



ALBERTA EQUESTRIAN
FEDERATION

Dixie Crowson
Dixie Crowson, *president*



SASKATCHEWAN HORSE
FEDERATION

Terry Fagrie
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FÉDÉRATION ÉQUESTRE
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Dominique Chagnon
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NEWFOUNDLAND EQUESTRIAN
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ISLAND HORSE COUNCIL

Chester Gillan
Chester Gillan, *president*



NOVA SCOTIA EQUESTRIAN
FEDERATION

Barbie Lewis
Barbie Lewis, *president*

August 4, 2010

Dear Members:

The following letter is an update to the current conflict situation existing between Equine Canada and six provinces. The six provinces (Alberta Equestrian Federation, Saskatchewan Horse Federation, Fédération équestre du Québec, Nova Scotia Equestrian Federation, Island Horse Council, Newfoundland Equestrian Association), acting collaboratively, have been active throughout in efforts to resolve these disagreements.

As of last March:

- Five meetings between representatives of six provincial equestrian federations and Equine Canada have taken place with the objective of finding a solution to the conflict.
- Two of these meetings were held recently in the presence of a mediator whose services were retained by the SDRCC (Sport Dispute Resolution Centre of Canada).

Some progress was made during these negotiations. However, it has become clear that a root cause of the conflict is financial in nature despite earlier claims of Equine Canada. The following brief summary highlights the facts in this conflict:

2009

- The ten provinces collectively contributed \$87,000 (increased from \$42,000 in 2008) to Equine Canada in addition to the fees paid by their members for participation in EC activities.
- Equine Canada demanded \$700,000 for the following year (2010) through the imposition of a membership fee to all provincial members - recreational and non horse owners alike - of all provincial sport organisations.
- The demand was refused by the six provinces on the basis that the bylaws of Equine Canada give no authority to EC for the imposition of individual membership fees.

2010

June 8, 2010

In sincere efforts to realize a settlement to the conflict, and in searching for an acceptable compromise, the six provinces sensed that a resolution could only be achieved with a significant increase in the total annual financial contribution by provinces. Accordingly, the group of six presented a proposal to Equine Canada offering to increase provincial input from \$87,000 to \$350,000 for each of the next three years. Future fee increases would then result from negotiated agreements by both parties.

June 23, 2010

- Equine Canada refused the offer made by the six provinces and now demands \$392,000 for 2011, \$700,000 for 2012 and indicates that future annual fee increases (2013 and on) will be the exclusive purview of Equine Canada.



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- The conditions stipulated by Equine Canada are regarded as intolerable (increases in excess of 800%). It should be noted that the provinces' sport licence holder members already contribute over \$1.5 Million annually to Equine Canada in their Sport Licence and other related fees. The last audited statement (2009-2010) shows the annual operating budget for Equine Canada is \$6.1 million – an increase of over \$1million from the previous year according to its accompanying report by the CFO.
- The board of directors of the six provinces believe that their members already pay their fair share of EC expenses and refuse to impose an additional Equine Canada fee. A large majority (an average of 75%) of provincial members receive no direct benefits or services from Equine Canada.
- The six provinces continue exploring other alternate solutions with the hope of coming to an acceptable agreement and putting an end to the dispute, including an end to the disciplinary measures Equine Canada has imposed on the members residing in the six provinces as well as these provincial sport organisations themselves.

July 26, 2010

- The group of six provinces submitted a one year settlement proposal to Equine Canada in an attempt to work towards a long term agreement. In the event that the proposal will not be accepted by Equine Canada, the group of six provinces suggested attempting another round of negotiations with a mediator, one that is knowledgeable about the Canadian sport system especially in relations between NSO's and PSO's.
- It is our sincere hope that Equine Canada will come to recognize the value of the roles and responsibilities that lie with the provincial organizations and that are spelled out clearly within the federal/provincial agreements for sport in Canada. We are the representative voice for our provincial members to the national organization and have the direct knowledge of their best interests guiding our actions.
- Please be assured we are making every possible attempt to protect our members' interests and to provide a reasoned and fair solution to the difficulties that currently exist with Equine Canada.

As of today, no response has been received from Equine Canada concerning this latest proposal.

Respectfully submitted by the Group of Six Provinces