

CORRECTED VERSION

SUB-COMMITTEE OF SELECT COMMITTEE ON PUBLIC LAND DEVELOPMENT

Caulfield — 13 February 2008

Members

Mr D. Davis
Ms S. Pennicuik
Mr E. Thornley

Other Committee Members Present

Mr E. O'Donohue

Chair: Mr D. Davis

Staff

Secretary: Mr R. Willis
Research Officer: Ms C. Williams

Witness

Mr F. Penhalluriack.

The CHAIR — I welcome Frank Penhalluriack. I also thank you for your assistance earlier in the day. I note you have a submission. If you would like to speak to it briefly, we will then ask some questions.

Overheads shown.

Mr PENHALLURIACK — This is a unique opportunity because for many, many years we have been trying to get through to the public at large, and more specifically of course to trustees and the MRC, that this is a public park and not a rubbish dump or some sort of prison for stolen children or something; because when you go past, that is what it looks like.

I have nothing but praise for the racing industry, and I think that should come out right at the very beginning. I strongly support the racing industry, if only because it generates massive cash flows which enables me to reduce my tax base including, hopefully, the rates that I am levied by the council. I think that is very important because the industry itself is in fact going down by way of attendance figures. Excluding the major spring carnival events at Caulfield and Sandown, the average attendance in 2006–07 was only 3162 people. You can compare that with the 6000 spectators who attended the AFL's recent foray into the Middle East on a remade polo ground outside Dubai.

In order to boost crowd numbers racing must become visible to the public, and to do that the two other beneficiaries must become visible, and the racecourse must become visible and widely used by the public. At present it is unattractive; a bright light hidden under a bushel. You have heard from a number of speakers how if we can open up that fence, it will improve things considerably.

You have this, Chair, on the CD that I handed in, but this shows a view of a fence in Queens Road, and you can see that part of it is obliterated as the Caulfield Racecourse fence is, and a part of it is open palisade fencing. It is similar to Queens Avenue where the land rises up immediately behind the fence, and on the right you get a lovely vista of what is behind. On the left you see nothing, and that is what we see at present at Caulfield.

There has been some discussion about the problems with security and so on. This is a Google map of Eagle Farm in Queensland, and you will see right around here — the A1, a major freeway that goes from Melbourne all the way north up to Cairns. Here is the starting area. So you have a proximity of the freeway very close to the starting gates that they are complaining about at present. This one, which we have been talking about, is Happy Valley in Hong Kong. As you can see, there are soccer pitches, basketball pitches — all sorts of uses on the inside of the racetrack itself.

The CHAIR — Indeed, one of our committee members spoke of this just before and knows that racecourse well.

Mr PENHALLURIACK — Another one in Victoria is Drouin Racecourse. It is not used a lot for race meetings, but it has a golf course in the middle and on the outside, so around about the third or fourth hole you go across the racetrack and down the centre of the racetrack. These things are certainly possible and should be done.

Peter Brohier mentioned Randwick. Here is the very busy road running right alongside it, Alison Road — dual carriageway. There is a cyclone mesh fence about here, and the horses gallop around here. So there is really no reason at all to talk about safety and health and hazards and so on. In fact, Sue, who came with me this morning, and I walked inside past the stables, and the health hazard is really to the public that lives around the racecourse, because you have got risk management from flies, you have got risk management from smell, from effluent, from the horses — we had to dodge some of the manure as we walked up the concrete road.

This is a wider Google Earth view — this is Caulfield Park over here — of the racecourse itself. You will see that the public land comes right around here and down, and those buildings to the right are in fact on Crown land. And the Crown land continues around that part, which has been excised now, and around like that and straight up Queens Avenue. So there is a lot of Crown land there.

The MRC has produced a plan similar to this to show how many parks are in the immediate neighbourhood. The problem is that what they have done with their plan is that they have only highlighted this little area in the middle, so the racecourse looks like quite insignificant parkland, compared with Caulfield Park in the east, Caulfield Park over here and so on. But as you heard from the council themselves, this municipality is the second worst off in the whole of the metropolitan area, and the worst off one is right here, to the north of that line. So you have got the two — the worst off council and the second worst off council — cheek by jowl right next to this huge public park. It is

145 acres of land waiting to be used by the public, and the public can quite comfortably use this in conjunction with racing. I personally believe that if they do that, racing will in fact be improved and the racing attendances will go up. But when you are faced with this sort of fence, who wants to go in? Nobody knows what is inside there. There is graffiti on the outside — a rubbish dump on the inside?

Here are a couple of examples of how the MRC charges admission for various craft shows, garden shows and camping and caravan shows. They also manage to collect some money from the public for parking their cars as well as attendance into the racecourse.

We recently learnt of an exciting development in Austria, where the ex-decathlon champion of Austria has developed what he calls 'motion parks', and these would fit perfectly inside our racecourse. I will jump into some of the scenes. He designs a series of stations where you can exercise. Sporting teams go there, individual professional athletes go there, grandparents go there and so do toddlers. It is designed to suit everybody and have every level of difficulty, and it improves one's balance, one's coordination, one's muscle tone and everything else, and you can see from the crowd — he gets three or four thousand people there every day during the summer. We could get three or four thousand people there 365 days of the year, because this sort of event could be conducted while the race meeting is going on. At a genuine family race meeting, the family could come, and the parents could stay behind in the grandstands while the kids could be inside being entertained on some of these stations.

That is our hero here, by the way, Dr Wurthner. This is one of his stations, where you have the foot coordination. This is another one.

I do not want to spend too much time on this, Chairman, but I think it is important to understand that this sort of use is not high, therefore the sightline is not impeded across the racecourse for the spectators. It is relatively passive, from the horses' point of view — there should not be any disturbance at all to the horses galloping around the outside. I have been to Moonee Valley at night and I have watched the horses galloping around there with kids playing football just inside the barrier fence, so I really do not think there is any problem with this risk management. It is very easy to talk about it, from the MRC's point of view, but I think it is difficult for them to justify — except that they are the specialists, and if they tell you there is a risk, you tend to believe them. We need to look at other examples, like this, where we can say, 'How is it that they can do it in Hong Kong and we cannot do it in Melbourne?'

This is another one of the exercise stations.

Another important factor is that most of the 450 or 500 horses that are training at Caulfield do not run at Caulfield. About 10 or 15 per cent will be running on Saturday at the Caulfield meeting. The rest could be running next week at Randwick or Moonee Valley or anywhere else — in New Zealand, for that matter. It does not mean that the horses that train at Caulfield run at Caulfield. This is supportive of the argument that training really is a rural occupation. We have a lot of unemployment in the country, and not much in the city. There was an article by Racing Victoria in the weekend papers, saying they are having a lot of difficulty in obtaining people to work in the racing industry, and describing the six-week intensive courses they have in Britain to train people to train horses. The people who come through that course get a diploma and instant employment; they are very highly sought after. We could do the same thing here.

In these photographs — this is a country setting — eliminate all the trees at the back, because we are talking about the middle of a racecourse. Nothing in the foreground would obscure the view of the horses on the far side of the track.

Here is an example where you have to place your foot in a certain position as you are going around on this bouncy sort of boardwalk. This is another similar concept, close-up. Another one. This is the pattern he uses.

I believe we have experts in Australia as well who can design these sorts of stations, which can be comfortably used on the inside of the Caulfield Racecourse, or anywhere else for that matter, but it is very hard to find something like 60 acres of unimpeded ground in the middle of the metropolitan area. If you can attract 3000 people to this on a daily basis — from Stonnington and from Glen Eira and the rest of inner Melbourne, that would be fantastic.

At the bottom of page 2, Chair, I talk about the difficulties that I, with others, have had dealing with the trustees. When I last phoned Mr Lawrence — and I did that desperately on his mobile phone, because I do not like

disturbing him on his private line — he said he would get with the answers to these six queries by the end of the week. That is his traditional way of saying, ‘I’ll be back by the end of the week’. So I said, ‘Peter, can I write to you and guarantee you will be back by the end of the week?’. He said, ‘Look, I am terribly busy at work; maybe I cannot’. Peter Lawrence is not young any more. Peter Brohier and I have discussed retirement with him many times over many years, and he keeps threatening to do it. I think the trustees need a big shake-up, perhaps from the top down or from the bottom up.

We were not aware until recently that the trustees had delegated the responsibility for maintenance and development of the reserve to the Melbourne Racing Club through a deed. We have just learnt today that that deed is valid now until 2018. That seems to me rather like a biased way of conducting a public park. If you want to have a public park, you do not give one of the beneficiaries the right to maintain and develop the entire park. You might as well put a paedophile in charge of the kindergarten as the MRC in charge of the public park at the Caulfield Racecourse reserve.

On page 4 I talk about the income that the MRC is earning from our Crown land. The income is coming effectively mainly — almost exclusively — from the Crown land. It has declared in excess of \$63 million annually, with a surplus last year in excess of \$3 million. This is how over many, many years they have been able to purchase a lot of land to the north and down the western side of the racecourse. I agree with, and it is my opinion, that that land and that money and those funds have been earned by what is a non-profit organisation through Crown land, therefore that money is held in trust by that organisation for the beneficiaries of the racecourse trust. Of course two of the beneficiaries belong to the public.

There is a photograph of the main gate locking everybody out, and I will give you one final photograph of the lake inside, which in fact is quite beautiful but is not seen by many people. Let me just read the summary of my submission, Chair. I think that will be sufficient from my point of view, since you have it in writing as well.

The trustees have failed in their responsibility to administer the Caulfield Racecourse reserve for the benefit of all of the beneficiaries. The MRC has prospered while the community has been short-changed. Despite the misleading photograph in the MRC’s master plan, the City of Glen Eira is reputedly the second worst off of all metropolitan cities for public open space, even when the racecourse is taken into the equation.

I ask that this committee recommend to Parliament: one, that the trustees are reconstituted to provide an equitable balance able to work with both racing and the community, and that both the chairman and the secretary are permanent appointments.

Two, that the government appoints a well-qualified and reputable firm of architects and town planners to work closely with the MRC and the City of Glen Eira to prepare a detailed master plan that benefits both the community and the racing industry, and that master plan should far wider than just the public land around the racecourse.

Three, that a strict timetable be implemented to bring that master plan to fruition.

Four, that the MRC shares its land-holdings with the community to develop commercial, residential and sporting facilities to benefit them both.

And I would add a fifth one there: that this committee reports back to Parliament separately for this particular public land, because your brief is public land development, and this is public land un-development. It is quite different from looking at Kew Cottages and the other ones that you have looked at. This is an area where we want this land, which has remained effectively virgin land for the last 150 years, to be developed as a public park — not what you have been looking at, where public land is being sold off and developed by private persons.

The CHAIR — Or ‘alienated’; it is part of our terms of reference, as you will be aware, and in a sense —

Mr PENHALLURIACK — This has been alienated; yes. It is well within your terms of reference, but I think perhaps a separate report would carry more influence in Parliament.

The CHAIR — I thank you for your submission. I have no questions. You have covered a lot of material there, with suggestions and ideas. Thank you.

Ms PENNICUIK — You have raised again the issue about the maintenance — the delegation by the trustees to one of the stakeholders under the deed. It is not clear to me whether that is appropriate or not appropriate, but I think it is a core issue that needs to be followed up, so I will certainly be following that up. All the other arguments — about the fence and the use of the land et cetera — I think have been well covered today by many submitters. It was interesting, the use of the Austrian man — that idea just provides more inspiration as to what could be done on the site, and whether it is that or something like that or a mixture of things. They are all good ideas, and we need to have them out in the open and being publicly debated, as is one of your recommendations.

I just wanted to go back to something. You mentioned that we went via the stables today. What actually did strike me about the stables — and I was not sure, and I am sure you are not going to be able to answer this, and I did not get an opportunity before to ask the Melbourne Racing Club — was whether those stables are in fact best practice in terms of housing horses. They seemed a little bit, say, well used. Perhaps they have been around a long time. I have got a strong interest in animal welfare, so I will be following that issue up, too, because that did strike me, when you did take me down to have a look there, that that is another issue. Quite apart from all these other issues that we have been talking about, it is also in keeping with the issue of whether it is appropriate to continue training on that site, from an animal welfare point of view as well as any other point of view.

Mr PENHALLURIACK — Animals housed in small stables like that have to be kept scrupulously clean, and I do not know that they are.

Ms PENNICUIK — They did not smell that way, but I cannot make any further comment.

Mr PENHALLURIACK — Chair, I would just like to make clear that the CD is part of my evidence, if that could be included with the transcript.

The CHAIR — And that had the visual presentations on it?

Mr PENHALLURIACK — Yes, I think it has. I can certainly give Hansard copies of this electronically, and also I know I have got Jack Campbell's as well.

The CHAIR — Perhaps there is one point I should clear up on page 5 of your submission. Before the summary you talk about what I take to be an issue of competitive neutrality. Is that a fair way to characterise that paragraph where you talk about rental components and overheads and fairness to commercial business?

Mr PENHALLURIACK — Yes. I have a major problem with public assets being used to compete with free enterprise. A normal part of a business expense is around about 30 per cent which they would pay for rental, and of course the MRC is not paying that 30 per cent rental, as we have heard in their own evidence this morning.

The example that I quote is Tudor Court, a very fine, old, well-established home in Kooyong Road, not too far from here, which recently had to close its doors. I would say a lot of the blame for that, and it had been around for 50-plus years, was because it was competing with what they call Melbourne Functions, which is a huge reception area at the racecourse, all on Crown land, and the Rupert Clarke Stand — effectively subsidised by us, the owners of that Crown land.

I think that the government — another issue — is doing too much of this at present. One example is that Glen Eira is the first council to pick up this free energy-saving light globe business, and they are running around the city replacing the light globes in everybody's homes, which directly competes with me, who sells those energy-saving light globes.

The CHAIR — Thank you very much, and I thank all the submitters we have had today.

The Hansard evidence will be available in a few days time on the committee's website. The various documents submitted today will be published for the community's perusal. We will be at the St Kilda triangle site on 5 March.

Committee adjourned.