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**Official Report
of Debates
(Hansard)**

Tuesday 5 November 2013

**Journal
des débats
(Hansard)**

Mardi 5 novembre 2013

**Standing Committee on
Government Agencies**

Intended appointments

**Comité permanent des
organismes gouvernementaux**

Nominations prévues

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ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
GOVERNMENT AGENCIESCOMITÉ PERMANENT DES
ORGANISMES GOUVERNEMENTAUX

Tuesday 5 November 2013

Mardi 5 novembre 2013

The committee met at 0904 in committee room 1.

SUBCOMMITTEE REPORT

The Vice-Chair (Mr. Rick Bartolucci): Good morning, everyone. Thanks very much for showing up on time. Sorry we're starting a few minutes late. First order of business, though, if I can get the concurrence of everyone, is to deal with the report of the subcommittee on committee-related business—Metrolinx, in other words—and move that to the end of the meeting, because that might engender some conversation and we don't want to keep our intended appointees waiting while we have that discussion.

We'll deal with the second report of the subcommittee on committee business, dated October 31. Do I have concurrence of everyone? Okay.

Some of you are looking like we're trying to pull a fast one. No.

Miss Monique Taylor: Well, Chair—

The Vice-Chair (Mr. Rick Bartolucci): This is simply to make sure that our intended appointees aren't waiting around needlessly. All right, thanks very much everyone.

We're going to go into our appointments review. No, we already did the second report. Oh, sorry, Jim?

Mr. Jim McDonell: I move adoption of the subcommittee report on intended appointments dated October 31, 2013.

The Vice-Chair (Mr. Rick Bartolucci): Great. All in favour? Opposed? Terrific. Thanks very much.

INTENDED APPOINTMENTS

HON. FRANCES LANKIN

Review of intended appointment, selected by official opposition and third party: Frances Lankin, intended appointee as member, Ontario Lottery and Gaming Corp.

The Vice-Chair (Mr. Rick Bartolucci): Now, we're going to move to our intended appointments, and we're going to ask Frances Lankin to come forward.

Good morning, Frances.

Hon. Frances Lankin: Good morning.

The Vice-Chair (Mr. Rick Bartolucci): It's great to see you again. You have the opportunity to make an opening statement. That opening statement will come off the government's time. You are familiar with the process. Welcome and go ahead.

Hon. Frances Lankin: Thank you, and it's interesting to be back figuratively and literally on this side of the table. I used to chair this committee at one time in history, so this is kind of fun.

I think that one of the prime areas of interest that the committee members will have is with respect to my qualifications and experience that might make me appropriate or not appropriate in your views for this appointment. I want to speak to three things: my background in terms of board governance; public policy issues, particularly in the area of gaming; and then my political affiliation and political past, which is certainly on the record, but I'll speak to it today.

In terms of board governance, I've had extensive experience, as you'll see from my resumé, on not-for-profit boards, both as a board director and as a CEO at United Way for 11 years, and supporting a major not-for-profit board.

I recently finished my term as chair of the Telus community board. I currently chair the Ontario Press Council, so I've had leadership roles in governance. I've had extensive experience on audit committees and risk management committees, and I believe that, with respect to the crown corporation we're talking about, that's a key area of experience that will serve me well in this appointment, if it should go through.

I've been recruited to be on the board of the Institute of Corporate Directors. I'm a graduate of the Rotman-ICD directors education program. I've been asked by Rotman and ICD to be, first of all, an executive-in-residence and then a director-in-residence in their not-for-profit board governance course, and have just recently been asked to be a director-in-residence at their newly developed crown corporation.

Crown corporations, I think, is the second area of board governance that I'll just speak to. I think that for many people from the private sector, the area of crowns is a little bit bewildering because there is a double bottom line. There is a responsibility to a sole shareholder, that being the government and/or the public of Ontario by extension, as well as, I think, consistent with the Supreme Court decision on BCE, a real focus also on stakeholder opinions and impacts on stakeholders. So there's always that balancing act in the considerations that are brought to bear, but there's a very firm consideration still on the bottom line fiduciary governance responsibilities of the board. I think that my background in politics helps me understand that balancing that has to

come, and I bring that sensitivity to the public policy framework within which a crown corporation works.

I've also had some experience on a crown corporation. I've spent the last year as a member of the Metrolinx board during a period of time of interesting public policy, debate, development and directions, as we move forward with a tremendous program of enhancement of public transportation and public transit in the GTA.

With respect to the area of gaming and public policy issues around that, in my time as a member of the cabinet in the government of Ontario, I was at one point in time Minister of Economic Development and Trade, when we developed the first casino and brought it to Windsor and worked with that local community—Mr. Hatfield will well remember; I did many interviews with him in those old days around that—with a real focus on economic development.

It was a period of time in which some of the early policies around community consent, local consent, were developed and driven. That was a community that was suffering greatly in terms of the economics and the downtown being boarded up, and the kinds of hopes and aspirations the community had in supporting this casino coming to their area to drive tourism and cross-border tourism—that was the mode of gaming in that day. Things have changed a lot and those issues of tourist destinations and cross-border are not the only thing to be considered. In fact, they're of lesser importance than some of the other more local, home-driven considerations.

I also was for a period of time the Minister of Health and Long-Term Care and was responsible for bringing in one of the first addictions strategies in the province of Ontario. That addictions programming and support still reside within the Ministry of Health and Long-Term Care. So I have a history there in focusing on issues around social responsibility and responsible gaming and addictions, as well as understanding multiple addictions and the public policy framework, and the unique balance and tension that exists between the regulation of an activity that takes place in our society in any event, driving a bottom-line, non-tax revenue to the government's fiscal portfolio for investment across a number of areas, as well as the harm that comes from addictions that can develop in gaming and in other substance abuse and cross-addictions, which is often the situation that we're dealing with.

0910

That's particularly important today as we see, I think, an expansion of access to gaming through the Internet, and what the public policy framework around that is and around responsible gaming is an important consideration.

There's also, I think, a very strong corporate social responsibility portfolio that a crown corporation like OLG needs to have. I have extensive experience, in 11 years as the CEO of the United Way in greater Toronto, which during that period of time grew to be the largest United Way in North America, of working with corporations around their CSR portfolio and around investments

in community through United Way and through the Trillium Foundation and others.

Lastly, since I know it's a question that's often asked, let me say I have a long-standing political affiliation with the New Democratic Party. I have also been three times appointed to order-in-council appointments, by the Peterson Liberals, the McGuinty Liberals and the Wynne Liberals; and I have had two federal appointments through Prime Minister Harper's government, one as chair of a blue-ribbon panel to review \$23 billion in public administration of grants and contributions and, secondly, as a member of the Privy Council joining the Security Intelligence Review Committee, which has the responsibility to review CSIS activities. That's an appointment that I still hold today, although that appointment will come to an end in February and I've indicated that I don't wish to be reappointed at this point in time.

I'll turn it over now, Mr. Chair.

The Vice-Chair (Mr. Rick Bartolucci): Thank you very much, Frances. We're going to start our questioning with the third party. As you're very familiar, they have 10 minutes to ask you questions.

Miss Monique Taylor: Thank you. Good morning.

Hon. Frances Lankin: Good morning.

Miss Monique Taylor: It's nice to see you. Thank you for coming before us. Wow, what a resumé.

Hon. Frances Lankin: It just means I'm old.

Miss Monique Taylor: Currently—I'm just trying to get it clear—how many boards are you sitting on?

Hon. Frances Lankin: Well, I have just left the Metrolinx board in hopes that this appointment will go through. I applied for this appointment, by the way. It was on my own initiative that I had an interest in this. I sit on the board of the Ontario Hospital Association, the Literary Review of Canada, and I chair the Ontario Press Council. Some of those are volunteer positions. And I indicated the Security Intelligence Review Committee; I have one meeting of that left.

Miss Monique Taylor: And you will have time to do this one, too?

Hon. Frances Lankin: Yes; I'm retired, sort of.

Miss Monique Taylor: Yes, right.

Hon. Frances Lankin: I was just saying to MPP Wong that a friend of mine said that I haven't retired; I've just diversified.

Miss Monique Taylor: And what made you want to sit on this board?

Hon. Frances Lankin: I followed with interest the issues around two streams: the siting of casinos, believing very strongly in community self-determination around these issues and supporting community choice. I would say that while there was a stated commitment to that, I felt, as someone who still has a strong tie to Toronto even though I live in northern Ontario and have done so for the last 12 years, that there was a lot of pressure on meeting the fiscal bottom line around the siting of that casino. So when Mr. Godfrey's appointment came to an end and the entire board resigned, I thought this was interesting because I think there needs to be, as I

said earlier, that balance between political considerations and public policy considerations along with the fiduciary responsibility.

Secondly, I have a very strong commitment to the kind of support that communities receive from gaming revenues—the non-tax revenues to government—how they're reinvested in communities, along with the portfolio of responsible gaming. Let me just tell you in the last little bit, as I've received more briefings from OLG, I'm actually surprisingly impressed with the progress that has been made since my day, which was a long time ago, on the responsible gaming portfolio. I still believe that there's more that we will continue to do and enhance that; that's an important tension. So I thought I've got something to offer. I've got board governance experience, a background policy-wise and community-investment-wise with respect to this, and a social responsibility, I guess, history of offerings, to bring to the table for discussion. So I thought that this looks like a good, interesting fit for me.

Miss Monique Taylor: There have been a lot of changes happening with the OLG. You almost see a transformation of privatization. What are your thoughts on that?

Hon. Frances Lankin: I guess, over the years, I've mellowed. I think that the issue of figuring out where something is best delivered makes a lot of sense. Wholesale privatization of government services I oppose, but is dealing cards or serving beverages a government service or is that something that can be done within the private sector? The design and refreshing of what lottery tickets look like: Is that a government expertise only, or can it be influenced by the private sector?

When it comes to the conduct, the control and the things that the Criminal Code sets out that are absolute necessities for the government to keep their hands on when it comes to ensuring that there is a double-bottom-line view of both the importance of non-tax revenue generation and social programs, those things should remain within government. So I think that there's room for some movement, and that that could actually enhance the fiduciary bottom line of the organization. But I would probably be cautious to see what the mix of those programs and things are.

I was just speaking with Mr. Olsson, the chair-designate. I haven't had a chance to look at the actual RFPs and those sorts of things yet, and I hope to have that opportunity very soon and to bring the balance that I think needs to be struck, to bring that eye and perspective to reviewing those.

Miss Monique Taylor: Good. Thanks.

The Vice-Chair (Mr. Rick Bartolucci): Thank you, Miss Taylor. Percy?

Mr. Percy Hatfield: Welcome. Nice to see you again.

Hon. Frances Lankin: You too.

Mr. Percy Hatfield: When it comes to Caesars in Windsor, there has been quite a controversy for years—single-game sports betting, or whatever it is, if you want to place a bet, say, on the Super Bowl. Legislation was

introduced. It has been passed in the House but hung up in the Senate for some reason. Do you have any feelings on support for that particular type of legislation?

Hon. Frances Lankin: I don't have strong feelings. I haven't followed the federal development of that, other than what I've read in the newspapers; but I've not been engaged.

I think that what it's indicative of, though, is that gaming has changed. As I mentioned, when the Windsor casino was first developed, it was about stemming the flow of cross-border shopping to the US; it was about local economic development drawing on across-border tourism. Those things have changed. Even if you look at Las Vegas—and this is a conversation I had with some folks at OLG yesterday, so these are not unique ideas I'm putting forward, but part of a conversation. Las Vegas focuses as much on the entertainment, the dining and other sorts of things as the gaming itself. It is a tourist destination, but most of the casinos in Ontario and in other provincial jurisdictions are no longer tourist destinations. They are about entertainment opportunities for local communities, local citizens.

I think there has been a change in the public attitude about gaming. It's not fully embraced—we're still quite cautious as a public about it—but a younger generation that sees sports gaming and other sorts of things as an attractive form of entertainment: That's why it's an issue of debate.

I don't know why it has been hung up in the Senate other than the Senate's own problems, so there may be things that I need to learn about the debate on that particular issue that I'm not aware of.

Mr. Percy Hatfield: Would you have an open mind to considering, say, teletheatre or sports betting at, say, Caesars in Windsor?

Hon. Frances Lankin: That whole issue—like I said, there are probably policy issues that I'm not aware of, so I don't want to venture too far down there. I think making an entertaining experience that's going to attract people that also has a payoff to the bottom line, where you have the ability to put in controls to recognize red flags for problem gambling, is a good thing. I don't know whether that fits that definition or not; I just don't know.

Mr. Percy Hatfield: Yes, and I think there might be an opportunity to discuss at some point Leamington Raceway and the harness racing industry out that way, and perhaps a collaboration with Caesars on a teletheatre, sports-betting, off-track betting type of arrangement.

0920

Hon. Frances Lankin: Well, I understand that the chair-designate of the Ontario Racing Commission is coming up next. He may be behind me. I haven't seen Elmer come in, but it's probably a great discussion to have with him—

Ms. Soo Wong: He's in the House.

Hon. Frances Lankin: He's in the House, is he? Elvis is in the house? Elmer is in the House.

There's much evidence that needs to be brought to bear about whether one kind of gaming experience draws

companion gamers for other kinds of gaming experiences or whether there's crossover.

I'm very, very much a person who believes in strong, evidence-based public policy-making. Without evidence, I think we shouldn't jump to conclusions around what would spur economic development or what would support the reinvention of the horse racing industry. I think the fact that there is a plan to work together with OLG and ORC is really good. That's a positive step forward. We're awaiting, of course, the government's final decision and mandate letters to the OLG on that. So until the public policy directive comes, I can't speak much more to it.

The Vice-Chair (Mr. Rick Bartolucci): We'll move to the government side. Soo Wong, you have three minutes.

Ms. Soo Wong: Frances, welcome back.

Hon. Frances Lankin: Thank you.

Ms. Soo Wong: Thank you for your continuous commitment to public service.

I want to go back to your comment about the issue of addictions. Given your comprehensive and, as well, your awareness of your community—the government, as you know, is in the process of modernizing casinos and the whole issue of gambling in Ontario. Can you elaborate a little bit more in terms of this issue of responsible gambling, as we move into the Internet, and dealing with young people?

Hon. Frances Lankin: The whole world of access to a range of things through the Internet is new and evolving and a continuing challenge in public policy. In my activities at the Security Intelligence Review Committee, and youth radicalization through the Internet—there's just a whole range of things that we see young people can have access to, where we don't have good means to know, understand or regulate.

The thing about Internet gambling is that that grey market is there, and it has expanded. People are getting brought into gaming, into harmful situations, into addictive situations, without any oversight, and, in many cases, into illegal, off-shore operations that don't even guarantee people, if they supposedly win, that they're paid out. The policy decision to look at and understand what it would mean to bring that under government regulation is an interesting one. People talk about the Internet as not being able to be regulated, but people's behaviour through the Internet, in fact, does open up the possibility of understanding—as people make keystrokes. If it's through a regulated entity like PlayOLG, the opportunity to see red flags in terms of their gaming behaviour and to offer self-education, to offer self-limits, to offer counselling interventions—there's a range of possibilities there.

We don't know, any of us, what the end result of those interventions will be, but there's more potential to intervene in problem gambling in that scenario than there is in the current casinos and certainly in the Internet grey market.

Again, I think it's a balance, and I think it's, how do you ensure they're using best evidence to intervene and move forward?

Ms. Soo Wong: Okay.

The Vice-Chair (Mr. Rick Bartolucci): We'll move to the official opposition. Jim McDonnell will start.

Mr. Jim McDonnell: Thank you for coming out today. I'm in the opposite end of the province, compared to Percy. We're down in the Cornwall, Stormont, Dundas, Glengarry area, and I know a lot of people who end up going to Montreal or to Hull or across to New York state to gamble at the casinos there. It's a pastime. I won't say it's a problem pastime, but I always dislike seeing that revenue go out of the province. I know at one time there was some thought of trying to keep that money in—and you say it's becoming more of a social issue, and that's what this is, people wanting to go out and have a little bit of fun. But they're crossing borders now. Any thought of reinstating the possibility of creating centres—like a small casino, say, in Cornwall—because of this issue?

Hon. Frances Lankin: First of all, you remind us by those comments that the vast majority of people who game do it as a social entertainment, and that while there is a population that engages in problem gambling and it's very important that we address that, that's not the majority. I think that's an important thing to remember.

I think you also bring an important point about people leaving a jurisdiction and taking their money to other jurisdictions outside of the province, and if there's a possibility of that money remaining in the province. That's a public goal that all three political parties, at one time or another, have had with respect to this portfolio.

The economics of whether or not something in the Cornwall area would work, and how that relates to the geographic bundling areas that the modernization plan has put forward—I think you have to look at that bottom line. There are people within OLG who have a real expertise in driving the business case. I've not been on the board yet; I've not had those discussions. I think that we should always be open to understanding what local communities are interested in and whether or not there's a viable business case.

And, as in other communities, where people thought perhaps it was a good idea to look at the economics of siting a gaming operation and perhaps have said no—and we've seen that in a couple of notable cases—the whole plan needs to be looked at and understood. Does that mean we have to shift centres or not?

So, open to that? Yes. I have not been part of those discussions as of this date.

The Vice-Chair (Mr. Rick Bartolucci): Rob Milligan.

Mr. Rob E. Milligan: Thank you, Chair, and thank you for coming in this morning.

Sort of building on what Mr. McDonnell has pointed out—and that's resort casinos—resort casinos since 2010 have been losing money. I know there's this notion that we should build more casinos, that the government should build more casinos. There's only so much money that can go around. I think we have to look geographically as to where those tax dollars are going, as Mr. McDonnell pointed out.

But when we built the resort casinos along the borders—Caesars at Windsor, for instance—at that time, many of the US jurisdictions didn't have casinos. We had a large influx of Americans coming here, and the Americans quickly realized that they were losing revenue and so they readjusted; they built casinos.

When I was down in Windsor and I went into Caesars—just to see; I'm not a gambler—just to see firsthand how many people were attending, you could have fired a cannon through the place and not hit anyone. There were more—

Mr. Percy Hatfield: Sunday morning at 10.

Mr. Rob E. Milligan: There were more employees than there were people actually gaming for entertainment.

My question is, then, what's the rationale for continuing to maintain resort casinos as government assets rather than offering the private sector the opportunity to save the situation and run them themselves?

Hon. Frances Lankin: I think the whole plan of transforming gaming in Ontario, at the base of it, is that very question: Does it make sense that the OLG-operated slots and casinos remain government-operated, or are there other operators in the private sector that could bring economies of scale, innovation, staying on top of trends in gaming, and all those sorts of things? I think that's a valid question to ask as long as we make sure that the conduct and control issues of the Criminal Code, and the regulation and the balance issues that I talked about earlier, are being overseen by government.

The resort casinos are already operated outside of government control in the sense of the private sector operations, and have been from the beginning, in terms of the model. There are still the control issues that the Criminal Code demands and that we want, in terms of ensuring that there is the right revenue flow back to the public purse.

But the bottom line is, what is the business case? The business case in a crown corporation has to understand what the bottom-line dollars and cents are, and what the bottom-line public impact is. If you're not considering both of those things together, I don't think you're doing your job on the board of a crown corporation.

0930

The Vice-Chair (Mr. Rick Bartolucci): Randy Pettapiece, for the PCs.

Mr. Randy Pettapiece: Good morning.

Hon. Frances Lankin: Good morning.

Mr. Randy Pettapiece: As a caucus, as a party, we have long advocated that it isn't the government's role to be selling lottery tickets and deciding which scratch cards to use. We are staring a massive debt in the face, and we need to reduce the size and the cost of government. Do you see the modernization strategy leading us directly in the direction of a purely regulatory OLG, or do you feel that more legislative initiatives are necessary to achieve that goal?

Hon. Frances Lankin: I'm sorry—will the modernization get us there, or do we need law change? Is that your question?

Mr. Randy Pettapiece: Building on what my colleagues have said, government should regulate—we understand that—but they shouldn't be in the business of owning these things—

Hon. Frances Lankin: With respect to the lotteries, again, let's take a look at what we're talking about. The government currently owns the lottery terminal boxes that are in your local convenience store. Lotteries are a publicly supported form of gaming, as compared, in terms of numbers and support, with casinos and other things. It's a broadly accepted form. And yet we have limited capital dollars available to invest in the upgrading of that technology. We don't have multiple product outputs from that, other than gaming; there are other possibilities. We don't have multiple lanes of access in stores, other than convenience stores. So there are lots of places in the north, where I live, where you've got to drive a distance to buy your 6/49 on the big numbers. It's not in local communities.

I think there's a lot that can be done to enhance lottery activities and revenues to government, but not if we keep the hardware-technology black box within government. I think that needs an infusion of private sector innovation. But again, the regulation and the kinds of controls that need to be in place so that we don't see some of the things like insider wins and others that we've seen in the past are a very important part of risk management for the OLG board.

Mr. Randy Pettapiece: I would assume that you've heard what has happened with the horse racing industry in Ontario.

Hon. Frances Lankin: And in Niagara, yes, and Fort Erie. Is that where you're going?

Mr. Randy Pettapiece: Well, you can go all over the province. There has been an issue with the horse racing industry because of a decision that was made back in 2012.

The Vice-Chair (Mr. Rick Bartolucci): Randy, you have 30 seconds, okay?

Mr. Randy Pettapiece: We've seen 9,000 people so far, and counting, lose their work. I wonder if it makes sense to allow the private sector to run this type of business, as long as we regulate things—allow the private sector to come in and say, "We think we can do this better."

Hon. Frances Lankin: With respect to horse racing, the private sector is—there are some agricultural societies and others that run some tracks, but the private sector are the track owners and—

Mr. Randy Pettapiece: I didn't have long enough to phrase that question the way I wanted to phrase it. I'm sorry. I guess I'm out of time.

The Vice-Chair (Mr. Rick Bartolucci): Time is up, Randy.

Hon. Frances Lankin: I'm sorry.

Mr. Randy Pettapiece: I apologize.

The Vice-Chair (Mr. Rick Bartolucci): Frances, thank you very much for your very, very insightful commentary. The concurrence takes place, as you know, after all the intended appointments.

Hon. Frances Lankin: If I can make a little pitch—it's not my role, but my chair-designate is sitting behind me—we would love the board to be able to meet and start to do the business of oversight that you all want us to do, but there are a couple of more members that I think you have on the list to call. If there's anything you can do to facilitate that happening in a timely way, I think we would all appreciate it.

The Vice-Chair (Mr. Rick Bartolucci): Always the organizer, Frances—always the organizer. Thank you so much.

MR. ELMER BUCHANAN

Review of intended appointment, selected by official opposition and third party: Elmer Buchanan, intended appointee as member and chair, Ontario Racing Commission.

The Vice-Chair (Mr. Rick Bartolucci): Our next intended appointee today is Elmer Buchanan, nominated as member and chair of the Ontario Racing Commission.

Welcome, Elmer. Thank you for being here today. You may begin with a brief statement, if you wish. Members of each party will then have 10 minutes to ask you questions. Any time used in your statement will be deducted from the government's time. I turn it over to you, and thank you so much for your attendance here.

Mr. Elmer Buchanan: Well, thank you very much, Mr. Chair. Let me say I'm pleased to be here. I was suffering from a little *déjà vu* here when I first came in, because on my first trip to this building I used to weekly get to sit beside Frances at a large table upstairs. There's something about this that's a little eerie, to follow her into this particular chair. However, I'm pleased to be here.

Can I—

The Vice-Chair (Mr. Rick Bartolucci): Can we get Elmer a glass of water?

Mr. Elmer Buchanan: I'll do the honours here myself. Sorry.

There are just a few things, Mr. Chairman, that I'd like to give to the committee, and then open it to questions. I always felt that it was useful to allow people to ask questions because then at least one person in the group would be hearing something that they wanted to know about. I'm certainly willing to give everybody a chance to ask questions.

There are a few things, though: You have my CV. You've looked at it. I've picked out a few of the things that I thought were relevant to this particular position that I've been asked to apply for. First of all, when I was appointed ag minister, the media used to have great fun saying that I was an educator; I didn't know anything about agriculture. This time around I want you to know that I'm a farmer. In fact, we're making history here this morning, I think, because I'm probably the first alpaca farmer that's ever appeared before a committee here at the Legislature.

I have a background in agriculture. I grew up on a farm for the first 18 years of my life. I also had horses on

that farm, which is apropos to this particular appointment. We had work horses, and I certainly, as a young person, had the pleasure of working with those horses on the farm, so I have been around horses and understand the horse profile. I do not own or have racehorses, nor do I have any relatives that are in the horse racing business or industry, but I certainly have followed it. There are racetracks in my area, particularly at Kawartha Downs. I've certainly been there as a young person and understand the industry.

In terms of the ORC, it's a regulatory body, as you all know. It has regulatory functions. It licenses virtually everybody in the industry. Anybody who comes near the horse holds a licence from the ORC. One of the primary functions of the ORC, of course, is to make sure that everything is legal, that no drugs or whatever are used in the industry. Penalties are assessed, and if the people who assess those penalties don't like them, they apply to have a hearing from the board. That is one of the significant functions of a board member.

I want you to know that I don't have experience in that particular forum. I'm certainly more than capable of learning how to deal with hearings. I want you to know that the current board has a significant number of lawyers on that board who currently do hearings, and I intend to be able to study how they handle hearings and learn from them and be a leader with that group. So that, I do not think, is going to be an impediment to doing the job of chair.

I also bring a fresh set of eyes to this role. We're in a time of transition, as you all know, and I know that you're just dying to ask me about the horse racing business. You all know that I was part of a panel that spent about the last 16 months getting to know all the ins and outs, the details of the industry. We've met and visited virtually every track. We've talked to owners, breeders, drivers, jockeys and investors. Then we went back and we talked to those people all over again. In the course of that work, we issued three different reports. The reports, in some cases, touched on the ORC and the reorganization of the industry, and talked about a transition to a point where the industry could regulate itself in the sense that it would determine race dates, what kinds of races would be held, what purses would be handed out and so on.

In our final report, we suggested that the ORC needed to have a second division. Rather than just the regulatory side, it needed a business development side which would work with the industry to foster redevelopment, determine race dates and put together a product for Ontario racing that could be bet on around the world; in other words, a first-class, world-class product that people would bet on and that would allow the industry to survive and thrive into the future.

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That report is out; I'm sure you've read that. That report has been adopted by the government, and the government has decided to put significant money, \$400 million over five years, into the industry. This new unit,

the business development unit, would be the conduit for the government to flow money to the industry, which means that ORC has a new role, if you will. It's not just the regulatory side of it; it's got this business development side, a division that's separate. The government has asked my good friend John Snobelen, who is behind me, who is part of the panel, to head up and lead that work in developing this new division, this new capacity to work with the industry to get them to the point where they can regulate themselves in the sense that they determine race dates, where tracks are going to have races etc. That is a new feature of ORC.

As the panel worked through their work, we talked about having some new faces at ORC. I put my name in to ORC because of the work that we had talked about at the panel in having someone who understood what the panel had heard from the industry and what we put in our report that the government subsequently adopted. I then submitted my name as a potential leader for the ORC, knowing the background that we had put together and the work that had been done to implement a plan that we thought was sustainable.

I think with that, Mr. Chair, I should stop and live true to my word and give you folks a chance to ask some questions.

The Vice-Chair (Mr. Rick Bartolucci): All right. We'll start with the government side. You have two minutes. Soo Wong?

Ms. Soo Wong: Thank you, Mr. Buchanan, for coming here this morning to speak to and address the committee.

You know, there have been consistent concerns raised from the opposition as well as our government with respect to the future of ORC. Can you elaborate a little bit further, because it's been perceived out in the community that the government has not been respectful in listening to the community in terms of the sustainability of the industry? Do you believe, in your opinion, that this \$400 million you just commented on earlier will ensure the sustainability of this sector in moving into the 21st century?

Mr. Elmer Buchanan: Yes, we do. Very quickly, without wanting to rehash all of the work that the panel did, I would point out to you that when we were first appointed, the government offered up \$50 million over three years. My colleagues John Wilkinson and John Snobelen and myself said to the government at the time, "We're not going to do anything further, because \$50 million won't do it." We subsequently put together a report that increased that significantly. But again, that wasn't enough, in our view, from listening to the stakeholders, to make the industry sustainable, because you need a certain level of racing for it to grow—if you don't have a certain number of races, a certain number of horses, and it's not sustainable, and all you have is ship-in.

We have worked with the industry and with government. We think that the \$400 million, which is \$80 million per year, is sufficient to allow for a platform on

which the industry can grow. We think we're at the bottom, now, the trough, in the industry; we think that with that much money and with investment from horse people, the industry will in fact grow and it is sufficient.

The Vice-Chair (Mr. Rick Bartolucci): Thanks very much, Ms. Wong. We'll move questioning over to the official opposition, and we'll start with Jim McDonell.

Mr. Jim McDonell: Yes, thank you for coming out today. I think one of the issues that I saw as a problem is that there's no question—there was a lot of talk that there needs to be some redesign around the SARP, but the decision was made without any consultation, to the point where farmers had to make decisions about their horses. Stock was sometimes, we heard, destroyed. It really was a matter of, by the time you got involved, trying to pick up the pieces and see what you could do.

In your consultation, what did you hear back? I guess it was as big a shock to the horse racing industry as it was to ourselves when it was cancelled.

Mr. Elmer Buchanan: Yes. We certainly heard, as all legislators did, government and opposition, I'm sure, that they didn't like the way it was done. I would, though, point out that when the SART was cancelled there was a year's notice. The industry did have a year in which to restructure, which was 2012. That was when we were sort of brought in on the file, in the middle of that year. There was some hurt, yes, but as you have indicated, there was certainly a sense within the industry itself that the money that was going in through SART was not all being invested wisely and it didn't need to be that much. We certainly heard that, but the industry did have a time to adjust. And, yes, there was pain and, yes, there were some lost jobs; everybody admits that. But I think most people in the industry now believe that's behind us and that the future is somewhat brighter and that we're going to have a sustainable industry with this investment by the government.

Mr. Jim McDonell: Randy?

Mr. Randy Pettapiece: Yes, thank you. Good morning.

Mr. Elmer Buchanan: Good morning.

Mr. Randy Pettapiece: The racing commission, as I understand it, will be restructured to become a purely regulatory body; is that correct?

Mr. Elmer Buchanan: It was a regulatory body, strictly, and the restructuring that the report talked about was setting up a separate division within—that would be firewalled—to do the business development side.

Mr. Randy Pettapiece: So what's your vision of the future for this industry? Do you have a vision for the future of it?

Mr. Elmer Buchanan: Yes, I do. From the work that I've done in the last 16 months, it looks to me that we're at the bottom or, as I said, the trough of the industry and that there is a future. There is money being put in. I think the breeding industry will come back. There's some gloom and doom on the breeding side of it, but my belief is that the industry is going to invest. The stallions that we've lost that we hear about—I think maybe they won't

come back but there will be investments in stallions and in breeding. We have the HIP program. The government has committed \$30 million in the next couple of years to go into the breeding program to support that. I think the signals are there for investment.

Mr. Randy Pettapiece: I guess I'm getting the other side of the story here, sir, with all due respect. There is a lot of doom and gloom out there and, unfortunately, making rash decisions such as what happened back when that budget was passed, or allowed to pass, certainly hurt a lot of people. Figures of 9,000 people, maybe more, lost their work. Horse breeders got rid of their horses. Owners got rid of their horses. Breeding stock went down to the States. You know, when you shut down a business, it's really difficult to get it back again to what it was before. We knew there needed to be some changes to this thing, but overkill is what it was, in my opinion.

Anyway, what assurance can you give this committee that not only will the ORC involve stakeholders in the determination of the future of horse racing in Ontario but also resist any potential attempts by the present government to spite rural Ontario even further?

Mr. Elmer Buchanan: The government has put money into the industry or committed money for the industry. It's committed money for a core track, which is where the folks who race in that central core area, which you're familiar with, I'm sure, tend to be those people who are making a living in the business. There are a lot of tracks in other parts of the province where it's not full-time; it's a hobby or it's part of their income. The government has committed to allow money for those other tracks in other areas to, if they make a good business case, access some of that money. That includes Sudbury, that includes Lakeshore, that includes all of those other track areas that would like to be in this business.

Yes, there was some job loss. We've heard arguments on all sides about how many. That's kind of a loser's game because it can be X thousand, whatever. We can't even agree on how many people actually work in the industry, which is what we found very early on in our work. We, the panel, have asked the government, and OMAF more particularly, to start tracking the industry so they know how many jobs are in this industry, so they know how much money is being invested in this industry, so if these kinds of decisions ever come up in the future, government will have access to how many jobs that you've referred to are involved. If you cut back or do things, make decisions, that affect the industry, you'll know how many jobs are going to be lost. We can't even get agreement on how many jobs there were and how many had been lost.

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That kind of information was lacking in the government. They did not have any idea how many jobs were being lost. You're right, on that count. My sense of the future is, things will be different when these kinds of decisions are made in the future.

Mr. Randy Pettapiece: I would hope they would be different.

Mr. Elmer Buchanan: You have a willing agreement on that.

Mr. Randy Pettapiece: I understand that this figure is elusive; I understand that. However, I believe that the decision was made and allowed to pass without any thought at all as to the ramifications of this whole thing. We're not just talking about people involved in the horse racing business; we're talking about the farmers who sold the feed and harness-makers and whatever else that have lost business there.

The horse racing industry was doing okay before this happened. People are telling me they were making money in it. I understand that there had to be some changes. I think we're all in agreement with that. But I guess my point from my last question was: Can the ORC advise the government, or whatever term you want to use, to not do this again? Is that your position here?

Mr. Elmer Buchanan: I think that was what I was trying to say just a second ago, that the panel—and it has been accepted by the government that the government needs to have information on the economics of the industry, because it did not have that. Horse racing, and you folks all know this—the ORC has had a home at four different ministries over the last short number of years. It has been at finance; it was over at government services. It's currently at OMAF, which I happen to think is the right place for it. The breeding and raising of horses is an OMAF activity, and having the ORC report to OMAF is the right thing to do.

I think, in future, the information that's required to make good decisions by government will be in place so that if the government wishes to access that information, they'll have it on which to make decisions.

The Vice-Chair (Mr. Rick Bartolucci): One minute.

Mr. Randy Pettapiece: I don't know whether I can get a yes or no out of this or not. Looking back at what happened when that budget was passed: good decision; bad decision; should have been done differently?

Mr. Elmer Buchanan: I'm not here to second-guess government decisions. Obviously, it impacted a lot of people. Governments sometimes are forced to do things, given budgetary situations, that are regrettable. Whether it was good, bad or indifferent, the industry needed to be resized, readjusted and put on a sustainable footing. It was a very difficult process for everyone to go through, but it is what it is, and we have to look to the future and move on.

The Vice-Chair (Mr. Rick Bartolucci): Thanks very much, Elmer. We'll now move to the third party. Monique Taylor will start.

Miss Monique Taylor: Good morning. Thank you for being here with us today. I have one question before I pass it over to my seatmate here. Are you a card-carrying member of the Liberal party?

Mr. Elmer Buchanan: No, I am not.

The Vice-Chair (Mr. Rick Bartolucci): All right. We'll move now to Percy Hatfield from the third party.

Mr. Percy Hatfield: Thank you. Interesting to hear you say that the government had no idea of the devasta-

tion they were bringing on the industry. I agree. Windsor, Leamington, Essex county: \$8 million clear in profit tossed out the window; 2,000 people's jobs destroyed, gone. I got involved running on this issue. I wake up every morning thinking how to get these people's lives back together.

I want to ask you about Leamington Lakeshore. You know what's going on there. You gave them four extra dates this year. They want 33 dates next year. They want to build an industry back up in that part of the province. Are you going to help them out, or what?

Mr. Elmer Buchanan: They are going to be treated, as far as I can tell, and I can promise you, the same as every other jurisdiction, every other track. Outside of the core, outside of the circuit, there's a pool of money that has been set aside for those tracks to apply to. If they make a business case, then they can—

Mr. Percy Hatfield: But they're making a business case. They've already proven, on the extra four dates that they were given—they bring in \$20,000 or \$25,000 in handle, which is more than the other tracks of their size in the non-profit operations. They're proving to you they can make it sustainable.

Mr. Elmer Buchanan: Then they submit their business case and how much money they believe they require for the number of races that they wish to put on, make the business case to the business division of ORC and apply for race dates. That's where the ORC will look at that application and make a decision.

Mr. Percy Hatfield: What harm would it be to give them a teletheatre, off-track betting so they'd increase their purse sizes there to make them more sustainable?

Mr. Elmer Buchanan: Well, I'm hoping that you've read our report. This has been accepted by the government, so I'm going under the assumption that this is going to be implemented: We are looking to have one provider for off-track betting theatres, so that one provider will operate all of the OTBs across the province, and the money that's generated from those OTBs will be distributed back to the tracks based on their handle and what they put into the industry—

Mr. Percy Hatfield: But that's the tracks that are established, not the ones that are trying to get up and going.

Mr. Elmer Buchanan: You're absolutely right. In the Windsor area, there are great opportunities for betting. There was a lot of betting that went on in Windsor and the surrounding area. What we need to do, going forward—and this is OLG in co-operation with ORC, as they look at OTBs. You're right. There should be OTBs in the Windsor area. There should be a lot more than there are now, which is virtually none. So there are opportunities there to raise money for the industry. That money, or at least some of it, should go to the folks in your area who are interested in horse racing. So, yes, there are opportunities. You heard earlier from the OLG folks about co-operation, of having horse racing-related products as part of OLG's product lines, where they offer consumers the chance to buy tickets on something. So

there are opportunities and, yes, Windsor certainly is part of that.

Mr. Percy Hatfield: If Caesars gets the ability to run a teletheatre, is there any provision where a small slice of that could be funnelled into Leamington, on a smaller scale, to help grow that industry down there, to increase the purse size, to prove they can handle more race dates?

Mr. Elmer Buchanan: It's difficult for me to sit here and talk about one-offs, in terms of "This track would get a chunk." We've had what were called home-market areas in the past. What I think I heard you suggesting just now is to go back to that home-market area, where each part of the province had their own area, and anybody who bet on anything in that area, that money went to them. That probably works well in Windsor, it probably works well in Ottawa and it probably works well in Sudbury, but it doesn't work so well if you sit in Ajax Downs, Toronto and Mohawk, where you have the tracks close together. How do you divide up the bets that are made? That wasn't working for some tracks—just having what's in your area, which is kind of what you suggested. So we talked about having a global marketplace for OTB money and then having that money go back. Yes, Lakeshore is a start-up business sort of thing in Leamington and would have to have consideration that they are a start-up. I get that.

Mr. Percy Hatfield: What's the fate of Sudbury Downs?

Mr. Elmer Buchanan: Sudbury Downs had racing this year. I have no reason to doubt that they won't make an application for funding for next year. They were probably more dependent on slots for purses than any other track in the province, but if they make a good business case, I have every reason to believe that they'll receive funds to run racing in Sudbury this coming year.

Mr. Percy Hatfield: Do you agree with the government that the Fort Erie Race Track has historically been a festival meet?

Mr. Elmer Buchanan: Hmm—

Mr. Percy Hatfield: Say no; that's okay.

The Vice-Chair (Mr. Rick Bartolucci): I think that's called leading the witness.

Mr. Percy Hatfield: What's the future of Fort Erie?

Mr. Elmer Buchanan: Fort Erie is much more complicated than that question. We looked at Fort Erie. Fort Erie has a lot of history. It's a wonderful track etc. It was, even back in its heyday, much more of a summer-meet track—where the horses ran at Woodbine, and in the spring and the fall and in the heat of summer, they went to Woodbine. It was a very attractive place for betters and horses to go. What was suggested by the panel is that for Fort Erie to survive, it needs to go back to those sorts of roots. It's not sustainable, from a business perspective, to keep putting more government money into Fort Erie to try to make it a year-long or longer-season track. That was what we decided when we looked at the numbers. We looked at the wagering and we tried to move the industry to be more dependent—"we," the panel, I'm talking about now, not "we," Elmer

for ORC. We, the panel, want to move the industry to be more dependent on the wagering, on the bettor, on the customers. That was one of the big things that we did in our report, to get the industry weaned off of government money, to be more dependent on bettors.

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Fort Erie did a lot of work this summer to increase their betting, but it's not up to the level that it can sustain itself in the future. That's why we went back to the concept of summer racing, a shorter season and putting some support in there. The jobs at Fort Erie are part-time anyway, because they're laid off in the winter. Put some of that back in there, get some festivals in and build the industry up from there.

Mr. Percy Hatfield: What are your thoughts on—

The Vice-Chair (Mr. Rick Bartolucci): Percy, you have 30 seconds. Do you want to make a statement or something?

Mr. Percy Hatfield: No, I'll just ask a quick one. Thank you.

Mr. Elmer Buchanan: He wants yes/no answers here, I think.

Mr. Percy Hatfield: What are your thoughts on chairing a regulatory body whose budget is affected and influenced dependent upon fines to the participants?

Mr. Elmer Buchanan: If you read our report you would notice that very early on we suggested that the ORC should have a budget based from a government ministry, and that the fines and licence fees etc. generated by the ORC should go to the consolidated revenue fund.

The Vice-Chair (Mr. Rick Bartolucci): Thanks very much, Elmer. This concludes the time allocated for interview. We very much appreciate your honesty. Concurrence will take place after the next intended appointment.

MS. MARY BETH CURRIE

Review of intended appointment, selected by official opposition and third party: Mary Beth Currie, intended appointee as member, Ontario Lottery and Gaming Corp.

The Vice-Chair (Mr. Rick Bartolucci): Our next intended appointee today is Mary Beth Currie, nominated as a member of the Ontario Lottery and Gaming Corp. Please come forward and take a seat at the table. Welcome. Thank you very much for being here. You may begin with a brief statement, if you wish. Members from each party will then have 10 minutes to ask you questions. Any time used for your statement will be deducted from the government's time, and we will be starting our questioning with the official opposition once you've finished making an opening statement. Welcome.

Ms. Mary Beth Currie: Thank you, Mr. Chair and members of the committee. I thank you for inviting me to appear before you this morning to outline my qualifications for appointment to the OLG board. Although each of you has an outline of my experience in front of you, I take this opportunity to elaborate on my background and the relevance to this position.

I am by no means an expert in horse racing, gaming or lotteries, but I do believe that I can make a meaningful

contribution to the board of the OLG, so let me outline my background. I was born in Hamilton and grew up in Brantford. I left Brantford to come to U of T, where I graduated with a degree in Canadian studies and a minor in political science.

I then spent a year in this Legislature as a legislative intern, oh so long ago. I was here when Bill Davis was Premier and Stuart Smith and Michael Cassidy were the leaders of the opposition and the third party, respectively, so that was a while ago, but it was the best year. I worked for John Macbeth as my government backbencher and Mike Bolan, who was the member from Nipissing at the time.

Following my year as an intern, I went to law school in Kingston, at Queen's. I articulated at the Attorney General's office—AG crown law, civil—and my first job was over at the Ministry of Labour, in health and safety. I loved working in the area of health and safety, but I had spent five years going to school to get called to the bar, so after those two years, I moved into private practice.

I have practised at two firms, primarily, for more than 25 years: at McCarthy Tétrault, and after 14 years there, I crossed the street and joined Bennett Jones. My area of practice was exclusively employment law, with a specialty in health and safety. My clients ranged from small businesses to major corporations. I provided the employment advice for their Ontario operations, basically from soup to nuts, starting with the employment relationship, the recruitment, the hiring process—everything to do in the employment relationship with employment standards, workers' comp, privacy, health and safety, human rights and then when the employment relationship ended.

I would call myself, basically, a corporate employment lawyer, because I did not go to court, I did not tend to litigate. I basically sat in my office and talked on the phone. It was the greatest job, because I could talk all day and people would pay me.

I also worked on a large number of transactions—corporate transactions, the purchase and sale of businesses. I did restructurings, CCAA bankruptcies and also a large number of infrastructure projects, so the transition of government services to the private sector. The focus of my advice in those corporate transactions was obviously on employment issues in those transactions. I believe that my experience as an employment lawyer has given me a solid foundation in all respects of human resources, which is the area that I believe will be of interest or of use to the board, should you confirm my appointment.

While at Bennett Jones, I was also elected by my partners to sit on the firm's partnership board. That's the equivalent of the firm's board of directors. I filled a two-year term, so I have some board experience.

I'm pleased that I have been recognized by certain national and international ranking agencies that rank lawyers. I've listed the rankings; it's at the bottom of my application or my CV. It's on your last page, perhaps. I would not normally highlight those recognitions, but I do so because I recognize that I am not an expert yet in gaming and lotteries. I hope that by referring to those

recognitions, you can be assured that I do have the skills and ability to grasp complex information so that I can provide a meaningful, insightful contribution, should you approve the nomination.

I loved being a lawyer, I did, but I have an itch to start my own business. So on June 30 of this year, I left the practice of law and I have now gone back to George Brown. I am studying fashion design. You probably can't see it, but I have a little bit of pink in my hair. That's my goodbye to corporate life. I have gone back to George Brown to study fashion design, and I hope when I'm finished there to open my own business and create my own line.

So I come before you for your approval. As a result of my time as a legislative intern and with the government, I feel that I have an appreciation for how government works and where crown corporations sit within the government framework. You heard Frances Lankin talk about why that is so critically important. As a result of my legal experience, I know how to work hard, and I am committed to doing so on the OLG board. I am sure that my former colleagues in the employment bar, if you were to ask them, would tell you that I can be a tough lawyer to face on the other side of the table, but that I am also civil and respectful and highly ethical.

Now that I have returned to school and am no longer an active member at the Law Society of Upper Canada, I have the time to dedicate to the board's work, and I would be honoured to be appointed to the board. I think I can make a meaningful contribution.

The Vice-Chair (Mr. Rick Bartolucci): Thank you very much. When it comes around to the government time, you have three minutes, but we'll start off with the official opposition. Jim McDonell first.

Mr. Jim McDonell: Thank you for coming out. I overheard a quip that you'd have to make sure you get your licence at the College of Trades soon.

Ms. Mary Beth Currie: That's right.

Mr. Jim McDonell: That kind of threw me off my question.

Just a different perspective here. I've sat on a number of boards. One thing we've always been short of is some of that legal advice, especially with human resources. I see some of the issues that hit some of the committees or local governments, even where I'm from. Of course, it's always a welcome addition.

Just back to my thought and to get your perspective on the siting of casinos and maybe refine the question a little bit more, in an area where we're of course bordered by Quebec and New York state, and we have a number of casinos around—I have a number of friends who make a monthly trip over to one of the locations, generally in New York state because it's the closest. But it's money that, again, I see leaving the province. I don't think it's a grandiose casino, but just that gaming atmosphere. It doesn't always have to be a large something that's enormous. What's your thought of looking at something like that, small casinos that basically attract the people with some card games and the slots? Really, it's revenue, it's

enjoyment, it provides some employment, it puts in the centre a service that we see leaving. Your thoughts on that?

Ms. Mary Beth Currie: I agree, and I'll just echo what Ms. Lankin said about the fact that gaming is an entertainment industry and that it's important to focus on the entertainment aspect of it. I think that everybody would agree that it's going to be done. If it can be done in Ontario, better it be done in Ontario than across the border. On the other hand, there is that complex decision-making mechanism that she talked about involving the municipalities as well, where the municipalities all need to say, "Yay. We want to be part here."

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I'm big on Ontario. I'm big on Ontario business and supporting it here, clearly, within the framework and obviously within the statute that governs it.

The Vice-Chair (Mr. Rick Bartolucci): Rob Milligan.

Mr. Rob E. Milligan: Thank you for coming here this morning.

Just sort of echoing what Mr. McDonell said, obviously our party has, for a long time, especially with the SARP program for the horse racing industry and what's happened on that end—what government role do you see for the province in gaming? I know Mrs. Lankin said there has to be some kind of balance, but we feel that the government shouldn't be in the gaming business, that we should be more of a regulatory body, monitoring and making sure that the Criminal Code and such is adhered to. I just want to get a sense or a feel from you, particularly from a legal standpoint, of what you think the government's role should be in the gaming industry.

Ms. Mary Beth Currie: You don't want my view from a legal point of view, because I am no longer actively a lawyer. But I do think that she has answered, and I would join with her in that, in that I see the role of the OLG—not the government, but the OLG—as implementing the government's policy on gaming and providing the oversight and policy direction and so on.

But look at the amount of revenue that's gone to the government coffers through the gaming business: approximately \$2 billion. When you look at where that's gone, to hospitals, to infrastructure, and \$120 million to the Trillium Foundation for charities, the proceeds go to Ontarians. Where it may be transitioned to private sector employers who have the better technology or the more up-to-date technology and so on—I think they do that kind of work best—there must be a role for the OLG and for government to oversee that in order to have the revenues come back.

I just want to touch on—and as a lawyer, you always say, "Only answer the question. Don't go anywhere else." But I will say that in speaking to the OLG about responsible gaming, I had no idea before I started reading about this how extensive that program is and how amazing it is. I mean, we in Ontario are going to be the gold standard. I don't know if we're there yet; they have received a number of accolades from international lottery

and gaming associations that talk about all they are doing. They pump \$40 million a year into this. But the programs and the people who are behind the programs are dedicated and passionate about this. It is amazing. Frances said that she was impressed, and there's more to do. Let me join her with that. I had no idea before coming here. So I am happy to say that I see it as a big entertainment thing and directing folks to the entertainment, but for those who need the assistance, there is the help and will be the help, and there will be continued support for that. So there's quite a balance.

The Vice-Chair (Mr. Rick Bartolucci): Randy Pettapiece. Two minutes, Randy.

Mr. Randy Pettapiece: Two minutes? Okay.

We've been talking about the horse racing industry this morning. I don't know whether you've followed that or not, but there was quite a change in that business back in 2012 when the budget was passed. But there's an industry that probably could benefit from some sort of private company running that show instead of another government bureaucracy, which is what is being set up now by this government. What are your thoughts on that type of thing, or can you comment on that?

Ms. Mary Beth Currie: I can comment that OLG does not own racetracks, and that would be about the extent of my knowledge. Sorry to say, but there you go: We don't run; we don't own.

Mr. Randy Pettapiece: I guess my point is this: We have advocated for privatization of the gaming industry, and not only horse racing. There is an avenue that could be followed, to have the OLG or the government be just a licensing or a regulatory body; that would be the position of the OLG, and it would get out of the gaming business. What are your thoughts on that?

Ms. Mary Beth Currie: The report, I thought, talked about how racing would be incorporated as part of that overall umbrella of part of the entertainment business. I, at this stage, am completely uninformed to give you—and I'm not trying to stonewall—

Mr. Randy Pettapiece: No, that's fine.

Ms. Mary Beth Currie: I'm really impressed I know so much now about the social responsibility and responsible gambling. But I focused on that.

Mr. Randy Pettapiece: Thank you.

The Vice-Chair (Mr. Rick Bartolucci): All right. We'll move now to the third party, and we'll begin with—go ahead, Mr. Hatfield.

Mr. Percy Hatfield: Thank you, Mr. Chair.

Thank you for being here and for being very refreshing with your honesty. Did you wake up one morning and say, "Oh, I'm going to move into fashion design. I'm going to put pink in my hair, and I want to join the OLG"? How did that come? How did you—

Ms. Mary Beth Currie: Fashion design or coming to the OLG?

Mr. Percy Hatfield: Oh, the OLG.

Ms. Mary Beth Currie: Okay, because it's a better story with the fashion design.

Actually, at McCarthy, Monique Smith was an employment lawyer there as well. Although we clearly have

not worked together forever and ever, when she knew that I was leaving, she proposed or suggested, "Would you be interested in this?" Then I met with Mr. Olsson, the chair-designate—I was so impressed with him, too—and decided that, yes, this is a way to give back. So that was the connection.

Mr. Percy Hatfield: Have you a political connection of one kind or another? Have you been a member of a party or supported a politician of one stripe or another?

Ms. Mary Beth Currie: This is a very embarrassing thing to say, because I feel that as an active member of my community, I should, in fact, be more active. The only party that I've ever joined has been yours. However, that was 30 years ago, and I worked for Dave Warner before becoming an intern.

I have contributed to the Liberal Party in that I've contributed to the women I have worked with, Monique Smith and Laurel Broten, because we both worked at different law firms together. I have also contributed to the Conservative Party because Tony Clement came to Bennett Jones after he left—and I believe it's important, if you are a partner, to support your partners. Paul Boniferro, who is at McCarthy, ran Elizabeth Witmer's campaign. I donated money there, and I said, "This should be used for a shopping trip at Holt Renfrew." Nobody ever told me whether she got to spend my money that way or not. And Joe Tascona was my mooting partner way back at law school.

So that has been the extent of my political contributions and my political involvement, notwithstanding that I was a legislative intern and read voraciously about it.

Mr. Percy Hatfield: Thank you. What do you know about horse racing?

Ms. Mary Beth Currie: Nothing, as I've said at the start. Sorry to say, but I've also said that that's why I want you to look and say, "Yes, this is a woman who can pick up issues and can understand," and I hope to do so.

Mr. Percy Hatfield: Will you meet with all of the stakeholders involved in racing?

Ms. Mary Beth Currie: Not necessarily in horse racing, because OLG does not operate the racetracks. In terms of what the role is with OLG, I'm not sure, if we don't own the racetracks, what necessarily—

Mr. Percy Hatfield: It's all gaming in one sense or another, I suppose.

Ms. Mary Beth Currie: The board is there to oversee the policy and the implementation. It's not the board's function to actually do the day-to-day work.

Mr. Percy Hatfield: All right. Thank you.

The Vice-Chair (Mr. Rick Bartolucci): Monique Taylor?

Miss Monique Taylor: Good morning. Thank you for being here. I'm just curious. You've referenced several times, since you've been here, Frances's opinion: "Frances said this" and—

Ms. Mary Beth Currie: I was just impressed with what she said.

Miss Monique Taylor: I'm just curious. What is your opinion on gambling issues and problem gamblers? Do

you have an opinion on that? Can you bring something different to the table?

Ms. Mary Beth Currie: I'm not sure that you want something different if we're both saying that we believe it to be—

Miss Monique Taylor: No, but you didn't say it. You said she said it, so I'm just curious.

Ms. Mary Beth Currie: Oh, I'm sorry. I was impressed. I joined with her, and I do think it's quite important that there be a focus on problem gambling. I have been very impressed with what the OLG folks are doing now, both to identify and target those who have been identified as problem gamblers to assist them. They have also been involved out in the communities, dealing with mental health and so on. I think that the program that the OLG has is phenomenal about identifying and assisting problem gamblers to either overcome or self-exclude.

So I'm sorry if you think that I am merely repeating. I was just impressed.

Miss Monique Taylor: No, it was just several references. That's why I was just asking.

Ms. Mary Beth Currie: I know, but I was just impressed with her presentation. But I feel very strongly on that.

Miss Monique Taylor: That's good. What do you feel about the OLG's move to online gambling?

Ms. Mary Beth Currie: Again, you talk about grey areas, and a lot of people are going to be doing it. If it can be done under controlled circumstances where—again, this all ties back to the social and the responsible gaming—by the click of a mouse, you can identify who is doing what for how long, how often, at what level, I think it is a good step forward. I think it's better that it be done in a monitored and controlled environment through OLG play or wherever they end up. That's far better than out there in the grey area or uncontrolled off-board.

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Miss Monique Taylor: With your management side employer knowledge, what work experience that you've had do you feel you could bring differently? What, in that experience, can you bring to the OLG?

Ms. Mary Beth Currie: I think, as it moves into its modernization, there will be, clearly, employment issues. Dealing with employees who will be transferring to other jobs is critically important because I think it is a team relationship with both unions and employer, and for those who are non-union. As I understand it, the demographics of the employment workforce at OLG are that they are long-service folks, so treating them with respect and so on. It's a matter of, as people transition to their new roles with the different service providers, if that's the model that is adopted, I think that I can add a lot to that in making sure that they are treated with respect and fairness and dignity.

Miss Monique Taylor: Thank you. My seatmate has another question, Chair.

The Vice-Chair (Mr. Rick Bartolucci): Percy.

Mr. Percy Hatfield: Thank you. I talked to somebody in the industry who told me back in the day there were maybe three, four, five people involved with problem

gambling at the OLG. Now there are 25 or 30, almost like vice-presidents, highly paid, and it's a sacred cow and nobody wants to cut the department because of the problem gambling. Are you prepared to look at that and, from a management perspective, if that's the case, downsize in order to streamline the costs over there?

Ms. Mary Beth Currie: Again, I'm not sure that that type of operational task is the role of the board. I am prepared, overall, if we're talking—and I'm not sure that they're necessarily talking about cuts internally. I think that they're talking about how we make the entire business modern and efficient, and that's where it's moving out to the private sector that may run the resorts or that may run the gambling. I'm not sure that they're talking about cuts internally.

The Vice-Chair (Mr. Rick Bartolucci): Okay, thank you very much. The time for questioning is over. We'll now move to consider concurrences. The first concurrence—

Interjections.

The Vice-Chair (Mr. Rick Bartolucci): Oh, I'm sorry. Yes, go ahead, Soo. You have three minutes.

Ms. Soo Wong: Thank you very much—

The Vice-Chair (Mr. Rick Bartolucci): Sorry. Very bad—

Ms. Soo Wong: As I said, I thought I had three minutes.

The Vice-Chair (Mr. Rick Bartolucci): I was ignoring my government. Good God, I don't want to do that.

Ms. Soo Wong: Mr. Chair, I had a question for the witness.

Ms. Currie, you spoke several times about the issue of responsible gambling and the whole issue about addiction. I'm particularly interested in your view and opinion, because there has been a proliferation in the addiction piece with regard to the diverse community. I know, based on data that I have now for over 20 years on this issue, that the current funding, the current support for responsible gambling through the OLG is not getting down to the communities, especially the diverse communities. I want you to address that issue. In your opinion, in terms of working with the Ministry of Health and Long-Term Care with respect to addiction—because you now have OLG doing funding for mental health and addiction and the Ministry of Health. How are you seeing, in your new role on this board, should you become successful, being more collaborative in addressing this whole issue of diverse communities and addiction? Because it is not being addressed through CAMH and the existing bodies right now.

Ms. Mary Beth Currie: Frankly, the role of OLG is to provide the funding—or it has chosen to provide the funding to the Ministry of Health. I'm not sure that OLG has the ability to control how the Ministry of Health, once it receives those funds, allocates the funds. You, talking about 20 years of experience, will have a far greater depth of knowledge than I and you are in a far better position, likely, to influence the Ministry of Health.

Ms. Soo Wong: But the OLG does fund the Responsible Gambling Council.

Ms. Mary Beth Currie: Yes.

Ms. Soo Wong: So my question here is, where is your opinion on this council in making sure that the funding gets working collaboratively with the Ministry of Health and Long-Term Care?

Ms. Mary Beth Currie: I have to be quite frank with you that that is something I will have to look at, because I do think it's a very important issue, obviously, and it's not something that I had been aware of.

Ms. Soo Wong: Great. Thank you very much.

The Vice-Chair (Mr. Rick Bartolucci): Thanks very much. Sorry about that, Soo.

Thanks, Mary Beth.

Ms. Mary Beth Currie: Now I can stand up?

The Vice-Chair (Mr. Rick Bartolucci): Now you can stand up.

Ms. Mary Beth Currie: Okay. Thank you.

The Vice-Chair (Mr. Rick Bartolucci): We're going to move to concurrences now.

We will now consider the concurrence of Frances Lankin, nominated as member of the Ontario Lottery and Gaming Corp. Would someone please move the concurrence?

Mrs. Laura Albanese: I move concurrence in the intended appointment of Frances Lankin, nominated as member of the Ontario Lottery and Gaming Corp.

The Vice-Chair (Mr. Rick Bartolucci): Any discussion? All in favour? Opposed? Carried.

We will now consider the concurrence of Elmer Buchanan, nominated as member and chair of the Ontario Racing Commission. Would someone please move the concurrence?

Mrs. Laura Albanese: I move concurrence in the intended appointment of Elmer Buchanan, nominated as member and chair of the Ontario Racing Commission.

The Vice-Chair (Mr. Rick Bartolucci): All those in favour?

Miss Monique Taylor: Can we have discussion?

The Vice-Chair (Mr. Rick Bartolucci): Discussion, sorry.

Miss Monique Taylor: Chair, I'd like a recorded vote, please.

The Vice-Chair (Mr. Rick Bartolucci): Okay.

Mr. Randy Pettapiece: I would like to make a statement.

The Vice-Chair (Mr. Rick Bartolucci): Okay.

Mr. Randy Pettapiece: Our party was very disappointed in the decision to dismantle the SART program. We also believe that there are other ways to help the horse racing industry, other than setting up another government bureaucracy. Therefore, we will be voting against this.

The Vice-Chair (Mr. Rick Bartolucci): Any other discussion?

A recorded vote has been asked for, so we'll move to that.

Ayes

Albanese, Hunter, Wong.

Nays

Hatfield, McDonell, Milligan, Pettapiece, Taylor.

The Vice-Chair (Mr. Rick Bartolucci): The motion is defeated.

We'll now consider the concurrence for Mary Beth Currie, nominated as member of the Ontario Lottery and Gaming Corp. Would someone please move concurrence?

Mrs. Laura Albanese: I move concurrence in the intended appointment of Mary Beth Currie, nominated as member of the Ontario Lottery and Gaming Corp.

The Vice-Chair (Mr. Rick Bartolucci): Any discussion? All in favour? Opposed? Carried.

Thanks very much to the intended appointees—now appointees, some.

We're at 10:25, which means we have to adjourn, which means we didn't get to the subcommittee report. I have to say I'm upset at that. Somehow, at a subcommittee, we have to address this. If it's starting 15 minutes early, let's do that. Or if it's cutting down the intended appointments time, let's do that. We had an agenda put together, and I asked for that agenda to be altered, and guess what? We didn't get around to it. That's not what I had anticipated or wanted, as I know no other member wanted. I think that should be a subcommittee meeting.

Yes, Jim.

Mr. Jim McDonell: —I'd just like to move a motion so it gets it on the table for the next meeting, if that's possible.

The Vice-Chair (Mr. Rick Bartolucci): Yes.

Mr. Jim McDonell: Okay.

Interjection.

Mr. Jim McDonell: Well, they've been ringing, but this meeting goes till 10:30.

Interjection.

The Vice-Chair (Mr. Rick Bartolucci): The Clerk is saying that we have to adjourn. Again, I don't like this. This is not the way we should be doing business. We have to look at changing the structure. If it happens every week, whether I'm sitting there—or if anybody would be sitting here; we have that problem. So let's look at a subcommittee meeting to see how we're going to address this.

Mitzie?

Ms. Mitzie Hunter: I just have questions with regard to the report. In particular, are we moving back by a week the item regarding the CEO appearing?

The Vice-Chair (Mr. Rick Bartolucci): Mitzie, honestly, with all due respect, we can't entertain that question if we don't entertain the motion.

The meeting is adjourned. Sorry about that.

The committee adjourned at 1028.

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