

WATER AND THE AUSTRALIAN GOLF INDUSTRY

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Australia has experienced one of the most severe droughts on record. This drought has placed significant pressure on industries that have a heavy reliance on water and the financial sustainability of many businesses is now under threat. The golf industry and the many individual golf club businesses within it, is one of these industries under pressure.

The Australian Golf Industry Council (AGIC) was formed in September 2006 to represent the entire golf industry on important industry wide issues such as the current challenge around water.

In order for the AGIC and the golf industry to more accurately promote its case to relevant government authorities, research on the water use patterns of over 250 golf courses across Australia has recently been undertaken by Golf Australia and the Australian Golf Course Superintendents Association on behalf of the AGIC. This research seeks to understand the current water use patterns and the level of proactive industry action around water.

The following information provides the first detailed understanding of water use by Australia's golf courses and highlights the value of the golf industry to the Australian economy.

Taking into account the likely future scarcity of water, this document clearly illustrates that the golf industry is already a proactive water manager, has been an early adopter of efficient water management practices and is a vital contributor to the wider Australian economy.

The industry therefore requests from government a fair hearing around water, seeking acknowledgement of its efforts to date and requests greater support for the protection and further enhancement of the golf industry's value.

WATER USE

A recent study by the AGIC into water usage found that there are approximately 1,000 18-hole equivalent golf courses covering some 58,000 hectares in Australia that have some dependency on water for the irrigation of grass playing surfaces.

The study found that, in total, these courses use approximately 124,000 megalitres of water, an average of 124 megalitres per 18-hole equivalent course per year. The irrigated surfaces (20%) receiving an average of 10.7 megalitres per hectare.

Ground water and recycled water accounts for almost 60% of the water used. The share of water from each of the major water sources is graphically represented to the right.

INDUSTRY SIZE

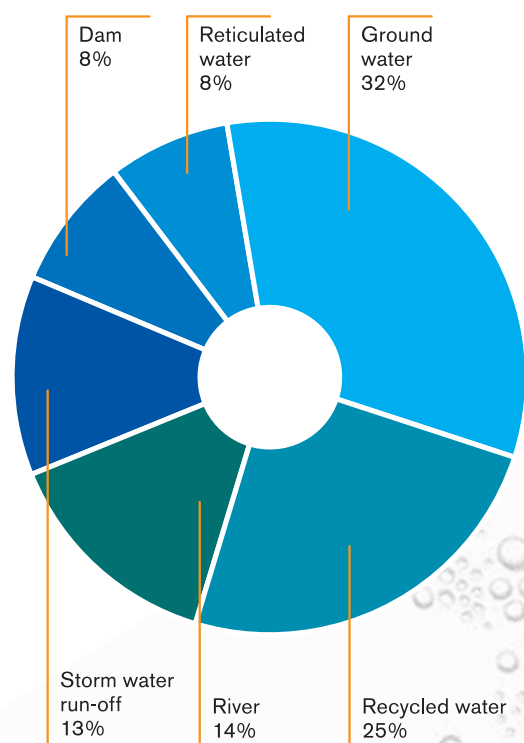
Golf is a multi-billion dollar industry and one that is extremely important to the health of the Australian economy.

In 2006 the PGA Report – an independent study into the size of the Australian golf economy, prepared by Ernst and Young – estimated that for the base year studied (2004), the value of the Australian Golf economy was \$2.71 billion, in addition to its importance as a social and recreational activity enjoyed by over 1.25 million Australians each year.

The report also found that an estimated 23,000 people are employed directly in the golf industry and many thousands more are employed in industries that have an association with golf and rely on the on-going financial health of golf courses across Australia.

A strong and vibrant Australian golf industry contributes approximately two jobs for every 100 people that play the game.

PERCENTAGE BREAKDOWN OF WATER SOURCES



A VARIETY OF SOURCES

The Australian golf industry has been aware for a number of years of the impending crisis in relation to water and many golf clubs have already made significant investment in alternative water sources and water saving management plans.

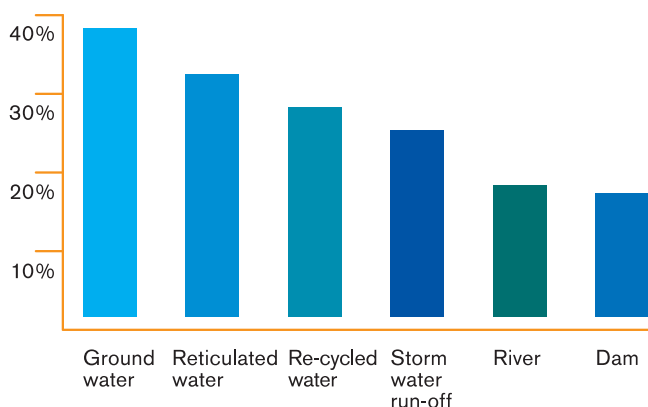
The AGIC study found that approximately 60% of golf courses across the country are currently using two or more sources of water. It was also found that only 7% of courses have 100% reliance on reticulated water and they use on average only 50 megalitres a year, less than half the national golf club water consumption average.

These results are evidence of the industry's early adoption of alternate water sources and indicate that it accepts its responsibility to be an efficient water user.

The golf industry also acknowledges that recycled water, where possible, should be the preferred water source for turf management. However greater support from the government will be necessary for this to be more broadly implemented.

The cumulative averages of the mix of water sources currently used at courses around the country are represented in the graph below.

PERCENTAGE OF CLUBS USING WATER SOURCES FOR IRRIGATION OF TURF



ADVANCED WATER PLANNING

The Australian golf industry appreciates that water is unlikely to be in plentiful supply at anytime in the immediate future. The industry realises it must be more responsible with the water it has and must continue to examine water use efficiency strategies.

Many golf clubs are already committed to such strategies with evidence of this found in latest AGIC research.

The AGIC found that over 40% of golf clubs nationally have in place a formal water management plan (WMP) and two thirds of golf clubs either have or are currently exploring other water alternatives.

Access to recycled water plants and new bore installations are the most common alternatives being sought, followed by investigation of on-site recycling plants, new stormwater pipes and dam construction.

In addition to these long term projects, golf clubs are also pursuing a number of other shorter term practices that deliver immediate returns, in terms of water management practices.

These include:

- Use of wetting agents – being used by 65% of clubs
- Less frequent watering – being undertaken by 59% of clubs
- Installation of more efficient irrigation sprinkler heads – being undertaken by 50% of clubs
- Changing to less water dependent turf types – a water management practice occurring at approximately one third of golf clubs
- Reducing the scope of turf areas requiring irrigation.

In short, the industry is being very proactive towards minimising its water use. The golf industry is also developing best practice water management strategies in the aim to “drought proof” the industry for the future.

OUR COMMUNITY VALUE

Australian Golf Industry Council (AGIC)

Representing the following bodies:

Australian Golf Course Superintendents Association
Golf Australia
PGA of Australia
PGA Tour of Australasia
Australian Ladies Professional Golf
Golf Management Australia
Society of Australian Golf Course Architects
Australian Sporting Goods Association
Golf Suppliers & Manufacturers
Golf and Real Estate Development
Golf Media

www.agic.org.au

AGIC Contact for Water issues

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With the value of the Australian Golf Industry being measured at approximately \$2.71 billion dollars, it is clear that golf is not just a Saturday afternoon recreational activity. It is in fact a major contributor to the Australian economy, with each person playing the game having an equivalent value of approximately \$2,100 each.

When measured as a value output against every megalitre of water consumed, the golf industry generates approximately \$22,000 in output for each megalitre used, positioning it as a value producing industry in terms of water use.

AGIC research has found that almost one third of clubs are currently under some type of water use restriction.

These restrictions are having an impact on these businesses and therefore threatening the industry's health and contribution to the wider economy.

OUR MESSAGE TO GOVERNMENT

The Golf industry would like to work with Government departments and water authorities to find the most appropriate long term options for the sustainability of the industry in the future.

The Australian golf industry is well advanced with modern water management practices and should be considered a leading and progressive industry with regard to water management. It also has significant value and is a major contributor to national employment.

Therefore, the golf industry asks that it be consulted on all decisions regarding access to all forms of water, to ensure the on-going health and financial viability of the industry.

The golf industry, a skilled water manager and a major contributor to the Australian economy.