

*Criminal Code*

Under this legislation, the Sudbury race track could perhaps establish teletheatre operations in the other four large cities of northern Ontario, Sault St. Marie, Thunder Bay, Timmins and North Bay. Perhaps such operations could be established in smaller communities such as Elliot Lake, communities which would be large enough to justify the establishment of such a facility. That is generally considered to be one of the most important aspects of the Bill. It will provide assistance to these tracks which are having financial difficulties. However, the Bill goes beyond that. It will help not only remote tracks like Sudbury Downs. I am not sure that if the Hon. Member for Sudbury (Mrs. Marleau), were here, she would want me to talk about the Sudbury track as being remote. However, Sudbury does not have a large enough population base to make the track operate on a financially viable basis at this time. Adding to it the population of all the other large cities in northern Ontario could be very helpful in making it a viable operation.

As I understand the legislation, smaller local race track associations throughout Ontario and perhaps in other provinces as well will be able to operate teletheatres. Places like Kingston, Belleville and other communities which do have very short racing seasons will be able to operate teletheatres throughout the season. Perhaps it will make the race tracks more viable by providing a longer racing season and will also provide more revenue, not only to the track but to the horsemen. However, if a signal from one of the larger tracks in Toronto is being received by racing associations in other communities, the percentage of benefit to local horsemen and local tracks will be cut in two because it will have to be divided with the originating track as well.

• (1540)

In 1985, legislation was passed with respect to inter-track betting. That has been an existing situation where there has been a track meet and a betting situation. To have it operate in other seasons has not been permitted, as far as I understand from the legislation. There is a general upgrading and improvement in the benefits. A person may ask why, if the industry was viable a few years ago, it is not now. The problem is that this industry is a form of entertainment. It is competing with many other forms of entertainment. I looked at a report or an over-view conducted by Woods Gordon in 1985 on the

economic impact of horse racing in Canada. This report is slightly dated, however I believe the impact and the percentages would be very similar.

The report suggests that in 1983 the expenditures on horse racing were approximately \$31 per annum, per family, I assume. By comparison, for government-operated lotteries it was \$138 per year. At that time other raffles got \$32 per year. The report also lists other entertainment activities, such as live arts performances, movies, and professional sports.

The actual penetration and the escalation in costs for horse racing have pulled away the profits from this industry in areas with a smaller population, such as Sudbury Downs and other smaller areas across the country. I believe that the legislation will benefit those operations.

The Minister mentioned the 100,000 jobs involved in the horse racing industry. At least in the smaller areas, the vast majority of those jobs are not on the track but are on the farms that provide raising and breeding areas, and the production of feed and hay. It is a broad-based industry in terms of providing employment, and a very important industry in that regard.

The Minister also made reference to a booklet published in 1987 regarding teletheatre wagering and the consultation that has taken place. Many of the racing commissions have expressed concern about the legislation. Generally speaking, in the past the federal Government has had the responsibility for pari-mutuel betting. However, the general operation of tracks is carried out by provincial Governments or provincial racing commissions. Some provinces see this as diminishing their authority to oversee and manage the whole horse racing industry. Concerns have been expressed by the owners and breeders that they should have an important role. I am sure that in committee stage there will be an opportunity to explore those concerns.

As I understand the proposed regulations, there will have to be an acceptable agreement between the horsemen and the track. This agreement will have to be acceptable to the federal Government, to the horse racing section of the Department of Agriculture. To some extent that should allay those fears and concerns. However, many of the provincial regulatory bodies still feel that their over-all control will be diminished by the legislation.