

FROM THE BOARD

To keep participants informed about industry developments, **Racing NSW** has resolved to issue regular bulletins on important Board decisions.

This first bulletin summarises all major actions taken since the appointment of the current Board on 19 December 2011.

1. Strategic Plan

In accordance with the provisions of the Thoroughbred Racing Act 1996, **Racing NSW** must prepare a Strategic Plan for the Thoroughbred Racing Industry every three years, after consulting with Racing Industry Consultation Group (RICG) which comprises representatives from Australian Turf Club, Provincial Association of NSW, Racing NSW Country, NSW Jockeys Association, NSW Thoroughbred Breeders Association, NSW Racehorse Owners Association, NSW Trainers Association, Unions NSW and other stakeholders.

The next Strategic Plan is due in 2013. **Racing NSW** has completed a thorough review of the existing Strategic Plan to see that it is meeting its objectives and targets. Several of the objectives in that Plan had been deferred pending the outcome of the Race Fields litigation. Following the successful outcome of the High Court Appeals, **Racing NSW** is now pursuing those objectives.

ACTION:

A draft of the new Strategic Plan has been prepared to allow time for full consultation with the industry with the final Plan to be completed by first quarter next year.

2. Prizemoney Increases

Racing NSW aims to improve returns to owners and increase the incomes of the many people whose livelihoods depend on the industry.

ACTION:

Following its successful defence of the Race Fields Legislation in the High Court, **Racing NSW** was able to announce increases in minimum prizemoney that took effect from 1 July 2012. Currently, \$52 million per annum received from Race Fields fees is being used for prizemoney. These increases will assist the viability of participants in NSW, especially in the Country areas, where most of the new funding has been directed, in order to restore balance in the returns to owners at all levels of racing.



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The increases are summarised below:

Metropolitan Racing

- Saturday Non-Feature Prizemoney increased to \$85,000/race from \$70,000/race **(+21.4%)**
- Midweek Non-Feature Prizemoney increased to \$35,000 from \$27,000/race **(+29.6%)**

Provincial Racing

- Non-feature Prizemoney increased to \$22,000/race from \$16,000/race **(+37.5%)** and \$14,000/race on Saturdays **(+57.1%)**

Country Racing

- Country TAB Race Prizemoney increased to \$15,000/race from \$10,000/race **(+50%)**
- Country Sky 2 TAB Prizemoney increased to \$8,000/race from \$5,000/race **(+60%)**
- Country Non-TAB Prizemoney increased to \$6,000/race from \$3,500/race **(+71.4%)**

In the first three months of the current financial year, an additional \$7.66 million in prizemoney has been distributed compared to the same period last year.

Racing NSW is pursuing other initiatives to generate more industry income and allow further prizemoney increases across the State.

Racing NSW has set aside \$20 million from accrued Race Fields funds for the creation of a Future Fund to ensure minimum prizemoney levels are maintained in periods where revenue may decrease due to unforeseen circumstances.

3. Jockeys' Riding Fees

ACTION:

Following submissions from the NSW Jockeys' Association, the Board reviewed the remuneration of jockeys and apprentice jockeys in New South Wales and resolved to increase the fees as follows:

- Jockeys' ride fee in NSW increased to \$170.00/ride from 1 August 2012 at an estimated annual cost of \$428,000;
- Barrier trial ride fee be maintained at 35% of the ride fee, increasing to \$59.20 from 1 August 2012 at an estimated annual cost of \$28,560; and
- The payment to individual jockeys' Future Fund accounts be increased to \$10.00 per ride from 1 August 2012 funded from the total increases in the jockeys' 1% of prizemoney.

4. BOBS Extra

ACTION:

Racing NSW has conducted a thorough review of BOBS Extra and, following input from RICG and other stakeholders, has resolved that:

- BOBS Extra bonus wins be restricted to races further than 1800m for new series commencing with horses nominating as two year olds from 1 August 2013.
- BOBS Double-Ups are to be reintroduced for new series commencing with horses nominating as two year olds from 1 August 2013.



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5. Integrity

Racing NSW is committed to the total integrity of the thoroughbred racing industry and the enforcement of drug-free racing is integral to that commitment.

Laboratory Infrastructure

It is essential that the Australian Racing Forensic Laboratory at Randwick has the most sophisticated and effective drug detection facilities and infrastructure available.

ACTION:

Racing NSW has purchased \$1.5 million of new equipment aimed at significantly enhancing the capacity of the Laboratory to meet the challenges of identifying and detecting new-age drugs.

The new instruments put the laboratory at the cutting edge of equine analytical technology with the ability to screen for the broadest range of known molecules and identify emerging or novel substances.

Further, the new equipment will enhance drug surveillance for the testing of routine raceday thoroughbred urine samples with far greater sensitivity allowing coverage of a minimum 1000 drugs from a specific screen in an open ended format, outweighing the current regime of limited targeted testing.

This new scientific equipment complements the sampling strategies used by the stewards in the field to ensure fair, drug free racing for all participants.

These strategies include the testing of one in every 1.4 metropolitan starters, testing at barrier trials and out of competition testing at training centres and stables.

Included in the laboratory's equipment is a state of the art freezer which allows swabs to be stored at minus 80 degree. This provides the perfect environment for swabs to be stored and retested at the later date for any new drugs which weren't tested for in the initial analysis.

Licensing of Veterinarians

Racing NSW has been concerned for some time that veterinarians treating thoroughbred racehorses are not captured under a NSW thoroughbred licensing regime. As a result, this is the only category of persons who handle horses that cannot be disciplined by **Racing NSW** and its Stewards.

It is of concern that this shortcoming exposes the industry to a lessening of its overall integrity.

ACTION:

Racing NSW has been negotiating with the Equine Veterinary Association of Australia to overcome this anomaly. These negotiations will continue and **Racing NSW** is confident of a positive result in the near future.

Code of Conduct

Racing NSW is required in terms of the Thoroughbred Racing Act 1996 to adopt a Code of Conduct for its members, to review the Code every three years and to make any necessary amendments.

ACTION:

The Code of Conduct has been reviewed this year and several minor changes have been made.

A copy of the Code can be viewed on the **Racing NSW** website: <http://www.racingnsw.com.au/site/content/document/00000040-source.pdf>.



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6. Racecourse Developments

The Board believes that the release of accrued Race Fields funds after the High Court decision is a once in a generation event and it is essential to maximise its long term benefits for the industry.

Racing NSW has therefore drawn up plans for a major capital development program for the State's racecourses. This program will be focused on improvements to racing surfaces and training facilities at major provincial and country racecourses throughout the State.

ACTION:

The first project funded under this program will be at the Newcastle Jockey Club's Broadmeadow Racecourse where \$11 million will be spent on the construction of a second racing track and a renovation of the course proper.

Also announced is the multi-million dollar upgrade for Kembla Grange.

This includes the installation of a state-of-the art fast work training track and extensive drainage works on the course proper. The Stage 1 cost will be approximately \$2 million.

A study will also be undertaken for Stage 2 works to the course proper to install the best available turf surface using new technology. The study will also explore the installations of a second track.

Further projects have been identified to a total value of \$30 million and announcements will be made in the next month.

Racing NSW continues to work closely with the Australian Turf Club on the Randwick Racecourse Redevelopment.

7. Central Coast Racing

Top class racing and training facilities on the central coast of New South Wales are essential to the health and sustainability of the NSW Thoroughbred Racing Industry.

ACTION:

Racing NSW has commissioned an independent Strategic review of the Gosford and Wyong Racecourses to enable a decision to be made on the future of racing in that area.

In August, **Racing NSW** formed a Working Party to investigate and report on racing on the Central Coast of NSW. The Working Party is headed by Mr John Singleton, AM and also comprises Ms Monique Marks, Mr Rob Ferguson and Scott Kennedy from **Racing NSW**. The Working Party's report will be submitted to the next Board meeting of **Racing NSW**, on 19 November 2012



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8. Merit Based Handicapping

People who attended the 8 Industry Forums conducted by **Racing NSW** in Country regions were critical of aspects of the Benchmark System, in particular that horses were rising too quickly in their ratings which reduced their progression and opportunities. Further, it was claimed that ratings were lowered too slowly when horses were uncompetitive.

Racing NSW is satisfied that overall, the Benchmark Programming System is working effectively in providing flexibility for trainers in placing horses across Country NSW. However, we agreed with the concerns about the Handicapping Policy as it related to the review of **Racing NSW** horses' ratings.

ACTION:

Accordingly, **Racing NSW** has re-assessed its handicapping policies and, after a consultation process, has made the following changes:

- More discretion given to the handicapper to weight horses up to one kilogram lower than their published benchmark, if this is warranted by the nominations for a particular race;
- Where horses perform well 'above their grade' without winning, the benchmark allocated for the next start is dependent on the grade of a race;
- In assessing the performances of maiden winners, the weight allocated by handicappers is to be over a tighter spread than at present;
- The practice of spreading weights at acceptance time if weights need to be raised to the minimum top weight is to be discontinued for Class 1 races.

Racing NSW will also introduce Class 2 Country Plates with set weights as follows:

	4YO+ Class 2	3YO Class 2	4YO+ Class 1	3YO Class 1
Male	59.0kg	57.5kg	57kg	55.5kg
Female	57.0kg	55.5kg	55kg	54.0kg
Maidens to carry same weight as Class 1.				
2YOs to carry 2kg less than 3YOs but not less than 54kg (LR25)				

We will review the Benchmarking System again in February 2013 to ensure that it is providing the industry the functional and equitable system it deserves.

9. Broadcast Policy

ACTION:

Racing NSW has entered into a Heads of Agreement to aggregate the broadcast rights of all NSW races with those of the Victorian Racing Industry through a remodelled TVN. It is envisaged that this aggregation will increase the collective value of our broadcast rights and increase returns to the NSW Thoroughbred Racing Industry. It should also reduce the currently duplicated costs.



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However, the process has not been easy, and we are still finalising negotiation of the agreement with the parties. We will not enter into any final agreement unless it maximises NSW revenue and provides sufficient safeguards to all our clubs.

Racing NSW will also appoint an expert evaluator to review and advise the Board on a TVN proposal regarding the filming of races throughout New South Wales.

10. Thoroughbred Rehabilitation Program

The treatment of thoroughbred horses at the conclusion of their racing career has been previously identified as a cause for concern in regards to equine welfare.

In the 2010 Strategic Plan conducted by **Racing NSW**, several measures were proposed to address the issue, including the 'Development of after race care programs, facilities and services for thoroughbred horses'.

At present, the retirement of thoroughbred racehorses can commonly lead to euthanasia, and so **Racing NSW**, as parts of its strategy, sought to introduce a program to re-educate former racehorses and re-house them for future equine careers.

After hearing about a successful program in America that used animals to rehabilitate prison inmates, **Racing NSW** sought to adopt a similar program which offers a solution to a two pronged issue, rehabilitating former racehorses and providing inmates with lifelong skills.

ACTION:

After thorough consultation with horse retraining experts, industry training departments, and Corrective Services NSW, a joint venture pilot program was introduced in March 2011 named '**The Racing NSW and Corrective Services NSW Thoroughbred Rehabilitation Program**' (Thoroughbred Rehabilitation Program).

The Thoroughbred Rehabilitation Program aims to:

- re-house thoroughbred horses when they retire from racing;
- re-educate and re-train thoroughbred horses for deployment in a new equine career, such as equestrian competition (dressage, eventing etc.) Mounted Police or security work, and for pleasure purposes;
- provide inmates with skills, training and prospective employment opportunities in the thoroughbred industry, through the completion of relevant tertiary TAFE qualifications offered through the Program.

The Program operates across three levels of rehabilitation:

Level 1: Pre-training at St Heliers Correctional Centre (up to 5 months)

Racing NSW transports horses to the site for pre-training by inmates, under the supervision of **Racing NSW**'s appointed Thoroughbred Rehabilitation Manager. Horses that respond well to rehabilitation and are assessed as safe and healthy by **Racing NSW**, are sold as leisure horses to the general public.

Horses identified with potential to complete further training for a new equine career will be progressed to Level 2.



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Level 2: Intermediate Training (up to 2 months)

This training continues and reinforces skills learned at Level 1, with the addition of classical riding and natural horsemanship techniques.

Horses identified as being suitable for equine career redeployment are spelled (under the care of inmates) prior to progressing to Level 3.

Level 3: Re-education Training (at Canterbury)

Horses are re-educated into a specialist equine career (e.g. dressage, jumping, police) and sold to established markets (such as the NSW Mounted Police) at a premium amount.

While the Program is essential to assist with the rehabilitation and re-education of former thoroughbred racehorses, the Program is also integral to the rehabilitation of inmates and their integration into the workforce and society upon release.

The Program provides offenders with the opportunity to acquire skills necessary for employment within the thoroughbred racing industry. Suitable inmates will be able to enter a 12 month traineeship and complete Certificate II or higher in Racing (Stablehand) or other related courses offered by the Australian Racing and Equine Academy under the Racing NSW / TAFE – Western Sydney Institute Training Partnership.

This is a much needed program and one which will bring a great deal of goodwill for the racing industry by providing legitimate homes for retired thoroughbreds, giving the horses a new future and career in life.

The Program is a not-for-profit venture, with any proceeds from the sale of retrained horses reinvested into the Program to allow for its ongoing maintenance and possible extension.

Racing NSW provides funding and administrative support through a charitable trust structure called the NSW Thoroughbred Rehabilitation Trust (TRT).

Since its inception in 2011, nearly 40 horses have been re-housed for various equine careers including various equestrian competition pursuits (including dressage, jumping and eventing), mounted security with the Australian Turf Club, general pleasure horses, and trials with the NSW Mounted Police Force.

Marketing efforts have begun to expose the Program and TRT into the eye of the Thoroughbred Racing Industry and the general public, through combined advertising and promotion on Social Media, print, online and television.

