

Size and Scope of the
VICTORIAN
RACING
INDUSTRY

PREPARED BY IER | JULY 2026



**Racing
Victoria**



GREYHOUND RACING VICTORIA



HARNESS RACING VICTORIA



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KEY FINDINGS

In 2024/25 the Victorian racing industry was responsible for **generating more than \$5.5 billion in value added contribution** to the Victorian economy – **46% of which directly benefits regional economies**

DIRECT SPENDING IMPACTS

	Thoroughbred	Harness	Greyhound	Total
Total Direct Spending ¹	\$2,862.0 mil	\$431.1 mil	\$592.1 mil	\$3,885.2 mil

ECONOMIC IMPACTS

	Thoroughbred	Harness	Greyhound	Total
Total Value Added ²	\$4,067.4 mil	\$623.2 mil	\$853.9 mil	\$5,544.6 mil
% of Industry Value Added	73.4%	11.2%	15.4%	
Total Household Income ³	\$2,106.7 mil	\$332.9 mil	\$424.8 mil	\$2,864.3 mil
Total FTE Employment	24,618	4,047	4,790	33,456

1. Direct expenditure is defined as expenditure associated with producing foals and pups (breeding & rearing), preparing racing horses and greyhounds training, racing customer expenditure and expenditure by PRA's and racing clubs on operating the industry. Direct expenditure is counted at the point at which it leaves the racing industry and reaches the broader economy.

2. Value added contribution is defined as the value of sales less the value of inputs used in production, i.e. it is equal to the income (wages, salaries and profits) generated in production

3. Household Income is defined as being wages and salaries (before tax) earned from employment generated by the racing industry

DIRECT SPENDING IMPACTS (HISTORICAL)

	2011-12	2016-17	2018-19	2024-25
Total Direct Spending	\$2.2 bil	\$2.5 bil	\$3.2 bil	\$3.9 bil

ECONOMIC IMPACTS (HISTORICAL)

	2011-12	2016-17	2018-19	2024-25
Real Gross Value Added	\$2.8 bil	\$4.3 bil	\$4.7 bil	\$5.5 bil
Full Time Equivalent (FTE) Employment	26,900	33,826	34,900	33,456
Household Income	\$1.6 bil	\$2.3 bil	\$2.6 bil	\$2.9 bil

In 2024/25, the Victorian racing industry generated total direct spending of \$3.89 billion. This expenditure was responsible for creating a direct value added impact (in terms of wages, salaries and profits) of \$1,813.2 million. However, the flow-on effects linked to this expenditure increase the size of the industry's value added contribution to more than \$5,544.6 million.

The outer parts of Melbourne represent 20.4% of the total impact, with Hume (6.3%) and Ballarat (4.1%) regions representing the largest regional areas of racing related economic activity.

The economic output generated by the Victorian racing industry was directly responsible for sustaining 15,755 full time equivalent (FTE) jobs across the state. When flow-on employment impacts are considered, the total FTE impact supported by the Victorian racing industry rose to 33,456 jobs. This total represents the employment sustained within the industry, as well as the employment that is sustained in supply industries who meet the demand created by racing industry activity.





THE PEOPLE

1,960 Breeders

THOROUGHBRED	1,102
HARNESS	624
GREYHOUND	234

2,735 Trainers

THOROUGHBRED	785
HARNESS	829
GREYHOUND	1,121

73,036 Owners & Syndicate members

THOROUGHBRED^	64,170
HARNESS	3,461
GREYHOUND	5,405

731 Jockeys, Drivers & Apprentices

THOROUGHBRED	286
HARNESS	445

^ Thoroughbred owners include all individual Owners Gold Card holders for the racing season

There were more than
73,000 racehorse and greyhound owners

who had starters at
Victorian race meetings
in 2024/25

4,913 Stablehands/ Kennel Employees

THOROUGHBRED	3,532
HARNESS	867
GREYHOUND	514

7,019 Racing Club & PRA Staff

THOROUGHBRED	5,405
HARNESS	731
GREYHOUND	883

7,254 Volunteers

THOROUGHBRED	4,383
HARNESS	1,818
GREYHOUND	1,053

HORSES & GREYHOUNDS

24,143 Horses/ Greyhounds in Training

THOROUGHBRED*	12,865
HARNESS	4,595
GREYHOUND	6,683

6,669 Broodmares/ Females Covered

THOROUGHBRED	4,864
HARNESS	1,431
GREYHOUND	374

6,997 Foals/Pups

THOROUGHBRED	3,211
HARNESS	954
GREYHOUND	2,832

Racing attracted
nearly **1.6 million**
attendances across
the 2024/25 racing
season

* Does not include graduation, trialling or training clubs

RACING ACTIVITY

109 Racing Clubs

THOROUGHBRED	68
HARNESS*	28
GREYHOUND	13

108 Race Tracks

THOROUGHBRED	67
HARNESS	28
GREYHOUND	13

2,169 Race Meetings

THOROUGHBRED	540
HARNESS	436
GREYHOUND	1,193

22,493 Races

THOROUGHBRED	4,333
HARNESS	3,600
GREYHOUND	14,560

78,005 Racing Club Members

THOROUGHBRED	73,149
HARNESS	3,835
GREYHOUND	1,022

1,597,014 Attendances

THOROUGHBRED	1,163,611
HARNESS	247,683
GREYHOUND	185,720

INTRODUCTION

The Victorian Racing Industry (VRI) commissioned IER to undertake a study into the size and scope of the three codes of racing in Victoria. This study represents an update to the previous report completed for racing season 2018/19 and uses racing industry data from the 2024/25 racing season. The VRI encompasses the thoroughbred, harness and greyhound racing industries in Victoria.

PURPOSE OF THE STUDY

This study aims to quantify the economic, employment and social contribution that the VRI generates in Victoria. The report focuses on whole of state impacts as well as looking at specific outcomes for regional areas. The key focus of the study is to investigate the following outcomes attributable to the racing industry:

- ✦ The full-time equivalent employment generated by racing industry activities in Victoria
- ✦ The number of roles occupied (i.e. trainers, breeders, drivers, jockeys, etc.) in the industry
- ✦ The total direct expenditure contribution that the industry makes, in its current form, to the Victorian economy
- ✦ The value added contribution that the industry generates within the Victorian economy
- ✦ The social and community importance of thoroughbred, harness and greyhound racing – particularly in regional parts of the state

This study has been undertaken with a consistent approach to the previous study (2018/19). Both of these studies included impacts associated with wagering operator business activity (to the extent that it is funded by Victorian racing activity) as well as the impact of non-racing businesses owned by the racing industry.

STUDY METHODOLOGY

In assessing the size and scope of the racing industry, the study takes into account a number of the traditional measures adopted by the racing industry (such as breeding and training activities, attendance and wagering) as well as calculating a number of economic measures.

For the purpose of this study, the racing industry is defined as covering the full spectrum of activities associated with the conduct of thoroughbred, harness and greyhound racing in Victoria. This includes racing activity at both TAB and non-TAB racing clubs.

The data that underpins this study has been gathered from a number of sources. These are outlined below:

- ✦ The Principal Racing Authorities provided financials, wagering data and data related to racing activities
- ✦ Racing clubs provided financial data as well as data relating to their club and raceday operations
- ✦ Racing Australia, OzChase, RISE Racing Pty Ltd provided breeding related data

- ✦ Racing Australia provided thoroughbred racing and participant data
- ✦ IER also interviewed a number of breeders, trainers and owners in order to build a profile of the cost of production and preparation of racing horses and greyhounds.

Throughout the report, data has been presented at the State and regional level. The regional level analysis is based on ten key areas taken from the Australian Statistical Geography Standard (ASGS) SA4 level framework (noting that Greater Melbourne is split into inner and outer Melbourne).

This study also provides an estimate of the number of people involved in racing as a licensed participant, volunteer or employee. There is some level of duplication in some of the participation categories resulting from an inability to de-duplicate individual databases. Conversely, it is widely acknowledged that there is a significant cohort of individuals, involved in racing, who are not accounted for in any official database (i.e. members of micro syndicates, members of companies or trusts which have ownership in racing animals). As such, when the report presents a sub-total of the participants in racing, these factors above should be considered.

ECONOMIC METHODOLOGY

The development of an economic model of the Victorian racing industry requires a strong understanding of the internal and external flows of money. Through the model, duplicate expenditures have been identified within this

monetary framework and excluded from the total expenditure calculations. In this regard, the key is to identify the final expenditures - ensuring not to count the same expenditures as they flow between internal racing industry transactions.

The final expenditure profile of the racing industry is based on the following key inputs:

- ✦ production (breeding related activities) of racing horses and greyhounds – the expenditure generated by the breeding sector in maintaining breeding animals and producing pups.
- ✦ preparation (training related activities) of horses and greyhounds for racing represents the expenditure by owners and trainers on training services as well as other non-training related expenses such as major veterinary, transport etc.
- ✦ racing club and industry expenditure - the expenditure generated by racing clubs and the three Principal Racing Authorities on running their operations, businesses and events
- ✦ other wagering operator expenditure - the net wagering revenues that flow to the Government (through wagering taxes) as well as expenditure by wagering operators to fund their operations in Victoria
- ✦ racing customer off-course expenditure – expenditure made by racegoers, off-course, as part of their attendance at the races

The economic model used within this study follows three key steps:

1 Gathering Industry Expenditure - This has been explained in more detail previously; however, this is the most important step as a failure to accurately generate the expenditure profile of the industry only leads to a multiplication of this error throughout the latter parts of the economic methodology.

2 Categorisation of industry expenditure into ANZSIC classifications - The 'racing industry' does not exist within the Australian and New Zealand Standard Industrial Classification (ANZSIC) structure. For modelling purposes, it is necessary to allocate direct expenditures to the appropriate industry sectors. The majority of expenditures are classified within their relevant ANZSIC codes. A number of horse and greyhound racing activities are contained within ANZSIC classification R – Arts and Recreation Services, specifically within the following sectors:

- a. R9114 - Sport and Physical Recreation Administration,
- b. R9121 - Horse and Dog Racing Activities,
- c. R9129 - Training and Racing Activities,
- d. R9209 - Other Gambling (Racing).

3 Economic modelling - IER has utilised an input output methodology for the calculation of economic impacts associated with the racing industry in Victoria. The input output model provides direct and indirect impacts in relation to value added, income and employment. This

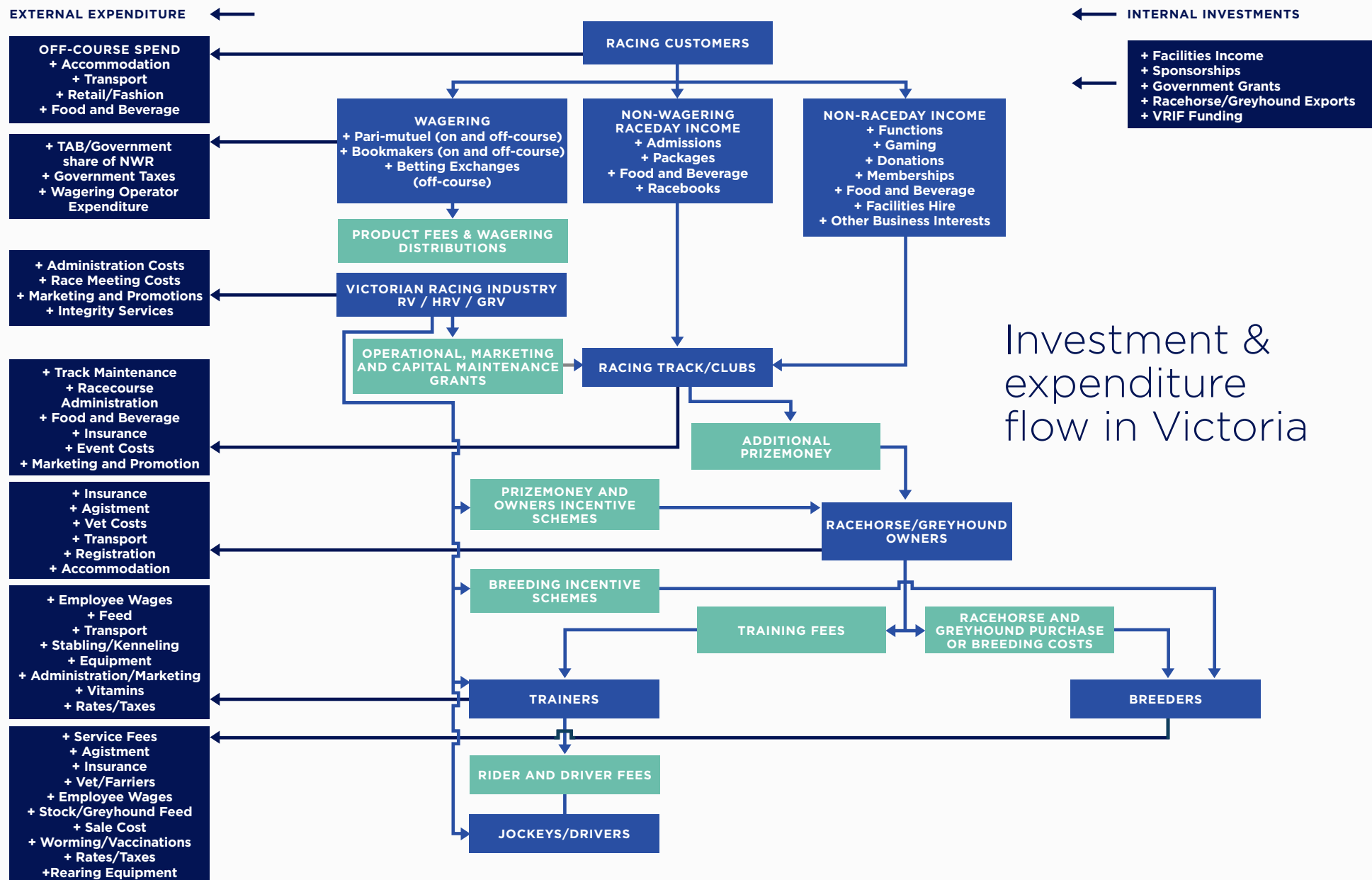
study is based on the 2023/24 national input output tables.

Value added and employment are units of measurement that are based on economic multipliers derived from the national accounts. It is based on the level of value added and employment that is created within specific industry sectors in order to meet final demand expenditure.

In some regions, the report illustrates racing and economic activity despite the fact that one or more codes do not race in that region. This is generally a result of participation (i.e. ownership) and wagering occurring in those regions.

Please note: some tables in this report may not add up due to rounding.







Community & Social Impacts

The three codes of racing in Victoria play an important role in the development and preservation of social capital within regional and metropolitan communities. These social and community impacts are initiated through the racing industry's activities on both raceday and non-racedays. This contribution to community social benefit enhances both individual and community well-being throughout regional and metropolitan Victoria.

The development of social and environmental initiatives has had a positive impact within the communities where racing exists in terms of family socialisation, and with regard to supporting health, education, employment and environmental practices. However, maintaining and building the trust and respect of the communities in which racing clubs operate is also extremely valuable. Racing clubs contribute to their communities through the following areas:

- + **Community building** – Racing clubs provide a place for a community of like-minded individuals to share in their love of racing and to work or involve themselves in the various disciplines related to racing

- + **Capacity building** – Sharing and hiring out facilities to other organisations requiring function or meeting space that may otherwise be in short supply, particularly in regional Victoria
- + **Charitable support** – Racing clubs provide direct, financial and in-kind fundraising support for nearly 1,000 charities across the State
- + **Volunteerism** – The racing industry is supported by a strong volunteer base in a mutually beneficial way. Many volunteers provide their support because of their love of the sport and, in turn, build capacity and skills that translate into aspects of a career or life in general
- + **Events and Engagement** – As community institutions, racing clubs are intimately connected with local not for profits, such as sporting clubs, volunteer groups and service associations who deliver to racing and community events.





COMMUNITY VENUE SUPPLY

78% of racing clubs hire out their facilities for private, corporate or community use, making racing club facilities an important part of their community

CHARITABLE SUPPORT

960 community or charity organisations were supported with an estimated \$4.9 million in funds raised for these charities



EDUCATION & PATHWAYS

26 racing clubs reported education pathways with 161 school-aged placements or work experience opportunities offered

VOLUNTEERISM

More than 7,200 volunteers provide support to their local racing clubs, breeders and trainers throughout the State



SHARED COMMUNITY INFRASTRUCTURE

More than 560 community and not-for-profit organisations were reported as sharing racing club facilities

COMMUNITY BUILDING

Racing clubs provide an important community for more than 78,000 members who are actively engaged in their club. Nearly 1.6 million attendances were recorded at Victorian race meetings in 2024/25.



COMMUNITY BUILDING

The three codes of racing in Victoria have each adopted practices that engage with individuals and build strong partnerships with organisations within their communities. This is particularly visible in terms of supporting charitable organisations, engaging volunteers and building community partnerships.

The survey results highlighted the following positive outcomes demonstrated by clubs:

- + Around 560 not-for-profit organisations benefit by being able to share in the use of racing club facilities
- + More than 960 organisations who benefit from charitable partnerships with racing clubs
- + Around 78 000 people who are members of their racing club - a community of like-minded people who are connected through their shared love of racing and/or their club
- + Racing clubs currently engage more than 3,000 volunteers who assist in various raceday and non-raceday roles

Socially, volunteering is recognised as a means of enhancing the quality of life, particularly among the aged, whilst making an important contribution to the community.

Racing Club Volunteers assume roles in areas such as:

- + Promotions and fundraising (e.g. selling raffle tickets)
- + Timekeepers, judges and barrier attendants
- + Preparing and maintaining the track and grounds
- + Administration (e.g. raceday secretary)
- + Plumbing and electrical work

- + Hospitality for attendees and officials (food and beverages)
- + Racing operations (parking, gate attendants, selling racebooks etc.)
- + Cleaning and gardening duties
- + Supporting trainers, breeders and other industry participants
- + Conducting horse and greyhound trials
- + Medical services

IER found that racing clubs financially assist and support 960 organisations and charities. Racing clubs support a diverse mix of charitable and community organisations, spanning health and medical causes, children's charities, emergency services, local sporting clubs, schools, service clubs, welfare organisations, regional community groups and churches. The reach of the industry's charitable support is not concentrated in one cause area, but distributed across local organisations that help sustain community wellbeing, participation and resilience.

Some of the charitable organisations supported by racing include:

- + Health and medical charities - including hospitals, cancer charities, children's health foundations and specialist health causes.
- + Children's and family charities - including organisations supporting sick children, vulnerable families and young people.
- + Emergency services and disaster relief - including rural fire services, ambulance services, bushfire appeals and local emergency response groups.
- + Local sporting clubs and associations - including football, netball, cricket, soccer, fishing, karate, surf lifesaving and other community sports organisations.
- + Schools, colleges and education groups - including schools, libraries, colleges and youth development programs.

- + Service clubs and civic organisations - including Rotary, Lions, RSL, Probus, Apex and similar local volunteer organisations.
- + Community welfare and social-service charities - including food relief, homelessness support, disability support and broader community assistance organisations.
- + Regional and agricultural community groups - including show societies, community committees and rural/regional associations.
- + Churches and faith-based community groups - supporting local welfare, events and community outreach.

The support provided by the Victorian Racing Industry, to these community or charity organisations, totalled just under \$5 million in 2024/25.

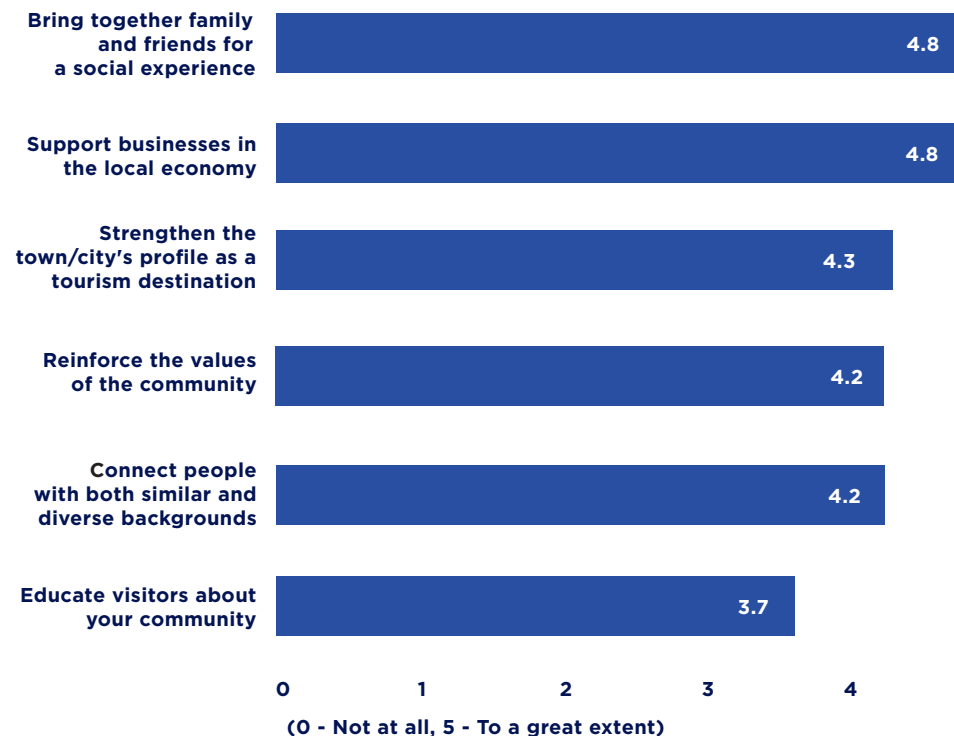
The Victorian Racing Industry supported community and charitable organisations by raising close to \$5.0 million in 2024-25



The economic research in this study clearly demonstrates how racing supports businesses in the local economy, from both the production and preparation of racing horses and greyhounds through to consumer spending. In addition to this, attendee research conducted at many metropolitan and regional racing events supports the concept of the racing industry's ability to bring people together for a social experience. The research demonstrates that a key motivation to attending racing events is the chance to socialise with friends and family.

The social impact survey asked clubs how much they believed racing in their town or city has the ability to engage with the community from a social cohesion, education and business perspective. As the chart illustrates, all indicators were positive. This is particularly significant in the areas of racing's ability to 'bring together family and friends for a social experience' (4.8), to 'support businesses in the local economy' (4.8) and to 'strengthen the town/city's profile as a tourism destination' (4.3). These indicators illustrate the role that racing clubs see themselves as holding within the fabric of the local community.

COMMUNITY ENGAGEMENT WITH THE VICTORIAN RACING INDUSTRY



SUPPORTING CULTURAL & LINGUISTICALLY DIVERSE COMMUNITIES

Victoria's racing clubs operate in one of Australia's most culturally diverse states. According to the 2021 Census, 35.0% of Victorians were born overseas, while 52.2% had at least one parent born overseas. The Census also shows that 30.2% of Victorian households use a language other than English at home.

This wider context is important: racing clubs are not just serving a traditional racing audience; they are operating in communities that are increasingly multilingual, multicultural and diverse.

A recent survey of racing clubs in Victoria suggests that many clubs are actively focused on ensuring that they are serving their diverse community. Overall, around 45% of clubs in Victoria reported that they support or involve

people from culturally and linguistically diverse backgrounds. This does not suggest that CALD engagement is yet universal across the club network, but it does show that a meaningful share of clubs are actively thinking about inclusion as part of their community role. The examples provided by clubs point to a mix of formal and informal initiatives.

Racing clubs reported a growing recognition of Aboriginal and Torres Strait Islander communities through acknowledgement of Traditional Owners, NAIDOC-related activity and local Indigenous partnerships. While Aboriginal and Torres Strait Islander engagement should not be treated as the same as CALD engagement, both sit within a broader story of clubs recognising and responding to the diversity of the communities in which they operate.

The research suggests that there are a meaningful number of clubs that are using racing facilities, events, partnerships and employment pathways to support stronger connection with culturally diverse communities.

Examples of CALD and broader diversity-related activity reported by clubs include:

- + Themed race meetings or events recognising specific countries, cultures or communities.
- + Engagement with multicultural community organisations and local cultural groups.
- + Employment, volunteering or work experience opportunities for students and residents from diverse backgrounds.
- + Charity support directed toward minority, migrant or culturally specific organisations.
- + Inclusive event practices designed to make race days more welcoming for families and diverse community groups.
- + Acknowledgement of Traditional Owners

and recognition of Aboriginal and Torres Strait Islander communities in club communications and events.

- + Involvement in broader cultural or community-recognition programs, including NAIDOC-related activity.

EDUCATION & LEARNING

Racing clubs also play an important role in providing opportunities for employment or work experience for young people within their community. 26 racing clubs across the state have formal partnerships in place with primary, secondary or tertiary institutions.

In 2024/25, across the three codes of racing, more than 160 young people had the opportunity to gain valuable real-world work experience at their local racing club. Some of the roles that they were able to access included:

- + Food & beverage service
- + Cleaning
- + Marketing
- + Gate staff
- + Hospitality
- + Racebook sales
- + Information booth
- + Office administration



Credit: Herald Sun



Direct Expenditure Generated by the Victorian Racing Industry

The direct spending profile of the Victorian Racing Industry relates to the expenditure generated by racing through its customer and business to business transactions.

In 2024/25, the Victorian racing industry generated nearly \$3.9 billion in direct expenditure. The calculation of direct expenditure is based on the final expenditures of the racing industry – or put another way – the point at which the expenditure leaves the internal racing industry and hits the broader economy.

For instance, a raceday attendee who spends money at the bar is generating expenditure within the racing industry. However, this expenditure is used by the racing club to fund its operations and it is at this level where final expenditures are captured (i.e. the customer funds the racing club's expenditure on wages, advertising and operations).



The Victorian Racing Industry is responsible for **generating nearly \$3.9 billion** in expenditure in Victoria

The breakdown of final expenditures is outlined below:

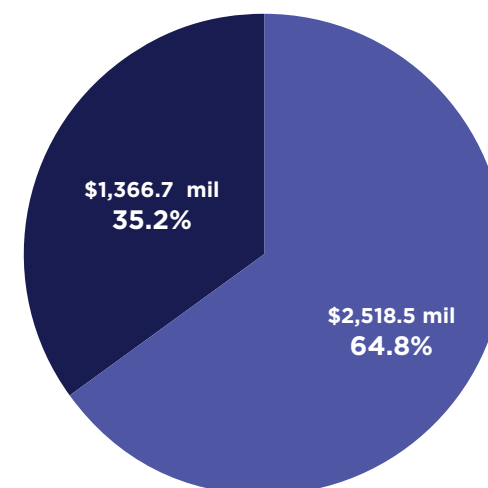
Sources of Final Expenditure	Funded by	Amount	% of Final Expenditure
Production of racing horses and greyhounds (Breeding)	+ Private investment + Service fees revenue + Industry bonuses & incentives	\$323.1 mil	8.3%
Preparation of racing horses and greyhounds (Training)	+ Private investment + Prizemoney + Industry bonuses & incentives	\$817.1 mil	21.0%
Racing & wagering activities	+ Wagering product fees + Raceday revenues + Sponsorship & Membership + Nominations + Racing customers spend + Taxation on wagering revenue + Expenditure by WSP on operations in Victoria	\$2,465.6 mil	63.5%
Racing customer expenditure off-course	+ Spending in the community related to attending racing events	\$279.4 mil	7.2%
Total		\$3,885.2 mil	

[^] Some totals may not add due to rounding

Whilst racing and wagering are separate components of the industry, they are inextricably linked within the industry financial model and are therefore assessed together (ensuring that monies are not counted more than once within the inter-industry transactions).

TOTAL DIRECT SPENDING (METRO V REGIONAL)

■ Metro
■ Regional



Thoroughbred racing is responsible for generating nearly 74% of the total industry expenditure. The Greater Melbourne region is responsible for generating more than 67% of this amount whilst the Hume region is responsible for 11.7%.

Harness racing is responsible for generating just over 11% of total industry expenditure. The Outer Melbourne region (29.4%), Ballarat (13.3%) and Shepparton (12.5%) regions make up the largest impact regions.

Greyhound racing is responsible for generating more than 15% of the final expenditures. Close to 56% of this expenditure impact occurs in greater Melbourne with the Latrobe-Gippsland region (12.9%) contributing the largest regional impact.

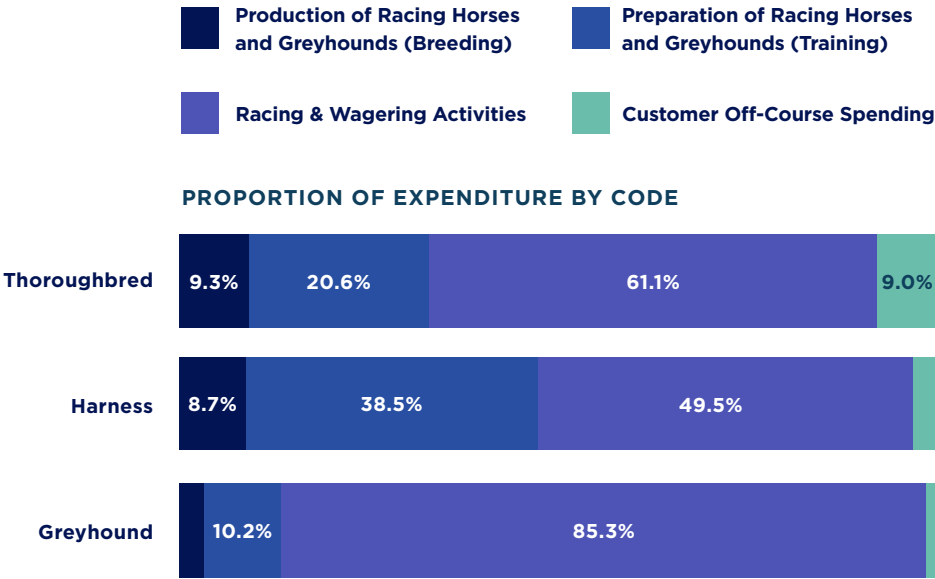
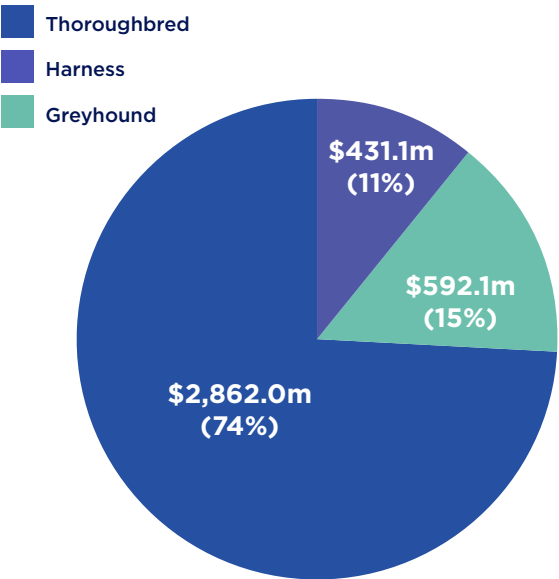
Overall, 63% of the industry's expenditure impact is driven by racing & wagering activities, including:

- + Raceday racing club revenues
- + Racing attendee spending in the community
- + Wagering service provider operational expenditure
- + Other racing business revenues

In addition to this, the breeding (8.3%) and training (21.0%) aspects of the industry contribute nearly one-third of the expenditure impact, whilst customer off-course spending makes up the remaining 7.2%.

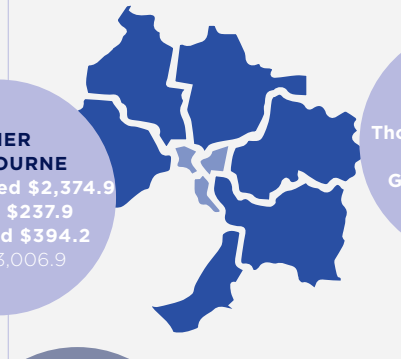
The following chart illustrates the proportional breakdown of direct expenditure generated by the Victorian Racing Industry:

DIRECT SPENDING BY CODE (\$MIL)





INSET - GREATER MELBOURNE



NORTH WEST
Thoroughbred \$69.5
Harness \$43.6
Greyhound \$16.1
Total \$129.1

INNER MELBOURNE
Thoroughbred \$2,374.9
Harness \$237.9
Greyhound \$394.2
Total \$3,006.9

OUTER MELBOURNE
Thoroughbred \$790.1
Harness \$127.5
Greyhound \$212.5
Total \$1,130.1

BENDIGO
Thoroughbred \$78.8
Harness \$30.2
Greyhound \$29.6
Total \$138.6

SHEPPARTON
Thoroughbred \$35.2
Harness \$51.5
Greyhound \$24.6
Total \$111.3

HUME
Thoroughbred \$307.1
Harness \$36.2
Greyhound \$7.8
Total \$351.1

BALLARAT
Thoroughbred \$135.9
Harness \$56.1
Greyhound \$32.9
Total \$225.0

LATROBE - GIPPSLAND
Thoroughbred \$82.7
Harness \$3.7
Greyhound \$70.4
Total \$156.8

GEELONG
Thoroughbred \$102.4
Harness \$13.6
Greyhound \$43.4
Total \$159.4

WARRNAMBOOL AND SOUTH WEST
Thoroughbred \$90.8
Harness \$23.0
Greyhound \$22.5
Total \$136.3

ECONOMIC CONTRIBUTION BY REGION (\$MIL)

Economic contribution of the VRI

The Victorian racing industry is responsible for generating a real gross value added contribution of \$5,544.6 million for the Victorian economy. Real gross value added is the generally accepted measure of the value of production from economic activity. It is the sum of value added by all industries in a region (in this case, regions of Victoria). In any period of time, the value added contribution in an industry equates to the value of sales less the value of inputs used in production. This means value added is equal to the income (wages, salaries and profits) generated in the course of production.

The real gross value added calculation uses constant prices (prices in a selected year), hence it does not allow for general price level changes (inflation). Also, the calculation makes no allowance for capital used in production (depreciation).

Generally, the level of economic activity will not always proportionally follow the final expenditures, as regional areas generally have higher import penetrations than metropolitan areas - i.e. a lot of the expenditure is on product imported from the metropolitan area. As such, the model takes into consideration these leakages between regions.

^ Some totals may not add due to rounding

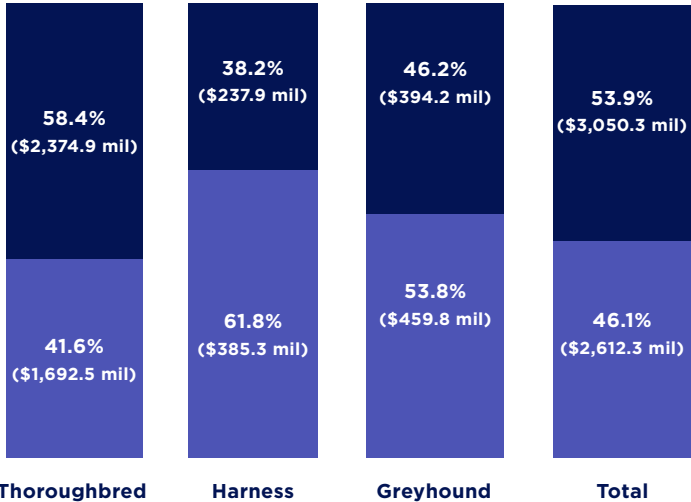
When considering the value added contribution of \$5,544.6 million generated by the Victorian racing industry, it is important to note that it is made up of:

- + Direct & First Round Value added (\$1,813.2 million) - this represents the amount of income included in the direct in-scope expenditure. It is the amount of gross wages and salaries in the racing industry and the direct provision of services to racing activity, plus part of the gross operating surplus (profits, interest payments and direct taxes) directly created in the sectors that supply these services and products. This is also equal to the direct in-scope expenditure less the purchases that the provider of the goods and services makes in providing the goods and services (both supplied from within the region, as well as externally (i.e. imported))
- + Indirect & Induced Value added (\$3,731.4 million) - represents the value added activity (wages, salaries and gross operating surplus) generated to support the purchases made in providing the inputs to the providers of the direct services, along with the value added impact in providing households with goods and services as they spend their wages, and the trickle-on effect of this.

The direct value added impacts are calculated using the ratios within each of the relevant industry sector classification sectors identified within the input-output table. The calculation of the indirect (induced) effects, which are allocated to the industry in which the impact occurs, is undertaken by running an impact assessment, and tracing the whole of economy effect of the expenditure patterns linked to the racing industry.

Overall, the **Victorian racing industry** contributed more than **\$5.5 billion in value added impacts to the Victorian economy**. More than 46% of this impact occurred in **regional areas of the State**

TOTAL VALUE ADDED BY CODE (METRO V REGIONAL)



Participants in Racing

The concept of ‘participation in racing’ is broader than simply considering those employed in the industry. Participants include employees, trainers, breeders, contractors and volunteers who are involved in varying levels of engagement from occasional to full-time.

Participants are the lifeblood of the racing industry. A large portion of the industry’s participants are involved in racing as a hobby. Passion drives many to pursue the challenges and opportunities available in the racing industry. For some participants however, the racing industry is their livelihood - their occupation.

Many of these people find meaningful employment that draws on their specialised skills. This is especially true in relation to the trainers, breeders and those skilled in preparing or caring for racing horses and greyhounds. Additionally, there are many supply businesses for whom the racing industry provides the market for which to sell their goods or services.

More than 77,700 breeders, owners and trainers provide the capital and the skills to produce and prepare racehorses and greyhounds for racing. These participants drive a chain of activity which leads to the production of a racing product that is consumed by audiences on most days of the year in Victoria.

Approximately 7,250 volunteer roles support the industry, with individuals providing their time and skills in a variety of ways in support of racing clubs and participants. In the participant space, this often includes family members - for many of whom, this family connection goes back many generations. From a racing club perspective, these volunteers support in areas such as parking and gate attendants.

The three Principal Racing Authorities employed 179 full time equivalent staff in animal welfare and integrity roles, underscoring the industry’s strong focus on welfare, safety and integrity.

In total, there are 99,310 roles occupied in the Victorian racing industry as a participant, employee or volunteer. Close to 80% of these Victorian roles are in regional parts of the State.

TOTAL ROLES OCCUPIED IN RACING

	Thoroughbred	Harness	Greyhound	Total
Breeders	1,102	624	234	1,960
Owners	64,170	3,461	5,405	73,036
Trainers	785	829	1,121	2,735
Racing Club & Industry Staff (FT, PT, Casual)	5,405*	731	883	7,018
Breeders Staff	1,168	368	126	1,663
Stable/Kennel Employees	3,532	867	514	4,913
Jockeys & Drivers	286	445	0	731
Racing club volunteers	2,005	936	105	3,046
Volunteers assisting participants	2,378	882	948	4,208
Total	80,831	9,143	9,336	99,310

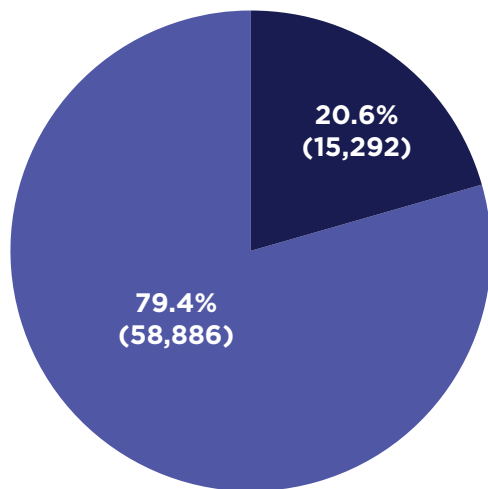
Note: There is some level of duplication in some of the participation categories resulting from an inability to de-duplicate individual databases

* Racing Club & Industry staff includes:
- Racing club staff distributed by racing club location
- PRA staff based on where they are located
- TAB staff distributed by Racing Industry turnover

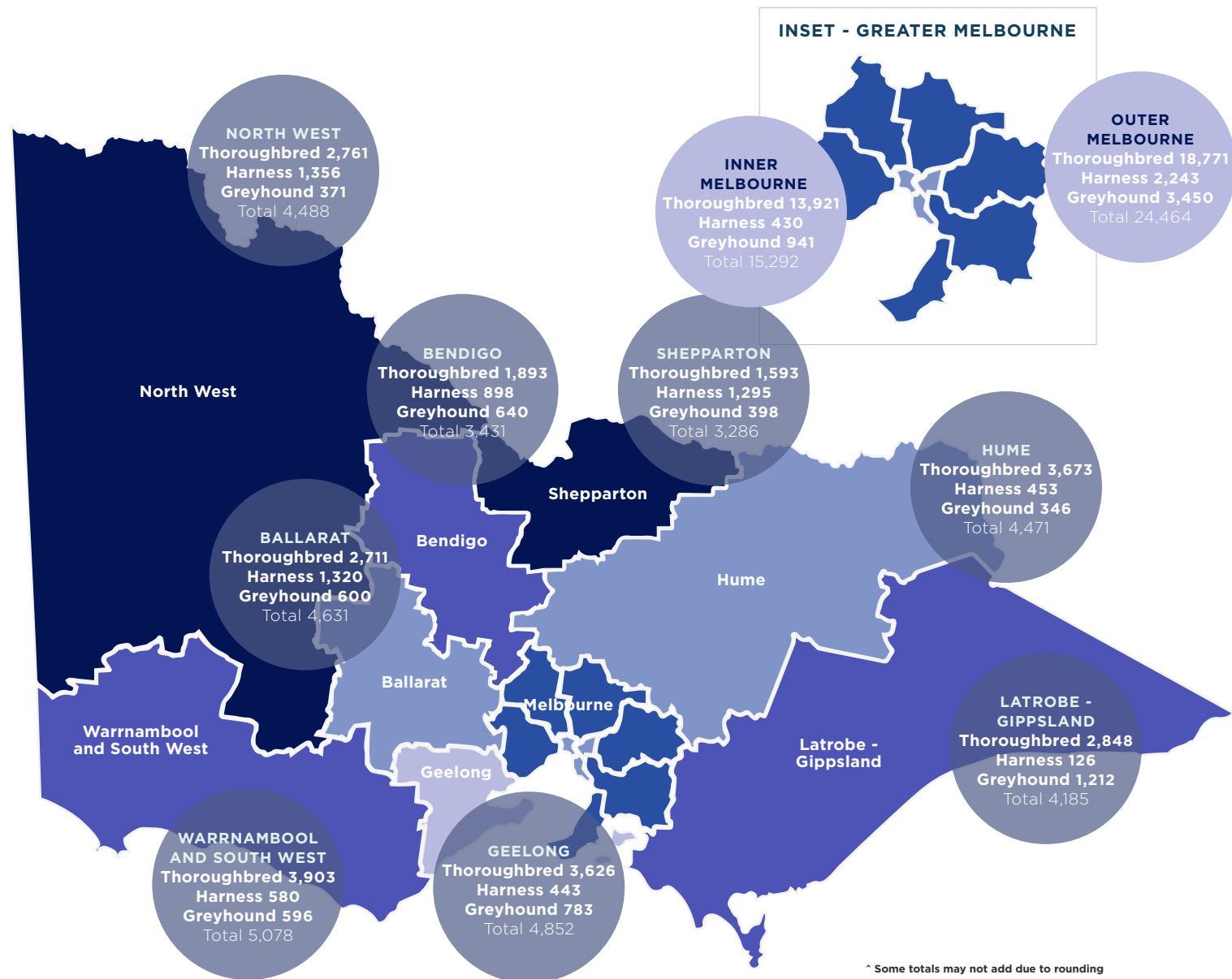
^ Some totals may not add due to rounding

PARTICIPANTS IN RACING BY VICTORIAN REGION[^]

 Metro
 Regional



[^] Does not include racehorse owners who reside outside Victoria



[^] Some totals may not add due to rounding

Case Study

2024 SPRING RACING CARNIVAL

The Spring Racing Carnival represents one of Victoria's most significant intersections between sport, tourism and the visitor economy. More than a racing carnival, it is a statewide tourism driver that attracts visitors from across Australia and around the world, generating substantial economic activity well beyond the racecourse. Through 139 race meetings held across metropolitan and regional Victoria, the Carnival continues to strengthen Victoria's reputation as Australia's premier major events destination.

The international profile of the Spring Racing Carnival has been built through decades of investment in world-class racing, highlighted by the Melbourne Cup, Caulfield Cup, Cox Plate and many regional cup meetings that attract elite horses, owners, trainers, jockeys and visitors from around the globe. While the Carnival remains an iconic Victorian tradition, its economic significance is increasingly linked to its ability to attract new money to the State through interstate and international visitation, longer visitor stays and associated tourism expenditure.

In 2024, the Spring Racing Carnival attracted almost 597,000 attendances, representing more than 350,000 individual attendees, with almost one-quarter of all attendances coming from interstate or overseas visitors. Importantly, the

Carnival motivated more than 83,000 visitors to travel to Victoria specifically because of the event, reinforcing its position as one of Australia's strongest event-led tourism assets. These visitors generated almost 321,000 visitor nights across Victoria, including more than 257,000 commercial accommodation nights, delivering significant benefits to accommodation providers, restaurants, transport operators, retailers and tourism businesses throughout the State.

The tourism impact generated by the 2024 Spring Racing Carnival included:

- ✦ Attracting more than 83,000 event-motivated and extended stay visitors to Victoria.
- ✦ Generating almost 321,000 visitor nights, including more than 257,000 commercial accommodation nights.
- ✦ Delivering more than \$52.9 million in accommodation expenditure.
- ✦ Generating more than \$55.3 million in food and beverage expenditure.
- ✦ Driving \$60.2 million in fashion and personal grooming expenditure, including the purchase of almost 492,000 fashion items, reinforcing the Carnival's unique influence on Victoria's retail and fashion sectors.
- ✦ Producing more than \$409.8 million in direct spending throughout the Victorian economy.

The economic contribution of the Spring Racing Carnival continues to grow. In 2024, the Carnival generated a record gross economic benefit of \$785.1 million, while delivering a value-added economic impact of \$351.4 million to the Victorian economy - an increase of almost 26% over the last 5 years.





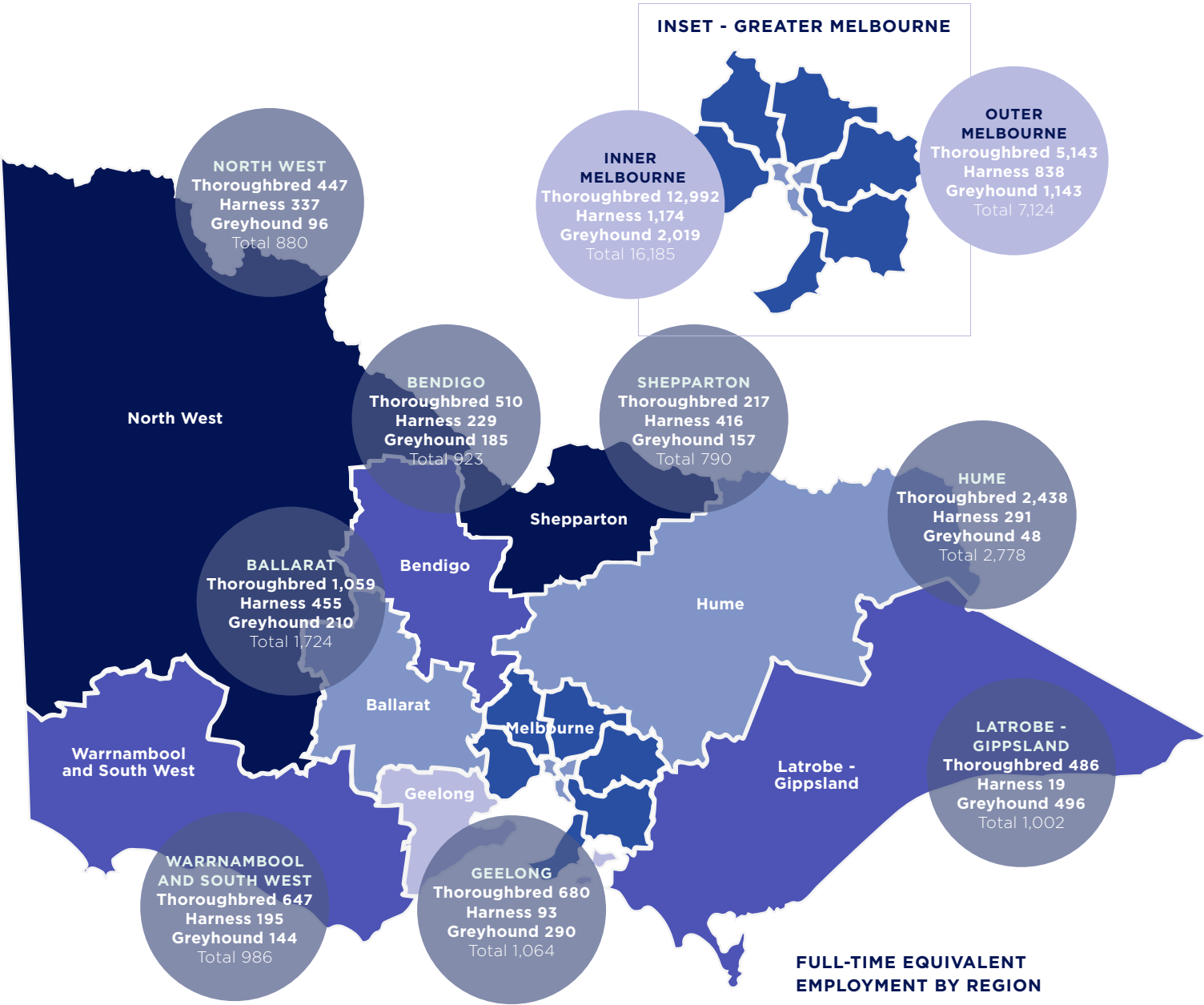
Employment Generated by Racing in Victoria

The Victorian racing industry, like racing jurisdictions all over Australia, relies on a large number of part-time and casual roles. As such, the FTE employment is often lower than the headcount of employees within the industry.

In 2024/25, the economic activity generated by the Victorian racing industry directly sustained 15,755 full-time equivalent positions in Victoria. In addition to the direct employment impact, the activities of the racing industry also help to sustain a further 17,702 FTE jobs in support industries.

Therefore, the total direct and indirect employment impact generated by the Victorian racing industry was 33,456 FTE jobs.

The FTE positions that are sustained by the Victorian racing industry resulted in close to \$2,864.3 million in wages and salaries for the people employed directly within the industry as well as those employed in down-the-line industries that receive increased demand as a result of racing activity. Some examples of the other industries that are stimulated by racing include: veterinary, feed, retail, tourism, accommodation, transport, manufacturing and construction.



^{*} Some totals may not add due to rounding



The Supplier Network

SUPPORTING AN ENTIRE NETWORK

The Victorian Racing Industry supports, and is supported by, a large supplier network in a mutually beneficial way.

For many suppliers of goods and services, a strong racing industry forms an important part of the critical mass of their client base. Many offer specific skills, and customised products that are relevant only to this industry.

The supplier network broadly contains those providing a direct service or product to the industry as well as those down-the-line businesses who provide the raw materials and manufacturing that drive the products on offer.

The direct suppliers to the Victorian racing industry provide goods and services that are specifically developed for the sport.

A functioning and thriving racing industry provides those suppliers with the opportunity to also prosper. Some of the key sectors include:



Case Study

SPORTSBET DREAM CHASERS FESTIVAL

The Sportsbet Dream Chasers Festival is the world's richest greyhound racing series, featuring more than \$3.5 million in prize money across an elite program of racing conducted at The Meadows and Sandown Park throughout November and December.

Headlined by the prestigious Group 1 Melbourne Cup and the Group 1 Phoenix, the Festival showcases the sport's best greyhounds while delivering the excitement, atmosphere and spectacle that surrounds greyhound racing's most iconic events.

Since the Festival's introduction three years ago, it has generated significant growth and engagement across several key measures:

- ✦ Total event attendance has increased by 38%
- ✦ Interstate visitation has grown by 141%, while international visitation has increased by 97%
- ✦ Mainstream media coverage and public awareness have reached record levels
- ✦ Total wagering turnover associated with the Festival has exceeded \$87.6 million

Beyond these results, the Sportsbet Dream Chasers Festival has delivered substantial economic benefits to Victoria. The event supports jobs, drives visitation, stimulates tourism and hospitality activity, and contributes to economic growth across both metropolitan and regional communities.

Over its first three years, the Festival is estimated to have delivered a direct economic contribution of more than \$17.5 million to the Victorian economy.



VICTORIAN GREYHOUND CLUBS CONTINUE STRONG COMMUNITY SUPPORT

Victoria's 13 greyhound racing clubs continue to play an important role within their local communities, collectively donating more than \$950,000 to community groups, charities and organisations throughout the financial year.

Among the standout fundraising initiatives was the industry's annual support of the Good Friday Appeal, with Victorian greyhound clubs and Greyhound Racing Victoria contributing \$66,000 to the Royal Children's Hospital.

On the regional front, the Healesville Greyhound Racing Association led the way, raising more than \$56,000 through its third annual Big Freeze at Healesville event in support of the fight against Motor Neurone Disease (MND). The club also raised more than \$23,000 for the Country Fire Authority following the Longwood bushfires in January 2026.

The Ballarat Greyhound Racing Club took an innovative approach to fundraising, with Club Manager Jodie Farralla participating in the Ballarat

Foundation's Dancing With Our Stars event. Farralla's efforts helped raise more than \$23,000 for community programs across the Ballarat region. Her outstanding leadership, innovation and contribution to the community were further recognised when she was named Victoria's Club Manager of the Year at the Community Clubs Victoria Gala Dinner.

For more than two decades, Greyhound Racing Victoria and its clubs have proudly hosted The Great Chase, a much-loved event that brings together people with intellectual and physical disabilities for a day of racing, entertainment and community connection. Since its inception, The Great Chase has delivered more than \$800,000 in donations to disability-focused community groups across Victoria, creating a lasting legacy of inclusion and support.

These initiatives highlight the significant contribution Victorian greyhound clubs continue to make beyond racing, supporting important causes and strengthening the communities in which they operate.



RACING PARTICIPANTS, HORSES AND GREYHOUNDS

The Breeding Industry

NUMBER OF BREEDERS

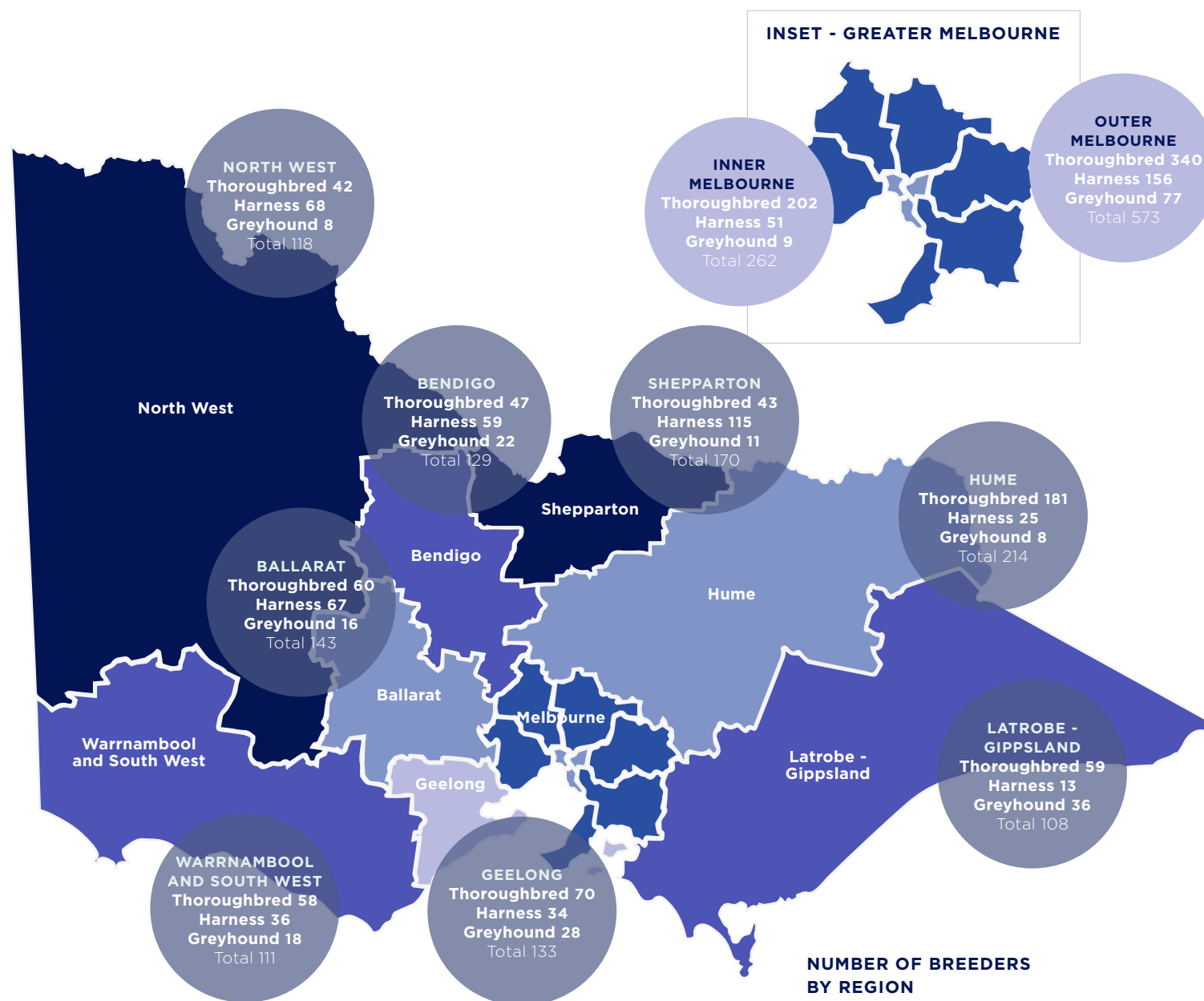
	Thoroughbred	Harness	Greyhound	Total
Ballarat	60	67	16	143
Bendigo	47	59	22	129
Geelong	70	34	28	133
Hume	181	25	8	214
Latrobe - Gippsland	59	13	36	108
North West	42	68	8	118
Shepparton	43	115	11	170
Warrnambool and South West	58	36	18	111
Outer Melbourne	340	156	77	573
Total Regional	900	573	225	1,698
Inner Melbourne	202	51	9	262
Total	1,102	624	234	1,960

NUMBER OF STAFF EMPLOYED BY BREEDERS

	Thoroughbred	Harness	Greyhound	Total
Ballarat	63	39	9	111
Bendigo	50	35	12	97
Geelong	75	20	15	110
Hume	191	15	4	211
Latrobe - Gippsland	62	8	19	89
North West	45	40	4	89
Shepparton	46	68	6	120
Warrnambool and South West	61	21	10	92
Outer Melbourne	361	92	42	494
Total Regional	954	338	121	1,414
Inner Melbourne	214	30	5	249
Total	1,168	368	126	1,663

^{*} Some totals may not add due to rounding

There are **1,960 individuals** who either breed or have an ownership interest in a broodmare, broodmatron, stallion or sire. They are supported by **1,663 employees and 1,472 volunteers** – meaning that the industry is supported by **nearly 5,100 roles directly involved in breeding activities** across the three codes



^ Some totals may not add due to rounding



The breeding sector provides and replenishes the racing horses and greyhounds for the Victorian racing industry. There are 1,960 registered breeders in Victoria across the three codes of racing. At the top end of the breeding sector, large stud farms employ many staff and produce large numbers of foals each year. At the other end of the scale, there are a large number of hobby breeders also producing foals and pups.

Breeders include those whose core activity is to manage the breeding process as well as those whose involvement is as an investor (through part ownership of a broodmare, broodmatron, stallion or sire). It is important to note that the number of breeders is likely to be understated given that only the syndicate member (of a breeding animal with shared ownership) is recorded as a registered breeder.

Breeders derive the majority of their income from service fees, agistment and the public and private sale of their stock. In the thoroughbred sector, breeders may occasionally also lease shares in their bloodstock. This particular sector of the industry has great potential to generate economic impacts for the state, as breeders often sell their stock to interstate and overseas buyers, at sales events – generating export revenue for the state. A strong racing industry is an important precursor for a strong breeding sector.

NUMBER OF VOLUNTEERS ASSISTING BREEDERS

	Thoroughbred	Harness	Greyhound	Total
Ballarat	47	42	15	104
Bendigo	37	37	20	94
Geelong	56	22	25	102
Hume	143	16	7	166
Latrobe - Gippsland	47	8	32	86
North West	34	43	7	83
Shepparton	34	73	10	117
Warrnambool and South West	46	22	16	84
Outer Melbourne	269	98	68	435
Total Regional	711	361	200	1,272
Inner Melbourne	159	32	8	200
Total	871	393	208	1,472

*Some totals do not add due to rounding.

Case Study

DUNKELD CUP - AUSTRALIA'S MOST PICTURESQUE RACE MEETING

Set against the breathtaking backdrop of Mount Sturgeon and the Grampians National Park, the Dunkeld Cup has earned a reputation as one of Australia's most iconic country racing experiences. Operated by the dedicated volunteers of the Dunkeld Racing Club, the event embodies the spirit of Victorian country racing, combining world-class scenery, rich racing heritage and genuine regional hospitality to create an experience unlike any other on the Australian racing calendar.

Despite the township of Dunkeld having a permanent population of fewer than 600 residents, the Dunkeld Cup regularly attracts more than 8,000 patrons each November. Visitors travel from across Victoria and interstate to experience what has become a true bucket-list event, demonstrating the important role that country racing plays in driving regional visitation and showcasing destinations that many visitors may not otherwise experience.



The appeal of the Dunkeld Cup extends well beyond racing enthusiasts. The event attracts a diverse audience of tourists, families, young adults and local communities, with recent race meetings highlighting particularly strong attendance from the 18 to 30-year-old demographic. This broad appeal reflects the evolution of country racing into a contemporary lifestyle and social experience that successfully combines sport, entertainment, food, wine and the natural beauty of regional Victoria.

The success of the Dunkeld Cup demonstrates the significant social and economic value that

country racing delivers to regional communities. Visitors increasingly make a weekend of the event, supporting local accommodation providers, hospitality venues, retailers and tourism operators throughout the Southern Grampians region.

Driven by an extraordinary volunteer workforce and a passionate local community, the Dunkeld Racing Club has created far more than a race meeting - it has established one of Australia's premier community events, reinforcing the important role that Victorian country racing plays in strengthening regional communities, attracting tourism and celebrating local identity.

Producing Racehorses and Greyhounds

NUMBER OF FOALS BORN & PUPS WHELPED

	Thoroughbred	Harness	Greyhound	Total
Ballarat	144	189	328	662
Bendigo	161	64	251	475
Geelong	257	36	294	587
Hume	1,680	84	188	1,953
Latrobe - Gippsland	82	6	570	657
North West	30	42	128	199
Shepparton	150	353	154	657
Warrnambool and South West	80	78	174	332
Outer Melbourne	624	101	741	1,466
Total Regional	3,208	952	2,828	6,988
Inner Melbourne	3	2	4	9
Total	3,211	954	2,832	6,997

NUMBER OF BROODMARES/FEMALES COVERED

	Thoroughbred	Harness	Greyhound	Total
Ballarat	218	284	43	546
Bendigo	243	95	33	372
Geelong	390	54	39	482
Hume	2,545	127	25	2,697
Latrobe - Gippsland	124	8	75	207
North West	45	62	17	124
Shepparton	228	530	20	778
Warrnambool and South West	121	117	23	261
Outer Melbourne	945	151	98	1,194
Total Regional	4,859	1,428	373	6,661
Inner Melbourne	5	3	1	8
Total	4,864	1,431	374	6,669

NUMBER OF REGISTERED STALLIONS & SIRES

	Thoroughbred	Harness	Greyhound	Total
Ballarat	5	4	7	17
Bendigo	6	4	1	11
Geelong	9	0	9	18
Hume	47	5	0	52
Latrobe - Gippsland	2	0	4	6
North West	2	0	2	4
Shepparton	1	21	2	23
Warrnambool and South West	4	1	3	9
Outer Melbourne	32	6	19	57
Total Regional	107	42	48	197
Inner Melbourne	1	0	3	4
Total	108	42	51	201

^ Some totals may not add due to rounding

Economic Contribution of the Breeding Industry

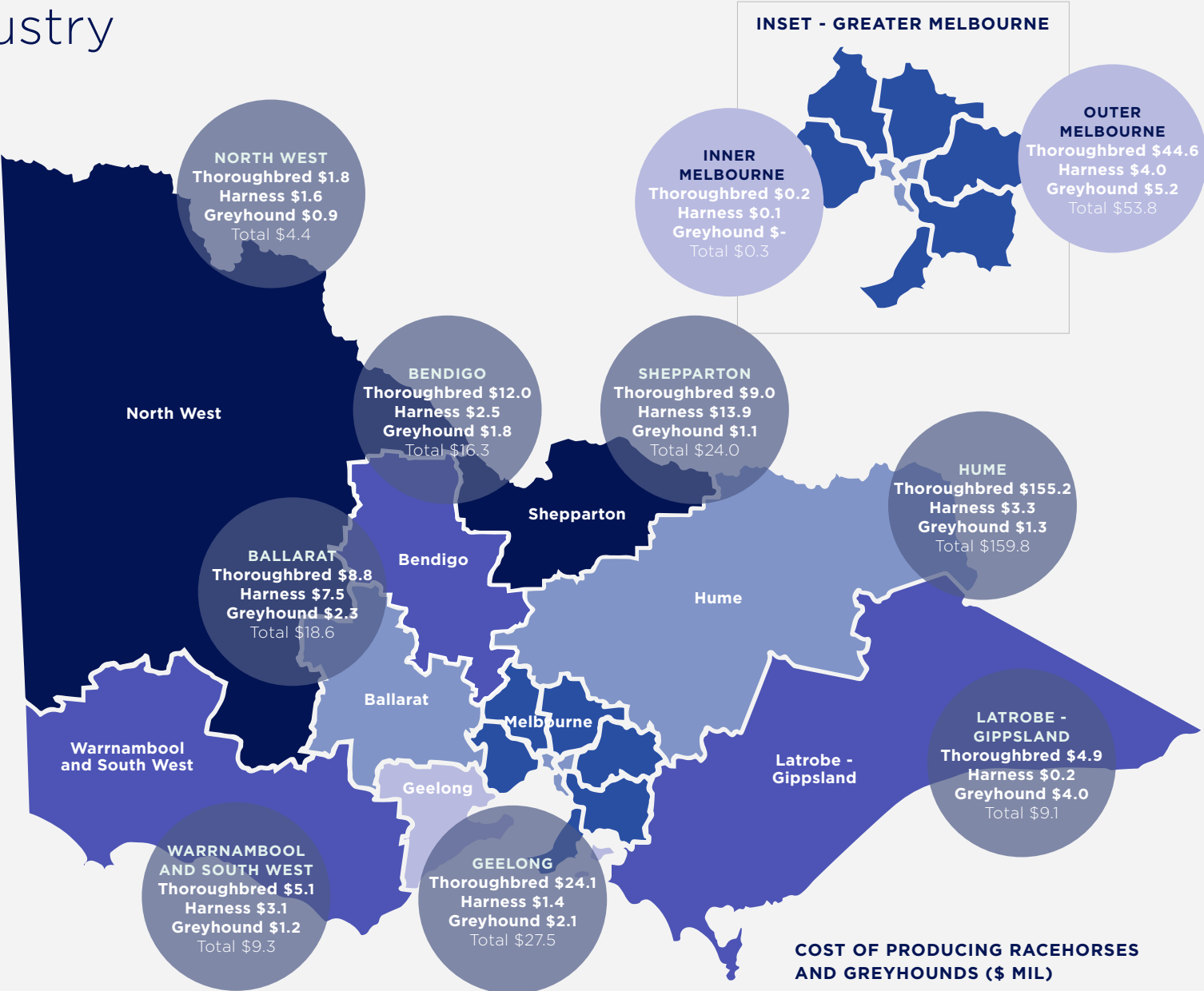
In 2024/25, breeders in the Victorian racing industry spent just over \$323 million on the production of racing stock. In calculating the expenditure incurred by breeders, a number of factors must be considered. Breeders incur costs on the maintenance of broodmares, broodmatrons, stallions and sires as well as in the process of breeding and caring for foals and pups. In addition to this, breeders also incur costs for:

- + Sales commission on yearlings sold at auction
- + Bloodstock insurance
- + Business related expenditure
- + Sales and marketing related expenditure
- + Infrastructure and maintenance

In some instances, breeders incur all of these costs themselves, whilst in other situations, breeders may send their foals or pups to professional service providers (such as those who provide whelping, foaling, education and yearling preparation services).

The expenditure figures outlined in this section have been derived through a combination of industry consultation and primary research amongst breeders in each code across Victoria. For thoroughbreds and standardbreds, the cost of production is assessed for both a private breeder and a commercial farm in recognition of the fact that there are different expenditure profiles associated with both. Additional costs are taken into consideration for horses being prepared for a yearling sale.

From an industry perspective, it is important to acknowledge that there are different costs associated with broodmares and broodmatrons depending on their breeding activity in a given year. For example, mares and broodmatrons that are not bred with, in a given year, still incur expenditure despite not producing a foal or pup, and as such need to be included in the assessment.



^ Some totals may not add due to rounding

COST OF PRODUCING RACEHORSES AND GREYHOUNDS (\$ MIL)



Close to 75% of all breeding related expenditure occurs in three Victorian regions. The Hume (49.5%), Outer Melbourne (16.3%) and Geelong (8.5%) regions are the most active breeding areas in the state.

From a racing code perspective, the most significant amount of breeding related expenditure is incurred in the following regions:

THOROUGHBRED RACING

In 2024/25, there were 4,864 broodmares covered in Victoria and 3,211 foals born. This thoroughbred breeding activity is responsible for generating close to \$265.7 million in the production and care of racehorses. The following table shows the three largest regions of thoroughbred breeding activity:

Hume	\$155.2m (58.4%)
Outer Melbourne	\$44.6m (16.8%)
Geelong	\$24.1m (9.1%)

HARNESS RACING

In 2024/25 there were 1,431 broodmares covered in Victoria and 954 foals born. This standardbred breeding activity is responsible for generating more than \$37.6 million in the production and care of racehorses. The following table shows the three largest regions of harness breeding activity:

Shepparton	\$13.9m (37.0%)
Ballarat	\$7.5m (19.9%)
Outer Melbourne	\$4.0m (10.5%)

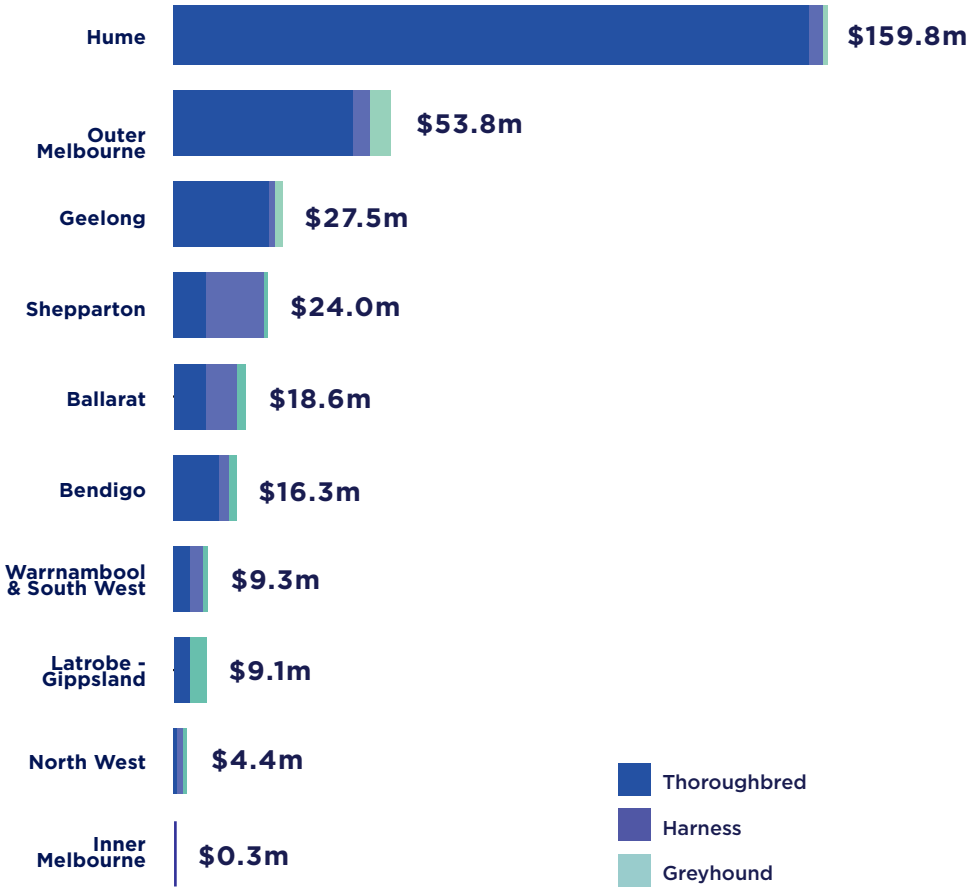
GREYHOUND RACING

In 2024/25, there were 374 breeding females covered in Victoria, producing 2,832 pups. This greyhound breeding activity is responsible for generating more than \$19.8 million in the production and care of greyhounds. The following table shows the three largest regions of greyhound breeding activity:

Outer Melbourne	\$5.2m (26.2%)
Latrobe - Gippsland	\$4.0m (20.1%)
Ballarat	\$2.3m (11.6%)

In total, breeders in the **Victorian Racing Industry** spent more than **\$323 million** on producing horses and greyhounds for racing

PROPORTION OF BREEDING EXPENDITURE BY REGION



Case Study

RUNNING OF THE BULLS

The inaugural Running of the Bulls at Birchip showcased how innovation and community collaboration can breathe new life into country harness racing. Developed through a partnership between the Birchip Harness Racing Club, Harness Racing Victoria and major sponsor Cargill, Victoria's first harness slot race transformed a long-standing country meeting into one of the most anticipated events on the 2026 racing calendar. The \$125,000 feature demonstrated that major racing innovations do not need to be confined to metropolitan venues, with regional communities equally capable of creating destination events that capture industry and public attention.

Unlike traditional slot races that have focused on elite performers, the Running of the Bulls was specifically designed to celebrate grassroots harness racing. Restricted to emerging horses and country competitors, the race created opportunities for trainers, owners and drivers who may not ordinarily compete for feature



race prizemoney. The innovative race conditions ensured the event remained accessible while encouraging widespread industry participation, with slot holders actively engaging in the promotion of both the race and the Birchip community.

The event exceeded expectations, with more than 5,000 patrons travelling to Birchip to witness the inaugural Running of the Bulls. The capacity crowd created an atmosphere more commonly associated with the sport's premier metropolitan events, delivering a significant boost to local businesses, accommodation providers and community organisations. Beyond the race itself, the event demonstrated how a feature harness race can become a catalyst for regional visitation, economic activity and community

pride, while strengthening Birchip's reputation as a destination for country racing.

The Running of the Bulls highlights the important role that country harness racing clubs play in driving innovation across the Victorian racing industry. By combining community partnerships, local sponsorship, volunteer commitment and creative event design, Birchip has established a model that illustrates how regional racing can continue to evolve while preserving the grassroots values that underpin the sport. It provides a blueprint for other country clubs seeking to strengthen participation, grow attendance, increase tourism and create lasting economic and social benefits for their local communities.

The Training Industry

NUMBER OF REGISTERED TRAINERS

	Thoroughbred	Harness	Greyhound	Total
Ballarat	59	120	94	272
Bendigo	62	114	110	285
Geelong	46	35	101	182
Hume	113	55	58	225
Latrobe - Gippsland	67	9	208	284
North West	42	122	39	202
Shepparton	26	126	64	216
Warrnambool and South West	83	59	80	223
Outer Melbourne	261	180	358	799
Total Regional	757	819	1,113	2,689
Inner Melbourne	28	10	8	46
Total	785	829	1,121	2,735

NUMBER OF STABLE/KENNEL EMPLOYEES

	Thoroughbred	Harness	Greyhound	Total
Ballarat	263	125	43	432
Bendigo	279	119	50	448
Geelong	207	36	46	290
Hume	507	57	27	591
Latrobe - Gippsland	300	9	95	405
North West	187	127	18	332
Shepparton	117	132	29	278
Warrnambool and South West	375	62	37	474
Outer Melbourne	1,172	189	164	1,525
Total Regional	3,408	856	510	4,774
Inner Melbourne	125	11	4	139
Total	3,532	867	514	4,913

NUMBER OF VOLUNTEERS ASSISTING TRAINERS

	Thoroughbred	Harness	Greyhound	Total
Ballarat	112	71	62	245
Bendigo	119	67	72	258
Geelong	88	20	67	175
Hume	217	32	38	287
Latrobe - Gippsland	128	5	137	271
North West	80	72	26	177
Shepparton	50	74	42	166
Warrnambool and South West	160	35	53	248
Outer Melbourne	500	106	237	843
Total Regional	1,454	483	734	2,671
Inner Melbourne	53	6	6	65
Total	1,507	489	740	2,736

^ Some totals may not add due to rounding

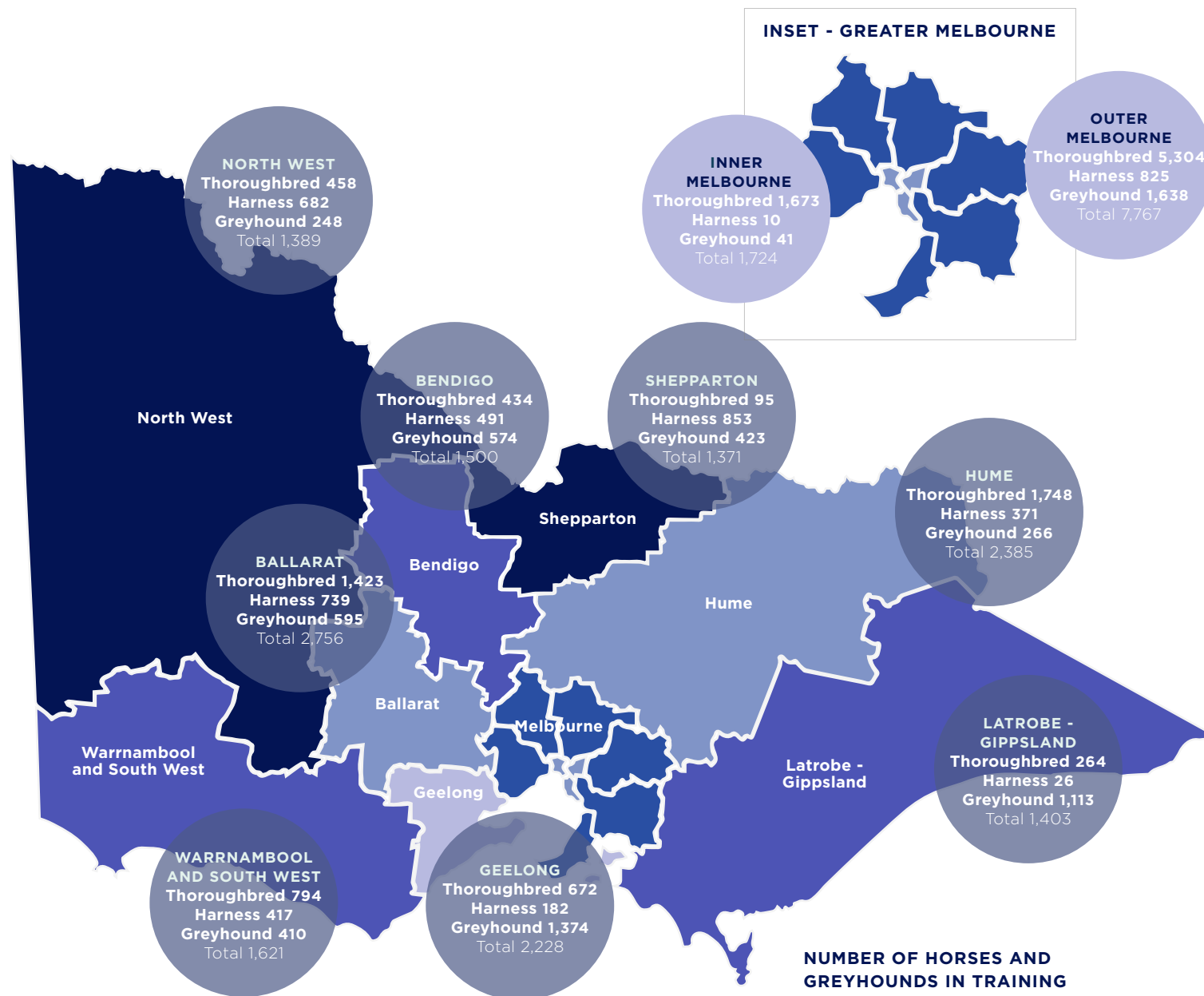
The Training Sector

Trainers play an integral role in the racing 'service' industry. Training services generally incorporate pre-and race training, trialling and raceday management of racing horses and greyhounds. In the majority of cases, owners of racehorses fund the training operations through the payment of a daily training fee. The majority (but not all) of the costs associated with the care and preparation of racehorses is covered by this daily fee. In the greyhound racing code, trainers' income is mostly generated through an agreement which sees them take a 50% share of prizemoney won.

During the 2024/25 racing season, there were just over 2,700 horse and greyhound trainers providing services to owners in Victoria. These trainers were also supported by more than 2,700 volunteers. The majority of these trainers operate in regional parts of the state.

Overall, there were more than 24,100 racing horses and greyhounds in training in Victoria in 2024/25*. Outer Melbourne (32.2%), Ballarat (11.4%), and Hume (9.9%) represent the largest areas of thoroughbred training activity.

* Based on the number of individual horses who have conducted a race, jump-out or trial in the 2024/25 racing season



* Some totals may not add due to rounding

Owners

NUMBER OF OWNERS

	Thoroughbred	Harness	Greyhound	Total
Ballarat	1,829	374	314	2,517
Bendigo	1,117	333	325	1,776
Geelong	2,728	214	473	3,415
Hume	1,817	142	199	2,159
Latrobe - Gippsland	1,788	47	633	2,468
North West	1,480	433	249	2,163
Shepparton	1,022	441	231	1,694
Warrnambool and South West	2,560	235	331	3,127
Outer Melbourne	14,762	1,002	2,212	17,975
Total Regional	29,104	3,221	4,967	37,292
Inner Melbourne	9,934	240	438	10,612
Interstate^	25,132			
Total	64,170	3,461	5,405	73,036

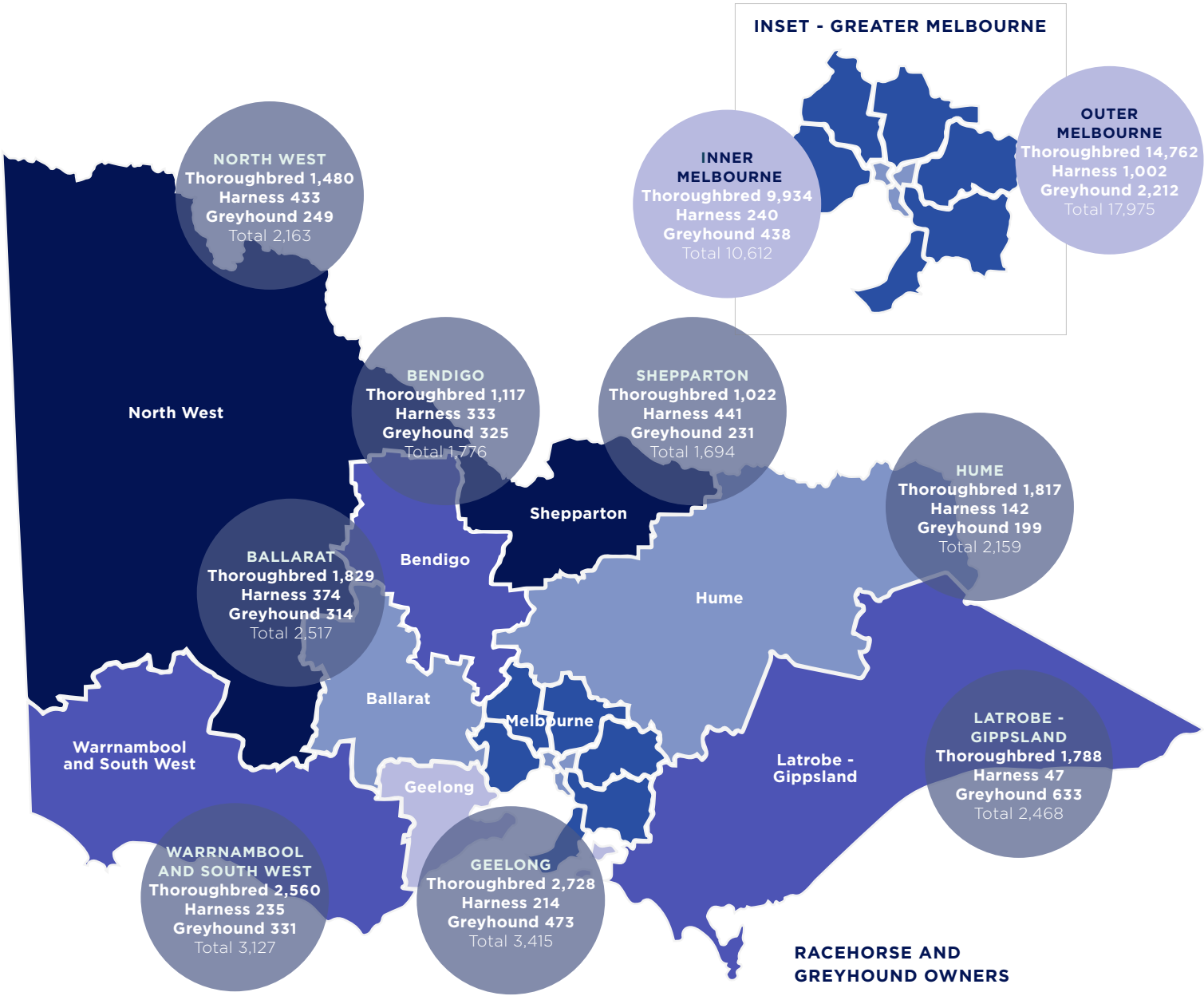
^ Thoroughbred owners include all individual Owners Gold Card holders for the racing season



Ownership and Training Activity

Owners play a significant role in the funding model of the racing industry. They provide much of the capital outlay and day-to-day funding for the purchase and preparation of racing horses and greyhounds. In 2024/25 there were more than 47,900 Victorian-resident owners interested in thoroughbred, harness and/or greyhound racing in Victoria. Close to 78% of owners reside in regional areas of Victoria, with Outer Melbourne (37.5%) and Inner Melbourne (22.2%) home to the most significant portion of owners across the three codes.

The investment by owners provides a critical funding source for breeders and trainers and is critically important to a successful racing industry. It is important, however, to note that it is often not identified as the most important motivation for participation. Many owners are involved in the racing industry, at least in part, as a hobby or leisure pursuit. However, a strong industry provides owners with the opportunity to realise some returns on their investment through the prizemoney on offer.



^ Some totals may not add due to rounding

Victorian owners and trainers spent **more than \$817 million** in 2024/25 preparing **racing horses and greyhounds for racing**. More than 35% of this activity is in **Outer Melbourne**

Economic Contribution of the Training Industry

In 2024/25, owners of racehorses and greyhounds trained in Victoria spent more than \$817 million on the preparation of their horses and greyhounds for racing. The calculation of expenditure on the preparation of racehorses and greyhounds takes into account the various training and non-training related expenditures incurred by owners and trainers.

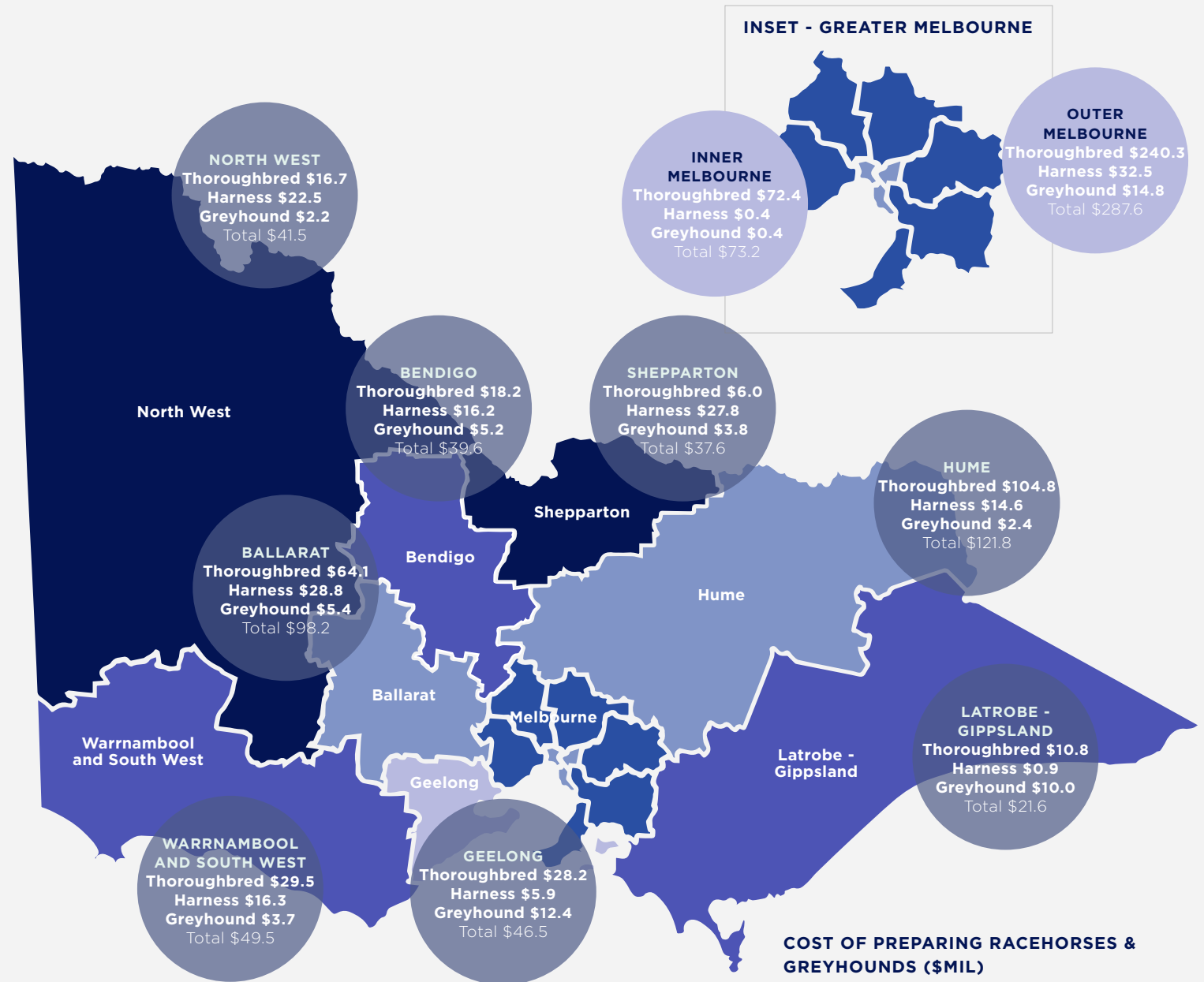
The development of expenditure profiles within each region is based upon the number of racehorses and greyhounds in training. It also takes into consideration the differing training costs at various stages of the lifecycle of the animal. For instance, expenditure during the education stage of a racehorse is different to expenditure on an established 3-year-old racehorse. It is also important that this assessment takes into consideration non-

Victorian owned racing horses and greyhounds which are trained in the state. Developing expenditure profiles on a 'per horse/greyhound in training' basis, ensures that they are also included in the assessment.

The expenditure figures outlined in this section have been derived from a combination of industry level consultation and surveying of a sample of owners and trainers in Victoria. The analysis of the expenditure on the preparation of horses/greyhounds includes items such as training fees, insurance, vitamins and supplements, veterinarian fees, gear hire/purchase and racing/trialling fees, amongst others. It also picks up expenditure items incurred directly by owners that may not be covered on the trainers' bill.

* Note – This figure does not cover costs of breeding or acquiring racing animals





* Some totals may not add due to rounding



THOROUGHBRED TRAINING

The thoroughbred training sector is responsible for generating more than \$591 million in the preparation of racehorses for racing. More than 40% of the training activity occurs in the Outer Melbourne region, with the Hume (17.7%) and Inner Melbourne (12.3%) regions making up the next largest areas.

HARNESS TRAINING

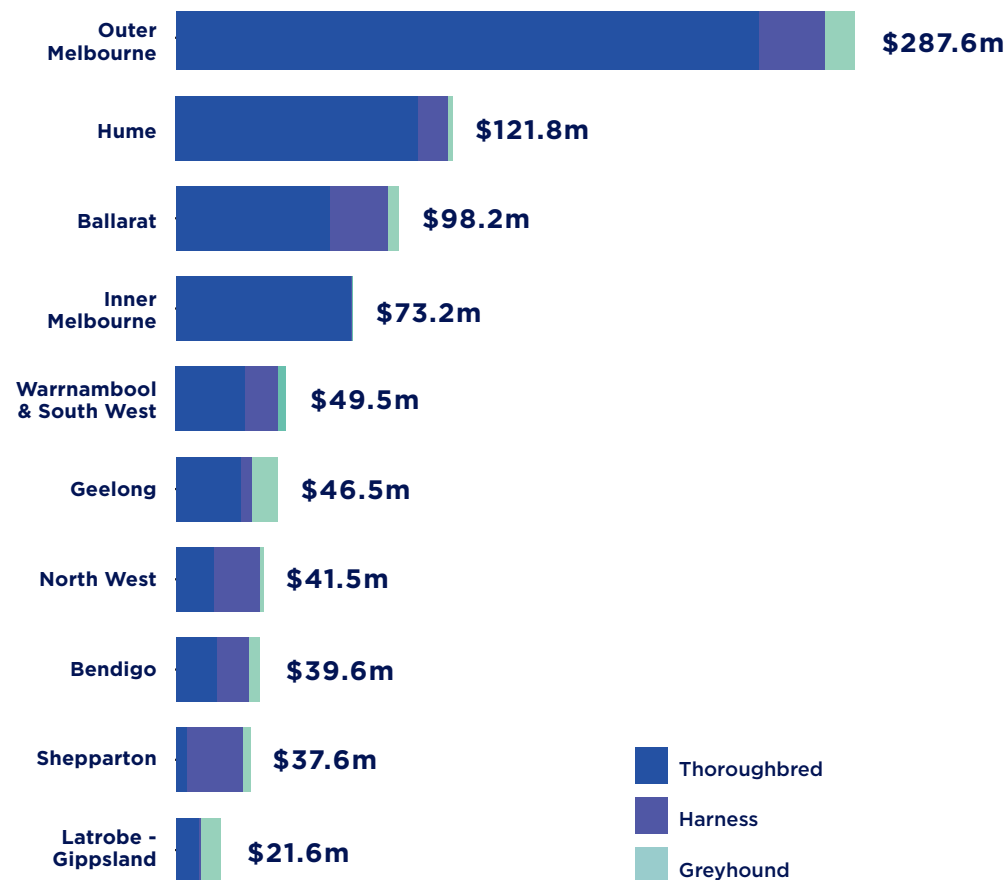
The harness training sector is responsible for generating more than \$165.9 million in the preparation of racehorses for racing. The Outer Melbourne region is responsible for more than 19.6% of this expenditure impact, with the Ballarat (17.4%) and Shepparton (16.8%) regions making up the most active regional areas.

GREYHOUND TRAINING

The greyhound training sector is responsible for generating more than \$60.3 million in the preparation of greyhounds for racing. The Outer Melbourne region is responsible for more than 24.5% of this expenditure, followed by the Geelong (20.6%) and Latrobe-Gippsland regions (16.7%).

The chart (opposite) illustrates the total expenditure, by region, on thoroughbred, harness and greyhound training activities generated in Victoria.

PROPORTION OF TRAINING EXPENDITURE BY REGION



Case Study

TEAM TEAL - HARNESS RACING DRIVING CHANGE FOR WOMEN'S HEALTH

Victorian harness racing has long been recognised as one of Australia's most gender-inclusive sports, where women compete alongside men at the highest level. Led by trailblazers such as the world's most successful horsewoman Kerry'n Manning and champion driver Kate Gath, the industry has created opportunities for generations of female trainers, drivers, owners and administrators. Beyond their success on the track, these participants have become ambassadors for causes that extend well beyond racing, demonstrating the industry's commitment to making a meaningful contribution to the broader community.

At the heart of this commitment is Team Teal, one of Australian sport's most successful charity initiatives. Established in 2010 by Victorian Harness Racing Hall of Fame inductee Duncan McPherson OAM in memory of his late wife, Lyn, Team Teal brings together female drivers from across Australasia who wear distinctive teal racing silks each year to raise awareness of ovarian and gynaecological cancers. Since its inception, the initiative has raised more than \$3.4 million for the Australia New Zealand Gynaecological Oncology Group (ANZGOG), funding world-leading research, education and survivor programs that have positively impacted thousands of women and medical professionals.

Complementing Team Teal is Pacing for Pink, another Victorian-born initiative that has grown into a nationwide campaign supporting the McGrath Foundation. Founded by Marg and the late Bob Watson in Cobram, the campaign sees drivers across Australia wear distinctive pink racing pants during May to raise funds for breast cancer care and awareness. What began as a grassroots community initiative has evolved into a nationally recognised fundraising campaign, demonstrating the generosity and collective spirit of the harness racing community.

Together, Team Teal and Pacing for Pink illustrate how Victorian harness racing creates social value far beyond the racetrack. Through the leadership of participants, volunteers and clubs, the industry has united around causes that improve women's health, raise awareness and support life-changing medical research. These initiatives reinforce harness racing's role not only as a sporting industry, but as a community that uses its profile, people and passion to deliver lasting social benefits across Victoria and throughout Australia.



RACING CLUBS, ASSOCIATIONS AND AUTHORITIES

NUMBER OF RACING CLUBS

	Thoroughbred	Harness	Greyhound	Total
Ballarat	5	3	1	9
Bendigo	2	4	1	7
Geelong	2	1	1	4
Hume	11	2	0	13
Latrobe - Gippsland	10	1	3	14
North West	16	8	1	25
Shepparton	3	4	1	8
Warrnambool and South West	11	2	1	14
Outer Melbourne	5	2	4	11
Total Regional	65	27	13	105
Inner Melbourne	3	1	0	4
Total	68	28	13	109

NUMBER OF RACETRACKS

	Thoroughbred	Harness	Greyhound	Total
Ballarat	4	3	1	8
Bendigo	3	4	1	8
Geelong	1	1	1	3
Hume	11	2	0	13
Latrobe - Gippsland	10	1	3	14
North West	14	8	1	23
Shepparton	3	4	1	8
Warrnambool and South West	10	2	1	13
Outer Melbourne	8	3	4	15
Total Regional	64	28	13	105
Inner Melbourne	3	0	0	3
Total	67	28	13	108

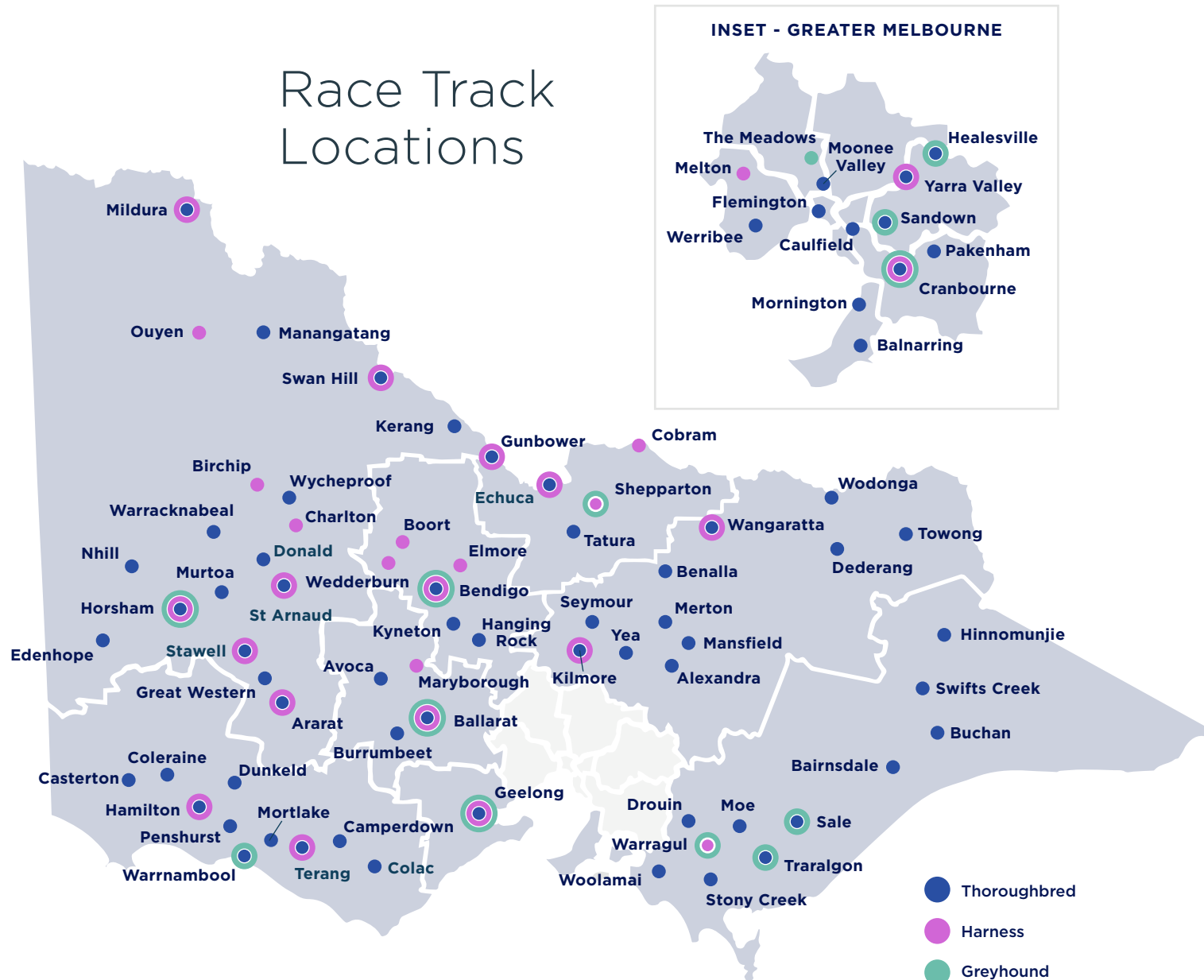
TOTAL RACE MEETINGS

	Thoroughbred	Harness	Greyhound	Total
Ballarat	38	53	120	211
Bendigo	35	48	110	193
Geelong	25	20	111	156
Hume	69	28	0	97
Latrobe - Gippsland	50	4	242	296
North West	51	88	67	206
Shepparton	15	59	110	184
Warrnambool and South West	43	17	94	154
Outer Melbourne	142	119	339	600
Total Regional	468	436	1,193	2,097
Inner Melbourne	72	0	0	72
Total	540	436	1,193	2,169

TOTAL RACES

	Thoroughbred	Harness	Greyhound	Total
Ballarat	300	432	1,600	2,332
Bendigo	285	408	1,352	2,045
Geelong	210	164	1,373	1,747
Hume	527	237	0	764
Latrobe - Gippsland	387	25	2,864	3,276
North West	401	758	786	1,945
Shepparton	129	463	1,392	1,984
Warrnambool and South West	343	130	1,198	1,671
Outer Melbourne	1,111	983	3,995	6,089
Total Regional	3,693	3,600	14,560	21,853
Inner Melbourne	640	0	0	640
Total	4,333	3,600	14,560	22,493

Race Track Locations



Case Study

MORNINGTON RACECOURSE - A YEAR-ROUND COMMUNITY DESTINATION

Mornington racecourse is a family-friendly community venue and a major entertainment and hospitality destination for the Mornington Peninsula.

Hosting up to 18 race meetings annually, alongside a diverse calendar of non-raceday events and a significant thoroughbred training centre, the Club delivers year-round value to both the racing industry and the local community.

Its broad appeal attracts families, racing enthusiasts, local residents, visitors and corporate groups seeking premium event experiences in a highly accessible coastal location.

More than 42,000 people attended Mornington race meetings during the 2024/25 season, including more than 10,000 patrons at the popular Mornington Cup. Over the past decade, the Club has welcomed more than 250,000 attendees, highlighting its importance as a community hub and regional visitor destination.



Racing Clubs

There are 109 racing clubs in Victoria across the three codes of racing. Racing clubs not only provide the opportunity for participants and spectators to participate in the sport of racing, they also provide an important social destination and in many regions, are an important part of the social fabric of the community.

In 2024/25, there were 2,169 race meetings held in Victoria. These race meetings attracted attendances just under 1.6 million - 59% of which were in regional areas.

Thoroughbred race meetings, in Victoria, attracted a total of 1,163,611 attendances. Race meetings in Inner Melbourne (662,099) and Outer Melbourne (158,404) were responsible for the largest attendance.

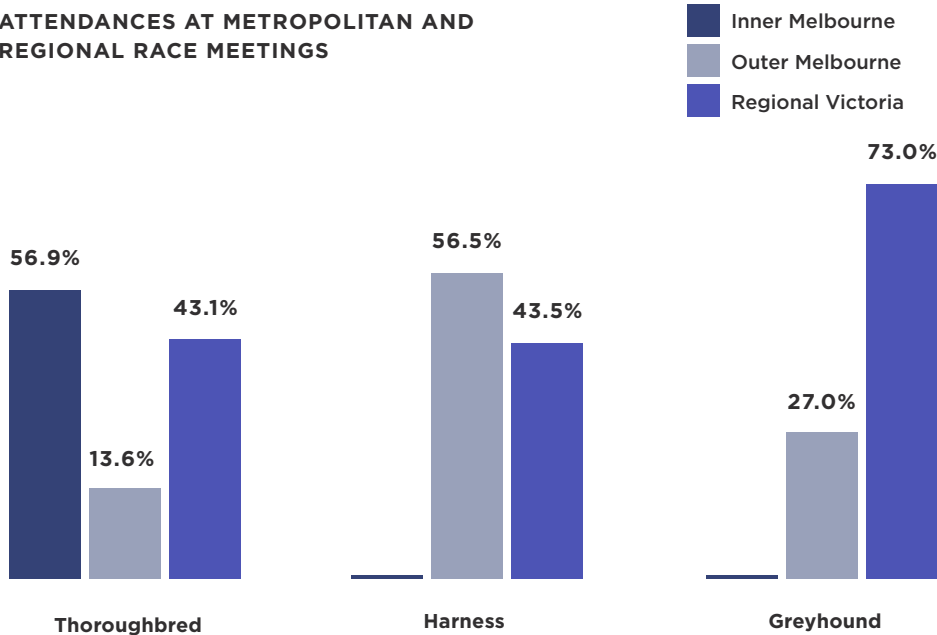
Thoroughbred racing in Warrnambool and South West attracted the highest attendances in regional Victoria (74,465).

Harness race meetings attracted 247,683 attendances with race meetings in Outer Melbourne (139,836) and Ballarat (25,800) making up the majority of this amount.

Greyhound racing attracted attendances of 185,720 with race meetings in Latrobe-Gippsland (54,000) and Outer Melbourne (50,080) making up 56% of this amount.



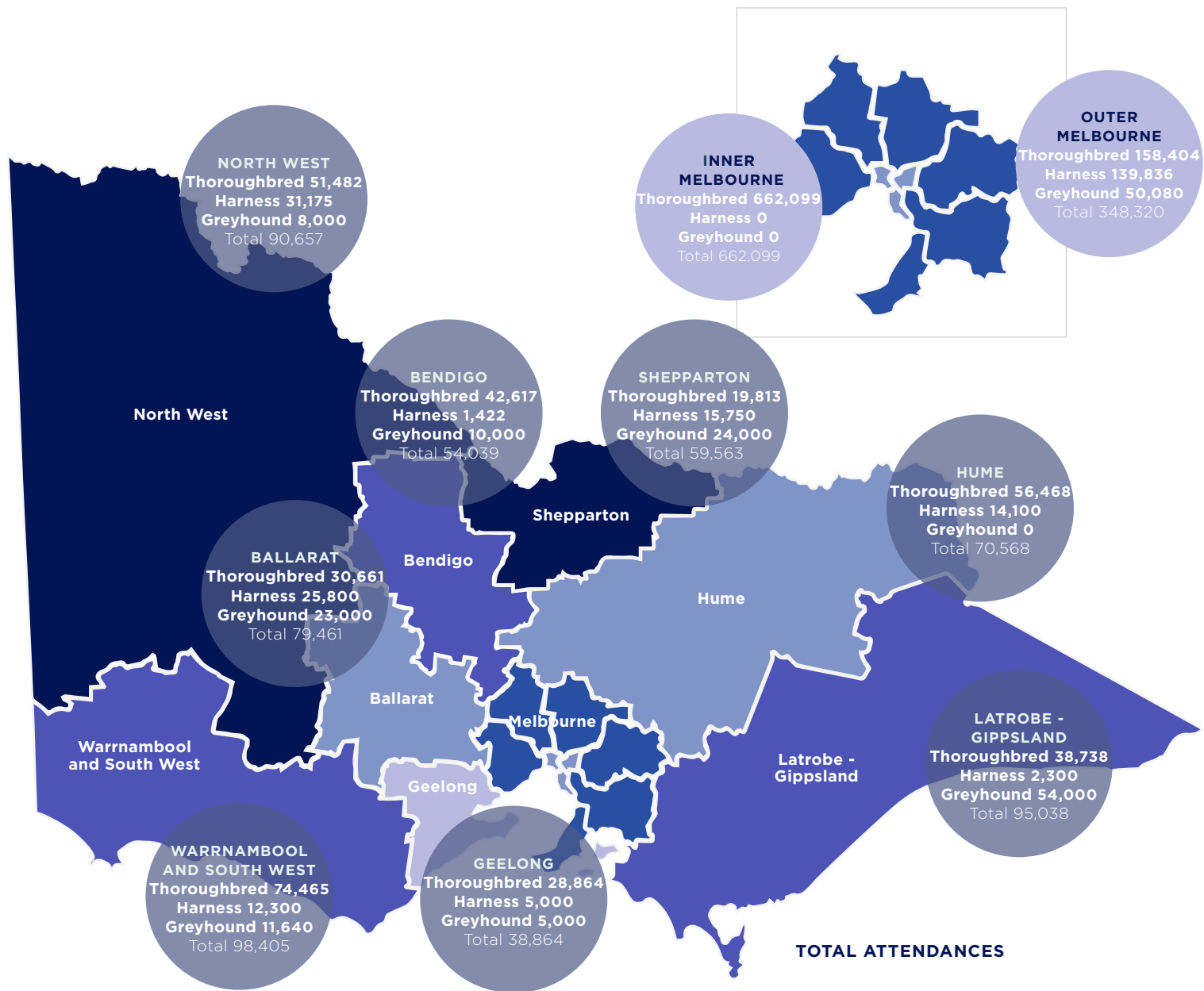
ATTENDANCES AT METROPOLITAN AND REGIONAL RACE MEETINGS



NUMBER OF RACING CLUB MEMBERS

	Thoroughbred	Harness	Greyhound	Total
Ballarat	700	731	129	1,560
Bendigo	1,051	516	86	1,653
Geelong	619	40	30	689
Hume	4,416	94	0	4,510
Latrobe - Gippsland	2,287	40	189	2,516
North West	1,325	1,034	38	2,397
Shepparton	495	204	0	699
Warrnambool and South West	3,067	97	57	3,221
Outer Melbourne	1,640	1,079	492	3,211
Total Regional	15,600	3,835	1,022	20,456
Inner Melbourne	57,549	0	0	57,549
Total	73,149	3,835	1,022	78,005

^ Some totals may not add due to rounding





Customer Expenditure Generated by Racing Clubs and Events

In 2024/25 it is estimated that the total expenditure generated by racing customers was more than \$878.6 million, (excluding wagering on the races). Racing's customers include attendees, sponsors, members, broadcast providers, community groups and participants. Racing customer expenditure can be broadly segmented into the following categories:

- + On-course raceday expenditure by customers (spending on on-course products, as well as yields from membership and sponsorship)
- + Off-course raceday expenditure by customers (spending incurred by customers as part of their attendance at the races, such as transport, retail, food etc.)
- + Non-raceday related expenditure (spending with racing clubs on non-racedays on items such as hiring arrangements for facility use, fundraising, investments, track fees, etc.)

On-course customer expenditure funds the administration, operation and other costs that racing clubs incur.

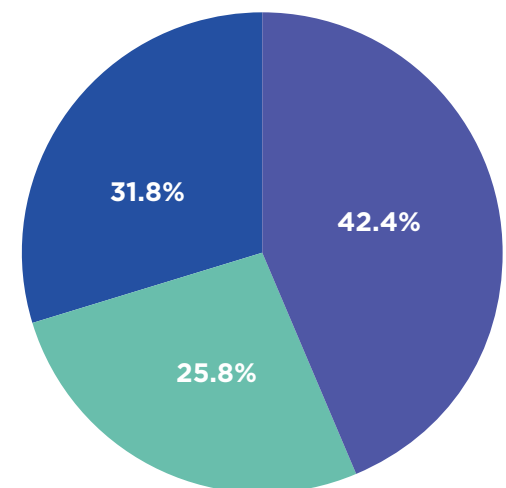
Off-course expenditure is primarily related to feature race meetings where the racing product extends out into the community both prior to and after the racing event. Major racing events have long proven their ability to extend the generation of economic stimulus into a broader cross-section of the local economy. It is important to note that on-course expenditure within this section does not include on-course wagering.

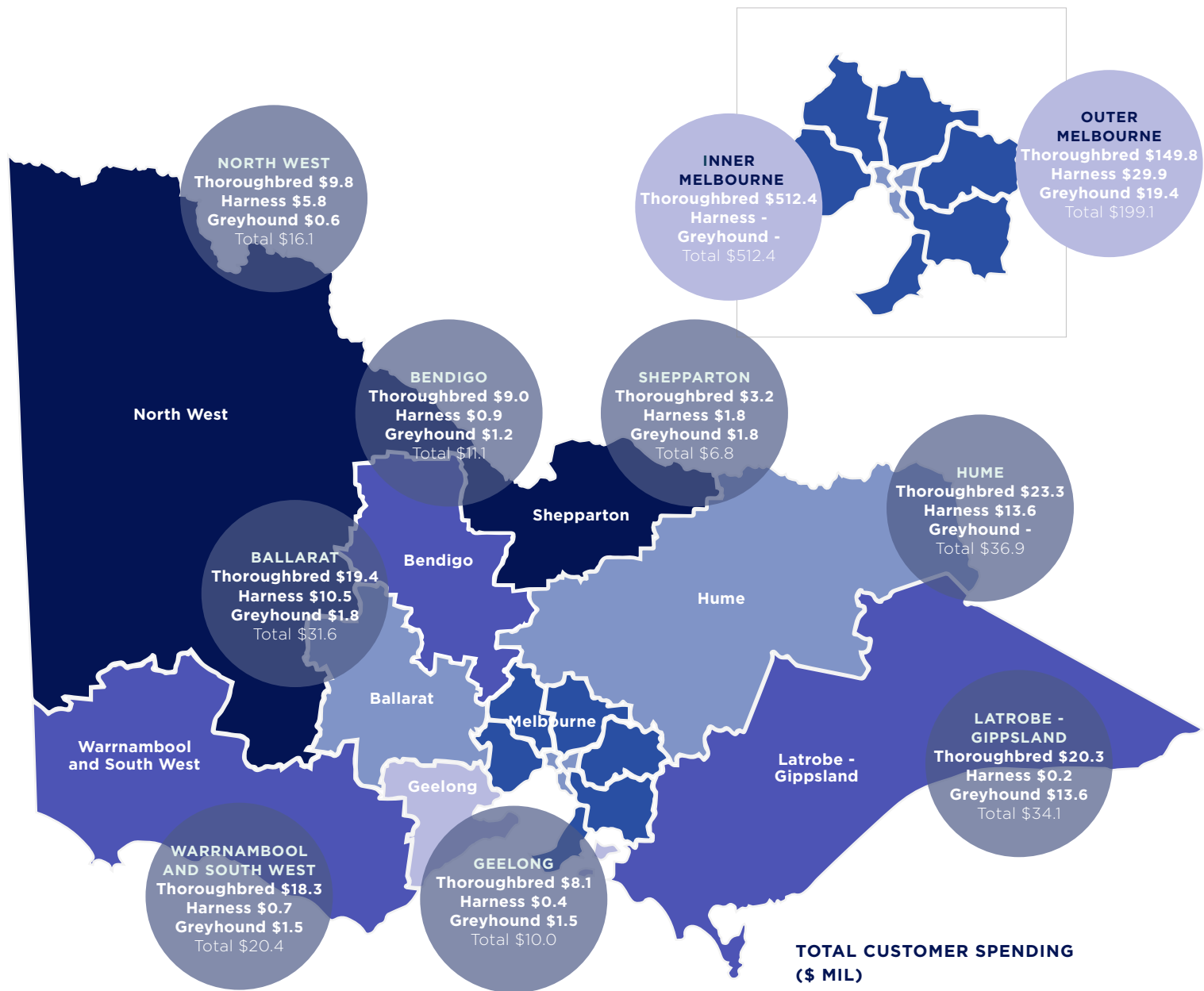
Whilst on-course wagering is the largest component of customer spend, it is analysed in the section relating to wagering.

The following chart illustrates the split of customer expenditure. It shows that for every dollar spent on-course by racing attendees, a further 67 cents is spent off-course. This is more heavily driven by feature race meetings where the links to fashion and retail, as well as larger travel distances for those attending the races, drive spending in the community.

BREAKDOWN OF RACING CUSTOMER SPENDING

- Off-Course Customer Expenditure
- Racing Club Raceday Expenditure
- Racing Club Non Raceday Expenditure





Racing customers are responsible for generating **more than \$878.6 million in expenditure.** Raceday related spending (on-course and off-course) **contributed 74.2% of this amount** whilst non-raceday spending contributed the remainder (25.8%)



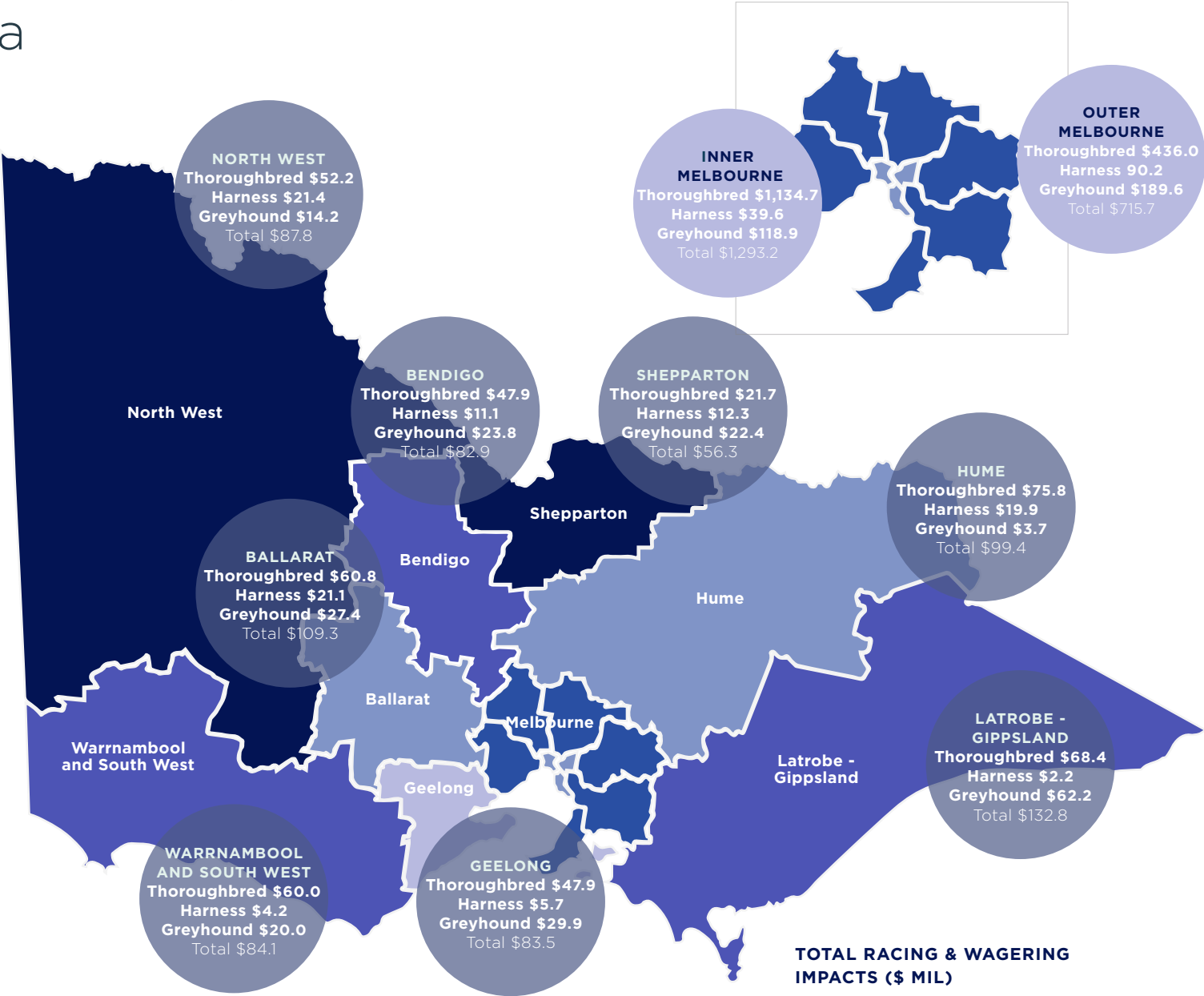
Racing & Wagering Activity Impacts in Victoria

In 2024/25, racing & wagering activities combined to generate an expenditure impact of more than \$2,745.0 million in Victoria. This expenditure includes the following:

- + Spending by customers on-course when attending a racing event
- + Non-raceday utilisations of racing industry assets
- + Sponsorship and membership associated with racing clubs
- + Racing industry share of off-course wagering revenue (pari-mutuel, corporate bookmakers & betting exchanges)
- + Wagering operator expenditure in Victoria to the extent that it is funded by Victorian racing industry activity
- + Taxes generated for the Victorian economy as a result of Victorian racing activity

More than 73% of this expenditure impact occurred in the Greater Melbourne region – a result largely driven by the presence of the largest racing clubs (in terms of size and financial impact) as well as the principal racing authorities.

It is important to note that whilst wagering businesses exist to service a broader sector of the economy than racing, there is an inextricable link between the two. This study includes wagering industry impacts in Victoria where that impact is driven by Victorian racing industry activity.



Case Study

YARRA VALLEY RACING CLUB - WHERE RACING MEETS WINE COUNTRY

Nestled in the heart of Victoria's renowned Yarra Valley, Yarra Valley Racing Club offers a unique blend of country racing and one of Australia's premier food, wine and tourism destinations. Surrounded by award-winning wineries, gourmet produce and breathtaking landscapes, the club provides an experience that extends well beyond the racecourse, showcasing the lifestyle and hospitality that have made the Yarra Valley an internationally recognised visitor destination.

Located less than an hour from metropolitan Melbourne, the club attracts a diverse audience seeking an accessible regional escape. Corporate groups, families, friendship groups and tourists are drawn to the relaxed atmosphere, premium hospitality and vibrant social experiences that complement a day at the races. This combination of racing and tourism reinforces the important role country racing plays in encouraging visitation to regional Victoria and supporting the broader visitor economy.

The club's flagship Christmas Race Day, held on the Friday before Christmas, has become one of Victoria's most popular country racing events, consistently attracting more than 5,000 attendees each year.

Feature meetings including Cox Plate Day and the Yarra Valley Cup also draw crowds in excess of 3,000 patrons, demonstrating the club's ability to deliver high-quality entertainment experiences that appeal to both racing enthusiasts and casual visitors alike.

Yarra Valley Racing Club highlights the significant role that country racing plays in supporting regional tourism, community connection and local businesses. By combining quality racing with exceptional food, wine and hospitality experiences, the club encourages visitors to extend their stay, explore the surrounding region and support local wineries, accommodation providers, restaurants and attractions. It exemplifies how Victorian country racing can act as a catalyst for tourism, delivering lasting economic and social benefits while showcasing the very best of regional Victoria.



About IER

IER is one of Australia's leading economic, social and strategic research consultancies, specialising in the tourism, events, sport, racing, arts and entertainment sectors. For more than three decades, IER has delivered independent economic and social impact assessments, industry benchmarking studies and strategic research for government agencies, industry bodies and private organisations throughout Australia, New Zealand and Asia.

The racing industry represents one of IER's core areas of expertise. Over the past thirty years, IER has undertaken comprehensive Size and Scope studies for every major racing jurisdiction in Australia, providing governments and industry stakeholders with robust evidence on the economic, employment and social contribution generated by the thoroughbred, harness and greyhound racing industries.

Recent racing industry studies undertaken by IER include:

- ✦ Victorian Racing Industry - 3 codes
- ✦ New South Wales Racing Industry - harness and greyhounds
- ✦ Queensland Racing Industry - 3 codes
- ✦ Western Australian Racing Industry - 3 codes

- ✦ South Australian Racing Industry - 3 codes
- ✦ Tasmanian Racing Industry - 3 codes
- ✦ Northern Territory Thoroughbred Racing Industry
- ✦ New Zealand Racing Industry - 3 codes
- ✦ Asian Racing Federation - 27 jurisdictions

Beyond racing, IER has also undertaken Size and Scope studies across a range of major sporting and entertainment sectors. This includes preparing the Australian Football League's national Size and Scope study over the past five years, along with economic contribution studies for numerous major sporting organisations, events and venues throughout Australia and New Zealand.

ECONOMIC MODELLING

The economic modelling for this study has been undertaken by Barry Burgan (B.Ec (Hons)), Director of Economic Research Consultants Pty Ltd.

Barry is one of Australia's most experienced economic impact practitioners, with extensive expertise in economic modelling, regional development, public policy and cost-benefit analysis. Throughout his career he has worked across government, academia and the private sector, specialising in the application of input-

output and computable general equilibrium modelling to major industries, infrastructure projects and events.

Barry has been responsible for the economic modelling underpinning many of Australia's leading racing industry studies and continues to provide independent economic modelling and advisory services to IER

Economic Methodology

The purpose of this study is to measure the contribution made by the three codes of racing towards the Victorian economy. In this way, it is a generalised measure of the industry's contribution to the State's economy.

BASIS OF EVALUATION

This study is based on a consistent methodology to that used by IER in the evaluation of the contribution of racing industries in other states and regions. The modelling is based on assessing the way in which expenditures that underpin the racing industry impact in a 'whole of economy context' through the creation of jobs and incomes.

More specifically, the economic contribution of an industry, to the region in which it operates, represents the contribution that the industry makes in terms of the generation of gross state (or regional product), household income and the employment these incomes support. The racing industry does this in two ways:

- ✦ Through the employment and activity it supports directly within racing (including the impact on the industries that depend on it as a customer); and
- ✦ The flow on effects of that which filters through the economy as a result of this activity

The importance of the expenditures generated by an industry, in the production process, is that they will sustain turnover in local industry, and specifically this will support local jobs and incomes. It is the jobs and incomes that are taken to be the measure of economic impact or benefit, netting out leakages such as expenditure on imports etc.

In terms of determining average costs of producing a horse/greyhound (breeding) and preparing a horse/greyhound (training) for racing, IER consults with Victorian Thoroughbred, Harness and Greyhound breeders and trainers. The focus is to determine an average cost of breeding and training at the different lifecycle stages. Data collected in similar jurisdictions is sometimes used to make comparisons and determine per horse/greyhound expenditures.

In addition to the jobs created with direct suppliers of services to the racing industry, economic activity produces a broader effect throughout the community, due to supply chain linkages and the impact of the spend of wage - extending the spend effect and the impact through various layers of the economy. This is known as the flow on or induced impact.

The result of an unconstrained whole of economy or general equilibrium model underpinned by input output tables, is a prominent process for translating direct created expenditure (a final demand stimulus) of industries or projects into jobs and incomes, and for establishing the extent of the flow on impact. There is some level of academic argument about appropriate models for converting increases in external expenditure (final demand) into regional economic impacts. The critics of using unconstrained models such as input output tables often argue that they overstate the value of an industry - and reference that "multiplier" impacts are taken as method of ratcheting up the stated value (noting that this study uses an impact assessment rather than multipliers per se). This criticism would be valid when analysts applied turnover multipliers but is not the case with the more appropriate use of value added

multipliers - which translate the expenditure estimates to national accounting framework measure with a whole of economy context. Indeed, value added multipliers (the value added impact (direct and induced) relative to a dollar of created expenditure) are often less than 1. It is further noted that the constraints that are applied in more complex economic models do not tend to be substantial at the state and regional level in a longer term context (labour flows from state to state and region to region and capital can also flow freely).

Used correctly, a whole of economy approach provides a more appropriate measure of economic impact than expenditure. In short, use of input output based models allow for reporting with respect to the estimated outcomes of the industry in terms of:

- ✦ The effect of expenditure or turnover on value added or incomes across a State/ regional economy; and
- ✦ In terms of job creation

These measures ensure that the analysis is consistent with national accounting frameworks.

It should be emphasised that this methodology includes the identification and inclusion of local (Victorian) expenditure associated with racing. The economic impacts determined by this approach do not represent the value that would be lost to the State if the industry did not exist. Generally, when considering expenditure by locals it is often held that substitution is a significant factor in whether that spending would be lost to the economy. Taking the racing industry as an example, it is likely (under a scenario where it no longer existed) that much of the local resident spend would substitute to other activities.

Depending on where this spending occurs the overall economic impact of that spending could be higher or lower than what it was when spent on racing.

What this study calculates is the level of direct and induced employment and income that is linked to people choosing to spend their entertainment dollar on racing (after allowing for imports which are used in the production process). This could be considered the gross economic impact of the sector and is therefore a measure of its significance generally. If a similar gross impact was calculated for every other sector of the economy, then the sum of the impacts would be considerably greater than the size of the economy in total. An alternative methodology would be to measure the net economic impact. Such a study would represent the extent to which this industry expenditure is supported by revenues that can be considered new to the state or region. This would include the supply of services by the local industry to racing activities interstate. It would also include the spending made by tourists or visitors to the state whose main reason for visiting is to attend/participate in the races and wagering by out-of state residents on local racing product. Finally, it would include industry revenues that locals spend where they would not spend it in the state but for their involvement in the activities of racing. It would also reasonably be expected that some race attendees would attend events interstate if they were not available in Victoria, and that some operators would base their operations interstate if this was the case. The information required for this assessment is not available, and as such is out of the scope of this analysis.

ESTIMATES OF EXPENDITURE BY THE INDUSTRY

This study of the Victorian racing industry is undertaken by firstly identifying the expenditures generated by the industry and then applying this expenditure to state input output model. The State input output model has been prepared using the latest ABS national input output table (2023-24) as a base and has been created using the location quotient method and using state labour force and national accounts data and updated to the relevant year for inflation. The model condenses the industry structure of the national input output table to a 26 industry sector level focusing on industries more directly impacted by production activity in the racing industry. The approach identifies the structural context of expenditure and then applies this to industry sectors from which point it is assumed that the general industry production function can be applied.

The estimated racing industry expenditure is determined at two levels. Firstly, the industry expenditure generated within each code of racing is identified, as well as the region in which this spend occurs. Secondly, final expenditures are allocated to the model's industry sectors. Expenditure on labour in the racing sector itself is allocated to the sport and recreation sector. By allocating these expenditures in this way, the imports required to support racing industry activity can be estimated for the production function of respective industry sectors and excluded as they represent a leakage from the state economy.

From an industry classification perspective, whilst "sport and recreation" is the dominant sector, there are significant purchases made from other sectors such as agriculture, business services, property services etc., while racing events include spend on food and beverage services and other general consumer spend.

ADJUSTMENT OF EXPENDITURES

The expenditure data is converted from purchasers' prices to basic prices, as the final expenditure data includes margins, taxes and subsidies and all monetary values in the input output model are expressed as basic values. The prime differences between purchaser prices and basic prices are that:

- ✦ Basic values exclude the cost of transport and wholesale and retail trade embedded in the purchase price (and allocate these to the transport and trade sectors).
- ✦ GST will be allocated to Gross Operating Surplus. In the modelling herein this is then considered to support Government expenditure (an implied revenue neutral situation).

The core assumptions to make the adjustments from purchaser price distributions to basic values are:

- ✦ The average value added in each of the industry sectors is extracted and then the GST component (at 10% - which is only paid on the value added) is deducted and separately identified. It is assumed that the value added coefficient for the arts and recreation sector understates that of the

spend for the racing industry as the cultural industry will be dominated by public sector institutions and not for profits - whereas the recreation sector is more commercial.

- ✦ The purchaser price is adjusted for the average margin for wholesale, retail and transport sectors, as identified in the national input output tables.

DISTRIBUTION TO REGIONS

The final expenditures outlined within this study has been allocated to regions across Victoria. The level of economic activity will not proportionally follow the expenditure, as regional areas generally have higher import penetrations than metropolitan areas (i.e. regional areas have a higher likelihood of needing to import products and services from the metropolitan area).

This study develops a regional input output model for each of the nominated regions. These regional models are created from the underlying state table and again using the location quotient method based on regional employment estimates for each region from the latest data available through the ABS Census. Outcomes for the regions are adjusted for feedback impacts to be consistent with the state level modelling results, with much of the feedback being assumed to occur within the Greater Melbourne area.

ACKNOWLEDGEMENTS

IER would like to acknowledge the contribution of the following organisations and individuals:

- ✦ Australian Bureau of Statistics
- ✦ Country Racing Victoria
- ✦ Greyhound Racing Victoria
- ✦ Harness Racing Australia
- ✦ Harness Racing Victoria
- ✦ Racing Australia
- ✦ Racing Victoria
- ✦ Responsible Wagering Australia
- ✦ Various Australian based wagering providers
- ✦ Victorian Breeders, Trainers & Owners who agreed to provide financial data
- ✦ Victorian Office of Liquor, Gaming and Racing
- ✦ Victorian Thoroughbred, Harness & Greyhound Racing clubs
- ✦ OzChase
- ✦ RISE Racing Pty Ltd

DISCLAIMER

This report (Report) has been produced independently by IER as requested by the Victorian Racing Industry (VRI) using a mixture of primary and secondary research data.

The report has been prepared to meet the requirements set out by the VRI within the terms of reference. The information, statements, statistics and commentary (together the 'Information') contained in this Report have been prepared by IER from a combination of data sourced within the three codes of racing and from Government and private sector businesses aligned to the racing industry.

IER has prepared this Report on the information that was received or obtained, on the basis that such information is accurate and, where it is represented to IER as such, complete. Some of the Information contained in this Report has not been subject to audit.

The analysis has been undertaken in a consistent format and with consistent assumptions to evaluations of other projects and studies of the racing industry (for consistency and comparative purposes). An input-output model, as used herein is an economy wide model which shows the inter-linkages between industry sectors in the economy. Therefore, the change in economic circumstances (specifically a change in final demand) for one sector of the economy (e.g. through a major project) can be traced through to its effect on other sectors, allowing a more comprehensive look at the effects of the project. It is based on assumptions that all changes in final demand can be met by the economy without constraint.

A computable general equilibrium (CGE) model is also an economy wide model and has a similar outcome but differs from input-output models in that it includes supply side and macro- economic constraints, thereby limiting the extent that the change in final demand will be fully captured in other sectors (because of market limitations). The labour market is in effect the most significant constraining factor. At the national level, such constraints will be critical, and as such national impacts are best assessed in this framework.

However, at a State level, where supply constraints in the labour market are demonstrably small (responded to by immigration) and there are also limited capital market constraints - the estimates of jobs and GSP outcomes are of a similar order of magnitude at the State level. Both models would generally show a project in one region causing a positive effect in that region. A CGE model would show that project causing negative impacts in other regions to heavily offset the gains. In this analysis, we are clearly concerned with the impacts on the State economy.

Definitions

The following terms have been used throughout the study and are defined as follows:

- + **Direct Expenditure** - is defined as expenditure associated with producing racing animals (breeding and rearing), preparing racing animals (training), racing customer expenditure, expenditure in Victoria funded by wagering revenues and expenditure by PRA and racing clubs on operating the industry. Direct expenditure is counted at the point at which it leaves the racing industry and hits the broader economy
- + **Direct Economic Impact (value added)** - represents the amount of income included in the direct in-scope expenditure, and therefore is the amount of wages and salaries plus gross operating surplus directly created in supply these services and product, which is also equal to the direct in-scope expenditure less the purchases the provider of the goods and services makes in providing the goods and services
- + **Indirect Economic Impact (Flow-on Impact)** - represents the value added activity generated to support the purchases made in providing the inputs to the providers of the direct services, along with the value added impact in providing households with goods and services as they spend their wages, and the trickle on effect of this
- + **Total Value Added** - is the sum of the Direct Value Added plus the Flow-on Impact - which represents the total wage and salary income plus gross operating surplus generated directly in providing the goods and services involved in the direct in-scope expenditure and the wages and salaries generated as an extension. It therefore represents the contribution to Gross State Product resulting from the events and activities of the three codes of racing in Victoria
- + **Full Time Equivalent employment** - is a unit that indicates the workload of an employed person in a way that makes workloads or class loads comparable across various contexts. An FTE of 1.0 is equivalent to a full-time worker (i.e. 38 hours), while an FTE of 0.5 signals half of a full work load (i.e. 19 hours).
- + **Household income** - is defined as being wages and salaries (before tax) earned from employment generated by the thoroughbred, harness and greyhound industries
- + **Participants in racing** - is defined as being the number of employees (full time, part time and casual), participants and volunteers directly involved in the Victorian racing industry. Does not include down-the-line suppliers of goods and services. Note: due to data kept on licensed participants, it is likely that there is some level of duplication in the analysis of participants in racing.
- + **Input-output modelling** - is the economic modelling used to determine the economic outputs within this study. It is an economy wide model, which shows the inter-linkages between industry sectors in the economy. Therefore, the change in economic circumstances (specifically a change in final demand), for one sector of the economy can be traced through to its effect on other sectors.



**Racing
Victoria**



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