

HANSARD

NOVA SCOTIA HOUSE OF ASSEMBLY

COMMITTEE

ON

PUBLIC ACCOUNTS

Wednesday, September 16, 2015

LEGISLATIVE CHAMBER

**Department of Health and Wellness
Nova Scotia Provincial Lotteries and Casino Corporation**

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Public Accounts Committee

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Legislative Counsel

Mr. Michael Pickup
Auditor General

Ms. Evangeline Colman-Sadd
Assistant Auditor General

WITNESSES

Department of Health and Wellness

Dr. Peter Vaughan, Deputy Minister
Ms. Natalie Cochrane, Manager, Prevention & Problem Gambling

Dr. Linda Courey, Senior Director, N.S. Health Authority Mental Health & Addictions
Ms. Jocelyn Vine, VP, Patient Care & Chief Nursing Executive, IWK Health Centre

Nova Scotia Provincial Lotteries and Casino Corporation

Mr. Bob MacKinnon, President & CEO



House of Assembly
Nova Scotia

HALIFAX, WEDNESDAY, SEPTEMBER 16, 2015

STANDING COMMITTEE ON PUBLIC ACCOUNTS

9:10 A.M.

CHAIRMAN

Mr. Allan MacMaster

VICE-CHAIRMAN

Mr. Iain Rankin

MR. CHAIRMAN: Good morning everyone, I call this meeting to order. Today we have the topic of responsible gambling and the prevention and treatment of problem gambling which was Chapter 5 in the Auditor General's June Report. We have with us the Department of Health and Wellness as witness and also the Nova Scotia Provincial Lotteries and Casino Corporation.

I would ask everyone to place their phones on silent so that we do not have any interruptions. Let's begin with introductions, starting with Mr. Maguire.

[The committee members and witnesses introduced themselves.]

MR. CHAIRMAN: Thank you very much. We'll begin with an introduction and some opening comments from Dr. Vaughan.

DR. PETER VAUGHAN: Thank you very much, Mr. Chairman. While most people in Nova Scotia enjoy gambling as entertainment without experiencing any harms, we know that some people are harmed by this activity. This kind of harm reaches beyond the individual. It negatively impacts their family life and work life and can leave them feeling very much alone and depressed. We are working to prevent this from happening and we also provide treatment and support for those who need it, through the Nova Scotia Health Authority and the new Gambling Support Network.

While we are still completing our most recent surveillance reports, I can share today with you that the number of people who are at moderate and severe risk for gambling harms has remained steady, despite our best efforts at prevention and treatment. About 50,000, or 7 per cent, of Nova Scotians are at risk for gambling harm. An additional 5,000 adults are experiencing severe gambling harm. The province continues to be concerned about these Nova Scotians and their families, and we are taking steps to modernize the way we provide services to better meet the needs of people where and how they live.

With the help of the Auditor General's recommendations, the province is working collaboratively with the Nova Scotia Health Authority and the IWK on better oversight and monitoring and evaluation in our work to prevent gambling harms.

Now the consolidation of the district health authorities into a single provincial authority plus the IWK, ensures that the on-the-ground supports and programs and services are being delivered in a more consistent manner so that Nova Scotians can get high-quality and standardized care.

The shift to a single provincial health authority will also help improve monitoring, reporting and evaluation, ensuring decisions are being made based on best evidence right across the province. The direction of our health delivery system overall is to modernize, to innovate and to be more efficient in our service to Nova Scotians. Our approach to preventing and addressing gambling harms is in line with this direction.

The province is moving to provide better support, through mobile devices and online services. For example, now an individual can receive support through text message or participate in a live online chat with a trained clinician. This expands on the already existing mental health and addiction services for in-patient or by telephone support. This is a more realistic and modern way to help people through a device many Nova Scotians don't leave home without - their smartphones.

These supports are being communicated through an awareness campaign called Take 5 that was launched last March. It is early days for the awareness campaign but we are seeing promising results in website traffic and phone calls. We will be evaluating the campaign more formally this fiscal year.

The issues surrounding gambling harms did not happen overnight and they will take time to fully address and to understand. These issues are particularly challenging because many people experiencing gambling harms are very reluctant to seek help. This is true in Nova Scotia, across Canada, and in fact around the world. There is no question that these issues impact all regions of our province, including our First Nations communities. We are working closely with First Nations to develop stronger relationships and provide the kinds of support they need.

We are committed to better understanding gambling issues, to being innovative in our approaches and to building best practices in our collaboration with our partners. We

will continue to dedicate appropriate resources to this work. Through better monitoring, surveillance and evidence-based decision-making we are aiming for continuous improvement in this area. I look forward to your questions and will now give the floor to Mr. MacKinnon. Thank you.

MR. CHAIRMAN: Mr. MacKinnon.

MR. BOB MACKINNON: Thank you, Mr. Chairman, thank you Deputy Minister Vaughan and good morning committee members. I would like to thank the Public Accounts Committee for the opportunity to talk about gambling in Nova Scotia and the responsible gambling programs that the Nova Scotia Provincial Lotteries and Casino Corporation provides to the public and to our customers.

I would like to begin by talking about the roles within the gaming industry. Government's role is to get policy and direction through gaming strategies and to make the decisions related thereto. Our role is to execute those strategies through our operators - Atlantic Lottery Corporation and Casino Nova Scotia - by overseeing the conduct and management of the gaming industry as a whole.

Our priority is to ensure a responsible, accountable and sustainable approach to gaming in the province, and that includes considering social responsibility and the impact on players in every decision. We strive to have the right mix of responsible gambling programs in place to help players make informed decisions about their play and are always open to continuous quality improvement.

With that in mind, we appreciate the work and thoroughness that the Office of the Auditor General put into conducting this audit and accept the recommendations in the report. The corporation believes it does have a process in place to determine performance, metrics and targets and we certainly agree that a review of the process can add value and, in fact, have already engaged a third-party expert to ensure our target-setting and evaluation processes are based on standards of professional practice.

This is work we started right away. We are expecting to have the advice and recommendations from the expert this Fall, such that we expect to have the process completely rolled out by the Fall of 2016. Thank you and I look forward to your questions.

MR. CHAIRMAN: Thank you, Mr. MacKinnon. Our meeting today started at 9:10 a.m. If there is agreement by members of the committee, we will extend the meeting until 11:10 a.m., to ensure that we have the standard question times allotted for each caucus. Is there agreement? There is agreement, okay.

We will begin then with the PC caucus and Mr. Houston for 20 minutes.

MR. TIM HOUSTON: Thank you for those introductory remarks. Just so I have a bit of perspective on the prevalence of gambling, I guess, in the province - I guess I'll ask

Mr. MacKinnon. Dr. Vaughan referred to the categories of maybe 50,000 Nova Scotians that have a severe risk of a gambling issue, I guess and I think he said 5,000 do have a severe issue. If you look at the population of Nova Scotia, how would you categorize it? Would you categorize it as people who gamble and people who don't gamble, or would you categorize it as people who gamble more and then casual? What kind of buckets would you use, and how many people would you put in each of those?

MR. MACKINNON: Thank you very much for that question. Yes indeed, we do have an understanding of the public that does participate in gambling and certainly in addition to the work that NSPLCC does in this area, the Department of Health and Wellness uses measures which it calls surveillance monitoring of gambling prevalence so they have information on this area.

The starting point is that we know from the last report done by the Department of Health and Wellness that about 87 per cent of adult Nova Scotians participate in gambling so we know the vast majority of the public is participating in gambling. We certainly know that a statistic of less than one per cent have severe problems with their gambling.

Of course no one is a statistic. We are always extremely concerned by those who are affected by issues with their gambling, and certainly Dr. Vaughan and his team can describe in much better detail about services available for those affected by severe problem gambling. They are the experts in this area.

We certainly see our role as making sure that all categories of players, whether they are what we would call a no-risk gambler or a low-risk gambler and moderate-risk gamblers to have information and tools that they could use to help them make informed decisions. This would include, for example, making sure that people have odds available to them if they want to read the odds, so they can understand what they are getting into before they place a wager.

MR. HOUSTON: I appreciate that, so 87 per cent of Nova Scotians gamble in some form?

MR. MACKINNON: That's correct, and there is a standard measure, I'll say, that is used to - if we want to use the word "categorize" people but we don't generally like to categorize people but it measures the risk of problem gambling. It is called the Canadian Problem Gambling Index (CPGI), used not only here in Nova Scotia but around Canada and in many jurisdictions around the world.

MR. HOUSTON: Okay, thank you. So Dr. Vaughan, you referred to - I think you said 5,000 people who have a problem with gambling in the province and the Auditor General indicated that it's 7,000. I'm just curious as to how you get to that 5,000?

DR. VAUGHAN: The surveillance report shows we have about 7 per cent, that would be 50,000 people, have a low-to-moderate risk and there are a smaller number who have a higher risk component to their behaviour.

MR. HOUSTON: So there is a discrepancy there between your own numbers and the AG's, I guess. The AG said that 7,000 Nova Scotians experience negative consequences and I think you used the number 5,000, but I want to make sure I have the context - is that the same context? You believe there are 5,000 Nova Scotians that have experienced negative consequences from gambling?

DR. VAUGHAN: We haven't released the surveillance report yet, so I was giving you a sort of a bit of preliminary on that. We'll have more information.

MR. HOUSTON: Okay.

DR. VAUGHAN: We've had some challenges with the peer review process through the Nova Scotia Health Research Foundation, so that blind peer review process requires that we make sure that the data is correct. We have about 50,000 Nova Scotians, 7 per cent of the population, who are low to moderate. We'll have more information when we have those numbers finally released in the report.

MR. HOUSTON: Okay, 50,000 is a significant number of Nova Scotians for sure, so this is a real issue. Just the proportionality of the 7,000 versus 5,000 people who are struggling with the gambling thing kind of struck me, so it is interesting there.

Do you have any sense of what the cost is to the health system to treat those 5,000 people? Would you have just an average per person cost to the health system?

DR. VAUGHAN: It's a great question. We don't really have that kind of specific or granular costing. The challenge is that first of all, as I mentioned in my preamble, many people don't want to self-identify or don't self-identify as gambling so it's hard to get that kind of data. We do know that we have people with mental health and addictions problems that present with a variety of challenges. The specifics in terms of who has what with gambling versus other addiction problems is really quite blended together. We do spend about \$194 million, of which \$178.4 million is allocated to the health authorities for addiction purposes, including gambling.

MR. HOUSTON: Okay. I was just curious on a bit of perspective because we look at the revenues brought in, let's call the benefit, there is a cost and I was just wondering what type of analysis goes along with the cost and it sounds like there's a little bit of analysis, but it's a difficult analysis to do, so that's fair enough. We can leave that one for now.

If we go back to Mr. MacKinnon, I do want to talk a little bit about the My-Play system and how that process evolves. It was just last year that the government announced

that it would be dropping the My-Play system. I'm wondering if you can recall when the discussions about cancelling that system first began - at least the discussions you were involved in? How much prior to the actual cancellation?

MR. MACKINNON: Thank you for that question because it really was quite a collaborative process that resulted in the review of a number of options related to My-Play. My-Play became mandatory on April 1, 2012 and within a short number of months after that, through our review of data and monitoring the system, we determined that the system was not meeting its objectives. What we sought to do was understand from players, understand from the data what was happening with the system because certainly, the objective of the system was to provide information and tools so that players could make informed decisions about their play. What we could quickly see is that objective was not being met.

We looked at the data, we spoke to customers and we spoke to people who work out in the locations where VLTs are located to understand what was happening. From that work we struck a collaborative team that involved a number of stakeholders, including representatives from the corporation and representatives from the Department of Health and Wellness to start understanding what the options were.

MR. HOUSTON: If I can stop you, was that way back in 2012?

MR. MACKINNON: That's correct, yes.

MR. HOUSTON: So the decision to cancel was made this year.

MR. MACKINNON: We went through a process of looking at options and fleshing them out. We developed a number of criteria. Ultimately we sought to understand if any options could help make My-Play any better. The result of that work was that there was no solution better than what we had, that anything we looked at would likely continue to have continued low usage, and ultimately the decision was made in August 2014 to discontinue My-Play.

MR. HOUSTON: So that decision in August 2014 was the culmination of two years of analysis?

MR. MACKINNON: That's correct.

MR. HOUSTON: I believe you said that early on in 2012 you had concerns. That's your personal concerns about whether it was working?

MR. MACKINNON: I would say it was the corporate concern. So yes, we could tell the system wasn't meeting objectives and started the process.

MR. HOUSTON: So over the total life of the My-Play system, I believe there was about \$19-something million spent on My-Play. Do you remember what the initial investment was way back in 2012?

MR. MACKINNON: Yes, I do. You are absolutely correct that just under \$20 million was spent on the system. The capital costs were in the magnitude of \$13 million.

MR. HOUSTON: That was the initial? Like at 2012, \$13 million was spent very early on?

MR. MACKINNON: You are correct, yes.

MR. HOUSTON: Then another almost \$7 million was spent over the next two years.

MR. MACKINNON: Including that year, yes, you are correct.

MR. HOUSTON: So after the \$13 million right away the corporation had some concerns?

MR. MACKINNON: You are correct, yes.

MR. HOUSTON: Then so the concerns were being assessed by a panel, I guess, presumably with the Department of Health and Wellness at the time. What actually triggered the decision to cancel it?

MR. MACKINNON: It took us some time to thoroughly explore the options that would be available to us for My-Play. We sought expert advice, we developed criteria so as you can imagine, it took some time to flesh these out. In the meantime, we continued some additional new measures as we tried to engage the public and players to use the My-Play system while we were going through this analysis, so a number of activities were playing out.

Ultimately we got to a place, after looking at all the options, we felt the options had been identified and were prepared to present a range of options to government for its consideration.

MR. HOUSTON: I do want to talk about those options but I just want to make sure I am clear. For two years, there was an assessment and concern over the My-Play system's effectiveness and money was still being spent on that all that time. Then ultimately the decision was made to cancel it and despite two years of kind of thinking and planning and talking, by the time it was cancelled there was no alternative that had been identified that said, well let's move from this system to that system. Is that how it happened?

MR. MACKINNON: We looked at a range of options and there was no other system in a comparable jurisdiction, so there was no replacement for My-Play per se.

I think another point that's very important to have some context about is, Nova Scotia is recognized for having among the most responsible gambling environment in place that existed before My-Play went in. My-Play was not adding any value and that environment continued on. That includes, for example, pop-up features that are on VLTs that were invented here in Nova Scotia and now are deployed around the world.

MR. HOUSTON: So you thought there were enough alternatives, because you mentioned the corporation was looking at alternatives and in fact a panel did come back with some alternatives. In my understanding of the panel's recommendations, the expert panel you referred to with their options, they never considered just cancelling My-Play without a move to something new. All their analysis was if you don't use My-Play, you should do this and the decision was made still to push that to the side and say well we're going to cancel and we'll figure out what the alternative is later on. If I cut right through it, that's kind of what happened, correct?

MR. MACKINNON: Well thank you for that question because I think it's really helpful to understand what it is we asked the experts to do, so the scope of work that we asked them to do. I can tell you that our analysis was going along the lines of, keep My-Play as it is, change My-Play, remove My-Play. What we were seeking to understand from the experts was, if we made changes to My-Play, what might be the effect? So the scope of work we asked of the experts was, if we did these changes, what would be the effect? Even of the best of the five options that the experts looked at, they also concluded that the usage of that system would not likely be any better than what we had.

MR. HOUSTON: Okay, we'll probably come back to that a little bit because I do think that it's important to understand what it is you are doing now. I know Dr. Vaughan referred to some things but before I get into that - the cost of the My-Play of almost \$20 million was borne by the corporation, correct? The corporation paid that \$20 million?

MR. MACKINNON: You are correct.

MR. HOUSTON: Now Dr. Vaughan referred to some initiatives of moving to different support systems with text messages and some of this stuff. Are those initiatives of the Department of Health and Wellness and therefore the department would now be paying for those initiatives, whereas under My-Play the corporation was paying? Who is paying for the new initiatives?

DR. VAUGHAN: Thank you for that question. The Gambling Support Network has funding and that is funding through our budget. We have resources through our budget for the Gambling Support Network.

MR. HOUSTON: Do those resources come from the corporation?

DR. VAUGHAN: Not directly from the corporation, no.

MR. HOUSTON: So just on that point, Mr. MacKinnon, the corporation was paying for My-Play, it cancelled My-Play, and that's just money that's not spent on these types of initiatives any more. I guess it increases the profit of the corporation, would that be fair to say? If now the Department of Health and Wellness is looking for other avenues to support Nova Scotians, would it be fair to say that that's a savings to you?

MR. MACKINNON: Well you know it's certainly the case that the ongoing costs of My-Play were \$2.5 million or so per year. We discontinued My-Play and we're no longer incurring those costs, so it is the case that we're no longer incurring those costs.

MR. HOUSTON: Well we know there wasn't an alternative, that we turned off My-Play and went to the other one - there's no new alternative that has come in so the \$2 million is no longer being spent on these types of initiatives.

MR. MACKINNON: I'd like to answer that in two ways. We do about \$7 million in expenditures on responsible gambling and on funding to the Department of Health and Wellness for it to provide funding towards its programs in this area. In fact Nova Scotia has the highest rate of funding for responsible gambling towards the prevention and treatment of problem gambling of any jurisdiction in the country.

MR. HOUSTON: When you say Nova Scotia, are you referring to the corporation?

MR. MACKINNON: I'm speaking to the corporation, yes, correct, so that number is about \$7 million. I can tell you that whether My-Play was in place or not, before My-Play, after My-Play, that \$7 million continued with its own suite of programming. In fact we didn't even account for our expenditures of My-Play through our responsible gambling budget; we included that through our normal operating budget. In fact a lot of the My-Play costs were in fact IT-related.

MR. HOUSTON: So if it wasn't included in the responsible gaming budget and was in your normal operating and the responsible gaming budget was \$7 million and it's still \$7 million - I don't want to belabour it, but I'm just concerned that some of this cost is now being downloaded to the Department of Health and Wellness.

We all know that the Department of Health and Wellness spending is pretty stretched. I'm just trying to get my head around whether the cancellation of My-Play increased your profitability, which it sounds like it did, and I'm just wondering if you are properly motivated to find that alternative that you haven't been able to find or if you are - from outside looking in, would be motivated just to let the Department of Health and Wellness kind of try and deal with that?

MR. MACKINNON: Well listen, that's a very good point and I'm glad you raised it because I can tell you that social responsibility is of utmost concern to myself, personally,

and to the corporation. I think we are, in fact, in a very unique role in the province to provide a balance of social responsibility as well as economic sustainability to the industry. Dr. Vaughan could probably better speak to the services for prevention and treatment of problem gambling, but it would be my view that whether or not we were spending money on My-Play would have nothing to do with the extent of services that are needed to provide supports to those affected by problem gambling.

If I can say once again, My-Play was always about providing information and tools to help people keep their play responsible. When people have issues with their problem, they need expert advice and that's where the health authority and Health and Wellness coming in.

MR. HOUSTON: Sure, fair enough. I appreciate that. I think I just have one minute, Mr. Chairman?

MR. CHAIRMAN: You have one minute remaining, yes.

MR. HOUSTON: A quick question. On the \$500 million basically that the corporation provides to the province - it's in the neighbourhood of \$500 million - do you have any sense of what the split of that might be as generated from Nova Scotians versus generated from tourists? Can you split the \$500 million between residents and tourists?

MR. MACKINNON: In the Auditor General's Report he talks about \$500 million and that would really be the top-line revenue of the gaming industry as a whole. A portion of that is NSPLCC-operated, a portion of that is charity-operated and other venues, so our revenue is, in fact, in the magnitude of \$400 million and our profits are more in the magnitude of \$125 million. So \$125 million in revenue goes to the province from gambling each year.

The reality is Nova Scotia's gambling operations are substantially what we'd call a local's market. It is absolutely the case that people who have family and friends come to visit them, particularly in the summertime, they'll include visits to the casino in their stay, but the reality is we are not Las Vegas, we are not a destination casino.

MR. CHAIRMAN: Order, the time for questions has expired for the PC caucus. We will move to the NDP caucus and Mr. David Wilson.

HON. DAVID WILSON: Thank you for being here today. This definitely is an extremely important topic because I think over the last number of months, if not the last year or more, there is a growing concern around services for mental health and addictions services. Many feel - and I would be one that would place myself in this category - that the government has dropped the ball around services for mental health and addictions. We've seen cuts in the last budget that are severely effecting organizations that directly support people who have issues with mental health and addictions here in our province. This definitely is very concerning for our caucus and for many Nova Scotians so that's really

where I'll be spending some of my time. I know my colleague, whom I'll share my time with, will also concentrate on that area.

We just left the topic of the My-Play system. What was the impact on revenue for VLTs after the My-Play system was introduced? You could give me the first year or two, the first couple of years.

MR. MACKINNON: Thank you for that question because I think it is helpful to understand the impact of My-Play on revenue. The interesting thing is My-Play was never about revenue in the first place, it was always about trying to help people. When My-Play came in there was a significant decrease in revenue in the magnitude of 25 per cent. In addition to the \$13 million in capital costs that we spoke to, there was a significant decrease of over \$25 million in video lottery revenues; a 25 per cent decrease. It is the case that within weeks of removing My-Play, we saw about an 11 per cent increase in revenue from the result of that decision.

I always go back to the point though, My-Play was never about money one way or another. The decision to remove My-Play was solely based on the fact it was not meeting its objectives.

MR. DAVID WILSON: I would agree with you because I was the minister who brought in the My-Play system knowing just that. It was an opportunity to give information and have tools directly given to those who were playing My-Play. I believe for the first two years, the revenue drop was about \$33 million and now we're seeing an increase over the last two years, since the My-Play system was cancelled.

What concerns me the most, and you said it earlier, was that My-Play provided information to those who are gambling right then and there, when they're putting the money in the machines. What has replaced that? I know there has been an increase in television ads on TV, I've seen them and I think that's a great avenue, but that doesn't give any help to someone who is sitting in front of a VLT machine when there is an ad on the TV. So what has replaced that and why did you not push the fact that you needed to continue to provide that information at the terminals after the My-Play system was cancelled? I don't know if Mr. MacKinnon or the deputy would want that.

MR. MACKINNON: That's a really good point because that was the whole premise of My-Play in the first instance was to provide information and tools to players right when they were in the situation and at the VLT; that was actually even based on research. So we had done a pilot, we had good research that indicated that such a system could provide this information and tools and be used by players.

In real life, the reality was the exact opposite. We saw that 99.9 per cent of all play was using the light enrolment card. We could tell by looking at the data that there was extremely low usage or even accessing of the tools themselves.

I think the important thing to also know is that there continues to be important information in retail sites. There are brochures, there's retailer training, there are a variety of information pieces remaining on the VLTs prior to My-Play - they continue. These include time pop-up reminders, mandatory cash-outs and also a clock always available to players, among other features. So there are a number of information pieces that continue.

MR. DAVID WILSON: The Auditor General had mentioned that there is no monitoring of this, so those things were happening in association with the My-Play system. So how can we be confident that those mechanisms are supporting those who are using VLTs if the My-Play system was discontinued? How are we supposed to know that is a positive thing if the monitoring is not there, and what have you done to rectify that?

MR. MACKINNON: My understanding from the Auditor General's Report is that he was commenting on the monitoring of services for problem gamblers - for those who have issues with their gambling. Certainly I would say within a VLT site, within the areas of NSPLCC's operations, we see our role as very important to provide information and tools about responsible gambling; the Department of Health and Wellness is the expert in all areas of providing supports to those affected by problem gambling. If it was agreeable, perhaps Dr. Vaughan might be a better person to ask about monitoring of services.

MR. WILSON: I'll peel back around in a few minutes on that - just to keep questioning on your role here. Did reduction in revenue after the My-Play system was introduced influence the decision to eliminate it?

MR. MACKINNON: Absolutely not. The criteria were developed jointly with the Department of Health and Wellness when we looked at options for My-Play as we were trying to find out what to do with it. I can tell you that among the top criteria included: what the effect would be on problem gamblers, what the effect would be on the responsible gambling environment.

MR. DAVID WILSON: So looking at alternatives, I know that there was a panel and you mentioned a panel of experts. Are you able to tell us exactly who those experts were that were looked upon to give some guidance?

MR. MACKINNON: Yes, absolutely. If you bear with me for one moment, I'm going to turn to my report. What I will first tell you is that the way - I have already mentioned that we short-listed, if you will, a range of five options that we asked the experts to do. What we did is we went to an independent non-profit that has specialty in the area related to responsible gambling and problem gambling. It's called the Responsible Gambling Council of Canada. We went to this organization and at the time we didn't know who the experts were.

The first expert was Dr. Mark Griffiths, who is from the Nottingham Trent University in the U.K.; Dr. Richard Wood who is a specialist, a doctor in this area and he was formerly also at Nottingham Trent University and also at McGill and the University

of Toronto; Dr. Rob Ladouceur who is internationally known from Laval University; and Dr. Alexander Blaszczynski who from the University of Sydney in Australia. Those were the four experts who contributed to the report that we asked the Responsible Gambling Council to do for us.

MR. DAVID WILSON: Did the report say or indicate that one of the options was just to eliminate My-Play and not replace it with anything and not do anything other than the other services that were already in place?

MR. MACKINNON: We asked the experts to look at changes we were considering. Interestingly, one of the experts also commented that no system is better than a system that does not work.

MR. DAVID WILSON: So with these experts, was Dr. Robert Strang asked for his opinion or advice on what direction the government should go? I mean he's within the Department of Health and Wellness.

MR. MACKINNON: As I mentioned, we collaboratively work with staff within the Department of Health and Wellness to go through this assessment process, develop criteria, and ultimately the experts we used we went to an independent entity called the Responsible Gambling Council of Canada. They hired the experts.

MR. DAVID WILSON: So Dr. Strang was not asked to give advice on this? I know you said you worked with the department and Dr. Strang works within the department. Maybe I'll ask the deputy if Dr. Strang was involved in giving advice on the My-Play decision.

DR. VAUGHAN: Dr. Frank Atherton, the Deputy Chief Medical Officer, was asked to be part of that, but Dr. Strang was not.

MR. DAVID WILSON: What was his advice? Are you able to provide that to the committee?

DR. VAUGHAN: I wouldn't be able to give you that advice today, not knowing what Dr. Atherton's comments were.

The important element that I think we all recognize is that My-Play did not work, as was set out in its objectives to work.

MR. DAVID WILSON: Well deputy . . .

DR. VAUGHAN: The challenge with the technology was not - it might have been a good idea at one time but it did not achieve its objectives. When we have 99.9 per cent of players seeking to go around that system and 1 per cent of the players who were so-

called “using” it have no ability to understand what they were doing by accessing this system, we have a system that is not achieving its objectives.

MR. DAVID WILSON: Thank you, deputy. Interesting, though, there were options to improve that with the My-Play system but you didn’t answer the question. I mean I was there, I’ve been Minister of Health and Wellness - if the Chief Public Health Officer had an issue with the direction of the government, he would let the minister know, the deputy know. You are not aware of what Dr. Atherton’s decision or input on this decision is? You have to go back and maybe find out what that was? I’m not clear on that.

DR. VAUGHAN: Just to be clear, through the chairman, there were no concerns raised to us from Dr. Atherton or the minister specifically. The department is concerned about reducing the harms of gambling to all Nova Scotians and it was clear that My-Play just wasn’t the tool that was achieving that objective.

The question then became, what’s the better option for us to be looking at, and we’d be happy to talk about the Take 5 campaign. It is science-based, it is based in good research so that’s a better approach to the situation than My-Play, which was not achieving any objectives.

MR. DAVID WILSON: So, deputy, why the decision to not replace it with anything and take the option of just cancelling it and going on with what was already in place on supporting those who might find themselves with a gambling issue?

DR. VAUGHAN: Thank you for that. I think again if there was clear evidence that it was not achieving its objectives and to keep on using a system that isn’t effective, is probably not a solution to the problem. The corporation can speak to the decision to cancel it. Our concern is that we need a system in place that actually addresses the needs of all gamblers because everyone needs to take a break and that would be our approach to it. We did put some options forward to the corporation for consideration, but ultimately it was a decision that was made.

MR. DAVID WILSON: Now was that decision made by the minister or by the corporation?

DR. VAUGHAN: I can’t speak for the corporation, but the corporation did put certain options forward to government for consideration.

MR. DAVID WILSON: So in the end I would assume that the minister would have brought that to Cabinet, maybe? Is that how the decision came about?

DR. VAUGHAN: It would have come forward through the minister responsible for the corporation.

MR. DAVID WILSON: So the interesting thing is that with the audit that was done, it is very difficult to really figure out those people with gambling issues are. How does the department go after supporting them with future programs - and I hope that's what the government is looking at now, as what we need to do.

The former government brought in a program that saw a drop of \$33 million in revenue in two years and I would say it had an impact on the amount of gambling that happened in the province. As soon as it was cancelled, we saw an increase of over \$10 million for the last little while. If we can't identify those problem gamblers, how are we going to support them in the communities across the province?

DR. VAUGHAN: It's a great question and one that I think we've looked at both within the corporation and within the department. One of the things that we've learned through the research is that folks who are experiencing gambling harms do not like to be identified and self-identified as problem gamblers. That, in itself, tended to be a barrier.

So in looking at better approaches to help people have tools to limit their time onscreen, the reality is that we're in a world of online gambling where people are not necessarily only going to VLT lottery terminals and that shift has happened over a number of years. Many people are choosing to gamble in essentially unregulated environments, but what we're trying to give people are tools that they can use when and where they need them, but also to give them services in terms of a 24-hour, seven-days-a-week service that people can use.

We know that the services that we have used through our current Take 5 Program and through our Gambling Support Network that 271 people used the service this year which is a significant improvement from the old gambling help line, as it was called, only 97 people called. We have a better tool now and we will be monitoring and evaluating it, but it also helps people who are not just gambling on the VLTs, but also using services that are online. The principles are the same, get away from the screen, take a break. There is much evolving neuro-science around that and so the old thinking and technology around My-Play might have been a good idea, but the world has evolved very quickly into a new environment.

MR. DAVID WILSON: So since the cancellation of My-Play, we've seen an increase of millions of dollars in revenue. Have there been additional allocations to tackle the gambling problem since we've seen an increase of about \$12 million, I believe, over the last couple of years? What percentage of that has gone to increasing support for gambling addictions in the province or has the budget stayed the same along the last couple of years?

DR. VAUGHAN: Thank you for that question. We spend over \$2 million specifically for gambling support as a part of the \$194 million annually that is primarily dedicated to the resources of the front line in the health authority and the IWK. The gambling resources has not changed, it has been consistent.

MR. DAVID WILSON: So there hasn't been an increase with the increase in revenue. Maybe I'd like to turn to Ms. Cochrane. I'm just wondering if you're able to give us what the wait times are? Do you track the wait times for those who are support with gambling addictions?

DR. VAUGHAN: If I might first say that that's one of the challenges I think people will be well aware of when we're tracking folks who come in the door. Many people who come in the door with gambling problems have other concomitant problems as well, and families and colleagues often identify them.

The old way the health authorities kept track of these things was wide variability. As I mentioned in my preamble, the opportunity going forward to standardize, to collect that data, to bring that information system in play is what we are currently working on, but the old way it was very difficult to know or even compare because of the variability across health authorities.

MR. DAVID WILSON: So quickly - I think I have about a minute or less - are there any vacancies in the area of prevention and problem gambling in the Health and Wellness Department currently, with staffing levels, for example, that can assist in trying to address the Auditor General's concern with his audit?

DR. VAUGHAN: We are always in the process of looking at what we're doing within the department in terms of making sure we have the right number of people in the right places. We have over 438 people across the department.

MR. DAVID WILSON: I understand that but are there vacancies now? I think you would know if there's a vacancy in that section of the Department of Health and Wellness.

DR. VAUGHAN: There are vacancies, there are vacancies in many parts of the department.

MR. DAVID WILSON: And how many? Are you able to give us that information?

DR. VAUGHAN: I believe two.

MR. DAVID WILSON: Okay, thank you.

MR. CHAIRMAN: Order, time has just about expired, so we'll move to the Liberal caucus and Mr. Rankin.

MR. IAIN RANKIN: Thank you very much. I'll just start with a general question out of curiosity. The Nova Scotians who know about the support services, I think we could all see that a good portion of the people are quite aware of the long list of services that are provided by government - obviously there are some who don't want to recognize the problem themselves so what would you suggest that those Nova Scotians do, and if they

don't do it, is there an opportunity for their employer or their families to reach out to some of these services?

DR. VAUGHAN: Thanks for that question, it's an important one. It's important that we have this conversation across Nova Scotia for the reasons we've articulated in the preamble. There are resources available for families, for friends, for colleagues and relatives as well. Through the Gambling Support Network it was a great place to start and it's mobile-friendly but also available online. There's a telephone line where people, colleagues, friends and others can talk to real, live clinicians with master's and bachelor's degrees who are experienced in these areas. They can get some real, practical advice in terms of what they can do to broach their friends and colleagues and relatives.

MR. RANKIN: How does the Lottery Corporation compare relative to the other ones? I think you mentioned that we are leaders so has there been any change with the cancellation of My-Play, has there been any change? Are we in the middle of the pack or are we considered still in the top in terms of prevention strategies?

MR. MACKINNON: I can tell you that it's always an utmost topic in our mandate to have social responsibility first, as well as our economic mandate. Funding towards responsible gambling and prevention programming is an extremely important area. I've mentioned that the corporation funds over \$7 million per year in this area and this is the highest per capita funding of anywhere in Canada.

MR. RANKIN: Okay, thank you. I'm just curious, relative to the evaluation of some of these programs, I'm wondering how you evaluate the effectiveness of the Responsible Gambling Awareness Week and what kind of results are we seeing from that over time?

MR. MACKINNON: Thank you very much for that question. You know really what I would like to start with is, we have quite a number of programs and services related to responsible gambling in the province. Responsible Gambling Awareness Week is certainly a high profile one that we do each year in early October but it is only one of many that we do.

I'm just going to tell you some of the things that we seek to accomplish with responsible gambling. We want to make sure we reach out to a broad base of the population so that they can hear important messages about responsible gambling. We think it's also important for the public to know that this is an area of utmost concern. In fact, we do our work such that we reach out to about 50 per cent of the population in each Responsible Gambling Awareness Week, which of course happens each year.

We also know from our evaluations that the vast majority of Nova Scotians have a high degree of support for the fact that we do these responsible gambling awareness initiatives. For example, when we measure during Responsible Gambling Awareness Week, 83 per cent of Nova Scotians will indicate to us support for our responsible gambling programs, but really our main objective with Responsible Gambling Awareness Week is

to reach out to the public and to players to make sure that they know or have information that responsible gambling is something they should be aware of, that it's important. Not only that, but there are some specific behaviours that they should keep in mind should they choose to gamble.

MR. RANKIN: I guess I was kind of looking for the effectiveness of the actual program delivery to those who are using it. The Auditor General pointed out that there's no evaluation of whether prevention and treatment programs are working effectively, so do you have a tracking system or are you going to implement some kind of way of looking at each case by case and following up with that case and seeing if the delivery of the program actually achieved the outcome that it was intended to?

MR. MACKINNON: I'll tell you, really there are two streams of work in this area. Responsible gambling is the work that is done by the corporation, and the matter that you're talking about relates to the monitoring and effectiveness of services that are provided by those who have issues with their gambling.

Certainly with respect to responsible gambling, we do have measures. We do monitor. The Auditor General didn't have any particular comments on our monitoring. What he did suggest to us, the recommendation is that we go and look at - to make sure the targets that we're setting - so we do have a target-setting and evaluation process. His recommendation was to make sure you have sufficient evidence for the targets you're setting. We've gone full steam ahead to do that. Dr. Vaughan would be better able to talk about the monitoring, the effectiveness of services of those who are affected by issues with problem gambling.

MR. RANKIN: Thanks. I think I'll pass on to the next person.

MR. CHAIRMAN: Mr. Stroink.

MR. JOACHIM STROINK: Listening to your numbers, you're saying that 87 per cent of Nova Scotians gamble and I would say the majority of those would be occasional gamblers out of that 87 per cent. So can you just walk me through how My-Play affected those occasional gamblers and did this have any impact on the revenues with the occasional gamblers with My-Play?

MR. MACKINNON: The objective of My-Play was to provide information tools to all gamblers. The main view of it was to help people keep their play responsible. In our view, people who have challenges with their gambling always need to seek help from the experts, which comes through the health authority and the Department of Health and Wellness, so we think it's important to understand what we were asking My-Play to do.

The other thing we know is that those people who have the most challenges with their gambling - those who have higher scores on what we call the CPGI scale - they continued their level of spend with My-Play. My-Play had no effect on people who had

issues with their gambling. In fact, of the \$33 million decrease in revenue that was mentioned, we could tell from our work that the vast, vast majority of that was from people who had low- and no-risk scores of problem gambling.

MR. STROINK: So you're saying pretty much for the problem gamblers My-Play did not make much of a difference for these people because they found ways to get around it - is that correct?

MR. MACKINNON: You're correct.

MR. STROINK: Did it affect their usage? From what I'm hearing, no.

MR. MACKINNON: Yes, your statement is correct. I can also tell you that My-Play really didn't provide enough data to tell us that it affected their usage to any great extent or not, but the data that we did look at said it was helpful to no one - 99.9 per cent of people were circumventing the system.

MR. STROINK: Can you give me an example of how they would circumvent the system?

MR. MACKINNON: One way that you would circumvent the system is you'd get a card, use it for a little while, and you would discard it and go get another one. In fairly short order, Nova Scotians had gone through 2.4 million of these My-Play cards, which is an astounding number compared to not only our population, but the actual number of people that played VLTs.

MR. STROINK: That's kind of interesting. With that in mind can you outline some of the responsible gambling programs that now we have in place that make Nova Scotia one of the world leaders in responsible gambling? Can you give us some examples of how we're still maintaining that in the field on a global footprint?

MR. MACKINNON: That's a very important question because it really is helpful for people to understand the seriousness we all take this issue with. We all have the same objective of ensuring that those who play gambling products have information and tools that they need to keep their play responsible, and if they need help and services that they've got access to those services.

I can tell you that there continues to be a range of services offered by the corporation related to responsible gambling. That includes starting with the Responsible Gambling Awareness Week, that I mentioned that is going to take place just in a few weeks. We were the first jurisdiction in North America to have such a week and other jurisdictions have now replicated this and we've now had it for more than 10 years.

We've got responsible gambling resource centres in the casinos, where people can go get information about gambling. If they need linkages to professional services, there's

a conduit with professional staff on site to help them or any range of questions about gambling for that matter.

We do very important training programs with not only video lottery retailers, but I can tell you every single ticket lottery retailer in the province is trained on responsible gambling, as are all casino employees. So a very, very comprehensive training program that takes place throughout the province for anyone who is involved with dispensing of gambling services or products.

I mentioned that we have these RG features on the VLTs, such as the pop-up reminders of money, or time and that the displays are in cash, not in some nebulous concept called a credit. We also have at the casinos, a kiosk called the Mobile Access to Responsible Gambling Information (MARGI) so again, on the casino floor anybody at any time can access quite a range of information.

We support a peer-to-peer network particularly of interest to those who have issues with their gambling. It is called GamTalk, it's a national peer-to-peer network where people can talk to one another, but also moderated by professionally trained experts in this area to provide linkages, when needed. We have a very comprehensive Responsible Gambling Resource website which has quite a range of information and tools for people.

I think the one that I'm most proud of and speaks the most to the culture of not only our corporation, but also Atlantic Lottery Corporation and Casino Nova Scotia - it speaks to how serious we take this matter. We have a comprehensive program called the Responsible Gambling Assessment Program, where every single initiative - whether it's marketing a new product or a new game - goes through a checklist with due consideration for social responsibility before the initiative moves forward.

MR. STROINK: All this kind of puts us on the forefront as a leader in responsible gambling, is that correct?

MR. MACKINNON: You are absolutely correct. Many jurisdictions look to the work that is done here, in Nova Scotia. I think it also speaks to the responsibility that Dr. Vaughan has alluded to, that we do have a responsibility to keep evolving and moving forward, learning more and to doing things even more effective. I can tell you that other jurisdictions look to things that we bring forward and often you'll see these things replicated in other jurisdictions.

MR. STROINK: Thank you very much, I'll pass it on.

MR. CHAIRMAN: Ms. Miller.

MS. MARGARET MILLER: Yes, thank you very much for your presentation this morning, we're learning a lot here this morning. A couple of things we were just discussing here - you say that 87 per cent of Nova Scotians gamble in some form. Is that including

things like Chase the Ace programs, does it include bingos? I don't think I know anybody that doesn't gamble or buy a ticket on something. Are you covering all those bases with the 87 per cent or does it actually go up to about 98 per cent?

DR. VAUGHAN: The simple answer is yes, there are a wide variety of options for people. There are some that are more challenging, but the behaviour itself - people need to be aware of both the benefits, but also the risks. The occasional gambler is not the one that we are most concerned about obviously. It's the low to moderate, and even the high user who has problems who may not necessarily identify that they have a problem, but these are serious issues for individuals and for families. So we need to have the resources available and we now have better tools available for them and we're continuing to try to get that message out. People also need to know that if they have a problem there is help available.

MS. MILLER: Another question; in talking to business owners, bar owners that have depended on the income from VLTs over many years - and it has been very lucrative for a while - they're saying the numbers are way down, that people are not going to the VLTs as much as they used to, that they're doing more of the online. Can you respond to that at all? What features are there on the VLTs to make more people more responsible?

MR. MACKINNON: Yes, indeed, we've heard from retailers and really, whatever revenue a retailer earns or receives from video lottery operations is a commission that's paid by the gaming corporation. So you may be hearing that their revenues are down. That would be because our revenues are down. This was planned and expected.

For context, in 2005, VLT revenues were about \$200 million per year. So 10 years ago we were about \$200 million per year. Today we're in the magnitude of \$125 million. Even with the removal of My-Play, we're at about \$125 million. So over the span of 10 years there is a decrease of about \$40 million in VLTs.

That industry itself has a wide variety of challenges. Changing demographics and other factors contribute to the overall business environment. I think the important thing for us though is that it's always important to us, no matter what direction revenues are going is that we do provide the appropriate responsible gambling environment and that we strive to have the right programs out there so that people have information - should they decide to gamble that they've got information to make the best decisions for themselves.

MR. CHAIRMAN: Ms. Lohnes-Croft.

MS. SUZANNE LOHNES-CROFT: The trouble with being one of the last ones to ask a question is everyone takes your questions. I did want to address the attitudes towards gambling because it varies with the type of gambling you're doing. If we were to come down hard on bingos, for example, every fire department and some churches would have an outcry; whereas, we really focus on the VLTs and the damages to families and people's well-being.

I can remember as a child people draining their oil tanks and cashing in the money to go play bingo. This is just another era in the role gambling has played in people's lives. So how can you address - how do the attitudes change and how harmful is all gambling or how safe is some gambling?

DR. VAUGHAN: That's a great question. Studies around the world show that some people drink alcohol, some people take drugs, some people gamble to escape from loneliness, grief, mental illness, and other problems such as depression and anxiety. But gambling-related harms, no matter what form you choose, they're often related to other issues such as poverty, traumatic experiences and social isolation.

There's a common sort of profile around hope. People who are seeking to gamble, it wouldn't matter what methodology of any you choose, it's about hope. We see those conditions in many areas of the health care system, but it isn't necessarily that those folks identify themselves as problem gamblers. In fact, we've heard from the research that they don't like to be labelled that way. That's just how they may present themselves, that may be their - if I could use the term - drug of choice, it's their venue of choice, but it's more deep-seated than that in terms of the social isolation that many of those severe folks who have problems and harm from gambling do experience.

So the approach from the health care system is to look at all of those components, it's not just about gambling. Gambling in some ways is the symptom of other deeper problems.

MS. LOHNES-CROFT: Has there been any research on why some types of gambling are more socially accepted than others?

DR. VAUGHAN: Well there's a lot of history in terms of some of those types of gambling that you mentioned that are more culturally acceptable. All of the gambling options potentially present problems for some people that I've talked about, those who are socially isolated, those in poverty, those who are looking for that hope to escape from that experience they find themselves in in their current situation.

I think the risks we're seeing now with the technology approach is that we're seeing significant issues around time spent onscreen. We've heard a lot about that in other venues and that's why we've developed that evidence-based approach Take 5, which is really about healthy habits, about making sure that you're aware. You need to break away from the screen, in particular. It's not just about VLTs, it's about moving away from whatever gambling method you're choosing.

People have had problems in the past with all those approaches that you've mentioned so it's not exclusively VLTs or online gambling, it's just that we have more options today that we've never had before. It used to be once a week at the bingo hall. Now it's whenever, and everywhere you go you have those options. That's what we're trying to

address through the Take 5 program and the Gambling Support Network which has many options beyond that.

MR. CHAIRMAN: Order, time has expired. We'll move now to the PC caucus and Mr. Houston.

MR. HOUSTON: Thank you, Mr. Chairman. I want to come back - when we started off I was kind of scratching around the surface of the cost to the health system of gambling and trying to get to whether there had been any analysis done as to what the real cost might be. The real cost is buried somewhere in the \$174 million, I guess, but it's hard to kind of pull it out.

Keeping that in mind and picking up on my colleagues' questions about just the attitudes in society and stuff, I would like to ask Dr. Vaughan, what do you say to those people who say we should just get rid of VLTs, that the cost on families and the cost on people is just too high so we should just get rid of them, what would you say to those people?

DR. VAUGHAN: It's wishful thinking, it's not going to go away. I think we're looking to use natural attrition to reduce the number of VLTs in particular in Nova Scotia. The role of government is to regulate gambling and to promote, as we heard, responsible gambling.

I think we've seen it in other venues that if you try to get rid of something rather than regulate it, it tends to appear in an underground environment which may be more problematic. We've seen that with other examples of behaviours that we talk about in other fora, so just simply putting our head in the sand isn't going to solve the problem.

MR. HOUSTON: Thank you. Mr. MacKinnon, I just want to come back to the cancellation of the My-Play and just maybe kind of wrap it up in my mind. A couple of years of analysis culminates in the system being cancelled, is there anything you could table for this committee to look at over the next days and weeks as to how you actually - like your final report or something that tipped you over the edge that said look, we just have to cancel this? Would there be some information you would be willing to table for the committee to look at, at their leisure?

MR. MACKINNON: Yes, certainly. I'll tell you the report that's mentioned in the Auditor General's Report is the report of experts who looked at options that we had for My-Play. I think there are some very important comments in there that contributed to where we are today.

MR. HOUSTON: Sure. So you tabled that, that's great, I appreciate it. When the decision was made ultimately just at the very end, was this a recommendation that the corporation made to the minister? I guess it was then Minister Younger. Did somebody go

to Minister Younger and say look, we've got to cancel this? Or how did that unfold just in those last, when it actually - when we heard about it on the news, I guess, just before that.

MR. MACKINNON: Yes, thank you for that. Ultimately it was our job to come up with a range of options. We provided a range of options to government and ultimately the Executive Council made a decision based on the options that were presented.

MR. HOUSTON: And those options were status quo, they were trying to change My-Play or to cancel it?

MR. MACKINNON: There were a range of options. I'm not in a place where I can talk about what was included in the advice to Executive Council, but I can certainly tell you there were a range of options. Ultimately, Executive Council made the decision to provide direction to the corporation to discontinue My-Play.

MR. HOUSTON: And with the range of options you presumably made a recommendation or did you leave it to the Executive Council to pull their own recommendation from the options?

MR. MACKINNON: We provided options and a preferred option. So yes, a recommendation.

MR. HOUSTON: Okay. I want to go back to something my colleague, Mr. Wilson was talking about: My-Play came in, the revenue dropped, My-Play goes out, the revenue goes up. Bearing in mind when I asked where the revenues come from and you said it's primarily a local market, it's mostly locals - at the time of the cancellation, the Minister of Health and Wellness was asked about why the VLT revenues would be projected to increase after the cancellation of My-Play in particular. The Minister of Health and Wellness said at the time, well that's to do with tourism and he went on to say that the corporation had studied the impacts of tourism on gambling and that was the reason.

Do you recall that and do you have a study that shows that VLT revenues will increase because of tourism?

MR. MACKINNON: Yes, I'm certainly aware of the comments that you made and I believe Mr. Glavine made further comments after the fact on that issue. We had also made comments that we had no tourism studies to suggest that there were any particular changes in gambling revenues as a result of tourism.

MR. HOUSTON: So you had no studies to indicate that? That was something the minister said, but he was maybe wrong, I guess.

MR. MACKINNON: The minister made his comments and then made further comments. We had no particular studies in that area.

MR. HOUSTON: Okay. I guess that kind of feeds in because around the time there were so many different statements being made and around the same time Minister Younger was in an article with The Cape Breton Post. He said that he believed that VLT revenue would continue to decrease because of other sources of gambling. So we have Mr. Glavine saying, well they're going to go up because of tourists and no real support for that and Mr. Younger saying, they're going to drop because there are other ways to gamble now and I think that's proven to not be true. We've seen projections for VLT revenue in particular going up.

The reason this concerns me and the reason that I spent so much of my initial time allotment speaking on My-Play is because when you hear conflicting statements from ministers - neither of which are supported by facts or corporation reports that were alleged to exist - it just makes you wonder about the decision-making process of the government. Of course, at the same time, we're looking at decisions made that have many, many unintended consequences like the Film Production Tax Credit, like the closure of the mental health unit in Pictou County. All these types of things make me believe that the government tends to make rash decisions without really understanding the impact on Nova Scotians.

In terms of specifically Minister Younger's comments that the VLT revenues would drop because of other sources of gambling, would you support a statement like that? Do you expect VLT revenues to drop because of other sources of revenue, despite the fact that your own projections show them increasing?

MR. MACKINNON: Thank you for that question because I think it really does speak to revenue trends that we're seeing in Nova Scotia. We certainly have budgeted, as was mentioned, an increase in revenue this fiscal year as a result of the removal of My-Play. What we saw with the introduction of My-Play was a 25 per cent decrease in revenue which data tells us was largely from low- and no-risk players. But even before My-Play, the long-term trend for video lottery play had been in place.

As I've mentioned, since 2005 we've seen a long, slow, steady decrease in VLT revenue, a steeper decrease when My-Play came in, and somewhat of a rebound but not a complete rebound with My-Play's removal. Certainly this is a change in what the long-term statistics are. Over the long run the direction in the provincial gaming strategy is to continue to decrease reliance on VLTs, so that direction remains in place.

I'm sure that Minister Younger at the time was taking those comments into account. Back in 2005 VLT revenue accounted for roughly 3 per cent of government's budget and today it's less than 1 per cent, so there has been that continued decrease.

One of the committee members mentioned the attrition policy so we do, in fact, continue to have a decrease in the number of VLTs over time. In fact, since that policy came into play, more than 125 VLTs have been removed from the Nova Scotia Provincial Lotteries and Casino Corporation's fleet of VLTs.

The other trend that Minister Younger spoke about and which is well known throughout the industry is that there are indeed more options for gamblers than there ever have been and these are not ones that we can control. What I'm speaking of primarily is online or Internet gambling, there are literally thousands of Internet sites around the world. We have some . . .

MR. HOUSTON: If I could stop you there. Sorry, Mr. MacKinnon, just in the interests of time, but since you mentioned the online, I wonder - maybe it's a question for Dr. Vaughan - is there advertising done, like Google AdWords advertising online to the gambling sites to try and - I see some nodding that yes, there is. Maybe we can just elaborate on what the budget would be for online advertising aimed at helping gamblers at that point of interaction, I guess.

DR. VAUGHAN: Thank you for the question. Yes, the online gambling one is one that concerns us. We are currently looking at \$667,000 invested so far in the media buys in future years; we'll be looking at \$150,000 for this year for media buys. That includes right across the spectrum in terms of online as well as the . . .

MR. HOUSTON: Okay, I appreciate that. Maybe you can put that in perspective of the budget. That may be a question for Ms. Cochrane on the budget for the Prevention and Problem Gambling Division, I guess - is there a specific budget allocated that your group kind of oversees?

MS. NATALIE COCHRANE: Certainly, about \$2 million is allocated within the Department of Health and Wellness' budget for gambling prevention work, as well as work that supports the treatment system within the Department of Health and Wellness.

MR. HOUSTON: Okay, so would that be part of the \$174-ish million that's to do with addiction services?

MS. COCHRANE: Yes, it would be. Sorry, excuse me, it would be part of the more global number of . . .

MR. HOUSTON: The \$4 billion.

MS. COCHRANE: Yes.

MR. HOUSTON: Okay. Mr. MacKinnon indicated that the corporation itself is spending \$7 million, in the range of \$7 million in this area. Do you have much influence over how the \$7 million is spent? Is there any kind of back and forth or is it the corporation does its thing and your group does its thing?

MS. COCHRANE: The number that Mr. MacKinnon quoted included the amount of money that is provided to Finance and Treasury Board and is given over to Health and Wellness to fund our gambling-specific work.

As far as how we work together on initiatives, certainly I can provide examples of working and supporting - the corporation has supported our Take 5 initiative.

MR. HOUSTON: Okay, I only have one minute left but I just wanted to make sure I got that right. So of the \$7 million, \$2 million goes directly to the Department of Health and Wellness for that?

DR. VAUGHAN: It goes through the finance allocation, \$5 million through the finance allocation.

MR. HOUSTON: So if the corporation spends \$7 million, and \$2 million on its own and . . .

MR. CHAIRMAN: Let's get that on the record, Mr. MacKinnon.

MR. MACKINNON: So the corporation spends on its own responsible gambling programs about \$2 million per year in the budget, and \$5 million of funding goes to the Department of Health and Wellness.

MR. HOUSTON: There is no obvious replacement to My-Play, I guess, and some people might say, well that's because we don't need one; I don't know. The question would be, should we expect a replacement to My-Play that has the same type of financial magnitude like \$20 million over a few years, or should we not expect that to happen?

MR. MACKINNON: Thank you for that question because I think it really goes to speak to our social responsibility mandate . . .

MR. CHAIRMAN: Order, I do apologize, time has expired. We'll move to the NDP caucus and Ms. MacDonald.

HON. MAUREEN MACDONALD: Can anyone tell me what percentage of VLT revenue comes from that small group of high-risk players?

MS. COCHRANE: Could you repeat the question, please?

MS. MACDONALD: Of the VLT revenue that's generated annually, how do we estimate the distribution of that revenue that comes from high-risk players - the \$50,000 or the \$5,000 to \$7,000, which includes the \$5,000 to \$7,000 from high-risk players?

I've seen this information in the past in the department so that's what I'm trying to ascertain - the proportion of revenue that's generated which comes from people who fall into the high-risk categories, who are the problem gamblers?

MS. COCHRANE: Yes, certainly. I can't give you a number specific to VLT revenue, but I can provide a number specific to global spend in gambling by those who gamble. It's around 42 per cent from the at-risk and problem gambling.

MS. MACDONALD: So it's quite disproportionate, in other words. The people who have problems in terms of gambling addictions are contributing a significant proportion of the revenue that's generated. Is that not the case?

MS. COCHRANE: They're contributing around 42 per cent.

MS. MACDONALD: Staggering. So when you look at the picture that has been presented here today by the department that almost 90 per cent of people in the province participate in some form of gambling, but the numbers of people who have a problem are considerably smaller than the people who participate, a big chunk of information that we really need to have is just how severe the problem is for those 50,000 people or those 5,000 to 7,000 people who have severe problems.

These are people who are wrecking their lives, are wrecking the lives of those around them, who are in serious need of interventions - and I guess that's my point in asking this question. Now, I note that the Auditor General has indicated that when the options were looked at with respect to replacing My-Play, all of the options did not have the same responsible gambling review. I'd like someone to explain to me why that is. Why were some options not reviewed?

MR. MACKINNON: Thank you for that because I think it is helpful to understand the process that we went through . . .

MS. MACDONALD: I don't want a long detailed answer. If this requires a long detailed answer, then we will skip it because I have limited time and several other questions.

MR. MACKINNON: We believe we had a solid understanding of the responsible gambling environment even with the removal of My-Play because we have had responsible gambling features in that environment for a long time. Our work with the experts was really to understand if we could make changes to the system.

MS. MACDONALD: You've indicated that there were a range of options looked at, but you've also indicated that you can't tell us what those options are?

MR. MACKINNON: I can tell you that I've already undertaken to provide the report that was done by the experts. That report identifies the five options that they looked at.

MS. MACDONALD: Okay, so we will get to see that. Now it seems to me that this is the situation. There was a desire to do more to prevent problem gambling. There was a

system introduced - My-Play - that didn't work, but it was eliminated without any real plan to replace it, to have something else that would be in place to help us do the work to produce a reduction in the numbers of problem gamblers in the province. I think that ultimately is the concern that we would all have here, that we need to have a system in place.

My question is, has the government given up on actually reducing and preventing the number of problem gamblers? If there is no plan to replace My-Play, is that what the public can conclude - we've given up, we can't actually reduce the number of people and that it's going to stay at 7 per cent, or whatever the percentage is, in perpetuity?

MR. MACKINNON: I can tell you we've absolutely not given up on the importance and the work that goes toward increasing the environment of responsible gambling in the province and this is work that requires ongoing work, ongoing research, and ongoing innovation.

There was no replacement for My-Play because there is no such thing as a system that can do what My-Play was attempting to do. There is no other system in any comparable jurisdiction that could come to Nova Scotia. And, in our view, and our review data, My-Play actually wasn't helping anybody, so it wasn't adding to the environment.

My-Play was put in place over a period of five years based on research, pilots, deliberate work, deliberate thought with the common goal of all of us - to help people with information and tools, It just didn't do that and there was no replacement system. I can also tell you it remains the commitment of the corporation to put social responsibility first and to keep moving the needle in terms of advancement of responsible gambling. I think Dr. Vaughan also spoke to the advances they're making with problem gambling.

MS. MACDONALD: Then this would bring me to my next question which is that the Auditor General indicated that updated prevention standards, under development since 2008, are still not approved. My question is, why is that and when will they be approved?

DR. VAUGHAN: The challenge in that time period has been a consolidation of the health authorities six months ago. Before that, many of the health authorities did their own thing in a number of areas, including this. The foundation that we now have allows us to build that common approach to prevention, to promotion and to surveillance, frankly. We have a lot of work to do and that is now underway, and so the future standard will include the prevention, the promotion and population health standards which are in some ways, as I mentioned earlier, contributing factors to the problem in Nova Scotia.

MS. MACDONALD: But prior to the amalgamation of the district health authorities, the district health authorities had addictions services in each one of their DHAs. These folks met on a regular basis and the prevention standards were developed across districts with the department. Each DHA wasn't developing their own prevention standards; that was a provincial initiative that has nothing to do with amalgamation as far as I know. This was something that was a piece of work that was being done across

jurisdictions. So I don't understand the response in terms of why we haven't seen these standards approved and then the work to implement them actually done.

DR. VAUGHAN: I think it's important to understand that in the world of the previous health authorities, each one of those may have had a different timeline, and priorities frankly, that is not necessarily in line with the goals that we're talking about here today.

Some health authorities may have moved forward and others did not and that becomes the challenge. We see that still today in terms of even the collecting of wait time data from the previous health authority structure - wide variability of even reporting and even knowing what to report.

It is something that we are now finalizing, a provincial approach to that issue, as well as a number of areas that we've talked about in terms of prevention and promotion. Those standards are now moving forward.

MS. MACDONALD: So when will we see them approved and the beginning to implement them be put in place?

DR. VAUGHAN: The Health Authority is working with the IWK and the Department of Health and Wellness so that we will be looking for some resolution certainly within the next number of months to year.

MS. MACDONALD: So within a year we will see those improve?

DR. VAUGHAN: We are also working on health information systems and that's part of our budgetary plan in 2016-17, so we continue to evolve. It's important that we now have to understand that we now have an approach right across the province to have a continuous improvement. We've asked the Health Authority and the IWK for an annual report on these very issues and we're now holding the Health Authority and the IWK accountable as part of our accountability framework.

MS. MACDONALD: I want to turn briefly - because I don't have much time - to treatment and the concern that the Auditor General has raised that there is no monitoring from the department in terms of prevention and treatment programs and whether or not they're meeting the standards that have been developed in the department. I want to know why that is - why there has been no monitoring and what is the department going to do about that and when?

DR. VAUGHAN: In 2012, the department began working to establish the new mental health and addictions information system and there are a lot of important pieces to that that you might be familiar with. That has considerations that require investment to do that and we're looking at how we might do that within the constraints that we have within the 2016-17 type of budget.

Addiction Services has adopted and implemented some of the standards already that you refer to and so we're now looking to the reporting of that in an interim step while we look for a more robust information system in place.

MR. CHAIRMAN: Ms. MacDonald, you do have one minute left.

MS. MACDONALD: I guess the last question I would have is on the Take 5 initiative. What is the cost of that initiative and how long is that budgeted for?

DR. VAUGHAN: It's a great question. We are looking at \$155,000 annually for that system. We've invested over \$660,000 thus far in the development, as we've talked about - the technology and the media buys - but we're looking to spend \$155,000 annually.

MS. MACDONALD: That's very inexpensive. How are you going to evaluate whether or not it's effective?

DR. VAUGHAN: That's a great question, which strikes to the heart of what we're trying to do constantly - to move the system to an evidence-based approach to the treatment in a number of areas.

The online system does give us very good data and the ability to evaluate that information.

MR. CHAIRMAN: Order, I do apologize, the time has expired. Mr. Maguire, you will begin for 14 minutes for the Liberal caucus.

MR. BRENDAN MAGUIRE: Thank you, it's good to see everyone here today. In theory, how long were the My-Play cards supposed to last an individual? Whoever wants to take it.

MR. MACKINNON: Ideally they would have had that card on their person for years. So in the way the system was designed, a person would have signed up for an account and they would have used that card for years, potentially, the same way you might hold a credit card in your wallet.

MR. MAGUIRE: So we have a population of approximately one million, maybe a little less than a million people. The number that you threw out to me is mind-boggling, it's 2.4 million cards for a population of one million. We're assuming that not every single Nova Scotian had a My-Play card, you said there were about 50,000 identified problem gamblers so that's potentially 48 cards per individual. How in the world were you or are you supposed to get accurate information on people's gambling habits and the potential harm that it's causing in their life when there are 2.4 million My-Play cards, which is more than the population of Nova Scotia, floating around?

MR. MACKINNON: I think that really goes to speak to the challenges we have with My-Play, in that the system was not being used as intended. It was not providing information to anybody to help anyone. People - and not just problem gamblers by the way, a whole range of people would use these cards. In any one evening, for example, they would churn through many cards.

There were some myths developing with the cards that were of great concern to us. For example, some people believed that their cards were lucky, some people believed that if they had a win on a card that they had to dispose of it and go and get another one because they would surely never get another win. Those are the exact opposite of responsible gambling behaviours that we would want to see.

Unfortunately the public just didn't trust that information would be kept confidential and private so they had privacy concerns. Despite the fact there was no retention of personal information, these concerns played out. It is an astounding number. Many people reported seeing litter around VLT establishments of VLT cards being tossed in the garbage can or on the street. I think, unfortunately, ultimately that's what people thought of the system.

MR. MAGUIRE: You talk about the benefits or what the outcomes were that we were looking for, for the My-Play system; 2.4 million sounds to me like we were coming nowhere near it.

We speak a lot and we talk a lot about gambling. When we talk about gambling we talk about VLTs and casino-based gambling but there are other forms of gambling out there. There are scratch tickets, lottery tickets, Pro-Line, things like that. What is the Department of Health and Wellness and the corporation in particular doing to educate people on this issue? Also, I think when a lot of people in the general public think of problem gambling they think of thousands of dollars being spent, people mortgaging their houses and things like that but sometimes \$20, \$30, \$40 can adversely affect people's lives. It can mean the difference between putting food on your table that night or not.

What are you doing to also educate people that you don't have to be spending thousands of dollars to have an adverse effect on your family and your own personal life but sometimes it's just that \$20 or \$30? Whoever wants to take that.

MR. MACKINNON: That's a really good question because it is important to understand that there's no fixed amount of money for any one particular person and that it varies. One of the key responsible gambling messages that we always strive to get out is to keep your gambling in balance and in perspective with the rest of your life.

The number one responsible gambling behaviour that we seek to educate people on is to make sure that you set a budget. The budget suggestions would be that if \$20 is your number, \$20 is your number; if \$2 is your number, \$2 is your number. The important thing

is to set your budget, to have fun with it, but not to overspend. That's certainly the message that we strive to get out in responsible gambling.

We do that in a number of ways. I have already mentioned Responsible Gambling Awareness Week where we seek to go across areas of the province in one week each year where we have a focused effort on that and similar messages.

The other thing is any day of the week, every single person who buys a lottery ticket or goes to the casino or plays a VLT has access to brochures and information that includes those very important responsible gambling messages.

MR. MAGUIRE: One final question and I think you may have touched on it there, there are people in Nova Scotia who, for one reason or another, do not have access to cellphones to receive text messages, they don't have televisions to watch the commercials and maybe don't have access to the Internet either to get some of this educational material that you guys are doing a fantastic job with, so how do you actually educate people who don't have access to the normal media?

MR. MACKINNON: At every access point of gambling there's information about responsible gambling. There are also important linkages to the services provided through the Take 5 program. One recent example is in collaboration with Health and Wellness and the corporation, stickers and other information has been put in all VLT sites, so anyone approaching a VLT will see the linkage to information right there.

I think another area that's of concern to us is also of online gambling. The province currently does not participate in Internet gambling or online gambling. There are various numbers out there as to how much we think is taking place in the province. Health and Wellness has some surveillance data, we have some industry numbers that put the amount that's wagered online at thousands of Internet sites at over \$20 million per year.

I think it is important for us to understand the risks that are in that area, as well, and should the government have a role in regulating that part of the business or making sure that there's harmonization in that area.

MR. MAGUIRE: What's your definition of online gambling? I'm pretty sure you can go online and purchase a Pro-Line ticket.

MR. MACKINNON: That's a really good point because in fact through Atlantic Lottery we've had tickets on sale on the Internet for more than 10 years. Certainly what's recognized is in the spectrum of issues with problem gambling, ticket lotteries are a far lower relationship with problem gambling than are other electronic forms of gaming.

We would certainly put Internet gambling, so casino and poker-style online gambling, in the category of electronic gaming where the behaviour can be quite fast and repetitive.

The other challenge of course with Internet gambling is it's ubiquitous, so anyone who essentially has a smartphone or computer has access to thousands of Internet sites that we currently aren't regulating here in Nova Scotia.

MR. CHAIRMAN: Mr. Stroink.

MR. STROINK: Just a quick question going back to My-Play for a moment and the decision process that was made for My-Play. Now it's a \$20 million spend and I guess what I'm trying to understand is that we have identified a problem of 2.4 million cards that were being used, that would probably come up to your research to try to figure out if My-Play was actually something that could actually work within Nova Scotia to help.

I guess in that process of decision making, where did the decision come from? You would have seen that some of these things would happen and that the abuses would occur and that the cost outweighs those, to the point where we are now today that it didn't work. I'm trying to get an understanding of did the department make that decision?

You probably can't answer that, Dr. Vaughan, because you weren't there, or was it the minister at the time who said we're doing this because it looks good? What is the process of how that was made?

MR. MACKINNON: And to clarify, that's with the removal of My-Play?

MR. STROINK: Right, but to get to the point of making that decision to spend \$20 million of Nova Scotia taxpayers' money, with some of the stuff and abuse that occurred, I mean that would have come into the research into spending that money.

MR. MACKINNON: That's a really good question because I think it's helpful to understand what our mindset was with My-Play. There was really quite an extensive consultation process, both in the 2005 Gaming Strategy and the 2011 Responsible Gaming Strategy that led to the deployment of My-Play.

I think all stakeholders had an interest in seeing a system in place that could potentially help players. The corporation was then charged, through its mandate, to get this system up and running, so research was done that resulted in the system being developed through the data analysis that happened shortly thereafter.

MR. STROINK: So can we say that the research was flawed?

MR. MACKINNON: Absolutely not, it was good research and I can tell you that jurisdictions around the world have looked to this research. I think it's also important to understand what the research told us because the research, like much research, is evidence that we use to make decisions and it certainly indicated that a card-based system could have promised to help people with responsible gambling so it was evidence-based. Other jurisdictions were keenly interested because this was really quite a concept back at the time.

MR. STROINK: Great, thank you.

MR. CHAIRMAN: Mr. Rankin.

MR. RANKIN: Thanks, I know I don't have much time, but I'd just like to go back to monitoring the effectiveness. It stated in the report that responsible gaming programs exist, but evaluation could be improved and I think that's quite clear today, we have to improve on effectiveness of the program delivery.

The Auditor General also specifically talked about the help line. I'm wondering when he talks about inadequate monitoring of the Problem Gambling Help Line, what are you doing to improve the effectiveness there? How are you looking at improving the evaluation of that program? With the online program, just out of curiosity, if we can somewhat marry the way that you're evaluating that program with an online database, will that improve effectiveness?

DR. VAUGHAN: Thank you for that question. It was clear that the gambling help line was not really very effective. First of all we learned from our research that, as I mentioned before, people do not like to be labelled as problem gamblers so that language in and of itself seemed to have been a barrier. We were fortunate in being able to bundle at the time with our new contract around 811, which allowed us to incorporate that kind of direct service in conjunction with a number of other services including smoking cessation and other helpful health access points through 811. In addition to the Gambling Support Network online component of that, as we have said, people are accessing that all the time in different areas so we have better information now with better systems in place that do give us almost real time ability to determine.

We will be looking at evaluating all the activities this coming fiscal year, so we'll certainly have more information to come.

MR. RANKIN: I'm just wondering if we can translate that into the other help lines, to be more proactive using the report that the Auditor General provided. These recommendations, I would surmise that in other help lines we might have the same challenges with the mental health line in particular. It would be good for the department to proactively look at that before an Auditor General looks at the outcomes and measuring the evaluation and effectiveness.

Also, why did it take four years to improve marketing of the Problem Gambling Help Line? Was it lack of resources? Was it just lower on the priority scale? I'm just wondering about that.

DR. VAUGHAN: Three years might appear to be a long time, but it happened to converge with a number of activities; one including, as I said, the research that we were doing, it takes some time to do that and evaluate that. At the same time we had the

opportunity, as I mentioned, to bundle the services with the 811 contract that came into play. That allowed us to look at other resources in terms of online and modernize.

It was a convergence of opportunity that really came to play that sort of led to the opportunity to actually improve the service to people, rather than just quickly go back to one particular methodology and one particular resource. People like to access services online today in many cases through their smartphones, as we mentioned, but the telephone is still a fundamental and basic technology that people do like to use.

MR. CHAIRMAN: Order, please. The time for questions has expired. Dr. Vaughan or Mr. MacKinnon, would you like to provide some brief closing comments? Dr. Vaughan.

DR. VAUGHAN: Thank you again for this opportunity to share important information about our efforts to prevent gambling harms and provide support for Nova Scotians who need it. The Auditor General made good recommendations and we're actively implementing all of them.

Working with our partners who are present today as well as others, we will continue our efforts to provide quality treatment services to make sure Nova Scotians know how to access them and to monitor how well those services are being provided. Thank you very much.

MR. CHAIRMAN: Thank you very much. Mr. MacKinnon, did you have a comment?

MR. MACKINNON: Yes, thank you once again, Mr. Chairman, and committee members, for the opportunity to talk about the responsible gambling programs offered by the Nova Scotia Provincial Lotteries and Casino Corporation. For the corporation and the gaming industry as a whole, responsible gambling is about fostering an environment that promotes safer play and informed decision-making. This means upholding high standards and providing a safe and entertaining player experience, delivering effective and responsible gambling programs, assessing products and promotions, and ultimately making information available to people so they can make informed decisions about their play.

I also want to acknowledge the work of the Auditor General. They were very professional, did a very thorough job and we appreciate the work that they did. They did have a recommendation for NSPLCC that we do see as a value-add and we are certainly working on that because we certainly recognize that continuous improvement can only be achieved if we continuously review our work and we are absolutely committed to do so. Thank you very much.

MR. CHAIRMAN: Thank you for being with us today. We have some committee business. We had some correspondence sent to members in June and July. I believe you have a copy of that. If you don't, please let me know.

We had the Auditor General's 2014-15 performance report and business plan sent to members June 30th. Also from the Auditor General, we had the audited AG financial statements for the year ended March 31, 2015 sent in June; and the Auditor General of Nova Scotia information that had been requested at the June 24th meeting was sent to members on July 24th.

This morning we had a meeting of the subcommittee where there were topics discussed and put forward. Mr. Rankin, would you like to put forward a motion about the topics that were approved by the subcommittee.

MR. RANKIN: I would like to move that the topics in front of you be approved, but I did just want to add a minor addition to the Nova Scotia Film and Television Production Incentive Fund topic. I'd like to also include with Nova Scotia Business Inc. also the Department of Finance and Treasury Board, if the committee allows me to. So there would be two - Nova Scotia Business Inc. as well here.

MR. CHAIRMAN: That is noted. Mr. Houston.

MR. HOUSTON: Just looking at the Nova Scotia Jobs Fund, which is a topic we agreed to bring here, I'm just thinking about how that particular committee meeting might unfold. We know that the Jobs Fund continues to have a cost to the taxpayers of the province and I've seen the Minister of Business in the media saying a lot of the deals are confidential; he can't talk about details of those deals. I don't want the purpose of the committee to be overshadowed by a lot of very shallow answers that they can't comment on stuff. So I would like to make a motion that when that topic is discussed at the Public Accounts Committee and we have those witnesses there, should the need arise, we can go in camera to discuss certain deals.

I just want to make sure that we get the proper benefit out of having that witness there. It would be a shame to have a witness that just said, it's confidential, I can't comment. So my motion would be that the committee is prepared to go in camera to discuss certain aspects of that witness' testimony as needed.

MR. CHAIRMAN: For the benefit of the committee, Mr. Hebb, could you offer some comment on that motion before it's voted on?

MR. GORDON HEBB: It's certainly appropriate for the committee to go in camera if the committee so chooses.

MR. CHAIRMAN: Ms. MacDonald.

MS. MACDONALD: I want to also raise a different issue with respect to the witness. I note that Mr. Simon d'Entremont is identified as a witness under this topic. Mr. d'Entremont is no longer in the capacity of deputy minister for the Department of Business and so this seems out of convention. This is not the convention.

If you remember when we had *Bluenose II* in front of us, it was the current deputy minister who was brought forward. So I question why we have Mr. d'Entremont as the witness. Perhaps it was discussed in the subcommittee, I don't know.

MR. CHAIRMAN: In the subcommittee, we did discuss that and there was an interest by the subcommittee to have the previous deputy and the current deputy, who I see is listed as Michael Johnson but the actual current deputy is Catherine Woodman.

I believe the reason the subcommittee - and I can be corrected by the members who were here - the reason that Mr. d'Entremont was requested was because he is still a deputy minister of government. We consulted with legal counsel that it was okay to call somebody even if they are no longer with government, we can still call a witness. There was an interest by the subcommittee to call Mr. d'Entremont, as well as the current deputy minister who we will have to correct on our witness list, change it from Michael Johnson to Catherine Woodman. That's what was decided at subcommittee. Do you have another comment?

MS. MACDONALD: Well, I just think that the convention should set the precedent on a go-forward basis. I mean, if we're going to change this now, then we are going to be in a situation where in the future, you know, we can bring in past deputy ministers on files. That has never been the practice, that is not the convention. If we are going to deviate from the convention, then we will set a precedent for a different approach.

If that's the will of the committee, then that will be the will of the committee; I would not support that. My preference would be that we stay with the convention of having the existing deputy minister of the department come in front of us and speak to the files. They are tasked with the job of knowing the files in their department, including the background to those files. So to me it's inappropriate, frankly.

MR. CHAIRMAN: Ms. MacDonald, just to add - and it's not for me to decide, it's for the committee to decide - I expect staff would be brought with the current deputy minister who would have been there previous. It's not a point for me to decide, I'm merely the chairman.

We did ask legal counsel, it was within the rights of the committee. I think we really have two motions on the floor with respect to this topic; one is from Mr. Houston to move in camera if necessary, and two is the issue of bringing the former deputy minister. Ms. MacDonald, I believe you are suggesting that we do not bring the former, just the current.

I think we should perhaps start with that specific topic to be voted upon, then move to Mr. Houston's motion and then move to your motion. I'm seeing some agreement.

Could we at least look at that one topic, committee members? This would be, bringing in the Department of Business to discuss the Nova Scotia Jobs Fund. Is there agreement by the full committee? There is agreement on that, our clerk will take note.

On Mr. Houston's motion that we move in camera if necessary - Mr. Rankin.

MR. RANKIN: I don't have a problem with the premise of that idea, I just don't know if the committee members are able to legally see some of the confidential information if we are in camera or not. I can't see why I would have legal - I don't know, I think the committee should get legal opinion on that.

MR. CHAIRMAN: I think that's a good point. I think we are allowed, as long as it's kept in confidence and if it's done in camera but I will ask our legal counsel, Mr. Hebb, to comment.

MR. HEBB: There is nothing that the committee is not entitled to see but that's certainly a decision - certainly in some cases it may not be appropriate, but if the committee chooses to see any information, there's nothing that the committee cannot see.

The committee can also ensure that any information that is disclosed in camera is not made public. That would be an additional thing.

MR. CHAIRMAN: So Mr. Rankin, you are okay with that. So on Mr. Houston's motion that we move in camera if necessary, do we have agreement?

I see that everybody is in agreement so our clerk will take note of that.

Then the motion from Ms. MacDonald that we bring only the current deputy minister and whatever staff that deputy minister chooses to bring - is there agreement on that motion?

I am seeing five Nays and three Ayes, so that motion is defeated, Ms. MacDonald, so our clerk will take note that the committee has decided to request both Simon d'Entremont, the past deputy, and the current deputy, which we will adjust as long as there is no disagreement. The current deputy is actually Catherine Woodman. So there are no problems there.

So we have one topic approved. Back to your original motion, Mr. Rankin. I believe you had put forward the topics that we see in the list before us. The remaining topics there have been forward for approval. Mr. Rankin.

MR. RANKIN: Just to remind you the minor adjustment to add one more witness to the film topic.

MR. CHAIRMAN: Yes, that would be the fourth topic down. The witness being Nova Scotia Business Inc. and the Department of Finance and Treasury Board to be brought in to discuss the Nova Scotia Film and Television Production Incentive Fund. Our clerk will make that adjustment.

Would all those in favour of the remaining topics, please say Aye. Contrary minded, Nay.

The motion is carried.

The topics have been agreed upon, and our clerk will take note. That's good. We'll begin with scheduling meetings for those topics.

Our next meeting is September 30th where we will have the Department of Internal Services to discuss Chapter 4 of the Auditor General's Report of June 2015 on government procurement.

We are adjourned, and we will take a short recess now while we bring in the Auditor General to do a briefing for that meeting.

[The committee adjourned at 11:17 a.m.]