

JIM WILSON

Member of Provincial Parliament
Simcoe-Grey



Ontario

December 11, 2019

The Honourable Doug Ford, MPP
Premier
Legislative Bldg Rm 281, Queen's Park
Toronto, ON M7A 1A1

Dear Premier:

I am writing to you today after meeting with Jim Whelan, President, and Brian Tropea, General Manager of the Ontario Harness Horse Association, (OHHA). In the meeting we discussed the concerns of horse people across Ontario about the future of horse breeding, horse training and horse racing industries.

Premier, I have known both of these gentlemen for many years and have met with them in the past concerning the horse racing industry. OHHA was established in 1962 as a representative agency for Standardbred horse people. They were at the table, and signatories to the deal, when the Slots at Racetrack Program was established under the former Mike Harris Government.

Today, they are concerned that Woodbine Entertainment Group (WEG) is trying to eliminate their voice by forcing horse people to be represented by an Association that Woodbine structured and have complete control over. The Central Ontario Standardbred Association (COSA) was formed by WEG in order to sign a contract which would allow WEG to satisfy the regulatory requirements of obtaining a wagering permit in 2009. This was done because OHHA would not agree to clauses that would eliminate their ability to represent their membership.

OHHA has provided me with a copy of the contract which was signed by WEG and COSA and which states that all decisions in all matters will be determined by WEG at their sole and absolute discretion. OHHA maintains that horse people have had all of their rights taken from them with the signing of this agreement. And, I agree with them.

OHHA explained that they have significant concerns with the new long term funding agreement that was negotiated between WEG and the Ontario Lottery and Gaming Corporation (OLGC), as well as, the management of both WEG and the newly formed Ontario Racing Board.

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Woodbine is a not-for-profit corporation and according to correspondence that was provided to me the membership is a tightly held small group. 12 individuals constitute the entire membership. The same 12 members elect the board. From the board of 12 officers are chosen. In the end, the officers are responsible to report to the board and the board reports to the members of WEG, all of whom are the same 12 people.

This tightly controlled group seems to have the same influence over the newly created Governance Board, Ontario Racing. OHHA maintains that with this major influence the industry is suffering and that there is a serious issue with the lack of transparency and accountability.

Because of OHHA's continued lobbying for the racing industry and their attempts to shine a light on the major issues within the new funding agreement, WEG, through Ontario Racing has eliminated funding to OHHA as of April 1, 2019. OHHA was always funded through a portion of horse people's share of purse money. Instead, Ontario Racing has redirected that funding to COSA. OHHA believes that horse people should be allowed to make the determination of which organization represents their interests and supports a democratic process to make that determination.

After my meeting with OHHA and hearing their concerns, the Auditor General released her value for money audit of the funding given to the horseracing industry. The report validates the concerns expressed by OHHA. In particular, OHHA finds page 676 of the report very disturbing as written below:

Disclosure Limitation

As part of our report, we wanted to provide members of the Legislature with information about the net financial position (revenues less expenses) for 2018/29 for each racetrack, with and without government support, to present more complete and transparent information about racetrack sustainability. However, to disclose this information for racetracks owned and operated by Woodbine Entertainment Group (Woodbine), we required the written consent of Woodbine under section 10.6 of the provincially negotiated funding agreement for the Horse Racing partnership Program. Woodbine did not provide its consent. According to Woodbine, its financial statements are prepared on the understanding that they are for limited distribution. As Woodbine accounts for about 90% of wagering income and over 70% of purses, presenting information without including Woodbine would not be informative.

OHHA pointed out that people that have nothing to hide, hide nothing. For them it is difficult to imagine that a not-for-profit corporation in Ontario has the ability to avoid the oversight of Ontario's Auditor General, particularly when such a large amount of public funds are under their control.

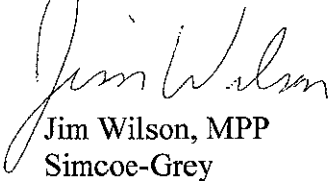
The value of this important agricultural industry, particularly in small rural communities across this province, is undeniable. The Slots at Racetrack Program was developed not only to generate revenue for the government, but also to provide support to the racing industry and broader agricultural industries that supported it. Unfortunately, that program was cancelled.

I believe that based on the concerns shared by OHHA and the report issued by the Auditor General that a full review of the racing industry is warranted. In the meantime, steps should be taken to ensure that WEG is not successful in destroying horse people's representative association. **I would ask that you consider restoring funding to OHHA until the completion of the review and recognition of the proper provincial representative of horse people is determined.**

Premier, I urge you to meet with OHHA in order to better understand their concerns and their current situation.

Thank you for your attention to this matter and please accept my best wishes.

Sincerely,



Jim Wilson, MPP
Simcoe-Grey

- c. Jim Whelan, President, Ontario Harness Horse Association
Brian Tropea, General Manager, Ontario Harness Horse Association
All MPPs in Ontario Cabinet