



## **CHAIRMAN'S REPORT - MR GEOFF WANT**

### **HRA MID-SEASON MEETING 18 MARCH 2011**

It has been an eventful five months since the HRA annual meeting in Hobart, with a series of disasters dominating the headlines in both Australia and New Zealand.

Every state of Australia has been affected in recent months by floods, cyclones, heatwaves or bushfires, with much of the focus on the wild weather in Queensland. Among those to perish in the Queensland floods in January was former Harness Racing New South Wales steward James Perry, while some horses were lost, particularly at Cold Mountain Stud.

In New Zealand, the South Island was still in shock from the Pike River mine disaster in November when the devastating Christchurch earthquake hit last month. No doubt HRNZ chief executive Edward Rennell will be discussing the earthquake in his presentation to today's meeting.

In all of these terrible events there was damage to properties owned by harness racing participants and damage to racetracks, some race meetings were lost and turnover was further affected by small field sizes. But it appears the human spirit remained strong and there are many stories of harness racing people who put aside their own concerns to help out neighbours or assist in getting flood damaged racetracks back in action.

We extend our condolences to all those affected by these disasters and wish them well as they recover from the trauma and rebuild their lives.

#### **Celebrations**

Despite the adverse weather in many parts of the nation there has been some outstanding racing in recent months and much to celebrate both on and off the track.

The biggest and most emotional celebration was on December 17 as the final meeting was conducted by the NSW Harness Racing Club at Harold Park in Sydney. It was a truly remarkable evening, not just because it was the end of an era, but due to some of the most incredible scenes I've witnessed on a racetrack, as fans helped themselves to their own piece of memorabilia from the iconic track.

Cause for greater celebration by chairman Rex Horne, chief executive John Dumesny and the board of the club was the sale price of \$187-million they secured for Harold Park.

Harness Racing NSW also had cause for muted celebration in November when the full bench of the Federal Court ruled in their favour in the latest round of the legal battle over the race fields legislation. It was a strong judgement in favour of Racing NSW and Harness Racing NSW, although Betfair and Sportsbet were last week granted leave to appeal to the High Court. This is expected to occur in June.

Harness Racing Victoria is also involved in Federal Court action over race fields legislation, whereby Sportsbet is challenging the validity of both the Victorian Act and the 1.5 per cent turnover fee imposed by HRV. The case began in Darwin last week and was adjourned after four days. It is expected to resume in August.

We wish both state controlling bodies well in their pursuit of a fair return from any wagering company which operates on their race meetings.

## **EADRA**

The long running campaign for the equine industry to become a signatory to the Emergency Animal Disease Response Agreement (EADRA) came to a satisfying conclusion early this month.

As you are all aware, Harness Racing Australia was prepared to sign the EADRA prior to the 2007 outbreak of equine influenza, which only served to harden our resolve on the issue. Unfortunately the debate was hijacked by political squabbling, uncertainty in some recreational equine groups and a push by thoroughbred breeders for voluntary vaccination.

HRA chief executive Andrew Kelly worked tirelessly to overcome the many issues associated with the EADRA and is to be heartily congratulated for his efforts, which have also been

recognised by other equine bodies. It should not be forgotten, either, that the lobbying campaign against voluntary vaccination, conducted by HRA's members, had a significant bearing on the final outcome.

It also was pleasing that Andrew's predecessor as CEO, Rod Pollock, who did a great deal of work on the EADRA prior to his retirement, was able to attend the signing ceremony in Canberra.

### **Breeding Panel**

The work of the Australian Standardbred Breeding Panel has continued unabated over the months since the AGM and I have not changed my view that it will be one of the most important projects HRA has undertaken. The panel was established to determine the current health and trends of the standardbred breeding industry and to develop a plan to stimulate future growth of breeding and ownership of broodmares and racehorses.

My congratulations to Panel chairman John Bagshaw and members Glenn Burns, David Sharpe and Harvey Kaplan, as well as secretary Andrew Kelly, for the vast amount of work they have undertaken to date. The final report is due at the end of June and the Panel has been asked to focus on recommendations that are achievable objectives – the report is eagerly awaited!

There has been some enthusiasm at the Panel hearings and the industry workshops for introduction of a harness racing industry loyalty card, which is a project we have done some work on to date. Andrew will be briefly covering this today in his Strategic Priorities status report, along with other projects such as taxation reform.

He will also be covering another project which I commend to you – development of an outplacement or adoption program for standardbreds in partnership with Equestrian Australia. This is a wonderful animal welfare initiative and a great promotional opportunity for harness racing.

### **Industry Funding**

There are many positive things happening in harness racing, but the most critical issue facing all administrators is industry funding. There is no doubt the legal action in NSW and Victoria, referred to earlier, will have a significant bearing on our ability to charge a fair price to anyone utilising our product for commercial gain.

But this is only part of the solution.

Administrators need to be more aggressive in promoting and protecting revenue streams – and determining how we compete for a better share of the leisure dollar.

We need to be more assertive in our decision making and realistic in our assessments of the merits of harness racing, and what we are offering fans and punters as both an entertainment and wagering product.

There are times when we seem stuck in a time warp. The late American writer Donald Marquis could have been referring to some racing administrators when he wrote ... *“Procrastination is the art of keeping up with yesterday”*.

Unfortunately, we cannot keep up with the great things about yesterday – strong on-track crowd support and a healthy flow of off-course wagering funds – and we are going to have to face the reality of today's market.

An important step in this process is to regain control of our own destiny.

The Executive has discussed this matter, particularly in regards to wagering, and there is a report later in today's meeting. We also have discussed possible areas of co-operation on funding issues with the Australian Racing Board and Greyhounds Australasia.

We will be attempting to meet soon with Sky Racing to discuss broadcast and presentation issues, such as the clutter of race meetings, the effectiveness of the expanded channel offering and how we can co-operate to promote harness racing.

Most importantly, we need to discuss with Sky and Tabcorp the restrictive nature of their rights agreements which prevent us taking advantage of new technologies.

There are no easy solutions but unless we embark on a campaign to try and achieve growth we will continue to lose relevance in a competitive market.

As part of the process of looking at some of the issues we face, there is a session today on *Confronting Wagering Challenges of the Harness Industry*. Thanks to Russell Edwards and

Doug Freeman for taking the time to participate, and to Bart Sinclair for agreeing to be the facilitator.

### **Acknowledgements**

There are many challenges facing our industry but we are fortunate to have extremely competent staff who handle most of the issues for us ... my sincere thanks to Andrew Kelly for his outstanding leadership of the team and to his staff for their professionalism and dedication. The thanks extend also to our hard working legal counsel, Dean Cooper and integrity consultant, John Shreck.

Many thanks also to the members of the Executive for their contribution and support and to all those people who give so generously of their time to serve on the various HRA committees.

### **ID11**

The horrific Christchurch earthquake has already been mentioned and I must pay tribute to both the New Zealand Metropolitan Trotting Club and Harness Racing New Zealand for the pragmatic and professional manner in which they handled the decision to move the Inter Dominion pacing and trotting championships from Addington to Alexandra Park.

As a member of the Inter Dominion Event Committee I have some understanding of the difficulties they faced, but I could not possibly comprehend the emotion of the situation – wanting to hold an event they had worked so hard to develop, in their home town, but knowing they could not do so because of the social trauma and the extensive damage to the city's infrastructure.

Congratulations also to the Auckland Trotting Club for their professional and compassionate reaction to the Christchurch dilemma.

Best wishes to all involved for a highly successful Inter Dominions carnival and I trust we can all contribute, whether it be in Australia or New Zealand, some support for the Christchurch earthquake fund raising initiatives on grand final night.

Thank you.

Geoff Want