School of Agriculture and Food Science

Economic Contribution of the Sport Horse Industry to the Irish Economy

NDP
National Development Plan
Transforming Ireland

Contents

Introduction

Summary Findings

1. The contribution of the Irish Sport Horse industry to the Irish economy is in excess of €708 million per annum.
2. There are 12,512 full-time job equivalents in the Irish Sport Horse industry, of which 11,417 are directly employed.
3. There are 47,096 people involved in the Sport Horse sector and it was estimated that involvement with sport horses contributes to the household income of 29,295 people.
4. The current Sport Horse population is estimated at 124,000 animals in Ireland.
5. Expenditure specifically on goods and services has increased to €454 million in 2012 from €400 million estimated in the *Profile of the Industry Report* in 2007.
6. Breeding is the largest sector and accounts for a total expenditure of €226 million (32%) within the economy and there are 15,110 active breeders in the Irish Sport Horse sector.
7. The competition sector accounted for €135 million expenditure in the Sport Horse sector.
8. A total of €119 million is spent within the affiliated leisure sector, of which €35 million is expenditure on showing and country shows.
9. A total of 6,599 sport horses to the value of €26,100,062 were exported in 2011, with net exports amounting to €15.9 million.
10. There are 11,900 equine classes held at national country shows each year, helping to attract over 270,000 spectators of which 5% attend from overseas.

Background

This report was commissioned by Horse Sport Ireland (HSI) and has been funded by the National Development Plan 2007-2013. The objective of this report was to evaluate the economic impact of the Sport Horse industry in Ireland in 2012 and to chart the progress of the industry in recent years.

This report is the third in a series of collaborations between UCD and the Irish Sport Horse industry. In 1996, the UCD Corbally report evaluated the contribution of the Sport Horse industry to the Irish economy for the first time. In 2007, the UCD Quinn & Hennessy report profiled the Sport Horse industry including a detailed profile of direct expenditure on goods and services. It was estimated that annual expenditure on goods and services within the Sport Horse industry in Ireland was over €400 million in 2005.

In addition to its formal and structured elements, the sport horse industry has significant informal and unstructured elements. For the study the sources of data were confined to the formal, structured elements of the industry so as to provide well-founded and trustworthy inputs and to provide a firm basis for any evaluation of the industry as a whole. The definition of sport horses adopted for the purpose of this study was:

The sport horse is a riding horse or pony of a single breed or a combination of breeds used for, or intended to be used for, recreational and competitive activities other than racing.

The economic contribution of the Sport Horse industry estimated in this report refers to the contribution made by the industry to the Irish Economy in 2012. Information relating to sport horse industry activities in 2012 was used whenever possible and where such information was not available estimates were used based on 2011 data.

Government Support

Horse Sport Ireland (HSI) was established on 1st January 2008 from the amalgamation of the Equestrian Federation of Ireland (EFI) and the Irish Horse Board (IHB). HSI is a 32-county body and is a limited company run by a board of directors made up of 19 members nominated by the various Affiliate Bodies. The 22 Affiliate Bodies are: Army Equitation School (Dept. of Defence), Association of Irish Riding Clubs (AIRC), Association of Irish Riding Establishments (AIRE), Carriage Driving Section of HSI, Dressage Ireland (DI), Eventing Ireland (EI), Federation of Irish Polo Clubs (FIPC), Hunting Association of Ireland (HAI), Irish Long Distance Riding Association (ILDRA), Irish Polocrosse Association (IPA), Irish Pony Club (IPC), Irish Pony Society (IPS), Irish Shows Association (ISA), Irish Universities Riding Clubs Association (IURCA), Medical Equestrian Association (MEA), Para Equestrian Ireland (PEI), Pentathlon Ireland, Reining & Western Section of HSI, Riding for the Disabled Association of Ireland (RDAI), Royal Dublin Society (RDS), Showjumping Ireland (SJI), TREC Ireland (Tourism Related Equestrian Competitions).

HSI has responsibility for both the sport and breeding sectors and accordingly is in receipt of funds from the Department of Agriculture, Food and the Marine (DAFM) and the Department of Transport, Tourism and Sport, through the Irish Sports Council (ISC).

DAFM transferred responsibility for maintaining the Irish Horse Register (Irish Sport Horse and Irish Draught Horse Studbooks) to HSI in July 2008.

The budget income for HSI of €4.638m in 2012 consists of €2.957m (63%) Exchequer funds and €1.681m (37%) generated from earned income as shown in the table 1-1. HSI's overall budget has declined by 30.5% since 2008 (decrease of €2.04m) due to a reduction in state funds by 31.4% and a decline in own income by 32.6%.

Table 1-1 Budget income for Horse Sport Ireland in 2012

	2008	2009	2010	2011	2012*
Breeding					
DAFM[1] funds	€2.547m	€2.097m	€1.855m	€1.781m	€1.670m
Own Income	€1.648m	€1.220m	€1.190m	€1.171m	€1.062m
	€4.195m	**€3.317m**	**€3.075m**	**€2.952m**	**€2.732m**
Sport					
ISC[2] Grant	€1.767m	€1.589m	€1.490m	€1.368m	€1.287m
Own Income	€0.848m	€0.682m	€0.776m	€0.594m	€0.619m
	€2.615m	**€2.271m**	**€2.266m**	**€1.962m**	**€1.906m**
Total Income	**€6.681m**	**€5.588m**	**€5.341m**	**€4.914m**	**€4.638m**

[1] Department of Agriculture, Food and the Marine [2] Irish Sports Council * budget figure

Executive Summary by Dr Alan Fahey (UCD)

This report was commissioned to determine the contribution made by the Irish Sport Horse industry to the economy. The findings of this report show that the Sport Horse industry provides a major contribution in excess of €708 million to the Irish economy and provides 12,512 jobs in the sport horse breeding, competition and leisure sectors. This has been achieved with a relatively low level of investment of €3 million per annum from the Government.

In order to grow the Irish Sport Horse industry in both domestic and global markets, an increase in financial investment from the Government is essential. In a time of economic recession the Sport Horse industry provides the Government with an excellent opportunity to yield a high return for their investment and increase employment in rural Ireland.

Research

This report was prepared under the guidance of Dr Alan Fahey, UCD School of Agriculture and Food Science. It was managed and authored by Alison Corbally and Katherine Quinn Brady with research assistance from Deirdre Harty and Christine Cummins.

The report was commissioned by HSI and was funded by the National Development Plan 2007-2013.

November 2012.

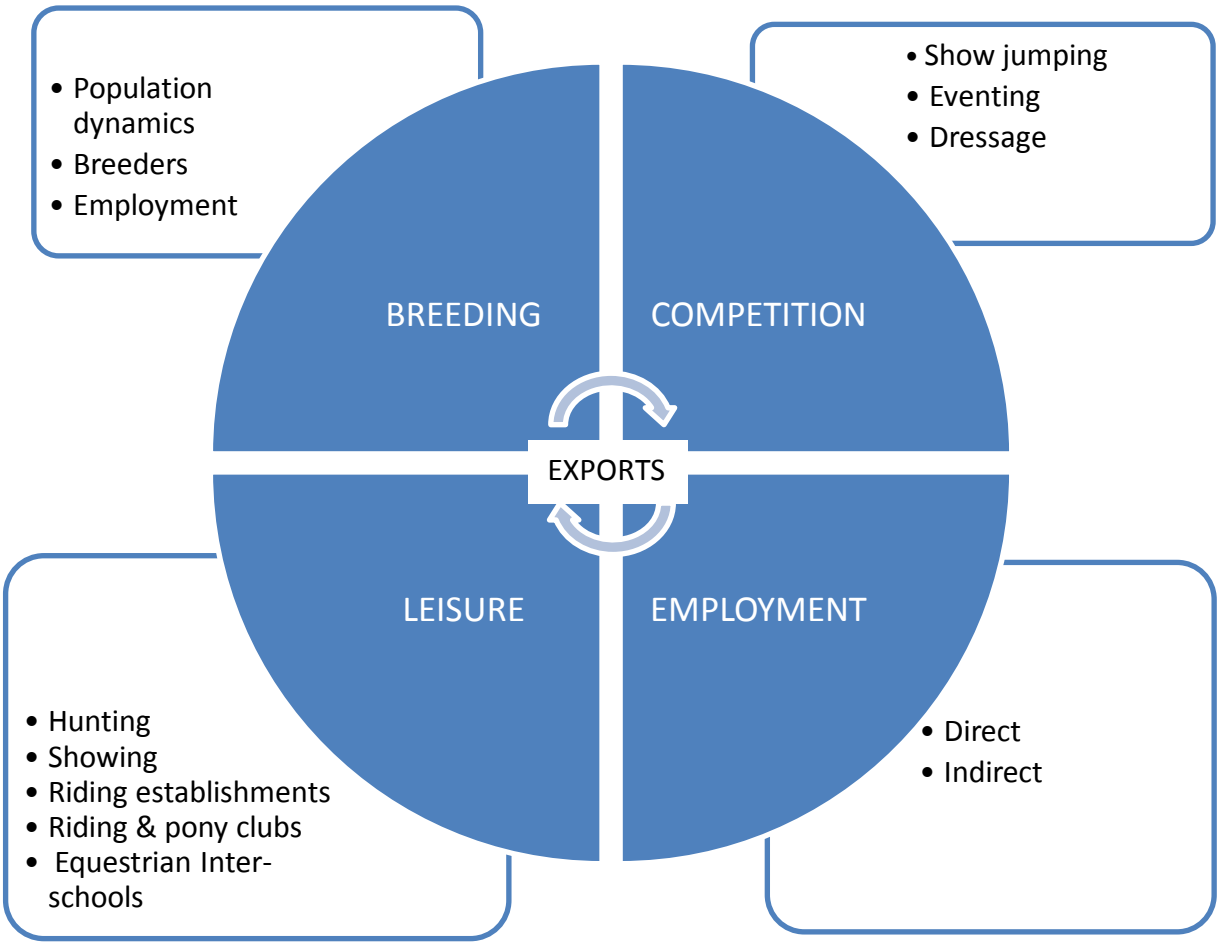
1 Report Methodology

1.1 Areas for study

A study of the structures in the sport horse industry readily identified four distinct areas: breeding, competition, leisure and employment.

The breeding, competition and leisure areas each have a distinctive structure with their own affiliated bodies. For these three areas the study was confined to registered animals and establishments.

Figure 1-1 Structured Elements of the Sport Horse Industry



1.2 Methodology and Study Design

In assessing the economic contribution of a sector to the national economy three established approaches can be considered: ***income*** or ***output*** or ***expenditure***.

- Income - The value of all incomes received by individuals and firms
- Output - The value of all types of production (products and services)
- Expenditure - Total expenditure on goods and services

Conceptually each of these economic approaches produces the same value. Each approach has its own strengths and weaknesses in accessibility and processing of data, and the selection for a particular study is determined by the circumstances of the case. For this study the determining factor was the feasibility of obtaining reliable data.

While the output approach may initially appear to be the most appropriate method, there are serious difficulties in obtaining basic data. As regards the 'product value' element, it is widely believed that the majority of higher priced animals are sold privately in both domestic and export transactions, and that, therefore, public sales results reflect the less valuable end of the market. Consequently the available data are not reliably representative of the total product value. In relation to the value of the services element of output, data of service suppliers' income is not in the public domain and is a notoriously sensitive and unsatisfactory area for survey methods.

Those latter considerations also ruled out the income approach as a basis for the study. Therefore, the expenditure approach was selected as the most effective approach to assess the economic contribution of the sport horse industry to the Irish economy. It was judged that responses to queries about expenditure would be less affected by defensive attitudes and statistical problems than either income or output approaches.

1.3 Data Collection and Analysis

The main methods of data collection were postal and phone questionnaires and surveys. The breeding, competition and leisure sectors of the industry each received a specifically designed questionnaire relating to the expenditure involved in their particular area. Following a review of the relevant literature the data headings were selected and appropriate questions were devised and confined to unambiguous factual matter. To ensure reliability, questions were tested on a small sample prior to general issue, and were refined as necessary.

The breeders' questionnaire was distributed to current members of the Irish Horse Board (a total of 1,200 questionnaires were returned). Data were also collected by questionnaire about the main sport horse competition activities of show jumping and eventing. Showjumping Ireland (SJI) and Eventing Ireland (EI) co-operated by identifying their members over 18 years of age, and one hundred percent of this list was surveyed. The Association of Irish Riding Establishments (AIRE) provided a list of approved equestrian centres who each received a postal questionnaire. For the purpose of this study data were collected in the form of surveys from spectators and horse exhibitors at Irish Shows

Association (ISA) country shows (a total of 521 surveys were collected) and the results were extrapolated to determine national expenditure in the country show sector. The data collected to establish spectator and exhibitor expenditure included travel and accommodation costs, expenditure at the show and the number of accompanying people. Similar questionnaires were distributed to collect information from riding club and pony club secretaries.

From the questionnaire results, national values were extrapolated for the total affiliated and registered population for each sector and the sum of these national values provides the value of overall expenditure for the structured element of the industry in 2012. The net value of sport horse exports (exports minus imports) was added. The net value of sport horse exports does not include the value of exports of equine-related goods and services, e.g. feed exports, coaching services, and therefore is an underestimation. In addition to the expenditure value, the research data provided the basis for estimating the extent and value of employment in each sector, and in the industry as a whole.

2 Sport Horse Population

2.1 Introduction

As a prerequisite to the study of the economic contribution of the sectors of the sport horse industry, an attempt was made to identify the total sport horse population together with a breakdown across the three sectors – breeding, competition and leisure. As no single source of adequate data for the purpose exists, in addition to the survey data in the study, a number of areas were examined:

- Central Statistics Office data (CSO);
- Equine studbook registration data from DAFM and the Irish Horse Register (IHR); and,
- Equine competition and leisure organisation data.

2.2 Central Statistics Office data

The most accessible source of information is the CSO. The CSO conducted the last relevant full Agricultural Census in 2010, drawing information from all operational farms in the country. A farm is defined by CSO as:

> *"a single unit both technically and economically, which has a single management and which produces agricultural products .. Agricultural production covers the growing of all crops and the raising of all livestock".*
>
> (CSO, 2010)

Additionally, the CSO (1991) classifies the horses most directly relevant to this study in a category called 'Other' which includes all non-thoroughbred horses and ponies.

There are three sources of information on the size of the overall population in Ireland from the CSO:

- The Crops and Livestock Survey carried out in June each year;
- The Farm Structure Survey carried out a number of times between each full census and last carried out in 2007;
- The Census of Agriculture carried out approximately every 10 years and last carried out in 2010.

Table 2-1 CSO Statistics - Estimates of the horse and pony population in Ireland in 2011

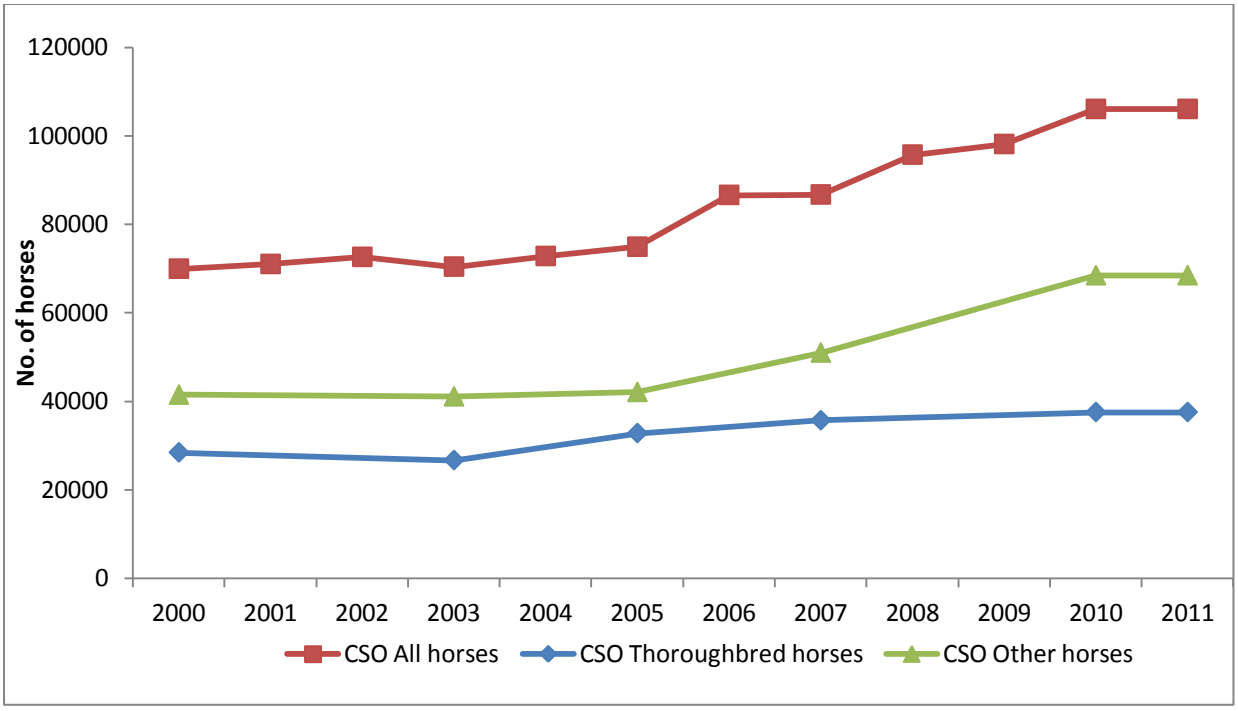
Region	County	Horse Population
Border	Cavan Donegal Leitrim Louth Monaghan Sligo	13,300
Midlands	Laois Longford Offaly Westmeath	10,000
West	Galway Mayo Roscommon	21,200
Dublin and Mid-East	Dublin Kildare Meath Wicklow	14,100
Mid-West	Limerick Clare Tipperary North	14,100
South East	Waterford Carlow Kilkenny Wexford Tipperary South	19,600
South West	Cork Kerry	13,700
Total		**106,000**

Although the CSO data has been the most consistent data available, not all horse owners are farmers and hence the recorded data under-represents the true value for the sport horse population. The highest concentration of horses was in the West region with large concentrations also found in the South-East region.

The horse population increased dramatically since 2005 (Figure 2-1) having been relatively stable for a number of years. Current estimates indicate that this rise in population has now leveled off and is likely to be due to a combination of a reduction in foaling rates and an

increase in equine slaughter rates. The proportion of the horse population made up of Thoroughbred horses has fallen from a high of 44% in 2005 to 35% in 2011. Consequently, it is estimated that sport horses now make up approximately two-thirds of the horse population in Ireland.

Figure 2-1 Changes in horse population between 2000 and 2011 including a breakdown into Thoroughbred and Other horses



2.2.1 CSO Data Summary

The CSO equine population data provides the overall picture annually, but identification of the sport horse element is less satisfactory. For the particular needs of this study it is insufficiently detailed on the distribution of the sport horse population across the breeding, competition and leisure sectors. Consequently, additional data were examined from the other sources mentioned above and some survey data from the study itself was also taken into consideration.

2.3 Equine registration data

There are two registration methods available within the sport horse sector. The majority of horses are registered with pedigree in DAFM approved studbooks, however, a number of breeders opt to receive identity documents. Within the industry, studbook passports are commonly referred to as 'green books' while identity documents are referred to as 'white books'.

The size of the breeding sector of the sport horse population in Ireland was determined through an analysis of the horse numbers within the studbook registered sector (section 2.3.1) and the identity documented sector (section 2.3.2).

2.3.1 Studbook Registered Breeding Population - Broodmares and Foals

Estimates of the breeding population were derived from data in the Irish Horse Register (IHR), currently maintained by HSI, data received from DAFM for studbooks operating under their approval and responses to the breeder survey.

The main categories of horses within the breeding sector are broodmares, youngstock and stallions.

Table 2-2 Foal registrations in approved studbooks in 2011

	Number of foals	Estimated number of active broodmares
Irish Horse Register[1]	5,285	11,245
Connemara	3,204	6,817
Warmblood Studbook of Ireland	31	66
Irish Cob Society Pure-bred studbook	288	613
Irish Cob Society Part-bred studbook	38	81
Irish Piebald & Skewbald Society	433	921
Irish Pony Society	25	53
Appaloosa	10	21
Kerry Bog Pony	5	11
Miniature Horse	5	11
Total in approved studbooks in 2011	**9,324**	**19,839**
Total in approved studbooks in 2005	**9,311**	**22,000**

[1]The Irish Horse Register includes the Irish Sport Horse Studbook and the Irish Draught Horse Studbook

The number of foals registered in 2011 in studbooks approved by the DAFM was 9,324 across 11 studbooks. The breakdown is shown in Table 2-2. As all broodmares in the sport horse population are not covered each year and not all foals are born alive and registered immediately, the total number of broodmares is higher than the number of foals registered. The ratio of foals to broodmares on a holding was estimated using breeder survey responses and registration data, and based on this the number of broodmares in the studbook registered breeding sector is estimated to be approximately 20,000. Foal registration levels are similar to those observed in 2005. The change in the estimate of the number of broodmares since 2005 reflects the implementation of mandatory horse registrations, whereby foals are more likely to be registered at birth than was the case in 2005.

2.3.2 Non-studbook Documented Breeding Population - Broodmares and Foals

Owners may opt for less informative identity documents for their horses. Based on trends in the issue of identity documents (white books) by HSI over the last number of years, it is estimated that the number of identity documents likely to be issued for horses born in 2011 will be 4,153 out of an estimated 8,834 broodmares. This figure is likely to be underestimated as it does not include identity documents issued by other agencies or the portion of the sport horse population that does not meet the mandatory registration requirements.

Based on these figures, when mortality and exports are taken into account, it is estimated that the documented sport horse foal population in Ireland for 2011 is 13,477 with a broodmare population of 28,673 and a total youngstock population of 42,864 horses up to three years of age.

2.3.3 Stallions

Accurate measurement of the number of sport horse stallions and colts used for breeding in Ireland is difficult outside of the studbook registered sector, as their availability may not be known: for example, they may be dead, infertile, exported or unavailable for breeding due to competitive activities or some other reason. Based on the breeders' survey, however, it is estimated that there are 1,812 stallions standing in Ireland.

2.3.4 Total Registered Population in the Breeding Sector

For the purpose of this study the total registered sport horse population in the breeding sector is taken to consist of stallions, mares, foals, yearlings, two year olds and three year olds. From the information above, *the overall 2011 total registered breeding population is 73,349 sport horses.*

2.4 Affiliated Competition Population

Competition is the second area where organisations are an important source of data.

The principal competition organisations are:

- Showjumping Ireland (SJI)
- Eventing Ireland (EI)
- Dressage Ireland (DI)

The data obtained from the affiliates were adjusted to take account of any duplication between the competition and breeding sector, it was also adjusted to reflect horses found to be competing in more than one discipline.

Table 2-3 Affiliated competition population - adjusted for duplication with breeding and competition sectors

Owners	Horses	Ponies	Total Horses & Ponies
6,470	7,419	2,935	10,354

The overall 2011 total registered competition population is **10,354** sport horses.

2.5 Leisure Sector Population

For horses in the leisure sector registration with an affiliate is not obligatory, and as a consequence the data available from the relevant associations is not comprehensive. The sources of data used in arriving at an estimate were the surveys of AIRE, AIRC and IPC members.

The results of the survey of equestrian centres estimates a national figure of **3,006** horses when extrapolated for the total number of approved equestrian centres.

The survey of riding clubs that are members of AIRC provided an estimate of the number of horses whose primary usage was in riding club events. This provided an estimate of **1,760** horses. This estimate has been adjusted to avoid duplication arising from horses that may be registered for both riding club and affiliated competition activities.

In addition to this estimate, survey results indicated that there is an estimated **24,629** sport horses between the hunting, showing and unaffiliated leisure sectors and **6,487** retired/recuperating horses. These categories include horses documented at birth but that are outside the breeding and affiliated competition and leisure sectors.

The overall total from the above is **35,882** sport horses in the leisure sector.

2.6 Estimated Total Sport Horse Population

The overall estimate of horses in each sector is outlined in Table 2-4. In addition, survey responses indicated that 4% of the horses owned by members of affiliated organisations are unregistered. This represents a total of 4,783 horses. The number of unregistered horses with unaffiliated owners has not been estimated or included in this study.

Table 2-4 Total Sport Horse Population

Category	No. of horses and ponies
Breeding sector	
Broodmares	28,673
Youngstock	42,864
Stallions	1,812
Breeding sector total	73,349
Competition sector	
Affiliated SJI, EI & DI	10,354
Competition sector total	10,354
Leisure sector	
AIRE	3,006
AIRC	1,760
Hunting, showing, other	31,116
Leisure sector total	35,882
Unregistered horses with affiliated owners	4,783
National Total	**124,368**

The sport horse population estimated by the study is **124,368**. This estimate is considerably higher than the 'other horse' population from the CSO population estimates. The most likely explanation for the disparity is in the CSO definition of a farm, which excludes many equestrian establishments and non-farming horse owners.

3 Study Findings on Expenditure

The results of the study are shown in summary form below under the individual sectors.

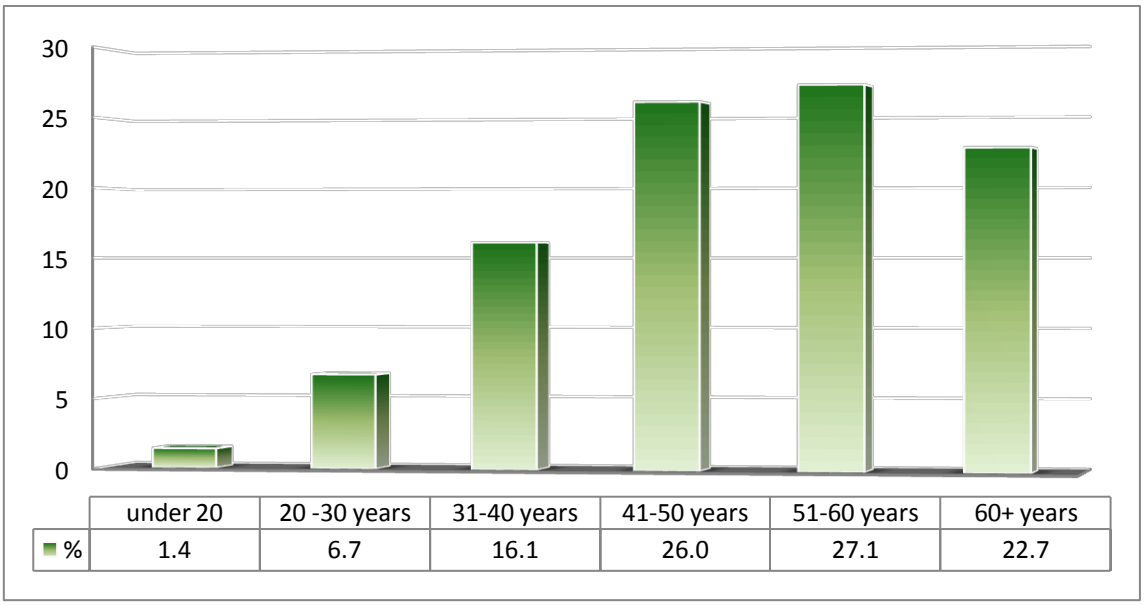
3.1 Breeding

The breeders who replied to the postal questionnaire provided information on the numbers of broodmares kept and the numbers by breed of horses kept up to three years of age.

The average number of broodmares kept by respondents was 2.8. The average number of animals (including broodmares, youngstock and stallions) kept by each breeder on the premises was 5.13 animals. It was estimated that there are 15,110 active (bred a foal within last three years) sport horse breeders in Ireland.

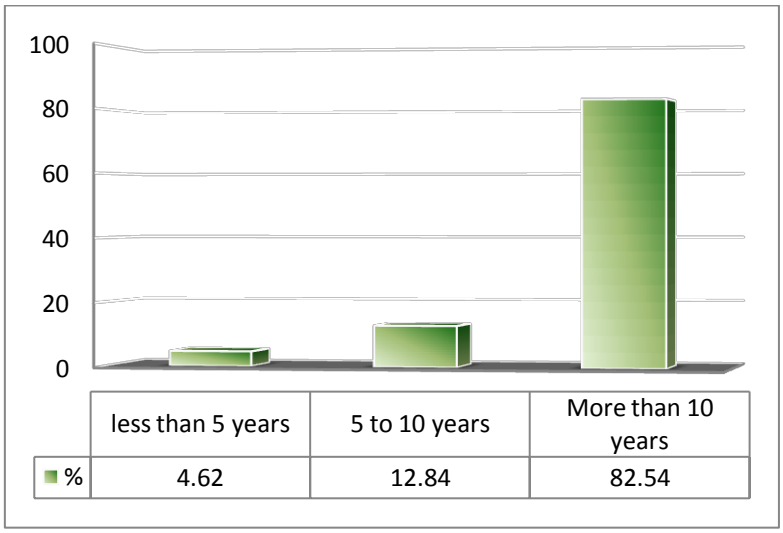
The age profile and the length of ownership profile of breeders identified through the questionnaires are shown in Figure 3-1 and Figure 3-2.

Figure 3-1 Age profile of breeders



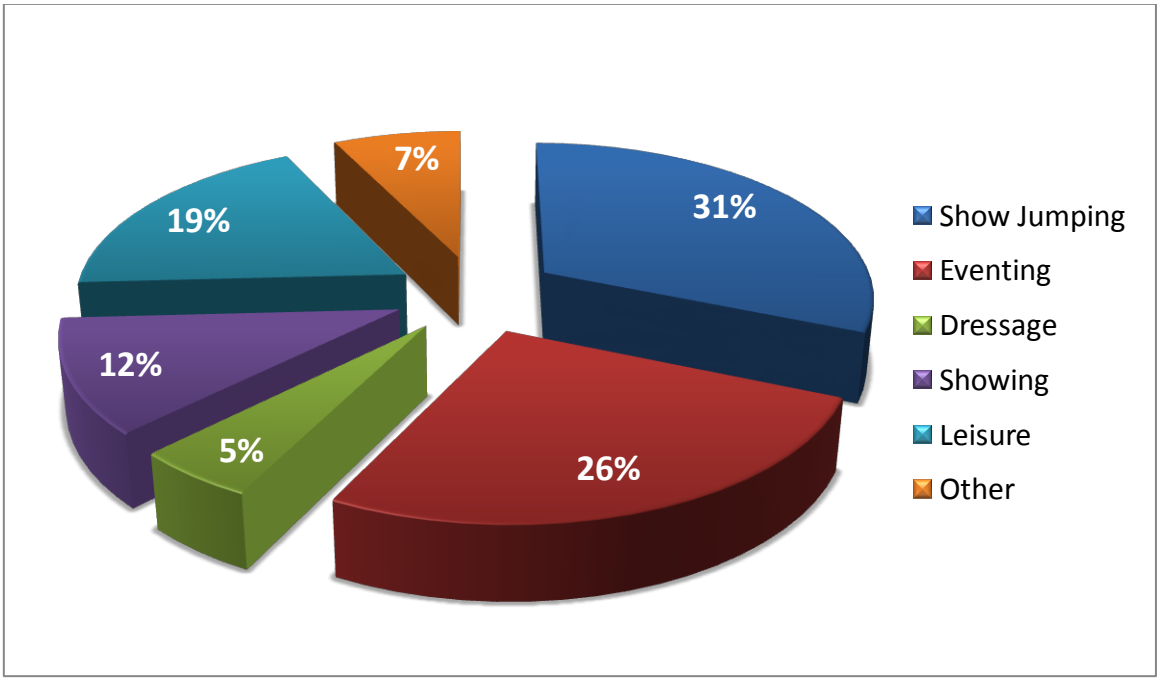
Results from the questionnaire showed that only 8.1% of breeders were less than 30 years of age and almost 23% were over 60 years of age. This is similar to the age profile of farm holders, of whom 26.3% were over 65 years of age in 2010 (CSO Agricultural Labour Input Report, 2010). The length of ownership profile showed that only 4.62% of breeders had owned horses for less than five years and that 83% have owned horses for more than 10 years.

Figure 3-2 Length of horse ownership profile for breeders surveyed



Breeders were asked to indicate which disciplines they were aiming to breed their foals for.

Figure 3-3 Breeding objectives of broodmare owners

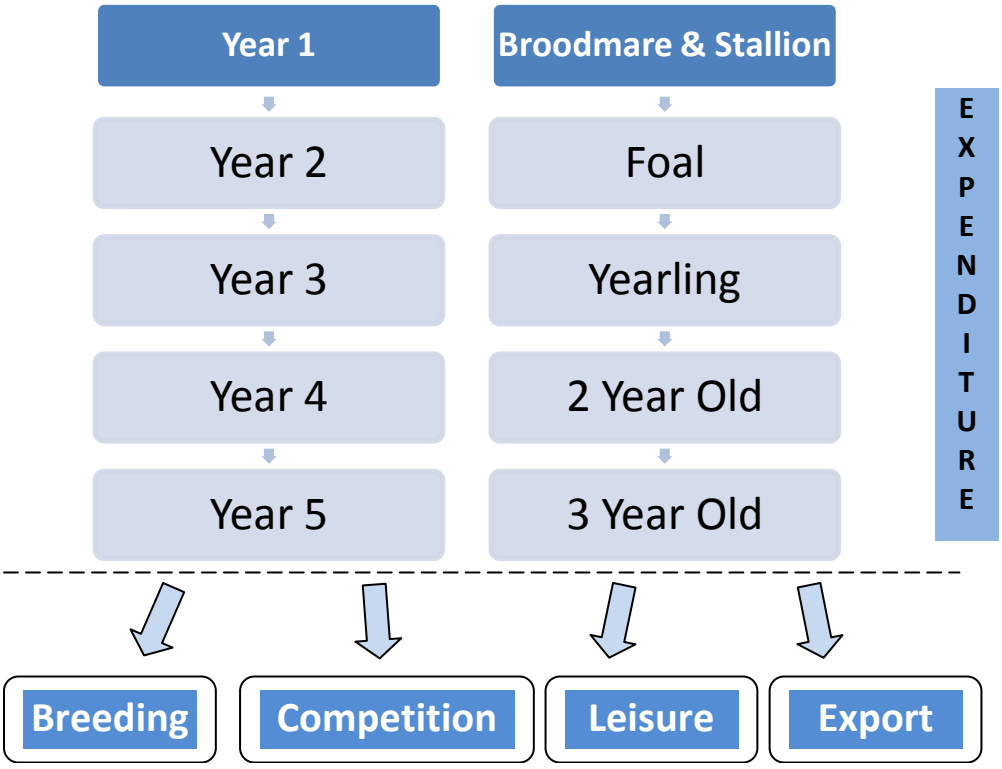


3.1.1 Breeders' Expenditure

The data requested related to the costs per breeder for 2012 and was based on the broodmare unit, i.e. one mare and her progeny. The total contribution to the economy from all 15,110 breeders currently active was extrapolated from the sample questionnaire data.

The breeding sector included expenditure on horses up to three year olds, as illustrated in Figure 3-4, after which the horses move on as indicated to other sectors, and the expenditure is considered later in the study under the sections of competition, leisure and exports.

Figure 3-4 Composition of Breeding Sector used in this study



The respondents to the survey owned an average of 2.8 broodmares and 5.1 equine animals on their premises.

Of the broodmares, 49% were Irish Sport Horses, 18% were Irish Draught, 11% Thoroughbred, 9.4% Connemara Ponies, 2.25% Irish Riding Ponies, 0.86% Kerry Bog Ponies, 2.06% were foreign sport horse mares, 2.44% were of other breeds and 4.12% were unregistered.

The contribution to the economy of the breeding sector is summarised in the following table (Table 3-1).

Table 3-1 Total Breeding Sector Contribution to the Economy

	Expenditure per Breeder	Total National Breeders Expenditure
CAPITAL EXPENDITURE	(€)	(€)
Depreciation of Broodmare Population	576.31	8,708,044.10
Depreciation of Equine only Equipment	1,383.47	20,904,231.70
Depreciation of Housing	4,750.00	71,772,500.00
CURRENT EXPENDITURE		
Bedding	669.56	10,117,051.60
Concentrates	1,746.40	26,388,104.00
Hay/Grazing	1,587.43	23,986,067.30
Stud Related Expenditure	1,120.30	16,927,733.00
Tack & Equipment Expenditure	104.02	1,571,742.20
Farrier Expenditure	560.00	8,461,600.00
Veterinary Expenditure	1,210.33	18,288,086.30
Schooling Expenditure	1,175.58	17,763,013.80
Registration	41.66	629,482.60
Total Employment	See chapter 5	See chapter 5
TOTAL	**14,925.06**	**225,517,656.60**

Feed expenditure was requested under two headings, concentrates and hay. The average expenditure on concentrates per breeder was €1,746.40. Those breeders who also had three year old horses incurred an additional average expenditure of €387.70 on concentrates, which was removed from this breeding sector calculation to prevent double counting in competition or leisure sectors. The data showed an average hay utilisation by breeders of 64.15 round 4 x 4 bales of hay at a reported average cost per bale of €24.20. All other sizes of hay bales were converted to round 4 x 4 bale equivalents.

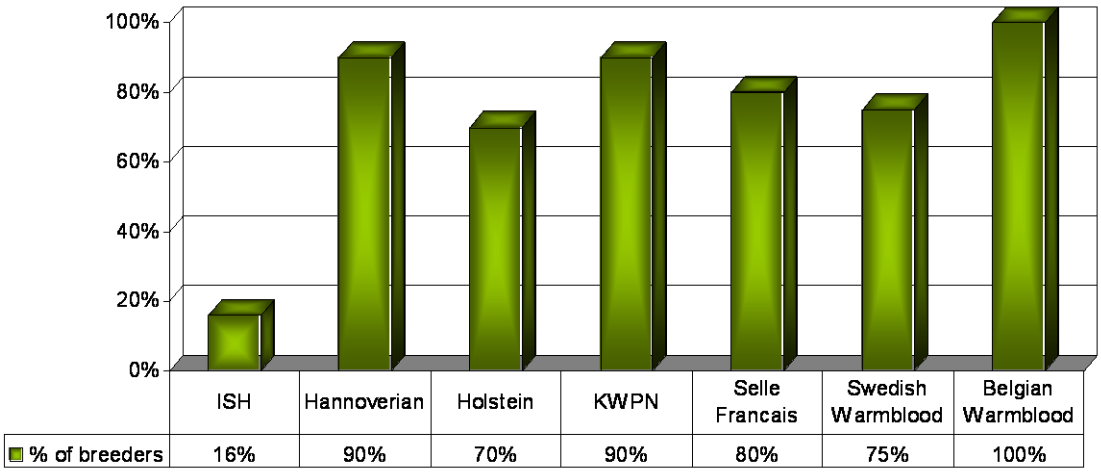
Stud-related expenditure covers three areas: stud fees, keep fees and travel costs. The average stud fee ranged from €60 to €8,000, with €500 the most frequent fee reported. The breeders reported that only 36% of mares are left at stud and thus incur keep fees. The average keep fee (i.e. livery charges) for mares while at stud was €222.85.

Travel expenditure, computed on the basis of kilometers travelled to and from stud, accounted for €279.49 on average per breeder (using Automobile Association cost per mile).

The average distance travelled to and from studs was 169 kilometers per mare, 85% used their own horse boxes for transport.

The usage of artificial insemination (AI) in Ireland was investigated initially in the 2005 study by comparing records from the Irish Horse Register with information supplied by other sport horse studbooks through the Interstallion website (www.interstallion.org).

Figure 3-5 Usage of artificial insemination in sport horse studbooks in 2005

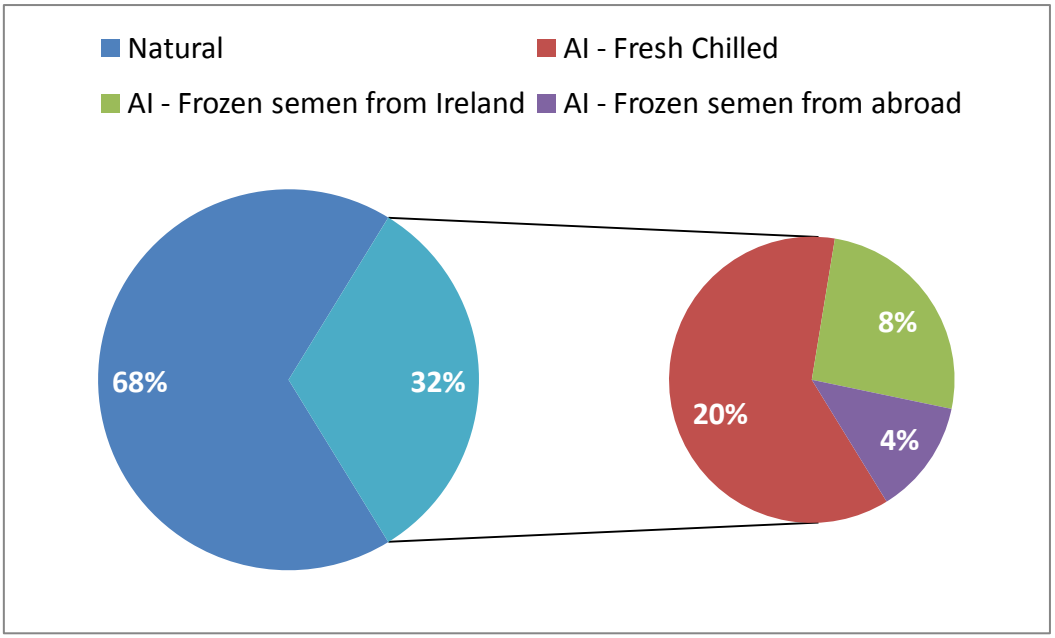


In 2005 the usage of AI in Ireland was significantly lower than in other European countries with only about 16% of Irish Sport Horse foals bred by AI compared to over 90% in other European sport horse breeds, e.g. Hannoverian, KWPN, etc.

However, 32% of breeders covered their mares through AI in 2011. Of that percentage, 20% of mares were covered through using fresh semen, a further 8% through frozen semen from Ireland and just 4% through frozen semen imported from abroad.

While the reported use of AI has more than doubled in Ireland in the last six years, the use of this technology still lags well behind its use in the main European studbooks. It would be of interest to know whether this is due purely to tradition or if logistical factors and additional cost are influencing breeders' reticence to use AI when covering their mares.

Figure 3-6 Percentage of Mares covered naturally and by AI in 2011



The survey indicated clearly that expenditure on tack and equipment such as replacement rugs, head collars and lead ropes is a very small item for breeders.

The questionnaire sought information on the number of farrier visits in 2012, and the associated costs. Table 3-2 shows the average number of visits per category of horse.

Table 3-2 Average Number of Farrier Visits per breeder per category of Horse in 2012

Category of Horse	Average number of farrier visits per breeder in 2012
Mares	4.00
Foals	3.00
Yearlings	3.50
2 Year Olds	3.50
3 Year Olds	3.75
Stallions	4.50

Veterinary expenditure, including worming and all vaccinations, was requested. Table 3-3 shows the rather surprising low level of veterinary expenditure.

Table 3-3 Annual veterinary expenditure reported by Breeders, including worming and vaccinations in 2012

Category of Horse	Veterinary expenditure (€)
Mares	412.22
Foals	190.98
Yearlings	150.49
2 Year Olds	149.05
3 Year Olds	190.04

Showing data for breeders was collected under two categories: travel and entry fee expenditure. The results indicate that 28% of breeders showed animals in 2011.

On schooling, 28% of breeders reported having their horses schooled professionally, at an average cost per week of €54.74 for 14 weeks per horse. Breeders' own time spent schooling was costed conservatively at the basic statutory adult pay rate for Agricultural Workers.

Overall, the average current expenditure per breeder was €14,925.06 see Table 3-1. Breeders have 5.1 horses less than four years of age per enterprise.

Employment within the breeding sector will be dealt with in Chapter 5.

3.2 Competition Sector Expenditure

The competition sector in Ireland comprises both national and international events. The national data was collected from competitors whose main livelihood is derived from schooling and competing on customer's horses. This ensured a population capable of providing accurate and identified costs, as distinct from casual recreational competitors who, although subject to similar costs, may not normally keep detailed records.

With the co-operation of the SJI and EI questionnaires were sent to members over 18 years who matched this description. One hundred percent of this list was surveyed and the results were extrapolated to show national expenditure in the competition sector.

Data were collected to establish the horse owners' expenditure on maintaining a competition horse for 2012, including all related costs e.g. livery, labour, entry fee registration and travel expenditure.

From the questionnaire results 5.4% of members of Showjumping Ireland are also members of either Eventing Ireland or Dressage Ireland.

In total across the three disciplines there are 10,345 registered competition animals. (Source: Registration Figures from SJI, EI and DI). The responses to the survey covered a sample of 390 equestrian yards in the country which had 3,182 horses and ponies.

Registration expenditure below represents both membership and registration costs. Horses are required to be registered annually to compete in show jumping, eventing or dressage. Additionally, owners and riders must be members of the affiliate bodies for these sporting disciplines. The aggregate national contribution of the competition sector was €109,973,872.06 as shown in Table 3-4.

Table 3-4 Aggregate Contribution of National Competition Sector to the Economy in 2012

	Expenditure per Respondent Owner	Total National Expenditure
	(€)	(€)
Basic Livery	4,128.18	42,743,175.72
Extra Livery Expenditure		
• Feed Supplements	432.00	4,472,928.00
• Training/Schooling	1,195.20	12,375,100.80
• Tack	500.00	5,177,000.00
• Veterinary Attention	616.90	6,387,382.60
• Farrier	674.68	6,985,636.72
• Entry Fees	961.78	9,958,270.12
Total Travel	1,937.65	20,062,428.10
Registration	175.00	1,811,950.00
TOTAL	**10,621.39**	**109,973,872.06**

The sample yards provided data on their livery service and charges. Expenditure by customers on basic livery averaged €118 per week. The term 'Basic Livery' covers, as a minimum, feed without supplements, bedding and stabling, together with the associated labour in almost all yards. Data showed that owners left their horses on livery for an average of 8.1 months of the year, thus giving a total annual expenditure per horse of €4,128.18. Grossed up, this gives a national total of €42,743,175.72.

Feed supplements were charged as extra by 63% of establishments, while training/schooling and tack/equipment were extras charged by 55% and 69% respectively of the respondent establishments. Veterinary attention, including vaccinations, farrier attention and travel and entry fees were charged as extra by virtually all of the establishments. The travel expenditure shown is based on the informed estimates of the respondents, as to the average road transport expenditure by riders or owners, plus overnight stabling expenditure.

3.2.1 International Equestrian Competition in Ireland

In 2012 there were 11 international equestrian events held in Ireland, of those the largest was the RDS Dublin Horse Show. The contribution to the economy of such events is significant and includes expenditure by exhibitors, spectators and overseas visitors.

An Indecon report estimated that the RDS Horse Show contributed direct expenditure of €18.3m and further €24.7m in indirect expenditure, giving a total expenditure which was valued at €43m into the economy. Overseas tourists accounted for €3m of this expenditure.

The RDS show has more than 1,400 horses and ponies on its premises over the five days, and their statistics show 3,000 bales of hay, 4,000 bales of straw, wood shavings, peat moss, oats, bran and carrots are used during the show. The animals compete in 15 international jumping competitions, 30 national jumping competitions and 95 showing classes.

Due to the commercially sensitive nature of the data involved detailed breakdowns of the financial data of the other 10 international events have not been published, and as such are not shown in this report. Based on private communications they were worth an estimated €6.94m in direct expenditure to the economy.

The RDS and the other international equestrian events held in 2012 are therefore estimated to contribute direct expenditure in excess of €25.24m to the Irish economy.

3.2.2 Total Competition Sector

When combined the National and International Competition sector is worth a total **€135,213,872** to the Irish economy.

3.3 Equestrian Leisure Sector Expenditure

The leisure sector is a significant element of the Irish Sport Horse industry comprising 35,882 of the total sport horses. The sport horse leisure sector information covered hunting, showing and country shows, AIRE, AIRC, IPC and Equestrian Inter-schools Ireland.

3.4 Hunting Expenditure

The expenditure data under this heading is based on David Scallan's extensive study entitled "A Socioeconomic Assessment of Hunting in the Republic of Ireland" which was completed in 2007 by the Department of Geography, National University of Ireland, Galway.

This research covered a wide variety of hunting activities, however, for this report we focused only on the elements relevant to the sport horse sector, namely mounted hunting with hounds. We are very grateful to the author of this research for making his results available for this study.

This report focuses on expenditure of participants involved in three areas: fox hunting, mounted hunting with harrier hounds and the Ward Union stag hunt.

3.4.1 Fox Hunting

At present, there are 36 fox hunts in the Republic of Ireland. Each hunt is affiliated to the Irish Masters of Fox Hounds Association (IMFHA). The hunting season runs from September to March.

3.4.2 Mounted Hunting with Harrier Hounds

Mounted hunting with harrier hounds is the hunting of foxes and to a lesser extent hares while mounted on horseback with a pack of harrier hounds. Harrier hunting takes its name from the type of hound used. The activity is governed by the Irish Masters of Harriers Association (IMHA) which currently represents 44 hunts. The hunting season runs from September to March.

3.4.3 Ward Union Stag Hunt

The Ward Union stag hunt is the only mounted hunt in the Republic of Ireland hunting deer and has a long history dating from the 19th century. The hunting area comprises North County Dublin together with the lands of south and east Meath. Hunting takes place two days a week during the season from November to March each year.

In 2007, all hunts received a postal questionnaire which requested information relating to the numbers of people involved in hunting with hounds, the frequency of the hunting activity, and the direct levels of income and expenditure by hunts in Ireland. Lists of hunt secretaries were obtained through respective hunting organisations.

Table 3-5 Number of hunts in Ireland in 2007

Activity	Number of Hunts
Fox hunts	36
Mounted harrier hunts	44
Ward Union hunt	1
Total	**81**

3.4.4 Frequency and Attendance during Hunt Meetings in 2007

Table 3-6 outlines the average number of meets per week, the average number of meets per year, the total number of meets per year and the average attendance per meet. It also outlines the total number of caps paid or the total number of times people followed the course of hunts during 2007.

Table 3-6 Frequency of hunting and attendance per hunt meet

Activity	Av. num. of meets per week	Av. num. of meets per year	Total num. of meets	Av. num. present per meet	Total num. of caps paid
Fox hunts	2.0	38	1,368	63	86,184
Mounted harrier hunts	1.2	27	1,188	59	70,029
Ward Union hunt	2.0	36	36	152	5,472
Total	-	-	**2,592**	-	**161,685**

As Table 3-6 indicates, all hunts met at least once per week during the hunting season. The fox hunts and the Ward Union hunt met on average twice per week. Table 3-7 illustrates the average attendance at hunt meets.

Table 3-7 Average attendance during the mounted hunt meets

	Mounted Followers	Foot Followers	Other Followers	Visitors
Fox Hunts	39	10	10	4
Harrier Hunts	29	11	13	6
Ward Union Hunt	50	0	80	2

Figure 3-7 Number of Equestrian Events organised in 2007 by mounted hunts

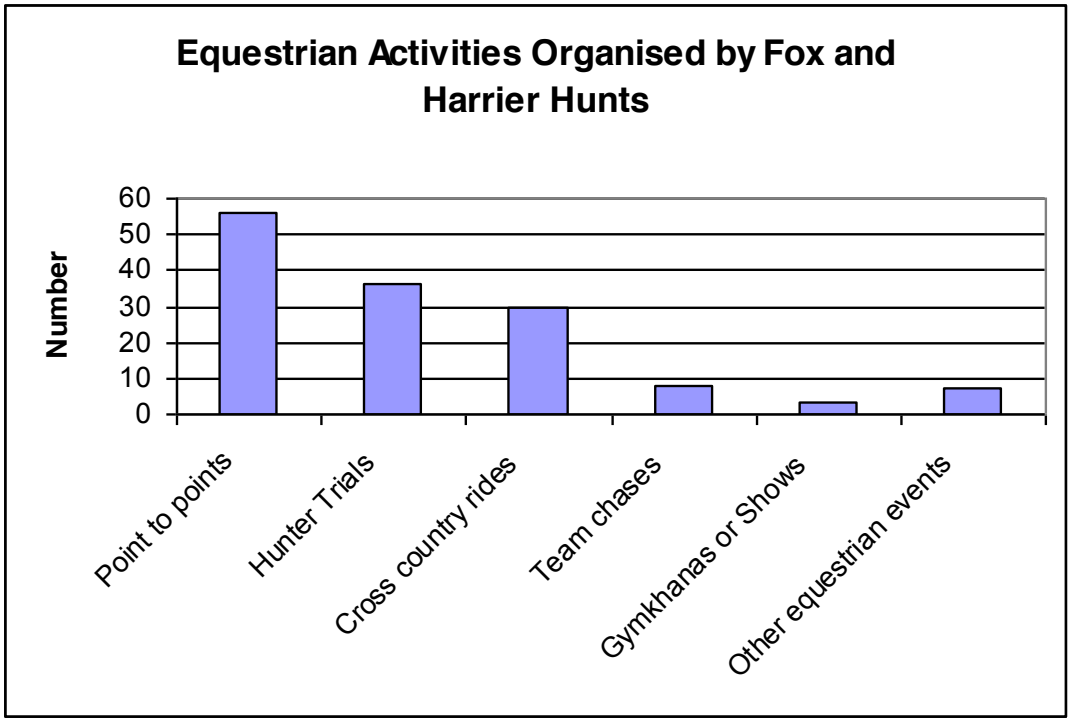


Figure 3-7 illustrates the number of equestrian activities organised by the mounted hunts in Ireland. The results indicate that almost every mounted hunt organised at least one point-to-point event during the year. The majority of hunts also organised hunter trials and cross-country rides. Other sporting events organised by the hunts included team chases, gymkhanas and horse shows.

3.4.5 Expenditure by Participants involved in Hunting: Mounted followers

The breakdown of expenditure on goods and services by the participants involved in hunting with hounds can be seen in Table 3-8. The expenditure relating to stabling and livery fees for maintaining horses for hunting was the largest expenditure category by the followers of the mounted hunts in Ireland. Such expenditure consisted of horse food, stabling fees, as well as veterinary expenses. The second largest expenditure category was from hunt-related social and recreational activities. Such expenditure included events such as point-to-points and hunt balls. Payments to hunts in the form of cap fees and subscriptions were also a significant expenditure category.

Table 3-8 Average expenditure by participants involved in mounted hunting

Expenditure Breakdown	Mean in Euros
Payments to hunts	€1,054.00
Hunt-related social activities	€1,008.00
Travel (on hunting trips)	€560.00
Stabling/livery fees	€1,930.00
Vets Costs	€568.00
Tack & riding equipment	€509.00
Horse transport	€584.00
Farriers	€595.00
Other	€124.00
Total	**€6,931.00**

3.4.6 Total Expenditure by Participants involved in Hunting with Hounds

The participant expenditure estimates were grossed-up in an attempt to generate a number of conclusions from the data.

In order to estimate the number of active hunting participants in 2007, hunt secretaries were asked to state the number of members that were active (hunting) and dormant (not-hunting). This information was then used to estimate the total number of active hunting participants in 2007. In respect of this, the study only considered the active participants registered with the hunts when generating economic estimates (see Table 3-9).

Table 3-9 Estimated numbers of active hunting participants in 2007

	Mean active membership per hunt	Grossed-up active hunt membership
Fox hunts	78	2,808
Mounted harrier hunts	39	1,716
Ward Union hunt	197	197
Total	-	**4,721**

Table 3-10 Grossed-up Expenditure by the Participants involved in Hunting in 2007

	Expenditure
Mounted Followers	**€32,721,251 ± €262,504 (SED)**

3.4.7 Employment by Hunts

Table 3-11 Grossed-up direct hunt employment of the mounted hunts

Hunt Employment	Fox Hunts	Harrier Hunts	Total
Total (grossed-up) employment	119	75	194

3.4.8 Aggregate Hunting Expenditure

Total annual hunting with hounds participant expenditure amounted to €32,721,251 in 2007, which when adjusted for inflation from 2007 to 2011 (source CPI: 0.94%) equals **€33,028,831** contributing directly to the Irish economy in 2011.

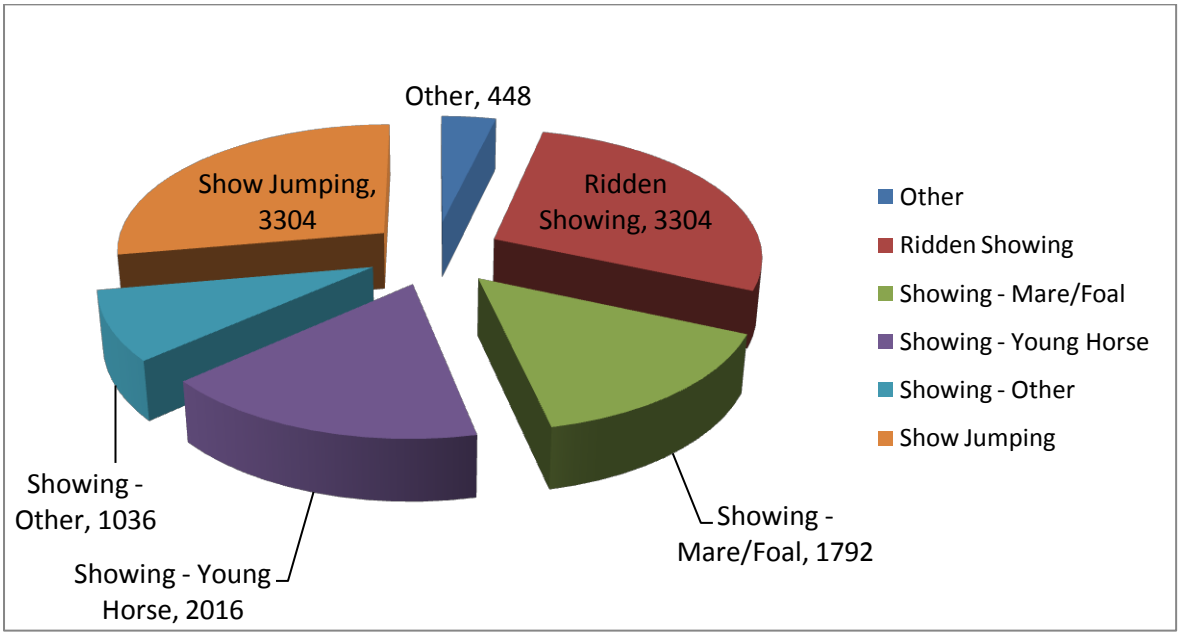
In addition, there is an employment contribution, which was estimated as 194 people employed on a full-time basis. The wages have been based on the average agricultural wage to give a total of €3,258,036.

3.5 Showing and Country Shows Expenditure

Each year approximately 140 country shows take place in Ireland with 130 of these affiliated to the Irish Shows Association. In 2011, it was estimated that 540,620 spectators attended shows with 5% of the spectators coming from overseas. It was established from the Irish Shows Association that approximately 50% of spectators attended country shows specifically to view equestrian events and classes. Accordingly, only 50% of the spectator expenditure has been attributed to the sport horse industry's contribution to the economy.

Equestrian classes are extremely important to country shows with some shows consisting solely of equestrian classes and events. On average there are 85 equestrian classes per country show, including show jumping, in-hand showing and ridden showing classes for horses and ponies. Approximately 11,900 equestrian classes take place at country shows each year with show jumping and showing being the most popular type of equestrian class.

Figure 3-8 Numbers of Classes per Discipline at Country Shows in 2011



For the purpose of this study data were collected in the form of surveys from spectators and horse exhibitors at ISA country shows (a total of 521 surveys were collected) and the results were extrapolated to show national expenditure in the equestrian element of the country show sector. The data collected to establish spectator and exhibitor expenditure included travel costs, accommodation costs, expenditure at the show, and number of accompanying people.

For domestic spectators, most attended as a family and the average family size attending country shows was 3.2 individuals and the average expenditure per family was €139.29. Overseas visitors also had an average family size of 3.2 individuals per family but had an average expenditure of €1,246. Overseas visitors stayed an average of 7 nights in Ireland during their visit and 1.5 of these overnight stays were included in the estimation of expenditure for overseas spectators. The overseas visitors surveyed came from a number of different countries including Australia, the United Arab Emirates, France, the UK and US.

It was estimated that there are 4,231 individuals that exhibit horses at country shows in Ireland (this estimate does not include individuals that compete in show jumping competitions as their contribution is included in the competition sector analysis). On average horse exhibitors attend shows in a family unit of 3 individuals and exhibit at 8.7 shows per year, entering on average 2.3 classes per show.

The average number of entries per class varied depending on the discipline. The highest entries in 2011 were for show jumping classes at 16.74 entries per class, followed by ridden showing classes at 6.3 entries per class.

It was estimated that there are 1,321 dedicated horses for showing in Ireland at a total value of €2,029,056 (this excludes mares, foals and young stock whose contribution is included in the breeding sector analysis).

Table 3-12 Average prize fund per class in various disciplines in 2011

Discipline	Average Prize Fund per Class
	(€)
Showing – Ridden	122.00
Showing – Mares/Foals	607.00
Showing – Young Horses	434.00
Showing - Other	145.00
Other equestrian classes	329.00

The aggregate contribution of the sport horse element from country shows to the economy was **€35,169,338.97** as shown in Table 3.4.

Table 3-13 Aggregate Contribution of Country Shows to the Economy in 2011

	Expenditure per Family	Total National Breeders Expenditure
	(€)	(€)
Domestic spectator families	139.29	11,177,814.00
Overseas spectator families	1246.00	5,263,104.00
Total Spectator Expenditure		**16,440,918.00**

	Expenditure per Exhibitor per Show	Total National Showing Exhibitor Expenditure
	(€)	(€)
Mileage, accommodation, food	214.09	7,880,589.00
Entry fees	20.39	750,549.78
Professional preparation of horse	1.71	62,944.59
Total Exhibitor Expenditure	**236.19**	**8,694,083.37**

CAPITAL EXPENDITURE[1]	(€)
Depreciation of show horses	202,905.60
CURRENT EXPENDITURE[1]	
Basic livery	5,453,088.00
Feed supplements	570,672.00
Tack & equipment expenditure	2,101,495.00
Farrier expenditure	891,252.00
Veterinary expenditure	814,925.00
Total Expenditure on show horses	**10,034,337.60**

TOTAL COUNTRY SHOW EXPENDITURE	**35,169,338.97**

[1] Expenditure figures are for dedicated show horses only and have been adjusted to avoid duplication with any sector of the report

On average shows have a prize fund for equestrian classes that amounts to €18,892.60 and the total prize fund for country shows for equestrian classes in 2011 was €2,644,964.00 (excluding show jumping prize money).

3.6 Equestrian Inter-schools Ireland

Organised equestrian competitions between secondary schools began in 1982 and ultimately lead to the formation of Equestrian Inter-schools Ireland. Each year up to 30 competitions for secondary school students aged between 12 and 19 years are run through Equestrian Inter-schools Ireland. Over 2,000 students compete at these events annually.

Table 3-14 Aggregate Contribution of Equestrian Inter-schools Ireland to the Economy

Inter-Schools Hunter Trails	**Total Expenditure**
	(€)
Entry Fees	11,900.00
Expenditure at Event by competitors & spectators	100,000.00
Overnight Expenses	10,185.00
Travel Costs	27,468.00
Total Expenditure	**149,553.00**

Inter-Schools Show jumping Championships	**Expenditure per League Competition**	**Total Expenditure**
	(€)	(€)
Entry Fees	5,600.00	134,400.00
Expenditure at Event by competitors & spectators	30,000.00	720,000.00
Travel	3,058.00	73,392.00
Total Expenditure	**38,658.00**	**927,792.00**

Inter-Schools Show jumping Championships Final	**Total Expenditure**
	(€)
Entry Fees	6,400.00
Expenditure at Event by competitors & spectators	60,000.00
Overnight Expenses	5,820.00
Travel Costs	16,480.00
Total Expenditure	**88,700.00**
OVERALL TOTAL EXPENDITURE	**1,166,045.00**

At present Equestrian Inter-schools Ireland hold two annual championships, the All Ireland Inter-Schools Hunter Trial Championships and the National Inter-schools Show Jumping Championships.

Approximately 500 competitors take part in the All Ireland Inter-schools Hunter Trials. 125 teams of three are permitted to compete at the event and junior (aged 12 to 15 years) and senior (aged 16 to 19 years) individual competitions are also held with up to 220 competitors in each age group. On average 1,500 spectators attend the competition and 20% of spectators and competitors stay overnight for the event.

The National Inter-schools Show Jumping Championships are run on a league basis and approximately 24 league competitions are held throughout the country between September and May each year. The league culminates in a national final. There are approximately 200 competitors per league competition, including 30 teams of four and individual entries for junior and senior competitors. An average of 600 spectators attends each league competition. Approximately 300 competitors take part in the final, including 50 teams of four and individual entries from junior and senior competitors. On average 900 spectators attend the final and 20% of spectators and competitors stay overnight for the event.

The aggregate contribution that Equestrian Inter-schools Ireland makes to the economy is estimated to be **€1,166,045** as shown in table 3-14.

3.7 AIRE Equestrian Centre Expenditure

The total equine population (horses & ponies) in the 198 Equestrian Centres approved by AIRE in 2012 was 2686, giving an average of 15 animals per centre, of which 84% were owned by the centres themselves. The total market value of the animals, given by the respondents was an average of €30,734.00 per centre.

To calculate the depreciation of the animals an average working life of 10 years was used. (Cross, 1992) *"Horses aged 5-12 years seem to be at their best for trekking etc., but many may still be useful up to 18 years of age*".

Depreciation of stabling was calculated on the same basis as the breeding sector (i.e. over a 20 year period), and tack and equipment were written off over seven years, also on a straight line basis.

Table 3-15 National & Average Expenditure per Equestrian Centre in 2012

	Av. Expenditure per Respondent Equestrian Centre	National Eq. Centre Expenditure
CAPITAL EXPENDITURE	**(€)**	**(€)**
Depreciation of Animals	3,073.40	608,533.20
Depreciation of Stabling	2,046.88	405,282.24
Depreciation of Tack/Equipment	1965.3	389,129.40
Depreciation of Facilities	8,214.76	1,626,522.48
CURRENT EXPENDITURE		
Feed Expenditure	7,630.26	1,510,791.48
Bedding Expenditure	1,122.78	222,310.44
Yard/Tack Upkeep	1,457.25	288,535.50
Farrier Expenditure	3,198.00	633,204.00
Veterinary Expenditure	1,668.00	330,264.00
Insurance Expenditure	5,653.00	1,119,294.00
Rates Expenditure	4,070.00	805,860.00
TOTAL	**40,099.63**	**7,939,726.74**

Respondents provided information on their facilities indicating under each heading the estimated replacement value and expected life. An estimated life and replacement value for facilities is shown in Table 3-16**Error! Reference source not found.**.

Table 3-16 Occurrence of Facilities, Estimated Life and Replacement Value

Facility	No. and % of Establishments with facility	Estimated life (Years)	Estimated replacement value/centre
Indoor Arena	20 (53%)	27	€240,316.00
Outdoor Arena etc.	37 (97%)	19	€30,922.00
Cross Country track	23 (61%)	8	€12,556.00
Jumps	33 (87%)	10	€9,117.00
Tack Shop	7 (18%)	19	€55,250.00
Coffee shop/Canteen	10 (26%)	11	€10,000.00
Disabled Facilities	11 (26%)	10	€6,429.00
TOTAL			**€364,590.00**

The most common services offered by the centres are instruction, schooling, livery, hacking and trekking. Less commonly offered would be trail riding, residential courses, hiring for hunting and the sale of tack and equipment.

The most commonly found stabling type was loose boxes, present in 68% of equestrian centres. They averaged a replacement value of €49,670. The table below demonstrates the distribution of number and type of buildings, including replacement cost (averages).

Table 3-17 Type of Stabling in Equestrian Centres and replacement cost

Type of stable	Number	No. of Establishments	Replacement Cost
Loose Boxes	19	26 (68%)	€49,670.00
American Barn	14	16 (42%)	€42,786.00
Stalls	14	6 (16%)	€21,815.00
Loose Barn	1	10 (26%)	€30,375.00
Converted farm buildings	5	15 (39%)	€26,050.00
TOTAL			**€170,696.00**

Feed expenditure follows the same categories as the breeding sector, i.e. concentrates and hay. The results indicate that on average equestrian centre animals were fed concentrates for seven months of the year, which amounted to €2760.00 per centre. They consumed 308,088 small rectangular bales of hay (or equivalent) nationally, which resulted in expenditure of €964,312. The majority of equestrian centres utilised small rectangular bales of hay.

Bedding was broken into four categories: straw, shavings, paper and other. Straw proved most popular for 2011, with 75% of respondents reporting its use.

Farrier visits were broken down into riding school horses and livery horses. The average results were 16 visits for riding school horses and 12 visits for livery horses. The equestrian centres indicated their veterinary expenditure for both riding school and livery animals, including worming and all vaccinations. The average veterinary expenditure per equestrian centre was €5,653.00 in 2012.

Insurance and rates comprised one of the largest overheads at an average of €9,723.00 per Equestrian Centre. The rates alone total €805,860 annually from the AIRE approved equestrian centres.

In total the 198 Association of Irish Riding Establishments, approved centres, accounted for a total expenditure of **€7,939,727**.

3.8 Riding Club Expenditure

From data provided by the Association of Irish Riding Clubs (AIRC) it was established that there were 131 riding clubs with an estimated 3,540 members. The expenditure by individual members of the riding clubs was examined in this sector and the results are shown in **Table 3-18.**

Table 3-18 Expenditure related to Riding Clubs in 2012

	Average Expenditure per member	National Expenditure
	(€)	(€)
Membership Fees	100.00	352,000.00
Training Fees	120.58	424,440.00
Competition Fees	319.13	1,123,325.00
Total fees to Riding Clubs	**539.71**	**1,899,765.00**
Total Travel by Members	**378.96**	**1,333,931.03**
Horse expenditure[1]		
Basic Livery		7,265,596.80
Extra Expenditure		
• Feed Supplements		760,320.00
• Training/Schooling		2,103,552.00
• Tack		880,000.00
• Veterinary Attention		1,085,744.00
• Farrier		1,187,436.80
Total horse expenditure		**13,282,649.60**
National Total		**16,516,345.63**

Note 1
The figure for maintenance of the horses was estimated using data obtained elsewhere in this study. The number of horses owned by riding club members was estimated from the survey of riding club members. This figure was adjusted to avoid duplication and only horses whose primary usage is in riding clubs were included, i.e. horses also affiliated to SJI, EI, DI or a hunt were disregarded in this analysis as they have already been included in the competition sector.

3.9 Pony Club Expenditure

From data provided by the Irish Pony Club (IPC), it was established that there were 61 pony clubs with an estimated 3,965 members. The expenditure by individual members of the pony clubs was examined and the results are shown in Table 3-19

Table 3-19 Expenditure related to Pony Clubs in 2012

	Average Expenditure per member	National Expenditure
	(€)	(€)
Membership Fees	90.00	356,850.00
Training Fees	252.55	1,001,376.00
Camp Fees	154.92	614,239.50
Rally Fees	126.28	500,688.00
Total fees to Pony Clubs	**623.75**	**2,473,153.50**
Total Travel by Members	475.60	1,885,771.35
National Total	**1099.35**	**4,358,924.85**

Note 1
The figure for maintenance of the ponies was not included in this section to avoid duplication as a very large proportion of the ponies may have already been included in previous sections.

3.10 Leisure horses maintenance costs

The keep or maintenance costs for hunting, Equestrian Centre, Riding Club and showing horses have already been a counted for in the sections above. However, the keep for the remaining 18,772 leisure horses, from the total estimated leisure horse population of 35,882, has not already been included. The keep for these horses was estimated at a lower maintenance level and it includes feed, bedding, farrier and veterinary. It was calculated from the breeding sector data at €1,150 per horse in 2012. The basic keep expenditure for these leisure horses was €21,587,800 in 2012.

3.11 Structured Leisure Sector - Total Expenditure

The total contribution of the structured equestrian leisure sector to the economy in 2012 is summarised in **Error! Reference source not found.** below. The grossed-up national expenditure figures for equestrian centres, hunting and riding clubs are drawn together to give a total contribution of **€118,806,377.42.**

Table 3-20 Summary of the National Contribution of the Structured Leisure sector to the Irish Economy in 2012

	Estimated Expenditure 2012 (€)
Hunting	33,028,831.00
Country Shows	35,169,338.97
Inter-schools Ireland	1,166,045.00
Equestrian Centres	7,939,727.00
Riding Clubs	15,555,710.60
Pony Clubs	4,358,924.85
General leisure horse keep	€21,587,800
	118,806,377.42

4 External Sport Horse Trade

4.1 External Trade

The sport horse industry gives rise to the sale of horses abroad. These sales represent a contribution to the economy, which must be offset by the outflow of funds on imports. Consequently, net exports are the correct measure of the contribution to the economy from these movements. These net exports must be added to the internal expenditure content, already examined, to calculate the total contribution to the economy of this industry.

4.1.1 Central Statistics Office data

As the figures (Table 4-1) show, there were remarkable fluctuations in the values and numbers of both exported and imported horses reported to the CSO in the years in question.

Table 4-1 CSO data - Exports and Imports of Sport Horses for 2007-2011

Year	No. Exports	Value Exports	No. Imports	Value Imports
2007	448	5,212,000	3,606	7,054,000
2008	1,552	5,970,000	6,731	4,224,000
2009	342	3,138,000	939	2,412,000
2010	800	3,927,000	336	3,612,000
2011	2,469	3,780,000	291	3,790,000

While the trends in the published figures are interesting and useful, there is movement of horses through Northern Ireland which is not captured in the published numbers. The other considerations concern the recorded number of horses traded and their monetary value. There is a question mark over the whole subject of published monetary values, given that they are widely believed to be consistently understated. Bearing all this in mind, additional data were sought through the survey process to aid in the measurement of the sport horse export contribution.

Included in the CSO figures are the number of sport horses reported to have been exported for slaughter with this number reaching 2,085 in 2011.

4.1.2 Sales at auction

Owners have two main options when seeking to sell a horse: either to sell privately or to sell through a sales auction, mart or fair. Cavan Horse Marketing Centre and Goresbridge Sport Horse Sales are the two big sales complexes in the country catering for the sport horse

sector. There are other sales, marts and fairs conducted around the country, however, figures on the volume and value of those sales are not known. A description of the known sales at auction in Ireland in 2011 and 2010 are given in Table 4-2.

Table 4-2 Sales of sport horses at auction in Ireland in 2011

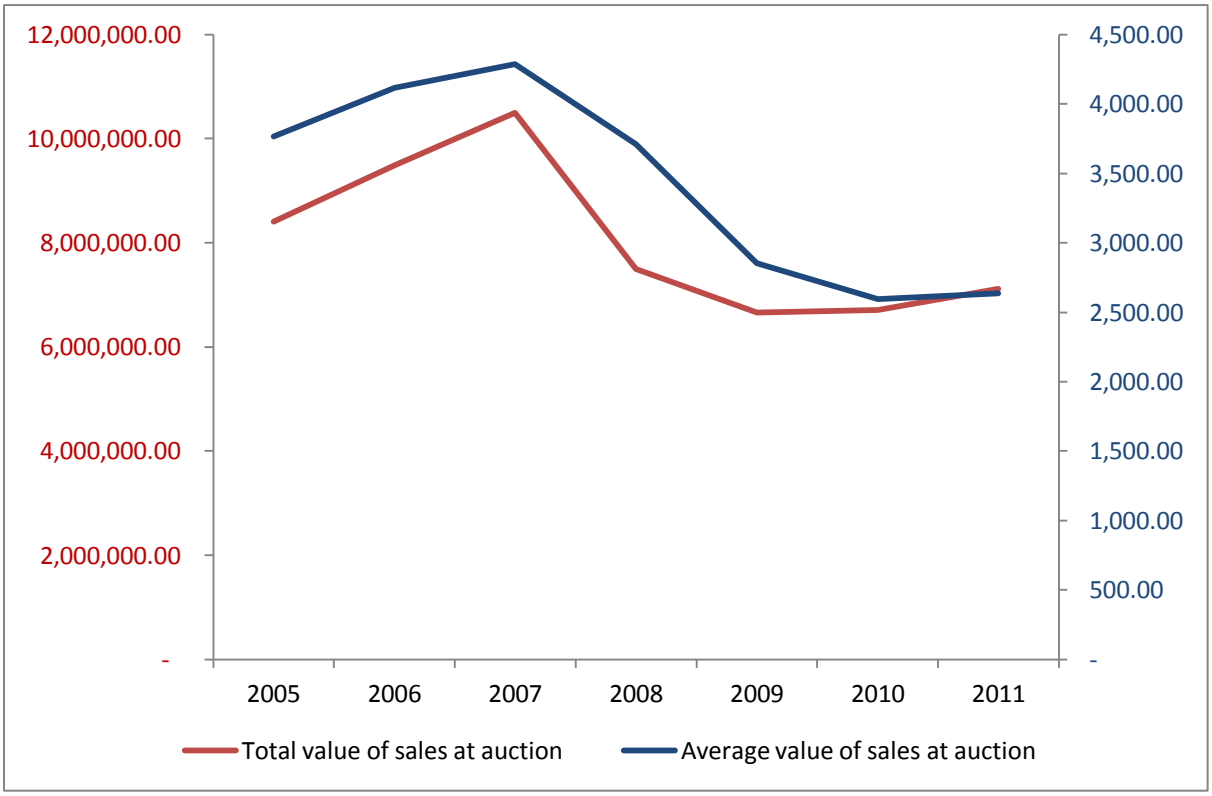
	2010	2011	% change
Number of horses sold	3,438	3,761	+ 9.3%
Percentage of horses exported	58%	56%	-2.0 %
Average value of horses sold[1]	€2,081.29	€2,295.60	+10.2%
Value of all horses sold	€7,115,486.41	€8,633,739.05	+20.7%
Value of horses exported	€4,068,167.86	€4,734,892,93	+16.4%

Note 1
Figures for the value of sales include both sport horse and monthly auctions and include commission and Value Added Tax, where appropriate.

The auction statistics show an increase in the number of horses sold at auction from 2010 to 2011. Average values of horses improved slightly, albeit from a very low base, from €2,081.29 in 2010 to €2,295.60 in 2011 at all sales with the value at designated sport horse performance and elite sales of €3,431.55. The value of sport horses sold at auction nationally increased by approx. 20% from €7.1 million to €8.6 million. The value of horses sold at auction for export increased by approx. 16% from €4.1 million to €4.7 million.

A comparison of the 2011 figures with those from 2010 show a stabilisation in the trade of horses at auction. The total value of sport horses sold at performance and elite auctions peaked in 2007 at €10.5 million with corresponding exports of €5.6 million. The percentage of sport horses sold at auction for export has stayed relatively stable between 53% and 58% in the same time period. The average value of sport horses sold at performance and elite auctions also peaked in 2007 at €4,285.20. Current sport horse values at performance and elite sales are therefore at 80% of their peak 2007 value and correspond to the average prices at similar sales in 2003.

Figure 4-1 Value of sales of sport horses at performance and elite auctions in Ireland from 2005 to 2011



4.1.3 Private sales and total value of horse transactions

Private sales are not routinely recorded and no central database exists that records the volumes and value of sport horses sold through this route. In addition, it has traditionally been the dominant sales route for sport horses. However, respondents to the postal questionnaires provided information on the sales and purchases of sport horses that they were involved with in 2011. These responses were analysed and combined with the auction data to provided estimates of the total value of sport horse sales, exports and imports in 2011 and are shown in Table 4-3.

Respondents indicated that 73% of horses are sold privately, down slightly from 75% in 2005. This corresponds to a ratio of 2.7 horses sold privately for every one horse sold at auction. By applying this ratio, this would indicate that 10,212 horses were sold privately in 2011, giving a minimum of 13,973 horse transactions in 2011 with a net export value of €15,964,171.43 and a total value of €57,190,941.43.

Table 4-3 Private and auction horse values, exports and imports in 2011

Estimates for 2011	Private	Auction	Total
Percentage of horses sold	73%	27%	
Percentage of horses exported	44%	56%	
Average price per horse sold	€4,754.84	€2,295.60	
Number of horse transactions	10,212	3,761	**13,973**
Value of transactions	€48,557,202.38	€8,633,739.05	**€57,190,941.43**
Number of horses exported	4,493	2,106	**6,599**
Value of horses exported	€21,365,169.05	€4,734,892.93	**€26,100,061.98**
Number of horses imported[1]	778		**778**
Value of horses imported[1]	€10,135,890.55		**€10,135,890.55**
Net exports			**5,821**
Value of net exports			**€15,964,171.43**

Note 1

The number and value of horses imported was calculated using the ratio of exported to imported horses from the 2011 CSO trade figures and was grossed-up using the information provided by respondents to the postal questionnaires.

In comparison with 2005 (Quinn & Hennessy, 2007), the total value of horse transactions was similar at approximately €60 million, however, due to the challenging market conditions in 2011, the total value is based on a larger number of transactions.

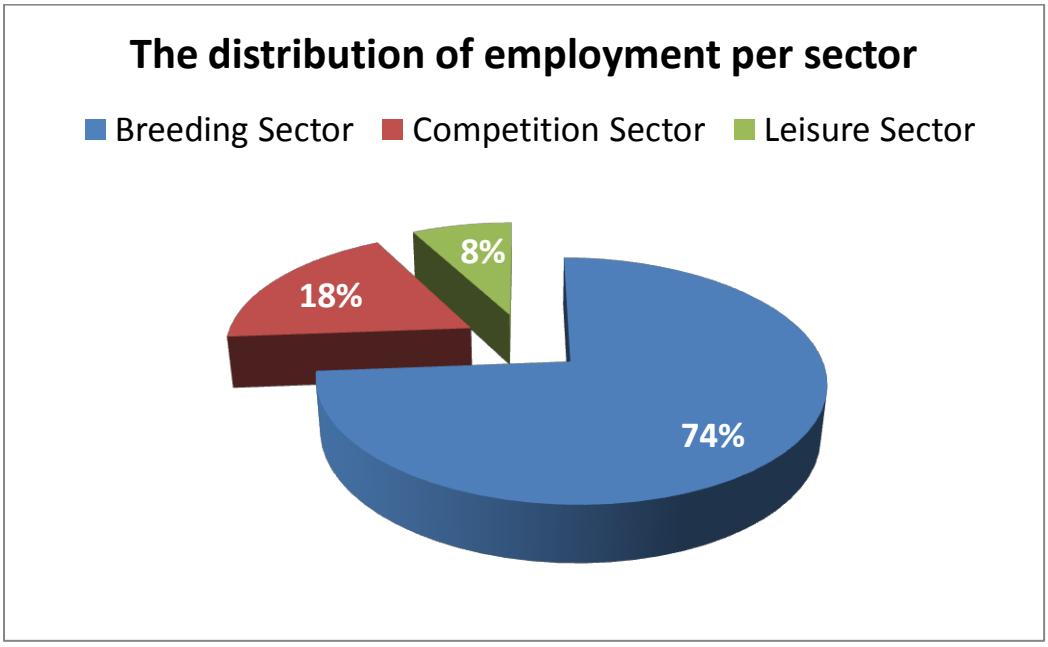
5 Employment within the Irish Sport Horse industry

5.1 Direct Employment

The study established, as a core item of data, the level and distribution of direct employment in registered establishments and activities, see Figure 5-1 below. From this core, estimated levels for the industry as a whole were derived.

For these registered establishments, employment was identified under the headings of full-time and part-time paid employees, and members of the household who provided labour. The numbers involved under each heading, the hours per week and weeks per year were ascertained by questionnaire. For the purpose of assigning a monetary value to the labour involved, the statutory age-related minimum pay rates for agricultural workers provided a reasonable basis.

Figure 5-1 Distribution of Direct Employment in 2012



As shown in the following table, the total numbers of full-time equivalents employed directly in the registered establishments/activities in 2012 was **12,512**.

Table 5-1 Direct Employment in Registered Establishments - Full-Time Job Equivalents by Sector and Wages Value

Sector	No. of Full-Time Job Equivalents	Wages Value (€)
Breeding Sector	8,462	142,110,828
Comp. Sector	2,113	35,485,722
Equestrian Centres	893	14,997,042
Hunting and Showing*	196	
HSI and Affiliate Bodies*	49	
Contractors*	5	
Education	32	1,284,128
Indirect Employment	1,095	18,389,430
Total Employment	12,512	**212,267,150**
Recreation	5,097	85,599,018
Total Labour within the industry	17,609	**297,866,168**

***** The wages for hunting are derived from the membership subscriptions, and as such their economic significance has already been recorded under the hunting section. For the registered bodies and activities, the study identified the number of full-time job equivalents that exist in the registration/regulatory bodies for the industry. There are about 49 such jobs, and 5 contractors, their monetary value is already included in memberships/government funding for the sector and they are therefore not double-counted here.

** The wages for the education sector were calculated assuming an annual salary in the education sector of €40,129 (Source: OECD, Education at a glance, 2012).

5.2 Breeding Sector Employment

Analysis of employment in the breeding sector shows that 36% of breeders employed some paid staff including full or part-time employees and those self-employed on a full-time basis. The reliance on the labour of household members, accounting for 63.9% of the workforce, is a significant characteristic of the breeding sector, and represents of course a real value to the economy. It is of interest to note that the ratio of horses to workers was 6.9 broodmare units (i.e. broodmare and her progeny) per full-time job equivalent and the ratio of horses to workers was 12.4 mares and young stock units (i.e. all horses up to 3 years of age) per full-time job equivalent.

Table 5-2 Breeders Sector - Employment Details

	National Full-Time Job Equivalents	%	Average cost of labour per Breeder (€)	Total National Breeders Wages Value (€)
Full-Time including Self-Employed	2,720.00	32.4%	3,023.14	45,679,680.00
Part-Time Employees	302.00	3.7%	335.66	5,071,788.00
Family	5,440.00	63.9%	6,046.28	91,359,360.00
TOTAL	**8,462.00**	**100.0%**	**9,405.08**	**142,110,828.00**

5.3 Competition Sector Employment

In the **competition** sector, 63% of professional yards employed staff on a full or part-time basis. The horse/labour ratio in this sector was 4.9 horses per full-time job equivalent. This averaged a labour cost of €3,427.25 per horse per year. Grossed up on the basis of expenditure per horse - using national competition horse numbers this gives a national total of €35,485,722.

Table 5-3 Competition Sector - Employment Details

	National Full-Time Job Equivalents	%	Average cost of labour per Competition horse(€)	Total National Competition Wages Value (€)
Full-Time	1,346.00	63.7%	2,183.19	22,604,724.00
Part-Time	167.00	7.9%	270.87	2,804,598.00
Family	600.00	28.4%	973.19	10,076,400.00
TOTAL	**2,113.00**	**100.0%**	**3,427.25**	**35,485,722.00**

5.4 Leisure Sector Employment

The Leisure sector has four components, equestrian centres, recreation and showing on the one hand, from whom data were collected by questionnaire, and hunting on the other hand with data gained from David Scallan's study entitled "A Socioeconomic Assessment of Hunting in the Republic of Ireland" which was completed in 2007 by the Department of Geography, National University of Ireland, Galway.

Of the equestrian centres, 75% employed staff on a full or part-time basis. The horse/labour ratio in the centres was 5.8 horses per full-time job equivalent. The amount and value of labour involved in the recreation sector was estimated using this horse/labour ratio extrapolated for the total number of horses in the recreation sector.

Table 5-4 Leisure Sector- Employment Details

	National Full-Time Job Equivalents	Average cost of labour per EQ Centre, Hunt (€)	Total National Leisure Wages Value (€)
Equestrian Centres	893.0	75,742.64	14,997,042.00
Hunting	194.0	40,222.67	3,258,036.00
Showing	2.0		33,588.00
Recreation	5,097.0		85,599,018.00
TOTAL	**6,186.0**		**103,887,684.00**

5.5 Additional Employment

A further significant amount of employment exists, comprising a multiplicity of indirect employments in related services of one kind or another.

An estimate of full-time job equivalents in the **indirect employment** area, a useful guide is the ratio identified in the Magee (1986) study of 6.5 indirect full-time jobs per 100 direct full-time job equivalents. This ratio takes account of veterinary, farrier, saddlery, horsebox manufacture/sales as indirect services. On this basis a further **1,095** indirect full-time job equivalents may be added bringing the total in the registered area to 12,512 **full time job equivalents.**

5.6 Involvement

The previous sections quantify the number of full-time equivalents involved in the sport horse industry. However, the total number of people involved is much higher as many are involved on a part-time basis. The number of people involved with sport horses was ascertained by questionnaire and when extrapolated for the entire industry amounts to 47,096 people. This figure is conservative as it does not include leisure riders who do not own their own horse. Of the 47,096 people involved, it was estimated that involvement with sport horses contributes to the household income of 29,295 people.

Table 5-5 Involvement in the Sport Horse Industry

Sector	No. of people involved
Breeding Sector	25,838
Competition Sector	2,368
Leisure Sector	18,889
Total	**47,096**

6 Aggregate Contribution to the Economy of the Irish Sport Horse industry

The registered components alone of the sport horse industry show an aggregate economic contribution of €708 million to the Irish Economy.

Table 6-1 Aggregate Sport Horse Industry Contribution to the Economy in 2012

Sector	Total Sector Expenditure (€)
Breeding	225,517,657
Competition	135,213,872
Leisure	118,806,377
Employment	212,267,150
Net Horse Exports	15,964,171
Total	**707,769,227**

Figure 6-1 Distribution of Expenditure in the Sport Horse Sector in 2012

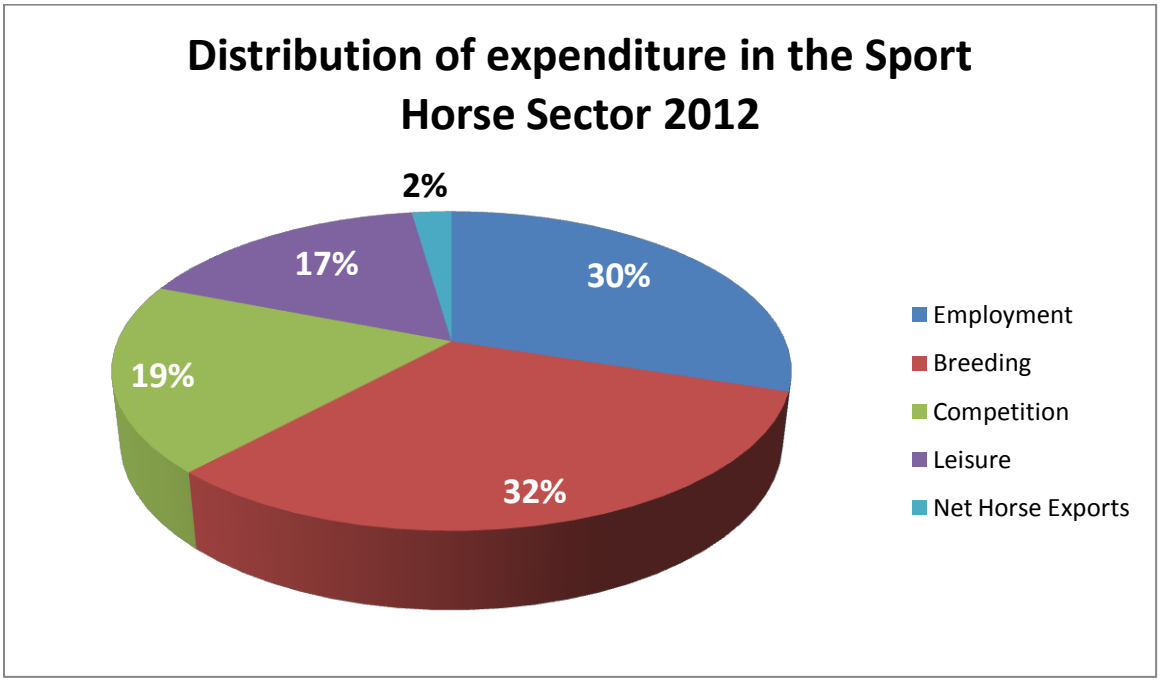


Figure 6-1 shows the breeding sector accounts for the largest portion of the sport horse industry expenditure at 32%, with competition contributing 19% and leisure 17%, and net exports accounting for 2%. The document presented here provides a review of key data and trends in the industry as it currently stands.

While separate sectors exist in the sport horse industry, they have a strong symbiotic relationship. The welI-being of one sector depends upon and contributes to the well-being of the others. Development of the leisure sector and the competition sectors means a better market for the breeders, and a vibrant breeding sector ensures quality horses for Irish success in the competition sector.

There are 47,096 people involved in the sport horse industry and sport horse breeding, competition and activities take place in every county in Ireland. As well as making a considerable economic contribution of €708 million annually to the Irish economy the sector is an important component of Irish rural life.

7 Acknowledgements and Disclaimer

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