear separation between the animal welfare, integrity and racing functions of GRV, which are more appropriately staffed and funded. The new leadership team positions of General Counsel, General Manager of Animal Welfare and Senior Investigations Manager have been filled by thoroughly qualified and experienced people. A new Chief Steward has been appointed and more specialist staff have been brought on board in areas such as animal welfare, integrity, and data analysis. GRV has further boosted its integrity resources with the appointment of a General Manager for Integrity. The Animal Welfare Inspection team has increased from 2 to 18 during 2016/17, the number of swabs taken for drug testing has more than doubled and a new Investigations Unit relying on intelligence gathering and risk assessment has been established. Policy decisions are now evidence based and data-driven and new industry engagement and education and training initiatives are now in place and will be developed further in coming years.

At 13 October 2016, GRV had employed 8 investigators, 16 animal welfare inspectors and has had an almost complete change of staff. (It is noted that at the time of publishing this RIS, GRV has increased their animal welfare inspectors to 18. The analysis has been applied to the staffing numbers supplied on the 13<sup>th</sup> October 2016.) All of the investigators have a policing background and the inspectors predominantly have a local government background. GRV also has a stand-alone integrity office which is overseen by the Racing Integrity Commissioner.

<sup>64</sup> Perna, S., (2015),

<sup>65</sup> Bittar, P., (2016).

<sup>66</sup> Perna, S., (2015), p.20.

<sup>67</sup> Bittar, P., (2016).

Nonetheless, there remain concerns from welfare organisations that the greyhound industry is self-regulated, and allegedly rife with government approved doping, money laundering and corruption<sup>68</sup>. However, a number of GRV initiatives are directly linked to addressing these concerns and issues.

Additionally, as noted in Reports by the Chief Veterinary Officer (Milne report<sup>69</sup>), the Racing Integrity Commissioner (Perna report<sup>70</sup>), highlighted in section 1.3.1 that the legislative environment is incredibly complex resulting in major non-compliance through ignorance of participant or lack of powers or confidence from enforcement agencies. There is no single enforcement arm with a clear mandate and direction for enforcement during all stages of the dog's life and for all size businesses/individuals, with sufficient enforcement powers available for authorised officers of GRV, and Local Government, as well as Victoria Police.

#### *1.4.3 Lack of tracking of dogs*

There are several stages in the greyhound lifecycle where its location may be unknown. The inability to track the location and status of a greyhound between rearing and racing stages proves the highest risk for wastage and welfare. In the Milne report<sup>71</sup>, GRV acknowledged that they are often unable to track greyhounds if, in breach of the rules, the dogs are moved to kennels operated by unlicensed persons. This is a concern as unidentifiable and unknown dogs with no controls or enforcement agency oversight are at higher risk of being in the hands of carers who are disconnected from information, education and enforcement.

#### *1.4.4 Poor welfare of animals (not including live baiting)*

The Royal Society for the Prevention of Cruelty to Animals (RSPCA) report that injuries are very common for racing dogs and can be ongoing '*Injuries are a major animal welfare issue that often cause pain, suffering and distress*'<sup>72</sup>. RSPCA go on to report that many puppies and adult greyhounds are not socialised with other dogs or humans increasing the likelihood of the development of fearfulness and antisocial behaviour which impacts negatively on their welfare.

Animal welfare concerns are becoming increasingly important to industry, government, consumers and the general public, both in Australia and internationally. Practices that were deemed acceptable in 1998 are now being reassessed in light of new knowledge and changing attitude. Poor practices such as inappropriate nutrition, poor size enclosures, lack or inappropriate exercise, inadequate grooming, oversight and poor socialisation alone might not outwardly affect the health of an animal but in a cumulative manner lead to poor welfare for animals. The McHugh report stresses that 'matters that can impact the health and wellbeing of a dog come into play as soon as it is born. They are capable of producing negative welfare outcomes as the animal ages'<sup>73</sup>.

<sup>68</sup> Animals Australia *Greyhound racing: following the money trail* (2015)

<sup>69</sup> Milne, C., (2015).

<sup>70</sup> Perna, S., (2015),

<sup>71</sup> Milne, C., (2015).

<sup>72</sup> RSPCA, (2016).

<sup>73</sup> McHugh M, (16 June 2016), p137

The Australian Animal Welfare Strategy accepts the World Health Organisation for Animal Health (OIE) definition of animal welfare:

*'means how an animal is coping with the conditions in which it lives. An animal is in a good state of welfare if (as indicated by scientific evidence) it is healthy, comfortable, well nourished, safe, able to express innate behaviour, and if it is not suffering from unpleasant states such as pain, fear, and distress. Good animal welfare requires disease prevention and veterinary treatment, appropriate shelter, management, nutrition, humane handling and humane slaughter/killing. Animal welfare refers to the state of the animal; the treatment that an animal receives is covered by other terms such as animal care, animal husbandry, and humane treatment.'*<sup>74</sup>

Poor animal welfare is a reflection of the attitudes and behaviours of some industry participants (see Section 1.4.6 of this RIS) and is likely driven by their level of education and access to information (see Section 1.4.7 of this RIS). Animal welfare varies from outright cruelty (such as live baiting, beating dogs) through to poor welfare that can be as a result of a single event (such as an injury not treated adequately) or cumulative events. Cumulative events can be, by themselves, small transgressions on minimum standards that, when combined over the lifecycle or a lengthy period of time, lead to poor welfare (e.g. poor nutrition + over training + no socialization + poor hygiene). All dogs and all lifecycles are at risk of poor welfare; but most at risk are greyhounds on properties that are small (hidden) or not registered and avoiding monitoring and auditing.

#### *1.4.5 Lack of lifecycle coverage*

It is common during the varying lifecycle stages between birth and racing for a dog to move to a different carer at every stage of the cycle (see Chart 2).

Puppies are registered with GRV at birth and microchipped at 12-16 weeks of age. Once microchipped the dog can go to a 'rearer' who keeps the puppies to around 15 months of age. Rearers are currently not registered as a separate group of participants within the industry (see Section 1.2.3), so it is at this point that there is a risk that the dog drops out of the coverage of prescriptive requirements for care and management. The dog then goes onto an educator/breaker or a pre-educator (see Section 1.2.4) for a short period to learn to chase the lure. It is at that point that they determine whether a dog is determined to have racing potential and named and then goes off to the trainer (see Sections 1.2.5 and 1.2.6). It is only when the greyhound is moved to a registered trainer do they return to the clear oversight of GRV with coverage for their care and management.

Gaps in reporting all stages in the lifecycle leave open the possibility for an under reporting on matters such as; over breeding (post retirement or early stage), poor health, injury or behavioural issues. Effectively there is a potential that a greyhound can be treated as a 'second class dog' until it is determined whether they have the potential to be a champion.

#### **Comment by GRV;**

Through various initiatives currently under development, GRV is enhancing the lifecycle tracking of greyhounds to ensure that any gaps are identified and addressed.

<sup>74</sup> OIE, World Organisation for Animal Health, definition animal welfare: <http://www.oie.int/en/> (accessed 23 May 2016)

#### 1.4.6 Participant behaviour/compliance

The current legislative environment is very complex with confusion within all arms of the industry in relation to the status of the GRV Code, the DAA Code, and the local rules. There is significant non-compliance through a lack of understanding and clarity of who has to comply with what legislation, rules or policies.

DEDJTR has built a view of compliance in the industry based on information from GRV data and discussions with GRV on the industry. This view highlights the split within industry on the level of understanding of compliance requirements and willingness (attitude) towards various current standards. Based on these discussions and a view of compliance by DEDJTR, the appropriate break-up of non-compliance rates are estimated as 32% of participants with 6 to 30 dogs and around 64% of all small participants, as shown in Table 11. This also suggests non-compliant small participants tend to be those who form a close attachment to their greyhounds and want to comply but can't due to financial means or lack of knowledge, as opposed to not wanting to comply.

**Table 11: Non-compliance rates in the greyhound racing industry and reasons behind non-compliance**

Type of non-compliance	Category of participants	Non-compliance rate	Reason for non-compliance
Do not want to comply	Breeders & trainers (Participants with 6 to 30 dogs)	32%	Attitudes, culture, age
Want to comply but can't	Breeders & trainers (All small participants)	32%	Lack financial means/capability
Want to comply but can't	Breeders & trainers (All small participants)	32%	Ill-informed or lack knowledge

**Source:** GRV data October (2016) and DEDJTR 2016

In the area of administration, GRV note that not having a proper veterinarian agreement is a common reason for non-compliance, and has the potential to have a long-term consequence for the greyhounds, because greyhounds may not be provided access to a veterinarian when needed. Under the existing code that has been incorporated into the local rules *'The proprietor of the establishment must have a written agreement with sufficient veterinarians to be on call for the treatment of greyhounds other than first aid and for humane euthanasia where an overdose of barbiturate is used'*.

GRV also noted a risk that the majority of GRV registered breeders (see Sections 1.2.1 and 1.2.2) do not have an adequate whelping area. Poor whelping facilities can result in the mother becoming stressed and reducing her ability to cope. Research has shown that a mother's behavioural responses to their environment are critical in teaching puppies automatic behavioural responses to environmental stimulation later in life – particularly during the first 16 weeks of life. Behavioural responses to environmental stimulation can strongly influence a dog's racing career and ability to be rehomed as a pet later in life.

Moreover, participants that are involved in rearing and breaking in (see Sections 1.2.3 and 1.2.4) are currently not required to be separately registered with GRV and so are not audited. Such requirements are currently under development by GRV. Therefore, there is currently no understanding of the numbers or level of compliance in these businesses in relation to the codes of practice or the local rules. This is an area of significant concern as participants offer specialised skills to people who pay for their expertise and care. These are the hidden participants who may be an aged population with dated techniques that are disconnected from research, training/education and information. Data collected by DEDJTR confirms that, generally, people who rear, break-in or spell greyhounds are most likely to also be owners or trainers of racing dogs. These individuals are registered by GRV as trainers and can be audited. Therefore, the proportion of unregistered breakers, spellers and rearers is estimated to be relatively small.

Generally, it has been anecdotally reported that there is a proportion of people in the industry who see greyhounds as a commodity, rather than a living animal. For example, GRV recently audited a property where they found a dog with muzzle grazing injuries. When questioned, the participant's response was, ***"it's just a race dog what more do you want me to do with it?"***

#### *1.4.7 Lack of information/education/training programs*

In a paper presented at the Australian Animal Welfare Strategy (AAWS) conference, GRV recognised that education of participants would lead to better welfare for greyhounds. They noted the need for information about selection of breeding animals, rearing, husbandry and health would all improve the quality of greyhounds.<sup>75</sup>

#### **Comment by GRV;**

GRV is currently developing an education strategy. This includes the enhancement of its registration function which includes linked education requirements and categories of registration.

The risk that uninformed breeders may breed for quantity to 'improve the chance' of a winner rather than quality increases the possibility of poorly bred (or managed dogs) and excess dogs (wastage), not suitable or capable of racing. McHugh reported *'that the collective breeding knowledge of the greyhound industry is not that high'*<sup>76</sup>.

GRV noted in 2008 that in Victoria, *'breeding animal selection...[was]...based on gut feeling, flavours of the month and advertising – not on hard science'*.<sup>77</sup> It was for this reason that GRV developed a breeder training course and requires new participants, who have not previously bred a litter before, to complete the GRV 'Breeders Education Package'. The Breeders Education Package is still running through GRV's in house 'Fast Track' member system. It is understood that GRV intend to implement an enhanced evaluation process in the future, as part of their overall animal welfare strategy.

There are anecdotal reports of a poor understanding of basic training practices amongst breeders (including rearers). In 2015 it was noted, in a study of NSW, that dog management practices do not appear to be based on the understanding of fundamental behavioural

<sup>75</sup> Beer, L., et al (2008).

<sup>76</sup> McHugh M, (16 June 2016), p49 (V2)

<sup>77</sup> Beer et al., (2008).

needs and there is an apparent lack of awareness of the critical importance of the first three months of life (for socialisation and behavioural needs)<sup>78</sup>. These participants may be willing to try to improve practice but do not have the resources or information to do so (see Table 10).

The Working Dog Alliance (WDA) report noted that *‘there was minimal consideration for the major effects of some practices on health, welfare and performance of dogs throughout their lifecycle’*<sup>79</sup>. Because a registered owner may not be the person in charge of a greyhound, there is an increased risk that unregistered participants (those rearing or breaking in greyhounds) are not compliant nor connected the system to gain information on current best practice. The level of unregistered participants in the industry is currently unclear.

The WDA recently identified that a window of opportunity exists between 3 weeks and 14 weeks of age, during the whelping stage, for optimal socialisation to be most effective (see Section 1.2.2 of the RIS). Prescribed levels of training, exercise, enrichment and socialisation for every age dog at every stage of their lifecycle will offer a consistent level of care and welfare for all dogs and prepare the dog for a life outside of the industry.<sup>80</sup> GRV reports that most trainers and persons-in-charge of greyhounds are not using latest research and techniques but relying on old ‘handed-down’ techniques for training a winner.

Anecdotal evidence from GRV suggests that whilst there is an element of chance in the entire industry generally, participants that have dogs that do well, generally have structured breeding, and training plans, and maintain a level of dog management that improves racing ability. Those that are resource, or knowledge, poor and have too many dogs relative to their resources, are less likely to breed and/or train a champion dog.

#### 1.4.8 Rehoming

Every lifecycle stage (see Chart 2) represents a potential point of exit from the industry. The onus on reconditioning or rehabilitation is currently on GRV’s Greyhound Adoption Program (GAP) alone. Every greyhound that enters the program is thoroughly temperament tested, and veterinary checked; every greyhound rehomed by the program must be de-sexed, wormed, microchipped, and vaccinated. The greyhounds may then spend time with a foster carer to help them adjust from life in a kennel, to life in a pet home. In 2015-16 it cost GRV approximately \$1,200 per dog to progress through the system to rehoming. Currently GAP has 180 kennels, with plans to expand in the coming twelve-month period to potentially have 280 kennels. At the moment participants contacting GAP wait between one and three months to enter the program.

GAP reports that greyhounds that have been exposed to external stimuli outside the racing industry before they enter the program have been shown to have a better chance of passing their temperament test and finding a permanent home. The average time a dog spends in the GAP program is 42 days with an average of 14 days actually in the kennels. The dog may spend the balance of days in foster care in a home environment. Only greyhounds that have passed the GAP National Temperament Test (GAPNTT) are awarded a special green GAP collar, and have an exemption from the *Domestic Animals Act 1994* from

<sup>78</sup> Cobb, M., et al (2015), p.4

<sup>79</sup> Cobb, M., et al (2015), p.4

<sup>80</sup> Cobb, M., et al (2015), p.4

the requirements (for greyhounds) to be muzzled in public. In 2015-16 there were 845 greyhounds rehomed or 'green-collared' after retiring from racing (see Table 7).

### 1.5 Scope

The creation of a new code under the DAA will generally standardise and give effect to various provisions of existing legislation and local rules, for welfare and keeping conditions of greyhounds, which exists in the above 'complex' legislative framework. The proposed code will provide a clearer regulatory framework and wider coverage of all people involved with greyhounds at all lifecycle stages of their life. In addition, as the proposed code will be made under the DAA, it provides greater powers to authorised officers to enforce and audit and comes with significantly higher penalties (see Table 9). Local rules, made by Greyhound Racing Victoria will be able to be reviewed to ensure that move prescriptive welfare requirements are moved to a single document (proposed Code) enforced under the DAA.

The proposed code is limited to the scope under section 63AC (2) of the DAA, that allows the code '*to specify standards for the keeping, treatment, handling and care of GRV greyhounds*', as well as; '*facilities, equipment and conditions at premises where GRV greyhounds are being kept*' and '*standards for the procedures and practices to be adopted in relation to the keeping of GRV greyhounds*'<sup>81</sup>.

The scope of the proposed code relates to management practices that impact on animal welfare and quality of life (excluding the issue of live baiting and wastage), and the transition to rehoming (See Sections 1.4.4 to 1.4.8).

The social licence ramifications of live baiting and wastage, as discussed in section 1.4.1 are not directly covered in this RIS. However, animal welfare standards covered by the proposed Code may have a *knock-on effect* on the industry's ability to meet community expectations regarding animal welfare and social licence

#### **Comment by GRV;**

These matters are being directly addressed by GRV through its strengthening of integrity and welfare capabilities.

The issue of wastage (oversupply of dogs) and euthanasia is not addressed specifically in this RIS and although euthanasia is a management tool if done humanely, the proposed Code does not directly address wastage rates. Whilst reducing euthanasia/wastage is not the objective of the proposed Code, it is a likely to be a positive consequence of good management practices during the lifecycle of the greyhound, which will improve rehoming potential. Although the proposed Code does not address wastage in itself, GRV strategies and policies (running in conjunction with the proposed Code) will.

Both the reduction in the number of litters in 2015-16, as well as, the introduction of new strategies for rehoming by industry participants<sup>82</sup>, is expected to have an impact on the oversupply of dogs and therefore number of dogs euthanased in 2016-17 and 2017-18<sup>83</sup>.

<sup>81</sup> *Domestic Animals Act 1994* (Authorised Version No. 067) 4 May 2016

<sup>82</sup> Subject to medical, behavioural and legal constraints and requirements.

<sup>83</sup> GRV October (2016).



There are a number of strategies being employed by GRV around the oversupply of dogs, these include:

- Reducing the premature injury and death of racing greyhounds;
- Preventing excessive breeding (reducing litter numbers);
- Optimising the use of the racing greyhound population;
- Creating more rehoming opportunities for greyhounds;
- Operating an incentives framework that promotes animal welfare at all stages of the greyhound lifecycle;
- Making informed decisions about GRVs infrastructure investments to maximise animal welfare outcomes; and
- Providing training to industry participants to improve greyhound welfare at every stage of a greyhound's lifecycle.<sup>84</sup>

#### **Comments by GRV:**

GRV has published its 6 core strategic priorities which are:

##### 1. Animal Welfare

GRV is committed to providing a racing industry environment in which the safety and welfare of greyhounds comes first. GRV will work to ensure that every greyhound will have the opportunity to live its whole life with quality care provided, that meets positive physical and psychological requirements. It will do this by:

- Reducing the premature injury and death of racing greyhounds;
- Preventing excessive breeding (reducing litter numbers);
- Optimising the use of the racing greyhound population;
- Creating more rehoming opportunities for greyhounds;
- Operating an incentives framework that promotes animal welfare at all stages of the greyhound lifecycle;
- Making informed decisions about GRVs infrastructure investments to maximise animal welfare outcomes; and
- Providing training to industry participants to improve greyhound welfare at every stage of a greyhound's lifecycle.

##### 2. Regulatory Standards

GRV is committed to a program of enhanced industry supervision that drives improved outcomes. To achieve this, GRV will take a contemporary, integrated, evidence led and ethically driven approach to its regulatory role. It will support, encourage and take actions that ensure the industry achieves improved greyhound welfare outcomes by:

- Implementing the recommendations of reviews conducted by the Chief Veterinary Officer and the Officer of Racing Integrity Commissioner;
- Implementing evidence-led compliance and licensing regulatory frameworks for all premises and persons involved in the rearing, education, breaking-in and training of greyhounds;
- Assuming greater responsibility for race day operations to reduce the risk of potential conflicts of interest and to ensure consistency of race day standards and practices;
- Introducing programs that drive industry self-regulation and continuous improvement; and
- Establishing and enhancing a separate Integrity function to deliver GRV's regulatory program.

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<sup>84</sup> GRV October (2016).



### 3. GRV's Capabilities, Culture and Financial Sustainability

GRV will lead the industry in regaining its social licence by developing an enhanced organisational capability to deliver world leading animal welfare strategies supported by a program of monitoring and enforcement. GRV will create an organisational culture which effectively manages animal welfare, industry integrity and sustained wagering and commercial growth by:

- Reorienting its organisational structure, capacity and capability to successfully achieve its new strategic direction;
- Developing a proactive and 'can-do' internal culture;
- Developing a culture where the risks of conflict of interest are understood, declared and managed;
- Developing and implementing strategies to ensure GRV remains financially sustainable and responsible;
- Developing an information management capability that strengthens evidence-led decision-making.

### 4. Social Responsibility

GRV is committed to an industry culture where participants follow contemporary rules, laws and ethical behaviours. It recognises the importance of community and participant attitudes towards greyhound racing, and towards GRV as the industry's regulator, and will take these into account in the discharge of its role. GRV will assist the industry to maintain its social licence by:

- Creating a safe workplace for GRV staff and club employees, and safe infrastructure for participants and consumers;
- Maintaining productive relationships with the Office of Racing, the RSPCA and other key external bodies;
- Delivering information and education programs that increase participants' skills and meet community expectations;
- Developing an industry culture of compliance with GRV's rules, laws and ethical standards;
- Strengthening strategic communications;
- Maintaining effective industry engagement via the Industry Consultative Group (ICG);
- Advocating responsible gambling by consumers; and
- Attracting new participants into the industry while respecting diversity and equity.

### 5. Club Support

Clubs are the industry's primary interface with local communities. To assist clubs, GRV will provide relevant and timely advice, governance, management and corporate services support. It will support clubs in Victoria to be an indispensable part of their local communities and assist clubs to strengthen their commercial and operational effectiveness by:

- Supporting clubs to be proactive in driving strong animal welfare outcomes;
- Ensuring clubs are meeting minimum operating standards including OHS compliance for racing and event purposes;
- Enabling clubs to support and deliver GRV's objectives;
- Building the capability of clubs by broadening their skills base;
- Assisting clubs with meeting the requirements of their constitutions, funding and registration agreements, governance arrangements and operating standards;

- Supporting clubs to continue strengthening their engagement with local communities; and
- Providing training and development to support clubs develop their management and operational capabilities.

## 6. Industry Growth

GRV understands continued industry growth requires careful management of wagering and broadcasting partnerships, the development of strong industry relationships and sustainable business growth strategies. GRV will position the industry for sustained wagering and commercial growth by:

- Increasing the fan and participation base for the sport;
- Improving media content and distribution to further promote greyhound racing;
- working collaboratively with Joint Venture and wagering partners to improve wagering participation; and
- Developing strategies to optimise the utilisation of the greyhound racing population.

GRV has demonstrated strong progress in delivering on its strategic priorities and in addressing industry issues and has been commended for its work in the recent review of Integrity Structures by Pau Bittar. Its many initiatives have already delivered significant results through:

- Safer tracks through enhanced infrastructure
- Reduced on track injuries and fatalities
- Reduced euthanasia rates
- Increased rehoming
- Reduced breeding rates

Governance issues around racing and betting as discussed in section 1.4.2 are also outside the scope of the proposed code, however the proposed Code does address concerns raised around scattered legislation in relation to welfare and management requirements and effective enforcement. Additionally, the issue of lifetime tracking of greyhounds as discussed in section 1.4.3 is being addressed through GRV policies and local rules (see Section 9 of this RIS for a more detailed discussion) and is outside the scope of the proposed code.

## **1.6 Need to undertake a Regulatory Impact Statement**

The proposed Code of Practice for the Keeping of Racing Greyhounds ('the proposed code') is a mandatory code and so is a legislative instrument within the meaning of the *Subordinate Legislation Act 1994*. Therefore, a regulatory impact statement (RIS) is required to be prepared to identify any significant economic or social burden imposed by the proposed code.

The purpose of the code is to specify the minimum standards of staffing, accommodation, management and care which are appropriate to the physical and behavioural needs of racing greyhounds. Industry and the community have identified substantial risks to greyhound welfare arising from the social costs of their private business/hobby decisions. In this regard, the aim of the intervention is to alter incentives so that private decision makers take account of the external effects of their actions.

The intention is that the proposed code will replace the existing *Code of Practice for the Operation of Greyhound Establishments* ('the existing code') and a range of other welfare and management rules that currently exist under the framework of GRV policies and *Local Rules*.

The revision of the existing code follows a recent amendment to the *Domestic Animals Act 1994* (DAA) to ensure that any person who 'keeps' a greyhound (under the definition of keeping under section 3(1) DAA) is required to comply with the existing and proposed code. The amendment is now in operation and so forms part of the base case for analysis in this RIS. Therefore, the RIS evaluates only the proposed code in comparison to the existing code and rules and legislation.

While the Victorian greyhound racing industry collects substantial amounts of data, its ability to accurately record and extract the data for analytical purposes is limited. Work is underway to capture more rigorous data for future analysis and planning. Consequently, the assessment of regulatory impacts in this RIS has been undertaken on the basis of robust assumptions in the absence of available data.

## 1.7 Consultation

The Department of Economic Development, Jobs, Transport and Resources (DEDJTR) undertook a stakeholder industry preliminary consultation survey between December 2015 and January 2016, where 724 identified stakeholders, operating across the greyhound lifecycle provided data to assist in identifying the effects of the proposed code. Greyhounds Australasia report Victoria has 14,199 licensed persons<sup>85</sup> so the survey represents *only* 5% of the industry.

The survey identified that 80.11% of respondents indicated their primary activity is racing/training, whilst only 8.84% listed their primary activity as breeding, 6.22% as rearing, 3.87% as spelling or boarding, with the remainder having breaking in or 'other' as their primary activity<sup>86</sup>. The survey showed that stakeholders '*are seeking a code that takes into account the different requirements of larger versus small/hobby operators with concern that if there are significant changes, this may put people out of operation*'<sup>87</sup>.

Preliminary consultation has also been undertaken prior to and during the drafting of the proposed code. Three reference groups broadly representing animal welfare promoters, enforcement agencies and greyhound industry participants have consulted on the existing code and the direction of the proposed code. In addition, GRV have been heavily involved in the development of the proposed code as the industry's promotional and regulatory body.

The primary process of consultation regarding the proposed code is the publication of a RIS for public comment during a statutory minimum consultation period of 45-60 days. It is intended that a copy of this RIS and the proposed code will be provided to affected stakeholders, industry groups and the public over this period and provide the ability for individuals to lodge formal responses.

<sup>85</sup> Greyhounds Australasia website (May 2016).

<sup>86</sup> If a respondent undertook both breeding and training activities, they would not list their primary as training.

<sup>87</sup> DEDJTR, (2016).

## Section 2 Identification and description of residual problems

Notwithstanding all of the current industry issues in greyhound racing as outlined in Section 1.4 of this RIS, the residual problems that are able to be addressed in the proposed code for the Victorian greyhound racing industry are:

- 2.1 Risks to animal welfare and quality of life (Section 1.4.4) that also relate to:
  - coverage for the lifecycle of dogs (Section 1.4.5);
  - participant behaviour (Section 1.4.6); and
  - Lack of education (Section 1.4.7); and
- 2.2 Inadequate rehoming potential (Section 1.4.8).

These residual problems are addressed in detail in Sections 2.1 and 2.2 in this RIS as follows.

### 2.1 Residual problem – risk to animal welfare and quality of life

Notwithstanding the legislation in various Acts of Parliament, in Local Rules and the Greyhound Australasia Rules requiring adequate care and welfare of greyhounds, there is no requirement for veterinary oversight of a holistic health management plan for the whole business no matter how large or small. The greyhound industry is made up of mostly small owners with 1 to 2 dogs and knowledge is passed on between relatives or friends, but also deeply guarded to protect ‘a winning formula’ and so there is a great risk that small size owners do not have external expert review of their practices – leaving dogs in their care at risk of poor practice and bad management leading to health and welfare problems throughout the various stages of the lifecycle. It is not in the interest of racing dog owners to allow animal welfare to fail significantly, as the racing success of dogs will be adversely affected. Poor welfare is more likely to be allowed to continue where it is viewed as saving time or money on dogs they view as ‘being of less value’ (i.e. as a convenience). Equally greyhound owners have ‘success in mind’ and so are likely to try to produce as many animals as possible and unlikely to be training a greyhound from an early stage to improve its potential of rehoming. In addition, poor management, leading to poor welfare outcomes, is often a result of lack of knowledge and/or resources. For example, participants in charge of dogs may not recognise poor welfare outcomes (eg stress-related disorders).

Dogs are at particular risk if staffing is not at an acceptable level to provide adequate care and monitoring. Staffing is an expense that is convenient to cut. Furthermore, staff may not have adequate knowledge and/or training to provide a minimum standard of care and monitoring to a large number of greyhounds. A lack of mandated staff ratios for large facilities means inadequate time and staff to provide adequate levels of care.

RSPCA report that many puppies and adult greyhounds are not socialised with other dogs or humans increasing the likelihood of the development of fearfulness and antisocial behaviour which impacts negatively on their welfare<sup>88</sup>.

Smaller whelping areas are more likely to get dirty quicker than larger areas and may create hygiene issues that could lead to welfare issues. Large numbers of puppies in a small area

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<sup>88</sup> RSPCA, (2016).

may affect movement and therefore impact on muscular and skeletal development, having long term implications for racing ability and health.

The Royal Society for the Prevention of Cruelty to Animals (RSPCA) report that injuries are very common for racing dogs and can be ongoing *'Injuries are a major animal welfare issue that often cause pain, suffering and distress'*<sup>89</sup>.

A lack of content and coverage in regards to animal welfare legislation is illustrated in Table 8, while Sections 1.2.1 to 1.2.7 highlight the key stages in the life of a greyhound where the animal is particularly at risk of being affected by poor welfare. Inadequate reporting and veterinary care and management through the whole life cycle have resulted in younger dogs having inadequate vaccinations or general health checks leading to long term disease or ill health. Furthermore, the McHugh report concluded that 'the appropriate course [to protect the welfare of greyhounds] is to embed appropriate standards in a statutory, and enforceable, Code of Practice that reflects the welfare needs of greyhounds who are purpose bred to race'<sup>90</sup>.

As discussed in Section 1.4.6, for those participants in the industry who regard greyhounds as a commodity, the implication is a risk of serious and detrimental effect on their quality of life and welfare. Detailed examples of the lack of care which were the subject of immediate GRV action to ensure the welfare of animals concerned and action against the participants, is provided in the case studies (1 to 3).

#### **Case Study 1:** Greyhounds housed with barking muzzles applied

GRV received a barking complaint from a local council regarding a greyhound property. Two GRV Welfare Inspectors attended the property and in the kennel block found a number of greyhounds with barking muzzles on. The dogs were standing in kennels with a build-up of faeces, with no bedding provided, and generally poor hygiene. Some of the barking muzzles were in a poor state and had gaffer tape applied to strengthen them. The barking muzzles were applied correctly but by their nature they did not allow the dogs to eat, drink or bark, and as such their welfare was significantly at risk. The owner demonstrated a poor understanding of greyhound husbandry and general care, and did not understand that their welfare was at risk. Outcome: The Welfare Inspectors immediately issued an official order to the owner to refrain from using barking muzzles completely, and using any muzzles on housed greyhounds. Further directions regarding hygiene and husbandry were issued to the owner. The barking muzzles found were also seized. Subsequently the property has been visited three times and the order and directions have been fully complied with. The welfare of the greyhounds and the general conditions of the property are significantly improved.

<sup>89</sup> RSPCA, (2016).

<sup>90</sup> McHugh M, (16 June 2016), p173

**Case study 2: Greyhounds housed in a trailer**

A GRV Welfare Inspector attended a greyhound property and found two non-functional greyhound transport trailers that were being used to house greyhounds. Due to the poor condition of the trailers, and the lack of visible tyre tracks around the trailers, the Inspector was of the opinion that the two trailers had not been moved from where they were parked for a significant period of time and were not in operational use for transporting dogs. Upon closer inspection, the Inspector observed that each of the two trailers housed 4 greyhounds, ie 8 dogs in total. While the interior compartments of the trailers were a typical size for transporting greyhounds (approximately 1000mm by 900mm), the dogs were unable to freely move about in them. In addition, there was no fresh water supplied to the dogs in the trailers, and there was only very limited bedding. Outcome: The Welfare Inspector immediately ordered the owner to remove the greyhounds from the trailers and arrange appropriate housing arrangements for them. The owner was also directed to place kennels in the exercise and empty out yard areas, in addition to non-spillable water containers, and that this direction was to be complied with immediately. Subsequently the trailers were removed from the property, and the property has been visited six times, with a significant improvement in general conditions, and full compliance with the order and directions. The owner was prosecuted by the Racing Appeals and Disciplinary Board (RADB) and disqualified from the industry for 4 months.

**Case 3: Greyhounds in unsuitable living conditions**

A GRV Welfare Inspector attended a greyhound property and noted that greyhounds were being housed in substandard conditions. It was evident that there were too many greyhounds housed at the facility relative to the area available. There were numerous housing areas with no appropriate kennels, and some greyhounds were housed in a transport trailer. Kennels were constructed with dirt floors, with a buildup of debris that was not able to be cleaned properly. In a kennel area supplied to puppies, there were no sides and only a roof. In addition, there were outside areas where there was inadequate shade for the greyhounds. The race kennels internally and externally did not have compliant wire mesh which meant that greyhounds were able to access each other through the wire and, as a result compromised the welfare of every greyhound housed at the facility. The water containers had not been cleaned out for a period of time and the available water was dirty. Food on the ground was decaying and had not been placed in appropriate containers. Overall the general state of the facility was completely unacceptable. Two greyhounds required veterinary attention for wounds, once of which was considered potentially serious and urgent. Outcome: Because the owner had failed to provide appropriate veterinary care, the Inspector ordered the owner to take the two greyhounds to a veterinarian immediately. This order was complied with and a veterinary report supplied to GRV. Subsequently the property has been visited four times, with a significant improvement in general conditions, and full compliance with the order and directions. The responsible individual was prosecuted by the Racing Appeals and Disciplinary Board (RADB) and disqualified from the industry for 9 months.

The proposed code will allow for more rigorous enforcement of the issues identified in the case studies above. GRV will be able to take action against participants in a criminal jurisdiction with heavy financial penalties able to be imposed by the Magistrates Court.

Based on estimated compliance data provided by GRV and DEDJTR in Table 11 of this RIS, it is assumed that 32% of operators, with 6 to 30 dogs, do not comply because of cultural or age factors. An additional 64% of small participants across the industry do not comply with current legislation because they lack the financial means and capability or are ill-informed

or lack sufficient knowledge. Consequently, as shown in Table 12, for the purpose of this statement an estimated 67.69% of 2,247 'unique' registered participants are estimated to be effectively non-compliant. Based on these assumptions, it is determined that around 1,521 'unique' registered participants are associated with inadequate care and monitoring, as shown in Table 12.

**Table 12: Estimated No. registered unique participants associated with greyhounds at potential welfare risk due to inadequate care and monitoring 2015-16<sup>91</sup>**

Category of participants	32% of participants with 6 to 30 dogs (culture)	64% of all small participants (lack of finance or knowledge)	Total non-compliant	Avg. No. participants	% of non-compliance
Large breeders	19	0	19	58	32.00%
Small breeders	62	310	372	484	76.79%
Large trainers	82	0	82	255	32.00%
Small trainers	121	928	1,049	1,449	72.36%
<b>Total</b>	<b>283</b>	<b>1,238</b>	<b>1,521</b>	<b>2,247</b>	<b>67.69%</b>

The Code deals with a range of direct dog management matters, as well as structural<sup>92</sup> and administrative activities<sup>93</sup> which have indirect impacts on greyhound welfare. These matters were identified based on the existing Code, recommendations from the Chief Veterinarian, GRV, and with industry. Each matter has the potential to affect a different population of animals, because of their stage in the racing life cycle, the characteristics of their owners, their gender (e.g. breeding females) and existing compliance rates. The estimated number of dogs affected by each matter is summarised in Table 13. The Code sets minimum standards for best practice greyhound management to promote a positive quality of life. The number of greyhounds which may be exposed to residual welfare risks in the industry varies from as little as 35 greyhounds in the case of lack of independent observations/care where a greyhound owner themselves is a Veterinarian – to as much as 14,185 estimated greyhounds in the case of inadequate health management plans or health checks. Whilst non-compliance with each of the welfare risk drivers individually may not directly result in poor welfare for an individual animal, cumulatively they are management practices that may prevent poor welfare and potential cruelty and extend the possibility of an animal being able to be re-homed at the end of its racing life.

<sup>91</sup> Table 12 applies the % of non-compliance to the distribution in the number of registered breeders and trainers by estimated no of dogs under care (Table 4)

<sup>92</sup> Such as wire size, kennel size, or partitions

<sup>93</sup> Such as vet agreements or record books



**Table 13: Estimated No. greyhounds affected by individual welfare risks<sup>94</sup>**

Category of potential welfare risk drivers	Estimated population of dogs affected by risk
Low staff to greyhound ratios in large facilities	353
Lack of independent Vet	23
Inadequate health management plans at each stage of life	14,185
Lack of record keeping	14,185
Lack of records of health & transfer	14,185
Insufficient food receptacles and hygiene	5,747
Inadequate food storage	320
Inadequate health checks for breeding females	451
Inadequate health checks for all greyhounds	14,185
Lack of sufficient bedding for greyhounds 8 to 16 weeks	2,818
Insufficient rearing activities for greyhounds 16 weeks to 18 months	5,413
Insufficient perimeter fencing	14,185
Insufficient outdoor housing	2,706
Insufficient indoor housing	3,374
Failure to notify GRV of sale and transfer of greyhound out of the industry	3,667

## 2.2 Residual problem –Inadequate rehoming potential

At every stage in the lifecycle of a greyhound (see Chart 1) there are potential exit points for dogs to be retired if they fail to make (or maintain) a racing career. Given the large number of dogs that need to be bred to maintain the racing industry (currently at a ratio of 1.67:1) greater pressure is placed on the need to euthanase dogs that are unfit for rehoming. The RSPCA claim many *‘unwanted greyhounds will be euthanased despite being otherwise healthy and rehomingable’*<sup>95</sup>.

To retire dogs from the industry, owners may export the dog, keep the dog themselves as a pet, rehome through their own networks of family and friends, contact the Greyhound Adoption Agency or another rehoming organisation or, if unable to rehome, euthanase the dog. GRV report 847 adoptions for the 2014/15 financial year<sup>96</sup>, with a wait list for dogs entering and exiting the program. Currently, following contact with GAP, there is a one to three month wait to get a dog into GAP with an average stay in the program of around 42 days for each dog. Where necessary, re-socialisation/re-training of the dogs to adapt to a domestic environment increases their chances of being rehomed as a pet.

Generally, greyhounds are ‘raised to race’ and potentially there is insufficient attention given to rehoming and formal consideration for their potential life post racing. Some participants are of the view that rehoming skills can be taught after the greyhound finishes racing. However, the proposed code greatly increases rehoming potential by providing a process for preparing greyhounds for retirement and rehoming at any stage of their lifecycle. In addition, there are a number of GRV initiatives which are aimed at ensuring rehoming is considered at all stages of a greyhounds lifecycle. However, as a result, currently many greyhounds *‘are not suitable for re-homing due to injury, disease or*

<sup>94</sup> See Table A4.29 of Appendix 4 for source of estimates.

<sup>95</sup> RSPCA, (2016), p.1

<sup>96</sup> gap.grv.org.au accessed 8/7/16



temperament issues<sup>97</sup>. Lack of adequate socialisation may also make dogs less suitable for rehoming once retired or unwanted for racing purposes. The NSW investigation identified that poor socialisation and habituation not only affect a greyhound’s prospects of being rehomed, but can also affect its performance<sup>98</sup>.

The current risk is that whenever they leave the industry during the lifecycle, dogs do not currently have the maximum potential for rehoming in that some dogs are not versatile. The concern is not to increase the number rehomed but rather to look at whether greyhounds, wherever they are in the lifecycle, are suitable for rehoming. Of the 5,353 reported greyhounds being retired per annum on average between 2013-14 and 2015-16 (see Table 7), it is estimated that around 4,189 dogs are affected by poor rehoming potential each year<sup>99</sup>.

2.3 Risk Assessment

Assessing the level of risk measures the likelihood of an adverse event occurring and the severity of the consequences if it does occur; as illustrated in the following matrix in Chart 5.

Chart 5: Risk matrix

Likelihood	High	Medium risk	High risk	High risk
	Moderate	Low risk	Medium risk	High risk
	Low	Low risk	Low risk	Medium risk
		Low	Moderate	High
		Consequences		

The likelihood of poor welfare is difficult to quantify; while for a prize-winning dog is it likely to be very low, for a poorly performing dog it could be high. The consequences are also variable for the same reason; thus, the risk towards animal welfare will range from low risk to high risk depending on the value placed on the dog by the owner and at what stage of the lifecycle the dog is at (see Chart 2). There is no doubt that not all dogs are winners and so there is a very real high risk to a proportion of lower performing dogs under the current code.

The likelihood of a greyhound ‘reaching racing status’ is currently 1:1.67, meaning a moderate to high likelihood (depending on the carers) that greyhounds will exit the industry and not reach racing status. Once greyhounds do exit the industry, the concern is whether or not a dog will be suitably euthanased or suitable for rehoming.

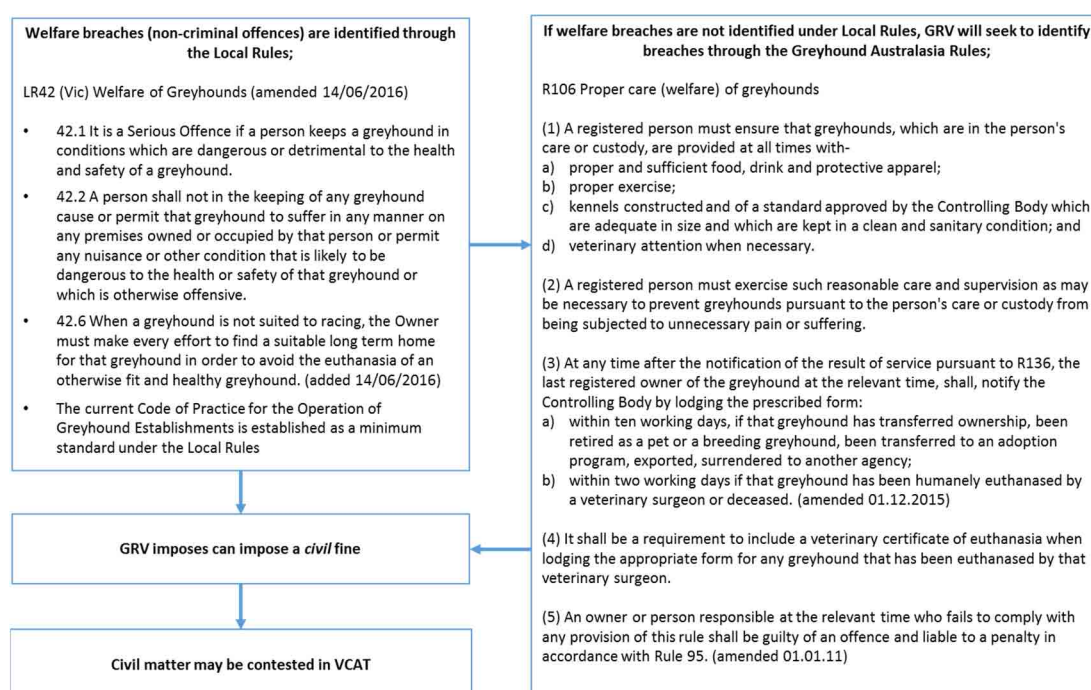
**Comment by GRV;**  
This issue is being monitored by GRV. GRV are seeking to rehome and provide opportunities to greyhounds through its rehoming programs and initiatives.

<sup>97</sup> Beer, L., et al (2008), p.7  
<sup>98</sup> McHugh M, (16 June 2016), p147 (V2).)  
<sup>99</sup> Determined as the difference between current rehoming (686 dogs per annum) and projected potential rehoming (4,876) (See Section A4.3.11 of Appendix 4 for source of estimates)

## 2.4 Consequence of the base case

The base case is defined as the situation that exists in the absence of the proposed code. It is important to note that the discussion of risks does not arise from a zero base. As discussed in Section 1.3 of this RIS, there is an existing code and numerous mandatory rules in place that are not sunseting and that will remain in place as part of the base case. Local rules and current code would continue to be enforced by GRV under the Racing Act in a civil jurisdiction (VCAT). In addition, Greyhound Racing rules, along with the current code of practice would continue to operate as a *defensive code only* under the Greyhound Australasia rules and would not be prosecutable under the DAA. The process of identifying breaches under the base case would continue to operate as illustrated in Chart 6.

**Chart 6: Process of civil enforcement and legislative instruments under the base case<sup>100</sup>**



Notwithstanding low rates of compliance and the potential challenge of matters brought about by this process of civil enforcement, the main root causes of the problems to be addressed in this RIS would continue to be linked to inadequacies of the current Code. A summary of deficiencies in the current code is provided as follows:

- staff ratios are limited and varied depending on type or services provided;
- no requirement for minimum levels of training;
- no required health management plan for every dog at every stage of life cycle;
- no prescriptive requirements for record files;
- no requirements to prepare dogs for exit from the industry;
- no requirement for general annual veterinary checks or pre-post mating and birth;
- not all stages of the greyhound lifecycle and its needs are covered;

<sup>100</sup> Chart 6 illustrates main welfare and rehoming provisions for LR42 (LR42.3 to LR42.5 cross references GAR106(3); LR42.7 to LR42.10 deal with euthanasia matters; and LR42.11 to LR42.27 deal with lures and other matters).

- exercise and enrichment of all animals in all lifecycle stages is not considered;
- socialisation and handling of all animals in all lifecycle stages is not considered; and
- smaller participants are not considered.

Under the base case the DAA would continue to provide a base for management and welfare that will prevent poor management and care that might lead to welfare issues and to cruelty and enforcement under the POCTAA. The purpose of the DAA 'is to promote animal welfare, the responsible ownership of dogs and cats and the protection of the environment'. However, the ability of the DAA to be effective in the area of animal welfare, improving quality of life and the transition to rehoming would be prevented by the lack of minimum welfare standards that set the animal up for success and exiting the industry.

Consequently, the base case fails to appropriately address the residual problems discussed in Sections 2.1 and 2.2. The current Code does not standardise and give effect to various provisions of existing legislation and local rules, for the welfare and keeping conditions of greyhounds, which exists in the legislation discussed in Part 1.3. The current Code does not provide a clear regulatory framework and does not encompass all people involved in the care of greyhounds at all stages of the lifecycle. In addition, as the current Code is not made under the DAA, it does not provide necessary powers to authorised officers to enforce and audit. The 'effective' rate of compliance under the base case across all participants, based on advice from DEDJTR and limited audit data provided by GRV, would continue to be around 32% (see Table 12).

There is a clear economic case for government intervention in markets where some form of market failure is taking place due to lack of information or negative externalities.

In this case of the industry there is a lack of information by some participants regarding the needs of the dog during all stages of the lifecycle for general welfare, as well as, the need for early preparation for the greyhound to leave the industry and be rehomed as a pet. The market perception is that breeding more dogs means a greater chance of winning as opposed to a *'happy dog is a fast dog'*. The lack of knowledge regarding the state of the greyhound and conditions it has lived in, as well as the condition and rehabilitation it has gone through, increases the chance of a dog that cannot adapt to a home environment.

Negative externalities, or negative third party effects, in greyhound racing arise where private decision makers do not incur all the costs of their decisions. In this case the suffering of the dog is not necessarily born by the owner/breeder/trainer. This is seen to be an additional source of market failure.

As seen by current practices (highlighted in Section 1.4) and reports/reviews on the greyhound racing industry (as presented in Section 1.1) – it is apparent that market forces alongside the Local Rules (including the current code) and Greyhound Racing Victoria Rules (enforced as civil matters) would not be expected to solve the residual problems identified in Sections 2.1 and 2.2. Inadequate training or guidance on the welfare, behavioural and social requirements of a greyhound throughout its lifecycle will continue to have a flow on effect on the welfare of the animal and its potential for rehoming. The role of government intervention is to strike the socially optimal balance between the economic activity, from racing greyhounds, and risks to animal welfare. Animal welfare legislation provides a balance between the competing views in the community about the use of animals.

## Section 3 Specification of desired policy objectives

### 3.1 Description of the primary objectives

Having regard to purposes of the Act and the above discussion, and to solve the problems identified in Sections 2.1 and 2.2 of this RIS, the following policy objectives of the regulatory proposal is identified:

*To increase (improve) the quality of life and welfare of greyhounds, throughout their lifecycle and provide consistent management and which will alleviate stress to and therefore enable an easy, smooth and rapid, transition to a pet at any time point in its lifecycle.*

The main test for assessing the proposed regulations against the practicable alternatives is their relative net benefit in achieving these policy objectives.

### 3.2 Description of Code components

In order to achieve the main objective, the assessment of options and the proposed Code deals with the following management issues, which are related to the primary objectives in the following ways:

- *Staff ratios:* to ensure the adequate care and management of greyhounds, minimum ratios of breeding staff to greyhounds are proposed (1:25 dogs) (proposed Standard 3.1);
- *Independent veterinary advice:* where owners of greyhounds are also veterinarians, an independent perspective on health can help to ensure appropriate treatment of health-related issues (proposed Standard 3.6);
- *Health management plans:* These plans help to ensure that a participant has considered and planned around the health of their greyhounds, as well as sought input from a veterinarian for their care (includes one off input from veterinarians in the development of one plan per participant with the size of the plan depending on how many dogs participants manage, as well as, ongoing annual follow up by a veterinarian (proposed Standard 4.1);
- *Storage of establishment records:* this requirement helps those taking possession of a greyhound better understand their health/welfare profile at any stage in the lifecycle and would allow timely and appropriate follow up with any flagged issues of concern (proposed Standard 5). In addition, ready access to records will enhance enforcement of the Code; enable rapid identification of welfare risks and promote continuous improvement.
- *Record of supplements, drugs, transfers, rehoming activities and disposals and provision of statement of health and management for dog transfers:* assist with administration and enforcement of the Code and ensure that the ongoing health and welfare of a greyhound is maintained as it moves through their lifecycle (proposed Standard 5.2.1);
- *Access to food receptacles which are regularly cleaned (all breeders) and adequate storage of food (large breeders only):* these requirements are designed to improve hygiene of facilities and therefore prevent health problems (proposed standard 6.1.1);
- *Health checks and treatment plans for breeding females:* more intensive health checks of breeding females to improve risk management of health/welfare issues (proposed Standard 6.2.3.

- *Additional 15-minute health check for all dog:* an additional health check to that provided during vaccination and annual follow up under proposed Standard 4.1, helps to ensure additional risk management of greyhound health/welfare issues (proposed Standard 6.2.3);
- *Bedding materials, exercise, enrichment and socialisation:* these requirements are designed to improve the quality of life for dogs, as well as improve their behavioural development to make it easier for them to transition to a pet (proposed Standard 6.3.9);
- *Owners taking responsibility for the initial rehabilitation and rehoming:* this requirement is to improve incentives throughout the greyhound's life for improving rehoming potential, reduce the overall costs of rehoming, and increase the likelihood of more dogs being rehomed. (proposed Standard 6.3.12) (for a more detailed discussion see Section 3.3 in this RIS);
- *Perimeter fencing requirements:* helps to prevent dogs leaving the premises and being exposed to welfare and safety risks (proposed Standard 6.6.4);
- *Adequate weather proofing of outdoor housing and raised sleeping beds:* improving the adequacy of housing and bedding is designed to improve dogs' health, safety and alleviate stress (proposed Standard 6.6.5);
- *Indoor kennel facilities improvements, including sleeping areas with solid partitions:* welfare benefits in terms of space and security from other dogs (propose Standard 6.6.6); and
- *GRV notifications of transfer between properties:* assist with administration and enforcement of the Code, so that non-compliance and welfare risks can be identified (proposed Standard 7.1).

### 3.3 The GAP Reform

The movement of animals from the purpose for which they are bred (racing) to that as a family pet is a major change to the animals' lifestyle and gives the greyhound a life and purpose beyond racing. However, it is not a simple case of just finding a home for the dog after racing. Dogs need to be 'set-up' from birth for this life time process by establishing adequate socialisation and behavioural skills<sup>101</sup>. GRV have implemented a suite of reforms to improve the chances of a greyhound making the transition to a life beyond racing, including: doubling the number of kennels available in their GAP program, increased reporting and requirements for any intended euthanasia and increased education programs.

The proposed Code also builds on the GRV GAP reform. The Code clearly puts the onus of preparing a dog for exit from the industry back on the owner. Increased socialisation, environmental enrichment and preparation requirements, along with health protection through veterinary checks and limits to breeding, will all increase the dog's chances of successfully making the transition to pet. Improved welfare throughout the greyhound's life will also result. Currently the average length of time that a dog is in the GAP program is 42 days, new programs under the proposed code should drop this average down to 7 days, allowing more dogs to move through the GAP program and shift the cost from GRV to the owner.

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<sup>101</sup> Cobb, M., et al (2015), p.4

It is expected these changes will be easily and readily accepted by small breeders and owners. This category of participants in the industry have a closer, more personal bond with their greyhound and see the animal as a hobby or pet rather than solely a business transaction. This group have time to wait for an animal to get into the GAP program and feel it is an opportunity to 'give-back' to the animal for the joy or fun it has provided. Large breeders are more likely to be set up as a business where time and actions and resources are money. However, the proposed mandatory code requires all owners or carers to prepare the animal in small increments that accumulate to increase the chances of a dog moving onto a life beyond racing.

## Section 4 Identification of viable options to achieve objectives

In accordance with the Victorian guidelines, Section 4 of this RIS identifies and considers feasible options (approaches that could be taken) to achieve the specified outcomes (objective) in Section 3. Conversely, the RIS is not required to consider options that are not feasible, or where there are no significant cost burdens being imposed.

### 4.1 Feasible options

These options draw on the key elements in the proposed Code described in section 3.2, but describe different types of enforcement, and variations on elements of the Code. Feasible options considered in this RIS are outlined in Table 14 and the following sections:

**Table 14: Summary of feasible options 1 to 6 chosen**

Option	Short description	Detailed Description	Anticipated compliance rates with the proposed code*
1	Media/information campaign	Local rules and Greyhound Australasia Rules with civil enforcement (fines and bans) by GRV + criminal enforcement under POCTA + Media/information campaign with respect to the <a href="#">proposed code</a> .	35%
2	Adoption of the proposed code under the local rules	Local rules (including <a href="#">proposed code</a> ) and Greyhound Australasia Rules with civil enforcement (fines and bans) by GRV + criminal enforcement under POCTA.	50%
3	The proposed code with industry enforcement	Local rules and Greyhound Australasia Rules with civil enforcement (fines and bans) by GRV + criminal enforcement under POCTA + <a href="#">proposed code</a> under DAA with criminal enforcement by GRV.	100%
4	The proposed code with local government enforcement	Local rules and Greyhound Australasia Rules with civil enforcement (fines and bans) by GRV + criminal enforcement under POCTA + <a href="#">proposed code</a> under DAA with criminal enforcement by councils.	75%
5	The proposed code with industry enforcement and no additional health checks	Local rules and Greyhound Australasia Rules with civil enforcement (fines and bans) by GRV + criminal enforcement under POCTA + <a href="#">proposed code</a> under DAA with criminal enforcement by GRV and no additional health checks.	100%
6	The proposed code with industry enforcement and reduced rearing requirements	Local rules and Greyhound Australasia Rules with civil enforcement (fines and bans) by GRV + criminal enforcement under POCTA + <a href="#">proposed code</a> under DAA with criminal enforcement by GRV and reduced rearing requirements for greyhounds 16 weeks to 18 months.	100%

\*Compliance rates advised by DEDJTR

\*\*\* Voluntary adherence anticipated with regards to a media/information campaign and only for participants that currently wish to comply but lack sufficient knowledge/information

#### 4.1.1 Option 1: Media/information campaign

Option 1 will involve DEDJTR undertaking a 3-month intensive media information campaign aimed at changing voluntary practices around specific aspects of greyhound management & socialisation, as well as, rehoming which are not sufficiently addressed in the current code (base case). A public and participant awareness campaign will highlight the need for greater



transparency in the greyhound industry, leading to participant “self-enforcement”. It will also highlight the need for behavioural change within the industry around the management, socialisation (i.e. welfare) and rehoming of greyhounds which is not adequately addressed in the current Code. Table 15 illustrates the number of additional greyhounds likely to have improved welfare outcomes (over the base case) under each Option by category. DEDJTR notes that ‘effective’ compliance rate across all industry participants under Option 1, is likely to be higher than under the base case at 35% - however, only up to 560 greyhounds would be provided with reduced welfare risk, as shown in Table 15.

**Table 15: Summary of estimated additional No. greyhounds likely to have welfare improved under Options 1 to 6 – compared to the base case<sup>102</sup>**

Category of welfare improvement	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6
Staff Ratio 1:25	0	92	353	223	353	353
Independent Vet	0	6	23	15	23	23
Health management plans	560	3,707	14,185	8,946	14,185	14,185
Record keeping	560	3,707	14,185	8,946	14,185	14,185
Records of health & transfer	560	3,707	14,185	8,946	14,185	14,185
Food receptacle and hygiene	223	1,502	5,747	3,624	5,747	5,747
Food storage	0	84	320	202	320	320
Health checks (breeding females)	17	118	451	284	0	451
Health checks (all greyhounds)	560	3,707	14,185	8,946	0	14,185
Rearing (8 to 16 weeks)	109	736	2,818	1,777	2,818	2,818
Rearing (16 weeks to 18 months)	213	1,414	5,413	3,414	5,413	5,413
Perimeter fencing	560	3,707	14,185	8,946	14,185	14,185
Outdoor housing	106	707	2,706	1,707	2,706	2,706
Indoor housing	144	882	3,374	2,127	3,374	3,374
Sale and transfer out of industry	145	958	3,667	2,313	3,667	3,667

Moreover, under Option 1, there would be a change/reform to GAP under proposed standard 6.3.12, whereby the obligation of rehabilitation would be transferred to owners and dogs remaining at GAP would be for 7 days as opposed to the current 42 days, as discussed in Section 3.3 of this RIS. However, under Option 1 there is likely to be only a 2.7% maximum improvement in behaviour<sup>103</sup> and therefore it is estimated that only 311 additional dogs would be rehabilitated (provided with improved rehoming potential) by owners, as compared to the base case – as shown in Table 16. Moreover, under Option 1 there would be the unintended consequence of an additional 972 dogs euthanased as compared to the base case.

<sup>102</sup> See Sections A4.3 to A4.12 of Appendix 4 for source of estimates

<sup>103</sup> Taken as the difference between compliance under the base case of 32.3% (see table 12) and expected compliance under Option 1 of 35%



**Table 16: Summary of estimated changes to retirement outcomes under Options 1 to 6 – compared to the base case**

Retirement outcome	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6
Rehabilitation by owners*	311	1,206	4,189	2,698	4,189	2,170
Change in No. dogs euthanased outside of GAP**	+972	+68	-2,946	-1,439	-2,946	-906

\*See difference in Panel A4.3 and A4.4 ('No. going to GAP' entry) of Appendix 4 for source of estimates

\*\* Estimated as the balance of the number of dogs exiting the industry compared to Option 3 In Panel A4.4 of Appendix 4 – subtracted from the number of dogs euthanased outside of GAP under the base case (i.e. 2,946 (see Table 7)).

#### *4.1.2 Option 2: Adoption of local rules*

Option 2 involves adopting the proposed Code under the Local Rules to be enforced by GRV in a civil sense with fines and bans, noting that such rules are designed to govern the racing aspect of the industry rather than the management and individual welfare of the greyhound – apart from Part 12 'Welfare of Greyhounds' which specifically addresses welfare of greyhounds. However, this will exclude prosecution in the magistrate's court for a breach of specific provisions in the proposed Code. While, Option 2 represents a simple single piece of legislation which makes direction clearer, it fails to provide a criminal enforcement mechanism around specific elements around the proposed Code notwithstanding its additional coverage for greyhound management & socialisation as well as rehoming during the lifecycle of the dog.

By adopting the Local Rules (and subsequently the current Code of Practice) Local Government Authorities will be able to issue fines for breaches of those Rules. The Rules under Option 2 would cover the minimum standards of staffing, accommodation, management, breeding, rehoming and care that are appropriate to the physical and behavioural needs throughout the life cycle of a racing greyhound. However, prosecutions cannot be run through the Magistrates court for breaches of the proposed Code under Option 2 with leading to reduced incentive for behavioural change in the industry. Under Option 2 it is anticipated that a maximum of 17.7%<sup>104</sup> change in behaviour could be provided. DEDJTR notes that 'effective' compliance rate across all industry participants under Option 2, is likely to be higher than under the base case at 50% - however, only up to 3,707 greyhounds would be provided with reduced welfare risk, as shown in Table 15.

It is estimated that under Option 2 only 1,206 additional dogs would be rehabilitated (provided with improved rehoming potential) by owners, as compared to the base case – as shown in Table 16. Moreover, under Option 2 there would be the unintended consequence of an additional 68 dogs euthanased outside of GAP as compared to the base case.

#### *4.1.3 Option 3: The proposed Code with industry enforcement*

Option 3, the proposed Code sets out minimum requirements for health, breeding, exercise, socialisation, behaviour and training for every single life stage of the greyhound in every environment – to all participants be they a hobby enthusiast through to a major commercial business. Prescriptive welfare requirements will be moved to a single

<sup>104</sup> Taken as the difference between compliance under the base case of 32.3% (see table 12) and expected compliance under Option 2 of 50%

document (proposed Code) enforced under the DAA. This option has been adopted in response to recommendations by the Chief Veterinary officer Charles Milne in the 2015 report, including that:

*“that the current Code of Practice for the Operation of Greyhound Establishments be comprehensively revised to include animal welfare standards that reflect contemporary community expectations and industry best practice”.*<sup>105</sup>

In line with this recommendation, the introduction of the proposed Code states:

*“The purpose of the Code of Practice for the Keeping of Racing Greyhounds (Code) is to specify the minimum standards of staffing, accommodation, management, breeding and care that are appropriate to the physical and behavioural needs throughout the life cycle of a racing greyhound.”*

Moreover, enforcement under the proposed Code under Option 3 would be undertaken by GRV. By establishing an adequate Code of practice, containing minimum welfare standards that set the animal up for success and exiting the industry, this would allow the DAA to be effective in the area of animal welfare, improving quality of life and the transition to rehoming.

Option 3 maximises greyhound management & socialisation for greyhounds (welfare outcomes) as well as rehoming as enforcement by GRV is likely to be effective due to greater expertise in the welfare and management of greyhounds and industry knowledge.

Option 3 will be a complete enforcement package with streamlined regulation falling under the DAA with significant criminal penalties and a stand-alone integrity unit where GRV is overseen by the Racing Integrity Commissioner. There will be an audit of the entire industry in the first year alone, capturing all participants regardless of the source or reason for non-compliance. Furthermore, Option 3 ensures that the management and welfare of greyhounds is addressed and enforced by those in the industry that have specialised skills and experience relating to greyhounds<sup>106</sup>. As at 13 October 2016, GRV have employed 8 Investigators and 16 animal welfare inspectors who are dedicated to enforcement of the industry. These employees will be authorised under the DAA by the Minister for Agriculture and will be required to comply with the newly developed but not yet approved ‘Restricted Authorised Officer Appointment policy’<sup>107</sup>.

GRV inspectors/investigators sole focus is the greyhound industry, with access to greyhound veterinary professionals and in house training. They are already proficient in identifying rule breaches which has some cross over with the proposed Code. They can view the industry holistically, whereas local council have competing priorities (i.e. dogs at large, dog attacks, general dog/cat issues such as registration and nuisance, livestock at large, patrolling responsibilities in parks and along beaches/waterways, local law issues) and have historically left GRV to regulate their participants. Local council also have resourcing issues.

<sup>105</sup> Milne, C., (2015), pp 3-4.

<sup>106</sup> Local Councils may prosecute, however will primarily provide support and assistance to GRV

<sup>107</sup> This policy outlines the requirements of an authorised officer and addresses revocation and suspension procedures.

Moreover, due to the skills and expertise of industry employees, intensive training will not be required. Enforcement or compliance action will be undertaken in a very professional and timely manner and breaches of the Rules and proposed Code can be investigated by one authority at the same time, which will ensure greater compliance due to greater expectation being placed upon participants and the perception by participants that industry employees have significant knowledge of the racing industry. Industry employees will be solely focussed on greyhound racing participants and their establishments which will improve public confidence in the industry.

Due to an adequate set of welfare standards which will be effectively enforced by 16 dedicated animal welfare inspectors and 8 investigations unit officers, DEDJTR notes that 'effective' compliance rate across all industry participants, is likely to be maximised under Option 3 (proposed Code enforced by GRV) with a maximum change in behaviour of 67.7% across the industry. Up to 14,185 greyhounds would be provided with reduced welfare risk, as shown in Table 15.

It is estimated that under Option 3, 4,189 additional dogs would be rehabilitated (provided with improved rehoming potential) by owners, as compared to the base case – as shown in Table 16. This coincides with the fact that whilst GAP currently takes in 846 dogs per annum, the quicker turnover of dogs from 42 to 7 days by 500% means that GAP would be more than able to accommodate the 395% increase in dogs going to GAP. Moreover, under Option 3 there would be an estimated 2,946 fewer dogs euthanased outside of GAP as compared to the base case.

#### *4.1.4 Option 4: The proposed Code with local council enforcement*

Option 4 involves the adoption of the proposed Code to be enforced by local council. One of the numerous recommendations made by the Milne report included:

*"that the audit and inspectorate functions be removed from Greyhound Racing Victoria."*<sup>108</sup>

As with Option 3, Option 4 would seek to maximise greyhound management & socialisation, as well as rehoming by providing for a more comprehensive and prescriptive set of standards in one clear piece of legislation. However, enforcement under Option 4 by Local Council is likely to be less effective due to less expertise in the welfare and management of greyhounds and less industry knowledge. Councils have competing priorities<sup>109</sup> when it comes to compliance and enforcement activities which changes throughout the year. For instance, Councils with areas of coastline will focus their resources on these locations during the summer months due to the influx of holiday makers. They will conduct regular patrols and other compliance activities. Council officers will not have the expertise and skills in greyhound management and welfare and will require comprehensive training, likely in an ongoing capacity (yearly), due to staff turnover and the potential for complacency (as greyhounds will not be their sole focus as discussed earlier). Council officers will not be able to enforce the Local Rules and would likely request assistance from industry when auditing or inspecting greyhound establishments, leading to a doubling up of attendances. This could conceivably lead to a reduction in compliance due to participants

<sup>108</sup> Milne, C., (2015), pp 3-4.

<sup>109</sup> Breeding/training/boardings establishments for dogs/cats and other domestic animals and livestock in general.

playing one organisation off against the other. Industry participants will also be more likely to try and 'bluff' Council officers due to their perceived lack of knowledge of the industry.

DEDJTR considers that in time enforcement of the proposed Code under Option 4 will ensure some improved compliance but not at the rate of enforcement by GRV under Option 3. Advice from DEDJTR notes that 'effective' compliance rate across all industry participants, is likely to be higher than under the base case at 75%. Up to 8,946 greyhounds would be provided with reduced welfare risk under Option 4, as shown in Table 15.

It is estimated that under Option 4, 2,698 additional dogs would be rehabilitated (provided with improved rehoming potential) by owners, as compared to the base case – as shown in Table 16. Moreover, under Option 4 there would be an estimated 1,439 fewer dogs euthanased outside of GAP as compared to the base case.

#### *4.1.5 Option 5: The proposed Code with industry enforcement and no additional health checks*

As with Option 3, Option 5 would seek to maximise greyhound management & socialisation, as well as rehoming by providing for a more comprehensive and prescriptive set of standards in one clear piece of legislation with industry enforcement.

With regards to the role of veterinarians, the annual cost of health checks and treatment plans for every dog at every stage of lifecycle, including breeding females, is estimated to be \$15.73m under proposed standard 6.2.3 (see Table 18). Option 5 takes into consideration of the fact that in order to race, dogs must be vaccinated *annually* (C4/5 vaccinations) which would be undertaken by a Veterinarian, who would provide a health check at the same time. Consequently, Option 5 removes the need for *one additional annual health check per annum for all dogs* over and above those undertaken during vaccination and the need for *three additional checks for breeding females per annum*.

The removal of proposed standard 6.2.3 under Option 5 diminishes the protection of greyhounds against injury and disease. Therefore, the ability of Option 5 to meet the objective of improving the quality of life and welfare 'throughout the lifecycle' with 'consistent management' thereby 'allowing for transition of the greyhound to a pet' would be diminished not in scale but in scope. That is to say up to 14,185 greyhounds would be provided with reduced welfare risk under Option 5, as shown in Table 15, however, the reduction to welfare risk would be less than under Option 3 given the removal of additional health checks.

Identical to Option 3, it is estimated that under Option 5, 4,189 additional dogs would be rehabilitated (provided with improved rehoming potential) by owners, as compared to the base case – as shown in Table 16. Moreover, as with Option 3, under Option 5 there would be an estimated 2,946 fewer dogs euthanased outside of GAP as compared to the base case.

#### 4.1.6 Option 6: The proposed Code with industry enforcement and reduced rearing requirements for dogs 16 weeks to 18 months

As with Option 3, Option 6 would seek to maximise greyhound management & socialisation, as well as rehoming by providing for a more comprehensive and prescriptive set of standards in one clear piece of legislation with industry enforcement.

The annual cost of rearing activities (16 weeks to 18 months) under proposed standard 6.3.9 at \$37.42m (see Table 18) involves *117 minutes per group of dogs per week*. Option 6 seeks to reduce this cost by removing the following socialisation activities under this option, including:

- 30 minutes of human handling/play
- 15 minutes of acclimatisation away from littermates
- 5 minutes of moving greyhounds to race day cages/bathing/food-treats etc.

These additional activities have been deemed to be beneficial for good socialisation and recommended by the GRV and the industry as ‘best practice’ however represents the maximum that can be removed without causing a greyhound welfare harm. The time required for socialisation activities with rearing dogs 16 weeks to 18 months is therefore reduced under Option 6 to *61 minutes per group of dogs per week*.

The reduced requirements under proposed standard 6.3.9 under Option 6 reduces the access of greyhounds to a broader scope of socialisation activities. Therefore, the ability of Option 6 to meet the objective of improving the quality of life and welfare ‘throughout the lifecycle’ with consistent management thereby allowing for transition of the greyhound to a pet would be diminished not in scale but in scope. That is to say, just as with Option 3, up to 14,185 greyhounds would be provided with reduced welfare risk under Option 6, as shown in Table 15, however, the reduction to welfare risk would be less than under Option 3 given the reduced requirements around socialisation.

Under Option 6, 2,170 additional dogs would be rehabilitated (provided with improved rehoming potential) by owners, as compared to the base case – as shown in Table 16. Moreover, under Option 6 there would be an estimated 906 fewer dogs euthanased outside of GAP as compared to the base case.

## 4.2 Options not considered in this RIS

Some key regulatory dimensions not considered for alternative options to standards in the proposed Code include: the potential for less prescriptive standards for participants that demonstrate consistent positive welfare outcomes for greyhounds, alternative staff ratios, alternative to the GAP reforms, perimeter fencing size, and kennel/pen sizes.

### 4.2.1 Less prescriptive standards for participants with good greyhound welfare track record

An option was considered around having a more flexible less prescriptive set of standards for participants who have demonstrated a track record of good greyhound welfare/rehabilitation. However, it is noted by DEDJTR that participants failed to abide by their regulatory requirements under the current Code which was more flexible. Moving to a new code with the possibility of flexible standards for those who demonstrate good welfare creates several issues. Firstly, based on DEDJTR advice, such an option would not be deemed to be acceptable by either government, industry or the community. DEDJTR is

inviting feedback through consultation process on other ways to provide for socialisation for example, that provides for flexibility, in a credible way which will provide the ability of a standard to be enforced. Indeed, the question remains – ‘what does GRV enforce against under such an Option when issues arise? According to the Milne report, it is important for any new code to be feasible, cost effective and enforceable.

Additionally, with respect to socialisation/rearing, the proposed Code has been prescriptive because it is important to ensure that dogs are managed well early in the life cycle and not until the last minute where the stress of change is more severe. Currently, flexibility means participants are not getting rearing activities right early enough from the beginning.

Another complication to the feasibility of flexible standards is that GRV does not currently intend to undertake annual audits<sup>110</sup>. Instead, GRV intends to audit about 5,000 properties in the next 2 years based on a risk assessment with a rotation of 3 to 4 years. This means that it would be difficult to ascertain ‘good welfare’ track record particularly with delays of 3 to 4 years between audits.

#### 4.2.2 Alternative staff ratios

Under proposed standard 3.1 there is an additional cost of having a staff ratio of 1:25 of \$7.94m (see Table 18) and implies the hiring of 14 additional FTE across large breeders who may have more than 25 dogs.

An option around having different staff ratios was considered. However, such an option would create inconsistencies with the staffing requirements of the current mandatory *Code of Practice for the Operation of Breeding and Rearing Establishments*. This could result in a perceived bias towards the greyhound racing industry impacting on social license. Moreover, the impact that different staff ratios could have on the quality of life for greyhounds, particularly during the rearing stage of their lives (16 weeks to 18 months as compared to puppies in breeding establishments), could lead to a reduction in overall welfare of the greyhounds. This reduction in welfare would be directly related to; delays in identifying illness or injury; reduced enrichment and socialisation; the development of behavioural stereotypies; a reduction in establishment hygiene; and poor record keeping. Further, reduced human interaction may impact on the greyhound’s rehoming potential and ability to cope with the racetrack environment.

#### 4.2.3 Alternative to GAP reform

One potential unintended consequence of the GAP reform and transfer of the rehabilitation responsibility onto owners is the potential for owners to euthanase their dogs (@ \$120 per dog<sup>111</sup>) as opposed to rehabilitate them (@\$556/per dog<sup>112</sup>), as well as, rehome them (@\$300/per dog<sup>113</sup>). The cumulative effect would therefore be \$856 per dog. Owners may pay attention to this cumulative effect as opposed to considering the ‘net effect’ of the reform to the GAP program and any cost savings from the reform (i.e. a net incremental cost of \$2.55m<sup>114</sup> per annum against 4,925 dogs or \$518.44 per dog<sup>115</sup>). As discussed in

<sup>110</sup> DEDJTR advises that there is no additional cost of participants to facilitate audits and that they can be conducted in the absence of a participant.

<sup>111</sup> See Panel A4.3 of Appendix 4 for source of estimate

<sup>112</sup> See Panel A4.3 of Appendix 4 for source of estimate

<sup>113</sup> See Panel A4.3 of Appendix 4 for source of estimate

<sup>114</sup> Made up of an incremental cost of \$4.28m and an incremental cost saving of \$1.66m (see Tables A4.17 and A4.16 of Appendix 4, respectively, for source of estimates)

Section 1.2 in this RIS, according to GRV the average price of a greyhound in a 2014 auction in Bendigo was \$5,800. The 'cumulative' and 'net' effects of the GAP program reforms would represent 14.75% and 8.9% of this average price, respectively.

However, such unintended consequences are not likely to occur as the owner would have to provide a 14-day notification to GRV before euthanasia<sup>116</sup> was carried out and euthanasia could only occur with a veterinary certificate. Whilst euthanasia is allowed, the 14-day notification means that GRV has the chance to recommend rehoming and rehabilitation options. The owner may still choose to euthanase a dog humanely for non-medical reasons or where dogs do not have behavioural concerns or stress *if and only if* rehoming options have been exhausted (See Section 6.3.13 of the proposed Code). Participants are unlikely to try to save \$736 (cumulative cost) per dog or \$398.44 (marginal cost) per dog to risk being in breach of the proposed Code. Any Code breach can incur a fine of up to either 246 penalty units (for an individual) or 600 penalty units (for a body corporate)<sup>117</sup>. The likelihood of misadventure is therefore considered by DEDJTR to be low and therefore an alternative option around GAP reform has not been considered.

#### 4.2.4 Perimeter fencing

An alternative option around perimeter property fencing (proposed standard 6.6.4) with 1.8m minimum height (amount required in the current Breeding Code) as opposed to the proposed standard of 1.5m minimum height was initially considered (with an estimated one-off cost of \$11.18m (see Table 18). However, both approaches were seen to result in identical effectiveness in preventing a greyhound from getting out of the premises and minimising negative welfare consequences of such events. A 1.5m height fence under the proposed standard would not be as effective as a 1.8m height fence, in preventing animals or people from entering the premises. The welfare consequences to either greyhounds or individuals/other dogs might be high, however the likelihood of such an event occurring is negligible and therefore not worth considering as an alternative option.

#### 4.2.5 Kennels

With regards to outdoor or indoor kennels (under proposed standards 6.6.5 and 6.6.6), issues of alternative pen sizes have not been taken into consideration as a basis of having alternative options for the following reasons. Firstly, with regards to outdoor kennels under proposed standard 6.6.5, the one-off cost of construction of a dwelling is estimated to be \$7.71m (see Table 18) is driven by the need to provide a relevant group of affected dogs that are housed outside with adequate shelter/shade etc. as opposed to minimum pen sizes. Considering an option which does not provide for adequate outdoor housing would fail to meet the objectives of welfare and rehoming potential for around 2,706 dogs. Secondly, with regards to indoor kennels under proposed standard 6.6.6, the one-off estimated cost of meeting requirements for solid partitions to a height of 1.5m on three sides for sleeping areas for around 3,374 dogs, is estimated to be only \$0.09m (see Table 18) and considered to be a negligible cost under the proposed Code. Therefore, alternative options around this proposed standard have not been considered.

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<sup>115</sup> One-off cost of rehabilitation

<sup>116</sup> Euthanasia is only a legal and legitimate option for owners where all avenues for rehoming have been exhausted (GRV will try to promote rehabilitation hence the 14-day notification).

<sup>117</sup> \$155.46 per penalty unit = \$38,243 per individual or \$93,276 for body corporate.



## Section 5 Costs and benefits of options 1 to 6

### 5.1 Introduction and cost benefit approach

The purpose of Section 5 of the RIS is to compare and contrast the costs and benefits of the proposed code and alternative options against the 'base case', as identified in Section 2.4 of this RIS.

The evaluation of the relative benefits and costs for the proposed Code and alternative options is conducted in relation to how well the policy objective identified in Section 3 of this RIS is likely to be achieved.

*To increase (improve) the quality of life and welfare of greyhounds, throughout their lifecycle and provide consistent management and which will alleviate stress to and therefore enable an easy, smooth and rapid, transition to a pet at any time point in its lifecycle.*

Where data exists, discounted<sup>118</sup> quantitative estimates of costs and benefits have been made over the life of the proposed code or other options, using stated reasonable assumptions to fill in any essential data gaps. However, where sufficient cost and benefit data was not available, the evaluation is made using qualitative criteria regarding the achievement of the policy objective. Qualitative benefit (including animal welfare and rehoming potential) and cost criteria is applied to a *Multi-Criteria Analysis (MCA)*, as shown in Table 17.

Given that the economic value of improved welfare or rehabilitation/rehoming per dog remains unknown, the *number dogs affected* by improved standards of care under the proposed Code, is used as a proxy value for welfare and rehoming potential.

Having regard to the main purpose of regulations being animal welfare and rehoming potential, equal priorities have been given to these outcomes. They are therefore assigned a weighting of 25% each. The remaining 50% is allocated to the cost of compliance to industry and government.

**Table 17: Criteria to be used for MCA**

Criterion	Description	Weighting
<b>Animal welfare</b>	Welfare of animals associated with the greyhound racing industry throughout their lifecycle.	25%
<b>Rehoming potential</b>	Greyhound is given the chance to maximise its potential to be rehomed throughout the lifecycle.	25%
<b>Net compliance cost to industry and government</b>	Administrative and major compliance costs to industry and government including any unintended market consequences.	50%

The proposed Code and alternative options are scored against each of the aforementioned criteria on a scale of -10 to +10 with the base case reflecting a score of '0'.

<sup>118</sup> A discount factor of 4% is used for present value calculations in this RIS, as recommended by the Commissioner for Better Regulation.



## 5.2 Evaluation of Options 1 to 6

This section discusses the expected costs versus expected benefits of the feasible options with reference to the overarching policy objective. Costs and benefits are analysed in comparison with the 'base case' in terms of the criteria discussed in Section 5.1. The data used in this analysis and the assumptions and qualifications to the data on which the costs and benefits have been estimated are provided in the appendices.

### 5.2.1 Animal welfare criterion – analysis of options 1 to 6

The animal welfare criterion reflects the ability of an option to promote the welfare of animals (reduce welfare risk) associated with the greyhound racing industry throughout their lifecycle as discussed in Section 2 of this RIS. Given that the economic value of improved welfare per dog remains unknown, the *number dogs affected* (scale of care) by improved standards of care under the proposed Code, is used as a proxy value for welfare however a qualitative discussion is also provided around the *scope of care* under each of the options.

The base case does not provide additional welfare opportunities for greyhounds during the lifecycle apart from the civil enforcement of rules and current Code and is therefore awarded a score of + 0.

As shown in Table 15, Option 1 (media/information campaign) provides improved animal welfare of up to 560 dogs with respect to health management plans, record keeping, records of health and transfer, health checks and perimeter fencing. However, Option 1 is limited in being able to change behaviour (voluntary adherence) and is likely to affect only those participants which currently lack knowledge or awareness around various dog management activities. It is unlikely to have an effect on participants with attitude, cultural or generational (age) issues – or those with financial constraints. Option 1 is likely to achieve an impact on only 4% of the maximum number of dogs under any of the options (see Table 15) and against all drivers of welfare (excluding staff ratios, independent veterinarian agreements, and food storage). Based on the number of dogs affected and scope of care Option 1 is awarded a score of +0.4.

Option 2 (adoption of the proposed code under the local rules) is estimated to affect the welfare of up to 3,707 dogs with respect to health management plans, record keeping, records of health and transfer, health checks and perimeter fencing due to greater compliance than Option 1. It is also likely to affect large participants. Option 2 is likely to have an impact on 26% of the maximum number of dogs under any of the options and against all drivers of welfare (see Table 15). Option 2 is therefore awarded a score of +2.6.

Option 3 (the proposed Code with industry enforcement) is estimated to affect the welfare of the maximum number of dogs (i.e. 14,185) as compared to the base case. Option 3 is also likely to have the greatest impact on dogs in terms of scope with all proposed standards being enforced in a criminal capacity. Option 3 is likely to have an impact on 100% of the maximum number of dogs under any of the options and against each of the welfare drivers (see Table 15). Option 3 is therefore awarded a score of +10.

Option 4 (the proposed Code with local government enforcement) is estimated to affect the welfare of up to 8,946 dogs as compared to the base case due to lower compliance from less effective enforcement by councils who have conflicting priorities and are not

specialised in greyhound management issues. Option 4 is likely to have an impact on 63% of the maximum number of dogs under any of the options and welfare drivers (see Table 15). Option 4 is therefore awarded a score of +6.3.

Option 5 (the proposed Code with industry enforcement and no additional health checks) is estimated to affect the welfare of up to 14,185 dogs (identical to Option 3) except for health checks where it is expected to have a '0' incremental effect on animal welfare. Without understanding the weighting of the welfare impact of each of the drivers in Table 15, Option 5 is deemed to be as effective as Option 3 except for health checks. That is, Option 5 is likely to have an impact on 100% of the maximum number of dogs under any of the options and against each of the welfare drivers (except health checks) (see Table 15). Option 5 is likely to expose a maximum of 14,185 dogs including a maximum of 451 breeding females to welfare risk from reduced health checks and health plans. Option 5 is therefore awarded a score of +8<sup>119</sup>.

Option 6 (the proposed Code with industry enforcement and reduced rearing requirements) is estimated to affect the welfare of up to 14,185 dogs (identical to Option 3) except for reduced rearing requirements where it is expected to have a reduced incremental effect on animal welfare for up to 14,185 dogs. Option 6 is deemed to be as effective as Option 3 except for rearing requirements. That is, Option 6 is likely to have an impact on 100% of the maximum number of dogs under any of the options and against each of the welfare drivers (see Table 15). However, Option 6 is likely to expose a maximum of 14,185 dogs to welfare risk from reduced socialisation with dogs exposed to only half the rearing opportunities (time) as compared to Option 3. Option 6 is therefore awarded a score of +7<sup>120</sup>.

### 5.2.2 Rehoming potential criterion – analysis of options 1 to 6

The rehoming potential criterion is based on the premise that greyhounds are given the chance to maximise their potential to be rehomed throughout the lifecycle. Although all the proposed standards are designed to have some influence on the rehoming potential of greyhounds, the GAP reform under proposed standard 6.3.12 is considered to be the main dedicated driver of rehabilitation and rehoming potential. Consequently, options are assessed on their ability to encourage rehabilitation by owners under proposed standard 6.3.12. Given that the economic value of improved rehabilitation potential per dog remains unknown, the *number dogs affected* is used as a proxy value for rehoming potential benefits.

The base case, with the current rehabilitation activities through GAP, is not expected to result in increased rehoming potential and therefore the base case is awarded a score of +0 against this criterion.

As shown in Table 16, Option 1 is expected to result in an estimated 311 additional dogs being rehabilitated as compared to the base case and 7.4% of the maximum number of

<sup>119</sup> One score is removed for reduced scale of dogs covered by health checks and one score is removed for reduced scope (no additional health checks at all under Option 5).

<sup>120</sup> A score of +7 reflects the reduced opportunities for socialisation under Option 6 due a reduction in rearing time by half and is deemed to have more detrimental effect in terms of exposing 14,185 dogs to welfare risk than reduced health checks under Option 5 (note that dogs would still have routine health checks during vaccinations).

dogs rehabilitated under any of the options (see Table 16). Option 1 is therefore awarded a score of +0.7.

Option 2 is expected to result in an estimated 1,206 additional dogs being rehabilitated (i.e. 28.8% of the maximum number of dogs under any of the options (see Table 16)). Therefore, Option 2 is awarded a score of +2.9.

Options 3 and 5 are expected to result in the maximum number of additional dogs being rehabilitated under any of the options (i.e. 4,189 dogs)(see Table 16). Therefore, Options 3 and 5 which maximise opportunities for socialisation, provide the largest rehoming potential and are provided a score of +10 against this criterion.

Option 4 is expected to result in 2,698 additional dogs being rehabilitated, as compared against the base case, and 64.4% of the maximum number of dogs being rehabilitated and therefore Option 4 is awarded a score of +6.4.

Finally, Option 6 is expected to result in 2,170 additional dogs being rehabilitated, as compared against the base case, and 51.8% of the maximum number of dogs being rehabilitated and therefore Option 6 is awarded a score of +5.2.

### *5.2.3 Net compliance cost to industry and government – analysis of options 1 to 6*

The net compliance cost to industry and government considers the incremental quantifiable costs net of any cost savings of the options against the base case.

The base case is not expected to result in any increase in net compliance costs and therefore it is awarded a score of +0 against this criterion.

Table 18 provides a summary of all estimated incremental costs as a comparison against all Options 1 to 6 and all estimates are obtained from Sections A4.3 to A4.13 in Appendix 4.

Table 18: Summary of estimated incremental costs \$m – Options 1 to 6<sup>121</sup>

Std.	Nature of quantifiable cost	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6
		10-year PV	10-year PV	10-year PV	10-year PV	10-year PV	10-year PV
N/A	Media	\$0.965	N/A	N/A	N/A	N/A	N/A
3.1	Staff Ratio 1:25	\$0.000	\$2.074	\$7.938	\$5.006	\$7.938	\$7.938
3.6	Independent VET	\$0.000	\$0.001	\$0.004	\$0.003	\$0.004	\$0.004
4.1	Health management plans	\$0.668	\$0.939	\$1.835	\$1.387	\$1.835	\$1.835
5	Record keeping	\$0.027	\$0.178	\$0.679	\$0.428	\$0.679	\$0.679
5.2.1	Records of health & transfer	\$0.043	\$0.284	\$1.087	\$0.685	\$1.087	\$1.087
<b>Food</b>							
6.1.1	Food receptacle and hygiene	\$0.027	\$0.181	\$0.695	\$0.438	\$0.695	\$0.695
6.1.1	Food storage	\$0.000	\$0.003	\$0.013	\$0.008	\$0.013	\$0.013
	<i>Subtotal 6.1.1</i>	<i>\$0.027</i>	<i>\$0.185</i>	<i>\$0.707</i>	<i>\$0.446</i>	<i>\$0.707</i>	<i>\$0.707</i>
<b>Health checks</b>							
6.2.3	Health checks (breeding females)	\$0.053	\$0.358	\$1.368	\$0.863	\$0.000	\$1.368
6.2.3	Health checks (all greyhounds)	\$0.567	\$3.752	\$14.359	\$9.055	\$0.000	\$14.359
	<i>Subtotal 6.2.3</i>	<i>\$0.620</i>	<i>\$4.110</i>	<i>\$15.727</i>	<i>\$9.918</i>	<i>\$0.000</i>	<i>\$15.727</i>
<b>Rearing</b>							
6.3.9	Rearing (8 to 16 weeks)	\$0.007	\$0.050	\$0.190	\$0.120	\$0.190	\$0.190
6.3.9	Rearing (16 weeks to 18 months)	\$1.523	\$9.728	\$37.226	\$23.476	\$37.226	\$19.408
	<i>Subtotal 6.3.9</i>	<i>\$1.531</i>	<i>\$9.777</i>	<i>\$37.416</i>	<i>\$23.596</i>	<i>\$37.416</i>	<i>\$19.599</i>
<b>Gap reform</b>							
6.3.12	Food and shelter savings for owners	-\$4.087	-\$4.087	-\$4.087	-\$4.087	-\$4.087	-\$4.087
6.3.12	Euthanasia savings for owners	-\$2.982	-\$2.982	-\$2.982	-\$2.982	-\$2.982	-\$2.982
6.3.12	Rehoming savings for owners	-\$6.972	-\$6.972	-\$6.972	-\$6.972	-\$6.972	-\$6.972
	Savings for owners	-\$14.041	-\$14.041	-\$14.041	-\$14.041	-\$14.041	-\$14.041
6.3.12	Euthanasia savings for GAP	-\$0.161	-\$0.161	-\$0.161	-\$0.161	-\$0.161	-\$0.161
6.3.12	Rehoming savings for GAP	-\$3.594	-\$3.594	-\$3.594	-\$3.594	-\$3.594	-\$3.594
6.3.12	Rehabilitation savings for GAP	-\$6.258	-\$6.258	-\$6.258	-\$6.258	-\$6.258	-\$6.258
	Savings for GAP	-\$10.013	-\$10.013	-\$10.013	-\$10.013	-\$10.013	-\$10.013
6.3.12	Rehabilitation costs for owners	\$4.729	\$8.972	\$23.116	\$16.044	\$23.116	\$13.542
6.3.12	Rehoming costs for owners	\$2.550	\$4.838	\$12.463	\$8.650	\$12.463	\$7.302
6.3.12	Euthanasia costs for owners	\$3.965	\$3.050	\$0.000	\$1.525	\$0.000	\$2.065
	Costs for owners	\$11.244	\$16.860	\$35.579	\$26.219	\$35.579	\$22.909
6.3.12	Food and shelter/euthanasia costs for GAP	\$0.465	\$0.882	\$2.271	\$1.576	\$2.271	\$2.271
	Costs for GAP	\$0.465	\$0.882	\$2.271	\$1.576	\$2.271	\$2.271
	<i>Subtotal 6.3.12</i>	<i>-\$12.345</i>	<i>-\$6.312</i>	<i>\$13.796</i>	<i>\$3.742</i>	<i>\$13.796</i>	<i>\$0.185</i>
6.6.4	Perimeter fencing	\$0.418	\$2.921	\$11.178	\$7.049	\$11.178	\$11.178
6.6.5	Outdoor housing	\$0.303	\$2.016	\$7.713	\$4.864	\$7.713	\$7.713
6.6.6	Indoor housing	\$0.004	\$0.022	\$0.086	\$0.054	\$0.086	\$0.086
7.1	Sale and transfer out of industry	\$0.005	\$0.013	\$0.039	\$0.026	\$0.039	\$0.039
	Enforcement	\$0.000	\$19.584	\$19.584	\$4.973	\$19.584	\$19.584
	<b>Total</b>	<b>-\$7.735</b>	<b>\$35.791</b>	<b>\$117.790</b>	<b>\$62.179</b>	<b>\$102.063</b>	<b>\$86.361</b>

**Incremental net cost savings – Option 1**

<sup>121</sup> All estimates are obtained from Sections A4.3 to A4.13 in Appendix 4 as summarised in Table A4.36 of Appendix 4.

Option 1 would result in an estimated *net cost savings of \$7.74m over 10 years in present value dollars* with an annual net cost savings of \$1.13m and one-off costs of \$1.76m<sup>122</sup>. The one-off costs under Option 1 are made up of \$0.97m of media and advertising costs; \$0.42m of perimeter fencing costs; \$0.3m for outdoor housing costs; and \$0.004m of indoor housing (panel)<sup>123</sup>. The main driver of cost savings under Option 1 is reflected by the change of procedures by GAP around rehoming and rehabilitation under proposed standard 6.3.12 – providing a cost savings of \$10.01m for GAP (see Table 18). There is also a savings in terms of food and shelter, rehoming and euthanasia that would have occurred under the base case for owners (\$14.04m). Option 1 is likely to result in a smaller increment to cost to owners (as compared to cost savings) of \$11.24m. This is because Option 1 is expected to influence a maximum additional change in behaviour around rehabilitation of only 2.7% compared to the base case. As shown in Table 18, owners are more likely to continue euthanasing dogs at a cost of \$3.97m over 10 years in present value terms with around 972<sup>124</sup> additional dogs being euthanased as compared to the base case. Given that Option 1 results in a net cost savings, it is awarded a score of +0.3<sup>125</sup>.

A total summary of the distribution of costs under Option 1 is provided for in Table 19. The largest share of 10-year present value cost is incurred by small owners (67.18%) followed by small trainers (13.72%) small breeders (8.60%) and DEDJTR (5.91%). Small owners are also likely to obtain the highest share of 56.91% of all 10-year present value cost savings, followed by GAP (41.63%) under Option 1.

**Table 19: Distribution of 10-year estimated additional cost of Option 1<sup>126</sup>**

Category of participant	One-off cost	Annual cost	10-year PV cost	% of 10-year PV cost
Large breeder	\$0	\$0	\$0	0.00%
Small breeder	\$287,222	\$132,341	\$1,403,564	8.60%
Large trainer	\$0	\$0	\$0	0.00%
Small trainer	\$511,277	\$204,811	\$2,238,929	13.72%
Large owner	\$0	\$33,328	\$281,133	1.72%
Small owner	\$0	\$1,299,668	\$10,963,127	67.18%
GAP	\$0	\$55,086	\$464,671	2.85%
GRV	\$0	\$416	\$3,505	0.02%
DEDJTR	\$964,600	\$0	\$964,600	5.91%
<b>Total costs</b>	<b>\$1,763,099</b>	<b>\$1,725,650</b>	<b>\$16,319,529</b>	<b>100.00%</b>
Large owner	\$0	-\$41,617	-\$351,056	1.46%
Small owner	\$0	-\$1,622,918	-\$13,689,847	56.91%
GAP	\$0	-\$1,187,075	-\$10,013,368	41.63%
<b>Total cost savings</b>	<b>\$0</b>	<b>-\$2,851,609</b>	<b>-\$24,054,271</b>	<b>100.00%</b>
<b>Total net costs</b>	<b>\$1,763,099</b>	<b>-\$1,125,959</b>	<b>-\$7,734,742</b>	

<sup>122</sup> See Table 19

<sup>123</sup> See Table A4.25 of Appendix 4 for source of estimates

<sup>124</sup> See Table 16 for source of estimate

<sup>125</sup> The net cost savings under Option 1 represents 7% of the value of the highest cost option in Table 18.

<sup>126</sup> See Table A4.25 in Appendix 4 for source of estimates

### Incremental net cost – Option 2

Option 2 would result in an estimated incremental cost of \$35.79m over 10 years in present value dollars with an annual net cost of \$3.61m and one-off costs of \$5.21m<sup>127</sup>. The main components of one-off costs under Option 2 would be health management plans (\$0.09m); food receptacles (\$0.02m); food storage (\$0.003m) perimeter fencing (\$2.92m); outdoor housing (\$2.02m); indoor housing (\$0.002m) and GRV training (\$0.15m)<sup>128</sup>. The main cost components under Option 2 over 10 years in present value dollars would include: staff ratio 1:25 (\$2.07) health checks (\$4.11m); rearing (\$9.78m); GAP reform (-\$6.48m) and enforcement (\$19.58m) (see Table 18). With respect to GAP the cost savings to owners and GAP are identical to Option 1 however Option 2 would result in slightly higher incremental costs to owners with regards to rehoming, rehabilitation and euthanasia (\$16,86m) as compared to Option 1. As shown in Table 18, owners are more likely to continue euthanasing dogs at a cost of \$3.05m over 10 years in present value terms with around 68 additional dogs being euthanased as compared to the base case. Given that Option 2 results in a net cost, it is awarded a score of -1.5<sup>129</sup>.

A total summary of the distribution of costs under Option 2 is provided for in Table 20. The largest share of 10-year present value cost is incurred by GRV (32.73%) followed by small owners (27.47%) small trainers (19.02%) and small breeders (13.34%). Small owners are also likely to obtain the highest share of 56.91% of all 10-year present value cost savings, followed by GAP (41.63%) under Option 2.

**Table 20: Distribution of 10-year estimated additional cost of Option 2<sup>130</sup>**

Category of participant	One-off cost	Annual cost	10-year PV cost	% of 10-year PV cost
Large breeder	\$122,851	\$272,620	\$2,422,495	4.05%
Small breeder	\$1,732,138	\$741,091	\$7,983,488	13.34%
Large trainer	\$354,686	\$43,868	\$724,731	1.21%
Small trainer	\$2,857,503	\$1,010,818	\$11,384,086	19.02%
Large owner	\$0	\$49,974	\$421,549	0.70%
Small owner	\$0	\$1,948,937	\$16,439,928	27.47%
GAP	\$0	\$104,515	\$881,618	1.47%
GRV	\$146,407	\$2,289,466	\$19,587,047	32.73%
<b>Total costs</b>	<b>\$5,213,586</b>	<b>\$6,461,290</b>	<b>\$59,844,943</b>	<b>100.00%</b>
Large owner	\$0	-\$41,617	-\$351,056	1.46%
Small owner	\$0	-\$1,622,918	-\$13,689,847	56.91%
GAP	\$0	-\$1,187,075	-\$10,013,368	41.63%
<b>Total cost savings</b>	<b>\$0</b>	<b>-\$2,851,609</b>	<b>-\$24,054,271</b>	<b>100.00%</b>
<b>Total net costs</b>	<b>\$5,213,586</b>	<b>\$3,609,680</b>	<b>\$35,790,672</b>	

### Incremental net cost – Option 3

Option 3 would result in an estimated incremental cost of \$117.79m over 10 years in present value dollars with an annual net cost of \$11.66m and one-off costs of \$19.34m<sup>131</sup>. The main components of one-off costs under Option 3 would be health management plans

<sup>127</sup> See Table 20

<sup>128</sup> See Table A4.27 of Appendix 4 for source of estimates

<sup>129</sup> The net cost under Option 2 represents 30% of the value of the highest cost option in Table 18.

<sup>130</sup> See Table A4.27 in Appendix 4 for source of estimates

<sup>131</sup> See Table 21

(\$0.15m); food receptacles (\$0.06m); food storage (\$0.01m) perimeter fencing (\$11.18m); outdoor housing (\$7.71m); indoor housing (\$0.09m) and GRV training (\$0.15m)<sup>132</sup>. The main cost components under Option 3 over 10 years in present value dollars would include: staff ratio 1:25 (\$7.94) health checks (\$15.73m); rearing (\$37.42m); GAP reform (\$13.63m); perimeter fencing (\$11.18m) and enforcement (\$19.58m) (see Table 18). With respect to GAP the cost savings to owners and GAP are identical to Options 1 and 2 however Option 3 would result in: higher incremental costs to owners with regards to rehoming, rehabilitation (\$16,86m); euthanasia costs for GAP if unable to rehome dogs after exhausting all avenues to rehome; and euthanasia costs for emergencies/illness. GRV state that "GRV will progressively move towards re-homing all greyhounds bred in Victoria (subject to medical, behavioural and legal requirements) by 2018-19"<sup>133</sup>. Breeding reforms and training programs being implemented by GRV will reduce the number of dogs available for the market quite rapidly. Notwithstanding that Option 3 results in the highest net cost, of all the options, the magnitude of the impact however is not the most cost that can be imposed on the industry but rather a noticeable yet reasonable cost impost. For these reasons, Option 3 is awarded a score of -5.0<sup>134</sup> against net cost which more closely reflects the analysis of this option.

A total summary of the distribution of costs under Option 3 is provided for in Table 21. The largest share of 10-year present value cost is incurred by small trainers (29.86%) followed by small owners (24.46%) small breeders (21.16%) and GRV (13.81%). Small owners are also likely to obtain the highest share of 56.91% of all 10-year present value cost savings, followed by GAP (41.63%) under Option 3.

**Table 21: Distribution of 10-year estimated additional cost of Option 3<sup>135</sup>**

Category of participant	One-off cost	Annual cost	10-year PV cost	% of 10-year PV cost
Large breeder	\$470,131	\$1,043,274	\$9,270,490	6.54%
Small breeder	\$6,569,136	\$2,778,943	\$30,010,444	21.16%
Large trainer	\$1,357,326	\$167,877	\$2,773,428	1.96%
Small trainer	\$10,801,430	\$3,739,819	\$42,348,046	29.86%
Large owner	\$0	\$105,457	\$889,565	0.63%
Small owner	\$0	\$4,112,930	\$34,693,928	24.46%
GAP	\$0	\$269,264	\$2,271,334	1.60%
GRV	\$146,407	\$2,289,466	\$19,587,047	13.81%
<b>Total costs</b>	<b>\$19,344,431</b>	<b>\$14,507,031</b>	<b>\$141,844,282</b>	<b>100.00%</b>
Large owner	\$0	-\$41,617	-\$351,056	1.46%
Small owner	\$0	-\$1,622,918	-\$13,689,847	56.91%
GAP	\$0	-\$1,187,075	-\$10,013,368	41.63%
<b>Total cost savings</b>	<b>\$0</b>	<b>-\$2,851,609</b>	<b>-\$24,054,271</b>	<b>100.00%</b>
<b>Total net costs</b>	<b>\$19,344,431</b>	<b>\$11,655,421</b>	<b>\$117,790,011</b>	

<sup>132</sup> See Table A4.29 of Appendix 4 for source of estimates

<sup>133</sup> GRV annual report 2015-16.

<sup>134</sup> The net cost under Option 3 represents 100% of the value of the highest cost option in Table 18.

<sup>135</sup> See Table A4.29 in Appendix 4 for source of estimates



#### Incremental net cost – Option 4

Option 4 would result in an estimated incremental cost of \$62.18m over 10 years in present value dollars with an annual net cost of \$5.93m and one-off costs of \$12.13m<sup>136</sup>. The main components of one-off costs under Option 4 would be health management plans (\$0.12m); food receptacles (\$0.04m); food storage (\$0.008m) perimeter fencing (\$7.05m); outdoor housing (\$4.86m); and indoor housing (\$0.05m)<sup>137</sup>. The main cost components under Option 4 over 10 years in present value dollars would include: staff ratio 1:25 (\$5m) health checks (\$9.92m); rearing (\$23.6m); GAP reform (\$3.58m) and enforcement (\$4.97m) (see Table 18). With respect to GAP the cost savings to owners and GAP are identical to Options 1, 2 and 3 however Option 4 would result in slightly higher incremental costs to owners with regards to rehoming, rehabilitation and euthanasia (\$26,22m). As shown in Table 18, owners are more likely to continue euthanasing some dogs at a cost of \$1.53m over 10 years in present value terms but with 1,439 fewer dogs being euthanased as compared to the base case (see Table 16). Option 4 is awarded a score of -2.6<sup>138</sup>.

A total summary of the distribution of costs under Option 4 is provided for in Table 22. The largest share of 10-year present value cost is incurred by small trainers (31.15%) followed by small owners (29.65%) small breeders (22.03%). Small owners are also likely to obtain the highest share of 56.91% of all 10-year present value cost savings, followed by GAP (41.63%) under Option 4.

**Table 22: Distribution of 10-year estimated additional cost of Option 4<sup>139</sup>**

Category of participant	One-off cost	Annual cost	10-year PV cost	% of 10-year PV cost
Large breeder	\$296,484	\$657,931	\$5,846,347	6.78%
Small breeder	\$4,150,534	\$1,759,974	\$18,996,500	22.03%
Large trainer	\$855,985	\$105,870	\$1,749,036	2.03%
Small trainer	\$6,829,299	\$2,375,261	\$26,865,411	31.15%
Large owner	\$0	\$77,714	\$655,547	0.76%
Small owner	\$0	\$3,030,888	\$25,566,542	29.65%
GAP	\$0	\$186,886	\$1,576,447	1.83%
GRV	\$0	\$416	\$3,505	0.00%
Councils	\$0	\$589,598	\$4,973,459	5.77%
<b>Total costs</b>	<b>\$12,132,302</b>	<b>\$8,784,538</b>	<b>\$86,232,795</b>	<b>100.00%</b>
Large owner	\$0	-\$41,617	-\$351,056	1.46%
Small owner	\$0	-\$1,622,918	-\$13,689,847	56.91%
GAP	\$0	-\$1,187,075	-\$10,013,368	41.63%
<b>Total cost savings</b>	<b>\$0</b>	<b>-\$2,851,609</b>	<b>-\$24,054,271</b>	<b>100.00%</b>
<b>Total net costs</b>	<b>\$12,132,302</b>	<b>\$5,932,929</b>	<b>\$62,178,524</b>	

#### Incremental net cost – Option 5

The net incremental costs under Option 5 are identical to Option 3 except for the removal of the need for additional health checks under this option (i.e. the removal of proposed standard 6.2.3). The total additional cost of Option 5, as compared to the base case, is

<sup>136</sup> See Table 22

<sup>137</sup> See Table A4.31 of Appendix 4 for source of estimates

<sup>138</sup> The net cost under Option 4 represents 53% of the value of the highest cost option in Table 18.

<sup>139</sup> See Table A4.31 in Appendix 4 for source of estimates



\$102.06m over 10 years in present value dollars with one-off costs of \$19.34m and annual costs of \$9.79m<sup>140</sup>. Option 5 is awarded a score of -4.3<sup>141</sup>.

A total summary of the distribution of costs under Option 5 is provided for in Table 23. The largest share of 10-year present value cost is incurred by small owners (27.51%) followed by small trainers (27.30%), GRV (15.53%) and small breeders (18.37%). Small owners are also likely to obtain the highest share of 56.91% of all 10-year present value cost savings, followed by GAP (41.63%) under Option 5.

**Table 23: Distribution of 10-year estimated additional cost of Option 5<sup>142</sup>**

Category of participant	One-off cost	Annual cost	10-year PV cost	% of 10-year PV cost
Large breeder	\$470,131	\$1,002,786	\$8,928,964	7.08%
Small breeder	\$6,569,136	\$1,967,587	\$23,166,388	18.37%
Large trainer	\$1,357,326	\$94,688	\$2,156,048	1.71%
Small trainer	\$10,801,430	\$2,800,423	\$34,423,924	27.30%
Large owner	\$0	\$105,457	\$889,565	0.71%
Small owner	\$0	\$4,112,930	\$34,693,928	27.51%
GAP	\$0	\$269,264	\$2,271,334	1.80%
GRV	\$146,407	\$2,289,466	\$19,587,047	15.53%
<b>Total costs</b>	<b>\$19,344,431</b>	<b>\$12,642,601</b>	<b>\$126,117,198</b>	<b>100.00%</b>
Large owner	\$0	-\$41,617	-\$351,056	1.46%
Small owner	\$0	-\$1,622,918	-\$13,689,847	56.91%
GAP	\$0	-\$1,187,075	-\$10,013,368	41.63%
<b>Total cost savings</b>	<b>\$0</b>	<b>-\$2,851,609</b>	<b>-\$24,054,271</b>	<b>100.00%</b>
<b>Total net costs</b>	<b>\$19,344,431</b>	<b>\$9,790,991</b>	<b>\$102,062,926</b>	

#### **Incremental net cost – Option 6**

The net incremental costs under Option 6 are identical to Option 3 except for the reduced requirements for rearing (16 weeks to 18 months for all dogs) under this option (i.e. reduction of requirements under proposed standard 6.3.9). The total additional cost of Option 6, as compared to the base case, is \$86.36m over 10 years in present value dollars with one-off costs of \$19.34m and annual costs of \$7.93m<sup>143</sup>. Option 6 is awarded a score of -3.7<sup>144</sup>.

A total summary of the distribution of costs under Option 6 is provided for in Table 24. The largest share of 10-year present value cost is incurred by small trainers (29.05%) followed by small breeders (20.81%) small owners (20.23%) and GRV (17.74%). Small owners are also likely to obtain the highest share of 56.91% of all 10-year present value cost savings, followed by GAP (41.63%) under Option 6.

<sup>140</sup> See Table 23

<sup>141</sup> The net cost under Option 5 represents 87% of the value of the highest cost option in Table 18.

<sup>142</sup> See Table A4.29 in Appendix 4 for source of estimates (as with Option 3 but no additional health check requirements)

<sup>143</sup> See Table 24

<sup>144</sup> The net cost under Option 6 represents 73% of the value of the highest cost option in Table 18.

Table 24: Distribution of 10-year estimated additional cost of Option 6<sup>145</sup>

Category of participant	One-off cost	Annual cost	10-year PV cost	% of 10-year PV cost
Large breeder	\$470,131	\$1,018,964	\$9,065,428	8.21%
Small breeder	\$6,569,136	\$1,944,948	\$22,975,420	20.81%
Large trainer	\$1,357,326	\$131,645	\$2,467,794	2.24%
Small trainer	\$10,801,430	\$2,522,101	\$32,076,188	29.05%
Large owner	\$0	\$67,902	\$572,776	0.52%
Small owner	\$0	\$2,648,428	\$22,340,370	20.23%
GAP	\$0	\$157,749	\$1,330,669	1.21%
GRV	\$146,407	\$2,289,466	\$19,587,047	17.74%
<b>Total costs</b>	<b>\$19,344,431</b>	<b>\$10,781,203</b>	<b>\$110,415,692</b>	<b>100.00%</b>
Large owner	\$0	-\$41,617	-\$351,056	1.46%
Small owner	\$0	-\$1,622,918	-\$13,689,847	56.91%
GAP	\$0	-\$1,187,075	-\$10,013,368	41.63%
<b>Total cost savings</b>	<b>\$0</b>	<b>-\$2,851,609</b>	<b>-\$24,054,271</b>	<b>100.00%</b>
<b>Total net costs</b>	<b>\$19,344,431</b>	<b>\$7,929,594</b>	<b>\$86,361,421</b>	

#### 5.2.4 Multi-Criteria Analysis

Table 25, summarises the relative scores discussed in Sections 5.2.1 to 5.2.3 as part of a multi-criteria analysis.

Table 25: Multi-Criteria analysis

Criterion (Weighting)	Score type	Base Case	Option					
			1	2	3	4	5	6
<b>Animal Welfare</b> (25%)	Assigned score	0.00	+0.4	+2.6	+10.0	+6.3	+8.0	+7.0
	<b>Weighted score</b>	<b>0.00</b>	<b>+0.1</b>	<b>+0.7</b>	<b>+2.5</b>	<b>+1.6</b>	<b>+2.0</b>	<b>+1.8</b>
<b>Rehoming potential</b> (25%)	Assigned score	0.00	+0.7	+2.9	+10.0	+6.4	+10.0	+5.2
	<b>Weighted score</b>	<b>0.00</b>	<b>+0.2</b>	<b>+0.7</b>	<b>+2.5</b>	<b>+1.6</b>	<b>+2.5</b>	<b>+1.3</b>
<b>Net cost to industry and government</b> (50%)	Assigned score	0.00	+0.3	-1.5	-5.0	-2.6	-4.3	-3.7
	<b>Weighted score</b>	<b>0.00</b>	<b>+0.2</b>	<b>-0.8</b>	<b>-2.5</b>	<b>-1.3</b>	<b>-2.2</b>	<b>-1.8</b>
Total score		0.00	+1.5	+4.0	+15.0	+10.1	+13.7	+8.5
<b>Total weighted score</b>		<b>0.00</b>	<b>+0.4</b>	<b>+0.6</b>	<b>+2.5</b>	<b>+1.9</b>	<b>+2.3</b>	<b>+1.2</b>

Based on Table 25, **Option 3 (the proposed Code with industry enforcement) provides for the highest weighted score +2.5** followed by Option 5 (the proposed Code with industry enforcement and no additional health checks) with a score of +2.3 and Option 4 (the proposed Code with local government enforcement) with a score of +1.9. Option 6 (the proposed Code with industry enforcement and reduced rearing requirements) provides a score of +1.2; Option 2 (adoption of the proposed Code in the Local Rules) provides a score of +0.6; and Option 1 (media and information campaign) provides the lowest score of +0.4. Based on these scores, **Option 3 the proposed Code with industry enforcement is selected as the preferred option.**

<sup>145</sup> See Table A4.31 in Appendix 4 for source of estimates (as with Option 3 but reduced rearing requirements)

### 5.2.5 Sensitivity Analysis

A sensitivity analysis is conducted on the weightings for efficiency and equity to look at the impact on relative scores. The sensitivity scores are summarised in Table 26.

**Table 26: Summary of sensitivity scores for Options 1 to 6**

Option	Animal Welfare 20% Rehoming potential 30% Net Cost 50%	Animal Welfare 15% Rehoming potential 35% Net Cost 50%	Animal Welfare 10% Rehoming potential 40% Net Cost 50%
1	+0.5	+0.5	+0.5
2	+0.6	+0.6	+0.7
<b>3</b>	<b>+2.5</b>	<b>+2.5</b>	<b>+2.5</b>
4	+1.9	+1.9	+1.9
<b>5</b>	<b>+2.4</b>	<b>+2.5</b>	<b>+2.6</b>
6	+1.1	+1.0	+0.9

Changing the weightings as shown in Table 26 shifts the emphasis away from animal welfare towards rehoming potential. The change in the weights does not alter the ranking of options – with Option 3 providing the highest weighted score of +2.5 in each sensitivity test, except for when the weighting for animal welfare is reduced to 15% or 10% (see Table 26). As shown in Table 26 with a lower emphasis on welfare (15% weighting) Options 3 and 5 come out with equivalent weighted scores of +2.5. With a further reduction in the emphasis on welfare (10% weighting), Option 5 comes out with the highest weighted score of +2.6. As the emphasis of proposed Code is on both animal welfare and rehoming potential, lower weightings for animal welfare are not reflective or appropriate as a consideration and, in this way, the sensitivity test does not affect the choice of the preferred option.

## Section 6 Impact on small business

For the purposes of this RIS small breeders are established as those participants who have whelped less than 3 litters and small trainers/owners are those with less than 9 greyhounds who made a start. As shown in Table 2 in this RIS, small breeders constitute 21.55% of unique breeders and trainers and small trainers represent 64.5% of unique breeders and trainers. As shown in Table 1 in this RIS, 97.5% of unique owners are considered to be small.

With respect to small breeders, as shown in Table 21, they are likely to incur 21.16% of the 10 year incremental costs under the proposed Code and therefore are not disproportionately affected. Large breeders constitute 2.58% of unique breeders and trainers and are likely to incur 6.54% of the cost.

Assuming that there are 484 small breeders and 58 large breeders (see Table 2) with an annualised cost of \$3m and \$0.93m, respectively (See Table 21) – this would put the cost per small breeder to around \$6,196 per annum and the cost to a large breeder to around \$15,984 per annum. Even if a large breeder had around 35 dogs (5 litters) (which the majority would not) and a small breeder had around 14 dogs (2 litters) the costs would be \$456.69/dog for large breeders and \$442.57/dog for small breeders (i.e. the per dog impacts would be the same). Moreover, assuming a small breeder was rearing 14 dogs (2 litters of 7 dogs each) at a cost of \$50 per dog per week for 36 weeks then this would equal \$25,200. For a small breeder, this would mean an increase in cost by 24.58% of revenue. However, DEDJTR and GRV have noted that it is most likely that costs would eventually be ‘completely’ passed on to owners but, importantly, as the per dog impact is the same this would not affect these small businesses.

With regards to small trainers, as shown in Table 21, they are likely to incur 29.86% of the 10 year incremental costs and are therefore in this sense not disproportionately affected (i.e. they represent 64.5% of unique breeders and trainers). However, assuming that there are 1,449 small trainers (see Table 2) with an annualized cost of \$4.23m, then this would put the cost per small trainer to around \$2,922 per annum. On the other hand, for the 255 large trainers (See Table 2) and faced with an annualized cost of \$0.28m per annum (see Table 21) – this would imply an additional annual cost per large trainer at around \$1,088 per annum.

Furthermore, assuming a small trainer has 6 dogs who made a start it is estimated that the cost of the proposed Code will be \$487/dog. For larger trainers who have 9 dogs who made a start the cost of the proposed Code will be \$120.88/dog. However, the higher cost per annum for small trainers as compared to large trainers is due to the lower rate of compliance of smaller participants and therefore the ongoing costs for smaller and large trainers are likely to be the same. Assuming that a small trainer has around 5 dogs starting and earns \$90 per week per dog for about 12 weeks<sup>146</sup> then this would equal \$5,400 per annum in training fees (this of course ignores other revenue earned for breaking in, spelling in etc.). For a small trainer, this would mean an increase in cost by about 54% of revenue however again it would be ‘completely’ passed on to owners and therefore it would not affect small trainers.

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<sup>146</sup> GRV website, (2016).

For an owner, what this means is that there is most likely to be a \$12 to \$13 increase in rearing costs per dog per week for 36 weeks and around a \$49 increase in training costs per week per dog for 12 weeks. The additional cost per dog is therefore likely to be around \$450 for rearing and around \$588 for training, over their lifetime. Given the auction price of a dog in 2014 at around \$5,800 (which was the average price) – then this is likely to add at least around \$1,000 of cost per racing greyhound. On top of this there is also the direct cost to owners from GAP reforms and the transfer of responsibility of rehabilitation of dogs to owners at a cost of around \$512 per dog under proposed standard 6.3.12.

For large owners made up of as many as ten syndicate members this is not likely to constitute an impost. For small owners with less than 9 greyhounds then this could result in a larger proportionate burden.

However even for small owners – a rise in cost by \$1,550 per dog over their lifetime (including the cost of rehabilitation) is unlikely to discourage them from dog ownership. For a small owner, a purchase price of a dog of \$6,000 plus annual health and wellbeing care costs of \$2,800 (which might be as high as \$15,000 annually<sup>147</sup>) for around 5 years means a cost of \$20,000 over the lifetime. \$1,550 represents a 7.8% increase in costs and it is unclear if this will reduce involvement in the industry. Importantly, unlike large owners or puppy farms, small owners are more likely to be in it as a hobby or club/social status (non-pecuniary drivers) and not just for the winnings and earnings (i.e. pecuniary drivers).

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<sup>147</sup> DEDJTR, (2016)

## Section 7 Competition assessment

According to Victorian guidelines<sup>148</sup> it is necessary as part of the assessment in this RIS to identify whether the proposed Code will affect competition by preventing or limiting the ability of businesses and individuals to enter and compete within particular markets. If so the assessment must demonstrate that the Government's objectives can be only achieved by restricting competition and that the benefits of the restriction outweigh the costs.

The markets affected by the proposed Code are predominantly those for greyhound breeding, training and ownership. Keeping in line with the discussion of impacts on small business in Section 6 of this RIS, the proposed Code is highly unlikely to have an impact on the number or size of participants in relevant markets. According to DEDJTR, the proposed Code is not expected to affect the costs of a business (even small business) sufficiently or in an ongoing way as to create any significant impact on competition including any barriers to entry. As discussed in Section 6, and according to DEDJTR, breeders and trainers are expected to 'fully' pass on any cost increased rearing and training (of around \$1,000 per dog) to owners. With respect to owners, DEDJTR notes that it is unlikely an increase of cost of \$1,000 in rearing and training and \$500 for rehabilitation for a dog that might cost over \$20,000 over 5 years will affect decisions of small owners (consumers) to participate in an adverse way – given the hobby/social status of owning a greyhound.

Given that 97.5% of unique owners are considered to be small (i.e. have less than 9 starters) then this cost increase including the increase cost of rehabilitation of about \$512 per dog – is expected to affect all owners equally and therefore the proposed Code is not considered to be a restriction on competition in relation to greyhound ownership.

Importantly, it should be noted that according to DEDJTR there are only around 10 participants in the industry with more than 100 dogs (representing 1000 dogs in a population of 20,706 registered dogs). Hence it is unlikely that the proposed Code would create a cost advantage or limit to competition in relation to dog breeding, training or ownership.

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<sup>148</sup> Government of Victoria, 2016, *Victorian Guide to Regulation: A handbook for policy-makers in Victoria*, Department of Treasury and Finance, Melbourne

## Section 8 Identification of the preferred option and description of its effect

The preferred option, Option 3, involves replacing the current Code with the proposed Code. The proposed Code will have no significant impacts on small business or competition under the preferred option, as outlined in sections 6 and 7 of this RIS. The preferred option addresses the identified problems far more comprehensively than the base case i.e. the existing code. In particular, the proposed Code introduces new standards in the following areas:

- Operations management
- Responsibilities for greyhound trainers or carers
- Responsibilities for vehicle drivers
- Requirements proprietors dealing with Veterinarians particularly around vaccinations and euthanasia certificates
- Mandatory training of participants with GRV
- Additional requirements around staff health
- Visitor facilities
- Transport vehicles
- Euthanasia requirements
- Health management plans
- Establishment records
- Animal treatment records
- Individual animal identification
- Statements of transfer/Sale of greyhounds
- New food and hygiene requirements
- Vaccination and parasite prevention- 12 weeks of age or older
- Health checks and treatment plans
- Breeding requirements
- Mating/whelping/lactating requirements
- New rearing requirements
- New training/racing requirements
- Preparing a greyhound for retirement/rehoming
- Exercise/training and enrichment
- Pre-training requirements
- Socialisation and handling for dogs
- Isolation housing
- Tethering
- New requirements around fencing/outdoor/indoor housing
- Toileting yards
- Bull rings
- Trial tracks
- Mating areas
- Sleeping areas
- Whelping/lactating areas
- Hobby establishments
- Housing areas

If adopted by government, the proposed Code will be implemented by the Minister making the code under Section 63AC of the Act. Section 63AE of the Act provides that a person or body, which keeps a GRV greyhound, must comply with the Code of Practice made under section 63AC. The penalty for non-compliance is 600 penalty units (currently \$93,276) in the case of a body corporate; and 246 penalty units (currently \$38,243) in any other case.<sup>149</sup>

The Act and the Code may be enforced by 'authorised officers', who will be officers of GRV and possibly municipal councils. GRV employees will be authorised under the DAA (mid 2017). GRV are currently unable to issue fines under the DAA. Penalties under the DAA cannot be imposed by infringement but rather a summons to the Magistrates Court. The only option open to GRV is to issue small fines under the rules or to cancel participant registration (usually through the racing appeals disciplinary board or VCAT).

<sup>149</sup> One penalty unit is \$ \$155.46 as at 1 July 2016.

## Section 9 Implementation plan for the preferred option

The Code will undergo a public submission period which will be communicated to industry stakeholders and the public by both GRV and DEDJTR. GRV have indicated that they will work with participants in order to get them to comply with the proposed Code. Strategies such as structured auditing and implementing work plans will be used. DEDJTR typically apply a 12-month transition period for the introduction of the proposed Code. There will be no cost to participants when being audited. GRV also receive funding from the government via the Victorian Racing Industry Fund which is managed through the Office of Racing as well as gambling revenue (approximately 24% of total revenue from all racing codes).

The Code will primarily be administered by employees of GRV who will be authorised by DEDJTR in accordance with section 71A of the Domestic Animals Act 1994 (DAA). The Code will be made under section 63AC of the DAA and gazetted in accordance section 63AD of the DAA. Once published in the Government Gazette (in accordance with 63AD) the Code will come into effect. GRV employees must comply with the “Section 71A Authorised Officer Appointments Policy” in order for their authorisation to continue. GRV authorised officers will consist of the Animal Welfare/Education Inspectors and the Investigations Unit/Team/Group.

Although GRV will be the primary administrators of the Code, this does not mean employees of Council will be precluded from undertaking inspectorial, investigative or enforcement action against ‘Greyhound Establishments’. GRV employees must be appropriately trained to be able to administer the provisions of the Code. GRV will be hiring and training additional inspectors and officers to undertake enforcement. GRV will conduct inspections (targeted and random) and audits of premises of people that keep GRV greyhounds to ensure compliance with the Code. GRV will assume responsibility for prosecuting non-compliance with the Code. Non-compliance with the Code will become an offence under section 63AE of the DAA. Local Councils may prosecute, however will primarily provide support and assistance to GRV. GRV and DEDJTR will communicate the introduction GRC via media and their respective websites. GRV will be primary organisation responsible for communicating the Code to GRV participants. Compliance of the Code will be achieved by a more robust, consistent and effective inspection and auditing process by GRV employees as it will be their primary/only focus.

Moreover, as noted by the New Zealand Greyhound Racing Association:

‘The objective for the whole greyhound racing industry should be to implement a regime whereby, through registration, record keeping and tracking, the identity and location of a greyhound is known from birth until retirement, including what happens to each greyhound at the point of retirement, whether retirement from racing or from breeding. Database management, reporting and accountability must be improved in order to achieve this.’<sup>150</sup>

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<sup>150</sup> New Zealand Greyhound Racing Association, (25 June 2013) p. 19



Hence in conjunction with the implementation of the Code GRV is adopting a 'cradle to the grave' data management approach with the expansion of their current data base system 'Fast Track' as part of their *Location Project*. The *Location Project* will see dogs from 12 weeks of age registered in Fast Track where dogs, owners, participants will be captured at any property (not just where there is a change of ownership or at the racing track, as is currently the case). Under the *Location Project* a greyhound with a GRV microchip, unless registered with local government – must be registered with the GRV. Participants will be able to notify GRV each time a dog is relocated to a new property as part of the ongoing management in the lifecycle.

## Section 10 Evaluation strategy

GRV are implementing a broad-based animal welfare evaluation strategy between 2016 and 2019 which will address:

- Reducing the premature injury and death of racing greyhounds;
- Preventing excessive breeding (reducing litter numbers);
- Optimising the use of the racing greyhound population;
- Creating more rehoming opportunities for greyhounds;
- Operating an incentives framework that promotes animal welfare at all stages of the greyhound lifecycle;
- Making informed decisions about GRVs infrastructure investments to maximise animal welfare outcomes; and
- Providing training to industry participants to improve greyhound welfare at every stage of a greyhound's lifecycle.<sup>151</sup>

The evaluation by GRV will commence in mid-2019 and the impact of the proposed Code will be part of this assessment.

The expansion of GRV's current data base system 'Fast Track' will facilitate data gathering around these issues as well as the collection of audit data for around 5,000 properties in the first 2 years of the Code's operation. Audit data will include infrastructure, welfare issues, and rehoming patterns.

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<sup>151</sup> GRV (May 2016), Developing GRV's Strategy for 2016-2019, *draft for Consultation purposes*, p.2

## Section 11 Consultation undertaken

The Department of Economic Development, Jobs, Transport and Resources (DEDJTR) undertook a stakeholder industry preliminary consultation survey between December 2015 and January 2016, where 724 identified stakeholders, operating across the greyhound lifecycle provided data to assist in identifying the effects of the proposed code. Greyhounds Australasia report Victoria has 14,199 licensed persons<sup>152</sup> so the survey represents *only* 5% of the industry.

The survey identified that 80.11% of respondents indicated their primary activity is racing/training, whilst only 8.84% listed their primary activity as breeding, 6.22% as rearing, 3.87% a spelling or boarding, with the remainder having breaking in or 'other' as their primary activity. The survey showed that stakeholders *'are seeking a code that takes into account the different requirements of larger versus small/hobby operators with concern that if there are significant changes, this may put people out of operation'*<sup>153</sup>. Under the proposed Code hobby breeders do not have to comply with housing pen/yard requirements. Small operators (hobbyists) under the proposed Code will be able to keep their dogs (2 adult greyhounds and 1 litter) in their own homes and will not have to build housing pens or yards – which is not available to hobbyists in the current code. A large proportion of participants fall within the hobbyist category. All record keeping requirements, vet agreements, health plans etc. however, would still need to be undertaken.

Preliminary consultation has also been undertaken prior to and during the drafting of the proposed code. Three reference groups broadly representing animal welfare promoters, enforcement agencies and greyhound industry participants have consulted on the existing code and the direction of the proposed code. In addition, GRV have been heavily involved in the development of the proposed code is the industry's promotional and regulatory body.

The primary process of consultation regarding the proposed Code is the publication of a RIS for public comment during a statutory minimum consultation period of 45-60 days. It is intended that a copy of this RIS and the proposed code will be provided to affected stakeholders, industry groups and the public over this period and provide the ability for individuals to lodge formal responses. As part of the consultation process DEDJTR invites feedback on the following consultation question:

*Can you identify other credible more flexible and less prescriptive methods to provide socialisation for greyhounds 16 weeks to 18 months which will allow for enforcement by GRV?*

<sup>152</sup> Greyhounds Australasia website (May 2016).

<sup>153</sup> DEDJTR, (2016).

## Glossary of Terms

Term	Definition
AAWS	Australian Animal Welfare Strategy
COPG	Mandatory DAA Code of Practice for the Operation of Greyhound Establishments
DAA	Domestic Animals Act 1994
DAB	Domestic Animal Business
DEDJTR	Department of Economic Development, Jobs, Transport and Resources
Educator	A person who educate or re-educates a greyhound to chase a lure or compete in a race and familiarises it with the race track environment before it progresses to racing with a trainer
Enrichment	Includes practices that provide situations or activities for greyhounds that are appropriate to meet their physical and psychological needs including any requirements outlined under the proposed Code.
GA	Greyhounds Australasia
GAP	Greyhound Adoption Program
Greyhound	Any greyhound registered or intending to be registered with Greyhound Racing Victoria (GRV) and not registered with its local council. This includes greyhounds involved in all life stages including breeding, rearing, breaking in, training, spelling, racing, and preparing for, or in, retirement.
GRV	Greyhound Racing Victoria
Humane euthanasia	Means the greyhound is rendered immediately unconscious and does not regain consciousness prior to death
ORIC	Office of the Racing Integrity Commissioner
POCTAA	Prevention of Cruelty to Animals Act 1986
POCTAA Code	POCTAA Code of Practice for the Private Keeping of Dogs
Racing Act	Racing Act 1958
RADB	Racing Appeals and Disciplinary Board
Rearing	To raise a greyhound to maturity
Wastage	Any dog removed from the industry, as it is not believed will make potential (in racing) or is past potential in racing or breeding
Whelping	The process of giving birth to greyhound puppies or “whelps”.
Whelps	Newborn greyhound puppy which lacks the ability to see, hear or regulate its body temperature

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## Appendices

- 1. Legislative Framework*
- 2. Lack of content and coverage of current code*
- 3. Salaries and charge out rates used for estimating time costs*
- 4. Estimation of quantifiable costs and dogs affected under Options 1 to 6*
- 5. Comparative legislation/industry codes relating to greyhound welfare – Victoria and other jurisdictions*
- 6. Proposed standards costed and not costed*



## Appendix 1: Legislative framework

### A1.1 Prevention of Cruelty to Animals Act 1986 (POCTAA)

The purpose of the POCTAA<sup>154</sup> is to prevent cruelty to animals, encourage considerate treatment of animals and improve the level of community awareness about the prevention of cruelty. It has provisions for none mandatory codes of practice. However, the Code of Practice for the Private Keeping of Dogs is not mandatory under the POCTAA.

Part 2 of the Act relates specifically to the protection of animals and defines animal cruelty, aggravated cruelty and sets out offences for deliberate cruelty, ill-treatment, causing unnecessary or unreasonable pain or suffering and abandonment. It also creates specific offences for people involved or permitting baiting and luring, or a person intentionally or recklessly allowing an animal to breed an animal with a heritable defect and limiting the sale or disposal without full disclosure.

### A1.2 Domestic Animals Act 1994 (DAA)

The DAA<sup>155</sup> is the main piece of legislation that relates to dog ownership in Victoria. It provides for the general care, registration, and identification requirements of dogs; the registration and minimum standards of 'Domestic Animal Businesses' (DABs); and authorises enforcement of the Act.

Under *section 5* of the DAA the Governor in Council may exempt a class of animal from provisions within the Act. An order, dated 17 March 2011, exempts greyhounds registered with GRV from the operation of Division 1 or Part 2 of the DAA; the requirements for registration with local council.<sup>156</sup>

*Section 3* of the DAA defines 'greyhound keeping', in relation to GRV greyhounds. Greyhound keeping includes breeding, rearing, training, breaking, racing, boarding or any other activity that involves the care of a GRV greyhound; ensuring that every stage of the lifestyle and every operator type are covered by the mandatory '*Code of practice for the keeping of racing greyhounds*'. Note: this code of practice is still under development and is the subject of this Regulatory Impact Assessment.

*Section 27* creates a duty for the restraint of greyhounds outside the owner's premises when not participating in a race fixture.

*Part 4AAA* specifically addresses the Keeping of GRV greyhounds, including the provision to make a greyhound code of practice. *Section 63AC(2)&(3)* allows the code to set standards for the keeping, treatment, handling and care of GRV greyhounds; standards for facilities, equipment and conditions at premises where GRV greyhounds are being kept; and, standards for procedures and practices to be adopted in relation to the keeping of GRV greyhounds. It also permits the code to incorporate other standards or rules. This section also controls the operation of the code and provides penalties for non-compliance. This proposed *Code of Practice for the Keeping of Racing Greyhounds* is made under the provisions of Part 4AAA.

<sup>154</sup> *Prevention of Cruelty to Animals Act 1986* (Authorised Version No. 088) 4 May 2016

<sup>155</sup> *Domestic Animals Act 1994* (Authorised Version No. 067) 4 May 2016

<sup>156</sup> Victorian Government Gazette, (17 March 2011), page 637, gazette G11

### A1.3 Racing Act 1958

The Racing Act<sup>157</sup> governs the three racing codes in Victoria (horse, harness and greyhounds) and regulates the conduct of race meetings, legality of betting, as well as providing for the licensing of clubs and courses. It establishes GRV as the controlling body responsible for greyhound racing and does not focus on animal welfare nor require GRV to specifically address greyhound welfare.

*Part IA* of the Racing Act puts in place a Racing Integrity Commissioner with *section 37B* giving powers to the commissioner to conduct audits of animal welfare processes and systems of each controlling body, investigate complaints and refer complaints, if appropriate, to the relevant agency.

*Part III* specifically governs greyhound racing, it places restrictions on and licences for greyhound racing and provides offences relating to greyhound races that involve the use of an animal as a lure. *Section 69* creates the Greyhound Racing Victoria Board to be constituted under the Act, while *section 75* provides the functions of the board – including s75 (aba) and (abb) to promote and improve animal welfare and promote and monitor compliance with the rules within the sport of greyhound racing.

*Division 3 of Part III* relates to the general control of greyhound racing, with *section 77* providing the Board with powers to regulate the registration, breeding, kennelling and verification of lineage of greyhounds for greyhound racing or for stud purposes and fine or punish any club or person offending against the rules. *Section 77A* provides powers for a board person, or person authorised, to enter premises used for the purpose of kennelling or breeding greyhounds and inspect to determine compliance with the Racing Act and rules. While *section 78* permits the authorised person to use any information for in the register for the purposes of enforcing *Part 4AA* of the *Domestic Animals Act 1994*, or disclose the information to an officer authorised under the *Domestic Animals Act 1994*.

*Section 82* permits the Board to make rules for, or with respect to, the control of greyhound racing in Victoria and regulation of the registration, welfare, kennelling and breeding of greyhounds.

### A1.4 Greyhound Racing Victoria (GRV) - Local Rules

*Local Rules*<sup>158</sup> are made under *section 82* of the *Racing Act 1958* and mandatory for any person, owning or in charge of a greyhound, registered through GRV. Local Rules are actually rules local to the whole of Victoria and a requirement of all members of GRV and enforced by GRV authorised officers.

The *Local Rules* make provisions the breadth of the industry including; the Board's powers, registration, operation of greyhound trial tracks, eligibility of greyhounds to compete, welfare of greyhounds and other matters.

Rule 3 allows for the application of Greyhounds Australasia Rules to be adopted and incorporated into the *Local Rules*.

<sup>157</sup> *Racing Act 1958* (Authorised Version No. 170) 4 May 2016

<sup>158</sup> Greyhound Racing Victoria Local Racing Rules, As at 14 June 2016

Rule 11, and the various subsections, provide the requirements for ‘Registered Persons’, including requiring a person wishing to engage in the whelping, rearing, breaking in or education of greyhounds to be registered with the GRV Board (R11.17), and allows the board to prescribe educational and qualifications required for registration (R11.22).

Part 12 of the *Local Rules* specifically relates to the welfare of greyhounds, creating offences for keeping greyhounds in conditions that are dangerous or detrimental to their health and safety, or permitting a greyhound to suffer. The provisions also provide requirements for the retirement, death and euthanasia of a greyhound.

### **A1.5 Greyhounds Australasia, Greyhound Australasia Rules**

Rule 3 of the GRV *Local Rules* allows for the application of Greyhounds Australasia Rules<sup>159</sup> (GARs) to be adopted and incorporated into the *Local Rules*, therefore GARs are also rules that are local to the whole of Victoria and a requirement of all members of GRV and enforced by GRV authorised officers. The GARs provide extensive provisions in relation to a raft of matters including: powers of controlling body, stewards, race meetings, box draws, testing, and the duties of a person keeping greyhounds, veterinary surgeons, ownership and breeding.

GAR84A creates a requirement for records to be kept by a person in charge of a greyhound. GAR86 lists offences under the GAR including GAR86 (ag) that creates an offence for a person who fails to comply with a policy adopted by a Controlling Body.

GAR105 -109 make provisions for duties of a person keeping a greyhound, in relation to care, welfare, notification and control. GAR111A place requirements for all greyhounds to be microchipped and ear branded and GAR112-124 provide requirements for the registration and ownership and ‘passport’ of a greyhound.

The breeding section of the GAR makes requirements for authority approval for breeding as well as the registration of a sire and breeding bitch, the ‘service’, litters and the stud book. As artificial insemination is used for more than 90% of conceptions in the industry there are also provisions relation to artificial insemination, and storage.

### **A1.6 Code of Practice for the Operation of Greyhound Establishments**

The *Code of Practice for the Operation of Greyhound Establishments* (the current code)<sup>160</sup> was originally made under the DAA (now repealed sections) and was mandatory for greyhound domestic animal businesses (DAB). However, under the definition of a DAB under the (then) DAA, it was found that only a very small percent of owners met the classification of being a DAB, and therefore only a small number of facilities had a requirement to comply with the code.

In November 2014 GRV incorporated the current code into the *Local Rules* effectively making the current code mandatory for any person registered with GRV.

<sup>159</sup> Greyhounds Australasia Rules, as Amended by Greyhounds Australasia 01/01/2016 and effective from 01/06/2016

<sup>160</sup> Victorian Government (2006) *Code of Practice for the Operation of Greyhound Establishments*

In April 2016, GRV amended the *Local Rules* and made the current code a new policy along with other specific policies in relation to: hot weather, race fields, privacy, transportation, gambling, stewards, swabbing, trialling, compression suits, social media, feeding and improper or corrupt conduct. GAR86(ag) creates an offence for a person who fails to comply with a policy adopted by a Controlling Body and GRV authorised officers audit and enforce the code under the powers of the Racing Act.

## Appendix 2: Lack of content and coverage of current Code

Appendix 2 highlights the lack of content and coverage of the current Code. Whilst each of the specific issues individually may not directly result in poor welfare for an individual animal, cumulatively they are management practices that prevent poor welfare.

**Table A2.1: Lack of current content and coverage with respect to greyhound welfare**

Content	Coverage								Comment on effect of proposed change and affected
	Concep- tion	Birth	Rearing	Breaking -in	Spell- ing	Pre- training	Racing	Retire- ment	
Staff ratio	❖	❖	❖	❖	❖	❖	❖	❖	large breeders and large trainers require minimum staff to ensure care for animals
Health management plan	❖	❖	❖	❖	❖	❖	❖	❖	Every establishment will have a plan reviewed by an independent veterinarian
Greyhound records			❖	❖	❖	❖		❖	Ensures all greyhounds have a record of whole of life
Transfer/Sale dogs leaving Industry	❖	❖	❖	❖	❖	❖	❖	❖	Ensures a record of every animal leaving the industry is to a known whereabouts
Food receptacle for all dogs		❖	❖						Ensures all dogs over 16 weeks have access to a food and in a clean and hygienic container
Health - Veterinary checks			❖	❖	❖	❖		❖	Ensures all dogs in all stages of life receive at least one vet check per year.
Exercise/ training/ enrichment/ socialisation			❖	❖	❖			❖	Ensures all dogs in all stages of life have adequate and suitable exercise, enrichment and socialization.
Retirement/ rehoming			❖	❖	❖	❖	❖	❖	Requires any dog at any stage, leaving the industry, the maximum chance to be rehomed.

## Appendix 3: Salaries and charge out rates used for estimating time costs

Table A3.1 illustrates the range of salaries and charge out rates<sup>161</sup> used for estimating compliance costs of options in Appendix 4, involving an individual's time.

**Table A3.1: Summary of salaries and charge out rates**

<b>Staff/business category</b>	<b>Salaries and rates</b>
<b>Volunteer annual salary June 2012</b>	<b>\$35,000</b>
Volunteer annual salary indexed 2016*	\$38,139
Total annual salary including on-costs and overheads	\$66,647
<b>Hourly charge out rate</b>	<b>\$38.15</b>
<b>Operations manager annual salary June 2012</b>	<b>\$62,500</b>
Operations manager annual salary indexed 2016*	\$68,105
Total annual salary including on-costs and overheads	\$119,013
<b>Hourly charge out rate</b>	<b>\$68.13</b>
<b>VPS3 annual salary (GRV)</b>	<b>\$69,223</b>
Total annual salary including on-costs and overheads	\$120,967
<b>Hourly charge out rate</b>	<b>\$69.25</b>
<b>Veterinarian</b>	
<b>Hourly rate for first hour</b>	<b>\$125</b>
<b>15-minute rate after the first hour</b>	<b>\$120</b>
Animal welfare inspector annual salary (GRV)	\$67,000
Total annual salary including on-costs and overheads	\$117,083
<b>Hourly charge out rate</b>	<b>\$67.03</b>
Investigations unit officer annual salary (GRV)	\$82,500
Total annual salary including on-costs and overheads	\$144,169
<b>Hourly charge out rate</b>	<b>\$82.53</b>
Council inspector annual salary**	\$75,000
Total annual salary including on-costs and overheads	\$131,063
<b>Hourly charge out rate</b>	<b>\$75.03</b>

\*Indexed using ABS wage price index catalogue 6345.0 (a June 2012 index of 110.4 and a June 2016 index of 120.3 = indexing factor of 1.1) \*\*Includes average of midpoint band 5 and band 6

The formula used to calculate hourly charge out rates from annual salaries is given by:

$$\text{Hourly charge out rate} = \frac{\text{annual earnings}}{(\text{working weeks} \times \text{hours per week}) \times \text{on-cost multiplier} \times \text{overhead cost multiplier}}$$

Where working weeks = 44 and  
Hours per week = 39.7.

<sup>161</sup> Charge out rates assume an on cost multiplier of 1.165 and an overhead cost multiplier of 1.5

## Appendix 4: Estimation of quantifiable costs and dogs affected under Options 1 to 6

### A4.1 Introduction

Sections A4.2 to A4.12 provide details behind quantifiable costings and estimation of dogs affected under each of the options (1 to 6) – determined *incrementally* from the base case. Sections A4.3 (media/information costs) and A4.4 (enforcement training for councils) describe unique incremental costs under Options 1 and 4, respectively. The remaining cost items under Options 1 to 6 are grouped under each of the headings A4.5 to A4.12 for ease of presentation.

### A4.1 Description of options and compliance rates and expected changes in behaviour under each option

A description of the base case and Options 1 to 6 are summarised as follows in Table A4.1.

**Table A4.1: Description of base case and options plus anticipated compliance rates**

Base case/ Option	Short description	Detailed Description	Anticipated compliance rates with the proposed code*
<b>Base case</b>	Status quo	Local rules (including <a href="#">current code</a> ) and Greyhound Australasia Rules with civil enforcement (fines and bans) by GRV + criminal enforcement under POCTA.	32.31%**
<b>1</b>	Media/information campaign	Local rules and Greyhound Australasia Rules with civil enforcement (fines and bans) by GRV + criminal enforcement under POCTA + Media/information campaign with respect to the <a href="#">proposed code</a> .	35%***
<b>2</b>	Adoption of the proposed code under the local rules	Local rules (including <a href="#">proposed code</a> ) and Greyhound Australasia Rules with civil enforcement (fines and bans) by GRV + criminal enforcement under POCTA.	50%
<b>3</b>	The proposed code with industry enforcement	Local rules and Greyhound Australasia Rules with civil enforcement (fines and bans) by GRV + criminal enforcement under POCTA + <a href="#">proposed code</a> under DAA with criminal enforcement by GRV.	100%
<b>4</b>	The proposed code with local government enforcement	Local rules and Greyhound Australasia Rules with civil enforcement (fines and bans) by GRV + criminal enforcement under POCTA + <a href="#">proposed code</a> under DAA with criminal enforcement by councils.	75%
<b>5</b>	The proposed code with industry enforcement and no additional health checks	Local rules and Greyhound Australasia Rules with civil enforcement (fines and bans) by GRV + criminal enforcement under POCTA + <a href="#">proposed code</a> under DAA with criminal enforcement by GRV and no additional health checks.	100%
<b>6</b>	The proposed code with industry enforcement and reduced rearing requirements	Local rules and Greyhound Australasia Rules with civil enforcement (fines and bans) by GRV + criminal enforcement under POCTA + <a href="#">proposed code</a> under DAA with criminal enforcement by GRV and reduced rearing requirements for greyhounds 16 weeks to 18 months.	100%

\*Compliance rates advised by DEDJTR

\*\* See Table 12 in Section 2 in this RIS for source of estimate (i.e.  $100\% - 67.69\% = 32.31\%$ )

\*\*\* Voluntary adherence anticipated with regards to a media/information campaign and only for participants that currently wish to comply but lack sufficient knowledge/information



According to DEDJTR Option 1 would be likely to generate only 35% compliance with the proposed code (i.e. affect only up to 2.69% additional compliance behaviour in the industry incrementally to the base case) by encouraging those smaller participants with insufficient information to voluntarily adhere to elements of the proposed code.

DEDJTR notes that Option 2 would only involve the adoption of the proposed code under the local rules and would be enforced by GRV inspectors as civil matters involving fines and bans. For this reason, DEDJTR recognises that Option 2 would be likely to generate 50% compliance with the proposed code (i.e. affect up to 17.69% additional compliance behaviour in the industry incrementally to the base case).

Options 3, 5, and 6 involve enforcement of the proposed code by GRV inspectors and are expected to generate 100% compliance according to DEDJTR (i.e. affect up to 67.69% additional compliance behaviour in the industry incrementally to the base case).

Option 4 would be likely to generate only 75% compliance with the proposed code according to DEDJTR (i.e. affect only up to 42.69% additional compliance behaviour in the industry incrementally to the base case). This is because it is anticipated that under Option 4 there would be less effort around criminal enforcement provided by councils towards breaches of the greyhound code as compared to the industry, specifically due to both competing priorities in councils and reduced awareness of greyhound specific issues by council officers as compared to GRV.

The ability of options to change participant behaviour with respect to greyhounds relies on the understanding of reasons for non-compliance as shown in Table A4.2. A third of those with around 6 to 30 greyhounds fail to comply because of attitudes, culture or age, a third fail to comply due to lack of financial means or capability and a third fail to comply because they are either ill-informed or lack knowledge.

**Table A4.2: Distribution of reasons for non-compliance by categories of participants<sup>162</sup>**

Type of non-compliance	Category of participants	Distribution of reason behind non-compliance	Reasons for non-compliance
Do not want to comply	Breeders & trainers (Participants with 6 to 30 dogs)	33.3%	Attitudes, culture, age
Want to comply but can't	Breeders & trainers (All small participants)	33.3%	Lack financial means/capability
Want to comply but can't	Breeders & trainers (All small participants)	33.3%	Ill-informed or lack knowledge

A summary of maximum estimated behaviour changes expected under Options 1 to 6 is summarised in Table A4.3. The maximum percentage of participants affected by behaviour change under each of the options in Table A4.3 (last column) is estimated as the product of:

- the distribution of the number of registered breeders and trainers by estimated number of dogs under care in Table 4 in this RIS; and

<sup>162</sup> See Table 11 in this RIS for source of estimates

- b. the percentage of participants affected by behavioural changes with respect to culture across those participants with 6 to 30 dogs (one third see Table A4.2) or with respect to lack of knowledge/finance across entire distribution for all small participants (two thirds see Table A4.2).

**Table A4.3: Percentage of participants affected by behaviour change under Options 1 to 6 by category of participant**

Category of participants	% participants with 6 to 30 dogs affected (culture)	% small participants affected (lack of knowledge/finance)	Total participants affected by behaviour change	Average number of participants	% of total participants affected by behaviour change
<b>Option 1</b>	<b>0%*</b>	<b>3.1%*</b>			
Large breeders	0	0	0	58	0.00%
Small breeders	0	15	15	484	3.12%
Large trainers	0	0	0	255	0.00%
Small trainers	0	45	45	1,449	3.12%
<b>Total</b>	<b>0</b>	<b>60</b>	<b>60</b>	<b>2,247</b>	<b>2.69%</b>
<b>Option 2</b>	<b>8.4%</b>	<b>16.8%</b>			
Large breeders	5	0	5	58	8.36%
Small breeders	16	81	97	484	20.07%
Large trainers	21	0	21	255	8.36%
Small trainers	32	242	274	1,449	18.91%
<b>Total</b>	<b>74</b>	<b>323</b>	<b>397</b>	<b>2,247</b>	<b>17.69%</b>
<b>Options 3, 5 and 6</b>	<b>32%**</b>	<b>64%**</b>			
Large breeders	19	0	19	58	32.00%
Small breeders	62	310	372	484	76.79%
Large trainers	82	0	82	255	32.00%
Small trainers	121	928	1,049	1,449	72.36%
<b>Total</b>	<b>283</b>	<b>1,238</b>	<b>1,521</b>	<b>2,247</b>	<b>67.69%</b>
<b>Option 4</b>	<b>20.2%</b>	<b>40.4%</b>			
Large breeders	12	0	12	58	20.18%
Small breeders	39	195	235	484	48.43%
Large trainers	52	0	52	255	20.18%
Small trainers	76	585	661	1,449	45.63%
<b>Total</b>	<b>179</b>	<b>780</b>	<b>959</b>	<b>2,247</b>	<b>42.69%</b>

\*Lack of knowledge only (culture and lack of finance excluded). \*\* See Table 11 for source of estimates.

For example, in Table A4.3 Option 1 (media campaign) assumes an estimated 0% impact behaviour with respect to culture across participants with 6 to 30 dogs in Table 4, and a 3.1% impact on behaviour with respect to a lack of knowledge (only) across all small participants for the entire distribution in Table 4. These impact estimates provide an effective rate of behavioural impact across all participants of 2.69% as compared to the base case and therefore an overall level of compliance of 35% with the proposed code under Option 1 (i.e. 2.69% + 32.31% under the base case).

On the other hand, Option 2 (adoption of proposed code in local rules) for example assumes an estimated 8.4% impact on behaviour with respect to culture across participants with 6 to 30 dogs in Table 4 and a 16.8% impact on behaviour with respect to lack of knowledge and lack of finance across all small participants for the entire distribution in

Table 4. This provides an effective rate of behavioural impact across all participants of 17.69% as compared to the base case and therefore an overall level of compliance of 50% with the proposed code under Option 2 (i.e. 17.69% + 32.31% under the base case).

**A4.2 – Estimation of unique cost item – Media/information campaign (related to Option 1 only)**

Option 1 involves the adoption of an extensive media/information campaign across social media, movie theatres, TV, newspaper, radio, billboard and posters at a key public transport hub over a period of three months. Option 1 would be useful for changing voluntary practices around specific aspects of greyhound management & socialisation, as well as improving rehoming potential which are not sufficiently addressed under the base case. Table A4.4 summarises the incremental one-off cost of implementing the 3-month media/information campaign under Option 1 – estimated to be **\$0.96m in present value dollars**<sup>163</sup>.

**Table A4.4: Estimated one-off cost of 3-month media/information campaign**

Media type	Description of 3-month campaign	One-off cost
Social media	Advertisement on social media (e.g. Twitter) @ \$5,000/month x 3	\$15,000
Theatres	\$1345 per screen per month + \$150 per month for posters per theatre x 10 theatres	\$408,000
TV	Channel 7/Channel 9/Channel 10 - 30 second prime time slot @ \$37,800/\$25,000/\$30,000 per month x 3	\$278,400
Newspaper	\$850 per advertisement per paper (Age and Herald sun) per day x 7days x 12 weeks x 2 papers	\$142,800
Radio*	\$5,000 per month for one radio station x 3	\$15,000
Billboards**	Large billboard on freeway @ \$30,000 per month +\$3,000 for print production and installation	\$93,000
Posters at a central train station**	\$3,800 per month + 1,000 print production and installation	\$12,400
<b>Total one off cost</b>		<b>\$964,600</b>

Source: DEDJTR, \* <http://affordablemedia.com.au/> (accessed 13 October 2016),  
 \*\* [http://www.billboardsmelbourne.com.au/billboard\\_prices.html](http://www.billboardsmelbourne.com.au/billboard_prices.html) (accessed 13 October 2016).

**A4.3 – Estimation of unique cost item – Enforcement training for local government (related to Option 4 only)**

According to DEDJTR, Option 4 would involve the need to provide ongoing council enforcement training, keeping in mind the ongoing turnover of council officers and the need to keep officers abreast of the local rules and proposed code. In order to estimate the cost of providing training the following assumptions are made including a total: time cost of \$1,704 including training and travel; and training registration cost of around \$752 – a total of \$2,457<sup>164</sup> per council officer (as shown in Panel A4.1).

<sup>163</sup> All present value calculations use a real discount rate of 4%  
<sup>164</sup> All estimates provided are rounded to whole dollars for ease of presentation and therefore subject to rounding error.

**Panel A4.1: Assumptions for training of council officers**

Greyhound industry welfare and management (one day) by RTO	7.6hrs
Audit training by DEDJTR	7.6hrs
Total travel hours (2hrs per day) per officer	4hrs
Km travelled @ 100km per hour	400km
Total Vehicle costs @ \$0.66 per km**	\$264
Total hours per officer (travel time and 2 days training)	19.2hrs
Hourly charge out rate per officer	\$75*
<b>Total time cost including travel time (\$1,440) + vehicle cost/council officer (\$264)</b>	<b>\$1,705</b>
Total RTO training registration cost per person per day	\$700
DEDJTR cost of 4 one day sessions for 240 officers	\$12,500
Total DEDJTR training registration cost per person per day	\$52
<b>Total training registration cost/council officer</b>	<b>\$752</b>

\*See Table A3.1 of Appendix 3 for source of estimate. \*\*ATO allowable rate 2015-2016.

As shown in Table A4.5 the ongoing annual travel and training costs for council officers under Option 4, including time costs, would be equal to an additional \$0.59m per annum or **\$4.97m over 10 years in 2016 dollars**.

**Table A4.5: Estimated additional training cost for council officers including time costs**

Category of officer	Travel and training cost	No. officers	Annual cost	10-year cost	10-year PV cost
Council inspector	\$2,457	240	\$589,598	\$5,895,985	\$4,973,459
<b>Total</b>		<b>240</b>	<b>\$589,598</b>	<b>\$5,895,985</b>	<b>\$4,973,459</b>

### **A4.3 – Estimation of costs and dogs affected by proposed standard 3.1 (Staff Ratio 1:25) – Options 1 to 6**

The estimate of staff ratios takes into consideration that large breeders may not have sufficient staff for the adequate care and management of greyhounds. The estimated number of large breeders affected with more than 25 dogs uses data from Table 4 and is calculated using the following formula:

$$\text{Estimated No. large breeders affected} = \{ \text{Total number large breeders} > 30 \text{ dogs} + \text{Total number of large breeders with 11 to 29 dogs} \times 4/(29-11) \text{ (see Table 4)} \} \times \% \text{ of total participants (large breeders) affected by behaviour change (see last column of Table A4.3 for options 1 to 6)}$$

Where: 4/(29-11) is an estimate of balance of participants with 11 to 29 dogs with 25 dogs or more (i.e. 22.2%).

Finally, to calculate the annual cost in Table A4.6, *one FTE is assumed as required for each large breeder that is affected* at a salary cost of \$66,647 including on costs and overhead costs (see volunteer annual salary in Table A3.1 of Appendix 3).

The total number of animals affected is estimated as the product of 25 dogs per large breeder affected. As shown in Table A4.6, the additional annual cost of proposed standard 3.1 under Options 3, 5, and 6 is estimated to be \$0.94m or \$7.94m over 10 years in present

value dollars. Under Option 1, this is estimated to be \$0 as a media information campaign is not expected to have an effect on the behaviour of large participants who are driven by age, cultural and attitudes. Options 2 and 4 would be likely to result in approximately \$2.07m and \$5.01m over 10 years in present value dollars.

**Table A4.6: Estimated additional cost of staffing under proposed Code 3.1 – Options 1 to 6**

Category of business	Estimate of Large breeders with >25 dogs	No. large breeders affected/FT E required <sup>165</sup>	No. dogs affected	Annual cost	10-year cost	10-year PV
<b>Option 1</b>						
Large breeders	44	0	0	\$0	\$0	<b>\$0</b>
<b>Option 2</b>						
Large breeders	44	4	92	\$245,894	\$2,458,938	<b>\$2,074,196</b>
<b>Options 3, 5 and 6</b>						
Large breeders	44	14	353	\$940,995	\$9,409,952	<b>\$7,937,607</b>
<b>Option 4</b>						
Large breeders	44	9	223	\$593,430	\$5,934,298	<b>\$5,005,777</b>

#### **A4.4 – Estimation of costs and dogs affected by proposed standard 3.6 (Independent Vet) – Options 1 to 6**

The cost of obtaining independent veterinary advice for owners of greyhounds that are veterinarians is estimated by assuming that there would be around 6 owners who are veterinarians (based on DEDJTR advice) and an hourly charge out rate per 1<sup>st</sup> hour visit by a veterinarian of \$125 per hour (see Table A3.1 of Appendix 3 for source of estimate). As shown in Table A 4.7, under Option 1 there would be effectively '0' participants affected (i.e. 6 x 2.69% (see last column in Table A4.3)); under Option 2 there would be 1 participant affected (i.e. 6 x 17.69%); under Options 3, 5 and 6 there would be an estimated 4 participants affected (i.e. 6 x 67.69%); and under Option 4 there would be an approximately 3 participants affected (i.e. 6 x 42.69%).

The number of dogs affected assumes around 6 dogs per owner affected under each option in Table A4.7.

As shown in table A4.6 the additional annual cost of this standard 3.6 is \$750 or \$6,326 over 10 years in present value dollars.

<sup>165</sup> Estimates rounded to whole numbers of ease of presentation and subject to rounding error.

**Table A4.7: Estimated additional cost of independent Veterinary advice under proposed Code 3.6 – Options 1 to 6**

Category of participant	Estimated No. participants affected <sup>166</sup>	Estimated No. dogs affected	Annual cost	10-year cost	10-year PV
<b>Option 1</b>					
Owners who are vets	0		\$0	\$0	\$0
<b>Option 2</b>					
Owners who are vets	1	6	\$133	\$1,326	\$1,119
<b>Options 3, 5 and 6</b>					
Owners who are vets	4	23	\$508	\$5,076	\$4,282
<b>Option 4</b>					
Owners who are vets	3	15	\$320	\$3,201	\$2,701

#### **A4.5 – Estimation of costs and dogs affected by proposed standard 4.1 (Health management plans) – Options 1 to 6**

Under proposed standard 4.1 there would be two types of costs arising from health management plans including one-off veterinary costs and annual veterinarian costs.

The estimation of *one-off veterinary costs* under health management plans in Table A4.8 uses data from Table 4 and Table A4.3, as well as, 1<sup>st</sup> hour charge out rates for veterinarians in Table A3.1 (see Appendix 3) – assumes different size plans (small, medium or large) for different participants (depending on how many dogs they manage) and the following formula:

$$\{0.5\text{hrs} \times \$125/\text{hr} \times \text{participants with 1 to 5 dogs} + 1\text{hr} \times \$125/\text{hr} \times \text{participants with 6 to 29 dogs} + 2\text{hrs} \times \$125/\text{hr} \times \text{participants with 30 or more dogs (see Table 4)}\} \times \% \text{ of total participants affected by behaviour change (see last column of Table A4.3 for options 1 to 6)}.$$

The *annual cost of a veterinarian* under health management plans is estimated using the number of participants in each of the categories (see Table 4); the % of participants affected by behaviour change (See Table A4.2) and 15 minutes of time at \$120/hr (see Table A3.1 of Appendix 3) and the following formula:

$$\{0.25\text{hrs} \times \$120/\text{hr} (\text{participants with 1 to 5 dogs} + \text{participants with 6 to 29 dogs} + \text{participants with 30 or more dogs}) (\text{see Table 4})\} \times \% \text{ of total participants affected by behaviour change (see last column of Table A4.3 for each option 1 to 6)}.$$

The number of dogs affected under each option is estimated as 560 dogs under Option 1; 3,707 dogs under Option 2; 14,185 dogs under Options 3, 5 and 6; and 8,946 dogs under Option 4 and uses data from the third column in Table 6 and the last column in Table A4.3 against each of the category of participants, as well as the following formula:

<sup>166</sup> Estimates rounded to whole numbers of ease of presentation and subject to rounding error.

*Estimated No. dogs affected = {Apportionment of registered greyhounds 2015-16} (see Table 4)} x % of total participants affected by behaviour change (see last column of Table A4.3 for options 1 to 6).*

As shown in table A4.8 the 10-year additional cost of health management plans under proposed standard 4.1 is estimated to be \$0.67m, \$0.94m and \$1.39m in 2016 dollars for Options 1, 2 and 4, respectively. Under Options 3, 5 and 6 the incremental costs would be around \$1.84m in present value dollars.

**Table A4.8: Estimated 10-year additional costs of health management plans for participants under proposed standard 4.1 – Options 1 to 6**

Category of participants	Estimated No. Participants affected with 1 to 5 dogs	Estimated No. Participants affected with 6 to 29 dogs	Estimated No. Participants affected with 30 or more dogs	One-off cost of vet	Annual cost of vet	Total 10-year cost	10-year PV
Time required	Small plan (0.5 hours)	Medium plan (1hour)	Large plan (2hrs)	0.5 to 2hrs	15 minutes		
<b>Option 1</b>							
Large breeders	0	0	0	\$0	\$0	\$0	\$0
Small breeders	9	169	0	\$21,704	\$21,380	\$235,504	\$202,051
Large trainers	0	0	0	\$0	\$0	\$0	\$0
Small trainers	33	379	0	\$49,409	\$49,438	\$543,789	\$466,435
<b>Total</b>	<b>43</b>	<b>548</b>	<b>0</b>	<b>\$71,112</b>	<b>\$70,818</b>	<b>\$779,293</b>	<b>\$668,486</b>
<b>Option 2</b>							
Large breeders	0	1	3	\$1,026	\$582	\$6,846	\$5,935
Small breeders	58	173	0	\$25,319	\$27,806	\$303,382	\$259,875
Large trainers	0	15	6	\$3,470	\$2,562	\$29,091	\$25,082
Small trainers	202	379	0	\$59,974	\$69,722	\$757,198	\$648,106
<b>Total</b>	<b>261</b>	<b>568</b>	<b>10</b>	<b>\$89,788</b>	<b>\$100,673</b>	<b>\$1,096,517</b>	<b>\$938,998</b>
<b>Options 3, 5 and 6</b>							
Large breeders	0	6	13	\$3,926	\$2,227	\$26,198	\$22,713
Small breeders	223	188	0	\$37,422	\$49,319	\$530,613	\$453,445
Large trainers	0	57	25	\$13,277	\$9,805	\$111,325	\$95,984
Small trainers	775	379	0	\$95,744	\$138,402	\$1,479,766	\$1,263,213
<b>Total</b>	<b>998</b>	<b>629</b>	<b>37</b>	<b>\$150,370</b>	<b>\$199,753</b>	<b>\$2,147,903</b>	<b>\$1,835,355</b>
<b>Option 4</b>							
Large breeders	0	4	8	\$2,476	\$1,405	\$16,522	\$14,324
Small breeders	141	181	0	\$31,370	\$38,562	\$416,993	\$356,656
Large trainers	0	36	15	\$8,373	\$6,183	\$70,206	\$60,531
Small trainers	489	379	0	\$77,858	\$104,061	\$1,118,467	\$955,646
<b>Total</b>	<b>629</b>	<b>599</b>	<b>24</b>	<b>\$120,078</b>	<b>\$150,211</b>	<b>\$1,622,188</b>	<b>\$1,387,157</b>



#### A4.6 – Estimation of costs and dogs affected by proposed standard 5 (Record keeping) – Options 1 to 6

Under proposed standard 5, a participant would need to ensure that establishment records are kept (stored) for a period of no less than 12 months after a greyhound has left the property.

The estimated number of dogs affected under proposed standard 5 is estimated using the product of the number of dogs apportioned to each category of participant (see Table 6) and the last column in Table A4.3 against each of the category of participants, as well as the following formula:

*Estimated No. dogs affected = {Apportionment of registered greyhounds 2015-16} (see Table 4) x % of total participants affected by behaviour change (see last column of Table A4.3 for options 1 to 6).*

The annual cost assumes 5 minutes of record keeping per dog affected at an hourly charge rate of \$68.13 for an operations manager (see Table A3.1 of Appendix 3). The 10-year additional cost of record keeping for participants under proposed standard 5 is estimated to be \$0.68m for Options 3, 5 and 6, \$0.03m for Option 1; \$0.18m for Option 2 and \$0.43m for Option 4 – in 2016 dollars, as shown in Table A4.9.

**Table A4.9: Estimated 10-year additional costs of record keeping for participants under proposed standard 5 – Options 1 to 6**

Category of Participant	Estimated No. dogs affected	Annual cost	10-year cost	10-year PV
<b>Option 1</b>				
Large breeders	0	\$0	\$0	\$0
Small breeders	223	\$1,263	\$12,633	\$10,657
Large trainers	0	\$0	\$0	\$0
Small trainers	338	\$1,918	\$19,175	\$16,175
<b>Total</b>	<b>560</b>	<b>\$3,181</b>	<b>\$31,809</b>	<b>\$26,832</b>
<b>Option 2</b>				
Large breeders	71	\$405	\$4,052	\$3,418
Small breeders	1,430	\$8,121	\$81,210	\$68,503
Large trainers	159	\$905	\$9,049	\$7,633
Small trainers	2,046	\$11,614	\$116,144	\$97,971
<b>Total</b>	<b>3,707</b>	<b>\$21,046</b>	<b>\$210,455</b>	<b>\$177,526</b>
<b>Options 3, 5 and 6</b>				
Large breeders	273	\$1,551	\$15,508	\$13,082
Small breeders	5,474	\$31,078	\$310,776	\$262,150
Large trainers	610	\$3,463	\$34,629	\$29,211
Small trainers	7,828	\$44,446	\$444,465	\$374,921
<b>Total</b>	<b>14,185</b>	<b>\$80,538</b>	<b>\$805,378</b>	<b>\$679,363</b>
<b>Option 4</b>				
Large breeders	172	\$978	\$9,780	\$8,250
Small breeders	3,452	\$19,599	\$195,988	\$165,323
Large trainers	385	\$2,184	\$21,838	\$18,421
Small trainers	4,937	\$28,030	\$280,297	\$236,440
<b>Total</b>	<b>8,946</b>	<b>\$50,790</b>	<b>\$507,904</b>	<b>\$428,434</b>

#### A4.7 – Estimation of costs and dogs affected by proposed standard 5.2.1 (Records of health and transfer) – Options 1 to 6

Under proposed standard 5.2.1, participants would need to record supplements, drugs, transfers, rehoming activities, and disposals in relation to dogs under their care at an estimated at 3 minutes per dog and would need to provide a statement of health and management when a dog leaves a property to go to another at 5 minutes per dog – at total of 0.133hrs per dog. The estimated number of dogs affected under proposed standard 5.2.1 is estimated using the product of the number of dogs apportioned to each category of participant (see Table 6) and the last column in Table A4.3 against each of the category of participants, as well as the following formula:

*Estimated No. dogs affected = {Apportionment of registered greyhounds 2015-16} (see Table 4) x % of total participants affected by behaviour change (see last column of Table A4.3 for options 1 to 6).*

The annual cost is estimated taking the product of the estimated number of dogs affected, 0.133hrs per dog and an hourly charge out rate of \$68.13 for an operations manager (see Table A3.1 of Appendix 3). The 10-year additional cost of record keeping for participants under proposed standard 5 is estimated to be \$1.09m for Options 3, 5 and 6, \$0.04m for Option 1; \$0.28m for Option 2 and \$0.69m for Option 4 – in 2016 dollars, as shown in Table A4.9.

**Table A4.10: Estimated 10-year additional costs of records of health and transfer for participants under proposed standard 5.2.1 – Options 1 to 6**

Category of Participant	Estimated No. dogs affected	Annual cost	10-year cost	10-year PV
<b>Option 1</b>				
Large breeders	0	\$0	\$0	\$0
Small breeders	223	\$2,021	\$20,213	\$17,051
Large trainers	0	\$0	\$0	\$0
Small trainers	338	\$3,068	\$30,680	\$25,880
<b>Total</b>	<b>560</b>	<b>\$5,089</b>	<b>\$50,894</b>	<b>\$42,930</b>
<b>Option 2</b>				
Large breeders	71	\$648	\$6,484	\$5,469
Small breeders	1,430	\$12,994	\$129,936	\$109,605
Large trainers	159	\$1,448	\$14,478	\$12,213
Small trainers	2,046	\$18,583	\$185,831	\$156,754
<b>Total</b>	<b>3,707</b>	<b>\$33,673</b>	<b>\$336,729</b>	<b>\$284,042</b>
<b>Options 3, 5 and 6</b>				
Large breeders	273	\$2,481	\$24,813	\$20,931
Small breeders	5,474	\$49,724	\$497,242	\$419,440
Large trainers	610	\$5,541	\$55,406	\$46,737
Small trainers	7,828	\$71,114	\$711,143	\$599,873
<b>Total</b>	<b>14,185</b>	<b>\$128,860</b>	<b>\$1,288,605</b>	<b>\$1,086,981</b>
<b>Option 4</b>				
Large breeders	172	\$1,565	\$15,648	\$13,200
Small breeders	3,452	\$31,358	\$313,581	\$264,516
Large trainers	385	\$3,494	\$34,941	\$29,474
Small trainers	4,937	\$44,848	\$448,476	\$378,304
<b>Total</b>	<b>8,946</b>	<b>\$81,265</b>	<b>\$812,647</b>	<b>\$685,494</b>

#### A4.8 – Estimation of costs and dogs affected by proposed standard 6.1.1 (Food) – Options 1 to 6

Proposed standard 6.1.1 would impose the need for breeders to ensure that younger dogs have access to food receptacles which are regularly cleaned. This proposed standard would also require large facilities to ensure they have adequate storage (containers) for food.

##### A4.8.1: Food receptacles and hygiene

Proposed standard 6.1.1 would involve additional costs to all breeders in terms of food receptacles and hygiene. The estimated number of dogs affected under proposed standard 6.1.1 with respect to food receptacles and hygiene is estimated using the product of the number of dogs apportioned to each category of breeder (large and small) (see Table 6) and the last column in Table A4.3 against each of the category of breeder, as well as the following formula:

*Estimated No. dogs affected = {Apportionment of registered greyhounds 2015-16} (see Table 4) x % of total breeders affected by behaviour change (see last column of Table A4.3 for options 1 to 6).*

The one-off cost of a food receptacle assumes a \$10 cost for the receptacle per dog affected. The Annual cost of hygiene (dishwashing) is estimated taking the product of the dogs affected and a dishwasher cost of \$13.14 per year per dog<sup>167</sup>. As shown in Table A4.11, the 10-year additional cost of record keeping for participants under proposed standard 5 is estimated to be \$0.69m for Options 3, 5 and 6, \$0.03m for Option 1; \$0.18m for Option 2 and \$0.44m for Option 4 – in 2016 dollars.

**Table A4.11: Estimated 10-year additional costs of food receptacles and hygiene for participants under proposed standard 6.1.1 – Options 1 to 6**

Category of participants	Estimated No. dogs affected	One-off cost of food receptacle	Annual cost of dishwasher	10-year cost	10-year PV
<b>Option 1</b>					
Large breeders	0*	\$0	\$0	\$0	\$0
Small breeders	223	\$2,225	\$2,924	\$31,467	\$26,892
<b>Total</b>	<b>223</b>	<b>\$2,225</b>	<b>\$2,924</b>	<b>\$31,467</b>	<b>\$26,892</b>
<b>Option 2</b>					
Large breeders	71	\$714	\$938	\$10,094	\$8,626
Small breeders	1,430	\$14,303	\$18,798	\$202,279	\$172,867
<b>Total</b>	<b>1,502</b>	<b>\$15,017</b>	<b>\$19,736</b>	<b>\$212,372</b>	<b>\$181,493</b>
<b>Options 3, 5 and 6</b>					
Large breeders	273	\$2,731	\$3,590	\$38,628	\$33,011
Small breeders	5,474	\$54,737	\$71,935	\$774,087	\$661,532
<b>Total</b>	<b>5,747</b>	<b>\$57,468</b>	<b>\$75,525</b>	<b>\$812,715</b>	<b>\$694,544</b>
<b>Option 4</b>					
Large breeders	172	\$1,723	\$2,264	\$24,360	\$20,818
Small breeders	3,452	\$34,519	\$45,365	\$488,171	\$417,189
<b>Total</b>	<b>3,624</b>	<b>\$36,242</b>	<b>\$47,629</b>	<b>\$512,531</b>	<b>\$438,007</b>

\*Option 1 (information and media campaign) is not likely to result in any behaviour change amongst large participants due to cultural, age and attitude factors.

<sup>167</sup> \$65.71 for dishwasher cost per year for 5 dogs (see [http://energyusecalculator.com/electricity\\_dishwasher.htm](http://energyusecalculator.com/electricity_dishwasher.htm))

A4.8.2: Food storage

Proposed standard 6.1.1 would also result in additional costs for a proportion of around 5 breeders and 5 large trainers with around 100 dogs each under their care (based on advice from DEDJTR) and would require food storage facilities (one sealed container per dog) at a cost of \$40 per dog. The estimated number of participants affected for each category is determined as the product of 50% of the total the number of large breeders or large trainers (i.e. 50% of 10 participants) with around 100 dogs under their care; and the last column in Table A4.3 against each of the categories of large breeder and large trainer – using the following formula:

$$\text{Estimated No. participants affected} = \{ \text{number of large breeders and large trainers (i.e. 10)} \} \times 50\% \times \text{\% of total large breeders or large trainers affected by behaviour change (see last column of Table A4.3 for options 1 to 6)}.$$

As shown in Table A4.12, there would be an estimated 320 dogs affected under Options, 3, 5 and 6 with a 10-year additional cost of \$12.8K; an estimated 84 dogs affected under Option 2 with a 10-year cost of \$3.3K; and an estimated 202 dogs affected under Option 4 with a 10-year cost of \$8.1K.

**Table A4.12: Estimated 10-year additional costs of food storage for participants under proposed standard 6.1.1 – Options 1 to 6<sup>168</sup>**

Category of participants	Estimated No. participants affected	Estimated No. dogs affected	one off cost	10-year PV
<b>Option 1</b>				
Large breeders	0.0	0	\$0	\$0
Large trainers	0.0	0	\$0	\$0
<b>Total</b>	<b>0.00*</b>	<b>0</b>	<b>\$0</b>	<b>\$0</b>
<b>Option 2</b>				
Large breeders	0.4	42	\$1,672	\$1,672
Large trainers	0.4	42	\$1,672	\$1,672
<b>Total</b>	<b>0.84</b>	<b>84</b>	<b>\$3,345</b>	<b>\$3,345</b>
<b>Options 3, 5 and 6</b>				
Large breeders	2	160	\$6,400	\$6,400
Large trainers	2	160	\$6,400	\$6,400
<b>Total</b>	<b>3</b>	<b>320</b>	<b>\$12,800</b>	<b>\$12,800</b>
<b>Option 4</b>				
Large breeders	1	101	\$4,036	\$4,036
Large trainers	1	101	\$4,036	\$4,036
<b>Total</b>	<b>2</b>	<b>202</b>	<b>\$8,072</b>	<b>\$8,072</b>

\*Option 1 (information and media campaign) is not likely to result in any behaviour change amongst large participants due to cultural, age and attitude factors.

A4.9 – Estimation of costs and dogs affected by proposed standard 6.2.3 (Health checks) – Options 1 to 6 (excluding Option 5)

The cost of additional health checks and treatment plans for breeding females and all dogs under proposed standard 6.2.3 is estimated in this section. DEDJTR advises that C4/5 vaccinations are already mandatory in order to race dogs and that they would receive a check up from a veterinarian during this process once a year under the base case. Proposed

<sup>168</sup> All estimates are rounded for ease of presentation and therefore subject to rounding error

standard 6.2.3 requires an additional annual health check for all dogs including 3 additional health checks for breeding females. This proposed standard would be relevant to all options considered in this RIS *except for Option 5 which removes the need for these health checks.*

*A4.9.1: Health checks for breeding females*

The estimated number of breeding females affected is calculated by taking the product of the number of breeding females (626 dogs<sup>169</sup> based on GRV data apportioned against large and small breeders 10.69%<sup>170</sup> and 89.31%<sup>171</sup>, respectively); and the last column in Table A4.3 against each of the categories of large breeder and large trainer – using the following formula:

$$\text{Estimated No. breeding females affected} = \{\text{number of breeding females} \times 10.69\% \text{ for large breeders or } 89.31\% \text{ for small breeders}\} \times \% \text{ of total large breeders or small breeders affected by behaviour change (see last column of Table A4.3 for options 1 to 6).}$$

The cost of 3 separate one-hour health checks (\$120/hr x 3) by a veterinarian per breeding female affected is used to estimate the annual cost in Table A4.13.

As shown in Table A4.13, the 10-year additional cost of health checks and treatment plans for breeding females is estimated to be \$1.37m under Options 3 and 6; \$0.05m under Option 1; \$0.36m under Option 2; and \$0.86m under Option 4 – in present value dollars.

**Table A4.13: Estimated 10-year additional costs of health checks and treatment plans for breeding females for participants under standard 6.2.3 – Options 1 to 6 (excluding Option 5)**

Category of participants	Estimated No. breeding females affected	Annual cost	10-year cost	10-year PV
<b>Option 1</b>				
Large breeders	0	\$0	\$0	\$0
Small breeders	17	\$6,281	\$62,812	\$52,984
<b>Total</b>	<b>17</b>	<b>\$6,281</b>	<b>\$62,812</b>	<b>\$52,984</b>
<b>Option 2</b>				
Large breeders	6	\$2,015	\$20,148	\$16,996
Small breeders	112	\$40,377	\$403,768	\$340,591
<b>Total</b>	<b>118</b>	<b>\$42,392</b>	<b>\$423,916</b>	<b>\$357,587</b>
<b>Options 3 and 6</b>				
Large breeders	21	\$7,710	\$77,105	\$65,041
Small breeders	429	\$154,515	\$1,545,152	\$1,303,387
<b>Total</b>	<b>451</b>	<b>\$162,226</b>	<b>\$1,622,257</b>	<b>\$1,368,428</b>
<b>Option 4</b>				
Large breeders	14	\$4,863	\$48,625	\$41,017
Small breeders	271	\$97,444	\$974,436	\$821,969
<b>Total</b>	<b>284</b>	<b>\$102,306</b>	<b>\$1,023,061</b>	<b>\$862,986</b>

<sup>169</sup> Calculated as 4,068 dogs whelped and an average of 6.5 dogs per litter = 626 dogs)

<sup>170</sup> 58 large breeders out of 542 total breeders (see Table 4)

<sup>171</sup> 484 small breeders out of 542 breeders (See Table 4)

#### A4.9.2: Health checks for all greyhounds

The cost of health checks and treatment plans for all dogs under proposed standard 6.2.3 involves a 15-minute additional check per annum (\$120/hr x 0.25hrs) by a veterinarian. Again, there would be *no incremental cost under Option 5*.

The estimated number of dogs affected under proposed standard 6.2.3 is estimated using the product of the number of dogs apportioned to each category of participant (see Table 6) and the last column in Table A4.3 against each of the category of participants, as well as the following formula:

*Estimated No. dogs affected = {Apportionment of registered greyhounds 2015-16} (see Table 4)} x {% of total participants affected by behaviour change (see last column of Table A4.3 for options 1 to 6 (excluding Option 5))}.*

The annual cost is estimated taking the product of the estimated number of dogs affected, and an hourly charge out rate of \$120 for a minimum 15 check up by a veterinarian (see Table A3.1 of Appendix 3) per dog. The 10-year additional cost of record keeping for participants under proposed standard 5 is estimated to be \$14.36m for Options 3 and 6, \$0.57m for Option 1; \$3.75m for Option 2; and \$9.06m for Option 4 – in 2016 dollars, as shown in Table A4.14.

**Table A4.14: Estimated 10-year additional costs of health checks and treatment plans all dogs for participants under proposed standard 6.2.3 – Option 1 to 6 (excluding option 5)**

Category of Participant	Estimated No. dogs affected	Annual cost	10-year cost	10-year PV
<b>Option 1</b>				
Large breeders	0	\$0	\$0	\$0
Small breeders	223	\$26,701	\$267,010	\$225,232
Large trainers	0	\$0	\$0	\$0
Small trainers	338	\$40,528	\$405,277	\$341,865
<b>Total</b>	<b>560</b>	<b>\$67,229</b>	<b>\$672,288</b>	<b>\$567,097</b>
<b>Option 2</b>				
Large breeders	71	\$8,565	\$85,651	\$72,249
Small breeders	1,430	\$171,641	\$1,716,407	\$1,447,846
Large trainers	159	\$19,125	\$191,254	\$161,329
Small trainers	2,046	\$245,476	\$2,454,761	\$2,070,672
<b>Total</b>	<b>3,707</b>	<b>\$444,807</b>	<b>\$4,448,072</b>	<b>\$3,752,097</b>
<b>Options 3 and 6</b>				
Large breeders	273	\$32,777	\$327,771	\$276,486
Small breeders	5,474	\$656,841	\$6,568,407	\$5,540,669
Large trainers	610	\$73,190	\$731,898	\$617,380
Small trainers	7,828	\$939,397	\$9,393,966	\$7,924,122
<b>Total</b>	<b>14,185</b>	<b>\$1,702,204</b>	<b>\$17,022,042</b>	<b>\$14,358,657</b>
<b>Option 4</b>				
Large breeders	172	\$20,671	\$206,706	\$174,363
Small breeders	3,452	\$414,230	\$4,142,304	\$3,494,171
Large trainers	385	\$46,156	\$461,564	\$389,345
Small trainers	4,937	\$592,422	\$5,924,217	\$4,997,273
<b>Total</b>	<b>8,946</b>	<b>\$1,073,479</b>	<b>\$10,734,791</b>	<b>\$9,055,153</b>

#### A4.10 – Estimation of costs and dogs affected by proposed standard 6.3.9 (Rearing) – Options 1 to 6

Proposed standard 6.3.9 imposes requirements around exercise, enrichment, and socialisation of all dogs (16 weeks to 18 months). Under proposed standard 6.3.9 there is an additional cost to rearing puppies (8 to 16 weeks) to ensure adequate bedding materials in kennels at a cost of \$8 per dog per week (i.e. newspapers).

##### A4.10.1: Rearing (8 to 16 weeks)

The estimated number of rearing dogs affected is calculated by taking the product of the number of rearing dogs (3,913 dogs<sup>172</sup> apportioned against large and small breeders 10.69%<sup>173</sup> and 89.31%<sup>174</sup>, respectively); and the last column in Table A4.3 against each of the categories of large breeder and large trainer – using the following formula:

*Estimated No. rearing dogs affected = {number of rearing dogs x 10.69% for large breeders or 89.31% for small breeders} x % of total large breeders or small breeders affected by behaviour change (see last column of Table A4.3 for options 1 to 6).*

The annual cost of additional bedding is estimated by taking the product of the estimated number of rearing dogs affected and a bedding cost of \$8 per dog.

The 10-year additional cost of rearing (8 to 16 weeks) for participants under proposed standard 6.3.9 is estimated to be \$0.19m for Options 3, 5 and 6, \$0.007m for Option 1; \$0.05m for Option 2; and \$0.12m for Option 4 – in 2016 dollars, as shown in Table A4.15.

**Table A4.15: Estimated 10-year additional cost of dog bedding for participants under proposed standard 6.3.9 – Options 1 to 6**

Category of participants	Estimated No. dogs affected (rearing)	Annual cost	10-year cost	10-year PV
<b>Option 1</b>				
Large breeders (rearing)	0	\$0	\$0	\$0
Small breeders (rearing)	109	\$873	\$8,728	\$7,362
<b>Total</b>	<b>109</b>	<b>\$873</b>	<b>\$8,728</b>	<b>\$7,362</b>
<b>Option 2</b>				
Large breeders (rearing)	35	\$280	\$2,800	\$2,362
Small breeders (rearing)	701	\$5,611	\$56,105	\$47,327
<b>Total</b>	<b>736</b>	<b>\$5,890</b>	<b>\$58,905</b>	<b>\$49,688</b>
<b>Options 3, 5 and 6</b>				
Large breeders (rearing)	134	\$1,071	\$10,714	\$9,038
Small breeders (rearing)	2,684	\$21,471	\$214,705	\$181,111
<b>Total</b>	<b>2,818</b>	<b>\$22,542</b>	<b>\$225,419</b>	<b>\$190,149</b>
<b>Option 4</b>				
Large breeders (rearing)	84	\$676	\$6,757	\$5,700
Small breeders (rearing)	1,693	\$13,540	\$135,402	\$114,216
<b>Total</b>	<b>1,777</b>	<b>\$14,216</b>	<b>\$142,158</b>	<b>\$119,915</b>

<sup>172</sup> Based on GRV data

<sup>173</sup> 58 large breeders out of 542 total breeders (see Table 4)

<sup>174</sup> 484 small breeders out of 542 breeders (See Table 4)

#### *A4.10.2: Rearing (16 weeks to 18 months)*

Additional handling costs for all dogs being reared and broken in under proposed standard 6.3.9 are calculated on the basis of 1.95 hours per group of dogs per week for Options 1 to 5 (or 1.02 hours per group of dogs per week for Option 6) at a charge out rate of \$38.15 for a volunteer (see Table A3.1 of Appendix 3) or, in other words, \$74.40 per week per group of dogs for Options 1 to 5 (or \$38.97 per week per group of dogs for Option 6). The cost additional handling per group of dogs would be \$3,869 per annum under Options 1 to 5 (or \$2,017 per annum under Option 6).

The estimated total number of dogs per group by category of participant is variable, as shown in Panel A4.2, and is determined as follows. Firstly, *the proportion of participants* in Panel A4.2 are derived by dividing the individual number of registered breeders and trainers distributed by number of dogs under care by the *total number of participants (542 for breeders and 1,705 for trainers)*.

The number of dogs per group for each category of participant in Panel A4.2 is then determined by taking the product of the number of dogs per group; the number of groups required; and the proportion of participants (for each participant category and number of dogs under care) – using the following formula:

*Number of dogs per group = No. dogs per group x No. groups required x proportion of participants.*



**Panel A4.2: Estimation of average number of dogs per group affected by category of participant under standard 6.3.9 – Options 1 to 6**

Category of participants	No. dogs under care				Total
	1 to 5 dogs	6 to 10 dogs	11 to 29 dogs	30 or more dogs	
<b>Number of participants</b>					
Large breeders	0	0	18	40	
Small breeders	291	168	25	0	<b>542</b>
Large trainers	0	0	179	77	
Small trainers	1,071	379	0	0	<b>1,705</b>
<b>Proportion of participants</b>	<b>1 to 5 dogs</b>	<b>6 to 10 dogs</b>	<b>11 to 29 dogs</b>	<b>30 or more dogs</b>	
Large breeders	0.00%	0.00%	3.29%	7.40%	
Small breeders	53.60%	31.03%	4.67%	0.00%	<b>100%</b>
Large trainers	0.00%	0.00%	10.48%	4.49%	
Small trainers	62.81%	22.21%	0.00%	0.00%	<b>100%</b>
No of dogs per group	3	8	20	40	
No of groups required	1	1	2	3	
<b>Number of dogs per group</b>	<b>1 to 5 dogs</b>	<b>6 to 10 dogs</b>	<b>11 to 29 dogs</b>	<b>30 or more dogs</b>	
Large breeders	0.00	0.00	1.32	8.89	<b>10.20</b>
Small breeders	1.61	2.48	1.87	0.00	<b>5.96</b>
Large trainers	0.00	0.00	4.19	5.39	<b>9.59</b>
Small trainers	1.88	1.78	0.00	0.00	<b>3.66</b>

The estimated number of rearing dogs or dogs breaking in *affected* in Table A4.16 is calculated by taking the product of the number of rearing dogs or dogs broken in (3,913 rearing dogs<sup>175</sup> apportioned against large and small breeders – 10.69%<sup>176</sup> and 89.31%<sup>177</sup>, respectively and 3,913 dogs breaking in apportioned against large and small trainers – 14.98%<sup>178</sup> and 85.02%<sup>179</sup>, respectively); and the last column in Table A4.3 against each of the participant categories – using the following formula:

*Estimated No. rearing dogs or dogs breaking in affected* = [{number of rearing dogs x 10.69% for large breeders or 89.31% for small breeders} + {number of dogs breaking in x 14.98% for large trainers or 85.02% for small trainers}] x % of total participants affected by behaviour change (see last column of Table A4.3 for options 1 to 6).

<sup>175</sup> Based on GRV data

<sup>176</sup> 58 large breeders out of 542 total breeders (see Table 4)

<sup>177</sup> 484 small breeders out of 542 breeders (See Table 4)

<sup>178</sup> 255 large trainers out of 1,705 total trainers (see Table 4)

<sup>179</sup> 1,449 small trainers out of 1,705 total trainers (see Table 4)

The annual cost of additional handling in Table A4.16 is estimated by the following formula:

*Estimated number of dogs affected (rearing and breaking in) (see Table A4.16)/ divided by the average number of dogs per groups per participant category (see Panel A4.2) x the cost of handling a group of dogs of \$3,869/annum for Options 1 to 5 (or \$2,017/annum for Option 6)*

The 10-year additional cost of rearing (16 weeks to 18 weeks) for participants under proposed standard 6.3.9 is estimated to be \$37.23m for Options 3 and 5, \$1.52m for Option 1; \$9.73m for Option 2; \$23.48m for Option 4; and \$19.41m for Option 6 – in 2016 dollars, as shown in Table A4.16. DEDJTR note that these costs are conservatively high as some rearers and breakers will have some exercise areas incorporated into their facilities reducing handling costs however the extent of this remains unknown.

**Table A4.16: Estimated 10-year additional cost of handling for participants under proposed standard 6.3.9 – Options 1 to 6**

Category of participants	Estimated No. dogs affected (rearing and breaking in)	annual cost	10-year cost	10-year PV
<b>Option 1</b>				
Large breeders (rearing)	0	\$0	\$0	\$0
Small breeders (rearing)	109	\$70,832	\$708,320	\$597,491
Large trainers (breaking in)	0	\$0	\$0	\$0
Small trainers (breaking in)	104	\$109,761	\$1,097,610	\$925,870
<b>Total</b>	<b>213</b>	<b>\$180,593</b>	<b>\$1,805,930</b>	<b>\$1,523,362</b>
<b>Option 2</b>				
Large breeders (rearing)	35	\$13,272	\$132,721	\$111,955
Small breeders (rearing)	701	\$455,325	\$4,553,250	\$3,840,817
Large trainers (breaking in)	49	\$19,781	\$197,814	\$166,863
Small trainers (breaking in)	629	\$664,821	\$6,648,212	\$5,607,987
<b>Total</b>	<b>1,414</b>	<b>\$1,153,200</b>	<b>\$11,531,998</b>	<b>\$9,727,622</b>
<b>Options 3 and 5</b>				
Large breeders (rearing)	134	\$50,790	\$507,902	\$428,432
Small breeders (rearing)	2,684	\$1,742,454	\$17,424,540	\$14,698,177
Large trainers (breaking in)	188	\$75,700	\$757,003	\$638,558
Small trainers (breaking in)	2,408	\$2,544,161	\$25,441,614	\$21,460,845
<b>Total</b>	<b>5,413</b>	<b>\$4,413,106</b>	<b>\$44,131,060</b>	<b>\$37,226,012</b>
<b>Option 4</b>				
Large breeders (rearing)	84	\$32,030	\$320,304	\$270,187
Small breeders (rearing)	1,693	\$1,098,862	\$10,988,623	\$9,269,268
Large trainers (breaking in)	118	\$47,740	\$477,397	\$402,700
Small trainers (breaking in)	1,518	\$1,604,452	\$16,044,516	\$13,534,081
<b>Total</b>	<b>3,414</b>	<b>\$2,783,084</b>	<b>\$27,830,839</b>	<b>\$23,476,236</b>
<b>Option 6</b>				
Large breeders (rearing)	134	\$26,480	\$264,804	\$223,371
Small breeders (rearing)	2,684	\$908,459	\$9,084,589	\$7,663,152
Large trainers (breaking in)	188	\$39,468	\$394,677	\$332,923
Small trainers (breaking in)	2,408	\$1,326,443	\$13,264,431	\$11,188,988
<b>Total</b>	<b>5,413</b>	<b>\$2,300,850</b>	<b>\$23,008,501</b>	<b>\$19,408,434</b>

#### A4.11 – Estimation of costs and dogs affected by proposed standard 6.3.12 (Preparing greyhound for retirement/rehoming) – Options 1 to 6

Proposed standard 6.3.12 deals with requirements for owners for greyhounds that need to be retired and rehomed. The net cost of this standard is estimated by looking at a comparison between current rehoming through the GAP program (see Panel A4.3) and what is anticipated under the proposed standard (see Panel A4.4) which involves placing the responsibility of rehabilitation of greyhounds on owners.

**Panel A4.3: Retirement activity under the base case**

<b>Base case</b>				
	No. being retired	No. exiting	No. going to GAP	% not going to GAP
Owner to GAP	5,353	4,508	846	84.20%
	No. going to GAP	No. euthanased (GAP)	No. being rehomed	% euthanased by GAP
GAP onwards	846	159	686	18.84%

**Panel A4.4: Retirement activity under proposed standard 6.3.12 under Options 1 to 6**

<b>Option 1</b>				
	No. being retired	No. exiting	No. going to GAP	% not going to GAP
Owner to GAP	5,353	4,346	1,008	81.18% <sup>180</sup>
	No. going to GAP	No. euthanased (GAP)	No. being rehomed	% euthanased by GAP
GAP onwards	1,008	10	997	1.00%
<b>Option 2</b>				
	No. being retired	No. exiting	No. going to GAP	% not going to GAP
Owner to GAP	5,353	3,442	1,912	64.29% <sup>181</sup>
	No. going to GAP	No. euthanased (GAP)	No. being rehomed	% euthanased by GAP
GAP onwards	1,912	19	1,893	1.00%
<b>Options 3 and 5</b>				
	No. being retired	No. exiting	No. going to GAP	% not going to GAP
Owner to GAP	5,353	428	4,925	8.00% <sup>182</sup>
	No. going to GAP	No. euthanased (GAP)	No. being rehomed	% euthanased by GAP
GAP onwards	4,925	49	4,876	1.00%
<b>Option 4</b>				
	No. being retired	No. exiting	No. going to GAP	% not going to GAP
Owner to GAP	5,353	1,935	3,418	36.15% <sup>183</sup>
	No. going to GAP	No. euthanased (GAP)	No. being rehomed	% euthanased by GAP
GAP onwards	3,418	34	3,384	1.00%
<b>Option 6</b>				

<sup>180</sup> Calculated as: 2.69% (incremental change in behaviour of Option 1 compared to the base case) / 67.69% (incremental change in behaviour of Option 3 compared to the base case) x the change in % of dogs not going to GAP under Option 3 (i.e. 76.20% which is based on advice from DEDJTR = drop from 84.2% under the base case (See Panel A4.3) to 8% under Option 3 (See Panel A4.4))

<sup>181</sup> Calculated as: 17.69% (incremental change in behaviour of Option 2 compared to the base case) / 67.69% x the change in % of dogs not going to GAP under Option 3 (i.e. 76.20%)

<sup>182</sup> Calculated as 84.2% of dogs under the base case not going to GAP less the drop under Option 3 of 76.2% based on DEDJTR advice.

<sup>183</sup> Calculated as: 42.69% (incremental change in behaviour of Option 4 compared to the base case) / 67.69% x the change in % of dogs not going to GAP under Option 3 (i.e. 76.20%)

Owner to GAP	No. being retired 5,353	No. exiting 2,468	No. going to GAP 2,885	% not going to GAP 46.10% <sup>184</sup>
	No. going to GAP	No. euthanased (GAP)	No. being rehomed	% euthanased by GAP
GAP onwards	2,885	29	2,857	1.00%

The following assumptions have also been made to facilitate costing of this standard as shown in Panel A4.5

**Panel A4.5: Assumptions for costing standard 6.3.12**

Cost of food and shelter per month per dog	\$229
Months of food and shelter saved by owner	2.50
Cost to rehabilitate a dog	\$556
Cost to euthanasing a dog	\$120
Number of dogs euthanased outside of GAP under the base case	2,946*
Total dogs to be Rehomed under the base case	1,562
Months required at GAP under the base case	1.40
Months to be spent at GAP in future	0.23
Cost to rehome a dog (including de-sexing)	\$300

\*See Table 7 for source of estimate. All other estimates provided by DEDJTR

*A4.11.1 Incremental cost savings for owners under proposed standard 6.3.12 (Options 1 to 6)*

With respect to owners there are anticipated additional cost savings provided by not having to provide food and shelter, euthanase or rehome a dog that would otherwise be required under the base case. The annual cost savings is estimated by determining the estimated number of dogs affected and using the costs of food and shelter (\$229/month/dog x 2.5 months saved) the cost of euthanasia (\$120/dog) or the cost of rehoming a dog including de-sexing (\$300/dog + \$229/month/dog (food and shelter for one month) (see Panel A4.5 for itemised per unit costs).

The estimated number of dogs affected in terms of food and shelter is determined as the product of the total number going into the GAP program (846 as shown in Panel A4.3) apportioned according to the proportion of large and small owners (see Table 1). The estimated number of dogs affected in terms of euthanasia is determined as the product of the total number euthanased (2,946 as shown in Panel A4.5) apportioned according to the proportion of large and small owners (see Table 1). The estimated number of dogs affected in terms of rehoming is determined as the product of the total number of dogs to be rehomed (1,562 as shown in Panel A4.5) apportioned according to the proportion of large and small owners (see Table 1).

The 10-year additional cost savings for owners under all Options 1 to 6 under proposed standard 6.3.12 is estimated to be \$14.04m in present value dollars as shown in Table A4.17.

<sup>184</sup> Calculated as 84.2% of dogs under the base case not going to GAP less 38.10% (i.e. half the drop under Option 3 of 76.2% reflecting a 50% reduction in rearing time under Option 6 as compared with Option 3)

**Table A4.17: Estimated 10-year additional cost savings of retirement/rehoming for owners under proposed standard 6.3.12 – Options 1 to 6**

Category of participants	Estimated No. dogs affected	Annual cost savings	10-year cost savings	10-year PV cost savings
Large owner (Food and shelter)	21	\$12,114	\$121,136	\$102,182
Small owner (Food and shelter)	825	\$472,383	\$4,723,830	\$3,984,707
Large owner (Euthanasia)	74	\$8,838	\$88,378	\$74,550
Small owner (Euthanasia)	2,872	\$344,642	\$3,446,422	\$2,907,171
Large owner (rehoming)	39	\$20,665.93	\$206,659	\$174,324
Small owner (rehoming)	1,523	\$805,892.40	\$8,058,924	\$6,797,970
<b>Total</b>	<b>5,353</b>	<b>\$1,664,535</b>	<b>\$16,645,349</b>	<b>\$14,040,904</b>

*A4.11.2 Incremental costs for owners under standard 6.3.12 (Options 1 to 6)*

With respect to owners there are anticipated additional costs provided by having to rehabilitate or rehome a dog (Options 1 to 6) or euthanase a dog (Options 1, 2 and 4 only) that would otherwise not be required under the base case. Euthanasia is assumed as the outcome of additional dogs exiting the industry under Options 1, 2 and 4 due to a small impact on behaviour around encouraging rehabilitation by owners under these options. The annual cost is estimated by determining the estimated number of dogs affected and using the costs of rehabilitation (\$556/dog); the cost of rehoming a dog including de-sexing (\$300/dog + \$229/month/dog (food and shelter for one month); and the cost of euthanasing a dog (\$120/dog) (see Panel A4.5 for source of itemised per unit costs).

The estimated number of dogs affected in terms of rehabilitation and rehoming under Options 1 to 6 is determined as the total number expected to go to GAP under each of the options (4,925 dogs under Options 3, 5 and 6; 1,008 dogs under Option 1; 1,912 dogs under Option 2; and 3,418 dogs under Option 4 – as shown in Panel A4.4) apportioned according to the proportion of large and small owners (see Table 1).

The estimated number of dogs affected in terms of euthanasia under Options 1, 2, 4 and 6 is determined as the difference between the numbers expected to exit the industry under each of the remaining options and the number of dogs exiting the industry under Option 3 (i.e. 428 dogs) (0 dogs under Options 3 and 5; 3,917 dogs under Option 1; 3,013 dogs under Option 2; 1,507 dogs under Option 4; and 2,040 – as shown in Panel A4.4) apportioned according to the proportion of large and small owners (see Table 1).

The 10-year additional cost for owners under proposed standard 6.3.12 is estimated to be \$35.58m under Options 3, 5 and 6; \$11.24m under Option 1; \$16.86m under Option 2; \$26.26m under Option 4 – in present value dollars as shown in Table A4.16.

**Table A4.16: Estimated 10-year additional cost of retirement/rehoming/euthanasia for owners under proposed standard 6.3.12 – Options 1 to 6**

Category of participants	Estimated No. dogs affected	Annual cost	10-year cost	10-year PV
<b>Option 1</b>				
Large owner (Rehabilitate)	25	\$14,017	\$140,169	\$118,238
Small owner (Rehabilitate)	982	\$546,607	\$5,466,075	\$4,610,815
Large owner (Euthanasia)	98	\$11,754	\$117,536	\$99,146
Small owner (Euthanasia)	3,820	\$458,346	\$4,583,456	\$3,866,297
Large owner (Rehome)	25	\$7,558	\$75,575	\$63,750
Small owner (Rehome)	982	\$294,714	\$2,947,145	\$2,486,014
<b>Total</b>		<b>\$1,332,996</b>	<b>\$13,329,956</b>	<b>\$11,244,260</b>
<b>Option 2</b>				
Large owner (Rehabilitate)	48	\$26,594	\$265,943	\$224,332
Small owner (Rehabilitate)	1,864	\$1,037,076	\$10,370,763	\$8,748,083
Large owner (Euthanasia)	75	\$9,041	\$90,411	\$76,264
Small owner (Euthanasia)	2,938	\$352,567	\$3,525,671	\$2,974,021
Large owner (Rehome)	48	\$14,339	\$143,389	\$120,953
Small owner (Rehome)	1,864	\$559,161	\$5,591,606	\$4,716,705
<b>Total</b>		<b>\$1,998,778</b>	<b>\$19,987,783</b>	<b>\$16,860,358</b>
<b>Options 3, and 5</b>				
Large owner (Rehabilitate)	123	\$68,516	\$685,155	\$577,951
Smaller owner (Rehabilitate)	4,802	\$2,671,844	\$26,718,438	\$22,537,889
Large owner (Rehome)	123	\$36,942	\$369,415	\$311,614
Smaller owner (Rehome)	4,802	\$1,440,578	\$14,405,785	\$12,151,757
<b>Total</b>		<b>\$4,217,879</b>	<b>\$42,178,793</b>	<b>\$35,579,211</b>
<b>Option 4</b>				
Large owner (Rehabilitate)	85	\$47,554	\$475,540	\$401,134
Small owner (Rehabilitate)	3,333	\$1,854,425	\$18,544,255	\$15,642,694
Large owner (Euthanasia)	38	\$4,521	\$45,207	\$38,134
Small owner (Euthanasia)	1,469	\$176,291	\$1,762,910	\$1,487,073
Large owner (Rehome)	85	\$25,640	\$256,397	\$216,279
Small owner (Rehome)	3,333	\$999,851	\$9,998,509	\$8,434,074
<b>Total</b>		<b>\$3,108,282</b>	<b>\$31,082,819</b>	<b>\$26,219,388</b>
<b>Option 6</b>				
Large owner (Rehabilitate)	72	\$40,140	\$401,400	\$338,595
Smaller owner (Rehabilitate)	2,813	\$1,565,309	\$15,653,086	\$13,203,897
Large owner (Euthanasia)	51	\$6,120	\$61,197	\$51,622
Small owner (Euthanasia)	1,989	\$238,644	\$2,386,443	\$2,013,044
Large owner (Rehome)	72	\$21,642	\$216,423	\$182,560
Smaller owner (Rehome)	2,813	\$843,968	\$8,439,677	\$7,119,147
Large owner (Rehabilitate)	72	\$40,140	\$401,400	\$338,595
<b>Total</b>		<b>\$2,715,823</b>	<b>\$27,158,226</b>	<b>\$22,908,864</b>

A4.11.3 Incremental cost savings for GAP under proposed standard 6.3.12 (Options 1 to 6)

With respect to GAP there are anticipated additional cost savings provided by not having to rehome or rehabilitate or euthanase a dog that would otherwise be required under the base case. The annual cost savings is estimated by determining the estimated number of dogs affected and using the costs of rehabilitation (\$556/dog) or the cost of rehoming a dog including de-sexing (\$300/dog + \$229/month/per dog (food and shelter) x 1.4 months currently spent at GAP) and the cost of euthanasia (\$120/dog) (see Panel A4.5 for itemised per unit costs).

The estimated number of dogs affected in terms of not requiring rehoming, rehabilitation and euthanasia is 686, 846 and 159, respectively, as shown in Panel A4.3. The 10-year additional cost savings for GAP under proposed standard 6.3.12 under Options 1 to 6 is estimated to be \$10.01m in present value dollars as shown in Table A4.17.

**Table A4.17: Estimated 10-year additional cost savings of retirement/rehoming/euthanasia for GAP under proposed standard 6.3.12 – Options 1 to 6**

GAP activity	Estimated No. dogs affected	Annual cost savings	10-year cost savings	10-year PV savings
GAP (Rehome)	686	\$426,099	\$4,260,986	\$3,594,283
GAP (Euthanasia)	159	\$19,120	\$191,200	\$161,284
GAP (Rehabilitate)	846	\$741,856	\$7,418,560	\$6,257,801
<b>Total</b>		<b>\$1,187,075</b>	<b>\$11,870,746</b>	<b>\$10,013,368</b>

A4.11.4 Incremental costs for GAP under proposed standard 6.3.12 (Options 1 to 6)

With respect to GAP there are anticipated additional costs provided by having to provide food and shelter and euthanase dogs that would otherwise not be required under the base case. The annual cost is estimated by determining the estimated number of dogs affected and using the costs of food and shelter (\$229/month/per dog x 0.23 months to be spent at GAP in future) and the cost of euthanasia (\$120/dog) (see Panel A4.5 for source of itemised per unit costs).

The estimated number of dogs affected in terms of rehabilitation, rehoming and euthanasia is determined as the product of the total number expected to go to GAP under each of the options (4,925 dogs under Options 3, 5 and 6; 1,008 dogs under Option 1; 1,912 dogs under Option 2; and 3,418 dogs under Option 4 – as shown in Panel A4.4) and an assumption that 1% of dogs sent to GAP under any of the options will be euthanased.

The 10-year additional cost for GAP under proposed standard 6.3.12 is estimated to be \$2.27m under Options 3, 5 and 6; \$0.46m under Option 1; \$0.88m under Option 2; \$1.58m under Option 4 – in present value dollars as shown in Table A4.18.



**Table A4.18: Estimated 10-year additional cost of food and shelter and euthanasia for GAP under proposed standard 6.3.12 – Options 1 to 6**

GAP activity	Estimated no. dogs affected	Annual cost	10-year cost	10-year PV
<b>Option 1</b>				
GAP (Euthanasia)	10	\$1,209	\$12,091	\$10,199
GAP (Food and Shelter)	1,008	\$53,877	\$538,772	\$454,472
<b>Total</b>		<b>\$55,086</b>	<b>\$550,863</b>	<b>\$464,671</b>
<b>Option 2</b>				
GAP (Euthanasia)	19	\$2,294	\$22,940	\$19,351
GAP (Food and Shelter)	1,912	\$102,221	\$1,022,210	\$862,268
<b>Total</b>		<b>\$104,515</b>	<b>\$1,045,150</b>	<b>\$881,618</b>
<b>Options 3, 5 and 6</b>				
GAP (Euthanasia)	49	\$5,910	\$59,101	\$49,853
GAP (Food and Shelter)	4,925	\$263,354	\$2,633,543	\$2,221,481
<b>Total</b>		<b>\$269,264</b>	<b>\$2,692,643</b>	<b>\$2,271,334</b>
<b>Option 4</b>				
GAP (Euthanasia)	34	\$4,102	\$41,020	\$34,601
GAP (Food and Shelter)	3,418	\$182,784	\$1,827,842	\$1,541,845
<b>Total</b>		<b>\$186,886</b>	<b>\$1,868,862</b>	<b>\$1,576,447</b>

#### **A4.12 – Estimation of costs and dogs affected by proposed standard 6.6.4 (Perimeter fencing) – Options 1 to 6**

Proposed standard 6.6.4 will impose additional costs to participants who do not currently meet the perimeter fencing requirements with a height of 1.5m under this standard. The estimation of costs under proposed standard 6.6.4 utilises the following data points shown in Panel A4.6 - which provides the cost per participant affected by number of dogs under their care.

**Panel A4.6: Assumptions for costing standard 6.6.4**

Number of dogs under the care of the participant	Acre**	square metres	Lineal metres	Cost/lineal metre* with standard post spacing	Total cost per participant affected
< 11 dogs	1.50	6,070	312	\$22	<b>\$6,856</b>
11 to 29 dogs	4.69	18,980	551	\$22	<b>\$12,124</b>
30 or more	7.50	30,351	697	\$22	<b>\$15,331</b>

\*1.5m dog wire \*\*Based on spatial requirements in the proposed Code

The number of participants affected in Table A4.19 is estimated by taking the product of the distribution of participants in Table 4 (by dogs under their care); and the last column in Table A4.3 against each of the categories of participant– using the following formula:

*Estimated No. participants affected = {number of participants by dogs under their care (see Table 4)} x % of participants affected by behaviour change (see last column of Table A4.3 for options 1 to 6).*

The one-off cost perimeter fencing is estimated by summing the products of the estimated number of participants affected in Table A4.19 and the total cost per participant affected in Panel A4.6 for each category of dogs under the participant's care (i.e. < 11 dogs, 11 to 29 dogs and 30 dogs or more).



The 10-year one-off additional cost of perimeter fencing under proposed standard 6.6.4 is estimated to be \$11.18m under Options 3, 5 and 6; \$0.42m under Option 1; \$2.92m under Option 2; and \$4.93m under Option 4 – in present value dollars as shown in Table A4.19.

**Table A4.19: Estimated 10-year additional cost of perimeter fencing for participants under proposed standard 6.6.4**

Category of participants	Estimated No. participants affected (<11 dogs) <sup>185</sup>	Estimated No. participants affected (11 to 29 dogs)	Estimated No. participants affected (30 dogs or more)	One-off cost	10-year PV
<b>Option 1</b>					
Large breeders	0	0	0	\$0	\$0
Small breeders	14	1	0	\$107,828	\$107,828
Large trainers	0	0	0	\$0	\$0
Small trainers	45	0	0	\$310,203	\$310,203
<b>Total</b>	<b>60</b>	<b>1</b>	<b>0</b>	<b>\$418,031</b>	<b>\$418,031</b>
<b>Option 2</b>					
Large breeders	0	1	3	\$69,569	\$69,569
Small breeders	92	5	0	\$693,142	\$693,142
Large trainers	0	15	6	\$279,394	\$279,394
Small trainers	274	0	0	\$1,878,898	\$1,878,898
<b>Total</b>	<b>366</b>	<b>22</b>	<b>10</b>	<b>\$2,921,004</b>	<b>\$2,921,004</b>
<b>Options 3, 5 and 6</b>					
Large breeders	0	6	13	\$266,230	\$266,230
Small breeders	352	19	0	\$2,652,542	\$2,652,542
Large trainers	0	57	25	\$1,069,194	\$1,069,194
Small trainers	1,049	0	0	\$7,190,236	\$7,190,236
<b>Total</b>	<b>1,401</b>	<b>82</b>	<b>37</b>	<b>\$11,178,202</b>	<b>\$11,178,202</b>
<b>Option 4</b>					
Large breeders	0	6	13	\$266,230	\$266,230
Small breeders	348	21	0	\$1,365,901	\$1,365,901
Large trainers	0	36	25	\$809,170	\$809,170
Small trainers	1,049	0	0	\$2,492,351	\$2,492,351
<b>Total</b>	<b>1,396</b>	<b>63</b>	<b>37</b>	<b>\$4,933,652</b>	<b>\$4,933,652</b>

#### **A4.13 – Estimation of costs and dogs affected by proposed standard 6.6.5 (Outdoor housing) – Options 1 to 6**

Proposed standard 6.6.5 will result in additional requirements in that outdoor housing must provide 3 square meters of weather proof area per greyhound housed over 16 weeks with raised sleeping beds. For the purpose of estimation, it is noted that roughly 50% of pens are outdoor<sup>186</sup>. Moreover, housing costs are assumed to be equivalent to current flat pack housing costs of \$2,850 per dog<sup>187</sup>.

<sup>185</sup> This combines the participants with dogs under their care for the 1 to 5 dog and 6 to 10 dog categories in Table 4.

<sup>186</sup> Based on advice from DEDJTR

<sup>187</sup> Based on advice from DEDJTR

The estimated number of rearing dogs or dogs breaking in *affected* in Table A4.20 is calculated by taking 50% of the product of the number of rearing dogs or dogs broken in (3,913 rearing dogs<sup>188</sup> apportioned against large and small breeders – 10.69%<sup>189</sup> and 89.31%<sup>190</sup>, respectively and 3,913 dogs breaking in apportioned against large and small trainers – 14.98%<sup>191</sup> and 85.02%<sup>192</sup>, respectively); and the last column in Table A4.3 against each of the participant categories – using the following formula:

$$\text{Estimated No. rearing dogs or dogs breaking in affected} = 50\% \times [\{\text{number of rearing dogs} \times 10.69\% \text{ for large breeders or } 89.31\% \text{ for small breeders}\} + \{\text{number of dogs breaking in} \times 14.98\% \text{ for large trainers or } 85.02\% \text{ for small trainers}\}] \times \% \text{ of total participants affected by behaviour change (see last column of Table A4.3 for options 1 to 6).}$$

The one-off additional cost of outdoor housing is estimated as the product of the number of dogs affected in Table A4.20 and the cost of flat pack housing (\$2,850/dog).

The 10-year one-off additional cost of outdoor housing under proposed standard 6.6.5 is estimated to be \$7.71m under Options 3, 5 and 6; \$0.30m under Option 1; \$2.02m under Option 2; and \$4.86m under Option 4 – in present value dollars as shown in Table A4.19.

**Table A4.20: Estimated 10-year additional cost of outdoor dog housing for participants under standard 6.6.5 – Options 1 to 6**

Category of participants	Estimated No. dogs affected (rearing and breaking in)	One-off cost	10-year PV cost
<b>Option 1</b>			
Large breeders (rearing)	0	\$0	\$0
Small breeders (rearing)	55	\$155,466	\$155,466
Large trainers (breaking in)	0	\$0	\$0
Small trainers (breaking in)	52	\$148,008	\$148,008
<b>Total</b>	<b>106</b>	<b>\$303,474</b>	<b>\$303,474</b>
<b>Option 2</b>			
Large breeders (rearing)	17	\$49,870	\$49,870
Small breeders (rearing)	351	\$999,373	\$999,373
Large trainers (breaking in)	25	\$69,846	\$69,846
Small trainers (breaking in)	315	\$896,485	\$896,485
<b>Total</b>	<b>707</b>	<b>\$2,015,574</b>	<b>\$2,015,574</b>
<b>Options 3, 5 and 6</b>			
Large breeders (rearing)	67	\$190,844	\$190,844
Small breeders (rearing)	1,342	\$3,824,436	\$3,824,436
Large trainers (breaking in)	94	\$267,291	\$267,291
Small trainers (breaking in)	1,204	\$3,430,700	\$3,430,700
<b>Total</b>	<b>2,706</b>	<b>\$7,713,271</b>	<b>\$7,713,271</b>
<b>Option 4</b>			
Large breeders (rearing)	42	\$120,354	\$120,354
Small breeders (rearing)	846	\$2,411,844	\$2,411,844
Large trainers (breaking in)	59	\$168,565	\$168,565
Small trainers (breaking in)	759	\$2,163,539	\$2,163,539
<b>Total</b>	<b>1707</b>	<b>\$4,864,302</b>	<b>\$4,864,302</b>

<sup>188</sup> Based on GRV data

<sup>189</sup> 58 large breeders out of 542 total breeders (see Table 4)

<sup>190</sup> 484 small breeders out of 542 breeders (See Table 4)

<sup>191</sup> 255 large trainers out of 1,705 total trainers (see Table 4)

<sup>192</sup> 1,449 small trainers out of 1,705 total trainers (see Table 4)

**A4.14 – Estimation of costs and dogs affected by proposed standard 6.6.6 (Indoor housing) – Options 1 to 6**

Proposed standard 6.6.6 would require indoor kennel facilities to meet specified conditions including, that all sleeping areas would be required to have solid partitions to a height of 1.5m on three sides. According to DEDJTR 50% of dogs are housed in indoor kennels. The cost of a panel is \$26.40/pen and the cost of labour required to install the necessary panels is estimated to be \$50/hr, bringing the total cost to \$76.40 per pen.

The estimated number of dogs *affected* in Table A4.21 is calculated by taking 50% of the product of the number of dogs breaking in, training or racing (3,913 dogs breaking in, 3,052 dogs training and 5,759 dogs racing<sup>193</sup> apportioned against large and small trainers – 14.98%<sup>194</sup> and 85.02%<sup>195</sup>, respectively); and the last column in Table A4.3 against each of the participant categories – using the following formula:

$$\text{Estimated No. dogs breaking in, training and racing affected} = 50\% \times \{\text{number of dogs breaking in, training and racing} \times 14.98\% \text{ for large trainers or } 85.02\% \text{ for small trainers}\} \times \% \text{ of total participants affected by behaviour change (see last column of Table A4.3 for options 1 to 6)}.$$

The number of pens affected is determined by dividing the number of dogs affected by 3 dogs per pen<sup>196</sup>.

The one-off additional cost of indoor housing is estimated as the product of the number of pens affected in Table A4.21 and the cost of panels per pen (\$76.40/pen).

The 10-year additional cost of panels for indoor kennels under proposed standard 6.6.6 is estimated to be \$85.91K under Options 3, 5 and 6; \$3.66K under Option 1; \$22.45K under Option 2; \$54.18K under Option 4 – in present value dollars, as shown in Table A4.21.

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<sup>193</sup> See Table 5 for estimates  
<sup>194</sup> 255 large trainers out of 1,705 total trainers (see Table 4)  
<sup>195</sup> 1,449 small trainers out of 1,705 total trainers (see Table 4)  
<sup>196</sup> Based on advice from DEDJTR

**Table A4.21: Estimated 10-year additional cost of indoor dog housing for participants under proposed standard 6.6.6 – Options 1 to 6**

Category of participants	Estimated No. dogs affected (breaking in, training and racing)	No. pens affected	one off cost	10-year PV cost
<b>Option 1</b>				
Large trainers	0	0	\$0	\$0
Small trainers	144	48	\$3,656	\$3,656
<b>Total</b>	<b>144</b>	<b>48</b>	<b>\$3,656</b>	<b>\$3,656</b>
<b>Option 2</b>				
Large trainers	12	4	\$304	\$304
Small trainers	870	290	\$22,146	\$22,146
<b>Total</b>	<b>882</b>	<b>294</b>	<b>\$22,450</b>	<b>\$22,450</b>
<b>Options 3, 5 and 6</b>				
Large trainers	46	15	\$1,163	\$1,163
Small trainers	3,328	1109	\$84,750	\$84,750
<b>Total</b>	<b>3,374</b>	<b>1125</b>	<b>\$85,913</b>	<b>\$85,913</b>
<b>Option 4</b>				
Large trainers	29	10	\$734	\$734
Small trainers	2,099	700	\$53,447	\$53,447
<b>Total</b>	<b>2,127</b>	<b>709</b>	<b>\$54,180</b>	<b>\$54,180</b>

#### **A4.15 – Estimation of costs and dogs affected by proposed standard 7.1 (Sale and transfer of greyhounds out of industry) – Options 1 to 6**

Proposed standard 7.1 would require participants to notify GRV every time a dog was transferred with an estimated time of 1 minute (0.017hrs). GRV would incur 0.5hrs per month to process notifications. The estimated dogs affected by transfer in Table A2.22 is determined as the product of the number of average dogs per annum retired (5,353 dogs (see Table 7)) and the percentage of dogs apportioned by participant category (see Table 6); and the last column in Table A4.3 against each of the participant categories – using the following formula:

*Estimated No. (retired) dogs affected = 5,353 x % of dogs apportioned by participant category (see Table 6) x % of total participants affected by behaviour change (see last column of Table A4.3 for options 1 to 6).*

The annual additional cost of proposed standard 7.1 for participants in Table A4.22 is estimated using the product of the number of dogs affected, the time required for participants to notify GRV (i.e. 0.017hrs) and an hourly charge out rate for an Operations manager of \$68.13 (see Table A3.1 of Appendix 3). The annual additional cost of proposed standard 7.1 for GRV in Table A4.22 is estimated as 0.5hrs per month by 12 months at an hourly charge out rate of \$69.25 (see Table A3.1).

The 10-year additional cost of sale and transfer requirements under proposed standard 7.1 is estimated to be \$38.63K under Options 3, 5 and 6; \$4.89K under Option 1; \$12.68K under Option 2; \$25.66K under Option 4 – in present value dollars, as shown in Table A4.22.

**Table A4.22: Estimated 10-year additional cost of sale and transfer for participants/GRV under proposed standard 7.1 – Options 1 to 6**

Category of participant	Estimated No. dogs affected (those retired)	Annual cost	10-year cost	10-year PV
<b>Option 1</b>				
Large breeders	0	\$0	\$0	\$0
Small breeders	58	\$65	\$653	\$551
Large trainers	0	\$0	\$0	\$0
Small trainers	87	\$99	\$992	\$836
GRV	-	\$416	\$4,155	\$3,505
<b>Total</b>	<b>145</b>	<b>\$580</b>	<b>\$5,800</b>	<b>\$4,892</b>
<b>Option 2</b>				
Large breeders	18	\$21	\$210	\$177
Small breeders	370	\$420	\$4,199	\$3,542
Large trainers	41	\$47	\$468	\$395
Small trainers	529	\$601	\$6,006	\$5,066
GRV	-	\$416	\$4,155	\$3,505
<b>Total</b>	<b>958</b>	<b>\$1,504</b>	<b>\$15,037</b>	<b>\$12,684</b>
<b>Options 3, 5 and 6</b>				
Large breeders	71	\$80	\$802	\$676
Small breeders	1,415	\$1,607	\$16,070	\$13,555
Large trainers	158	\$179	\$1,791	\$1,510
Small trainers	2,024	\$2,298	\$22,982	\$19,386
GRV	-	\$416	\$4,155	\$3,505
<b>Total</b>	<b>3,667</b>	<b>\$4,580</b>	<b>\$45,799</b>	<b>\$38,633</b>
<b>Option 4</b>				
Large breeders	45	\$51	\$506	\$427
Small breeders	892	\$1,013	\$10,134	\$8,548
Large trainers	99	\$113	\$1,129	\$953
Small trainers	1,276	\$1,449	\$14,494	\$12,226
GRV	-	\$416	\$4,155	\$3,505
<b>Total</b>	<b>2,313</b>	<b>\$3,042</b>	<b>\$30,418</b>	<b>\$25,658</b>

#### **A4.16 – Estimation of additional costs of industry (GRV) enforcement – Options 3, 5 and 6**

The additional cost of enforcement by industry (GRV) under Options 3, 5 and 6 involves two components – staffing and training.

##### *A4.16.1: Ongoing additional cost of enforcement staffing by GRV*

The enforcement of the proposed Code by GRV involves hiring 16 GRV animal welfare inspectors and 8 investigation unit officers in addition to existing staff under the current Code (base case) for the first year – falling to 9 GRV animal welfare inspectors 8 investigation unit officers in the subsequent years (based on DEDJTR advice). Salaries including on costs and overheads for welfare inspectors and investigations officers are estimated to be \$117,083 and \$144,169, respectively.

The 10-year additional cost of enforcement staffing under Options 3, 5 and 6 is estimated to be \$19.44m in present value dollars, as shown in Table A4.23.

**Table A4.23: Estimated 10-year additional cost of enforcement staffing GRV**

Category of officer	Salary	No. officers	Annualised cost	10-year cost	10-year PV cost
Animal welfare inspector	\$117,083	16	\$1,135,700	\$11,357,003	\$9,708,245
Investigations unit officer	\$144,169	8	\$1,153,350	\$11,533,500	\$9,728,890
<b>Total</b>		<b>24</b>	<b>\$2,289,050</b>	<b>\$22,890,503</b>	<b>\$19,437,135</b>

*A4.16.2: One-off additional cost of enforcement training of GRV officers and inspectors*

According to DEDJTR, Options 3, 5 and 6 would involve the need for 16 GRV animal welfare inspectors and 8 investigation unit officers to undergo once-off training to assist with the implementation/enforcement of the proposed Code. In order to estimate the cost of providing training the following assumptions were made (as shown in Panel A4.7).

The total time and travel cost for an animal welfare inspector undertaking a four-day course would be \$3,102 plus a registration cost of \$2,800 (i.e. \$5,902 per inspector). The total time and travel cost for an investigations officer (at a higher charge out rate) undertaking a four-day course would be \$3,697 plus a registration cost of \$2,800 (i.e. \$6,497 per officer).

**Panel A4.7: Assumptions for training of GRV officers and inspectors**

Auditing training 1 day	7.6hrs
Legal training 1 day	7.6hrs
Client interactive tactics 2 days	15.2hrs
Total training hours per officer (4 days)	30.4hrs
Total travel hours (2hrs per day) per officer	8hrs
Km travelled @ 100km per hour	800km
<b>Total Vehicle costs @ \$0.66 per km</b>	<b>\$528</b>
<b>Total hours per inspector/officer</b>	<b>38.4hrs</b>
Charge out rate for welfare inspector	\$67.00*
<b>Total time cost including travel and vehicle cost animal welfare inspector</b>	<b>\$3,102</b>
Charge out rate for investigations officer	\$82.53*
<b>Total time cost including travel and vehicle cost investigations unit officer</b>	<b>\$3,697</b>
RTO training registration cost per person per day	\$700
<b>Total training registration cost per person for 4 days</b>	<b>\$2,800</b>

\*See Table A1.3 of Appendix 3 for source of estimate.

The 10-year additional cost of enforcement training under Options 3, 5 and 6 is estimated to be \$0.15m in present value dollars, as shown in Table A4.24.

Table A4.24: Estimated 10-year additional cost of enforcement training for GRV

Category of officer	Travel and training cost	No. officers	One-off cost	10-year PV cost
Animal welfare inspector	\$5,902	16	\$94,429	\$94,429
Investigations unit officer	\$6,497	8	\$51,978	\$51,978
<b>Total</b>		<b>24</b>	<b>\$146,407</b>	<b>\$146,407</b>

## A4.17 – Summary and distribution of total incremental costs - Options 1 to 6

### A4.17.1 Summary of total incremental costs of Option 1

A total summary of net incremental cost under Option 1 based on all estimations in Sections A4.2 to A4.16 of Appendix 4 is provided for in Table A4.25. The total additional costs (including media expenditure) of Option 1 as compared to the base case is -\$7.9m (i.e. cost savings) over 10 years in present value dollars with one-off costs of \$1.76m and annual costs of -\$1.13m (i.e. cost savings).

**Table A4.25: Summary of net incremental costs of Option 1**

Std.	Cost description	Cost incurred by	Estimated No. participants affected	Estimated No. animals affected	One-off cost	Annual cost	10-year PV cost
3.1	Staff Ratio 1:25	Large breeders	0	0	\$0	\$0	\$0
3.1	Staff Ratio 1:25	Total	0	0	\$0	\$0	\$0
3.6	Independent VET	Owners who are VETs	0	0	\$0	\$0	\$0
3.6	Independent VET	Total	0	0	\$0	\$0	\$0
4.1	Health management plans	Large breeders	0	0	\$0	\$0	\$0
4.1	Health management plans	Small breeders	178	223	\$21,704	\$21,380	\$202,051
4.1	Health management plans	Large trainers	0	0	\$0	\$0	\$0
4.1	Health management plans	Small trainers	412	338	\$49,409	\$49,438	\$466,435
4.1	Health management plans	Total	590	560	\$71,112	\$70,818	\$668,486
5	Record keeping	Large breeders	0	0	\$0	\$0	\$0
5	Record keeping	Small breeders	178	223	\$0	\$1,263	\$10,657
5	Record keeping	Large trainers	0	0	\$0	\$0	\$0
5	Record keeping	Small trainers	412	338	\$0	\$1,918	\$16,175
5	Record keeping	Total	590	560	\$0	\$3,181	\$26,832
5.2.1	Records of health & transfer	Large breeders	0	0	\$0	\$0	\$0
5.2.1	Records of health & transfer	Small breeders	178	223	\$0	\$2,021	\$17,051
5.2.1	Records of health & transfer	Large trainers	0	0	\$0	\$0	\$0
5.2.1	Records of health & transfer	Small trainers	412	338	\$0	\$3,068	\$25,880
5.2.1	Records of health & transfer	Total	590	560	\$0	\$5,089	\$42,930
6.1.1	Food receptacle and hygiene	Large breeders	0	0	\$0	\$0	\$0
6.1.1	Food receptacle and hygiene	Small breeders	178	223	\$2,225	\$2,924	\$26,892
6.1.1	Food receptacle and hygiene	Total	178	223	\$2,225	\$2,924	\$26,892
6.1.1	Food storage	Large breeders	0	0	\$0	\$0	\$0
6.1.2	Food storage	Large trainers	0	0	\$0	\$0	\$0



Std.	Cost description	Cost incurred by	Estimated No. participants affected	Estimated No. animals affected	One-off cost	Annual cost	10-year PV cost
6.1.1	Food storage	Total	0	0	\$0	\$0	\$0
6.2.3	Health checks (breeding females)	Large breeders	0	0	\$0	\$0	\$0
6.2.3	Health checks (breeding females)	Small breeders	14	17	\$0	\$6,281	\$52,984
6.2.3	Health checks (breeding females)	Total	14	17	\$0	\$6,281	\$52,984
6.2.3	Health checks (all greyhounds)	Large breeders	0	0	\$0	\$0	\$0
6.2.3	Health checks (all greyhounds)	Small breeders	178	223	\$0	\$26,701	\$225,232
6.2.3	Health checks (all greyhounds)	Large trainers	0	0	\$0	\$0	\$0
6.2.3	Health checks (all greyhounds)	Small trainers	412	338	\$0	\$40,528	\$341,865
6.2.3	Health checks (all greyhounds)	Total	590	560	\$0	\$67,229	\$567,097
6.3.9	Rearing (8 to 16 weeks)	Large breeders (rearing)	0	0	\$0	\$0	\$0
6.3.9	Rearing (8 to 16 weeks)	Small breeders (rearing)	7	109	\$0	\$873	\$7,362
6.3.9	Rearing (8 to 16 weeks)	Total	7	109	\$0	\$873	\$7,362
6.3.9	Rearing (16 weeks to 18 months)	Large breeders (rearing)	0	0	\$0	\$0	\$0
6.3.9	Rearing (16 weeks to 18 months)	Small breeders (rearing)	7	109	\$0	\$70,832	\$597,491
6.3.9	Rearing (16 weeks to 18 months)	Large trainers (breaking in)	0	0	\$0	\$0	\$0
6.3.9	Rearing (16 weeks to 18 months)	Small trainers (breaking in)	14	104	\$0	\$109,761	\$925,870
6.3.9	Rearing (16 weeks to 18 months)	Total	21	213	\$0	\$180,593	\$1,523,362
6.3.12	Food and shelter (cost savings)	Large owner	87	21	\$0	-\$12,114	-\$102,182
6.3.12	Food and shelter (cost savings)	Small owner	3406	825	\$0	-\$472,383	-\$3,984,707
6.3.12	Food and shelter (cost savings)	Total	3493	846	\$0	-\$484,497	-\$4,086,889
6.3.12	Euthanasia (cost savings)	Large owner	87	74	\$0	-\$8,838	-\$74,550
6.3.12	Euthanasia (cost savings)	Small owner	3406	2,872	\$0	-\$344,642	-\$2,907,171
6.3.12	Euthanasia (cost savings)	GAP	1	159	\$0	-\$19,120	-\$161,284
6.3.12	Euthanasia (cost savings)	Total	3494	3,105	\$0	-\$372,600	-\$3,143,005
6.3.12	Rehoming (cost savings)	Large owner	87	39	\$0	-\$20,666	-\$174,324
6.3.12	Rehoming (cost savings)	Small owner	3406	1,523	\$0	-\$805,892	-\$6,797,970
6.3.12	Rehoming (cost savings)	GAP	1	686	\$0	-\$426,099	-\$3,594,283
6.3.12	Rehoming (cost savings)	Total	3494	1,562	\$0	-\$1,252,657	-\$10,566,577

Std.	Cost description	Cost incurred by	Estimated No. participants affected	Estimated No. animals affected	One-off cost	Annual cost	10-year PV cost
6.3.12	Rehabilitation (cost savings)	GAP	1	846	\$0	-\$741,856	-\$6,257,801
6.3.12	Rehabilitation (cost savings)	Total	1	846	\$0	-\$741,856	-\$6,257,801
6.3.12	Rehabilitation	Large owner	87	25	\$0	\$14,017	\$118,238
6.3.12	Rehabilitation	Small owner	3406	982	\$0	\$546,607	\$4,610,815
6.3.12	Rehabilitation	Total	3493	1,008	\$0	\$560,624	\$4,729,053
6.3.12	Rehoming	Large owner	87	25	\$0	\$7,558	\$63,750
6.3.12	Rehoming	Small owner	3406	982	\$0	\$294,714	\$2,486,014
6.3.12	Rehoming	Total	3493	1,008	\$0	\$302,272	\$2,549,764
6.3.12	Euthanasia	Large owner	87	98	\$0	\$11,754	\$99,146
6.3.12	Euthanasia	Small owner	3406	3,820	\$0	\$458,346	\$3,866,297
6.3.12	Euthanasia	Total	3493	3,917	\$0	\$470,099	\$3,965,443
6.3.12	Food and shelter	GAP	1	1,008	\$0	\$53,877	\$454,472
6.3.12	Euthanasia	GAP	1	10	\$0	\$1,209	\$10,199
6.3.12	Food and shelter/euthanasia	Total	1	1,018	\$0	\$55,086	\$464,671
6.6.4	Perimeter fencing	Large breeders	0	0	\$0	\$0	\$0
6.6.4	Perimeter fencing	Small breeders	178	223	\$107,828	\$0	\$107,828
6.6.4	Perimeter fencing	Large trainers	0	0	\$0	\$0	\$0
6.6.4	Perimeter fencing	Small trainers	412	338	\$310,203	\$0	\$310,203
6.6.4	Perimeter fencing	Total	590	560	\$418,031	\$0	\$418,031
6.6.5	Outdoor housing	Large breeders (rearing)	0	0	\$0	\$0	\$0
6.6.5	Outdoor housing	Small breeders (rearing)	4	55	\$155,466	\$0	\$155,466
6.6.5	Outdoor housing	Large trainers (breaking in)	0	0	\$0	\$0	\$0
6.6.5	Outdoor housing	Small trainers (breaking in)	7	52	\$148,008	\$0	\$148,008
6.6.5	Outdoor housing	Total	11	106	\$303,474	\$0	\$303,474
6.6.6	Indoor housing	Large trainers	0	0	\$0	\$0	\$0
6.6.6	Indoor housing	Small trainers	19	144	\$3,656	\$0	\$3,656
6.6.6	Indoor housing	Total	19	144	\$3,656	\$0	\$3,656
7.1	Sale and transfer out of industry	Large breeders	0	0	\$0	\$0	\$0
7.1	Sale and transfer out of industry	Small breeders	4	58	\$0	\$65	\$551
7.1	Sale and transfer out of industry	Large trainers	0	0	\$0	\$0	\$0
7.1	Sale and transfer out of industry	Small trainers	12	87	\$0	\$99	\$836
7.1	Sale and transfer out of industry	GRV	1	145	\$0	\$416	\$3,505
7.1	Sale and transfer out of industry	Total	17	145	\$0	\$580	\$4,892
	Media campaign	DEDJTR	1	560	\$964,600	\$0	\$964,600
	Media campaign	Total	1	560	\$964,600	\$0	\$964,600
<b>Total</b>					<b>\$1,763,099</b>	<b>-\$1,125,959</b>	<b>-\$7,734,742</b>

#### A4.17.2 Distribution of total incremental costs of Option 1

A total summary of the distribution of costs under Option 1 based on all estimates in Table A4.25 is provided for in Table A4.26. The largest share of 10-year present value cost is incurred by small owners (67.18%) followed by small trainers (13.72%) small breeders (8.60%) and DEDJTR (5.91%). Small owners are also likely to obtain the highest share of 56.91% of all 10-year present value cost savings, followed by GAP (41.63%) under Option 1.

**Table A4.26: Distribution of 10-year additional cost of Option 1**

Category of participant	One-off cost	Annual cost	10-year PV cost	% of 10-year PV cost
Large breeder	\$0	\$0	\$0	0.00%
Small breeder	\$287,222	\$132,341	\$1,403,564	8.60%
Large trainer	\$0	\$0	\$0	0.00%
Small trainer	\$511,277	\$204,811	\$2,238,929	13.72%
Large owner	\$0	\$33,328	\$281,133	1.72%
Small owner	\$0	\$1,299,668	\$10,963,127	67.18%
GAP	\$0	\$55,086	\$464,671	2.85%
GRV	\$0	\$416	\$3,505	0.02%
DEDJTR	\$964,600	\$0	\$964,600	5.91%
<b>Total costs</b>	<b>\$1,763,099</b>	<b>\$1,725,650</b>	<b>\$16,319,529</b>	<b>100.00%</b>
Large owner	\$0	-\$41,617	-\$351,056	1.46%
Small owner	\$0	-\$1,622,918	-\$13,689,847	56.91%
GAP	\$0	-\$1,187,075	-\$10,013,368	41.63%
<b>Total cost savings</b>	<b>\$0</b>	<b>-\$2,851,609</b>	<b>-\$24,054,271</b>	<b>100.00%</b>
<b>Total net costs</b>	<b>\$1,763,099</b>	<b>-\$1,125,959</b>	<b>-\$7,734,742</b>	

#### A4.17.3 Summary of total incremental costs of Option 2

A total summary of net incremental cost under Option 2 based on all estimations in Sections A4.2 to A4.13 of Appendix 4 is provided for in Table A4.27. The total additional cost of Option 2, as compared to the base case, is \$35.79m over 10 years in present value dollars with one-off costs of \$5.21m and annual costs of \$3.61m.

**Table A4.27: Summary of net incremental costs of Option 2**

Std.	Cost description	Cost incurred by	Estimated No. participants	Estimated No. animals affected	One-off cost	Annual cost	10-year PV cost
3.1	Staff Ratio 1:25	Large breeders	4	92	\$0	\$245,894	\$2,074,196
3.1	Staff Ratio 1:25	Total	4	92	\$0	\$245,894	\$2,074,196
3.6	Independent VET	Owners who are VETs	1	6	\$0	\$133	\$1,119
3.6	Independent VET	Total	1	6	\$0	\$133	\$1,119
4.1	Health management plans	Large breeders	5	71	\$1,026	\$582	\$5,935
4.1	Health management plans	Small breeders	232	1,430	\$25,319	\$27,806	\$259,875
4.1	Health management plans	Large trainers	21	159	\$3,470	\$2,562	\$25,082
4.1	Health management plans	Small trainers	581	2,046	\$59,974	\$69,722	\$648,106
4.1	Health management plans	Total	839	3,707	\$89,788	\$100,673	\$938,998
5	Record keeping	Large breeders	5	71	\$0	\$405	\$3,418
5	Record keeping	Small breeders	232	1,430	\$0	\$8,121	\$68,503
5	Record keeping	Large trainers	21	159	\$0	\$905	\$7,633
5	Record keeping	Small trainers	581	2,046	\$0	\$11,614	\$97,971
5	Record keeping	Total	839	3,707	\$0	\$21,046	\$177,526
5.2.1	Records of health & transfer	Large breeders	5	71	\$0	\$648	\$5,469
5.2.1	Records of health & transfer	Small breeders	232	1,430	\$0	\$12,994	\$109,605
5.2.1	Records of health & transfer	Large trainers	21	159	\$0	\$1,448	\$12,213
5.2.1	Records of health & transfer	Small trainers	581	2,046	\$0	\$18,583	\$156,754
5.2.1	Records of health & transfer	Total	839	3,707	\$0	\$33,673	\$284,042
6.1.1	Food receptacle and hygiene	Large breeders	5	71	\$714	\$938	\$8,626
6.1.1	Food receptacle and hygiene	Small breeders	232	1,430	\$14,303	\$18,798	\$172,867
6.1.1	Food receptacle and hygiene	Total	237	1,502	\$15,017	\$19,736	\$181,493
6.1.1	Food storage	Large breeders	0.42	42	\$1,672	\$0	\$1,672
6.1.2	Food storage	Large trainers	0.42	42	\$1,672	\$0	\$1,672
6.1.1	Food storage	Total	1	84	\$3,345	\$0	\$3,345
6.2.3	Health checks (breeding females)	Large breeders	0	6	\$0	\$2,015	\$16,996
6.2.3	Health checks	Small breeders	18	112	\$0	\$40,377	\$340,591

Std.	Cost description	Cost incurred by	Estimated No. participants	Estimated No. animals affected	One-off cost	Annual cost	10-year PV cost
	(breeding females) Health checks						
6.2.3	(breeding females) Health checks (all greyhounds)	Total	19	118	\$0	\$42,392	\$357,587
6.2.3	Health checks (all greyhounds)	Large breeders	5	71	\$0	\$8,565	\$72,249
6.2.3	Health checks (all greyhounds)	Small breeders	232	1,430	\$0	\$171,641	\$1,447,846
6.2.3	Health checks (all greyhounds)	Large trainers	21	159	\$0	\$19,125	\$161,329
6.2.3	Health checks (all greyhounds)	Small trainers	581	2,046	\$0	\$245,476	\$2,070,672
6.2.3	Health checks (all greyhounds)	Total	839	3,707	\$0	\$444,807	\$3,752,097
6.3.9	Rearing (8 to 16 weeks)	Large breeders (rearing)	2	35	\$0	\$280	\$2,362
6.3.9	Rearing (8 to 16 weeks)	Small breeders (rearing)	48	701	\$0	\$5,611	\$47,327
6.3.9	Rearing (8 to 16 weeks)	Total	50	736	\$0	\$5,890	\$49,688
6.3.9	Rearing (16 weeks to 18 months)	Large breeders (rearing)	2	35	\$0	\$13,272	\$111,955
6.3.9	Rearing (16 weeks to 18 months)	Small breeders (rearing)	48	701	\$0	\$455,325	\$3,840,817
6.3.9	Rearing (16 weeks to 18 months)	Large trainers (breaking in)	7	49	\$0	\$19,781	\$166,863
6.3.9	Rearing (16 weeks to 18 months)	Small trainers (breaking in)	84	629	\$0	\$664,821	\$5,607,987
6.3.9	Rearing (16 weeks to 18 months)	Total	141	1,414	\$0	\$1,153,200	\$9,727,622
6.3.12	Food and shelter (cost savings)	Large owner	87	21	\$0	-\$12,114	-\$102,182
6.3.12	Food and shelter (cost savings)	Small owner	3406	825	\$0	-\$472,383	-\$3,984,707
6.3.12	Food and shelter (cost savings)	Total	3493	846	\$0	-\$484,497	-\$4,086,889
6.3.12	Euthanasia (cost savings)	Large owner	87	74	\$0	-\$8,838	-\$74,550
6.3.12	Euthanasia (cost savings)	Small owner	3406	2,872	\$0	-\$344,642	-\$2,907,171
6.3.12	Euthanasia (cost savings)	GAP	1	159	\$0	-\$19,120	-\$161,284
6.3.12	Euthanasia (cost savings)	Total	3494	3,105	\$0	-\$372,600	-\$3,143,005
6.3.12	Rehoming (cost savings)	Large owner	87	39	\$0	-\$20,666	-\$174,324
6.3.12	Rehoming (cost savings)	Small owner	3406	1,523	\$0	-\$805,892	-\$6,797,970
6.3.12	Rehoming (cost savings)	GAP	1	686	\$0	-\$426,099	-\$3,594,283
6.3.12	Rehoming (cost savings)	Total	3494	1,562	\$0	-\$1,252,657	-\$10,566,577
6.3.12	Rehabilitation (cost savings)	GAP	1	846	\$0	-\$741,856	-\$6,257,801
6.3.12	Rehabilitation (cost savings)	Total	1	846	\$0	-\$741,856	-\$6,257,801

Std.	Cost description	Cost incurred by	Estimated No. participants	Estimated No. animals affected	One-off cost	Annual cost	10-year PV cost
6.3.12	Rehabilitation	Large owner	87	48	\$0	\$26,594	\$224,332
6.3.12	Rehabilitation	Small owner	3406	1,864	\$0	\$1,037,076	\$8,748,083
6.3.12	Rehabilitation	Total	3493	1,912	\$0	\$1,063,671	\$8,972,414
6.3.12	Rehoming	Large owner	87	48	\$0	\$14,339	\$120,953
6.3.12	Rehoming	Small owner	3406	1,864	\$0	\$559,161	\$4,716,705
6.3.12	Rehoming	Total	3493	1,912	\$0	\$573,499	\$4,837,658
6.3.12	Euthanasia	Large owner	87	75	\$0	\$9,041	\$76,264
6.3.12	Euthanasia	Small owner	3406	2,938	\$0	\$352,567	\$2,974,021
6.3.12	Euthanasia	Total	3493	3,013	\$0	\$361,608	\$3,050,285
6.3.12	Food and shelter	GAP	1	1,912	\$0	\$102,221	\$862,268
6.3.12	Euthanasia	GAP	1	19	\$0	\$2,294	\$19,351
6.3.12	Food and shelter/euthanasia	Total	1	1,931	\$0	\$104,515	\$881,618
6.6.4	Perimeter fencing	Large breeders	5	71	\$69,569	\$0	\$69,569
6.6.4	Perimeter fencing	Small breeders	232	1,430	\$693,142	\$0	\$693,142
6.6.4	Perimeter fencing	Large trainers	21	159	\$279,394	\$0	\$279,394
6.6.4	Perimeter fencing	Small trainers	581	2,046	\$1,878,898	\$0	\$1,878,898
6.6.4	Perimeter fencing	Total	839	3,707	\$2,921,004	\$0	\$2,921,004
6.6.5	Outdoor housing	Large breeders (rearing)	1	17	\$49,870	\$0	\$49,870
6.6.5	Outdoor housing	Small breeders (rearing)	24	351	\$999,373	\$0	\$999,373
6.6.5	Outdoor housing	Large trainers (breaking in)	3	25	\$69,846	\$0	\$69,846
6.6.5	Outdoor housing	Small trainers (breaking in)	42	315	\$896,485	\$0	\$896,485
6.6.5	Outdoor housing	Total	70	707	\$2,015,574	\$0	\$2,015,574
6.6.6	Indoor housing	Large trainers	2	12	\$304	\$0	\$304
6.6.6	Indoor housing	Small trainers	116	870	\$22,146	\$0	\$22,146
6.6.6	Indoor housing	Total	118	882	\$22,450	\$0	\$22,450
7.1	Sale and transfer out of industry	Large breeders	1	18	\$0	\$21	\$177
7.1	Sale and transfer out of industry	Small breeders	25	370	\$0	\$420	\$3,542
7.1	Sale and transfer out of industry	Large trainers	6	41	\$0	\$47	\$395
7.1	Sale and transfer out of industry	Small trainers	71	529	\$0	\$601	\$5,066
7.1	Sale and transfer out of industry	GRV	1	958	\$0	\$416	\$3,505
7.1	Sale and transfer out of industry	Total	104	958	\$0	\$1,504	\$12,684
	Enforcement (staffing)	GRV	24 staff	3,707	\$0	\$2,289,050	\$19,437,135
	Enforcement (training)	GRV	24 staff	3,707	\$146,407	\$0	\$146,407
	Enforcement (staffing and training)	Total	24 staff	3,707	\$146,407	\$2,289,050	\$19,583,542
Total					\$5,213,586	\$3,609,680	\$35,790,672

#### A4.17.4 Distribution of total incremental costs of Option 2

A total summary of the distribution of costs under Option 2 based on all estimates in Table A4.27 is provided for in Table A4.28. The largest share of 10-year present value cost is incurred by GRV (32.73%) followed by small owners (27.47%) small trainers (19.02%) and small breeders (13.34%). Small owners are also likely to obtain the highest share of 56.91% of all 10-year present value cost savings, followed by GAP (41.63%) under Option 2.

**Table A4.28: Distribution of 10-year additional cost of Option 2**

Category of participant	One-off cost	Annual cost	10-year PV cost	% of 10-year PV cost
Large breeder	\$122,851	\$272,620	\$2,422,495	4.05%
Small breeder	\$1,732,138	\$741,091	\$7,983,488	13.34%
Large trainer	\$354,686	\$43,868	\$724,731	1.21%
Small trainer	\$2,857,503	\$1,010,818	\$11,384,086	19.02%
Large owner	\$0	\$49,974	\$421,549	0.70%
Small owner	\$0	\$1,948,937	\$16,439,928	27.47%
GAP	\$0	\$104,515	\$881,618	1.47%
GRV	\$146,407	\$2,289,466	\$19,587,047	32.73%
<b>Total costs</b>	<b>\$5,213,586</b>	<b>\$6,461,290</b>	<b>\$59,844,943</b>	<b>100.00%</b>
Large owner	\$0	-\$41,617	-\$351,056	1.46%
Small owner	\$0	-\$1,622,918	-\$13,689,847	56.91%
GAP	\$0	-\$1,187,075	-\$10,013,368	41.63%
<b>Total cost savings</b>	<b>\$0</b>	<b>-\$2,851,609</b>	<b>-\$24,054,271</b>	<b>100.00%</b>
<b>Total net costs</b>	<b>\$5,213,586</b>	<b>\$3,609,680</b>	<b>\$35,790,672</b>	

A4.17.5 Summary of total incremental costs of Option 3

A total summary of net incremental cost under Option 3 based on all estimations in Sections A4.2 to A4.13 of Appendix 4 is provided in in Table A4.29. The total additional cost of Option 3, as compared to the base case, is \$117.79m over 10 years in present value dollars with one-off costs of \$19.34m and annual costs of \$11.66m.

Table A4.29: Summary of net incremental costs of Option 3

Std.	Cost description	Cost incurred by	Estimated No. participants	Estimated No. animals affected	One-off cost	Annual cost	10-year PV cost
3.1	Staff Ratio 1:25	Large breeders	14	353	\$0	\$940,995	\$7,937,607
3.1	Staff Ratio 1:25	Total	14	353	\$0	\$940,995	\$7,937,607
3.6	Independent VET	Owners who are VETs	4	23	\$0	\$508	\$4,282
3.6	Independent VET	Total	4	23	\$0	\$508	\$4,282
4.1	Health management plans	Large breeders	19	273	\$3,926	\$2,227	\$22,713
4.1	Health management plans	Small breeders	411	5,474	\$37,422	\$49,319	\$453,445
4.1	Health management plans	Large trainers	82	610	\$13,277	\$9,805	\$95,984
4.1	Health management plans	Small trainers	1,153	7,828	\$95,744	\$138,402	\$1,263,213
4.1	Health management plans	Total	1,665	14,185	\$150,370	\$199,753	\$1,835,355
5	Record keeping	Large breeders	19	273	\$0	\$1,551	\$13,082
5	Record keeping	Small breeders	411	5,474	\$0	\$31,078	\$262,150
5	Record keeping	Large trainers	82	610	\$0	\$3,463	\$29,211
5	Record keeping	Small trainers	1,153	7,828	\$0	\$44,446	\$374,921
5	Record keeping	Total	1,665	14,185	\$0	\$80,538	\$679,363
5.2.1	Records of health & transfer	Large breeders	19	273	\$0	\$2,481	\$20,931
5.2.1	Records of health & transfer	Small breeders	411	5,474	\$0	\$49,724	\$419,440
5.2.1	Records of health & transfer	Large trainers	82	610	\$0	\$5,541	\$46,737
5.2.1	Records of health & transfer	Small trainers	1,153	7,828	\$0	\$71,114	\$599,873
5.2.1	Records of health & transfer	Total	1,665	14,185	\$0	\$128,860	\$1,086,981
6.1.1	Food receptacle and hygiene	Large breeders	19	273	\$2,731	\$3,590	\$33,011
6.1.1	Food receptacle and hygiene	Small breeders	411	5,474	\$54,737	\$71,935	\$661,532
6.1.1	Food receptacle and hygiene	Total	430	5,747	\$57,468	\$75,525	\$694,544
6.1.1	Food storage	Large breeders	1.6	160	\$6,400	\$0	\$6,400
6.1.2	Food storage	Large trainers	1.6	160	\$6,400	\$0	\$6,400
6.1.1	Food storage	Total	3.2	320	\$12,800	\$0	\$12,800
6.2.3	Health checks (breeding females)	Large breeders	1	21	\$0	\$7,710	\$65,041
6.2.3	Health checks (breeding females)	Small breeders	32	429	\$0	\$154,515	\$1,303,387



Std.	Cost description	Cost incurred by	Estimated No. participants	Estimated No. animals affected	One-off cost	Annual cost	10-year PV cost
6.2.3	Health checks (breeding females)	Total	34	451	\$0	\$162,226	\$1,368,428
6.2.3	Health checks (all greyhounds)	Large breeders	19	273	\$0	\$32,777	\$276,486
6.2.3	Health checks (all greyhounds)	Small breeders	411	5,474	\$0	\$656,841	\$5,540,669
6.2.3	Health checks (all greyhounds)	Large trainers	82	610	\$0	\$73,190	\$617,380
6.2.3	Health checks (all greyhounds)	Small trainers	1,153	7,828	\$0	\$939,397	\$7,924,122
6.2.3	Health checks (all greyhounds)	Total	1,665	14,185	\$0	\$1,702,204	\$14,358,657
6.3.9	Rearing (8 to 16 weeks)	Large breeders (rearing)	9	134	\$0	\$1,071	\$9,038
6.3.9	Rearing (8 to 16 weeks)	Small breeders (rearing)	182	2,684	\$0	\$21,471	\$181,111
6.3.9	Rearing (8 to 16 weeks)	Total	191	2,818	\$0	\$22,542	\$190,149
6.3.9	Rearing (16 weeks to 18 months)	Large breeders (rearing)	9	134	\$0	\$50,790	\$428,432
6.3.9	Rearing (16 weeks to 18 months)	Small breeders (rearing)	182	2,684	\$0	\$1,742,454	\$14,698,177
6.3.9	Rearing (16 weeks to 18 months)	Large trainers (breaking in)	25	188	\$0	\$75,700	\$638,558
6.3.9	Rearing (16 weeks to 18 months)	Small trainers (breaking in)	323	2,408	\$0	\$2,544,161	\$21,460,845
6.3.9	Rearing (16 weeks to 18 months)	Total	539	5,413	\$0	\$4,413,106	\$37,226,012
6.3.12	Food and shelter (cost savings)	Large owner	87	21	\$0	-\$12,114	-\$102,182
6.3.12	Food and shelter (cost savings)	Small owner	3406	825	\$0	-\$472,383	-\$3,984,707
6.3.12	Food and shelter (cost savings)	Total	3493	846	\$0	-\$484,497	-\$4,086,889
6.3.12	Euthanasia (cost savings)	Large owner	87	74	\$0	-\$8,838	-\$74,550
6.3.12	Euthanasia (cost savings)	Small owner	3406	2,872	\$0	-\$344,642	-\$2,907,171
6.3.12	Euthanasia (cost savings)	GAP	1	159	\$0	-\$19,120	-\$161,284
6.3.12	Euthanasia (cost savings)	Total	3494	3,105	\$0	-\$372,600	-\$3,143,005
6.3.12	Rehoming (cost savings)	Large owner	87	39	\$0	-\$20,666	-\$174,324
6.3.12	Rehoming (cost savings)	Small owner	3406	1,523	\$0	-\$805,892	-\$6,797,970
6.3.12	Rehoming (cost savings)	GAP	1	686	\$0	-\$426,099	-\$3,594,283
6.3.12	Rehoming (cost savings)	Total	3494	1,562	\$0	-\$1,252,657	-\$10,566,577
6.3.12	Rehabilitation (cost savings)	GAP	1	846	\$0	-\$741,856	-\$6,257,801
6.3.12	Rehabilitation (cost savings)	Total	1	846	\$0	-\$741,856	-\$6,257,801
6.3.12	Rehabilitation	Large owner	87	123	\$0	\$68,516	\$577,951

Std.	Cost description	Cost incurred by	Estimated No. participants	Estimated No. animals affected	One-off cost	Annual cost	10-year PV cost
6.3.12	Rehabilitation	Small owner	3406	4,802	\$0	\$2,671,844	\$22,537,889
6.3.12	Rehabilitation	Total	3493	4,925	\$0	\$2,740,359	\$23,115,840
6.3.12	Rehoming	Large owner	87	123	\$0	\$36,942	\$311,614
6.3.12	Rehoming	Small owner	3406	4,802	\$0	\$1,440,578	\$12,151,757
6.3.12	Rehoming	Total	3493	4,925	\$0	\$1,477,520	\$12,463,371
6.3.12	Food and shelter	GAP	1	4,925	\$0	\$263,354	\$2,221,481
6.3.12	Euthanasia	GAP	1	49	\$0	\$5,910	\$49,853
6.3.12	Food and shelter/euthanasia	Total	1	4,974	\$0	\$269,264	\$2,271,334
6.6.4	Perimeter fencing	Large breeders	19	273	\$266,230	\$0	\$266,230
6.6.4	Perimeter fencing	Small breeders	411	5,474	\$2,652,542	\$0	\$2,652,542
6.6.4	Perimeter fencing	Large trainers	82	610	\$1,069,194	\$0	\$1,069,194
6.6.4	Perimeter fencing	Small trainers	1153	7,828	\$7,190,236	\$0	\$7,190,236
6.6.4	Perimeter fencing	Total	1665	14,185	\$11,178,202	\$0	\$11,178,202
6.6.5	Outdoor housing	Large breeders (rearing)	5	67	\$190,844	\$0	\$190,844
6.6.5	Outdoor housing	Small breeders (rearing)	91	1342	\$3,824,436	\$0	\$3,824,436
6.6.5	Outdoor housing	Large trainers (breaking in)	13	94	\$267,291	\$0	\$267,291
6.6.5	Outdoor housing	Small trainers (breaking in)	161	1204	\$3,430,700	\$0	\$3,430,700
6.6.5	Outdoor housing	Total	270	2706	\$7,713,271	\$0	\$7,713,271
6.6.6	Indoor housing	Large trainers	6	46	\$1,163	\$0	\$1,163
6.6.6	Indoor housing	Small trainers	446	3,328	\$84,750	\$0	\$84,750
6.6.6	Indoor housing	Total	452	3,374	\$85,913	\$0	\$85,913
7.1	Sale and transfer out of industry	Large breeders	5	71	\$0	\$80	\$676
7.1	Sale and transfer out of industry	Small breeders	96	1,415	\$0	\$1,607	\$13,555
7.1	Sale and transfer out of industry	Large trainers	21	158	\$0	\$179	\$1,510
7.1	Sale and transfer out of industry	Small trainers	271	2,024	\$0	\$2,298	\$19,386
7.1	Sale and transfer out of industry	GRV	1	3,667	\$0	\$416	\$3,505
7.1	Sale and transfer out of industry	Total	394	3,667	\$0	\$4,580	\$38,633
	Enforcement (staffing)	GRV	24 staff	14,185	\$0	\$2,289,050	\$19,437,135
	Enforcement (training)	GRV	24 staff	14,185	\$146,407	\$0	\$146,407
	Enforcement (staffing and training)	Total	24 staff	14,185	\$146,407	\$2,289,050	\$19,583,542
Total					\$19,344,431	\$11,655,421	\$117,790,011

A4.17.6 Distribution of total incremental costs of Option 3

A total summary of the distribution of costs under Option 3 based on all estimates in Table A4.29 is provided for in Table A4.30. The largest share of 10-year present value cost is incurred by small trainers (29.86%) followed by small owners (24.46%) small breeders (21.16%) and GRV (13.81%). Small owners are also likely to obtain the highest share of 56.91% of all 10-year present value cost savings, followed by GAP (41.63%) under Option 3.

Table A4.30: Distribution of 10-year additional cost of Option 3

Category of participant	One-off cost	Annual cost	10-year PV cost	% of 10-year PV cost
Large breeder	\$470,131	\$1,043,274	\$9,270,490	6.54%
Small breeder	\$6,569,136	\$2,778,943	\$30,010,444	21.16%
Large trainer	\$1,357,326	\$167,877	\$2,773,428	1.96%
Small trainer	\$10,801,430	\$3,739,819	\$42,348,046	29.86%
Large owner	\$0	\$105,457	\$889,565	0.63%
Small owner	\$0	\$4,112,930	\$34,693,928	24.46%
GAP	\$0	\$269,264	\$2,271,334	1.60%
GRV	\$146,407	\$2,289,466	\$19,587,047	13.81%
<b>Total costs</b>	<b>\$19,344,431</b>	<b>\$14,507,031</b>	<b>\$141,844,282</b>	<b>100.00%</b>
Large owner	\$0	-\$41,617	-\$351,056	1.46%
Small owner	\$0	-\$1,622,918	-\$13,689,847	56.91%
GAP	\$0	-\$1,187,075	-\$10,013,368	41.63%
<b>Total cost savings</b>	<b>\$0</b>	<b>-\$2,851,609</b>	<b>-\$24,054,271</b>	<b>100.00%</b>
<b>Total net costs</b>	<b>\$19,344,431</b>	<b>\$11,655,421</b>	<b>\$117,790,011</b>	

#### A4.17.7 Summary of total incremental costs of Option 4

A total summary of net incremental cost under Option 4 based on all estimations in Sections A4.2 to A4.13 of Appendix 4 is provided for in Table A4.31. The total additional cost of Option 4, as compared to the base case, is \$62.18m over 10 years in present value dollars with one-off costs of \$12.13m and annual costs of \$5.93m.

**Table A4.31: Summary of net incremental costs of Option 4**

Std.	Cost description	Cost incurred by	Estimated No. participants	Estimated No. animals affected	One-off cost	Annual cost	10-year PV cost
3.1	Staff Ratio 1:25	Large breeders	9	223	\$0	\$593,430	\$5,005,777
3.1	Staff Ratio 1:25	Total	9	223	\$0	\$593,430	\$5,005,777
3.6	Independent VET	Owners who are VETs	3	15	\$0	\$320	\$2,701
3.6	Independent VET	Total	3	15	\$0	\$320	\$2,701
4.1	Health management plans	Large breeders	12	172	\$2,476	\$1,405	\$14,324
4.1	Health management plans	Small breeders	321	3,452	\$31,370	\$38,562	\$356,656
4.1	Health management plans	Large trainers	52	385	\$8,373	\$6,183	\$60,531
4.1	Health management plans	Small trainers	867	4,937	\$77,858	\$104,061	\$955,646
4.1	Health management plans	Total	1,252	8,946	\$120,078	\$150,211	\$1,387,157
5	Record keeping	Large breeders	12	172	\$0	\$978	\$8,250
5	Record keeping	Small breeders	321	3,452	\$0	\$19,599	\$165,323
5	Record keeping	Large trainers	52	385	\$0	\$2,184	\$18,421
5	Record keeping	Small trainers	867	4,937	\$0	\$28,030	\$236,440
5	Record keeping	Total	1,252	8,946	\$0	\$50,790	\$428,434
5.2.1	Records of health & transfer	Large breeders	12	172	\$0	\$1,565	\$13,200
5.2.1	Records of health & transfer	Small breeders	321	3,452	\$0	\$31,358	\$264,516
5.2.1	Records of health & transfer	Large trainers	52	385	\$0	\$3,494	\$29,474
5.2.1	Records of health & transfer	Small trainers	867	4,937	\$0	\$44,848	\$378,304
5.2.1	Records of health & transfer	Total	1,252	8,946	\$0	\$81,265	\$685,494
6.1.1	Food receptacle and hygiene	Large breeders	12	172	\$1,723	\$2,264	\$20,818
6.1.1	Food receptacle and hygiene	Small breeders	321	3,452	\$34,519	\$45,365	\$417,189
6.1.1	Food receptacle and hygiene	Total	333	3,624	\$36,242	\$47,629	\$438,007
6.1.1	Food storage	Large breeders	1.0	101	\$4,036	\$0	\$4,036
6.1.2	Food storage	Large trainers	1.0	101	\$4,036	\$0	\$4,036
6.1.1	Food storage	Total	2.0	202	\$8,072	\$0	\$8,072
6.2.3	Health checks (breeding females)	Large breeders	1	14	\$0	\$4,863	\$41,017
6.2.3	Health checks (breeding females)	Small breeders	25	271	\$0	\$97,444	\$821,969

6.2.3	Health checks (breeding females)	Total	26	284	\$0	\$102,306	\$862,986
6.2.3	Health checks (all greyhounds)	Large breeders	12	172	\$0	\$20,671	\$174,363
6.2.3	Health checks (all greyhounds)	Small breeders	321	3,452	\$0	\$414,230	\$3,494,171
6.2.3	Health checks (all greyhounds)	Large trainers	52	385	\$0	\$46,156	\$389,345
6.2.3	Health checks (all greyhounds)	Small trainers	867	4,937	\$0	\$592,422	\$4,997,273
6.2.3	Health checks (all greyhounds)	Total	1,252	8,946	\$0	\$1,073,479	\$9,055,153
6.3.9	Rearing (8 to 16 weeks)	Large breeders (rearing)	6	84	\$0	\$676	\$5,700
6.3.9	Rearing (8 to 16 weeks)	Small breeders (rearing)	115	1,693	\$0	\$13,540	\$114,216
6.3.9	Rearing (8 to 16 weeks)	Total	121	1,777	\$0	\$14,216	\$119,915
6.3.9	Rearing (16 weeks to 18 months)	Large breeders (rearing)	6	84	\$0	\$32,030	\$270,187
6.3.9	Rearing (16 weeks to 18 months)	Small breeders (rearing)	115	1,693	\$0	\$1,098,862	\$9,269,268
6.3.9	Rearing (16 weeks to 18 months)	Large trainers (breaking in)	16	118	\$0	\$47,740	\$402,700
6.3.9	Rearing (16 weeks to 18 months)	Small trainers (breaking in)	203	1,518	\$0	\$1,604,452	\$13,534,081
6.3.9	Rearing (16 weeks to 18 months)	Total	340	3,414	\$0	\$2,783,084	\$23,476,236
6.3.12	Food and shelter (cost savings)	Large owner	87	21	\$0	-\$12,114	-\$102,182
6.3.12	Food and shelter (cost savings)	Small owner	3406	825	\$0	-\$472,383	-\$3,984,707
6.3.12	Food and shelter (cost savings)	Total	3493	846	\$0	-\$484,497	-\$4,086,889
6.3.12	Euthanasia (cost savings)	Large owner	87	74	\$0	-\$8,838	-\$74,550
6.3.12	Euthanasia (cost savings)	Small owner	3406	2,872	\$0	-\$344,642	-\$2,907,171
6.3.12	Euthanasia (cost savings)	GAP	1	159	\$0	-\$19,120	-\$161,284
6.3.12	Euthanasia (cost savings)	Total	3494	2,946	\$0	-\$372,600	-\$3,143,005
6.3.12	Rehoming (cost savings)	Large owner	87	39	\$0	-\$20,666	-\$174,324
6.3.12	Rehoming (cost savings)	Small owner	3406	1,523	\$0	-\$805,892	-\$6,797,970
6.3.12	Rehoming (cost savings)	GAP	1	686	\$0	-\$426,099	-\$3,594,283
6.3.12	Rehoming (cost savings)	Total	3494	1,562	\$0	-\$1,252,657	-\$10,566,577
6.3.12	Rehabilitation (cost savings)	GAP	1	846	\$0	-\$741,856	-\$6,257,801
6.3.12	Rehabilitation (cost savings)	Total	1	846	\$0	-\$741,856	-\$6,257,801
6.3.12	Rehabilitation	Large owner	87	85	\$0	\$47,554	\$401,134
6.3.12	Rehabilitation	Small owner	3406	3,333	\$0	\$1,854,425	\$15,642,694
6.3.12	Rehabilitation	Total	3493	3,418	\$0	\$1,901,980	\$16,043,828
6.3.12	Rehoming	Large owner	87	85	\$0	\$25,640	\$216,279
6.3.12	Rehoming	Small owner	3406	3,333	\$0	\$999,851	\$8,434,074

6.3.12	Rehoming	Total	3493	3,418	\$0	\$1,025,491	\$8,650,353
6.3.12	Euthanasia	Large owner	87	38	\$0	\$4,521	\$38,134
6.3.12	Euthanasia	Small owner	3406	1,469	\$0	\$176,291	\$1,487,073
6.3.12	Euthanasia	Total	3493	1,507	\$0	\$180,812	\$1,525,207
6.3.12	Food and shelter	GAP	1	3,418	\$0	\$182,784	\$1,541,845
6.3.12	Euthanasia	GAP	1	34	\$0	\$4,102	\$34,601
6.3.12	Food and shelter/euthanasia	Total	1	3,452	\$0	\$186,886	\$1,576,447
6.6.4	Perimeter fencing	Large breeders	12	172	\$167,895	\$0	\$167,895
6.6.4	Perimeter fencing	Small breeders	321	3,452	\$1,672,801	\$0	\$1,672,801
6.6.4	Perimeter fencing	Large trainers	52	385	\$674,277	\$0	\$674,277
6.6.4	Perimeter fencing	Small trainers	867	4,937	\$4,534,455	\$0	\$4,534,455
6.6.4	Perimeter fencing	Total	1252	8,946	\$7,049,428	\$0	\$7,049,428
6.6.5	Outdoor housing	Large breeders (rearing)	3	42	\$120,354	\$0	\$120,354
6.6.5	Outdoor housing	Small breeders (rearing)	58	846	\$2,411,844	\$0	\$2,411,844
6.6.5	Outdoor housing	Large trainers (breaking in)	8	59	\$168,565	\$0	\$168,565
6.6.5	Outdoor housing	Small trainers (breaking in)	102	759	\$2,163,539	\$0	\$2,163,539
6.6.5	Outdoor housing	Total	170	1707	\$4,864,302	\$0	\$4,864,302
6.6.6	Indoor housing	Large trainers	4	29	\$734	\$0	\$734
6.6.6	Indoor housing	Small trainers	281	2,099	\$53,447	\$0	\$53,447
6.6.6	Indoor housing	Total	285	2,127	\$54,180	\$0	\$54,180
7.1	Sale and transfer out of industry	Large breeders	3	45	\$0	\$51	\$427
7.1	Sale and transfer out of industry	Small breeders	61	892	\$0	\$1,013	\$8,548
7.1	Sale and transfer out of industry	Large trainers	13	99	\$0	\$113	\$953
7.1	Sale and transfer out of industry	Small trainers	171	1,276	\$0	\$1,449	\$12,226
7.1	Sale and transfer out of industry	GRV	1	2,313	\$0	\$416	\$3,505
7.1	Sale and transfer out of industry	Total	249	2,313	\$0	\$3,042	\$25,658
	Enforcement (training)	Councils	240 staff	8,946	\$0	\$589,598	\$4,973,459
	Enforcement (training)	Total	240 staff	8,946	\$0	\$589,598	\$4,973,459
Total					\$12,132,302	\$5,932,929	\$62,178,524

A4.17.8 Distribution of total incremental costs of Option 4

A total summary of the distribution of costs under Option 4 based on all estimates in Table A4.31 is provided for in Table A4.32. The largest share of 10-year present value cost is incurred by small trainers (31.15%) followed by small owners (29.65%) small breeders (22.03%). Small owners are also likely to obtain the highest share of 56.91% of all 10-year present value cost savings, followed by GAP (41.63%) under Option 4.

Table A4.32: Distribution of 10-year additional cost of Option 4

Category of participant	One-off cost	Annual cost	10-year PV cost	% of 10-year PV cost
Large breeder	\$296,484	\$657,931	\$5,846,347	6.78%
Small breeder	\$4,150,534	\$1,759,974	\$18,996,500	22.03%
Large trainer	\$855,985	\$105,870	\$1,749,036	2.03%
Small trainer	\$6,829,299	\$2,375,261	\$26,865,411	31.15%
Large owner	\$0	\$77,714	\$655,547	0.76%
Small owner	\$0	\$3,030,888	\$25,566,542	29.65%
GAP	\$0	\$186,886	\$1,576,447	1.83%
GRV	\$0	\$416	\$3,505	0.00%
Councils	\$0	\$589,598	\$4,973,459	5.77%
<b>Total costs</b>	<b>\$12,132,302</b>	<b>\$8,784,538</b>	<b>\$86,232,795</b>	<b>100.00%</b>
Large owner	\$0	-\$41,617	-\$351,056	1.46%
Small owner	\$0	-\$1,622,918	-\$13,689,847	56.91%
GAP	\$0	-\$1,187,075	-\$10,013,368	41.63%
<b>Total cost savings</b>	<b>\$0</b>	<b>-\$2,851,609</b>	<b>-\$24,054,271</b>	<b>100.00%</b>
<b>Total net costs</b>	<b>\$12,132,302</b>	<b>\$5,932,929</b>	<b>\$62,178,524</b>	

#### A4.17.9 Summary of total incremental costs of Option 5

The summary of net incremental costs under Option 5 would be identical to Option 3 except for the removal of the need for additional health checks under this option (i.e. the removal of proposed standard 6.2.3). Based on all estimations in Sections A4.2 to A4.14 of Appendix 4 the total additional cost of Option 5, as compared to the base case, is \$102.06m over 10 years in present value dollars with one-off costs of \$19.34m and annual costs of \$9.79m.

#### A4.17.10 Distribution of total incremental costs of Option 5

A total summary of the distribution of costs under Option 5 is provided for in Table A4.33. The largest share of 10-year present value cost is incurred by small owners (27.51%) followed by small trainers (27.30%), GRV (15.53%) and small breeders (18.37%). Small owners are also likely to obtain the highest share of 56.91% of all 10-year present value cost savings, followed by GAP (41.63%) under Option 5.

**Table A4.33: Distribution of 10-year additional cost of Option 5**

Category of participant	One-off cost	Annual cost	10-year PV cost	% of 10-year PV cost
Large breeder	\$470,131	\$1,002,786	\$8,928,964	7.08%
Small breeder	\$6,569,136	\$1,967,587	\$23,166,388	18.37%
Large trainer	\$1,357,326	\$94,688	\$2,156,048	1.71%
Small trainer	\$10,801,430	\$2,800,423	\$34,423,924	27.30%
Large owner	\$0	\$105,457	\$889,565	0.71%
Small owner	\$0	\$4,112,930	\$34,693,928	27.51%
GAP	\$0	\$269,264	\$2,271,334	1.80%
GRV	\$146,407	\$2,289,466	\$19,587,047	15.53%
<b>Total costs</b>	<b>\$19,344,431</b>	<b>\$12,642,601</b>	<b>\$126,117,198</b>	<b>100.00%</b>
Large owner	\$0	-\$41,617	-\$351,056	1.46%
Small owner	\$0	-\$1,622,918	-\$13,689,847	56.91%
GAP	\$0	-\$1,187,075	-\$10,013,368	41.63%
<b>Total cost savings</b>	<b>\$0</b>	<b>-\$2,851,609</b>	<b>-\$24,054,271</b>	<b>100.00%</b>
<b>Total net costs</b>	<b>\$19,344,431</b>	<b>\$9,790,991</b>	<b>\$102,062,926</b>	



#### A4.17.11 Summary of total incremental costs of Option 6

The summary of net incremental costs under Option 6 would be identical to Option 3 except for the reduced requirements for rearing (16 weeks to 18 months for all dogs) under this option (i.e. reduction of requirements under proposed standard 6.3.9). Based on all estimations in Sections A4.2 to A4.14 of Appendix 4 the total additional cost of Option 6, as compared to the base case, is \$99.97m over 10 years in present value dollars with one-off costs of \$19.34m and annual costs of \$9.54m, as shown in Table A4.34

**Table A4.31: Summary of net incremental costs of Option 6**

Standard	Cost description	Cost incurred by	Estimated No. participants	Estimated No. animals affected	One-off cost	Annual cost	10-year PV cost
3.1	Staff Ratio 1:25	Large breeders	14	353	\$0	\$940,995	\$7,937,607
3.1	Staff Ratio 1:25	Total	14	353	\$0	\$940,995	\$7,937,607
3.6	Independent VET	Owners who are VETs	4	23	\$0	\$508	\$4,282
3.6	Independent VET	Total	4	23	\$0	\$508	\$4,282
4.1	Health management plans	Large breeders	19	273	\$3,926	\$2,227	\$22,713
4.1	Health management plans	Small breeders	411	5,474	\$37,422	\$49,319	\$453,445
4.1	Health management plans	Large trainers	82	610	\$13,277	\$9,805	\$95,984
4.1	Health management plans	Small trainers	1,153	7,828	\$95,744	\$138,402	\$1,263,213
4.1	Health management plans	Total	1,665	14,185	\$150,370	\$199,753	\$1,835,355
5	Record keeping	Large breeders	19	273	\$0	\$1,551	\$13,082
5	Record keeping	Small breeders	411	5,474	\$0	\$31,078	\$262,150
5	Record keeping	Large trainers	82	610	\$0	\$3,463	\$29,211
5	Record keeping	Small trainers	1,153	7,828	\$0	\$44,446	\$374,921
5	Record keeping	Total	1,665	14,185	\$0	\$80,538	\$679,363
5.2.1	Records of health & transfer	Large breeders	19	273	\$0	\$2,481	\$20,931
5.2.1	Records of health & transfer	Small breeders	411	5,474	\$0	\$49,724	\$419,440
5.2.1	Records of health & transfer	Large trainers	82	610	\$0	\$5,541	\$46,737
5.2.1	Records of health & transfer	Small trainers	1,153	7,828	\$0	\$71,114	\$599,873
5.2.1	Records of health & transfer	Total	1,665	14,185	\$0	\$128,860	\$1,086,981
6.1.1	Food receptacle and hygiene	Large breeders	19	273	\$2,731	\$3,590	\$33,011
6.1.1	Food receptacle and hygiene	Small breeders	411	5,474	\$54,737	\$71,935	\$661,532
6.1.1	Food receptacle and hygiene	Total	430	5,747	\$57,468	\$75,525	\$694,544
6.1.1	Food storage	Large breeders	1.6	160	\$6,400	\$0	\$6,400
6.1.2	Food storage	Large trainers	1.6	160	\$6,400	\$0	\$6,400
6.1.1	Food storage	Total	3.2	320	\$12,800	\$0	\$12,800
6.2.3	Health checks	Large breeders	1	21	\$0	\$7,710	\$65,041

	(breeding females)						
6.2.3	Health checks (breeding females)	Small breeders	32	429	\$0	\$154,515	\$1,303,387
6.2.3	Health checks (breeding females)	Total	34	451	\$0	\$162,226	\$1,368,428
6.2.3	Health checks (all greyhounds)	Large breeders	19	273	\$0	\$32,777	\$276,486
6.2.3	Health checks (all greyhounds)	Small breeders	411	5,474	\$0	\$656,841	\$5,540,669
6.2.3	Health checks (all greyhounds)	Large trainers	82	610	\$0	\$73,190	\$617,380
6.2.3	Health checks (all greyhounds)	Small trainers	1,153	7,828	\$0	\$939,397	\$7,924,122
6.2.3	Health checks (all greyhounds)	Total	1,665	14,185	\$0	\$1,702,204	\$14,358,657
6.3.9	Rearing (8 to 16 weeks)	Large breeders (rearing)	Unknown	134	\$0	\$1,071	\$9,038
6.3.9	Rearing (8 to 16 weeks)	Small breeders (rearing)	Unknown	2,684	\$0	\$21,471	\$181,111
6.3.9	Rearing (8 to 16 weeks)	Total	Unknown	2,818	\$0	\$22,542	\$190,149
6.3.9	Rearing (16 weeks to 18 months)	Large breeders (rearing)	Unknown	134	\$0	\$26,480	\$223,371
6.3.9	Rearing (16 weeks to 18 months)	Small breeders (rearing)	Unknown	2,684	\$0	\$908,459	\$7,663,152
6.3.9	Rearing (16 weeks to 18 months)	Large trainers (breaking in)	Unknown	188	\$0	\$39,468	\$332,923
6.3.9	Rearing (16 weeks to 18 months )	Small trainers (breaking in)	Unknown	2,408	\$0	\$1,326,443	\$11,188,988
6.3.9	Rearing ( 16 weeks to 18 months)	Total	Unknown	5,413	\$0	\$2,300,850	\$19,408,434
6.3.12	Food and shelter (cost savings)	Large owner	Unknown	21	\$0	-\$12,114	-\$102,182
6.3.12	Food and shelter (cost savings)	Small owner	Unknown	825	\$0	-\$472,383	-\$3,984,707
6.3.12	Food and shelter (cost savings)	Total	Unknown	846	\$0	-\$484,497	-\$4,086,889
6.3.12	Euthanasia (cost savings)	Large owner	Unknown	74	\$0	-\$8,838	-\$74,550
6.3.12	Euthanasia (cost savings)	Small owner	Unknown	2,872	\$0	-\$344,642	-\$2,907,171
6.3.12	Euthanasia (cost savings)	GAP	1	159	\$0	-\$19,120	-\$161,284
6.3.12	Euthanasia (cost savings)	Total	Unknown	2,946	\$0	-\$372,600	-\$3,143,005
6.3.12	Rehoming (cost savings)	Large owner	Unknown	39	\$0	-\$20,666	-\$174,324
6.3.12	Rehoming (cost savings)	Small owner	Unknown	1,523	\$0	-\$805,892	-\$6,797,970
6.3.12	Rehoming (cost savings)	GAP	1	686	\$0	-\$426,099	-\$3,594,283
6.3.12	Rehoming (cost savings)	Total	Unknown	1,562	\$0	\$1,252,657	\$10,566,577
6.3.12	Rehabilitation (cost savings)	GAP	1	846	\$0	-\$741,856	-\$6,257,801
6.3.12	Rehabilitation (cost savings)	Total	1	846	\$0	-\$741,856	-\$6,257,801
6.3.12	Rehabilitation	Large owner	Unknown	72	\$0	\$40,140	\$338,595
6.3.12	Rehabilitation	Small owner	Unknown	2,813	\$0	\$1,565,309	\$13,203,897

6.3.12	Rehabilitation	Total	Unknown	2,885	\$0	\$1,605,449	\$13,542,492
6.3.12	Rehoming	Large owner	Unknown	72	\$0	\$21,642	\$182,560
6.3.12	Rehoming	Small owner	Unknown	2,813	\$0	\$843,968	\$7,119,147
6.3.12	Rehoming	Total	Unknown	2,885	\$0	\$865,610	\$7,301,707
6.3.12	Euthanasia	Large owner	Unknown	51	\$0	\$6,120	\$51,622
6.3.12	Euthanasia	Small owner	Unknown	1,989	\$0	\$238,644	\$2,013,044
6.3.12	Euthanasia	Total	Unknown	2,040	\$0	\$244,764	\$2,064,666
6.3.12	Food and shelter	GAP	1	2,885	\$0	\$154,287	\$1,301,462
6.3.12	Euthanasia	GAP	1	29	\$0	\$3,462	\$29,207
6.3.12	Food and shelter/Euthanasia	Total	1	2,914	\$0	\$157,749	\$1,330,669
6.6.4	Perimeter fencing	Large breeders	19	273	\$266,230	\$0	\$266,230
6.6.4	Perimeter fencing	Small breeders	411	5,474	\$2,652,542	\$0	\$2,652,542
6.6.4	Perimeter fencing	Large trainers	82	610	\$1,069,194	\$0	\$1,069,194
6.6.4	Perimeter fencing	Small trainers	1153	7,828	\$7,190,236	\$0	\$7,190,236
6.6.4	Perimeter fencing	Total	1665	14,185	\$11,178,202	\$0	\$11,178,202
6.6.5	Outdoor housing	Large breeders	5	67	\$190,844	\$0	\$190,844
6.6.5	Outdoor housing	Small breeders	91	1342	\$3,824,436	\$0	\$3,824,436
6.6.5	Outdoor housing	Large trainers	13	94	\$267,291	\$0	\$267,291
6.6.5	Outdoor housing	Small trainers	161	1204	\$3,430,700	\$0	\$3,430,700
6.6.5	Outdoor housing	Total	270	2706	\$7,713,271	\$0	\$7,713,271
6.6.6	Indoor housing	Large trainers	6	46	\$1,163	\$0	\$1,163
6.6.6	Indoor housing	Small trainers	446	3,328	\$84,750	\$0	\$84,750
6.6.6	Indoor housing	Total	452	3,374	\$85,913	\$0	\$85,913
7.1	Sale and transfer out of industry	Large breeders	5	71	\$0	\$80	\$676
7.1	Sale and transfer out of industry	Small breeders	96	1,415	\$0	\$1,607	\$13,555
7.1	Sale and transfer out of industry	Large trainers	21	158	\$0	\$179	\$1,510
7.1	Sale and transfer out of industry	Small trainers	271	2,024	\$0	\$2,298	\$19,386
7.1	Sale and transfer out of industry	GRV	1	3,667	\$0	\$416	\$3,505
7.1	Sale and transfer out of industry	Total	394	3,667	\$0	\$4,580	\$38,633
	Enforcement (staffing)	GRV	24 staff	14,185	\$0	\$2,289,050	\$19,437,135
	Enforcement (training)	GRV	24 staff	14,185	\$146,407	\$0	\$146,407
	Enforcement (staffing and training)	Total	24 staff	14,185	\$146,407	\$2,289,050	\$19,583,542
Total					\$19,344,431	\$7,929,594	\$86,361,421

#### A4.17.12 Distribution of total incremental costs of Option 6

A total summary of the distribution of costs under Option 6 is provided for in Table A4.35. The largest share of 10-year present value cost is incurred by small owners (27.97%) followed by small trainers (25.86%) small breeders (18.52%) and GRV (15.79%). Small owners are also likely to obtain the highest share of 56.91% of all 10-year present value cost savings, followed by GAP (41.63%) under Option 6.

**Table A4.35: Distribution of 10-year additional cost of Option 6**

Category of participant	One-off cost	Annual cost	10-year PV cost	% of 10-year PV cost
Large breeder	\$470,131	\$1,018,964	\$9,065,428	7.31%
Small breeder	\$6,569,136	\$1,944,948	\$22,975,420	18.52%
Large trainer	\$1,357,326	\$131,645	\$2,467,794	1.99%
Small trainer	\$10,801,430	\$2,522,101	\$32,076,188	25.86%
Large owner	\$0	\$105,457	\$889,565	0.72%
Small owner	\$0	\$4,112,930	\$34,693,928	27.97%
GAP	\$0	\$269,264	\$2,271,334	1.83%
GRV	\$146,407	\$2,289,466	\$19,587,047	15.79%
<b>Total costs</b>	<b>\$19,344,431</b>	<b>\$12,394,775</b>	<b>\$124,026,704</b>	<b>100.00%</b>
Large owner	\$0	-\$41,617	-\$351,056	1.46%
Small owner	\$0	-\$1,622,918	-\$13,689,847	56.91%
GAP	\$0	-\$1,187,075	-\$10,013,368	41.63%
<b>Total cost savings</b>	<b>\$0</b>	<b>-\$2,851,609</b>	<b>-\$24,054,271</b>	<b>100.00%</b>
<b>Total net costs</b>	<b>\$19,344,431</b>	<b>\$9,543,165</b>	<b>\$99,972,433</b>	

#### A4.17.13 Summary of all incremental cost – Options 1 to 6

Finally, Table A4.36 provides a summary of all incremental costs as a comparison against all Options 1 to 6 and all estimates are obtained from Sections A4.3 to A4.13 in Appendix 4.

**Table A4.36: Summary of all incremental costs \$m – Options 1 to 6**

Option		1	2	3	4	5	6
Change in behaviour from base case (32.3%)		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Compliance rate under each option		35%	50%	100%	75%	100%	100%
Std.	Nature of quantifiable cost	10-year PV	10-year PV	10-year PV	10-year PV	10-year PV	10-year PV
N/A	<b>Media</b>	\$0.965	N/A	N/A	N/A	N/A	N/A
3.1	<b>Staff Ratio 1:25</b>	\$0.000	\$2.074	\$7.938	\$5.006	\$7.938	\$7.938
3.6	<b>Independent VET</b>	\$0.000	\$0.001	\$0.004	\$0.003	\$0.004	\$0.004
4.1	<b>Health management plans</b>	\$0.668	\$0.939	\$1.835	\$1.387	\$1.835	\$1.835
5	<b>Record keeping</b>	\$0.027	\$0.178	\$0.679	\$0.428	\$0.679	\$0.679
5.2.1	<b>Records of health &amp; transfer</b>	\$0.043	\$0.284	\$1.087	\$0.685	\$1.087	\$1.087
<b>Food</b>							
6.1.1	Food receptacle and hygiene	\$0.027	\$0.181	\$0.695	\$0.438	\$0.695	\$0.695
6.1.1	Food storage	\$0.000	\$0.003	\$0.013	\$0.008	\$0.013	\$0.013
	<b>Subtotal 6.1.1</b>	\$0.027	\$0.185	\$0.707	\$0.446	\$0.707	\$0.707
<b>Health checks</b>							
6.2.3	Health checks (breeding females)	\$0.053	\$0.358	\$1.368	\$0.863	\$0.000	\$1.368
6.2.3	Health checks (all greyhounds)	\$0.567	\$3.752	\$14.359	\$9.055	\$0.000	\$14.359
	<b>Subtotal 6.2.3</b>	\$0.620	\$4.110	\$15.727	\$9.918	\$0.000	\$15.727
<b>Rearing</b>							
6.3.9	Rearing (8 to 16 weeks)	\$0.007	\$0.050	\$0.190	\$0.120	\$0.190	\$0.190
6.3.9	Rearing (16 weeks to 18 months)	\$1.523	\$9.728	\$37.226	\$23.476	\$37.226	\$19.408
	<b>Subtotal 6.3.9</b>	\$1.531	\$9.777	\$37.416	\$23.596	\$37.416	\$19.599
<b>Gap reform</b>							
6.3.12	Food and shelter savings for owners	-\$4.087	-\$4.087	-\$4.087	-\$4.087	-\$4.087	-\$4.087
6.3.12	Euthanasia savings for owners	-\$2.982	-\$2.982	-\$2.982	-\$2.982	-\$2.982	-\$2.982
6.3.12	Rehoming savings for owners	-\$6.972	-\$6.972	-\$6.972	-\$6.972	-\$6.972	-\$6.972
	Savings for owners	-\$14.041	-\$14.041	-\$14.041	-\$14.041	-\$14.041	-\$14.041
6.3.12	Euthanasia savings for GAP	-\$0.161	-\$0.161	-\$0.161	-\$0.161	-\$0.161	-\$0.161
6.3.12	Rehoming savings for GAP	-\$3.594	-\$3.594	-\$3.594	-\$3.594	-\$3.594	-\$3.594
6.3.12	Rehabilitation savings for GAP	-\$6.258	-\$6.258	-\$6.258	-\$6.258	-\$6.258	-\$6.258
	Savings for GAP	-\$10.013	-\$10.013	-\$10.013	-\$10.013	-\$10.013	-\$10.013
6.3.12	Rehabilitation costs for owners	\$4.729	\$8.972	\$23.116	\$16.044	\$23.116	\$23.116
6.3.12	Rehoming costs for owners	\$2.550	\$4.838	\$12.463	\$8.650	\$12.463	\$12.463
6.3.12	Euthanasia costs for owners	\$3.965	\$3.050	\$0.000	\$1.525	\$0.000	\$0.000
	Costs for owners	\$11.244	\$16.860	\$35.579	\$26.219	\$35.579	\$35.579
6.3.12	Food and shelter/euthanasia costs for GAP	\$0.465	\$0.882	\$2.271	\$1.576	\$2.271	\$2.271
	Costs for GAP	\$0.465	\$0.882	\$2.271	\$1.576	\$2.271	\$2.271
	<b>Subtotal 6.3.12</b>	-\$12.345	-\$6.312	\$13.796	\$3.742	\$13.796	\$13.796
6.6.4	<i>Perimeter fencing</i>	\$0.418	\$2.921	\$11.178	\$7.049	\$11.178	\$11.178
6.6.5	<i>Outdoor housing</i>	\$0.303	\$2.016	\$7.713	\$4.864	\$7.713	\$7.713
6.6.6	<i>Indoor housing</i>	\$0.004	\$0.022	\$0.086	\$0.054	\$0.086	\$0.086
7.1	<i>Sale and transfer out of industry</i>	\$0.005	\$0.013	\$0.039	\$0.026	\$0.039	\$0.039
	<b>Enforcement</b>	\$0.000	\$19.584	\$19.584	\$4.973	\$19.584	\$19.584
	<b>Total</b>	-\$7.735	\$35.791	\$117.790	\$62.179	\$102.063	\$99.972

## Appendix 5: Comparative legislation/industry codes relating to greyhound welfare – Victoria and other jurisdictions

	VIC	NSW	ACT	SA	WA	QLD	TAS	NT	NZ
<b>Act</b>	Racing Act 1958	Greyhound Racing Act 2009	Gambling and Racing Control Act 1999	Racing (Proprietary Business Licensing) Act 2000	Racing and Wagering Western Australia Act 2003	Racing Act 2002	Racing Regulation Act 2004	Racing and Betting Act	Racing Act 2003
<b>Rules</b>	Endorse GAR  Local Rules	Combined GAR and Local Rules	Combined GAR, Local Rules and relevant NSW Local Rules	Combined GAR and Local Rules	Combined GAR and Local Rules	Endorse GAR  Local Rules	Endorse GAR  Local Rules	Local Rules are Regulations under the Racing and Betting Act	Racing Rules
<b>Code</b>	Industry Code  Domestic Animals Act Code	Industry Code	None	Industry Code	None	None	Welfare manual (integrating specific policies)	None	Code of welfare
<b>Other significant documents relating to greyhound welfare</b>	GRV/GRNSW Joint Animal Welfare Strategy  'On track for a greater future – Strategic Plan 2014 – 2019'  Animal Welfare Penalty Guidelines  Hidez compression suit and Thunder Jacket policy  Hot weather policy  Trialling policy during race meetings  Transportation of greyhound policy  Swab sampling policy and procedures  Breeder's education package	GRV/GRNSW Joint Animal Welfare Strategy  Heat policy	Heat policy	Veterinary services policy  Hot weather policy  Catching pen policy  Satisfactory trial policy	None	Animal Welfare policy  Veterinary policy  Testing and training policy  Factsheets	Management and care document  Compilation of welfare policies (no governance)	Heat policy  Welfare policy	Recreational drugs policy

[illegible]

## Appendix 6: Proposed standards costed and not costed

Proposed standard	Costed/not costed
1 Introduction	No direct effect
2 Definitions	No direct effect
3 STAFFING	No cost
3.1 Staff ratio	Yes Only affects facilities with 25 dogs or more (including 'equivalent')
3.2 Proprietor/Owners	Not costed: Change to require registered with GRV within 7 days of birth –only changes timeline to inform not cost. Health plan costed elsewhere. GRV local rule requires mandatory training.
3.3 Operations manager	No new duties costed under the actual provision.
3.4 Greyhound attendants or carers	No new duties costed under the actual provision.
3.5 Vehicle driver	No – mandatory local rules cover transport and vehicle, so no change.
3.6 Veterinary practitioner	No – mandatory local rule already requires.  Extra cost for proprietors who are already veterinarians – new requirement independent inspection.
3.7 Mandatory training and educations	No –mandatory local rule.
3.8 Staff health	No – negligible around 5% affected (large businesses) as homes and many big businesses already have (soap)
4. Establishment operations	
4.4 Visitors facilities	No Already standard industry practice
4.3 Greyhound transport Vehicle	No – Mandatory local rule already or POCTAA
4.5 Security	No. Properties already have 2 physical barriers and was requirement of old code
4.2 Euthanasia	No – Mandatory local rule
4.1 Health management plan	Yes – Cost to prepare and vet approve a plan.
5. Records	Yes – change for record of property kept - doing for racing reasons so minimal cost. No for owner - Mandatory local rule
5.1 Establishment records	No – tax records required for small business
5.2 Greyhound treatment record book	No costed elsewhere
5.3.1 Greyhound record files	No GRV local law and facilities for members to record on 'fast-track' so no cost.
5.3.2 Individual animal identification	No – Industry standard so cost negligible
6. Husbandry – Management of Greyhounds	No
6.1 Nutrition	Yes - each dog must have individual receptacle, Each receptacle must be disinfected, food must be stored in sealed containers
6.1.1 Food	No POCTAA requires animals fed and watered.
6.1.2 Water	No – costed in records and health plan.
6.1.3 Supplements and injectables	No – already undertaken by industry (requirement to race a dog)
6.2 Health Care	
6.2.1 Vaccination and parasite prevention – under 12 weeks of age	No – already undertaken by industry (requirement to race a dog)
6.2.2 Vaccination and parasite prevention 12 weeks ate or older	
6.2.3 Health checks and treatment plans	Yes
6.2.4 Grooming and other requirements	No - negligible as general practice
6.3 Breeding	No - no burden
6.3.1 Heritable defects	No – POCTAA requirement and will not affect the industry as almost 100% AI now not natural mating
6.3.2 Breeding males	No - Mandatory local rule



**Proposed standard**

6.3.3 Breeding females

6.3.4 Natural Mating

6.3.5 Artificial Insemination

6.3.6 Whelping

6.3.7 Caesarean section

6.3.8 Lactating

6.3.9 Rearing

6.3.10 Education and Pre-training

6.3.11 Training/racing

6.3.12 Preparing a greyhound for retirement/rehoming

6.3.13 Retirement/rehoming of greyhounds

6.4 Exercise/training and enrichment

6.5 Socialisation and handling

6.6 Facilities

6.6.1 Disinfection and hygiene

6.6.2 Isolation housing

6.6.3 Tethering

6.6.4 Perimeter property fencing

6.6.5 Construction housing pens and yards

6.6.6 Construction of indoor kennel facilities

6.6.7 Minimum housing requirements

6.6.8 Toileting yards

6.6.9 Exercise yards

6.6.10 Day yards

6.6.11 Circular training Facilities

6.6.12 Slipping tracks and galloping runs

6.6.13 Trial Tracks

7.0 Transfer/Sale of greyhounds

7.1 Sale/transfer of greyhounds out of the industry

7.2 guarantee for sale/transfer of greyhounds out of the industry

8. Hobby Establishments

**Costed/not costed**

No - Mandatory local rule

No – Industry practice is around almost all dogs Artificial Insemination – and so vet checked as process.

No – covered by Veterinary Practice Act

No – Mandatory local rule

No – covered by Veterinary Practice Act

No – standard industry current practice.

Costed later or requirements under another law or industry practice. (e.g. POCTAA

mandatory local rules).

-Rearing puppies Costed

-Rearing greater than 16 week costed

Costed in other section.

No some provisions costed under housing.

Cost to assess stereotypies unquantifiable as if reared properly should be negligible.

Yes – a cost shift from the GAP program to the owner AND not mandatory to rehome.

No burden as euthanase or retire. Desexing is cost shift from shelter/GAP to owner

Most costed previously.

Cost of pre-training/training/racing exercise

No – cost cumulative from other handling so already costed earlier.

No – OH&amp;S requires fire protection.

No – already industry practice

No – not mandatory to have facility and most industry use vet (vet agreement costed earlier).

No POCTAA limits and Industry does not do.

Yes

Yes

Yes

Most costed under exercise.

Costed number of breaks for enclosures 3-9 and 10-14 sq. m.

Minimum width for taller dogs is new but very small % of dogs this height so negligible.

Cost to toilet dogs in 15.19 sq. m

No – mandatory to have a toileting yard –if do min requirements on size and no. dogs

No – Not mandatory to have exercise yard – conditions if do, size, no dogs.

No – Not mandatory to have day yard but conditions if do

No – Industry standard and Bull rings not mandatory to have

No – Industry standard and not mandatory to have

Most new requirements are already Industry standard practice.

Live baiting an offence under POCTAA.

Costed extra disinfection and cleaning.

No – Animal record files

Yes – extended notification requirements:

No – negligible only for dogs leaving industry (and poor qual)

No - Lower burden for establishments with 1-2 greyhounds who currently must comply with full current code

