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Sent: 06/11/08 04:05
To: Bob Lette
Subject: HRA Wagering Forum
Sensitivity: Confidential

Bob,

Barry is prepared to participate but worries that the challenge by Corporate Bookmakers to the Race Fields legislation is very important and it may be more productive if you see the outcome of that first.

I quote his comments which are very sobering.

"Given that the corporates are about to launch a challenge to race fields legislation, it would be wise to see what that decision is before scheduling a meeting (assuming that the case is heard quickly). I don't know that I can bring anything new to the debate, but I can emphasise that if funding shifts from 6.24% of sales (current totalisator funding at 39% of revenue) to 1.5% (typical race fields fees), then the funding available to the racing industry will suffer. Harness racing represents only 13% of UNITAB Wagering's totalisator business and is likely to suffer most. The current economic circumstances are less than favourable to both the top end of town and the battlers, thus ownership and available bloodstock is likely to decline at the same time funding is. Less racing means less funding and less funding means less racing. When we look back in 20 years, the tote business will be secondary to fixed price betting, and the majority of fixed price betting will be held on sport rather than racing."

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If corporate bookies take any more of the market I don't like the prospects for the future. Why don't we now ask state Governments for a reduction in wagering taxes?

Kind regards

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