# SPORTSMAN

\$3

2012

APRIL 19,

## FIGHT for our future:

Real lives impacted by decision to cancel Ontario's slots-at-racetracks program



**FEB. 14, 2012** — The subject of the racing 'subsidy' is discussed during Question Period at Queen's Park.

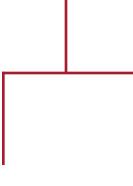
FEB. 22, 2012 — OHHA organizes and holds first rally at Queen's Park

## Timeline: How

FEB. 28, 2012 — Horse racing is referenced during Question Period in the Ontario legislature when Liberal MPP and Minister of Education Laurel Broten says, "We will invest \$300 million into public education and more fullday kindergarten next year. And we will make the choice: Rather than horse racing, we will put children first."



MARCH 14, 2012 — The OLG announces the end of the slotsat-racetrack program, effective March 31, 2013; announce the closure of slots at Fort Erie, Windsor Raceway and Sarnia's Hiawatha Horse Park.



FEB. 13, 2012 — Dwight Duncan targets racing in speech at Economic Club of Canada, saying he will "review the \$345 million in annual 'subsidies' given to horse racing in Ontario each year through the Ontario Lottery and Gaming Corporation."



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FEB. 15, 2012 — Drummond Report released; Racing interests addressed primarily under Chapter 11 of the report — Business Support. Recommendation 11-11 is as follows: "Review and rationalize the current provincial financial support provided to the horse racing industry so that the industry is more appropriately sustained by the wagering revenues it generates rather than through subsidies or their preferential treatments." FEB. 27, 2012 — Liberal radio ads begin, reinforcing the govemment's strategy of pitting horse racing versus health care in the mainstream media.

#### MARCH 5, 2012 — OHRIA launches new website value4money.ca, one of a number of initiatives designed to defend the racing industry and educate the public at large about the benefits of the slots at racetrack program.



## the Battle Unfolded



MARCH 19, 2012 — OHRIA launches billboard and radio ads to counteract the government's 'subsidy' claims

MARCH 16-17, 2012

parties, Progressive

- Leaders of the opposition

Conservative Tim Hudak and

NDP Andrea Horwath speak out

the slots-at-racetrack partnership

against the Liberal plan to end

MARCH 27, 2012 — Finance Minister Dwight Duncan tables Ontario's 2012 Budget

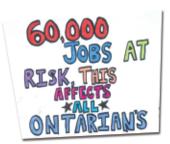
MARCH 26, 2012 -

Second OHHA rally

held at Queen's Park

#### MARCH 30, 2012 - OHRIA

plays host to rallies at Liberal MPP offices across Ontario; OHHA's Brian Tropea handdelivers two Liberalcommissioned reports confirming the level of participation in the racing industry in Ontario as between 40,000 and 55,000 people to MPP Dwight Duncan's constituency office in Windsor-Tecumseh.



**APRIL 24, 2012** — BUDGET VOTE (results unavailable before press time)



**APRIL 10, 2012** — NDP leader Andrea Horwath states she will not give approval to the 2012 Budget without plans to protect jobs in industries affected by the budget, including horse racing.



MARCH 28, 2012 - In a

Duncan publicly disputes

at-racetrack program.

60,000 could potentially be

affected by the end of the slots-

CBC article, Finance Minister

# IN THE LINE OF FIRE

The Ontario government's decision to end the slots-at-racetracks program has had an immediate effect on many of the 60,000 employed in the horse racing industry. Here are just some of their stories about how they're coping as they struggle to plan for an uncertain future.

by Dave Briggs

## BOB YOUNG, 58, Guelph, ON TRAINER, OWNER, BREEDER

Comments made March 19, 2012 via phone interview

> "We're not planning on selling any horses. We're not planning on selling any horses that are racing. We've had offers on Piece Of The Rock already and I'm not selling him. We're fine here until next year. We want to see what things go on farther. We're bringing some younger horses on, but our game plan is not to sell any horses. We have two mares who were booked in the States anyway, one in New York and one in New Jersey. We had a mare booked here in

Ontario. I only own 20 per cent of the mare. I just give my opinion. I think they're going to move her to New York and breed her in New York. We have two Ontario-sired weanlings this year. We have a Muscle Mass and a Jeremes Jet born this year. The game plan is we'll worry about what happens to them later on. One of my partners, Brian Barton, has bred Oven Mitt in Ontario already this year. I think his other mare is going to get bred in Ontario. Artimittateslife was going to be bred in the States anyway. Right now, no panic button has been pushed, yet, on our part. We still have a lot of things to try and sort out. We're waiting for the government to get a few more things sorted out."

"The *National Post* had a good article comparing (the slots-at-racetracks program) to the LCBO. You don't have to do anything. You just sit there and take in the money. Open the stores, money will come to you. You employ people, it's being looked after, everything's fine and dandy at the racetracks and you'll make nothing but money. A lot of people have jobs. A lot of people are benefiting from the way the plan's working. So, that takes a lot of pressure off unemployment and welfare and everything. Just leave it alone. It's working well."

#### ANTHONY MACDONALD,

35, Guelph, ON **DRIVER, TRAINER** Comment made April 5, 2012 via email

"I have been involved in the industry my entire life. I have a one-year-old baby girl, and I'm engaged to be married on June 8. From this industry, I was fortunate to be able to purchase my home. I pay a mortgage every month. I pay my taxes and my bills. I consider myself a productive



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TAMMY MCNIVEN, 42, Embro, ON PRESIDENT OF STANDARDBRED CANADA, BREEDER AND OWNER **(TWINBROOK FARMS)** 

Comment made April 5, 2012 via email

"This decision has totally changed the way we are breeding our mares. Unfortunately, due to the unknown funding model of the OSS program it will be very unlikely that the OSS will remain at the same purse levels as previous years. Therefore, it's almost impossible to support any stallions in Ontario at the present stud fees. We spent around \$125,000 on Ontario stud fees last year. We do own seven breeding shares to stallions in Ontario so that will help our situation as we won't owe stud fees in 2013. Hopefully by then, the world-class program of the OSS will be reinstated to current levels of \$22 million. We have already cut plans to upgrade machinery, fencing, replacing broodmares on our small farm. Our normal upgrades of around \$100,000 per year will not be done."

JAMIE MILLIER, 57, Puslinch, ON TRAINING CENTRE OWNER (CLASSY LANE STABLES) . . . . . . . . . . . . Comment made April 4, 2012 via email

"As soon as the announcement was made to end the agreement with the OLG and the racetracks, we have had no choice but to put the farm on an expense lockdown. We will now only buy and repair what is absolutely necessary. There are currently 245 horses and 85 people working at Classy Lane Stables. I am sure these numbers will be greatly reduced over the next year. It has already started."

NEW IMAGE MEDIA

Ontario citizen. I do question whether my government is being responsible or even reasonable to its citizens? How does a government not consider the economic fallout from knowingly putting people on the unemployment line, people who in some cases have no other avenues of employment? These questions keep me up at night, most nights.

'These are tough economic times for the whole world, not just our little province. Does that mean we overlook our agriculture sector, our rural citizens? The people that grow the food that ends up on our tables each evening?

The economic vices that will be placed on our families and our farmers from the endangerment of the horse racing industry will be catastrophic. The Ontario Federation of Agriculture has warned our government of the fallout and yet we still continue down this path of "casinos for cities" with the potential of death to our agricultural sector. If my government cares little for me, my daughter, and fiancé, at least have the decency to worry about the welfare of the rest of our province. Everyone knows you should never try to gamble your way out of debt. Keep your citizens employed and lets work our way out of debt responsibly."



DOUG NASH, 65, Cambridge, ON EQUINE EDUCATOR, BREEDER, FORMER STALLION MASTER AND FARM MANAGER

Comment made April 5, 2012 via email

"Having had a wonderful career doing a job I absolutely enjoyed managing a major Ontario breeding farm and racing stable, I have turned my attention to teaching and instructing equine courses for the University of Guelph and Ridgetown College. I have never been stuck for answers or where to find the answers to the students' questions until now. The students want to know if there are going to be jobs or a future that they have invested in, studied and trained for. The students applying for the fall courses want to know if there is any point in investing in the future of the horse industry or its related careers. Our future horsemen/women, vets., nutritionists, etc. and the equine educational system and institutions are indirectly but equally affected by the devastating decision to decimate the entire equine industry by our current Liberal government."



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JOHN BAX, 57, Peterborough, ON TRAINER, OWNER, BREEDER Comments made March 19, 2012 via phone interview

"I am training 25 to 30 right now. I'm looking at projecting down to 10 and hoping I can go with quality rather than quantity. That's kind of where I'm looking at... I have young horses. I'm going to ride them out. To me, a lot of it depends on how the Sires Stakes is going to come out of this. If they're going to slash it, let's say, in half, obviously it's going to affect me big. That's what I'm looking at, but I'm not going to jump off a bridge today or tomorrow."

"Economically, it makes no sense what they're doing. Politically, of course, it makes perfect sense because there's no slots in any red (Liberal) territory. As far as shutting down slots, as soon as you shut them down you've lost revenue."

"(OLG CEO Paul) Godfrey was talking on (Bob) McCown's (radio) show. McCown said, 'Seventy per cent of the people at Casino Rama come from Toronto.' Godfrey said, 'Yeah, that's why we'll build a casino downtown.' 'What are you going to do with Rama?' 'Jeez, we're going to sell it to a private operator.' Who the hell is going to buy it? You just said you were going to take away 70 per cent of the people."

#### DR. TED CLARKE, 64, Elmira, ON RACETRACK EXECUTIVE (GM OF GRAND RIVER RACEWAY)

Comments made March 27, 2012 via phone interview

"What I understand is the deal will be continued until March 31 of next year. If that's the case, then racing should continue this year much as it has. We have no plans to alter any of the things that we're doing right at this time. Although, it does bring into question how do we deal with the expenditures of purse money this year? Do we try to horde some for next year or what do we do? Those kind of discussions will have to be had and have not been had at this point in time simply because we're not sure we have anything, yet, to discuss."





#### AL LIBFELD, 60, Pickering, ON OWNER AND BREEDER

Comments made March 27, 2012 via phone interview

"I'm not sure (my operation) is going to change that significantly. What's going to change is, I'll have very little or none in Ontario. Horses move really easily. For \$300, they're across the border. That's not what I want to do. I love racing at home. I love breeding at home. There's a lot of other more latent jurisdictions in the United States and more to come. With technology, I can watch it and enjoy it and not necessarily attend as many races, but it's a shame. They really don't understand the devastation that they're wreaking and financially they're going to be behind. Not telling anyone the full plan and unleashing it like you're slicing a salami is inappropriate when you're dealing with people's lives and livelihoods and careers."

MATT WAPLES

"It's just wait and see at this point. I don't want to leave Ontario. I'm hoping that saner heads will prevail and they don't destroy what is the best jurisdiction in North America. Horses can move. I can move my mares, I can move my stallions. That's easy. What can't move is the farms and the people that work on the farms. Those aren't movable. The destruction of an industry, a sport, a lifestyle would be devastating to a lot of people in the industry and a lot of history."

HASTPORT PHOTO



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ANNA MEYERS, 47. Rockwood, ON PRESIDENT STANDARDBRED BREEDERS **OF ONTARIO ASSOCIATION (SBOA)** AND BREEDER (EMERALD RIDGE FARM) Comments made March 28, 2012 via phone interview

"We don't know what our future is. We don't know what is going to happen with the investment we've already made."

"(My husband Pat is) an official veterinarian at Grand River Raceway. This whole scenario could affect him. Basically, it wipes out our ability to generate income and provide for our family. I'm not alone. There will be 60,000 other people that it will affect, as well. Some of them in areas where they don't have other choices because the manufacturing sector got hit very hard a number of years ago. There's just not a lot of job options in many small, rural communities. I don't think the government understands the ripple effect that this will have."

"We have veterinarians that have invested heavily in equipment, that have invested in building of clinics, who have had plans that they've placed on hold. What do you do? If you look at the Campbellville area, there's a pile of equine veterinarians, many of whom derive most of their income from the horse racing industry. What's going to happen there?"

"You want a direction this is going to go in. I'm disgusted in the way that it's been handled. There wasn't consultation with the industry."

"When the budget came down, there were a lot of things that were talked about. For example, (Finance Minister) Dwight Duncan made reference to the importance of keeping 10,000 teaching jobs and how important it is to have employment in this province as we deal with this issue of reducing the deficit. Then, I don't understand decisions made to potentially wipe out 60,000 jobs in the horse racing industry. Are those not important to the province as well?"

"It seems like the agricultural industry isn't the priority that I believe it should be with government. As the second leading sub-sector of agricultural industry, I cannot believe they would jeopardize this important sector. I think the discussions that should have been taking place with the government and OLG is the slots-at-racetracks program has delivered the most amount of money of all the models under the OLG portfolio. How can that be expanded upon? Those are the discussions I would hope government would have. I hope government would still be openminded enough to have those discussions."

"The polls are very supportive about the existing program. I believe government has to be socially responsible. The reason the slots-atracetracks program happened at racetracks is because people felt that it was best to have them in select locations and not available every time you turned a corner. The polls are supporting that almost 15 years later. I do think we have to be socially responsible."

#### PAUL MACDONELL,

49, Guelph, ON **DRIVER** Comments made March 27, 2012 via phone interview

"I'm obviously devastated. It's just a crazy time right now. I'm always looking for more info. It's hard to come by. I haven't really thought about planning a year ahead, yet. I'm just kind of waiting to see what takes place in the next while with government negotiations."

"People just don't get into this business and think you're going to start making money today. It's a process and that's what the scary part is. Whether you're a trainer or a driver, you plan for years down the road."

"I just remember starting out like most kids would. You've got stars in your eyes and all you can think about is racing and you don't really think about the money and the business part of it. You're just there for the rush of the race and to try and win. As you age, you take on responsibilities. You get married, you have family, you have kids, expenses like everyone else in the world. Then you have to start thinking about business. If they basically take the slots away with no money coming towards us, I'd imagine our purses would just go back to half of what they are now or very close to it. I don't see anyone else in the government getting a cut like that. I see wage freezes and whatnot, but not coming right in half like we may be going to. That makes it even worse."

"To me, our breeding operation here in Ontario is just starting to boom the way it should boom. We're getting more and better studs and the mares are starting to come. It took this long, 14 years to get things to really boom the way it should. The last couple of years, we've had an influx of studs that came in that were second to none in North America. I think the mares were right behind them. I know our mares didn't get upgraded the first 10 years or so, but I would say with these new studs we were just on the boom of something here. Now look at it."

#### SCOTT ZERON, 22, Oakville, ON

DRIVER

Comments made March 27, 2012 via phone interview

"I've shaped my entire career since I was very young on being a driver in this business. So, it is very crucial that we do have horse racing still. I don't want to have to move to the United States to drive because I love racing in Ontario."

"I'm really worried. This business has been so good to me. It's just been a dream to drive horses on a daily basis. I don't want to lose that. I don't want to sit behind a desk and be an accountant, which is my fallback since I went to college."



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#### DR. PAUL JOHNSTON, 41, Peterborough, ON VET, OWNER, BREEDER

Comment made April 2, 2012 via email

"As you know, I am a stallion owner (Rambaran). I suspect this will kill his career. Our broodmares (Sarong Hall t, 1:55.3, \$200,000 and

Sensual Hall t, 1:53.4, \$450,000) will not be bred. Our racing stable and breeding stock will likely be dispersed (20 horses). We will not be going to the yearling sales. My racehorse vet practice is likely finished. In short, major economic hardship awaits. Four generations of racing in my family wiped out by one Liberal government. I suspect I will have to change my focus to small animal veterinary medicine. Fortunately, I have that option." NICK EAVES, 43, Toronto, ON RACETRACK EXECUTIVE (PRESIDENT & CEO WOODBINE ENTERTAINMENT GROUP) Comments made April 4, 2012 via phone interview

"Mohawk and, more broadly Woodbine, they are logical sites for expanded gaming. That's a simple reality in both of their cases given their locations vis-à-vis major metropolitan markets and the scale of their existing gaming operations. They are great platforms, in our view, for the sort of expanded gaming that the OLG has said they intend to pursue under their strategy. That's the good news."

"Our core objective through all of this is discharging our mandate, which is to maximize our financial performance so we can offer the highestquality horse racing... We need to ensure that these new opportunities can help us deliver on that... Not only do we provide a means by which OLG can maximize their gaming revenue, but, by doing so in partnership with us, the core horse racing business continues to be supported and should be able to remain healthy, vibrant and producing those broader benefits back to the provincial economy."

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BOB BURGESS, 76, Campbellville, ON OWNER, BREEDER

Comments made March 19, 2012 via phone interview

"I have 50 broodmares and my family is in the business. I'd like to not be radical here, but I was submarined like anyone else. I was always told the contracts between the tracks and the OLG were for a fixed term of five years. I was never told there was an out clause."



#### DAVE LANDRY

#### DENNIS FAIRALL,

58, Windsor, ON **OWNER, BREEDER** *Comment made April 2, 2012* 

via email

"The government's decision will affect my decision to stay involved in the industry as a breeder and as an owner. There are so many individuals affected by the 'proposed cut-backs' — the trainers, the blacksmiths, the feed person, the hay person, the people that sold them their vehicles (automotive industry), the veterinarians, the employees at the tracks, the breeding farm personnel etc. etc., that I do not believe that this government has thought this through. At this point in time, I have not booked my broodmare to an Ontario stallion and may look to sell her. I will also need to consider where to race my horses or to sell them."

PATTI HANCO, Milton, ON SALES REP, OMEGA ALPHA PHARMACEUTICALS

Comment made April 3, 2012 via email

"As a supplier of equine health products, Omega Alpha Pharmaceuticals will lose roughly 40 per cent of our clients between the three racing disciplines."

#### HUGH MITCHELL,

57, London, ON RACETRACK EXECUTIVE (CEO OF THE WESTERN FAIR DISTRICT)

Comments made Feb. 22, 2012 via phone interview

The term 'subsidy' is inflammatory. I'd say that right to the premier if I had the chance. It's not a subsidy by any means, as you well know. They didn't have to invest in land or infrastructure or facilities. They had to retrofit, as we did, put some capital into the business. They didn't have to spend anywhere near what they had to for the resort casino initiative. It's a good business strategy. It's a political safe haven, racetracks, because we're established gaming sites, sturdy and licenseable. It's just a great business model."

"They'd be absolutely foolish to walk away from the racetrack-slots program, because that's only going to worsen their deficit problem. That doesn't make business sense for them to walk away from the racetrack-slots program. It does make sense to me that they would try to negotiate further with us."

"Is there a real and present danger ahead of us? Absolutely. I don't want to underscore the importance of the matter, but, by the same token, I think we collect our heads and we take a more business-like approach with a problem-solving theme to the government."

"I think this government is faced with some unsustainable spending. The deficits are significant. The status quo that we know today around the government's fiscal policy is not acceptable going forward. Changes are inevitable. That said, I think the wisest approach for our industry is to work together as a group, all breeds, horsepeople, breeders and racetracks alike, through OHRIA, sitting down with OLG — the arm of the government that's responsible for the gaming initiative at racetracks and working through business solutions to each market with the keen sense of being customer driven in how we approach solving the problem. Maybe there's efficiencies in the

operations that we can assist with as racetracks. Maybe there's opportunities to grow or expand our operations and grow revenues for government. So, arguing for the status quo, I think, will be futile."

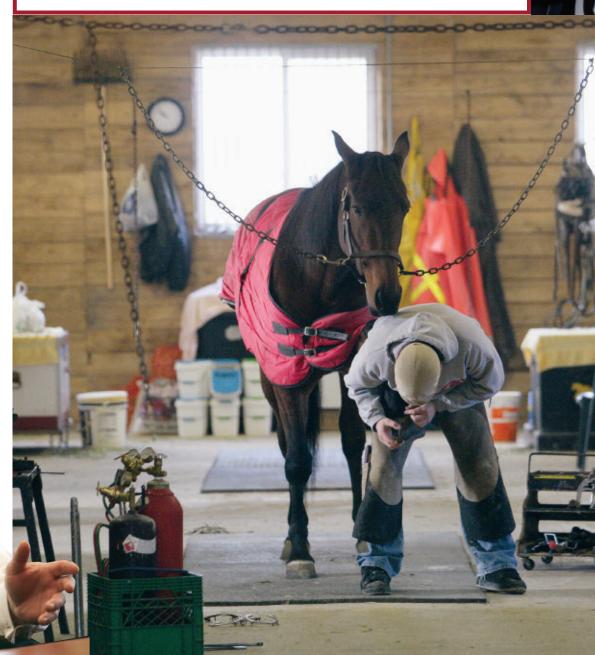
#### JEFF GILLIS,

34, Hillsburgh, ON OWNER, TRAINER, BREEDER Comment made April 8, 2012 via email

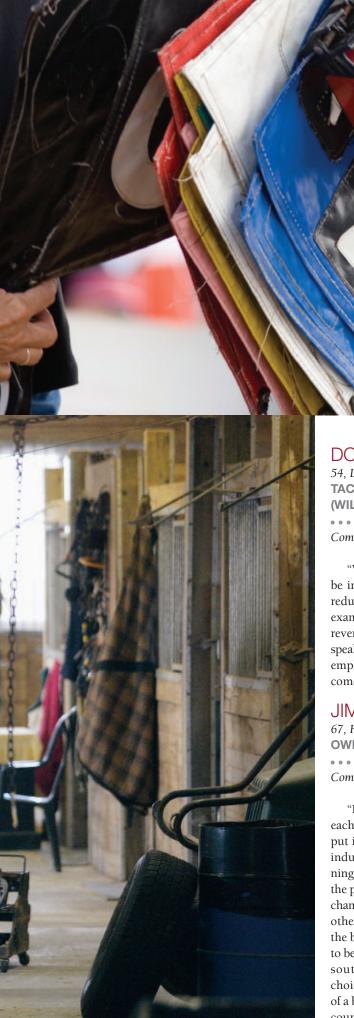
"The decision to end the slots-at-racetrack program has been an emotional stress and hardship on my family. We are already starting to feel the financial strain as bookings to our stallions are down dramatically from last year. I will be forced to seriously divest in Ontario over the next year to try and salvage some of my investment."



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#### ROBERT VAN CAMP,

53, Port Perry, ON **FEED STORE OWNER (BROOKS FEED)** *Comment made April 9, 2012 via email* 

"I own Brooks Performance Horse Feeds. We have built our business over the last 30 years to manufacture and distribute over 12,000 mt/year of horse feed. I have 14 full-time and two part-time employees presently. Seventy-five per cent of our business comes from racehorses or the breeding farms that raise them. Killing the racetrack slots program will reduce the number of people we employ by at least eight, if we survive at all. These good folks are not likely to find work without retraining. The value of our business will obviously be reduced overnight to less than half. We are located less than 100km from downtown Toronto and get at least 10 serious employment applications weekly. I can only imagine that the further you go into rural Ontario that finding work would be even more difficult."

#### BERNARD TOBIN,

45, Georgetown, ON OWNER, FREELANCE RACING WRITER

. . . . . . . . .

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Comment made April 5, 2012 via email

#### DOUG WILSON,

54, London, ON TACK SHOP OWNER (WILSON TACK AND VET SUPPLY) Comment made April 9, 2012 via email

"Without the slot revenue, our business will be impacted by the direct amount of the purse reduction. At the Western Fair District, as an example, 80 per cent of the purses are from slot revenue. With no slots, there will be no racing to speak of. We currently operate at 10 locations and employ 16 people, who will be unemployed come March 31, 2013."

JIM CARR, 67, Hamilton, ON OWNER, BREEDER

Comment made April 4, 2012 via email

"I have earned \$1 million in each of the last two years and put it all back into the horse industry. As of now, I'm planning to sell everything and am in the process of moving my world champion stallion (Big Jim) to other countries. It is sad, but the breeding industry seems to be failing and if purses go south I have no choice to get out of a business in this country that I love and truly wanted to promote."

"We've owned racehorses for seven years (Sugar Rush Stable) and have been lucky enough to be connected to a couple of good ones. They've brought tremendous fun and excitement to our family. We've never taken any money out of the game, opting rather to buy more horses and increase the size of our stable. It made sense because a good horse could make money and pay for those that just didn't make the grade. But we'll have to rethink things with the loss of the slots program. The risks of buying young horses will increase dramatically. If they're not good enough to race at a top level, where do you go with them? We've met incredible people in the racing business, and we know the decisions we make will have a significant impact on trainers, grooms, veterinarians, breeders and many others in the business. Unfortunately, the Liberal government's decision to end the slots agreement will force our hand. We would like to continue to own horses, but economics will likely dictate a much smaller commitment "



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#### MIKE KEELING, 42, Cambridge, ON **TRAINER, OWNER, BREEDER** Comment made April 5, 2012 via email

"I own two broodmares. I have decided not to breed them in 2012 and am unsure as to what I will do with them in future. As far as my stable of 28 horses, we will continue to develop them for this year, the only difference being that any of the Ontario-sired two-year-olds that may look to be better three-year-old prospects we will not quit training this year. It is unfortunate because many times these horses become the best three-yearolds. As usual, the real victims will be the defenceless ones, the horses. I think the hardest part is to stay focused on the task at hand with little or no idea of the future."



HEC CLOUTHIER, 62, Petawawa, ON FORMER EXECUTIVE DIRECTOR ONTARIO HORSE RACING INDUSTRY ASSOCIATION, OWNER, AMATEUR DRIVER, FORMER LIBERAL MEMBER OF PARLIAMENT

*Comments made March 22, 2012 via phone interview* 

"Oh my goodness gracious, are we resistant to change or what? There's an aphorism in life, only donkeys and fools don't change their mind. We've got to think outside the box. We've got to make some dramatic changes within the industry because it seems to me that the government or the OLG are going to make them for us. I'm really, really concerned, for the horsepeople more so than anyone else. There is a bit of a natural tiein with the racetracks. Where's the tie-in on the slot revenue with the horsepeople?"

"There's only one message on behalf of the racetracks of Ontario. You don't have to be a rocket scientist to figure this one out, 'We're taking 10 per cent, but you're housing your slots in our facility. We're cleaning the parking lots. We're doing this. We're doing that.' That's simple."

#### BEN WALLACE, 63, Milton, ON TRAINER AND OWNER

Comments made March 14, 2012 via phone interview



"We're not fighting for a wage decrease, we're fighting extinction. That is what is bothersome."

Wallace trains 40 horses at Classy Lane Stable and employs a staff of 12 to help train and care for the horses. Last year, Wallace's payroll was \$760,000. "At least half of that is going to be in the government's hands now," he said. "I'm not going to be able to sustain that."

"I'm very, very concerned right now. But I'm more concerned for the people in the game than myself. I'm in the twilight of my career, but other people are living hand-to-mouth as it is."

"There's between 23,000 and 25,000 registered horses in the province. It costs a minimum of \$2 a day to feed them and that's just grass. That's \$50,000, \$60,000 generated in the province every day."

"The government can't seem to grasp it. It's not the extent of what is perceived, but, rather, what is achieved from our game already versus the detriment of what ending this program is going to cost taxpayers."

"They're painting us as these bluebloods above all others in society and that simply isn't true."

#### JANE HOLMES, 55, Mississauga, ON

FORMER EXECUTIVE DIRECTOR ONTARIO HORSE RACING INDUSTRY ASSOCIATION; RACETRACK EXECUTIVE (VICE-PRESIDENT OF CORPORATE AFFAIRS AT THE WOODBINE ENTERTAINMENT GROUP)

Comments made March 23, 2012 via phone interview

"That's where we, I think, missed the boat in not saying how much we gave the government, but in how much we spent. We spend far more than we get. When I try to explain it to people, I say, 'This is an industry of passion and an indus-

#### DR. JOHN MCKNIGHT,

66, Meaford, ON **VET, OWNER, BREEDER** Comment made April 3, 2012 via email

"I have reduced the number of mares being bred by one-third. I have cancelled a building project valued at \$28,000 and a machinery purchase of \$32,000. I am not reseeding some land with a hay mixture, but instead will switch to soybeans."

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try of dreams.' It's also a competition. Only the top five horses win any money. If you have 12 horses it means a whole bunch of horses got nothing for all the training and racing that they do. That's why the expenditures far exceed the actual winnings that come in the industry."

"What needs to happen now is the industry and the government — and this is what OHRIA is advocating — need to work together on a plan so that we can have a horse racing industry in the future. That means that there has to be respect for the breeders, the horsepeople, the ancillary businesses and the racetracks."

DAVE LANDRY

#### BLAIR BURGESS,

50, Campbellville, ON **TRAINER, OWNER, BREEDER** 

Comment made April 10, 2012 via email

"Considering my entire family is directly or indirectly involved in the standardbred horse business, the preemptive announcement by OLG (with no lead up, warning or consultation) certainly was shocking. Though I may not have expected the present arrangement to always be, I trusted the provincial government to respect our industry and therefore would not anticipate such an impactful change in policy without the government making some analysis as to its potential affect.

"My clients and I annually purchase more than \$400,000 worth of horses to train and race in the province of Ontario. Reinforcing my own doubts about whether I would be able to do this now in 2012, I have had several partners and clients tell me they will definitely reduce their investment or not bother at all. They are going to take a 'wait and see' approach this year. If some purchases are to be made we have decided to look to U.S.-breds.

"My father and I also breed over 40 mares annually. Normally 60 per cent or more of these are bred in Ontario to Ontario-based stallions. We have already changed several of these booking arrangements to U.S.-based stallions. We are considering more. We have deemed that the lower value mares may not be justified to pay U.S. fees, so we may still breed in Ontario. But the expectation is that we will likely sell these mares once in foal.

"One of the really frustrating things is that the value of my farm, even though well located, has probably diminished and its equity is one of the few things I can count on. I think this because many of its features are racehorse specific (about a million dollars in capital improvements over the last eight or nine years). I had never dreamed of selling something so beloved by my family, but it has entered the dinner time conversation of late.

"I have some experience racing horses Stateside, but had done less and less of this over the last few years because Ontario racing was so strong. Now I will have to justify shipping expenses, as racing more in other jurisdictions will be inevitable in order to generate enough income and provide adequate racing opportunities. There will be expense, immigration and tax implications with this change of

focus. But it appears to be necessary as a result of lost opportunity in Ontario.

My wife carries an EU passport and we have even given consideration to the ultimate move and closing our Ontario farm and going to Sweden or France where racing is strong. This is something radical that we never would have considered in the past. Especially with our children attending school here.

"Finally, even if I keep an existing operation in Ontario (where I now employ 15 to 20 people at all times) I will definitely be reducing in size. This will involve the culling or selling of a lot of both breeding and racing stock. I am especially nervous about this process as many others will likely do the same and the market will be severely glutted. I have already noticed that many of my purchasing clients are not interested in Ontario-breds. At one time this seemed to be a prerequisite."

#### DAVE LANDRY,

#### 48, Burlington, ON EQUINE PHOTOGRAPHER

*Comment made April 10, 2012 via email* 

"The Ontario Liberal government decision to end the slots-at-racetracks program has resulted in the worst first quarter revenue for my business in the past 18 years. I must admit that I did not expect such an immediate impact on my business, but given the high-stakes investment in the industry on the part of my clients, along with the abruptness of the decision by government that allows one little time for transition, it is of no surprise to me that the industry is unable to proceed with business as usual.

"My one-year plan is to service and monitor my existing clients within the horse industry while exploring other potential sources of income within the photography industry. In light of the severity of the actions of government placed upon the horse industry, I must also consider possible transitions into entirely different fields of work. Running a successful business often requires a huge commitment of time as well as financial risk on the part of the principal operator. I am no longer certain that the government respects the efforts and risks taken by business owners in Ontario and therefore it might just be time to pack it in. I am left scratching my head as to why government would wish to crush taxpaying businesses that stimulate so much economic activity within the agricultural sector."

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DAVE LANDRY
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# War of Words

How the media has covered ontario's slots-at-racet racks crisis

compiled by Lauren Lee

The plight of the racing industry has peppered both newsprint and airwaves since Ontario Finance Minister Dwight Duncan lowered the 'subsidy' boom, using his inflammatory wording for the first time in his speech before the Economic Club of Canada on Feb. 13. Since then, both national and local media have followed the story, featuring a blend of political posturing mixed with news and opinion that has ignited a powder keg of emotion from all interested parties.

The media file below, presented in chronological order, offers a look into the racing-related headlines that have splashed across the province in the last two months, with excerpts from key articles and columns. Links to the entire articles can be found on our website: *www.canadiansportsman.ca.* 

With the majority of columnists who have tackled the issue penning articles either favourable to the racing industry or critical of the government's plan to discontinue the successful slots-at-racetracks program, can it be said that racing has made a significant advance across the war-of-words battlefield?



"... Dwight Duncan made the announcements during a speech Monday at the Economic Club of Canada ahead of Wednesday's release of a longawaited report from former TD Bank economist Don Drummond that will suggest ways the province can pare back spending."

"...Duncan also said he will review the \$345 million in annual subsidies given to horse racing in Ontario each year through the Ontario Lottery and Gaming Corporation.

"He told his Bay Street audience that the subsidy is "simply no longer sustainable" and is up to 10 times greater than the combined dollar amount of similar subsidies distributed in British Columbia, Manitoba and Alberta."

## THE GLOBE AND MAIL

## Cash-strapped Ontario won't scrap full-day kindergarten: Duncan

#### FEB. 13, 2012 BY ALISON JONES, GLOBE AND MAIL

"... Mr. Duncan also said he will look at cutting the \$345-million in subsidies given to horse racing in Ontario each year through the OLG... That kind of money would pay for over nine million hours of home care or insulin pumps and supplies for five years for almost 17,000 people,' Mr. Duncan said."

"... 'We are reviewing every program, every asset and every function of government. We are considering if government should be in a specific line of business or service delivery."

## NATIONAL\*POST

Drummond report: 'Tough medicine' for Ontario could be model for fiscal reform across Canada

#### FEB. 15, 2012 BY LINDA NGUYEN, NATIONAL POST

"... Earlier this week, Finance Minister Dwight Duncan promised that full-day kindergarten was not going to be on the chopping block. Instead, the province plans on recouping \$545 million by selling its Liquor Control Board of Ontario headquarters on Toronto's waterfront, end subsidies for the horse racing industry and continue the privatization of Service Ontario."

#### OHHA press release

#### FEB. 15, 2012

"The horse racing industry is a self-sustaining industry. We have never taken a penny from the government. We subsidize the government, not the other way around."

#### Ontario Liberal Party Radio Ads Launched

FEB. 27, 2012

#### RADIO AD ONE:

"Did you know that Tim Hudak's PCs started a secret subsidy for a few, very wealthy racetrack owners? And now in these times of restraint, Tim Hudak says these rich payouts should be protected. He'd cancel full day kindergarten, leaving 50,000 four and five-year-olds stranded. Are we really going to spend more on horse racing than full day kindergarten? The PCs should do what's right. Tell Tim Hudak his priorities aren't your priorities."

#### RADIO AD TWO:

"Did you know that Tim Hudak's PCs started a secret subsidy for a few, very wealthy racetrack owners? And now in these times of restraint, Tim Hudak says these rich payouts should be protected. But when it comes to our seniors, he voted against new supports to help them stay in their homes longer. Are we really going to protect horse racing over our parents and grandparents? The PCs should do what's right. Tell Tim Hudak his priorities aren't your priorities."

#### **thestar.com**

Plan to review racetrack slots program called threat to horse breeding industry

FEB. 29, 2012 BY JENNIFER MORRISON, TORONTO STAR

"... 'There are already decisions being made, right now, to withdraw investments from the industry," said (David) Willmot (right), who is the chair-

man of Woodbine Entertainment Group (WEG). "No matter what happens now, owners and breeders locally and in the U.S. are cancelling stallion and mare contracts and rethinking investing in Ontario's breeding industry."

"... 'We based the deal on the notion that horse racing would get the same commission on a dollar bet on a slot machine as it would on horse racing and that the revenue impact on breeding and racing would be neutral,' said Willmot. 'If the size of the revenue pie got bigger, that would be great and that is what happened.'"

"... '(Don) Drummond used the terms 'value for money' in his report and I would suggest this is easily one of the best values for money of all the contracts the government has,' Willmot said."





### THE WINDSOR STAR

#### Don't race to alter Slots for Tracks FEB. 29, 2012 BY TED MANSELL, WINDSOR STAR

"... Ironically, the government's own recent report on Ontario's horse racing industry (Sadinsky Report 2008) recognized it is 'labour intensive ... and (the 60,000 jobs) would be difficult to replace."

"... Accordingly, the Sadinsky Report endorsed continuation of the Slots for Tracks Program given the substantial economic benefits it provides to the province's economy and the good value it represents to Ontario taxpayers. Obviously, Mr. Drummond didn't read this report before offering his own over-simplistic recommendation to shut it all down."

#### It's an agreement, not a subsidy

#### FEB. 29, 2012 BY BETTY ELLIS, WINDSOR STAR

"...There is no subsidy. There is a signed, legal, revenue-sharing agreement between horse people, racetracks, municipalities and the government dating back to the government's desire to place slot machines at racetracks."

"... Can any of us trust a government that would not honour a legal, signed agreement?"

## **Guelph Mercury**

Do the math before erasing slots revenue from horse racing books

#### FEB. 29, 2012 BY DAVE BRIGGS, GUELPH MERCURY

"...Trouble is, the slots-at-racetracks program is neither secret nor a subsidy. The details of it are readily available on Ontario Lottery and Gaming's website. The \$350 million the horse racing industry receives annually from the program does not come from taxpayer dollars, but from proceeds of slot machines at racetracks played by consenting adults. Nothing more."

"... By any measure, it's been a wildly successful program. The government receives nearly \$1.5 billion annually to help fund programs for all Ontarians."

"... Meanwhile, the horse racing industry's share supports rural and agricultural jobs and gets flushed back into the economy in terms of investment and taxes. Taxpayers aren't on the hook now, but they will be if the Liberals kill the program to try to score political points."

## McGuinty leaves Ontario racing industry in the lurch

#### FEB. 29, 2012 KELLY MCPARLAND, NATIONAL POST

"...According to Budget 2011, slot machines at racetracks were responsible, in part, for \$1.5-billion of hospital operating expenses, \$120-million for the Ontario Trillium Foundation, \$41-million for problem gambling and related programs, \$10-million for amateur sports, and \$69-million for general government priorities (pg 234 of Budget 2011)." "...So how is this a carbuncle draining revenue from the government?"

"... A secret subsidy for a few wealthy racetrack owners? So secret it was included in detail in Mr. Duncan's budget last year, with the benefits to communities, hospitals and sports facilities spelled out in detail."

## Cutting the number of Ontario racetracks would be a bad bet

#### MARCH 5, 2012 BY JOHN STAPLETON, TORONTO STAR

"...This highly successful and lucrative arrangement is no more a subsidy to racetracks than the funds that go to any other agency, board or commission in Ontario to raise revenue to reduce the taxes Ontarians would otherwise have to pay."

"... Is the money paid by the government to generate new business, electrical power or liquor sales a subsidy? If so, then let's call every investment a subsidy and banish the concept of investment from the government dictionary."

"... The reality is that there is no right or wrong number of racetracks for Ontario. A number of armchair statisticians have weighed in with their assessment that 17 racetracks in Ontario (one for each 800,000 in population) are way too many."

"... Let's teach some of their racing expertise to New Zealand, where there are 61 tracks (one for each 72,000) and Australia, where there are 451 (one for each 50,000). These countries are sure to appreciate our new-found expertise in racetrack math."

## Battling groups fudging the facts in horse racing dispute

#### MARCH 7, 2012 BY DOUG GRAHAM, KINGSTON WHIG-STANDARD

"... The fact is the government has been flying by the seat of its pants since jumping into the lucrative gambling business via casinos and slot parlours."

"... The Sadinsky-chaired report did spell out the faults of the slots racetrack program. There were failures by both the government and racing industry. Almost unbelievably, there were no performance benchmarks put in place by the government to ensure the racetracks used the slot program money as an investment in its future by improving wagering and breeding sectors."

"... Some tracks did a good job, enhancing their operation with renovations and marketing their product, which is part of the ever-increasing fight for the gambling/entertainment dollar. Other tracks have done little but take the slot revenue, put a percentage into purse money and the rest into the racetrack budget books."

"... So there have been failures by both sides. Neither can claim ignorance or use the I-didn't-know line. The Sadinsky report stopped that excuse."



OLG brings horse racing to its knees MARCH 12, 2012 BY ROB LONGLEY, TORONTO SUN

"... Racing has long been viewed as a dying industry, but with Monday's announcement that process will be dramatically accelerated. Refusing to acknowledge the slots program was a widely successful partnership for both the government and the horse industry, the OLG appears determined to bring the bulk of the province's 17 racetracks to its knees."

"... While a rationalization of the racing business isn't necessarily a bad thing, a complete purge certainly is, both in lost jobs and revenue to trainers, drivers, jockeys and breeders throughout the province. And without the small tracks to feed the big ones with talent — both human and equine — an industry steeped in history and tradition is a long shot to thrive." Province's slot decision lacks horse sense, says official

#### MARCH 13, 2012 BY LAURA STRICKER, SUDBURY STAR

"... 'The Ontario Liberals need to make a decision. If they want to see the government revenue stabilize and grow, they can't be ending programs that generate \$1.1 billion a year for the government, which is exactly what Dwight Duncan is proposing to do,' Sue Leslie (below) said in a release."

"... 'As soon as you contract the purses to the point that it doesn't make economic sense for an owner to own the number of horses he does, you start the cycle of economic decline."

"...According to the government-issued release, this year's payment to the horse-racing industry is an estimated \$345 million enough to pay for more

than two million house

calls from doctors, nine million hours of home care or 27,800 hip or knee replacement surgeries."

#### Lottery corporation plans to scrap slot revenue-sharing program

MARCH 13, 2012 BY BRENT DAVIS, KITCHENER RECORD

"... In Wellington County, the horse industry is 'a huge part of what we do, and the spinoffs are very large,' said Warden Chris White. 'To do something negative to that could be very detrimental.'"

"... The Grand River Raceway employs about 280 people and paid about \$8 million in wages and benefits in 2011, White said. 'That's a lot of money in wages going into the community.'"



#### McGuinty's big gamble

MARCH 13, 2012 BY CHIP MARTIN, LONDON FREE PRESS

"... Hugh Mitchell, chief executive officer of Western Fair District, said change was necessary and the status quo isn't working."

"... 'The sky is not falling,' he said. 'The winds of change are blowing fiercely. There will be opportunities... Mitchell said 'the face of gaming is changing. This is a real watershed in our industry. I actually see opportunities.'"

"... (Mitchell) said after 40 or 50 years the gaming model needs revamping and his raceway is willing to rewrite its business model 'to find some mutually beneficial solutions that ultimately grow revenues for government.""



AVE LANDRY

OLG changes could be 'disaster' for horse racing

#### MARCH 13, 2012 BY NECO COCKBURN, OTTAWA CITIZEN

"... 'The revenue-sharing program between the racetracks and the municipalities and the government has been a win-win-win," (OHRIA president Sue) Leslie said, and questioned why the province would want to seek new partnerships.

"... 'It basically is a disaster for our industry, what they're contemplating doing,' Leslie said."

"... 'I think the door is open for some racetracks — the problem is we don't know who they are and how many racetracks are going to end up not being able to cope."

#### Horse racing industry 'fighting extinction' MARCH 14, 2012 BY DAVE BRIGGS, GUELPH MERCURY

"... Despite the fact lottery corporation financial records show the slot machines at racetracks are much more profitable than the province's resort casinos, the government has steadfastly refused to listen to economic arguments from the horse racing industry."

"... (Trainer Ben) Wallace strongly made the point that horse racing is a fantastic contributor both to the economy and all Ontarians. Just look at his operation alone. He trains 40 horses at Classy Lane Stable in Puslinch and employs a staff of 12 to help train and care for the horses. Last year, Wallace's payroll was \$760,000."

"... 'At least half of that is going to be in the government's hands now,' Wallace said of the effect of cutting the slots program. 'I'm not going to be able to sustain that.'"



"... (Wallace) said that's not counting the amount he and other horsepeople spend on feed for horses, veterinary services, housing and maintenance."

"... 'Just the feed bill alone is astronomical', Wallace said. 'There's between 23,000 and 25,000 registered horses in the province. It costs a minimum of \$2 a day to feed them and that's just grass. That's not a \$50 bag of feed,' Wallace said. 'That's \$50,000, \$60,000 generated in the province every day.""

#### OLG changes show there's more honesty at racetracks than at Queen's Park

#### MARCH 14, 2012 **BY DAVE PERKINS, TORONTO STAR**

"... Those 60,000 people whose jobs already are at risk? That's what they get for living mostly in ridings that don't vote Liberal, eh? As long as Toronto and Ottawa voters elect this guy, who needs hay farmers?"

"... The Liberals also unleashed dishonest attack ads that speak of "secret subsidies" to rich guys, money that could be going instead to health care or your kiddies' kindergartens."

"... It is complete swill."

"... What did Ontario do for its 75 per cent of the take? Next to nothing. It allowed for the installation of slots machines at racetracks, where there already was a willing gambling-ready clientele. The racetracks shouldered the costs. Still do. In return for customers lost because it is far less challenging to pull a handle than to learn how to handicap, the tracks took 20 per cent of the profits. (Municipalities took the other 5.)"

"... With its 20 per cent, Ontario racing transformed itself, right down to the breeding sheds. The harness racing became the best in North America: both New York and Pennsylvania studied the Ontario business model for their own slots-at-racetracks program."

"... Racing also had image issues. Always has. Exposure to the game revealed plenty of rogues, rascals and outright crooks not always punished with alacrity. But I'd swear to this: Pound for pound, there is more honour and honesty on any backstretch than there is these days at Queen's Park."

#### THE HAMILTON SPECTATOR

Don't write off the horse racing industry

#### MARCH 14, 2012 BY LEE PROKASKA, HAMILTON SPECTATOR

"... It appears to be the classic rock-and-hard-place dilemma. The industry is unlikely to survive without the slots. OLG and the province want the slots relocated for maximum revenue, no longer giving a cut to the horse racing industry."

"... But this shouldn't be an either-or situation. OLG and the province must, with input from the industry and potential private-sector partners, look for ways to increase the sustainability of horse racing, rather than sounding the death knell for an industry that — with its economic, cultural and historic contributions to the fabric of Ontario — is worth saving."

#### thestar.com (

Ontarians oppose OLG plan for more casinos, poll finds MARCH 15, 2012 BY ROBERT BENZIE, TORONTO STAR

#### "...The cash-strapped Liberal government's gamble on expanding casinos and slots is proving to be a losing bet with Ontarians, a new poll suggests."

"... More than two-thirds of people surveyed ----69 per cent - oppose the Ontario Lottery and Gaming Corporation's proposal to increase gambling in the province by opening new facilities in cities like Toronto and Ottawa."

#### Future of Hanover Slots in jeopardy

#### MARCH 15, 2012 **BY PATRICK BALES. OWEN SOUND SUN TIMES**

"... For decades, crowds have piled into the grandstand at the Hanover Raceway for some top class harness racing action every Saturday night between May and October. For more than 10 years, the Slots at Racetrack program has brought people to the fairgrounds property on 5th Avenue 365 days a year, contributing more than \$8.5 million directly to the Town of Hanover since the first

slot machine arm was pulled in 2001."

"... 'We built the building. They're are tenants and they're paying us rent to be in our facilities,' (Hanover Raceway general man-

ager Gord) Dougan (above) said. 'And to bastardize horse racing, to compensate our losses. When we were the only game in town, we were the only place allowed to bet, we had a monopoly. Now we don't have a monopoly, so we need a sharing arrangement so we can survive.""

#### Liberals should be ashamed of pre-budget spin

#### MARCH 16, 2012 BY CHRISTINA BLIZZARD, SUN MEDIA

"... Then there's the disgraceful hatchet job the Liberals are doing on horse racing. They keep saying the government is paying \$345 million to "subsidize" horse racing. In fact, it's horse racing that's subsidizing the government."

"... The Tory government 15 years ago was under pressure to allow slot machines into the province. There was such an outcry from communities that didn't want slots in every corner bar, so a compromise was hammered out. It not only solved the problem of where to put the slots, but also helped out the faltering horse-racing industry. Slots were allowed at racetracks — and the government got 80% of the revenues."

"... 'They've used our facilities — the buildings, the parking lots, the fixtures and so on,' said Sue Leslie (of OHRIA). 'They've pilfered our customers, because many of our customers have changed from horse racing to slots. Now 14 years later, they're saying 20% is too much.'"

#### Hudak says privatization is the best solution

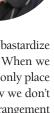
#### MARCH 16, 2012 BY KRIS DUBE, FORT ERIE TIMES

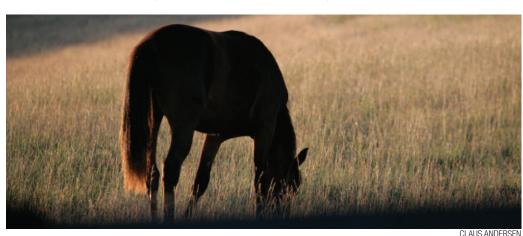
"... (Opposition leader) Tim Hudak says closing the Fort Erie Racetrack slots is nothing short of 'devastating' for his hometown."

"... In the late 1990's when Hudak was Fort Erie's representative at Queen's Park, he was the provincial politician of the day who brought the slots to Fort Erie under the formula that a percentage of the revenues would benefit the racetrack."

"... He doesn't want to see all this work go down the drain under the watch of the current Liberal government."

"... 'Sadly, Dalton McGuinty wants to unravel that,' said Hudak."





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DAVE LANDRY



## Ontario's new gambling strategy is horse manure

MARCH 17, 2012 BY JOHN SNOBELEN, TORONTO SUN

"... The Mike Harris government rejected the most profitable gaming technologies, like video lottery terminals, because of the potential social harm. Harris introduced slot machines in racetracks where gaming was already a normal community activity."

"... Harris agreed to share the revenue from slot machines with the horsemen so the racehorse industry would not be harmed by the imposition of slots. Duncan doesn't care about horses or horsemen. He just wants more cash."

"... The local communities around the tracks also took a share of the slot revenue. Towns like Milton have benefited from the extra dough. But Duncan doesn't care about the host communities either. He just wants more cash."

#### Grand River Raceway in limbo after province announces changes to slots program

#### MARCH 19, 2012 BY TONY SAXON, GUELPH MERCURY

"... 'The future is a little clouded,' said Dr. Ted Clarke, (below) general manager of Grand River Raceway. 'We're obviously unsure at this point in time what it means for us.'"



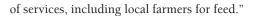
"... 'Obviously there is a need for change. Nobody in the industry suggests that isn't so. The provincial economy requires change, and we are quite prepared to contribute to that load and hopefully we can be part of the solution."

## Clinton Raceway, slots, face uncertain future

#### MARCH 20, 2012 BY RITA MARSHALL AND CHERYL HEATH, CLINTON NEWS RECORD

"... 'The announcement created more questions than answers,' says Ian Fleming (Clinton Raceway general manager, below) of the March 12 announcement. 'I watched it on TV like everybody else.'

"... The Clinton Slots employs about 90 part and full-time employees while Clinton Raceway employs 16 fulltime and 55 seasonal workers. The raceway also contracts a number



"... Clinton Raceway's board of directors was planning to embark on a \$3 million racetrack renovation this year. The raceway also helps to fund the recently built Regional Equine and Agriculture Centre of Huron (REACH) Centre to the tune of \$75,000 per year. The multi-million dollar REACH Centre was built, in part, to meet the training needs of the horse industry."

#### Ontario snatches back jackpot, Hiawatha Slots closing

#### MARCH 21, 2012 BY CATHY DOBSON, SARNIA OBSERVER

"... Border cities with more than one gaming site were targeted, said Preet Dhindsa, the OLG's chief administrative and financial officer. Hiawatha Slots was "underperforming," even though it generated \$29 million last year, he said." "... 'There are certain regions where there are border impacts. We looked at our integrated plan and determined that one of the operations in Sarnia would be closing."

"... Dhindsa also met with Mayor Mike Bradley who invited Hiawatha's owner, Jim Henderson, to the meeting. No one from the OLG informed Henderson or invited him to the meeting, Bradley said, calling OLG's treatment of the news 'patronizing and disrespectful."

"... 'Henderson pointed to the economic impact of closing Hiawatha Slots. 'A hundred horsemen come in to Sarnia every week, they have a beer, they have dinner, they fill their trucks up with gas, some spend the night. It's a really positive thing."

#### McGuinty continues attack on rural Ontario by scuttling agreement with horse-racing industry

LAUS ANDERSEN

#### MARCH 22, 2012 PRESS RELEASE - LEEDS-GRENVILLE MPP STEVE CLARK

"... 'This is devastating to communities in rural Ontario already reeling from this government's economic mismanagement,' said Clark."

"... Clark said if the government had an issue with the existing agreement — which was signed in 1998 — it should have sat down and negotiated with the industry."

"... Instead they've just suddenly pulled the rug out from underneath them by announcing the closure of slot facilities and relocating them to where they can get a bigger share of the revenue to feed their out-of-control spending habit, explained Clark."

"... 'It's nothing more than a desperate cash-grab'."



CLAUS ANDERSEN

### THE GLOBE AND MAIL

## Time to 'turn the screws' on opposition: track supporter

#### MARCH 27, 2012 BY RAY SPITERI, NIAGARA FALLS REVIEW

"... PC Finance Critic Peter Shurman said he doesn't understand the government's rational for scrapping the slots-at-racetracks program."

"... 'I asked Mr. McGuinty, 'Why are you giving up \$1.1-billion in net dollars that comes free of any strings to the province's treasury every year?' said Shurman."

"... 'And if you're going to get rid of it, you find something else. A casino in Toronto is a matter of years.""

#### Ontario budget fallout hits horse racing MARCH 27, 2012 BY JAMES CHRISTIE, GLOBE AND MAIL

"... Ironically, the OLG awarded the Woodbine venue an additional 1,000 slot machines beyond the 2,000 already in place — in the spring of 2010 to meet demand. (OHRIA's Sue) Leslie said it is unrealistic for OLG to expect private industry to make new urban slot parlours with parking lots, 'and do it for less than the 20 per cent racetracks were getting.'"

"... (Woodbine president and CEO Nick) Eaves said he was not sure if gambling machines would stay in place at Woodbine and Mohawk, but the two intend to stay in business."

"... We're two of the OLG's largest money-producing sites,' Eaves said. 'Our mandate, as a racetrack, is to make the maximum amount of money we can and to put on the best horse racing we can.'"

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"... Brian Tropea (right) is general manager of the Ontario Harness Horse Association and isn't impressed."

"... 'The majority of the people in the industry have

everything that they've ever earned in their life invested into the horse race business. And those investments are going to be worthless,' he said. 'It's great that they say we're going to re-train you and you can go out and get a job, but most of those people worked their entire life to get established in the racing business and now they are going to have to start out at ground zero again.'"

"... Duncan predicted several tracks will have to close, leaving a more sustainable five or six."

"... Those in the horse racing industry have said for months their industry employs more than 60,000 people either directly or indirectly."

"... Duncan said that number is 'grossly exaggerated,' and 'nobody' buys that number.

#### Trainer worries for future of horse racing MARCH 29, 2012 BY MEGHAN BALOGH, NAPANEE GUIDE

"... 'I pictured myself racing horses into my 70s, but if they shut the tracks all down it will be the end of horse racing as I know it,' says (trainer) Kevin Benn."

"... 'I buy my feed, hay, bedding locally, I have a local vet, I buy horse shoes and tack from Wilson Tack, my trucks are leased bought locally and serviced, my horse trailers are safetied here,' says Benn. 'Any money we get is pumped right back into the economy in Napanee and the surrounding area.'

## Government reports support horse industry jobs claim

MARCH 30, 2012 CBC NEWS

"... On *CBC's Early Shift* in Windsor, Ont., this week, Finance Minister Dwight Duncan cast doubt on the oft-repeated claim that 60,000 jobs could be lost."

"... 'Well those numbers are grossly exaggerated,' Duncan said."

"... He said 'nobody' buys those numbers."

"... However, according to two government reports, it's not a gross exaggeration. 'The horse racing and breeding industry is labour intensive and supports approximately 55,000 full and part-time jobs, many of which are in the agricultural sector of Ontario and would be difficult to replace,' reads, in part, a report to the Minister of Government and Consumer Services."

"... 'According to the OLG, it's much smaller than that,' Duncan said."

".... But a report to the Ministry of Public Infrastructure Renewal in 2004 estimated that "40,040 Ontarians owe their permanent jobs to the horse racing and horse breeding industries."

"... Brian Tropea is with the Ontario Harness Horse Association. He plans to hand deliver the two reports to Duncan's constituency office Friday during a protest organized by those in the industry."

#### > thestar.com <

## Horse-racing industry laments move to scrap Slots at Racetracks program **MARCH 31, 2012**

#### BY JIM COYLE, TORONTO STAR

"... Slots at Racetracks generated \$1.1 billion for the OLG annually — which the racing industry figured was a pretty good payoff on the provincial investment, perhaps even the best public-private partnership Ontario had ever struck."

"... What those in the business particularly resent is the government's suggestion that those affected are mostly wealthy racetrack and horse owners."

"... Jeff Gillis of Ideal Training Centre in Acton trains 65 horses and employs 21 people full-time."

"... 'There are a lot of people making a living,' he says. 'But there are very, very few making a great amount. It's mostly blue-collar, hard-working people that this industry's made up of."

"... Ben Baillargeon (above) of Rockwood trains 52 horses. He came to Ontario from Montreal 14 years ago because this province 'looked like the place to be. I raised my family here.'

"... At the moment, Baillargeon employs 12 people. 'We'll have to reduce. I will have to cut in half for sure.'"

#### Horse racing industry protests loss of slots revenue

#### MARCH 31, 2012 BY BRENDAN WEDLEY. PETERBOROUGH EXAMINER

"... Peterborough MPP Jeff Leal told a raucous crowd of about 100 people outside his constituency office on Friday that he recently lost \$5 betting on a horse race. 'I quite like horse racing,' he said."

"... 'Well then, save the horses,' someone yelled from the crowd."

#### Harness racing veers off track

#### MARCH 31, 2012 **BY DOUG GRAHAM, KINGSTON** WHIG-STANDARD



"... 'It was (a good program) for 13 years but now optimism is petering,' (trainer) John MacMillan (left) said. Without the slots revenue going to racing, in no uncertainty this is the end."

"... 'My stable has made over \$7 million in the 12 years I have been doing this full-time. I don't have a bank account anywhere near that.""

"... 'All of what I've made I put back into the business. That is what all horsemen do, put back into the economy.""

"... So why mess with success? That is what every man and woman in the racing industry is asking."

"... 'We could always brag how great of a program we had with the Ontario Sires Stakes. We were the model, everyone looked up to (Ontario's racing industry)," (trainer Mark) Steacy (below) said."

"...'The best horse in the world, Somebeachsomewhere, the best trotter in the world, San Pail, are both Ontario-bred horses. What the government is doing is going to really hit the breeders bad. Why?"

"...Steacy said it was an insult to horsemen when McGuinty equated having the slots revenue money program go toward health care or schools instead of horsemen."

"...'He was saying horsemen don't mean a lot. We're people, we're not nothing. We are more important than what they think,' Steacy said."



"... 'I'm for hospitals and teachers, but don't (match us against each other). You need people to pay our doctors and teachers by being in work. You can't put us out of work.'"

#### Crowd pickets Milloy's office to protest loss of slots at racetracks

MARCH 31, 2012 **BY JEFF HICKS. KITCHENER** RECORD

"... 'So far, we've had 10 to 12 mares leave our farm because the owners of those horses are moving

them down to New York state because they're afraid of the future and what's going to be here in Ontario,' said Pat Meyers, (above) a vet who has run a horse farm for 12 years just outside of Guelph. 'We've been hit hard already.'

"... It takes three years to go from breeding to getting horse on the track. If there is no future payoff in Ontario, investors will go elsewhere."



#### Their love of horses is at stake **APRIL 1, 2012 BY CHLOE FEDIO, OTTAWA CITIZEN**

"... Gary McDonald, had a history as a trainer and a harness racer in his home province, but also owned a restaurant to supplement his income. He moved to Ontario to be a full-time horseman and it became his sole source of income. McDonald Sr. spends 70 hours a week at the stables and tracks at the Rideau Carleton Raceway, Monday through Sunday."

"... At 52 years old, he said it's too late to train for a new trade but as he approaches retirement, the idea of moving elsewhere to find work is exhausting."

"... 'I've had my two arms broke, my leg broke, I had back surgery two years ago — all for harness racing,' he said. 'To sell my home and relocate, I don't think it's in the cards."

"... The Rideau Carleton Raceway had an average of 4,900 patrons a day and raked in more than \$143 million in the 2010/11 fiscal year, according to an OLG report."

#### Worries for horse industry as OLG pulls out of Flamboro Downs

#### **APRIL 1, 2012** BY DANIELLE WONG, HAMILTON SPECTATOR

"... 'What are the plans specifically for Flamboro Downs? I can't tell you that because we don't even know ourselves. What we're doing right now is looking toward a regulated, private-sector operator to come in,' (Tony) Bitonti (OLG spokesperson) said."

"... If there is interest in Flamboro Downs, the slots could stay at the current Highway 5 site or move elsewhere in the community, he said."

"... 'We need the combination of having the horses there. The racetrack ... keeps the horse industry alive,' Ward 14 Councillor Robert Pasuta said."

"... He has heard "rumblings" of moving the slots downtown, Pasuta said. 'That won't work ... You have to save the horse industry. It's agriculture. It involves farmers who supply hay, greens, all the small suppliers of feed and harness equipment."

#### Rideau Carleton Raceway slots dealt another blow as province pulls out

#### **APRIL 2, 2012** BY LEE GREENBERG, OTTAWA CITIZEN

"... The Rideau Carleton Raceway is nearly 20 kilometres south of the city centre, a half-hour drive from Parliament Hill "

"... The racetrack says that distance has its advantages."

"... 'I think our site was chosen because it didn't impact any community negatively,' said (Alex) Lawryk, a Toronto-based consultant who speaks for majority owners Warren Armstrong and Bob Fasken. 'It has its benefits and its merits being away from the core population."

"... Lawryk said Ottawa residents should be wary of a downtown casino."

"... 'To build a downtown casino that would be competitive with Gatineau is very expensive. And we caution everybody not to jump to conclusions that it would be successful. That's what they did in Windsor and it didn't turn out that way. The Gatineau casino is paid for and it's valued at half a billion dollars. To build something comparable and competitive would be very expensive and you would need a fair chunk of land to do it."



#### McGuinty's Liberalism twisted mess

#### APRIL 2, 2012 BY JIM MERRIAM. LONDON FREE PRESS

"... The Liberals of my past would not have condoned the favouritism McGuinty has shown to urban Ontario. Nor would they have believed, let alone supported, the way in which he and his party have trampled on rural Ontario."

"... There are more examples than there are ticks on a ewe, but let's pick just one for starters: The attack on the race horse industry through the yanking of slots out of racetracks in many areas of the province.

Some of these tracks are in cities, but the race horse industry essentially is a rural one."

"... There is lots of discussion about how many jobs will be lost in rural Ontario because of this, but even the largest estimates haven't considered all the ramifications."

"... The ill effects of this decision reach far beyond just the race industry. Equipment manufacturers and tack and equipment retailers serving the entire horse community are in a state of upheaval because of the unknowns associated with this move."

"... Again the impact is mostly in rural Ontario. Cancelling the agreement regarding the slots has been accompanied by bald-faced lies and misleading statements that again do not reflect any Liberal values I ever knew."

"... The biggest lie is that the government was secretly subsidizing the race tracks."

#### Liberal MPP Vic Dhillon disputes Dwight Duncan's job claims

#### APRIL 3, 2012 OHRIA PRESS RELEASE

"... During a legislative debate on March 27, 2007, Liberal MPP Vic Dhillon rose in the Legislative Assembly of Ontario and said: 'Our government understands the horse racing industry and the vital role it plays in Ontario. It's a \$2-billion industry which is generating 65,000 jobs. Horse racing is an important part of our agricultural sector. The industry supports significant employment and economic benefits to our province.'"

"... The MPP for Brampton West continued by assuring the Legislature, 'The McGuinty government will continue to work with the ORC and all industry stakeholders to ensure continued strength, growth and long-term prosperity of the horse racing industry in Ontario."



#### Province hobbles horse racing APRIL 3, 2012 BY LAURA STRICKER, SUDBURY STAR

"... Last week, the Ontario Lottery and Gaming Corporation (OLG) issued letters putting a stop to the agreement between itself and the province's 14 racetracks, including Sudbury Downs. It will come into effect March 31, 2013."

"... '(This decision) leaves the horse-racing industry out of the equation," said Jeff Rouse, a racing official at Sudbury Downs. 'A lot of the funding now comes from the revenue at the slots ... with the cancellation of that program, it's going to be difficult for horse racing to survive in the province."

"... 'The whole racing industry's in shock, because they know that this will decimate the industry. People aren't planning for anything past next year because it looks like this business is winding down. There's really no future if this is going to happen."



"... 'I think our local MPPs should step up to the plate and co-ordinate an effort to give them onsite counselling and on-site retraining opportunities,' (Windsor city councillor Percy) Hatfield said. 'And I think the government should be paying for that or the OLG should be paying for retraining opportunities. You just can't put that number of people out of work in one of the areas of the country with the highest unemployment rate. You've got to do something more than what some out-of-town factory owner would do.""

## **Guelph Mercury**

#### Mohawk and Woodbine racetracks hoping to expand gaming offerings APRIL 4, 2012 BY DAVE BRIGGS, GUELPH MERCURY

"... What direction the lottery corporation ultimately goes in its quest to expand gaming revenue is still unclear, (Woodbine president and CEO Nick) Eaves said, but Woodbine Entertainment Group can make a convincing pitch for being part of the solution."

"... 'Mohawk and, more broadly, Woodbine are logical sites for expanded gaming,' Eaves said. 'That's a simple reality in both of their cases given their locations vis-à-vis major metropolitan markets and the scale of their existing gaming operations. They are great platforms, in our view, for the sort of expanded gaming that the OLG has said they intend to pursue under their strategy."" "... The uncertainty is the biggest problem, particularly among the people who breed and race the horses. 'People are scared and I understand that,' Eaves said."

"... Despite having no way of knowing what horse racing at Mohawk and Woodbine will be like in a year's time and whether Woodbine Entertainment Group will be able to maintain current purse levels, Eaves wants people to know horse racing 'remains our absolute commitment."

#### Dark cloud hovers over Woodbine APRIL 6, 2012 BY ROB LONGLEY, TORONTO SUN

"... The grandstand was full on opening day of the Woodbine thoroughbred meet, which leads us to believe that enough people still see some value in racing here."

"... The question bubbling below the surface, however, is how much longer can the prosperity at Toronto's bustling racetrack and slot emporium last?"

"... Can Woodbine racing — which arguably has never enjoyed more prominent status in the North American racing scene — continue to flourish despite the pending attack from the Ontario government?"

"... 'The minute I got over here this afternoon and saw the crowd, I thought: 'This is a sport that this city supports,' trainer Josie Carroll said after her filly Ponchatoula finished ninth in the fifth race. 'We need a little support from our government.'"

"... 'I've got 28 people working for me. What are they going to do if we don't get some support here?'

#### Let Ontarians gamble, but not on Lake Ontario

#### APRIL 7, 2012 BY MARTIN REGG COHN, TORONTO STAR

"... Far from anchoring the waterfront, a casino would keep us moored in the past and ultimately sink any forward-looking redevelopment of Ontario Place. If you doubt that, go to any casino in Canada and behold the boredom. Watch people play the slot machines amidst the gloom."

"... If you build it, they may (or may not) come: but count on local gamblers throwing their money away, not tourists or Torontonians enriching themselves with entertainment or indulging their passion for sports and shopping."

"... Let our people gamble. But don't impose gambling on the people's waterfront."

"... It makes no sense to ante up our best lakeside location to satisfy a hunger so easily sated elsewhere. A pseudo-glamorous casino belongs in an expanded Woodbine or other utilitarian location — not front and centre as a signature landmark."

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#### Horse industry rallies APRIL 7, 2012 BY GISELE WINTON SARVIS, BARRIE EXAMINER

"... 'All the government speeches are about job creation and then they turn around and say bye bye to 60,000 jobs,' (Simcoe North MPP Garfield) Dunlop said. 'The fight is on. We are not backing down one little bit. We already know there is a lot of harm done.'"

"... Dunlop visited Fort Erie, which has 1,000 horse stalls, a couple of nights after the announcement of the slots closure was announced."

"... 'I've never been anywhere where there is such a look of despair in their faces,' he said."

#### Ontario's budget must address Jobs Crisis: Horwath

APRIL 10, 2012 NDP PRESS RELEASE

"... 'There are nearly 550,000 people looking for work in Ontario. Instead of addressing this crisis, the proposed Budget actually throws people out of work in rural and Northern Ontario and sells off job-creating infrastructure. We can do better,' said Horwath.

"... 'Our proposal calls for stabilization plans to protect jobs in industries affected by this Budget like horse racing, tourism and culture."

"...Ontario's New Democrats have heard from thousands of people from across the province. Their input forms the backbone of these proposals." Liberals call NDP budget demands a 'spending spree' APRIL 11, 2012 THE CANADIAN PRESS

"... The NDP's list of demands in exchange for supporting the Liberal budget — and avoiding another Ontario election — was dismissed Tuesday as a "spending spree" by the cashstrapped minority government."

"... Horwath added a \$250-million job creation tax credit and help for the horse-racing and tourism sectors to her list of demands."

"... Speaking in Windsor on Tuesday, Premier Dalton McGuinty rejected the NDP's call to help the horse-racing industry and keep Ontario Northland public, and added none of the other NDP ideas focused on how the government could save money.

"... 'We would have appreciated receiving some suggestions as to how we might further reduce our expenditures,' said McGuinty. 'It's always easy to spend more. It's so much harder to spend less.'"

## Future uncertain for local horse breeders

#### APRIL 11, 2012 BY ALANA POWER, STRATHROY AGE DISPATCH

"...For Bobbi and Terry Morley (right), the future is uncertain."

"... With the potential passing of the 2012 Ontario budget, and elimination of the Slots at Racetracks Program, effective March 31 2013, their business, Westwind Farm, located on Mullifarry Drive is in peril."

"... On their breeding farm, the Morleys employ four full-time employees and two to three parttime employees. They have three stallions, and do business with people across North America. With the loss of racetracks in the local area, such as Dresden and Sarnia, and the lost revenue, the Morleys will have to shut down their business." "... 'Horses are all any of us know,' Bobbi said, adding that she disagrees with the Liberal stance that the funds are a subsidy. 'This is a profit sharing agreement.'"

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"... Before the budget was even passed, the Morleys were giving away horses, as they have foals being born, but did not know what to do with them. They also have yearlings that will be ready for sale in the fall, but worry there will be no market for their sale."



CLAUS ANDERSEN

## Ontario's Horse Racing Industry

# <u>Strength</u> in Numbers



## We support Ontario

- The Ontario horse racing industry spends approximately \$2 billion dollars per year on goods and services relating to their trade and 80 per cent of that money (\$1.6 billion) is spent primarily in rural, agricultural communities.
- **31,441 full-time job** equivalents exist in Ontario directly because of the horse racing industry.
- It is estimated a total of 60,000 Ontarians are employed either full time, part-time or seasonally as a result of the horse racing industry in Ontario.
- A total \$1.5 billion in wages and salaries in Ontario are sustained annually by total expenditures of the Ontario horse racing and breeding industry. This total is 50 per cent greater than the \$1 billion in 2000.
- Direct and indirect investment stimulates local economies with demand for products and services in rural Ontario provided by veterinarians, blacksmiths, hay and grain supplies, transportation workers and harness and saddle makers.

\*OHRIA's value4money.ca

## Ontario supports us

- **74%** of Ontarians say they approve of the 'Slots at Racetrack' program
- **77%** of Ontarians say it is important that the jobs and revenues created by "Slots at Racetrack" program be maintained

\*survey conducted by Forum Research on behalf of the OHRIA