RACINGWA

HARNESS RACING

ISSUES PAPER TIMESLOTS + VENUES

Harness racing in WA boasts a proud history and contributes $241.1 million to the economy annually holding 255 race meetings each year across 12 tracks in the state. However, significant changes are required for our code to adapt to current commercial realities to ensure long-term sustainability.

As you know, Racing WA commenced a review into WA harness racing last year, with our Board wishing to evaluate the code's **current race meeting and timeslot allocations**. This is an open and transparent consultation process, with Racing WA inviting written submissions to the Issues Paper, which details the WA harness code's current state.

All perspectives, concerns and suggestions are welcome irrespective of if you represent a race club or are a racing participant, owner, punter or an interested individual who simply has a passion for the trots. The six-week feedback period is now open, with written submissions to be provided to **industryfeedback@rwwa.com.au before 13 October 2024**.

Please consider the data and insights into the WA harness industry's funding, trends and timeslots when making your submission to Racing WA. Following the feedback period, Racing WA will review and collate each submission for the RWWA Board to then make its informed decision.

Any decisions made by Racing WA with respect to the future of the sport will be made in preparedness for commencement on **1 August 2025**.

| **Busselton Trotting Club**

INDUSTRY STATISTICS

Funding

Harness Racing in Western Australia is funded by three major revenue streams:

1. **Race Fields Fees:** Also known as product fees or Racing Bets Levy. This is a fee paid by all wagering operators when they take a bet on any harness race in Western Australia;
2. **Part Proceeds of the State Government Point of Consumption Tax:** This is a tax paid by all wagering operators on the revenue they earn from Western Australian punters, irrespective of what they are betting on; and
3. **RWWA Subsidies:** These are additional amounts provided by the RWWA Board out of the profits of the WA TAB. The WA TAB earns the vast majority of its revenue from bets on non-WA racing and sports and the majority of this money is therefore not attributable directly to any of the WA racing codes.

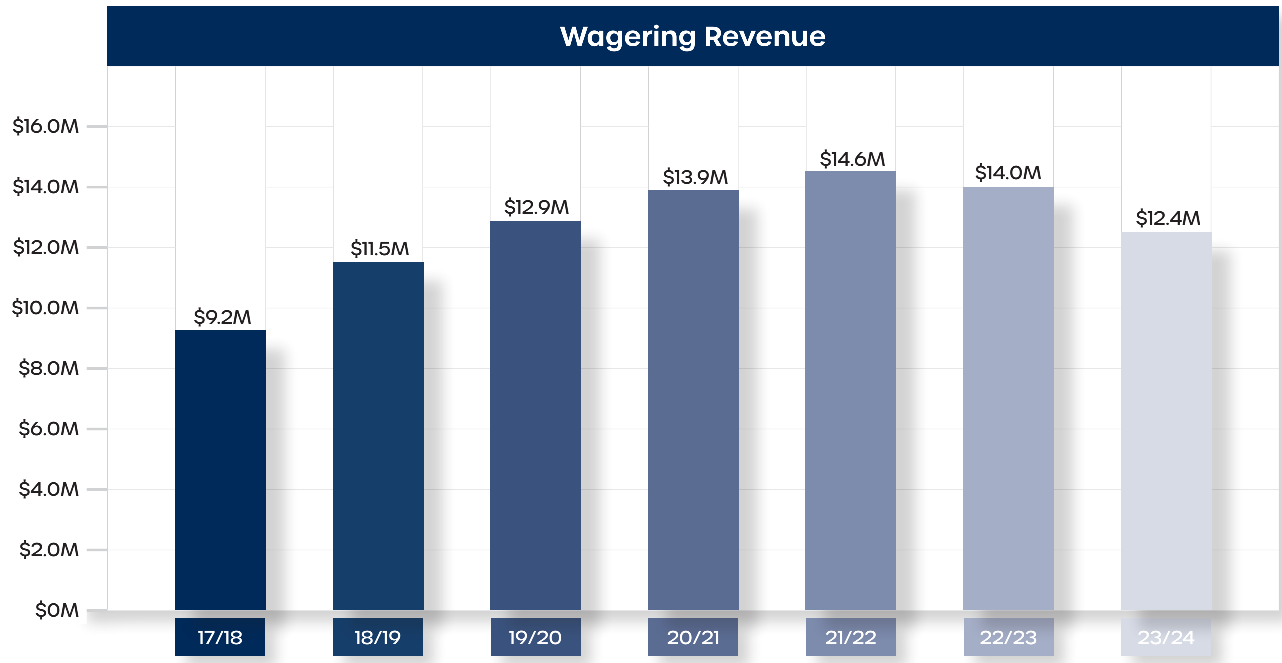
It is desirable for any of the racing codes to cover as much of their industry funding with Race Fields Fees as possible, since this is the revenue earned directly by that code on their race meetings. In WA harness racing, Race Fields Fees covers just 21% of the total cost to run the industry. .

In 2023-24, Race Fields Fees was $12.4M and the industry funding, including the cost of running the harness code was $59.0M.

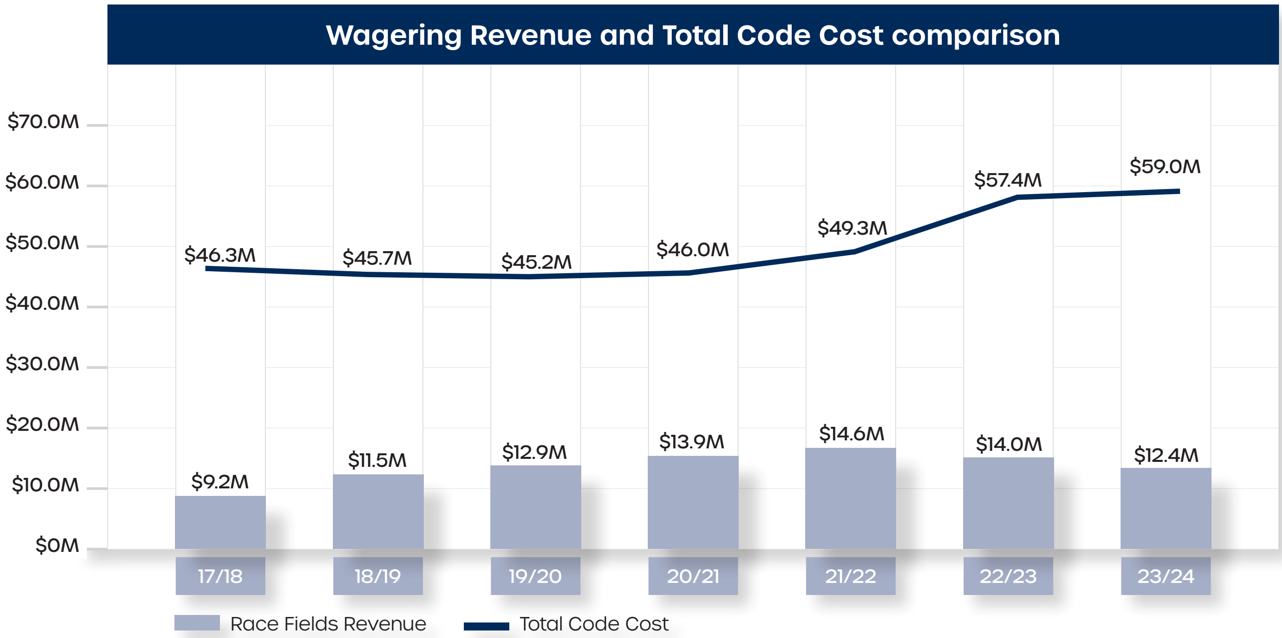
Race Fields Fees are received via the below methodology:

- pari-mutuel bets placed on standard race meetings levied at 2% of turnover
- pari-mutuel bets placed on premium race meetings levied at 2.5% of turnover
- betting exchange bets placed on race meetings levied at 31.8% of gross revenue
- fixed odds bets placed on standard race meetings levied at the greater of 2% of turnover or 13.6% of gross revenue, calculated for each race meeting
- fixed odds bets placed on premium race meetings levied at the greater of 2.5% of turnover or 22.7% of gross revenue.

A premium race meeting in harness racing is defined as a race meeting which has a race of $30,000 or more in prizemoney.



Source: RWWA internal data

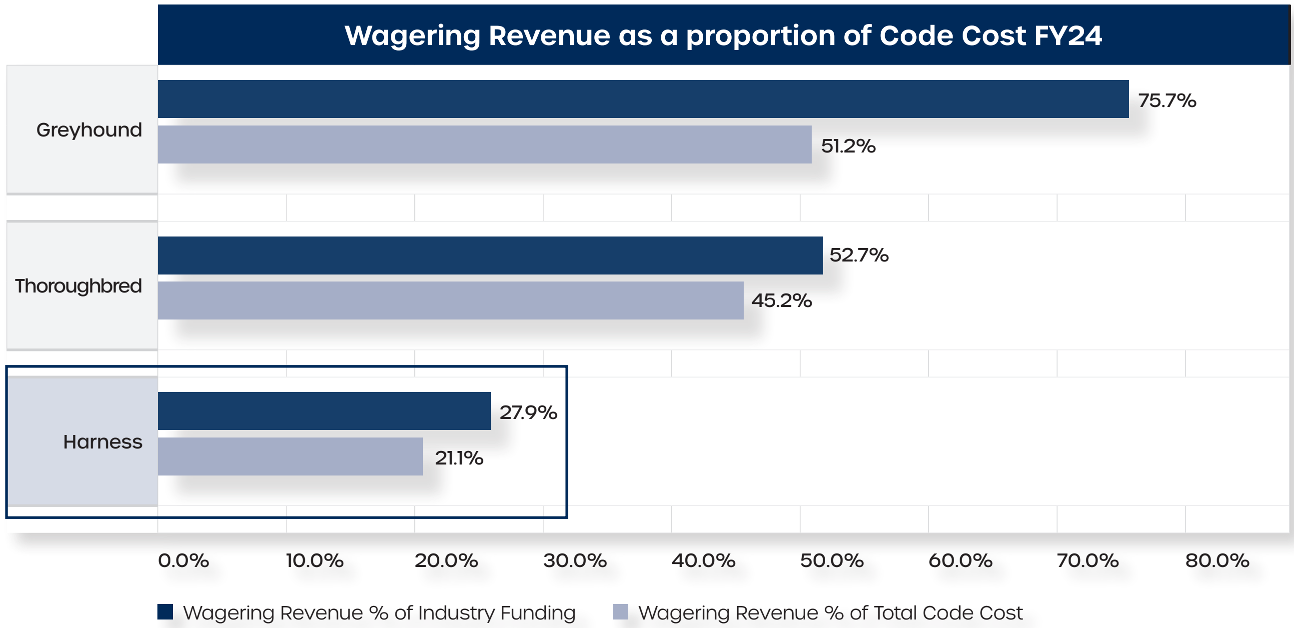


Source: RWWA internal data

Racing WA's charter under the *Racing and Wagering Western Australia Act 2003* is to foster development, promote the welfare and ensure the integrity of metropolitan and country Thoroughbred, Harness and Greyhound racing in the interests of the long-term viability of the racing industry in Western Australia.

Its purpose is to provide a sustainable future for the WA racing industry, and with this there will always be some element of code subsidisation in a financially responsible manner accepting that each has its own challenges.

Harness racing is the most subsidised of the three codes as follows:

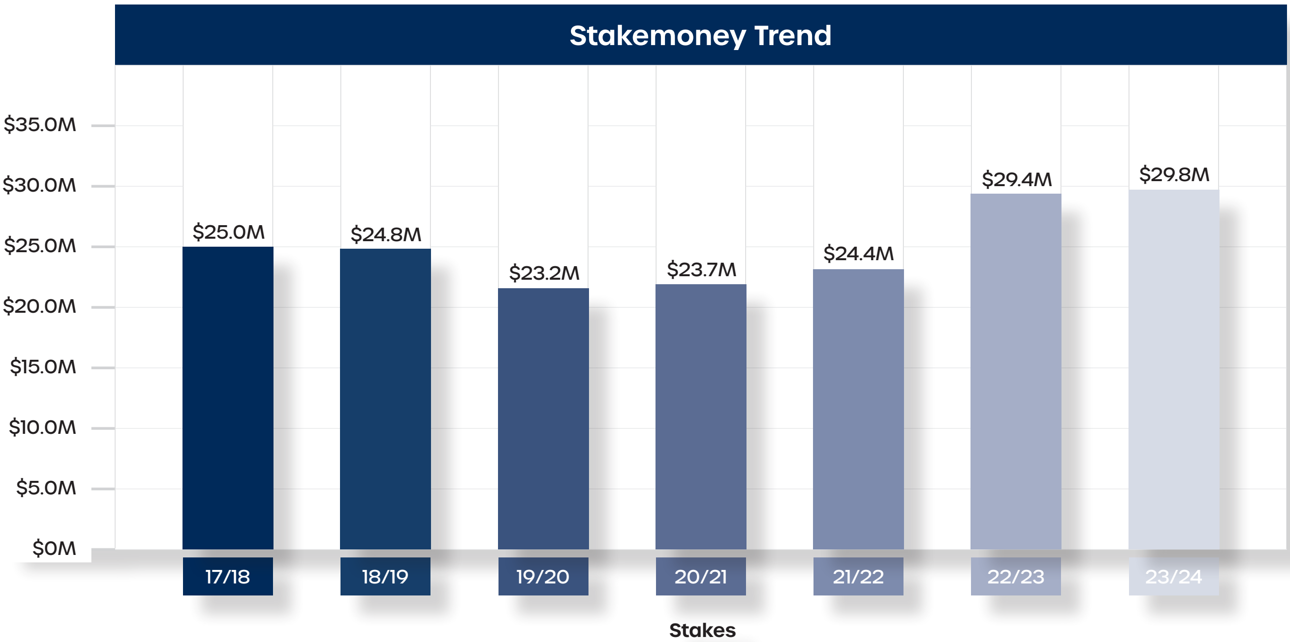


Source: RWWA internal data

By total code cost, which includes indirect costs and industry funding, harness racing is subsidised by close to 80% by RWWA to the extent of ~$46M in FY24.

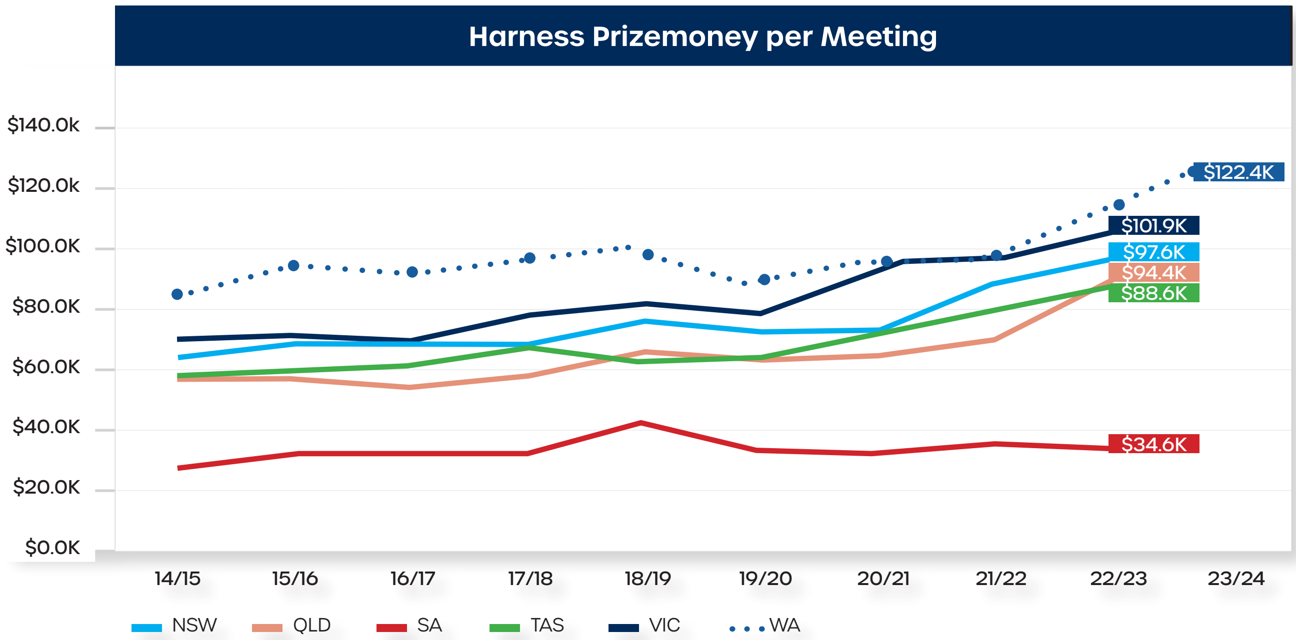
Stakemoney

Harness racing in WA has been strongly funded in recent years, with stakemoney of $29.8M in FY24, an increase of nearly 20% in six years.



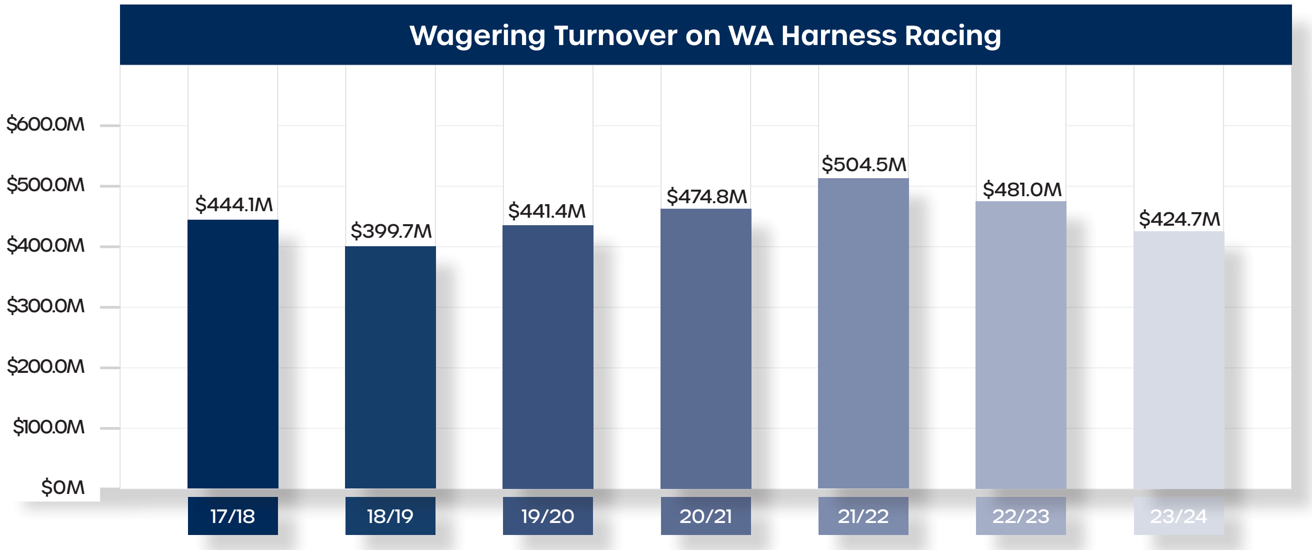
Source: RWWA internal data

Compared to the other harness racing states, Western Australia pays the highest amount of stakemoney per meeting of $116.4K and per starter of $1.5k in FY23, with budgeted stakemoney increases in FY24 increasing this further.



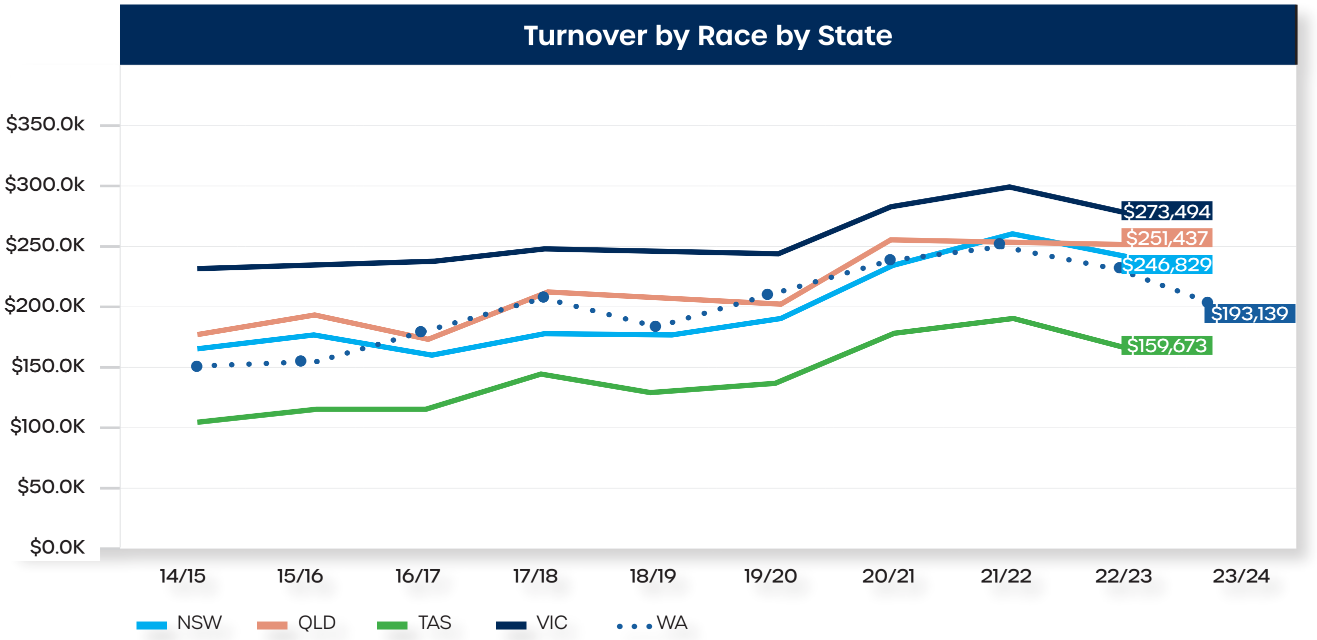
Source: RWWA internal data and jurisdiction annual reports

Turnover



Source: RWWA internal data

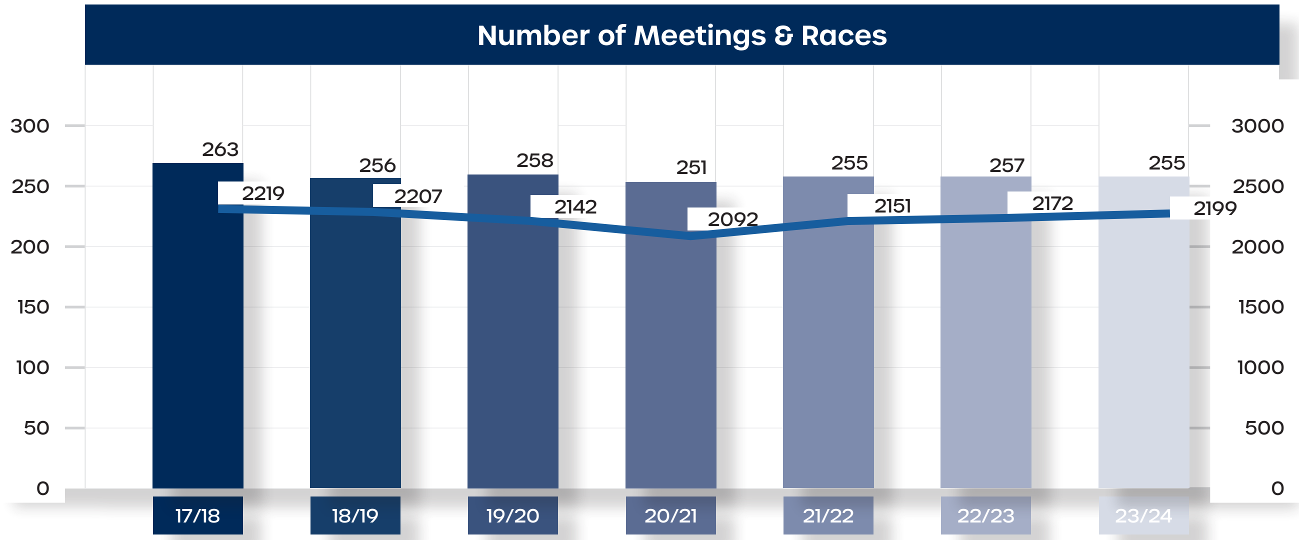
Victorian harness racing is the national leader for turnover by race. Western Australia ranks 4th, also behind QLD, and NSW.



Source: RWWA internal data and jurisdiction annual reports, note South Australian data unavailable

Meetings & Races

The number of meetings and races held in Western Australia has held relatively constant in the last five years:



Source: RWWA internal data

Meetings to be held in WA FY25	Meetings	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Albany	10					6	4	
Bridgetown	2							2
Bunbury	26		4			6	16	
Busselton	5			1	1	3		
Central Wheatbelt	11							11
Collie	4							4
Gloucester Park Friday	52					52		
Gloucester Park Midweek	47	2	42	1			2	
Narrogin	18		3			5	10	
Northam	21		2			3	16	
Pinjarra	50	50						
Wagin	7				1	6		
Williams	2							2
Grand Total	**255**	**52**	**51**	**2**	**2**	**81**	**48**	**19**

Population Analysis

An analysis of the number of horses trained by region, alongside the tracks and number of meetings in each region are as follows:

	Population Analysis				
Region	No. of Horses	% Horses	Tracks	FY25 Race Meetings	FY25 Race Meetings %
Perth & Peel	1,408	71.44%	Gloucester Park & Pinjarra	150	58%
South West	377	19.13%	Bridgetown, Bunbury, Busselton & Collie	37	15%
Wheatbelt	115	5.83%	Central Wheatbelt, Narrogin, Northam, Williams & Wagin	59	23%
Great Southern	68	3.45%	Albany	10	4%
Goldfields	1	0.05%			
Mid-West	2	0.10%			

Source: RWWA internal data

The below table shows the proportion of starters and the distance travelled by trainers at each venue, to race meetings in 2024:

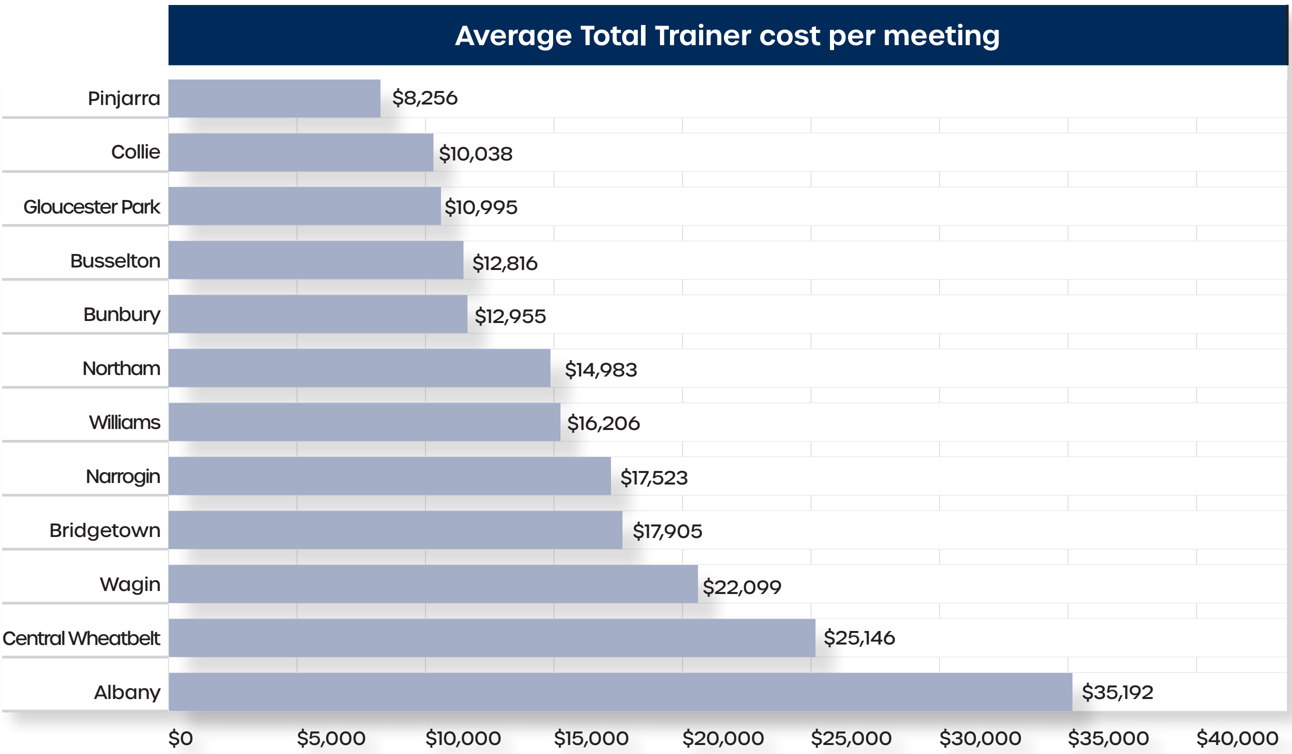
Analysis has been conducted in order to ascertain the distance travelled by trainers and starters to the respective race clubs in Western Australia.

By percentage, this analysis considers the kilometres travelled by trainers to race clubs for the 23/24 season grouped by a kilometre range.

Region	Club	<=25KM's	<=50KM's	<=150KM's	<=250KM's	<=350KM's	<=450KM's	<=500KM's
Great Southern	Albany	32%	1%	0%	3%	21%	28%	14%
	Narrogin	3%	1%	8%	74%	14%	0%	0%
	Wagin	1%	5%	7%	78%	8%	0%	0%
Comments	As a 'circuit club' starters at Albany come from locally trained horses, trainers who travel and stay for the Albany 'season', and trainers travelling from other parts of WA for each race meeting. It is reasonable to ascertain that the majority of those who travelled more than 350km from their home base stayed at Albany for the 'season'. 88% and 84% of starters at Narrogin and Wagin respectively, travel over 151km to and from race meetings at these venues.							
Perth & Peel	Gloucester Park	13%	33%	43%	8%	3%	0%	0%
	Pinjarra	36%	26%	30%	8%	0%	0%	0%
Comments	89% and 92% of starters at Gloucester Park and Pinjarra respectively, travel 150km or less to and from race meetings at these venues. Of all tracks, Pinjarra has the most amount of trainers travel from the local area within 25km at 36%. 13% of starters at Gloucester Park come from within the 25km range and in aggregate, 46% from within 50km.							
South West	Bridgetown	4%	1%	29%	63%	0%	3%	0%
	Bunbury	22%	10%	52%	10%	4%	0%	1%
	Busselton	4%	0%	27%	63%	1%	4%	0%
	Collie	11%	0%	48%	30%	6%	6%	0%
Comments	Starters at Bridgetown and Busselton travel similar distances, with 63% of horses arriving from a location between 150km and 250km from the track. Conversely, 22% of starters at Bunbury come from the local 25km range and 84% within 150km. The majority of horses travelling to Collie (78%) arrive from a range of 51km to 250km with 11% within the local 25km region.							
Wheatbelt	Northam	14%	8%	62%	13%	2%	0%	1%
	Central Wheatbelt	13%	0%	29%	36%	17%	3%	3%
	Williams	0%	0%	89%	8%	0%	3%	0%
Comments	22% of starters at Northam are located within 50km, with the majority (62%) arriving within a range of 50km – 150km. 13% of starters at Central Wheatbelt come from the local 25km area, with 29% arriving from a range between 50km and 150km. 53% of starters are from 151km to 350km from the track. Almost all of the starters at Williams travel over 150km to their race meeting in season 23/24, with no starters arriving from a proximity of 50k to the track.							

Source: RWWA internal data

The below graph illustrates the travel costs on a 'round trip' by stable location to racecourse at a mileage rate of $0.78.



Source: RWWA internal data and jurisdiction annual reports

Tracks & Timeslots - Wagering

Races have to be scheduled at times that are agreed with SKY Racing to show those races on either SKY 1 or SKY 2.

Administrators have and will continue to lobby SKY Racing for improved timeslots that generate improved turnover, however the reality of the reduced commerciality in contrast to the other racing codes from a wagering perspective has resulted in harness racing being unable to secure more optimum timeslots.

The reduced commerciality from a wagering perspective is due to a range of factors with the lack of customer demand of harness racing the most significant. The length of time that a harness race takes in comparison to the other codes and a saturated market due to an increase in greyhound racing and international racing are also factors that impact the viability of the product.

SKY itself has in recent years become more commercial in the way it arranges its timeslots to maximise its revenue. With harness racing providing the least amount of wagering revenue of the three codes, SKY Racing have provided harness racing with the less optimum timeslots.

SKY Racing provides the following regular timeslots and channels for WA harness racing:

- Friday Nights (2 race meetings) (Gloucester Park SKY 1, Secondary Meeting SKY 1/2)
- Saturday Night (SKY 1/SKY 2)
- Sunday (SKY 2)
- Monday (SKY 1)
- Tuesday (SKY 1)

It must be noted that in FY22 and FY23 that Bunbury raced on the Wednesday day SKY 2 timeslot due to the light upgrade project. This was a temporary slot for the period of no lights, and as such is excluded from the analysis.

Presented below is the average turnover per race split by track, day and by SKY 1 or SKY 2 for the twelve months to June 2024.

	Monday		Tuesday		Friday		Saturday		Sunday	
Track	**SKY 1**	**SKY 2**	**SKY 1**	**SKY 2**	**SKY 1**	**SKY 2**	**SKY 1**	**SKY 2**	**SKY 1**	**SKY 2**
Albany					$206K	$153K	$201K	$123.4K		
Bridgetown										$116.8K
Bunbury			$219.5K			$148.8K	$198.5K	$160.5K		
Busselton	$122.4K		$181.7K		$194.6K					
Central Wheatbelt										$108.9K
Collie										$120.5K
Gloucester Park			$234.6K		$355.4K		$232.9K			
Narrogin			$186.5K		$209.6K	$159.2K	$175.7K	$134.7K		
Northam			$208.4K		$239.7K	$162.2K	$205.5K	$135.9K		
Pinjarra	$245.9K	$164K								
Wagin					$224.9K	$120.3K				
Williams										$115.9K

Turnover by Day

The below table indicates the average turnover by race and by day.

	Monday	Tuesday	Friday 1	Friday 2	Saturday	Sunday
Average T/O by race	$197.4K	$197.5K	$355.4K	$170K	$147K	$114.2K