



PARLIAMENT OF TASMANIA

TRANSCRIPT

LEGISLATIVE COUNCIL

GOVERNMENT BUSINESSES SCRUTINY COMMITTEE B

TasRacing Pty Ltd

Wednesday 4 December 2024

MEMBERS

Hon Tania Rattray MLC (Chair);
Hon Rosemary Armitage MLC;
Hon Luke Edmunds MLC;
Hon Mike Gaffney MLC; and
Hon Meg Webb MLC

WITNESSES IN ATTENDANCE

Hon. Jane Howlett MP, Minister for Primary Industries and Water, Minister for Hospitality and Small Business, Minister for Racing

Andrew Jenkins, CEO

Gene Phair, Chair

Dr Martin Lenz, Chief Veterinary & Animal Welfare Officer (CVAWO)

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The committee resumed at 10.45 a.m.

CHAIR - Welcome, minister, and thank you very much for being part of our scrutiny for today for TasRacing. We look forward to the opportunity of discussing many aspects of the annual report for this previous financial year. I will introduce members at the table, we have Luke Edmunds, Rosemary Armitage, Tania Rattray, Meg Webb and Mike Gaffney, the members of Committee B. Simon Scott, is our secretariat support and Henry on *Hansard*. Minister, I expect you'll have a brief overview and then if you would introduce those members you have at the table with you. Thank you.

Ms HOWLETT - Thank you very much, Chair. I'd like to introduce Gene Phair, the Chairman of TasRacing and Andrew Jenkins, CEO of TasRacing and Dr Martin Lenz, Chief Veterinary and Animal Welfare Officer. Thank you, Chair.

CHAIR - Welcome everyone.

Ms HOWLETT - The Tasmanian government continues to be a strong supporter of the Tasmanian racing industry. The industry, according to independent research, generates total direct spending of \$189.6 million in Tasmania. The economic flow-on effects increased the size of the value-added economic contribution to the state close to \$208 million per annum. There are more than 6400 individuals involved in the industry in Tasmania who are either an employee, participant or volunteer. The concept of participation in racing is much broader than many other industries. Participants in racing industry context include employees, trainers, breeders, owners, jockeys, drivers, stable hands and volunteers who have varying levels of engagement from occasional to full-time. This data was provided to TasRacing in 2023-24 through the independently prepared Size and Scope of the Tasmanian Racing Industry report.

While TasRacing recorded a loss of \$1.2 million, stakes money paid to participants was at record levels. Capital expenditure during the reporting period totalled just more than \$6.4 million with CapEx projections for the next five years to total \$52 million to underpin the further development of the industry in Tasmania. On the track, there are a number of important achievements to celebrate. John Blacker was named the leading trainer for the fourth time and his first since 2008. First Accused was named the Tasmanian Horse of the Year in the Thoroughbred Code and in harness, Magician won Horse of the Year and Tammy Langley was the leading female trainer.

In the greyhound code, Fast Minardi won the Greyhound of the Year award, while Cheeky Vixen was the leading breeding female and Fernando Bale was the leading sire.

I want to also reference a decision by global wagering company Ladbrokes to extend its principal partnership agreement with TasRacing and the industry for a further five years. As a result, Ladbrokes will continue to be the industry venue and major race day partner for the next five years with an option to extend for a further two years. Chair, thank you.

CHAIR - Thank you very much and appreciate that opening. I'll invite Mr Edmunds to commence the questions. Thank you.

Mr EDMUNDS - Thank you and thanks for coming along this morning. In the company overview, there's a quote:

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The support for the industry via the funding deed, which is supplemented by increasing commercial revenue from Tasracing, provides racing industry participants with the confidence to continue investing in the industry.

Obviously, the survival of the industry depends on the deed. Minister, do we have a time line on when we might expect to see it?

Ms HOWLETT - Chair, I thank the member very much for this very important question and it underpins the industry and the future of the industry. We are very supportive of funding the deed into the future. I know that the Chair and the CEO would like to add more comments.

Mr PHAIR - Thank you, minister. Mr Edmunds, thank you for your question. It is the number one priority for Tasracing - is this the negotiation of a new deed. We have started discussions with the minister about that. We're certainly wanting something to be progressed very quickly on the basis that, for investment into the racing industry, confidence in longevity of funding is important. Lots of investment decisions are made up to five or six years out from when a horse would race. We are talking about breeding, sending a mare - in a horseracing aspect - to a stallion, raising that foal to a yearling, going through sales and making it to the racetrack can be up to five years in total time. It's important from our point of view and the racing industry that a funding deed is put in place as soon as possible. That's our point of view. Mr Jenkins, if you'd like to add anything further?

Mr JENKINS - I think that covers our response.

Mr EDMUNDS - What feedback do you get from participants about the deed?

Mr PHAIR - We get asked questions every day. How are you going with the negotiations with the deed? The negotiations are ongoing with the minister and the office. We welcome those discussions.

Mr EDMUNDS - Have you done any modelling into the future? Both until 2029 while we're in this period, but also post.

Mr PHAIR - We do modelling as far as our five-year forecast and so on. Yes, we do. That's a matter of course, regardless of whether they had a funding deed coming up or not.

Mr EDMUNDS - Do you have two contingencies with the modelling you're doing or multiple contingencies?

Mr PHAIR - We do. We think the funding deed is vital to our survival as an industry. We lost a revenue stream 15 years ago or so. It is compensation for that lost revenue stream.

Mr EDMUNDS - You talk about investment decisions of participants, but also of Tasracing. How does the uncertainty about the deed effect investments Tasracing might be preparing to make?

Mr PHAIR - Of course it does. With the uncertainty around the funding into the future, those decisions, particularly for infrastructure and the larger projects, we have to be mindful. Will we have a funding resource there into the future?

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Mr EDMUNDS - When would we like to see this? Do we want to see it in the first half of next year? What time line do we have to see a document in front of us?

Mr PHAIR - If you're asking me, it would be tomorrow.

Mr EDMUNDS - Yesterday, probably.

Mr PHAIR - The minister might like to answer.

Mr EDMUNDS - It probably is a question for the minister. Sorry.

Ms HOWLETT - In answer to your question, conversations are occurring with the Treasurer, myself, the Premier and Tasracing. We know how important the deed is for the future of the industry. We know how important it is in the thoroughbred sector as far as the Magic Millions yearling sales. It's important for our breeding sector. Discussions are occurring.

Ms ARMITAGE - I have a supplementary about the Magic Millions. It is noted that after years of considerable growth, the 2024 Tasmanian Magic Millions Yearling Sale was down this year with a gross of \$2.82 million and a clearance rate of 73 per cent. From a catalogue of 140 lots, 129 lots were offered for sale with 94 lots sold at an average of \$29,994, a decrease of 16 per cent on the 2023 sale results. Yearling sale numbers have been reduced for 2025 to maintain quality. How is Tasracing proposing to subsidise or incentivise local breeders?

Ms HOWLETT - The yearling sales is something I'm extremely passionate about. There certainly was a softening in the yearling market for the smaller yearling sales in 2024, mainly due to the cost-of-living pressures. Many trainers and syndicators found it challenging to sell their share in horses. This wasn't just at the Tasmanian sales, this was at the sales nationally. We saw this reduction and the inability to syndicate horses. I'll see if the CEO would like to add anything further to my comments.

Mr JENKINS - Thank you, minister, and I thank the honourable member also for the question. The minister has covered the historical numbers and the fact that there was a flattening or a drop off in this year's yearling sale for the reasons outlined. I would add to that response that being a smaller sale where our average price is toward the lower end of the market in a relative sense nationally, when cost-of-living pressures impact, it impacts significantly on persons who aren't of wealth. They're not on the Gold Coast buying a \$2.7 million Written Tycoon colt, they're buying an Armidale or a [inaudible] or a Grenville horse here -

Ms ARMITAGE - I've been to the Magic Millions sale, so I -

Mr JENKINS - To save \$30,000. It's that person who no longer has the one or two thousand dollars available to purchase a horse. In answer to your question around what the company is doing to -

Ms ARMITAGE - Incentivise.

Mr JENKINS - incentivise and drive sales, we continue to work very closely with the government. We're grateful for the \$300,000 contribution towards the TASBRED scheme that we include in our \$1.4 million -

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Ms ARMITAGE - Which leads me onto my next question, if I may, to do with TASBRED -

Mr JENKINS - Yes.

Ms ARMITAGE - TASBRED is now in the sixth year. We have 150 maiden races per year with 96 of those having TASBRED. Do you consider that maybe all the races should be TASBRED? It's been raised with me that it hasn't moved one inch since its inception and we're now being flooded with tried horses from the mainland which are winning the majority of our maidens. This in turn has a domino effect on the clubs as it's killing the yearling sales and the breeding industry in Tasmania. It was felt if we don't keep the breeding industry going, obviously there's no horse population. If we had TASBRED on all maidens, it would make trainers and owners buy or breed local, and would be a chance for prize money to stay in the state. It falls onto the Magic Millions, that the feeling was that because so many mainland horses are coming in, and there are only 96 races - is there a thought of making 150 maiden races all TASBRED?

Ms HOWLETT - That's a very good question that the honourable member from Launceston has asked.

Ms ARMITAGE - Well the industry has actually asked me to ask.

Ms HOWLETT - Yes, it's a very important question. That's why the yearling sales are so important and the TASBRED is vitally important for the future -

Ms ARMITAGE - Is there consideration of making the 150 maiden races a year all TASBRED?

Ms HOWLETT - We are certainly adding more TASBRED races. I'll see if the CEO would like to add to that in a little bit more detail.

Ms ARMITAGE - Thank you.

Mr JENKINS - Absolutely. Our objective is - ideally, we would have a TASBRED bonus on every maiden, it simply comes down to availability and prioritisation of funding. What we have recently announced is a redistribution of prize money from two of our major cups and staying races -

Ms ARMITAGE - Reduced by \$50,000 each?

Mr JENKINS - Correct, yes. To redirect funding into grassroots breeding and directly into the TASBRED bonus scheme. Further to that we are in discussions with our premium statewide partner in Ladbrokes to distribute a further \$100,000 into the TASBRED scheme. It is a top priority for us to fuel, support and ideally grow the breeding industry in Tasmania.

Ms ARMITAGE - One last question, if I could. You keep leading me onto other areas that I have, when you say you've reduced the stakes to put more money in. The \$20,000 sponsorship to the JackJumpers, just a question - and that has been raised by the industry, that the stakes have been lowered by \$50,000, however, Tasracing has put \$20,000 into the

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JackJumpers. It doesn't appear that any promotional material of the Tasracing logo appears on any of the JackJumpers' promotional material. Is that a fact as well?

Ms HOWLETT - I know that the CEO will certainly want to speak more to that. What I will say as far as the Magic Millions and the yearling sales are concerned, the CEO and I have a very good relationship with Magic Millions. We're working on various ways into the future on how we can promote Tasmanian racing nationally. One of the things that I firmly believe in is we have an excellent product here, and very good value for money. We can have mainland syndicators come down and invest into the Tasmanian racing sector and get great value.

Ms ARMITAGE - And the \$20,000 for the JackJumpers -

Member - Would be a board decision, would that be correct?

Ms HOWLETT - I'll pass -

Ms ARMITAGE - It was just that I've been advised that there is nothing showing the Tasracing logo or anything on any of the promotional material. That may be incorrect, but that's my understanding.

Ms HOWLETT - Sponsorship deals are a matter for the operations.

CHAIR - So it's not a decision of the board?

Ms HOWLETT - I'll pass you over to the CEO to speak to that.

Ms ARMITAGE - Thank you.

CHAIR - My question is it's not a decision for the board to have -

Ms HOWLETT - I will let the CEO speak to that. Thank you.

Mr PHAIR - I'm not going to help with the board decision. No, it's not a decision for the board, Ms Rattray. The board each year approves the budget for Tasracing. There is an amount for marketing and sponsorship and so on that is included in that budget. That is up to the management team to be able to work within that budget and within their necessary delegated authorities.

CHAIR - Thank you for that clarification.

Mr JENKINS - Firstly, a point of clarity around the prize money redistribution from the cups - it's not a reduction. It was a considered and strategic decision that we understand some stakeholders were not in favour of. I can understand their perspective. However, we felt on balance, as I've already indicated, given the importance of sustaining and ideally growing the breeding industry, that that \$100,000 would be better spent on TASBRED and grassroots, and would not impact field size or quality of our two cups in Hobart and Launceston.

Regarding the JackJumpers, the partnership was valued at \$20,000. We've spoken openly about that. We're very proud to be partnering with the JackJumpers with whom we share a common values alignment of having a deep appreciation for and connection with the

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Tasmanian community. The JackJumpers have become a wonderful organisation. They are an outstanding brand. The investment to that tune, as the chair has indicated, is well within budget. Our view is that it is an investment well-made into non-traditional racing markets to try to attract new patrons, new owners, potentially new participants into the racing industry, rather than preaching to the converted, and/or running traditional media, which is increasingly losing its utility e.g. running a printed newspaper ad.

Ms ARMITAGE - Is the Tasracing logo in either promotion - because I've been advised that it's not, but obviously maybe they were incorrect.

Mr JENKINS - I'm coming to that. No, it's not necessarily incorrect. It's a structured partnership. What we haven't bought is rights to have the Tasracing logo plastered over everything the JackJumpers do.

Ms ARMITAGE - Is it on anything?

Mr JENKINS - Yes, it is. We had naming rights to the JackJumpers season launch as the sponsor and presenting partner of that - not only on the night, but then we have rights to any social and subsequent promotions that we may do and did do and the JackJumpers also pushed out to market. On Monday night we had the privilege of presenting the same naming rights sponsorship as the partner of the JackJumpers corporate partners Christmas function - same kind of thing. We're now in the process of pumping out a heap of promotion, as will the JackJumpers. The investment with the Jackies also includes, from here on in for the rest of NBL 2025 season, a number of ambassadorial appearances for their players over our summer racing festival that we have just launched.

In terms of the value of the investment, in rough terms, the membership of the JackJumpers and the social and other reach that they have is tenfold what Tasracing via our digital assets can achieve. Based on the valuations and analysis that my general manager of marketing undertook, we felt it was a very sound investment at the price.

Ms ARMITAGE - Thank you for the response.

Mr GAFFNEY - Following on from the maiden sort of scenario, minister, we had another code present to us. It was really good, and we asked the questions about the mainland runners coming over, winning a race, and then going back and being eligible for certain status because of that. They did acknowledge that our horses can go there all the time as well, but it was put to us that perhaps to be eligible for a maiden race here - I might have it wrong - there could be a requirement the horse needs to be here for a month or something beforehand. That then they have to be agisted, trained and have to utilise the Tasmanian resources as part of that motion instead of being able to fly here on the Thursday, win on the Saturday and go back on the Monday, sort of thing, to perhaps, encourage some feedback and finances back into our own. Have the board or the fraternity considered that idea instead of the fly over, win the race and fly back sort of scenario?

Ms HOWLETT - Thank you, Chair, and that's a really good question. We do have thoroughbreds, standardbreds and greyhounds that do go to the mainland regularly to compete. I understand these are operational matters and I'll pass you over to the CEO to discuss this.

Mr JENKINS - Thank you, minister, and thank you M Gaffney for the question.

We do have conditions on some races already. We have also recently made a programming adjustment and decision to run more class-based races as opposed to benchmark races which, in our view, will provide local up-and-coming horses with increased opportunity to win races.

We are mindful also it does become difficult to restrict and in effect cut ourselves off from the broader racing industry in that sense. I can certainly understand the perspective. I might also add that it does add cost to agist a horse, bring it down and tip it out in the paddock for a period of time.

At this stage the, the response is: no, we're not actively considering that or further changes other than adjustments to more class races I've mentioned. Once again, I can understand the perspective.

CHAIR - Thank you. I'm going to focus on finances, minister and obviously you indicated in your opening address the organisation had recorded a loss before tax of \$1.2 million. That leads me to the race field revenue decrease by \$2.83 million. Can we have some understanding? You put it down to the market settling from the COVID-related highs. How long are the impacts of COVID going to impact this particular organisation and industry? What do you see as the future when we're looking at such a significant decrease in revenue or do you see other factors also impacting this?

Ms HOWLETT - Thank you very much, Chair, for that important question. Cost-of-living pressures now are certainly affecting revenue as well, not just COVID. We're seeing the pressures right around the country on wagering in particular. I know that as far as that, the CEO will certainly have a lot more to add to the decrease in wagering.

Mr JENKINS - Definitely. Thank you, minister and Chair for the question. What we're seeing is a normalisation post-COVID. Clearly, through the COVID period where alternative forms of entertainment and wagering products stopped wagering all over the country because it continued, had a focus on it by exclusion and significantly elevated the numbers. We're not surprised the reversion to pattern or normalisation is occurring, Chair.

You never like to see numbers going backwards but to quantify, I would point out that our wagering turnover for the reporting period at \$710 million is still \$112 million or 19 per cent above turnover pre COVID. Again, whilst we are seeing a reversion to pattern, we're still well ahead of where we ended pre-COVID.

In terms of what we're doing to address that, it is important to note Tasracing is the principal racing authority, doesn't own the end wagering customer, their customers of the licence wagering services providers.

Our responsibilities include having constructive working relationships with those wagering service providers in order we're achieving ideally more than a fair share of incentives. And as referred to in the industry, generosity to bring punters interest across to Tasmanian racing product. We also, of course, have a responsibility to manage our programming effectively, maintain our field sizes to maximise responsible wagering, and perhaps as importantly, maintaining a particularly constructive working relationship with Sky Racing

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channel who ultimately drive so much turnover given the vision and distribution of any racing product.

There are there are a number of factors, and there are a number of levers, and we watch them all month in and month out.

CHAIR - Can we have an update on the expectation of the point of consumption tax? Is that likely to increase at all, given the figures you talked about in the wager?

Mr JENKINS - Thank you, Chair. Are you referring to the distribution to Tasracing or the percentage itself?

CHAIR - The percentage itself, because obviously, it gets distributed after that. It seems pretty constant. Do you see there is any opportunity to have that point of consumption tax increased into the future?

Mr JENKINS - Minister, I can make a preliminary comment if you would like.

Ms HOWLETT - Absolutely.

Mr JENKINS - Speaking on behalf of the racing industry, Chair, we would love to receive 100 per cent of the 15 per cent. Whether the government deems a reasonable proposition or not, is not for me to comment.

CHAIR - Hence my question to the minister.

Mr JENKINS - But yes, we would like to receive that, because clearly, it's a wagering gross revenue-based tax. The performance of the wagering market, largely driven by turnover, does have an impact.

CHAIR - Minister, are you considering providing all of the point of consumption tax to the industry and pulling back on the amount of quantum from the deed?

Ms HOWLETT - Thank you, Chair. The government has committed to sharing 80 per cent of the net additional revenue generated by the 15 per cent of the point of consumption tax with the Tasmanian racing industry.

Tasracing and the government will work together to review allocation of the additional funding and all decisions will be based on affordability and sustainability.

CHAIR - That's probably not going to change then. Can I read between the lines there?

Ms HOWLETT - As I said, all decisions will be based on affordability and sustainability, Chair. As you're well aware, all states have implemented a form a point of consumption tax or POCT, and we've seen a significant amount of difference since its inception.

CHAIR - Before I hand over to other members of the committee, on the increased employee benefits, I recognise there's been a restructure. But I'm very interested in why, when

there's a restructure going on, there's a reasonable increase in employee benefits? Why was that necessary, particularly when there's an overall loss to Tasracing?

Ms HOWLETT - Yes, certainly Chair. One thing I am particularly proud of is the new legislative changes we brought to parliament and were passed this year. They're the most significant reforms we've seen in decades and those reforms include abolishing the Office of Racing Integrity.

We'll see commissioner Carroll start on 15 December and also, we've set up an Integrity Committee.

CHAIR - The integrity won't come out of this budget?

Ms HOWLETT - These are operational matters and I'll pass over to the CEO to add more comments to that.

Mr JENKINS - As is stated in the annual report, predominantly, the increase in employee benefits relates to back-filling of positions that, in the prior reporting period, had not been filled. Filling those planned and budgeted positions does see, and result in, an increase to labour cost, but it was considered, planned, and budgeted. We also made - As part of the restructure that's referenced in the annual report, that did include making some strategic changes to the executive team. Two of those changes have proven particularly important for the organisation and, in my view, the broader racing industry. Those changes are the elevation of what was formerly an animal welfare manager position to the executive and, for the first time, the creation of the chief veterinary officer and animal welfare - sorry, the chief veterinary and animal welfare officer role. That led to the appointment of one of the best racing vets in the world in Dr Lenz to my right. People of that calibre and professionals of that calibre cost money, but, given the importance that we place on animal welfare, I'm very comfortable that that's a wise investment.

Similarly, we made the decision to elevate a position that was formerly the GM of HR and, for the first time, implement a chief people officer position, appointing Claire Willemse to the role. Similar to Dr Lenz, Ms Willemse is an outstanding people and culture professional. To quantify that, her leadership and her efforts will put us in a position to broadly announce very soon that our most recent staff culture and engagement survey, completed in November, saw a 77 per cent favourable response from our people. That compares to 44 per cent two years ago and 66 last year. With those two appointments -

CHAIR - You're heading upwards.

Mr JENKINS - Absolutely.

Ms HOWLETT - That's right, and culture is so important in a workplace.

Mr JENKINS - Yeah, very much so. Yes, very much so, minister.

CHAIR - Are there any follow-on questions regarding the financials? No? Let's go somewhere else.

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Ms WEBB - It follows on from you mentioning animal welfare as I have some questions about that. Page 18 of the report talks about the implementation of recommendations from the Sykes review into animal welfare. There were 83 recommendations, 12 completed, 17 not yet commenced, 50 commenced. Do you have public reporting of that in more detail, so people can see how you're tracking on beginning, continuing, and completing those recommendations?

Ms HOWLETT - Chair, I thank the member for her very important question. Animal welfare is an absolute priority of mine and of the company's and that's why we're investing more money than ever before into animal welfare. And, we will continue to do so, and that is why we've set up an integrity committee to take carriage of that and, obviously, we are investing a significant amount of money into the RSPCA as well. I know that Andrew will have more to say on that.

Mr JENKINS - May I refer to Dr Lenz to provide further detail to Ms Webb's question?

Dr LENZ - Thank you for the opportunity to respond.

CHAIR - Congratulations on your appointment.

Dr LENZ - Thank you. While the Sykes review was a review commissioned by Tasracing, so it is an internal review - the report was on my desk when I commenced with Tasracing and my first job was, basically, to go through that report and assess where, within that report, Tasracing was positioned, and also to analyse and make some recommendations to our board as to which of those 83 recommendations to prioritise for implementation, and on top of that too, for every one of those recommendations basically to put a time line in place. The report, while it is an internally commissioned report, there's nothing in that report that cannot be shared. We've shared it widely with our racing stakeholders. I think there may have - I could be wrong, but they may have been an external request to have that shared. We're very open with the recommendations and also we're very confident in where we are in terms of implementing the recommendations for that report.

Ms WEBB - My question was around whether there is any public way you're reporting on progress against those recommendations. Given the high level of public interest in this area, I would have thought it would be something to be quite pleased to be proactive about, making visible and public. Is that something that you would consider if it's not currently in place?

Ms HOWLETT - Yes.

Dr LENZ - Yeah, so look, it is something that is reported on monthly to our board. As I said, I don't personally see there is any impediment to making -

Mr JENKINS - Very comfortable to publish the time lines and progress that Dr Lenz has referred to. No, we welcome transparency.

Ms HOWLETT - Absolutely.

Mr JENKINS - Very comfortable to include that -

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Ms WEBB - Yes, I think that would be a really positive thing to do in a proactive way, make it visible, make it public, so that people can see where you're tracking and where those priorities have been given in terms of time lines.

Can I ask another question in this sort of same area around animal welfare? My understanding is that when there have been community members or other stakeholders who have had concerns about, for example, causes of greyhound deaths, they've been able to report that to ORI in times past, and contact ORI to find out more detail or information. With Tasracing now taking that mantle of animal welfare back under the new model - I guess I'm looking ahead here, rather than looking back - will those same sorts of information-seeking contacts be able to be brought to Tasracing in the same way that they've been able to be brought to ORI in the past?

Ms HOWLETT - The answer to that is absolutely, yes. We want to do everything that we possibly can to make sure that animal welfare is a number one priority. Anyone with any issues, we certainly ask them to bring their issues forward. I know that they'll certainly be heard and -

Ms WEBB - It's more about information-seeking I'm interested in, minister, sorry to interrupt you. My understanding is if there's been a question mark over a cause of death of a greyhound, people have been able to seek information from ORI about the cause of death. Will that same transparency still be there under the new model?

Ms HOWLETT - Yes it will. Absolutely. It certainly will.

Ms WEBB - Thank you. Can I keep going with similar questions, same area?

Ms HOWLETT - Yeah.

Ms WEBB - I'm interested in - caps have been put in place in the harness racing industry to prevent those larger stables from dominating race meets. I guess it's a different area, actually, do you want to go to someone else?

Ms HOWLETT - Did you want to speak?

Ms WEBB - Or can I just ask this one?

CHAIR - I think ask that one, and then I'll go up the table.

Ms WEBB - Sorry. My apologies. I'm just interested to know about whether Tasracing is going to be considering caps for greyhound racing in the same way they have for harness racing, in terms of dominance of certain stables.

Ms HOWLETT - I'd like to take the opportunity to thank Tasracing for being so proactive in this space. The equity and participation policy was implemented from 1 July 2023, restricting any one trainer to a maximum of 50 per cent of a race field, excluding feature events. Obviously, the purpose of the policy is to provide the same opportunity for all Tasmanian trainers by promoting equity in participation -

CHAIR - Is that all codes?

Ms HOWLETT - No -

CHAIR - That's only harness.

Ms HOWLETT - That is in the standard breed code, that's right. That's a maximum of four runners from the one trainer per race, that Tasracing implemented. This is an operational matter. I'll see if the CEO would like to add further to that.

Mr JENKINS - No. Thank you minister, Chair and Ms Webb. As it stands, no, we don't have plans to broaden the equity in participation policy - a lot of Ps - across the other two codes and that's simply due to the dominance or the distortion in fields is not evident in the other two codes to the extent that it was in the harness code. We, of course, make the rules and we reserve the right to broaden the policy if we felt it was appropriate, but as it stands, no.

Ms WEBB - Is there a certain trigger level of dominance that would tip you into looking at putting a cap or similar measures in place to reduce that sort of dominance of the field?

Mr JENKINS - There would be, but we haven't undertaken - because it's not significantly evident in the other two codes at this point in time, we haven't undertaken the detailed analysis across thoroughbreds and greyhounds. We would undertake that body of work in due course if it were necessary. In terms of the harness code, of course, we undertook quite extensive analysis before implementing the policy and the primary genesis for that was a recommendation made in Mr Murrihy's report that referred to fair competition and equity in the sport. So, noting the credibility of that report and noting that strong recommendation, we took the step to implement the policy.

CHAIR - Thank you. Mr Edmunds.

Mr EDMUNDS - Thank you. I might head up the north-west coast, we might stay there for a while, too - I just mean there's probably a lot of questions. - The all-weather track at Spreyton has seen race meetings called off with pretty minimal rain conditions. What is the status of that track and what are the time lines on a replacement as it gets to end-of-life?

Ms HOWLETT - Thank you, Chair, and I thank the member for that very important question. We know that track is vitally important to our racing industry, particularly in the winter, and we know that it's quite often referred to by some as God's carpet. And, as it's a significant infrastructure, that track is significant to our racing industry, particularly in winter, and I was there just recently when we opened the female jockey rooms around five weeks ago. I am well aware that the track is getting towards the end of its use-by date and I know that Tasracing has undertaken a lot of work in relation to this and I'll allow the CEO to speak more about the Spreyton all-weather track.

Mr JENKINS - Thank you minister and Chair, and thank you Mr Edmunds for that very important question. To clarify, in terms of races lost on Tapeta recently, it was a race not a race meeting.

Mr EDMUNDS - Yes, sorry. I used the wrong language. There was something up here, but what came out is the wrong. Apologies for that.

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Mr JENKINS - I know that feeling, Mr Edmunds.

As the minister has indicated, the Tapeta surface has been an important part of our racing infrastructure in the thoroughbred code for many years. I think it's 12-and-a-half, 13 years old now. We have, in terms of risk mitigation and for the purposes of animal welfare, proactively undertaken a number of activities to assure ourselves that the surface is appropriate to race on, one from - firstly and primarily from an animal welfare perspective, but secondly, that it's not going to bite us and fall over tomorrow. What, that body of work has uncovered is two things, well, three. Firstly, the surface is safe. It's appropriate to race on from an animal welfare perspective and synthetic surfaces, as I'm sure the member is aware, are used widely not only across Australia but across the world for racing and training purposes.

Secondly, we wouldn't be getting much change out of \$10 million if we had to do a total refit of the Tapeta, whether it be the same product or an alternative such as Polytrack or something of that nature. And, thirdly, we engage the vendor directly via the exchange of samples that we've sent to them. They've also come out and inspected the track recently with my operations team, led by Mr Manshanden.

Prior to that, we have also undertaken a number of restorative and repair activities. One of those includes 'flipping the track'. That is, literally, you get a dirty big grader out there, do laps and dig everything off the bottom and put it on top. That's to aerate the product, allow it to breathe, and remove some of the organic gunk that can cause deterioration in the product's performance, cause kickback, and make it hard on horses underfoot.

Based on our consultation with the vendor and exchange of samples and their inspections, we have formed a view that we can extend the life of the track for potentially three to five years with a significant renovation, as opposed to a total 'throw it out and start again'. That will involve the addition of sand and other products, wax and oil, flip it at the same time, check the drains underneath, check the canvas, check the levels, in order to maximise the performance of the track.

As it stands, we're very confident that we have an appropriate racing service at Spreyton for a number of years, and we'll avoid the impact of what would likely be somewhere in the order of \$10 million.

Mr EDMUNDS - With the interim work, do we have a cost figure for what that might come to?

Mr JENKINS - I can provide a general guide, if you're comfortable with that, Mr Edmunds. It was, I think, around \$600,000 to \$700,000 for the total project - as I recall.

Mr EDMUNDS - That's something you'd be looking to start on 17 March 2025?

Mr JENKINS - March 17, yes. Yes, \$700,000 budgeted.

Mr EDMUNDS - Thank you. In terms of the big job that will inevitably have to happen, how would that replacement be funded?

Mr JENKINS - Of the Tapeta service?

PUBLIC

Mr EDMUNDS - Yes. This is the \$10 million we're talking.

Mr JENKINS - That would be a matter that would be considered, and ultimately approved by the board, if it were to go ahead as part of our annual full budget that, as a subset, includes our five-year capital expenditure (CapEx) plan. As we sit here today, that \$10 million isn't in the five-year CapEx plan because of the confidence we have in the reparation that we can achieve.

Mr EDMUNDS - We might ask about the north-west track. What's the status of that? Obviously, the history is that the participants were told they would get a new track, and left the showgrounds. I don't believe that's the case anymore, but could you maybe provide us an update with where things are at? A few times we have asked questions, and it's evolved. What are we currently looking at for those greyhound and harness racing participants in the north-west, but obviously around the state, who are impacted?

Ms HOWLETT - Chair, I thank Mr Edmunds for his very important question, and I want to make it really, really clear that we will not be leaving behind the racing industry on the north-west coast.

CHAIR - You have, though, when you've only committed to a training track.

Ms HOWLETT - We will not be leaving the industry behind. I've spoken to directly, and met with, a broad range of industry stakeholders since Tasracing made its announcement in May 2024 about the project. Tasracing's advice was that it was not financially prudent to proceed with the north-west track project because of significant increase in costs, and the government accepted this advice. Tasracing has been doing an incredible amount of work on the north-west track project. I know these are operational matters, and I'll pass over to the CEO to discuss how the project's going, or to the chair.

Mr PHAIR - I'll start, Mr Edmunds, if you like. From a board perspective, we were presented with the proposal for a north-west track at Mill Road. The cost had blown out significantly post-COVID, with construction costs that are seen all over the world, it's not unique to Tasmania. As a board, we determined that the cost was prohibitive.

We weren't prepared to put the whole racing industry into a financial status that had a question mark over its sustainability because of borrowings we would need to be able to fund the north-west track. That amount of money was up to \$40 million, and our board was not prepared to take that financial undertaking to spend \$40 million on both a harness and greyhound racing facility. That's from the board perspective.

We then asked management to come back to us with another proposal around an alternative, and I might pass over to the CEO, just to confirm that.

Mr JENKINS - That's quite correct. TasRacing's current status is that we have written to the government seeking funds to complete the training related aspects of harness and greyhound facilities.

CHAIR - Which is to be on private property. Is that correct?

Ms HOWLETT - Are you talking about the harness track?

PUBLIC

CHAIR - Well, the harness and greyhound are the same track, or the same location. Is that correct?

Mr JENKINS - No, that project scope, Chair, went out some months ago. The Mill Road site that the chair has referred to - if we refer to that as the original scope of the project - that was a dual-code greenfield facility. That would be a harness track with a greyhound track on the inside of it. That's the project that my chair is referring to that was deemed not viable for financial reasons, so no. If we do go ahead with facilities on the north-west coast for harness and greyhounds, they will not be co-located.

CHAIR - What are the actual potential projects for those two codes that don't have a home at this point in time? What are they actually today? I'm totally confused. I asked a question last week and was told potentially there would be a greyhound track inside a training track. I don't know anymore.

Ms HOWLETT - No. Thank you, Chair. Let's try and get rid of any confusion that may be out there. I know that the CEO would like to add more to his comments.

CHAIR - Where and what for both codes?

Mr JENKINS - I'll finish the initial comment, because it will lead into answering your question. The company has provided a business case to the shareholders seeking funding for the training aspects of harness and greyhounds on the north-west coast. That's currently being considered. We've spoken about the fact that the alternative site, or sites - because there was Palmers Road before that which, due to environmental reasons, was deemed inappropriate. In terms of the business case that has been submitted to the government, that contemplates two sites. One of those sites is a training facility at a private property that TasRacing leases down the road from the airport. I'm not making any commitments here, but intending to answer your question - there is the potential to extend the lease on that site, make some enhancements to the track and the infield facilities for tie-up stalls and sheds and hot water and so forth. I would suggest that would be the most likely scenario for a harness training facility.

CHAIR - Is that what's been asked of the shareholder minister - funding for that?

Mr JENKINS - It's included in the business case. That site, and as I've described, is included in the business case, yes.

CHAIR - That's the only option for harness?

Mr JENKINS - It is.

CHAIR - Greyhound?

Mr JENKINS - Greyhounds. The alternative option for greyhounds, this holds true for harness also. One of the limitations on the coast, anywhere really, apart from cost is finding land that is 1) for sale, 2) in an appropriate location and 3) zoned amenably for racing. It doesn't exist. We're investigating the alternative to potentially build a training and racing facility for greyhounds on the infield of the Spreyton thoroughbred training track. That may have been what you were referring to earlier. That is the leading option as we sit here today.

PUBLIC

CHAIR - Is that part of the business case put forward to the minister for consideration?

Mr JENKINS - It is.

CHAIR - Is there a quantum attached to the business case?

Mr JENKINS - There is. I'll certainly provide that number before we finish, if that's okay.

CHAIR - That's fine.

Mr GAFFNEY - Since the track is no longer available in Devonport or hasn't been, what sort of assistance have you been able to give both dog owners and harness people to be able to attend other meets in other places? Will that continue? How have you handled that?

Ms HOWLETT - That is a good point. Tasracing has been paying a subsidy to those participants who have to travel to go to a race meet either in Launceston or at Elwick. Would you like to provide more details to that?

Mr JENKINS - Certainly. The minister is spot on. We have provided significant levels of subsidy which we feel is appropriate for participants in the harness and greyhound codes on the north-west coast. We don't have plans at this point in time to remove or reduce those subsidies. In fact, we were entirely supportive of the government's election commitment to maintain those subsidies for no less than two years. We feel it's very important our valued participants across harness and greyhounds on the coast are treated appropriately and with the greatest of respect. We acknowledge there is an impact on their costs and time given the incremental travel they are now incurring.

Mr GAFFNEY - Do you keep a record of participation decrease in the numbers of people from the north-west coast who now may not be involved with the greyhound or harness industries because of the lack of surface? Is there any information coming back to the government or industry about what that impact has been? Has that work been considered or done? Will that be reported to parliament?

Ms HOWLETT - That information is provided to the Office of Racing Integrity. I'm sure we can seek that information for you. Obviously, today is about Tasracing, but I'm sure we can source that information.

CHAIR - There is a question on notice on those participants. I'm advising the secretary we'll have a question.

Ms HOWLETT - I don't believe there has been a decrease in participation on the north-west coast.

CHAIR - You would know from the request for subsidies.

Mr JENKINS - Yes.

PUBLIC

Ms HOWLETT - That's right. We will certainly get an answer. Could you have that in writing? We will get an answer to you.

CHAIR - I expect it's been done while we've been speaking.

Mr GAFFNEY - What do you plan to do for the next two years to track that? It is possible it has not impacted in the first 18 months, but the impact it has on the industry further down the track it would be interesting to see what impact it has on the industry.

Ms HOWLETT - Absolutely. That's a really good point. That's something that Tasracing will have the ability to do after 15 February when the Office of Racing Integrity is abolished, and Tasracing will be responsible for that aspect and we can provide full transparent figures on that.

I want to ensure you we will continue to look after those participants on the north-west coast.

Mr EDMUNDS - Going back to when you were talking about the original issues around cost for replacement north-west racing track, when you looked at the financials and made your decision, was there any request to government for extra funding to make that an easier decision?

Mr PHAIR - There was a commitment from government, originally, when the departure from the Devonport Showgrounds occurred. That money was there for -

Mr EDMUNDS - How much was that again?

Mr PHAIR - It was \$8 million. That was a commitment from the government for us to leave the Devonport Showgrounds. That was included in our funding model, as far as how much the new tracks would cost. Obviously, there was a contribution from government of that amount, the rest would have to be made-up from Tasracing's funds. As I said previously, that shortfall in the funding from what we had to what was going to be needed, was too much in the eyes of the board to commit to.

Ms HOWLETT - There was almost double. We had \$8 million committed from the government, and then \$10 million committed from Tasracing. It was \$18 million in total. Then you've project costs blown out to almost \$40 million.

Mr EDMUNDS - In terms of all the work that's having to be done now to find a new home, would you concede that's work that perhaps should have happened before the showgrounds was mothballed?

Ms HOWLETT - Work has been underway for quite some time and Tasracing have been consulting with industry participants and working on their business case.

I've certainly been engaged with participants on the north-west coast, and work is underway. We are hoping to deliver a solution very soon.

Do you have any more to add, Andrew?

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Mr JENKINS - It's a top priority for the company and we're continuing to do all we can, Mr Edmunds, towards providing facilities for both codes on the north-west coast. We understand the importance and note the travel and other impacts we've spoken about previously on our participants that reside on the coast.

We're doing everything we can to expedite a solution for both codes as soon as we possibly can.

Ms HOWLETT - I want to say it has to be at the right price. It can't be at any cost.

CHAIR - Is it a sound business case to spend that sort of money from an organisation that relies heavily on government assistance to put it in a private arrangement on somebody's private land?

Ms HOWLETT - Thank you, Chair. A long lease would be negotiated at that property.

CHAIR - Circumstances change though.

Ms HOWLETT - We have a significant number of participants on the north-west coast

CHAIR - I'm not arguing that, minister. I'm just raising the fact with you. Is it prudent to spend a lot of public money on a facility that's on a private property? That's my question.

Ms HOWLETT - We're looking at various options, Chair. One of those is to purchase a property. We are looking at that.

CHAIR - I'm sorry for jumping in, member.

Yesterday it was suggested that rather than do anything, particularly on a private property, why not invest in the two tracks that are already in place for harness racing? Possibly continue your subsidy, but have two really quality tracks in Tasmania and not have that third track at all? Particularly when, as we've said, it's a private property. You might think you can buy it some time, but then once you've spent all that money on it, you're sort of held over a barrel in some respects. Would that be a better option for the industry - continuous subsidy, but have better quality of the existing tracks? They tell me they run six seconds faster on a quality track on the mainland. That's what they tell me.

Ms HOWLETT - Right. That's good to know, Chair. I know the chair, Gene, would like to add some more information to that.

Mr PHAIR - I think it's important to know, Chair, that we are talking two different things here. You're talking about a racing facility, we're talking about a training facility. The reason for having a training facility on the north-west coast is to allow those hobby trainers and the people who have full-time jobs to be able to work their horses and get them race fit. The ability for them to go to Launceston, for example, to train their horses - it may be prohibitive if they have full-time jobs. They need something that is close by, hence the reason why we're looking at training facilities on the north-west coast.

PUBLIC

CHAIR - I don't argue that. I'm saying is it better off to spend public funds, if you can't have a facility that's owned by Tasracing, if you have to spend money on a private facility - is it better off to look at another option? That's the industry asking that question as well.

Mr PHAIR - I can answer that and I'll pass to the CEO as well. We have looked at all those things. The CEO said before that the ability to be able to purchase property on the north-west coast zoned for the purposes we need it for does not exist. We've investigated that. The security that you have with a long-term lease when you're leasing private facilities is that security around spending the money and ensuring that you get value for that money as far as the upgrade of the facilities goes. In hand with that would come a long-term lease which would protect the company and the industry for that money that is spent. The CEO might like to add a bit more.

Mr JENKINS - We have had very preliminary discussions with the owner of the property, who has indicated that they are amenable to discussions in relation to the purchase of the lease site. We haven't gone down that path at this point in time, simply due to wanting to expedite the project sooner rather than later, as I indicated in response to Mr Edmunds. If we're going down a capital purchase path, then the land has to be subdivided, it's going to have all sorts of approvals, the price has to be negotiated, and it just kicks itself down the road. As opposed to, in the immediate short term, signing a long-term lease at least enables us to get moving for our harness participants on the north-west coast. It doesn't preclude potential to purchase that site down the track, should the owner remain amenable to that option.

Ms HOWLETT - As per our election policy, we will invest in training facilities that suit the daily requirements of those trainers on the north-west coast.

CHAIR - I think I've made it clear what - those thoughts came from industry. I didn't just dream them up.

Mr EDMUNDS - How long could racing have continued at the facilities at the showground in Devonport?

Ms HOWLETT - Thank you, Chair, and I thank the honourable member for his question.

CHAIR - It's about seven ministers ago, just in case you might be thinking. Someone might still have an idea.

Member - Minister at the time.

Ms HOWLETT - Thank you, Chair.

Mr PHAIR - We were negotiating with the purchaser of the showgrounds around a lease, but our understanding from that purchaser was that he was interested in getting going with his development straight away and no lease was available for us. We were certainly asking for that, because we believed that there was an opportunity for us to maintain the racing and training facilities at the showgrounds whilst they did whatever they needed to do from a development point of view. That requires the other party to be agreeable to that lease and where we ended up was there was no lease available to us.

CHAIR - The current lease had expired?

PUBLIC

Mr PHAIR - The current lease hadn't expired. We agreed to vacate the showgrounds, because we had some commitment from the government for that \$8 million we referred to before, plus from a community perspective, there is an affordable housing project in the middle of Devonport that was being developed by a developer. We were happy to receive the money that we received to vacate our lease early.

Mr EDMUNDS - And how long did the lease have to run?

Mr PHAIR - Sorry, I'll have to defer -

Mr JENKINS - I'll need to take that on notice. Mr Edmunds.

Mr EDMUNDS - Thank you.

CHAIR - Again, come back to my point, there's a lease in place, but they're not always watertight. Before I move on, I'd like to acknowledge just arrived in the room is the minister's father, Mr Colin Howlett. Lovely to see you with us today, Mr Howlett, and you'll be very impressed with the minister and her work. Thank you. Mr Edmunds.

Mr EDMUNDS - I've got another -

CHAIR - Have I cut in enough on your questions.

Mr EDMUNDS - Yes, it's okay. I don't mind. I've a question about the owners' access to the stall and mounting yards change in policy from Tasracing. What consultation occurred with owners before the implementation of that policy?

Ms HOWLETT - That is a policy that has been changed in other jurisdictions and I'll pass over to the CEO to speak more to that.

CHAIR - We did hear this morning Tasmania's unique so, we don't always have to do what the others do, but thank you.

Mr JENKINS - The short answer is we didn't consult, which is highly unusual -

CHAIR - Was that 'didn't'?

Mr JENKINS - Did not, which is highly unusual for Tasracing in the context of our industry, whether it be through the quarterly legislated industry forums or general masses, we will by default work with our participants and stakeholders to seek their views. The reason we didn't do that on this occasion is we became in the possession of an independent external safety audit that we proactively commissioned from Sentry Safety Solutions who are well-regarded and somewhat specialist racing industry facilities audit company.

What was made apparent in not only their draft but also final report, Mr Edmunds, was I can't overstate the red flag they brought to our attention in relation to having - in particular in thoroughbreds - a prevalence of owners in a day stall or tie up stalls area where there isn't physical separation between the horse and the owner or a member of the public, whatever the case may be. Now, the key difference here is if we would think of somewhere such as Moonee

Valley, Caulfield - whatever, it doesn't matter, they're all the same - in the sense that there's a fence, there's physical separation between the viewing public and the horses. I can go up and see my horse and if the trainer chooses to bring him or her over and give him or her a pat, that's absolutely fine and they go back in their box, but I'm behind a fence.

Our day stall facilities aren't designed like that. There is no separation and we felt that, having come into the knowledge of that report with that risk so explicitly brought to our attention -

Mr EDMUNDS - Is it a safety risk or integrity risk?

Mr JENKINS - Both.

Mr EDMUNDS - Okay.

Mr JENKINS - Both. Yeah, that's right, because you've got owners in there that can - could potentially get to a horse or even inadvertently might be taking a treatment and they touch a horse and it comes up with a positive. Our vets and also our trainers have been quite concerned about that aspect of access for some time. The primary reason that we made the rare decision, on the basis of not consulting was that bright red, red flag that we were just not, as I say, having come into the knowledge of that credible information, we felt that we needed to act immediately from a safety perspective.

Mr EDMUNDS - Because obviously the feedback that I've had - these are owners who - it's the biggest value-add to their coming to the track and supporting the industry and the like, their race day experience. What's the pathway forwards in terms of consultation to provide some way to either have that experience or something similar able to occur, based on the feedback from those owners?

CHAIR - Sounds like a fence to me.

Ms HOWLETT - Thank you, Chair and I thank the member for his question and I'll hand over.

Mr JENKINS - Post implementing the restriction on access to the stalls, Mr Edmunds, we conducted a consultation period through October to seek alternatives to add to our own thoughts in relation to what might be achievable as means to safely provide access to owners in the day stalls. Whether that be an infrastructure-based solution or something like an owner's car that is provided annually after - for example, an owner might do an online induction, educating them around horse safety and so forth, they agree that liability rests with them, and that they're choosing to access the licensed area - we haven't made a decision, so I don't want to precursor that, I'm just sharing with you that we are putting significant thought into that process. I should say, we knew that this would be an incredibly unpopular decision. I'm a horse owner, not in Tassie, but I know what it would mean to me if I couldn't go to the races and go up and see old mate and get them out of the stalls. But, I've just got to be really blunt here and say, I'd rather have an unhappy owner than a dead one.

Ms ARMITAGE - I'm just going to a different area minister. If I could ask, how many apprentices do we have currently in Tasmania, male and female?

PUBLIC

Ms HOWLETT - That's a great question, Chair. I'll just seek the correct information. I believe we have 11 and I believe a significant number of those are female.

My thought was correct. There are currently 11 apprentice jockeys, of which 10 are race riding in Tasmania. Tasracing has an assistant scheme for interstate jockeys as well, travelling to Tasmania to ride and this helps with the jockey population when the numbers are low, and \$30,000 was allocated towards this for the 2024 financial year. It's important to note, too, that the jockey riding fee has risen 9.7 per cent over the last two years, increasing to \$225 in the financial year 2024, which is an increase from \$230 as well. And, Tasracing will continue to prioritise local apprentices and senior riders and consider opportunities prior to approving any interstate or international apprenticeships as well.

As far as the female jockeys, Andrew, do we have a number on the amount of female jockeys? I know that that was really increasing.

Mr JENKINS - I can get - take that figure -

Mr PHAIR - It's greater than 50 per cent.

Ms HOWLETT - Yes, it's more than 50. Thank you. Eight out of the 11 are female.

Ms ARMITAGE - Following on from that, if I could just ask you about the agreement with the Hong Kong Jockey Club apprenticeship. I noticed there was a scheme, assuming that it's ongoing, the opportunity for two - and it was male Hong Kong jockey apprentices. I might ask why it's specified that the two apprentices that came had to be male? It actually says on your expression of interest form that, 'Tasracing, in conjunction with the Hong Kong Jockey Club (HKJC) has the opportunity for two male HKJC apprentices to continue their apprenticeship for a two-year period.' Then it goes on with the forms and the applications. I did wonder why it was male as well, but also how that scheme is going and whether it's continuing.

Ms HOWLETT - I believe that is a club decision, but I will pass to the CEO to speak more.

CHAIR - As in the Hong Kong Jockey Club decision.

Ms ARMITAGE - Tasracing are the ones who invite them.

Mr JENKINS - The program run in consultation with the Hong Kong Jockey Club has historically had a number of their apprentices come over for a period of time to Tassie with varying degrees of success. Ultimately, in terms of who the Jockey Club makes available to send, that's their determination. Whilst in this case, an expression of interest was put out by Tasracing and we did indicate there was the option to take a couple of male riders, it's not our decision. We're not certainly not having any dialogue with the HKJC.

Ms ARMITAGE - It looks like it because it says Tasracing.

Mr JENKINS - I understand what you're saying. For clarity, that is not in any way, shape, or form a Tasracing directive. It's who the JC has available at an appropriate skill and experience level as a jockey. It's also who, for safety purposes and our own riding ranks, is

PUBLIC

appropriate as an apprentice to come to Tassie and continue their growth. For clarity, there is no gender discussion ever had with the JC.

Ms ARMITAGE - It's probably better to take that out, then.

Mr JENKINS - I would agree.

Ms ARMITAGE - It could be called discrimination.

CHAIR - That's the delete for this afternoon.

Ms WEBB - I have some questions on greyhound breeding data. In the annual report, it seems to be down significantly. My understanding is that is also the case in other states, Victoria and New South Wales. Given that our greyhound racing industry also relies on dogs from those other two states, everyone's breeding data is down. What is our expectation of the trajectory for sustaining that code to the same degree, given the breeding situation?

Ms HOWLETT - You are quite right, there has been a decline in breeding numbers since late 2015. Tasracing has maintained the following assistant packages for the 2024-25 season in an endeavour to encourage responsible breeding, ensuring the ongoing viability of the industry. We have vaccination assistance of \$200 per pup at the time of registration with the Office of Racing Integrity. We also have a starter bonus of \$100 to the first Tasmanian-bred greyhound finishing in every race, and the Tasbred Grade 6 bonus, which is a performance-based initiative of \$300 paid to greyhounds winning at a grade 6 at all tracks. The laboratory costs of the DNA analysis for breeding and females, and funding for these packages is budgeted at \$220,660 for the 2024-25 financial year.

Ms WEBB - To be clear, I am asking what our expectation is about those measures being successful. It is all well and good to have those measures. There may be a response to them. Is it expected that we will be able to maintain current levels in that code or, given this is not just us but interstate as well, are we looking at a decreasing trajectory for the code?

Ms HOWLETT - Dr Lenz, would you like to speak to that?

Dr LENZ - One of the aims in, not only greyhound welfare, but across the three codes, is to not breed more animals than can be productively put to a useful racing career. Also, importantly, be retired responsibly at the end of their racing career. One of the aims in the face of what is obviously a downward trend are some of the initiatives that the minister mentioned, supporting the breeding sector. Also a big push is to increase the number of dogs that actually get to training, and of those dogs that get to training, that get to racing. Then, at the end of their racing career we want to make sure that there are sustainability increases by making sure that the maximum number of the dogs that have had a successful racing career also get to retire. From a welfare aspect, it is actually something that we are working within, but there is obviously an intersect to the business.

Ms WEBB - That's fine and I understand what you're saying and that sounds sensible from a welfare point of view. What is the particular number of dogs that is your target range in terms of breeding locally that is the appropriate balance point to deliver what Dr Lenz has just described? Do you have a target number or target range of numbers for that?

PUBLIC

Ms HOWLETT - Dr Lenz or Andrew, would you like to speak more to that?

CHAIR - I just need a number.

Dr LENZ - The number is from the current racing schedule, and can we have numbers within each race that obviously optimise -

Ms WEBB - This links to my original question which was: are we expecting to maintain the same level of racing or are we looking at a trajectory downwards in terms of racing in this code?

Mr JENKINS - No, at this point in time, we're not anticipating that the reduction in breeding in the reporting period will adversely impact our ability to program, as we historically have, around 150 meetings a year.

To aim to specifically answer your question with integrity, no, there isn't a number specifically because there are various factors at play in terms of the greyhound and horse population in Tasmanian racing. One of those factors is whilst, as you pointed out, Ms Webb, some of the other jurisdictions are reducing in their breeding - some of those were overbreeding, I would suggest. They're moving to a more responsible model. As part of that model that may include dogs being imported from other jurisdictions. There are a number of sources for an appropriate and responsible breeding and racing dog population approach to sustain the code in Tasmania.

Ms WEBB - My final question on this ties back to our original earlier discussion about the deed that's being negotiated now looking ahead to 2029. Are we negotiating that deed on the basis that we expect the racing codes across the three codes to maintain the current level, to grow, or to reduce over time over the period that that deed will cover? What's the basis of the negotiation currently?

Ms HOWLETT - As I said, discussions are certainly taking place.

Ms WEBB - I'm not asking about the negotiation itself. I'm just talking about what's our expected trajectory that is the basis on which we're doing that negotiation.

Mr PHAIR - Our mandate as a company is to grow the industry. Our primary objective is that we will be growing into the future, not proceeding or declining as far as the number of races goes, the participants in general, whether they be equine or canine or whether they be the owners, trainers and so on. We are looking forward into the future with some strategic planning around how we can grow the industry, not allow it to decline.

CHAIR - Thank you. We have one final question, then we're having a three-minute break.

Ms HOWLETT - Before we go to our final question, Chair, could I please answer the member for Pembroke's question earlier on as far as the lease on the Devonport track? Would you like me to do that now or after the next question?

CHAIR - No, that's fine.

PUBLIC

Ms HOWLETT - Okay, my advice, member for Pembroke, regarding the lease on the Devonport facility was it was a long-term lease to 2040.

CHAIR - Gave that one up pretty easy, then.

Member - A very quick question -

Ms HOWLETT - You'd like to add to that?

Mr JENKINS - Very briefly, if that's okay.

Ms HOWLETT - With your indulgence, Chair.

CHAIR - Brief.

Mr JENKINS - Thank you. Whilst it does predate me, I understand that there was some conjecture as to the legal validity of that lease. As I understand it, I'm not sure that it's accurate to suggest that the company simply -

CHAIR - That you gave it up easily?

Mr JENKINS - Correct. Thank you for that, Chair.

CHAIR - My comment.

Ms ARMITAGE - Just a quick one on programming. Is there a statewide programming committee, only because it's been pointed out that the TTC has to - it says 'jam 27 meetings in from October to April'? Why does the Tasmanian Turf Club stop racing in April, have one meeting in August and then recommence in October? Can you advise, is there a statewide programming committee that does this?

Ms HOWLETT - In relation to operational matters, would you like to speak to that?

Mr JENKINS - The programming and the break for the TTC is primarily driven by the need to renovate the track. It starts again every year. It's similar to the 10-week break we take at Elwick now each year to completely renovate the track. I acknowledge the concerns that the TTC, most respectfully and professionally, continue to bring to our attention. We acknowledge them as valid, but we can't make grass grow any faster than it wants to grow despite our track managers' best efforts.

CHAIR - Thank you very much, minister. We always seem to run out of time, but this committee obviously has the opportunity to continue a conversation outside of the GBE process. That's something that we'll always consider in the future. On behalf of the committee, we thank everyone for their time and the effort that goes into preparing for this. I wish you all a very happy and safe Christmas. We'll see you, minister, back in about three minutes. We will suspend while we have a change of people at the table.

Ms HOWLETT - Thank you, Chair. I'll just take the opportunity to thank those at the table with me, and my staff and the department for doing the incredible amount of work that they have. Thank you.

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The witnesses withdrew.

The committee suspended at 12.18 p.m.