

CENTRE FOR SPORT
AND SOCIAL IMPACT
**LIFE AT THE TRACK:
COUNTRY RACE CLUBS
AND SOCIAL CAPITAL
RESEARCH REPORT 2010**

Acknowledgements

We wish to thank the many Country Race Club members and other local community leaders who gave their time to participate in the interviews. We are grateful for their responsiveness as well as their insights into the role of country race clubs in fostering social capital. Their contribution to the study was invaluable. The assistance of staff at Country Racing Victoria, particularly Jamie McGuinness is gratefully acknowledged. Thank you to Dr Paula Tomsett at La Trobe University who coordinated and completed many of the interviews and generally assisted with the study.

**Professor Russell Hoye and
Associate Professor Matthew Nicholson**



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Executive Summary

Country Racing Victoria (CRV) commissioned La Trobe University to undertake a study into the social impact of race clubs in rural and regional communities in Victoria. The aim of the project was to identify how country race clubs contribute to the creation, development and maintenance of social capital within rural and regional communities:

Face to face interviews were conducted with representatives from seven race clubs of varying sizes throughout Victoria. The clubs were selected to be broadly representative of race clubs situated in different sizes of local populations, the number of race meetings held annually at respective clubs, and annual on-course race day attendance figures. For each selected race club, between five to six interviews were conducted with board members, CEOs/GMs, other senior staff as well as key informants from the respective local community for each race club such as elected politicians (i.e. local shire President or Mayor), and leaders of community and business groups such as Apex, Lions, Rotary and local Chambers of Commerce. A total of 36 interviews were conducted.

The research found that social capital was manifest in the events conducted by country race clubs, the ways in which race club committee members and staff engaged with the community and via the facilities and infrastructure that are both provided by and support country racing. The research conducted in this study revealed that:

- ▶ Race clubs provide significant social benefits for their communities in addition to the well documented economic benefits of country race clubs.
- ▶ The facilities that support racing, racing related events and non-racing events either run by race clubs or facilitated by them, are a locus of social capital.
- ▶ The type and extent of social capital created by and maintained through country race clubs is dependent in part on the types of racing conducted. Race meetings and race related activities (such as horse training) create a direct social network within the racing industry that appears to provide significant emotional and financial support to those involved. Cup and major race meetings create indirect social networks or build on existing social networks, by giving community members opportunities to gather, socialise, celebrate and interact in a positive social environment. This type of social network is particularly important in regional and rural areas.
- ▶ Country race clubs develop and utilise social and commercial networks that are dependant on norms of reciprocity in which the club and its community is engaged in a 'give and take' relationship. These norms of reciprocity are a form of social lubricant that enable the club and its community to function effectively.
- ▶ There is general agreement about the role of country race clubs, however, there are significant differences between the clubs in terms of what aspects of their purpose and function are emphasised. Some clubs are focussed on running race meetings and delivering an economic benefit to the club and the community, while other clubs are focussed on expanding their revenue base and facilitating a range of racing and non-racing events that connect them with their communities in ways that engage their communities and create significant amounts of goodwill.

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- Members of committees of management and CEOs are important agents in creating, maintaining and utilising social capital. Many of the clubs view the role of members of the committee of management as creating links with the community, while CEOs in medium to larger sized clubs are increasingly engaging with and enhancing their club's social and community activities.

It was concluded that Victorian country race clubs create, maintain and utilise significant amounts of social capital, which complements the significant economic and financial benefits they have for their communities. In many respects the social and economic benefits communities receive are directly connected, for without the social capital created, maintained and utilised by country race clubs, the economic benefits would be reduced, or significantly more difficult to realise. The social capital created and maintained by the race clubs is also highly valued in its own right by the communities in which they reside. Although almost impossible to quantify in the same way as an economic benefit, this social benefit should not be underestimated, particularly in terms of the health and wellbeing of rural and regional communities.

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Introduction

Country Racing Victoria (CRV) commissioned La Trobe University to undertake a study into the social impact of race clubs in rural and regional communities in Victoria. The aim of the project was to identify how country race clubs contribute to the creation, development and maintenance of social capital within rural and regional communities:

Country race clubs are considered to be an important focal point for communities, particularly in rural and regional areas (Centre for Strategic Economic Studies and Centre for Hospitality and Tourism Research, 2006). Local government authorities play an important role supporting the operations of country race clubs and may offer varying levels of direct and indirect assistance in maintaining and developing infrastructure. Local communities are also integral to the viability of country race clubs as they require local community groups and businesses to support them through entering into sponsorship agreements, supplying goods and services on event days and attending race meetings.

The relationship between a country race club and their respective community can be analysed through the lens of social capital. Studying social capital from the perspective of how specific organisations may contribute to the creation, development or maintenance of social capital is conceptually and methodologically difficult (Productivity Commission, 2003). However, country race clubs provide an excellent opportunity to do so due to their specific role in drawing together a range of disparate community groups to a single location or an event. It is important for organisations such as CRV to be able to articulate its social contribution in order to gather support from other agencies such as local government authorities (LGAs), nonprofit community groups, wagering bodies and state governments to support their activities. This study attempts to assist this aim by exploring the contributions of country race clubs to social capital within rural and regional communities.

Country Racing Victoria Limited (CRV), the governing body for non-metropolitan racing in Victoria is responsible for facilitating the conduct of racing in rural and regional communities. CRV has an operational budget of more than \$63M, and co-ordinates more than 450 country race meetings every year that attract more than 600,000 spectators (CRV, 2007). Presently, CRV represents 49 race clubs from outer metropolitan Melbourne to remote rural areas of Victoria and is responsible for the profitable conduct, management, planning and development of non-metropolitan racing in Victoria (CRV, 2007). As a non-profit registered company, CRV is answerable directly to its member clubs, which are in turn governed by volunteer committee members. For CRV to deliver coordinated programs across the state requires them to work with each of these approximately 600-650 committee members.

This report outlines the method used to undertake the research, the findings, and the conclusions.

03 | Method

Semi-structured interviews with key informants such as volunteer board members and paid staff who are involved in the governance and operation of country race clubs, as well as elected local politicians and leaders of community and business groups were the primary sources of data. The project collected and analysed data on the perceptions of these individuals on how race clubs contribute to the creation, development and maintenance of social capital.

Seven country race clubs were selected using purposive sampling based on the size of the local population serviced by the race club, the number of race meetings held annually, and annual on-course race day attendance figures. Victorian race clubs typically fall into three broad types based on the number of race meetings held each year (Category A, 20+ meetings per year; B, 5 to 18 meetings; or C, 1 to 3 meetings). CRV maintains a comprehensive database of race clubs, race meetings, race day attendances, and local population data, as well as details of race club organisational and governance arrangements. For each selected race club, between 5 to 6 interviews were conducted with board members, CEOs/GMs, other senior staff as well as key informants from the respective local community for each case study club such as elected politicians (i.e. local shire President or Mayor), and leaders of community and business groups such as Apex, Lions, Rotary and local Chambers of Commerce.

The clubs were:

CLUB	Bendigo Jockey Club	Echuca Racing Club	Yarra Valley Racing Club	Hamilton Racing Club	Bairnsdale Racing Club	Swan Hill Jockey Club	Avoca Racing Club
CATEGORY	A	B1	B1	B1	B2	B2	C

The interviews gathered data on the perceptions of race club volunteer board members and staff and selected community representatives of how race clubs contribute to the creation, development and maintenance of social capital. Semi-structured interview schedules were used for the interviews to ensure consistency and minimise interviewer bias in the data collection procedures. Each interview was tape-recorded, transcribed and analysed using NVIVO. The study employed triangulation through a number of data sources (interviews with board members, paid staff and community members) in order to strengthen the validity of the analysis and subsequent conclusions drawn from the study.

At the commencement of each interview, the researchers introduced themselves and explained the purpose and procedures of the interview. The interviewees were asked to read and sign an ethical clearance/informed consent form. Each focus group was audio-taped and transcribed. The transcripts for each interview were used to probe emergent themes in subsequent interviews. The data analysis employed qualitative procedures aimed at uncovering themes in the perceptions of interviewees regarding the factors associated with social capital creation, development and maintenance. The underlying themes emerged after several phases of response coding.

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Statements were coded firstly using an open (or initial meaning code) and secondly an axial (or categorisation of open codes) coding scheme recommended by Miles and Huberman (1984). Where statements had several identifiable points they were duplicated and coded with appropriate separate codes. Thus statements could have several codes and the number of codes would tend to be more than the number of subjects. The coding procedures retained the essential meaning of the information provided about the role of country race clubs in creating, developing and maintaining social capital but constant comparison with other statements and previously used codes ensured a reduction of the variety and details of descriptions. A check of the reliability of coding was conducted using two coders independently analysing the same set of statements. It showed a high degree of consistency between coders' choice of codes for statements.

3.1

Limitations

This study does not claim to present views that are fully representative (in a statistical sense) of the views of race club members and staff and community members in all race clubs. All care was taken by the researchers to ensure the data collection and analyses were not dominated by any particular club or category of informant by actively seeking the views of both race club and community members associated with race clubs of varying sizes.

04 | Findings

The findings are presented in six sections that reflect the major themes that were evident from the interview data. First, some initial comments are made about the notion of the community benefits derived from race clubs and how the responses of the interviewees relate to the concepts of financial and social benefit. Second, the various uses of race club facilities are explored in relation to their social impact. Third, the types of social networks that are created and maintained by each of the various types of race meetings are discussed, as well as the utility of these networks. Fourth, the notion of reciprocity is examined as it relates to the social networks and commercial relationships in which race clubs are involved. Fifth, the role of race clubs is explored, with particular attention to the purpose of race clubs in the community and how the interviewees perceived their function in delivering a social benefit to their community. Finally, the governance and management of race clubs are examined, as they relate to the roles of the members of committees of management and CEOs in facilitating social networks and linkages between race clubs and their communities.

4.1 Community Benefit

As part of this research, interviewees were asked about the community benefit of the racing clubs in their city or town. Almost without exception, the interviewees clearly articulated an economic or financial benefit that flowed from the club to the local community. Although this research was focussed on the creation and maintenance of social capital, or the social benefit created by racing clubs, it is important to understand the way in which the interviewees responded to questions about community benefit and what impact this has for a study attempting to explore largely intangible issues based on perceptions of key individuals. Many of the interviewees who participated in the study were able to cite or comment on previous research that had been done by racing industry bodies or local councils that suggested there was a significant economic benefit to having a race club within the local community. Most of these interviewees were able to identify jobs and the money that flowed through the community from accommodation and restaurant tourism, particularly facilitated by cup and major race meetings, as the primary components of this economic benefit. Some of the interviewees suggested that the economic benefit to their community was in the order of many millions of dollars and some talked about primary and secondary spending, indicative of at least a base level knowledge of a 'multiplier effect'.

In contrast, some of the interviewees were unable to clearly identify a community benefit that might be considered social. This can be explained in three ways. First, race clubs are often perceived as centres of commercial activity (compounded by the fact that racing revenues are predicated on wagering turnover), and as such the primary and overwhelming association that interviewees (and possibly the broader community) have with their club is an economic benefit to their city or town. This is exacerbated in small towns in which tourism is a large component of the economy and the race club makes a significant contribution through hosting Cup and major race meetings.

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Second, it was apparent that some of the interviewees had not considered how a social benefit might be created by the club or how it might be manifest in the community. This was not necessarily because it didn't exist, but rather that they had not considered this issue as part of their everyday jobs, lives or involvement with the race club. On the other hand, many of the interviewees in positions of significant authority and responsibility, such as race club CEOs and presidents were able to identify a social community benefit, largely because they had thought about the issue as part of their involvement with the club prior to the interview, not simply as part of the interview process.

Third, many of the interviewees found it very difficult to conceptualise what a social benefit might be, or what social capital might look like 'on the ground' as it were. Thus, it was at times difficult for the researchers to elicit information in the first instance about social networks created by and through the race clubs. Again, those interviewees in positions of authority and responsibility were more able to do this, largely because they realised these issues were important in securing the long-term future of their clubs, and had recognised in general that the social links and networks created and facilitated by the club were an essential driver of success, through increased attendance, commercial patronage and community goodwill.

4.2 Facilities

All of the interviewees viewed their respective racing clubs as important and valuable providers of community facilities. The various racing clubs involved in the research provided venues or facilities that have a wide range of uses, categorised or grouped as follows (the social function or utility of each of the uses is summarised in parentheses and explored in greater detail in following sections):

- ▶ *Race meetings*
Largely opportunities for the community to gather together; particularly true for cup and major race days;
- ▶ *Training and exercising of horses for the purpose of racing*
This took place to varying degrees at all of the racing clubs that participated in this research (the social benefit of this activity largely resides in the community of racing industry workers);
- ▶ *Functions*
The clubs have rooms which are either hired out or donated to the public (through the conduct of weddings, work gatherings and twenty-first birthday parties, the clubs were perceived as social spaces in which members of the community interact. Interestingly, the vast majority of interviewees viewed this as a social benefit, despite the fact that on most occasions the clubs hired the facilities at commercial rates);
- ▶ *Other horse use*
Riding for the disabled, pony club and other horse events were conducted at many of the clubs' grounds (the activities of these other groups were not examined in great detail by any of the interviewees, but in many instances the granting of access to these groups by the racing club was interpreted as a social benefit or good, which might not have existed were it not for the generosity of the club);

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► Other use

The most varied category, with the race clubs acting as a venue for shows, markets and other major events (in some instances the clubs were active in soliciting other events, as well as facilitating and managing them, while in others the clubs merely hired out the facilities to third parties for commercial gain);

► Public use

Some of the clubs have the space and capacity to open up their facilities for public use, such as dog-walking, walking and jogging. This is most evident where the club is located close to the town or city, or is close to a residential area (the interviewees did not refer to a direct social benefit that existed in this respect, but rather the sense of community ownership that could be generated by this type of public use);

► Crisis use

Although it is a minor part of this report, it is worth noting that some of the clubs that participated in this research were used by the local community, the CFA and the DSE as staging areas during the bushfires in February 2009 (there are obvious social benefits to this, which relate to more than the conduct of racing – in these instances the racing clubs are an important and much valued community resource. It is also likely, according to the interviewees that the community are more engaged with the racing club post crisis and more aware of its community value).

The racing clubs that appeared to be most successful in generating social benefits or social capital through their activities were those that did more than use their facilities for the conduct of race meetings and the training of horses for the purpose of racing. These clubs were active in attempting to include the community in the activities of the club, by facilitating and managing non-racing based events and by opening up the club facilities to public use. As indicated by the following comment, this community relationship has flow-on benefits:

'it's too good a facility to be locking up the gates and locking people out and turning them away. So by opening the gates and involving people in the club, it does have benefits. I mean those people will become advocates for the racing centre, you know, they talk about our [race] meetings in a positive way ...'

Those clubs with good commercial facilities (such as a function room, restaurant or bar) were also able to create links with the community, but often the racing club was competing with other community facilities in the same city or town. Clubs that were geographically distant from the city or town, were not located within a residential area or precinct, attracted few non-racing based events and did not facilitate public use were less able to create and sustain social capital outside their Cup and major race days.

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4.3 Types of race meetings

The research revealed that the racing schedule has an impact on the social aspect of racing and the social benefits that might be created and sustained as a result of race club activities. Many of the interviewees referred to the move to weekday racing and the impact that this has had on the ability of race clubs to engender social connections and social activity among the community:

'...the races aren't on a Saturday now anymore ... now they're on Mondays, Tuesdays ... no-one goes there'

'...we might race on a Monday or Tuesday and people have got to work, they can't just go to the races. That's where the social side of things have fallen down over the years ...'

It was also clear that according to some of the interviewees, this change was a result of the requirement to meet the needs of betting providers and broadcast partners, as illustrated by the following comment:

'...we race nine, ten times a year. People don't have to leave home now. They can listen to the wireless, they can go down, nick into the pub, watch it on TV. So, with all the television, internet, etcetera, people don't actually have to come to a race meeting if ... if they're just wanting it from a punting point of view...'

It was evident from the research that a proportion of the race meetings conducted by country clubs are for the benefit of betting providers, broadcast partners, owners, trainers and jockeys. In essence, a proportion of race meetings, usually those conducted mid-week and not considered 'major' dates, are for the benefit of the racing industry, rather than the local community. This is not to suggest that these race meetings do not have an economic benefit, which they do, but rather that these race meetings are largely conducted for a small band of committed race-goers and that the vast majority of the local community are not involved and possibly not interested in these race meetings.

On the other hand, it is also evident that the country race clubs all have a series of Cup, major and themed race days which either attract a significant proportion of the community, significant numbers of tourists or cater to a large niche market. These race meetings, according to the interviewees, are significant opportunities for the community to gather together to celebrate their communities, interact with their friends and neighbours and socialise in ways that their everyday business and social lives might not allow. As noted by one of the interviewees:

'your racing enthusiasts will go to every race meeting, but ... social butterflies, they'll only attend the bigger days, and I think racing's become a real social thing rather than a racing thing. Racing's got its importance but, I think what it contributes socially is a more important thing as far as crowd numbers are concerned'.

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Many of the interviewees noted that country cups were a very important social and community outing, as illustrated by the following comment:

'I think it's one of the only events that we have ... that actually really probably does get the support of 90% of the community. We hold a lot of things [in this town] that aren't attended well by the community for various reasons, but this one seems to draw most of the community to it ...'

In most instances the town or city's Cup day was a designated public holiday. It appears that keeping the link between race club Cup days and public holidays might become increasingly difficult because of the geographical coverage of some councils and simple logistical problems, however, it is clear that aligning Cup days and public holidays is important, if not essential in keeping these events as vibrant social gatherings. Many of the interviewees indicated that Cup days were an opportunity for family members, particularly children who might have moved to metropolitan areas for study or work, to return home to the area and attend a major community event. While it is true that other community events, such as agricultural shows, might also serve this function to some degree, the attendance figures for country Cups appear to be indicative of their importance and prominence within their communities.

The data gathered throughout this study also indicated that race clubs had successfully created other major race meetings through innovative scheduling, or by appealing to a niche market. Many of the interviewees commented on a variety of non-cup race meetings that were very popular with the community, either because they were well scheduled, had a strong history, were held in conjunction with other community events, had a range of other associated functions, or had evolved to cater to a specific group of people. In each instance, the race clubs had successfully created an experience for those attending that focussed on social rather than racing activities.

4.4 Commercial relationships and reciprocity

Access to resources and reciprocity are two of the key aspects of social capital. Through the development of social relationships it is said that individuals, groups or communities might be able to obtain access to resources, whether these be physical, human or financial. Furthermore, when social capital stocks are high, it is likely that these individuals, groups and communities can expect some form of reciprocity. This is not to say that they demand it, but rather that the strength of the social relationship or bond is such that the act of reciprocity is likely to either strengthen the bond or keep the cogs of the relationship greased sufficiently so that it might continue to operate in the interests of the involved parties. It is clear from the research conducted into country racing clubs that there is significant social capital, which is often manifest in commercial reciprocity and is often facilitated by the members of the committee of management or by the CEO.

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This notion of reciprocity is neatly encapsulated in the following comments by two of the interviewees:

'if a business supports you, then you should support them ... and you own a business, you should support them back. For example ... if you know the racing club buys paper from someone down the street, then that business then should support the racing club back by going to functions or things like that'

'if you have any involvement with any local community group, whether it's at a race day itself or whether you go and spend some time helping out one of these other groups, well you always seem to see that flow on to patronage and all that sort of thing ... you might work with someone on some committee ... and then you know a month later you haven't seen them at a race meeting before, but there they are ... [that's] the way they support the club'.

Often this reciprocity can have significant benefits for the local businesses in the area, particularly where the club has a policy of 'buying local' and supporting local businesses. It can also work the other way and have significant benefits for the club, as illustrated by the following comment by a race club committee member:

'we had a \$70,000 job done for \$25,000 which was an enormous saving, and we really thank those businesses dearly for that. There will be a trade-off – we've got to give them some more signage, etcetera, when we have a Cup day or our Christmas break-up theme day, they'll come in on a huge concession if they wish on those days. But that is just one small way that the club can reciprocate to these businesses that have put their hand in their pocket, so to speak, to help the club'.

At all of the clubs there are also formalised modes of reciprocity, such as the relationships that exist between the clubs and the various service organisations in each of the geographical regions, such as Lions, Apex, Rotary and Kiwanis:

'...service clubs provide us with a degree of labour on bigger days. So, service clubs will come in and do our car parking and do our track patching and bits and pieces where they'll bring a team of their members out ... their members donate their time and then we make a donation back to their service clubs'.

This mode of reciprocity operated at all of the clubs that participated in the study. Most of the interviewees saw this as an example of the club's ability to provide the community with a benefit through formal links, as illustrated by the following comment:

'we facilitate fundraising opportunities for a number of charities and projects in the area. That might be with service groups that do certain things on behalf of the club, whether it be car parking or something to raise funds for whatever ... we'll use our event to facilitate fundraising ... [it's] the club's [way] of being proactive in the community.'

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It was acknowledged that some of the clubs might not be able to cope without this valuable source of labour, however, very little was mentioned of the fact these people were working as volunteers, in order to raise funds for the service organisation to do something worthy within the community.

All of the clubs that participated in the study were also engaged in formal reciprocal arrangements with the local state and independent schools in the area. In many instances these links appeared to benefit the schools greatly, particularly in terms of their fundraising efforts. On the other hand, these arrangements also appeared to benefit the club in terms of increasing attendance at specific race meetings. Many of the clubs also had relationships with the higher education providers in the area, although these seemed far more ad hoc and less formal than with the primary and secondary schools.

4.5 Role of race clubs

Many of the interviewees were able to agree on the purpose, role and mission of country race clubs and their racing club in particular, which can be categorised in three key ways: first, the provision of racing and racing related services and facilities (e.g. for the training of horses); second, the provision of events and entertainment that facilitate economic benefits, community involvement and social benefits; and third, the provision of community facilities that facilitate a range of activities that serve to broaden the club's revenue base and link it to the broader community. It should be noted, however, that all three purposes or functions were not present in each racing club to the same degree. All interviewees involved with the race clubs directly were of the belief that the provision of racing and race meetings was the core purpose of the clubs. However, the differences lay in the way in which this provision of racing was manifest. Some saw the role of the club almost exclusively in the provision of economic benefits to those employed within the industry or to the town or city through tourism and associated activity, whereas others saw the role of the club as a physical space that was important to the community and where a range of activities took place. In this respect, racing and the money it produces is able to facilitate a range of other community outcomes.

Although both these two broad perspectives on the way in which the clubs can fulfil their purpose rely on race day attendances, they approach the issue in vastly different ways, which in turn has an impact on social capital and community benefit. Clubs that focus on the provision of racing and use the economic benefit that flows through the community as the primary justification for their existence appear more isolated from their communities, whereas those clubs that consider their activities and facilities as a community resource appear to be more connected and have greater levels of community support and social capital.

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The three distinct purposes of the race clubs all have a specific impact on social capital and the social benefit that communities receive. First, through the provision of racing and racing related services such as training, a direct and deliberate social network is created among the people that work in the industry, as illustrated by the following comments:

It is '...social networking for people that ... come here and meet, have an interest in racing: owners, trainers, jockeys ... various groups all come here to do their work, but it's also extended friendships that develop from that ...it's just like an extended family.

'...250 horses go round on the training track and that obviously leads to ... feed suppliers and farriers and vets ... plus track riders and stable hands and so it's sort of a fairly tangled sort of web of people ... that are involved'

This social network of people in related professions within a small community should not be underestimated, as these people are likely to provide each other with physical, emotional and social support, which is important in regional and rural areas. This network or web of people extends to owners, trainers, jockeys, track-riders, stable hands, farriers, vets, horse dentists and feed suppliers, as well as those people who are directly employed by the clubs in administrative or facility orientated roles (such as ground keeping). It can also include or draw in a range of other professions and services as required, such as caterers, plumbers, builders, butchers, bakers, sign-writers, etc. In a small rural community this network is likely to represent a significant form of social as well as financial support. In small country towns where the Cup day is a major occasion, this social network might extend to include most of the community, as various organisations, groups and individuals are involved in fundraising or other service roles:

'everyone in the town is involved in some shape or form pretty well over that weekend'.

Second, the provision of events for the purpose of entertainment has a significant social impact by bringing people in rural communities together. It is also clear that this has increasingly become the emphasis of many country racing clubs, as illustrated by the following comment:

'the role [of the race club] has changed quite a bit over my time in racing ... it used to just be for industry people, but over the past few years there's been a swing towards a more social aspect of it, which I guess culminates with our carnival and the girls' marquee, which sells out every year'.

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This can be described as an indirect social network. Many of the people are likely to already know each other, but gathering together at the races allows them to socialise in a different environment, to enhance old social networks or build new ones by meeting new people or capitalising on distant friendships or acquaintances. As indicated by several of the interviewees:

'the racing club has actually gone beyond its role as a recreational venue to being very involved in the community and providing ... a gathering place for the community'

'the role of the race club in the local community from our perspective is huge because it's the biggest function area, social gathering area within [the district]'

'on race day a lot of these people we do every day business with are here ... it's a business type thing that we do every day whereas when we do meet on the race track it's a social day out ... it's an event that makes people relax and bond and exchange community ideas'

'it does really provide a social outlet for people ... in the community as locals have something to do and to come and hang out with their friends and meet new people and things like that, which is important in small rural communities'.

Based on the responses of the majority of the interviewees, the impact of losing a Cup day or major race meeting that would be attended by a large proportion of the community would be a significant, if not devastating loss to a local community, particularly those that are small and isolated from large cities or metropolitan areas. In several instances it appears that the local councils have predicated their financial support of the race club on the basis that it not only provides an economic benefit to the community, but that it also has an identifiable social benefit.

Finally, the provision of the race club's facilities in support of other community activities, which invariably involves social interaction, is another way in which the race clubs act to build social capital. This is accomplished through clubs either simply acting as commercial providers of a facility or space for rent or, alternatively, at no cost. This is exemplified by the following comment:

'race day is where you get to meet the majority of your neighbours and exchange a lot of different subjects and ideas and have a good time and have a drink ... I initially saw the role of the race club as being that, as bringing members of the community together. It's only in more recent years that we've come to the view that the race track is a community asset and can be used for a lot more things other than racing'.

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These supplementary activities are often developed through negotiation with the local community, or are developed by the race club and evolve into some form of shared ownership. As noted previously, it is interesting that in many instances the provision of these facilities is deemed to be an act of social generosity or responsibility, and yet the club is acting as a commercial provider of a facility. It should also be noted that in some smaller communities, the facilities contained within the racing club's infrastructure are unique and therefore quite valuable, physically, economically and socially. It appears that those clubs that have been more active in developing social networks and activities through the use of their facilities have been more successful in not only broadening their revenue base, but convincing local council and the local community of their social contribution to their respective communities.

In the context of the role of race clubs, it is important to note that many of the interviewees believed that there was a lack of awareness within the community about the nature and structure of country race clubs. Most believed that the money and wagering associated with racing gave people the false impression that racing clubs were profit making entities, when in fact the race clubs operate essentially as non-profit sport organisations:

'I think people easily forget too that race clubs are not for profit organisations on their own, you know we get a lot of requests ...[to]...donate funds. Our funds are to generate things that promote and foster horse racing, but because of those activities there's a lot of secondary benefits for the community'

Many of the interviewees made the comparison with local football, cricket and netball clubs, but suggested that most of the community do not view them as similar. One key point of difference is that race clubs usually have paid staff, which might represent an image of professionalism, and by association, profit-making. As noted by one of the interviewees:

'we're very mindful of making sure that the community see this as their club and not some profit-making sort of gambling ... people ... don't associate what we are, which is a not-for-profit sporting group, they don't look at racing that way ... we're just a community based not-for-profit sporting group'.

Most of the interviewees agreed that it would be good to attempt to correct the misunderstanding that the race clubs are profit-making entities, although there was little agreement on how this might be achieved. In several interviews the role of the media and public meetings were canvassed in relation to this issue, but concrete ideas about how community ideas could be altered were less forthcoming. Overall, it appeared that the place of country race clubs in local communities would be strengthened if local communities were more aware of the status, structure and operational constraints faced by country race clubs.

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4.6 Governance and management

The perception of the background and skills required to be a race club committee member varied considerably among interviewees and between clubs. However, these diverse views are able to be conflated into three distinct groups. First, some interviewees expressed the opinion that committee members must have a racing background. In other words, in order to do the job of a committee member properly, the individual needed an intimate knowledge of racing and how a race meeting operates. This was particularly true in clubs where a more hands-on or operational approach was taken by the committee. However, it appears that the need for a racing background is diminishing as the roles and responsibilities of committee members change, as the following comment indicates:

'I've seen boards that are really focussed on racing and want to sit around and decide over programming a 1200 metre maiden or a 1400 metre maiden and will debate it for an hour or whatever, but those times are gone'.

Second, a significant group of interviewees expressed the opinion that the contemporary racing club committee member should be responsible for making connections with the community, and it was therefore important to have a diverse range of committee members, with a variety of links and community networks: 'the most important link to the community is the committee'. This view was most often expressed in the context of securing greater attendance to major race meetings conducted by the club. In this sense, the role of the committee member was limited to a form of social marketing. The notion of the committee as an essential link to the community is exemplified in the following comments:

'...connection with the members or in the local community, that's what I see [as] their role and that's the way they see their role ... it's not pricing the beer or unloading the truck and whatever. It is at a higher level and connecting with the community'.

'I'm sure it didn't happen a decade ago. They were the race club and they ran race meetings. Now they realise with branding, they've got to be out in the community to get community support, and their funding depends on membership and those sort of things, so, they are out in the community'.

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Finally, many interviewees were of the opinion that the committee of management of a country racing club needed to be composed of a group of people with diverse skills that could help the club and the CEO to oversee, but not necessarily be involved in the operations of the club. In the majority of the larger race clubs, a mix of the final two perspectives was apparent. In other words, a diverse range of people and skills had been co-opted onto the committee or board and one of the functions of the committee members was to engage with the community. This engagement was viewed as essential in making links with the community that would improve attendance and stimulate goodwill. It is clear that committee members within smaller clubs may still need to conduct operational duties in the absence of paid staff or other volunteers.

This mitigates the ability of these committee members to engage significantly with the community. In many respects, the medium sized clubs are very well placed, as they have relatively small communities and a paid race club staff that allows the committee members to be highly involved in promoting the club within the community.

It was clear from the data collected through the interviews that there is a strong correlation between the capacity of the CEO and the capacity of the race club to generate social capital. It should also be noted that part of this capacity is linked to the tenure of employment. CEOs with full-time employment at the race club have a far greater capacity to bring about activities, events and community connections that lie outside the traditional sphere of racing. Given that these additional activities, events and connections are directly linked to the social capital that the club can create, maintain and utilise, it stands to reason that clubs with full-time CEO are in a much stronger position. In some respects this might appear counter-intuitive, given that people in smaller communities are more likely to be linked in an intricate web of social relationships. While this is true, these clubs generally have limited capacity to extend themselves beyond the provision of racing, and often have little need to expand their revenue base, which generally requires far greater levels of community interaction, communication and negotiation.

05 | Conclusions

The aim of the project was to identify how country race clubs contribute to the creation, development and maintenance of social capital within rural and regional communities. Based on the findings of the research, it was concluded that Victorian country race clubs create, maintain and utilise significant amounts of social capital, which complements the significant economic and financial benefits they have for their communities. Furthermore, the social and economic benefits communities receive are interdependent, for without the social capital created, maintained and utilised by country race clubs, the economic benefits would be reduced, or significantly more difficult to realise. In other words, the social capital that is created, maintained and utilised by race clubs in country Victoria is a form of social and commercial lubricant that makes race clubs more effective, as well as socially connected.

The race club facilities maintained by the race clubs, the wider racing industry and the local communities are an important locus for social connections and ultimately social capital. In many communities the physical space provided by the race club is an important community facility, where different communities of people come together at different times to develop and enjoy different types of social networks. It is impossible to distil the social capital created, maintained and utilised by race clubs into one form or mode, because the facilities provided by the clubs are used in so many ways and by different individuals and groups. However, maintaining or enhancing existing social capital is likely to be achieved by broadening the access to the facilities provided by race clubs.

The research revealed that Cup days and major race meetings are important social gatherings for rural and regional communities. The social capital developed and maintained through these events are predicated on the ability of the community to gather together, which in turn is largely dependent on these race meetings coinciding with a designated public holiday or being held on weekends. The maintenance of social capital associated with the race club in these communities is also dependent on developing and maintaining positive relationships with local government authorities as well as race clubs being cognisant of the key role that volunteer committee members have in developing and maintaining links with other community groups.

The study revealed that the race clubs in country Victoria are engaged in a complex web of social and commercial relationships. Reciprocity is at the heart of social capital, in the sense that strong social networks are formed when individuals and groups engage in activities which develop and sustain mutual trust. This appears strong in many of the race clubs that participated in this study, particularly those that focus much of their non-race activities on what might broadly be called 'community development'. Those race clubs that actively seek to engage in strategies to foster social capital appear to secure greater levels of community support and recognition, that in turn, supports their core focus on racing activities.

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As the role of race clubs appears to have changed significantly in the last ten years, so too it appears that the governance and management roles have changed. Committees of management appear far more focussed on governance rather than operations, while they also appear to be concentrating on making linkages with the local community for the benefit of the club. In essence, this means that members of race club committees of management are utilising their personal social capital. Similarly, the most effective race clubs have CEOs who create, maintain and utilise social capital within their local communities. It is clear that CEOs who are more socially connected have a greater capacity to access the resources of the local community, and in turn the local community have greater access to the race club. In other words, race clubs that have committees of management and CEOs with high levels of social capital are better managed and more useful to the communities in which they are located.

Although many of the interviewees that participated in this research were quick to cite or explain the economic benefit that racing confers on their communities, the social capital created and maintained by the race clubs is also highly valued in its own right by the communities in which they reside. Although almost impossible to quantify in the same way as an economic benefit, this social benefit should not be underestimated, particularly in terms of the health and wellbeing of country communities.

06 | References

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Infinite Possibilities™

Professor Russell Hoye
Centre for Sport and Social Impact
Faculty of Law and Management
La Trobe University
Victoria Australia 3086

T 03 9479 1345

F 03 9479 1010

E r.hoye@latrobe.edu.au

👉 latrobe.edu.au/CSSI