

**NZTR CIRCULAR No.35**

30 April 2021

NZTR CIRCULAR 2020/21 – No.35

**TO ALL RACING CLUBS AND OTHER RECOGNISED INDUSTRY ORGANISATIONS****Final Racing Calendar 2021/2022 Season**

Attached is a copy of the Final Racing Calendar for the 2021/2022 season (Final Calendar) as set by the TAB NZ Dates Committee and developed in consultation with the racing codes.

As previously detailed, the process for consultation and release of the Final Calendar has changed as a result of the passage of the Racing Industry Act 2020. The Act requires TAB NZ to consult with the codes rather than racing clubs and other Recognised Industry Organisations (RIOs). Following discussions between TAB NZ and the codes, a Draft Calendar was circulated by the codes to clubs and RIOs for consultation.

Each of the racing codes received and carefully considered submissions on the Draft Calendar. The Act sets out various matters which NZTR needs to take into account which were incorporated in the consideration of the submissions. As part of this process, NZTR also met with representatives of the Racing Club Advisory Group, who provided guidance on the flow of race dates in the 2021/2022 season. NZTR then met with TAB NZ and the other two codes to provide our views on the Final Calendar.

The TAB NZ Dates Committee met recently to consider our views and those of the other codes, and to agree a Final Calendar.

The attached Final Calendar is the outcome of the consideration of club submissions by the codes, discussions between the codes and TAB NZ, and TAB NZ's final consideration and approval. We would like to acknowledge the working relationship that has developed between the three codes and TAB NZ and enabled the release of the Calendar in this final form. While no code or club will get everything it wants, a good understanding and relationship between the four organisations is critical in enabling the industry to continue to move forward.

If your club or RIO provided a submission on the Draft Calendar, a copy of NZTR's response to your submission will accompany release of the Final Calendar. If your club's dates were changed subsequent to release of the Draft Calendar, these changes will have been discussed directly with your club by NZTR Management and will also be covered in the response letter.

## Summary of Final Calendar 2021/2022 Season

### 1. Licence Numbers

A total number of 293 thoroughbred meetings are scheduled to be held, 13 more than scheduled in the current season (or 15 more if the two extra Otaki meetings are excluded), but still 23 less than were scheduled to be run in the 2019/2020 season.

As noted in the circular accompanying the Draft Calendar, there are a number of reasons for this. The strong average field sizes for NZ thoroughbred racing compared to the pre-COVID-19 period have helped deliver positive turnover results in the 2020/2021 season. One of NZTR's roles is to ensure we are putting on racing that maximises opportunities for horses to race, and we will continue to add races to meetings when demand requires. NZTR also has to focus on ensuring the betting attractiveness of our racing product, as this is what will positively impact returns to NZTR and, as a result, to the wider industry.

### 2. Industry Financial Position

The new financial position of the racing industry means the codes are directly funded based on TAB NZ profit as well as the performance of NZ racing product in Australia. Codes are now expected to manage their own cashflow and will have to have reserves to cover periods of high stakes expenditure as well as any periods of shortfall. In addition, NZTR will need to maintain reserves to help fund necessary track renovations. As a result, NZTR will be more mindful of its cash position and can no longer afford to fund the cost of 310 or more licences in a season. This is particularly the case for some of the meetings previously held at expensive to service venues, often with low starter numbers and that attracted less than average turnover.

### 3. Venues

34 venues are planned to be used for racing in the 2021/2022 Calendar in addition to the new Riccarton Park synthetic track. There have been no further changes proposed to the number of venues that we intend to race at for the 2021/2022 season from those published in the Draft Calendar. While we accept that this decision will be disappointing for some clubs, the reduction in overall meetings, the cost to the industry to race at many venues, and the focus on maximising returns have all contributed to this outcome. Clubs that do not have licences allocated to race at their home venue will still have the opportunity to work with other venues in their region to hold a race meeting.

### 4. Synthetic track racing

For the 2021/2022 season, 12 licences are scheduled to be run on the Cambridge synthetic track, and seven meetings on the Riccarton Park synthetic. The increase in racing held at both of synthetic tracks has resulted in the reallocation of licences from other venues. The introduction of synthetic track racing is a key part of NZTR's Venue Plan and its impact was clearly signalled in that Plan. The movement of meetings to synthetic tracks will relieve pressure on turf tracks that would otherwise have to be used in winter and will result in these tracks being in superior condition when they are utilised again.

### 5. Jumps racing

A review of both the South Island jumps programme as well jumps racing nationally is planned to take place following the running of the Grand National in 2021. This review will be completed no later than 31 October 2021 and, depending on its findings, may have an impact on the scheduling of jump race meetings from May 2022.

## 6. Ellerslie closure

NZTR is awaiting confirmation from the Auckland RC that they will be closing their track for reconstruction following the Auckland Cup meeting in March 2022. If this does occur, there will be a further five licences in the 2021/2022 season that will need to be reallocated to other venues, as well a full year of licences in the following season. Further information on this will be circulated once these plans are confirmed.

## 7. 2021/2022 Season Funding Policy

NZTR are working on a Club Funding Policy for the 2021/2022 season and plan on releasing it after consultation by the end of the May. The Funding Policy for clubs and meetings has the most direct impact on clubs' financials and clarity on this will be prioritised. As NZTR works with TAB NZ and then the other two codes to determine a final budgeted code distribution amount in the next few weeks, it will also be able to start to work through options for increases in prizemoney that may be introduced during the 2021/2022 season.

## Impact of Industry Reshaping Action on future season Calendars.

As per NZTR's *Industry Reshaping – Our Actions, NZTR Strategic Priorities* document, Action Area 1 is the Racing Product. The document notes in this section:

*The racing calendar is the industry's greatest asset, driving customer engagement and wagering turnover to fund the sport. Based in large part on historical or traditional dates, the racing calendar is to be more rigorously tested to ensure both opportunities for new events and to ensure we are maximising the wagering revenue opportunity. There are opportunities to grow the exposure of our product, enhance the broadcast opportunity and wagering revenue to grow returns to stakeholders. Recent changes to the Racing Act, including the introduction of Product Fees for overseas operators, provides a unique opportunity to review how we present our racing; not just race dates but the whole racing product.*

The following timeline of consultation around a future calendar structure is planned to apply in the lead up to the 2022/2023 Calendar process:

- **Milestone 1**
- *Industry consultation commences on a broad range of issues including calendar opportunities and how we strengthen current areas of weakness or opportunity*  
*August 2021*
- **Milestone 2**
- *Board to consider feedback and agree actions resulting from industry consultation*  
*October 2021*
- **Milestone 3**
- *Where possible, changes incorporated into the 2022/2023 racing calendar (or later as required)*  
*December 2021*

In addition to the Racing Product area for action, there will be impacts on the Calendar from other areas, in particular, those with cross over impacts from the Club Funding Policy, the use of venues and the track investment plan, wagering and content and the business of racing.

NZTR looks forward to continuing its discussions with the industry on the future shape of the calendar and wishes all clubs a successful 2021/2022 season.

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