



## National Capital Region Harness Horse Association

2446 Bank Street, Suite 651, Ottawa, Ont., K1V 1A8

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27 November 2005

Ontario Harness Horse Association  
2150 Meadowvale Blvd.,  
Suite 2  
Mississauga, Ont.,  
L5N 5S3

**Attention:** John Walzak Chief Operations Officer

Dear Mr. Walzak:

**Subject: Response to OHHA Letter of 21 October (Attached)**

I acknowledge your letter of 21 October 2005 and appreciate the opportunity to address your concerns. The points of view presented in this communiqué address the statements you have made in your letter and correct your misunderstanding of the facts associated with the NCRHHA and its founding in January 2005.

### **Clarification**

The NCRHHA does indeed hold a contract with Rideau Carleton Raceway. It is on file with RCR, the ORC and the CPMA.

I must differ with your statement however that the NCRHHA founding members comprise the OHHA negotiating committee. The founding members of the NCRHHA comprise the majority of what was the OHHA Horseperson's Committee for OHHA District 1. The OHHA negotiating committee, in 2004, comprised its Chief Operating Officer, its own Director's and a Director-elect. My involvement at earlier stages of discussion, prior to active negotiations, was focussed on reviewing progress and working to bring about conditions for winter racing at RCR, an endeavour I had been engaged in over the course of 2001 through 2004. The OHHA Horseperson's Committee members, other than OHHA's elected Directors, were not engaged in negotiations with RCR on behalf of OHHA. In fact, records show that we were not permitted to be involved in such discussions.

There were no splinter groups organized secretly to negotiate with RCR in 2004 or at

any time. Everything that has transpired has occurred with complete transparency and was mandated at all times by a majority of OHHA District 1 members to the full and complete knowledge of OHHA's Board of Directors. The true facts are as follows.

Based upon several votes taken in 2004, including votes in March, and in November the District 1 membership made it clear that nothing less than a year-round racing contract was acceptable. In the face of District 1's wishes, based upon the members' intelligent appreciation of their own economic interests, OHHA proceeded to negotiate a contract for a 9.5 month racing year and assured RCR it would be accepted by the membership. In December 2004, OHHA put this contract to the membership. The membership rejected it and directed OHHA to re-negotiate a winter racing contract. It is apparent that OHHA did not take its membership's wishes seriously as it failed to do so. OHHA failed to negotiate a winter racing contract, essentially failing to act on its membership's wishes. This was the state of affairs when the RCR contract came to its end and District 1 horsepeople were left with no contract. There would be no racing and no winter revenue for the members, many of whom depend on the racing industry for their sole livelihood.

Only when the OHHA contract had expired and it appeared evident that OHHA had no interest in accepting its mandate to negotiate in best interest of its members, did I become actively engaged in direct discussion with RCR to secure conditions for a year-round racing contract. It was clear that the vast majority of District 1's members and RCR were prepared to enter into an agreement which was in their mutual economic best interests. It was also clear that OHHA's Board of Directors opposed a year-round contract on the terms we believed advantageous to us. Notwithstanding the Board's distinct unwillingness to accede to the clear wishes of the vast majority of OHHA's members, however, we went to extraordinary lengths to keep the process transparent to OHHA, continuing to hope that the Board would fulfill its obligations toward us to negotiate the contract we wanted.

Finally, at an OHHA meeting 05 January 2005 a draft contract for year-round racing was supported by 104 of 107 members. At that 05 January meeting OHHA had agreed to review and finalize a year-round racing contract with RCR but by Friday of that week. OHHA failed to do so. On January 13, the members of the RCR racing community gathered to vote on independently accepting a year-round racing contract with RCR. OHHA was present and was given an opportunity to speak at length, yet still refused to agree with signing the draft contract for year-round racing, electing instead to review it at their February meeting. A vote was taken and the RCR contract accepted by a majority of 137 to 19.

Contrary to your statements, contract discussions with RCR cannot possibly be deemed as contract interference as the OHHA contract had expired. You had failed to act in good faith as the sole bargaining agent for your membership and the horsepeople in the NCR were faced with yet another winter shutdown, a situation deemed unacceptable to them. OHHA had an express obligation to negotiate in good faith on behalf of its members in District 1 and failed to do so. In the face of OHHA's

refusal to act in the best interest of its members, the members of District 1 had no option but to mitigate their losses as best they could and negotiate their own contract. Even to actual date of ratification by the members, however, District 1 continued to plead with OHHA's Directors and COO to fulfill its obligations to District 1 members and support the contract. Regretfully, OHHA has refused to do so.

### ***NCRHHA***

The NCRHHA has a total of 162 members as of November 2005. We have submitted a financial report to the ORC regarding our 1.5% APP and will continue to do so. We have also received acknowledgment from the ORC regarding our status as representative's of the NCR racing community.

### ***NCRHHA AND OHHA***

The NCRHHA was not established to harm OHHA. It was established to protect the livelihood of horsepeople in the region, many of whom were facing extreme financial difficulty during a winter shutdown. It was established because OHHA had failed to act in good faith on its member's wishes.

Regarding your statement on the "vast majority of horsepeople", in your recent survey of OHHA you received 15 responses from District 1. This you confirmed at the OHHA meeting of 13 September 2005.

John, over the past 11 months I have taken many steps toward engaging you and OHHA's Board of Directors in discussion to resolve the issues facing our membership and to resolve the complications surrounding dual membership and financial compensation. I had spoken with you in late January 2005 and again in March expressing a desire to engage in discussion. In response to your invitation (refer to the attached letter dated 29 March 2005) I have invited you and your Board to the NCR (refer to the attached letter dated 16 April 2005). I have spoken with you in May 2005 and visited your office on 30 June 2005. During that visit I expressed a concern with spending very large amounts of what is essentially public funds and horsepersons' money on senseless litigation. I discussed with you the various expenses that OHHA incurs for District 1 members and suggested we review these with the intent to agree on compensation to OHHA for such expenses. This intent I have re-iterated at the OHHA meeting of 13 September 2005. I also suggested a working model to allow our organizations to cooperate effectively to ensure all of Ontario is represented by one umbrella organization consisting of chapters. I further suggested that these chapters might better reflect the different economic and operational interests of horsepeople across each region of Ontario.

John, until recently, my approach has been met with retaliatory tactics. However, it is our recent discussion that gives me cause for optimism. Having discussed the matter with the NCRHHA Board of Directors, I have accepted your response to my suggestion

that I attend the OHHA board meeting on 28 November 2005. I look forward to beginning discussions with the intent to resolve, with your Board and with all of the OHHA membership, the misunderstandings of the past and a way forward for the future.

Sincerely,

Gordon A. McDonald P.Eng.  
Chairman  
NCRHHA

**Attachments:**

OHHA Letter 21 October 2005  
NCRHHA Letter 16 April 2005  
OHHA Letter 29 March 2005

**Distribution List**

Mr. John Blakney, Executive Director, ORC  
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