

Criminal Code

investment by using their facilities to handle bets on other races. Second, it will give bettors a legal way of placing a bet on major national races such as the Confederation Cup in Flamboro Downs, the Prix d'Été in Montreal, the Queen's Plate in Toronto, or the B.C. Derby in Vancouver. It would discourage betting illegally on the same races through a bookie.

The track commission would be deducted on behalf of the track sponsoring the race, but other tracks participating in inter-track betting would also receive a share of the moneys bet through their own track. We do not know exactly how much new business would be generated as a result of this kind of system, but we know that major tracks such as the one at Fort Erie may be forced to close unless it has the opportunity to expand its marketing base.

The second of the three changes in Section 188 which we are putting forth is to provide for an increase in the scale of commissions charged by race tracks. At present the legal scale is between 9.5 per cent and 12 per cent of total bets. The proposed scale would extend the 9.5 per cent rate to 10 per cent for large tracks, and from 12 per cent to 15 per cent for small tracks.

There is an acute need for higher commission rates. The daily average revenue received by tracks from the commission rate since 1971, measured in constant dollars, has dropped by 11 per cent. As a result of that diminished return, tracks have been forced to increase their charges for things such as admission, parking and food. This has had a detrimental effect upon attendance which, on an average daily basis, has declined year after year.

When the new maximum fees are in place—and again it is optional for tracks to charge the maximum; they do not have to do it—tracks could take in an additional \$17 million or an approximate 10 per cent increase, plus an additional \$11 million if they opt to vary their pool percentages. If tracks choose to deduct the maximum percentage, plus the variance from the pools, the potential maximum increase would be approximately 17.2 per cent, based on actual betting figures for 1981.

The third and final change we are seeking is to allow for the transfer of certain administrative matters to regulations. The bill proposes that the maximum number of betting races permitted and the track commission rate be transferred to the regulation-making authority of the Minister of Agriculture. The new regulations would permit 12 races instead of ten on Saturdays and holidays, without permitting a substantial increase in the total number of races per week. Also, by allowing the track commission rate to be adjusted by regulation, we would be able to react more quickly to the changing needs of the industry.

In closing, I stress that these proposed changes have been requested by the industry and that there is widespread support for them. They will not only improve the marketing base for race tracks and horsemen in the face of serious competition from lotteries, but they will also reduce the betting public's use

of bookies. I know there are those who say that we should do nothing which encourages or facilitates gambling. However, we must bear in mind that betting on horse races has been going on for as long as horses have been domesticated. Historians have proof of horse racing in Asia Minor 3,500 years ago. In Canada, betting on horses has been a common practice for more than 100 years. Today, more than 14 million people attend race tracks annually. Many of these tracks are in small rural communities and need support.

I want to make clear to people who have said that I have gone to off-track betting that we have not and we do not intend to. Race track facilities and pari-mutual betting equipment will be used. Some people are already saying that they want to operate the first off-track betting shops. I want to make clear that we will not have off-track betting shops. We will use the system which is in place.

Race tracks that opt for this system will have to hire extra employees to work in their facilities. Inter-track betting can also mean less use of automobiles, etc. For instance, if one track is idle and it has decided to use a screen in its dining room, people can watch a race which is taking place at another track. In that event they all share in the revenue, and people can spend an enjoyable evening without driving 100 or so miles to another racetrack to participate in their favourite sport of betting. I do not intend to try to take away their favourite sport, but I intend to make it a better operation and a more legal operation than it is. There will be less betting with bookies than at present. There will be more revenue for racetrack facilities, for horse owners, and for all people concerned with the program.

Some people almost intimate that it is sinful to bet. I do not think it is. Even in my church we have such things as bingo, etc. Some people say that our whole system is one big gamble.

Mr. Epp: With this government you had better believe it!

Mr. Whelan: I am sure no one is suggesting, even the hon. member for Provencher (Mr. Epp), that we abolish the entire system under which we operate in Canada. Much of it is a big gamble—

Mr. Epp: Canadians gambled and they lost.

Mr. Whelan: I am sure the voters in the hon. member's constituency gambled on him. He is sure that they made a good bet. He approves of that kind of gambling and that kind of betting, so I am sure he will approve of this. There is not that much difference. There is a lot of good horse sense, common sense and economic sense in what I am suggesting.

I urge hon. members to approve the three amendments to this bill to strengthen the Canadian horse racing industry, which is a very important industry in the country.

Mr. Smith: Mr. Speaker, I rise on a point of order. I believe the motion which is before the House should be corrected so as to accurately reflect the agreement of House leaders, namely that the bill go to Committee of the Whole.