Denied the opportunity of testing the horses he has bred at local meetings, the Southland breeder sells them and they are trained and raced elsewhere. To train them involves, in the early and formative period of a horse's career, long and arduous work, and there is but little return to the trainer until the horse reaches the stage when it can and does win good-class races. With a limited number of meetings in a trainer's home territory, there is a tendency with owners to leave the local trainer to do the arduous and important work of development, and when it has been converted into a good race-horse, to send the horse farther afield where racing and more remunerative stakes are available.

- 292. The second difficulty is due to the system by which horses are graded on a time basis so that only horses which have winning performances at certain times or better are eligible for entry in most worth-while races. Naturally, the high rewards are attached to those races which are graded on the basis of fast times, and the rewards fall as the quality of demonstrated performance required lessens. This operates to create categories of horses of various classes. These may be roughly defined as maidens, improvers, looser-class horses, and tight-class horses.
- 293. With the increase in popularity of the sport, the increased totalizator turnover at trotting meetings generally, and the existence of abundant funds in the hands of the public, the breeding of trotting stock has been improved and extended, and there are to-day a very great number of horses bred, trained, and prepared for competition. The limited number of totalizator licences granted for trotting, taken in conjunction with the fact that the metropolitan clubs, which are in a position to offer and do offer large prizes, naturally wish to restrict their contests as far as possible to those between the better class of horse, has produced what was defined to us as "a bottleneck" in the maiden and improver classes. There are so few races available to horses of that class that a horse requires both good fortune as well as ability to win and thus qualify for a higher class.
- 294. In this respect the sport of trotting may be said to have outgrown the framework within which it is constrained. The effects are various. In the first place, metropolitan clubs which, having regard to the prize-money they offer, should provide only for competition amongst the best horses, are compelled to provide races for slower classes and, under the compulsion of distributing 80 per cent. of their income from the totalizator in stakes, they are compelled to do so in stakes which are excessive having regard to the quality of horses engaged. Country clubs cannot offer the same rich reward for competitors of a similar calibre, and so dissatisfaction arises. Then, many horses of ability are denied the opportunity of qualifying for a better class, despite the fact that at country meetings many races are run in