

TAN –MEETING MINUTES
Thursday, 16 July 2020
The Conquering, Ladbrokes Park, Elwick
Meeting commenced at 10:37am

Attendees:

Merv Hill	Chair
Paul Eriksson	Tasracing CEO
Robyn Wishaw	Tasracing Director
Liam Swan	Tasracing Racing Operations Manager
Blayne Hudson	Tasracing – Code Lead Thoroughbreds
Belinda Lewis	Tasracing Animal Welfare Manager
Sam Steven	Tasracing Head of Marketing
Angela Barrett	Tasracing – Code Lead Harness
John King	Director of Racing – ORI
Ross Jones	Devonport Racing Club
Andrew Scanlon	Tasmanian Racing Club
Brian Walker	Tasmanian Turf Club
John McKenna	Racehorse Owners Association of Tasmania
Nigel Schuurung	Australian Trainers Association
Marion Dalco	Australian Trainers Association
Rob Dixon	Tasbreeders
David Manshanden	Tasbreeders
Kevin Ring	Tasmanian Jockey Association
John Alducci	Australian Trainers Association – via zoom
Patrick Clancy	Racing Advisor – via phone

1 MEETING ADMINISTRATION

1.1 Welcome

Chair opened the meeting at 10:37am

1.2 Apologies

Apologies were received from Kirstin Paterson. Kirstin is replacing David Adams as the representative from the Racehorse Owners Association of Tasmania.

Merv Hill - formally recorded the groups thanks and appreciation for all of David's work.

Robyn Wishaw – suggested a letter of thanks be done to David from the TAN group. Chair to organise.

1.3 Minutes

Chair called for any discrepancies with the minutes of the previous meeting.

Kevin Ring – queried if the Hot Weather Policy was currently sitting with ORI.

John King – confirmed this is the case. This policy was not finalised as yet and will follow up.

Minutes of the previous meeting confirmed and accepted.

1.4 Matters arising from previous minutes – not otherwise covered on the agenda NIL

2. ITEMS FOR DECISION

2.1 LR 10.10 – Emergency Acceptors

Nigel Schuurung – trainers think that if a race is to be divided then it should count down for example the top 20 get split then the next 5 become the emergencies across both races. Blayne Hudson explained that this can be manipulated by Trainers if there are scratchings they can potentially wait to pick the best run for their horse.

Blayne Hudson – provided an explanation of the proposed amendments. Integrity concerns have been raised by Stewards with the local rule as it currently is.

Kevin Ring – The jockey's would prefer to split the emergencies evenly.

Merv Hill – Questioned if the Trainers Association would be happy with the rule change.

David Manshanden – The positive of the change is that with more emergencies more chance of horses getting a run.

Nigel Schuurung – This would also have less ballots. The selection of the emergencies would need to be alternating.

The amendment to the local rule was supported by TAN.

2.2 Feature Race Dates 20/21

Blayne Hudson – Gave precise on the proposed Feature Race Dates.

Andrew Scanlon – Supportive of the proposed dates.

Blayne Hudson – Part of this proposal was an increase to the 3YO Cup up to \$100,000. These horses currently do not have a flagship race. The balloting conditions would change if there was agreement to the increase. This would become a set weights & penalties race. This would hopefully then give us the opportunity in the future to work towards making this race black type status.

The proposed Feature Race Dates 20/21 was approved by TAN.

3 ITEMS FOR DISCUSSION

3.1 Tasbreeders Update

David Manshanden – provided an overview of Tasbreeders and the Tasbred Scheme. Thanking Angela Barrett for her assistance with nominations. A 30% reduction has been seen in foal numbers in 2020. This may be partly a result from COVID-19 with incomes impacted. Tasbreeders are currently in talks with the Ministers office about support. It is believed this will

impact the 2021 Tasmanian Magic Millions Yearling Sale. It is believed that people won't be buying horses.

Merv Hill – Questioned what was happening regarding the site location at the Inveresk Site.

David Manshanden – Tasbreeders are still working on the site issue. An objection was lodged with the Council but was dismissed. An appeal has been lodged with the Planning Tribunal based on no other suitable sites to host the sale and that the Breeders would be financially disadvantaged without access to that site. The preliminary hearing is set for the 25th July. Quercas Park Carrick is being investigated as an alternative. A massive amount of infrastructure would need to be done there within a short time frame. Tasbreeders were hoping if Inveresk could be utilised for the 2021 sale that would allow 20 months to find an alternative. Plans have been previously drawn up for Mowbray, other sites looked at were Longford and Lauderdale which was eliminated immediately due to no infrastructure.

Rob Dixon – It is fair to say other options have not been thoroughly explored as yet. Tasbreeders have been focusing on locking in the Inveresk Site to then give time to explore alternatives moving forward.

Andrew Scanlon – Now that the council has rejected the objection we really do need to move quickly to look at other options.

David Manshanden – The only other question not answered is the ownership of the Roberts Pavilion. Roberts walked away from the site in 2015. Tasbreeders have requested documentation from the Council on who owns that building. They have been unwilling / unable to provide.

Andrew Scanlon – Hopefully we get the time however maybe the sale needs to look at online.

Rob Dixon – That will be discussed at the next meeting.

David Manshanden – The breeders haven't spoken about the date specifically but maybe that needs to be pushed back. It just may not be realistic with everything that's going on interstate. A lot of unknowns at the moment.

3.2 High Visibility Fluorescent Vest for Trackwork - Verbal

Kevin Ring – The high visibility vests that trackwork riders wear is being raised as the rule here in Tasmania as noted in the Tasracing Track Rules states specific colours. Issues around this has arisen with Trainers purchasing vests outside of the noted colours in the rules. Questioning why the colours are an issue. The rule needs to be amended regarding the colours. In research all PRA's are differing, WA have no regulation, Flemington have no rule on hi-vis vests. Cranbourne riders wear a colour or predominantly white. Stables in Victoria have their own colours so they can tell which is their rider when watching at the track. Other stables also do the same. Standards Australia have put these regulations in place however they do state that they don't regulate what happens. It is stated on their website that although they develop standards they are not responsible for enforcing, regulating or enforcing compliance of those standards. International standards are also endorsed through Standards Australia.

There is a new Racing Australia rule which is coming in regarding safety vests. The TJA would prefer the riders have a choice, light on the helmet, on the vests or both. This is another thing that will come into place.

There needs to be a small amendment to the track rules that any colour can be worn as long as it is recognised by Standards Australia.

John King – This comes down to fairness where some Trainers are complying with the Australian standard vests and others are wanting to advertise their stables. It needs to be a balance under the Work Health & Safety legislation for the workplace. Nominating an Australian Standard makes it easy to enforce. I am supportive of trainers being able to identify their riders or advertise their stable however if it becomes open slather then we are at risk under the Work Health & Safety legislation and it becomes very difficult to regulate. Linking the rule to the Australian Standards is ideal.

David Manshanden – Noted that the current track rules stipulates certain colours. Can we get a recommendation from Workplace Standards on what the approved colours are for vests and then the rule be amended to represent that.

Andrew Scanlon – Wouldn't the rule change just be to say comply with the Australian Standard.

David Manshanden – The International Standard mirrors the Australian Standard.

Merv Hill – If we can get John King to have a look into the rule in reference to the Australian Standards.

Kevin Ring – The standard is more about the fluoro strip not the colour.

Paul Eriksson – Tasracing agree that we just need to comply with the Australian Standard. The trainer discussed has a vest that complies with the International Standard so we need to have them both noted in there. It's all about consistency of compliance. It needs to be made a simple rule, it's restrictive in it's current wording. John King and I will progress.

Nigel Schuurin – raised the issue with Stewards when they are at tracks wearing black jackets.

John King – this is currently being looked at.

3.3 Stewards Towers – Hobart - Verbal

Kevin Ring – This has been a long running issue. The stewards tower at the 600m doesn't have a good line of site for either the steward in the tower or the cameraman. The line of site does not go down the back straight it is on an angle.

Paul Eriksson – That is the first I have heard of this. I can confirm that over the next 12 months all stairs up to the tower will be replaced.

Kevin Ring – this was in an email last year between Scott Quill and Blayne Hudson. It was advised by the previous Asset Manager that this was not in the budget for Tasracing.

David Manshanden – Questioned with the improvement in technology is there a need for Stewards to be in the Towers?

Kevin Ring – Yes they do need to be in towers as there are other issues such as birds, objects on the track.

Paul Eriksson – I had only been made aware of the stairs but I will follow this up. Realigning towers is a very different job.

3.4 Hobart Trials - Verbal

Kevin Ring – This has been discussed at length with both Blayne Hudson and Paul Eriksson previously. Holding trials on a Monday after the races is not ideal. Multiple issues such as running over the track again when it should be being looked after. Previously trials have been held on a Tuesday after a race meeting which is still not ideal, there is still not enough time to put the track back together. It was previously done on the Tuesday as it was agreed that horses not racing on the Sunday don't get exercised on the Sunday so they come out cold on the Monday, this also creates a risk of tying up. The trials in Hobart need to be held on the Tuesday before the race meeting. The rail can then be moved to wherever they like after that in preparation for the meeting. The rail doesn't need to be moved entirely for trials. I also thought it was agreed that when it was decided to go with one track to help save the track the jumpouts would only be held down the back straight from the 600m. The gallops similarly should be up to the 600m where they then ease up.

Nigel Schuurung – A lot of the trainers like to take their hoses to the winning post as majority aren't trained at a track. Why couldn't the rail be moved out further.

David Manshanden – Going back about 10 years that was the arrangement. The feedback from the trainers then was they wanted 10-12 days to trial and then lead into the race meeting. So that is taking that option away from them.

Liam Swan – Jumpouts down the back completely agree and this is an easy fix as is gallops. There is a trials policy which will cover this. The reason trials were moved to the Monday was to assist the track staff. It takes the team approximately 50 hours to move the rail. This decision wasn't about being difficult to the Trainers it was just simply to allow more time on the new track to maintain it. If the industry wanted to go to Tuesday this would be considered.

Nigel Schuurung – will discuss this with Trainers and bring back to next meeting.

4 ITEMS FOR NOTING

4.1 Race Dates 20/21

Blayne Hudson – provided an overview of the approved 20/21 Race dates. Noting Hobart was now back on track with the completion of the track with the Carnival back to the one weekend Friday/Sunday. Mowbray would be closing earlier next year due to track renovations.

Nigel Schuurung – Trainers were concerned that there was not enough races for the mud horses. Holding one even every three weeks, even if the rail is out to 10metres at Mowbray. Eleven straight at Devonport doesn't give the mud horses anything. Can there be one or two grass meetings over the winter.

Blayne Hudson – We may be able to look at programming some at Hobart next year. This is all dependant on the Hobart Track.

Kevin Ring – There is one extra meeting. Why aren't we back to 73 meetings like we were two years ago. They were reduced due to the track renovation at Hobart. Are we going to head back to more meetings?

Blayne Hudson – There can be additional meetings but that will take the funds out of the Divided Race Pool. Since returning to racing on the 14th June an additional 8 races have been added.

Liam Swan – The commitment is to continue to run the same amount of races. Whilst there may be the impression that there are less meetings the race numbers will remain the same. We do aim to increase that and if there is the ability to add a meeting we will do that.

Kevin Ring – If you have more meetings it will give owners more opportunity and encourage them to stay in the industry.

Andrew Scanlon – Hobart will very rarely be a heavy track. This will probably not be much of a mud runners track. I do support that ultimately we need more race meetings across the state. It will depend on appropriate decisions around stake money. We do need stakes increases. We can either increase stake money or put on more races, either way it is a good investment into the industry. The stake money is the crucial thing to where we go in the future.

4.2 Wagering Turnover Performance

Paul Eriksson – Provided an overview of the wagering performance since the return to racing. An exceptional result for June. June 2019 Thoroughbreds did a touch over \$13M, for the 15 days that we raced in 2020 Thoroughbreds did \$12.8M.

Andrew Scanlon: Reflective of what we lost in the shutdown period.

Paul Eriksson: Don't disagree. In terms of the other codes Harness did \$8.4M in 2019, compared to \$7.58M this year. Greyhounds did \$16.68M in 2019 compared to \$15.34M this year. Only slightly down on last year. For the entire year it was around 20% down, which is reflective of non racing for 2½ months.

Andrew Scanlon: The budgeted race field fees loss where you would have expected with the flattening of the point of consumption tax, it looks like \$2.5M from budget, but its the other component of it, the opportunity cost.

Paul Eriksson: It's more than that. It's closer to \$4M in Race field fees where we thought we were going to end up if we had continued to race and maintain the line, so up until we shut down we were about \$1M down, and that was the question of whether that was point of consumption or economic confidence. In the shut down it's around \$3.5M-\$4M that we've actually done.

Andrew Scanlon: The basic budget bottom line though is that no racing shutdown would not have seen race field fees go like they did on the mainland and if we hadn't been shutdown ourselves we would have got the Covid build up. It looks like an easy \$5M loss, opportunity loss, but less than \$3M from budget. If you didn't have Covid you're still living with the point of consumption tax flattening and you're still living with other things taking sports betting away from.

Paul Eriksson: If you're looking at the hypothetical no shutdown we looked like we were going to finish the year about \$1.5M lower in race field fees than expected. Which is the question of what caused it. If you assume that racing would have continued and that racing was of reasonable quality it's either point of consumption or you've got your economic confidence issue.

Andrew Scanlon: In any event we can all agree that the shutdown cost us around \$5M.

Paul Eriksson: When you add the opportunity cost I wouldn't be surprised.

4.3 Marketing Update

Sam Steven – gave an overview of the Marketing Update. Three main areas of focus over the last quarter.

The first area was the challenge we faced with the closure of our racing product whilst all our competitors continued. The risk was losing all the money that had been invested over the previous years with acquiring our customers and their loyalty to our wagering product. So we got to work fairly early in the piece and undertook quite a lot of content marketing Nationally, both digital and social media, to make sure our wagering customers didn't forget about Tasmanian racing while we were closed down.

The second area was around trying to keep the customers of our clubs engaged during the closure of racing, again so that we avoided the risk of them losing interest, disappearing and making it harder to get them back.

The third area was the general public. The perception of our industry among the person on the street. One of the risks of being shut down, which we realised early on, was our industry distractors and our distractors of industry. Saying now they're closed lets keep them closed. The key part of how we combated that was the 'It's Why We Race' campaign. A series of videos was created to depict the value of racing, aimed at the general public. So that we could educate them on how many people are employed, what it's worth to the economy, how important the animals are to the participants, etc. This was pushed out as hard as we could via digital and social media. The initial video was watched over 30,000 times within in a matter of a couple of weeks. That campaign will continue for at least the next 12 months. We think that it's more important than ever before that we ensure the general public understands the value of racing and that it's important that it continues and grows, etc. We know there are over 5,000 people involved in racing in one way or another so we're not going to run out of those type of interviews to film and put out there so we'll keep doing it. And it doesn't cost us anything to run this campaign. We use basic internal resources in terms of an iphone to video about what racing means to them, and it's powerful.

Marketing have also launched a new digital product on the day we returned to racing, Sunday 14th June, which was the Black Book and customer notification system. This is our investment in a CRM system where we are going to grow our customer data. There is real value in this with major sponsorship negotiations.

Ladbrokes were very generous to us with a \$150,000 extra investment they made in the initial 2 weeks back to racing with the bonuses.

Merv Hill – TAN has written to Ladbrokes thanking them for that donation. A nice response was received.

4.4 Assets Update

Paul Eriksson – take papers as read. In addition to the paper there is a third stewards tower that the access will be done on the track at Elwick. That might be held until I get a better understanding about Kevin's earlier comment on a better line of sight. The equine pool bridge at Brighton has been signed off this morning. It's about a 7 week turnaround on that, so looking at completion in 8-9 weeks. The sand track is currently undergoing works with sand being lifted and work being done on the underlying base of the track. There are a number of areas that haven't been maintained well enough over the years and part of the base has either gone soft or the viscos has either further eroded or become spongy.

Andrew Scanlon - Has drainage been looked at.

Paul Eriksson – There is some drainage there and in the earlier days that has been fixed as well.

Kevin Ring – About 3 years ago when Kim Elliott was here.

Paul Eriksson – The drainage that is on the track is being cleared. It hasn't been working effectively as it should have been. But we are actually lifting the surface and fixing the base and we've got the coarser sand to go down. Out in front of the stables work is being undertaken to clean up the mud. While all the drains had been cleaned previously the connector pipes had not been done so they are now being done along with the gutters and down pipes.

Nigel Schuurung – What is the responsibility of the people that lease the stables. Wouldn't the tenant's have some responsibility.

Paul Eriksson – The tenants have some responsibility but Tasracing should have had the gutters done. They haven't been maintained over a period of time. Tasracing will do them now and then work with the tenants moving forward.

4.5 Animal Welfare Update – Verbal

Belinda Lewis – notes the industry is well aware of the increasing pressure from the wider community particularly in the rehoming space. Making sure the horses that can be rehomed are being given the best opportunity of having a home. I think we can all agree that there will always be a cohort of horses that will be too dangerous to rehome or become pets that we can find a decent home for. There will always be that cohort that go into the food chain. In terms of rehoming we need to get as many into that next home as we can. With that in mind we're going to change the way we deliver the Off The Track program for next financial year. We have now got a classified section on our website where people can advertise their horses. It does still need a bit of work. Tasracing staff are currently inputting those entries, we would like to move to a self-service where owners and trainers can input this information themselves. To date we've had 9 horses advertised with 5 horses rehomed. The other thing that will continue is the sponsorship to Equestrian Clubs and Societies for the Off The Track show classes and riding classes. This is by way of subsidising rugs and ribbons.

Previously the Off The Track clinics were delivered as a means of providing education to new owners of off the track horses. This is where the main change is. We are going to actually move to a system where instead of Tasracing hosting a clinic, we will actually have people apply to Tasracing and if they meet the eligibility criteria Tasracing will subsidise private lessons. The main driver for that was around risk mitigation and insurance. Some of you may be aware but the NSW coroner released a report recently into equestrian deaths and the impact in terms with insurance, ground hiring, etc. It also allows us to capture the cohort of people that weren't previously attending the clinics. We have worked out that they were either not confident to attend the clinic or simply didn't have the transport or maybe just couldn't get the horse on the float. Those at risk horses are ones that are quite vulnerable to poor welfare outcomes. This will enable those people to have some support. The lessons can be provided virtually or face to face. It will be through Tasracing accredited coaches, so they have to have insurance, first aid, working with children, etc.

The other really big thing that we need to look at as an industry, at the moment as trainers and owners do a really good job of rehoming your horses but there are some horses that need that bit of extra support so we are going to look at an industry retraining program. So what that will look like I don't know and it won't be for me to decide. I'm putting an issues paper together at the moment with different options, what it could look like, costing. It will then come to TAN and HIF for consultation.

Kevin Ring – Thoroughbred After Care Welfare Working Group, is Tasracing putting a paper forward to that? The AJA are.

Belinda Lewis – Yes we are.

4.6 Apprentice School Update - Verbal

Liam Swan – provided a handout prepared by the Apprentice School Coach Stephen Maskiell. The Apprentice School is now being held at Mowbray with some difficulty holding these over the Covid period and access to the rooms at ORI. The current apprentice numbers are quite strong which we need at the moment being unable to have interstate jockey's fly in. We have a number of apprentices currently race riding, a number at trial stage and a number of potential apprentices working their way through. Tasracing will be looking at developing a policy on apprentices within the state, capacity – how many we do require moving forward. There is some kids in Hong Kong at the moment that the HKJC are keen to send to Australia, but reality is the borders are shut, so that is not an option in the immediate future. So we will focus our attentions locally, which is a good thing, and at this point in time the numbers are really strong, the Trainers are really engaging.

Stephen is currently contracted for 16 hours a week which is being reviewed so that he can get to the North / North-West more often. Is this something the Trainers are crying out for?

Nigel Schuurin – I've currently got an apprentice who's done 35-40 trials as does Glenn Stevenson but we haven't seen Stephen at Devonport trials. We've seen him straight after Covid at Longford. If I don't send my apprentice to Hobart then he doesn't actually watch her ride. The best thing when an apprentice is going is to talk to them straight away, not the next night or off the video. If you're on to them straight away and correct the situation. I haven't even seen him at the Devonport races.

Liam Swan – Stephen is in the North for the Apprentice School today, staying overnight to go to Graeme McCulloch's tomorrow. We will be focusing his attention on the North seeing as we do have an extended period of racing there. He has a big commitment towards the apprentices, he offers them basically 24/7 services. They call him day and night for advice or he's watching videos, etc. This is a balancing act on his current hours and at this point in time. If there is an expectation from the Industry for more time then we can visit that.

Nigel Schuurin – Is it possible he holds Apprentice School on the Monday, stays up North then goes to trials on the Tuesday?

Liam Swan – We can certainly look at the logistics of his role.

4.7 POCT – Verbal

Paul Eriksson – No formal advice has been received from Treasury as yet. The first six months is still expected to be \$1.8 Million. There has been some anecdotal comment that it may be higher. That will then allow us to put more into stakes. If that happens. The same with race field fees. If race field fees trend upwards, more than we expect, then that will also give us the opportunity to put more into stakes. So we have assumed in both cases that we'll get \$1.8M and race field fees will do what we saw them do prior to Covid and remain fairly flat. We've put a worst case scenario in. In terms of point of consumption tax we will be expecting a minimum of \$1.8M and that will be paid to us in September at some stage. So that's when the first six months will get paid. Now it needs to be understood Treasury collect this monthly, but they pay annually. The way it is structured they will pay this 3 months after the end of the year that it relates to. We will always get it in arrears.

Andrew Scanlon: We don't like that. We're going to campaign to the Government to get it quarterly.

Paul Eriksson: I would like quarterly. We have actually asked for monthly.

Merv Hill: The \$4M was on the basis that they estimated on getting \$12M. We're getting the \$4M after they take their divvy out.

Paul Eriksson: It's 80% of the incremental revenue. The problem I've got with that, which I have been very clear on, is that I haven't seen the Treasury model and we're not party to what the agreements and what those are. We have our views and opinions on what that is.

Andrew Scanlon: We have received advice that they were modelling it around \$12M and now the advice we have received is that it is higher than expected. It is likely to be something like a \$13M tax and the incremental thing is a funny word to try and explain away the Tabcorp thing. Tabcorp took the money because of supposedly a dodgy contract when they sold the Tote.

Paul Eriksson: We don't have visibility of the contract. Again verbally we have been told there is a clause in there which ensures that Tab must be no worse off. How that is worded or what that means we have no idea. We have asked for it, and I know you guys have. We just don't have the visibility. The key is it's 80% of the incremental revenue and the Treasury model forecasts that around \$4M and that is what will flow through to the racing industry. If they collect more then we will get more. I haven't yet seen the calculations, we have asked for them.

Andrew Scanlon: We need to lock in whatever we can because they don't seem to be honouring the promises they've made.

4.8 Code Funding - Verbal

Paul Eriksson: The minister announced a 3% increase on the stakes number. The other numbers Tasracing will manage, such as the 1% to welfare etc. These will be managed outside of that, Tasracing will wear it.

Andrew Scanlon: We need you to publish those numbers. We need transparency in those numbers. I think the Minister has mislead the legislative council. They've put out a press release saying we had stakes increase since the last election. We had code allocation increase, we didn't have stakes increase.

Paul Eriksson: You had stakes increases. If you go back through the papers of the TAN meetings you will see the code allocation, which includes the stakes number, is generally presented to the next meeting where it clearly states what was spent in the last year, what the proposal is this year and TAN get to say how they want to split it up. Now if I recall the last one, 2019, we allocated it to two specific races and the divided race pool and the 2019/20 one we added it to the divided race pool.

Andrew Scanlon: Well it is not transparent, it is not obvious and you need to do that. You need to actually say this is what you paid in stakes each year and pull away the code allocation grab bag and define what it is. We've got the breeders bonus which is a good thing and we've got all the other things. We need some transparency on this.

Paul Eriksson: Go through your TAN papers because it is there.

Andrew Scanlon: From my understanding there has been no particular stakes increases since this government was elected. Unless you're adding in extra races etc but it is not transparent. We need to know what the numbers are.

Robyn Wishaw: We are given them every year. TAN sit round and discuss how we want to spend it. Raise maidens which we did one year, whether we want to add \$25k to a couple of stakes races. Every year it is discuss, and the figures are there.

Paul Eriksson: 1.35% was the 2019/20 stakes number increase and that was allocated to the divided race pool. The year before that the stakes only increase was 4.4% and that was 2 x \$25k, Blayne please confirm.

Blayne Hudson: We pushed the 3YO Cup up to \$75k, the 3YO Trophy up to \$50k. The year before that we allocated a lot to the divided race pool plus \$150k the last three years to the Tasbred Scheme.

Andrew Scanlon: But that is separately reported. We haven't had a stakes increase in terms of prizemoney.

Robyn Wishaw: But we've had a stakes increase, it's just TAN has agreed. Example one year we have no money for divided races so TAN agreed they would put the increase into the divided race pool so Blayne could divide races.

Paul Eriksson: So that code allocation which includes the stakes number is taken to each of the reference groups. The actuals which we are putting together at the moment and the proposal comes to the TAN meeting. Those numbers are given to you.

David Manshanden: So your recommendation for the increase to the 3YO Cup obviously comes out of the code increase for next year.

Robyn Wishaw: And TAN will get to decided whether it happens or not.

Paul Eriksson: That is something we put on the table and you guys decide.

Andrew Scanlon: We also expected that the point of consumption tax was \$4M and that the great majority of it would be going to stakes. That was the representation from this group and from all other groups. And right now because of the black hole we've got with race field fees it will be going into other things and all we're getting is \$660k (3%) increase for this financial year. The issue we've got is basically stakes are not increasing fast enough. Little increments here and there.

Robyn Wishaw: No one disagrees with that.

Andrew Scanlon: We absolutely need a repositioning of the corporate planning for Tasracing and either you live within your means but then pour much more % into stakes, or we keep lobbying to get additional sources of income. There's only two options. If we do not get appropriate stakes increases we are in serious trouble going forward. We're just tinkering with a race here and a divided race pool, that is just not going to cut the mustard.

David Manshanden: I think the concern from industry is that pre Covid-19 the industry worked really hard from a 50/50 split to get a 80/20 split. Correct me if I'm wrong but we were under the assumption that the point of consumption tax would be on top of the CPI increase. Now the information we are now getting from the Ministers office is that's not correct. It was also

the breeders understanding that any point of consumption tax would be on top of the CPI. So now they've come out and said that the 3% CPI is all you're getting this year.

Paul Eriksson: I don't know if I can accurately comment enough. The point of consumption tax, yes it is a new tax. Is it an additional revenue source, yes it is for the government, partially for the racing industry. The point of consumption tax taxes the same dollar we're trying to take a bite out of with our race field fees.

Andrew Scanlon: It is a different tax. There is a cynacism about this. This government went to the last election with a no new taxes promise. They went with the CPI 4% per annum. That was the promise which was based on the old corporate plan for Tasracing. We then go through a whole process, we have letters from Ministers, after they've been elected, to say no there is not going to be a new tax. And then we finally get our Premier and Treasurer who change their mind to bring in the new tax from January this year. It's a new amount of money and we get a \$4M promise to Tasracing. Our understanding was that it was going to be predominantly stakes and all of a sudden it's disappeared. It's disappeared into the previous commitment. I don't know how you can a year and half later say you were intending to pay the 4% with the point of consumption tax when you never had a point of consumption tax. It doesn't make sense.

Paul Eriksson: If you go back to the statement I made in front of Legislative Council, and I don't think you were there, but that the comment was we didn't want a point of consumption tax. We would rather have grown our race field fees and achieved \$4M that way, because that was the trajectory that we were on. The fact that the mainland has brought in a point of consumption tax were over 90% of our wagering turnover comes from has effectively capped our ability to grow race field fees. You cannot tax the same dollar twice. We're eating into the operators margin, with those two taxes, race field fees and point of consumption, and yes point of consumption is state based. The point of consumption is effectively taxing the margin of the wagering operator. The race field fees tax the margin of the wagering operator. Different jurisdictions, different hits. But 90% of our wagering turnover comes from the mainland and they put a point of consumption tax in that is capping our ability to grow race field fees. We've got no option we have to go looking for a way for a different revenue source. This is the only source we've got and that was part of the argument that I put up to the government.

Andrew Scanlon: But now we've got it and it's a fact of life and it's a new income source. Whatever way you work it race field fees look like they're holding up very nicely in this Covid time but we're in a situation where point of consumption tax is also holding up better than the modelling, so we understand.

Robyn Wishaw: So we understand, that is just heresay. We won't know til we get it.

Andrew Scanlon: There is pretty good evidence. People are punting, Tasmanians are punting on mainland races.

Paul Eriksson: We are going to have to wait and see what comes out. I've heard anecdotally that it is better than expected but I've got no evidence other than just comment.

Andrew Scanlon: We need to tap the extra. It needs to go to stakes.

Paul Eriksson: If it does better than what we expect it to then that's what we'll be applying it to. There will be a code allocation paper presented at the next meeting.

5 OTHER BUSINESS

Robyn Wishaw – Following up with the progress of the Award Dinner Policy.

Angela Barrett – Have spoken with Kirstin Paterson who has taken over Chair of the Owners Association. Kirstin was unaware the this had been previously raised and has committed to discuss this at their upcoming committee meeting. Researched other PRA's, South Australia do not have an Owner Award, Victoria hasn't provided a formal response but they have it by Club rather than overall. So whether or not we chose to continue the owner award is another consideration.

Andrew Scanlon – Are we having an Award Dinner?

Angela Barrett – There will be awards, but we want to know from the Industry if they want a dinner. A date has been penciled in and we believe it would be good for the Industry to have this. Currently it is booked for Friday, 11th September at the Elwick Racecourse.

Liam Swan – What should be noted that a big part of that night is the Hall of Fame. The question for the TRC/HOF committee is are you doing any inductions this year?

Andrew Scanlon – I have heard they are canning it this year. That is informal advice. We are happy to revisit it.

David Manshanden – How many can upstairs hold?

Andrew Scanlon – 250.

Liam Swan – Will follow up with the HOF committee.

Robyn Wishaw – I believe from an industry perspective to stay positive a night for the Trainers, Jockeys, Owners to socialise when they are not on the end of lead rope. It is very important to recognise the Award winners. Unless we cannot go ahead I would like to see it happen. Ok if they don't have the Hall of Fame but it is important to recognise the success and excellence. The breeders awards, the jockey, trainer and the Horse of the Year.

David Manshanden – The breeders are supportive to hold the dinner.

Andrew Scanlon – I will have the discussion with Ross Burrige and the committee again about this. The feedback was that last year the Hall of Fame had got too big. This needed to be revisited. But whether we go from too big to nothing.

Merv Hill – The Australian Racehorse of the Year Award is being held by telecast this year in Queensland. That is coming up very soon. Voting for those awards on a national basis we usually have a couple of state representatives. We usually have Greg Mansfield, Peter Staples and normally a steward or handicapper. In this case it would go to a Steward. John we would like to nominate Scott Quill to be the steward, inline with the other states.

Brian Walker – Paul in relation to the on-course operators structures for Tabcorp. It's a bit of a worry going forward for the clubs.

Paul Eriksson – I sent an email out yesterday. There will be a meeting with Mark and Sam with Clubs. TAB have worn the operator costs with the clubs up until Covid and they don't make any money out of it. The lose money on the nights and the clubs don't get a huge amount of dollars out of it either. With Covid and the shutdown of TAB's retail arm they basically turned around and said we're not making any money out of bricks and mortar. We can't afford the

high level of retail. We're going to action the option in the contract which is TAB have the right to determine how many operators are required. When you talk about it, this is not just Tasmania this is Nationally. At this point in time we don't have a way around it. We've argued regarding OH&S requirements regarding not being able to have a single operator on there own the whole time. TAB have only moved to have two operators, or an operator and a manager, both of which can sell. That's as far as they've gone. They've put out a summary of the number of tickets that are sold and they are using this as a yard stick across Australia to determine how many operators they have. I think the number is 500 tickets for an operator, and they're not taking the dollar value just the number of transactions.

Andrew Scanlon – Given the low performance level that they are at now should we be considering looking at options. How long does the contract run?

Paul Eriksson – We've got another 2½ years on the contract. It is generally renewed on a 3 year basis. The best option that I would suggest is we attack them about self serve. That they install self serve modules.

Andrew Scanlon – They should do that anyway.

Paul Eriksson – We tried to get the contract amended to have that and they wouldn't have a bar of it.

Brian Walker – When they sold it to us in the first place they sold it to us with that option.

Paul Eriksson – Yes that's what I understand. Where it is now we have been operating under an on-course licence agreement, a standard one for a number of years. My understanding is that there was a roadshow, Tote or Ubet did it, which promised that you would be better off and we'd have all this.

Andrew Scanlon – So you're saying this is a national thing? I worry that the alliance with Labrokes may have influenced this.

Paul Eriksson – No. I've spoken with a number of clubs on the mainland and they're facing the same thing. We've also had that in writing and I've spoken with Darren Pearce who's the head of digital and he said yes they are under a lot of pressure, the retail side. The retail side is 50% of TAB's business and that was shut down for 2½ months and you'll notice that around Hobart there's a couple of retail sites that will never reopen. The real one is to push the self service. But I can't see any reason to open up with Ladbrokes as long as we're not offering the same type of service why we can't set up on course.

Andrew Scanlon – We should start looking at a range of options. We are a very regional player, we've obviously never been treated very well in recent years by Tabcorp. They don't look after us much at all, so we need to properly start working on options. To be honest they got a windfall on the negotiation of the POCT.

Paul Eriksson – I've also discussed with Darren that TAB are going to continue to push into the digital space more and more. They're going to take the online bookings on. Their bricks and mortar is dying and Covid has just accelerated it.

John McKenna – It was great to get back to the races but it worries me with the Covid and the social distancing not being policed. Is it the responsibility of Tasracing or the Club.

Paul Eriksson – In concerns to the racing operations themselves we have track marshalls. Devonport did not do it well last weekend. The individual that you saw was not from Work Health Safety, they were actually our reviewer. We have an independent reviewer keeping an eye on what's happening, but that's on the racing side, stables, jockey's, stewards, the mounting yard etc. The clubs are then responsible for their own function/s. Tasracing will work with the clubs on that.

Andrew Scanlon – The TRC have a Covid plan.

Robyn Wishaw – Where were your concerns, with the public?

John McKenna – Yes with the public.

Paul Eriksson – The industry have done an exceptionally good job when we've come back, first with trials, then racing. The track marshalls are supposed to be there to look after the racing side of things with the stewards and that was the intention. There are Covid plans for all the codes which covers all the tracks. We will just reinforce the one for Devonport so that everyone understands it.

Ross Jones – who's responsibility is it. There were 40 people in the mounting yard prior to the first race.

Paul Eriksson – The mounting yard is our problem.

Ross Jones – Is it the committee's job to monitor that?

Paul Eriksson – No. The racing operations such as the stables, mounting yard, jockeys, stewards, media room is the Track marshall's responsibility and stewards responsibility to manage.

Liam Swan – The raceday protocols are on our website for any information. Tasracing are happy to work with the club. Our main focus is social distancing and hygiene.

Nigel Schuurin – Tasracing representatives at the races. There is only the track manager there at the moment.

Paul Eriksson – Pre-covid I was getting around them. I wasn't getting to all but had been to a couple at each track for all codes. I haven't had the opportunity to do that but I do plan to attend as many as I can moving forward.

Paul Eriksson left meeting at 12:26pm

Marion Dalco – From the trainers association meeting last night the welfare program is important but one of the things that it is missing out on is the industry participants. Is it possible to segregate the welfare horses into two branches, welfare industry participants and welfare horses. Now the industry participants are doing it really hard. They are financially, mentally and physically exhausted. Covid hasn't helped, but the track situation is not doing them any favours. They are confined to the track that they're using. They are really struggling to get their

horses to handle the tracks that Tasracing is presenting. The fact that they have 9 weeks in a row at Devonport so they're driving 8 hours to the races backwards and forwards. The funding that is being offered to them doesn't cover what it's costing them. Their owners are pulling out, leaving them with the debts that they are incurring. Where is the support for the industry participants. They are just doing it way to hard.

Belinda Lewis – More than happy to look outside of rehoming horses.

Marion Dalco – We are just not supporting those that are providing everything for us. The Office of Racing Integrity and Tasracing are equally responsible for that welfare for the Industry participants.

Nigel Schuurig – Raised at the trainers meeting was the increase in cost for the Workers Compensation for Trainers. It's gone from \$1,200 to \$5k for some trainers. We're going to lose some trainers. They just won't pay the \$5k for workers compensation. Who is going to chase it up. It is part of our licensing requirement. People don't want to pay it until we get an answer.

Robyn Wishaw – Is this for voluntary workers?

Marion Dalco – Yes. \$5k is the minimum.

Robyn Wishaw – You put horse in front of anything and they go crazy. But voluntary workers aren't riding horses, or they can be. That would be why.

Angela Barrett – I currently deal with the workers compensation and I have been contacted by a number of trainers. I contacted our insurance company to inquire into why the jump and was told they cannot provide me any information as the policy is not ours. The only response was that every policy is looked at individually.

Robyn Wishaw – There are only about two companies that will touch the word horse the others will walk away from you.

Liam Swan – What Paul committed to last night was to take correspondence from trainers regarding their costs etc then he will review it.

Robyn Wishaw – As soon as you have a riding worker it will increase.

Meeting Closed at 12:37pm

Next meeting: Friday, 11th September @ The Conquering, Elwick Racecourse