As the last speaker pointed out, it is not just the racetracks but the people who supply the tracks, the restaurants and the breeders who are affected. Some participants in the industry have viewed inter-track betting as a threat to their wellbeing. I have been concerned with this aspect of the legislation because it is the smaller tracks that have expressed such concerns, and I think we have to be aware of them.

In assessing the legislation it occurred to me that the limited season and the limited market base of the smaller tracks will be expanded. The state of the economy today, with high interest rates and increased operating costs, could mean losses to many of the small tracks, so there is the danger that a number of them could be shut down. This legislation offers a very wise and practical way to approach that problem by allowing the tracks to make more use of their facilities by lengthening the season, thus spreading the fixed costs of a very expensive facility over a broader market base.

The bill does not authorize off-track betting. There are some people in the industry who would like to see that come about right away, but the minister has not chosen to introduce it. There are arguments pro and con but I do not propose to get into them at this time.

In order to take part in telephone betting that the minister introduced earlier as well as inter-track betting, the participant will have to go to the local track. For inter-track betting in particular, he has to use it in a very extensive way. He makes the bet there, he will probably have a meal and spend the evening there. This pastime has been popular in the United States. I understand that in the recent running of the Preakness, 20 tracks broadcast the race on their facilities. This allowed them access to one of the major races in the country. This can be done for a one-race event such as the Preakness or for a full racing program.

The smaller tracks are concerned about the impact upon them of this change in the legislation. I would have preferred the minister to be more forthcoming about the direction in which the legislation will be administered. There will have to be protection for the track and for the horsemen. I am sure the minister is aware of this and will probably express his views on it at third reading.

I understand that the minister is considering a limitation of the use of inter-track betting and that no track will participate unless it wants to and that no track can participate if it will infringe upon the operating market of a neighbouring facility. Geographical regions will have to be established. The way this is administered over the years will obviously be very important to the smaller tracks. There must be protection for the horsemen, and I hope the minister proposes to administer the legislation so that no track will be allowed to offer programs of inter-track betting to the detriment of the existing program of live racing.

This legislation offers some very important advantages. Obviously it means more revenue for the tracks. The smaller tracks can broaden their market base and show the top races in the country. That is a very important element in the better use of their facilities.

As I pointed out, there is a disadvantage to the degree that protection is not provided to the smaller tracks and horsemen. The economic position of these participants in the industry could be hindered rather than helped by the legislation. I hope the minister will respond on that point at third reading.

I think the government should consider actions such as this in a much broader way.

• (1510)

The Minister of Finance (Mr. MacEachen) has on many occasions said we cannot do this or we cannot do that because it will cost us money, or that we cannot do it because it would cut across the United States policies or European policies which are undermining our programs here. This is an action which the government is proposing to take which is totally within our control and proposed to be taken in a way that will not cost the treasury any money. It may well result in increased revenues for the provinces, certainly it will result in increased revenues for the race tracks themselves, to the extent that they pay corporate and personal taxes. There will be increased revenues for the federal government and for the provincial governments.

This is why we have been saying, Mr. Speaker, that the government should be trying to identify a number of these things. We have identified the higher profile in so far as changing certain provisions of the budget and certain elements in the way the Foreign Investment Review Act is being administered is concerned. In the National Energy Program, changes there again do not necessarily cost the treasury money but can result in a much healthier economic environment. This is a smaller example, but a very important example to those people who are directly affected.

Let me comment briefly, Mr. Speaker, on the effect that this can have on a community. I was talking to my colleague from Erie (Mr. Fretz) in whose riding the Fort Erie race track is operated. I asked him what the impact would be because I had heard that there was a possibility that the Fort Erie track might be shut down. Unemployment in that part of the country is 15.6 per cent. There is less tourism this year because the cost of gasoline in Canada now is in excess of the cost of gasoline in the United States. People are not coming across the border.

Mr. Cullen: Ahem, ahem.

Mr. Wilson: I hear someone clearing his throat over there, and I would welcome a challenge from the hon. member for Sarnia-Lambton (Mr. Cullen). I will show him figures on the cost of gasoline as between Buffalo and Fort Erie, showing that gasoline is cheaper in Buffalo than it is in Fort Erie. I can show him that in the British Columbia marketplace, I can show him that in the Quebec or New Hampshire marketplace. That is what is happening in the energy market today.

Mr. Breau: In Canadian dollars?

Mr. Wilson: That is in U.S. dollars, it is in comparable dollars, in comparable sized gallons. I say that for the benefit