

# A Competitive & Legal Canadian Gaming Marketplace

*Recommendations to the  
Standing Senate Committee on Legal and Constitutional Affairs  
regarding Bill c-290*

Presentation on behalf of  
**Canadian Horse Racing Industry**

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## About Woodbine Entertainment Group (WEG)

- Woodbine Entertainment Group with its two premier racetracks, Woodbine in Toronto, and Mohawk in Milton, makes WEG the largest operator of horseracing entertainment in Canada.
- WEG is the economic engine for the Canadian horse racing industry, providing infrastructure and distribution channels for wagering on horse racing throughout Canada. Of the \$1.4 billion wagered nationally in 2011, 66 percent (\$938 million) was wagered through the WEG network and its account wagering service.
- Ninety percent of the top quality Canadian thoroughbred stake races, and thirteen percent of top quality North American standardbred stake races were hosted at WEG's racetracks in 2012.



# The Horseracing and Breeding Industries Contribute to the Canadian Economy



The horse racing and breeding industry's contribution to the economy includes:

- 129,000 individuals employed in the racing sector (FT/PT, unpaid, both on- and off-farm)
- \$3.8 billion in wages and salaries (average wage of \$47,493.93)
- \$3.1 billion in annual expenditures
- \$4.8 billion in capital investments (avg. \$233,536 invested per horse owner)
- \$51.7 million in provincial taxes and \$11.6 million in federal levies
- \$5.7 billion contribution to the GDP

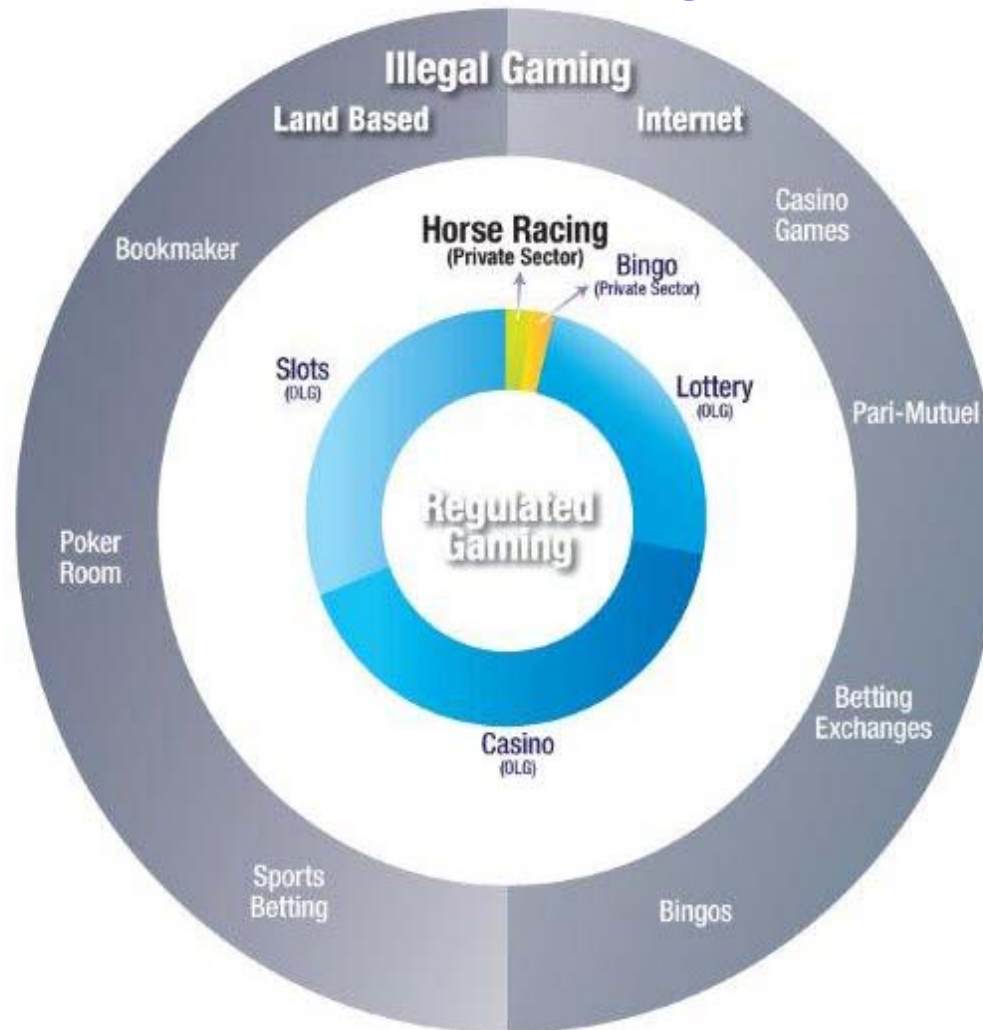


# Pari-mutuel Value for Horseracing and Breeding Industry Sustainability

- Horse racing is a labour-intensive hybrid sport and gaming entertainment business. Unlike other sports, horse racing involves the production and care of an equine athlete which takes place within Canada's agricultural sector. This creates a value chain among a diverse group of businesses through breeding, care, training, and presentation of horse races.
- Traditionally, pari-mutuel wagering has been the sole product line supporting Canada's horse racing and breeding industry.
- The horseracing industry has faced challenges due to provincial gaming expansion and illegal gaming competition. Enabling legislation to enhance the pari-mutuel product line has not kept pace.



# Competitive Gaming Market





# Devolution of Gaming Activities

- *Criminal Code* bans all gambling activities, with two major exemptions
  - Pari-mutuel horse racing (operated by horse racing industry, wagering regulated federally with races and participants regulated provincially)
  - Lotteries (operated by or through provinces, regulated provincially) → now includes casino games and slot machines
- Only significant gaming method not currently devolved is single race sports betting → proposed amendment would devolve sports betting totally to provinces



# Why the Horseracing Industry Should Host Sports Betting

- Sports betting competence and legalized online gaming is already established within the horse racing industry.
- Horse racing fans and sports fans are from the same customer demographic base giving rise to opportunities for cross-promotion and increased wagering.
- Racetracks can leverage their physical presence, and online wagering network to drive customers to sports betting products.



## Recommendation

Make the following simple addition to Section 207:

“207(1)(a.1) for the government of a province, either alone or in conjunction with the government of another province, to authorize an operator of a licensed pari-mutuel system in that province or the other province, to accept bets on any race (other than a horse-race referred to in paragraph 24(1)(c)) or fight, or on a single sport event or athletic contest, in accordance with any law or regulation enacted by the legislature of that province or the other provinces”

Would enable the operator of licensed pari-mutuel systems (*whether through a pari-mutuel system or otherwise*) to accept bets on any race or fight, or on a single sport event or athletic contest, provided the province passes enabling legislation





# Thank you!

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