

Harness Racing Owners Association of WA inc  
PO BOX 174 Mount Lawley WA 6929  
Tel 0419908220 (President Kevin Jeavons)

Breeders Owners Trainers and Reinspersons  
Association of WA inc  
PO BOX 159 York 6302( President Rob Tomlinson)

Western Australian Standardbred Breeders  
Association of WA inc  
PO BOX 4024 Wembley WA 6913 (Secretary Pat Borg)



15<sup>th</sup> January 2010

The Chairman  
The Joint Standing Committee on the review  
of the Racing and Wagering Acts.  
Parliament House  
Perth .WA.

Dear Sir,

Please find attached a joint submission from the above bodies on the review of the RWWA Acts.

Each of the bodies sought an extension of time, caused by events outside our control.

RWWA has for some time been preparing a Strategic Plan for Harness Racing for 2010-2018 which was to be available prior to the new year.

We were of the belief that this was an important issue and would have an impact on any submission we would make to the review, hence the request for a time extension.

RWWA have recently advised that the Strategic Plan will not be available until the end of January at the earliest, and our submission is therefore now submitted, without the knowledge of the Strategic Plan.

We trust our submission will be accepted and considered by the Committee.

Yours faithfully

A handwritten signature in dark ink, appearing to read "Kevin Jeavons".

Kevin Jeavons  
President HROAWA  
On behalf of HROAWA , BOTRA, and WASBA.

To The Joint Standing Committee on the review of The Racing and Wagering Acts.

From

Harness Racing Owners Association of Western Australia (inc)

Breeders Owners Trainers and Reinspersons Association of Western Australia (inc)

Western Australian Standardbred Breeders Association of WA (inc)

We refer to the terms of reference for the review.

- (a) The effectiveness of the operations of RWWA  
RWWA has effectively established itself as the governing body for the racing industry. The transition of control from the principal clubs to RWWA took some time but RWWA clearly understands the multitude of issues involved and has the management and infrastructure to effectively run the industry. It is however, limited to some extent by government policy and there are areas where we would like to see RWWA accept more input from the eligible bodies.  
Recently with pressure on the wagering dollar, competition from other wagering operators, product fees and higher pooling charges, RWWA has trimmed its staff and operating costs which is pleasing in these difficult times.
- (b) The need for the continuation of the operations of RWWA.  
Clearly the operations of RWWA need to continue. There can be no turning back to the previous system and the costs if so would be huge.
- (c) Any other matters that appear to the Joint Standing Committee to be relevant to the operation and effectiveness of these acts.

This area is where we wish to set out areas of concern

- (1) Due to fierce competition from commercial operators Australia wide  
RWWA/TAB is to some extent hamstrung and needs to be able to compete on a level playing field with more flexibility to provide a wider variety of bet types/offers to clients etc
- (2) Industry Board Representation  
It is our view that the current position under the act is fair and should remain as is.
- (3) Distribution  
Whilst the funding to the 3 codes has increased since 2003, we are concerned at the erosion of % of distribution to Harness Racing. Pre 2003 Harness received 29.7% of distribution to the codes and in 2008/2009 27.92%. The cost of training a harness horse is no less than a race horse. It is our view that RWWA should assist harness, to over a period of time, reduce the gap between thoroughbred stakes and harness stake. Otherwise there could be a transfer of owners and trainers to thoroughbreds, with a potential resultant loss of turnover on the TAB.  
We would ask that as part of the review Harness could at least be assured of receiving a minimum of 29.7% to avoid further erosion. RWWA under the present Act is able to vary distribution levels, at its discretion, and without consultation or any right of appeal by any of the codes.

- (4) Currently RWWA is facing many difficult challenges which have affected the bottom line and these include product fees, higher pooling fees and as mentioned earlier intense competition from commercial betting operators who pay little or nothing back to the racing industry and are able to be more flexible than the TAB in the services and products they offer. The more sophisticated computer savvy punter base will increase in time and continue to erode the TAB base unless they can compete equally

It is our view that these challenges will not diminish. To enable RWWA to continue to support the racing industry with adequate returns, we believe that tax relief is essential and if granted a portion could be set aside for infrastructure improvements.

Whilst tax relief is a difficult area, this will assist in the future development of the industry and associated employment in the city and regional areas. Turnover will be stimulated and the return to the State, will not lessen due to the increased turnover.

- (5) As you are aware we do not have RWWA's strategic plan for Harness at this point in time, but it is quite clear to us that if RWWA are not able to markedly increase betting turnover, branch into other related revenue streams and receive taxation relief it will have no option but seek to look at cost cutting further by some or all of the following.:

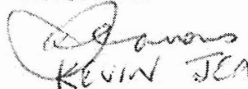
- a) Rationalize the industry in the country areas
- b) Reduce stake money
- c) Reduce the amount of races - which has already taken place in a minor way for the 2009/2010 season.

- (6) When RWWA was established as the new governing body it was clearly assisted by government and later a very strong economy. The result was increased stakes and some improvement to infrastructure to an industry that was on its knees. The result was a boost in confidence to the industry and a very large increase in turnover.

It is now time for the current economic and competitive conditions to be taken into account by Government to assist RWWA, as outlined earlier, to help the harness racing industry go forward with confidence knowing Government understands the value of the industry to the economy of WA.

We would appreciate the opportunity for each of our Presidents or their appointees to appear before the Committee to elaborate on our submission and to answer any questions the Committee may have of us regarding our sphere of the racing industry.

HROAWA

  
KEVIN DAVONS - PRESIDENT.

BOTRA

WASBA