



Equine Industry in Canada

Status, Challenges &
Opportunities

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Introduction: Heather Sansom

- PhD student: equine-based sport for youth development
- Formerly direction of national coach & rider programs with national federation
- Rider fitness & conditioning specialist
- Equestrian coach



Themes

- Vast Geography
- Changing Demographics
- Wide Diversity: regional & equine
- Silos and Splinters
- Low popular engagement
- Long roots
- Hopeful opportunity: PanAm, WEG

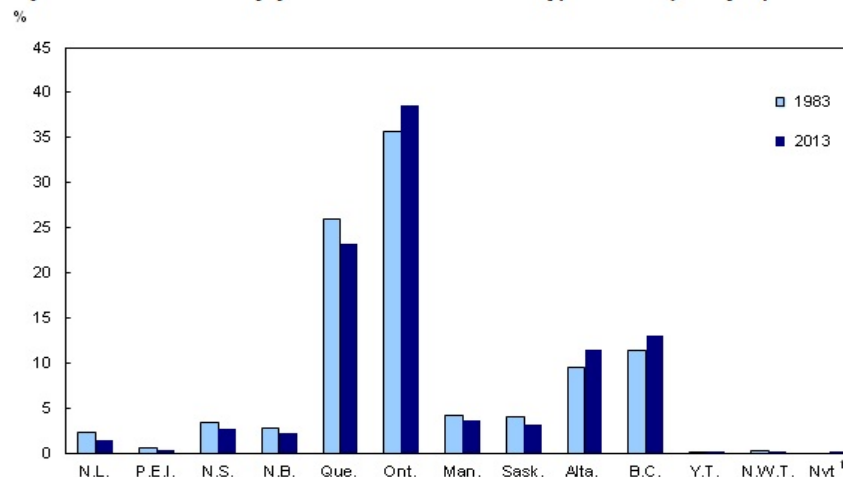


Overview: Canadian Facts

- Population: 35,160,000
 - avg annual gain: 400,000 @ 66% international immigration
 - 20% born outside Canada: 7 Million +
 - Aging: 16% 65+ in 2011, projections 25% by 2050
 - Rural/urban split: 19% rural or 6,680,000
 - 1850: 87%, 1921: 51% ,1941: 46%, 1961: 30%, 1981: 24%, 1991: 23%
 - 6% immigrants go to rural areas: net rural population loss
- Geography: 9,980,000km squ. 890,000 = about 9% water
 - Majority along border
 - 6,500km wide

- Geographic distribution & weather impacts changes in equestrian activity

Population shares by province and territory, Canada, July 1, 1983 and 2013



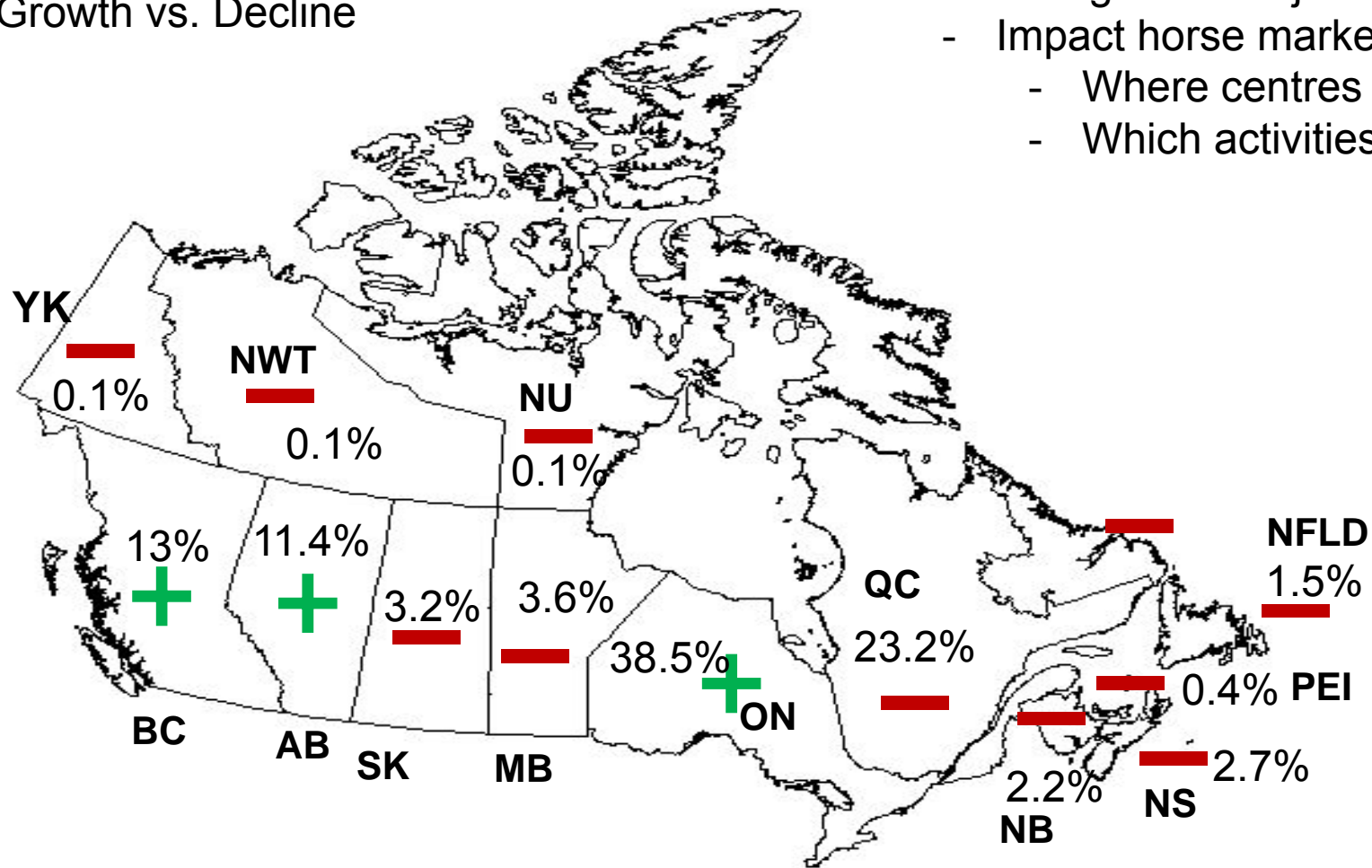
1. Before 1991, estimates for the Northwest Territories and Nunavut are combined.



Overview: Canadian Facts

- Distribution of population
- Growth vs. Decline

- Youth outmigration
- Immigration major cities
- Impact horse market
 - Where centres are
 - Which activities





Equine vs. Skate

	Equine	Skate
■ Participants	400,000	181,884
■ Coaches	5,300	5,200
■ Coaches registered as 'active'	1,640	5,200

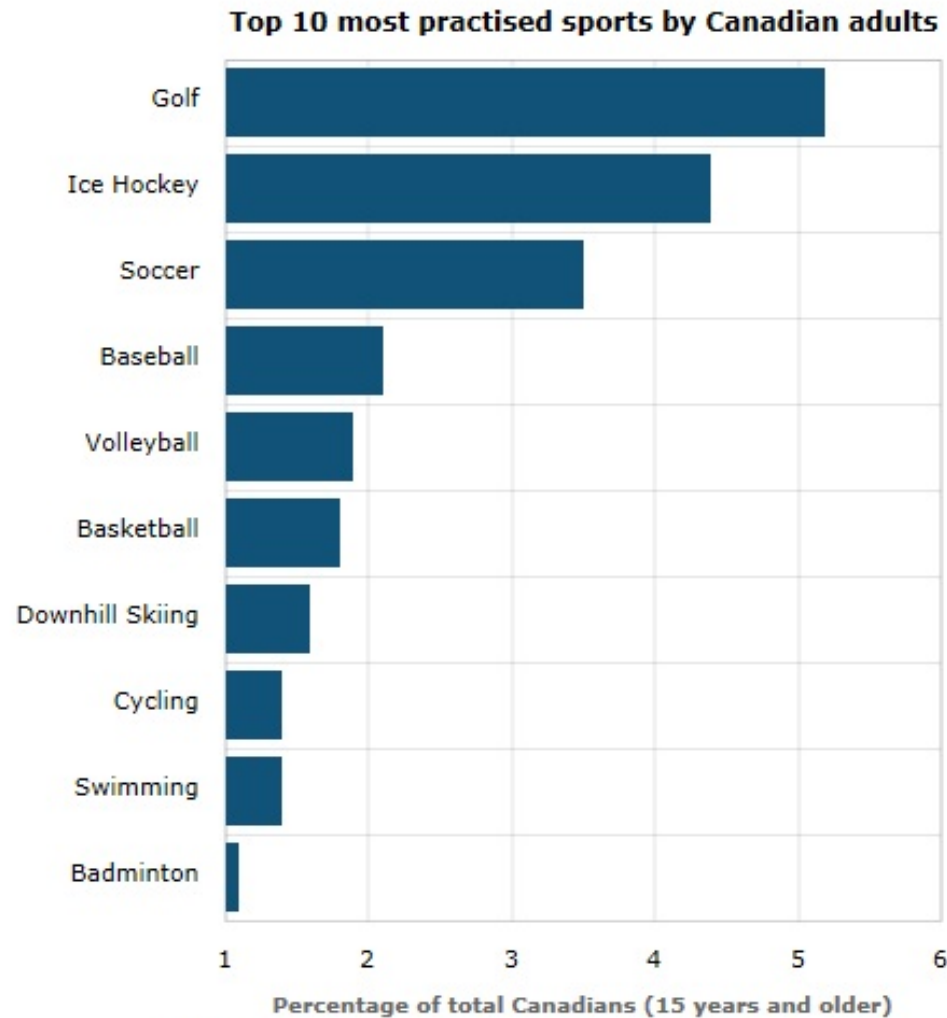
■ Number of registered members under 18:

Equestrian: 5031-20,000

Hockey: 500,000+



Popularity of Equestrian: top ten sports in Canada by participants over 15 years old



Source: Statistics Canada, General Social Survey, 2010

Equestrian?



Popularity of Equestrian: top ten youth sports

2005 Top Ten Sports, Under 14yrs

1. Soccer
2. Swimming
3. Hockey
4. Basketball
5. Baseball
6. Volleyball
7. Gymnastics
8. Karate
9. Alpine skiing
10. Athletics (track & field)

(from Statistics Canada 2005)

Equestrian?

TOP 10 SPORTS AND ACTIVITIES IN CANADA AMONG YOUTH 3-17 By current organized participation

1	SWIMMING	1,120,000
2	SOCCER	767,000
3	DANCE	625,500
4	Hockey	531,000
5	Skating	436,000
6	Basketball	354,000
7	Gymnastics	336,000
8	Track & Field - Running	330,000
9	Ballet	277,300
10	Karate	230,000





Equine Industry:

- Multiple National & Provincial sport organizations
 - Example: Equine Canada and provincial association for FEI disciplines, but also separate national and provincial associations for each discipline
 - Western disciplines largely run by CQHA, Rodeo, Barrel Association etc...
 - Other not affiliated with Equine Canada: TREC, Pentathlon, Mounted Games, polo, trail packing, urban cart horses, logging horses, Ploughing
- Equine Canada governed by 70 committees
 - Coach and athlete development: approx. 10 committees and 80 volunteers
- Industries only loosely connected: racing, tourism
- Some provinces exceptionally well organized among stakeholders: BC



Overview: Equine Industry

- 19.6 Billion dollar industry
 - 154,000 industry jobs (76,000 on-farm)
 - 400,000 unpaid/volunteer fulltime equivalent
 - 963,500 horses
 - 744,000 horses (77%) mature in use: approx. 18% sport, rec & breed each

- Horse farming generally \neq agriculture
 - Census farms: minimum \$5,000 sale of livestock sales.
 - Creative solutions: other species, hay crop
 - Horse is only livestock subject to goods and services tax
 - Approx. 145 Million in tax revenue

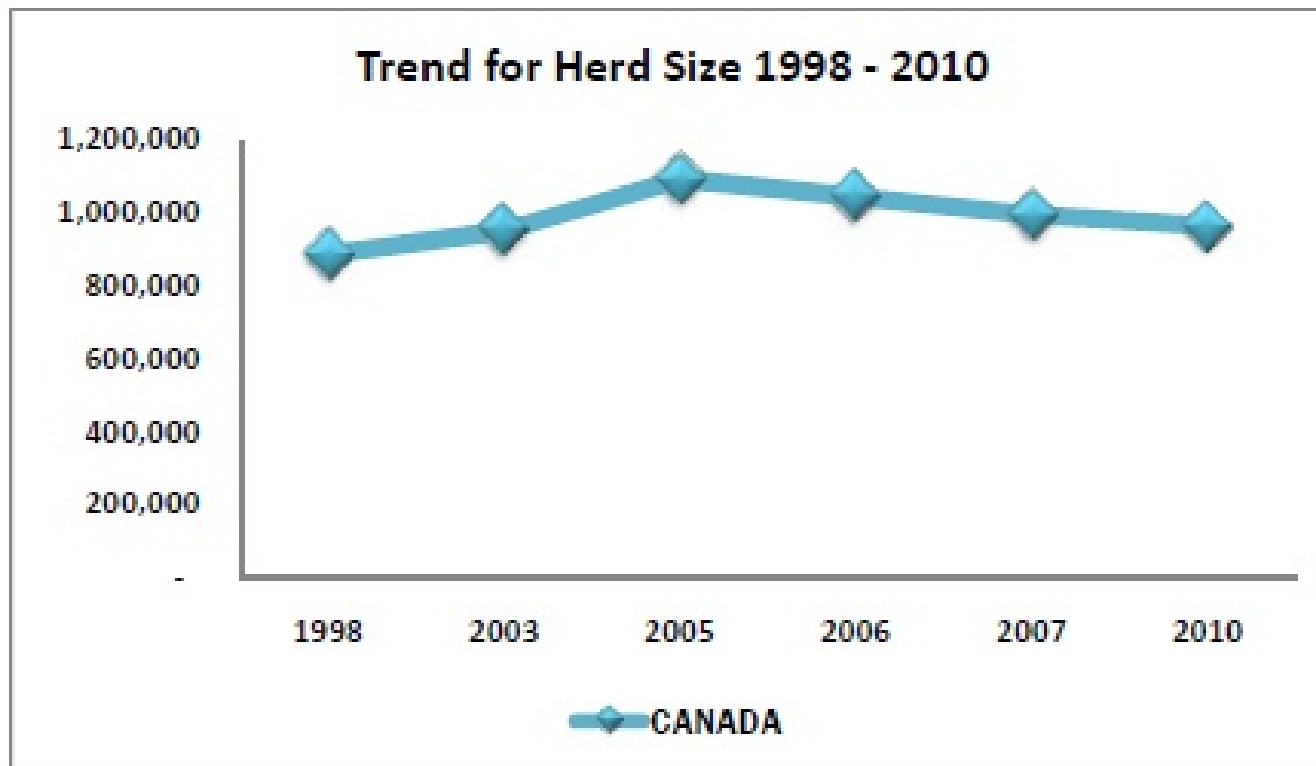
	Census data (2006)	Evans (2011)
Farms	54,169	145,000
Horses	453,965	963,500
People		850,000



Overview: Equine Industry

Trend in Herd Size (Evans, 2011, p.21)

Figure 2.5: Horses in Canada 1998 to 2010 Strategic Equine Research



Expected 5 Years

Drop: -30%
Growth: 19%

Net Loss: -10+%



Overview: Quick Balance Sheet

Costs

- Average size of horse farm: 275 acres
 - SK: 900 AB 430 ON 80 NFLD 10
- Land prices:
 - increase 25-35% 2010-2014 , 10K-20K/acre
- Cost to feed per month: \$100-\$200/ head
- Boarding average: \$350- \$550/month
- Estimated care cost excluding land ownership/lease & training: \$2,700/head/yr

2003-2010

< foals 50%

> costs 70%

Revenue

- Horse meat: \$350-500/head
- Average horse purchase price: \$6,000
 - ON: \$9,100 QC \$4,500 MB \$2,500

Estimated 400,000 unpaid/volunteer full time equivalent jobs.



Overview: Equine Industry

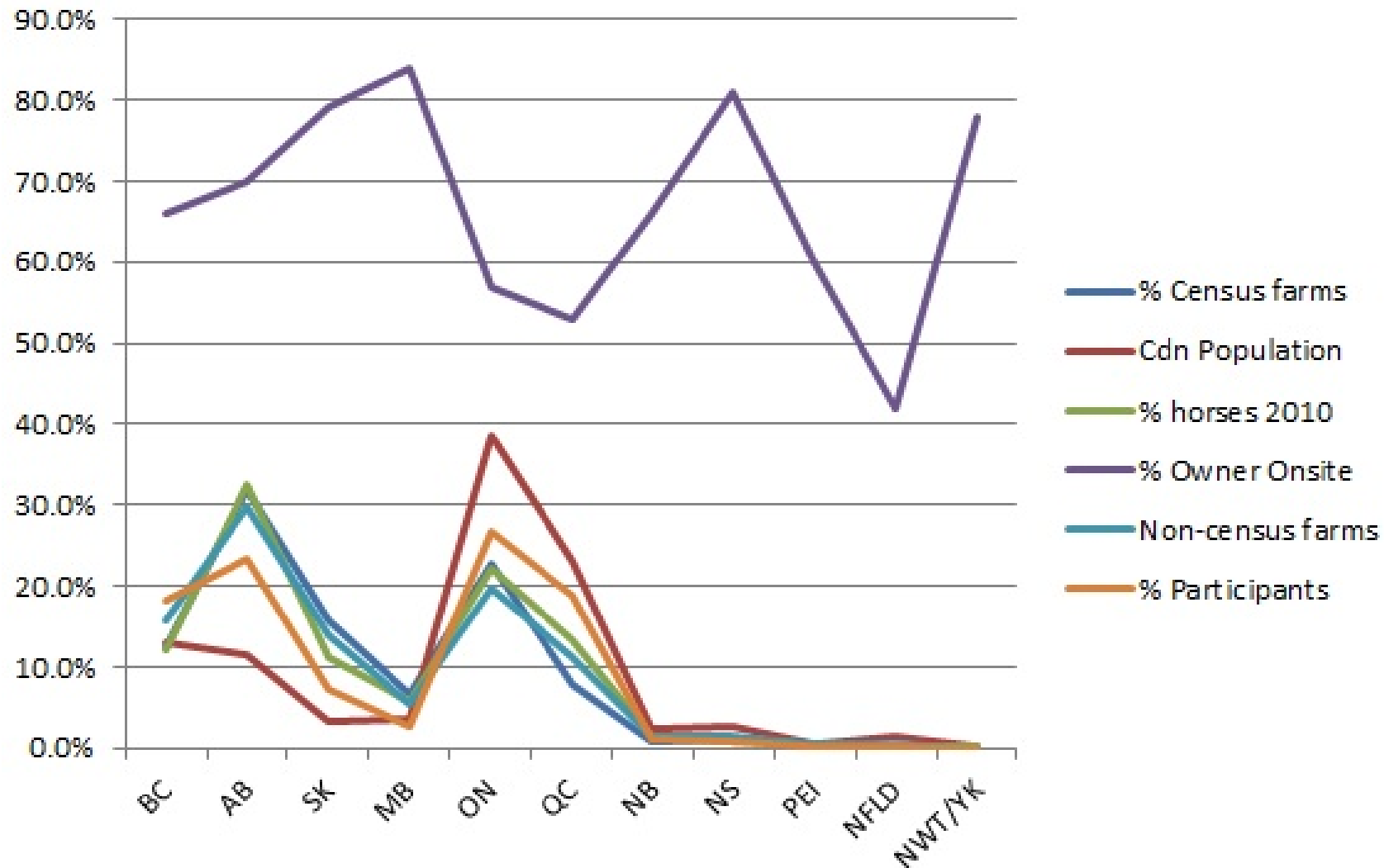
Reasons for Expected Decline (Evans, 2011, p.25)

Table 2.15: Reasons Offered For Reducing Number of Horses Owned

Reason for Expectation To Own Fewer Horses in Future Years	% of Owners Reporting Owning Fewer Horses in the Future
"I'm hitting retirement age"	32.0%
"I'm not active in sport/competition any more"	4.0%
"My horses are getting old and so am I"	29.0%
"The kids have moved out and we were mostly involved with the kids showing"	7.0%
"Having trouble selling horses currently, hoping to sell some next year"	17.0%
"Selling my horses"	16.0%
"Too expensive to keep horses / I can't afford it any more"	33.0%
"Getting out of the business"	17.0%
"Too Busy / Too Much Work"	5.0%
Other	21.0%



Horses, Owners, Farms & People: Provincial Distribution by Percentage





Import and Export:

	Import	Export
Temporary	7,877	-12,978
Permanent (non processing)	3,324	- 8,112
Feeder/Processing	52,487	
Total	63,688	-21,090

Net export excluding processing: 9,889

Net meat production: 17.7 million kg, \$90 Million

3rd largest producer



Horse Slaughter in Canada

	2011	2012	2013
Total # Head	89,399	82,199	71,961
US Imports (# head)	59,773	55,811	42,130
Export for slaughter (# head)	208	1,185	6,635
Meat export (metric tonnes)	15,786	17,665	14,488

From: Agriculture Canada

- Food sold in Canada must comply with Food and Drug Act
- Canadian Food Inspection Agency very loose regulation of horse slaughter
- Animals slaughtered may contain medical and feed acquired contaminants not accepted in beef or other slaughter
- Facilities not particularly specialized to horse slaughter/same standards used for animal wellbeing (ie: beef)
- Horses going to slaughter not generally fat or illness free



Horse Meat: Some Characteristics

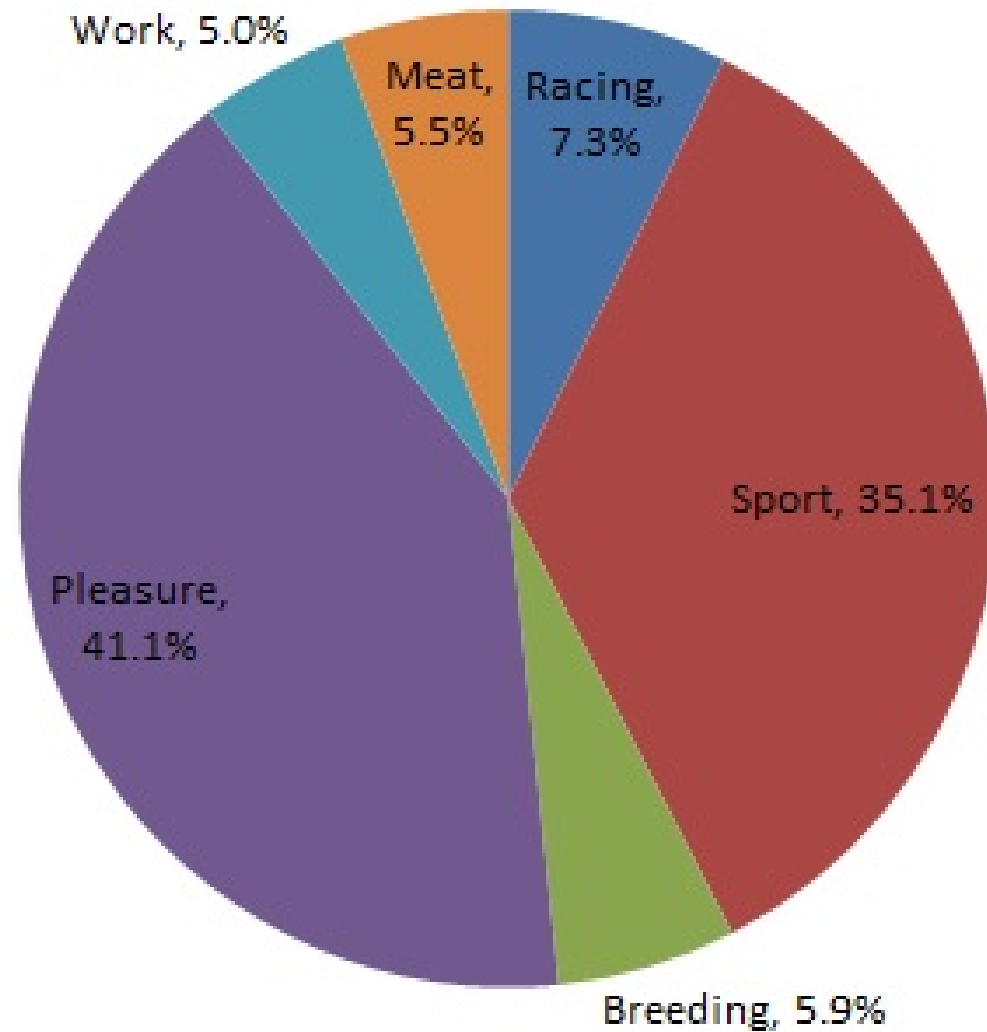
- 50% higher iron, 50% less fat than beef
- Not Kosher
- Very little consumed in Canada: mostly Quebec
- Top five markets: Switzerland, Japan, France, Belgium, Kazakhstan
- Food sold in Canada must comply with Food and Drug Act
- Canadian Food Inspection Agency strong policy but loose inspection of horse slaughter
 - Animals slaughtered may contain medical and feed acquired contaminants
 - Facilities not particularly specialized to horse slaughter/same standards used for animal wellbeing (ie: beef)
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Where the Horses Go

(Evans, 2011)

- 80% owners sell privately





Horses by Industry, (Evans, 2011 p.14)

Table 2.6: Horses by Primary Use

Horses Primary Use	% of Horses	Estimated Horses by Primary Use
Young Horses Not Yet in Use	22.8%	219,884
Racing (including breeding for racing)	5.4%	52,029
Sport Competition other than racing	18.2%	175,357
Pleasure riding & driving	17.8%	171,503
Breeding stock	18.3%	176,321
Riding lessons	2.3%	22,161
Commercial trail rides, sleigh rides or tourist activities	0.9%	8,672
Work (ranching, logging, farming, etc.)	3.4%	32,759
Companionship or full retirement	3.5%	33,723
PMU production	0.4%	3,854
Meat production	0.7%	6,745
OTHER USES	6.3%	60,701



Horse Racing: Industry Driver

(Evans, 2011 Racing Summary)



- 29% total horse industry (5.7 Billion)
- 70 Million in provincial & GST tax revenue
- 45,000 horses, 58% in Ontario
- 27,310 races, 68% in Ontario
- \$321,103,015 purses paid, 86% in Ontario
- 1.45 Billion wagered, 1.04 Billion in Ontario
- 62% of horse related jobs nationally
- Investment per owner: \$233,536 avg.

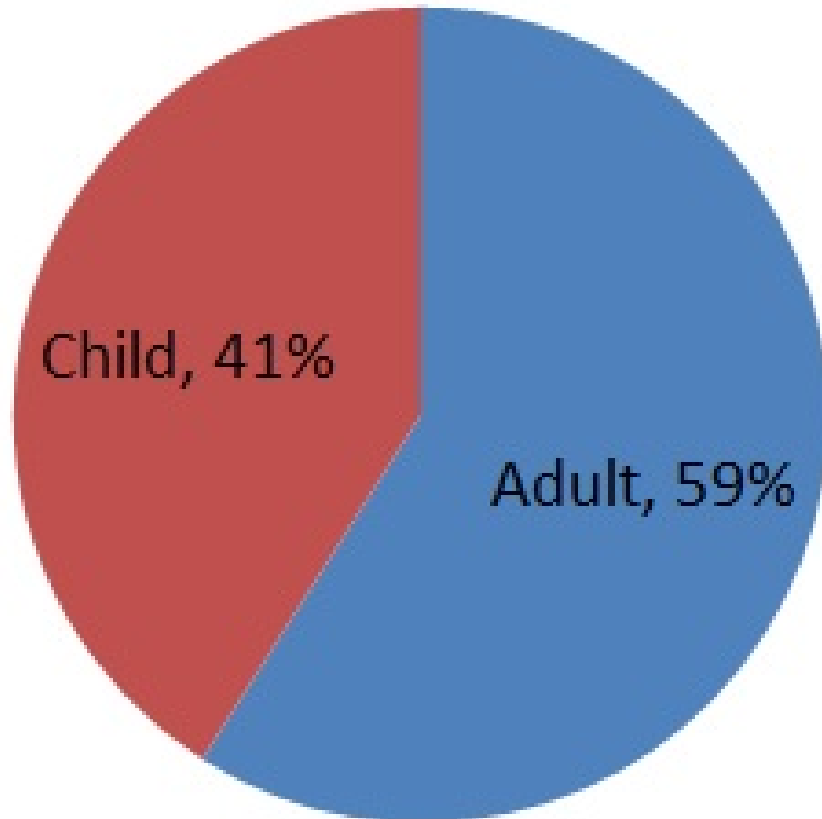


Racing: Trends and Detail

- Participants majority 50+ male
- Distribution: Harness: 73%, Thoroughbreds: 27%, Quarter: 0.46%
- Industry has serious impact on economies of scale for all related products: feed, supplements medical, equipment, veterinary, equine research
- Decline in public interest in betting /spectating (casinos are easier)
- Canadian Contribution: International Racing Information Intelligence Service (IRIIS) partnership with Ontario Racing Commission and Harness Racing Australia.
 - Partners: Canada, US, Belgium, Great Britain, South Africa and Sweden
 - Purpose: share information on industry regulations, law enforcement, organizations



Who is Participating in Sport and Leisure?



■ Compare with
2003:
69:31



Participation Demographics

- Female: 79%
 - PEI 85% QC 53% (sports-études)
- Median age: 50-59
- College/university: 84%
- Median household income: \$60-80,000
- Average 6.64/farm & 4.25/owner



Sport Participation

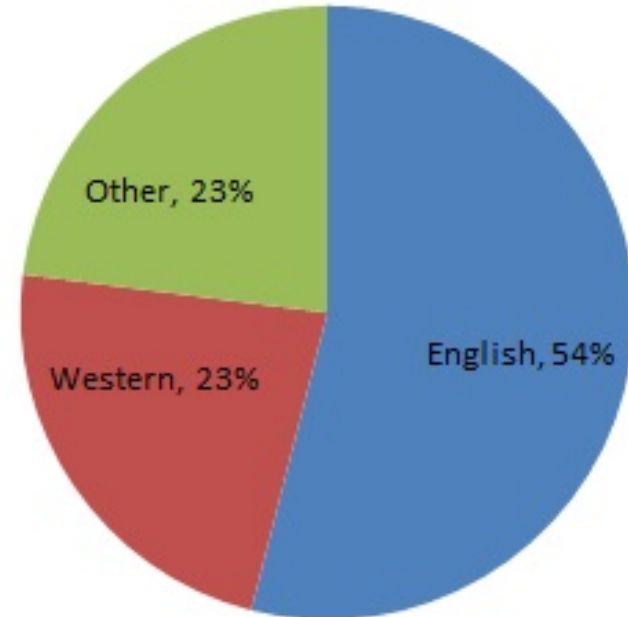
- More private consumer choice than club based
- Provincial membership ranges widely in activity. Equine Canada individual 'membership' is a sport license.
- 20% approx. provincial members also registered as competitive (Equine Canada: 17,871 members)
 - 75% of survey self-identify participation for pleasure
 - Evans survey 23% Albertans identify pleasure riding vs. Alberta Equestrian Federation estimate 87% of membership
 - Horse Council BC estimates 85% recreational membership



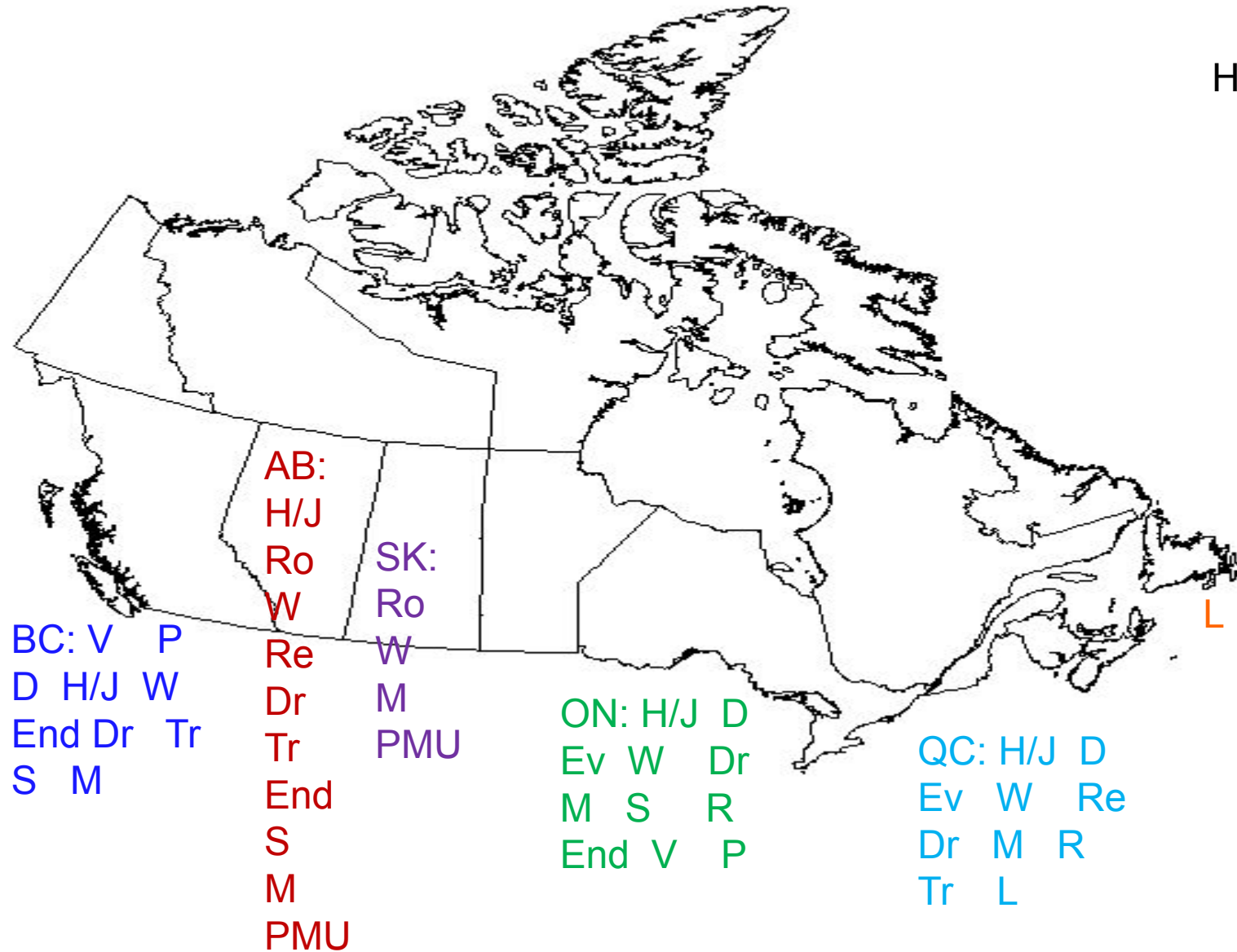
Sport Participation Activity Distribution

Self-identification

- Hunter/Jumper 27%
- Dressage 20%
- Western Pleasure 10%
- Other 7%
- Eventing 7%
- Driving 7%
- Barrel & Gymkhana 7%
- Breed Competitions 4%
- Penning, Roping & Cutting 4%
- Halter/Line 2%
- Reining 2%
- Competitive Trail/End 2%
- <1% each: Polo, Saddleseat, Vaulting



Horse Use Hubs

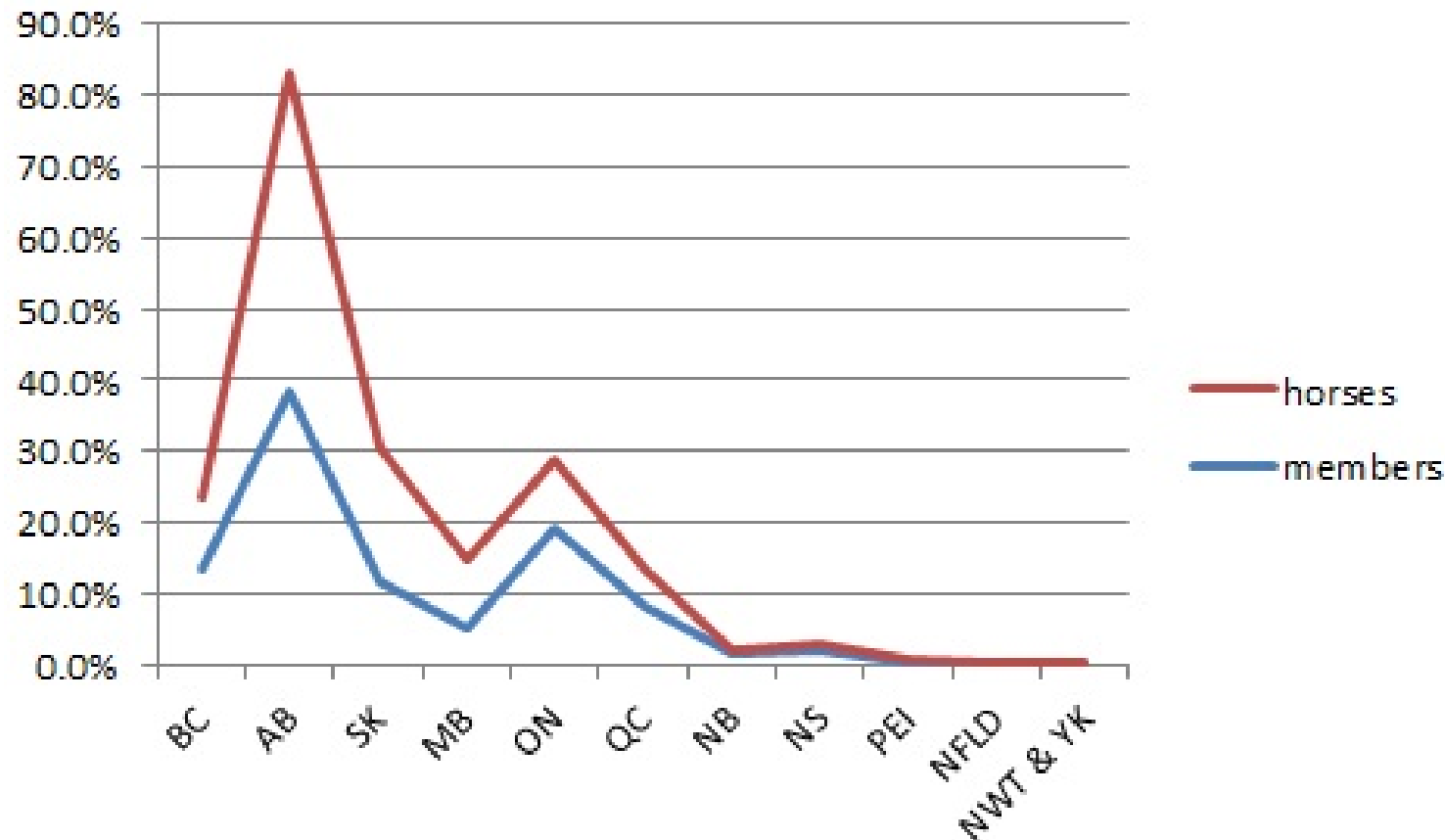


- V= vaulting
- P= para
- D= dressage
- H/J= hunter/jumper
- Ev= Eventing
- W=Western
- Re=Reining
- Ro=Rodeo
- End= Endurance
- R= Racing
- Dr= Driving
- Tr= Trail/Trek
- L=logging
- S= Saddleseat
- PMU
- M= Meat



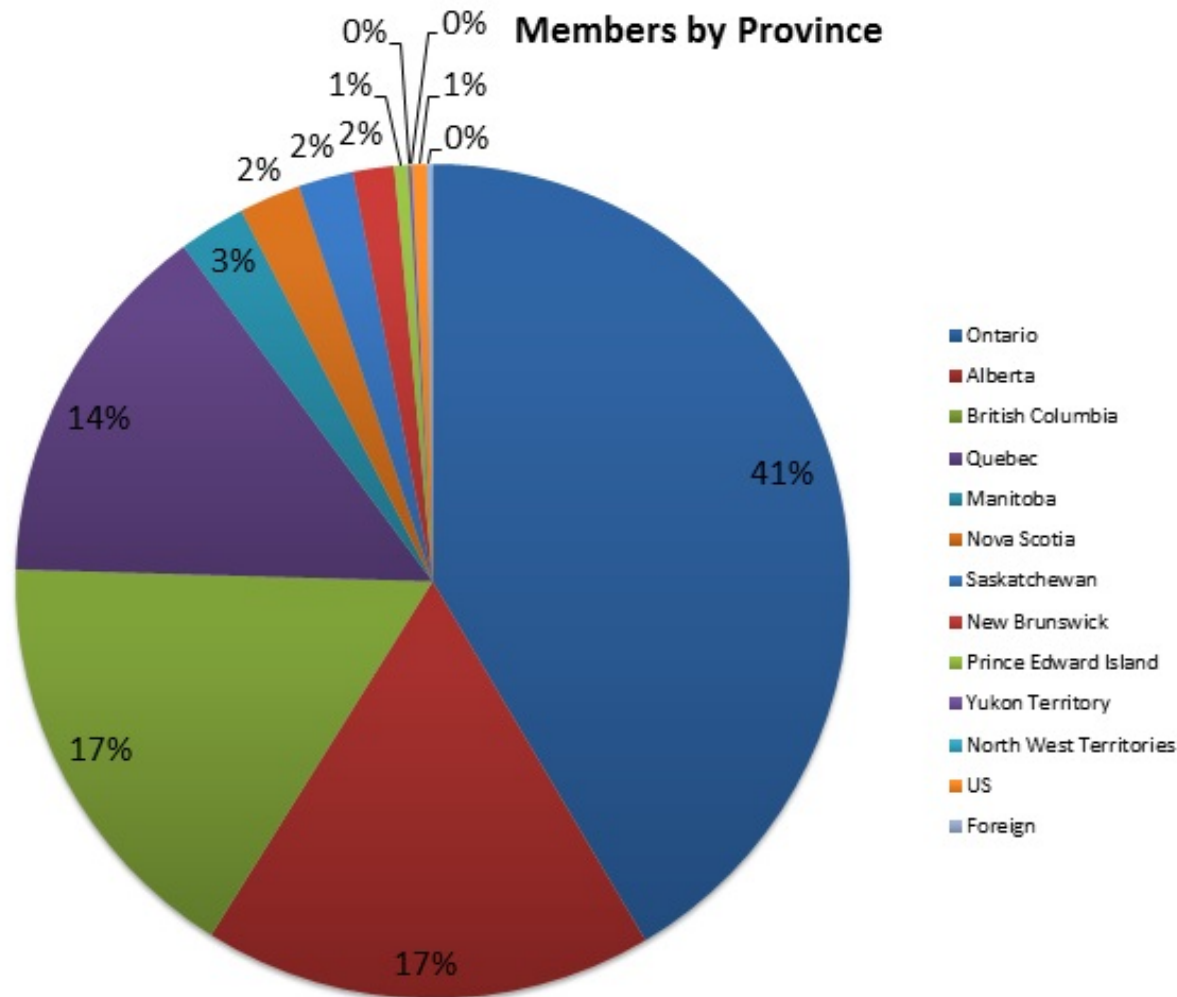
Canadian Quarter Horse Association

- 18,126 members
- 244,888 horses (13.5 horses/member)





Activity Hubs reflected in EC Sport License Distribution





Sport Participation: Coaching

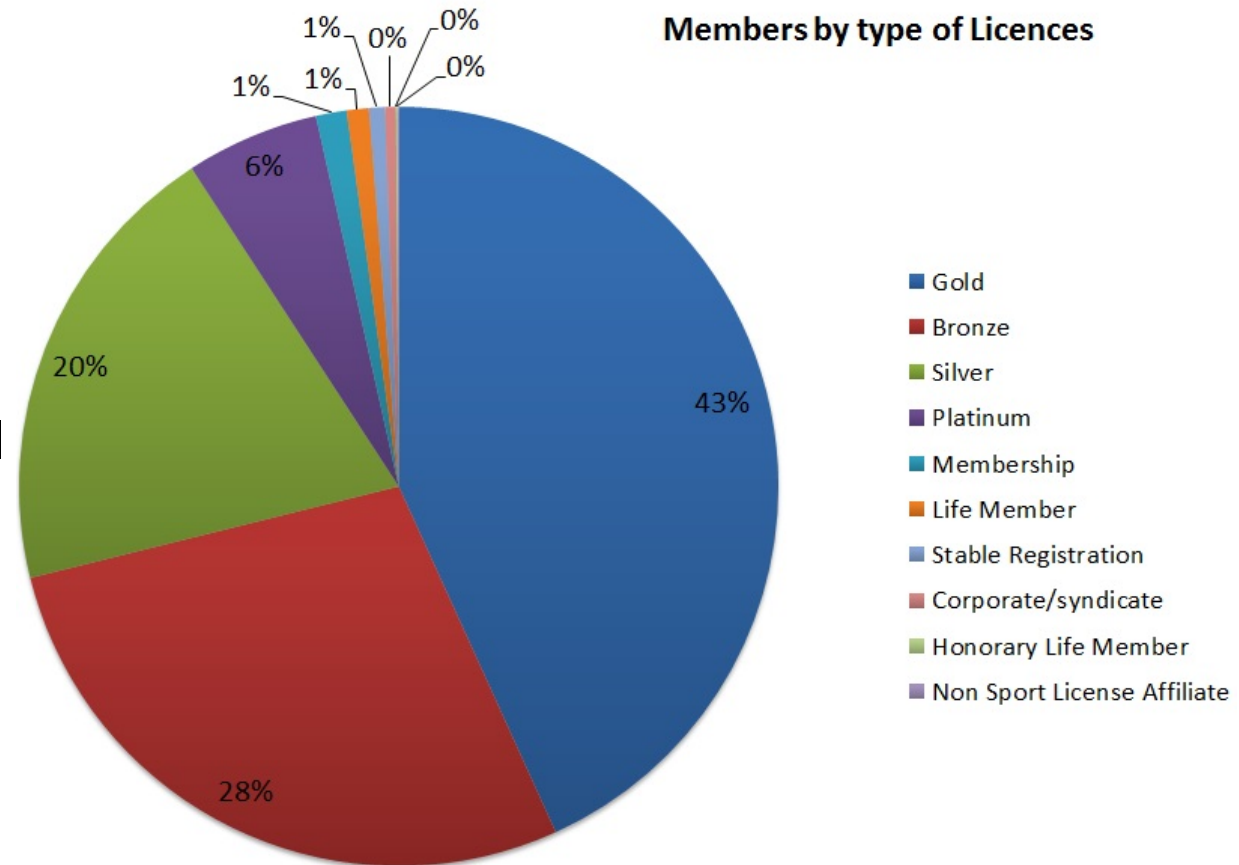
	Evans	EC	CHA
Professional Trainers	55,200	5,000 (1640A)	300

- Number of students per instructor: 43
 - Equine Canada coaches estimate: 100
 - Average income per instructor: \$6,000/year
- EC Coaches:
 - 87% Instructor of Beginners/Level 1
 - Right ratio to meet market need



Equine Canada license

EC competition license system:
Platinum= FEI
Gold= national
Silver= provincial
Bronze= local/regional





Source of New Participants

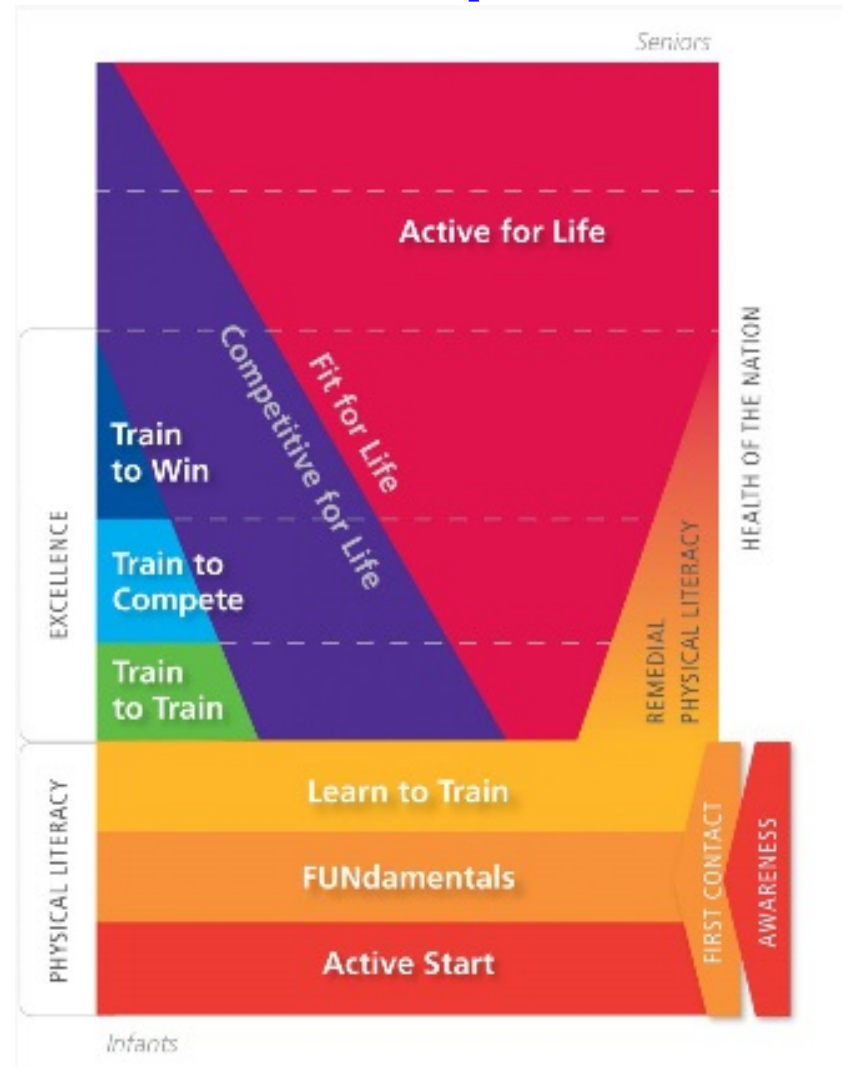
A: Middle aged adults with \$\$ who finally get to ride. (growing)

B: Children /grandchildren of people who rode, ride or wanted to ride (declining)



Long Term Athlete Development

- Canadian sport model now adopted by many other countries in various localized formulations
- Basic application of youth development stages to athlete skill acquisition
- Represents ideal training, almost reverse of industry structure



From: Canadiansport4life.ca



Equestrian LTAD = LTED

- Somewhat parallels but early stage model development too affected by industry because working team from industry, and lost 'train to train' stage
- No significant funding athlete development: private funds = pre-selection by social class
- Split between reality of majority recreational riders vs. coach goals
- Coach levels seen as hierarchy



Equestrian LTAD = LTED

LONG-TERM EQUESTRIAN DEVELOPMENT: DRESSAGE

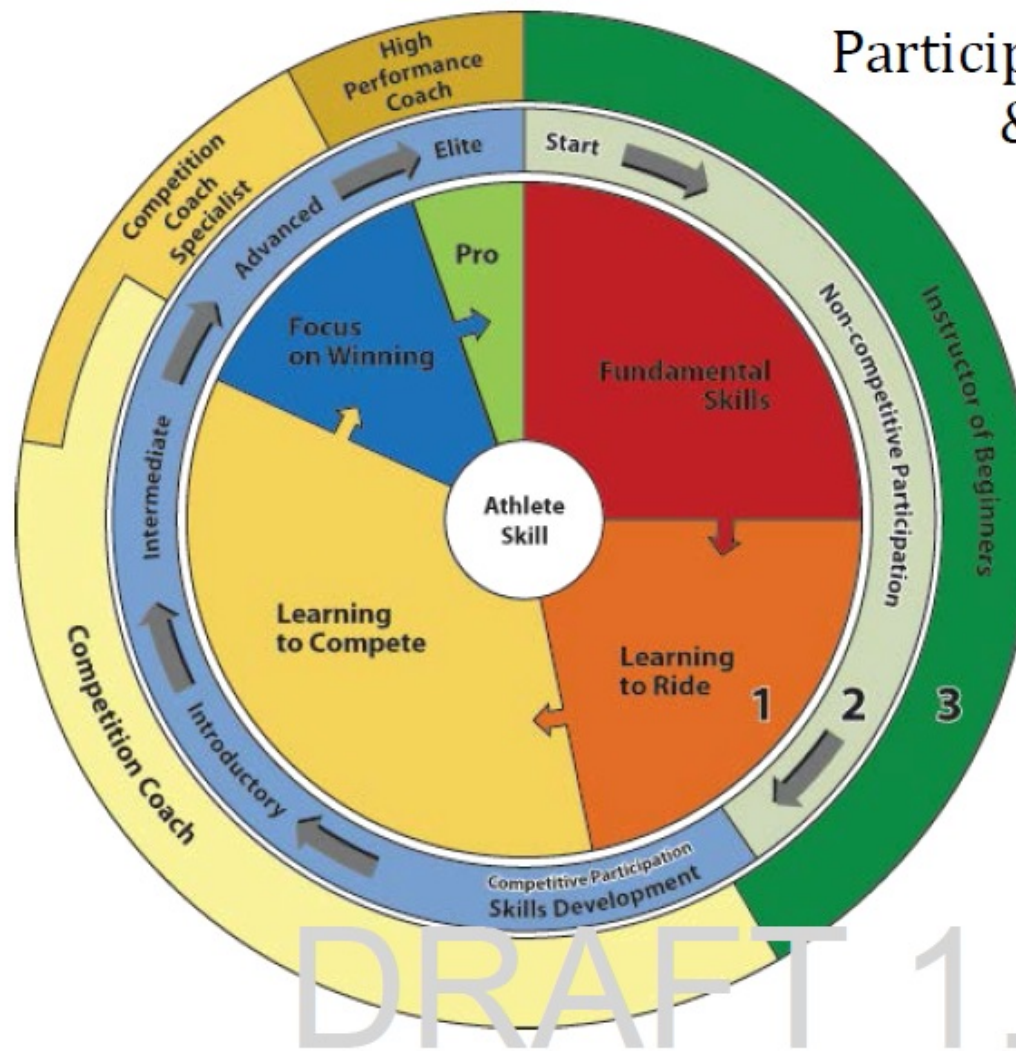


Sample from LTED- Dressage

Splitting the Compete stages allowed re-introduction of emphasis on skill acquisition at earlier stages



LTED: athlete centred



Participant Involvement & Coach Selection

1. Identify your skill level in the inner circle.
2. Next, select your degree of competitive involvement.
3. Select the coach type that most fits your stage and context.
4. Find a current coach or instructor on the EC and provincial websites.

DRAFT 1.0

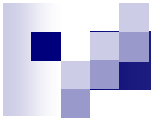
Athletes Progress, Coaches Specialize

From Equine Canada LTED materials on equinecanada.ca

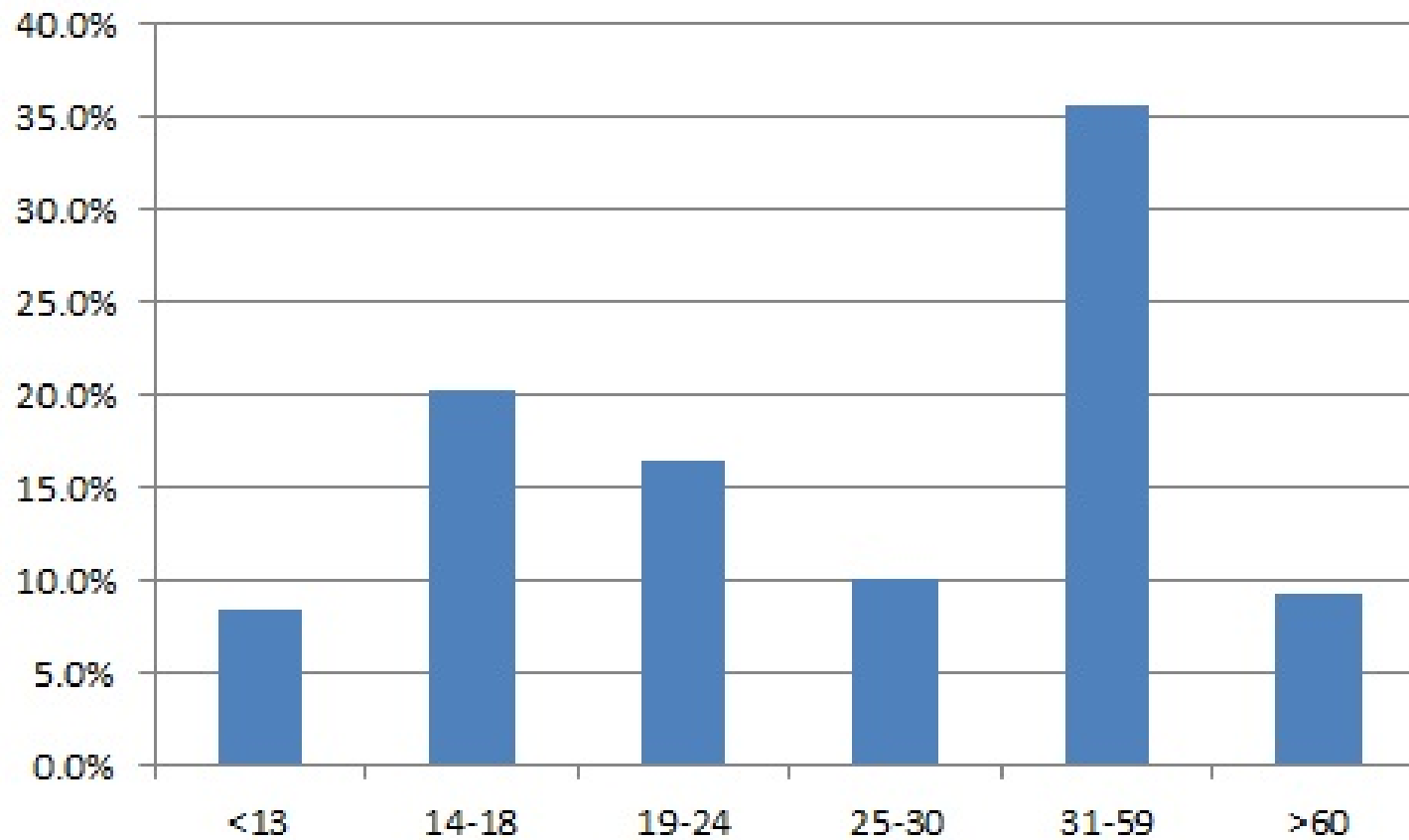


What about Tomorrow's Market /Athlete Pool?

- Equine Canada & Provincial memberships decline under 14 years old: not managing the pipeline
- Pony Club drop 50% in past 30 years
- CanTRA: 2500 riders, 65% < 18yrs
- 4-H Canada horse projects: 6,320
 - Membership decline 75% since 1980's, but horse program down by approx 1,000, or 1/6th since 1994
 - Non-competitive emphasis



Equine Canada Members by Age





What about Tomorrow's Market /Athlete Pool? Pony Club Case Study

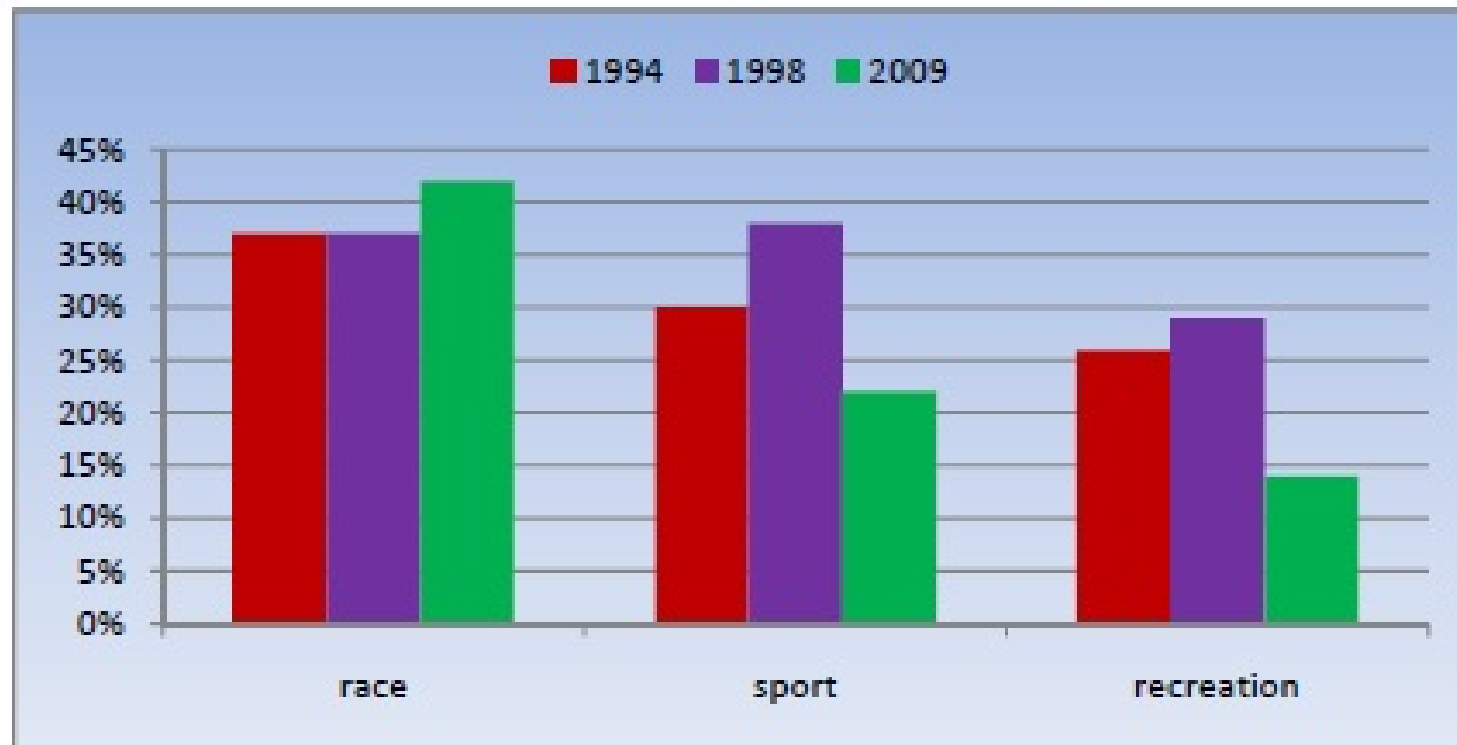
- CPC membership 1960's-1980's: 5,000
- Today: 2,500
- Governance: volunteer
- Reasons drop in participation:
 - Cost of fuel / distance to facilities
 - Time commitment
 - Other recreational activity commitments
 - Split families: finances, time
 - Fewer club locations with horses available for non-owning families
 - Parent-volunteer burnout

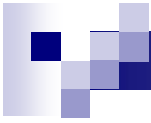


Trend farms boarding: BC

(Evans/HCBC 2010, p.35)

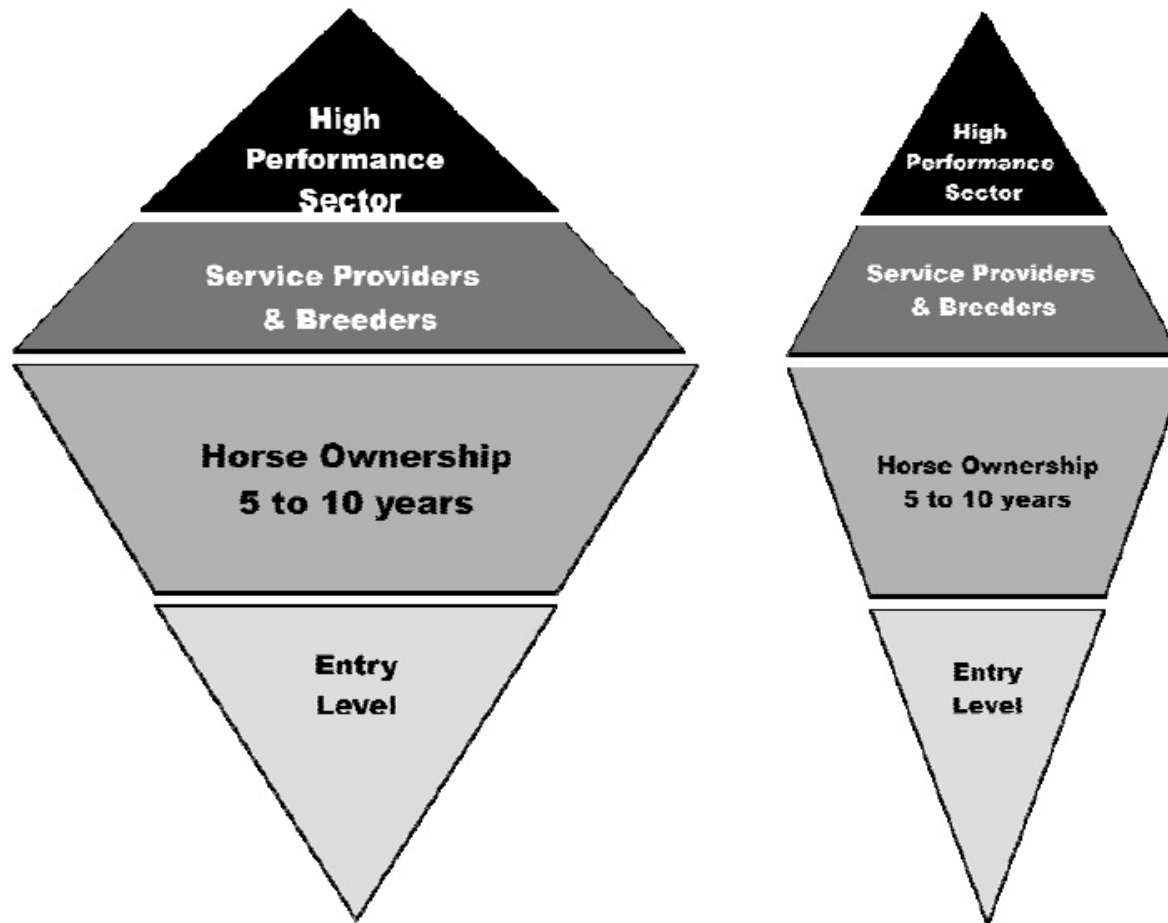
Figure 22. Trend in Horse Farms that Reported Boarding Horses





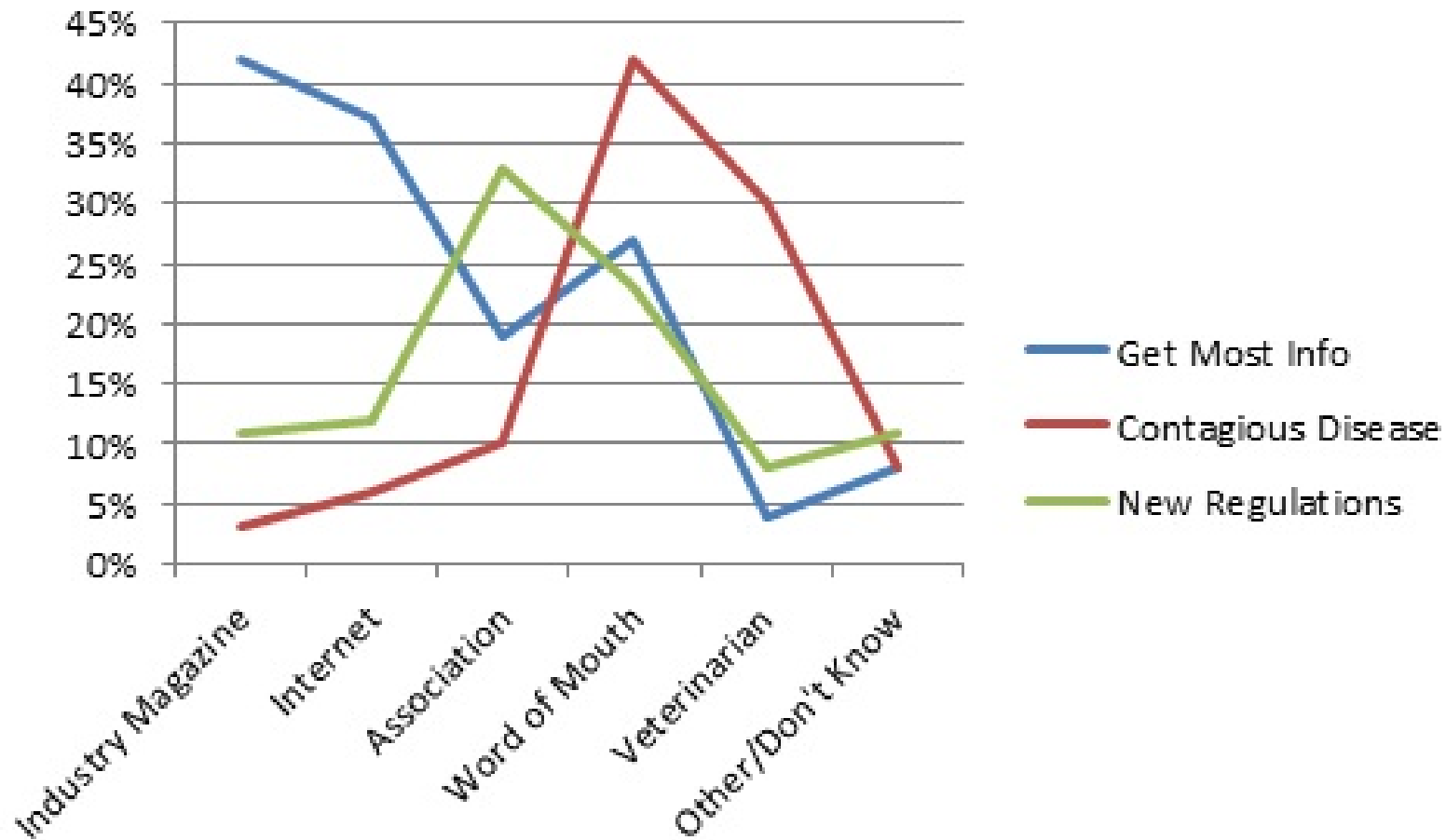
Industry Projection (Evans, 2011, p.109)

Figure 8.3: Potential Result of Continuing the 2010 Trend





How Information is Shared (Where participants get Information)





Case Study: Endurance

How Much Do Numbers and Geography Matter?

- 500 Ontario endurance/CT members
 - 2 FEI rides/yr = need to qualify in USA
 - 60 entries: 7 juniors, 3 men, 1 non-caucasian
 - 20-30 FEI riders
 - No endurance coaching program
 - Still representing well internationally
- Horses? Training? Teamwork? Niche?



Key Challenges

- Waning public presence
- Need for campaign to get youth participants
- Demographic holding land & paying for horses aging out
- Urbanization/cost of land and horsekeeping
- Waning of horse racing as entertainment affects entire industry
- Drop in meat prices affects horse wellbeing
- Fiscal greyzone for horse businesses
- Sport safety and litigiousness
- Tendency to pale copy of the South (market driven)
- Information and governance silos
 - Media to horse people for horse people
 - Organizational & policy silos



Opportunities & Strengths

- Panam 2015 & WEG 2018
- Activity hubs & cultural base
- Accessible sport: disability, animal therapy
- Overhaul of system to LTAD
- Resilience, creativity and entrepreneurialism
- Newcomers
- Regional successes
 - BC: involvement with school system, multi-stakeholder meaningful partnership
 - QC: program sports-études & strong connection between provincial association and leisure participant through regional clubs



We believe.



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Thank-you to the following for providing information in this report:

- Equine Canada
- Executive Director, Horse Council BC
- Executive Director, New Brunswick Equestrian Association
- Former President, Alberta Equestrian Federation
- Former Canadian President, Certified Horsemanship Association
- Chair, Canadian Pony Club
- 4-H Canada
- Canadian Therapeutic Riding Association (CanTRA)
- National Coach, Canadian Endurance Team
- Skate Canada



Resources: Websites

- Agriculture Canada, red meat information: http://www.agr.gc.ca/redmeat-vianderouge/about_propos_eng.htm
- BC Horse Council: <http://hcbc.ca>
- Canadian Pony Club: www.canadianponyclub.org
- Canadian Quarter Horse Association: <http://cqha.ca/>
- Canadian Sport for Life: <http://canadiansportforlife.ca/learn-about-canadian-sport-life/ltad-stages>
- Canadian Therapeutic Riding Association: www.cantra.ca
- Canadian Veterinary Medical Association: www.canadianveterinarians.net/
- Employment and Social Development Canada: www.esdc.gc.ca
- Equine Canada: www.equinecanada.ca
- Statistics Canada: www.statcan.gc.ca
- 4-H Canada: www.4-h-canada.org

Resources: Publications



- Canadian Meat Council. Horse Meat Production Canada. 2013.
Available at: <http://www.cmc-cvc.com/sites/default/files/files/Horse%20Meat%20Production%20in%20Canada%20Feb%202013.pdf>
- Equine Canada. Long-Term Equestrian Development- Dressage. 2011.
Available in English or French: http://equinecanada.ca/index.php?option=com_content&view=category&id=117&Itemid=779&lang=en
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 - Purchase: Equine Canada
 - Contact the author: Vel Evans, Strategic Equine, velevans@strategicequine.ca
- Evans, V. The Economics of Horse Racing in Canada 2010. Equine Canada, Ottawa, ON, 2012.
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