

The South Australian Racehorse Owners Association (SAROA) is heartened by the announcement that the SA Government will be injecting \$6million dollars over the next 2 years into the racing industry.

This money is to be spent to increase the prizemoney of feature races during the 6 week Autumn Carnival and it is hoped this will be the beginning of the revival of the SA industry.

The expressed hope is that these funds will flow through to SA racing affording it the opportunity to reinvest in the industry and help it arrest the decline of the past years, bring international and interstate trainers and horses to race during the carnival and create a tourism boom filling empty hotel rooms.

Unfortunately history does not support this hope. Last year the Goodwood Hcp. field consisted of 16 interstate trained horses and 2 locally trained horses. In the Ubet Classic the other race to be elevated to \$1million it was 17 and 2. Interstate horses filled the first 5 places of both races and therefore the bulk of the prizemoney left SA. The outcome in all the non-standard races during that period was similar.

- How many more interstate horses will the increased prizemoney attract?
- How will the SA industry benefit when the majority of the prizemoney leaves SA?
- How many more tourists will come when the interstate travellers to race meetings are made up of owners, trainers, jockeys and staff who mostly fly in and fly out?

SAROA welcomes interstate competition but believes the logic for a revival is flawed.

We are extremely heartened by Mr Bignell's - "the Government wanted the industry *not just (to) grow but to thrive*" "We think this is a good step in the right direction"

Mr Bignell if you want to continue to the next steps why do you not seek the advice of those who fund the industry and not just the employees of that industry?

Collectively SA owners spend \$70million a year to train their horses and compete for total net prizemoney of \$30million a year. Owners fund the racing industry with net spending of \$40million pa plus the millions spent purchasing their horses.

It is this expenditure that creates the 3200 FTE jobs, the \$300million economic benefit and the \$20million pa GST revenue for SA.

The SA racing industry can only grow, let alone thrive, if prizemoney in SA is competitive with the Eastern States. SAROA believes that each of our Saturday races must be worth \$60,000 each with comparable increases for country and provincial races.

This is not a money grab by the entitled wealthy to indulge their expensive hobby. Australian racing is the most egalitarian racing in the world with the majority of owners having shares as low as 1%. Not your idle rich.

If SA wishes to continue to benefit from owners' expenditure a substantial injection of funds into prizemoney by the Government must be made immediately.

\$20million a year for at least 5 years will increase returns to owners to invest into more horses. We estimate an extra 1000 horses, leading to bigger race fields, increases in betting turnover with increased profits returned to the racing industry.

This increase in horse numbers will create over 1000 FTE jobs (mostly youth and regional), an economic benefit of \$100million pa and GST of \$10million pa.

A net monetary investment of \$10million a year!

Compare that with the return SA gets for the 30 day benefit from the \$10million government investment in the Clipsal car race each year.

Greater benefits would come from the re-opening of the Victoria Park racecourse. Night racing coinciding with similar fixtures in Victoria, NSW and Queensland and the booming Asian racing of Hong Kong and Singapore will deliver substantial export betting dollars from punters in those jurisdictions betting on our races.

Racing in SA is based on a flawed model where SA racing is governed by race clubs via their ownership of TRSA. That model has been rejected in most other States, the most recent being Victoria.

SAROA believes that to gain a wider perspective and new ideas the structure of TRSA must include representatives from all stakeholder groups especially those who fund the industry – SA Owners.

Failure to act will lead to further decline by owners sending their horses interstate where costs are similar, there is a greater choice of races and prizemoney per race is triple SA's. The extra prizemoney more than makes up for the interstate airfares!