

Vote Racing

Baseline Alignment Proposal

Version 1.0

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Submitted by:

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Section 1: Alignment to Government Priorities

Vote Racing comprises policy advice on the thoroughbred (galloping), harness and greyhound racing industries. It also encompasses the administration of the Racing Act 2003, the appointments to the New Zealand Racing Board, and the administration of two funds, the Racing Safety Development Fund and the Racing Promotion and Sponsorship Scheme. Support to the racing industry funded by this Vote provides direct economic benefit and helps ensure the ongoing integrity and community benefit of racing.

The specific Ministerial priorities for this Vote and their contribution to Government priorities are:

Increasing New Zealand's productivity growth

One of the key priorities for this Vote is to support racing industry organisations to become more efficient and cost-effective by eliminating costs and streamlining decision-making. Significant operational savings can be achieved by establishing a shared services model to avoid duplication of services currently provided separately by the New Zealand Racing Board and the three industry organisations that control thoroughbred, harness and greyhound racing.

Under the Racing Act 2003, the New Zealand Racing Board is responsible for developing policies that are conducive to the overall economic development of racing. A priority for this Vote is to support the Board and the three racing code bodies to develop a strategic direction for New Zealand Racing. This includes developing a strategy that will align industry decision-making.

Community benefit

The racing industry also has a community social benefit. More than 150 racedays have a community leisure theme, and many racing clubs share their facilities with community organisations on non-racedays for activities such as fairs, expos, car rallies, craft and agricultural shows, and pony club events. There are more than 27,000 members of racing clubs nationwide, and there is a high level of voluntary work within the racing industry.

To support the continuation of the social benefits from racing, another priority for this Vote is to encourage the racing industry to use the proceeds it receives from non-casino gaming machine activities to support racing clubs' on-course infrastructure that can be used by the wider community, rather than using it to support racing stakes.

Section 2: Reprioritisation

Funding implications

This work will be delivered within existing resources, in particular the provision of policy advice and information on matters relating to racing and sports betting, and on the New Zealand racing industry generally, and will not impact on other activities funded by the Vote.

Over the past 18 months the Department of Internal Affairs, which administers this Vote, has been actively seeking ways to work more productively. As a result, it has identified a number of areas in which efficiencies or savings have been realised, or have the potential to be so. Savings in a number of Votes were offered up in Budget 2009, and lower areas of work reprioritised with the agreement of the relevant Vote Ministers.

Areas of potential gain will continue to be explored on an ongoing basis, as part of a structured performance and productivity improvement programme ranging across the Department's functions. This proactive commitment to productivity improvement will ensure that the Department will continue to deliver its core services in an environment of static baselines, and has enabled it to respond to the current set of Ministerial priorities without seeking additional funding in Budget 2010.

Section 3: Summary of Financial Movements

Vote Racing

The baseline figures shown in the following table include departmental and non-departmental operating expenses only.

	\$000	2009/10	2010/11	2011/12	2012/13	2013/14
Baseline (2009/10 FBU)		4,362	4,361	1,226	1,226	1,226
Share Allocation		-	-	-	-	-
Centralised Saving		-	-	-	-	-
Reprioritisation		-	-	-	-	-
Total Reprioritisation		-	-	-	-	-
Transfers Outside Vote		-	-	-	-	-
Total Transfers Outside Vote		-	-	-	-	-
Total Changes		-	-	-	-	-
Total Proposed Baseline		4,362	4,361	1,226	1,226	1,226