

**Title: Wednesday, May 7, 2003 Public Accounts Committee**

Date: 03/05/07

[Mr. MacDonald in the chair]

**The Chair:** Good morning, everyone. I would like to call this meeting of the Standing Committee on Public Accounts to order now, please. There has been a revised agenda circulated. Have members had an opportunity to look at the revised agenda? Are there any questions in regard to the revised agenda for this morning? The addition to the agenda was a motion that was presented to me on May 5 by the Member for Edmonton-Highlands. May I have approval of the revised agenda? Thank you, Ms Blakeman.

This morning I would like to welcome the Minister of Gaming, the Hon. Ron Stevens, and certainly the Auditor General, Mr. Dunn, and his staff. But before we get to that, would you like to deal with the notice of motion now or at the conclusion of the meeting, or, say, we'll set aside some time?

**Mrs. Jablonski:** Mr. Chairman, I would prefer at the conclusion of the meeting.

**The Chair:** Okay. Everyone is agreed to that?

**Hon. Members:** Agreed.

**The Chair:** Okay. Ten minutes should be sufficient.

**Ms Blakeman:** Is 10 minutes enough, Brian?

**Mr. Mason:** Yeah, 10 minutes should be enough.

**The Chair:** Okay. That's fine.

Now, it is in the tradition of the committee to receive a brief update on the respective department, and I would ask Mr. Stevens after we introduce ourselves of course, starting with Ms Blakeman, to give a brief overview of his department and then a brief comment from the Auditor General in regard to his report from last year, the 2001-2002 year.

We will start with introductions, but first we have a question from Mr. Lukaszuk.

**Mr. Lukaszuk:** Before we get into that, is there any room on the agenda for matters to be raised that are not relevant to the minister's department yet relevant to the business of the committee?

**The Chair:** We have set aside 10 minutes at the end of the meeting to deal with a motion that has been raised.

**Mr. Lukaszuk:** Perfect. Much appreciated. Thank you, Mr. Chairman.

**The Chair:** Okay. Thank you.

[The following members introduced themselves: Mrs. Ady, Ms Blakeman, Mr. Cenaiko, Mr. Hutton, Mrs. Jablonski, Mr. Lukaszuk, Mr. MacDonald, Mr. Mason, Mr. Shariff, and Dr. Taft]

**Mrs. Dacyshyn:** Corinne Dacyshyn, committee clerk.

[The following staff of the Auditor General's office introduced themselves: Mr. Dunn, Mr. Hoffman, and Mr. Pradhan]

[The following departmental support staff introduced themselves: Ms Carlyle-Helms, Mr. Chorney, Mr. Crosby, Mrs. Hammond, Ms Loughheed, and Mr. Peterson]

**Mr. Stevens:** Ron Stevens.

**The Chair:** Thank you very much.

Mr. Stevens, the floor is all yours.

**Mr. Stevens:** Well, good morning. It's a pleasure to be here. It's always nice to appear in front of this committee when it has a quorum. I do say good morning to the members and good morning to the Auditor General and his staff. It's always a pleasure to talk about the Ministry of Gaming. Today we'll be talking about the fiscal 2002 year and in particular focusing on the annual report. Fiscal 2002 was an exceptional one for my ministry, and I look forward to highlighting some of our achievements for you.

First, I'd like to talk about the several entities that comprise the ministry. The Department of Gaming during this fiscal year was responsible for business management and policy, communications, and lottery-funded programs. This included the community facility enhancement program and the community lottery board grant program, which was discontinued as of April 2002. The Alberta Gaming and Liquor Commission, or AGLC, regulates gaming and liquor activities in Alberta within the framework approved by the government as well as conducts and manages all electronic gaming activities in the province. The Alberta Gaming Research Council is an advisory group that directs the research activities of the Alberta Gaming Research Institute and the Alberta lottery fund. The ministry was also responsible for the Racing Corporation Act, which is now the Horse Racing Alberta Act, and the Gaming and Liquor Act and the gaming and liquor regulation.

The ministry's mission was to ensure integrity, transparency, disclosure, public consultation, and "accountability in Alberta's gaming and liquor industries, and to achieve the maximum benefit for Albertans." Our vision is:

A province that strives to balance choice and responsibility in its gaming and liquor industries, uses revenues derived from these activities for the benefit of Albertans, and provides opportunity for competition and enhanced service in its liquor and gaming industries.

There were three core businesses in our 2001-2004 business plan, and the ministry's achievements for each business are included in the annual report. The first core business is to "develop provincial gaming and liquor legislation and policy, and regulate the gaming and liquor industries in accordance with legislation and policy." We are committed to developing policies that strike the balance between choice and responsibility.

The second core business is to "manage the Alberta Lottery Fund and administer designated lottery-funded programs to support Alberta communities." The government share of proceeds from VLTs, slot machines, and ticket lotteries are deposited into the Alberta lottery fund. From there, lottery dollars are allocated to gaming and community development for programs and foundations that support volunteer, charitable, and nonprofit groups across the province as well as to 10 other ministries to support public and community-based initiatives.

The final core business is to "support leading-edge research on gaming and liquor issues" in the province. Alberta is committed to being a key partner in supporting gaming and liquor related research and demonstrates this commitment through fully funding the Alberta Gaming Research Institute, the Alberta Gaming Research Council,

and the Alberta Alcohol and Drug Abuse Commission. Lottery proceeds fund these organizations.

Now, what I'd like to do is spend some time overviewsing the key achievements in fiscal 2002. Undoubtedly, our biggest achievement was the completion and early stage implementation of the recommendations arising from the gaming licensing policy review, which included the lifting of the moratorium on gaming expansion on March 1, 2002. The review consisted of a comprehensive 20-month review of Alberta's gaming policies and included extensive consultation with our stakeholders, including charities, the public, the gaming industry, and municipalities. The resulting policies will help ensure that any future growth in gaming is carefully managed and controlled and that we can continue to balance consumer demand for gaming activities with the social impact of gaming.

#### 8:40

Some of the highlights include continuing to cap the number of VLTs in the province at 6,000 while committing to reduce the number of VLT locations by 10 to 15 percent over the next three years. As well, communities have been given a greater opportunity to provide us with their input on new and expanding casinos or association bingo halls in their area.

With the conclusion of the licensing policy review and the lifting of the moratorium on new casinos, Alberta's First Nations gaming policy comes into effect. First Nations can now apply for on-reserve casino licences under the policy and begin to share in the benefits of casino gaming activities. First Nations' casinos will be regulated by the AGLC and will be subject to the same standards as any other casino in the province including conforming to our unique charitable gaming model.

Other highlights in fiscal 2002 were the introduction of Bill 14, the Gaming and Liquor Amendment Act, and Bill 16, the Racing Corporation Amendment Act. Bill 14 arose from an in-depth review of the Gaming and Liquor Act, and the amendments contained within the act served to enhance the integrity of gaming and liquor activities in the province. Amendments include making it an offence against minors to be in a casino or racing entertainment centre, which was previously only an offence against the licensee, and expanding the scope of due diligence investigations conducted by the AGLC. These changes work in conjunction with amendments made to the gaming and liquor regulation, which again demonstrate the ministry's commitment to integrity. The board of the AGLC can now refuse to issue a licence if they feel they've received incomplete information, which is as much a detriment as knowingly supplying false information. As well, the AGLC can now check the bank balances and other records of licensees, applicants, and their employees. The act and the regulation form the backbone of gaming and liquor activities in Alberta and now are stronger than ever.

Bill 16 began when Alberta's horse racing industry sought the government's co-operation to help revitalize the industry. Changes include renaming the Alberta Racing Corporation to Horse Racing Alberta and expanding the board's membership to better represent all of the industry. The two pieces of legislation and the regulation involved much stakeholder consultation, and the efforts of all parties will be evident when I appear before you to present the 2003 annual report.

My ministry is committed to social responsibility and undertook a number of initiatives in this area in fiscal 2002. This included expanding the problem gambling awareness training, making it mandatory for the staff of VLT retailers and casinos, and participating in a countrywide campaign to raise the awareness of the issue of prohibiting the sale of alcohol to minors. The casino voluntary self-exclusion program, in which individuals voluntarily ban themselves

from entering casino facilities in the province, continued to grow with 423 individuals registered in fiscal 2002.

Also, in fiscal 2002 Albertans continued to benefit from the Alberta lottery fund to the tune of \$1.1 billion. Lottery funds are disbursed through granting programs and foundations such as the community facility enhancement program and the Wild Rose Foundation and through ministries to public and community-based initiatives. Last year that included such projects as renovations to the National Hotel, designated as a provincial historic resource in Calgary, providing recreational activities for economically disadvantaged children through the Abbotsfield youth project in Edmonton, providing a base grant to the Beiseker & District Agricultural Society, purchasing a computer and software for the Grassy Lake Community Library Society, trail upgrade and bridge repairs to the Waskasoo park trail system in Red Deer, and supporting the development of the province's SuperNet.

The Alberta lottery fund works in conjunction with the province's charitable gaming model. This model gives charities and nonprofit organizations the opportunity to fund-raise through bingos, casinos, pull tickets, and raffles. In 2001-2002 groups raised more than \$200 million through these fund-raising activities for their important work in addition to any funds they may have received from the lottery-funded programs and foundations. When combined with the more than \$125 million disbursed through the granting programs and foundations, this added up to more than \$325 million in gaming revenue going to support Alberta's volunteer-sector initiatives.

Currently there is room for expansion of our knowledge base on many aspects of gaming, which is why my ministry support of the Alberta Gaming Research Institute is so valuable. In its second year of operation the institute undertook 13 new research projects including examining MRI images of the brains of pathological and nonpathological gamblers, evaluating gambling behaviours among retirees, and an investigation into the proportion of gaming revenue derived from problem versus nonproblem gamblers. In addition, a new problem gambling index to measure problem gambling prevalence among Canadians was developed, which has been used in perhaps all provinces including Alberta. The findings of the institute's research will help provide the necessary knowledge base needed for sound policy decisions.

I'd like to take a few moments to share with you some of the fiscal 2002 financial highlights. Ministry revenues were \$1.6 billion, almost \$145 million higher than the previous year and \$133 million higher than budget. This was largely due to increased gaming activity and higher liquor sales, reflecting population growth and the province's strong economy. This allowed us to provide more than \$1.1 billion to not-for-profit community and public initiatives through the Alberta lottery fund and provide \$507 million in liquor revenues to the province's general revenues. I'd like to note that nearly \$46 million from the Alberta lottery fund was transferred to AADAC for its important programs. This included \$4.1 million that went towards problem gambling initiatives such as prevention and treatment programs and the 1-800 gambling help line. Liquor revenue in 2001-2002 was \$507 million, an increase of almost \$26 million over the previous year.

In addition to higher revenues Gaming responded to the government's fiscal restraint initiative by reducing its spending by more than \$17 million from budget. Gaming through the Alberta lottery fund also contributed \$153 million to debt repayment. Full particulars on the ministry, the department, the AGLC, and the Alberta lottery fund are found in your copy of the annual report.

The last area that I'd like to talk about today is performance measures. These are tied to our three core businesses and provide an indication of just how successful fiscal 2002 was for gaming. The

performance measures from the AGLC's 2001-2004 business plan are also included in this section. Additional information about the AGLC and its key activities can be found in the AGLC 2001-2002 annual report, published under separate cover. I'm very proud of the results in this area as they indicate both Gaming and the AGLC are meeting the needs and expectations of Albertans in general and our stakeholders specifically. In general, 80 percent of Albertans are satisfied with the conduct of the province's liquor business, surpassing the target of 70 percent. As well, 69 percent of Albertans indicated satisfaction with the conduct of legal gaming, surpassing our target of 65 percent.

The administrative costs of Gaming's lottery-funded programs continued to run at 1.2 percent, and 100 percent of revenues from the Alberta lottery fund are committed to charitable, nonprofit, public, and community-based initiatives.

Focusing on the AGLC, 98 percent of licensees were found in compliance with legislation, regulation, and policy, well above the target of 85 percent, and the percentage of licences and registrations approved within established time frames was at 99.8 percent, surpassing the target of 95 percent. Generally speaking, it can be said that we are exceeding expectations across the board, and we will continue to strive towards this level of excellence going forward.

This concludes my presentation to you with respect to the Ministry of Gaming's fiscal 2002 annual report. It was a very busy year. It was very successful. I look forward to your comments and questions.

Thank you very much.

**The Chair:** Thank you, Mr. Stevens.  
Mr. Dunn.

**Mr. Dunn:** Thank you, Mr. Chairman and committee members. Our comments on this ministry are located on pages 109 to 115 of our 2002 annual report. In this section of our annual report, we've made two numbered recommendations, one of which – and that's recommendation 19, on page 111 – is included in our top 15 recommendations that we previously reviewed with this committee.

**8:50**

Recommendation 19 is both an important and a comprehensive recommendation. In this recommendation we provide an illustration of a risk assessment approach and an example of a form for an overall risk assessment report. Both the approach and the form of reporting could be used by any other organization or entity and was provided to this ministry based on what we understood to be the best practice in the private sector. Recommendation 20 is closely associated with recommendation 19 in that we recommend that AGLC establish a formal process by which it assesses the adequacy – and that's both the design and the functioning – of its internal control systems and report the results of its assessment on a regular basis to its board of directors. Both of those recommendations were accepted in the government's formal response with an indication that those recommendations would be followed up and implemented in the near future.

In our section we also report on the follow-up of two prior-year recommendations concerning compensation rates and arrangements, both of which we believe have been satisfactorily addressed by the commission.

So, Mr. Chairman and committee members, those are my opening comments. My staff and I will be pleased to answer any questions that may be directed to us during the course of this meeting. Thank you.

**The Chair:** Thank you.

If we could start the questioning this morning, please, with Ms Blakeman. I would remind all members of the committee that there has been quite a list developed this morning, a long list of people who are interested in asking questions. If we could keep the questions brief and direct and the responses also, I would be very grateful.

**Ms Blakeman:** Thank you for that admonishment.

Welcome again to the minister and his staff, the Auditor General and his staff, and the fun seekers who are joining us in the back of the room. I would like to question the minister on recommendation 19, which is around risk management and information. My first question is around why choices were made to get us to this point. If the AGLC board is the policy setter and the decision-maker, then why is the board not being given the information that they need to manage risk? Obviously, management was aware of something or at least were discussing them, in some cases on a daily basis, but that information was not being presented to the board. Why was that?

**Mr. Stevens:** Well, from my perspective the foundation of your question is erroneous. I think the issue is that there was to be a process of evaluating risk that was to be established by the AGLC and the ministry, and that is what we're addressing. My deputy can comment better than I on whether or not the board is not getting the information because of course I don't attend board meetings and have no personal knowledge of that.

I think really what we're talking about here is that there was a desire by the Auditor General for the board to have an understanding of what risks there were with respect to the management of liquor and gaming and to have that formalized and to have it addressed on a regular basis so that we would be able to say with respect to a particular risk that it was medium or low or high and that that was the probability, you know, and what the impact might be. So you end up essentially with a matrix. In fact, in that regard, I can tell you that the issue has been addressed by the board, that the issue of a risk management tool has been established.

**Ms Blakeman:** All right then. My supplementary question is to ask the minister to expand, please, on what risk identification and measurement tools are being implemented. There are examples that are laid out on page 112 of the Auditor General's report, but I'm specifically asking the minister what risk management identification and assessment programs have been implemented.

**Mr. Stevens:** As I indicated, the risk assessment process is to identify risks that are meaningful within the context of the business of gaming and the AGLC, so there are a number of things that are addressed. For example, relative to the issue of income you have things like the delay of new First Nations or traditional casinos. When we develop a budget, we have to make certain assumptions with respect to the future, and those assumptions will include, at least in the context of a situation where there could be an expansion of gaming, the possibility of new traditional casinos, new First Nations casinos. That is an example of one of the risks. If you have a delay, you will have the slot machines that would go into that casino delayed, and therefore you would have a delay in the revenue that is associated with that that would go into the Alberta lottery fund, and it would have an impact of some measure on the budget. That is an example specifically, and we have a number of different things that have been identified.

**The Chair:** Thank you.

Mr. Hutton, please, followed by Dr. Taft.

**Mr. Hutton:** Thank you, Mr. Chairman. I have been aware of and involved with this ministry for a long time, long before I was elected to the Legislative Assembly, and this is certainly, I thought then and think now, one of the great ministries within our government. Also, since I've been elected, I have a tremendous amount of respect for this specific minister for the work he has done with regard to some policy changes and how he has handled it in our committees and in the House. I wanted that remark to be on the record.

Also, the work that this ministry does through the community facility enhancement program, the community lottery board – and now I know it's called the community initiatives program – and the Wild Rose Foundation is really wonderful work and enhances our communities. I know that this has to do with the annual report of 2001-2002, but I received a copy of a letter to the minister yesterday with regard to a playground for high needs in my constituency, a wonderful letter that went to the minister. It certainly warmed my heart yesterday, and I needed my heart warmed yesterday a little bit. So I just wanted that on the record.

One question to the minister. Page 30 of the ministry's 2001-2002 annual report shows that only 44 percent of Albertans are aware of the Alberta lottery fund and its supports for the communities and charitable, nonprofit organizations. Given all the good works that are achieved with the assistance of lottery funding, I'm just wondering what steps this ministry has taken to improve the level of awareness.

**Mr. Stevens:** One of the things that came out of the '98 Gaming Summit and again out of the licensing policy review was the public's direction to us to ensure that the Alberta lottery fund and the good work that it does is communicated to Albertans so that there is an understanding of the benefits that we do derive from that particular initiative and generally the community-based and public initiative based programs that are supported there. Actually, the 44 percent probably is a number that is better than it would appear at first blush. I remember being on the Alberta heritage trust fund committee for a couple of years, and it always astounded me how few Albertans understood that it either existed or that it continued to exist or what it was used for. There is an example of a program that has, you know, depending on how the minister is managing the money, anywhere between \$11 billion and \$12 billion, a substantial amount of money that's in trust. So I like to think of that when I look at the figure of 44 percent because you think that you should be able to do better than that, and we do expect to do better than that because we've been asked by Albertans to do better than that.

**9:00**

What we have done – my problem with this type of a session is to remember the cut-off dates of when we do things like this, and the fact of the matter is that I don't. Somewhere in here probably is the answer, but I'll just tell you some of the things that may cross into '03, for example. We have recently established a web site called [albertalotteryfund.ca](http://albertalotteryfund.ca), and I would encourage those of you who have not looked at it to look at it. What it does is it's basically a one-window opportunity for people who are looking for granting opportunities within the province. So you will go there and you will find not only the two programs that we currently have in Gaming, which are CFEP and CIP, but also the foundation and granting programs that are under Community Development. You will also find the information with respect to where the lottery fund dollars go. You will find the estimates, so you will see the ministries that

are benefited and the specific programs that are benefited. You will find contact people so that you can follow up. So that is one source of information, and we've done some work to ensure that that information gets out.

What we have done is we have designed a logo for the Alberta lottery fund, which is a stylized Alberta wild rose. We've been using that now for I would say two years or so, perhaps a little bit longer. My own view and I'm sure the view of those within the ministry that were responsible for this is that if you have a symbol and people start to see the symbol and start to understand what the symbol is, there is going to be some recognition. We use that symbol liberally. We put it on our reports; it's on my business card; it's on my letterhead. We think it's important that we identify that symbol with the fund.

So those are the types of things that we do. There is more, but that's generally the way we're approaching it.

**Mr. Hutton:** Thanks, Minister.

**The Chair:** You have another question, Mr. Hutton?

**Mr. Hutton:** No. That was my one question. Thank you.

**The Chair:** Okay. Dr. Taft, followed by Mr. Shariff.

**Dr. Taft:** Thanks, Mr. Chairman. I'm on page 82 of the annual report. This is a department where the issues off the balance sheet, the costs and benefits off the balance sheet, are always of real public sensitivity, the sort of externalities of what your department does. I'm looking here particularly under Revenue, at the top two lines: VLTs and casino gaming and electronic racing terminals. If my calculations are right, there's an increase there of about 14 and a half percent from 2001 to 2002 for those two lines combined. I was a bit startled last year when I realized that Albertans wager twice as much in legal gambling within the province as the province spends on health care, and I see that the rate of increase here is soaring. That 14 and a half percent increase, if that continues, means that that will double in less than five years. So five years from now we could be looking at VLT and casino gambling at \$30 billion. It's a locomotive. I don't see any sign of it slowing down, so I guess my first question fundamentally is: in those areas of your business, how much is enough? How big do you want to get?

**Mr. Stevens:** First a comment with respect to the numbers on this page. The gross spend is the \$16 billion figure. The prize payout is \$15 billion, so one has to take that into account to get some sense of the magnitude.

In my opening remarks I referenced the licensing policy review, which was essentially a 20- or 22-month review of gaming policy that we undertook in conjunction with consultation with stakeholders, the public, and others. That involved in December of 1999 putting a freeze on the expansion of gaming. That freeze was in place until March 1, 2002, and I referenced that. When we addressed the recommendations of the licensing policy review, as a government we accepted them. In doing that, what we did was we accepted essentially a five-year business plan relative to Gaming with a view that sometime in the not too distant future we'll see where we are, we will review it again, and other recommendations will come out of it.

But part of that as it relates to the issue of the three areas of gaming, which are VLTs, casinos, and lottery tickets, is as follows. VLTs were capped in 1995 at 6,000. We as part of that licensing policy review and as a government adopted maintenance of that cap at 6,000, so the number of VLTs is in fact static. The number of

locations, we indicated, will be reduced by 10 to 15 percent. I can tell you that as we sit here today, I believe we are at the 10 percent reduction number.

With respect to the issue of slot machines, which go into racing entertainment centres and into casinos, we indicated that there would be a process set up, and I'll talk about the casinos because that's the one that is more prevalent, more obvious in our communities. We essentially said that there is going to be a process, that there has to be viability from a business perspective. Beyond that, we will go to the municipalities where the casino is proposed and we will ask the municipal council to provide their opinion with respect to this. The reason we did that and the reason we did it in the form that we did it is because of our consultation with the municipalities. If you're taking a place like Edmonton, for example, the council has the opportunity by council resolution to support or not support or to be neutral relative to a proposed new casino. So the community in question has an opportunity to say, yes, we're supportive, or, no, we don't want one.

There are places within the province where you have seen people take the initiative quite independent of an application. Lloydminster recently had a vote where they said: we do not want a casino. I think it was Strathcona county or Sherwood Park, in any event, that had a vote at one point in time and said: we don't want casinos. So the community has an opportunity for input, but that particular matrix is set up so that there have to be charities within the area that are going to support the idea. It's a charitable model, and you need charities to operate the casinos. You need it to be viable, and if the community doesn't want it, they can say that they don't want it, and that will be a very persuasive factor in front of the board.

With respect to the lottery ticket product generally speaking that is a fairly modest growth area. It's something that isn't going to expand particularly.

So in answer to your question, the only area where there is likely to be growth that's of significance is in the area of casinos, and that's in relation to slot machines. As I said, there's an eight-stage process, and I've outlined typically how that works.

**The Chair:** Thank you.

Dr. Taft.

9:10

**Dr. Taft:** Yeah. Thanks for your extensive response, but I think we missed the point. Frankly, what you're telling me is that even with a freeze on the number of VLTs and so on, we had a 14 and a half percent or 14.9 percent or something increase in the amount of money gambled. When that freeze is lifted, I can't imagine what will happen except that it's likely to increase more. So I'm sitting here thinking of us as legislators riding a locomotive that's just about out of control. I mean, we could very plausibly be here in five years looking at a \$30 billion industry. My question is: as a government do we want that? My question to you: do we want that? And maybe my question to the Auditor General is: how the heck do we steer this locomotive? Or am I isolated here in thinking that maybe there's a little bit of a potential problem?

**Mr. Stevens:** Well, I don't share your descriptive comments regarding the matter, and my response was responsive to the point. The issue is that we consulted with the people who are impacted by this – and that includes Albertans – and we development a framework. So if there's expansion in our communities, it's going to be expansion as a result of that community accepting it, and if you're suggesting that that's inappropriate, then you go tell the municipality

in question; you go tell the charities in that area that you think that they're wrong. You go right ahead and develop that particular policy if you want, but we've given the places that have the potential to be impacted the opportunity to deal with the issue.

You know, as far as your assessment of the numbers, the numbers are there, and I'm not in a position to tell you what the percentages are, because they aren't on my sheet. But we've had a very buoyant economy. We've had a lot of people come into the province over time, and that impacts also the amount of play. As far as true expansion of gaming – that is, additional machines – we have a process that we developed as a result of substantial consultation, and I think you'll be hard-pressed to go anywhere in this country and find any jurisdiction that has done anything even remotely close to what we have done as far as trying to understand what's going on, talking to the people who are impacted by it, and developing a transparent and open and readily communicable setup.

You can go to our web sites either in Gaming or AGLC and find all of the rules and terms and conditions relative to gaming. It's all there. All you have to do is go and get into the system and check. It's out there. So the short of it is that we think we've done the right thing, which is consult. We've advertised what we're doing. I might remind the member that in Edmonton both papers ran editorials which indicated that in their view, in any event at that time, they were wise new gaming rules. So I do know that when we announced these rules, there was support from, you know, some of the local opinion writers.

**The Chair:** Thank you, Mr. Stevens.

Mr. Dunn, do you have anything to add to this question?

**Mr. Dunn:** Well, I won't comment on policy, but indeed what you've picked up there is the purpose of why the financial statements are disclosed the way they are, which shows the gross that is put in together with the prizes that are paid out, because that basically gives a sense of the volume to all members. For every person that goes in there and puts in a dollar and wins two, they have to reinvest the second dollar as they go through that. So it does give you a sense of the gross versus if we had just reported the net, which would not give you that sense there.

Only as more of a side comment I attended approximately a year and a half ago – you were there, Ron – a two-day seminar or conference around gaming and gambling put on by a research group, I believe it was. There were representatives from the United States and representatives from various parts of I think Australia and those sorts of places. I believe the minister was also there. I believe you gave comments or a presentation there. What struck me was the amount of information that is being gathered around gaming that was being put out by way of paper. So if people are interested in understanding the whole psychic or science around gaming, I'd recommend that you do attend the next gaming conference. I'm not sure if one of the minister's staff can comment on when the next gaming conference is slated to be held here in Alberta. Do you know when the next gaming conference is? It was sponsored by our gaming research.

**Mr. Stevens:** The last one was just a month or two ago, and the next one probably is about a year from now.

**Mr. Dunn:** Is it to be held in Edmonton?

**Mr. Stevens:** I'm really not sure.

**The Chair:** Okay. Thank you.

Mr. Shariff, followed by Mr. Mason.

**Mr. Shariff:** Thank you, Mr. Minister and your staff. I appreciate you coming before the committee today, and I appreciate the presentation that you've made. My question relates to page 61 of this report, and I'm looking at the breakdown of the revenue, the net income that you have received from the four sources that are highlighted there. The VLT revenue, I notice from the last comparison, the 2001-2002 year, went up by about \$40 million. I notice that casino revenue has also gone up. Lottery revenue has gone up. Liquor revenue has also gone up. I'm just wondering. With all the increases that we are seeing in revenues from gaming and liquor, my concern arises about the impact it has on those that you are not able to survey. Your survey shows good satisfaction and understanding, but those that cannot respond to your survey are the people like the children who do not get bread and butter on their table because a parent has spent more money. So my question to you is this. Based on your research findings, that you are funding quite generously, what have you learned and what are you going to do about it?

**Mr. Stevens:** Gambling research is in my estimation very much in its infancy. When we started the gaming research initiative, which I think would go back four years now, I understand that there were four researchers in this province doing gaming research, and today we have 30. The way that we have established our gaming research is to emphasize a made-in-Alberta approach. This was done in consultation with the three universities. So generally speaking you will find that the prime researcher with respect to any project is going to be here in Alberta, and they may or may not go outside of the jurisdiction for assistance in that work. But what that also means is that within the province you have to develop people who have an interest in gaming research, and you have to develop people with an interest in gaming research in the multiple areas that we would like to see research done in.

One of the areas that no research has been done in is the social and economic benefits of gaming. The corollary of that, obviously, is the social and economic disadvantages of gaming. Part of the reason, as I understand it in talking to people who do this type of research, is that there is not a model at this point in time that the gaming research community has much faith in to demonstrate reliable information. I'm told that if I want to go out and spend money on somebody, I'll find somebody to spend the money on, but I'm told that the value of the research I'm going to get is going to be questionable. So the short of it is that in that area, we're not really doing anything at this point in time. I'm told that people are talking about developing a model, and hopefully sometime in the not too distant future somebody will come up with something that looks like it's worth pursuing. We'll have people here in the province, at least under this particular model that we currently have, who would be interested in pursuing it.

Much of the research that has been directed by the institute is not published. In fact, I'd say that most of it is not published; it's still a work in progress. From what I understand, it takes a while to get the information and to write the paper, and then it has to go through peer reviews and things of that nature. You can have two or three years between the beginning and the end, so we haven't received that much.

9:20

What we have done is we have said that social responsibility is very much at the core of what we are doing, so we will continue to fund research. We have brought in social responsibility features

wherever we can. For example, with respect to the replacement of the VLTs that we currently have, because we are replacing the operating system, we are able to include responsible gaming features which we could not under the existing program. Those are the kinds of things that may give some assistance to the moderate problem gambler, which is the larger category we have determined according to the research. From what I can tell, the research is fairly good because they're using an index that was created very recently. In fact, it was created as a result of the research that we funded here. We have about 5.2 percent of gamblers who have issues with gambling that would benefit from professional assistance: 1.3 percent are pathological problem gamblers, and 3.9 or something of that nature are moderate problem gamblers.

**The Chair:** Thank you, Mr. Minister.

Mr. Shariff.

**Mr. Shariff:** I appreciate your acknowledgment that no research is being done on that front. I hope that with that acknowledgment, there will be some emphasis in the future and that when your research dollars go out, there is some money allocated to deal with analyzing and trying to find solutions to the social problems, particularly where it takes bread away from our children's table.

My next question is on a different subject, and that has to do with casino licences that are currently being granted. I look at my constituency, and I see that there are organizations that are very small and there are organizations that provide a lot of service to the broader community, but they all go into the same pool when it comes to a casino and they all get the same share of the revenue. I guess it's over a period of time; I don't know if it's a two-month or three-month period. So my question is: are you going to develop a system whereby the resources allocated from the revenue are proportionate to the size of the organization or the size of service that the organization provides?

**Mr. Stevens:** That's a very interesting question. I've heard people say from time to time – and I would agree with them – that all of the groups that are licensed to do bingos or raffles or casinos are not equal and that some, in the view of the speaker, do better work than others or perhaps they have greater need. There are different ways of saying it. But it is a real issue to try and determine how you choose one over another. Is it the size of the organization, or is it the worth of the project that they have? Is it the significance of that project within their community, or is it the significance of that project within the larger community? It's a very philosophical question.

[Mr. Cenaiko in the chair]

That is one of the reasons, in any event, why I asked the Member for Calgary-Cross to chair a committee that would look into the eligibility of groups and the use of proceeds within the charitable model. So the scope of that particular committee is to address those groups. What are the eligibility requirements? Can you make a distinction between them? What are the uses of proceeds within the concept of charitable as used in the Criminal Code, which is our defining statute, and the common law that goes along with it? The member is in the process of putting the final touches on that, and that will be one of the issues that I'm sure she has heard about and will be able to offer some comment on.

My own personal view at this point in time is that it's very, very difficult to distinguish truly one from another. I don't know that you can reasonably develop what I would call an objective standard. I

think we would just create a completely different issue that people would fight over. At this point in time people go on the list, and what people complain about is the length of the lists.

**Mr. Shariff:** Mr. Minister, I'll just make one comment. It's not a question but just a comment to add to this subject. With the two organizations that I'm referring to, one in my constituency is a group of retirees who meet for coffee, tea, and the other is the Aero Space Museum, that's trying to preserve the history of the First World War and Second World War pilots and engineers. Both go into the same casino, coming back with the same level of money, and I have difficulty in accepting that. Just a comment I wanted to make.

Thanks.

**The Acting Chair:** Brian Mason.

**Mr. Mason:** Thank you. Are you the deputy deputy chair?

**The Acting Chair:** I guess so. It's a new appointment.

**Mr. Mason:** Thank you. Thanks very much, Mr. Minister, for your presentation and your answers to the questions. There was just something in your presentation that kind of perked up my ears, and that was the talk about the research into the problem gambler. I guess I'm wondering if you've got the right focus. Every year the government has increased its revenue from gambling, used gambling revenue for more and more purposes, including debt reduction, going far beyond the original purposes of gambling. More and more people are gambling, and they're gambling more of their money.

[Mr. MacDonald in the chair]

Then the focus is that, well, some people have got a problem, that individuals are the problem rather than seeing it as a social problem, seeing it as a policy problem. So the focus, or the blame if you will, is placed on those people who can't cope within this situation, ignoring all of the other factors that contribute to the system. I'm wondering if we shouldn't be studying it not as a problem of particular weak individuals or particular individuals that can't cope but as a problem of government and of society and the role of gambling within that.

**Mr. Stevens:** Well, my perspective on this – I guess I'd start in 1998 and move from there. You will recall that in 1998 we had a number of plebiscites throughout the province relative to the issue of VLTs. There was significant public debate at that time. Some called it a moral debate, some called it a debate with respect to freedom and choice and individual responsibility, but without defining exactly what it was, it seems to me that there was a component to the debate involving all of those things. At the end of the day there were, including 1997, seven communities which had voted to remove some 220 VLTs out of the 6,000 that we have. There were many close votes; there's absolutely no doubt about that.

But as we move forward and go through the licensing policy review and what we learned there, I have come firmly to the belief that Albertans recognize that this is something that is going to exist within our society. What they have asked the province to do is to manage and control it in a socially responsible fashion, and we are doing a pretty good job of it.

9:30

There's absolutely no doubt that the issues you raise are serious issues that we do take seriously, but when you take a look at what

Albertans are telling us – and I'm just referring to some of the more recent information. I think we know that 72 percent or 73 percent of Albertans believe that we are doing a satisfactory job of managing and controlling legal gaming in the province. That's compared to 80 percent with respect to liquor, just so that you have some context there. I know that 95 percent of Albertans are aware of the services of AADAC with respect to providing services for alcohol, drug, and gambling addictions. So as a province, as a government I believe that we're doing, particularly as a result of the good work of AADAC, with whom we do work, a good job of ensuring that people are aware that that type of assistance is there.

But if you take a look at the context of Gaming, it is within our jurisdiction, and we have consulted with Albertans. We have developed a policy as a result of that, and it is a policy we have developed that allows, at least as far as the expansion going forward is concerned, the communities in question an opportunity to say: no; we don't want it in our communities. The individual people within that community can say something about it. The charities within that community can say something about it.

**Mr. Mason:** Well, Mr. Minister, I was going to shift my focus onto something else, taking a leaf out of the vice-chairman's book, but your last response I think needs a supplementary. You know, you're asking the people who benefit by gambling what they think about it. You're asking the people that get the money, and you're not asking the people that give up the money or who suffer because the money is given up. You know, you can wash your hands of it, but my question is whether there's just not too much money at stake for people who benefit by this gambling system to ever really be serious about doing something about it or limiting it in any meaningful way. Your answers seem to indicate that that's the perspective you have.

**Mr. Stevens:** That's not the perspective I have; it's the perspective this government has. What I've outlined to you is basically the results of the licensing policy review. We're responsible for gaming. We've consulted. We've developed a five-year plan, if you will, based on our most recent consultation. It does recognize social responsibility. It does recognize that we have more work to do there. It does recognize that we are going to do more work. But it is a choice, and the choice that we have made is one of recognizing the choice of individuals.

Ninety-five percent of people who participate in gaming in this province do not have a problem; 5 percent do. We have been told that what's important is to ensure that the people who have a problem can access assistance. AADAC is very good at what they do. As I indicated in one of my earlier responses, 95 percent of Albertans are aware of the services of AADAC, and on the basis of our most recent information over 70 percent of Albertans are satisfied with the way we're dealing with it. That's what policy is about.

We have consulted extensively. I ask you to look at other jurisdictions in this country and try and find one other jurisdiction that is as open and transparent about what they are doing with respect to gaming and that has consulted as much as we have with the people in Alberta, the people who are impacted, and you won't find anybody even remotely close to us. So I think we've done a very, very good job in gathering the input, and I believe that we have assessed the input appropriately.

There's no doubt that it's an issue. It's a serious issue. We want to ensure that it's identified and that it's always there and that we are making headway on it, but I believe firmly that our policy reflects where people in Alberta want us to be at this point in time.

**The Chair:** Thank you, Mr. Stevens.  
Cindy Ady, followed by Ms Blakeman.

**Mrs. Ady:** I thought I'd be further down the list.

I was looking at the Auditor General's report and all the little side pieces, and the word "risk" appears many times. I thought, well, maybe you were involved in a risky business, but my question is not along those lines.

I know that you indicated earlier that you have capped the number of VLTs in the province since 1995, and I'm assuming that that cap is still holding from your remarks earlier. I know that there are several applications at this time in the city of Calgary for new casinos, and my understanding is that some six applications are in your eight-step or six-step process – I don't remember the step process – and that probably one will be granted. I'm not certain on that either. My question for you is: if a casino is granted, do you have to lift the cap on the number of VLTs in order to manage that, or do you bring VLTs from other places in the province? Will you be able to hold that cap with the expansion of casinos in the province?

**Mr. Stevens:** With respect to the electronic gaming machines we designate two different kinds, VLTS and slot machines. VLTs are the ones that have been capped, and they essentially go into class A minors-prohibited premises; in other words, premises which serve alcohol. Pubs, lounges. The slot machines go into casinos and racing entertainment centres, and they only go into those particular venues. Those are also minor prohibited, but they aren't connected with a class A minors-prohibited liquor licence.

**Mrs. Ady:** So you're assuming the cap will hold then.  
That's not my second question either, Hugh.

**Mr. Stevens:** The short of it, to be specific, is that there's a cap with respect to VLTs. With respect to the expansion of slot machines, that has everything to do with whether there's an expansion of the number of casinos or an expansion of an existing casino. So if there's an expansion of the number of casinos or an expansion of the floor space of casinos, there will be a corresponding increase in the number of slot machines that go in.

**The Chair:** Mrs. Ady, go ahead. Now I know how you got that extra school.

**Mrs. Ady:** Yeah.

My last question. You say that communities have some input as to whether they want a casino in their community. If they decide that they don't want a casino in their community, do they still benefit from the revenues that come provincially from casinos? In other words, I'm asking the question: if they decide they don't want to have it, do they get the money that everyone else would?

**Mr. Stevens:** Well, there are two aspects to casinos. First of all, there are the casino licences that are granted to charities. A charity earns as a result of working the casino for two days on a licence, and then their return is based on a split of the tables with the operator and 15 percent on the slot machines located at the casino. We have a pooling, so they pool over a period of time with the other charities that work casinos in the area at the same time. We as a government receive 70 percent of the slot revenue, 15 percent goes to the operator, and 15 percent goes to the charity. We receive none of the table action. That is split between the operator and the charity. So the 70 percent goes into the Alberta lottery fund and is available for

public and community initiatives based on the estimate that is approved each spring in the Legislature. Through that mechanism all Albertans in some fashion or another will benefit.

If you don't have a casino in your area, it is likely that it may become more difficult, depending on where you are, to access casinos. There are certain parts of the province where casinos are not located, and charities would have to travel some distance in order to operate one, but that would be the only restriction I can think of that would apply. Certainly, there is no policy that specifically discriminates against the communities that say that they don't wish a casino in their community.

**Mrs. Ady:** Thank you.

9:40

**The Chair:** Thank you.

Ms Blakeman, followed by Mary Anne Jablonski.

**Ms Blakeman:** Thank you. I'll refer the minister to pages 19 and 20 of the annual report. I'm referencing the horse racing industry, so the Racing Corporation Amendment Act is mentioned and the Alberta Racing Corporation activities. We have seen a drop in the number of live racing days in Alberta, a drop in the number of participants in Alberta, and I think a drop in the number of bets on live racing, and I'm wondering what information gathering and analysis is in place to determine the viability of the horse racing industry.

Seeing as we're very pressed for time – we were going to stop at a quarter to, I think – I'll put my second question.

**The Chairman:** At 10 to.

**Ms Blakeman:** I'll just put both on the record, and then we can go on to Mary Anne.

I'm looking for the information and analysis that's going on around the viability of the horse racing industry. I'm wondering if there has been a decision point made: if we drop to five racing days in Alberta or X number of bets, pari-mutuel betting, on live racing, then that's it; we're going to pull the plug and not support the horse racing industry in Alberta. So one is the analysis. Two is the breakpoint, the pull point: when do we get out?

**Mr. Stevens:** All right.

**Ms Blakeman:** So you can give me some answers now or you can give it in writing and go on to the next person.

**The Chair:** Mr. Stevens, if you would like to provide a written answer from your department in a timely fashion through the committee clerk, that is certainly sufficient.

**Ms Blakeman:** Yeah. I'm fine.

**Mr. Stevens:** All right. We'll do that.

**The Chair:** Do you have another question? Okay, Ms Blakeman.

Then I'm going to proceed with the questions from Mary Anne Jablonski.

**Mrs. Jablonski:** Well, thank you. First I'd like to thank Alberta Gaming for the Racing Corporation Amendment Act, proclaimed in March 2002. This act was considered to be a major step in revitalizing the province's horse racing industry. I believe that the racing industry has historical and traditional value, established in Alberta, as you know, since 1920.



One of my father's greatest joys was to be able to take a Saturday afternoon and go to Woodbine Race Track in Toronto for the horse races. If we wanted to spend time with my dad, we took turns going with him. We learned to love the horses so much because he'd take us to the barns, and we'd see the horses and we'd meet the jockeys. On Sundays, you know, when he wasn't allowed to go the race track, he would take us to the Port Dalhousie Carousel, which was full of horses that went up and down and around and around, and we could ride all day for a nickel.

**Mr. Mason:** Did he bet on them?

**Mrs. Jablonski:** No, but we did.

Now, you know, it seems that my son's greatest passion is hockey. It also is a big passion for people in Red Deer and I think most of Alberta. And just for your information the Red Deer Rebels are now tied 2 and 2 with the Kelowna Rockets in the finals for the WHL championship.

**Mr. Mason:** The Red Deer rockets are going to win?

**Mrs. Jablonski:** The Red Deer Rebels will win; yeah.

On page 32 it's noted in the left-hand column:

On January 16, 2002, Albertans were given the opportunity to buy a Scratch 'N Win lottery ticket to support the Edmonton Oilers and the Calgary Flames. The Breakaway to Win lottery ticket surpassed \$4 million in sales.

So my question is: do these sales meet expectations, and what percentage of these sales was designated for the two hockey clubs?

**Mr. Stevens:** The Breakaway to Win there is the first of three that in fact have been held, and if it had been a total sellout, it would have been a \$5 million sale. It didn't sell out in full, but that's not necessarily criticism of the product because a scratch-and-win product doesn't necessarily always sell out.

All of the proceeds went to the hockey teams in question, so they're responsible for the costs of advertising and so on and so forth. The money is paid to the two teams, and I believe that at the end of the day they netted something in the vicinity of \$550,000.

**Mr. Peterson:** I thought it would be about \$750,000.

**Mr. Stevens:** Seven hundred fifty each? It was fairly substantial in any event. It was quite a good product for them on that first go-round because there was a lot of interest in it. A lot of people came out to support their teams.

**Mrs. Jablonski:** My last question – and I think you might have answered this – is: did they share equally, or were they assessed according to their sales for how much each would take?

**Mr. Stevens:** It's equally divided between the two teams. People aren't given the opportunity to designate which team they cheer for when they buy the tickets.

**Mrs. Jablonski:** Thank you.

**The Chair:** Thank you.

Dr. Taft, we have a few minutes left. You are next on the list. Are there some questions you'd like to get on the record, with perhaps a written response from the department?

**Dr. Taft:** Sure. These are questions that could come with a written response. On both pages 11 and 76 there's some comment on communications. Page 11 just describes very briefly communications activity, and page 76 outlines the budget for that activity, which is rather modest, \$192,000. My questions really are on some more detail on the number of staff in your communications and their kinds of activities here. I'm actually surprised the line isn't larger than it is given the issues you've raised about awareness or lack of awareness in the public and trying to put out a new visual identity and that sort of thing.

My second part of that question is: how much support do you get from the Public Affairs Bureau on the communications side? I assume that it's going to take more than what you have in this line item for fulfilling your communications needs as a substantial department with a huge public interface.

**Mr. Stevens:** We'll provide you with written response relative to what is said on those pages, relating to communications needs in more detail.

**The Chair:** Thank you, Mr. Stevens.

Now, Mr. Cao, from Calgary-Fort, also has a question that he would like to get on the record and have a written response through the committee clerk as well. Mr. Cao.

**Mr. Cao:** Thank you, Mr. Chair. Mr. Minister, I'm really glad that the government of Alberta has a policy to have management and control of gambling and gaming in Alberta. That is a great model for charity. So on the record I say that that is a great one.

Now, my question is regarding the ethics, I call it, because gambling money is a huge amount and takes transactions around it and then approval, disapproval, and all of that. So my question is: could you provide me or the members here with what the steps are that you use or the procedure used to ensure the ethical operation within the government operation and also with those related to those government operations, the agencies or contractors?

**Mr. Stevens:** Well, it's a fairly general question, but as it relates to the casinos, there's due diligence with respect to the ownership and the financing, so what we're trying to do is to ensure that the wrong people don't get involved in the business. With respect to the various employees there's a process that they have to go through to get registered, which involves due diligence and background checks and so on and so forth. So that type of system is generally in place relative to people who are going to be working within the gaming industry.

9:50

**The Chair:** Mr. Stevens, I apologize, but it's 10 to the hour, and we must conclude this portion of the meeting. I would ask if you could provide an answer to Mr. Cao's question through the chair or the clerk. We would be very grateful.

On behalf of the committee I would like to express our gratitude to you and your staff for coming this morning and also to Mr. Dunn and his staff. Feel free to just excuse yourselves from the committee room while we conduct the last portion of the meeting.

**Mr. Stevens:** Thank you very much.

**The Chair:** You're very welcome. Thank you.

Now, I received, as I said earlier, on May 5 a letter from Mr. Mason from Edmonton-Highlands indicating that he wanted to

present a motion this morning. The motion, for the record, is moved by Mr. Mason and is that

the Standing Committee on Public Accounts schedule an extra meeting prior to the adjournment of the Spring 2003 legislative session, to examine the 2001-2002 Annual Report of the Ministry of Human Resources and Employment.

**Mr. Mason:** I so move, Mr. Chairman. I just want to indicate that the failure of the committee to meet at the last point I think was unfortunate. I don't want to go into all of the factors around that, but I do want to say that I believe that we have fairly short periods of time in which this committee can meet – that is, when the House is sitting – and we don't get through all of the ministries, in the spring session at least. So when we miss an opportunity to interview a minister and to examine their accounts with the assistance of the Auditor General, then I think it's quite a loss.

My motion is that before this session concludes, which may be fairly shortly now, we schedule through yourself an additional meeting in order to do the work that we ought to have done last week. I'm certainly looking forward to the support and co-operation of the government members in helping make this happen.

Thank you.

**The Chair:** Thank you.

**Mr. Shariff:** Mr. Chairman, one of my experiences here is that we can never predict when we will finish. There are lots of factors that influence the last day of the session. Filibustering is one other factor that has an impact on when we really leave. So not knowing when we will be done, I'm not so sure that we can kind of project that this is the date we will be done and that therefore we need to add one day for a meeting.

Secondly, we've had an opportunity to talk to various ministers about their budgets, and I'm not so sure if we have to be talking to every single ministry every time. This is like an audit process. You identify a few ministries every year and try to look into them. Hopefully, they'll learn from that experience, and we can ask the right questions for them to improve for the future.

The other point is that given our schedules I think it'll be very difficult to find the time. If we were to look for a Wednesday, that Wednesday will be definitely after the session, whenever the session finishes, and we normally do not meet outside session. I don't know if we will be able to schedule another time that will suit our schedules on a day that's not Wednesday. So I think we'd have a lot of difficulty, and therefore I'm of the opinion that we will not be able to entertain this motion, and therefore reject it.

**The Chair:** Ms Blakeman.

**Ms Blakeman:** Thank you. I am supporting this motion. I'm on record a number of times with my concerns over the fact that this committee often is not able to audit even 50 percent of the ministries that exist, and I feel that we have a duty in this committee to do our best to audit as many as possible. Thus far this year if we complete today and next week, we will have done 12. We will have missed one, which would have been 13. Given that we've got 24 ministries, we're not going to make 50 percent.

I listened carefully to the Member for Calgary-McCall, and truly the government absolutely controls the agenda. When the government stands up and says, "We adjourn," that's it; then it adjourns. The government is in complete control of how long we sit in the Assembly, so I don't accept that some odd notion of a filibuster is

going to affect this agenda significantly enough to reject holding or planning a second replacement meeting.

I'm also wondering whether he was proposing a change in the way we in fact approach those ministries that come before us. In the seven years I've been on this committee, we started at one point and did our best to work our way through all of them. There was no selection process involved, and I do hear that in the member's comments, so that might be something we want to explore later.

Frankly, this job is difficult. Scheduling is difficult. All kinds of things are difficult. That shouldn't be a reason for us not attempting to do it. So I think we need to take our job in this committee seriously, follow through and support the motion that's been put forward here, and attempt to replace the meeting that was missed.

**The Chair:** Thank you, Ms Blakeman.

Mr. Cao has indicated that he wishes to speak.

**Mr. Cao:** Well, thank you, Mr. Chair. On the subject of public accountability there is a different approach available to us. In fact, at the end of this meeting we just talked about written questions, so I would entertain the idea that there is a different approach. If the timing is not right or cannot be accommodated, another channel for us to look into the accountability of a ministry is written questions to the minister, and I think it could be done. I just want to give an idea there that we should think about.

**The Chair:** Thank you.

Are there any other responses? Mr. Mason to close.

**Mr. Mason:** Thank you very much, Mr. Chairman. Well, I appreciate the idea of written questions. I think that can be worked in. I think that that's an excellent suggestion. I would note that when we first started in this committee – and the opposition members get more questions because we have a smaller number to rotate through – I was getting two and often three questions in a meeting, and now I only get one. I don't think my questions are a whole lot longer than they used to be. Maybe they are a little bit, but I think it's mostly the answers that are longer.

Having said that, I'm of course disappointed because we don't get through all the ministries. I think that we should set ourselves a goal as a committee of interviewing each minister once per year. I think that that should be a goal. I don't know how that would be accomplished, but I would leave that for the other members' consideration.

Does he want to interrupt?

**The Chair:** No. He's certainly patient, but in light of the hour, in light of our schedules . . .

**10:00**

**Mr. Mason:** All right. You want me to wrap up. Okay.

You know, I think that we should meet, and I want to put on the record my concern that the programs offered by the Minister of Human Resources and Employment are of great concern to many of my constituents. It is a very important ministry as far as my work representing my constituents is concerned, and the loss of the opportunity to ask that minister some questions and have some good discussion with him about his department's function is a significant setback to my ability to represent my constituents. I had quite a bit of concern about some of the issues that I was looking forward to interviewing the minister about, so I'm very disappointed that we won't see him this year.

Thank you.

**The Chair:** Thank you.

Mr. Shariff, briefly, please.

**Mr. Shariff:** I'll make two brief comments. One, if the questions are put in writing, I will speak with the minister of human resources and encourage him to respond to them in writing. That's one. Number two, I think that when we next meet or maybe later on this fall, we can talk about probably bringing two ministers in on one day rather than just one and put more questions in writing and wait for responses to follow. This way you'll be able to meet or question every minister that we have.

Those are my two comments. Thanks.

**The Chair:** Okay. Thank you.

The chair would like to call the vote on the motion, please, as it was read into the record. Those in support of the motion, please raise their hands. Those opposed to the motion? The motion is defeated. That matter is now concluded.

I would like to remind all members that we are meeting next Wednesday, May 14, with the Hon. Gary Mar, QC, Minister of Health and Wellness, and following that on May 21 with the Hon. David Hancock, QC, Minister of Justice.

Thank you. May I now have a motion to adjourn? Mr. Hutton. Thank you.

[The committee adjourned at 10:02 a.m.]

