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Wednesday, 20<sup>th</sup> January, 2016

## **Submission Regarding the Queensland Racing Integrity Commission Bill**

**ATT: Agriculture and Environment Committee**

### **ABOUT THE TBQA**

The Thoroughbred Breeders Queensland Association (TBQA) was founded over 40 years ago to promote and advance the interests of the breeding industry in Queensland. The racing industry needs to thrive for the breeding industry to prosper, and vice versa, therefore breeding and racing works hand-in-hand.

Our ten-person committee is part of a network of kindred organisations from each state which, with the federal body, Thoroughbred Breeders Australia (TBA), represents the interests of thoroughbred breeding throughout Australia at a state, federal and international level.

The TBQA boasts 1038 members, the largest membership base of any breeding association, and is the most respected of those Associations. Our President, Basil Nolan, is so highly regarded amongst his national peers, that he is the President of the TBA.

Over the years the TBQA has consistently endeavoured to represent the interest of the breeding and racing industry and has played a vital role in implementing many changes – from retaining Group and Listed races in Queensland, to developing management plans for EI and Hendra Virus, along with providing assistance to producers or members in need during drought and floods.

## **WHY THE OPINION OF BREEDERS MATTERS**

Thoroughbred breeders across Australia committed in excess of \$500 million from 2008-2010 in training fees for racehorses.

That's over \$250 million per annum that breeders pay for training race horses.

This figure does not include the purchase price of racehorses or the cost of breaking them in. Nor the added expense of vets, farriers and other costs incurred in the upkeep of racehorses.

The statistics were released in a report by Thoroughbred Breeders Australia (TBA), following their commission of an independent study into racehorse ownership in Australia in 2010. It was compiled using figures supplied by the Australian Stud Book and Racing Information Services Australia (RISA).

The report establishes that breeders wholly or partly own 63% of racehorses in training.

Breeders also contribute in excess of \$10 million annually to prizemoney through race sponsorship and state incentive schemes like BOBS, VOBIS and QTIS.

The study demonstrates conclusively that breeders largely underwrite racing and make a massive contribution to the income and well-being of industry participants.

Breeders underpin racehorse ownership in this country and seek to play a constructive role in resolving the many issues affecting the viability and future of racing.

## **INDUSTRY EMPLOYMENT**

The Queensland Racing industry generates a massive income for the State Government. It is rated as the State's third largest industry. Breeding goes way beyond the employment of staff at the Studs, which can range from 5 to 45 people.

In 2006, an estimated 24,000 people were directly employed in the thoroughbred breeding industry in Queensland. It is believed that has dropped to approximately 17,000 now.

Those figures relate to the industry decline, which is outlined more thoroughly below.

If we continue to follow this downturn it will result in fewer horses in work at race courses which will then have an impact on fields and TAB turnover.

There is a huge range of other industries that rely on thoroughbred breeding as a main source of income – veterinarians, veterinarian suppliers, farriers, feed merchants and farmers, machinery and equipment suppliers, transport (both stock feed and horses), stablehands, jockeys, race clubs, TABs and they are just the main categories.

The racing industry also makes an enormous contribution to a diverse range of other employers through its social aspect – media and advertising, airlines, hotels and

accommodation, taxis, caterers, restaurants and builders. It generates millions of dollars annually through tourism thanks to major events such as the Winter Racing Carnival, Magic Millions and numerous country cups held state-wide.

“Both directly and indirectly the racing industry is a serious business and deserves to be treated as such.” (J.J Kennedy, 1997)

It goes without saying that the more money the racing industry can make, the more people we can employ, the better the State’s economy.

This philosophy is repeated on the race track – the more horses racing, the larger the fields, the greater the TAB turnover, the greater the income for the Government.

## QUEENSLAND STRUGGLES COMPARED TO INTERSTATE

There has been a significant decline in breeding over the past five years and this downturn will only continue unless action is taken immediately to restore faith in the system.

As outlined above, if the breeding and racing industry continues to slide, that then results in a downturn across a range of other areas. We need to stimulate the industry.

The below tables clearly show how far Queensland is behind NSW and Victoria, and how desperately we need correct leadership and planning to move forward, strengthen the industry and be competitive with other states.

### Australian Racing Statistics

source: Racing Australia Factbook

2013-14	NSW	VIC	QLD
Total Races	5,512	4,242	4,787
Total Horses	10,839	8,712	7,464
Total Starters	54,922	41,956	43,989
Prizemoney	\$165,482,200	\$157,140,383	\$82,709,967
Incentive Scheme Payouts	\$10,633,072	\$7,991,350	\$6,000,800
Fees Paid by Owners	\$5,966,000	\$9,907,864	\$8,034,461
Total Return to Owners	\$185,892,564	\$172,223,869	\$106,988,276

## Breeding Distribution

source: Australian Stud Book

	NSW	VIC	QLD
<b>2013-14</b>			
Stallions	246	181	185
% total	33	24	25
Broodmares	8,483	5,614	4,334
% total	37	24	19
Mares Covered	9,605	5,376	3,585
% total	45	25	17
Foals	6,451	3,426	2,285
% total	45	24	16

## OPPOSITION TO THE QLD RACING INTEGRITY BILL

The TBQA does not support the implementation of the Queensland Racing Integrity Bill. We firmly believe that the Government reacted haphazardly to the greyhound live-baiting scandal to the detriment of the thoroughbred and harness racing industries.

Live-baiting was a national issue, and yet in no other state has the other racing codes been penalised. The TBQA believes that the McSporran recommendations were limited to the greyhound industry, and as such, the thoroughbred and harness industries should not be subject to change.

The TBQA is strongly opposed to the proposed structure of the All Codes Board. Any organisation, let alone one dealing with millions and millions of dollars, needs a board of experienced leaders. To suggest that only three of the seven members should have racing experience is ludicrous, and could potentially lead to serious mismanagement issues. The racing industry is very unique, and unless you have experience in the industry, there is no way you can understand the costs and problems associated within the industry, nor could you develop sensible and effective plans to move the industry forward, strengthen and grow it.

The TBQA believes that any Racing Queensland Board needs to be of members with racing industry experience, combined with strong business and marketing knowledge.

The QRIB suggests that the racing industry fund the Commission. The State Government has been touting a \$28 million blow-out in the industry and is cutting prizemoney and race meetings to compensate for that. They say the industry is struggling financially, yet expect us to pay for this commission – a commission that no-one in the industry even wants! This is a ludicrous and unrealistic suggestion. Funding should be reinvested in prizemoney and not taken for this commission. It would not happen in any other industry, and should not happen here.

The TBQA is also very concerned about the proposal to standardise racing. This is unrealistic and would be unworkable. This does not take into account the different size tracks, attendance rates, TAB/Non-TAB meetings and other circumstances that make each race meeting unique. It will certainly spell the end of racing in many areas.

## **IN CONCLUSION**

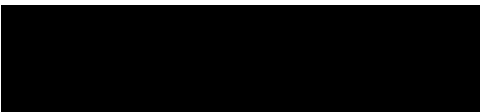
The Queensland Racing Unity Group has also compiled a very detailed submission that the TBQA fully supports.

The racing industry has never before been as unified in any cause as it is in the rejection of this Bill, the rejection of the Tracking Towards Sustainability Plan and the current lack of leadership and on-going mismanagement in Racing Queensland.

Surely the state-wide outcry opposing these issues is enough to send alarm bells ringing that there is something desperately wrong with these plans and the direction the industry is heading. Surely that is enough for the sensible members of the Agriculture and Environment Committee to question this Bill. We implore you to take notice of the industry participants, the stakeholders, the grass roots of racing and please withdraw this Bill.

The TBQA also respectfully asks for the opportunity for President, Basil Nolan, to present the views of our members at the Public Hearing on Wednesday, February 17<sup>th</sup>.

Yours faithfully,

A large black rectangular redaction box covering the signature area.

Basil Nolan  
TBQA President