

HANSARD

NOVA SCOTIA HOUSE OF ASSEMBLY

COMMITTEE

ON

PUBLIC ACCOUNTS

Wednesday, October 12, 2022

LEGISLATIVE CHAMBER

**2022 Atlantic Provinces' Joint Follow-up of Recommendations to the
Atlantic Lottery Corporation**

Printed and Published by Nova Scotia Hansard Reporting Services

Public Accounts Committee

Hon. Kelly Regan (Chair)
Nolan Young (Vice-Chair)
Dave Ritcey
John A. MacDonald
Melissa Sheehy-Richard
Trevor Boudreau
Hon. Brendan Maguire
Susan Leblanc
Kendra Coombes

[Dave Ritcey was replaced by John White.]
[Kendra Coombes was replaced by Lisa Lachance.]

In Attendance:

Kim Langille
Legislative Committee Clerk

Gordon Hebb
Chief Legislative Counsel

Kim Adair,
Auditor General

Morgan McWade
Assistant Auditor General

Adam Harding
Audit Principal

WITNESSES

Atlantic Lottery Corporation
Patrick Daigle - President and CEO
Suzanne Young - Chief Financial Officer

Department of Finance and Treasury Board
Lilani Kumaranayake - Executive Director, Fiscal Policy, Economics and Budgetary
Planning

Nova Scotia Gaming Corporation
Bob MacKinnon – President and CEO



House of Assembly
Nova Scotia

HALIFAX, WEDNESDAY, OCTOBER 12, 2022

STANDING COMMITTEE ON PUBLIC ACCOUNTS

9:02 A.M.

CHAIR

Hon. Kelly Regan

VICE CHAIR

Nolan Young

THE CHAIR: Good morning. Thank you all for your patience. I'd like to call the meeting of the Standing Committee on Public Accounts to order. My name is Kelly Regan. I'm the MLA for Bedford Basin.

Just a reminder to all of us to place our phones on silent. I will ask the committee members nearest me to introduce themselves, beginning with Mx. Lachance.

[The committee members introduced themselves.]

THE CHAIR: I will note that officials from the Auditor General's Office, the Legislative Counsel Office, Hansard, and Legislative Committees Office are in attendance with us as well.

On today's agenda, we have officials with us from the Atlantic Lottery Corporation, the Department of Finance and Treasury Board, and the Nova Scotia Gaming Corporation. This is with respect to the 2022 Atlantic Provinces' Joint Follow-up of Recommendations to the Atlantic Lottery Corporation. I'm going to now ask the witnesses to introduce themselves.

[The witnesses introduced themselves.]

THE CHAIR: Up first in terms of speaking is Ms. Kumaranayake.

LILANI KUMARANAYAKE: Good morning, Madam Chair and committee members. I'm attending today on behalf of Kelliann Dean, Deputy Minister of Finance and Treasury Board. You've just met my colleagues - Patrick Daigle, CEO of the Atlantic Lottery Corporation, will also have some opening remarks.

First, I'd like to say thank you for the opportunity to answer questions about the 2022 Atlantic Provinces' Joint Follow-up of Recommendations to the Atlantic Lottery Corporation. These recommendations come from the original October 2016 joint audit submitted to Nova Scotia, New Brunswick, Prince Edward Island, and Newfoundland and Labrador.

Government takes the gaming file seriously and understands the importance of being deliberate with our decisions. We know that gaming is an important topic to Nova Scotians, who expect the lottery and gaming industry to be well-managed, safe, socially responsible, and, of course, governed appropriately.

In Atlantic Canada, the Atlantic Lottery Corporation is tasked with providing regulated and socially responsible lottery products for those who wish to partake. Operating a corporation that's jointly owned by four Atlantic Provinces is complex, as each province has its own policy for gaming and responsibility for conducting and managing gaming. The four shareholder provinces work together collaboratively to ensure lottery products are offered in a socially responsible manner in this region.

We appreciate the work of the Office of the Auditors General on this important topic. A total of 25 recommendations were put forward. Of those, 80 per cent were completed in short order, including 16 recommendations to the Atlantic Lottery Corporation board and management. Nine recommendations were put forward to the shareholder governments. Five are complete and we continue to work collaboratively with our Atlantic partners on two more.

There are two governance-related recommendations that the Province will not fully implement. While it's important the Atlantic Lottery board has autonomy to operate, all four Atlantic Provinces agree it's important for government to have a voice and voting representation in board decisions that impact our respective provinces, and to also provide the input of the shareholders who represent our citizens. The decision to not implement these two recommendations was communicated in the Atlantic Provinces' original response to the Auditors General in October 2016.

As the members of this committee would be aware of, the Nova Scotia Gaming Corporation was part of the Province's review of Crown agencies. The result of this review, which looked at the role and effectiveness of agencies, offices, and Crown corporations,

was to integrate the Gaming Corporation's operations and staff into the Department of Finance and Treasury Board.

Nova Scotia is the only Atlantic Province that has a Crown corporation separate from government tasked with regulating gaming. Our goals with this change are to reduce duplication of roles, improve efficiency, and bring Nova Scotia in line with other Atlantic Provinces by having the staff that conduct and manage gaming as part of a government department. Work has been under way on this transition since July on this transition, and we look forward to officially welcoming our Gaming staff colleagues into our department.

THE CHAIR: Thank you very much.

LILANI KUMARANAYAKE: I have a little bit more.

THE CHAIR: Oh, sorry. (Laughter)

LILANI KUMARANAYAKE: There are only two outstanding recommendations which we agreed to that we are still collectively working towards completing, including periodically reviewing the unanimous shareholder agreement. With the integration of the Nova Scotia Gaming Corporation into Finance and Treasury Board, we believe it's timely and prudent to review the unanimous shareholder agreement again. There is a working group of senior officials of the four shareholder provinces that are meeting this Fall to discuss next steps and any implications for the shareholder agreement as well as governance.

In closing, we greatly value the role of the Auditor General. Her office does important work, and my department has a strong working relationship with the Auditor General and her staff. Thank you for the opportunity to say a few words. I look forward to your questions.

THE CHAIR: Thank you very much, and my apologies for interrupting there. We will now go on to Mr. Daigle.

PATRICK DAIGLE: My name is Patrick Daigle, and I am the President and CEO of Atlantic Lottery. As my colleague said and as this committee is aware, in 2016, the Auditors General of the four Atlantic Provinces released a joint audit of Atlantic Lottery that included 25 recommendations. Sixteen of those were directed at Atlantic Lottery management and the board, and nine of them were directed at the four provincial shareholders. Atlantic Lottery immediately accepted the report, and we implemented all 16 of the recommendations that were made to us. We are also committed to working with the provincial shareholders whenever required on any of the remaining recommendations.

Atlantic Lottery continues to be committed to the promotion of Healthy Play. We provide players with information to help understand the games that they play, we provide

them with tools to track and manage their activity, and we provide them with resources to assist in identifying and addressing problematic habits.

Unfortunately, we've seen an increase in illegal online gambling operations across Canada, and these illegal operators are not regulated by the provinces of Atlantic Canada, and as such, they don't receive government oversight, and while 100 per cent of Atlantic Lottery's profit stays in our region in Atlantic Canada and contributes to our communities, that is not the case with these illegal online gambling operators.

As Atlantic Lottery continues to evolve to meet the changing landscape of gaming, we remain committed to do so in a transparent manner that acts in the best interest of players and our provincial shareholders. Thank you.

THE CHAIR: Thank you very much. We'll now begin the questioning portion of our meeting. Each caucus will start off with 20 minutes of questioning, and then I'll be divvying up the extra time between the caucuses after that point. I just want to let our witnesses know that when the time elapses, I just interrupt you, so apologies in advance. I don't mean to be rude, it's just the way it works.

We will begin with our first round of questioning with the Liberal caucus.

HON. BRENDAN MAGUIRE: Thank you, Madam Chair, and I'm glad that we are getting to the witnesses. It's great to see everybody here today.

For my own knowledge, what's the amount of money that the Atlantic Lottery Corporation brings in annually?

LILANI KUMARANAYAKE: Currently, we're estimating for this fiscal year about \$146 million, and Bob can give you a little bit more of the details.

BRENDAN MAGUIRE: That's fine. When that money's brought in, where does it go? Does it go to a specific stream, or does it go into general revenue?

LILANI KUMARANAYAKE: The number I gave you was related to the net income that comes to the province, and I will hand it over to Bob to speak to that. It does go into the general revenue fund, but prior to monies going to the general fund, there are also expenditures that Nova Scotia Gaming Corporation makes. Maybe Bob, you can detail that?

THE CHAIR: Mr. MacKinnon.

BOB MACKINNON: Thank you, and for a point of clarity, the answer that we're speaking to right now is Nova Scotia's share of Atlantic Lottery's revenue. As Lilani noted,

about \$146 million is the forecast for this year for the money that will flow to the Department of Finance and Treasury Board and go into the general revenue fund.

Prior to arriving at the \$146 million, I want to highlight a couple of the expenditures that NSGC makes on behalf of the Province. I think the most notable would be the \$6 million per year that is used to fund responsible gambling and Healthy Play initiatives, and funding that goes to the Department of Health and Wellness - and I should say to the Office of Addictions and Mental Health - to support initiatives that they may have to provide problem gambling support. Certainly, that is one of the highlights of our expenditures.

Two other expenditures I'll note very quickly are our Support4Culture program which provides over \$4 million each year to the arts, culture, and heritage sectors in the province; and Support4Sport which funds over \$4 million through Sport Nova Scotia and is the largest source of funding for amateur sport in the province.

Just to give you a sense of impact of that one program is that we estimate that over 150,000 Nova Scotians are impacted favourably through the Support4Sport program each year.

BRENDAN MAGUIRE: Where do the unclaimed amounts go?

BOB MACKINNON: I'm going to suggest that Mr. Daigle would be the best person to answer. I could answer, but Mr. Daigle would be the best.

PATRICK DAIGLE: Our unclaimed prize fund all goes back to players in the form of prizes, either bonus prizes or to supplement existing prizes. That is money that is, frankly, the players' money. They contribute it into the fund, and if the prizes go unclaimed, they do go back to the players.

BRENDAN MAGUIRE: So, about 4 per cent of the revenue that comes in goes toward combating problem gambling and addiction. Do you feel that's enough? You're bringing in \$146 million a year from gambling revenue, and you're using 4 per cent of that to educate the public and to help the public. Do you feel that's enough?

LILANI KUMARANAYAKE: I would just comment that over the \$140 million that goes into general revenue is then used - there are some specific investments that the Nova Scotia Gaming Corporation has made towards mental health and addiction support, but of that money that goes into general revenue that then is used to support government-wide initiatives, for our Office of Addictions and Mental Health, for our Department of Health and Wellness.

In fact, in terms of the dollar numbers that are going in to supporting folks on the health side, it is well over \$140 million. I didn't bring my numbers with me, but I can certainly give them to you.

[9:15 a.m.]

BRENDAN MAGUIRE: Do you have numbers that specifically say how much of that \$146 million goes to the Office of Addictions and Mental Health, or are you just saying in general this goes into the coffers and that could potentially be spent?

LILANI KUMARANAYAKE: In the budget it comes in as revenues and then it goes in - so it's part of general revenues, we support the Office of Addictions and Mental Health, we support other primary prevention work, epidemiological surveillance - all of the key components of understanding gaming and gaming habits. That is all funded through the general revenue fund.

BRENDAN MAGUIRE: Just to be very clear, you're saying the general revenue fund, which we all know - any money that's coming into the Province goes to the general revenue fund, and then is used to finance the Province and the departments and all the initiatives. Specifically, of this \$146 million, you could only say 4 per cent - you can't specifically say \$100 million went to the Department of Health and Wellness, you can't say \$40 million.

You're saying \$146 million went into the general revenue, but under legislation 4 per cent of this goes to - is it policy or legislation that says a percentage of this money has to go toward addictions and mental health?

BOB MACKINNON: I should clarify that the \$6 million that NSGC spends in support of responsible gambling and services to the public, funding to the Department of Health and Wellness is deducted before we arrive at the \$146 million. Then additional expenditures certainly happen under the general revenue fund.

I have to apologize, I've lost track of the question. Could you just give me a hint?

BRENDAN MAGUIRE: The original question was about 4 per cent actually going - what I'm trying to get at is, is that an internal policy? To say that goes into general revenue, that \$146 million could have been used to twin the highway. We know that. It could be used to build schools, all kinds of other things.

I look at the National Lottery in England and some of the things they do specifically with that, and what I'm trying to get at here with this amount of money is, where did you come up with the \$6 million? Is it policy? Do you feel that of the \$146 million, specifically \$6 million of it goes toward addiction and mental health while the rest goes into general revenue, which could be used for anything. Do you feel that 4 per cent is actually enough of the \$146 million we're bringing in?

BOB MACKINNON: Thank you for clarifying. The funding done by NSGC happens through the NSGC budget. By and large, the direction with the results in those

expenditures comes from gaming strategies and industry best practices over the years. For example, if we look back at 2005, there was direction to increase funding specifically to the Department of Health and Wellness. That would be one example.

Over time, we've negotiated with our casino operator where we obtain funds from the casino that we redirect toward the Department of Health and Wellness - now the Office of Addiction Services. So largely, we categorize those as policy decisions, but the direct expenditures that happen in support of services for those affected by gambling behaviours would certainly be through the budget process.

I don't have the number, but I suspect it is far larger than the 4 per cent.

BRENDAN MAGUIRE: I'm just trying to get at specifically how much of that gambling money is going to - I know we can say that more goes toward helping addictions and gambling, but the truth is that the Department of Public Works probably has a larger budget than mental health. I would say a larger percentage of the general revenue is going in - I'm just using that as an example.

We do know the casino, for example keeps information on their players. They are responsible for if they have problem gamblers or they see addiction, and individuals who come into the casinos who are - their gambling is negatively impacting their lives. Is the Atlantic Lottery Corporation or the Nova Scotia Gaming Corporation in communication with the casino management? I know it's changed hands quite a few times over the last 20 years, but are you in contact with the management and the owners on the number of issues they're facing or the number of issues they have with problem gamblers?

BOB MACKINNON: I'll note that our current casino operator is called the Great Canadian Gaming Corporation. They're a well-known casino operator across the country - the largest, in fact. They've been our operator since 2005, so we've had them for upwards of 20 years.

It's actually mandated in our contract that they must deliver the responsible gambling programs developed by the Nova Scotia Gaming Corporation. There's also an independent accreditation process that happens to certify that the casino meets Healthy Play and responsible gambling standards.

I want to note just a couple of examples, since you asked the question. We have a very comprehensive training program. It's actually now in regulation that it must be conducted, so all staff at the casino are trained in responsible gambling. There's a delicate approach that must be taken when certain behaviours are seen. We certainly don't want to stigmatize people. We want to be helpful to them. I want to note that there is a very good responsible training program that all staff must take.

In addition, in recent years we've improved the Voluntary Exclusion Program. One of the things we were concerned about is the way that we had instituted the program - which really went back to the 1990s - is that it had been perceived by some as a barrier to taking a break. If anyone is experiencing problems with their gambling, we actually do want them to take a break. We want to encourage them to take advantage of the voluntary self-exclusion program. That would certainly be one.

It is also the case that not everybody who voluntarily self-excludes is necessarily having problems with their gambling. They may have some other conflict with gambling. But of course many of them are, and that's an important support.

BRENDAN MAGUIRE: On that topic, if the casino or if the Nova Scotia Gaming Corporation or the Atlantic Lottery Corporation identifies someone as having a potential gambling addiction or issue, they can be banned from the casino. What I'm wondering is, when a problem gambler or someone with an addiction is identified at the casino or through the Atlantic Lottery Corporation, is there a process in place - not just to say you can't come in or you can't purchase our products, but also to send out information to help them and for where they can go for help?

BOB MACKINNON: I'll take the first part of that question and then Patrick Daigle maybe will contribute. There's an approach that we use with anyone that is affected negatively by gambling. I'll also note we avoid using the phrase "problem gamblers" because we don't want to label a person as being something as a result of their behaviour, and we certainly don't want to stigmatize anyone.

I will say it's a very delicate approach that must be used. I will say this also: none of us in the business are skilled at diagnosing whether somebody is a problem gambler or not. That's really something that's the job of professionals, sometimes medical professionals or psychological professionals. What we can do is certainly help, and what we do when we see behaviours that would certainly indicate concern is that we encourage people to take a break.

We make them aware that there's information available to them. At the casino, we might suggest that they come over and visit the Responsible Gambling Resource Centre, but ultimately, it's up to the individual themselves to decide whether they want to avail of that information or of that break, and we do not ban anyone proactively unless it's a negative behaviour impacting other people.

Like I said, we just would not be skilled to diagnose somebody as a problem gambler or having problems with their gambling such that we would trigger a ban. That's generally how it works at the casino, and I'm going to ask Mr. Daigle to . . .

BRENDAN MAGUIRE: Before you move on, you're saying that there's nobody within your organization that has the ability to look at one of your customers and say, okay,

this is potentially an issue and this is obviously having negative impacts on themselves and their family and their loved ones. I mean, you certainly can take the money in. I'm just saying, do you have the ability to say, like, wait a second, Brendan's got a serious issue here, and for the betterment of him, we just need to cut him off?

BOB MACKINNON: Thank you for clarifying the question. I will say that we are, in fact, required to - and that has very much been a part of the training program. We will approach that person in a delicate way and encourage that they take a break, maybe take a coffee, maybe go out and take the coffee at the Responsible Gambling Resource Centre, ask them if they would like to read some of the responsible gambling literature that we have.

Generally, we would encourage them to take a break, but we would not be in a position to ban them or to diagnose them as a problem gambler when we see behaviours that cause concern. Like I said, under regulation we are required to - I'm going to say intervene, but it's a delicate intervention.

BRENDAN MAGUIRE: It's interesting to me. Can you guys discuss the makeup of the ALC Board? How many people sit on it and how many elected officials sit on it? Quickly - we've got about a minute.

BOB MACKINNON: There is a unanimous shareholder agreement among all four Atlantic provinces, and as part of that agreement, each province can appoint three directors. Two directors are what we call independent directors, so generally they're people from the community, and there's one non-independent director, and that's usually a government official.

Currently on the NSGC Board, for example, the Deputy Minister of Finance and Treasury Board is the non-independent director, the government employee, who is on the Atlantic Lottery Board. All four provinces have very similar board appointments, so there's two independent directors and one government employee.

THE CHAIR: One minute. Mr. Maguire.

BRENDAN MAGUIRE: There's not much time for anything, but just on a light note, does the movie *Ocean's Eleven* scare the heck out of you?

BOB MACKINNON: I've enjoyed watching it a few times. Seriously, we do take the business very seriously, and we always have our eyes and ears tuned to threats. For us, integrity, fairness, and responsibility are hallmarks of a good gaming industry. We actually take this stuff very seriously.

THE CHAIR: Mr. Maguire, you have 20 seconds left.

[9:30 a.m.]

BRENDAN MAGUIRE: How many people are employed at the casino in Halifax?

BOB MACKINNON: I'll undertake to get the exact number, but I'm going to give an estimate - I actually have the exact number. It's roughly - I going to say 300. Just bear with me.

THE CHAIR: Order. The time for questioning by the Liberal caucus has elapsed. We will now go to the NDP caucus.

Ms. Leblanc, you have until 9:51.

SUSAN LEBLANC: Thanks to all of you for being here. I just have a quick follow-up around the makeup of the board. We know from the Auditor General's Report that the four governments collectively do not intend to implement the recommendation that board members are not elected officials or employees of the government.

In opening remarks, I heard allusion to that - and correct me if I'm wrong, but what I heard was that the reasoning is that that is a way of keeping good oversight - that government officials can make sure that things are going well for their individual provinces. But we hear from the Auditor General that it's not a best practice and that the dual role of government employee and board member poses a conflict between the fiduciary duty to the corporation and the policy interests of the employer - i.e., the government.

Can someone square that circle for me? Just make your case, I guess.

LILANI KUMARANAYAKE: I will also just respond to - there are no elected officials on the ALC board.

I think just to step back, the reason we have a corporation for Atlantic Lottery Corporation - I'll make an observation - it's more than 46 years old, with four provinces. It is actually extremely unique. When I go to Ontario or Quebec and we're talking about doing something interprovincially, they can't believe that we have sustained this for more than 40 years and we operate largely on consensus in terms of the shareholders.

Because it's a corporation that spans more than one border, it's registered under the federal Business Corporations Act. Crown corporations are a little bit of a hybrid. You have got a bit of private sector, a bit of arm's-length, but also the shareholders are governments and, ultimately, the shareholders are the citizens of the provinces.

The reason government gets into these types of corporations is that there are public policy goals. For Nova Scotia and the other Provinces, it's really about providing socially

responsible, regulated gaming. The reason for that is that in the absence of that, we typically see illegal gaming going on. It is then extremely hard to even reach folks who may need more support. Part of the public policy rationale is to have a safe space to provide socially responsible products.

The shareholders, typically in a private corporation, vote on a board. When the Atlantic Lottery Corporation was set up, that shareholder representative voting on the board was considered important by the four Provinces. I think it's really good to have the Auditors General review us, because they highlight that here are some issues where there are contradictions.

I think one of the things that the four Atlantic Provinces took on board was saying, the reason we have our shareholder representatives there is to provide input from our shareholders. But it's obviously not - we need to strengthen that. That is actually the way that the four Atlantic Provinces are working - to improve that communication with the shareholder representatives so that at the board, they are able to provide a better sense of the perspectives of the shareholders.

If you talk about the fiduciary duty, there is the fiduciary duty to the board, but the shareholder representative represents the owner of the corporation as well. Really, the board, their goal is to actually maximize the interest of the shareholders, so in this case, socially responsible gaming.

SUSAN LEBLANC: One of the other recommendations or the points that the Auditor General made in the report is that the Chair of the board has been in place for over two decades, much longer than normal or best practice, governance practices would allow or recommend. Why has the Chair been in place for so long? That's not my question. My question is: Why is the Chair role not part of the regular rotation of the board roles?

LILANI KUMARANAYAKE: The Chair, according to the current by-laws, is selected by the board of directors. That's the current situation. The current Chair is obviously well experienced in gaming. As part of the work that we've done in terms of responding to the Auditor General recommendations, we have taken on board the need to review our by-laws and review the unanimous shareholder agreement. We are looking currently at reviewing by-laws again, and certainly that is one of the areas that we will be looking at.

SUSAN LEBLANC: I have another question about the revenue business. Why is it that there are certain revenues that are earmarked for sport or culture? I have my theories but I won't say them here. I'd like to hear from you. There's the greatest amount of investment in sport, that's great, and Support4Culture. Every time I go to a cultural event, you have to get your picture taken in front of the Support4Culture banner.

Then, for a much larger chunk of revenue that comes in to the Province, it goes into the general revenue stream and disappears. Why is that? Why is it okay to have some of it designated or some of it not designated, and then the opposite is true as well?

LILANI KUMARANAYAKE: I will just say, because I remember now, in terms of some of the investments government has made this year, there's currently over \$150 million in new investments for mental health, for example. The real reason, when we talk about general revenue - and I am from Finance and Treasury Board - if you earmark everything, then it leaves very little flexibility for priorities or to respond. For example, we had the impact of Hurricane Fiona, and we needed to respond quite quickly. If we had earmarked everything, then it loses the ability for governments to be flexible.

In general, we know almost half of our expenditures are in health right now, and that's not through an earmarking process, but that reflects the priorities of government. Typically, with a budget process, we'd like to have that flexibility. We advise on that flexibility so government can be responsive, government can put the money towards priorities, and not just a certain amount of the money. It's to spend to achieve the outcomes that government wants.

SUSAN LEBLANC: That makes sense to me, so then the opposite also doesn't make sense. Would you say, then, that the money earmarked for sport or the money earmarked for culture can then be labelled as finite? We're not going to give money over here to culture, we're not going to increase the operating funding because we give this much through the Nova Scotia Gaming Corporation. I don't know if this is an appropriate expression, but what's good for the goose is not good for the gander or something. I just put that out there as a funny policy thing.

Of course, I'm saying it as someone who is the critic for culture and sport and seeing when it's not super flexible, when there are a lot of finite grants and there's not a lot of flexibility when there is an emergency, like COVID-19's impact on sport and culture, for instance. Anyway, I'll leave it there.

The last question from me is: The Auditors General have pointed out that there remain outstanding risks to the corporation's pension plan sustainability. Wondering what the timeline to complete the ongoing review of the pension plan is, and implement the required changes, and what has been the delay?

LILANI KUMARANAYAKE: Thank you for that question. I'm very pleased to say that the complete implementation will take place as of January 1, 2023. It has been, obviously, a long process with pensions. When the Auditors General were doing their review in 2016, the four governments were already in the process of a review. We had hired outside experts because there were, obviously, issues around solvency. So once that review was completed, a new pension committee was established.

Essentially, a committee to run the Council of Atlantic Premiers pension plan. That was established at the beginning of 2021, and then that committee took a number of steps to look at how we can improve the sustainability and the affordability of the plan. Effectively, there were a number of reforms that were approved by regional treasury board - that's the four finance ministers of the Atlantic Provinces, and those reforms are being implemented January 1, 2023.

THE CHAIR: Thank you. Just over nine minutes left. Mx. Lachance.

LISA LACHANCE: I wanted to pick up a bit on spending for support for folks who are gambling and may be struggling with that, or addictions and mental health. I believe that ALC had a great year last year, so profits were up 18 per cent. At the same time, we've been concerned all along as a caucus that funding to Gambling Awareness Nova Scotia was dissolved into the general mental health funding streams. As revenues grow, is the spending on support growing concurrently as well?

LILANI KUMARANAYAKE: As I did say, there have been over \$150 million in investments in mental health, but specifically for the GANS funding, that funding hasn't disappeared. Rather, it's been directed to the Office of Addictions and Mental Health.

One of the reasons that was done was the recognition that if you have issues with gambling, you typically have what the medical folks call comorbidities. You may be struggling with other mental illness, or substance abuse, et cetera. Rather than saying, okay, we're going to treat you, problem gambler, it's really looking at the whole person.

That was the advice that we received from Health and Wellness and the Office of Addictions and Mental Health in terms of the direction, because GANS had specific objectives related to prevention of treatment. Now with this funding, and then also the increased funding to mental health, it's taking a much more holistic approach in terms of approaching folks and looking at the problem from a more systemic perspective.

LISA LACHANCE: Thank you, and I appreciate that. I have done clinical work in mental health, and so I understand the importance of integrated, holistic approaches that are developmentally appropriate and take into account the social determinants of health. So that definitely makes sense.

At the same time, correct me if I'm wrong: It's probably not true that \$150 million of investment in mental health in this past budget included a cross-cutting approach to gambling. I think of the investments to early intervention for autism probably doesn't have a gambling lens on it.

The challenge is that if you mainstream everything and everything becomes holistic, then the very specific risk issues, and the very specific impacts related to different parts of a person's health and well-being can be missed, or ignored, or not effectively

treated. When I think about Gambling Awareness Nova Scotia, they had a certain expertise. How is that expertise being reflected in the overall approach? Within that - whatever it was, the GANS funding envelope - would you say there's been an increase in that funding, even within the entire Addictions and Mental Health portfolio?

[9:45 a.m.]

LILANI KUMARANAYAKE: I'll answer the first bit and I'll let Bob comment on the funding. I will say that one of the things that government is very committed to is looking at strengthening the work that the Office of Mental Health and Addictions does with respect to gambling and gaming. That's an ongoing piece of work we're having very active conversations around what they need to do that.

In fact that was one of the circumstances before government launched or said go ahead to ALC on the iCasino. We spent quite a bit of time talking with the Office of Addictions and Mental Health about is this the right thing to do? One of the things they said to us was, if it's not in a regulated space, you can't reach folks. Again, the conversations we've been working quite deliberately with the Office of Addictions and Mental Health, it's not just "you've got the GANS money, go away." This is what's next and what's needed next.

We see this very much as a partnership and, actually, with the addition of the Nova Scotia Gaming Corporation staff into Finance and Treasury Board, we're hoping to strengthen that partnership because we do think that more can be done. We take our lead from the folks who are experts at the Office of Addictions and Mental Health.

I'll ask Bob to speak to the numbers in terms of GANS.

BOB MACKINNON: Thank you. I'll note of the funding that goes one way or another from the gaming corporation to provide supports to those affected by problem gambling. The GANS funding, if we can call it that, is but one portion. In fact, there are larger portions that flow from NSGC to the Department of Health and Wellness.

The number related to GANS was about \$0.6 million, so about \$600,000. That number is derived as a percentage of VLT revenue. The policy in the Province has been to decrease VLT revenue over time. Therefore, that portion of funding has decreased over time but it's fairly flat, at about \$600,000.

During COVID-19 closures, for example, we would have had decreases as far as restaurants and other establishments were closed across the province, so the amount of funding that would have come in through NSGC would have decreased during that period of time. Generally speaking, the funding that flows directly now through the Department of Health and Wellness is about \$600,000.

THE CHAIR: Mx. Lachance, you have three minutes left.

LISA LACHANCE: I'll come back to some other questions, but for the three minutes - we've asked the Minister of Finance and Treasury Board several times in this House in Question Period for records of those robust discussions that have happened between Finance and Treasury Board, and Addictions and Mental Health - what framework, or is there a plan? We have been assured by the minister that there is simply nothing written down that records those discussions.

I'm wondering, are you starting a process that would actually document those discussions? Without a documented process it's hard to understand how the discussions are going.

LILANI KUMARANAYAKE: Obviously, ultimately we would like to have a written kind of plan, an action plan, but I think the work that we've been doing initially really has been discussions. It has been meetings with staff, it has been meetings between the ministers, it has been discussions with the deputies. It is really first of all trying to figure out the same language, understanding the problems.

I think we need to have that level of comfort and collaboration, so it has been building. We will be working towards something tangible, in terms of written, as part of the progress that we hope to achieve over the next little while.

LISA LACHANCE: What is the end timeline for that? Is that a deliverable for this fiscal year?

LILANI KUMARANAYAKE: We'll be continuing to do it. I think it is partly understanding the capacity that they have right now, the Office of Addictions and Mental Health, and then also looking at it to say what can we do to support you in terms of some of the objectives? We're still working on what are the objectives that we'd like to do, what are the milestones we'd like to accomplish over the next year, two years, three years, and how do we then resource that? That's the path that we're on.

THE CHAIR: Mx. Lachance, you have 35 seconds left.

LISA LACHANCE: In that process, are external stakeholders being engaged, including folks with lived experience in struggling with gambling?

LILANI KUMARANAYAKE: Absolutely. Again, Finance and Treasury Board is not the expert in this, certainly. We look to the Office of Addictions and Mental Health, who already have outreach in these communities, to take the lead.

THE CHAIR: Over to the PC caucus now. Mr. White.

JOHN WHITE: I guess this would be to Ms. Kumaranayake. Can you discuss how we as a government determine whether or not the product and the new business proposal for the ALC are in the best interest of the province?

LILANI KUMARANAYAKE: I actually will hand that over to Bob in a minute, as well, but generally, what I will start to say is our number one priority is social responsibility. Revenue is two or behind. That is the lens that we always take. As I said, at Finance, we're not always the experts in these areas, so we do take care to make sure that we hear from a broad range of stakeholders.

The Nova Scotia Gaming Corporation has a specific role in terms of evaluating new products that are being offered. I'll ask Bob to comment on the background work that they do, which is quite extensive.

BOB MACKINNON: You may have stolen the highlights. I'd say it's an ongoing process of understanding what is currently offered, hearing from our customers as to what their interests are. We work extremely closely with Atlantic Lottery Corporation - they have staff that are on the ground but very informed as to what new developments are in the industry. We work with Atlantic Lottery and also Great Canadian Gaming Corporation to understand what the new developments are.

As Lilani said, social responsibility comes first at the Gaming Corporation, and we in fact have a deliberate program that we call our Responsible Gambling Assessment. That would certainly be one of the major filters that we use when we're looking for ongoing product development and changes within the portfolio of gaming in the province. We make available publicly our Responsible Gambling Assessments when there's a major change happening in the business.

JOHN WHITE: My next question is a tag-on to that. The Province is a 25-per-cent shareholder in ALC. How does the Department of Finance and Treasury Board ensure that ALC is conducting its business and operations in a way that benefits Nova Scotians? Kind of what you touched on there already.

LILANI KUMARANAYAKE: I'll start, and then I'll pass on to Bob as well. There are different levels, and again, I think the Auditor General spoke to the fact that we need to have a really clear understanding of different responsibilities. As stakeholders, as government departments, we try and stay pretty high-level because we don't want to get into the operations and micromanage. That's the reason why we have these corporations.

From a government perspective, we really look to say, if there's a new product offering, is this something that would benefit Nova Scotians, or is this something where we're seeing a lot of illegal activity, which actually could have potentially more harms? Is this a space that we need to get into if our goal is a safe, regulated industry?

For example, recently we went into iCasino, and that was really a backdrop of everybody going to internet gambling. There are no safeguards. Folks are just going to these illegal sites. There's no guarantee they're even going to get their money when they win. There's been a lot of cases around that, and then there are no responsible features on these games. For example, with iCasino, you can actually say this is the maximum that I want to bid. Those responsible gaming features aren't there.

When government is looking at that at a high level, we're asking, is this something where we know there's a lot of illegal activity - and, actually, by offering a product that's in a regulated space, can we reduce the harm? That's the level we look at, and then we look to our experts here to say what the responsible gaming features are we're going to build into these products which will mean that folks can get the support they need. Bob will probably be able to give you an example there.

BOB MACKINNON: What I'll go back to is the question of, how do we make sure that Nova Scotia gets its benefits from Atlantic Lottery? There's a number of mechanisms that are in place. Certainly, one of the most important is having a productive relationship with the staff at Atlantic Lottery, which we do have. We work collaboratively together. Sometimes, perhaps, we reach in a little bit deeper than what ALC may want us to, but we do that and we learn as we go along.

Ultimately, the numbers - if I can call them that - the budgets and the actual results that happen in Nova Scotia are numbers that flow through NSGC, so we do take an important stake in Atlantic Lottery. I'll say there's really quite a comprehensive process that takes place. It starts with - for example, at the start of each year - having conversations with Atlantic Lottery, and then ultimately providing a direction letter to Atlantic Lottery saying, here's the direction where we see the business going in the next year - can you develop plans that align with that strategy and that direction?

ALC generally does develop a plan which staff at NSGC will scrutinize, really, go through it really quite levels of detail to make sure it aligns with the direction and the developments that we are thinking are taking place in the industry.

Ultimately, we work together to achieve the items that are in the plan, and there is a public accountability that takes place where as we develop those plans - and this was one of the recommendations that came out of the Auditor General's Report - we publicly communicate the targets that we've set for the year in these various areas and at the end of the year, we disclose how we performed in comparison to those targets. We set out what we believe are going to be the Nova Scotia share of the lottery business - and this is both for lottery and casinos - and then we communicate publicly how we performed compared to those targets.

JOHN WHITE: I'm going to pass it over to my colleague, MLA MacDonald.

THE CHAIR: Mr. MacDonald.

JOHN A. MACDONALD: I just have a couple of questions - I think it's going to go to the executive director because I'm not as good as the Chair for pronouncing your name. One of the recommendations was to ensure that the Unanimous Shareholder Agreement was reviewed on a regular basis. What's the status of that?

LILANI KUMARANAYAKE: As an outcome of that conversation, or the recommendations which we accepted, it was decided that we would review it every five years, including the by-laws. There was a review in 2016. There was a review that was concluded in March 2022, and there were changes that were recommended for the Unanimous Shareholder Agreement for March 2022.

However, in July, we have made some changes in Nova Scotia with respect to the change in the Gaming Corporation's operations and staff coming into Finance and Treasury Board. We did discuss this with our other shareholder provinces and we thought it would be prudent to just review again the Unanimous Shareholder Agreement, just in case.

Given this, the Minister of Finance and Treasury Board should be tabling some required legislation to enact the changes that were announced in July. After that, we anticipate a little bit of a mini review to say, does some of the wording need to be tweaked? Then we're also doing a little bit more comprehensive governance and bylaw review.

The reviews are happening, and I guess the next step really is concluding those reviews and actually making the changes in the unanimous shareholder agreement. There are four provinces. Each of us has different approval processes for that shareholder agreement change, so again, we've had conversations with the ministers about trying to move that forward in a timely way.

We are just taking a little bit of a breather to make sure we have it right, given the changes that Nova Scotia has done recently, and then we are anticipating that the revised shareholder agreement will be ready for approval by the four shareholders.

JOHN A. MACDONALD: In the 2016 report, it highlighted a pension-solvency shortfall, which ALC had to come up with some deductions from each province's profit. I'm not sure who's going to get me this answer: where are we with it as of today, from 2016, for the solvency of that pension plan?

LILANI KUMARANAYAKE: The most recent figures that were released publicly were in 2021. In terms of the solvency ratio, I'm pleased to say it's 107 per cent, so over 100 per cent. In terms of the going concern, it's about 154 per cent.

I guess to understand what happens with these pension plans, really, the money is invested. So if you're in equities and the market is down or interest rates are low, then that

was actually what impacted - it's not just the capped pension plan but pension plans throughout the country. There were issues about solvency. As a remedy, there were those solvency payments. The plan is now quite healthy. But in addition - for example, the plan was really healthy in the late 1990s when there were solvency surpluses, and rather than keeping them in the plan, they were paid out to governments.

[10:00 a.m.]

Now we're adopting a little bit more of a long-term lens, and some of the changes that I'd mentioned previously are designed to keep us on a very healthy basis in terms of affordability and sustainability over the longer term.

JOHN A. MACDONALD: I appreciate all that because I understand a little bit on pensions. I'll defer the rest of my time to the member for Shelburne.

THE CHAIR: Thank you, Mr. MacDonald. Mr. Young.

NOLAN YOUNG: Thank you, Madam Chair. I'll direct my questions to ALC. A recent October 4th press release from ALC states that "... the corporation will continue to provide new digital games and experiences for players, while also exploring ways to enhance Atlantic Lottery's retail and venue spaces."

I'm wondering, could you provide some specifics on this plan, or on how you plan to do this, and if there's any progress you've made thus far?

PATRICK DAIGLE: The gaming industry is no different than any other fast-moving consumer goods. It's facing a great deal of disruption. We've got very fast technology changes. Consumer expectations are rising quite rapidly. We have a very large influx of illegal online gambling operators in our region.

The strategy that we have is first and foremost to espouse Healthy Play. What we mean by Healthy Play is that our players understand the games that we offer. It means that they play within the time limits that they set, and it means that they play within the budgets that they set - in other words, that they have fun with the games. That's the intent of them, in a socially responsible manner.

When you break down our strategy by business lines, absolutely there is a big component of our investment that's going to be made into the digital channel. Having said it, our bricks-and-mortar business throughout Atlantic Canada in all of the retailers - the convenience stores, the chain gas stations, the pharmacies, and the grocery stores - they're foundational to our business, and that business is also evolving.

So we're putting new technology out into the retail channel. The lottery terminals are going to be refreshed as they're aging assets, and we're continuing to work with

retailers on promotions and merchandizing and training. It's to support them every way we can, because they're making a great impact into their communities throughout Nova Scotia as well.

NOLAN YOUNG: As the operator of ticket and video lotteries in Nova Scotia, if you're working with retailers to distribute these products, how do you support our retailers, particularly our small businesses, in providing lottery products to the customers?

PATRICK DAIGLE: In Nova Scotia, we have almost 1,000 ticket lottery retailers. I'm so happy to say that at last night's Lotto MAX draw, we generated a \$1 million winner in Kings County. So check your tickets, Kings County.

We have 1,000 ticket lottery retailers and how we support them, mainly, is financially through the commission of selling our products. In the fiscal year ending 2022, that amount was \$14 million that went to these small and medium-sized businesses all throughout Nova Scotia.

We also support them in a merchandising capacity to make sure that our products are well-merchandised. We train the retailers from a social responsibility perspective, and also so that they know our products so that they can explain them to players so that the players can use them in a fun way.

We also participate in the Atlantic Convenience Store Association and support them from a responsible gaming and training and awareness perspective. We're very active and very supportive of our retailer community.

NOLAN YOUNG: I'm just curious, what are you doing to prevent gambling in youth, and are you able to share some resources and supports that may be available?

PATRICK DAIGLE: That's a question that I'm going to answer according to the different channels of distribution that we have, because each channel has a slightly different control set in place for minors.

I'll start with our destination channel, which is essentially video lottery. That's a product that is only available in age-controlled establishments with liquor licenses. We rely on our licensees to control that, and I believe they do a very good job of not ensuring that minors have access to that product.

In the retail channel, as I said, we train our retailers on age of majority. We train them on how to assess whether or not an individual is of the age of majority, and to err on the side of caution and ask for identification if they appear to be 25 years of age or younger. In addition to that, we have a mystery shopper program in the retail channel where we're trying to work with our retailers to make sure that they are abiding by the regulations and the standards that we've set on this important issue.

The last thing that we do in the retail channel is every Christmas, we have advertising and social media campaigns to remind people that it's not appropriate to provide scratch tickets in stockings for minors. That's a reminder that we do.

What I'd like to talk about mostly is the digital channel. The digital channel is the channel where we can offer the most responsible gambling features for our players because those players are in a known state to us. We can offer them behavioural tools assessing their play. We can offer them a whole series of research. When they're in a known state to us, we can interact with them and provide help that they may need if they're experiencing difficulties with their gaming behaviours.

NOLAN YOUNG: What do I have for time, Madam Chair?

THE CHAIR: You have just over two minutes.

NOLAN YOUNG: Are you able to tell us a little bit more about the PlayWise campaign that you have?

PATRICK DAIGLE: The PlayWise campaign is our version of responsible gaming - Healthy Play. As I said, what Healthy Play means to us is that players understand our games, and that they're playing within their time limits and within their means.

We have a rating tool online called the PlayWise Rating tool. It's an algorithm that determines a player's behaviour and gives them feedback as to whether their play is considered to be tending towards more risky behaviour, or is within the parameters of what would be considered Healthy Play. That's a very, very important tool that we are just now rolling out.

THE CHAIR: Mr. Young, you have a minute-and-a-half.

NOLAN YOUNG: I'll pass it onto my colleague, MLA Boudreau, in that much time.

THE CHAIR: Mr. Boudreau.

TREVOR BOUDREAU: I'll start off with a question. I'm going to be kind of focusing my questions to the NSGC. If we don't get through this question, maybe I'll ask it again when we come back around.

Just based on the 2022-2023 business plan, leading responsible gaming is a goal that you've identified. What actions are you taking to achieve that goal or move toward that goal?

BOB MACKINNON: Nova Scotia is known internationally as one of the most responsible jurisdictions anywhere. One of the reasons for that is due to the portfolio of responsible gambling programs that we have. We were one of the first in North America to come out with a Responsible Gambling Awareness Week, for example. While that seems like table stakes today, it was not 20 years ago, so we brought something to North America that had not been in place.

Over time we've learned a lot from that campaign. For example, today - as in this year - we have now, rather than focusing all of our efforts on one week, we have a continuous program of what we call gambling literacy.

THE CHAIR: Order. The time for questioning from the PC caucus has now elapsed. We'll now move on to the lightning round where each caucus will have seven minutes. Mr. Maguire, you have until 10:18 a.m.

BRENDAN MAGUIRE: My question is around the online casino. Just quickly, do you know how many Nova Scotians have used the online casino?

PATRICK DAIGLE: This is a product that was launched in late July by the province. Since then, on average we're seeing in the vicinity of 3,000 online players that are playing.

BRENDAN MAGUIRE: Is that per day? Per hour?

PATRICK DAIGLE: That's on average in a week.

BRENDAN MAGUIRE: When it comes to online casinos, we've seen there's a ton of them out there that people can access, obviously. I think that online poker kind of made that take off and there's now restrictions around that.

Mr. MacKinnon commented on what they're doing to prevent problem gambling - sorry, people with gambling addictions and issues with gambling. You have access to 3,000 people a week and potentially more. You know exactly how much they're spending. You actually ask for their profession when they create an account, so in a roundabout way you know what they probably make per year.

What are you doing if you notice that Nolan is spending \$10,000 a day and it's a problem - someone named Nolan is . . .

THE CHAIR: Mr. Maguire, just a reminder to all of my colleagues that we are not to refer to our colleagues by their first names or last names and we should use the proper honorifics as well. That's a reminder from me.

BRENDAN MAGUIRE: So if someone named Jim was spending what would be perceived as over what they are capable of, what are you doing to prevent that?

PATRICK DAIGLE: As I said earlier about access to minors of the games, the controls set that we have in our digital channel is very robust. The reason for that is because we do know our players. When our players register with us they are required to give us information in order for us to honour anti-money-laundering controls and processes in relation to FINTRAC.

We absolutely know a lot about those players and that's great because we can offer them tools. We can offer them tools about their behaviour and about their play. We have a Healthy Play policy that is going to be released to our players in this Fall that is going to lay out some of the terms and conditions on how we intend to interact with those players.

For example, we're going to give them tools that personalize feedback based on their play on the website. We offer research and awareness for them. We give them deposit and time limits so there's a whole robust series of controls that we have, ultimately to give them insights into their play so that they can make responsible decisions.

BRENDAN MAGUIRE: Basically yes or no - the resources are voluntary. It's based on the player to take advantage of those resources?

PATRICK DAIGLE: The resources that we have in the online channel - first and foremost, I should say the reason that we're in this channel is to repatriate players from these illegal sites that do not have the control set that I just spoke of. That's a great thing that we're doing.

In terms of voluntary, there's no question that leading research on gambling would indicate that providing voluntary tools is the best option for players, but we are absolutely considering more active measures as we interact with players moving forward. As I say, we're new into this space. The site only recently launched in July, so we are developing those processes and protocols by which we interact with players.

BRENDAN MAGUIRE: Like you said, the purpose of these online sites is to repatriate, but let's be honest: it's also to take advantage of a revenue stream that the government did not have before. We have seen online gambling explode, and government is now getting into that because it's a potential revenue stream.

I think that allowing easy access to gambling, that also becomes a responsibility. I don't know how many individuals you have dealt with that have gambling problems, but 99.9 per cent of the time when voluntary resources are put in front of them, a lot of them don't use it. I have close personal friends who have gambling problems, and they usually don't take advantage of things until they hit absolute rock bottom.

[10:15 a.m.]

By allowing for online gambling, it is actually giving them more access. Let's be honest, it's not just about bringing them back from PokerStars or whatever else is out there - I don't know, pokerplayers.com or whatever it is, these gambling sites. I think PokerStars is one, actually.

There is a bit of responsibility because now there's more access to it. Is it just the policy that it's volunteer, or is there any other sites out there that you know that - I know there are poker sites out there that, if they see that there's a problem or an issue, they will cut the player off and discontinue their account. Why does Atlantic Lottery Corporation not do that?

PATRICK DAIGLE: As I said, this is a direction that we are moving in. We're not at that stage yet of player interaction. Let me be clear that the sites that we're competing with, there absolutely is a financial . . .

THE CHAIR: Order, the time for the Liberal questioning has elapsed. We'll now move on to the NDP caucus. Mx. Lachance.

LISA LACHANCE: Hopefully we'll be able to actually continue the discussion, Mr. Daigle, that you were just starting. I have definitely heard the public interest concern around illegal gambling and having folks outside the revenue stream but also outside the reach of government support. At the same time, I understand the dynamic environment. I think so many sectors are in that dynamic environment.

The Responsible Gaming Council report commissioned by ALC recommended a comprehensive harm minimization strategy. It sounds like maybe work around the edges of this is being done, but is there a strategy being developed that will bring all of this together? Will it be made available? Do you have a timeline for that?

PATRICK DAIGLE: As I said, we do have a Healthy Play strategy that is under development, and it is comprehensive. In fact, as we said, we lead with social responsibility. Our organization has been around for 46 years, and the two core values that we have maintained are integrity and responsibility, so it is in the DNA of the company. It's what we lead with, and it's what we're all about.

The reason it's what we're all about is because we live here. We sell our products to our families, our friends, and our neighbours. We simply will not launch a product unless it's socially responsible to do so. We do have a strategy that is under way. It does involve the release of a whole series of tools, a whole series of information, and a policy, as I said.

LISA LACHANCE: I think for online gambling, there is a lot of information that should become available. I suspect you don't have it from July until now, but things like

can we measure that there has been a decreased use of illegal gambling sites? What's the uptake into the government regulated site? The information that you're receiving in terms of what people are spending and then looking at whether or not to be more active in your controls.

Again, I would encourage that information to be included, and really put in some measures. For instance, if you start to be more interventionist, what is the rate of increase of those interventions? Do you have a timeline on when that will be available?

PATRICK DAIGLE: This is actually a multi-year strategy with a whole series of releases because some of them do involve technology and integration with our systems. That work is underway now. I don't know that it will ever be finished and be completed because it is going to evolve as our player behaviours evolve and change, but it has begun. The strategy has begun.

LISA LACHANCE: What can the public expect to see, and when?

PATRICK DAIGLE: In looking at our accountability report, and my colleague referenced the balanced scorecard that we produce in there with our measures and our results, we envision a Healthy Play report as well that would disclose things like the usage of our tools, the tools that are available, how we're progressing with regard to the research in terms of gambling literacy, in terms of the PlayWise rating tool and what we're seeing out there. We do have a vision of public disclosure and accountability.

BOB MACKINNON: While that strategy is being developed, I want to note also that there are some very important Healthy Play features of the alc.ca offering. It's not like people are waiting for a strategy to be developed and then things are going to happen. There's a lot already in place. In fact, it's industry-leading.

We've spoken about the player education and awareness pieces already, so information is available. There are literally thousands of online casino sites available to players in Nova Scotia today. Some of them have awareness programs and many do not. Alc.ca absolutely does. There are mandatory features on the alc.ca site that some other sites have, but not many do. For example, at alc.ca, you're required to have a maximum weekly deposit limit, so the individual will say, I'm going to put a maximum of this amount in my account. There's a mandatory break in play after a period of time.

There's a timer with reminders to keep track of how long you've played, because one of the things that we know from people who may have challenges with their gambling is that they become disassociated from time and other things, so having that time reminder is very important. As Patrick Daigle noted, there's the PlayWise rating tool.

There are other optional features that players can take advantage of - which, again, you don't see these in other places, but ALC is responsible in this area. For example, daily

wager and session time limits; a self-assessment tool that people can do; a break in play almost like a self-exclusion kind of thing, but take a break in play for 24 hours; and also a self-exclusion program so that they can self-exclude. There's a lot going on within the portfolio of Healthy Play.

LISA LACHANCE: Thank you for that overview, I think that's important. I can only imagine that the report that was commissioned by ALC that talked about a harmonization strategy, a strategy is intended to take those tools and envision what your goals are with them and be public about what outcomes you're striving for. I think it's perhaps a little bit different than what's available at this point, and I would encourage you to have a look at the idea of having a strategy that is responsive and that evolves over time.

Will the government update the gambling strategy?

LILANI KUMARANAYAKE: There's a multi-path process that we're following. First, as a result of the Crown reviews, we were looking at our structures and our governance . . .

THE CHAIR: Order. The time for questioning from the NDP caucus has elapsed. We'll now go to the PC caucus and Mr. Boudreau.

TREVOR BOUDREAU: I'll return to Mr. MacKinnon again. I don't know if you remember the question I asked, but I was talking about leading responsible gaming is a goal in your business plan, and you were getting into some of the ideas of what you have been doing. Is there anything you would like to add to that? I know you talked a bit about the awareness week and some of the other processes. Did you want to finish that off?

BOB MACKINNON: I spoke about the gambling literacy awareness. We do have goals and targets around that campaign as to how many Nova Scotians we are able to reach each year, and most importantly, what they actually remember. We have the awareness campaign playing out in various media channels, but the important thing is, does any of that stick with people? We do measure what behaviours they might remember.

We have the Responsible Gambling Resource Centres at the casino. Again, at the time, this was an innovation in Canada, really, where we had one of the first Responsible Gambling Resource Centres located right in our casinos. Just coming out of COVID, we have about 224 employees at the Halifax casino, and just shy of 100 at the Sydney casino.

Those numbers are a bit lower than normal because of COVID, but I will note another one of the responsible gambling programs is that each of the employees must go through a rigorous training program.

That's not only true just at the casino, but throughout our business. ALC has an excellent training program which I myself have done multiple times. As Mr. Daigle noted, the retailers must also go through this training program.

There are others, and I could go on at length. I'm happy to do so, but maybe there's more questions.

THE CHAIR: Mr. Boudreau, just under five minutes.

TREVOR BOUDREAU: I'll move on to some other questions but thank you. This is again to you, Mr. MacKinnon, but maybe somebody else on the panel would like to respond. How does the Nova Scotia Gaming Corporation and Atlantic Lottery work with the Department of Health and Wellness and the Office of Addictions and Mental Health to address prevention, treatment, and education programs? It has kind of been talked about a little bit, but maybe you can elaborate on how you're working with those two departments.

BOB MACKINNON: We do spend time each year with our colleagues at the Department of Health and Wellness, and we learn a lot from them. Generally, there's a conversation - this is not a recent development. We have collaborated with the Department of Health and Wellness, and now Office of Addictions and Mental Health, going back decades, really, where we seek to learn from each other.

We certainly rely upon their advice, input, and feedback. We will meet with them, and whenever we have something new coming out, we'll certainly want to say, here's what we're planning to do, and here are measures that we've put in place. If they have any particular concerns or feedback, we would certainly want to hear that, and take that into account.

I would say largely that happens through a regular meeting process that happens a couple times a year, multiple times a year, depending on volumes, and has been something that has been in place for many years.

TREVOR BOUDREAU: I'll just go on to another question. I'm a rural MLA. I live in rural Nova Scotia. Local fundraisers and charities for our community halls and fire departments, our churches, are very important to the community. I just want to talk about the Support for Communities program and how does that program help support organizations in our communities? How are we striving to continuously improve this program so it's better able to serve those communities as well?

BOB MACKINNON: As a native of Port Hastings, I'm very well aware of your riding. I had the pleasure here to talk about Support4Sport and Support4Communities.

Our third support for program is called Support4Communities. Really, what this is about is about helping non-profits and charities build their capacity to become efficient and

effective at their fundraising. We'll work with fire halls or community groups across the province to help them learn more about what's required in order to have, say, some element of gaming in their fundraising activities.

[10:30 a.m.]

Sometimes the rules around gaming can be very complex, and I know one of the pre-read materials was around who does what in the gaming industry. There's Atlantic Lottery, there's Great Canadian Gaming, there's the Nova Scotia Gaming Corporation.

There's also the Alcohol and Gaming Division of the Department of Service Nova Scotia and Internal Services. We often refer to them as the regulator. If you're a member of the public or if you're a community group looking to raise money, it may not be clear to you who to call, so these support for community seminars that we put on would be one channel that people could - particularly organizers - come to and learn what's involved with putting on a fundraiser that has a gaming aspect to it.

TREVOR BOUDREAU: How much time?

THE CHAIR: Just over one minute.

TREVOR BOUDREAU: Thank you, Mr. MacKinnon. One of those examples is in Guysborough County. I've volunteered at it and the Monte Carlo night that they have there every year at the fire hall. It's a great cause and does a lot of fundraising for the fire hall there.

Just really quickly, in the 2022/23 business plan, it said that in 2019/2020, 17 per cent of the public was able to cite two responsible gaming behaviours. You have set a target for increasing this to 25 per cent by 2025/26. What have you done in terms of groundwork to achieve this?

BOB MACKINNON: There's a number of channels, and I'll speak relatively quickly. Perhaps any place where regulated gambling takes place, there's information and awareness material, so that's a starting point. There might be a brochure at a Ticket Lottery site or brochure within the casino, would generally talk about responsible gambling, but other things such as the odds of winning or where to get help if you run into problems. Historically, we've run what we call the Responsible Gambling . . .

THE CHAIR: Order. The time for questioning has elapsed. I want to thank our guests for coming in today. Does anyone have a closing statement that they would like to make?

LILANI KUMARANAYAKE: I would just again thank the committee members for their questions, and I hope that it's given a little bit more understanding of some of the work that we're doing in terms of socially responsible gaming.

THE CHAIR: Thank you, everyone. We actually have quite a bit of committee business, so we're just going to move along, if you don't mind. Thank you once again for coming in and answering our questions. I think we have a lot of business, so we're going to proceed along.

I'm actually going to skip ahead on the committee business to the CAAF training topics because we have them coming next week, so I wanted to make sure that we have those settled upon. Ms. Leblanc, you have a hand up, did I see?

SUSAN LEBLANC: Madam Chair, I would just like to move that we accept the drafted agenda for the workshop, and I just wanted to clarify that we are meeting on the 19th and the 20th, and what times those would be because we will be in the House.

THE CHAIR: My understanding is it would be 9:00 a.m. to 11:00 a.m. on both days, correct? Mr. Maguire, you have not been recognized. Ms. Leblanc?

SUSAN LEBLANC: My motion is to move the draft agenda and basically approve that this will be happening next week - with excitement.

THE CHAIR: Any further discussion?

JOHN A. MACDONALD: Just a quick question. The budget expenditure of this is within the purview of the committee? It's my only question. I'm a numbers guy.

THE CHAIR: Yes, that's probably why you're here. My understanding is that the cost is being split between the Auditor General's Office and CAAF, so there's no cost to the committee.

We now need to vote on the motion of accepting the agenda as laid out in the handout.

All those in favour? Contrary minded? Thank you.

The motion is carried.

Well, that one was easy. Okay, so now we're going to move on to the Subcommittee on Agenda and Procedures record of decision. Members have been provided with a record of decision from this meeting.

There was a motion left on the floor at last week's meeting. The motion was: to put forward our topic which is power cost for Nova Scotians. That was moved by the Honourable Brendan Maguire. I'll open the floor for discussion on the motion.

NOLAN YOUNG: I'll just reiterate what was said last week, that this is a forward-looking topic, it doesn't fit the mandate of the PAC. The NSUARB hearings are currently under way awaiting a decision.

I'll remind us that Nova Scotia Power is a privately-owned company. It is not an appropriate witness. I think the Auditor General said it would have minimal impact on the Public Accounts of Nova Scotia, something along those lines. We will not be supporting this.

THE CHAIR: Mr. Maguire.

BRENDAN MAGUIRE: Where to start, and 24 minutes. To say that this has a minimal impact on the Public Accounts is absolutely 100 per cent not true. Government after government has given hundreds of millions of public, taxpayer dollars to cover projects, to cover shortfalls, and agreed - sometimes with very little fight - to all-time rate increases, as we saw under the NDP Government. One would argue that it was probably one of the reasons why the 2013 election went the way it did. It was because of the money and the support that the previous NDP Government had given to Nova Scotia Power.

We have a Premier and a Finance and Treasury Board Minister who stood in this Legislature and said that they were going to bring policy forward, that they were going to fight Nova Scotia Power, that this had an impact on Nova Scotians, that this had an impact on Nova Scotians' bottom line. They themselves admitted to it.

We have a Premier and a Finance and Treasury Board Minister who are working through giving forgiveness to companies in Nova Scotia. To say that that doesn't have a trickle-down impact on Nova Scotians is absolutely not true.

I ask that the members of the Conservative Party go to their constituents and ask them if Nova Scotia Power - the cost of power rates, the money given to Nova Scotia Power, including Muskrat Falls - has an impact on them and has an impact on their households.

To say that this is only forward-thinking is simply not true. Hundreds of millions of dollars and support have been given to Nova Scotia Power. We have very little of a fight with the current rates. We saw a Premier step in immediately when it came to solar because he said it had an impact on Nova Scotians and it had an impact on Nova Scotia businesses.

You can't have it one way and have it the other. You can't say on one hand that it's a private entity, there's nothing we can do, and then introduce legislation when it's

convenient for yourself. You can't say that it has absolutely no impact on Nova Scotians' bottom line but come running to the media and say, I'm the Premier and I'm going to fight for Nova Scotians on the power rates. There's a bit of hypocrisy in this by the Conservative Party.

THE CHAIR: Mr. Maguire, I'm going to interject. It's a mistake I've made, too. They are the PC Party or the Progressive Conservative Party. Otherwise my colleagues are going to interject as well.

BRENDAN MAGUIRE: The word "conservative" is there. When they show some progressiveness, Madam Chair, respectfully, on this file, I will call them Progressive Conservatives.

As of right now they're siding with Nova Scotia Power. They're siding with a corporation that is in front of the NSUARB asking for - it's not just one rate hike, it's many rate hikes. They're asking for bailouts. The only response they had was to say we're going to do this for the solar industry because it was saving face. It made them look like they were actually doing something.

Again I'll say, you have individuals here who are going to vote against their own constituents, they're going to vote against their own family and friends and the people that they were sworn to represent, and they're going to vote in favour of Nova Scotia Power. We had Nova Scotia Power here in front of this committee and they gave us some of the best information when it came to power rates, and money, and support from the current government.

We had a Premier sit here in this Legislature and deny meetings with Nova Scotia Power. He said he forgot them. Then he said, wait a second, I did have some. Wait a second, I forgot what the meetings were about. Shortly after, a power rate proposal was put through. If this is of no consequence to the people of Nova Scotia, as the Conservative Party is suggesting, then maybe they should release the minutes of those meetings that the Premier had. Maybe the Premier should be telling us what those conversations were with Nova Scotia Power.

The Premier himself said that he would be at the UARB meetings, that's what he said in the Legislature, to prevent these rate increases. Guess who wasn't there? He wasn't there. You can't have it both ways. You can't sit here in this Chamber and say, this is a public policy issue and we're going to solve it with legislation, and then on the other hand, when it's convenient for you, say it's not a public policy issue, because they don't want to sit here, and they don't want to stand up to Nova Scotia Power. That's the problem.

We saw it when they were here. The Liberals, myself, and my colleagues from the NDP asked real questions that Nova Scotians had around power outages, about power increases. During Fiona, we saw the power go out, and there are still Nova Scotians right

now who are without power. Nova Scotians lost thousands of dollars' worth of food. They're now asking for a power cost increase. We saw the government sit here in this Chamber and ask pretty non-consequential questions to Nova Scotia Power, like, "hey, how's your day going?"

The problem that I have with this right now is that this is very much a huge issue for Nova Scotians. This is very much a massive issue for small businesses across this province. This is very much a huge issue for the bottom line and the finances of this province. We're in the middle of a period of inflation and unprecedented cost increase, and they won't allow Nova Scotia Power to come here to discuss it. The only reason they give is that it's forward-thinking. Well, if you think that people not being able to pay their mortgage, and their rent, and not being able to pay for things over the last year because of the cost of power rates is forward-thinking, I've got news for you.

Nova Scotia Power is a private entity, therefore we shouldn't bring them here. I'd like to remind every member in this House to go back over the last eight years and see the people that your Premier, when he was in Opposition, brought before Public Accounts Committee. There's a saying, what's good for the goose is good for the gander. What I will say is precedent has been set, and it's been set in this Legislature and in this committee, for decades and decades on who we can bring here. Now they want to change it because they're too afraid to stand up to Nova Scotia Power on behalf of the people they're supposed to represent.

I have a lot of respect for the Auditor General and the work she does, but I disagree with her. (Interruption) I'm allowed to disagree. You can disagree with people. The person I respect and love the most in my life is my partner and my wife, and we don't get along every time, and we don't always agree. Not that I'm comparing the Auditor General to my wife. (Laughter)

I have a heck of a lot of respect - I know that the Auditor General acts in a non-partisan way on behalf of the people of this province. The Auditor General is not looking at Liberal, Conservative, NDP, and who will get the right in this, but I respectfully disagree. I said it last week, so I'm not going to repeat it, but I respectfully disagree that this does not have an impact on Nova Scotians when government after government after government has given money to this corporation. The impact that it has on small businesses, large corporations, and everyday Nova Scotians - and all Nova Scotians.

I will be calling a recorded vote on this. Shame on any member who votes for Nova Scotia Power and votes against the people of Nova Scotia, especially after everything that's happened over the last year.

THE CHAIR: Mr. Maguire - I do see you, Mr. Young. I'm just going to suggest that there could be an amendment clarifying the topic, if anyone wants to put that in. I will just make that point.

[10:45 a.m.]

Mr. Young, you have raised your hand.

NOLAN YOUNG: I just wanted to add that protecting the ratepayers is important. The cost of power to Nova Scotians is important to us. This committee is not the venue for this. This is a backwards-looking committee. It's not based on policy. I heard you say "policy" six or seven times. Anyhow, with that said, I'd like to call the question.

THE CHAIR: Any further discussion? Mr. Maguire - briefly, I hope.

BRENDAN MAGUIRE: Maybe if I could get a correction from the member. He said it's not based on backwards, it's based on forward?

NOLAN YOUNG: No, I didn't say that.

BRENDAN MAGUIRE: You just said it's not based on backwards-facing policy. What I would like here, before we vote, is for the governing party to define what they think "backwards-facing policy" is. Give us a time. Is it a day? Is it a month? Is it a year? What is the definition of "backwards?" I mean, they're not going to answer it.

I hear the member saying to me that we need to have criteria. Well, I'm asking. They're using this as an excuse not to vote for Nova Scotia Power, so they must have criteria in your mind. They must have been given marching orders and criteria. So what is the criteria from the government to allow or not allow based on a time frame?

I would ask respectfully, and if you answer that question, we'll let it go to a vote. But I would like to know. I think Nova Scotians deserve the right to know - what's the cut-off date for backwards-facing policy that should be allowed before this committee?

THE CHAIR: Any further comments?

I think we'll go to a vote.

BRENDAN MAGUIRE: Recorded vote.

THE CHAIR: We will have a recorded vote. If the committee clerk could read off the names?

[The clerk calls the roll.]

[10:47 a.m.]

YEAS

Lisa Lachance
Susan Leblanc
Hon. Brendan Maguire
Hon. Kelly Regan

NAYS

Nolan Young
John White
John A. MacDonald
Melissa Sheehy-Richard
Trevor Boudreau

THE CLERK: For, 4. Against, 5.

THE CHAIR: The motion is defeated.

We have a number of other topics listed before you - Mr. Young?

I was going to suggest that we have topics here. Would it be possible to deal with them en masse and move those along? En masse, if we could. You want to do them individually? Okay.

The next one was the impact on government expenses of ER understaffing.

Ms. Leblanc.

SUSAN LEBLANC: Madam Chair, I move our topic be the impact on government expenses of ER understaffing, and that the witnesses called would be the Deputy Minister of Health and Wellness, the CEO of Nova Scotia Health Authority, and two other representatives from Nova Scotia Health Authority, as the CEO would see fit.

THE CHAIR: Any discussion? Mr. Young.

NOLAN YOUNG: I'd like to amend that motion. I move to amend the witness list to include the following witnesses: the Deputy Minister of Health and Wellness and representatives from Nova Scotia Health Authority, with a suggestion for the VP of operations for the Central Zone, Eileen MacGibbon.

THE CHAIR: Just to clarify, you would not be calling the CEO of Nova Scotia Health Authority but you would be calling the deputy minister and you want to add the VP of operations from the Central Zone.

Ms. Leblanc.

SUSAN LEBLANC: First of all, ER understaffing is not just a Central Zone issue, as we know. It affects hospitals all over Nova Scotia, so I don't see the benefit of having someone from Nova Scotia Health Authority Central Zone particularly. I think that's why

we need the CEO of Nova Scotia Health Authority because she has a bird's eye view of all of the systems happening in the province.

I see this as a negative move. I think we need to have the person who's at the top and then two people that she recommends come with her, so that could include the person that my honourable colleague has suggested but not necessarily limited to Central Zone.

THE CHAIR: Any further discussion?

We'll now vote on the amendment. Mr. Young, did you want to say something?

NOLAN YOUNG: I just wanted to clear up that what we're looking at doing is giving the organization more control in deciding who attends, with the goal of having the most appropriate witnesses for this topic. That's the reasoning behind it.

THE CHAIR: Ms. Leblanc.

SUSAN LEBLANC: Then it doesn't make any sense to me, Madam Chair, to be very specific about one particular witness. I think that if we are going to be particular about one particular witness, it should be the CEO of Nova Scotia Health Authority, and then she can make the decisions with flexibility about who are the most appropriate people to attend the meeting.

I think this is a clear move by the government at this moment to remove the CEO of Nova Scotia Health Authority from the witness list, so that she does not have to appear before the committee to answer questions. I don't think that is appropriate.

THE CHAIR: Any further discussion on the amendment?

All those in favour? Contrary minded? Thank you.

We have an amendment that has passed. Now we have to vote on the topic as amended.

All those in favour of the amended motion? Contrary minded? Thank you.

The motion is carried.

We have a topic.

SUSAN LEBLANC: Not really.

THE CHAIR: I didn't say whether it was a good one. I just said we have a topic.

The next one is the Department of Agriculture. Mr. Young.

NOLAN YOUNG: I move that the first topic for the PC caucus be agricultural land protection, ecological goods and services, with the following witnesses: the Department of Agriculture.

THE CHAIR: Any discussion?

Mr. Maguire.

BRENDAN MAGUIRE: I'm looking at - first of all to the Auditor General. I mean, you know this, but we see the power of a majority government where one topic was voted down and one was completely changed, when it comes to witnesses, by a party that's looking to have a statement for this committee but refuses to oblige and work with the other two sides.

Secondly, I would like an explanation on how land protection is backward-thinking and has a greater impact on the finances of this province than the cost of Nova Scotia Power. I'm wondering if the members to my left will explain that to me.

THE CHAIR: Any further discussion?

Mr. Young.

NOLAN YOUNG: We're looking to talk about how the programs are working within the department and the results coming out of these programs. That's the rationale.

THE CHAIR: Mr. Maguire

BRENDAN MAGUIRE: I guess what the government is saying is that this is more important in their priorities than the cost of power, inflation, and the impact this is having on small businesses and Nova Scotians and it will be a top priority compared to the everyday cost of living for Nova Scotians. Can I get an answer on that? No. Are we allowed to edit?

THE CHAIR: Mx. Lachance.

LISA LACHANCE: I would like to propose an amendment to the list of possible witnesses, to include the Executive Director of the Nova Scotia Federation of Agriculture.

THE CHAIR: We have an amendment on the floor. Any discussion on the amendment?

BRENDAN MAGUIRE: We have several more topics to go through. I would like to put a motion on the floor to extend the meeting. We only have three minutes left.

THE CHAIR: I'm not hearing agreement about an extension.

Folks, there is an amendment on the floor right now that we add the Nova Scotia Federation of Agriculture to the list of witnesses for this particular topic. Any further discussion?

All those in favour? Contrary minded? Thank you.

The motion is defeated.

Mr. Maguire.

BRENDAN MAGUIRE: I would like to put a motion on the floor to extend the meeting until 11:30 a.m. We have heard from the government that they want to get this done and work collaboratively and pick topics. Here's their opportunity.

THE CHAIR: All those in favour? Contrary minded? Thank you.

The motion is defeated.

Now we need to finish the motion on the Department of Agriculture. (Interruption) Mr. Maguire, we're going to deal with this one.

BRENDAN MAGUIRE: I would like to speak on this.

THE CHAIR: On this particular one? Mr. Maguire.

BRENDAN MAGUIRE: Again I would just like to say that I feel it's important for the government to explain why they feel that what I would say is a safe topic for them, like the Department of Agriculture, land protection, ecology goods and services, is more important than one where people are being impacted every day.

One of the things I would like to come out of the training session in regard to these topics is this idea that everything has to be backwards thinking and a time frame. I have been on this committee for nine years, and have never ever heard that before in my life, that the topics have to have a time frame.

In fact I will go back to say that the member for Pictou East, who is now the Premier of this Province, never did that. In fact they were pulling out topics that were that day. If there was snow outside, they would ask for HRCE to come to explain why schools were cancelled or not cancelled.

Now we're seeing that it's my way or the highway. We're seeing it with the Speaker of the House being thrown out of his chair, it looks like, in the next couple of days because it's my way or the highway. Now we're seeing it in committee where you're going to take our witnesses, you're going to take our topics, and then sit back and say that nobody is co-operating. Why is nobody co-operating?

The truth is that we are trying to co-operate on this side. We are trying to get topics that impact all Nova Scotians, and they just want topics that make . . .

THE CHAIR: Order. Time for the meeting has elapsed for the committee. Our next meeting is October 19th and 20th at 9:00 a.m. both days, in camera for the CAAF training session.

Therefore, I'm going to say meeting is adjourned. Thank you.

[The committee adjourned at 11:00 a.m.]