Ontario Racing Commission

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## Notice to the Industry

## New CPMA Regs prompt ORC to accommodate "approval" of horsepeople Measures taken to ensure wagering on horse racing continues in Ontario

In order to ensure wagering on horse racing in Ontario continues beyond March 31, 2012, the Board of the Ontario Racing Commission (ORC) has authorized the use of access agreements between individual ORC licensed horsepeople and licensed racetracks for the purpose of compliance with Canadian Pari-Mutuel Agency (CPMA) betting supervision regulations. With this move, racetracks can be in compliance either by entering into an agreement with a licensed horsepeople's organization or through individual agreements with licensed racing participants.

Access agreements are an accepted form of compliance with the CPMA and have been recognized by the Ontario court system.

The new CPMA regulations, which came into effect on January 1, 2012, require a racetrack to provide evidence of an agreement with the horsepeople who have been approved by the provincial racing commission. While the ORC is authorized to *license* under the *Racing Commission Act*, 2000, there is no mechanism for *approval* of organizations or people in that legislation.

Following consultation with the industry by both the CPMA and our agency, the ORC took measures in the fall of 2011 to begin the process of issuing licences to horsepeople's organizations. However, as the deadline to comply with the new regulations came closer, the organizations expressed some concerns to being licensed. Given the millions of dollars at play in racing, the ORC took action because it believes it has a duty and responsibility to ensure horse racing continues, and to perform some level of due diligence to protect horsepeople and the betting public.

The organizations were required to file a copy of certain documents, such as articles of incorporation, by-laws, and financial statements (see Policy Directive No. 3– 2011). However, the documents were not submitted to the ORC in sufficient time to meet the CPMA requirements. As an interim measure, the ORC deemed the horsepeople's organizations to be *licensed* for the period commencing January 1, 2012 through March 31, 2012. Subsequently, the organizations advised the ORC that although they were willing to continue a dialogue, they indicated their intention to pursue legal proceedings to challenge licensing.

The ORC's actions were taken to meet the CPMA requirements to issue pari-mutuel betting permits and to ensure that horse racing in Ontario continues without interruption.

John L. Blakney Executive Director

Please refer to:

Policy Directive No. 1 – 2012 Compliance with CPMA requirements

SB Directive No. 2 – 2012 Compliance with CPMA requirements

TB Directive No. 1 – 2012
Compliance with CPMA requirements

For additional background, refer to

November 18, 2011 Notice to the Industry
Seeking input on new rules

<u>December 20, 2011 Notice to the Industry</u> Horsepeople's Organization Licensing Requirement

<u>Policy Directive No.3 – 2011</u> Licensing of horsepeople's organizations

<u>Standardbred Directive No. 6 – 2011</u> Licensing of horsepeople's organizations

<u>Thoroughbred Directive No. 6 – 2011</u> Licensing of horsepeople's organizations