



Review of the Racing & Wagering Western Australia Acts

On behalf of the Bunbury Turf Club (BTC) we respond to the three points:

- a) the effectiveness of operations of Racing and Wagering Western Australia (RWWA)

Positives:

- 1 Certainly in regards communication and relationship better than former WATC.
- 2 Have been pro-active in assisting clubs with stake money increases, following turnover tax reduction.

Negatives:

- 1 No urgency to address issues
- 2 Lacks points of contact
- 3 No synergies attained, i.e. blanket insurance cover for all clubs, instead of each club attaining own insurance cover. Shared barrier staff and doctors.
- 4 Accounting model- distribution model format poor and causes double accounting.
- 5 Lack of clarity to distribution of stake money- Perth Racing versus major Provincials.
- 6 Venue fees variance Perth Racing against Provincials.
- 7 Change to vision fee structure in 2009/10 season has seen club \$100k worse off.
- 8 Withdrawal of \$100 starter's fee in 2009/10 not beneficial to promoting horse ownership.
- 9 At times there does not appear a clear distinction between Perth Racing and RWWA, when seeking to contact via telephone.
- 10 Lack of recognition of BTC as major training facility, With BTC picking up the costs for such.

- b) the need for the continuation of the operations of RWWA.

- 1 The establishment of RWWA to administer three codes and TAB is seen as a very positive step however from a club perspective we see that they are mainly focussed on TAB revenue which we acknowledge is critical but there is much to do in a working model with the clubs in driving efficiencies and upgrades of tired facilities and tracks.

c) any other matters that appear to the Joint Standing Committee to be relevant to the operation and effectiveness of the Acts. **While tax on Racing and Wagering was previously reduced to 3.5%, it is still a significant impost on the industry, and from a club viewpoint requires further concessions to fund racetrack upgrades urgently required. We point out:**

- 1 Racing provides revenue to WA Govt of \$60m, yet return to racing industry to fund development is poor. AFL football does not generate tax revenues to the state yet Government looks at assisting with grounds development from taxpayer's money.
- 2 BTC generated tax revenue of \$556,500 to government in 2008/9 season based upon \$15.9m of turnover, yet we have received little financial support to upgrade facilities.
- 3 BTC has to fund the cost of training facilities at a cost to the club of \$250k a year as we are not recognised as a training facility!
- 4 We also fund \$275k of stake money to be competitive in regards other major provincials, however we still have the lowest stake money for maiden races of all major provincials.
- 5 The costs associated with training costs and sponsoring stake money means the club is very limited in improving member's facilities. We currently have licensed member's facilities for 275 people; however have a membership of 560! (Membership comprises 2 badges). Thus we cannot accommodate existing membership and this is providing major challenges.
- 6 **In conclusion the current funding model to clubs is in-adequate in both support of racing operations (training and stake money) and race track and grounds facilities, albeit the Government gets a strong return from BTC operations!**

Craig Chadwick
Chairman