



# TAX PARITY ALLOCATION

PRESENTED BY CHIEF EXECUTIVE - JOHN DUMESNY



# PROJECTED REVENUE

- **IN THE CURRENT HRNSW BUDGET THERE IS A CAPPED RECURRENT FUNDING DEFICIT OF \$2,000,000**
- **THE PROJECTED TAX PARITY REVENUE FOR THE FIRST 5 FINANCIAL YEARS IS THEREFORE AS FOLLOWS:**

• <b>FY2017</b>	<b>\$5,700,000</b>	<b>LESS \$2M DEFICIT</b>	<b>\$3,700,000</b>
• <b>FY2018</b>	<b>\$5,700,000</b>	<b>LESS \$2M DEFICIT</b>	<b>\$3,700,000</b>
• <b>FY2019</b>	<b>\$7,000,000</b>	<b>LESS \$2M DEFICIT</b>	<b>\$5,000,000</b>
• <b>FY2020</b>	<b>\$8,300,000</b>	<b>LESS \$2M DEFICIT</b>	<b>\$6,300,000</b>
• <b>FY2021</b>	<b>\$11,500,000</b>	<b>LESS \$2M DEFICIT</b>	<b>\$9,500,000</b>

# OVERVIEW

**PRIZEMONEY**

**CLUB ADMINISTRATION**

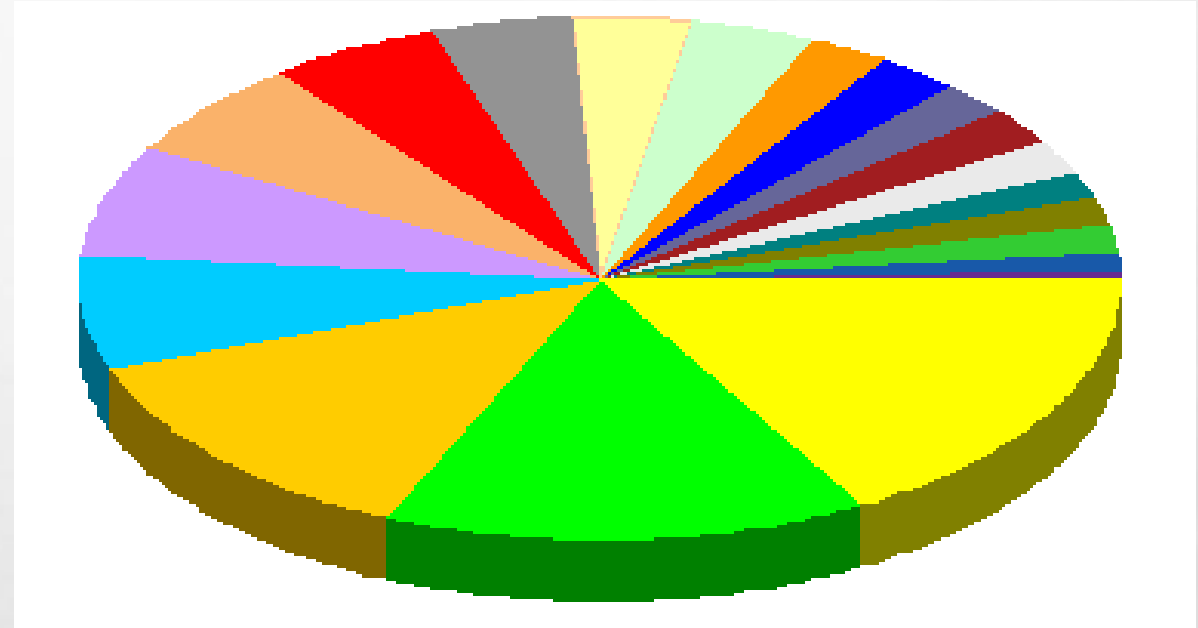
**MARKETING**

**BREEDING**

**INDUSTRY DEVELOPMENT**

**INFRASTRUCTURE**

**INTEGRITY**



# PRIZEMONEY

**TWO-YEAR-OLD RACES FUND**

**UNPLACED/UNFUNDED PRIZEMONEY**

**DRIVERS SUPERANNUATION GUARANTEE FUND**

**NON TAB INCREMENTAL INCREASES**

**\$3,000 MEETINGS PRIZEMONEY INCREASES**

**REALLOCATION OF 10 \$3,000 MEETINGS TO \$5,000 MEETINGS**

**NSWHRC MIDWEEK & \$6,000 MEETING INCREASES**



# TWO-YEAR-OLD RACES FUND

- **FUNDS ADDITIONAL RACE PRIZEMONEY & FORECAST BONUSES AS A RESULT OF THE GUARANTEED TWO-YEAR-OLD RACING POLICY**

• <b>FY2017</b>	<b>\$200,000</b>
• <b>FY2018</b>	<b>\$224,000</b>
• <b>FY2019</b>	<b>\$248,000</b>
• <b>FY2020</b>	<b>\$272,000</b>
• <b>FY2021</b>	<b>\$296,000</b>



# UNPLACED/UNFUNDED PRIZEMONEY

- **PAYS THE PRIZEMONEY FOR HORSES THAT PLACE 10<sup>TH</sup> TO LAST IN PACERS RACES AND 11<sup>TH</sup> TO LAST IN TROTTERS RACES**

• <b>FY2017</b>	<b>\$275,000</b>
• <b>FY2018</b>	<b>\$325,000</b>
• <b>FY2019</b>	<b>\$400,000</b>
• <b>FY2020</b>	<b>\$475,000</b>
• <b>FY2021</b>	<b>\$550,000</b>



# DRIVERS SUPERANNUATION GUARANTEE FUND

- **PAYS DRIVERS 9.5% OF GROSS EARNINGS (DRIVERS FEE ONLY)  
(PROVIDED THAT THEY EARN IN EXCESS OF \$450 FOR THE MONTH)**

• <b>FY2017</b>	<b>\$363,000</b>
• <b>FY2018</b>	<b>\$363,000</b>
• <b>FY2019</b>	<b>\$400,000</b>
• <b>FY2020</b>	<b>\$425,000</b>
• <b>FY2021</b>	<b>\$450,000</b>



# NON TAB INCREMENTAL INCREASES

- **INCREASES ARE INTRODUCED INCREMENTALLY IN LINE WITH THE PROJECTED REVENUE**

## **FROM \$1,500 TO \$2,000**

- **FY2017      \$55,500**
- **FY2018      \$55,500**
- **FY2019      \$55,500**

## **FROM \$2,000 TO \$3,500**

- **FY2020      \$222,000**
- **FY2021      \$222,000**





# \$3,000 MEETINGS PRIZEMONEY INCREASES

- **INCREASES ARE INTRODUCED INCREMENTALLY IN LINE WITH THE PROJECTED REVENUE**

## **FROM \$3,000 TO \$3,500**

- **FY2017      \$187,500**
- **FY2018      \$187,500**

## **FROM \$3,500 TO \$5,000**

- **FY2019      \$750,000**
- **FY2020      \$750,000**
- **FY2021      \$750,000**



# RECLASSIFICATION OF MEETINGS

- **10 X \$3,000 RACE MEETINGS ARE RECLASSIFIED TO \$5,000 RACE MEETINGS**  
**FROM \$3,000 TO \$5,000**
  - **FY2017      \$120,000**
  - **FY2018      \$120,000**
- **FROM FY2019 ONLY NON TAB CLUBS WILL CONDUCT RACES FOR \$3,500**
- **ASPIRATIONAL FUTURE PROVIDES FOR NO NON TAB MEETINGS**



# INCREASED STAKES – NSWHRC MIDWEEK & \$6,000 RACES

- **INCREASES ARE INTRODUCED INCREMENTALLY IN LINE WITH THE PROJECTED REVENUE**

- **FY2017      NSWHRC MIDWEEK RACES = \$6,500 (BASE PRIZEMONEY)**

- **NSWHRC MIDWEEK & \$6,000 RACES - \$500 INCREASE**

- **FY2020      \$1.029M**

- **NSWHRC MIDWEEK & \$6,500 RACES - \$500 INCREASE**

- **FY2021      \$2.059M**



# PRIZEMONEY OVERVIEW (BASE FUNDING)

MEETING TYPE	<i>CURRENT</i>	FY2017	FY2018	FY2019	FY2020	FY2021
<b>NSWHRC MIDWEEK *</b>	<b><i>\$6,000</i></b>	<b>\$6,500</b>	<b>\$6,500</b>	<b>\$6,500</b>	<b>\$7,000</b>	<b>\$7,500</b>
<b>A</b>	<b><i>\$6,000</i></b>	<b>\$6,000</b>	<b>\$6,000</b>	<b>\$6,000</b>	<b>\$6,500</b>	<b>\$7,000</b>
<b>B</b>	<b><i>\$5,000</i></b>	<b>\$5,000</b>	<b>\$5,000</b>	<b>\$5,000</b>	<b>\$5,000</b>	<b>\$5,000</b>
<b>C</b>	<b><i>\$3,000</i></b>	<b>\$3,500</b>	<b>\$3,500</b>	<b>\$5,000</b>	<b>\$5,000</b>	<b>\$5,000</b>
<b>NON-TAB</b>	<b><i>\$1,500</i></b>	<b>\$2,000</b>	<b>\$2,000</b>	<b>\$2,000</b>	<b>\$3,500</b>	<b>\$3,500</b>

***\* The NSWHRC currently contributes an additional \$2,000 to the base funding of each Tuesday race***



# CLUB ADMINISTRATION

**AMBULANCE**

**MOBILE STARTERS**

**PHOTO FINISH EQUIPMENT**

**MOBILE BARRIERS**

# AMBULANCE

- **AMBULANCE COSTS WILL BE PAID BY HRNSW \***
- **CLUB SAVINGS WILL EQUATE TO:**
  - **FY2017        \$650,000**
  - **FY2018        \$670,000**
  - **FY2019        \$690,000**
  - **FY2020        \$710,000**
  - **FY2021        \$730,000**



***\* Clubs will be required to assign the Ambulance Agreements to HRNSW***

# MOBILE STARTERS

- **MOBILE STARTER COSTS WILL BE PAID BY HRNSW \***
- **CLUB SAVINGS WILL EQUATE TO**
  - **FY2017      \$150,000**
  - **FY2018      \$153,000**
  - **FY2019      \$156,000**
  - **FY2020      \$170,000**
  - **FY2021      \$200,000**

***\* HRNSW will engage all Mobile Starters***



# PHOTO FINISH EQUIPMENT

- **PHOTO FINISH EQUIPMENT COSTS WILL BE PAID BY HRNSW**
- **CLUB SAVINGS WILL EQUATE TO**
  - **FY2017      \$75,000**
  - **FY2018      \$80,000**
  - **FY2019      \$90,000**
  - **FY2020      \$95,000**
  - **FY2021      \$100,000**





# MOBILE BARRIERS

- **HRNSW ARE TO PURCHASE FIVE NEW CONCEPT MOBILE BARRIERS – ONE FOR EACH REGION**

## **(PURCHASE, MAINTENANCE & RUNNING COSTS)**

- **FY2017      \$1,250,000**

## **(MAINTENANCE & RUNNING COSTS)**

- **FY2018      \$250,000**
- **FY2019      \$250,000**
- **FY2020      \$250,000**
- **FY2021      \$250,000**



# TOTAL CLUB ADMINISTRATION ALLOCATION

- **TOTAL SAVINGS TO CLUBS \* WILL EQUATE TO**

- **FY2017**      **\$2,125,000**
- **FY2018**      **\$1,152,500**
- **FY2019**      **\$1,185,000**
- **FY2020**      **\$1,225,000**
- **FY2021**      **\$1,280,000**



*\* Includes new concept Mobile Barrier Units, maintenance and running costs*



The  
**Daily Telegraph**

# MARKETING

DEVELOP MARKETING STRATEGIES

DELIVERY OF THE STRATEGIES



# MARKETING

- **FUNDING TO DEVELOP MARKETING STRATEGIES AND TO DELIVER THEM ONCE DETERMINED**

- **FY2017      \$750,000      (\$500,000 DRAWN DOWN FROM FUTURE FUND)**
- **FY2018      \$750,000      (\$500,000 DRAWN DOWN FROM FUTURE FUND)**
- **FY2019      \$750,000**
- **FY2020      \$750,000**
- **FY2021      \$750,000**



# BREEDING

**NSW RESIDENT STALLIONS**

**MICROCHIPPING**

**FOAL REGISTRATION FEE**

**TRUE BLUE BONUS (2YO & 3YO)**



# NSW RESIDENT STALLIONS

- **ABOLITION OF STALLION REGISTRATION FEES & BREEDERS CHALLENGE STALLION NOMINATION FEES PAID BY STALLION OWNERS FOR NSW RESIDENT STALLIONS**

- **FY2017      \$30,000 (STALLION REGISTRATION FEES ONLY)**
- **FY2018      \$85,000 (STALLION & FOAL REGISTRATION FEES)**
- **FY2019      \$85,000 (STALLION & FOAL REGISTRATION FEES)**
- **FY2020      \$85,000 (STALLION & FOAL REGISTRATION FEES)**
- **FY2021      \$85,000 (STALLION & FOAL REGISTRATION FEES)**



# MICROCHIPPING

- **FREE MICROCHIPPING OF ALL FOALS BORN AND REGISTERED IN NSW**

- **FY2018 \***      **\$110,000**
- **FY2019**      **\$112,000**
- **FY2020**      **\$114,000**
- **FY2021**      **\$117,000**

*\* Expected National Implementation*



# FOAL REGISTRATION FEE

- **CONTINUATION OF THE NSW HRC BREEDERS CHALLENGE FOAL REGISTRATION SUBSIDY**

- **FY2020      \$185,000**
- **FY2021      \$185,000**





# TRUE BLUE BONUS

- **INTRODUCTION OF A TRUE BLUE BONUS FOR FOALS CONCEIVED IN THE 2016/17 BREEDING SEASON**
- **\$3,000 CASH PAYABLE TO THE OWNERS OF 100% NSW BRED HORSES UPON THEIR FIRST CAREER PENALTY RACE WIN IN NSW EITHER AS A 2YO OR 3YO**
  - **FY2020      \$171,000      2YO ONLY**
  - **FY2021      \$423,000      2YO & 3YO (THAT DID NOT WIN A BONUS AS A 2YO)**



**SACKHEIM  
NSWBC  
BLUE ELIGIBLE**





# INDUSTRY

EQUINE WELFARE

YOUTH DEVELOPMENT

## ***NSW RISING STARS 2016 AT THE MENANGLE PARK TRAINING CENTRE***



# EQUINE WELFARE

- **STRATEGIES TO IMPROVE & ENHANCE LIFE AFTER RACING**
- **STRATEGIES TO IMPROVE COMPLIANCE**
- **DEREGISTRATION OF HORSES**

• <b>FY2017</b>	<b>\$150,000</b>
• <b>FY2018</b>	<b>\$165,000</b>
• <b>FY2019</b>	<b>\$181,000</b>
• <b>FY2020</b>	<b>\$200,000</b>
• <b>FY2021</b>	<b>\$220,000</b>



# YOUTH DEVELOPMENT

- **FUNDING TO ENHANCE DEVELOPMENT & CAREER PATHWAYS FOR MINI TROTS, YOUNG PARTICIPANTS & CLUB PERSONNEL**

- **FY2017**      **\$150,000**
- **FY2018**      **\$165,000**
- **FY2019**      **\$181,000**
- **FY2020**      **\$200,000**
- **FY2021**      **\$220,000**



***DUBBO MINI TROTS 2016***

# INFRASTRUCTURE

## ESSENTIAL INFRASTRUCTURE PROJECTS



***MENANGLE PARK TRAINING CENTRE***

# ESSENTIAL INFRASTRUCTURE PROJECTS

PROJECT	FY2017	FY2018	FY2019	FY2020	FY2021
BATHURST TRAINING CENTRE	\$500,000				\$150,000
NEWCASTLE – TRACK DRAINAGE	\$140,000				
TRACK UPGRADES		\$200,000			
TRAINING CENTRES		\$265,000	\$300,000	\$150,000	
STRATEGIC RACING CENTRES			\$65,000	\$115,000	\$115,000
IMPROVEMENTS & COMPLIANCE	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000
<b>TOTAL</b>	<b>\$990,000</b>	<b>\$815,000</b>	<b>\$715,000</b>	<b>\$615,000</b>	<b>\$615,000</b>

*\* Strategic Racing Centres are to be determined from FY2019*

*# Racecourse Development Fund to revert to application based from FY2019 onwards*

# INTEGRITY

## ADDITIONAL INTEGRITY FUNDING

- **SWABBING**
- **SURVEILLANCE**
- **COMPLIANCE**
- **ITELLIGENCE**



# ADDITIONAL INTEGRITY FUNDING

- **ITEMS INCLUDED IN THE FUNDING ARE ADEQUATE SWABBING, REASEARCH OF NEW PRODUCTS, INCREASED INTELLIGENCE AND SURVEILLANCE, INCREASED COMPLIANCE INSPECTIONS, MONITORING OF BETTING MARKETS, STEWARDS CADETSIPS & ANALYSING INTELLIGENCE AND INFORMATION**

- **FY2017      \$350,000**
- **FY2018      \$357,000**
- **FY2019      \$365,000**
- **FY2020      \$370,000**
- **FY2021      \$380,000**





# INDUSTRY BUDGET OVERVIEW

## **FY2016/17 INDUSTRY BUDGET**

- **THE 2016/17 INDUSTRY BUDGET INCLUDES AN INCREASE IN FUNDING OF \$777,000 IN PRIZEMONEY AND \$277,000 IN CLUB ADMINISTRATION**
- **THE 2016/17 BUDGET WILL BE KNOWN AS THE PRIZEMONEY & ADMINISTRATION BASE**
- **TAX PARITY FUNDS ARE PROVIDED IN ADDITION TO THE 2016/17 BASE.**



# TAX PARITY FUND OVERVIEW

SECTOR	FY2017	FY2018	FY2019	FY2020	FY2021
<b>PROJECTED REVENUE</b>	<b>\$5,700,000</b>	<b>\$5,700,000</b>	<b>\$7,000,000</b>	<b>\$8,300,000</b>	<b>\$11,500,000</b>
<b><i>RECURRENT DEFICIT</i></b>	<b><i>\$2,000,000</i></b>	<b><i>\$2,000,000</i></b>	<b><i>\$2,000,000</i></b>	<b><i>\$2,000,000</i></b>	<b><i>\$2,000,000</i></b>
<b>PRIZEMONEY</b>	<b>\$1,201,000</b>	<b>\$1,275,000</b>	<b>\$1,853,500</b>	<b>\$3,173,500</b>	<b>\$4,327,000</b>
<b>CLUB ADMINISTRATION</b>	<b>\$2,125,000</b>	<b>\$1,152,500</b>	<b>\$1,185,645</b>	<b>\$1,225,272</b>	<b>\$1,280,581</b>
<b>MARKETING</b>	<b>\$250,000</b>	<b>\$250,000</b>	<b>\$750,000</b>	<b>\$750,000</b>	<b>\$750,000</b>
<b>BREEDING</b>	<b>\$30,000</b>	<b>\$195,000</b>	<b>\$197,200</b>	<b>\$555,444</b>	<b>\$809,733</b>
<b>INDUSTRY DEVELOPMENT</b>	<b>\$300,000</b>	<b>\$330,000</b>	<b>\$363,000</b>	<b>\$399,300</b>	<b>\$439,230</b>
<b>INFRASTRUCTURE</b>	<b>\$640,000</b>	<b>\$465,000</b>	<b>\$365,000</b>	<b>\$265,000</b>	<b>\$265,000</b>
<b>INTEGRITY</b>	<b>\$350,000</b>	<b>\$357,000</b>	<b>\$364,140</b>	<b>\$371,423</b>	<b>\$378,851</b>
<b>TOTAL</b>	<b>\$4,896,000</b>	<b>\$4,024,500</b>	<b>\$5,078,485</b>	<b>\$6,739,939</b>	<b>\$8,250,395</b>

# FUTURE FUND DRAW DOWN

SECTOR	FY2017	FY2018	FY2019	FY2020	FY2021
INFRASTRUCTURE	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000
MARKETING	\$500,000	\$500,000	\$0	\$0	\$0
TOTAL	\$850,000	\$850,000	\$350,000	\$350,000	\$350,000



**THANK YOU**

