

CORRECTED VERSION

ECONOMIC DEVELOPMENT COMMITTEE

Inquiry into the Viability of the Victorian Thoroughbred/Standardbred Breeding Industries

Melbourne — 1 August 2005

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Mr J. Blandthorn, Growth Officer, The Australian Workers' Union.

The CHAIR — Our third witness today is John-Paul Blandthorn from the Australian Workers' Union. We thank you for the submission. This is a formal hearing of the Economic Development Committee. Your comments today are being taken down by Hansard. We will produce a transcript and, as I said to the previous witness, you will get to correct that. What you say today is covered by parliamentary privilege but that only extends while you are in the room. If you go out and repeat these comments, you are not protected. We do not expect anything you have to say will necessarily require that but we have to let you know that that is the case. We are well into this inquiry and are looking to report back to the Parliament by the end of the year. We might encourage you to go through your submission and then we will throw some questions at you.

Mr BLANDTHORN — We are making our submission today on behalf of our members in the industry. We are registered under the Workplace Relations Act and under our rules we have coverage of people in the horse breeding industry. We have a certain amount of members in the industry. We have only acquired them since January. Until then we were quite green in the industry so, like yourselves, we are starting to learn about the industry and those sorts of things. The first thing we had a look at when we approached the industry was what was the appropriate award for the industry. We found out that Thoroughbred Breeders Victoria was saying the Pastoral Award was the correct award. We had a look into the definitions of the Pastoral Award and the Horse Training Award and we would be fairly confident in our legal and industrial advice that they are subscribing to the wrong award — for instance, the Pastoral Award states:

This award shall apply to all employees ... employed by the respondent employers in connection with the management, rearing or grazing of sheep, cattle, horses or other livestock, the sowing, raising or harvesting of crops, the preparation and treatment of land ...

Et cetera. The important parts of that definition are to look at the respondent employers under the award. There are no studs that are respondents to this award or Thoroughbred Breeders Victoria. We would say the Pastoral Award is quite a general award — it is not industry specific. The Horse Training Award states:

For the purpose of this award the horse training award is defined as the business, calling or occupation in or in connection with the training and preparation of horses for the horse racing industry including the trotting and harness racing industries and covers the functions of pre-training, grooming, feeding, handling —

the sorts of things we have found employees at horse studs are more likely to do rather than be cooks or those sorts of things under the provisions of the Pastoral Award.

We think it is somewhat of a problem that the employer groups and the employers are not quite sure which award they are subscribing to. Regardless of that fact, from our membership and from going around and talking to people we have found out that a lot of people are not even employed under an award or an AWA or anything. The contracts are just as simple as saying, 'You show up and we will give you work'. A lot of employees do not get payslips or these sorts of things, so there is no accountability of employers. If they did realise they were under the award there would be a lot of breaches of the award regulations. Not only that, we have found that a lot of employees are not actually aware that there is a new Occupational Health and Safety Act, and in a lot of the material employers talk about the 1985 Occupational Health and Safety Act. Our members are coming to us and saying things, and we are advising them that that is not the case; that there is a new Act with new responsibilities for employers and those sorts of things. We think there probably needs to be more education of employers as to their responsibilities on both industrial and occupational health and safety matters.

We think occupational health and safety is a big problem. We have heard some amazing stories, such as the one involving the sales at Inglis last year when a particular person got kicked in the head by a horse and was then asked to stay and lie down in the box next door. That does not meet anyone's responsibility. Those age-old practices went out a long time ago. We think there has been a culture — this does not apply to all stud farms; there are none in particular; a lot of them are small family affairs, and they run their businesses in much the same way as their parents did before them and their parents did before them, and there has been a lack of education on the best business practices. So whilst they may know how to produce and breed a good horse, they have not stayed abreast of the best business practice values and kept their —

The CHAIR — I think back to the times we have been out to the sales. There may be 500 or 600 horses there, and people wander around with the horses. Do we know whether it is requirement at the sales for an ambulance, medical staff or something to be in attendance?

Mr BLANDTHORN — I was talking to the jockeys the other day, and it is the only profession we know of where you have to have an ambulance there to be able to perform your job. It is not the same with the breeding industry.

The CHAIR — I would imagine that if you have 500 horses and they are all being paraded around, the chances of someone being kicked — and if you are out at Oaklands, you are a long way from a doctor.

Mr BLANDTHORN — You raise a good point. It is probably something that should be looked into. Like I said, we are fairly green, and we are trying to understand the industry a bit more and increase our membership so we can have a bit more knowledge and a bit more influence at some of the studs.

Mr PULLEN — Can I just follow up on Tony's point, if you would not mind John-Paul?

Mr BLANDTHORN — Yes.

Mr PULLEN — Say, for example, with the fellow who was kicked in the head at the sales —

Mr BLANDTHORN — It was a young girl.

Mr PULLEN — Right, it was a young girl who was kicked in the head and put in the stable next door. That would be like some sort of public liability, so they would have to have some sort of insurance coverage, some action plan or something like that.

Mr BLANDTHORN — From our knowledge of the studs we have been to — and you have probably toured a lot more than we have; we just go by what our members tell us — there is no registry of incidents and those sorts of things, and there are no quality assurance practices. The bigger ones are probably not so much the issue; it is about the middle tier and the lower ones, which are trying to either get their break-even or build their reputations by producing more and more. That is one of the things that we have found amazing — that the only rating of the industry is how many winners are produced or the stock value and those sorts of things. There is no requirement for them to achieve occupational health and safety standards, to be a good employer and those sorts of things. Their only output is measured by how much money they are generating. Maybe that is not the best way of evaluating a business.

Mr PULLEN — It is a bit like what happens when you go to the races. They say to you that you are not covered to go inside the parade ground where the horses are coming in or to even look at your own horse at the stables or something like that. They now make it very clear to you what your responsibilities and requirements are, but that does not happen with the sales and that sort —

Mr BLANDTHORN — I suppose one of the better things with racing is Integrity Services. There is someone there to police it with authority, but in the breeding industry there is no regulatory body.

The CHAIR — I am curious now; you have got me thinking. Who is actually responsible if an injury happens at the sales?

Mr BLANDTHORN — We have had a think about that as well — whether it is on the people who bring the staff there or whether Inglis is actually covered.

The CHAIR — Inglis would have something in the contract that says it does not want to bear any responsibility, but I do not know whether a court would hold that that to be the case.

Mr BLANDTHORN — That is a big problem.

The CHAIR — Can you make a note, Kirsten? We will talk to the VWA.

Mr BLANDTHORN — We are doing some projects with the VWA at the moment on occupational health and safety matters for the racing industry, which is extending over into breeding.

The CHAIR — Some of the other cases you have cited here are horrific.

Mr BLANDTHORN — Even at the sales. We went and handed out flyers to some of the people who were clearly the workers. After about an hour's worth of handing out 10 or so flyers it was quite clear that the

bosses had said, 'You cannot go near the union, because if you go near them they will come in. It must be membership time'. The fact of the matter is that we could not have cared less about membership. We had been given a tip-off that there were some amazing stories in the industry, and we wanted to get to the bottom and see whether we could help. We have heard stories about people being asked to stitch up a broodmare in their second or third week of work instead of a vet being asked to do it. That is just crazy. We think that probably leads to a lot of the owners taking their horses away. If they are not getting quality care for their horses, why should they invest in the Victorian market?

The CHAIR — You probably heard a fair bit of the previous conversation. We are not sure that investors — like our previous witness, who is relatively new to the industry — have much of a clue because there is not much advice around for them to distinguish early on between studs that might be performing at the top level and others that are just getting by on matters like occupational health and safety as much as anything else. With untrained staff having to stitch up a mare — it is not good for the staff, but if you were the broodmare owner you would not necessarily be that happy either.

Mr BLANDTHORN — Exactly. That is just to get away with not paying the veterinary costs and those sorts of things. There are an amazing number of people who are employed in this industry, and the majority of them are young females who have a love of horses. We feel they are often exploited. It is often their first job, and they are not aware of their rights industrially or under the Occupational Health and Safety Act. They are taken advantage of. We have heard stories of what happens during the foaling season. Both awards recognise that there may be times out on the farm when you need to work extra hours. That is fine, but an employer may ask someone to work from 6.30 until 5.30, and then even before their lunch break they are told they have to stay and do foal watch because they are the youngest and newest person there. It is crazy that they have to stay awake for another 12 hours to watch in case a foal is born overnight and make sure that nothing happens. We think those sorts of things need to go out of the industry. There is also the occupational health and safety question: should one person be doing that or should there be two people there? I am sure when you guys went up there you noticed, like us, that there is not much mobile reception range in some of the those areas, so if something does go wrong how will they get in contact with people?

The CHAIR — Some of these stud farms are quite large, so the amount of foaling that goes on is quite extensive over a fairly short period of time.

Mr BLANDTHORN — Exactly.

The CHAIR — You would be right in the middle of it now, would you not? The first would be just about to arrive?

Mr BLANDTHORN — Yes, our members are saying they are being asked to arrive earlier and stay a bit later now.

Mr PULLEN — The gestation is 11 months and 11 days or something. The services started on 1 September last year, so, by rights, we are about a week away from our first foals.

Mr BLANDTHORN — The other thing we noticed is that our members start ringing us at this time of year because they get the same weekly pay cheque no matter how many hours they do. A lot of the stud farms do not have payslips or any of those sorts of things, and the ones that do, do not write the hours, the pay rates or any of those sorts of things on them. There is a requirement under the Workplace Relations Act to provide these sort of details on payslips.

The CHAIR — I am interested in how this works itself through an industry, because one of the things we have heard in talking up the sales with a few of the breeders and the farm operators is that it is very hard to get staff.

Mr BLANDTHORN — Yes.

The CHAIR — That there is a shortage of trained staff. So I would have thought that the bad-paying employers would find that they have a higher turnover and that the better ones would pay better rates.

Mr BLANDTHORN — We have not found anyone who pays above-award rates yet. There is no enterprise agreement with any stud in Victoria. There is no union agreement. We have done a search on Wagenet

and those sorts of things as well, and there are no non-union agreements either. There are AWAs being offered out there, but we do not think the AWAs are fair, for the fact that the person who is negotiating from the employer's side is often negotiating with someone who does not have the nous or those sorts of things to negotiate a fair agreement. You often find a person in big business negotiating with someone who is in their first or second job and is not quite aware of their industrial rights. We do not think they are negotiating fair agreements. We think there is a high turnover because why would someone want to go to a job that is the minimum wage where they are asked to work extended hours without overtime, they are asked to work hard hours and do a hard job? It is not really attracting the cream of graduates anywhere in Victoria. So we probably think what happened in racing with licensing people may be the way to go, that licensing should be done through an independent body, whether it is an RVL sort of group — I would not necessarily recommend that RVL be doing it — or a TAFE provider, and that to work on a stud people need to be licensed. Now that would do two things. It would preserve the integrity of the racing industry because you could then trace people; it would also provide a database of who is moving in and who is moving out of the industry, so nothing happens. It would also give education providers the chance to make them aware of other educational opportunities to promote their career and those sorts of things.

The CHAIR — Probably though, in the context of what you have raised, John-Paul, the most important people who require licensing are the people running the stud farms, not the people working there?

Mr BLANDTHORN — For sure, yes. We have just been amazed by some of the stories we have heard. We go out and look at the pays, and some of the stud farms do not even pay the minimum wage which is — —

The CHAIR — You said that it is worse in smaller stud farms, or smaller broodmare farms, than in bigger ones?

Mr BLANDTHORN — Yes, we would say so. With occupational health and safety, I think Coolmore run occupational health and safety courses, which is not too bad. I am not sure it is Coolmore, but I think that is who it is. That is a positive thing. But with a lot of the other ones we have been on we have looked at the farm equipment and those sorts of things and the motor bikes or the trucks are not registered, the tyres are completely bald on some of the things, and some of the guards on machinery — it is amazing.

The CHAIR — Do WorkCover inspectors go out occasionally? Or is that only after an accident?

Mr BLANDTHORN — We have started to talk to some of the WorkCover inspectors about it. We are not sure how much they have done at the moment, but we are doing some work with Trevor Martin at WorkCover Victoria on a Safety Development Fund project. That covers the racing and breeding industries at the moment.

The CHAIR — We may have a chat to him at some stage.

Mr JENKINS — It seems that they have fallen through the gaps, that a lot of people have been paid under the Pastoral Award, or not any award — —

Mr BLANDTHORN — Yes.

Mr JENKINS — And that the people who negotiate those or the respondents to the award from the employers' side are represented by pastoral organisations, dairy organisations or grazing organisations?

Mr BLANDTHORN — Yes.

Mr JENKINS — Has the AWU had any discussions with the Thoroughbred Breeders Association at all?

Mr BLANDTHORN — We have had a chat with a lady named Ruth Frenzel, who is on the board of directors. We are expecting a follow-up chat with her. We just wanted to see where the inquiry went first, to see what was recommended. We want to make it clear to Thoroughbred Breeders Victoria that we will not come in and say, 'We think the best way for you guys to improve your industry is to provide a lot of money so you can do a whole marketing campaign and get people back', because we do not think that is the way to go. We want them to be aware that we will work with them if they allow us to work with them. But we will start organising their work sites because we do not think people are getting a fair go. We think probably the best way to attract investors back to the industry is to give them the confidence that if their horses are here they are getting the highest level of care so that if they then wanted to go out and market to the rest of the world they could say, 'We have world-best facilities, we have world-best employees and we are providing world-best treatment, so come and bring your horses here'. At

the moment if you were to give them some sort of money for marketing, or whatever, we would see that as a bandaid solution. It is sort of like the old saying, 'If you give a man a fish he will eat for a day'. We think if we educate all the employees, then they will be able to fish every day. Do you know what I mean?

Mr JENKINS — In terms of developing training — —

Mr BLANDTHORN — We have invited the ATA and some of the — is it the Goulburn Valley TAFE? They will come down to our offices later on this week. We will see how we can develop training packages that we can promote to all the industries. We are probably keen to see people like those at RVL or something administer them; that way you get the integrity of RVL. Also, from a racing perspective, if we send out a letter on RVL racing letterhead from Integrity Services then our trainers will listen, but if we send it out on AWU letterhead or even the trainers association letterhead, they just look at it and throw it in the bin. We have had these conversations with John Alducci, who is the CEO. We think it is better to get a regulatory body, whether it is WorkCover or whatever, to come in and start telling these studs, 'Hey, it may actually cost you some money'. Maybe that can be part of what the inquiry does — offer grants to those people who want to actually improve their business in health and safety and those sorts of areas. I do not think any of the things that have happened have happened deliberately. I think it is just that horse breeding has been asked to catch up to the level where the racing industry has got to, and that because they have had to do it so quickly they have taken the shortcuts. That is probably why the inquiry has been held. The shortcuts have led them the wrong way, and now they are struggling to meet the demands of another industry and those sorts of things.

The CHAIR — I refer to your comments at page 5 about a need for extra workload during the foal season and that they start at 6.30 a.m. and finish at 5.30 p.m. a minimum of five times a week.

Mr BLANDTHORN — Yes.

The CHAIR — But the same people would also be asked to work overnight, or stay on overnight, would they not?

Mr BLANDTHORN — Yes, that is the minimum — —

The CHAIR — Most mares will foal at night. That is a beautiful thing about breeding, is it not? It is always done in the dark and the cold. Just going off the figures, I think Eliza Park would be one of the biggest studs in Victoria for stallions — —

Mr BLANDTHORN — It is a racing operation as well.

The CHAIR — I think they told us they have about 60 staff.

Mr BLANDTHORN — Yes.

The CHAIR — Broodmare farms would not have many staff, apart from in the peak season. We went to Goulburn Park, and I think Alice said she had about 100, or more, broodmares there. That is an awful lot of foals being born at night. Staff-wise, I can well believe the staff would be working inordinate overtime.

Mr BLANDTHORN — Yes. They are not seeing any extra remuneration for that, either. Even though there are overtime provisions in both the awards, we have not seen anyone receive overtime in any payslips we have seen.

The CHAIR — We have heard from a few sources — we heard it while we were in Ireland earlier this year, and we heard it from people at Eliza Park and elsewhere — that there are a number of exchange opportunities that present themselves to people in the industry.

Mr BLANDTHORN — Yes.

The CHAIR — For example, one of the perks — if it could be called a perk; it is not really a perk but it is a great learning experience for young employees — is that certainly from Europe they come out with the shuttle stallions. They come out to Australia with a shuttle stallion and spend a while here; they come over in our breeding season. But none of this is structured in a sense. If you actually tried to — —

Mr BLANDTHORN — Yes, that is right.

The CHAIR — Today all the opportunities for exchanges or scholarships — I would put a few together and Noel would put a few together and collectively we might get a good list, but no-one actually aggregates all of this; it is all word of mouth, or from someone who knows someone who knows someone. We sense that that could be improved a lot, because it is a very international business.

Mr BLANDTHORN — Which is probably one of the reasons why we thought of promoting collective bargaining and those sorts of things, because you can actually write those things down and encourage. Once they are written down you can tell people they are available. But if they are not written down — you might know a few and Noel might know a few and Ron might know a few and Kirsten might know a few — it is who you know. We should actually write them down, and those sorts of things. I go back to the earlier point about the foaling season and the amount of staff. We have heard that employers — this is at the peak time, where people who are involved in, say, the TAFE courses go out and do their work placements — are deliberately picking students to fulfil the role of an employee. Instead of employing someone, they are using a student to do an employee's job. Now that is not the role of a student. They are there to learn; they are not there to take the role of someone who could necessarily be performing a job. We think there is a bit of abuse of the TAFE system at the moment, as well.

Mr BOWDEN — Just a simple question, I hope. The previous person who was here spoke in terms of possible consideration of a star rating system for studs and various places.

Mr BLANDTHORN — Yes.

Mr BOWDEN — And that maybe the elements of that rating system would be made up of the quality of the buildings and the various infrastructures and so forth.

Mr BLANDTHORN — Yes.

Mr BOWDEN — What do you think about the possibility of a star rating system, and about the training and use of relevant employees as part of that star rating system?

Mr BLANDTHORN — Yes. With the training we would hope with licensing and those sorts of things people would get at least an introduction to training. With the star rating I suppose it would depend on who did the star rating. I mean, if it was Thoroughbred Breeders Victoria, we are not so sure we would support something like that. Because if you look at the directors of Thoroughbred Breeders Victoria, it is quite a cliquey group, and to say that they would be representative of all breeders in Victoria would be an astonishing statement. We get the feeling they would favour the people who use their services and those sorts of things, so we think it would need to be independent. But if you were to star rate, I would think there should be things like occupational health and safety, industrial relations, and those sorts of things. It would be hard. I am not sure how you would get the breeders to agree to rating their facilities. How did he think they would — —

Mr BOWDEN — I am not sure. I need to think a bit more about it. It is a concept.

Mr BLANDTHORN — Yes; it is a good idea.

Mr BOWDEN — It is more to give a quality assurance to the industry at large.

Mr BLANDTHORN — With quality assurance as well, we have had dealings with those sorts of things in the past. Just tomorrow we are going out to inspect a work site where a guy has decided that he needs quality assurance for his businesses. He has decided to backdate records to 1996. Obviously we are going to make sure he does not get quality assured, but it is hard to keep your finger on all those places. We would be surprised if more than, say, 10 per cent of stud farms actually kept occupational health and safety records.

The CHAIR — You are going out somewhere tomorrow where there is a quality assurance?

Mr BLANDTHORN — Not for horses, though. It is for landscape gardening.

The CHAIR — Because we are not aware of any quality assurance application for stud farms. We are not aware of them being rated in any way to any standards.

Mr BLANDTHORN — No, we have not seen it either.

The CHAIR — We have been around to a few, and I have been mightily impressed. They have taken us into the mating barns and shown us the stables. They all look terrific and they have spent a fortune. They are obviously functional, but we have no idea and do not know whether the designs are world best practice with OHS in mind.

Mr BLANDTHORN — We hear stories of things like people being kicked when the horses are mating, because they have to help the horses up and those sorts of things. They are asked to stand behind the mares, and so on. The mares just kick. These people are asked not to write down their injury ‘because it will affect the business, because we will then have to pay premiums’, and so on, ‘so you just come to work and we will look after you’. There are those sorts of practices.

The CHAIR — Yet if you were loading horses in the barrier at Moonee Valley you would not be doing that without a helmet and a safety vest on and a few other things?

Mr BLANDTHORN — I suppose we would probably take some responsibility because every person who is a barrier attendant in this state is a member of our union, so we have done a lot of work in that area, whereas we have only started to get into the horse breeding industry since January and we have realised that it is probably at the stage where the racing industry was some time ago. We think the racing industry became more professional when the Australian Trainers Association took on the responsibility of educating their people in industrial relations and occupational health and safety and its requirements. They promote who the good trainers are and those sorts of things. We would like to see Thoroughbred Breeders Victoria take on those sorts of responsibilities. We think that at the moment they are trying to take on the world before they have fixed up their own backyard. From what I have seen, if I had horses I would not send them to most farms in Victoria.

The CHAIR — And that is just looking at occupational health and safety for the workers, let alone the conditions for horses.

Mr BLANDTHORN — We have a lot more members in New South Wales and our counterparts in New South Wales tell us that the occupational health and safety standards there are much better.

The CHAIR — Earlier this year we asked Reg Inglis in Sydney, of all people, why very few Melbourne-bred horses got into the Sydney sales. He was pretty blunt and he said — and Noel and Russell might correct me here — more or less, firstly, your stallions are not good enough, and secondly, you are not professional enough.

Mr BLANDTHORN — We think the second comment would be right on the mark.

The CHAIR — We have asked people what that means — and perhaps the Victorian participants are not too keen to think about what that means. Whether it was a throwaway line or not, we think there might be differences in the way the leading stud farms in New South Wales operate to the way we operate here.

Mr BLANDTHORN — That is exactly our experience. We have found that in New South Wales they have a lot more knowledge, they are prepared to send people to training and the training courses are probably a lot better. One of the reasons we got in contact with Goulburn Valley was that we wanted to start talking to people and make them aware before they went into the workplace. We wanted to chat to students in, say, years 2 and 3 of their course. So we got in contact with the people at Goulburn Valley because Euroa is the main area. They invited us out there and that was fine, but then we got a call the day before to say that we were not welcome. Mick Eagles and I were both in on the call and we asked why we were not welcome. The response from TAFE was that if one of their students was to, say, report a bad employer that would break their trust with the employers and they did not want to do it because they thought we might do something about it. Our response was to say, ‘You are worried about us exposing a bad employer. You should be more worried about sending your students to bad employers’. At that stage we asked to speak to the CEO who then told us that the person we had been speaking to had been completely wrong and they would like to do courses with us and those sorts of things. If that is the attitude of some of the TAFEs and that is the attitude some of the employers are giving to the TAFEs, then it is no wonder that when these people are going in they are only lasting one, maybe two years at the most.

We heard another story where a young girl from Melbourne University took a year off as a gap year. She went out to a stud and was seen as the best employee they had ever had. When she told them she wanted to go back to university to develop her knowledge, there was no incentive and she was told that if she left she would never be welcomed back. This was someone who wanted to further her development. I understand she is now working at one of the bigger places and is quite well respected, but the fact is that one employer just said no. We have also heard stories about other employers. There is this one guy — I cannot remember the farm — who has left his wife and he is pursuing a relationship with one of the younger females there. There is a considerable age difference. The boss called a meeting of all employees except for these two people and told them they were no longer allowed to talk to this young girl because she was pursuing a relationship with this person. He wanted to make her feel as uncomfortable as possible so that she would leave. We heard the story straightaway and said, 'This is crazy; that is just harassment in the workplace'. We have had a talk to the boss and it is not on, but we would be surprised if these things were not happening at more than one workplace with so many different employers.

Dr SOLOMON — What is your coverage of the industry here in Victoria?

Mr BLANDTHORN — We have sole coverage.

Dr SOLOMON — Sorry, what percentage of membership?

Mr BLANDTHORN — I would say that since the start of the year we have probably only got about 30 members, and they are from a range of different studs. We have by no means a massive membership. We have only been out to, say, half a dozen studs, but from the stories we have heard and when we compare them to New South Wales in particular, the professionalism of the two states is what we have found to be the biggest difference. We would probably recommend that if there ever was money to be made available it probably should not be going into marketing and these sorts of things, because at the moment what is there to market other than from a tourism point of view? The money should go towards developing the infrastructure and those sorts of things, and towards building a knowledgeable work force. That way when marketing in the future you can say, 'We do have the world best practice in studs, we do have the best employees; that is why you should be sending your horses to us'. People should not just be sending their horses because we are from Victoria. We think that is a crazy situation that is not going to be sustainable for anyone and is probably just a big waste of money.

The CHAIR — One of the impressions I have of the Victorian industry is that it is largely undercapitalised. The operators here, more so than in parts of New South Wales, do not have adequate resources, so they struggle to buy good stallions and they are very quick in taking up an offer to sell a stallion interstate when it starts to perform really well. We have seen some statistics on the turnover in stud operations that tends to give some evidence of this. I wonder whether some of the cultural objections to change are because people figure, 'It is going to cost me and I am already close to extinction; I am just living on the edge as it is'.

Mr BLANDTHORN — That is right.

The CHAIR — Payment practices are really bad. Net returns to breeders are quite poor at the bottom end of the market — they actually lose money on a lot of horses they send in there.

Mr BLANDTHORN — For sure, yes.

The CHAIR — We think there are things we can do to try to improve their operating environment, but we do not lose sight of the fact that we would want at all times the industry to be achieving best practice on occupational health and safety. A lot of our previous work with labour hire has been devoted to occupational health and safety so we are reasonably well equipped to ask some of those questions of the VWA, and we will.

Mr PULLEN — I just want to touch on what you said about New South Wales. Would you have a good coverage of members in the Coolmores and the Darleys?

Mr BLANDTHORN — I would imagine so; they have substantial membership. I could not be quite sure of the number. I work two days for our national office but that is in the sport of netball.

Mr PULLEN — You mentioned the fact that a lot of people are not employed under an award. What position will the union take when basically awards could be thrown out if the Federal Government brings in changes? There will not be awards anyway.

Mr BLANDTHORN — We would say that they are covered by a common rule award — the Horse Training Award has been given common rule as of 1 January. We are somewhat worried about the proposed changes and how they will affect people in the industry, especially things like unfair dismissal. As you said, there is Eliza Park, one of the bigger ones with 60 or 80 employees, and everyone there could be unfairly dismissed. We are not completely confident that the employers in this industry are fair and we are not sure they would use those powers reasonably. We think that if some of the proposed changes were to come in and you had to start bargaining for certain things, a lot of workers in this industry would be extremely disadvantaged. They are on the minimum wage at the moment. A lot of people are used for the three-month probationary period on the training wage then sacked and rehired, and they have to start again. Those are the sorts of practices that are happening. We would be concerned that the proposed changes to the Workplace Relations Act would significantly affect this industry and I am not quite sure the changes would be for the better. Similar to what happens in the horse racing industry, a lot of the trainers say, 'We cannot get good employees'. If you ask someone to work for the minimum wage and start them at 3.30 a.m., you find there are not too many smart people out there who could earn big money who are willing to do that sort of thing. In the country it will be particularly hard to attract good employees. Some of the changes that are proposed will significantly affect their ability to attract skilled labour.

Mr PULLEN — You mentioned that 'stable hand' means a person including a jockey. Do you have any jockeys who are members and also members of the jockeys association, or whatever they call themselves?

Mr BLANDTHORN — I am a director of the Victorian Jockeys Association and our national secretary, Bill Shorten, is a director of the Australian Jockeys Association.

Mr PULLEN — Are they a branch of yours?

Mr BLANDTHORN — Yes, we cover the jockeys. We negotiate for them industrially. Just about every person who works at a metropolitan racetrack in Victoria is a member of our union.

The CHAIR — Would the coverage among jockeys be near 100 per cent?

Mr BLANDTHORN — I think it is 86 per cent, but you must remember that with jockeys, whilst there may be 160 of them licensed in Victoria, there would only be 100 who ride regularly. The other 60 may only ride between 10 and 20 meets a year or something like that.

The CHAIR — I do not have any further questions, John-Paul. I appreciate your submission and your participation today. It has been really good and we have gained another useful insight into the industry.

Committee adjourned.