

52.2% of respondents in competition), with 75.3% of this population being the sport-recreational sector and 24.7% belonging to the business sector. Competitors reported annual expenditures directly related to competing ranging from \$20 to \$400,000. The largest spending group (39.1%) was found in the \$1 to \$1,000 range while 55.3% spent \$2,000 or less on annual expenses for competitions.

Economics of the Industry

In determining the economics of the equine industry, the survey highlighted six areas relating to economics: 1) land/materials relating to the stakeholders support of the horse activities, 2) investment in horses and horse related materials, 3) spending on horse related activities, 4) determination of market value of horses, and 5) annual earnings over the year from horse related activities.

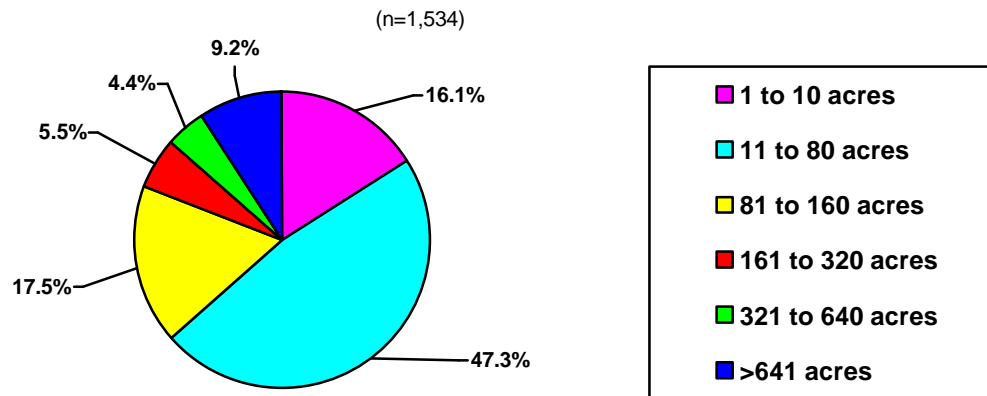
Background: Respondents were invited to complete the portions of the question that applied to them. The consequence is there are differences in many sections within one question.

Land/materials relating to the stakeholders support of the horse related activities.

The first question was comprised of eight subsections relating to supporting horse related activities, dealing mainly with land and buildings, as follows: 1) acres of land, 2) horses per acre, 3) acres of feed production, 4) number of barn(s)/stable(s), 5) number of corral(s)/pen(s), 6) number of indoor arena(s), 7) number of outdoor arena(s)/training track(s), and 8) number of other buildings (specify).

Acre of land (pasture/range) The survey sought to determine the amount of pasture/range land (acres) owners used to support their equine activities. The largest group (47.3%) reported using 11 to 80 acres of pastureland or rangeland. The second largest category were those in the 81 to 160 acre range at 17.5% and the third group were those using pastureland or rangeland in the 1 to 10 acre (16.1%) range. The following graph illustrates all responses in a range from 10,000 acres to as little as 1 acre.

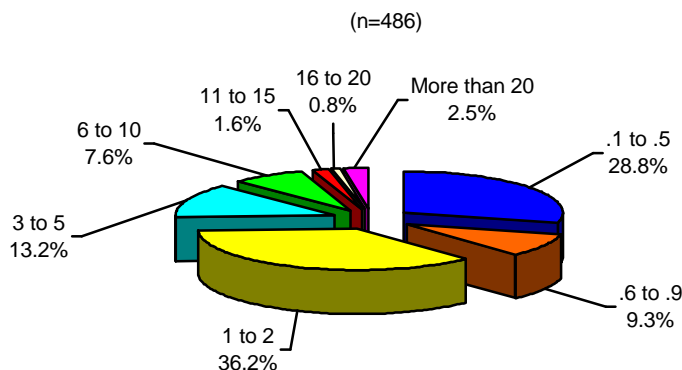
ACRES OF LAND TO SUPPORT HORSE RELATED ACTIVITY



Graph 14. Acres of Land to Support Horse Related Activity

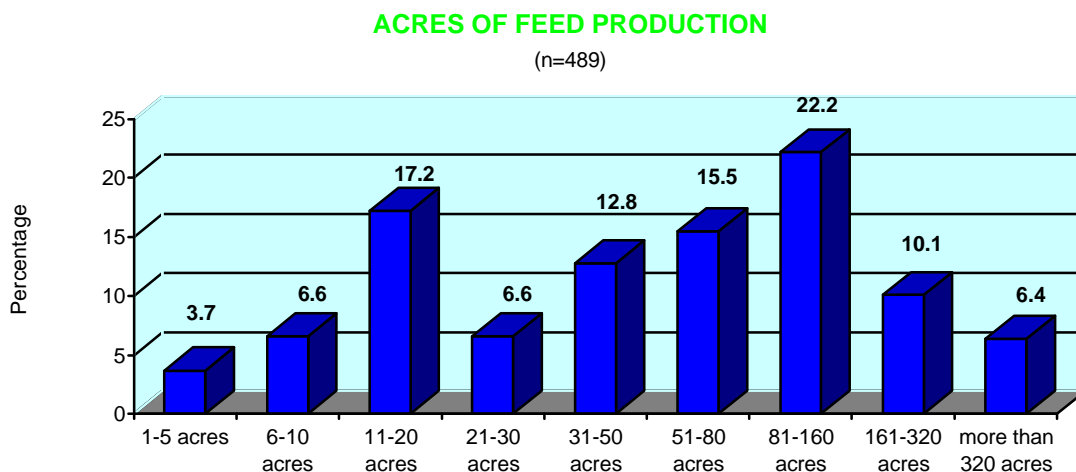
Horses per acre. The second economics question dealt with the concentration of horses per acre. The results are significant as they could influence equine management related to pasture management, feed, manure disposal, and health issues. The following graph illustrates that 36.2% of the 486 respondents, the largest group, indicated that they have 1 to 2 horses per acre, with the second highest group (28.8%) with .1 to .5 horses per acre. The lowest group (0.8%) reported that they have 16 to 20 horses per acre.

NUMBER HORSES PER ACRE



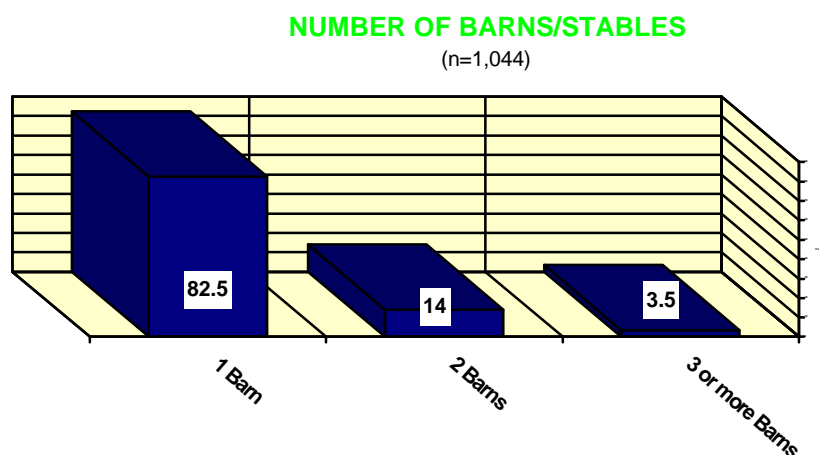
Graph 15. Number Of Horses Per Acre

Acres of feed production. The third question in the economic base was the number of acres utilized for feed production. The focus was to assess if individual owners have feed production land directed at supporting their equine stock. The results indicate that only 27% of the owners do have feed production. This suggests that nearly 75% rely on other sources for their feed which may need to be purchased. The largest number of respondents (22.2%) indicated that they utilize 81 to 160 acres for feed production, followed by those that used 11 to 20 acres of land (17.2%). The following bar graph depicts the responses of the 489 stakeholders.



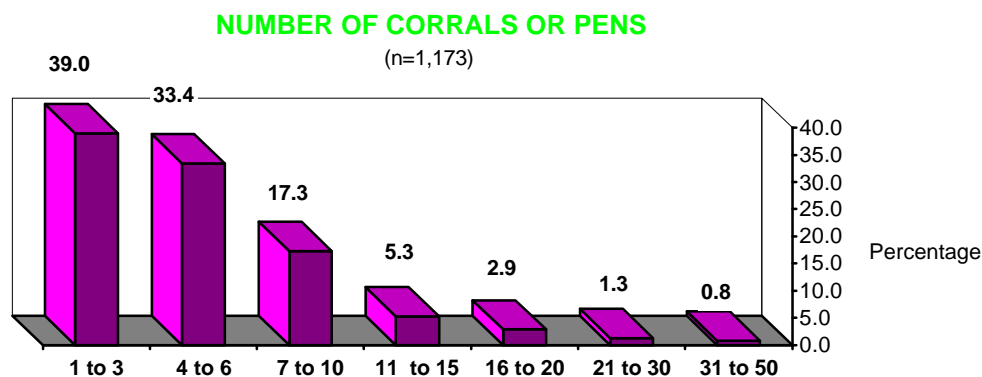
Graph 16. Acres of Feed Production

The fourth question assessed several equine facilities types used by stakeholders. They were barns/stables arenas and corrals or pens. The first part deals with barns/stables. The vast majority of respondents (82.5%) reported that they had one barn and/or stable, followed by 14% of respondents using two barns. The following graph summarizes the responses of the 1,044 stakeholders.



Graph 17. Number of Barns/Stables

Stakeholders were also asked to indicate the number of corrals or pens they use in managing their herd. The responses ranged anywhere from 1 to 50 corrals or pens with the largest group (39.0%) having one to three corrals. The next three groups consisted of: 1) two corrals or pens (15.6%), 2) three (13.6%) corrals or pens, and 3) four corrals or pens (12.5%). There were five respondents who have 40 or more corrals or pens suggesting a larger business operation. There were a total of 1,173 responses (65.4% of the respondents).



Graph 18. Number of Corrals or Pens

Respondents were asked to indicate whether they have: 1) indoor arenas, or 2) outdoor arenas/training tracks for their horse related activities. There were 192 (20.8%) respondents reporting indoor arenas while 729 (79.2%) reported having outdoor arenas. The following chart summarizes the 192 responses related to indoor arenas, with the prevalent group (95.4%) having only one arena.

NUMBER OF INDOOR ARENAS OWNED
(n=192)

1 arena	95.4%
2 arenas	2.6%
3 arenas	0.5%
4-5arenas	1.0%
6+ arenas	<u>0.5%</u>
	100.0%

Table 13. Number of Indoor Arenas Owned

The second question related to outdoor arenas or training tracks. The following table illustrates that of the 729 responses 88.1% reported that they have one outdoor arena or track. One respondent reported that there were 13 arenas or tracks in their operation, indicative of a larger business operation.

NUMBER OF OUTDOOR ARENAS
(n=729)

1 arena	88.1%
2 arenas	8.9%
3 arenas or more	<u>3.0%</u>
	100.0%

Table 14. Number of Outdoor Arenas

The last question related to the number of “other” buildings utilized. The following are summarized from most frequent to least frequent responses.

- “Horse shelters” – wind shelters, lean-tos,
- “Sheds” – ranging from hay (feed) sheds, sheds with stalls, tack rooms, machine sheds, tractor/trailer sheds
- “Shops”
- “Grain bins” – storage
- “Quonsets”
- “Round pens”
- “Pole barn/sheds”
- “Garages”
- “Houses”
- “Clubhouse for Pony Club”

Investment in horses and horse related materials.

Is the stakeholders’ role in the horse industry for pleasure or business? According to the following statistics, whether a horse owner is in it for the pleasure or business side, each requires a monetary commitment. The second question in the area of economics dealt with the investment of the stakeholder (aside from the previous question in reference to land and buildings). In this area the focus is upon stakeholder equine related investments.

Number of horses. Owners were asked to identify the number of horses they owned and their estimated value. The respondent population reported that they owned 14,742 horses having a total estimated value of \$62,899,556, showing an average horse’s worth of \$4,267. These horses represent approximately 5% of the overall total number of horses in Alberta, which, according to the HISA estimates at approximately 310,000 horses. Table 15 shows a breakdown of the number of horses which owners reported by category and their estimated values.

NUMBER AND VALUE OF HORSES REPORTED BY RESPONDENTS

(n=1541)

Categories of Horse Numbers	Number of Horses Reported	Average Dollar Value of Horses (owner estimated)
1	175	7,482.86
2 to 3	1,053	5,698.81
4 to 6	1,789	5,321.80
7 to 10	1,925	4,968.45
11 to 15	1,675	4,503.34
16 to 20	1,115	4,915.43
21 to 25	1,039	4,719.92
More than 25	5,971	3,112.13
Total	14,742	

Table 15. Number and Value of Horses Reported by Respondents

It should be noted that the report did not include in the above table seven owner responses where the dollar values were well outside the prevailing values of the majority of the horses found within the categories of 1 horse or 2 to 3 horses. This was done to prevent a significant distortion in the average value of the horses within these categories but is illustrated in the table below.

PRICE OF HORSES OUTSIDE OF THE NORM

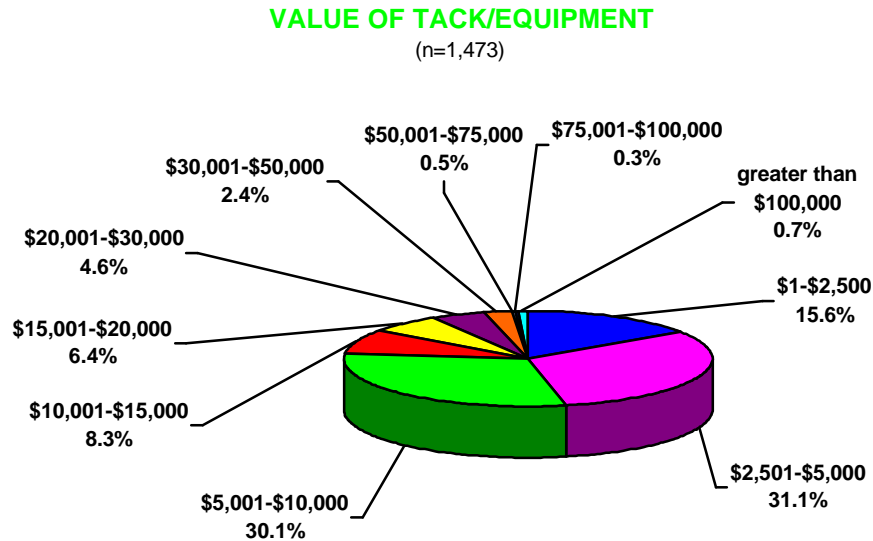
(as reported by respondents)

Number of Horses	Total \$ Value
1	49,750
1	60,000
1	60,000
1	100,000
1	150,000
1	600,000
2	200,000

Table 16. Price of Horses Outside of the Norm

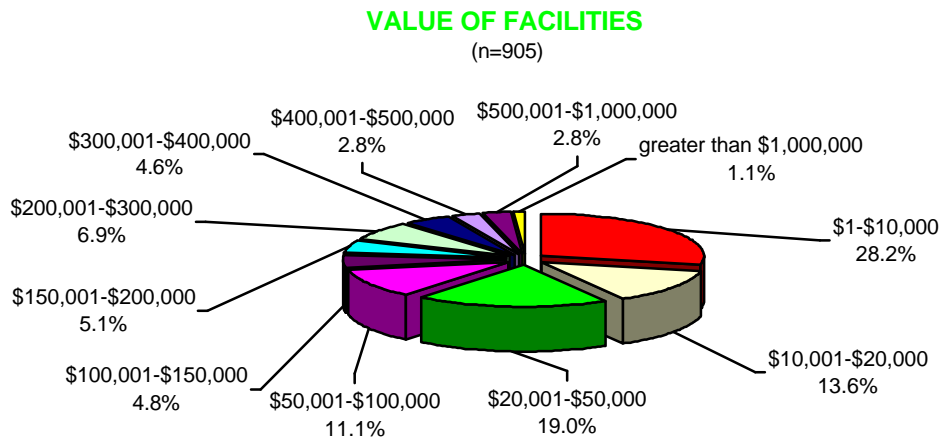
Tack and equipment. The stakeholder's expenses only begin with the purchase of a horse. To that end, stakeholders were asked what their current investment in tack and equipment is. Of the 1,793 respondents to the overall survey, 82.1% responded to the question of tack and equipment. For the sport-recreational rider, this amount might be expected to be lower than the person who shows or races his horse(s). Overall, the average person spends \$10,824 on tack and equipment, with the minimum spending being

\$100 and the maximum spending being \$500,000. Seventy-six point eight percent of the respondents spend less than \$10,000 with an average of \$5,399. The following graph indicates a breakdown of the stakeholder's investment in tack and equipment.



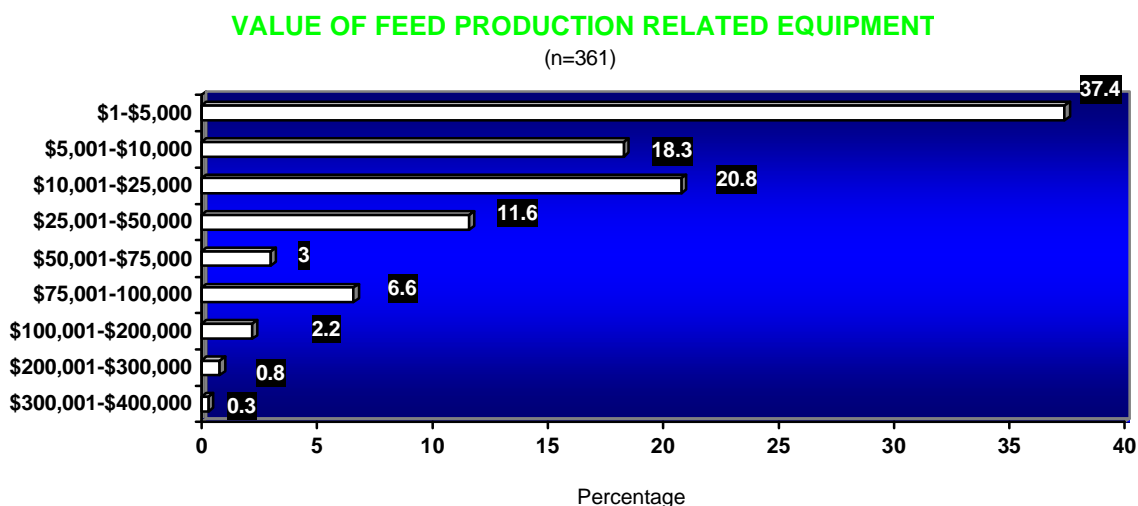
Graph 19. Value of Tack/Equipment

Facilities. While the first question relating to economics dealt with the amount of land and number of buildings, respondents were also asked to estimate the value of their horse facilities. There were 905 respondents reporting an investment value ranging from \$250 to \$3,000,000. The overall average facility investment was valued at \$124,290. However, 28.2% of the respondents reported an investment of less than \$10,000 with an average of \$4,600.



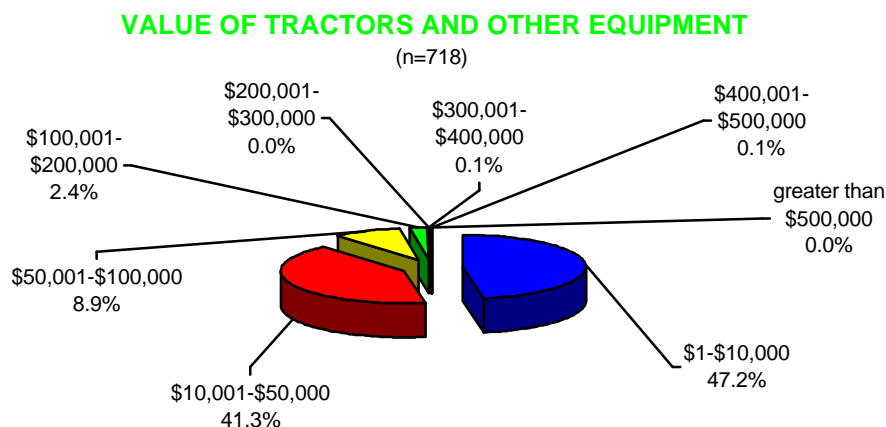
Graph 20. Value of Facilities

Feed production related equipment. The amount of land used in feed production was discussed in the first part of the economic section. This portion of the economic review defines the investment by stakeholders in feed production related equipment. There were only 361 (20.1%) responses to this question, which may be indicative of a large number of people who either board their horses, purchase feed, and/or integrate their feed requirements with other part of their operation(s) thereby not requiring feed production equipment or perceive the equipment as dedicated equipment. There was a vast range of responses ranging from \$150 to \$400,000 invested in feed production related equipment with the average investment being \$24,443. The following graph gives an analytical view of the responses.



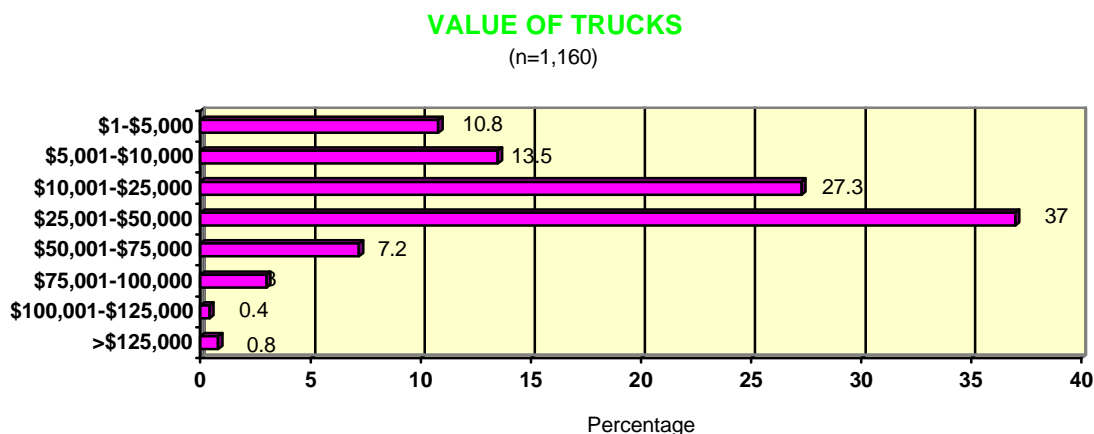
Graph 21. Value of Feed Production Related Equipment

Tractors and related equipment. The tractor and related equipment category is seen as separate from the above-mentioned equipment, as the stakeholder may require the tractor and related equipment to move feed for horses, haul and spread manure and/or deal with pasture management. There were 718 responses to the question of the value of tractor(s) and other equipment with the minimum response being \$500 and the maximum response being \$800,000. The average investment in tractors and related equipment was \$26,058. Eighty-eighty point one percent have an investment of \$50,000 or less. The following graph summarizes the representation of responses.



Graph 22. Value of Tractors and Other Equipment

Trucks. Respondents were also asked about the value of their trucks; however, as to the size or whether those trucks were used for hauling trailers or not, was not part of the question. Again, there was a wide range of answers ranging from \$500 to \$210,000 with the average investment in trucks being \$30,275. Fifty-one point six percent reported an investment of \$25,000 or less while 88.6% reported an investment of less than \$50,000. The following bar graph depicts values reported by respondents.

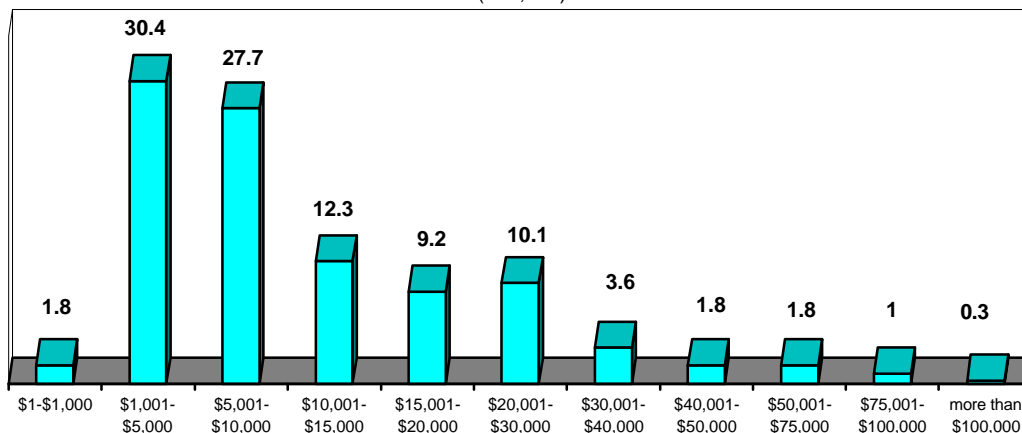


Graph 23. Value of Trucks

Trailers. Relating to the above-mentioned question is the value of investment by owners in horse trailers. As evidenced by 65% of respondents completing this question, it was determined that the average investment in trailers is \$14,178, with the range of trailers being from \$100 to \$150,000. Fifty-eight point one percent have from \$1,001 to \$5,000 invested. The following chart represents those responses relating to the investment by stakeholders in trailers.

VALUE OF TRAILERS

(n=1,179)



Graph 24. Value of Trailers

Other Investments. The last question relating to the current investment of horse owners focused on “other” investments. Ninety people responded to this question. These “other” investments contained the following responses ranging from most frequent to least frequent.

- ✓ Travel trailers, motor homes, campers and vans
- ✓ Sleighs, carriages, wagons and carts
- ✓ Manure spreaders, harrows, mowers, spray equipment
- ✓ Moveable panels
- ✓ Breeding and breeding equipment
- ✓ Troughs and water tanks
- ✓ Bobcats
- ✓ Irrigation equipment
- ✓ Computers, cameras and other hardware and software
- ✓ Farrier tools

There were two questionnaires completed which related to the current investment of stakeholders that were not included in the above-mentioned data. They are listed separately because of the excessive dollar amounts, which would distort the averages of each category.

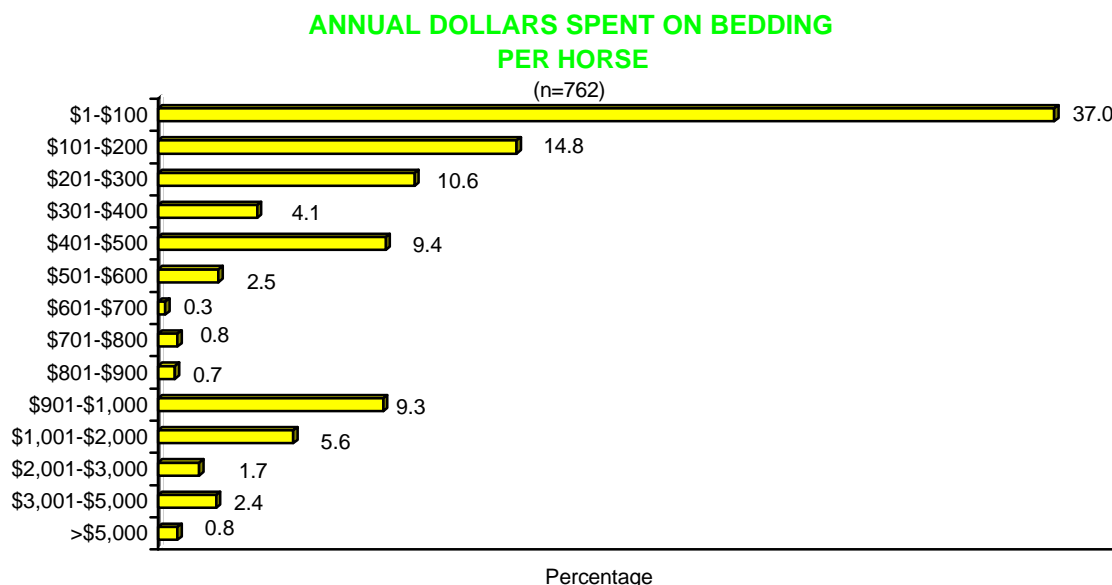
1.	Number of Horses	100
	Estimated value	\$ 1,600,000
	Tack & Equipment	\$ 250,000
	Facilities	\$34,000,000
	Tractors & Equipment	\$ 90,000
	Trucks	\$ 21,000
	Trailers	\$ 60,000
2.	Number of Horses	30
	Estimate value	\$ 3,531,000

Annual expenditures on horse related activities per horse

Land and buildings, plus the monetary value of investments in horses and related equipment were the focus of the first and second part of the economic portion of the survey. The third question relating to economics pertains to investment in the following 13 theme areas:

- | | |
|----------------------------------|-----------------------------|
| 1. Bedding | 8. Stable rental |
| 2. Boarding | 9. Stud fees per mare |
| 3. Farrier services | 10. Tack equipment/supplies |
| 4. Feed (average year) per horse | 11. Training/horse training |
| 5. Grooming | 12. Transportation |
| 6. Shelter | 13. Veterinarian – medical |
| 7. Show/entry fees | |

Bedding. Stakeholders were asked how much they spent on bedding. Of the 762 respondents, the largest group (282 respondents) was in the \$1 to \$100 range. The average annual expenditure on bedding was \$460 per horse. The following graph illustrates stakeholders’ responses.

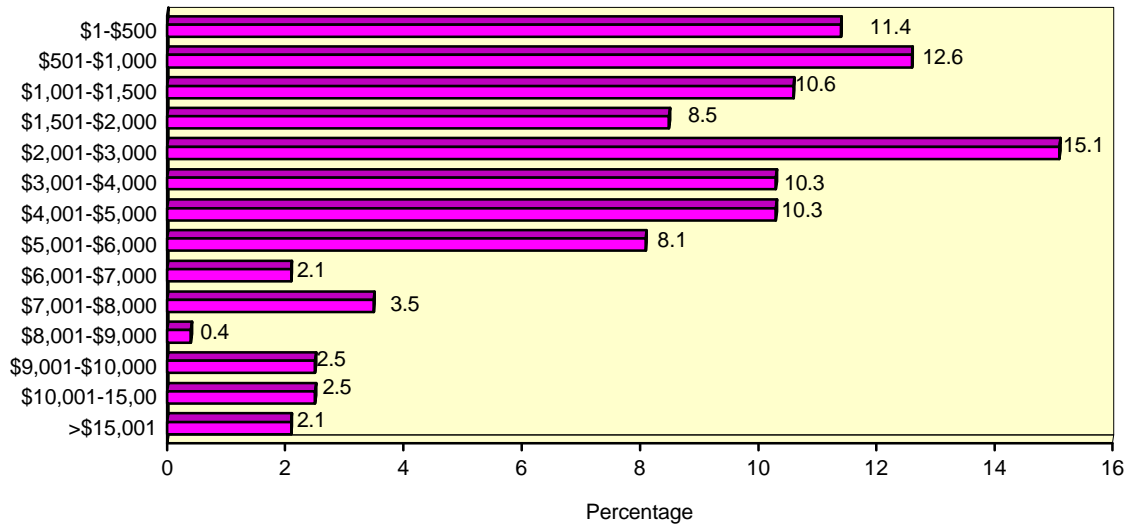


Graph 25. Annual Dollars Spent On Bedding Per Horse

Boarding. Respondents were then asked the amount they annually spent on boarding for their horses. In this question, the writer did not include one response of \$216,000 as this figure distorts the averages considerably. There were 517 respondents to this question of which the largest category was that in the \$2,001 to \$3,000 range. The average annual expenditure for boarding was \$2,830 per horse. The following graph reports responses from stakeholders.

ANNUAL BOARDING EXPENDITURE PER HORSE

(n=517)

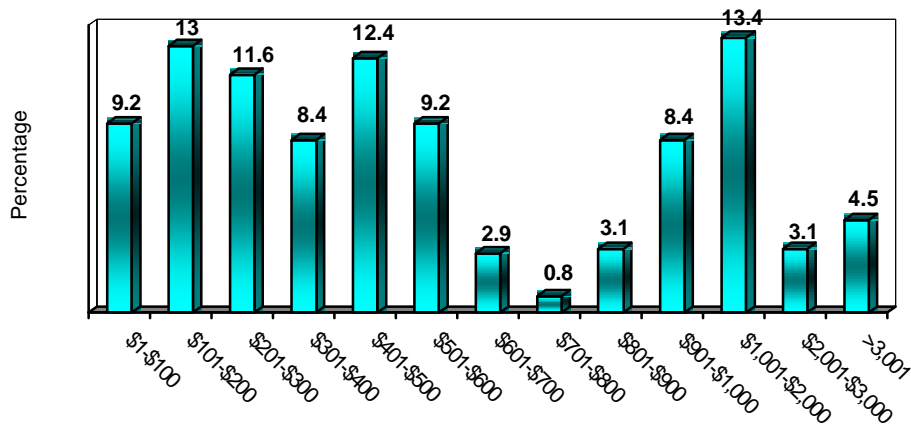


Graph 26. Annual Boarding Expenditure Per Horse

Farrier services. Farrier services required by respondents were the second largest group with 1,307 participating in this question. The most frequent annual expenditure per horse for farrier services was in the \$1,001 to \$2,000 range. The average expenditure for farrier services was \$628 per horse. The following graph illustrates the range of responses and percentages.

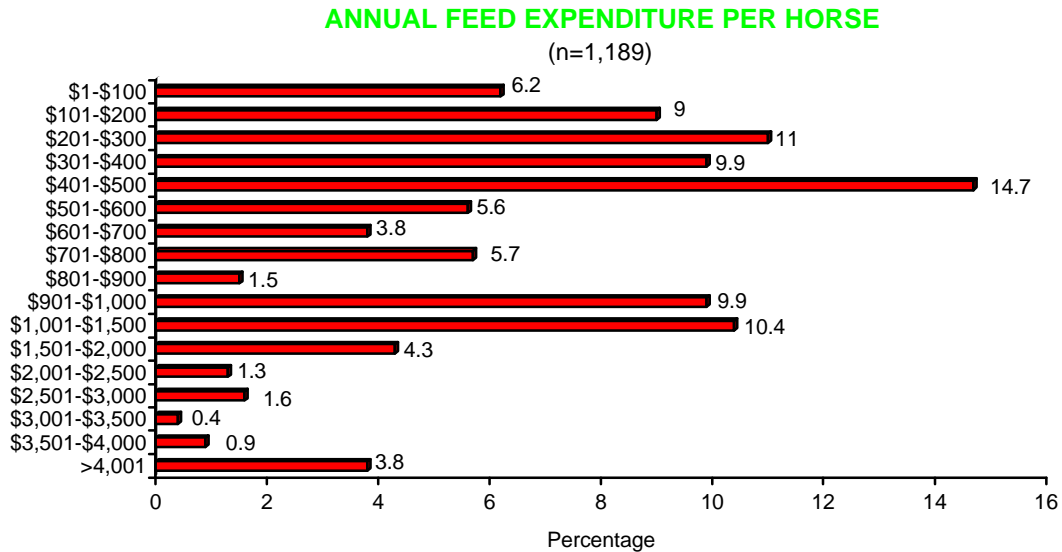
ANNUAL FARRIER EXPENDITURE PER HORSE

(n=1,307)



Graph 27. Annual Farrier Expenditure Per Horse

Feed. There were 1,189 stakeholders responding to the question of how much they spent on feed (average year) per horse. Respondents reported spending an average of \$882 on feed per year per horse. The largest expenditure category was \$401 to \$500 with 14.7% (175 respondents) responding. Second was the group spending \$201 to \$300 (11.0%) on feed. Fifty point eight percent reported spending \$500 or less per year. The following graph summarizes stakeholders' responses.

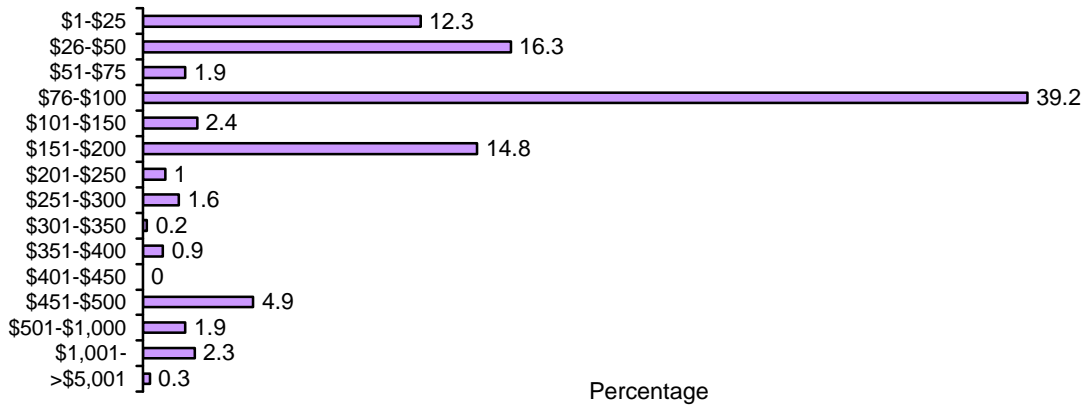


Graph 28. Annual Feed Expenditure Per Horse

Grooming. Next was a question relating to the amount of money spent on grooming activities for each horse per year. There were 497 (27.7%) stakeholders who responded to the question. Of those who reported using grooming services, the average annual expenditure was \$265 per horse. The largest respondent category was that in the \$76 to \$100 range with 39.2% of respondents selecting these values. The following graph shows respondents' responses.

ANNUAL GROOMING EXPENDITURE PER HORSE

(n=497)

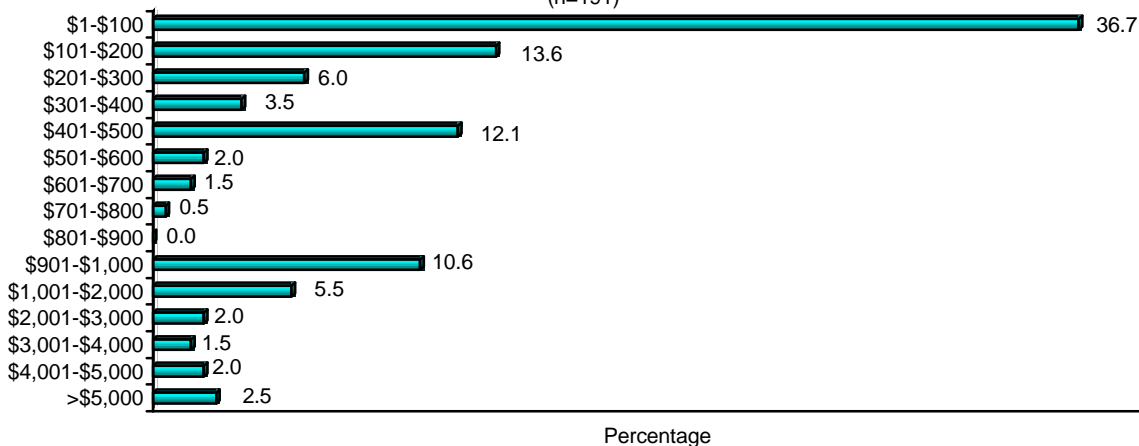


Graph 29. Annual Grooming Expenditure Per Horse

Shelter. The question of barns and shelters was addressed in the first portion of the economic section relating to the number of buildings. Respondents were also asked about the amount of money spent per horse per year on shelter. One hundred and ninety-nine respondents answered this question with the largest group (36.7%) indicating they spend between \$1 to \$100. The second largest group (13.6%) reported spending between \$101 to \$200. The average spent on shelter, per year, per horse, was reported at \$512. Because of the low response rate (10.7%), it can be assumed that most owners do not expend any shelter directed funds each year. The following graph illustrates the responses by the stakeholders.

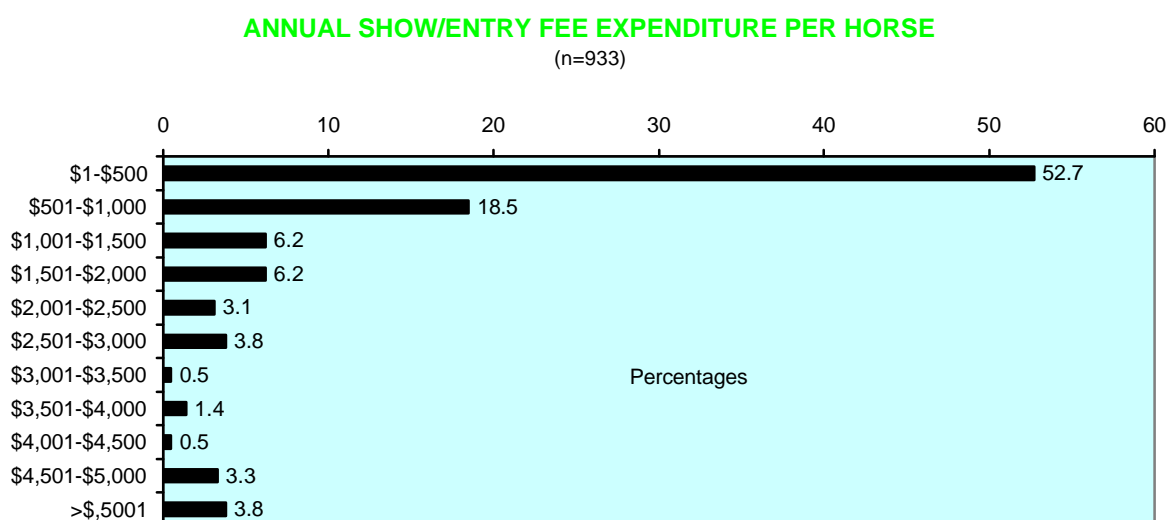
ANNUAL SHELTER EXPENDITURE PER HORSE

(n=191)



Graph 30. Annual Shelter Expenditure Per Horse

Shows and entry fees. There were a large number of stakeholders (933) responding to the question relating to the amount of money they spent on shows and entry fees. The majority of respondents (52.7%) reported that they spent anywhere from \$1 to \$500 on shows and entry fees, with the second largest category being those who spent between \$501 to \$1,000. This means that of people showing, 71% spend less than \$1,000 annually for each horse they show. It should be noted that of the 35 respondents who spent more than \$5,000 per year on shows and entry fees, there were 17 responses or 1.8% who spent more than \$10,000 per year on shows and entry fees. The average amount spent by stakeholders' was \$476 per year on show and entry fees.

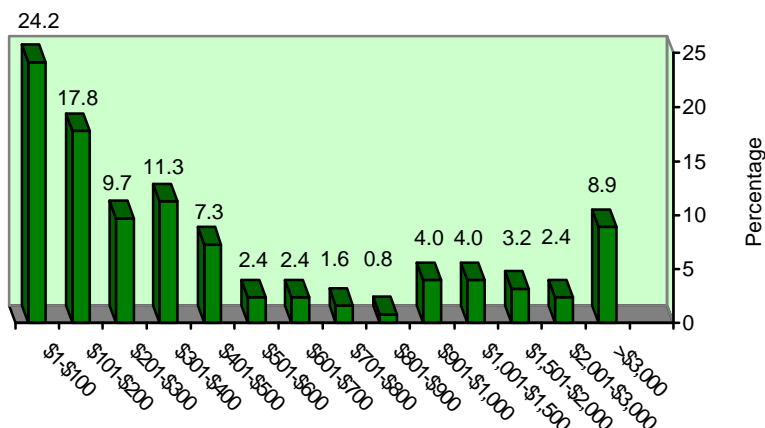


Graph 31. Annual Show/Entry Fee Expenditure Per Horse

Stable Rental. Stable rental included showing and competition. The question asked stakeholders to indicate how much they spent on a yearly average on stable rentals. One hundred and twenty four (6.9%) stakeholders responded to this question, indicating that the overwhelming majority of stakeholders stabled their horse on their own site. Of the 124 responses, 24.2% reported spending \$1 to \$100 with the second largest group stating that they spent anywhere from \$101 to \$200 on annual stable rentals. Although one stakeholder reported spending \$15,000 per year on stable rentals, 63% spend less than \$400 per year on stable rentals. The overall average spent on stable rentals was \$425.

ANNUAL EXPENDITURES ON STABLE RENTALS PER HORSE

(n=124)

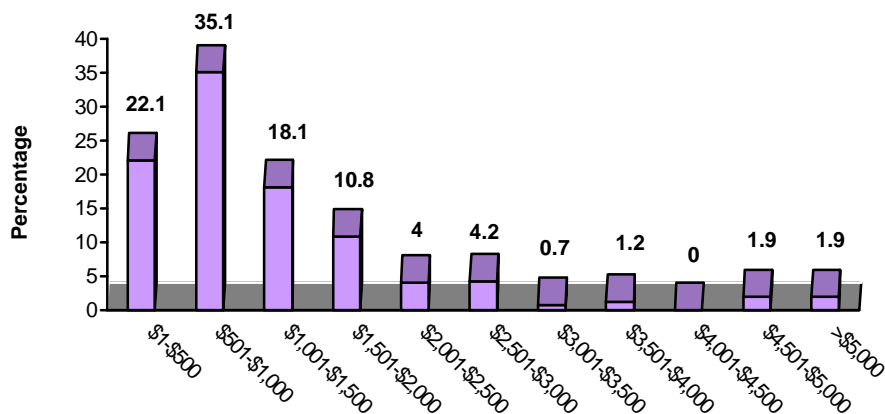


Graph 32. Annual Expenditures on Stable Rentals Per Horse

Stud fees per mare. As breeding matures as a business activity in Alberta, the question of how many dollars spent on stud fees per mare needs to be explored. The largest expenditure category (149 responses, 35.1%) reported spending from \$501 to \$1,000 on stud fees per mare per year. The second highest category (22.1%) was that of those spending \$1 to \$500, while third highest (18.1%) reporting spending \$1,001 to \$1,500 on stud fees per mare. The overall average annual expenditure on stud fees per breeding mare was \$816. It should also be noted that 75.3% of the respondents reported spending \$1,500 or less on stud fees per mare. The following graph illustrates the responses.

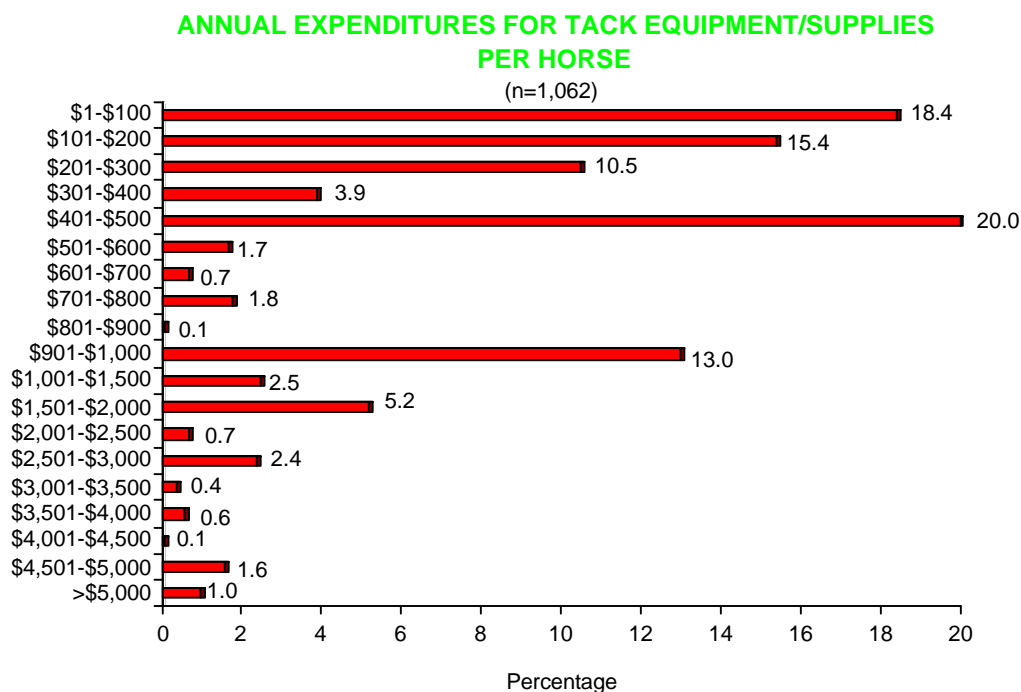
ANNUAL STUD EXPENDITURES PER BREEDING MARE

(n=425)



Graph 33. Annual Stud Expenditures Per Breeding Mare

Tack and equipment. This question sought to determine approximately how much a stakeholder spends per horse each year on tack and equipment. Tack and equipment was one of the most frequently answered categories with 1,062 people responding. The largest single category reported was \$401 to \$500 with 20.0% of the respondents responding. Sixty-eight point two percent reported spending \$500 or less per year per horse. An average of \$468 was reported as being spent on tack equipment and supplies per year per horse. The following graph illustrates the responses.

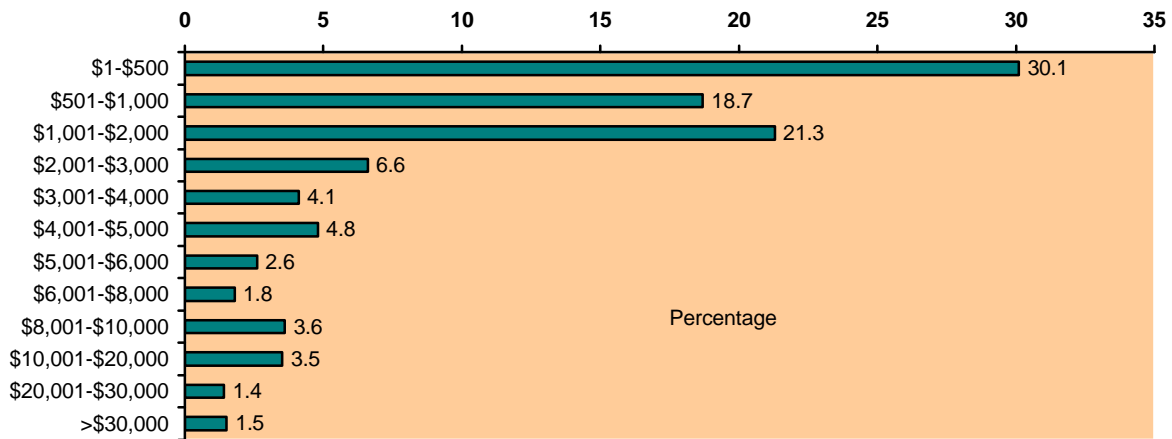


Graph 34. Annual Expenditures for Tack Equipment/Supplies Per Horse

Training/horse training. Another area within the segment of horse related activities that stakeholders were asked to respond to was that of dollars spent on training/horse training per horse per year. There were 666 responses in the highest category (30.1%) with a range of \$1 to \$500. The second highest category (21.3%) was in the \$1,001 to \$2,000 range. A total of 76.7% reported spending \$3,000 or less on training activities. The average annual dollars spent on training/horse training was \$1,623 per horse. The following graph illustrates the dollars spent by stakeholders on training/horse training activities.

ANNUAL TRAINING/HORSE TRAINING EXPENDITURE PER HORSE

(n=666)

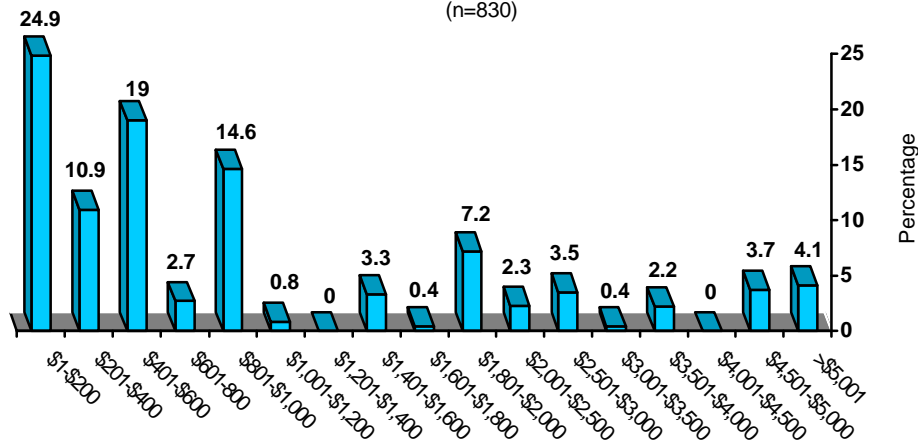


Graph 35. Annual Training/Horse Training Expenditure Per Horse

Transportation. Transportation of horses to any venue requires stakeholders to invest dollars on an annual basis. Stakeholders were asked to identify the amount of dollars they spend annually per horse. The largest group identified spent between \$1 to \$200, with the second leading group spending \$401 to \$600 annually on transportation. Stakeholders reported that 72.1% spend \$1,000 or less per year per horse on transportation. The overall average spent on transportation was \$774 per year per horse. The following graph illustrates investment by stakeholders in transporting their horse(s).

ANNUAL TRANSPORTATION EXPENDITURE PER HORSE

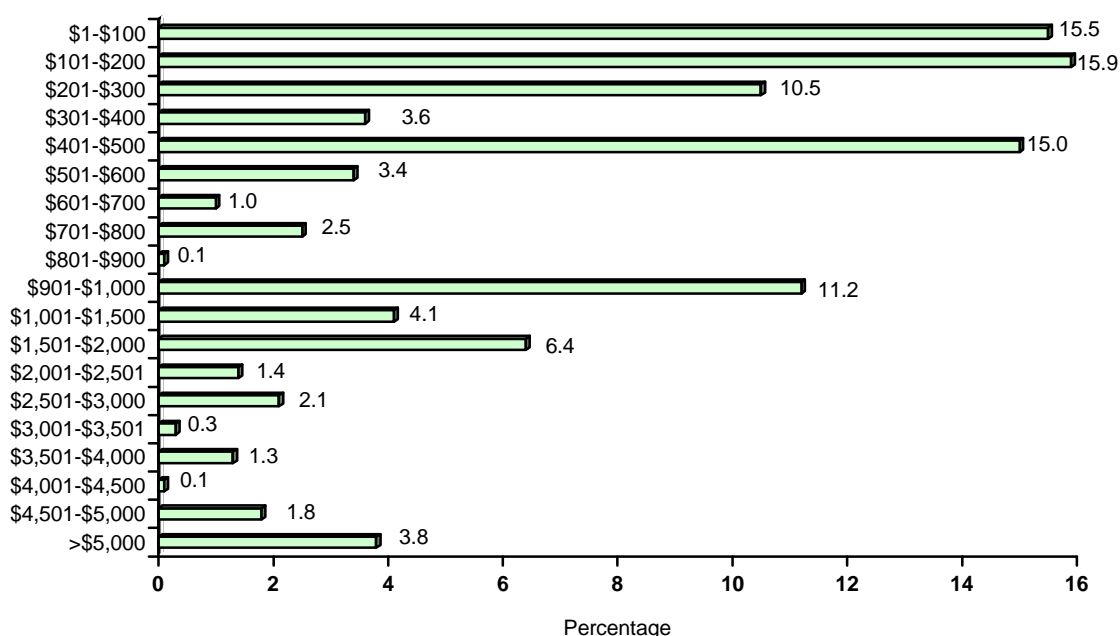
(n=830)



Graph 36. Annual Transportation Expenditure Per Horse

Veterinarians. The use of veterinarians on farms is an essential part of the horse industry. The survey inquired of participants as to what they thought they would spend in a year, per horse, on a veterinarian or medical issues. The following graph depicts the 1,358 respondents' answers showing that the largest group spends \$101 to \$200 per year per horse with the second largest group spending \$1 to 100; however, it should be noted that there was only a 0.4% differentiation between the two groups. There were 27 respondents who reported spending over \$10,000 per horse per year on veterinarian services. The average amount spent on veterinarian services was \$307 per horse.

ANNUAL VETERINARIAN/MEDICAL EXPENDITURE PER HORSE
 (n=1,358)

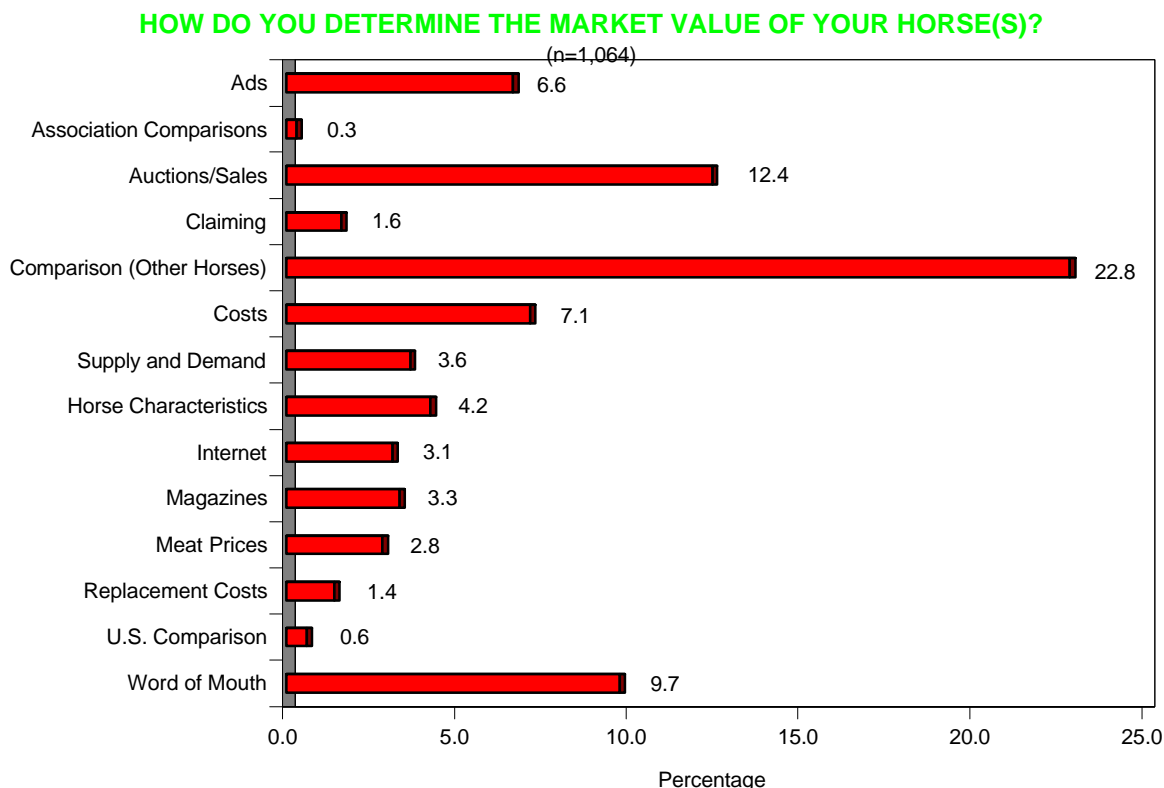


Graph 37. Annual Veterinarian/Medical Expenditure Per Horse

Determination of market value of horses

Stakeholders were asked how they determine the market value of their horse(s) using an open-ended question. The primary tool was the evaluation of the animal's characteristics. Factors included age, sex, breed, bloodlines, training, personality, reliability, temperament, health, performance, competition record, money earned, and compatibility of horse to buyer. Comparisons to other horses based on the owners experience were reported 22.8% of the time although the specific comparators were not indicated. Auctions and sales were used by 12.4% as a reliable method of valuing horses while 9.7% of respondents reported that they relied on the advice of trainers, breeders, and friends within the industry. The

following graph provides an overview of factors that contribute to the determination of a monetary value on their horse(s). It is apparent that there is a wide variety and disparity of perceptions and views on how the value is to be determined.

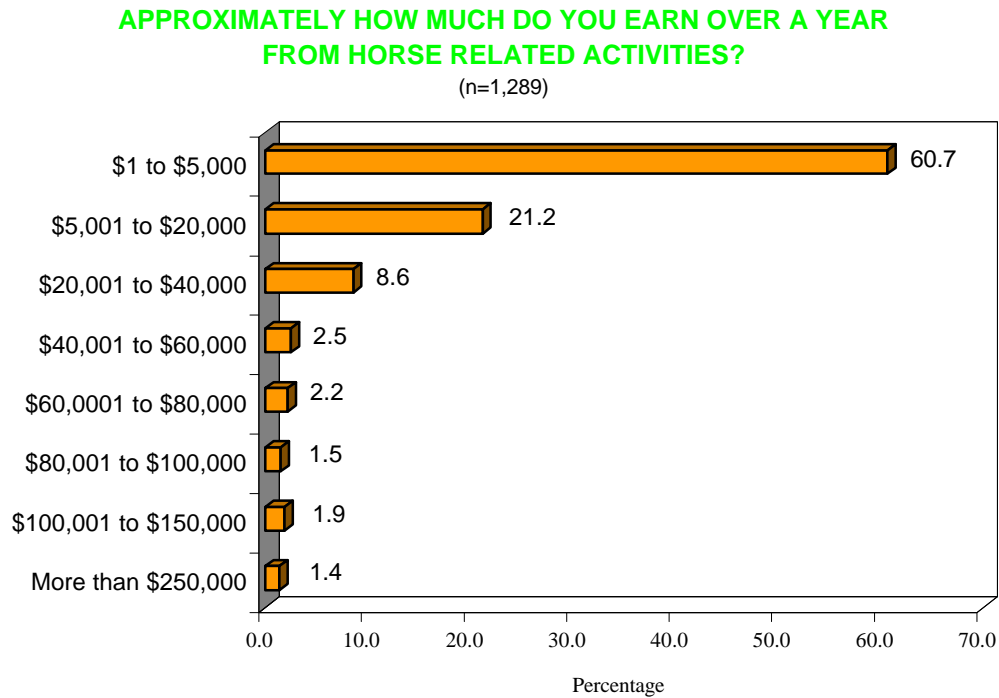


Graph 38. How Do You Determine the Market Value of Your Horse(s)?

Annual earnings over the past year from horse related activities

The last question in the economics section relates to annual income earned from horse related activities. The first part relates to income earned and the second part relates to the source of the income, followed by comments from respondents.

Earnings of the past year from horse related activities. The following graph indicates that the majority of respondents (60.7%) earn anywhere from \$1 to \$5,000 from horse related activities. It should be noted that 9.5% of the responding population reported earning over \$40,001 (refer to Graph 39).

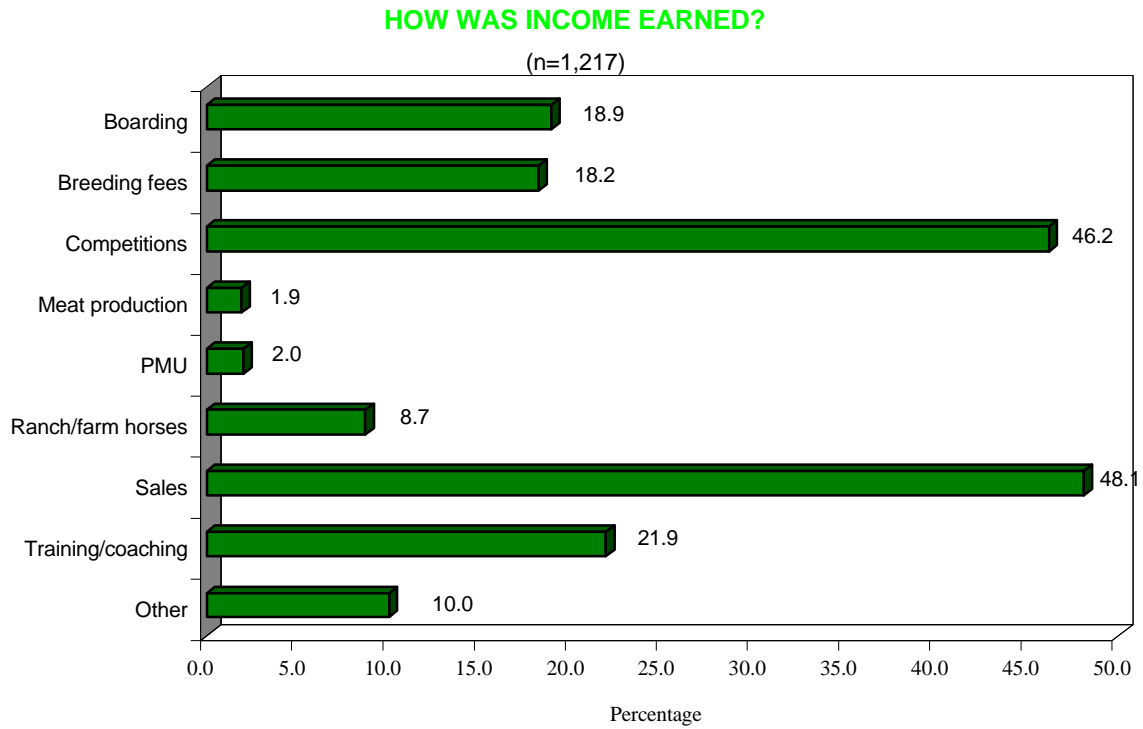


Graph 39. Approximately How Much Do You Earn Over a Year From Horse Related Activities?

How income was earned from horse related activities. The source of the stakeholders income earned from horses was divided into eight categories as follows:

- | | |
|--------------------|----------------------|
| 1. Boarding | 5. PMU |
| 2. Breeding Fees | 6. Sales |
| 3. Competitions | 7. Training/coaching |
| 4. Meat Production | 8. Ranch/farm horses |

Sales were reported most frequently by 48.1% of respondents while competitions were a close second at 46.2%. Training/coaching, boarding and breeding were a very close third (21.9%, 18.9% and 18.2% respectively). The question allowed for respondents to identify more than one source of income from horse related activities. The frequency of their choice(s) is illustrated in the following graph.



Graph 40. How Was Income Earned?

The following table illustrates the cross-reference of earnings from horse related activities with the source of income. This table once again allowed the respondents to identify more than one source of income, thus the total figures compared to percentages.

CROSS REFERENCE INCOME EARNED AND SOURCE OF INCOME										
(n=2,113)										
Percentage by Column (in bracket)										
SOURCES										
INCOME	Boarding	Breeding Fees	Competition	Meat Production	PMU	Ranch/ Farm	Sales	Training/ Coaching	Other	Total
\$1 to \$5,000	83 (36.7)	55 (25.5)	371 (66.6)	11 (47.8)	6 (25.0)	42 (40.4)	239 (41.4)	102 (38.5)	51 (42.6)	960
\$5,001 to \$20,000	60 (26.4)	70 (32.4)	98 (17.6)	4 (17.4)	0	28 (26.9)	187 (32.4)	72 (27.2)	27 (22.5)	546
\$20,001 to \$40,000	33 (14.5)	42 (19.4)	44 (8.0)	4 (17.4)	3 (12.5)	23 (22.1)	71 (12.3)	44 (16.6)	16 (13.3)	280
\$40,001 to \$60,000	13 (5.7)	12 (5.6)	14 (2.5)	0	1 (4.2)	1 (1.0)	22 (3.8)	15 (5.7)	9 (7.5)	87
\$60,001 to \$80,000	10 (4.4)	11 (5.1)	9 (1.6)	0	0	2 (1.9)	19 (3.3)	11 (4.2)	3 (2.5)	65
\$80,001 to \$100,000	10 (4.4)	10 (4.6)	8 (1.4)	1 (4.3)	3 (12.5)	2 (1.9)	12 (2.1)	7 (2.6)	4 (3.3)	57
\$100,001 to \$150,000	12 (5.3)	10 (4.6)	8 (1.4)	1 (4.3)	5 (20.8)	3 (2.9)	15 (2.6)	10 (3.8)	6 (5.0)	70
\$150,001 to \$250,000	0	0	0	0	0	0	0	0	0	0
More than \$250,000	6 (2.6)	6 (2.8)	5 (0.9)	2 (8.8)	6 (25.0)	3 (2.9)	12 (2.1)	4 (1.5)	4 (3.3)	48
Total	227 (100)	216 (100)	557 (100)	23 (100)	24 (100)	104 (100)	577 (100)	265 (100)	120 (100)	2,113

Table 17. Cross Reference Income Earned and Source of Income

Horse owners were given the opportunity to provide information about methods they used to earn income through horse related activities that were not predefined by the survey. Methods reported in the “Other” category are represented in the following table:

“OTHER” HOW WAS INCOME EARNED?			
(Frequency of percentage of selection)			
Racing (Purses and Prizes)	23.7	Selling horse related products	2.5
Clinics/Riding Lessons	9.3	Stablehand/groom	2.5
Farrier Services	8.5	Advertising	1.7
Outfitting	8.5	Braiding	1.7
Rides (Wagon, Sleigh, Hay)	4.2	Equine Art	1.7
Trail Rides	4.2	Horsewear Manufacturing	1.7
Facility Rental	3.4	Rodeo	1.7
Leasing of Horses	3.4	Tack Sales	1.7
Judging	2.5	Transporting	1.7
		Veterinary Services	1.7

Table 18. “Other” How Was Income Earned?

Additional activities reported were:

- 4H
- Blanket Repairs
- Breeders Bonus
- Custom Ranch Work
- Equine Assistance Psychotherapy
- Equine Sports Massage Therapy
- Feed Sales
- Hay Production
- Officiating
- Incentives Fund
- Pack Horses
- Parades
- Penning
- Photography
- Pony Rides
- Ranch Vacations
- Show Carts
- Subscription Sales
- Therapy
- Tourism
- Web Design/Hosting
- Wheelrighting

Conclusions

The majority of stakeholders, both sport-recreational and business, reported that to purchase and maintain their horse(s) required substantial amounts of time, energy and dollars.

The economic section of the survey indicates that the industry within Alberta, notwithstanding some areas of concern, is a viable industry.

The largest group (47.3%) of respondents utilizes 11 to 80 acres of land for pasture use, with 36.2% reported keeping up to 2 horses per acre. Even with the climate affecting hay crops and pasture land over the past two years, 50.5% of respondents still reported that they utilize anywhere from 31 to 160 acres for feed production. The majority of respondents (76.5%) indicated that they spent less than \$25,000 on feed related production equipment. The average dollars spent on feed related production equipment was \$24,443. Tractors and other such equipment were valued higher than feed related production equipment, with the range between \$500 and \$800,000. Respondents spent an average of \$26,058 on tractors and other equipment.

The housing or facilities (barns/stables/corrals/pens) component evidences that the vast majority of stakeholders have one barn and/or stable to house their horses and also utilize between one and three corrals or pens in support of their activities.

The erection and maintenance of indoor and outdoor arenas can become a costly endeavour. Stakeholders were asked to identify whether they utilized indoor and/or outdoor arenas with the majority (729 respondents) indicating that they use outdoor arenas and 192 responding that they maintain indoor arenas. Of those responding to outdoor arenas 95.4% maintain one outdoor arena. Eighty-eight point one percent of stakeholders utilizing indoor arenas have only one arena. Stakeholders indicated that they have a current investment from \$250 to \$3,000,000 on facilities with the average cost of facilities being \$124,290.

Many other buildings are utilized in the horse industry ranging from shelters, sheds, shops, storage sheds, Quonsets, pole barns, and garages to a “Clubhouse for Pony Clubs”.

Of the population surveyed, it was determined that the responding population owns approximately 14,742 horses, which is estimated to be about 5% of the Alberta horse population, with an average estimated value per horse of \$4,267. There is a wide diversity of ages and breeds of horses, which may account for the dramatic range in prices of horses. Horse values were identified by owners anywhere from \$500 to one horse priced at \$600,000.

The average stakeholder has an investment of approximately \$10,824 on tack and equipment per horse, once again suggesting the high cost of owning a horse. Stakeholders indicated their overall investment ranged between \$100 to \$500,000 on tack and equipment.

The cost of equipment for transporting an animal has always been an expensive venture. The survey sought to establish an average spent on transporting animals, including both the truck and trailers. Horse

owners indicated that they invest an average of \$30,275 towards their truck; however, the range of trucks varied from \$500 to \$210,000. Investments in trailers were valued (average) to be \$14,178; again, a wide range in values were indicated from \$100 to \$150,000.

Stakeholders also mentioned in the investment category that they utilize a wide variety of vehicles and equipment (i.e., for people use such as travel trailers, motor homes, campers and vans, to use with horses such as sleighs, carriages, wagons and carts, to equipment and machinery for farm work such as manure spreaders, harrows, mowers, spray equipment, to bobcats). Other investments included sleighs, carriages, wagons and carts, feed, feeders and shelters, fencing, moveable panels, breeding and breeding equipment, troughs and water tanks, irrigation equipment, computers (hardware and software), cameras and farrier tools.

Stakeholders were asked to identify their investment in the upkeep of their horse per year. The annual cost of bedding was averaged at \$460, annual cost of boarding was averaged at \$2,830, annual cost of farrier services was averaged at \$628; annual cost of feed was averaged to be \$882; annual grooming cost was estimated to be \$265; investment in shelters was averaged at \$512; annual cost of show and entry fees was estimated to be \$476; annual cost of stable rental was averaged at \$425; investment in stud fees was averaged at \$816; investment in tack and equipment was averaged at \$468; annual cost of training/horse training was averaged at \$1,623; investment in transportation was averaged to be \$774; and the annual cost of veterinarian services when horses are maintained at the owner's premises, were average at \$307. An estimated dollar amount for upkeep of one horse per year is estimated to be \$3,522 using the average dollars spent on: bedding, farrier services, feed, grooming, shelters, tack and equipment, and veterinarian services.

When placing a value on their horse(s), stakeholders indicated that they preferred to do a comparison of horses to determine value. Other factors included age, sex, breed, bloodlines, training, personality, reliability, temperament, health, performance, competition record, money earned and compatibility of horse to the buyer. Auctions and words of mouth were the second and third choices respectively.

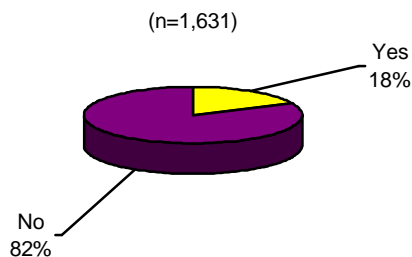
While the purchase and maintenance of horses indicated above is perceived as an expensive endeavor, stakeholders also reported their earnings from their horse related activities. The majority of respondents (60.7%) reported that they earned \$1 to \$5,000, while 9.5% of respondents earned over \$40,000. Stakeholders also indicated that their main sources of horse related revenue came from eight categories (frequency of selection) of which sales was the highest at 48.1%, followed by competitions (46.2%), training/coaching (21.9%), boarding (8.9%) and breeding fees (18.2%). Ranch/farm horses, PMU and

meat production had the least number of people identifying their involvement (8.7%, 2.0% and 1.9% respectively). Other sources of income cited, included:, racing purses and prizes, farrier services, outfitting, clinics, wagon/sleigh/hay rides, riding lesson, trail rides, facility rentals, leasing of horses, judging, selling horse related products, stablehand/groom/advertising, braiding, equine art, horsewear manufacturing, rodeo, tack sales, transporting and veterinary services.

Employment

The “business” aspect of the horse industry, whether through breeding, PMU operations, meat production operations, racing/showing, training/coaching, stablehands, etc. employed a wide diversity of individuals. The following graph indicates that within Alberta, only 18% of horse owners employ other individuals.

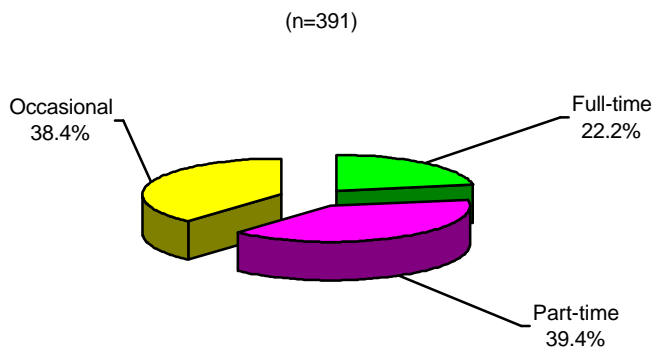
EMPLOY PEOPLE TO DIRECTLY SUPPORT HORSE RELATED ACTIVITIES



Graph 41. Employ People To Directly Support Horse Related Activities

Three hundred and ninety-one respondents stated that they hired employees, whether on a full-time, part-time or occasional basis. Of that number not all identified the type of employees they hire. Of those that did respond, it was reported that respondents employed on the average, 2.98 people for full-time positions, 2.81 people for part-time positions and 1.83 people for the occasional work.

TYPE OF EMPLOYMENT



Graph 42. Type Of Employment