



HRA CHAIRMAN'S ANNUAL REPORT 2020

As for so many industries across the globe, 2020 has been a year like no other for harness racing in Australia, and for Harness Racing Australia (HRA), as we continue to support each other and navigate a path through Covid-19.

The challenges of maintaining racing in the midst of the COVID pandemic have been admirably met with only 1 of the 6 States having to cease racing for a short period of time. Our industry's experiences during the Equine Influenza outbreak a decade ago surely assisted in navigating this new biosecurity threat, protocols were quickly enacted and thoroughly policed, only this time it was the humans not the horses having their temperatures checked!

To this end, the industry should congratulate itself. Administrators, regulators and industry participants focused, and successfully worked in alongside each other to find opportunities instead of problems. This collegiate approach won the respect and confidence of Governments at all levels, as well as the wider community, allowing the industry to continue to function when many could not.

Sure, race programs were altered, feature races postponed or pushed to different dates (including the Inter Dominion Championships) and prizemoney reduced due to an unknown future and additional resource requirements, but the alternatives are too disastrous to contemplate.

Despite the obvious impacts of COVID, the HRA Executive remained steadfast in delivering a national reform agenda through 2020, designed to sustain the industry well into the future.

Not without controversy, the first of these were new Breeding Rules which aligned Australia's Stud Book with most major Standardbred breeding jurisdictions worldwide.

Commencing from the beginning of the current breeding season (1 September 2020) a limit of 150 mare services per stallion per season which can be served (previously this was unlimited) was introduced. While this initial limit is quite generous and includes free returns, the number will be periodically reviewed.

The second Breeding Rule defines for the first time how future services of dead, disappeared or gelded stallions are regulated.

While still only early, there is cautious optimism as there is, anecdotally at least, a vibrancy among breeders which has been absent in recent years, including a number of Stallions registering as Sires for the first time.

Due to the effects of COVID-19 the current racing season, which was due to end on 31 August 2020, was extended to 31 December 2020. This forced extension to the season reignited discussions around a permanent change to the racing season which had been in circulation since 2016. The HRA Members vote was close, but in favor of making the change permanent and it is expected to bring wide ranging benefits to the harness racing industry across both welfare and commercial aspects.

2020 has also been extremely busy on the welfare front. In late 2019 HRA commissioned an independent external review and audit of all traceability processes within the Australian harness racing industry. The review was completed by ex-Greyhound Racing Australia CEO Scott Parker and *The Parker Report* was completed in March 2020. Since then, a detailed traceability strategy for harness racing has been developed, ratified and several major projects are in development to meet the recommendations contained within The Report.

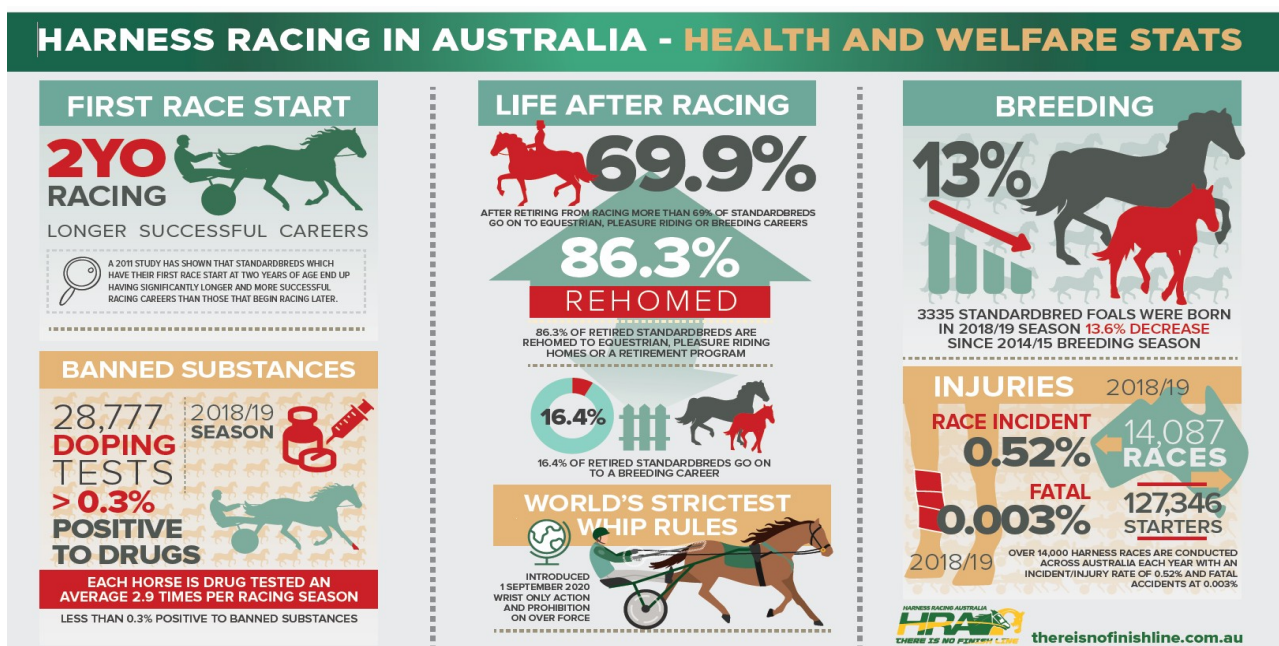
Regarding traceability, HRA has continued to strongly advocate for a National Horse Traceability Register and is pleased to be a part of the newly formed State Government working groups that have been charged with making recommendations for the implementation of a national horse traceability system following a Commonwealth Senate Inquiry into *The feasibility of a National Horse Traceability Register for all horses*.

Following last year's introduction of an online system for notifying deceased and retired horses a 6-week "Amnesty" was held from the end of 2019 to the beginning of 2020 which allowed industry participants to notify the death or retirement of horses retrospectively without incurring the usual penalty for late notification. This, combined with a personalised email/mail out to the owners of 'inactive' horses in mid-2020, netted nearly 13,000 responses - which is outstanding progress toward HRA's goal of achieving continuous real-time lifecycle traceability.

Traceability and identification go hand-in-hand and having encountered no issues in the 3-year period since the introduction of microchips, it was satisfying that the practice of freeze branding alpha-angle neck brands be discontinued as the primary means of identifying Standardbred horses in Australia from 1 September. Horses do not need both a microchip and a freeze brand – one method will suffice and transitioning to microchipping is not only logical, its irreversible. Critical now is the database support and interaction between the microchip and *Harvey* databases.

2020 also saw the introduction of the latest iteration in whip use Rules for harness racing. This has been a 10-year process of modification with the latest rules permitting a wrist only flicking motion (no use of shoulder or wrist) and no overt force, this in effect limits the whip to a communication aid only. Independent observations suggest Australian harness racing now has the most stringent whip rules in the world - across all codes of racing.

The Australian harness racing industry also leads the way in critical welfare and integrity regulation. The most recent statistics set out in a new HRA Infographic (below) illustrate that almost 29,000 doping tests are conducted annually (equivalent to 2.9 tests per horse) with less than 0.3 returning a positive result to a prohibited substance. Similarly, race incident injuries and fatal accidents are at an all-time low, while there has been marked improvement in the rehoming of horses – currently at a staggering 86.3%.



On the commercial front, the great work of the harness racing industry mentioned earlier in this report has produced some stunning results with wagering turnover on harness racing in Australia growing to an all-time high of \$3.3B in 2020 - an increase of 15.7% on the previous year.

Following the well documented challenges faced by TAB's, and the compounding impacts of COVID, turnover trends from Tabcorp and the WA-TAB continued, decreasing by 17% year to year on the back of a 9% fall in the previous year.

However, the TAB pari-mutual/fixed odds split remained steady year on year with fixed odds betting accounting for 53% of total TAB turnover.

Following stable growth (13%) in FY19, turnover on corporate bookmakers showed remarkable growth in FY20, climbing to \$1.94B which was a 52% increase on the prior year. Corporate turnover now accounts for 63% of total turnover on harness racing. Corporate Bookmaker turnover has more than doubled in four years (223%).

Lastly, after Net Customer Winnings (NCW) on Betfair dropping by a third in FY19, solid growth was made in FY20 with the total rebounding to \$141M in FY20, representing a 29% increase year on year.

The National Ratings System, implemented on 1 July 2019 was comprehensively reviewed in February 2020, with only minor adjustments considered necessary. This new system is constantly reviewed via the Ratings Review Team (with representatives from all States at the table), but continues to produce successful results and outcomes across all States using the system and the original KPI's set to measure effectiveness.

In closing, I wish to record a special thanks to the many people who serve our industry on the various HRA Committees and Working Parties.

During the year there were also several changes around the HRA Executive table. I for one joined the organisation in February 2020 replacing the former HRNSW Chair, Mr Rod Smith whose term in New South Wales had come to a compulsory close in accord with *The Racing Act*, while Mr George Fiacchi assumed the role from Mr Gary Crocker. Further, former Chairman, Mr Michael Taranto, finished his term earlier than expected, requiring my formal appointment to the position of Deputy Chair and

in turn assuming the role of Acting Chair until now – the 2020 Annual General Meeting, where a new Chairman will be voted upon.

I extend my sincere gratitude to all of these gentlemen who were outstanding contributors and placed the national interests above all others in their role on the HRA Executive.

I'd also like to record my gratitude to the Members of the HRA Executive Committee who have been so gracious and supportive since assuming this role, namely Mr Dale Monteith, Ms Margaret Reynolds, Mr George Fiacchi, Mr John Dumesny, Mr Bob Fowler and Mr Joel Wallace, as well as all of the HRA Membership who participate and contribute to the national agenda.

We also have an excellent, dedicated Chief Executive in Andrew Kelly, and the small team in the HRA office who do an outstanding job - your efforts are much appreciated, particularly given the challenges of Victoria's lockdown Rules which have required extended stay home periods and impacted so much on everyone's day to day lives. The productivity and quality of work generated in this backdrop is nothing short of remarkable, illustrating the dedication of our staff.

HRA is also fortunate to have the wise advice and services of HRA's legal counsel, Mr Dean Cooper, and I thank him for his endeavours during the past year.



K M Brown AM
Acting Chairman