



HORSE RACING IN CANADA



THE ECONOMICS OF HORSE RACING IN 2010

By Vel Evans



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- 2010 British Columbia Horse Industry Profile Study
- 2009 Saskatchewan Horse Industry Profile Study
- 2007 Ontario Horse Racing and Breeding Industry Profile Study
- 2007 Review of the Ontario Horse Improvement Program – An Overview of Breeding Sector Incentive Programs in Selected Jurisdictions
- 2003 Canadian Horse Industry Profile Study – The Economic Contribution of Horses in Canada
- 2003 Equine Industry Export Market Opportunity Study – The International Equine Industry
- 2002 Equine/Equestrian Industry International Comparative Review
- 2001 Saskatchewan Horse Industry Research Study
- 1999 Alberta Horse Industry – Horse Health Services Sector Profile Study
- 1998 Region of York Horse Industry Economic Impact Report
- 1998 Canadian Horse Industry Research Study
- 1997 Ontario Equine Market Profile Study

HORSE RACING IN CANADA

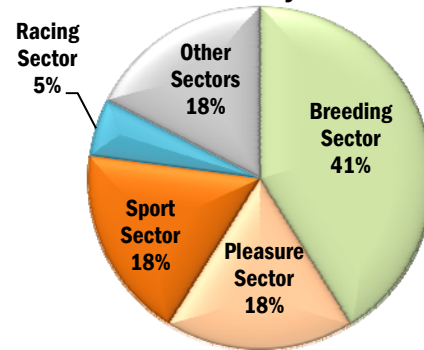
THE ECONOMICS OF HORSE RACING IN CANADA

SUMMARY AND HIGHLIGHTS

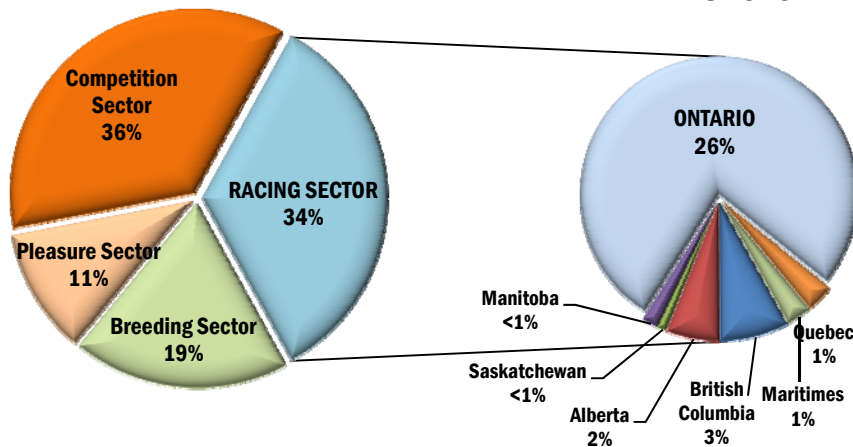
This report identifies the significant economic contribution to the Canadian economy that is realized through horse racing.

The Canadian horse industry – all horses – contributes \$19.6 billion annually to the Canadian economy. With only 5% of the horses, horse racing contributes \$5.7 billion – 29% of the total contribution from the Canadian horse industry.

963,500 Horses in Canada by Sector

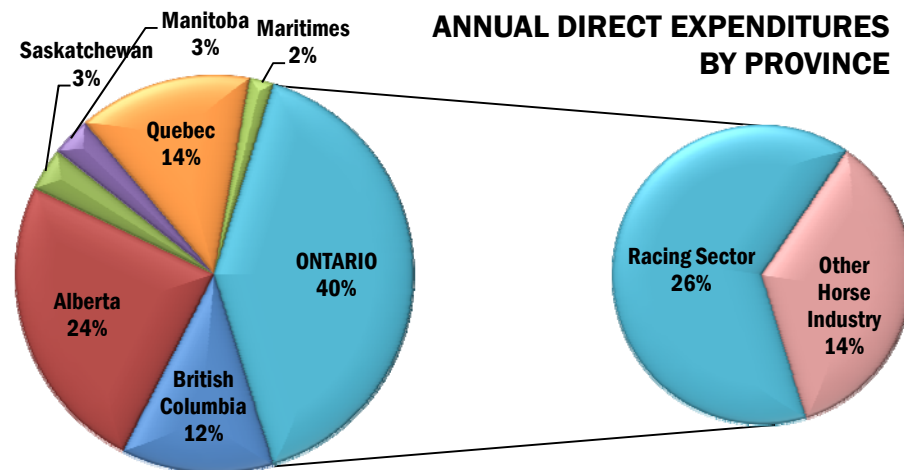


ANNUAL DIRECT EXPENDITURES BY SECTOR

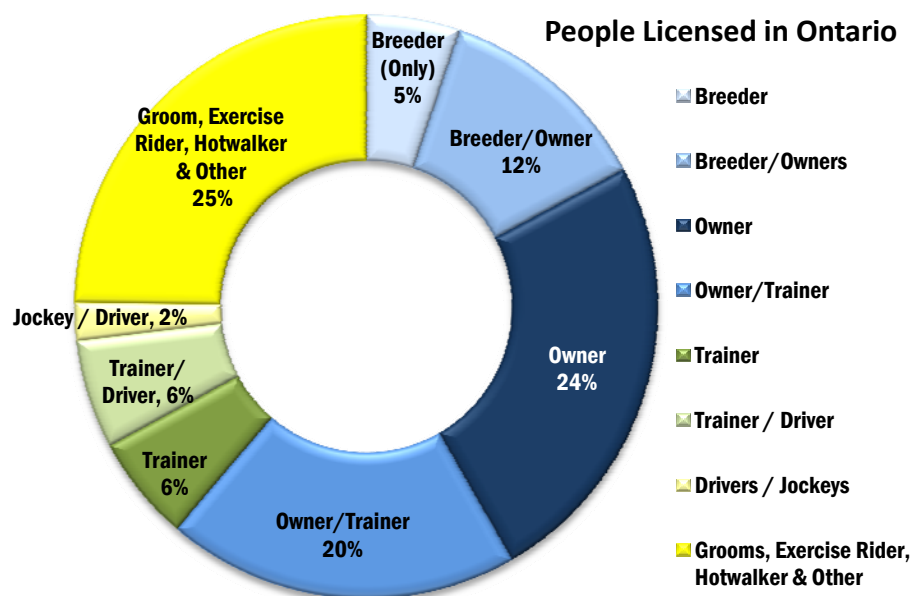


The Ontario racing industry is the economic engine for both the Canadian racing industry and the Ontario horse industry. Expenditures in Ontario racing represent 26% of the total expenditures for the entire Canadian horse industry.

ANNUAL DIRECT EXPENDITURES BY PROVINCE



The typical horse owner in the racing sector is male, baby-boomer generation, and has been involved in racing for more than ten years. The median household income is \$60,000 to \$80,000 – in line with the national average for two-income households. Most people participating in the industry are both invested as horse owners, and earning a living from the racing or breeding business.



The \$5.7 billion in economic impact that flows from horse racing in Canada, results from the \$3.1 billion in expenditures in this labour intensive industry. Horse racing in Canada represents a complex economic structure. The wide range of expenditures required for the production, care and racing of horses means that the economic benefits flow through several different economic sectors – agriculture, entertainment, tourism, manufacturing, gambling/gaming, etc.

The Canadian horse racing industry generates more than 47,000 full-time equivalent jobs (*person years* of employment) -- one full-time job for every horse in the racing sector. The Ontario racing industry provides 34,816 *person-years* of employment.

Those involved in horse racing are horsemen first, with a passionate attachment to their horses. It is apparent from the numbers that those in the racing business are not chasing profits. For the opportunity to chase purses, they are willing to invest heavily and drive a significant churn of expenditures.

The multiplier effect of expenditures in horse racing can flow both ways – a significant decrease in purse rewards and/or racing opportunities could have a cascading negative effect on the economy as well. Purse rewards and opportunities to chase purse money are the key motivators for owner investment.

The continued willingness of horsemen to invest in the sport of racing is key to the significant economic benefit that the Canadian economy realizes from horses.

THE FACTS ...

- Approximately 45,000 horses were active in the horse racing sector. In 2010, 58% of the horses active in the racing sector in 2010 were in Ontario.
- The 45,000 horses active in the racing sector were owned by approximately 21,000 owners. In 2010, 56% of the horse owners in the Canadian horse racing sector were in Ontario.
- Horse owners in the racing sector have more than \$4.8 billion invested in horses, tack, equipment and horse-related property improvements -- an average of \$233,536 invested per owner.
- Horses are the only livestock for which GST is charged on the sale of animals, plus products and services for their care. The racing industry contributes \$28.4 million in GST revenues each year.
- The horse racing industry contributes \$42.7 million to provincial sales tax revenues. In provinces with harmonized HST, the horse racing industry contributes the full HST value.
- The horse racing industry generates \$3.1 billion in On-Farm and Off-Farm expenditures. Ontario expenditures totalled \$2.1 billion in 2010.
- The Canadian horse industry, all sectors, provided 76,000 *person-years* of paid employment in 2010 -- 62% of those jobs were in the horse racing sector.
- The Canadian horse racing industry supports more than 47,000 full-time equivalent jobs (*person years* of employment) -- one full-time job for every horse active in the racing sector
 - The Ontario horse racing sector provides 34,816 *person-years* of employment.
 - Many of the jobs in racing are seasonal and part-time. The 34,816 *person-years* of employment in Ontario potentially represent 55,000 individual people employed.
- The total annual economic contribution from the Canadian horse racing sector is \$5.7 billion -- 77% (\$4.5 billion) comes from the Ontario racing industry.
 - Of the 27,310 races run in Canada in 2010, 68% (18,588) were run in Ontario.
 - Of the \$312,103,015 paid out in purses, \$267,536,533 (86%) was earned for racing in Ontario.
 - Of the \$1.45 billion wagered on horse racing in Canada in 2010, \$1.04 billion was wagered in Ontario.
- The CPMA is a federal agency that regulates and supervises pari-mutuel betting on horse racing in Canada. The federal levy on wagering provides funds for the Canadian Pari-Mutuel Agency... 72% of the CPMA funding is generated from wagering in Ontario.

- The racing sector in Canada is the leading sponsor for equine research related to performance health issues (lameness, respiratory ailments, endurance and performance issues), as well as reproductive health for stallions, mares and foals.

The funding model for horse racing varies from province to province, although all provinces receive a significant part of revenues from wagering on horse racing – commissions on pari-mutuel wagering. Several provinces receive some component of funding from slots or gaming on racetracks.

- Horse racing in British Columbia is primarily funded through 18% commission on pari-mutuel wagering and 15.5% commission on Net Slot Revenues at three racetracks.
- Horse racing in Alberta is primarily funded through 15% commission on pari-mutuel wagering and 44% commission on Net Slot Revenues at three racetracks.
- Horse racing in Saskatchewan is primarily funded through 14% commission on pari-mutuel wagering plus an annual grant of \$1.5 million from SLGA.
- Horse racing in Manitoba is primarily funded through 14% commission on pari-mutuel wagering and an annual grant from Manitoba Gaming of \$5.5 million.
- Horse racing in Ontario is primarily funded through 18% commission on pari-mutuel wagering and 20% commission on Net Slot Revenues at seventeen racetracks.
- Horse racing in Quebec in 2010 was primarily funded through 18% commission on pari-mutuel wagering and contributions from horse owners in fees for racing.
- There was no horse racing in Quebec in 2011.
- Horse racing in New Brunswick is primarily funded through 12.5% commission on pari-mutuel wagering and contributions from horse owners in fees for racing.
- Horse racing in Nova Scotia is primarily funded through 12% commission on pari-mutuel wagering and contributions from horse owners in fees for racing.
- Horse racing in Prince Edward Island is primarily funded through 19% commission on all gaming revenue in P.E.I. including pari-mutuel wagering.
- Horse racing in Newfoundland is primarily funded through 12% commission on pari-mutuel wagering and contributions from horse owners in fees for racing.

A copy of the full report is available on the Equine Canada website at:

www.equinecanada.ca

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INTRODUCTION

INTRODUCTION ... HIGHLIGHTS

- This report identifies the size and scope of the horse racing sector of the Canadian horse industry, based on interviews completed with people in horse racing who participated in the 2010 Canadian Horse Industry Profile Study. For the 2010 Canadian Industry Profile Study, a total of 2,566 interviews were completed with Canadian horse owners, riders and drivers in all ten provinces – the largest industry telephone survey ever completed for Canada.
- Survey results for those in the horse racing sector include 214 interviews with adult owners, riders/drivers or horse care-givers in the horse racing and breeding sector. An additional 281 Canadians who ride or drive horses live in the households of those surveyed.
- The survey results report on the 2,009 horses owned by survey participants in racing, the 183 horses they leased in 2010 for racing or breeding, and the 858 horses, belonging to other people, that they care for.

1. INTRODUCTION:

The *Horse Racing in Canada – The Economics of Horse Racing in 2010* report was commissioned by Equine Canada as a component of the *State Of The Industry* series of publications. The objective of this report is to identify and quantify the size, scope and economic contribution of the horse racing (and breeding) sector of the Canadian equine industry. The information presented in this report was extracted from data collected as a component of a national research study, the **2010 Canadian Horse Industry Profile Study – *The State of the Industry***.

The information reported in the *2010 Canadian Horse Industry Profile Study* was based on data collected during May through August 2010, and from published sources reporting on 2009 activities. For preparation of this report (in March 2012), data was reviewed and updated from published annual reports for 2010. As noted below, additional year-end data was reviewed and analyzed specific to the horse racing sector to provide the most accurate picture possible of the racing and breeding sector of the Canadian industry in 2010.

1.1. 2010 CANADIAN HORSE INDUSTRY PROFILE STUDY

The *2010 Canadian Horse Industry Profile Study* was designed to provide current data and an updated profile of the 2010 Canadian equine industry – all provinces and all sectors. The mandate for the national study was to conduct a survey of the Canadian horse industry to provide insight into the current state of the industry and issues affecting its future.

The *2010 Canadian Horse Industry Profile Study* was based on the prototype study format developed by Strategic Equine to complete national research studies in 1998, 2003 and 2010. The research was completed in two segments.

The first segment was meta-analysis of data collected to support industry trend analysis, including a review of data from the following sources:



For the 2010 Canadian Horse Industry Profile Study, a total of 2,566 interviews were completed – the largest horse industry telephone survey ever completed in Canada.

- Statistics Canada 1996, 2001 and 2006 Census of Agriculture
- Annual report figures (1998 through 2009) for breed registries enrolled in the Canadian Livestock Registry program
- Annual report data (1998 through 2009) from Standardbred Canada, Canadian Thoroughbred Horse Society, American Paint Horse Association and the American Quarter Horse Association for annual foal registrations and ownership transfers within the registry
- Annual report data (2005 through 2009) from CPMA (Canadian Pari-Mutuel Agency) for wagering on horse racing in Canada
- 1998 Canadian Horse Industry Research Study and the 2003 Canadian Equine Industry Profile Study.

The second segment of the research included completion of a telephone interview survey with industry participants, who were selected randomly from available industry lists. The telephone interviews, which averaged approximately 25 minutes in length, were completed by a total of 2,566 individual industry participants aged 18 and over. The telephone research survey was conducted during May through August 2010. Individuals who were surveyed participated strictly on a voluntary basis. No incentives of any kind were offered to participants.

The data collected from the 2,566 individuals interviewed across Canada identified 214 individuals (8.3% of total interviews) as “participating in horse racing” either:

- Actively participating in horse racing as an owner, trainer, jockey/driver or care-giver for horses active in racing in Canada, OR
- Actively participating as a breeder of horses for the horse racing sector.

Of the 214 survey respondents participating in the horse racing sector:

- 71% ride or drive horses
- 92% own horses (including ownership in partnership or syndicates with people other than family members)
- 39% are responsible for the care of other peoples’ horses.

Survey respondents were asked how many adults and children in their household ride or drive horses. In addition to the 214 adults interviewed, households in which respondents live include an additional 243 adults who ride or drive horses, and 38 children who ride or drive

- The survey *directly* represents 214 adult owners, rider/drivers, or horse care-givers
- The survey *indirectly* represents an additional 281 Canadian residents who ride or drive and are resident in the households of those surveyed.

Of the 214 survey participants 92% of respondents own horses, either directly or through syndicate ownership. These 214 individuals own a 100% interest in 1,621 horses, an additional percentage interest in 388 horses owned through syndication,

Of the 214 survey respondents in the horse racing sector, 71% ride or drive horses, 92% own horses, and 39% are responsible for the care of other people’s horses.

INTRODUCTION

and are responsible for the care of 858 horses belonging to other people. In addition, survey participants leased 183 horses in 2010 (for racing or breeding), and leased out 17 horses (owned by survey participants) to other owners.

- The survey *directly* represents 2,009 horses owned by survey participants (either 100% interest or through syndication)
- The survey *indirectly* represents an additional 183 horses leased by survey participants for racing and/or breeding, and 858 horses belonging to other people, but cared for by survey participants

Table 1.1 compares the responses from interviews completed during 2010, for the Canadian industry as a whole (all survey participants in the national survey) with the responses from survey participants identified in the racing sector.

Table 1.1: Sample Comparison 2010 – All Survey Participants, and Survey Participants in the Racing Sector

Strategic Equine Research 2010	2010 Canadian Horse Industry Profile Study	2010 Survey Racing Sector Participants
Total Interviews Completed	2,566	214
% of Survey Participants who Own Horses	91%	92%
% of Survey Participants who Ride or Drive Horses	93%	71%
% of Survey Participants responsible for the care of Other Peoples' Horses	24%	39%
# of Horses Owned 100% (or leased for racing/breeding)	17,712	1,804
# of Horses Owned through Syndicate Ownership	1,024	388
# of Other Peoples' Horses cared for by Survey Participants	5,279	858
# of Additional Adult Riders in Household	3,582	243
# of Additional Child Riders in Household	714	38

All the questions in the questionnaire used for the telephone interviews were of two basic types:

- Questions that required a “YES” or “NO” response
- Questions that required a numeric response (How many? or How much?)

The questions were asked using a nesting format. Depending on the response given by the participant to any question, the respondent followed a different and individual series of questions.

Where financial information was requested related to annual expenditures, revenues, or capital investment, the interview participants were asked a three-phase question. For example:

“Do you purchase the services of a horse trainer(s) for your horses? ☐ YES ☐ NO”

“For 2010, how many horses will you have in training with a professional trainer?”

“What is your annual expenditure for horse trainer services?” \$ _____

Where interview participants responded to the first and second phase of the question, but declined to answer the third phase, calculations for average expenditure, revenues or investment reflect the average value for only those respondents who provided information for the third phase of the question. For example:

If ten people, each of whom reported owning 10 horses, were asked:

“Do you purchase the services of a horse trainer(s) for your horses? ☐ YES ☐ NO”

“For 2010, how many horses will you have in training with a professional trainer?”

If three people responded YES, purchasing horse training services for ten (10) horses in total, the three people purchasing horse trainer services were asked:

“What is your annual expenditure for horse trainer services?” \$ _____

If only two people chose to respond to the annual expenditure question — reporting a total annual expenditure of \$50,000 on trainer services for five horses in total — the reported average expenditure per annum for trainer services per horse would be reported as \$10,000, based on the average expenditure for those reporting an annual expenditure amount.

Due to rounding, reported totals may not add to 100%. Questionnaires were considered complete if more than 85% of the required or possible questions were answered.

The full report for the 2010 Canadian Horse Industry Profile Study is available on the Equine Canada website at: www.equinecanada.ca

1.2. ADDITIONAL RESEARCH

Additional research was completed for the preparation of this report from the following sources:

- Published annual reports from racing regulators (in each province) reporting on 2010 racing activities, and
- Published annual reports from provincial gaming organizations to provide additional information on revenue streams for purses and expenditures for racetrack operations for horse racing in Canada.

As an additional component of the information provided for this report, the author referenced previous Strategic Equine research work – specifically the **2007 Ontario Horse Racing and Breeding Industry Profile Study** commissioned by the Ontario Racing Commission. The *2007 Ontario Horse Racing and Breeding Industry Profile Study*

Additional research was completed to prepare this report, including a review of year-end annual reports for the 2010 racing/breeding season.

was produced by Strategic Equine (for the ORC) as a component of the Review of the Ontario Horse Improvement Program. The study was based on telephone research interviews with 413 individual ORC licensees and breeders, during June through August 2007. The 2007 report included analysis on annual expenditures, employment profiles, and cost-of-production for three products of the Ontario racing and breeding sector:

- The cost-of-production to produce (and sell) a yearling
- The cost-of-production to produce a race-ready two-year old racehorse
- The cost-of-production to campaign an active racehorse.

The *2007 Ontario Racing and Breeding Industry Profile Study* is available from the Ontario Racing Commission website at: www.ontarioracingcommission.ca. (Select Industry Profile in the website search field).

1.3. UPDATED DATA AND ANALYSIS

For the preparation of this report, the author had the opportunity to review the data collected during summer 2010 in the context of end-of-year data available for the 2010 racing season. New information available after the publication of the 2010 national study that was used to support the analysis in this report includes:

- Published data from Canadian Pari-Mutuel Agency (CPMA) reporting on wagering (and racing information) for 2010
- Updated foal registration, breeding information and ownership information from pedigree registries for 2010
- Total 2010 data for unique starters (individual horses that raced in 2010), purses, total licensees (active participants at racetracks) for 2010
- Industry news/events in Quebec during 2010 (reduction of racing venues in Quebec from four in 2009 to one in 2010).

The analysis of the information available from these additional resources has resulted in changes to some totals for the racing sector included in this report, (compared to the 2010 national industry study) in the following areas:

- A more accurate estimate of the number of horses active in the horse racing and breeding sector in 2010, based on actual number of horses racing (unique starters) in Canada in 2010, and year-end breeding records for 2010
- A more complete analysis of the revenue streams funding the racing and breeding sector in Canada, including updated data on commissions from wagering, commissions earned on slots/racino gaming at racetracks, government grants, and other sources, and
- A re-assessment of the cost allocation for horses in the racing/breeding sector in Quebec in view of the significantly reduced racing opportunities in the province.

The 2007 Ontario Racing and Breeding Industry Profile Study reports on the cost-of-production for the racing and breeding sector in Ontario.

This report does not identify expenditures for depreciation, insurance, or other expenses related to business activities, other than labour expenditures.

This report does not identify taxation expenses (income tax, business tax, property tax) other than the calculation of sales tax (GST/PST/HST) for expenditures that are taxable products and services.

A detailed analysis was also completed on the employment profile for the Canadian horse racing and breeding sector, which reflects the unique business structure of this sector of the Canadian horse industry.

1.4. NOTES ON THE ANALYSIS MODEL

The methodology used to measure the economic impact of the horse racing and breeding industry in this report has been developed using the Strategic Equine model for analyzing the national horse industry in all its diversity. The model looks to identify annual expenditures directly related to people active in the industry, the care-and-keep of horses in each province (and each sector), and the costs for people to participate in activities with horses. The economic impact analysis model examines annual Direct Expenditures and Indirect Expenditures through the lens of evaluating costs that are incurred On-Farm (for the breeding, care-and-keep of horses) and costs that are incurred Off-Farm (for activities with horses for racing, sport, recreation and pleasure riding).

This model for assigning expenditures (based on horses, people and activities) has been designed to account for the unique nature of the horse industry where volunteer and unpaid labour represents a significant contribution to the industry's activities.

While there is considerable capital investment and economic impact generated from all horse owners across the country, a significant component of the national horse industry is not directly related to either *business* activities or *farming* activities. By way of example, of the 963,500 horses in Canada (in 2010), 171,500 horses are used primarily for recreation or pleasure riding, and another 175,000 horses are primarily in use for amateur sport competition. These activities can, and do, generate economic contribution – for costs incurred in the care-and-keep of the horses involved, for rider coaching services, and for horse show competition expenses – but would not incur standard business expenses such as insurance or depreciation for the majority of the participants.

On the basis that the questionnaire used for the *2010 Canadian Horse Industry Profile Study* was prepared to target all sectors of the equine industry, data was not collected for general business expenses other than those attached to the care-and-keep of horses, labour expenditures and costs attached to activities with horses.

The author recognizes that the national horse racing sector is the component of the Canadian horse industry that is clearly the *Business of Horses*. As such, the racing sector (including racetrack operators) incur expenditures for depreciation, insurance, sales commissions, agents fees and other expenses that were not captured in the 2010 national study questionnaire.

In a similar manner, this analysis does not assign values to taxes paid (municipal, provincial or federal), other than providing calculations of the value/contribution to sales tax (GST/PST/HST) where calculated for taxable goods and services.

THE HORSE RACING SECTOR

THE HORSE RACING SECTOR ... HIGHLIGHTS

Ontario is the economic engine for the horse racing sector in Canada

- Of the 27,310 races in Canada in 2010, 68% (18,598) were in Ontario.
- 58% of the horses and 70% of the people in horse racing in Canada are active in Ontario.
- Of the \$312 million paid out in purses for horse racing in Canada in 2010, 86% was earned in Ontario.
- Of the \$1.45 billion wagered on horse racing in Canada in 2010, \$1.04 billion was wagered in Ontario.
- 72% of funding for the Canadian Pari-Mutuel Agency (the federal agency responsible for pari-mutuel wagering) comes from wagering in Ontario.

2. THE SIZE AND SCOPE OF THE HORSE RACING SECTOR IN CANADA

Horse racing is a significant component of the Canadian equine industry. In 2010, horse racing events were held at forty-seven (47) racetracks in Canada in all ten provinces. Canadian racetracks hosted harness racing for Standardbred horses, and flat racing for Thoroughbred horses, Quarter Horses and other breeds (Paints, Appaloosas, Arabians). There is no sanctioned steeplechase racing in Canada.

Table 2.1 below identifies the racetracks in each province that hosted one-or-more days of racing in 2010, and the breed-type of racing held at the facility.

Table 2.1: Racetracks in Canada With Race Days in 2010

Ontario	British Columbia	Manitoba	Nova Scotia
Fort Erie (TB, QH)	Fraser Downs Racecourse (SB)	Assiniboia Downs (TB)	Inverness Raceway (SB)
Woodbine (TB, SB)	Hastings Racecourse (TB)	Fair Circuit (SB)	Northside Downs (SB)
Clinton (SB)	Sagebrush Downs (TB)		Truro Raceway (SB)
Dresden (SB)	Sunflower Downs (TB)		
Flamboro (SB)	Kin Park (TB)		
Georgian (SB)	Alberta	Quebec	Prince Edward Island
Grand River (SB)	Northlands Park (TB, SB)	Hippodrome Québec (SB)	Charlottetown Driving Park (SB)
Hanover (SB)	Rocky Mountain Turf Club (TB, QH)	Hippodrome Gatineau**	Summerside Raceway (SB)
Hiawatha (SB)	Evergreen Park (SB)	Hippodrome Montreal**	
Kawartha (SB)	Millarville (QH)	Hippodrome Trois Rivières**	
Mohawk (SB)	Alberta Downs (SB)		
Rideau Carleton (SB)	Saskatchewan	New Brunswick	Newfoundland
Sudbury Downs (SB)	Marquis Downs (TB, SB)	Exhibition Park Raceway (SB)	St. John's Racing & Entertainment Centre (SB)
Western Fair (SB)	Melville Agri-Park (TB, QH)	Fredericton Raceway (SB)	
Windsor (SB)	Yorkton Exhibition (SB)	Woodstock Driving Club (SB)	
Woodstock (SB)			
Ajax Downs (QH)			

SB = Standardbred

TB = Thoroughbred

QH = Quarter Horse
(or other breeds)

**No racing in 2010



There was Standardbred racing at local fairs in three provinces in 2010 – Ontario (five locations), Manitoba (six locations), and Quebec (five locations).

How horses are used –
in racing, sport
competition,
breeding, pleasure
riding – determines
the capital invested in
horses and facilities
and annual
expenditures for
each horse.

2.1. HORSES ACTIVE IN THE RACING SECTOR

Horses in Canada are predominantly in use (or bred for use) in what is now defined as the entertainment/leisure sector of the Canadian economy. How a horse is used – in racing, sport competition, pleasure riding, ranching, etc. – impacts the capital investment in horses, farm improvements and equipment, as well as the annual expenditure for products and services to keep a horse and to participate in specific activities. To develop an accurate estimate of the economic impact generated by the care of horses and activities with horses, an analysis of their primary use is required. In the 2010 national industry study, the industry is categorized by the following activity sectors:

Racing	Non-racing Sport Competition
Pleasure riding	Breeding Stock
Riding school or riding lessons	Tourist activities
Work (i.e. ranching, logging, etc.)	Companionship (or full retirement)
PMU (pregnant mare urine) production	Meat production

The 2010 *Canadian Horse Industry Profile Study* reported a total of 963,500 horses in Canada (in summer 2010), which included 1,350 horses in the Yukon and Northwest Territories. Since there is no active horse racing sector in the northern territories, for the purpose of this report comparative calculations only include horses in the ten provinces (962,150 horses).

In the 2010 national study, horses were categorized into two groups:

- Mature Horses (horses in use for a specific industry sector) – 742,401 horses in the ten provinces, and
- Young Horses (not yet in use for their intended activity sector) – 219,749 in the ten provinces.

Recognizing that horses may be used for more than one type of activity, survey participants were asked to define the Primary Use for their Mature Horses, by selecting one of the ten sector categories. As a follow-up question, survey participants were asked to define the Intended Use for the Young Horses that they owned.

Horses were assigned to a single activity sector category for the purposes of analyzing investment, expenditures and economic impact for each sector.

Of the 742,401 Mature Horses, the national survey reported approximately 51,000 horses with Primary Use defined as the racing sector. This total includes horses active in racing, as well as breeding stock (mares and stallions) with Primary Use allocated to breeding production for horse racing.

Table 2.2 reports the allocation of Mature Horses in the racing sector in each respective province as reported in the 2010 national study.

Table 2.2: Horses in the Racing Sector By Province

Mature Horses by Primary Use (from the 2010 National Study)	Total # of Mature Horses (all sectors)	Horses Active in Racing (including Breeding Stock)	% of Mature Horses in Racing
CANADA	742,401	51,326	7%
British Columbia	96,280	2,668	3%
Alberta	222,585	4,703	2%
Saskatchewan	78,336	2,176	3%
Manitoba	43,120	2,016	5%
Ontario	165,750	26,563	16%
Quebec	113,960	8,547	8%
New Brunswick	10,875	1,088	10%
Nova Scotia	6,960	1,872	27%
Prince Edward Island	3,280	1,536	47%
Newfoundland	1,255	157	13%

Of the approximately 220,000 Young Horses reported from the national study, 19,790 were identified with an Intended Use in the horse racing sector.

Interviews for the national study were completed during summer 2010 (May through August) and, from a certain perspective, represent the owners' intentions for how their horses would be used in 2010.

Key factors contributing to annual expenditures for horses in the racing sector are the costs associated with training, and the costs to actively campaign a racehorse. Depending on the actual outcomes of racing activities for the year, these expenditures may vary from the owners' planned use at the time of the interview.

For example, an owner interviewed early in the cycle may classify their two-year-old horse as a Young Horse Not Yet In Use. An owner interviewed later in the cycle may classify a two-year-old horse as Active In Racing. During the interview, an owner may classify a Mature Horse as Active In Racing, with the intention that the horse would enter one-or-more races in the current year – an expectation that, for any number of reasons, may not happen during the year.

It is the author's expectation that this was the case for many of the 8,500 horses classified (during the survey) as Active In Racing in Quebec. Between 2009 and 2010, three (of the four) racetracks in Quebec were closed – only one track was active in 2010 (Hippodrome Québec). This resulted in a significant drop in racing opportunities for Quebec Standardbreds. While many Quebec racehorses may have raced in Ontario, the Maritimes or the U.S. in 2010, anecdotal reports from industry would indicate that a large number of the Quebec racehorses were either sold, or

During summer 2010, it was expected that approximately 51,000 horses would be active in the racing sector in 2010.

19,790 Young Horses were reported as "Intended For Racing". This would include foals, yearlings and two-year-olds that had not, as yet, started training.

Approximately 45,000 horses were active in the horse racing sector in 2010.

58% of the horses active in the racing sector in 2010 were in Ontario.

spent the year inactive on the farm (“grass clippers” or “lawn ornaments” were the descriptions most often used). Active horses from the Maritimes provinces that had previously raced in Quebec were also impacted by the racetrack closures.

The Intended Use for Young Horses is the most significant variable to define. While a foal may have been bred with the intention to be a successful racehorse, it simply might not make it to the racetrack. Those owners surveyed who reported approximately 20,000 Young Horses with Intended Use in racing, are reflecting the optimism that comes from watching foals and yearlings out in the field that have not as yet started into training to determine their racing capabilities. Many of these Young Horses may end up in other competition sectors (Thoroughbreds and Quarter Horses in the sport competition sector for example), or as pleasure riding horses, or future breeding stock.

As outlined in the Introduction chapter to this report, end-of-season racing and breeding reports were reviewed to develop a more detailed analysis of the allocation of expenditures for horses in the breeding sector, horses in training, and horses actively racing in 2010. The analysis included:

- Reallocating horses expected to be active in racing in Quebec in 2010,
- Calculating horses Active In Racing based on unique starters reported for the year, and
- Identifying the percentage of Young Horses that were active in training for a portion of the 2010 year.

Table 2.3 reports the updated analysis for horses active in the racing sector in 2010 in each province.

Table 2.3: Horses Active In Racing in 2010 – By Province

Horses Active in the Racing Sector in 2010	Canada	BC	AB	SK	MB	ON	QC	NB	NS	PE	NL
Horses actively racing (unique starters in 2010)	22,905	1,550	2,671	762	1,070	13,969	408	506	813	1,074	82
Breeding Stock for racing (active mares & stallions)	9,375	182	653	229	1,455	6,163	508	71	54	60	-
Young Horses Not Yet in Training (including foals of 2010)	7,498	264	987	672	100	3,696	1,425	74	162	104	14
Young Horses in Training in 2010	5,281	192	720	490	72	2,510	1,039	54	118	76	10
Total Horses Racing Sector	45,059	2,188	5,031	2,153	2,697	26,338	3,380	705	1,147	1,314	106
Thoroughbred	14,864	1,313	2,893	1376	2160	7,122	0	0	0	0	0
Standardbred	28,113	862	1,268	678	469	18,184	3,380	705	1,147	1,314	106
Quarter Horse	2,081	13	870	99	67	1,032	0	0	0	0	0

In this report, for the purposes of calculating expenditures assigned to the Racing Sector, expenditures were calculated for 45,059 horses.

It is a reasonable assumption that the remaining 13,500 horses that were expected to be used in the racing sector in 2010 (but were not) were still on farms in Canada at the end of the year. These horses would either be put into use for some other type of activity (pleasure riding, sport competition, riding lessons, breeding stock) or move into the category of “not-in-use”. They are not counted in the calculations of the economic contribution from the Racing Sector in this report.

The 45,059 horses active in the racing sector in 2010 are owned by 20,829 *Ownership Units*. The racehorse ownership model can be complex, with some horses owned by individuals, some in partnership, and some through ownership syndicates. However, the number of unique individuals (or unique businesses) actively involved as owners in the sector can be quantified through ownership licensing. Provincial rules regulating racing require licensing for both individual owners, and the partnerships or syndicates in which they participate.

Generally, the majority of people active in the racing industry as breeders also own active racehorses, and as such would be licensed by their respective provincial regulatory body. In each province, there is a small percentage of breeders who do not own active racehorses (i.e. are not required to be licensed for racing). However, breeders registering foals each year are required to be a member-in-good-standing of their respective breed registry (Canadian Thoroughbred Horse Society, Standardbred Canada, American Quarter Horse Association for example). A comparative analysis of licensed owners and members of pedigree registry associations by province, has been used to estimate the number of non-licensed breeders in each province.

Table 2.4 identifies individual Ownership Units in the Racing Sector in each province.

Table 2.4: Ownership By Province

Ownership Units in the Racing Sector in 2010	Canada	BC	AB	SK	MB	ON	QC	NB	NS	PE	NL
Total Ownership Units	20,829	1,878	3,710	144	634	11,600	1,314	310	518	654	67
Individual Licensed Owners	17,914	1,878	2968	115	634	10,619	708	193	353	379	67
Breeders Not Licensed for Racing	2,915	0	742	29	0	981	606	117	165	275	0

The 45,000 horses active in the racing sector were owned by approximately 21,000 owners.

In 2010, 56% of the horse owners in the Canadian horse racing sector were in Ontario.

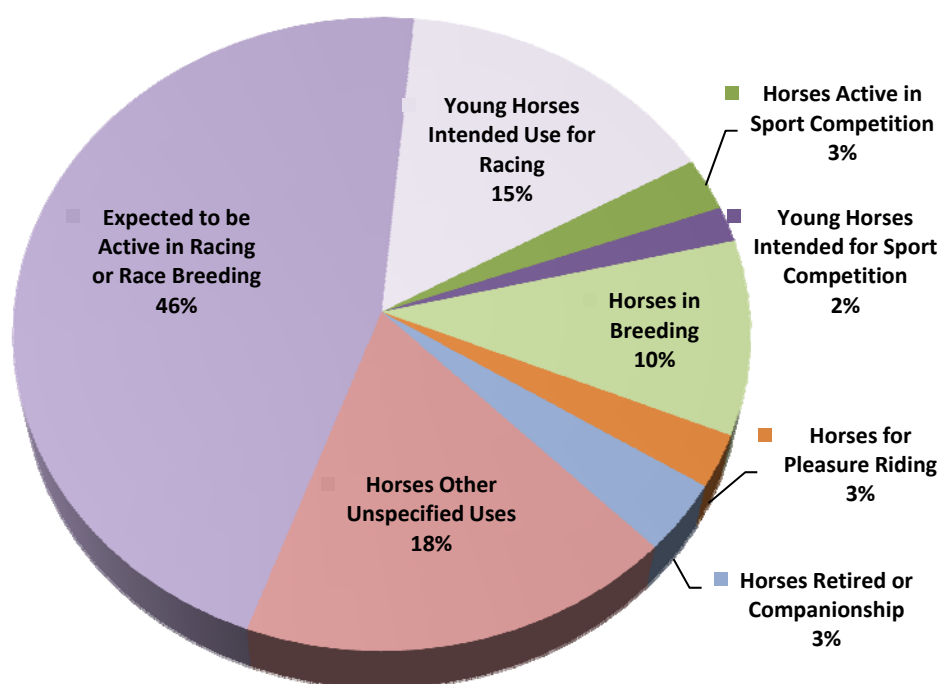
For the purposes of calculating the economic impact of the horse racing sector in 2010, expenditures are allocated for 45,059 horses and 20,829 ownership units.

In 2010, horse owners in the racing sector had 13,500 horses that did not participate in racing as expected.

It is important to note that people active in the horse racing sector are first and foremost horse owners. In addition to their racing stock, breeding stock and inventory of young horses for racing, they also own other horses intended for non-racing uses. From the 2010 national survey it was reported that the 21,000 horse owners in the racing sector, own a total of 82,424 horses. Figure 2.1 below illustrates the expected use for all horses owned by racing sector participants.

Figure 2.1: Primary Use / Intended Use For Horses Owned

Expected Use For All Horses Owned



Horse owners in the racing sector own 34,000 horses for which there is "unspecified use".

One final point regarding survey participants reporting *their intentions* for how their horses would be used in 2010, compared to the *actual activities* for the racing season. From the survey, it was reported that for the 82,424 horses owned by those in the racing sector, owners expected that 58,500 mature horses and young horses would be active within the racing sector in 2010. The analysis based on year-end data reports only 45,000 horses active in the racing sector in 2010. Horse owners, nationwide, would have found themselves with an additional inventory of 13,500 horses that were not "earning their keep".

In the current economy, there are limited markets for the sale of these horses.

One of the key findings from the 2010 national research study was the increased number of horses in Canada for which there are not available markets. The 2010 study reported 128,000 horses in Canada classified by their owners as *Companionship/Full Retirement* or *Other Uses*. From this report, it is estimated that approximately 34,000 are owned by horse owners active in the racing sector.

2.2. PEOPLE IN THE RACING SECTOR

The typical participant in the Canadian horse racing industry is:

- Male (56% of those interviewed)
- *Baby-boomer* generation (median age 50 – 59 years of age)
- Well-educated (82% with some post secondary education)
- Living on an agricultural property where their horses are kept
 - For horse owners, 58% reported living on the same property as their horses, with an average size per property of 111 acres
- Internet user – with 86% of those interviewed reporting that they use the Internet on a regular basis. Of the Internet users, 76% have access to high-speed Internet, and 34% regularly use the Internet to purchase horse-related products
- Living in households with a median annual income of \$60,000 – \$80,000
- Living in households with two or more adults, 52% of whom ride or drive horses. For owners interviewed, 41% reported one or more children in the household, of whom 44% ride or drive horses
- Own many pets (71% of households with dogs, cats or other pets)
 - 1.2 dogs per household
 - 1.5 cats per household, and
 - 1.4 other pet (25% of horse-owning households)
- Experienced rider/driver (65% reported that they have been riding or driving for more than ten years).

The typical horse owner in the racing sector is male, baby-boomer generation, and has been involved in racing for more than ten years.

The median household income is \$60,000 to \$80,000 – in line with the national average for two-income households.

Table 2.5: Demographic Profile Racing Sector Participants

Demographic Profile	Canada	BC	AB	SK	MB	ON	QC	NB	NS	PEI	NL
Gender: % Male	56%	38%	56%	52%	75%	55%	39%	75%	58%	54%	60%
Gender: % Female	44%	63%	44%	48%	25%	45%	61%	25%	42%	46%	40%
Median Age	50 to 59	50 to 59	50 to 59	50 to 59	50 to 59	50 to 59	40 to 49	50 to 59	50 to 59	50 to 59	40 to 49
Median Household Income	\$60K – \$80K	\$60K – \$80K	\$60K – \$80K	\$40K – \$60K	\$40K – \$60K	\$60K – \$80K	\$40K – \$60K	\$40K – \$60K	\$40K – \$60K	\$40K – \$60K	\$40K – \$60K
% with post-secondary education	82%	92%	86%	86%	71%	77%	78%	83%	42%	78%	95%
Own property where horses reside	58%	43%	27%	50%	85%	61%	57%	50%	58%	64%	67%
Avg. # of acres per horse-property	111	13	69	240	571	124	115	32	91	76	23
% who own dogs, cats or other pets	71%	50%	69%	67%	85%	74%	86%	75%	75%	46%	60%
% of participants who own horses	92%	88%	94%	67%	100%	94%	100%	88%	100%	85%	60%
Average # of horses per owner	4.0	2.8	1.9	22.7	5.6	3.8	9.1	5.4	5.2	3.6	2.9
Don't ride or drive horses	27%	13%	38%	7%	0%	22%	29%	31%	42%	46%	40%
Riding/Driving Horses < 5 Years	1%	0%	0%	0%	0%	1%	0%	6%	0%	8%	0%
Riding/Driving Horses 5 to 10 Years	4%	0%	13%	0%	0%	2%	14%	0%	0%	0%	40%
Riding/Driving Horses 10+ Years	65%	88%	50%	93%	100%	72%	57%	63%	58%	38%	0%

Reflective of the high percentage of seasonal and part-time jobs in horse racing, for the majority of participants, activities with horses are not the primary source of their personal income or household income. Table 2.6 reports the percentage of industry participants who earn the majority (50% or more) of their personal or household income from activities with horses.

Table 2.6: Percentage Reporting Majority of Income from Horse Related Activities

Horse-Related Activities ...	Canada	BC	AB	SK	MB	ON	QC	NB	NS	PEI	NL
Represents 50%+ of personal income	32%	50%	31%	11%	25%	37%	43%	13%	8%	31%	60%
Represents 50%+ of household income	24%	38%	13%	11%	25%	30%	14%	13%	8%	23%	40%

Participants active in the racing sector are required to be licensed by the provincial regulator in each province. While each of the provincial regulating bodies has its own unique requirements for licensing, generally licences are issued by breed (Thoroughbred, Standardbred, Quarter Horse), and by category (owner, trainer, driver, jockey, groom, etc.) in each jurisdiction. In a very general sense, licence categories can be divided into two groups:

- Licenses related to ownership of race horses (owner, stable, partnership, syndicate) or representatives of the racing commission (officials, stewards, etc.) responsible for the oversight of racing, and
- Occupational licences for those who work at/on a racetrack, either for the care and training of horses, in racetrack operations, or for the management of pari-mutuel wagering at the race track.

A summary of the reported licences issued in 2010 is reported in Table 2.7 below.

Table 2.7: Licences Issued 2010 By Province

Licences By Province	Canada	BC	AB	SK	MB	ON	QC	NB	NS	PEI	NL
Total Individual Licensees	39,465	2,882	2,904	1,288	1,404	27,871	1,412	346	579	704	75
Occupational Licences	Canada	BC	AB	SK	MB	ON	QC	NB	NS	PEI	NL
Trainer (& Assistant Trainer)	5,294	133	275	332	169	3,731	371	48	115	114	6
Drivers & Jockeys	2,398	66			27	1,541	377	69	147	147	24
Grooms	4,645	467			234	3,610	32	57	156	74	15
Exercise Riders / Hotwalkers	119	119									
Veterinarians	164	22			10	132					
Racetrack, Pari-mutuel & Tradesmen	2,441					2,441					
Other Occupational	6,787	197	1,506	176		3,732	606	117	165	275	13
Total Occupational Licences	21,848	1,004	1,781	508	440	15,187	1,386	291	583	610	58

An individual can have a licence in more than one category. For example 27,871 licences in Ontario represents approximately 17,000 individual people in 2010.

Owner & Official Licences	Canada	BC	AB	SK	MB	ON	QC	NB	NS	PEI	NL
Owners Licences	17,914	1,878	2,968	115	634	10,619	708	193	353	379	67
Multiple Ownerships & Commission Officials	2,065					2,065					
Total Owner & Officials Licences	19,979	1,878	2,968	115	634	12,684	708	193	353	379	67

Of note, not all provinces report licensing using the same categories, and in most provinces, a single individual may have a licence for more than one category. Table 2.8 reports total licences issued for each breed.

Table 2.8: Licences Issued in 2010 By Breed In Each Province

Licences By Province	Canada	BC	AB	SK	MB	ON	QC	NB	NS	PEI	NL
Thoroughbred	14,618	2,194	1,790	1,103	1,236	8,295	-	-	-	-	-
Standardbred	23,405	693	578	106	129	18,783	1,412	346	579	704	75
Quarter Horse	1,453	5	537	79	39	793	-	-	-	-	-
TOTAL	39,476	2,892	2,905	1,288	1,404	27,871	1,412	346	579	704	75

The employment model for licensees in the racing sector is such that owners employ trainers (to train their horses for racing) and jockeys and drivers (to ride/drive in a race). Each horse that enters a race, does so under the designation of a licensed trainer. Trainers, in turn, employ assistant trainers, grooms, exercise riders, and hotwalkers. Service providers such as farriers (blacksmiths), veterinarians, therapists etc. are generally supervised by the trainer, but paid directly by the owner.

Racetrack operators employ licensed employees to manage the racetrack facilities and operate live racing, including staff for pari-mutuel wagering for racing.

Table 2.9 reports the number of Occupational Licences issued (trainers, grooms, exercise riders, drivers, jockeys, pari-mutuel, etc.) per active racehorse (unique starter) in 2010.

Table 2.10 reports the number of additional Occupational Licences issued (assistant trainers, grooms, exercise riders, drivers, jockeys, etc.) for every licensed trainer in each province in 2010.

Table 2.9: Occupational Licences Issued Per Unique Starter in 2010

Occupational Licences Per Horse	Canada	BC	AB	SK	MB	ON	QC	NB	NS	PEI	NL
Occupational Licences	21,848	1,004	1,781	508	440	15,187	1,386	291	583	610	58
Unique Starters in 2010	22,905	1,550	2,671	762	1,070	13,969	408	506	813	1,074	82
Jobs per Unique Starter	1.0	0.7	0.7	0.7	0.4	1.1	3.4	0.6	0.7	0.6	0.7
Horses per Job	1.0	1.5	1.5	1.5	2.4	0.9	0.3	1.7	1.4	1.8	1.4

Of the 39,465 licences issued for racing, 70% are issued in Ontario.

On average there is one person employed at a racetrack for each active racehorse.

Table 2.10: Additional Occupational Licences Issued Per Trainer in 2010

Additional Occupational Licences Per Trainer	Canada	BC	AB	SK	MB	ON	QC	NB	NS	PEI	NL
Licensed Trainers	5,256	133	275	332	157	3,705	371	48	115	114	6
Additional Occupational Licences Per Trainer	2.2	5.9	5.5	0.5	1.6	2.0	1.7	3.6	2.8	3.1	4.7

On average, each licensed trainer supports an additional 2.2 licensed workers at a racetrack in Canada. This employment at racetracks is in addition to the employment on farms for the breeding, production and the care of horses on the farm.

2.3. RACING ACTIVITIES IN CANADA

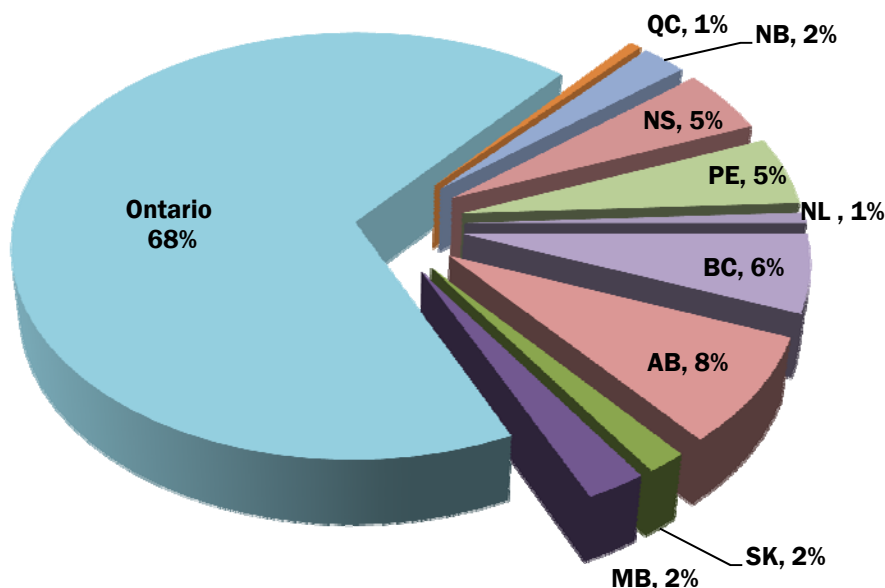
Canada's forty-seven racetracks hosted 2,564 days of racing in 2010 – a total of 27,310 races with payout of \$312 million (\$312,103,015) in purses. Table 2.11 reports racing opportunities (races), average purse and total purses for each province and breed-racing sector.

Table 2.11: Racing Opportunities in 2010

Racing in 2010	Race Days	# of Races	# of Horses (Unique Starters)	Average Purse Per Race	Total Purses
Total Thoroughbred	500	4,539	7,588	\$26,278	\$117,075,136
Total Standardbred	1,936	22,194	14,236	\$8,455	\$187,660,836
Total Quarter Horse	128	577	917	\$12,768	\$7,367,043
BC – Thoroughbred	78	607	930	\$14,016	\$8,507,461
BC – Standardbred	89	985	610	\$5,908	\$5,819,100
BC – Quarter Horse	5	5	10	\$3,404	\$17,019
Total British Columbia	172	1,597	1,550	23,328	\$ 14,343,580
AB – Thoroughbred	84	968	1,537	\$9,860	\$9,544,191
AB – Standardbred	113	1,108	673	\$6,278	\$6,955,701
AB – Quarter Horse	65	137	297	\$7,770	\$1,064,466
Total Alberta	262	2,213	2,507	23,908	\$ 17,564,358
SK – Thoroughbred	28	232	487	\$3,930	\$911,670
SK – Standardbred	25	213	240	\$1,441	\$306,850
SK – Quarter Horse	9	11	35	\$4,093	\$45,021
Total Saskatchewan	62	456	762	9,464	\$ 1,263,541
MB – Thoroughbred	65	504	857	\$9,266	\$4,670,273
MB – Standardbred	21	176	186	\$2,040	\$359,076
MB – Quarter Horse	4	6	27	\$12,807	\$76,844
Total Manitoba	90	686	1,070	24,113	\$ 5,106,193
ON – Thoroughbred	245	2,228	3,777	\$41,940	\$93,441,541
ON – Standardbred	1,364	15,952	9,644	\$10,527	\$167,931,299
ON – Quarter Horse	45	418	548	\$14,746	\$6,163,693
Total Ontario	1,654	18,598	13,969	\$67,213	\$ 267,536,533
Total Quebec – Standardbred	16	169	408	\$3,247	\$548,750
Total New Brunswick – Standardbred	66	656	506	\$1,481	\$971,727
Total Nova Scotia – Standardbred	107	1,319	813	\$1,362	\$1,795,977
Total Prince Edward Island – Standardbred	109	1,399	1,074	\$2,041	\$2,855,056
Total Newfoundland – Standardbred	26	217	82	\$541	\$117,300
Source: Canadian Pari-Mutuel Agency (CPMA)					

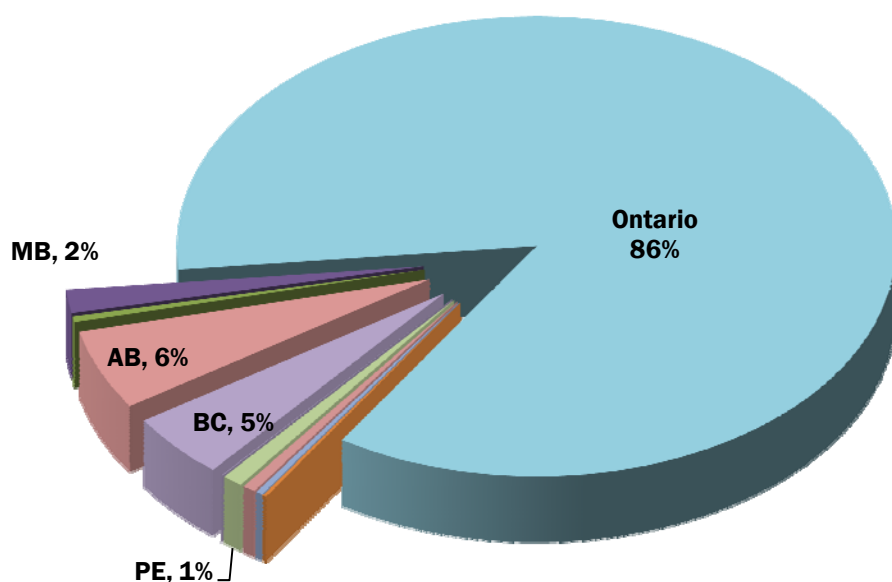
Racing in Ontario represents the largest provincial sector for the national racing industry, with more than 68% of the total racing opportunities, and 86% of the total purses earned in 2010. Figures 2.2 through 2.4 illustrate the dominance of the Ontario racing sector compared to other provinces.

Figure 2.2: Races Run in Canada in 2010



Of the 27,310 races run in Canada in 2010, 68% (18,588) were run in Ontario.

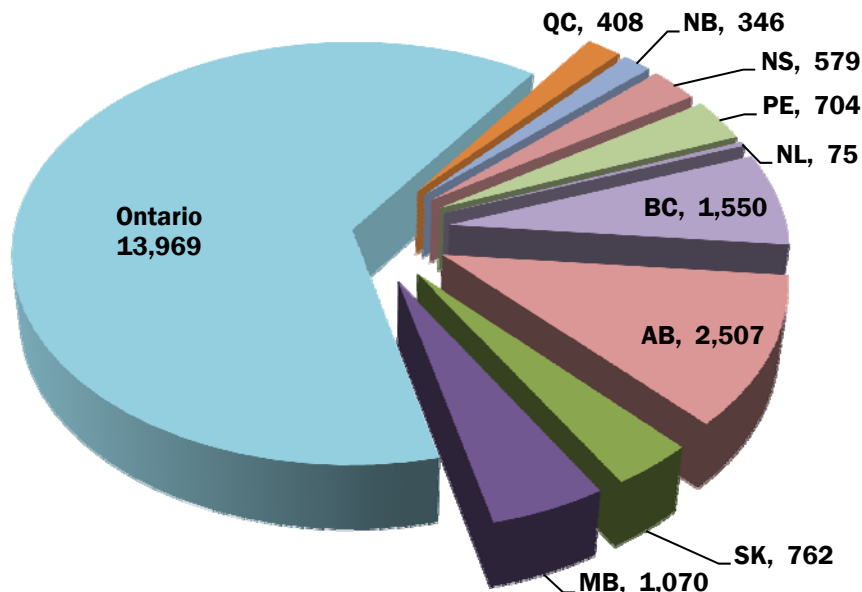
Figure 2.3: Total Purse Money Distributed in 2010



Of the \$312,103,015 paid out in purses, \$267,536,533 (86%) was earned for racing in Ontario.

*Note: Saskatchewan, Quebec, New Brunswick, Nova Scotia and Newfoundland each provided <1% of the total purses available

Figure 2.4: Horses Racing in 2010 (Unique Starters)



Of the \$1.45 billion wagered on horse racing in Canada in 2010, \$1.04 billion was wagered in Ontario.

2.4. PARI-MUTUEL WAGERING AND OTHER REVENUES

Pari-mutuel wagering on horse racing in Canada exceeded \$1.45 billion in 2010, with \$1.04 billion wagered in Ontario. From the Gross Bet (or *Total Handle* — the total amount wagered), various taxes and commissions are deducted (the “Take Out”), and the remaining funds are returned to the bettor as winnings for their wager. Table 2.12 reports the results of pari-mutuel wagering in Canada in 2010, with the related values for *Take Out* and the remaining APO — the *Amount Paid Out* to the bettor.

Table 2.12: Pari-Mutuel Wagering in Canada in 2010

	GROSS BET	% PAID TO ASSOCIATIONS	PROVINCIAL TAX	PROVINCIAL LEVY	FEDERAL LEVY	APO (AMOUNT PAID OUT)
Canada	\$1,458,092,554	\$251,864,614	\$17,340,541	\$34,416,162	\$11,623,419	\$1,115,231,367
British Columbia	\$183,052,680	\$33,025,591	\$185	\$5,441,535	\$1,461,004	\$140,263,735
Alberta	\$151,747,538	\$22,606,180	\$7,587,106	\$576,083	\$1,207,927	\$115,523,544
Saskatchewan	\$10,356,232	\$1,508,960	\$914,694	\$277	\$80,972	\$7,510,285
Manitoba	\$26,405,548	\$3,665,375	\$0	\$2,548,538	\$206,961	\$19,424,708
Ontario	\$1,039,195,575	\$184,163,779	\$5,209,711	\$25,849,717	\$8,294,530	\$796,713,772
Quebec	\$19,185,629	\$3,429,933	\$513,740	\$0	\$151,980	\$14,763,725
New Brunswick	\$6,212,499	\$779,303	\$683,285	\$12	\$48,775	\$4,582,078
Nova Scotia	\$12,746,648	\$1,528,733	\$1,383,482	\$0	\$99,134	\$9,747,111
Prince Edward Island	\$7,099,179	\$904,811	\$818,349	\$0	\$55,473	\$5,218,756
Newfoundland	\$2,091,027	\$251,947	\$229,990	\$0	\$16,662	\$1,483,653

Source: Canadian Pari-Mutuel Agency (CPMA)

The Canadian Pari-Mutuel Agency (CPMA) is a *Special Operating Agency* of the federal government (within Agriculture and Agri-Food Canada) that regulates and supervises pari-mutuel betting on horse racing across Canada. The Agency is funded through the collection of a levy of 0.8% on each bet placed in Canada. In 2010, the total federal levy (to fund the CPMA) equalled \$11.62 million. Of note, \$8.3 million was collected from wagering in Ontario.

CPMA Officers are responsible for the supervision of pari-mutuel betting, through:

- Testing/monitoring all computerized betting tote systems;
- Auditing the distribution of pay-out prices;
- Conducting investigations into questionable activities in pari-mutuel betting; and
- Enforcing all betting regulations / policies and ensuring compliance.

In addition to its responsibilities for pari-mutuel wagering, the CPMA also provides an Equine Drug Control Program that is designed to deter the uncontrolled use of drugs or medications in racehorses participating in pari-mutuel races. Urine or blood samples are collected from horses before or after a race and are analyzed at a laboratory contracted by the CPMA. The Equine Drug Control Program also includes research to develop and improve analytical methods for the detection of drugs and provides information on elimination times for veterinary drugs. The Canadian Pari-Mutuel Agency provides these services to all provincial racing jurisdictions.

While the amount deducted from the total wagering handle as a Federal Levy is consistent in each province, the percentage value deducted for Provincial Taxes and Provincial Levy varies between each province, depending on provincial government policy. The *% Paid To Associations* is a commission calculated as a percentage of the total wager, returned to the racing industry to fund the operations costs for racetracks and purses for races. The precise percentage deduction for associations also varies between different provinces. Table 2.13 outlines the respective percentages deducted in each province for provincial tax revenues and industry commissions.

Table 2.13: Percentage Deductions from Gross Bet

	% Paid to Associations	Provincial Tax	Provincial Levy	Total % Provincial Taxation
British Columbia	18.0%	0.0%	3.0%	3.0%
Alberta	14.9%	5.0%	0.4%	5.4%
Saskatchewan	14.6%	8.8%	0.0%	8.8%
Manitoba	13.9%	0.0%	9.7%	9.7%
Ontario	17.7%	0.5%	2.5%	3.0%
Quebec	17.9%	2.7%	0.0%	2.7%
New Brunswick	12.5%	11.0%	0.0%	11.0%
Nova Scotia	12.0%	10.9%	0.0%	10.9%
Prince Edward Island	12.7%	11.5%	0.0%	11.5%
Newfoundland	12.0%	11.0%	0.0%	11.0%

The CPMA is a federal agency that regulates and supervises pari-mutuel betting on horse racing in Canada ... and administers an Equine Drug Control Program for racing in all provinces.

The federal levy on wagering provides funds for the Canadian Pari-Mutuel Agency.

72% of the CPMA funding is generated from wagering in Ontario.

Horse racing in British Columbia is primarily funded through 18% commission on pari-mutuel wagering and 15.5% commission on Net Slot Revenues at three racetracks.

In addition to commissions on wagering to fund live racing (racetrack operations and purses for racing), in some provinces additional revenues flow to the industry from commissions earned from slot machines and other gambling held on racetracks, and/or direct government grants from provincial sources. The model for revenues flowing to the horseracing industry, again, varies between the different provinces depending on the agreements in place with the respective provincial governments. A summary of the different revenue models is outlined below.

BRITISH COLUMBIA:

There are slot machines installed at three racetracks in British Columbia (Hastings, Fraser Downs and Sandown Park). Under a new funding model established in 2010, 15.5% of the Net Slot Revenue will flow back to horse racing, to be allocated towards expenses for racing as approved by the BC Horse Racing Industry Management Committee. The Horse Racing Industry Management Committee has been established as a new structure within the Gaming Policy and Enforcement Branch (GPEB) of the Ministry of Justice.

For 2011, the allocation to racing was:

To racetrack operators	\$17,160,000
To Thoroughbred purses	\$10,260,000
To Standardbred purses	\$ 6,830,000
To Horse Racing Industry marketing and advertising	\$ 800,000
To Tele-theatres	<u>\$13,000,000</u>
Total distributed to racing	\$48,050,000

To quote from the GPEB outline of the new funding agreement, “All revenues (i.e. surplus of winnings and regulatory fees) generated from horse racing and government grants will be consolidated into an Industry Revenue Fund under the control and management of the Committee. ... All current revenue-sharing Agreements will be replaced by one Industry Allocation Agreement covering all sectors ... All current revenue/funding allocations within agreements are open for re-consideration.”

This consolidated Industry Revenue Fund, includes wagering commissions earned on pari-mutuel wagering in the province (the % Paid To Associations).

ALBERTA:

There are slot machines installed at three racetracks in Alberta (Northlands Park, Evergreen Park, and Rocky Mountain Turf Club). In addition a casino has been developed at Stampede Park in Calgary, although there is no longer horse racing at the Stampede Fairgrounds. Of note, chuck-wagon racing is still held as part of the Calgary Stampede. However, chuck-wagon racing is not sanctioned horse racing and there is no pari-mutuel wagering on these races.

Under the *Racetrack Industry Renewal Initiative*, revenues from Racing Entertainment Centres (the three racetracks) are shared between the racetrack (REC operator) and the Alberta Lottery Fund. The revenue sharing agreement assigns:

Horse racing in Alberta is primarily funded through 15% commission on pari-mutuel wagering and 44% commission on Net Slot Revenues at three racetracks.

- 15% commission to the Racing Entertainment Centre to cover costs of operations of the gaming centre, and
- 85% to the Alberta Lottery Fund.

From the Alberta Lottery Fund (85%) portion of revenues, 51.66% is distributed to Horse Racing Alberta to be used to operate horse racing in the province. An additional 18.33% of the ALF portion of revenues earned at Stampede Park is returned to Horse Racing Alberta. Approximately 44% of the revenues from the racetrack-based Racing Entertainment Centres flow to Horse Racing Alberta (51.66% of the 85% ALF allocation).

Of the approximately \$40 million received by the Alberta Lottery Fund from the Racing Entertainment Centres in 2010, Horse Racing Alberta received \$23,836,758 under the *Racetrack Industry Renewal Initiative*.

Horse Racing Alberta also receives the industry's wagering commissions (15%) earned on pari-mutuel wagering in the province, and is responsible for allocating funds to racetrack operations and purses for racing in the province. Of the \$22,606,180 in commissions earned on pari-mutuel wagering in 2010, Horse Racing Alberta returned \$5,425,483 (25%) to racetracks to fund operations for live racing, and contributed \$17,180,697 (75%) to purse accounts for racing.

SASKATCHEWAN:

While there are several casino and gaming facilities in Saskatchewan, there are no facilities at racetracks. The Saskatchewan racing industry receives a direct annual grant (\$1,500,000) from Saskatchewan Liquor and Gaming Authority (SLGA) as a contribution to the costs to fund racetrack operations and purses for racing.

MANITOBA:

While there are several casino and gaming facilities in Manitoba, there are no facilities at racetracks. Manitoba Gaming provides a direct grant to the Manitoba Jockey Club, as a contribution to the costs to fund racetrack operations and purses for racing. The Manitoba Gaming grant was valued at \$5,457,000 in 2010.

ONTARIO:

Under the *Slots at Racetracks Program*, there are slot machines (owned by the OLG – Ontario Lottery & Gaming) installed at seventeen racetracks in Ontario. The racing industry earns a 20% commission on the net revenue which is shared between racetrack operators (10%) to fund the operations for live racing, and 10% to purses for racing at each track. Municipal governments in the racetrack home communities, earn approximately 5% of the net revenue from the *Slots At Racetracks Program*. The balance (75%) flows to the OLG, as revenue to the Province of Ontario.

The horse racing industry earned \$333,844,000 in commissions from the *Slots at Racetracks Program* in 2010 – \$169,270,000 to racetrack operators, \$164,574,000 to purses for racing. The OLG on behalf of the Province of Ontario received net income of \$963,427,000 (net of commissions and operating expenses) from the *Slots at Racetracks Program* in 2009/10.

Horse racing in Saskatchewan is primarily funded through 14% commission on pari-mutuel wagering plus an annual grant of \$1.5 million from SLGA.

Horse racing in Manitoba is primarily funded through 14% commission on pari-mutuel wagering and an annual grant from Manitoba Gaming of \$5.5 million.

Horse racing in Ontario is primarily funded through 18% commission on pari-mutuel wagering and 20% commission on Net Slot Revenues at seventeen racetracks.

Horse racing in Quebec in 2010 was primarily funded through 18% commission on pari-mutuel wagering and contributions from horse owners in fees for racing.

There was no horse racing in Quebec in 2011.

Horse racing in New Brunswick is primarily funded through 12.5% commission on pari-mutuel wagering and contributions from horse owners in fees for racing.

Horse racing in Nova Scotia is primarily funded through 12% commission on pari-mutuel wagering and contributions from horse owners in fees for racing.

QUEBEC:

There are two casinos at racetracks in Quebec – the Ludoplex Québec (at Hippodrome Québec), and Ludoplex Trois Rivières (at Hippodrome Montreal). Early announcements on the agreement for revenue sharing between Lotto Québec and the racing had projected revenues to the racetrack in excess of \$49,000,000 annually. In the first year of operations (2009), racetracks received approximately \$7,000,000 in revenue from Lotto Québec. An agreement could not be reached surrounding revenue sharing between Lotto Québec and racing, and three of the four standardbred racetracks ceased racing operations. The only racing in Quebec in 2010, was sixteen days at a single track (Hippodrome de Québec), funded exclusively through commissions earned on pari-mutuel wagering and contributions from horsemen's fees for racing. There was no horse racing in Quebec in 2011.

NEW BRUNSWICK:

The New Brunswick horse racing industry does not receive gambling revenues from any source other than commissions earned on pari-mutuel wagering.

NOVA SCOTIA:

The Nova Scotia horse racing industry does not receive gambling revenues from any source other than commissions earned on pari-mutuel wagering.

PRINCE EDWARD ISLAND:

There are two racino gaming facilities (slots, VLTs and gaming tables) installed at the Charlottetown Driving Park, and Summerside Raceway. P.E.I. has an integrated racing/dining/gaming model under Red Shores – a division of Atlantic Lottery Corporation (the inter-provincial lottery company for the Atlantic provinces). Red Shores profits (or losses) are integrated into the total amount of money that P.E.I. receives from Atlantic Lottery for all gaming revenues in P.E.I. (lottery tickets, VLTs, and commissions on pari-mutuel wagering).

Costs for racetrack operations at both Charlottetown and Summerside are covered under the cost structure for the umbrella operation for Red Shores. The PEI Harness Racing Industry Association receives \$2.1 million per year from the Red Shores proceeds to fund purses for harness racing in the province.

By agreement between Red Shores and horse owners groups, 6% of total wagering also flows back to the racing sector to fund purses for racing.

Of the \$13,238,000 generated from the two Red Shores sites in 2010 (gaming and pari-mutuel commissions combined), costs of operations for live racing were covered, and the purses for racing received approximately \$2,500,000 – 19% of gross Red Shores revenues.

NEWFOUNDLAND:

The Newfoundland horse racing industry does not receive gambling revenues from any source other than commissions earned on pari-mutuel wagering.

OTHER REVENUE SOURCES:

Purse funds for racing in Canada are also funded through fees paid by horse owners to enter their horses in races. The highest calibre of racing includes those races defined as *Stakes* races – by definition a race where the horse owner has a “stake in the purse”. Nomination, sustaining and starter fees for stakes racing in Canada contributed approximately \$36 million to the \$312 million purses earned in 2010 (12%). Table 2.14 reports fees from horse owners contributed to purses in 2010.

It should be noted that an undefined percentage of these fees would be paid for races outside of Canada. Included in the \$26 million in fees paid “in Ontario” would be fees paid by Ontario owners to nominate their horses to participate in international races such as the Kentucky Derby, the Breeders Cup series, or the Little Brown Jug races, for example.

It is estimated that an additional \$1,000,000 is contributed by corporate sponsors to the purses for the top races in Canada.

Table 2.14: Nomination, Sustaining and Starter Fees Contributed to Purses

	Stakes Fees Paid by Horse Owners	Total Purses	% of Total Purses
CANADA	\$ 36,478,695	\$312,103,015	12%
British Columbia	\$1,582,886	\$14,343,580	11%
Alberta	\$2,743,198	\$17,564,358	16%
Saskatchewan	\$4,795	\$1,263,541	0%
Manitoba	\$752,875	\$5,106,193	15%
Ontario	\$26,363,137	\$267,536,533	10%
Quebec*	\$703,929	\$548,750	128%
New Brunswick*	\$1,186,495	\$971,727	122%
Nova Scotia	\$1,447,418	\$1,795,977	81%
Prince Edward Island	\$1,597,269	\$2,855,056	56%
Newfoundland	\$96,693	\$117,300	82%

*Note: A portion of fees paid by horse owners in Quebec and New Brunswick would include fees for racing in Ontario (or other jurisdictions), in programs such as the Ontario Sires Stakes series of races. As such, while the fees would have been paid out of New Brunswick owners funds, for example, they would have contributed to purses in other provinces (or U.S. jurisdictions).

Horse racing in Prince Edward Island is primarily funded through 19% commission on all gaming revenue in P.E.I. including pari-mutuel wagering.

Horse racing in Newfoundland is primarily funded through 12% commission on pari-mutuel wagering and contributions from horse owners in fees for racing.



ECONOMIC CONTRIBUTION FROM HORSE RACING

THE ECONOMIC CONTRIBUTION FROM HORSE RACING ... HIGHLIGHTS

- Horse owners in the racing sector have an average of \$233,536 invested per owner in horses, tack, equipment and horse-related property improvements.
- The horse racing industry contributes \$28.4 million in GST revenues each year, and \$42.7 million to provincial sales tax revenues.
- The horse racing industry generates \$3.1 billion in On-Farm and Off-Farm expenditures ... \$2.1 billion from the Ontario racing industry.
- The Canadian horse racing industry generates more than 47,000 full-time jobs – one full-time job for every horse active in the horse racing sector.
- The Ontario horse racing sector provides 34,816 person-years of employment.
- The total annual economic contribution from the Canadian horse racing sector is \$5.7 billion – 77% (\$4.5 billion) comes from the Ontario racing industry.
- The average Cost-To-Keep a horse in the racing sector in 2010, was \$12,930.
- The average Cost-To-Train (labour cost) for a horse active in training in 2010 was \$6,776.

3. THE ECONOMIC CONTRIBUTION FROM HORSE RACING

Use markets for horses include a wide range of market segments – working horses in ranching; horses for youth and adult amateur sport; high performance horses used for sport and racing; and horses used for pleasure riding or leisure / recreational activities. The unique nature of the horse industry means that activities with horses contribute to the Canadian economy in multiple sectors— agriculture, amateur sport, entertainment, tourism, recreation and (through horse racing) to the gambling/gaming industry.

The challenge for determining the dollar value of this diverse economic contribution lies in aligning industry activities and expenditures with accepted economic models for calculating economic impact.

Based on the research completed for the 2010 national study, for the 963,500 horses in Canada in 2010, approximately 92% of the herd (880,000 horses) were considered by their owners to have an intended role in a specific use market. Determining the economic contribution of these horses in their respective use markets defines the majority of the economic contribution realized by the Canadian economy.

The 2010 *Canadian Horse Industry Profile Study* reported a total economic contribution from the Canadian horse industry (all sectors) of \$19.6 billion per year.

This report, *The Economics of Horse Racing in 2010*, outlines the \$5.7 billion in economic contribution that is realized from the horse racing sector in Canada.

The **Canadian horse industry** (all sectors) contributes \$19.6 billion each year to the economy.

...

The **horse racing sector** of the industry contributes \$5.7 billion each year to the economy.



Horse racing in Canada impacts the economy through a variety of channels:

- Capital investment in stock, property and equipment
- Annual expenditures for the care and feeding of horses
- Annual expenditures for replacement tack, equipment and property improvements
- Annual expenditures for training horses for racing
- Land dedicated for pasture or feed production for horses
- Travel expenditures for racing at different racetracks
- Wagering on horse racing (pari-mutuel wagering).

To calculate the economic impact of horse racing, On-Farm costs are applied to Direct Expenditures

...

Off-Farm costs are applied to Indirect Expenditures.

The Expenditure Model for calculating economic contribution looks to inputs and outputs from a particular sector or industry. The model adds together all final expenditures on goods and services by the industry or industry sector – the *inputs* – and measures the multiplier effects of expenditures on overall economic activity – the *outputs*.

The Expenditure Model for calculating economic impact is based on identifying costs in three categories: Direct Expenditures, Indirect Expenditures, and the Induced impact created by direct and indirect expenditures.

Some of the expenditures related to horses, ownership and activities with horses are incurred *On-Farm* (on the home farm property) – feed and care of horses for example. Some of the expenditures are incurred *Off-Farm* – racing entry fees, travel expenses, and costs attached to operating racetracks for example.

To apply this model to the horse industry (*Direct* ➔ *Indirect* ➔ *Induced Impact*), Strategic Equine analysis uses a simple approach that assigns expenditures as:

ON-FARM Costs = DIRECT Expenditures

The direct economic impact is realized by the money spent *On-Farm* to keep a horse, the costs to maintain the property on which the horse resides, and any *On-Farm* costs to train horses for racing.

OFF-FARM Costs = INDIRECT Expenditures

The indirect economic impact is realized through activities away from the farm (such as racing) and the costs incurred by the owner to participate in these activities.

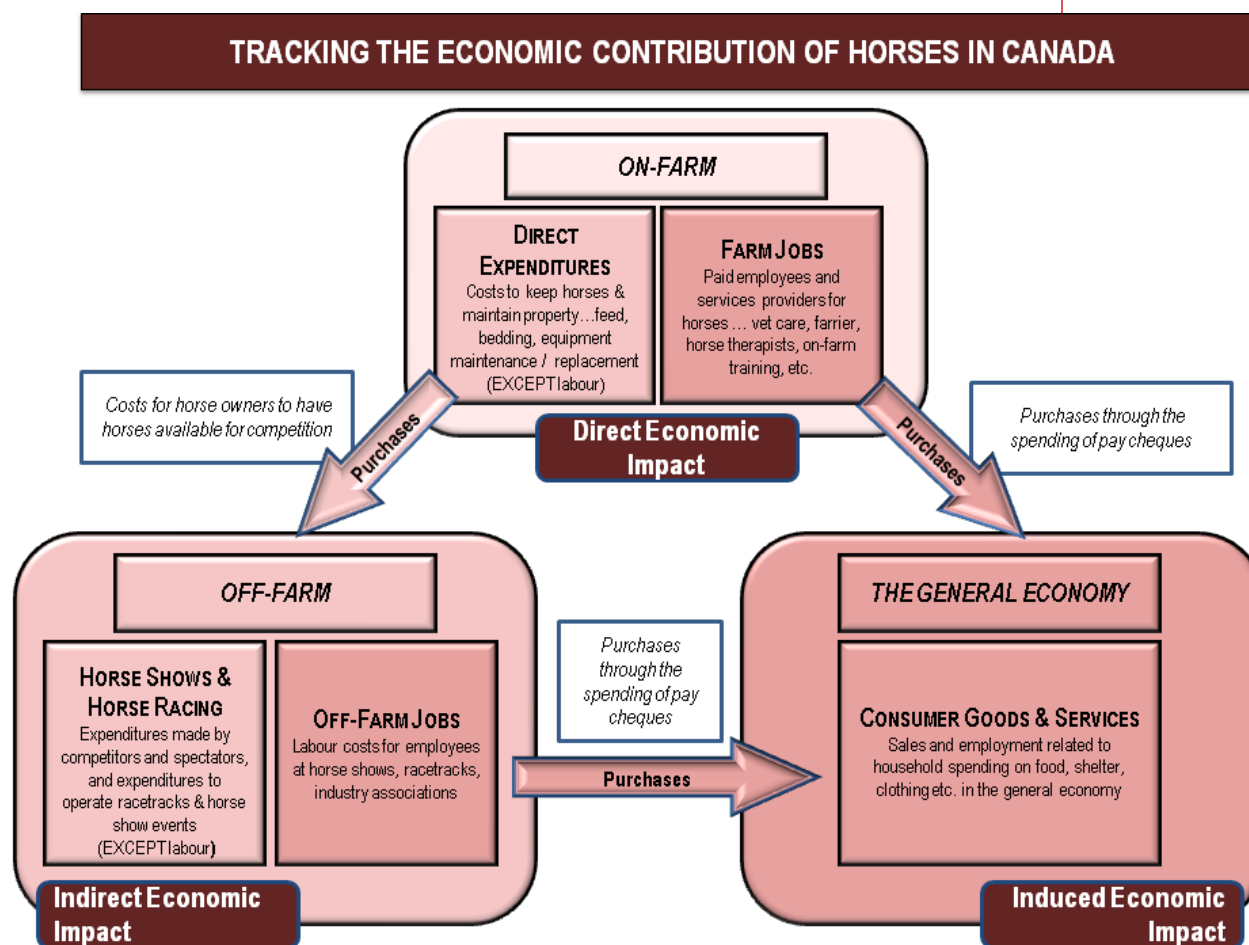
The **INDUCED** economic impact of *On-Farm* and *Off-Farm* activities is achieved when owners, farm employees, racetrack employees (or horse show employees) spend their pay cheques. Figure 3.1 graphically represents the model.

For the horse racing industry, the total value of annual expenditures are calculated:

- On a *per horse* basis (feed, veterinarian services, farrier services, etc), OR

- On a *per owner* basis (property maintenance for farms with horses, tack and equipment, membership fees and licenses, etc.), OR
- On a *per racetrack* basis (facilities maintenance, operations staff for live racing and pari-mutuel wagering, hospitality, security, etc.), OR
- On an *industry-wide* basis (expenditures to run racing regulatory groups, pedigree registries, industry associations).

Figure 3.1: Tracking the Economic Impact of Horses – the Model



Horse racing is, by its very nature, labour intensive, and labour costs form the largest component of annual expenditures at all levels. The high level of the labour component of cost derives from several factors:

- The production and care of horses is the most labour intensive livestock production sector of agriculture. For the horse racing sector, one-on-one care is required for the majority of horses year-round.
- Training and racing activities require multiple people-per-horse – trainers, grooms, exercise riders, jockeys, drivers, etc.

The economic impact model described in this report was developed by the author to address the unique structure of the horse industry.

The general concepts were based on a model for tracking economic impact of the agricultural sector developed by Dr. Harry Cummings, Professor Rural Planning and Development, University of Guelph.

- The logistics and operations of a racetrack for a day of live horse racing involves more staff-per-event day than many other sporting events, with gate crew, track staff, backstretch operations, staffing for dining and hospitality and pari-mutuel wagering.
- Horse racing is a regulated sport, with large financial rewards (purses) and pari-mutuel wagering. This requires staff resources to supervise the sport to ensure fair play, and to monitor the integrity of wagering.

Horse owners interviewed for the 2010 national industry survey were asked a detailed series of questions to identify their investment in horses, tack, equipment and farm improvements, and the costs to keep a horse in Canada in 2010. Calculations in this report for investment and expenditures in the horse racing sector derived from survey data.

Of note, the analysis in this report does not identify the capital investment by racetrack operators in their track properties and facilities. Information on capital investment in track infrastructure is not publicly (or readily) available. However, expenditures for facilities maintenance and operations of racetracks for live horse racing are included, and are derived from calculations of the income available to racetrack operators. It is generally reported by racetrack operators that the costs to deliver live horse racing are, at best, a break-even proposition.

3.1. CAPITAL INVESTMENT IN THE HORSE RACING SECTOR

Investments and expenditures attached to horse ownership, and the use of horses for racing and breeding can be grouped into two categories — those that are:

Calculated per Owner – where investments or annual expenditures can be shared for all horses owned by the ownership unit. Examples would be investment in horse-related property improvements (barns, fencing, etc.), investments for tack and equipment, such as horse trailers, etc. OR

Calculated per Horse – where there is a fixed investment or expenditure attached to each horse. Examples would be investment to buy a horse or expenditures to feed, and care for horses (hay, feed, vet services, farrier services, etc.) While there may be economies of scale for expenditures when an owner has multiple horses, these types of expenses are still variable expenses attached to each horse.

In the survey, horse owners were asked a series of questions to identify their capital investment in three categories: the purchase of horses, investment in tack and horse-related equipment, and investment in horse-related property improvements. Table 3.1 reports capital investment for owners in the Canadian horse racing sector. Table 3.2 reports capital investment by province.

Survey data was used to calculate average investment for each category, and the resulting averages were applied to the number of owners in each province. The average investment was multiplied by the percentage of horse owners reporting investment in each category. By way of example, of the 20,829 owners, only 17,993

Horse owners in the racing sector have an average \$233,536 invested per owner in horses, tack, equipment and horse-related property improvements.

reported investment in horses. Some of the owners surveyed were active breeders and would own horses that were home-breds (i.e. for which they did not invest capital). In a similar manner, only 19,067 owners reported investment in tack. For some owners in the racing sector, all tack and equipment for their horses would be provided by their horse trainer.

Table 3.1: Capital Investment Per Owner in the Horse Racing Sector In 2010

Capital Investment	Average Investment per Owner	# of Owners Invested	Estimated Total Investment in Canada
Investment in Horses	\$23,657	17,993	\$425,659,531
Investment in Tack	\$15,315	19,067	\$292,011,616
Investment in Horse-Related Equipment	\$19,434	14,764	\$286,917,562
Investment in Horse-Related Property Improvement	\$277,659	13,901	\$3,859,734,567
TOTAL INVESTMENT			\$4,864,323,276
Average Per Owner			\$233,536

Capital Investment from **20,829 owners** in the horse racing sector exceeds \$4.8 billion

Table 3.2: Capital Investment Per Owner in the Horse Racing Sector By Province

Capital Investment	British Columbia	Alberta	Saskatchewan	Manitoba	Ontario
Number of Owners	1,878	3,710	1,44	6,34	11,600
In Horses	\$24,159,670	\$66,467,618	\$1,385,060	\$7,202,832	\$285,784,560
In Tack	\$14,478,884	\$39,317,764	\$716,328	\$6,478,846	\$189,306,299
In Horse-Related Equipment	\$43,402,380	\$29,680,000	\$2,265,840	\$17,136,000	\$162,397,584
In Horse-Related Property Improvement	\$287,788,250	\$700,759,400	\$7,819,925	\$50,700,000	\$2,601,687,023
TOTAL INVESTMENT	\$369,829,184	\$836,224,782	\$12,187,153	\$81,517,678	\$3,239,175,466
Average Per Owner	\$196,927	\$225,398	\$84,633	\$128,577	\$279,238
Capital Investment	Quebec	New Brunswick	Nova Scotia	Prince Edward Island	Newfoundland
Number of Owners	1,314	310	518	654	67
In Horses	\$14,567,004	\$3,514,780	\$12,495,196	\$9,506,544	\$576,267
In Tack	\$27,791,100	\$2,104,900	\$6,273,292	\$5,252,418	\$291,785
In Horse-Related Equipment	\$16,005,291	\$1,978,508	\$10,578,384	\$2,843,775	\$629,800
In Horse-Related Property Improvement	\$76,306,608	\$8,518,335	\$84,417,826	\$30,329,700	\$11,407,500
TOTAL INVESTMENT	\$134,670,003	\$16,116,523	\$113,764,698	\$47,932,437	\$12,905,352
Average Per Owner	\$102,488	\$51,989	\$219,623	\$73,291	\$192,617

3.2. ANNUAL EXPENDITURES IN THE HORSE RACING SECTOR

In the 2010 national survey, horse owners were asked a series of questions to identify their costs to keep their horses, and to have them trained and active in racing. In this report owners' expenditures are grouped into three categories:

COSTS-TO-KEEP a horse, including the costs for feed and husbandry of horses, services for their care (farrier, veterinarian, etc. – not including training), and for maintaining the property (farm) where the horses reside.

COSTS-TO-TRAIN a horse, including the costs for repair (and/or replacement) of tack and equipment, and the labour costs attached to training a horse for racing.

COSTS-TO-RACE, the costs attached to live racing events at racetracks, including membership/licensing fees for the owner, trailering and transportation costs, fees for race entries, travel expenses, the labour costs for employees responsible for supervising racing and operations costs for live racing at racetracks.

The author recognizes that there are several other categories of expense that are not included in this list of expenditures – depreciation, taxes, insurance to name a few. However, as outlined in the Introduction to this report, the survey questionnaire did not capture this data (see page 6).

Survey data was used to calculate average expenditures for each expense category, and the resulting averages were applied to horses and owners in each province. The average expenditure was multiplied by the percentage of horse owners reporting expenditures in each category. For example:

If racing sector owners in Alberta reported that they purchased nutritional supplements for only 69% of their horses spending an average of \$210 per horse-per-year on nutritional supplements, total annual expenditure on nutritional supplements for Alberta was calculated as follows:

	\$210	(average expenditure per horse)
X	5,031	(horses in the Alberta racing sector)
X	.69	(% of horses for which expenditure incurred)
	\$728,992	

National totals for Canada are the sum of provincial expenditures in each expense category.

It is important to note in that in the horse industry not all costs involve cash expenditures. Horse owners may buy hay (or feed, or bedding) for all their horses – or they may grow their own. Owners may also have a combination of cash expenditures and non-cash expenditures for hay, feed, or bedding where they purchase some of their horses' requirements and grow some. The model for purchasing versus growing hay, feed or bedding varies between provinces. Owners in western Canada are more likely to grow crops for their horses' needs than owners in eastern Canada. Decisions on whether to buy-or-grow may change from year-to-year depending on market conditions.

In the horse industry, not all costs require a cash outlay. A percentage of horse owners grow some (or all) of the hay or grain to feed their horses, for example.

When calculating the costs for feed and bedding, for owners who reported home-grown product, the value assigned to the home-grown product was based on the average expenditure for those who purchased the same product (hay, feed, or bedding). The non-cash value of home-grown production is included in totals for expenditures in each category.

In a similar manner, a very high percentage of the labour cost for the care-and-keep of horses is a *non-cash* expenditure. For 83% of horse owners, either the owner or family members provide 30-hours-per-week (or more) of unpaid labour for the care of horses. From the survey data, 22% of owners reported hiring paid employees to care for horses on the farm. Paid labour for employees was in addition to the considerable investment in unpaid labour by the family.

When reporting expenditures, *Paid* and *Unpaid Labour* costs are identified separately to allow for a more accurate analysis of the induced impacts of expenditures.

Table 3.3 reports the **COSTS-TO-KEEP** a horse in the racing sector in 2010. Table 3.4 reports the total annual expenditure in each province. Expenditures for products and services have been calculated on a *cost-per-horse* basis. Expenditures for labour (both paid and unpaid) have been calculated on a *cost-per-owner* basis.

Table 3.3: Costs-To-Keep A Horse in the Racing Sector 2010

Costs-To-Keep A Horse in the Racing Sector	Average Expenditure per Horse or Per Owner	% for which Expenditure Incurred	# of people or horses for which Expense is Incurred	Total Annual Expenditure in Canada
Hay	\$788	71%	55,816	\$42,966,580
Horse Feed	\$956	89%	45,532	\$42,509,506
Bedding	\$471	74%	33,766	\$15,901,155
Feed Supplements	\$334	78%	35,623	\$11,900,992
Grooming & Horse Care Products	\$278	86%	40,368	\$11,208,836
Veterinary Services	\$974	79%	39,350	\$38,344,452
Farrier Services	\$518	79%	39,891	\$20,656,965
Horse Dental Care	\$123	24%	9,337	\$1,144,928
Horse Therapy Services	\$296	10%	4,747	\$1,402,855
Property Improvements	\$5,741	39%	13,020	\$74,749,622
Paid Labour On-Farm	\$71,073	22%	4,528	\$321,819,407
Value of Non-Cash Labour	\$107,263	83%	17,352	\$1,861,229,507
TOTAL EXPENDITURE				\$2,443,834,805
Average Cost-To-Keep A Horse				\$12,930

Not including Unpaid Labour, the national average annual **COST-TO-KEEP** a horse in the horse racing sector is \$12,930 per horse.

A high percentage of the labour to care for horses is unpaid labour.

...
83% of horse owners reported that 30-hours-per-week (or more) are contributed as Unpaid Labour to care for their horses.

Total costs to keep **45,059 horses** in the horse racing sector exceeds \$2.4 billion.

Table 3.4: Annual Expenditures For Costs-To-Keep A Horse By Province

Annual Costs To Keep A Horse	British Columbia	Alberta	Saskatchewan	Manitoba	Ontario
Number of Horses	2,188	5,031	2,153	2,697	26,338
Hay	\$1,923,068	\$5,164,860	\$612,567	\$586,180	\$30,281,186
Horse Feed	\$2,448,864	\$1,457,541	\$570,810	\$336,255	\$31,336,448
Bedding	\$838,004	\$166,608	\$88,314	\$53,176	\$13,520,898
Feed Supplements	\$2,579,652	\$728,910	\$1,291,800	\$126,084	\$6,090,354
Grooming Products	\$942,172	\$128,184	\$468,250	\$237,336	\$8,428,160
Veterinary Services	\$1,918,876	\$1,726,920	\$1,077,000	\$1,488,000	\$28,629,406
Farrier Services	\$1,389,380	\$835,848	\$127,908	\$403,020	\$15,112,684
Horse Dental Care	\$131,400	\$63,000	\$11,352	\$14,175	\$777,030
Horse Therapy Services	\$17,423	\$73,688	\$10,075	\$29,700	\$1,252,467
Property Improvements	\$4,544,562	\$10,808,625	\$248,256	\$2,575,000	\$50,744,200
Paid Labour On-Farm	\$4,255,077	\$45,448,716	\$1,664,064	\$17,800,000	\$250,754,880
Non-Cash Labour (Value of)	\$220,226,245	\$308,686,840	\$3,400,128	\$41,871,896	\$1,120,194,600
TOTAL EXPENDITURE	\$241,214,723	\$375,289,740	\$9,570,524	\$65,520,822	\$1,557,122,313
*Average Cost-To-Keep Per Horse	\$9,593	\$13,239	\$2,866	\$8,769	\$16,589
Annual Costs To Keep A Horse	Quebec	New Brunswick	Nova Scotia	Prince Edward Island	Newfoundland
Number of Horses	3,380	708	1,147	1,314	106
Hay	\$3,091,180	\$341,925	\$475,054	\$374,490	\$116,070
Horse Feed	\$4,651,542	\$469,120	\$458,082	\$662,760	\$118,084
Bedding	\$582,212	\$217,932	\$217,371	\$201,640	\$15,000
Feed Supplements	\$442,962	\$268,272	\$118,614	\$198,094	\$56,250
Grooming Products	\$682,760	\$49,335	\$137,709	\$111,504	\$23,426
Veterinary Services	\$2,038,140	\$331,350	\$517,031	\$553,392	\$64,337
Farrier Services	\$1,926,600	\$177,704	\$360,136	\$280,560	\$43,125
Horse Dental Care	\$136,359	\$3,700	\$7,912	\$0	\$0
Horse Therapy Services	\$0	\$9,205	\$2,565	\$6,732	\$1,000
Property Improvements	\$1,669,923	\$638,352	\$2,395,800	\$728,004	\$396,900
Paid Labour On-Farm	\$625,100	\$533,400	\$260,400	\$455,920	\$21,850
Non-Cash Labour (Value of)	\$111,649,650	\$24,844,350	\$16,496,568	\$10,549,430	\$3,309,800
TOTAL EXPENDITURE	\$127,496,428	\$27,884,645	\$21,447,242	\$14,122,526	\$3,768,942
*Average Cost-To-Keep Per Horse	\$4,688	\$4,312	\$4,816	\$2,719	\$8,076

**The value of Non-Cash Labour is not included in the calculation of Average Cost-To-Keep.*

COSTS-TO-TRAIN a horse for racing include the costs related to tack and equipment and the labour costs for time spent training the horse. Most trainers in racing will charge a Day Rate (fee-per-day) for each horse in training. Day Rates vary between the different breed segments (Thoroughbred, Standardbred and Quarter Horse). Day Rates also vary depending on whether the horse is at the racetrack or being trained on the farm.

Generally the Day Rate includes some of the *Costs-To-Keep* a horse (feed, bedding, labour for care) but not the costs of services (farrier, veterinarian, horse therapies) which are usually charged to the owner as separate expenses. To avoid double-counting of costs for training versus *keep*, analysis was completed to calculate the labour component of training fees as a separate expenditure category.

From the Day Rate, trainers pay the wages for grooms, exercise riders, hotwalkers and other staff.

Racehorses are not in training 365 days of the year. Generally training starts one-or-two months ahead of the race meet, and there is generally a period of *lay-up* each year between racing seasons.


Some horse training happens on the farm and some happens at the racetrack. Again, the model varies in different breed sectors and different provinces depending on the facilities available at racetracks. Where racetracks have permanent stabling facilities as part of their backstretch, the racetrack operates as a residential training centre with horses living at the racetrack for the length of the race meet and training on the track between race days. In areas where racetracks do not offer permanent stabling, training takes place on the home farm or in local training centres and horses *ship-in-ship-out* of the racetrack only on race days.

The older established racetracks in Canada (Woodbine and Fort Erie in Ontario for example), are more likely to have permanent stabling available on the backstretch. The majority of training for racing thoroughbreds is On-Track.


There are a limited number of standardbred tracks remaining in Canada with backstretch stabling. Only four of the fifteen tracks in Ontario, for example, have year round stabling – Mohawk, Clinton, Dresden and Hanover. The majority of training for standardbred horses is either On-Farm or at local training centres.

With the exception of Fort Erie racetrack in Ontario (which raced both thoroughbreds and Quarter Horses in 2010 and 2011), all tracks used for Quarter Horse racing in Canada do not offer permanent stabling. Horses will ship-in-ship-out for specific race days and specific training days throughout the season. Quarter Horses are mainly trained On-Farm.

A detailed analysis was completed to calculate the labour charge for training services based on the different costs attached to On-Farm versus On-Track training. The calculations account for the number of race days for each province and breed. The



The Day Rate for training varies between the different breed sectors (Thoroughbred, Standardbred and Quarter Horse), and between provinces.



The labour and equipment costs to train **28,186 horses** exceeded \$190 million

calculations also account for the non-cash component of Training services, where the trainer is the owner, or part-owner of the horse in training.

Table 3.5 reports total **COSTS-TO-TRAIN** nationally (all breeds). Table 3.6 reports *Costs-To-Train* in each province. Average costs have all been calculated based on total expenditures for training in each province, compared to the number of horses active in training in each province in 2010.

Table 3.5: Costs-To-Train Horses For Racing 2010

Cost-To-Train A Horse for Racing	Average Expenditure per Owner	% of Owners Expenditure Incurred	# of Owners Incurring the Expense	Total Annual Expenditure in Canada
Replacement Tack	\$1,550	66%	13,832	\$21,436,736
Replacement Equipment	\$999	28%	5,905	\$5,896,463
Labour Charge Horse Training On-Farm				\$67,901,569
Labour Charge Horse Training Off-Farm (at racetrack or training centre)				\$95,756,287
TOTAL EXPENDITURE				\$190,991,055
Average Cost-To-Train Per Horse				\$6,776

Table 3.6: Costs-To-Train Horses For Racing By Province

Costs To Train A Horse for Racing	British Columbia	Alberta	Saskatchewan	Manitoba	Ontario
Horses In Training	1,742	3,391	1,252	1,142	16,479
Replacement Tack	\$3,325,938	\$1,462,482	\$47,736	\$1,569,150	\$13,803,768
Replacement Equipment	\$576,912	\$1,124,244	\$25,272	\$673,625	\$2,865,200
Labour For Training On-Farm	\$418,455	\$1,175,635	\$111,727	\$110,610	\$65,659,389
Labour For Training Off-Farm	\$1,206,442	\$3,522,151	\$401,916	\$537,612	\$90,088,166
TOTAL EXPENDITURE	\$5,527,747	\$7,284,512	\$586,651	\$2,890,997	\$172,416,523
Average Cost-To-Train Per Horse	\$3,173	\$2,148	\$469	\$2,532	\$10,463
Costs To Train A Horse for Racing	Quebec	New Brunswick	Nova Scotia	Prince Edward Island	Newfoundland
Horses In Training	1,447	560	931	1,150	92
Replacement Tack	\$16,928	\$88,110	\$379,260	\$711,684	\$31,680
Replacement Equipment	\$36,800	\$67,770	\$156,300	\$350,855	\$19,485
Labour For Training On-Farm	\$74,398	\$60,601	\$75,562	\$211,735	\$3,457
Labour For Training Off-Farm	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURE	\$128,126	\$216,481	\$611,122	\$1,274,274	\$54,622
Average Cost-To-Train Per Horse	\$89	\$387	\$656	\$1,108	\$594

Adding together **COSTS-TO-KEEP** and **COSTS-TO-TRAIN**, the national average cost to keep a horse and have it ready for racing in 2010 was \$18,706. The average cost in Ontario was \$27,052.

COSTS-TO-RACE include the costs for the owner to be eligible to race their horses (mandatory licensing and membership fees, race nomination and starting fees), the labour costs for regulatory groups or industry associations to provide services, the cost to the owner to travel with their horses to different racetracks for racing, and the costs for the racetrack operator to host a race meet with pari-mutuel wagering.

The **COSTS-TO-RACE** are the costs to “put on the show” ... to host live racing each year. This is a cost that is shared between the horse owners and the racetrack operators. It is not calculated per horse, but reflects the annual costs for:

- Owners to be eligible to race, and to get themselves and their horses to the racetrack,
- For regulatory groups to provide oversight and monitoring services for racing and wagering, and
- For the racetrack operators to have all required infrastructure in place for live racing events and for pari-mutuel wagering on the races.

Expenditures for the horse owner have been calculated on a cost-per-owner basis. Expenditures for regulatory groups or industry associations have been estimated by multiplying an average annual salary by the number of employees (as reported in 2010). Expenditures for racetrack operations have been calculated on a cost-per-racetrack basis. The calculated cost for racetrack maintenance and operations is calculated from total revenue to racetracks, less the estimated labour charge.

Table 3.7 reports **COSTS-TO-RACE** nationally (all breeds). Table 3.8 reports *Costs-To-Race* in each province.

Table 3.7: *Costs-To-Race In 2010*

Costs-To-Race	Average Expenditure per Owner	# of Owners Incurring the Expense	Total Annual Expenditure in Canada
Trailer and Transportation	\$9,542	18,640	\$90,607,592
Nomination & starter fees	\$1,954	18,669	\$36,475,187
Membership Fees and Licences	\$183	20,300	\$3,716,022
Food and travel expenses	\$1,059	17,209	\$22,415,585
Associations & regulatory groups paid employment			\$22,415,585
Racetrack operations paid employment			\$218,710,000
Racetrack expenditures (other than labour)			\$87,166,122
TOTAL EXPENDITURE			\$477,310,155
Average Cost Per Race Day			\$186,158

Costs-To-Race are the expenditures attached to host live racing events at racetracks each year.

...

The costs to “put on the show”.

The costs to host **2,564 days** of live racing in Canada in 2010 exceeded \$477 million.

Table 3.8: Costs-To-Race By Province

Costs To Race	British Columbia	Alberta	Saskatchewan	Manitoba	Ontario
Race Days in 2010	172	262	62	90	1,654
Trailer and Transportation	\$2,163,182	\$7,555,786	\$313,560	\$2,540,000	\$68,954,692
Nomination & starter fees	\$1,583,154	\$2,789,920	\$4,752	\$753,192	\$26,295,228
Membership Fees and Licences	\$307,992	\$460,040	\$8,784	\$294,176	\$1,937,664
Food and travel expenses	\$2,146,554	\$3,710,000	\$67,248	\$531,292	\$8,993,712
Association(s) paid employment	\$1,236,500	\$2,624,000	\$840,000	\$960,000	\$13,705,085
Racetrack operations paid employment	\$16,080,000	\$14,462,500	\$1,760,000	\$2,400,000	\$180,950,000
Racetrack expenditures (other than labour)	\$1,080,000	\$2,266,073	\$498,960	\$796,938	\$80,401,890
TOTAL EXPENDITURES	\$24,597,382	\$33,868,319	\$3,493,304	\$8,275,598	\$381,238,271
**Average Cost Per Race Day	\$143,008	\$129,268	\$56,344	\$91,951	\$230,495
Costs To Race	Quebec	New Brunswick	Nova Scotia	Prince Edward Island	Newfoundland
Race Days in 2010	16	66	107	109	26
Trailer and Transportation	\$5,346,990	\$1,347,272	\$1,430,660	\$910,000	\$45,450
Nomination & starter fees	\$706,250	\$1,194,102	\$1,447,292	\$1,604,616	\$96,681
Membership Fees and Licences	\$212,868	\$26,350	\$389,536	\$72,240	\$6,372
Food and travel expenses	\$1,009,650	\$134,589	\$727,790	\$892,380	\$6,432
Association(s) paid employment*	\$650,000	\$0	\$0	\$2,400,000	\$0
Racetrack operations paid employment	\$780,000	\$640,000	\$700,000	\$787,500	\$150,000
Racetrack expenditures (other than labour)	\$934,967	\$139,303	\$828,733	\$117,311	\$101,947
TOTAL EXPENDITURES	\$9,640,725	\$3,481,616	\$5,524,011	\$6,784,047	\$406,882
**Average Cost Per Race Day	\$602,545	\$52,752	\$51,626	\$62,239	\$15,649

*Note: Harness racing in New Brunswick, Nova Scotia and Prince Edward Island is regulated by MPHRC (Maritime Provinces Harness Racing Commission) with offices in PEI. Oversight for harness racing in Newfoundland is handled under contract with Standardbred Canada.

**Average cost- per-race- day in Quebec reflects the costs to carry the racetrack (and regulatory) infrastructure for only sixteen days of racing in 2010. Average cost- per-race- day in Ontario, is skewed by the higher costs-per-day for live racing at Woodbine racetrack for 300 days-a-year, and does not necessarily represent the average cost-per-day for smaller racetracks in the province.

To calculate the value of Direct and Indirect Expenditures, all costs under **COSTS-TO-KEEP**, **COSTS-TO-TRAIN** and **COSTS-TO-RACE** have been allocated into their respective category as On-Farm (Direct Expenditures) or Off-Farm (Indirect Expenditures).

Table 3.9 reports total Direct and Indirect Expenditures for the Canadian horse racing sector. While not included in the total cost calculation, Table 3.9 reports the value of the federal and provincial sales tax payable on taxable goods and services for the horse racing sector.

Table 3.9: Direct and Indirect Expenditures

On-Farm and Off-Farm Expenditures	Canada
Direct (On-Farm) Expenditures	\$2,539,069,573
Indirect (Off-Farm) Expenditures	\$573,066,442
TOTAL	\$3,112,136,015
Total GST on Taxable Expenditures	\$28,447,009
Total PST on Taxable Expenditures	\$42,692,323

A detailed schedule of Direct and Indirect Expenditures for all provinces is included as Appendix 1 to this report.

Horses are the only livestock industry sector in Canada for which GST is applied on livestock sales, as well as all products and services purchased for care and activities with horses. GST is chargeable on the sale of horses – the only livestock species in Canada for which this is the case.

The horse racing industry contributes significantly to federal GST revenues and provincial sales taxes revenues in provinces where HST is applied. From the total expenditure reported in this chapter, GST payable on Direct and Indirect expenditures would be \$28.4 million.

In addition, horse racing expenditures contribute \$42.7 million to provincial sales tax revenues. In provinces with harmonized HST, the horse industry contributes the full HST value.

Figure 3.2 illustrates the allocation of Direct (On-Farm) expenditures in each province. Total On-Farm expenditures in Ontario were \$1.6 billion (\$1,639,450,670), representing 65% of the total national expenditure.

Figure 3.3 illustrates the ratio of Indirect (Off-Farm) expenditures provincially. Total Off-Farm expenditures in Ontario were \$471 million (\$471,326,437), representing 82% of the total national expenditure.

Combined On-Farm and Off-Farm expenditures in Ontario were \$2.1 billion (\$2,110,777,107), representing 64% of the total national expenditure.

The horse racing industry generates \$3.1 billion in annual expenditures for production, care and activities with horses.

...

\$2.1 billion of expenditures are in the Ontario racing sector.

Horses are the only livestock for which GST is charged on the sale of animals, plus products and services for their care.

...

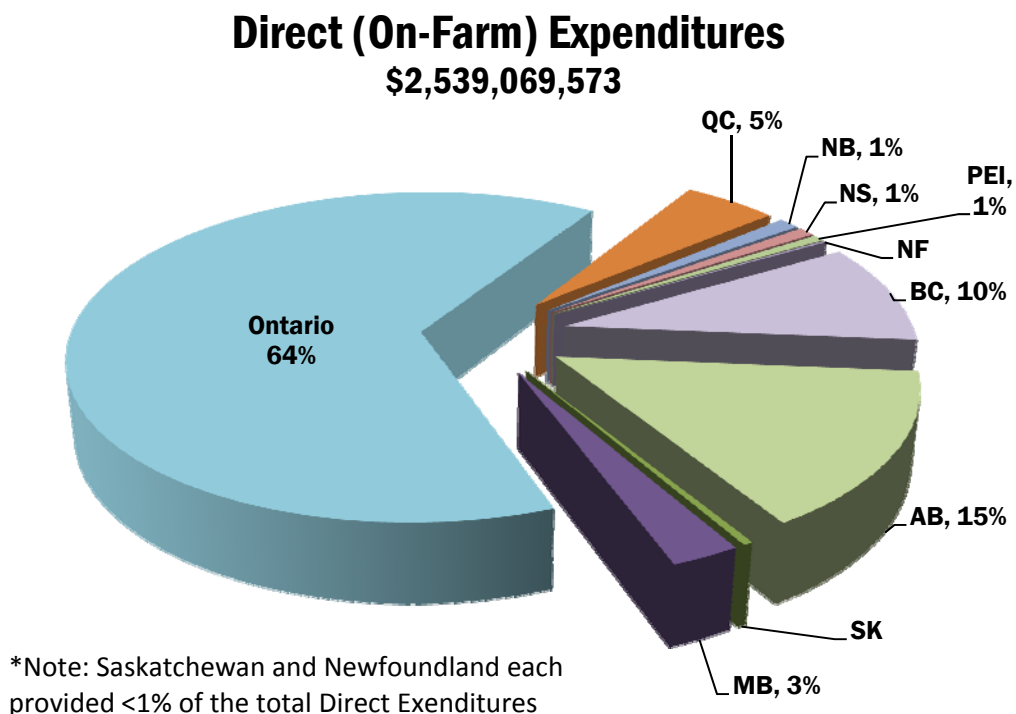
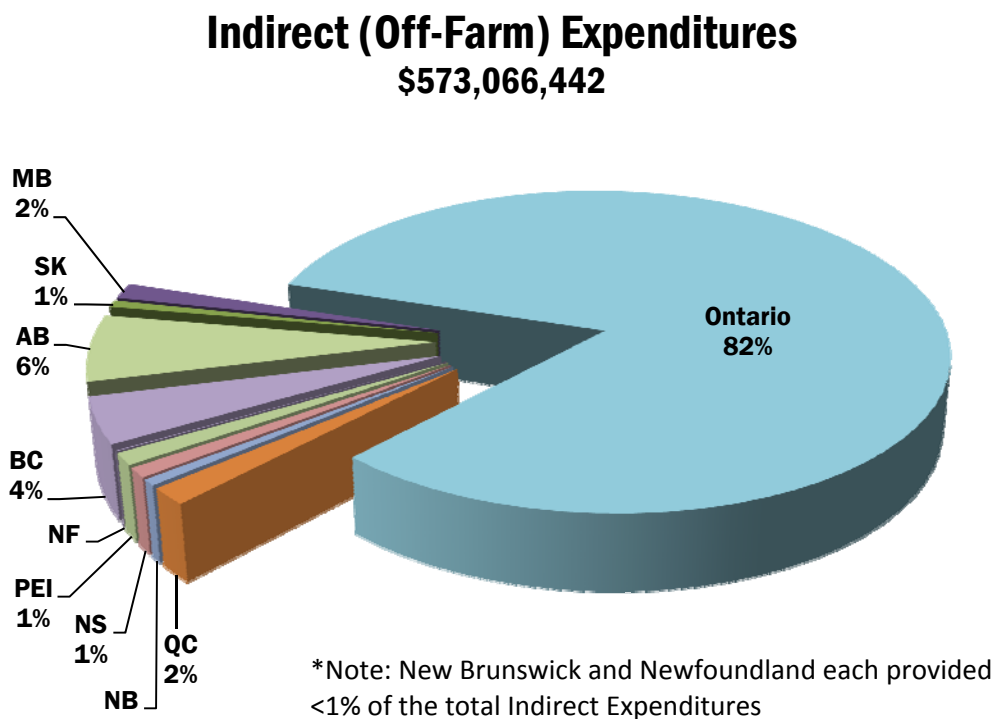
The horse racing industry contributes \$28.4 million in GST revenues each year.

...

The horse racing industry contributes \$42.7 million to provincial sales tax revenues.

...

In provinces with harmonized HST, the horse racing industry contributes the full HST value.

Figure 3.2: Direct (On-Farm) Expenditures in the Racing Sector 2010*Figure 3.3: Total Direct and Indirect Expenditures in the Racing Sector 2010*

3.3. EMPLOYMENT IN THE RACING SECTOR

Labour expenditures represent the largest cost component to the horse racing sector. Of the \$3.1 billion in total On-Farm and Off-Farm expenditures, labour represents 85% (\$2.6 billion) of the total cost.

Translating \$2.6 billion in labour costs into “number-of-jobs” involves calculations in two steps:

- Calculating the number of FTE (Full Time Equivalent) jobs that are represented by the money spent on labour (person-years of employment),
- Calculating the additional Induced Employment (additional FTE jobs) generated from expenditures.

Table 3.10 reports the equivalent full-time jobs (FTEs) in the horse racing sector in Canada that are represented by Labour Expenditures On-Farm and Off-Farm.

Table 3.10: Equivalent Full-Time Jobs (FTEs) in the Racing Sector in 2010

On-Farm (Direct) Expenditures For Labour	Number Of FTE Jobs	Total Labour Expenditure
On-Farm care of horses	14,068	\$321,819,407
Horse training On-Farm	3,923	\$67,901,569
Service providers (farriers, veterinarians, therapists, etc.)	653	\$61,549,200
Total Direct Paid Employment	18,644	\$451,270,176
Unpaid employment On-Farm care of horses	82,347	\$1,861,229,507
TOTAL DIRECT LABOUR EXPENDITURE	100,991	\$2,312,499,683
Off-Farm (Indirect) Expenditures For Labour	Number Of FTE Jobs	Total Labour Expenditure
Racetracks operations & wagering	3,355	\$218,710,000
Industry Associations / Racing Regulators	374	\$22,415,585
Horse training Off-Farm (at racetracks or training centres)	2,250	\$95,756,287
TOTALS IN-DIRECT LABOUR EXPENDITURE	5,979	\$336,881,872

On-Farm activities with horses, generate the equivalent of 18,644 person years of paid employment (FTE jobs) in Canada, at an annual salary rate of \$24,205 per year.

Off-Farm activities with horses (*indirect* expenditures) generate the equivalent of 5,979 paid full-time jobs in Canada, at an average annual salary rate of \$56,344 per year.

Table 3.11 reports FTE (equivalent to full-time jobs) generated as induced employment – jobs generated by the spending pay cheques earned by those employed On-Farm and Off-Farm. For the purposes of calculating induced employment (resulting from direct and indirect employment expenditures), only the value of paid employment has been included in the calculations.

On-farm activities with horses generate the equivalent of 18,644 full-time jobs in Canada, at an average annual salary rate of \$24,205.

Off-farm activities with horses generate the equivalent of 5,979 full-time jobs in Canada, at an average annual salary rate of \$56,344.

The Canadian horse racing industry supports more than 47,000 full-time jobs

...
one full-time job for every horse active in the horse racing sector.

For the 47,000 FTE jobs in the Canadian horse racing industry, 34,816 (74%) are in Ontario.

This calculation uses a factor of **1.91** to calculate the induced employment generated – the Employment Factor identified for primary agriculture production by Agriculture and Agri-food Canada (AAFC).

For every job created On-Farm and Off-Farm, an additional .91 jobs are created from the induced impact.

Table 3.11: Induced Employment Resulting from Direct and Indirect Labour Expenditure

Induced Employment – Resulting From Direct and Indirect Labour Expenditures	Number Of FTE Jobs	Value Of Induced Employment
Induced Employment through Direct On-Farm Labour Expenditures	16,967	\$410,669,155
Induced Employment through Indirect Off-Farm Labour Expenditure	5,442	\$306,594,862
TOTAL INDUCED EMPLOYMENT	22,409	\$717,264,017

The horse racing industry in Canada generates 47,032 FTE jobs through Direct, Indirect and Induced employment. With 45,059 horses active in the racing sector, this represents one job for every 1.04 horses. Generally you could calculate ...

one-active-horse = one-full-time-job.

Table 3.12 reports the number of paid FTE jobs generated by the horse racing sector and the number of horses-per-job and jobs-per-horse by province.

Table 3.12: FTE Jobs (Person Years) In The Racing Sector By Province

FTE Jobs (Person Years)	British Columbia	Alberta	Saskatchewan	Manitoba	Ontario
Total Paid Jobs (Direct +Indirect +Induced)	1,715	5,142	986	2,288	34,816
Horses Active in the Racing Sector	2,188	3,710	2,153	2,697	26,338
# Horses Per Paid Job	1.28	0.72	2.18	1.18	0.76
# of Paid Jobs Per Horse	0.78	1.39	0.46	0.85	1.32
FTE Jobs (Person Years)	Quebec	New Brunswick	Nova Scotia	Prince Edward Island	Newfoundland
Total Paid Jobs (Direct +Indirect +Induced)	1,060	220	339	424	42
Horses Active in the Racing Sector	3,380	705	1,147	1,314	106
# Horses Per Paid Job	3.19	3.20	3.38	3.10	2.52
# of Paid Jobs Per Horse	0.31	0.31	0.30	0.32	0.40

Of the total employment in the Canadian horse racing sector, 34,816 person-years of employment are generated in the Ontario racing sector (74% of the total).

These calculations report FTE jobs (or *person-years*) of employment. It's important to note that much of the work in the horse racing sector is either seasonal (during racing season) or part-time. To identify the actual number of jobs represented here (how many individual people are employed for some part of the year), calculations are required for the ratio of full-time to part-time (or seasonal) jobs in the sector.

The questionnaire for the 2010 national study only looked at the total hours of labour, and did not differentiate hours for full-time employees compared to part-time employees. However, research interviews completed for the 2007 *Ontario Horse Racing and Breeding Industry Profile Study* identified the number of full-time employees compared to part-time employees in the Ontario industry in 2007.

It was reported in the 2007 Ontario study that for every full-time employee On-Farm for the care of horses, there were an additional 1.35 part-time employees. The 2007 Ontario study also reported that for trainers with employees at racetracks, for every full-time employee, an additional 2.2 part-time (or seasonal) workers were employed.

Using the multipliers for the ratio of full-to-part-time workers from the 2007 Ontario study, Table 3.13 estimates the number of Employees (individual people employed) that is represented by the person-years of employment in Ontario in 2010.

Table 3.13: Individual Employees (Full-Time and Part-Time) in Ontario in 2010

On-Farm FTE Jobs for Care of Horses	Multiplier	On-Farm Part-Time or Seasonal	Total On-Farm Employees
14,148	1.35	19,100	33,248
On-Farm Trainers	Multiplier	Staff for On-Farm Training	Total Employees On-Farm Training
3,011	2.2	6,624	9,636
Occupational Licences (excluding trainers on-farm)			12,176
Total individuals employed			55,060

3.4. TOTAL ECONOMIC IMPACT AND MULTIPLIER EFFECTS

The horse racing sector of Canadian horse racing industry generates \$3.8 billion (\$3,829,400,032) in annual expenditures (Direct + Indirect + Induced Expenditures) for the care training and racing of horses in Canada. Table 3.14 reports total expenditures for the three categories of inputs.

Table 3.14 Total Expenditures

Expenditures (Direct, Indirect And Induced)	Expenditures Excluding Labour	Expenditures For Labour	Total Expenditures
Direct (On-Farm)	\$288,119,090	\$2,250,950,483	\$2,539,069,573
Indirect (Off-Farm)	\$244,774,735	\$328,291,707	\$573,066,442
Induced		\$717,264,017	\$717,264,017
TOTAL EXPENDITURES			\$3,829,400,032

A detailed schedule of employment in each province is attached as Appendix 2.

The 34,816 person-years of employment in the Ontario horse racing sector potentially represents 55,060 individual employees.

The total annual economic contribution from the **Canadian horse industry** (all sectors) to the Canadian economy is \$19.6 billion.

...
\$5.7 billion (29%) comes from the **horse racing industry**.

The total annual economic contribution from the **horse racing sector** to the Canadian economy is \$5.7 billion.

...
\$4.5 billion (77%) comes from the **Ontario horse racing industry**.

In economic impact modeling, additional economic contribution is recognized beyond the expenditures generated by the industry sector through the *multiplier effect*. Each dollar spent in a province, has an additional ripple effect as it flows through the economy — \$1.00 spent at the grocery store, in turn generates additional expenditures (and jobs) to produce the food purchased.

The value of this additional economic contribution is calculated by applying a multiplier factor to the different elements of expenditure. The multiplier factor is calculated using the following formula:

$$\frac{(\text{Direct Expenditure} + \text{Indirect Expenditure} + \text{Induced Expenditure})}{\text{Direct Expenditure}} = \text{Multiplier Effect (Factor)}$$

The calculated multiplier effect for the Canadian horse racing industry (nationally) applies a factor of 1.52 — for every \$1 in expenditure an additional \$0.52 is generated.

Applying the multiplier factor to the \$3.8 billion in annual expenditure would recognize an additional annual contribution of \$1.7 billion (\$1,754,679,795) generated by the horse racing sector.

Including the multiplier effect, the total annual economic contribution to the Canadian economy from the horse racing sector is \$5.7 billion (\$5,782,394,048).

The 2010 national study reported a total economic contribution of \$19.6 billion from the Canadian horse industry (all provinces, all sectors).

The \$5.7 billion contribution from the horse racing sector represents 29% of the overall contribution that Canada realizes from all activities with horses.

The \$4.5 billion generated by horse racing in Ontario represents 23% of the total national contribution from the entire Canadian horse industry.

The methodology used here to calculate total economic contribution does not include the impact of the significant contribution to government tax revenues resulting from activities with horses:

- Payroll taxes for paid employment
- Municipal tax revenues for land, facilities and business taxes for commercial operators within industry sectors
- Sales taxes generated on products and services purchased
- Federal taxes on income (from paid employment), corporate taxes on business operators, as well as significant contribution to GST revenues

The complex nature of the horse industry has always presented a challenge to measure the diverse range of activities that generate economic contribution. This analysis attempts to assign a value to this diversity – to measure the total economic contribution that the horse racing sector makes each year.

THE STATE OF THE INDUSTRY IN 2010

ECONOMIC HORSE POWER ...

This report identifies the significant economic contribution to the Canadian economy that is realized through horse racing in Canada.

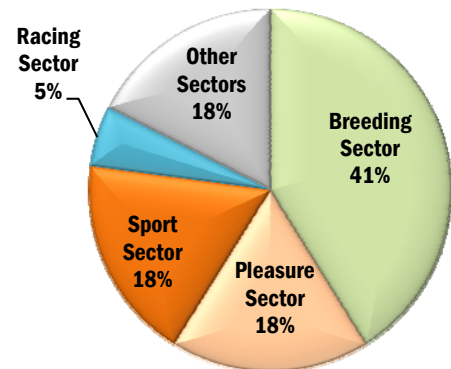
In the context of the Canadian horse industry, the racing sector represents a small percentage of the total number of horses in Canada, but a significantly higher percentage of the overall economic contribution that comes from horses in Canada.

The 2010 *Canadian Horse Industry Profile Study* reports 963,500 horses in Canada in all sectors, contributing \$19.6 billion to the economy.

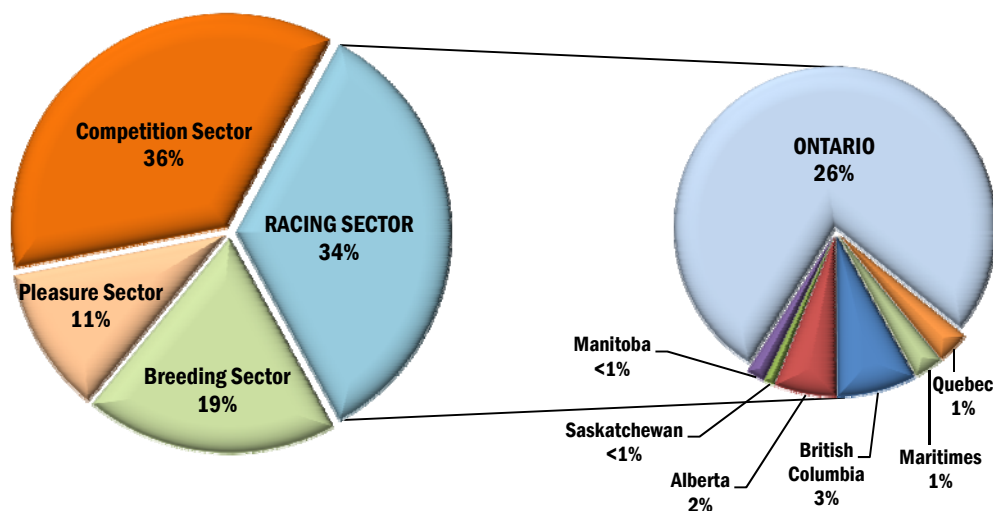
The horse racing sector contributes \$5.7 billion of the national industry total. With 5% of the horses (45,000), the horse racing sector provides 29% of the total economic contribution.

The high value of the horse racing sector derives from the level of expenditure per horse in the racing sector compared to horses in other use sectors. The average annual expenditure for a horse in the racing sector is \$19,706. This compares to an average annual expenditure of \$3,743 per horse for all other sectors of the horse industry (averaged together).

963,500 Horses in Canada by Sector



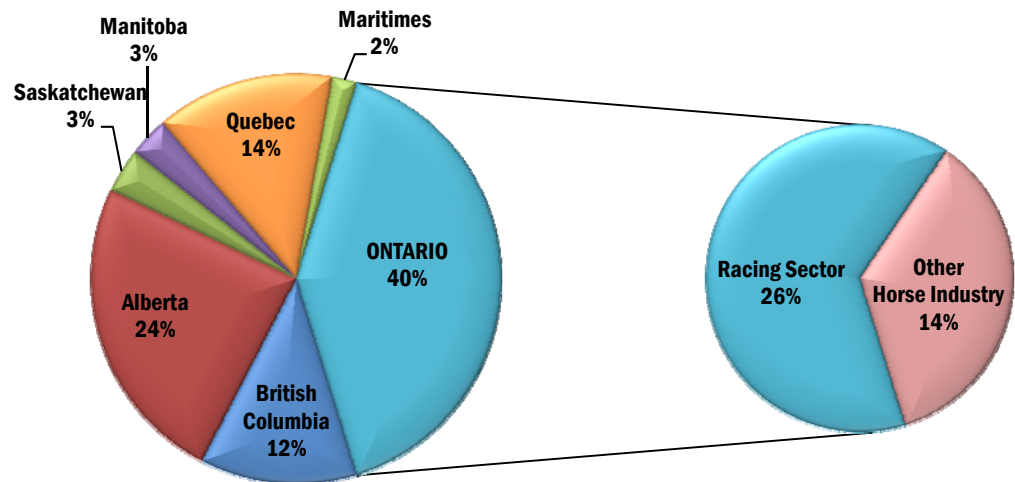
ANNUAL DIRECT EXPENDITURES BY SECTOR



Clearly the Ontario racing industry is the economic engine for both the Canadian racing sector, and the Canadian horse industry. Expenditures generated by the Ontario racing industry, represent 26% of total expenditures for the entire Canadian horse industry. The Ontario racing industry also represents the financial base for the Ontario horse industry (all sectors). The figure below illustrates the Canadian horse industry by province, and the portion of industry expenditures in Ontario.



ANNUAL DIRECT EXPENDITURES BY PROVINCE



A viable, strong and active racing sector provides valuable industry infrastructure for the non-racing sectors of the horse industry ...

- With a short, intense competition career for active racehorses, the annual expenditure on products and services for race horses is significantly higher than for horses in other uses. This drives demand for equine specialist veterinarians and horse health products and services. A strong, healthy racing sector develops a pool of expertise that adds to the equine health infrastructure supporting the equine industry as a whole.
- The racing sector in Canada has been the leading sponsor for equine research related to performance health issues (lameness, respiratory ailments, endurance and performance issues), as well as reproductive health for stallions, mares and foals. Demand for offspring of successful racing stock drives leading-edge research for reproductive technologies and techniques. The results of equine research are available to all sectors of the equine industry to enhance the health and productivity of horses.
- The high demand for labour created by the racing sector enhances the supply of skilled labour available to other sectors of the horse industry.
- High activity in the racing sector drives the production of pedigree horses of specific breeds – Thoroughbreds, Standardbreds and Quarter Horses in Canada. The relatively short competitive career for racing, coupled with increased breeding to supply racing stock, provides an increased supply of quality pedigree horses to the non-racing industry for other sport activities.
- The racing sector provides the primary opportunity for the general public to participate as spectators of sport competition with horses. Whether viewed live at the track, or off-track via television or simulcast venues, horse racing

presents a visible face, and tangible evidence that horses are a viable entertainment product.

The economic impact model used in this report has been designed to represent the unique nature of the horse industry where expenditures occur in several segments of the economy. This analysis represents a conservative measurement of economic contribution. The approach to apply all *Off-Farm* expenditures on horses as *indirect* (as opposed to additional *direct* expenditures), generates a lower final impact than may otherwise be calculated through more traditional models.

The model assigns costs on a *per horse*, or *per owner*, or *per race day* basis as a method to measure the economic impact of racing. Data on horses, owners and race days is readily available from recognized authorities – people are licensed by a provincial regulatory body, horses are registered with a pedigree registry, and racing information is tracked by the CPMA as part of monitoring wagering on races.

For the purposes of planning and monitoring changes to this complex industry, this model provides a tool to measure change and outcomes as the business environment for racing changes.

THE BUSINESS OF HORSES

While horse racing in Canada is clearly the revenue engine for the business of horses, profit is not always the primary driver for participation. To review the Ontario model (the largest component of the horse racing industry):

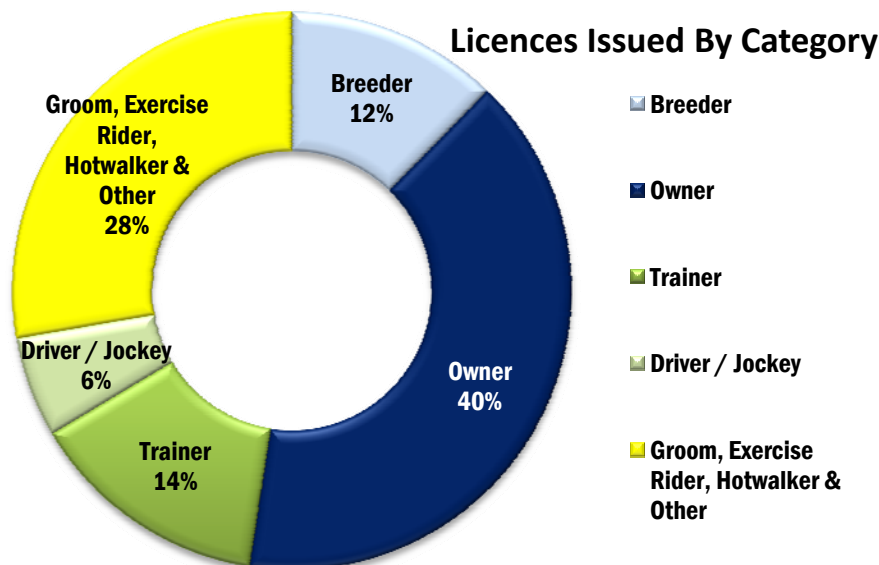
- There were 26,300 horses active in the sector,
- To produce 13,969 unique starters (racehorses that raced in 2010),
- Owned by 11,600 owners (10,619 licensed owners of racehorses),
- To chase \$267,536,533 in purses.

The raw numbers would suggest that available purses in Ontario represent a possible return in winnings of \$19,000 per unique starter (horse), or \$23,000 per owner – well below the Cost-To-Keep plus Cost-To-Train values. The general perception is often held that horse racing is strictly a game for the wealthy who are willing to invest significant dollars to make it to the Winners Circle. At first look, the numbers would support the perception.

However, while it is true that a component of the horse racing industry is truly *The Sport Of Kings*, when you examine the profile for those active in racing, the picture is quite different. The majority of those invested in horse racing (and breeding) meet the general definition of Small Business Enterprises (SBE), as owner-operators, employing less than ten employees. These SBEs are both earning their living (and paying staff) from the business of racing, and sharing in the risk-rewards of purse winnings as their own return on investment.

An examination of licenses issued by the Ontario Racing Commission (ORC), identifies the percentage of racing participants that are *investors* in racing, those that are *employees* of racing, and those that are both *invested and employed*.

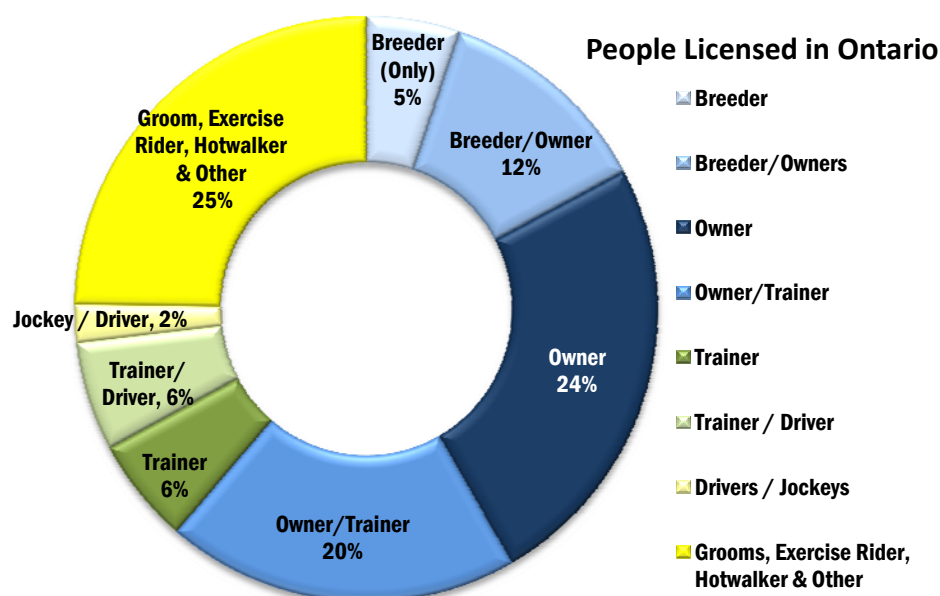
The ORC issued approximately 27,000 licences in different categories (owner, trainer, driver, jockey, etc. – see page 14 for details). Excluding those licensed for racetrack operations, pari-mutuel wagering and racing officials, the graph below illustrates the licences issued by category.



This chart includes Breeders, although that is not a distinct licensing category for the ORC. Some breeders are licensed by the ORC as a requirement to participate in provincial herd improvement programs, and are included in the *Other Occupational* licensing category. For the purposes of identifying Breeders as “investors” in the model, they have been included in the chart.

It could be assumed from this illustration, that 52% of those in racing (the Owners and Breeders) are responsible for the income of other 48% (the trainers, drivers/jockeys, and other backstretch workers).

It is important to note that an individual may have a licence in more than one category – the 27,000 licences issued by the ORC represent approximately 16,000 individual people. The chart below allocates each individual to a single category, defined by the multiple categories of licence that they hold.



The profile for individuals shows that 61% (the 11,600 owners identified in this report), are invested in the horses that are racing, and they look to purse winnings for a portion of their paycheque, or to offset the Costs-To-Keep and Costs-To-Train their horses. Those who are both *invested* (as owners) and *employed* (as trainers, breeders, caregivers etc.) are prepared to risk a portion of their paycheque for the potential reward of the purse.

At the current level of purses in Ontario (\$268 million), these owners are prepared to be heavily invested in the industry. Their willingness to invest supports 34,816 person-years of employment in Ontario, and results in the \$5.1 billion in economic contribution that flows from the horse racing industry in the province.

THE BUSINESS ENVIRONMENT FOR RACING IN CANADA

The horse racing industry in Canada has experienced the impact of the economic downturn in 2008 – some sectors affected more than others. When looking to the number of unique starters as an indicator of activity, the results for 2010 compared to 2008 report the following:

- The Thoroughbred sector has experienced some reduction in racing in British Columbia and Alberta, but this has been offset by relatively stable activity in the Ontario Thoroughbred industry in 2008 through 2010.
- The Standardbred sector saw overall shrinkage of approximately 14% in the number of active horses in racing between 2008 and 2010, derived from a 6% contraction in the number of horses racing in Ontario and the devastation of the Standardbred racing industry in Quebec.
- The Quarter Horse sector has expanded significantly in the 2008 through 2010 period, buoyed by the successful development of the Ontario Quarter Horse Racing Industry Development Program.

An important element in maintaining the valuable economic contribution flowing from horse racing is the willingness of breeders and owners to continue to invest in the breeding of horses, and the costs attached to getting horses to the racetrack. Maintaining investor confidence is essential for a business model that has a four-to-five year production cycle to bring a horse to the racetrack – to “bring the product to market” if you will. From the time a breeder decision is made to cover a mare, to the point at which a horse is active at the track, is a minimum four years (for racing two-year-olds), and five years for racing three-year-olds.

One of the key findings from the 2010 national study was the significant decrease in sale prices for horses nationwide in the 2008 through 2010 period, and the impact this has had on the number of horses on-farms in Canada for which there are no markets. It was estimated in the 2010 national report that the inventory of horses in Canada included 220,000 young horses Not-Yet-In-Use for their intended market segment, and 128,000 horses in Canada classified by their owners as *Companionship/ Full Retirement* or *Other Uses*.

The number of unique starters in Standardbred racing decreased by 14% between 2008 and 2010.

The number of racing opportunities decreased by 9% in the same period.

The number of unique starters in Thoroughbred racing decreased by 4% between 2008 and 2010.

The number of racing opportunities decreased by 8% in the same period.

The number of unique starters in Quarter Horse racing increased by 25% between 2008 and 2010.

The number of racing opportunities increased by 23% in the same period.

The racing sector has not been immune from reduced sale prices for horses or increased inventory on the farm. Average sale prices for Thoroughbred yearlings dropped by 26% between 2008 and 2010. For Standardbreds, after steady growth in average yearling sale prices between 2008 and 2010, average sale prices in 2011 were down by 10%.

Of the 128,000 horses in Canada with no defined use, it is estimated that 34,000 are owned by participants in the racing sector. As noted earlier in this report, for the 2010 racing season, breeders and owners found themselves with 13,500 horses that they had expected to be active in racing that didn't run-for-the-money.

With an average Cost-To-Keep of approximately \$13,000 per horse in the racing sector, a significant decrease in racing opportunities or purse rewards, would immediately place a large number of horses into farm-inventory, with no return-on-investment. At a time when prices and demand for horses are at a low point, it would be challenging to find markets for these horses.

CONCLUSION

The \$5.7 billion in economic impact that flows from horse racing in Canada, results from the \$3.1 billion in expenditures in this labour intensive industry. The complex range of expenditures required for the production, care and racing of horses, ensures that the economic benefits flow through several economic sectors (agriculture, entertainment, tourism, manufacturing, gambling/gaming, etc.).

The multiplier effect of expenditures in horse racing can flow both ways – a significant decrease in purse rewards or racing opportunities would have a cascading negative effect on the economy as well. Purse rewards and opportunities to chase purse money are the key motivators for owner investment.

Clearly, horse racing in Canada represents a complex economic structure. Those involved in horse racing are horsemen first, with a passionate attachment to their horses. It is apparent from the numbers that those in the racing business are not chasing profits. For the opportunity to chase purses, they are willing to invest heavily and drive a significant churn of expenditures.

The continued willingness of horsemen to invest in the sport of racing is key to the significant economic benefit that the Canadian economy realizes from horses.

RACING SECTOR -- ALL PROVINCES

Annual Direct & Indirect Expenditures	Canada	BC	AB	SK	MB	ON	QC	NB	NS	PE	NL
# of Horses Active in Racing Sector	45,059	2,188	5,031	2,153	2,697	26,338	3,380	705	1,147	1,314	106
Ownership Units	20,829	1,878	3,710	144	634	11,600	1,314	310	518	654	67
ON-FARM (DIRECT) EXPENDITURES	Canada	BC	AB	SK	MB	ON	QC	NB	NS	PE	NL
Hay purchased	\$30,566,944	\$1,483,648	\$2,805,450	\$331,470	\$314,555	\$22,940,398	\$1,867,535	\$218,735	\$320,648	\$168,435	\$116,070
Value of home-grown hay	\$12,399,636	\$439,420	\$2,359,410	\$281,097	\$271,625	\$7,340,788	\$1,223,645	\$123,190	\$154,406	\$206,055	\$0
Non-forage feed purchased	\$39,927,119	\$2,310,528	\$1,223,109	\$285,405	\$336,255	\$30,130,672	\$4,116,840	\$451,200	\$458,082	\$496,944	\$118,084
Value of home-grown feed	\$2,582,387	\$138,336	\$234,432	\$285,405	\$0	\$1,205,776	\$534,702	\$17,920	\$0	\$165,816	\$0
Feed supplements purchased	\$11,900,992	\$2,579,652	\$728,910	\$1,291,800	\$126,084	\$6,090,354	\$442,962	\$268,272	\$118,614	\$198,094	\$56,250
Bedding purchased	\$15,901,155	\$838,004	\$166,608	\$88,314	\$53,176	\$13,520,898	\$582,212	\$217,932	\$217,371	\$201,640	\$15,000
Value of home-grown bedding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grooming and care products	\$11,208,836	\$942,172	\$128,184	\$468,250	\$237,336	\$8,428,160	\$682,760	\$49,335	\$137,709	\$111,504	\$23,426
Purchase of replacement tack	\$21,436,736	\$3,325,938	\$1,462,482	\$47,736	\$1,569,150	\$13,803,768	\$16,928	\$88,110	\$379,260	\$711,684	\$31,680
Purchase of replacement horse-related equipment	\$5,896,463	\$576,912	\$1,124,244	\$25,272	\$673,625	\$2,865,200	\$36,800	\$67,770	\$156,300	\$350,855	\$19,485
Purchase of horse-related property improvements	\$74,749,622	\$4,544,562	\$10,808,625	\$248,256	\$2,575,000	\$50,744,200	\$1,669,923	\$638,352	\$2,395,800	\$728,004	\$396,900
Veterinarian services and prescription drugs	\$38,344,452	\$1,918,876	\$1,726,920	\$1,077,000	\$1,488,000	\$28,629,406	\$2,038,140	\$331,350	\$517,031	\$553,392	\$64,337
Non-vet equine dental services	\$1,144,928	\$131,400	\$63,000	\$11,352	\$14,175	\$777,030	\$136,359	\$3,700	\$7,912	\$0	\$0
Farrier services	\$20,656,965	\$1,389,380	\$835,848	\$127,908	\$403,020	\$15,112,684	\$1,926,600	\$177,704	\$360,136	\$280,560	\$43,125
Horse therapy services	\$1,402,855	\$17,423	\$73,688	\$10,075	\$29,700	\$1,252,467	\$0	\$9,205	\$2,565	\$6,732	\$1,000
Labour Charge -- Horse training On-Farm	\$67,901,569	\$418,455	\$1,175,635	\$111,727	\$110,610	\$65,659,389	\$74,398	\$60,601	\$75,562	\$211,735	\$3,457
On-Farm paid labour	\$321,819,407	\$4,255,077	\$45,448,716	\$1,664,064	\$17,800,000	\$250,754,880	\$625,100	\$533,400	\$260,400	\$455,920	\$21,850
Value of non-cash labour	\$1,861,229,507	\$220,226,245	\$308,686,840	\$3,400,128	\$41,871,896	\$1,120,194,600	\$111,649,650	\$24,844,350	\$16,496,568	\$10,549,430	\$3,309,800
TOTAL ON-FARM (DIRECT) EXPENDITURES	\$2,539,069,573	\$245,536,028	\$379,052,101	\$9,755,259	\$67,874,207	\$1,639,450,670	\$127,624,554	\$28,101,126	\$22,058,364	\$15,396,800	\$4,220,464
GST on Taxable Expenditures	\$17,051,932	\$1,023,848	\$1,116,135	\$206,228	\$396,534	\$12,997,731	\$679,573	\$129,113	\$257,350	\$200,979	\$44,441
PST (or Prov. Portion HST) on Taxable Expenditures	\$25,476,664	\$1,433,387	\$0	\$206,228	\$555,148	\$20,796,370	\$1,291,188	\$206,581	\$514,699	\$401,958	\$71,105
OFF-FARM (INDIRECT) EXPENDITURES	Canada	BC	AB	SK	MB	ON	QC	NB	NS	PE	NL
Trailer and transportation services purchased	\$26,759,456	\$152,082	\$3,215,086	\$216,000	\$636,000	\$20,086,444	\$55,200	\$1,114,884	\$832,760	\$451,000	\$0
Value of owner-trailer and transportation	\$63,848,136	\$2,011,100	\$4,340,700	\$97,560	\$1,904,000	\$48,868,248	\$5,291,790	\$232,388	\$597,900	\$459,000	\$45,450
Nomination/sustaining (and starter) fees horse racing	\$36,475,187	\$1,583,154	\$2,789,920	\$4,752	\$753,192	\$26,295,228	\$706,250	\$1,194,102	\$1,447,292	\$1,604,616	\$96,681
Labour Charge -- Horse training at racetracks	\$95,756,287	\$1,206,442	\$3,522,151	\$401,916	\$537,612	\$90,088,166	\$0	\$0	\$0	\$0	\$0
Membership fees	\$3,716,022	\$307,992	\$460,040	\$8,784	\$294,176	\$1,937,664	\$212,868	\$26,350	\$389,536	\$72,240	\$6,372
Food, travel and accommodation -- racing participants	\$18,219,647	\$2,146,554	\$3,710,000	\$67,248	\$531,292	\$8,993,712	\$1,009,650	\$134,589	\$727,790	\$892,380	\$6,432
Association(s) paid employment	\$22,415,585	\$1,236,500	\$2,624,000	\$840,000	\$960,000	\$13,705,085	\$650,000	\$0	\$0	\$2,400,000	\$0
Racetrack operations / management paid employment	\$218,710,000	\$16,080,000	\$14,462,500	\$1,760,000	\$2,400,000	\$180,950,000	\$780,000	\$640,000	\$700,000	\$787,500	\$150,000
Expenditures Racetrack Operations (other than labour)	\$87,166,122	\$1,080,000	\$2,266,073	\$498,960	\$796,938	\$80,401,890	\$934,967	\$139,303	\$828,733	\$117,311	\$101,947
TOTAL OFF-FARM (INDIRECT) EXPENDITURES	\$573,066,442	\$25,803,824	\$37,390,470	\$3,895,220	\$8,813,210	\$471,326,437	\$9,640,725	\$3,481,616	\$5,524,011	\$6,784,047	\$406,882
GST on Taxable Expenditures	\$11,395,077	\$229,254	\$635,666	\$59,206	\$125,092	\$9,978,511	\$99,991	\$69,439	\$119,464	\$73,035	\$5,419
PST (or Prov. Portion HST) on Taxable Expenditures	\$17,215,659	\$320,955	\$0	\$59,206	\$175,129	\$15,965,617	\$189,983	\$111,102	\$238,928	\$146,069	\$8,670
TOTAL DIRECT & INDIRECT EXPENDITURES	\$3,112,136,015	\$271,339,852	\$416,442,571	\$13,650,479	\$76,687,417	\$2,110,777,107	\$137,265,279	\$31,582,742	\$27,582,375	\$22,180,847	\$4,627,346
Total GST on Taxable Expenditures	\$28,447,009	\$1,253,102	\$1,751,801	\$265,434	\$521,626	\$22,976,242	\$779,564	\$198,552	\$376,814	\$274,014	\$49,860
Total PST on Taxable Expenditures	\$42,692,323	\$1,754,342	\$0	\$265,434	\$730,277	\$36,761,987	\$1,481,171	\$317,683	\$753,627	\$548,027	\$79,775

RACING SECTOR -- ALL PROVINCES

CANADA -- SUM OF ALL PROVINCES

ON-FARM (DIRECT) EXPENDITURES FOR LABOUR -- PAID EMPLOYMENT	NUMBER OF FTE JOBS	TOTAL LABOUR EXPENDITURE
On-farm care of horses	14,068	\$321,819,407
Horse training <i>On-Farm</i>	3,923	\$67,901,569
Service providers (farriers, therapists, vets)	653	\$61,549,200
TOTAL Direct Paid	18,644	\$451,270,176
<i>Average annual salary (Paid Employment)</i>	\$24,205	
Unpaid employment On-Farm care of horses	82,347	\$1,861,229,507
TOTAL Direct (Paid+Unpaid)	100,991	\$2,312,499,683
OFF-FARM (INDIRECT) EXPENDITURES FOR LABOUR -- PAID EMPLOYMENT	NUMBER OF FTE JOBS	TOTAL LABOUR EXPENDITURE
Racetracks operations & wagering	3,355	\$218,710,000
Industry Associations / Racing Regulators	374	\$22,415,585
Horse training at racetracks or training centres	2,250	\$95,756,287
TOTAL In-Direct Paid	5,979	\$336,881,872
<i>Average annual salary (Paid Employment)</i>	\$56,344	
Unpaid employment Horse Shows & Events	0	\$0
TOTAL In-Direct (Paid + Unpaid)	5,979	\$336,881,872
INDUCED EMPLOYMENT -- Calculated using AAFC agricultural multiplier of 1.91	NUMBER OF FTE JOBS	VALUE OF INDUCED EMPLOYMENT
Induced Employment -- On-Farm Labour Expenditures	16,967	\$410,669,155
Induced Employment -- Off-Farm Labour Expenditure	5,442	\$306,594,862
TOTAL Induced Employment	22,409	\$717,264,017
Total Paid Jobs (Direct + Indirect + Induced)		47,032
Horses Active in the Sector		45,059
# of Horses Per Paid Job		0.96
# of Jobs Per Horse		1.04
There is ONE full-time equivalent (paid) job for every 0.96 horses in the racing sector.		
EXPENDITURES (DIRECT, INDIRECT AND INDUCED)	EXPENDITURES EXCLUDING LABOUR	LABOUR EXPENDITURES
Direct (<i>On-Farm</i>)	\$226,569,890	\$2,312,499,683
Indirect (<i>Off-Farm</i>)	\$236,184,570	\$336,881,872
Induced		\$717,264,017
Total Expenditures Excluding Labour		\$462,754,460
Total Labour Expenditures		\$3,366,645,572
TOTAL EXPENDITURE (Direct + Indirect + Induced)		\$3,829,400,032
ECONOMIC MULTIPLIER EFFECT / TOTAL ECONOMIC CONTRIBUTION		
Multiplier Factor		1.51
Total Economic Contribution (Expenditure x Multiplier)		\$5,782,394,048

ONTARIO

ON-FARM (DIRECT) EXPENDITURES FOR LABOUR -- PAID EMPLOYMENT	NUMBER OF FTE JOBS	TOTAL LABOUR EXPENDITURE
On-farm care of horses	10,771	\$250,754,880
Horse training <i>On-Farm</i>	3,011	\$65,659,389
Service providers (farriers, therapists, vets)	366	\$45,771,587
TOTAL Direct Paid	14,148	\$362,185,856
<i>Average annual salary (Paid Employment)</i>	\$25,600	
Unpaid employment On-Farm care of horses	48,118	\$1,120,194,600
TOTAL Direct (Paid+Unpaid)	62,266	\$1,482,380,456
OFF-FARM (INDIRECT) EXPENDITURES FOR LABOUR -- PAID EMPLOYMENT	NUMBER OF FTE JOBS	TOTAL LABOUR EXPENDITURE
Racetracks operations & wagering	2,441	\$180,950,000
Industry Associations / Racing Regulators	169	\$13,705,085
Horse training at racetracks or training centres	1,470	\$90,088,166
TOTAL In-Direct Paid	4,080	\$284,743,251
<i>Average annual salary (Paid Employment)</i>	\$69,790	
Unpaid employment Horse Shows & Events	0	\$0
TOTAL In-Direct (Paid + Unpaid)	4,080	\$284,743,251
INDUCED EMPLOYMENT -- Calculated using AAFC agricultural multiplier of 1.91	NUMBER OF FTE JOBS	VALUE OF INDUCED EMPLOYMENT
Induced Employment -- On-Farm Labour Expenditures	12,875	\$329,600,000
Induced Employment -- Off-Farm Labour Expenditure	3,713	\$259,130,270
TOTAL Induced Employment	16,588	\$588,730,270
Total Paid Jobs (Direct + Indirect + Induced)		34,816
Horses Active in the Sector		26,338
# of Horses Per Paid Job		0.76
# of Jobs Per Horse		1.32
There is ONE full-time equivalent (paid) job for every 0.76 horses in the racing sector.		
EXPENDITURES (DIRECT, INDIRECT AND INDUCED)	EXPENDITURES EXCLUDING LABOUR	LABOUR EXPENDITURES
Direct (<i>On-Farm</i>)	\$157,070,214	\$1,482,380,456
Indirect (<i>Off-Farm</i>)	\$186,583,186	\$284,743,251
Induced		\$588,730,270
Total Expenditures Excluding Labour		\$343,653,400
Total Labour Expenditures		\$2,355,853,977
TOTAL EXPENDITURE (Direct + Indirect + Induced)		\$2,699,507,377
ECONOMIC MULTIPLIER EFFECT / TOTAL ECONOMIC CONTRIBUTION		
Multiplier Factor		1.65
Total Economic Contribution (Expenditure x Multiplier)		\$4,454,187,172

RACING SECTOR -- ALL PROVINCES

BRITISH COLUMBIA

ON-FARM (DIRECT) EXPENDITURES FOR LABOUR -- PAID EMPLOYMENT	NUMBER OF FTE JOBS	TOTAL LABOUR EXPENDITURE
On-farm care of horses	191	\$4,255,077
Horse training <i>On-Farm</i>	76	\$418,455
Service providers (farriers, therapists, vets)	41	\$3,457,079
TOTAL Direct Paid	308	\$8,130,611
<i>Average annual salary (Paid Employment)</i>	\$26,398	
Unpaid employment On-Farm care of horses	9,911	\$220,226,245
TOTAL Direct (Paid+Unpaid)	10,219	\$228,356,856
OFF-FARM (INDIRECT) EXPENDITURES FOR LABOUR -- PAID EMPLOYMENT	NUMBER OF FTE JOBS	TOTAL LABOUR EXPENDITURE
Racetracks operations & wagering	402	\$16,080,000
Industry Associations / Racing Regulators	14	\$1,236,500
Horse training at racetracks or training centres	174	\$1,206,442
TOTAL In-Direct Paid	590	\$18,522,942
<i>Average annual salary (Paid Employment)</i>	\$31,395	
Unpaid employment Horse Shows & Events	0	\$0
TOTAL In-Direct (Paid + Unpaid)	590	\$18,522,942
INDUCED EMPLOYMENT -- Calculated using AAFC agricultural multiplier of 1.91	NUMBER OF FTE JOBS	VALUE OF INDUCED EMPLOYMENT
Induced Employment -- On-Farm Labour Expenditures	280	\$7,391,440
Induced Employment -- Off-Farm Labour Expenditure	537	\$16,859,115
TOTAL Induced Employment	817	\$24,250,555
Total Paid Jobs (Direct + Indirect + Induced)		1,715
Horses Active in the Sector		2,188
# of Horses Per Paid Job		1.28
# of Jobs Per Horse		0.78
There is ONE full-time equivalent (paid) job for every 1.28 horses in the racing sector.		
EXPENDITURES (DIRECT, INDIRECT AND INDUCED)	EXPENDITURES EXCLUDING LABOUR	LABOUR EXPENDITURES
Direct (<i>On-Farm</i>)	\$17,179,172	\$228,356,856
Indirect (<i>Off-Farm</i>)	\$7,280,882	\$18,522,942
Induced		\$24,250,555
Total Expenditures Excluding Labour		\$24,460,054
Total Labour Expenditures		\$271,130,353
TOTAL EXPENDITURE (Direct + Indirect + Induced)		\$295,590,407
ECONOMIC MULTIPLIER EFFECT / TOTAL ECONOMIC CONTRIBUTION		
Multiplier Factor		1.20
Total Economic Contribution (Expenditure x Multiplier)		\$354,708,488

ALBERTA

ON-FARM (DIRECT) EXPENDITURES FOR LABOUR -- PAID EMPLOYMENT	NUMBER OF FTE JOBS	TOTAL LABOUR EXPENDITURE
On-farm care of horses	2,045	\$45,448,716
Horse training <i>On-Farm</i>	113	\$1,175,635
Service providers (farriers, therapists, vets)	32	\$2,699,456
TOTAL Direct Paid	2,190	\$49,323,807
<i>Average annual salary (Paid Employment)</i>	\$22,522	
Unpaid employment On-Farm care of horses	13,892	\$308,686,840
TOTAL Direct (Paid+Unpaid)	16,082	\$358,010,647
OFF-FARM (INDIRECT) EXPENDITURES FOR LABOUR -- PAID EMPLOYMENT	NUMBER OF FTE JOBS	TOTAL LABOUR EXPENDITURE
Racetracks operations & wagering	289	\$14,462,500
Industry Associations / Racing Regulators	51	\$2,624,000
Horse training at racetracks or training centres	162	\$3,522,151
TOTAL In-Direct Paid	502	\$20,608,651
<i>Average annual salary (Paid Employment)</i>	\$41,053	
Unpaid employment Horse Shows & Events	0	\$0
TOTAL In-Direct (Paid + Unpaid)	502	\$20,608,651
INDUCED EMPLOYMENT -- Calculated using AAFC agricultural multiplier of 1.91	NUMBER OF FTE JOBS	VALUE OF INDUCED EMPLOYMENT
Induced Employment -- On-Farm Labour Expenditures	1,993	\$44,886,346
Induced Employment -- Off-Farm Labour Expenditure	457	\$18,761,221
TOTAL Induced Employment	2,450	\$63,647,567
Total Paid Jobs (Direct + Indirect + Induced)		5,142
Horses Active in the Sector		3,710
# of Horses Per Paid Job		0.72
# of Jobs Per Horse		1.39
There is ONE full-time equivalent (paid) job for every 0.72 horses in the racing sector.		
EXPENDITURES (DIRECT, INDIRECT AND INDUCED)	EXPENDITURES EXCLUDING LABOUR	LABOUR EXPENDITURES
Direct (<i>On-Farm</i>)	\$21,041,454	\$358,010,647
Indirect (<i>Off-Farm</i>)	\$16,781,819	\$20,608,651
Induced		\$63,647,567
Total Expenditures Excluding Labour		\$37,823,273
Total Labour Expenditures		\$442,266,865
TOTAL EXPENDITURE (Direct + Indirect + Induced)		\$480,090,138
ECONOMIC MULTIPLIER EFFECT / TOTAL ECONOMIC CONTRIBUTION		
Multiplier Factor		1.27
Total Economic Contribution (Expenditure x Multiplier)		\$609,714,475

RACING SECTOR -- ALL PROVINCES

SASKATCHEWAN

ON-FARM (DIRECT) EXPENDITURES FOR LABOUR -- PAID EMPLOYMENT	NUMBER OF FTE JOBS	TOTAL LABOUR EXPENDITURE
On-farm care of horses	79	\$1,664,064
Horse training <i>On-Farm</i>	17	\$111,727
Service providers (farriers, therapists, vets)	27	\$1,226,335
TOTAL Direct Paid	123	\$3,002,126
<i>Average annual salary (Paid Employment)</i>	\$24,408	
Unpaid employment On-Farm care of horses	161	\$3,400,128
TOTAL Direct (Paid+Unpaid)	284	\$6,402,254
OFF-FARM (INDIRECT) EXPENDITURES FOR LABOUR -- PAID EMPLOYMENT	NUMBER OF FTE JOBS	TOTAL LABOUR EXPENDITURE
Racetracks operations & wagering	55	\$1,760,000
Industry Associations / Racing Regulators	23	\$840,000
Horse training at racetracks or training centres	315	\$401,916
TOTAL In-Direct Paid	393	\$3,001,916
<i>Average annual salary (Paid Employment)</i>	\$7,638	
Unpaid employment Horse Shows & Events	0	\$0
TOTAL In-Direct (Paid + Unpaid)	393	\$3,001,916
INDUCED EMPLOYMENT -- Calculated using AAFC agricultural multiplier of 1.91	NUMBER OF FTE JOBS	VALUE OF INDUCED EMPLOYMENT
Induced Employment -- On-Farm Labour Expenditures	112	\$2,733,696
Induced Employment -- Off-Farm Labour Expenditure	358	\$2,734,404
TOTAL Induced Employment	470	\$5,468,100
Total Paid Jobs (Direct + Indirect + Induced)		986
Horses Active in the Sector		2,153
# of Horses Per Paid Job		2.18
# of Jobs Per Horse		0.46
There is ONE full-time equivalent (paid) job for every 1.42 horses in the racing sector.		
EXPENDITURES (DIRECT, INDIRECT AND INDUCED)	EXPENDITURES EXCLUDING LABOUR	LABOUR EXPENDITURES
Direct (<i>On-Farm</i>)	\$3,353,005	\$6,402,254
Indirect (<i>Off-Farm</i>)	\$893,304	\$3,001,916
Induced		\$5,468,100
Total Expenditures Excluding Labour		\$4,246,309
Total Labour Expenditures		\$14,872,270
TOTAL EXPENDITURE (Direct + Indirect + Induced)		\$19,118,579
ECONOMIC MULTIPLIER EFFECT / TOTAL ECONOMIC CONTRIBUTION		
Multiplier Factor		1.96
Total Economic Contribution (Expenditure x Multiplier)		\$37,472,415

MANITOBA

ON-FARM (DIRECT) EXPENDITURES FOR LABOUR -- PAID EMPLOYMENT	NUMBER OF FTE JOBS	TOTAL LABOUR EXPENDITURE
On-farm care of horses	883	\$17,800,000
Horse training <i>On-Farm</i>	52	\$110,610
Service providers (farriers, therapists, vets)	43	\$1,934,895
TOTAL Direct Paid	978	\$19,845,505
<i>Average annual salary (Paid Employment)</i>	\$20,292	
Unpaid employment On-Farm care of horses	2,077	\$41,871,896
TOTAL Direct (Paid+Unpaid)	3,055	\$61,717,401
OFF-FARM (INDIRECT) EXPENDITURES FOR LABOUR -- PAID EMPLOYMENT	NUMBER OF FTE JOBS	TOTAL LABOUR EXPENDITURE
Racetracks operations & wagering	80	\$2,400,000
Industry Associations / Racing Regulators	17	\$960,000
Horse training at racetracks or training centres	123	\$537,612
TOTAL In-Direct Paid	220	\$3,897,612
<i>Average annual salary (Paid Employment)</i>	\$17,716	
Unpaid employment Horse Shows & Events	0	\$0
TOTAL In-Direct (Paid + Unpaid)	220	\$3,897,612
INDUCED EMPLOYMENT -- Calculated using AAFC agricultural multiplier of 1.91	NUMBER OF FTE JOBS	VALUE OF INDUCED EMPLOYMENT
Induced Employment -- On-Farm Labour Expenditures	890	\$18,059,880
Induced Employment -- Off-Farm Labour Expenditure	200	\$3,543,200
TOTAL Induced Employment	1,090	\$21,603,080
Total Paid Jobs (Direct + Indirect + Induced)		2,288
Horses Active in the Sector		2,697
# of Horses Per Paid Job		1.18
# of Jobs Per Horse		0.85
There is ONE full-time equivalent (paid) job for every 1.00 horses in the racing sector.		
EXPENDITURES (DIRECT, INDIRECT AND INDUCED)	EXPENDITURES EXCLUDING LABOUR	LABOUR EXPENDITURES
Direct (<i>On-Farm</i>)	\$6,156,806	\$61,717,401
Indirect (<i>Off-Farm</i>)	\$4,915,598	\$3,897,612
Induced		\$21,603,080
Total Expenditures Excluding Labour		\$11,072,404
Total Labour Expenditures		\$87,218,093
TOTAL EXPENDITURE (Direct + Indirect + Induced)		\$98,290,497
ECONOMIC MULTIPLIER EFFECT / TOTAL ECONOMIC CONTRIBUTION		
Multiplier Factor		1.45
Total Economic Contribution (Expenditure x Multiplier)		\$142,521,221

RACING SECTOR -- ALL PROVINCES

ONTARIO

ON-FARM (DIRECT) EXPENDITURES FOR LABOUR -- PAID EMPLOYMENT	NUMBER OF FTE JOBS	TOTAL LABOUR EXPENDITURE
On-farm care of horses	10,771	\$250,754,880
Horse training <i>On-Farm</i>	3,011	\$65,659,389
Service providers (farriers, therapists, vets)	366	\$45,771,587
TOTAL Direct Paid	14,148	\$362,185,856
Average annual salary (Paid Employment)	\$25,600	
Unpaid employment On-Farm care of horses	48,118	\$1,120,194,600
TOTAL Direct (Paid+Unpaid)	62,266	\$1,482,380,456
OFF-FARM (INDIRECT) EXPENDITURES FOR LABOUR -- PAID EMPLOYMENT	NUMBER OF FTE JOBS	TOTAL LABOUR EXPENDITURE
Racetracks operations & wagering	2,441	\$180,950,000
Industry Associations / Racing Regulators	169	\$13,705,085
Horse training at racetracks or training centres	1,470	\$90,088,166
TOTAL In-Direct Paid	4,080	\$284,743,251
Average annual salary (Paid Employment)	\$69,790	
Unpaid employment Horse Shows & Events	0	\$0
TOTAL In-Direct (Paid + Unpaid)	4,080	\$284,743,251
INDUCED EMPLOYMENT -- Calculated using AAFC agricultural multiplier of 1.91	NUMBER OF FTE JOBS	VALUE OF INDUCED EMPLOYMENT
Induced Employment -- On-Farm Labour Expenditures	12,875	\$329,600,000
Induced Employment -- Off-Farm Labour Expenditure	3,713	\$259,130,270
TOTAL Induced Employment	16,588	\$588,730,270
Total Paid Jobs (Direct + Indirect + Induced)		34,816
Horses Active in the Sector		26,338
# of Horses Per Paid Job		0.76
# of Jobs Per Horse		1.32
There is ONE full-time equivalent (paid) job for every 0.76 horses in the racing sector.		
EXPENDITURES (DIRECT, INDIRECT AND INDUCED)	EXPENDITURES EXCLUDING LABOUR	LABOUR EXPENDITURES
Direct (<i>On-Farm</i>)	\$157,070,214	\$1,482,380,456
Indirect (<i>Off-Farm</i>)	\$186,583,186	\$284,743,251
Induced		\$588,730,270
Total Expenditures Excluding Labour		\$343,653,400
Total Labour Expenditures		\$2,355,853,977
TOTAL EXPENDITURE (Direct + Indirect + Induced)		\$2,699,507,377
ECONOMIC MULTIPLIER EFFECT / TOTAL ECONOMIC CONTRIBUTION		
Multiplier Factor		1.65
Total Economic Contribution (Expenditure x Multiplier)		\$4,454,187,172

QUEBEC

ON-FARM (DIRECT) EXPENDITURES FOR LABOUR -- PAID EMPLOYMENT	NUMBER OF FTE JOBS	TOTAL LABOUR EXPENDITURE
On-farm care of horses	28	\$625,100
Horse training <i>On-Farm</i>	371	\$74,398
Service providers (farriers, therapists, vets)	91	\$4,101,099
TOTAL Direct Paid	490	\$4,800,597
Average annual salary (Paid Employment)	\$9,797	
Unpaid employment On-Farm care of horses	5,025	\$111,649,650
TOTAL Direct (Paid+Unpaid)	5,515	\$116,450,247
OFF-FARM (INDIRECT) EXPENDITURES FOR LABOUR -- PAID EMPLOYMENT	NUMBER OF FTE JOBS	TOTAL LABOUR EXPENDITURE
Racetracks operations & wagering	20	\$780,000
Industry Associations / Racing Regulators	45	\$650,000
Horse training at racetracks or training centres	0	\$0
TOTAL In-Direct Paid	65	\$1,430,000
Average annual salary (Paid Employment)	\$22,000	
Unpaid employment Horse Shows & Events	0	\$0
TOTAL In-Direct (Paid + Unpaid)	65	\$1,430,000
INDUCED EMPLOYMENT -- Calculated using AAFC agricultural multiplier of 1.91	NUMBER OF FTE JOBS	VALUE OF INDUCED EMPLOYMENT
Induced Employment -- On-Farm Labour Expenditures	446	\$4,369,462
Induced Employment -- Off-Farm Labour Expenditure	59	\$1,298,000
TOTAL Induced Employment	505	\$5,667,462
Total Paid Jobs (Direct + Indirect + Induced)		1,060
Horses Active in the Sector		3,380
# of Horses Per Paid Job		3.19
# of Jobs Per Horse		0.31
There is ONE full-time equivalent (paid) job for every 3.19 horses in the racing sector.		
EXPENDITURES (DIRECT, INDIRECT AND INDUCED)	EXPENDITURES EXCLUDING LABOUR	LABOUR EXPENDITURES
Direct (<i>On-Farm</i>)	\$11,174,307	\$116,450,247
Indirect (<i>Off-Farm</i>)	\$8,210,725	\$1,430,000
Induced		\$5,667,462
Total Expenditures Excluding Labour		\$19,385,032
Total Labour Expenditures		\$123,547,709
TOTAL EXPENDITURE (Direct + Indirect + Induced)		\$142,932,741
ECONOMIC MULTIPLIER EFFECT / TOTAL ECONOMIC CONTRIBUTION		
Multiplier Factor		1.12
Total Economic Contribution (Expenditure x Multiplier)		\$160,084,670

RACING SECTOR -- ALL PROVINCES

NEW BRUNSWICK

ON-FARM (DIRECT) EXPENDITURES FOR LABOUR -- PAID EMPLOYMENT	NUMBER OF FTE JOBS	TOTAL LABOUR EXPENDITURE
On-farm care of horses	32	\$533,400
Horse training <i>On-Farm</i>	48	\$60,601
Service providers (farriers, therapists, vets)	12	\$521,959
TOTAL Direct Paid	92	\$1,115,960
<i>Average annual salary (Paid Employment)</i>	\$12,130	
Unpaid employment On-Farm care of horses	1,506	\$24,844,350
TOTAL Direct (Paid+Unpaid)	1,598	\$25,960,310
OFF-FARM (INDIRECT) EXPENDITURES FOR LABOUR -- PAID EMPLOYMENT	NUMBER OF FTE JOBS	TOTAL LABOUR EXPENDITURE
Racetracks operations & wagering	20	\$640,000
Industry Associations / Racing Regulators	3	\$0
Horse training at racetracks or training centres	0	\$0
TOTAL In-Direct Paid	23	\$640,000
<i>Average annual salary (Paid Employment)</i>	\$27,826	
Unpaid employment Horse Shows & Events	0	\$0
TOTAL In-Direct (Paid + Unpaid)	23	\$640,000
INDUCED EMPLOYMENT -- Calculated using AAFC agricultural multiplier of 1.91	NUMBER OF FTE JOBS	VALUE OF INDUCED EMPLOYMENT
Induced Employment -- On-Farm Labour Expenditures	84	\$1,018,920
Induced Employment -- Off-Farm Labour Expenditure	21	\$584,346
TOTAL Induced Employment	105	\$1,603,266
Total Paid Jobs (Direct + Indirect + Induced)		220
Horses Active in the Sector		705
# of Horses Per Paid Job		3.20
# of Jobs Per Horse		0.31
There is ONE full-time equivalent (paid) job for every 3.20 horses in the racing sector.		
EXPENDITURES (DIRECT, INDIRECT AND INDUCED)	EXPENDITURES EXCLUDING LABOUR	LABOUR EXPENDITURES
Direct (<i>On-Farm</i>)	\$2,140,816	\$25,960,310
Indirect (<i>Off-Farm</i>)	\$2,841,616	\$640,000
Induced		\$1,603,266
Total Expenditures Excluding Labour		\$4,982,432
Total Labour Expenditures		\$28,203,576
TOTAL EXPENDITURE (Direct + Indirect + Induced)		\$33,186,008
ECONOMIC MULTIPLIER EFFECT / TOTAL ECONOMIC CONTRIBUTION		
Multiplier Factor		1.18
Total Economic Contribution (Expenditure x Multiplier)		\$39,159,489

NOVA SCOTIA

ON-FARM (DIRECT) EXPENDITURES FOR LABOUR -- PAID EMPLOYMENT	NUMBER OF FTE JOBS	TOTAL LABOUR EXPENDITURE
On-farm care of horses	15	\$260,400
Horse training <i>On-Farm</i>	115	\$75,562
Service providers (farriers, therapists, vets)	20	\$887,644
TOTAL Direct Paid	150	\$1,223,606
<i>Average annual salary (Paid Employment)</i>	\$8,157	
Unpaid employment On-Farm care of horses	970	\$16,496,568
TOTAL Direct (Paid+Unpaid)	1,120	\$17,720,174
OFF-FARM (INDIRECT) EXPENDITURES FOR LABOUR -- PAID EMPLOYMENT	NUMBER OF FTE JOBS	TOTAL LABOUR EXPENDITURE
Racetracks operations & wagering	20	\$700,000
Industry Associations / Racing Regulators	7	\$0
Horse training at racetracks or training centres	0	\$0
TOTAL In-Direct Paid	27	\$700,000
<i>Average annual salary (Paid Employment)</i>	\$25,926	
Unpaid employment Horse Shows & Events	0	\$0
TOTAL In-Direct (Paid + Unpaid)	27	\$700,000
INDUCED EMPLOYMENT -- Calculated using AAFC agricultural multiplier of 1.91	NUMBER OF FTE JOBS	VALUE OF INDUCED EMPLOYMENT
Induced Employment -- On-Farm Labour Expenditures	137	\$1,117,509
Induced Employment -- Off-Farm Labour Expenditure	25	\$648,150
TOTAL Induced Employment	162	\$1,765,659
Total Paid Jobs (Direct + Indirect + Induced)		339
Horses Active in the Sector		1,147
# of Horses Per Paid Job		3.38
# of Jobs Per Horse		0.30
There is ONE full-time equivalent (paid) job for every 3.38 horses in the racing sector.		
EXPENDITURES (DIRECT, INDIRECT AND INDUCED)	EXPENDITURES EXCLUDING LABOUR	LABOUR EXPENDITURES
Direct (<i>On-Farm</i>)	\$4,338,190	\$17,720,174
Indirect (<i>Off-Farm</i>)	\$4,824,011	\$700,000
Induced		\$1,765,659
Total Expenditures Excluding Labour		\$9,162,201
Total Labour Expenditures		\$20,185,833
TOTAL EXPENDITURE (Direct + Indirect + Induced)		\$29,348,034
ECONOMIC MULTIPLIER EFFECT / TOTAL ECONOMIC CONTRIBUTION		
Multiplier Factor		1.33
Total Economic Contribution (Expenditure x Multiplier)		\$39,032,885

RACING SECTOR -- ALL PROVINCES

PRINCE EDWARD ISLAND

ON-FARM (DIRECT) EXPENDITURES FOR LABOUR -- PAID EMPLOYMENT	NUMBER OF FTE JOBS	TOTAL LABOUR EXPENDITURE
On-farm care of horses	23	\$455,920
Horse training <i>On-Farm</i>	114	\$211,735
Service providers (farriers, therapists, vets)	19	\$840,684
TOTAL Direct Paid	156	\$1,508,339
<i>Average annual salary (Paid Employment)</i>	\$9,669	
Unpaid employment On-Farm care of horses	522	\$10,549,430
TOTAL Direct (Paid+Unpaid)	678	\$12,057,769
OFF-FARM (INDIRECT) EXPENDITURES FOR LABOUR -- PAID EMPLOYMENT	NUMBER OF FTE JOBS	TOTAL LABOUR EXPENDITURE
Racetracks operations & wagering	23	\$787,500
Industry Associations / Racing Regulators	43	\$2,400,000
Horse training at racetracks or training centres	0	\$0
TOTAL In-Direct Paid	66	\$3,187,500
<i>Average annual salary (Paid Employment)</i>	\$48,295	
Unpaid employment Horse Shows & Events	0	\$0
TOTAL In-Direct (Paid + Unpaid)	66	\$3,187,500
INDUCED EMPLOYMENT -- Calculated using AAFC agricultural multiplier of 1.91	NUMBER OF FTE JOBS	VALUE OF INDUCED EMPLOYMENT
Induced Employment -- On-Farm Labour Expenditures	142	\$1,372,998
Induced Employment -- Off-Farm Labour Expenditure	60	\$2,897,700
TOTAL Induced Employment	202	\$4,270,698
Total Paid Jobs (Direct + Indirect + Induced)		424
Horses Active in the Sector		1,314
# of Horses Per Paid Job		3.10
# of Jobs Per Horse		0.32
There is ONE full-time equivalent (paid) job for every 3.10 horses in the racing sector.		
EXPENDITURES (DIRECT, INDIRECT AND INDUCED)	EXPENDITURES EXCLUDING LABOUR	LABOUR EXPENDITURES
Direct (<i>On-Farm</i>)	\$3,339,031	\$12,057,769
Indirect (<i>Off-Farm</i>)	\$3,596,547	\$3,187,500
Induced		\$4,270,698
Total Expenditures Excluding Labour		\$6,935,578
Total Labour Expenditures		\$19,515,967
TOTAL EXPENDITURE (Direct + Indirect + Induced)		\$26,451,545
ECONOMIC MULTIPLIER EFFECT / TOTAL ECONOMIC CONTRIBUTION		
Multiplier Factor		1.72
Total Economic Contribution (Expenditure x Multiplier)		\$45,496,657

NEWFOUNDLAND

ON-FARM (DIRECT) EXPENDITURES FOR LABOUR -- PAID EMPLOYMENT	NUMBER OF FTE JOBS	TOTAL LABOUR EXPENDITURE
On-farm care of horses	1	\$21,850
Horse training <i>On-Farm</i>	6	\$3,457
Service providers (farriers, therapists, vets)	2	\$108,462
TOTAL Direct Paid	9	\$133,769
<i>Average annual salary (Paid Employment)</i>	\$14,863	
Unpaid employment On-Farm care of horses	165	\$3,309,800
TOTAL Direct (Paid+Unpaid)	174	\$3,443,569
OFF-FARM (INDIRECT) EXPENDITURES FOR LABOUR -- PAID EMPLOYMENT	NUMBER OF FTE JOBS	TOTAL LABOUR EXPENDITURE
Racetracks operations & wagering	5	\$150,000
Industry Associations / Racing Regulators	2	\$0
Horse training at racetracks or training centres	6	\$0
TOTAL In-Direct Paid	13	\$150,000
<i>Average annual salary (Paid Employment)</i>	\$11,538	
Unpaid employment Horse Shows & Events	0	\$0
TOTAL In-Direct (Paid + Unpaid)	13	\$150,000
INDUCED EMPLOYMENT -- Calculated using AAFC agricultural multiplier of 1.91	NUMBER OF FTE JOBS	VALUE OF INDUCED EMPLOYMENT
Induced Employment -- On-Farm Labour Expenditures	8	\$118,904
Induced Employment -- Off-Farm Labour Expenditure	12	\$138,456
TOTAL Induced Employment	20	\$257,360
Total Paid Jobs (Direct + Indirect + Induced)		42
Horses Active in the Sector		106
# of Horses Per Paid Job		2.52
# of Jobs Per Horse		0.40
There is ONE full-time equivalent (paid) job for every 2.52 horses in the racing sector.		
EXPENDITURES (DIRECT, INDIRECT AND INDUCED)	EXPENDITURES EXCLUDING LABOUR	LABOUR EXPENDITURES
Direct (<i>On-Farm</i>)	\$776,895	\$3,443,569
Indirect (<i>Off-Farm</i>)	\$256,882	\$150,000
Induced		\$257,360
Total Expenditures Excluding Labour		\$1,033,777
Total Labour Expenditures		\$3,850,929
TOTAL EXPENDITURE (Direct + Indirect + Induced)		\$4,884,706
ECONOMIC MULTIPLIER EFFECT / TOTAL ECONOMIC CONTRIBUTION		
Multiplier Factor		1.16
Total Economic Contribution (Expenditure x Multiplier)		\$5,666,259

*Wagering in Canada 2003 to 2010 - Canadian Pari-Mutuel Agency (CPMA)**

		GROSS BET	% ASSOC.	PROV. TAX	PROV. LEVY	FED. LEVY	APO			GROSS BET	% ASSOC.	PROV. TAX	PROV. LEVY	FED. LEVY	APO
CAN	2003	\$1,814,318,570	\$329,479,516	\$43,353,013	\$32,700,041	\$14,487,460	\$1,387,515,160	MB	2003	\$44,800,678	\$5,740,759	\$4,370,297	\$0	\$357,565	\$34,130,742
	2004	\$1,791,120,775	\$327,279,203	\$34,741,895	\$38,770,693	\$14,298,987	\$1,372,742,369		2004	\$43,896,952	\$5,601,419	\$4,305,277	\$0	\$350,200	\$33,516,185
	2005	\$1,738,103,681	\$314,252,318	\$34,234,744	\$37,085,698	\$13,871,722	\$1,333,469,126		2005	\$42,247,990	\$5,290,302	\$4,141,138	\$1,902	\$336,554	\$32,698,970
	2006	\$1,724,256,612	\$304,299,127	\$30,309,426	\$39,232,888	\$13,754,476	\$1,321,455,430		2006	\$31,235,952	\$4,131,754	\$1,613	\$3,005,600	\$246,629	\$23,558,831
	2007	\$1,731,009,809	\$301,354,201	\$29,737,194	\$39,061,647	\$13,797,214	\$1,327,812,974		2007	\$31,937,426	\$4,383,701	\$460	\$3,081,299	\$251,400	\$23,680,494
	2008	\$1,717,538,211	\$297,110,601	\$29,357,067	\$38,350,791	\$13,665,128	\$1,315,893,234		2008	\$30,219,879	\$4,164,383	\$0	\$2,913,094	\$237,211	\$22,391,106
	2009	\$1,612,039,722	\$280,101,328	\$24,999,865	\$36,661,754	\$12,851,713	\$1,235,289,273		2009	\$28,339,789	\$3,937,803	\$0	\$2,744,439	\$222,065	\$20,791,767
	2010	\$1,458,092,554	\$251,864,614	\$17,340,541	\$34,416,162	\$11,623,419	\$1,115,231,367		2010	\$26,405,548	\$3,665,375	\$0	\$2,548,538	\$206,961	\$19,424,708
BC	2003	\$210,765,482	\$38,068,123	\$8,554,265	\$849	\$1,680,995	\$164,167,082	ON	2003	\$1,205,521,474	\$226,895,418	\$6,035,891	\$32,117,454	\$9,629,252	\$924,016,960
	2004	\$213,765,301	\$40,483,192	\$0	\$6,843,860	\$1,705,394	\$165,932,011		2004	\$1,177,010,488	\$221,541,534	\$5,893,810	\$31,316,827	\$9,399,834	\$906,263,837
	2005	\$213,101,727	\$39,939,813	\$0	\$6,787,502	\$1,700,308	\$163,991,624		2005	\$1,125,644,131	\$209,539,230	\$5,638,425	\$29,675,723	\$8,988,733	\$868,580,846
	2006	\$208,160,783	\$38,498,554	\$0	\$6,553,726	\$1,660,762	\$160,638,177		2006	\$1,120,682,463	\$202,430,865	\$5,619,632	\$29,014,225	\$8,950,133	\$865,081,680
	2007	\$216,415,456	\$39,686,773	\$0	\$6,673,069	\$1,726,676	\$165,972,762		2007	\$1,121,396,642	\$199,647,446	\$5,620,682	\$28,597,628	\$8,954,475	\$868,058,824
	2008	\$216,638,365	\$39,276,280	\$47	\$6,609,246	\$1,729,792	\$166,406,478		2008	\$1,113,363,670	\$196,284,824	\$5,598,275	\$28,113,953	\$8,869,439	\$860,629,186
	2009	\$198,474,728	\$35,823,858	\$0	\$5,985,784	\$1,584,427	\$152,588,544		2009	\$1,088,775,950	\$192,654,276	\$5,456,615	\$27,315,086	\$8,689,558	\$840,789,894
	2010	\$183,052,680	\$33,025,591	\$185	\$5,441,535	\$1,461,004	\$140,263,735		2010	\$1,039,195,575	\$184,163,779	\$5,209,711	\$25,849,717	\$8,294,530	\$796,713,772
AB	2003	\$151,895,856	\$24,897,210	\$7,595,451	\$581,734	\$1,214,202	\$116,322,883	QC	2003	\$170,067,238	\$29,676,609	\$13,347,448	\$0	\$1,356,096	\$125,477,961
	2004	\$156,725,839	\$25,956,318	\$7,836,284	\$610,006	\$1,251,568	\$119,481,772		2004	\$167,642,221	\$29,497,452	\$13,165,432	\$0	\$1,336,906	\$123,197,983
	2005	\$159,535,523	\$26,014,158	\$7,976,457	\$620,570	\$1,272,376	\$122,295,675		2005	\$166,630,301	\$29,432,679	\$13,098,710	\$0	\$1,327,921	\$122,428,843
	2006	\$171,194,429	\$26,817,165	\$8,561,367	\$659,338	\$1,365,778	\$130,769,881		2006	\$153,785,151	\$27,215,148	\$12,031,301	\$0	\$1,220,845	\$111,750,218
	2007	\$180,246,443	\$27,179,952	\$8,996,301	\$703,988	\$1,431,195	\$137,854,013		2007	\$142,353,354	\$25,366,383	\$11,020,201	\$0	\$1,127,916	\$103,279,544
	2008	\$182,436,158	\$27,126,401	\$9,122,578	\$705,331	\$1,446,359	\$139,431,191		2008	\$136,087,181	\$25,196,155	\$10,555,683	\$0	\$1,077,181	\$97,877,507
	2009	\$158,329,866	\$23,634,609	\$7,916,574	\$606,576	\$1,260,819	\$120,922,570		2009	\$97,903,687	\$18,792,018	\$7,472,071	\$0	\$779,515	\$70,106,748
	2010	\$151,747,538	\$22,606,180	\$7,587,106	\$576,083	\$1,207,927	\$115,523,544		2010	\$19,185,629	\$3,429,933	\$513,740	\$0	\$151,980	\$14,763,725
SK	2003	\$1,873,272	\$324,592	\$171,343	\$1	\$15,121	\$1,334,159	NB	2003	\$8,597,258	\$1,177,808	\$945,650	\$1	\$68,504	\$6,313,820
	2004	\$1,357,566	\$214,678	\$123,707	\$0	\$10,701	\$1,016,881		2004	\$8,462,800	\$1,141,756	\$930,898	\$0	\$67,442	\$6,380,099
	2005	\$2,148,883	\$341,293	\$171,796	\$0	\$16,942	\$1,670,038		2005	\$6,018,601	\$789,909	\$662,040	\$0	\$47,879	\$4,453,789
	2006	\$12,355,398	\$1,753,399	\$1,101,027	\$0	\$97,417	\$9,321,723		2006	\$5,474,415	\$712,841	\$602,206	\$0	\$43,530	\$4,105,334
	2007	\$12,145,477	\$1,707,556	\$1,143,668	\$5,660	\$95,563	\$8,925,564		2007	\$5,695,191	\$741,003	\$626,538	\$0	\$45,212	\$4,272,360
	2008	\$12,066,140	\$1,724,205	\$1,106,954	\$9,151	\$94,842	\$8,775,870		2008	\$5,689,815	\$715,751	\$626,805	\$0	\$45,101	\$4,302,494
	2009	\$12,733,296	\$1,862,968	\$1,111,253	\$9,870	\$100,090	\$9,418,701		2009	\$6,059,741	\$750,168	\$666,653	\$0	\$47,924	\$4,471,744
	2010	\$10,356,232	\$1,508,960	\$914,694	\$277	\$80,972	\$7,510,285		2010	\$6,212,499	\$779,303	\$683,285	\$12	\$48,775	\$4,582,078

*Wagering in Canada 2003 to 2010 - Canadian Pari-Mutuel Agency (CPMA)**

		GROSS BET	% ASSOC.	PROV. TAX	PROV. LEVY	FED. LEVY	APO
NS	2003	\$11,218,986	\$1,506,075	\$1,234,047	\$3	\$88,957	\$8,387,256
	2004	\$13,333,427	\$1,746,478	\$1,466,630	\$0	\$105,583	\$10,039,870
	2005	\$13,566,242	\$1,741,465	\$1,492,200	\$0	\$107,413	\$10,338,308
	2006	\$11,896,532	\$1,527,641	\$1,308,731	\$0	\$93,896	\$9,047,813
	2007	\$11,998,332	\$1,527,286	\$1,319,958	\$3	\$94,779	\$9,187,202
	2008	\$12,630,016	\$1,560,424	\$1,381,228	\$16	\$98,911	\$9,801,924
	2009	\$12,633,271	\$1,542,808	\$1,369,749	\$0	\$98,093	\$9,610,149
	2010	\$12,746,648	\$1,528,733	\$1,383,482	\$0	\$99,134	\$9,747,111
PEI	2003	\$8,307,827	\$1,052,414	\$958,868	\$0	\$66,700	\$6,382,923
	2004	\$7,674,730	\$968,359	\$882,197	\$0	\$61,452	\$5,878,924
	2005	\$7,565,591	\$977,676	\$873,067	\$0	\$60,594	\$5,680,029
	2006	\$7,778,295	\$1,015,186	\$897,287	\$0	\$62,111	\$5,845,055
	2007	\$7,389,489	\$949,654	\$851,866	\$0	\$58,682	\$5,510,590
	2008	\$6,997,653	\$898,738	\$810,250	\$0	\$55,115	\$5,232,452
	2009	\$6,814,413	\$870,738	\$789,717	\$0	\$53,489	\$5,085,836
	2010	\$7,099,179	\$904,811	\$818,349	\$0	\$55,473	\$5,218,756
NF	2003	\$1,270,501	\$140,509	\$139,753	\$0	\$10,068	\$981,373
	2004	\$1,251,451	\$128,018	\$137,659	\$0	\$9,910	\$1,034,808
	2005	\$1,644,693	\$185,793	\$180,912	\$0	\$13,002	\$1,331,004
	2006	\$1,693,194	\$196,575	\$186,261	\$0	\$13,374	\$1,336,718
	2007	\$1,431,997	\$164,447	\$157,521	\$0	\$11,314	\$1,071,621
	2008	\$1,409,334	\$163,440	\$155,248	\$0	\$11,176	\$1,045,026
	2009	\$1,974,982	\$232,082	\$217,234	\$0	\$15,733	\$1,503,319
	2010	\$2,091,027	\$251,947	\$229,990	\$0	\$16,662	\$1,483,653

* Data Source: Canadian Pari-Mutuel Agency (CPMA)

*Standardbred Racing Opportunities / Activities by Province 2000 to 2010**

		RACE DAYS	# OF RACES	# OF HORSES	GROSS PURSES	AVG. PURSE PER RACE
BC	2000	122	1,100	583	\$4,894,133	\$4,449
	2001	149	1,339	606	\$6,538,132	\$4,883
	2002	142	1,275	665	\$6,299,400	\$4,941
	2003	114	1,357	778	\$6,459,097	\$4,760
	2004	107	1,301	770	\$6,355,802	\$4,885
	2005	108	1,284	787	\$6,945,485	\$5,409
	2006	112	1,234	743	\$7,458,889	\$6,044
	2007	111	1,152	653	\$6,916,113	\$6,004
	2008	115	1,180	666	\$9,342,840	\$7,918
	2009	107	1,122	759	\$7,168,300	\$6,389
	2010	89	985	610	\$5,819,100	\$5,908
AB	2000	156	1,401	601	\$7,206,873	\$5,144
	2001	144	1,292	618	\$9,762,726	\$7,556
	2002	148	1,330	667	\$11,365,992	\$8,546
	2003	166	1,589	895	\$12,436,901	\$7,827
	2004	164	1,635	947	\$13,109,437	\$8,018
	2005	162	1,618	1,008	\$13,476,752	\$8,329
	2006	168	1,657	977	\$13,307,767	\$8,031
	2007	146	1,480	847	\$12,265,763	\$8,288
	2008	134	1,254	756	\$11,353,031	\$9,053
	2009	105	1,019	697	\$7,178,969	\$7,045
	2010	113	1,108	673	\$6,955,701	\$6,278
SK	2000	38	346	128	\$533,425	\$1,542
	2001	30	269	111	\$516,900	\$1,922
	2002	12	112	90	\$233,640	\$2,086
	2003	10	64	59	\$103,330	\$1,615
	2004	14	94	87	\$122,200	\$1,300
	2005	14	108	125	\$224,750	\$2,081
	2006	22	154	149	\$276,130	\$1,793
	2007	24	195	170	\$268,500	\$1,377
	2008	24	184	171	\$268,155	\$1,457
	2009	24	194	183	\$292,405	\$1,507
	2010	25	213	240	\$306,850	\$1,441

		RACE DAYS	# OF RACES	# OF HORSES	GROSS PURSES	AVG. PURSE PER RACE
MB	2000	0 (FAIRS)	0 (FAIRS)	169	0 (FAIRS)	
	2001	0 (FAIRS)	0 (FAIRS)	146	0 (FAIRS)	
	2002	0 (FAIRS)	0 (FAIRS)	115	0 (FAIRS)	
	2003	21	186	155	\$313,048	\$1,683
	2004	21	187	161	\$303,082	\$1,621
	2005	21	202	189	\$381,095	\$1,887
	2006	22	200	166	\$382,811	\$1,914
	2007	24	231	189	\$415,058	\$1,797
	2008	23	205	167	\$376,683	\$1,837
	2009	22	192	182	\$374,672	\$1,951
	2010	21	176	186	\$359,076	\$2,040
ON	2000	1,520	13,681	6,071	\$111,426,121	\$8,145
	2001	1,693	15,233	6,729	\$169,077,911	\$11,099
	2002	1,778	15,999	6,951	\$187,416,494	\$11,714
	2003	1,400	16,221	10,668	\$184,922,176	\$11,400
	2004	1,441	16,981	11,046	\$190,338,336	\$11,209
	2005	1,442	16,763	10,876	\$181,975,738	\$10,856
	2006	1,448	16,548	10,874	\$184,803,213	\$11,168
	2007	1,362	15,533	9,946	\$178,059,172	\$11,463
	2008	1,336	15,846	10,239	\$176,607,119	\$11,145
	2009	1,368	16,018	10,068	\$183,999,882	\$11,487
	2010	1,364	15,952	9,644	\$167,931,299	\$10,527
QC	2000	493	4,439	2,146	\$31,998,675	\$7,209
	2001	497	4,469	2,507	\$41,232,750	\$9,226
	2002	468	4,215	2,633	\$40,088,825	\$9,511
	2003	405	4,104	2,857	\$20,480,445	\$4,990
	2004	325	3,627	2,739	\$16,492,475	\$4,547
	2005	342	3,523	2,771	\$16,348,500	\$4,641
	2006	329	3,400	2,745	\$17,100,350	\$5,030
	2007	291	3,082	2,557	\$21,066,600	\$6,835
	2008	218	2,281	2,201	\$11,954,050	\$5,241
	2009	40	399	572	\$1,204,350	\$3,018
	2010	16	169	408	\$548,750	\$3,247

Standardbred Racing Opportunities / Activities by Province 2000 to 2010*

		RACE DAYS	# OF RACES	# OF HORSES	GROSS PURSES	AVG. PURSE PER RACE
NB	2000	0 (FAIRS)	0 (FAIRS)	89	0 (FAIRS)	
	2001	56	503	116	\$871,975	\$1,734
	2002	68	616	139	\$842,744	\$1,368
	2003	68	695	518	\$989,564	\$1,424
	2004	69	685	507	\$954,106	\$1,393
	2005	65	568	529	\$753,965	\$1,327
	2006	58	584	466	\$723,522	\$1,239
	2007	67	664	507	\$1,012,369	\$1,525
	2008	67	667	496	\$1,019,505	\$1,528
	2009	59	571	496	\$998,117	\$1,748
	2010	66	656	506	\$971,727	\$1,481
NS	2000	0 (FAIRS)	0 (FAIRS)	148	0 (FAIRS)	
	2001	42	382	226	\$1,570,856	\$4,112
	2002	135	1,215	311	\$1,495,922	\$1,231
	2003	94	1,071	676	\$1,446,928	\$1,351
	2004	112	1,329	842	\$1,682,219	\$1,266
	2005	111	1,359	846	\$1,667,590	\$1,227
	2006	83	1,061	760	\$1,523,148	\$1,436
	2007	104	1,108	707	\$1,571,223	\$1,418
	2008	111	1,272	800	\$1,716,742	\$1,350
	2009	103	1,279	858	\$1,636,182	\$1,279
	2010	107	1,319	813	\$1,795,977	\$1,362

		RACE DAYS	# OF RACES	# OF HORSES	GROSS PURSES	AVG. PURSE PER RACE
PEI	2000	0 (FAIRS)	0 (FAIRS)	134	0 (FAIRS)	
	2001	126	1,138	223	\$1,164,677	\$1,023
	2002	131	1,178	325	\$2,001,825	\$1,699
	2003	100	1,203	878	\$1,922,402	\$1,598
	2004	92	1,118	878	\$1,754,543	\$1,569
	2005	101	1,222	954	\$2,571,019	\$2,104
	2006	112	1,382	1,060	\$2,813,585	\$2,036
	2007	108	1,321	1,020	\$2,790,158	\$2,112
	2008	111	1,381	1,018	\$2,910,690	\$2,108
	2009	111	1,370	1,061	\$2,913,835	\$2,127
	2010	109	1,399	1,074	\$2,855,056	\$2,041
NF**	2000					
	2001					
	2002					
	2003	30	139	34	\$47,500	\$342
	2004	-	-	-	\$0	\$0
	2005	25	168	60	\$48,375	\$288
	2006	31	231	74	\$90,035	\$390
	2007	31	257	86	\$96,750	\$376
	2008	22	190	86	\$78,125	\$411
	2009	25	184	79	\$89,644	\$487
	2010	26	217	82	\$117,300	\$541

* Data Source: Standardbred Canada

** No data available for 2000 to 2002

*Thoroughbred Racing Opportunities / Activities by Province 2000 to 2010**

		RACE DAYS	# OF RACES	# OF HORSES	GROSS PURSES	AVG. PURSE PER RACE
BC	2000	94	832	1,135	\$9,503,511	\$11,422
	2001	96	824	1,090	\$11,555,775	\$14,024
	2002	80	846	1,151	\$12,504,660	\$14,781
	2003	81	744	1,026	\$12,055,226	\$16,203
	2004	82	731	1,062	\$13,313,404	\$18,213
	2005	92	798	1,049	\$12,591,501	\$15,779
	2006	86	738	1,108	\$12,204,823	\$16,538
	2007	78	669	1,011	\$9,891,341	\$14,785
	2008	81	703	1,055	\$11,974,593	\$17,034
	2009	86	712	1,107	\$11,001,927	\$15,452
	2010	78	607	930	\$8,507,461	\$14,016
AB	2000	112	1,154	1,454	\$8,029,317	\$6,958
	2001	110	1,163	1,379	\$11,911,024	\$10,242
	2002	109	1,169	1,495	\$12,677,366	\$10,845
	2003	113	1,236	1,613	\$14,830,244	\$11,999
	2004	118	1,364	1,789	\$16,658,558	\$12,213
	2005	117	1,151	1,692	\$13,045,701	\$11,334
	2006	119	1,322	1,797	\$15,783,075	\$11,939
	2007	111	1,242	1,719	\$16,439,453	\$13,236
	2008	107	1,184	1,792	\$15,215,606	\$12,851
	2009	89	1,068	1,667	\$12,201,708	\$11,425
	2010	84	968	1,537	\$9,544,191	\$9,860
SK	2000	40	295	392	\$814,100	\$2,760
	2001	45	290	352	\$745,490	\$2,571
	2002	32	264	357	\$710,405	\$2,691
	2003	30	262	365	\$662,025	\$2,527
	2004	29	257	377	\$704,500	\$2,741
	2005	29	233	414	\$660,791	\$2,836
	2006	29	222	425	\$719,779	\$3,242
	2007	29	235	454	\$832,376	\$3,542
	2008	29	238	472	\$950,938	\$3,996
	2009	30	244	477	\$891,857	\$3,655
	2010	28	232	487	\$911,670	\$3,930

		RACE DAYS	# OF RACES	# OF HORSES	GROSS PURSES	AVG. PURSE PER RACE
MB	2000	75	591	834	\$4,486,450	\$7,591
	2001	74	605	858	\$5,196,371	\$8,589
	2002	74	591	887	\$5,947,271	\$10,063
	2003	73	589	914	\$5,984,183	\$10,160
	2004	69	583	900	\$5,655,448	\$9,701
	2005	75	590	883	\$4,961,352	\$8,409
	2006	70	549	852	\$4,830,794	\$8,799
	2007	69	554	881	\$5,293,248	\$9,555
	2008	68	541	848	\$5,413,926	\$10,007
	2009	65	502	786	\$4,292,561	\$8,551
	2010	65	504	857	\$4,670,273	\$9,266
ON	2000	267	2,514	3,176	\$86,883,514	\$34,560
	2001	281	2,729	3,619	\$102,526,755	\$37,569
	2002	282	2,722	3,619	\$117,285,925	\$43,088
	2003	278	2,667	3,930	\$116,858,252	\$43,816
	2004	248	2,328	3,728	\$99,623,000	\$42,793
	2005	268	2,466	3,712	\$82,139,695	\$33,309
	2006	263	2,403	3,731	\$88,102,780	\$36,664
	2007	253	2,357	3,686	\$95,141,210	\$40,365
	2008	247	2,284	3,705	\$93,665,153	\$41,009
	2009	245	2,227	3,721	\$89,816,485	\$40,331
	2010	245	2,228	3,777	\$93,441,541	\$41,940

* Data Source: The Jockey Club / Equibase

Highlight: Data Sourced from provincial regulator

*Quarter Horse Racing Opportunities / Activities by Province 2000 to 2010**

		RACE DAYS	# OF RACES	# OF HORSES	GROSS PURSES	AVG. PURSE PER RACE
BC	2000	12	16	41	\$55,077	\$3,442
	2001	14	23	41	\$81,798	\$3,556
	2002	11	13	36	\$48,768	\$3,751
	2003	10	15	39	\$46,145	\$3,076
	2004	7	11	31	\$37,536	\$3,412
	2005	7	8	23	\$29,694	\$3,712
	2006	1	1	4	\$3,498	\$3,498
	2007	3	3	10	\$13,272	\$4,424
	2008	1	2	9	\$10,445	\$5,223
	2009	5	5	9	\$16,137	\$3,227
	2010	5	5	10	\$17,019	\$3,404
AB	2000	52	145	347	\$532,089	\$3,670
	2001	56	136	322	\$621,458	\$4,570
	2002	55	151	317	\$724,670	\$4,799
	2003	59	173	398	\$1,082,854	\$6,259
	2004	76	217	481	\$1,447,304	\$6,670
	2005	71	186	408	\$1,188,956	\$6,392
	2006	71	171	360	\$1,205,712	\$7,051
	2007	67	158	335	\$1,336,834	\$8,461
	2008	71	156	320	\$1,294,630	\$8,299
	2009	64	147	320	\$1,252,626	\$8,521
	2010	65	137	297	\$1,064,466	\$7,770
SK	2000	6	23	67	\$48,760	\$2,120
	2001	7	23	66	\$48,008	\$2,087
	2002	20	51	82	\$108,800	\$2,133
	2003	26	56	71	\$93,550	\$1,671
	2004	17	27	60	\$53,381	\$1,977
	2005	13	22	54	\$41,006	\$1,864
	2006	7	7	28	\$30,748	\$4,393
	2007	11	15	43	\$46,686	\$3,112
	2008	12	16	41	\$52,629	\$3,289
	2009	13	14	39	\$51,969	\$3,712
	2010	9	11	35	\$45,021	\$4,093

		RACE DAYS	# OF RACES	# OF HORSES	GROSS PURSES	AVG. PURSE PER RACE
MB	2000	9	9	41	\$43,460	\$4,829
	2001	14	24	78	\$67,596	\$2,817
	2002	19	30	79	\$119,821	\$3,994
	2003	20	31	77	\$170,140	\$5,488
	2004	19	19	45	\$96,300	\$5,068
	2005	5	8	34	\$72,897	\$9,112
	2006	2	4	19	\$55,292	\$13,823
	2007	3	4	26	\$69,737	\$17,434
	2008	4	7	30	\$92,404	\$13,201
	2009	4	6	27	\$74,755	\$12,459
	2010	4	6	27	\$76,844	\$12,807
ON	2000	19	114	83	\$214,087	\$1,878
	2001	20	116	103	\$246,326	\$2,124
	2002	22	127	109	\$279,150	\$2,198
	2003	26	156	122	\$318,029	\$2,039
	2004	25	144	103	\$313,993	\$2,181
	2005	21	127	115	\$283,031	\$2,229
	2006	25	183	195	\$1,228,230	\$6,712
	2007	30	258	247	\$2,505,605	\$9,712
	2008	31	287	333	\$3,772,160	\$13,143
	2009	35	327	443	\$3,974,436	\$12,154
	2010	45	418	548	\$6,163,693	\$14,746

**Data Source: American Quarter Horse Association (AQHA)*