

Senator Flynn: The horses agree!

Senator Asselin: As far as sports in Canada are concerned, horse racing is as much a sport as hockey or baseball. Soon we are going to have a national lottery, and Canadians will be able to bet on hockey or baseball games. I think that is already being done.

As Senator Stanbury said when he introduced the bill, government intervention is urgently needed to save an existing industry. The purpose of the bill is not to create a new industry but to save one that exists already, especially in view of its financial implications at the national level. Earlier it was said that the industry provides employment for some 40,000 people in Canada. This includes 4,000 jobs in Quebec.

In 1981, some \$1.7 billion were invested in this industry. It is said that this year will probably see an increase of 8 per cent. Although Senator Molson may think otherwise, the industry attracts as many fans as hockey. Some 14,000,000 Canadians are interested in race tracks and horse racing.

It is therefore clear, as Senator Stanbury said, that this \$2 billion investment across Canada is ample justification for government intervention in order to help the industry resolve its problems.

Existing legislation must be amended. On the opposition side, we have received information provided by race organizers, who said that expenses had increased considerably and that the cost of maintaining horses had also risen. The track commission on pari-mutuel bets has not been raised in ten years.

Therefore, if bets now total \$1.7 billion, the race tracks and horse owners are earning only \$173 million, more or less equally divided. When we realize that the industry generates provincial taxes evaluated at about \$129 million, it is clear that it is indeed a major industry in Canada. Today, because of inflation and higher wages, the financial situation in this and other industries is a difficult one, and we have personally received evidence of these facts.

In Quebec, the race-track in Jonquière closed down a few months ago. The track in Trois-Rivières is about to follow suit, unless the legislation is amended. Senator Roblin tells me that in Manitoba they are facing the same problems. In Windsor, Ontario, workers with permanent jobs in the automotive industry also do a bit of moonlighting, and they used to work evenings at the race track. Now, because of layoffs in the automotive industry, the same employees are now seeking permanent jobs.

Blue Bonnets, one of the big race-tracks in Quebec, has been operating for seventy-five years. Last year, it lost \$1.25 million. The track has between 800 and 1,000 employees in Montreal and operates 300 days out of every year. If the legislation is not changed within a few months, the track will have to close down and lay off employees who depend on the industry for a living. I have also been told that if the bill is passed in its present form, the race-track may be able to recover the \$1.25 million loss it suffered last year. It is a simple amendment to the Criminal Code. Section 188 of the

Criminal Code creates an exemption for those who handle bets. This will increase the profitability of the industry. As Senator Stanbury said, this would discourage illegal betting by making legal betting easier and more attractive. The changes will aim at increasing the purses for each race. There will be new purses, such as the Win 6 and the Big 6, for those who know horse racing. The Minister of Agriculture explained this in the other place. Advance betting will be allowed. At the present time, to bet on a race you have to be physically present at the race track. The bettor has to be where a race is being held. It will now be possible to make bets by telephone. As Senator Stanbury explained, all these systems are optional. Race track owners do not have to implement them.

We must therefore remember two things. There will be inter-track betting and the scale of commissions charged by race tracks will be increased. The proposed scale will extend the 9.5 to 10 per cent rate for large race tracks, and from 12 to 15 per cent for the small tracks.

Many of our colleagues at the national caucus said that this would save the smaller race tracks across Canada.

I also want to note an important change contained in the bill. Instead of always having to amend the statute to make administrative changes, it will be possible to use the regulation-making authority of the minister of Agriculture to make administrative changes concerning race track organizers or owners.

Of course, not everyone agrees with this bill. We have to be broad-minded. Certain religious or social groups in Canada are against betting. They are against gambling, which is the case with some members of our party. Some members of the Liberal Party certainly feel the same way. Their objections concern morality and are certainly well founded. On the other hand, when we are told that as many as 14 million Canadians attended horse races last year, I have the feeling that it would be useful to think about it and try to help this industry survive the present economic difficulties. We respect the views of those who for reason of conscience or principles are basically opposed to this industry. However, I have the impression that many suspicious aspects of on-track betting have been corrected these last few years. I learned recently that race track organizers use a very effective security system. Races are monitored so that they cannot be fixed. This security system is applied for the whole time races are in progress. Organizers also look out for suspicious or undesirable characters at the race track. I learned that the federal Minister of Agriculture appoints inspectors to check the health of horses before they take part in a race. I also learned that jockeys are kept in isolation for three hours before the start of the race with no possibility of contact with the public. This obviously aims at preventing races from being fixed, which would result in certain bettors losing money. I am also informed that jockeys have to take a breathalyzer test every time they ride in a race. Severe suspensions are provided for jockeys who fail to comply. They are more stringent than for many other sports. I am told that when a jockey is caught red-handed, he incurs a