

NEWS RELEASE

For Immediate Release 2013TRAN0073-001731 Nov. 18, 2013

Ministry of Transportation and Infrastructure

B.C. charts course for a sustainable coastal ferry service

VICTORIA – The government of B.C. is charting a new course for our coastal ferries' future. The guiding principles behind all future decisions to affect the coastal ferry service will be based on an affordable, efficient and sustainable system which protects basic service to coastal communities for future generations.

These guiding principles are a framework for BC Ferries and the BC Ferry Commissioner as they consider and implement changes to increase operational efficiencies and develop and implement long-term capital plans.

Through the government of B.C., taxpayers have provided an additional \$86.6 million to 2016 to help reduce the pressure on fares. That brings B.C. taxpayer funding to more than \$180 million this year and to nearly \$1.4 billion over the last 10 years to support coastal ferry services.

In addition, BC Ferries has committed to find \$54 million in efficiency improvements to 2016, \$15 million more than the target set by the BC Ferry Commissioner, and is on track to meet this challenge.

In the medium term, the government of B.C. is protecting taxpayers' significant investment and addressing the pressure for higher fares by implementing a combination of service adjustments, a reduction in the senior's discount, and a potential new revenue source.

\$18.9 million in net savings are necessary over the next two years to meet the requirements under the current price cap. To accomplish that, BC Ferries will undertake service reductions to be implemented in two phases.

The first phase is service reductions to lower-use round trip sailings on the minor routes, and on the higher-cost northern routes, accounting for \$14 million in net savings. These service adjustments will be implemented in April 2014.

BC Ferries will also implement further changes to the major routes prior to April 2016 to achieve \$4.9 million in savings. Minor and northern routes will not be affected by these changes.

In addition, as a major capital investment is considered for Horseshoe Bay, analysis will continue on opportunities to achieve additional savings and efficiencies beyond the initial \$4.9 million in reductions announced today, on the major routes between Vancouver Island and the

Lower Mainland, particularly Route 2 (Departure Bay – Horseshoe Bay) and Route 30 (Duke Point – Tsawwassen). Analysis will continue of opportunities to achieve additional savings and efficiencies on Southern Gulf Island routes.

As of April 1, 2014, the current 100 per cent passenger fare discount received by B.C. seniors (65 and older) travelling Monday to Thursday will be reduced to 50 per cent on major and minor routes. There will be no change to the current 33 per cent discount offered to seniors on the northern routes. The provincial savings of approximately \$6 million per year will be redirected to support general fares.

The government of B.C. is also considering the introduction of a pilot project to assess the viability of gaming, and is seeking feedback on introducing gaming as a permanent revenue-generating program on major routes between Vancouver Island and the Lower Mainland. The pilot project would be implemented on BC Ferries' busiest route between Swartz Bay and Tsawwassen. If successful, gaming revenue would help reduce the pressure on fares with net revenues reinvested into the ferry system to support general fares.

Starting this week, a new round of community engagement gets underway, so that ferry users and other British Columbians can comment on these planned changes. Details of this engagement are available at www.coastalferriesengagement.ca

Looking forward, the government of B.C. and BC Ferries will continue to explore strategies to create an affordable and sustainable ferry system beyond 2016. This will include looking at standardized and no-frills vessels, LNG propulsion, other alternative technologies, passenger only vessels, fixed links, a new reservation and point-of-sale system, increased operational efficiencies and seeking federal infrastructure funding to renew the fleet and terminals.

Quotes:

Transportation and Infrastructure Minister Todd Stone:

"The B.C. coastal ferry service has been wrestling with cost pressures for more than 20 years. We are making tough decisions today to ensure that our coastal ferry service is sustainable for future generations. These changes protect basic service levels and are in keeping with the fiscal realities facing provincial taxpayers."

BC Ferry Commissioner Gordon Macatee:

"I'm supportive of service adjustments which will improve capacity utilization in the ferry system, in keeping with the recommendations in my report of 2012. All of the principle stakeholders – government, BC Ferries and ferry users - need to be part of the solution in order to achieve an affordable and financially sustainable ferry system."

Learn More:

For the Discussion Guide and more information, visit <u>www.coastalferriesengagement.ca</u>

BACKGROUNDER

Guiding principles to keep BC Ferries sustainable

The government of B.C. is charting a new course for our coastal ferries' future. The guiding principles behind all future decisions to affect coastal ferry service will be based on an affordable, efficient and sustainable system which protects basic service to coastal communities for future generations.

Affordable responds to the top priority expressed in the public engagement process. The B.C. government will take actions so that ferry fare increases trend toward the Consumer Price Index (CPI).

Efficient describes a ferry system that embraces innovation, adopts new and emerging technologies, continues to find operational efficiencies, and strives for continuous improvement. Examples of initiatives currently underway or being explored at BC Ferries include the use of a cable ferry serving Denman Island, the use of liquefied natural gas to fuel vessels and a new reservation and point-of-sale system to improve customer service.

Sustainable speaks to a commitment to ensure that future generations have safe, reliable transportation connections to coastal communities. Standardizing vessels for greater interoperability, more "no frills vessels", and seeking federal infrastructure funding to renew the fleet all contribute to a sustainable system.

These guiding principles are a framework for BC Ferries and the BC Ferry Commissioner as they consider and implement changes to increase operational efficiencies and develop and implement long-term capital plans. It's a long-term vision that will help ensure our coastal ferry services are affordable, efficient and sustainable for future generations.

The Province and BC Ferries will continue to explore a set of strategies to create an affordable and sustainable system beyond 2016. Many of these strategies were included for consideration or were raised in the 2012 engagement and include:

- Standardize vessels and use more "no frills vessels" on smaller routes.
- Move to liquefied natural gas (LNG) fuel propulsion.
- Consider alternative ferry technologies.
- Modify the reservation and point-of-sale system to improve utilization and improve customer service.
- Seek additional operational efficiencies.
- Seek new revenue sources (e.g. gaming).
- Seek federal infrastructure funding to renew the fleet and terminals.
- Review service needs when making significant capital expenditures for terminals and vessels.
- Passenger-only vessels.

BACKGROUNDER

Service adjustments to specific coastal ferry routes

The Province has set an objective of \$18.9 million in total net savings to be achieved through service reductions by 2016. The prime focus is on lower-use round trip sailings on the minor routes, and on the higher-cost northern routes, accounting for \$14 million in net savings. These service adjustments will be implemented in 2014.

BC Ferries will also be implementing further changes to the major routes prior to April 2016 (Departure Bay to Horseshoe Bay, Tsawwassen to Swartz Bay, Tsawwassen to Duke Point) to achieve \$4.9 million in savings by 2016. Minor and northern routes will not be affected by these changes.

In addition, analysis will continue on opportunities to achieve additional savings and efficiencies, beyond the initial \$4.9 million in reductions announced today, on the major routes, particularly Route 2 (Departure Bay to Horseshoe Bay) and Route 30 (Duke Point to Tsawwassen). Analysis will continue of opportunities to achieve additional savings and efficiencies on Southern Gulf Island routes.

Routes affected:

Langdale - Horseshoe Bay

Annual utilization rate: 54.5 per cent

Annual contracted round trips: 2,985

Annual round trip reductions: 40 (1.3 per cent)

Estimated net savings to 2016: \$200,000

Vesuvius Harbour - Crofton

Annual utilization rate: 35.5 per cent

Annual contracted round trips: 5,046

Annual round trip reductions: 605 (12 per cent)

Estimated net savings to 2016: \$210,000

Earls Cove - Saltery Bay

Annual utilization rate: 26.3 per cent

Annual contracted round trips: 2,878

Annual round trip reduction: 365 (12.7 per cent)

Estimated net savings to 2016: \$750,000

Horseshoe Bay - Bowen Island

Annual utilization rate: 50.7 per cent

Annual contracted round trips: 5,569

Annual round trip reductions: 234 (4.2 per cent)

Estimated net savings to 2016: \$270,000

Tsawwassen - Southern Gulf Islands

Annual utilization rate: 42.2 per cent

Annual contracted round trips: 830

Annual round trip reductions: schedule change only; no round trip reductions

Estimated net savings to 2016: \$180,000

Port Hardy - Prince Rupert

Annual utilization rate: 39 per cent

Annual contracted round trips: 122

Annual round trip reductions: 39 (32 per cent) Estimated net savings to 2016: \$3,820,000

Skidegate - Prince Rupert

Annual utilization rate: 42.5 per cent

Annual contracted round trips: 191

Annual round trip reductions: 52 (27.2 per cent)

Estimated net savings to 2016: \$1,900,000

Comox - Powell River

Annual utilization rate: 29.6 per cent

Annual contracted round trips: 1,460

Annual round trip reductions: 94 (6.4 per cent)

Estimated net savings to 2016: \$720,000

Texada Island - Powell River

Annual utilization rate: 25.6 per cent

Annual contracted round trips: 3,648

Annual round trip reductions: 834 (22.9 per cent)

Estimated net savings to 2016: \$950,000

Gabriola Island - Nanaimo Harbour

Annual utilization rate: 45.5 per cent

Annual contracted round trips: 5,732

Annual round trip reductions: 834 (14.5 per cent)

Estimated net savings to 2016: \$800,000

Chemainus - Thetis - Penelakut

Annual utilization rate: 29.1 per cent

Annual contracted round trips: 4,380

Annual round trip reductions: 417 (9.5 per cent)

Estimated net savings to 2016: \$160,000

Buckley Bay - Denman Island

Annual utilization rate: 41.2 per cent

Annual contracted round trips: 6,149

Annual round trip reductions: 888 (14.4 per cent)

Estimated net savings to 2016: \$660,000

Hornby Island - Denman Island

Annual utilization rate: 38.1 per cent

Annual contracted round trips: 4,482

Annual round trip reductions: 422 (9.4 per cent)

Estimated net savings to 2016: \$360,000

Quadra Island - Campbell River

Annual utilization rate: 41.9 per cent

Annual contracted round trips: 6,253

Annual round trip reductions: 468 (7.5 per cent)

Estimated net savings to 2016: \$370,000

Skidegate - Alliford Bay

Annual utilization rate: 20.2 per cent

Annual contracted round trips: 4,482

Annual round trip reductions: 1,564 (34.9 per cent)

Estimated net savings to 2016: \$1,200,000

Port Hardy - Mid Coast - Bella Coola (summer only)

Annual utilization rate: 29.5 per cent

Annual contracted round trips: 39

Annual round trip reductions: route to be cancelled

Estimated net savings to 2016: \$1,450,000

*The current winter connector service by the *Nimpkish* will be extended year-round, connecting Ocean Falls, Shearwater and Bella Coola to Bella Bella and the north-south Prince Rupert to Port Hardy service.

BACKGROUNDER

B.C. Coastal Ferries Community Engagement

The Ministry of Transportation and Infrastructure has engaged coastal communities and ferry users from across the province on strategies to ensure the long-term sustainability, affordability and efficiency of the coastal ferry network.

In 2012, the government of B.C. engaged coastal communities and ferry users from across the province on strategies to ensure the long-term sustainability of the coastal ferry network. Over eight weeks, senior ministry staff hosted 40 public meetings in 30 communities, and a webinar. More than 2,000 people attended the public meetings and almost 2,000 feedback forms and written submissions were received. Through this process, government heard that fare affordability remains a concern and that any service reduction plan must protect basic levels of service to ferry-dependent communities.

This followed an extensive public consultation in 2011 by BC Ferry Commissioner Gord Macatee and Deputy Commissioner Sheldon Stoilen, who held 40 meetings in 27 communities, involving approximately 2,000 people.

The next round of engagement will take place from Nov. 18 to Dec. 20, 2013. There will be small group meetings, public open houses in coastal communities, a webinar, as well as the opportunity to provide feedback online at www.coastalferriesengagement.ca

During this process, the public can comment on:

- the planned service reductions prior to implementation,
- the planned changes to the seniors discount program,
- the introduction of gaming as a permanent revenue source on major routes between Vancouver Island and the Lower Mainland,
- the upcoming changes to BC Ferries' reservation and point-of-sale system, and
- the consideration of new or improved private-sector passenger-only ferry service in some locations.

Input received through the community engagement process will be compiled and presented to the Ministry of Transportation and Infrastructure and BC Ferries before service reductions are implemented.

Public Open House schedule

The first 90 minutes will be a public open house. The second 90 minutes will be a question and answer session with the project team. No RSVP is required for public open houses.

Port Hardy

Nov. 20, 2013 5 p.m. – 8 p.m. Port Hardy Civic Centre

Bowen Island

Nov. 21, 2013 5 p.m. – 8 p.m. Bowen Island Community School

Bella Coola

Nov. 22, 2013 5 p.m. – 8 p.m. Lobelco Community Club

Texada Island

Nov. 25, 2013 5 p.m. – 8 p.m. Texada Island Community Hall

Powell River

Nov. 26, 2013 5 p.m. - 8 p.m. Powell River Town Centre Hotel

Hornby Island

Nov. 27, 2013 5 p.m. – 8 p.m. Hornby Island Community Hall

Denman Island

Nov. 28, 2013 4 p.m. – 7 p.m. Denman Island Community School

Gibsons

Nov. 30, 2013 10 a.m. – 1 p.m. Cedars Inn Hotel and Convention Centre

Sandspit

Dec. 2, 2013 5 p.m. – 8 p.m. Sandspit Community Hall

Queen Charlotte City

Dec. 3, 2013 5 p.m. – 8 p.m. Queen Charlotte City Community Hall

Masset

Dec. 4, 2013 5 p.m. – 8 p.m. Masset Community Hall

Prince Rupert

Dec. 5, 2013 5 p.m. – 8 p.m. Crest Hotel

Salt Spring Island

Dec. 7, 2013 10 a.m. – 1 p.m. Central Community Hall

Quadra Island

Dec. 9, 2013 6 p.m. – 9 p.m. Community Centre Hall

Gabriola Island

Dec. 10, 2013 5 p.m. – 8 p.m. The Haven

Thetis Island

Dec. 11, 2013 5 p.m. – 8 p.m. Forbes Hall

Small Group meeting schedule

To attend a small group meeting in your community, please e-mail coastalferriesengagement@gov.bc.ca or call toll-free at 1 855 974-1204 with your name, contact information and which meeting you would like to attend.

Klemtu

Nov. 21, 2013 6 p.m. – 8 p.m. Kitasoo Community Hall

Bella Bella

Nov. 23, 2013 10 a.m. – 12 p.m. Elders Building

Comox

Nov. 29, 2013 9 a.m. – 11 a.m. Westerley Inn & Convention Centre

Penelakut

Dec. 11, 2013 1 p.m. – 3 p.m. Adult Learning Centre

Contact:

Robert Adam Government Communications and Public Engagement Ministry of Transportation and Infrastructure 250 356-8241

Connect with the Province of B.C. at www.gov.bc.ca/connect

Gaming Policy and Enforcement Branch

Minister's Binder

Estimates Notes 2014/15

Number	Title	Responsibility/GPEB Contact	Q&A Required

NR

4 Slots on BC Ferries Joint - Michele Yes

NR

Created by GPEB. Last updated January 30, 2014.

			30 60 90 DAY ISSUES - Gaming Policy and E
Division	Primary Contact	30 60 or 90	Issue

90 Slot Machines Outside of Gaming Facilities
Date: October 31, 2013

Enforcement Branch (GPEB)

Decision/Information/Action/Next Step/Timing

The British Columbia Ferries Corporation (BCFC) and	NR NR
NR have made inquiries regarding the placemen	t of slot machines outside of legal gaming
facilities (on ferries and in pubs and bars). To date, a	government has permitted slot machines
only in gaming facilities	s13
s13	
s13	GPEB will assess the policy
implications of locating slot machines on ferries.	

			30 60 90 DAY ISSU
Division	Primary Contact	30 60 or 90	Issue
Corporate Services	John Mazure	30	Slot Machines Outside of Gaming Facilities

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NR

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s13

Ministry of Finance

BRIEFING DOCUMENT

То:	Honourable Michael de Jong, Q. Minister of Finance	C.	
Initiated by:	Michael Graydon BCLC, President and CEO	Date Prepared:	October 23, 2013
Ministry Contact:	John Mazure Assistant Deputy Minister Gaming Policy and Enforcement		(250) 387-1301 zure@gov.bc.ca
		332422	
TITLE:	Slot Machines on BC Ferries		
PURPOSE:			
(X)	DECISION REQUIRED		
COMMENTS	:		
	Slot machines in British Columbi facilities.	a are located only in g	gaming

Fire softing Discretes assessed.	ADM annuals	DM annualis
Executive Director approval:	ADM approval:	DM approval:

DATE PREPARED: October 23, 2013

TITLE: Slot machines on BC Ferries

ISSUE: Slot machines in venues other than gaming facilities.

BACKGROUND:

 To date, the Province of British Columbia has permitted slot machines only in gaming facilities. Both the number of gaming venues and the number of slot machines within them are restricted.

- The recently released Provincial Health Officer report mentions electronic gaming machines (slot machines) as the greatest contributor to gambling addiction.
- In September 2013, British Columbia Ferries Corporation's (BCFC) retail division and the Marine Branch of the Ministry of Transportation and Infrastructure (MOTI) made inquiries of BCLC's casino facilities division, regarding the placement of slot machines on ferries.
- BCLC provided information in two key areas: the potential for revenue generation of slot machines on ferries; and, the investment, equipment and space requirements to facilitate the installation

COSTS:

s17

OPTIONS:

Option 1: Place slot machines on BC Ferries.

Date

s13, s17 Option 2: Status Quo. s13 **RECOMMENDATION:** s13 APPROVED / NOT APPROVED Michael de Jong, Q.C. Minister

Ministry of Finance

BRIEFING DOCUMENT

То:	Honourable Michael de Jong, Q.C. Minister of Finance		
	Williater of Finance	Date Requested: Date Required:	December 9, 2013
Initiated by:	Cheryl Wenezenki-Yolland Associate Deputy Minister	Date Prepared:	December 18, 2013
Ministry Contact:	John Mazure, ADM Gaming Policy and Enforcement Branch	Phone Number: Email: john.max	(250) 387-1301 zure@gov.bc.ca
		333462	
TITLE:	Exploring Slot Machines on BC F	erries	
PURPOSE:			
(X)	FOR INFORMATION		
COMMENTS	:		
	BC Ferries would like to pilot slot revenue. There are a number of to be explored before a pilot project.	considerations which	

ADM approval: _____

Executive Director approval:

DM approval: _____

DATE PREPARED: December 18, 2013

TITLE: Exploring Slot Machines on BC Ferries

ISSUE: BC Ferries would like to pilot slot machines on ferries to generate revenue.

BACKGROUND:

Note: The information contained in this document is a preliminary review of the proposal to place slot machines on BC Ferries; it should not be regarded as a comprehensive analysis of all considerations necessary for the placement of slots on BC Ferries.

- The Criminal Code of Canada permits exclusive responsibility for commercial and charitable gaming to the Provinces and requires each province to enact its own gaming legislation. British Columbia Lottery Corporation (BCLC) is the agent of the provincial government mandated to conduct, manage and operate commercial gaming in British Columbia. BCLC has sole responsibility for proposing the location or relocation of any gaming facility (as defined in the GCA), and under the current Ministerial Directive, can make its decisions for business reasons based on marketplace demand.
- A significant amount of policy work, consultation and legislative drafting is required prior to introduction of slot machines on ferries operated by BC Ferries. In BC, the Gaming Control Act (GCA) and Gaming Control Regulation govern casino gaming, including slot machines and the procedure for locating or relocating gaming facilities. Only government and BCLC possess authority under the GCA. BC Ferries is not a Crown corporation and is not within government, and it has no authority under the GCA.

DISCUSSION:

s13. s14

s13, s14

- 2. Public Policy Considerations
- Gaming public policy would have to be redefined. At present, BC is one of only two
 provinces (Ontario is the other) restricting slot machines to dedicated gambling
 facilities.

s13

s13. s14

- On October 16, 2013, the British Columbia Provincial Health Officer (PHO) released a report to the Minister of Health, providing a detailed analysis of the state of the gaming industry in BC. The report noted that increasing access to products such as slot machines appears to be increasing gambling related risk in BC. Experience further suggests that one of the strongest methods for reducing the incidence of problem gambling is to restrict or centralize access to Electronic Gaming devices within communities. In light of this recent report, expansion of slot machines would likely garner negative media scrutiny.
- 3. Ferries Revenue/Cost Considerations
- The revenue and cost estimates may be impacted by changes required to ferries to allow for the establishment and operation of slot machines on ferries. For example:
 - There may be a need for some construction on the ferries to facilitate the installation of the slot machines, which weigh between 150-270 lbs and require steel infrastructure to bolt to facility, creating additional weight;
 - Each slot machine also requires heavy power usage, up to 700 watts per slot;
 - The fuel budget could be affected; and
 - The area with the slot machines in it would have to be staffed.

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Proposed Estimates Notes 2014/15

Number	Title	Responsibility	
GPEB is coordinating these documents			
	NR		
5	Slots on BC Ferries	Joint	

NR

Ministry of Finance

BRIEFING DOCUMENT

То:	Honourable Michael de Jong, Q.	C.	
	Minister of Finance	Date Requested: Date Required:	December 9, 2013 December 9, 2013
Initiated by:	ADM	Date Prepared:	December 13, 2013
Ministry Contact:	John Mazure ADM, GPEB	Phone Number: Email: john.	(250) 387-1301 mazure@gov.bc.ca
TITLE:	Slot Machines on BC Ferries		
PURPOSE:	FOR INFORMATION		
Th	E Ferries would like to pilot slot matere are a number of consideration fore a pilot project could begin.		
Executive Director	approval: ADM approva	l:	DM approval:

DATE PREPARED: December 9, 2013

TITLE: Exploring Slot Machines on BC Ferries

ISSUE: BC Ferries would like to pilot slot machines on ferries to generate revenue.

BACKGROUND:

Note: The information contained in this document is a preliminary review of the proposal to place slot machines on BC Ferries it should not be regarded as a comprehensive analysis of all considerations necessary for the placement of slots on BC Ferries.

- The Criminal Code of Canada permits exclusive responsibility for commercial and charitable gaming to the Provinces and requires each province to enact its own gaming legislation. British Columbia Lottery Corporation (BCLC) is the agent of the provincial government mandated to conduct, manage and operate commercial gaming in British Columbia. BCLC has sole responsibility for proposing the location or relocation of any gaming facility (as defined in the GCA), and under the current Ministerial Directive, can make its decisions for business reasons based on marketplace demand.
- A significant amount of policy work, consultation and legislative drafting is required prior to introduction of slot machines on ferries operated by BC Ferries. In BC, the Gaming Control Act (GCA) and Gaming Control Regulation govern casino gaming, including slot machines and the procedure for locating or relocating gaming facilities. Only government and BCLC possess authority under the GCA. BC Ferries is not a Crown Corporation and is not within government, and it has no authority under the GCA.

DISCUSSION:

s13, s14

- 2. Public Policy Considerations
- Gaming public policy would have to be redefined. At present, BC is one of only two
 provinces (Ontario is the other) restricting slot machines to dedicated gambling
 facilities.

s13

- On October 16, 2013, the British Columbia Provincial Health Officer (PHO) released a report to the Minister of Health, providing a detailed analysis of the state of the gaming industry in BC. The report noted that increasing access to products such as slot machines appears to be increasing gambling related risk in BC. Experience further suggests that one of the strongest methods for reducing the incidence of problem gambling is to restrict or centralize access to Electronic Gaming devices within communities. In light of this recent report, expansion of slot machines would likely garner negative media scrutiny.
 - 3. Ferries Revenue/Cost Considerations
- The revenue and cost estimates may be impacted by changes required to ferries to allow for the establishment and operation of slot machines on ferries. For example:
 - there may be a need for some construction on the ferries to facilitate the installation of the slot machines, which weigh between 150-270 lbs and require steel infrastructure to bolt to facility, creating additional weight;
 - each slot machine also requires heavy power usage, up to 700 watts per slot;
 - o the fuel budget could be affected; and
 - the area with the slot machines in it would have to be staffed.

Ministry of Finance

BRIEFING DOCUMENT

То:	Honourable Michael de Jong Minister of Finance	, Q.C.		
Initiated by:	BCLC	Date Prepared:	October 22, 2013	
Ministry Contact:	Michael Graydon	Phone Number: Email: mgra	(604) 377-1536 ydon@bclc.com	
TITLE:	Slot Machines on B.C. ferries			
PURPOSE:				
(X)	FOR INFORMATION			
COMMENTS):			
from s	BCLC has been in discussions with BCFC regarding potential revenue from slot machines on popular ferry routes.			
Executive Director	approval: ADM ap	proval:	DM approval:	

DATE PREPARED: October 22, 2013

TITLE: Slot Machines on B.C. ferries

ISSUE: Age controlled environments and revenue models

BACKGROUND:

In September 2013, BCLC's casino facilities division fielded inquiries from both British Columbia Ferries Corporation's (BCFC) retail division as well as the Marine Branch of the Ministry of Transportation and Infrastructure (MOTI) regarding the placement of slot machines on ferries.

BCLC provided information on two key areas: the potential for revenue generation of slot machines on ferries; and, the investment, equipment and space requirements to facilitate the installation $_{\rm s13,\,s17}$

s13, s17

DISCUSSION:

	s13, s17
BCFC ferries are a public space, BCLC e access to minors on ferries.	As expressed concerns about the need to restrict
١	Not Responsive
RECOMMENDATIONS:	
	s13
Michael de Jong, Q.C.	

Briefing Document	Page 4
Minister	
Date	

Title Overview Q & A

Gaming on BC
Ferries

The Ministry of Transportation is considering a gaming pilot on ferries to generate revenue. This change would require a significant amount of policy work, consultation and legislative drafting prior to pilot implementation.

- -Timing: There would be a number of details that would need to be finalized prior to implementing the pilot, such as decision about routes, BC Ferries Board approval $\overset{\omega}{\omega}$
- -There are no estimates for projected revenue at this time.
- -The pilot needs to be considered in the context of government's response to the PHO report recommendations.

3.4 Conduct and Management

In British Columbia, government gaming is currently the responsibility of the British Columbia Lottery Corporation, a Crown corporation, which is engaged in ticket lotteries of various types and casino gaming. The Lottery Corporation relies on the services of independent retailers for lottery ticket sales and private sector operators for the provision of casino facilities and services. Charitable gaming in British Columbia involves a number of different operational models. In some cases, independent bingo sites for instance, only a charity is involved. In bingo halls, services required to facilitate conduct, management and operation of gaming are provided to licensed charities either by private sector, for -profit operators (commercial halls), typically under contract to a bingo association representing the interests of the licensees, or by the bingo association itself (self-managed halls).

Given the various operational models, it is necessary to understand the extent and nature of the role that must be fulfilled by the person or organization permitted or licensed to conduct and manage the lottery scheme. It is also necessary to consider the extent to which those activities that amount to conduct and management may be performed by agents, and the types of agents which may be so involved.

The Requirement to Conduct and Manage The words "conduct and manage" are not defined in the *Criminal Code* of Canada and their meaning in s. 207(1) has not been settled in the case law. There is little judicial interpretation on point and most of the cases that do address the meaning of these words in the gaming context do so in the course of determining whether particular individuals have committed an offence by their involvement in unlicensed lottery schemes. The definitional approach in those cases may be of limited use.

Principles of statutory interpretation require that the ordinary meaning of words be considered in their statutory context and in light of the purpose of the statute. The federal *Interpretation Act*²¹ provides that all legislation is to be given a liberal and purposive interpretation. In the context of criminal legislation, the proper construction of a provision may, if there is any doubt or ambiguity, be resolved in favour of an accused. One author has articulated the modern interpretation rule as follows:

There is only one rule in modern interpretation, namely courts are obliged to determine the meaning of legislation in its total context, having regard to the purpose of the legislation, the consequences of proposed interpretations, the presumptions and special rules of interpretation, as well as admissible external aids. In other words, the courts must consider and take into account all relevant and admissible indicators of legislative meaning. After taking these into account, the court must then adopt an interpretation that is appropriate. An appropriate interpretation is one that can be justified in terms of (a) its plausibility, that is, its compliance with the legislative text; (b) its efficacy, that is, its

promotion of the legislative purpose, and (c) its acceptability, that is, the outcome is reasonable and just. 22

Ordinary Meaning

The dictionary definitions of the words "conduct and manage" can be seen to support a distinction between these activities and other "operational" activities, although there is considerable overlap and the ordinary meanings themselves may not sufficiently distinguish the concepts. It is to be noted that Parliament must be taken to have intended a meaning to attach to the words "conduct" and "manage" when used together which would not attach to either in the absence of the other. Each word is to be given a different meaning and is not to be interpreted in a manner that would render either of them redundant.

Shorter Oxford English Dictionary definitions include the following:

Conduct (n.): The action of conducting; guidance, leading...Leadership, command....Direction, management; handling....

Conduct (v.): To lead, guide....To lead, command...to direct...to manage....

Manage: Management; Conduct (of affairs); administration, direction, control....To administer....To deal with carefully....

Operation: Action, performance, work; a particular form or kind of activity; an active process. The performance of something of practical or mechanical nature.

Context

The Code provisions prohibiting gaming activities also support a distinction between conduct and management on the one hand, and operational activities on the other. Authorities considering the words in other statutory contexts must be approached with caution. Given the plain meaning as derived from the dictionary definitions, the statutory context is critical to deriving an appropriate statutory construction.

The charging provisions in s. 206(1)(d) of the Code relate to everyone who "conducts or manages" a scheme and in s. 206(1)(a) to (c) to everyone who engages in other specific activities which, at least in some respects, connote functional or clerical activities or concern what might be viewed as operational services: "makes, prints, advertises or publishes...", "sells, barters, exchanges or otherwise disposes of, or causes or procures, or aids or assists in, the sale, barter, exchange or other disposal of, or offers for sale, barter or exchange...", "knowingly sends, transmits, mails, ships, delivers or allows to be sent, transmitted, mailed, shipped, or delivered, or knowingly accepts for carriage or transport or conveys...."

Section 207(1)(g) provides that it is lawful for any person to do anything "that is required for the conduct, management or *operation* [emphasis added]" of an otherwise lawful lottery scheme. Given that the provision is predicated on the lottery scheme being lawful under paragraphs (a) to (f) of s. 207(1), this provision does not derogate from the requirement that government or the other named persons or organizations conduct and manage lottery schemes under paragraphs (a) to (f) respectively. It does, however, use the word "operation", which would not be necessary if conduct and management included all operational activities. Similarly, s. 207(2) refers to the imposition of licence terms and conditions "relating to the conduct, management and *operation* of or participation in the lottery scheme [emphasis added]". Section 207(3) also refers to "conduct, management or *operation* [emphasis added]".

In considering the context of s. 207, it is important to keep in mind that the Code is bilingual legislation. The English and French versions are equally authentic and authoritative. The traditional approach is to attempt to find a shared meaning and, if there is apparent conflict, seek to reconcile the two by identifying and adopting a shared meaning.

As stated in Driedger on the Construction of Statutes:

Where the two versions of bilingual legislation do not say the same thing, the meaning that is shared by both ought to be adopted unless this meaning is for some reason unacceptable.²³

This is an important guide, but is not an absolute rule if its application would not accord with a proper, purposive interpretation of the statute. These principles are discussed in Flota Cubana De Pesca v. Canada (Minister of Citizenship and Immigration).²⁴

In s. 206, where the English version uses "conduct and manage", the French version uses "conduit ou administre", a phrase which bears a meaning very close to that of the English words.

Section 207(1), rather than using "conduit ou administre," uses an entirely different formulation of the activity which may lawfully be carried on by provincial governments or licensed charities. Rather than "conduct and manage", the French formulation is "mettre sur pied et exploiter une lotterie", which may be translated as set up (or establish) and run a lottery. In s. 207(1)(g), where the English version introduces the word "operation" in addition to conduct and management, the French formulation is "mettre sur pied, adminstrer ou gérer la lotterie". The addition of the word "gérer" indicates that not all of the activities related to the gaming are encompassed in the phrase "mettre sur pied et exploiter une lotterie". The difference between "administrer" and "gérer" is difficult to determine. Both terms are used to refer to management, but "gérer" may connote a more direct, hands-on involvement. Le Robert Dictionnaire Historique de la Langue Française, a dictionary of historic French usage, suggests the word is derived from the latin gerere ("to wear" or "to carry") and originally was employed in French to suggest the act of doing or executing an activity.

Overall, the French version of s. 207 supports the view that not all activities related to the gaming must necessarily be carried out by the provincial government or licensee, but that the government or licensee should be the directing mind, or the party leading and controlling, the lottery scheme. The French formulation of ss. 207(1)(a) and (b), to the extent that it does not track the French version of s. 206, may serve to confirm that caution should be exercised in applying judicial interpretations of "conduct and manage" in the offence provisions to the responsibilities of the government or licensed charity. The shared meaning of the two versions in ss. 207(1)(a) and (b) arguably denotes a higher level management and direction role than the meaning conveyed by the English words.

Purpose

In considering questions of judicial interpretation, it is important to note that gaming continues to be viewed, at law, as an activity that must be kept within certain strict bounds. Depending on the context, this purpose will inform the approach of the courts to definitional problems.

With reference to the offences relating to disorderly houses, gaming and betting, the Supreme Court of Canada stated in *Rockert* v. *The Queen*:²⁵

The authorities leave little, if any, doubt that the mischief to which these offences were directed was not the betting, gaming and prostitution *per se*, but rather the harm to the interests of the community in which such activities were carried out in a notorious and habitual manner.

An examination of the scheme and legislative history of this part of the Code supports the view that the general prohibitions and limited exceptions thereto are intended to prevent the proliferation of gaming activities for private profit. The Code countenances generation of gaming revenues for the benefit of the public, through gaming conducted and managed by government or by charities. Other types of gaming activities, which might be expected to generate private profit, are constrained by the imposition of small bet limits and by restriction of the opportunities for such endeavours to fairs, exhibitions or places of amusement.

The exceptions to the gaming prohibitions in the Code are likely to be strictly enforced. In R. v. Nelkin, ²⁶ the Manitoba Court of Appeal dealt with a situation in which a social club steward was given the right by the club to sell decks of cards at substantial profit and on occasion took part of the gaming pot as part of his remuneration. The steward would have had the benefit of an exception if no portion of the bets or proceeds from games were directly or indirectly paid to him, as the keeper of a place which would in the absence of the exception be a common gaming house. The majority of the court considered the steward was carrying on his own separate private business for gain within the club. The arrangements were characterized as a "colourable device to evade the statute". The majority held:

They [social clubs] are by sec. 168(2) [the exception] granted privileges. These and no others they have. If such clubs wish to

carry on without interference they must keep strictly within the liberty allowed by sec. 168(2) and avoid setting up on the club premises a person who thereon operates a private business for gain, particularly one who, participating as a player, takes part of the gain out of the bets or proceeds from games played at the club.²⁷

Resort to legislative history, as evidence of legislative intent, is a somewhat uncertain and often criticized interpretive approach. It may, however, be instructive. In the case of the Code amendments establishing the current permitted lottery schemes, the evidence of legislative intent, such as it is, tends to confirm the view that gaming is to be kept within strict bounds and that allowing private profit from gaming activities was not among the intended purposes of the exceptions.

The Ontario Court of Appeal in R. v. Pamajewon²⁸ noted that the current gaming provisions of the Code can be traced to the 1957 report of the Joint Committee of the Senate and House of Commons on capital punishment, corporal punishment and the lotteries.²⁹ That report responded to a number of concerns: there appeared to be support for lotteries organized for "charitable and benevolent purposes", concerns that inconsistencies and anomalies in the law should be eliminated, an observable lack of public support for the existing prohibitions, and the desire to protect the public from fraudulent lottery schemes, which the committee described as those "where all or the major portions of the proceeds are taken by promoters operating under the guise of charity". Even in respect of lotteries described by the committee as "organized by reputable organizations for worthy purposes", there was a concern that some "had been entrusted to the management of professional promoters who had retained most of the proceeds". The committee also noted "there was evidence that professional operators had conspired to manipulate and cheat at bingo games and thereby gain valuable prizes".

The committee concluded that control of these frauds was difficult under then existing laws. The report concluded that regulation, not prohibition, would advance the public interest and recommended various exceptions to the Code prohibitions, including licensed lotteries "in support of charitable, religious and other community purposes". The report went to some length to recommend limits to prevent lotteries from being available to "professional promoters". On this subject, the report stated:

Prizes, although sufficient to attract patronage, should not be permitted to become so valuable as to create large lotteries because large lotteries inevitably attract professional operators. Essential expenses for printing and other necessities must be met but expenses for advertising should be curtailed and no payment by way of wages, commission or otherwise should be permitted for services of individuals in the promotion or conduct of the lottery.

Specifically, it should be a condition of each licence that the net proceeds of the lottery should be devoted to charity, religion or community welfare.

Limitation of expense is necessary to prevent the encouragement of professional operators by making permitted lotteries unprofitable and unattractive to them. Likewise, limitation of expense is essential to ensure that a reasonable proportion of the proceeds is devoted to the purposes for which it is organized.³⁰

The report went so far as to recommend that:

Special restrictions are necessary to ensure that the proceeds are not appropriated under the guise of rent either for equipment or premises. The experience of other jurisdictions indicates that rental of lottery equipment should be prohibited because the operation of such rental services attracts an undesirable element who would acquire a vested interest in the continuance of lotteries. Likewise, it is essential to limit the payment of rent for premises to a fixed sum and to prohibit any rent based on a percentage of the proceeds. The rent should be the fair economic rent ordinarily charged for such premises.³¹

The report concluded with a recommendation for the exemption of three types of lotteries, including:

Lotteries licensed by provincial or delegated authority in aid of charitable, religious and community purposes if they met the following conditions:

- (i) Retail value of prizes offered by any one organization not to exceed \$5,000 in any year.
- (ii) Expense to be limited by prohibition against payments to promoters or any other persons for services performed in connection with the lottery; by the limitation of rent and similar charges; and the restriction of advertising.
- (iii) Properly audited reports on the operation of each such lottery to be submitted to the licensing authority prior to the issue of a subsequent licence.³²

It is not possible to discern complete acceptance of these recommendations in the subsequent 1969 Code amendments. Indeed, the report had recommended against state lotteries, which were permitted by the 1969 amendments, and the amendments did not expressly include many of the limitations referred to in the report. It appears that the detail of the size and regulation of lottery schemes was to be left largely to local authorities. However, the legislative scheme was clearly intended to provide some constraints. These constraints are reflected in the conduct and management requirement and the restriction on the use of proceeds.

In introducing the amending legislation, John Turner, then Minister of Justice stated:

The nature of the proposed amendments might be described as a local option within prescribed limits set in the Code.... Charitable or religious organizations will be allowed to run lotteries under a provincial licence. How many and how big these lotteries may be will depend on the licences. ³³

Cases - Conduct and Management

The most important case on point is Keystone Bingo Centre Inc. v. Manitoba Lotteries Foundation.³⁴ Keystone, the owner of a commercial bingo hall, sought compensation after a change in gaming licensing policy by the Manitoba government effectively put the operation out of business.

The Manitoba Court of Appeal concluded no compensation was payable as the operation was illegal. An association of charities had been formed. The individual charities obtained licences to conduct and manage bingo games. The association entered into a lease with Keystone for the bingo hall. Keystone agreed to provide the premises and all necessary supplies. It agreed to supply the personnel required to conduct and manage the bingo events, including managers, bingo callers, checkers and security guards. It maintained and operated a canteen or concession facility. Keystone received rent equal to its direct operating expenses plus 15%, repayment of costs of improvements and equipment, amortized, and the cost of certain supplies, plus 20%. In addition, it received all concession revenue, except for a \$1,000 credit to the association.

The Manitoba Court of Appeal concluded the arrangement contravened the Code because Keystone was conducting and managing a lottery scheme and was sharing in the proceeds, holding:

Keystone carefully constructed an elaborate scheme to put itself in the position of a landlord simply renting out its premises. That scheme cannot conceal the reality that Keystone was conducting and managing a lottery scheme, a fact conceded by counsel for Keystone, or conceal the reality that the remuneration package went far beyond the typical landlord and tenant relationship and provided Keystone with a very real participation in the profits of the bingo hall operation.³⁵

The court held that the provisions of the Code did not permit an independent contractor to act as the "operating mind of the whole scheme", stating:

In our view Keystone did not come within the exception found in s. 190 (1) (c) (i) in the words '...and for that purpose for any person under the authority of such licence to do any thing described in any of paragraphs 189(1) (a) to (g)...' [now section 207 (1) (g)]. Those words can only relate to those persons who are directly associated with, and in a sense part of, the

charitable or religious organization for whom the exemption was defined. It was never intended to exempt from the provisions of s. 189 (1) (now section 206 - the offence provision) an independent contractor such as Keystone, who was the operating mind of the whole scheme.³⁶

This passage is arguably capable of a construction limiting those involved in conduct and management of permitted lottery schemes to "members" of the licensee. Alternatively, the true import of the passage may simply be that independent contractors may not conduct and manage a permitted lottery scheme. The former conclusion presents difficulty if persons who, because of the constitution and structure of the organization, may not be considered "members" assist as volunteers in the conduct and management of the gaming. The latter conclusion avoids this difficulty and is consistent with the current provision, s. 207(1)(g), which is premised on the lottery scheme being lawful under ss. 207(1)(a) to (f) (that is, conducted and managed by the identified persons or organizations) given that the acts of persons acting not on their own behalf as independent contractors, but on behalf of a principal, may be attributed to the principal.

In *Keystone*, the court viewed the scheme as "calculated to circumvent the provisions of the Code" and stated that "not even the legislature of Manitoba could give Keystone the colour of right to act in the manner which it did".³⁷

In British Columbia, the distinction between conduct and management and operational activities finds support in the April 17, 1998 decision of the British Columbia Supreme Court in *Great Canadian Casino Company Ltd.* v. City of Surrey.³⁸ In that case, a private sector company, under contract to the British Columbia Lottery Corporation, provided services necessary for the operation of slot machines. The court reviewed some of the cases referred to below and concluded the services provided did not amount to conduct and management of the gaming. The court did consider that the particular contractual arrangements amounted to a "profit-sharing scheme" between the Lottery Corporation and the private sector company, but stated that this did not automatically mean the private sector company had assumed conduct and management of the gaming and that an examination of all the indicia was required. On that examination, the court found that the private sector company was neither "its own master" in the operation of the slot machines, nor the "operating mind" with respect to the gaming.³⁹

As noted above there are a number of cases construing the words "conduct and manage" to determine whether particular individuals have committed an offence.

In R. v. McKenzie, Ennis and Meilleur, 40 the Ontario Court of Appeal held:

It remains to be considered whether or not the accused "conducted" the scheme. We believe they did. The word "conduct" is defined in the shorter Oxford English Dictionary as "the action...of guidance, leading, to lead, guide".

We believe that on the evidence all three of the accused...could be found to be guiding and leading the proposed recruits in the workings or the scheme and thus, "conducting" the scheme....

In R. v. Gladue and Kirby, 41 the Alberta Provincial Court stated:

The role of the "Cashier" and the "Caller" undertaken by each of the accused were essential in the conduct of the bingo event. The bingo event was clearly a scheme with the essential elements of a lottery being present: consideration, prize and chance...the term "conduct" certainly includes the physical operation of the event and each of the accused did, in fact, conduct the scheme described.

In R. v. Rankine, 42 the British Columbia Court of Appeal considered a charge that the accused conducted or managed a scheme for the purpose of determining the winners in a lottery. The accused sold foreign lottery tickets and performed incidental services. Martin C.J.B.C. held:

...when the practical effect of the section is looked at its intention is clear, to me at least, and it is that it is primarily aimed at those who have the power of control over the scheme complained of to determine, i.e., to select by whatever means, the winners in the lottery, and not at those who merely act as their servants or agents in affording persons in this country an opportunity by means of receipts or tickets or otherwise to try their luck in a draw.... ⁴³

In R. v. Miller, 44 the Ontario County Court found:

I am clearly of opinion [sic] that the scheme here contravenes the section in question, and that the accused was conducting the scheme. He evidently has all of Canada for his territory, he is free to appoint his own agents, and collects the money from them, forwarding it to headquarters.... Part of the scheme naturally was the selling of tickets and the collecting of money, and he was completely his own master in that respect in his own field.... To conduct or manage a scheme it is not necessary, in my opinion, that one should be the proprietor of it.

An annotation to the report of the Miller case notes:

It is not often that a case arises like the *Miller* case in which an agent is convicted under s. 236(1)(c)...in regard to conducting a lottery ["conducts or manages any scheme..."]. It is generally recognized that s. 236(1)(c) is primarily aimed at those who initiate and carry through the proceedings and make the selection of winners (citing *R. v. Rankine*). However, in the *Miller* case the Court holds that to "conduct the scheme" it is not necessary to be the proprietor of it. It should be borne in mind when dealing with the *Miller* case on this point that not only was a vast quantity of

lottery paraphernalia found on a search of the premises but there was clear evidence in the opinion of the Court that accused was carrying on a scheme, contrivance or operation within the meaning of s. 236(1)(c). The case *Rex* v. *Rankine* is clearly distinguishable.⁴⁵

In its 1978 decision in *Rockert*, discussed above, the Supreme Court of Canada used language suggestive of a distinction between operational involvement in, and conduct of, the gaming. In dealing with the definition of a common gaming house, the majority suggested the possibility of distinct roles and actors; for example, persons who kept and persons who used a place. The keeper of a common gaming house was referred to as "the person in control of the place who makes it available to others" and who, by virtue of the decision in *R. v. Kerim*, ⁴⁶ participates in some fashion in the "operation of the games played [emphasis added]". The user was referred to as "the person conducting the forbidden activities, whether or not he is a keeper [emphasis added]".

Use of Agents for Conduct and Management The question arises as to the manner in which the provincial government or the other named persons or organizations may fulfill the requirement that they conduct and manage the permitted lottery schemes, and the extent to which agents may be used for this purpose.

It is clear that s. 207 of the Code contemplates the exercise of conduct and management functions by agents of some sort, acting on behalf of either provincial governments or charities. Government and incorporated charities can act only through the agency of persons, be they natural persons (individuals) or artificial persons (corporations). In recognition of this fact and to shield such persons from criminal liability, s. 207 includes subs. (1)(g) which provides that it is lawful:

...for any person, for the purpose of a lottery scheme that is lawful in a province under any of paragraphs (a) to (f), to do anything in the province, in accordance with the applicable law or licence, that is required for the conduct, management or operation of the lottery scheme or for the person to participate in the scheme....⁴⁷

It is clear that this provision does not derogate from the requirement that conduct and management be that of the provincial government or charities, because the exception applies only where the lottery scheme is otherwise lawful under one of the preceding paragraphs. As a result, the acts of others, to the extent they amount to conduct and management, must be attributable to, or in effect be the acts of, the provincial government or the licensed charity.

Use of Agents By Government

Government gaming in Canada is typically conducted and managed on behalf of provincial governments by Crown corporations, pursuant to enabling legislation under which those corporations are expressly made Crown agents. In some provinces, private sector service providers are relied on for operational services

and are or may be involved in conduct and management functions, for which purpose they are or may be engaged as government agents. Agency relationships with private sector entities may arise under contract or statute. At least one province has provided for a limited statutory appointment. 48

Statutory Appointment of Crown Agents

Statutory appointment may be expressed as being for all purposes (which will encompass all purposes contemplated by the statute and in furtherance of a Crown purpose) or for only certain limited purposes.

It is clear that the words "government of a province" in s. 207(1)(a) include entities that are Crown agents for all purposes. In *Formea Chemicals Ltd.* v. *Polymer Corp. Ltd.*, ⁴⁹ the Supreme Court of Canada held that s. 19 of the *Patent Act*, ⁵⁰ which allowed the "Government of Canada" to use patented inventions on payment of reasonable compensation to the patent holder, also applied to Crown agents. The court equated "Government of Canada" with the Crown and held:

In my opinion the Crown, under s. 19, has an unrestricted right to use a patent. It caused the respondent [Polymer] to be incorporated to manufacture, sell and deal in synthetic rubber and made the respondent, for all its purposes, its agent. The use by the respondent of the patent was, in the circumstances, a use by the Crown within s. 19. This being so, there was no infringement by the respondent of such patent.⁵¹

Express statutory designation as a Crown agent "for all purposes" is effective to confer that status and the enjoyment of the associated statutory immunity, even without any particular governmental controls as such over the agent's activities. In R. v. Eldorado Nuclear Limited, 52 the majority of the Supreme Court of Canada, referring to Formea Chemicals, held:

The 'agent for all its purposes' designation was held to be determinative; there was no inquiry into the actual independence of Polymer. I think this case makes it clear that when an enactment refers to the Crown, and a particular body is expressly made a Crown agent for all purposes, the enactment embraces the statutory agent.⁵³

If there is an express statutory appointment as a Crown agent for certain purposes rather than "for all purposes", the court may conclude that for other purposes the entity is not a Crown agent or was not in particular circumstances acting for a Crown purpose. In so determining, courts often have resort to the common law control test, discussed below. However, as long as the entity is clearly acting within the scope of authority expressly granted to it as agent, and within its authorized purposes as agent, it will likely be held to be acting on behalf of and for the benefit of the Crown. In *Eldorado Nuclear*, the majority of the court stated:

When a Crown agent acts within the scope of the public purposes it is statutorily empowered to pursue, it is entitled to Crown immunity from the operation of statutes, because it is acting on behalf of the Crown. When the agent steps outside the ambit of Crown purposes, however, it acts personally, and not on behalf of the state, and cannot claim to be immune as an agent of the Crown. This follows from the fact that s. 16 [now s. 17] of the Interpretation Act [of Canada, which provides that statutes do not bind the Crown except as mentioned] works for the benefit of the state, not for the benefit of the agent personally. 54

This suggests that, for the purposes of a particular statute, a Crown agent appointed for limited purposes should be included in the meaning of any reference to government if, but only if, the activity that is the subject of the agency appointment is the very activity that is the subject of the provision in which reference is made to government.

If there is no express statutory designation as a Crown agent, the court will consider the extent of the right of the Crown to control the agent (*de jure* control), not the control exercised in fact. Resort to consideration of control is not required where there is express statutory language indicating that the body acts on behalf of or as an agent of the Crown because "the position at common law is not that those under *de jure* control are entitled to Crown immunity, but rather that immunity extends to those acting on behalf of the Crown". The control test is simply the means to determine whether the body acts on behalf of the Crown where the statute does not expressly so provide. The court in *Eldorado Nuclear* noted that:

At common law the question whether a person is an agent or servant of the Crown depends on the degree of control which the Crown, through its minister, can exercise over the performance of his or its duties. The greater the control, the more likely it is that the person will be recognized as a Crown agent. Where a person, human or corporate, exercises substantial discretion, independent of ministerial control, the common law denies Crown agency status. The question is not how much independence the person has in fact, but how much he can assert by reason of the terms of appointment and nature of the official. ⁵⁶

Referring to situations where the statute does not expressly indicate whether the body is a Crown agent, Professor Flannigan, states:

Lord Wright's novel approach [in Montreal Locomotive, discussed below] was offered in a case concerned with a contractual Crown agency situation. Presumably, it would equally be applicable in a statutory Crown agency situation. In the former case there would be a control analysis of contractual provisions, and in the latter, a control analysis of statutory provisions. Crown status would attach if there were a sufficient connection or relationship. The effect of the test, in the present context, is to define as a Crown agent any person or body engaged

in an activity or operation which the government controls in whole or in part. This is in conformity with Dickson C.J.C.'s suggestion in *R. v. Eldorado Nuclear Limited*. A sufficient degree of control would be any significant government control.⁵⁷

Contractual Appointment of Crown Agents

Crown agent status may be conferred contractually on a private person, but mere designation as such, without more, is not determinative. Under the common law test, it is the degree of control government has over the person (as discussed in *Eldorado Nuclear*, referred to above) that determines whether a contractual relationship is one of Crown agency.

The leading case on contractual Crown agency status, *Montreal v. Montreal Locomotive Works Ltd.*, ⁵⁸ focuses not merely on the ability to control the manner of the work (the traditional approach to drawing a distinction between servants and independent contractors), but on what has been described as an "enterprise control" test. ⁵⁹ The decision in *Montreal Locomotive* advocates a test involving "(1) control; (2) ownership of the tools; (3) chance of profit; (4) risk of loss" and states that "control in itself is not always conclusive". ⁶⁰ Montreal Locomotive Works Ltd. managed the undertaking, but was subject to such supervision, direction and control as the government should desire to exercise, supplied no financing for the undertaking, took no risk of loss or liability, and received a fee only for management services, "something very different from the risk of profit or loss". ⁶¹ In the circumstances of the case, the company was held to be a Crown agent, not an independent contractor.

In discussing the approach taken in *Montreal Locomotive*, Professor Flannigan states:

The result of this change was to reveal a simple and intuitive basis for differentiating between servants and independent contractors. The difference between servants and independent contractors becomes the difference between enterprises. If there are two distinct enterprises [i.e. that of the employer and that of the worker], the worker is not the servant of the employer. If no separate worker enterprise can be identified, the worker is only a servant of the employer's enterprise.

The precision of this approach is found in the "enterprise control" test extracted from Lord Wright's judgment [citing R. Flannigan, "Enterprise Control: The Servant- Independent Contractor Distinction" (1987), 37 U.T.L.J.25]. This test involves assessing the control associated with the productive employment of the assets of the activity or operation in question. As discussed at length elsewhere, the test identifies whether or not separate enterprises are being carried on [citation deleted]. A separate worker enterprise will be found on the basis of this test if there is a high degree of worker control. That is, separate enterprises will not be found if the employer exercises more than a nominal

degree of control in relation to the activity or operation. The test is straightforward. The 'enterprise' aspect is the conceptual background or framework for analysis. 'Control' is the factor which is analyzed to determine if a separate enterprise exists. 62

The context under consideration imposes an additional requirement. Under s. 207(1)(a) of the Code, provincial government conduct and management of lottery schemes must be "in accordance with any law enacted by the legislature of that province". Any contractual appointment of agents should therefore, in this context, be authorized by statute.

Gaming Cases - Crown Agency Issues

There has been some judicial consideration of the use of agents in provincial government gaming.

In Alberta Shuffleboards (1986) Ltd. v. Alberta, 63 a group of operators of coin-operated amusement machines sought an injunction to prohibit a video lottery scheme introduced by the Alberta government. Under the Alberta Interprovincial Lottery Act, 64 the Minister was given the authority to conduct, manage and operate lottery schemes on behalf of the government and to enter into agreements with individuals, partnerships or corporations regarding the conduct, management and operation of lottery schemes on behalf of the government. The legislation further provided:

- 3. The Minister may issue a licence to any person authorizing that person, as agent of the Government of Alberta, to conduct, manage and operate a lottery scheme within Alberta and to carry out the terms of any agreement under this Act.
- 4. A licence issued under this Act shall contain any terms and conditions the Minister considers appropriate.

A partnership of two private sector companies had been licensed to conduct, manage and operate a lottery scheme to be known as the "Video Lottery" and acted, in that regard, as an agent of the Alberta government. Applying the Alberta *Proceedings Against the Crown Act*, the court concluded that since an injunction was not available against the Crown, it was not available against a Crown agent. ⁶⁵

Despite this conclusion, the court went on to consider the merits of the injunction application and, in so doing, referred to s. 207(1)(a) of the Code and the provincial legislation, stating:

These particular Statutes now permit a Province or its duly authorized Agents to engage in what was formerly an illegal activity, and to set the Rules and Regulations under which those activities may be conducted.

I have already referred to s. 3 of the Interprovincial Lottery Act which clearly points out that the Minister is unfettered in issuing a

Licence to any person, authorizing that person as Agent of the Crown to conduct, manage and operate a lottery scheme within Alberta and to carry out the terms of any agreement under the Act. In addition it also provides that a Licence issued thereunder shall contain any terms and conditions the Minister considers appropriate.

Regardless of what terminology is used to describe such appointments by the Minister, they are in fact lawful and not open to challenge. Accordingly, as already indicated, no serious issue to be tried exists.⁶⁶

The Provincial Court of Manitoba in R. v. Nelson⁶⁷ considered contractual relationships between the Manitoba Lotteries Corporation (MLC), a provincial Crown corporation, and private sector operators. The contracts dealt with the use of premises and the provision of services required for the operation of video lottery terminals (VLTs). Despite the fact that the private sector operators' compensation was set at 90% of the net revenue from the VLTs, the court found that the agreements were essentially agency contracts and that, pursuant to those agreements, the MLC effectively controlled all aspects of the video lottery scheme.

The MLC site holder agreements relating to the operation of VLTs were again considered in R. v. Warwaruk.⁶⁸ The Manitoba Court of Queens Bench noted that the agreements constituted the Nelson House First Nation Band as an "agent" of the MLC. The MLC owned and serviced the VLTs, while the band otherwise managed and ran the "entire operation". The court accepted that, "legally and officially", the MLC was conducting and managing the gaming, stating: "The gaming operations were carried out under the auspices of the MLC and were not unlawful." ⁶⁹

This argument did not prevent the conviction of Warwaruk, a third party, for keeping a common gaming house. Warwaruk had participated with the band in control of the lottery scheme in various ways. Although he did not have complete control, he exercised a significant "degree" of control. He had been instrumental in the planning of the operations, arranged for contractors, paid for renovations, gave directions to managers of the gaming houses as to bank deposits, and arranged for insurance on equipment. The court also found that he exercised control through funding agreements, which required, among other things, that the band maintain the VLTs in good operational order, and which had a term of five years, the result of which was that the bands "were not at liberty to exercise the important management right to close down the operations at an earlier date without the consent of [Warwaruk]." This degree of control, coupled with participation in the profits (to the extent of 45%), caused the court to conclude that Warwaruk was the keeper of a common gaming house. Section 207(1)(a) of the Code did not shelter the accused, as:

...the operations were in themselves gaming activities which were prohibited and unlawful and that, while the Code did not apply to the government, it did not exempt the accused from prosecution....

Thus, while it was undoubtedly lawful for the MLC to conduct and manage the lotteries in question, it was not lawful for the accused to do so.

Reliance on this authority for an indication of the difference between conduct and management on the one hand and operations on the other must be approached with caution. There is no reference in the decision to s. 207(1)(g) and no apparent consideration of any difference between conduct and management or operational activities. The apparent equation of a person who is a "keeper" of a common gaming house with one who conducts and manages a lottery scheme is arguably incorrect. A keeper is one who has management and control *over the premises* and participates in some way in the unlawful activity, but the extent of participation need not amount to conduct and management; participation of an operational or functional nature suffices when combined with control of the premises.

Effects of Crown Agency

If a Crown agent acts within the scope of its authority or within the purposes for which the agency was created, then it will be permitted to invoke those Crown immunities that are germane to the Crown purpose in which it is engaged. If a Crown agent were found to be acting outside the scope of its authority, then the Crown immunities would not be available to the agent. This is true whatever the form of appointment, including appointment by statute "for all purposes" because this phrase will be interpreted to encompass only all purposes within the contemplation of the enabling legislation.

At common law, the Crown and its agents were immune from statute unless a statute expressly or by necessary implication provided otherwise. It is open to the provincial legislature and federal parliament to determine the extent of application of their respective laws to the Crown, subject only to constitutional considerations of the extent to which one order of government may exert jurisdiction over the activity of the other, as in s. 125 of the Constitution Act, 1867, which provides that no "lands or property belonging to Canada or any Province shall be liable to Taxation". This provision does not provide any immunity from taxation of lands or property (including income) of a private sector entity, even one appointed for limited purposes as a provincial Crown agent, if the lands or property were owned by that entity in its own right.

Section 149 of the federal *Income Tax Act* provides a series of exemptions for corporations owned directly or indirectly by the Crown (generally where there is 90% or greater Crown ownership). These exemptions would not apply to a private sector service provider, even if it were appointed as a Crown agent for the purpose and to the extent of incidental involvement in conduct and management of government gaming. Furthermore, goods or services acquired by the private sector service provider, for its own purposes in providing operational services

under contract to a Crown corporation, would not be exempt from the imposition of federal goods and services tax under the Excise Tax Act.⁷⁰

The application of statutes to the Crown is now the subject of legislation at both federal and provincial levels. Section 17 of the federal *Interpretation Act* provides that the Crown is not bound except to the extent mentioned or referred to. In British Columbia, this position has been reversed. Section 14(1) of the provincial *Interpretation Act*⁷¹ provides that enactments (all statutes, regulations, etc.) apply to the Crown unless the Crown is expressly excepted. This is qualified by subs. 14(2), which excepts the Crown from application of enactments that would bind or affect it in the use or development of land. The provincial legislature may specify that a Crown agent does not have all the same statutory immunities as does the Crown itself. Section 125 of the *Constitution Act*, 1867 does not restrict the provincial government from taxing its agents.

Crown agency does not necessarily insulate the agent from liability under substantive law. In his treatise on Canadian constitutional law, Professor Hogg states:

Assuming that a Crown agent is a suable entity, the next question is whether the rules of substantive law operate to impose liability on the Crown agent. Generally speaking, the case-law assimilates a Crown agent to an individual Crown servant, and holds the Crown agent directly liable in those circumstances where a Crown servant would be personally liable. On this basis, a public corporation may be liable in tort or contract (or other head of liability) despite its status as an agent of the Crown.

...The possession of the legal capacity to sue or be sued carries the implication that a public corporation can be entitled to rights and subject to obligations in its own right. 72

From the government's perspective, where there is a valid Crown agency and the acts of the agent are performed within its authorized powers and for a Crown purpose, the agent's actions become those of the government itself. The Canadian *Charter of Rights and Freedoms* may apply to a Crown agent performing governmental functions under government control. In some instances, the government may bear some responsibility for the agent's *Charter* violations. Also, the government itself may in certain circumstances incur primary contractual or tort (civil wrongs, such as negligence, etc.) liability as a result of the Crown agent's acts or omissions.

The Crown is liable in contract, as principal, if a contract is made on its behalf and for its benefit by an authorized agent, acting within the scope of its authority. It is possible for a Crown agent to incur contractual liability in its own right as well, but not if it is acting *only* as a Crown agent in so contracting. In certain circumstances liability may attach to the principal for contracts entered into by an agent even where the agent exceeds his authority, if the agent has apparent or ostensible authority and the other contracting party relies on that authority.

Crown agents enjoy no immunity from liability for torts committed by them. In some circumstances direct or vicarious liability may also attach to the Crown for acts or omissions of certain agents.⁷³

Any appointment of a Crown agent must take account of the effects of such an appointment. This is particularly so if the Crown agent is a private sector entity. The extent to which provincial laws bind the agent may be addressed by statute. Other risks may be managed by limiting the scope of the agency itself. In this context, contractual provisions between a Crown corporation and a private sector entity may be used to manage particular risks.

Summary - Crown Agents

The British Columbia Lottery Corporation conducts and manages ticket lottery schemes and casino gaming in the province. The Lottery Corporation is a Crown corporation and carries on its activities as an agent of the government "for all purposes" pursuant to s. 3(1) of the Lottery Corporation Act. It falls therefore within the meaning of "government of a province" in s. 207(1)(a) of the Code. The Lottery Corporation has adopted an operating model for casino gaming in which it contracts with private sector service providers for the supply of premises and certain services. This operating model endeavours to restrict the role of private sector service providers to operational functions and ensure control by the Lottery Corporation. This model will be the subject of judicial scrutiny in proceedings currently before the courts.

Uncertainty remains because it is difficult to discern the precise dividing line between activities related to gaming that amount to mere operational services and activities that are in the nature of conduct and management. A provincial statutory scheme for government gaming that confers Crown agency status on a private sector service provider to the extent it engages in or is involved in conduct and management should help to resolve that uncertainty. A statutory appointment should serve to ensure that no incidental involvement by the service provider in an activity found to amount to conduct and management would put the lottery scheme at risk of conflicting with the provisions of the Code.

Given the implications of appointment as a Crown agent and given that it is neither appropriate nor required in the circumstances, any such statutory appointment should not be "for all purposes", but should extend only to the incidental involvement in conduct and management.

It would appear advisable to provide clearly for government control over any private sector operator statutorily designated as a Crown agent for the limited purpose of involvement in conduct and management of government gaming. The statutory scheme should be such that the gaming enterprise is controlled by the government. This would serve as additional support for the conclusion that the service provider is, to the extent of any involvement in conduct and management, within the meaning of "provincial government" in s. 207(1)(a) of the Code.

The statute appointing the Crown agent should deal in an appropriate manner with the extent to which the agent is to be bound by provincial enactments. The statutory provisions should not be seen as a replacement for contractual arrangements with the Lottery Corporation that would restrict and control the activities of the private sector service provider. Without attempting to characterize the services and functions provided by the private sector service provider as "operational" or as "conduct and management", the contractual model should restrict the service provider to carrying out functions involving either no exercise of discretion, or only the exercise of limited discretion which is subject to the control of the Crown corporation.

Use of Agents By Charitable or Religious Organizations

As noted above, incorporated charities may act only through the agency of other persons. For this reason, s. 207(1)(b) of the Code must be taken to contemplate that conduct and management by a charity may be undertaken through the agency of others, be they directors, officers, employees or other agents. Agents may, as a matter of law, include paid agents or volunteers (characterized as gratuitous agents) and may be natural persons or corporations.

Unincorporated charities may be licensed to conduct and manage gaming. An unincorporated association is not a distinct legal entity. It is nothing more than a group of persons who agree, implicitly or explicitly, collectively to advance a common purpose. Such associations may be organized with varying degrees of formality, but the relationship of the members is essentially contractual. They have agreed to act together, and to govern themselves in certain fashions when so acting. Because the unincorporated association is not a legal entity, licensing of the association must be seen as licensing of the individual members acting in furtherance of their common purpose.

An unincorporated association does not itself have legal capacity to contract, whether to hire employees or appoint agents or otherwise. Where such associations purport to do so, the true legal relationship between the employee or agent and the association is generally found to involve the employee or agent and some or all of the association's members in their personal capacities. Volunteers acting for and on behalf of such unincorporated associations may be considered members, or perhaps gratuitous agents, depending on the structure of the association.

The question then is not whether agents may be used, but rather what type of agents may be used. As a matter of agency law alone, the principal/agent relationship may, but need not, be characterized by a particular nature or degree of control by the principal. However, in the gaming context, the legislative scheme requires that conduct and management be that of the charity. Indeed, unless this is so, other persons do not have the benefit of the exception in s. 207(1)(g) of the Code when engaged in activities required for the conduct, management or operation of a lottery scheme. To the extent that those activities amount to conduct and management, they must be attributable to the licensed charity. This would exclude persons whose relationship with the licensed charity would be characterized as that of an independent contractor. Much as an independent contractor would not be considered a Crown agent (see the discussion above of the Montreal Locomotive case) and would not fall within the meaning of "provincial"

government", such a person should not be understood to fall within the meaning of "charitable or religious organization" in s. 207(1)(b) of the Code. This was the conclusion in the *Keystone* case, discussed above in some detail. There the Manitoba Court of Appeal did not construe s. 207 as intending to exempt from the general gaming prohibitions an independent contractor "who was the operating mind of the whole scheme".⁷⁴

Central to the identification of independent contractors is the nature and degree of control exercised by the principal. Traditionally, the distinction between independent contractors and servants lies in the right of the principal to control the manner of the work. As stated by the authors of *Bowstead & Reynolds on Agency*:

An independent contractor has been defined as one who undertakes to produce a given result, but so that in the actual execution of the work he is not under the orders or control of the person for whom he does it and may use his discretion in things not specified beforehand.⁷⁵

As noted above, in the discussion of contractual appointment of Crown agents, the *Montreal Locomotive* case introduced the use of a test described by one commentator as an "enterprise control" test. ⁷⁶ Application of this test broadens the focus from control of the manner of work to control of the enterprise itself and imports elements such as ownership of the productive assets and the chance of profit or loss from the enterprise. The test posits the question: whose business is it? Adapted to the gaming context, this test allows for a distinction that, although fine, is fundamental. The gaming business should be that of the licensed charity, not that of an unlicensed operator (whose business may instead be the provision of facilities and services). The gaming business and the service provider must be subject to the control of the charity.

It seems reasonable to conclude that a service provider, over whom the licensed charity has control, may be appointed as its agent and may, in that capacity, be involved in conduct and management of gaming under s. 207(1)(b) of the Code. Its activities in that capacity should be regarded as those of the charity. In order to avoid characterization as an independent contractor, the service provider should not have any independent discretion beyond the control of the licensee. Where the service provider is the owner of the productive assets and has the chance of profit (or risk of loss) from the gaming itself, the risk of characterization as an independent contractor is increased.

There appears to have been no judicial consideration of the use of a service provider to conduct and manage gaming as an agent of a licensed charity. In the absence of such consideration, the effectiveness of these arguments remains open to question. The *Keystone* decision, discussed above, renders the issue no more certain. The better view, however, appears to be that it is only those persons acting on their own behalf, as independent contractors, who may not be involved in the conduct and management of gaming under s. 207(1)(b).

In order to survive judicial scrutiny, it is critical that the licensee have not only the right but the capacity, in practical terms, to exercise control over the service

provider. In the absence of real control, which must include the ability to terminate the agency if necessary, there is a risk that a court would not find that a true agency relationship exists. This may pose difficulty in halls with multiple licensees, under current operating circumstances, where the reality of the right and ability of any individual licensee to exert control may be subject to question. The number of persons involved on behalf of the licensee and other elements of the structure of the licensing and operational regime, may present limitations on the control which may be exerted over the service provider. These limitations may militate in favour of a different licensing structure, in which one licensee conducts and manages the gaming for the ultimate benefit of multiple charities.

Summary -Conduct and Management Clearly, substance rather than form will be crucial to a determination of whether a person or entity is engaged in conduct and management. The court will look behind the contractual arrangements to determine the true nature of the relationship among the parties involved in conduct, management and operation of the lottery scheme. It is unlikely that any single factor will be determinative; rather, the entire factual context will be considered. As one author has put it:

The overall approach of the courts seems to focus on the reality behind any scheme. The court examines the scheme to determine who is guiding or leading the scheme, who is controlling the major decisions and who is benefiting directly from the lottery scheme. There does not appear to be a simple laundry list; rather, it requires an examination of the complete scheme as it is implemented or to be implemented to determine who is conducting and managing a lottery scheme. ⁷⁷

It appears that regulation of a lottery scheme does not in and of itself amount to conduct and management. Parliament could simply have decriminalized lottery schemes that are regulated by provincial authorities, but it did not. It decriminalized those conducted and managed by a provincial government or by a licensed charity.

Conduct and management is not simply a matter of having a dominant role. The government or licensed charity must be the "operating mind" of the lottery scheme. It must be the party leading, directing and controlling the lottery scheme. Conduct and management is not to be shared. Those discretionary elements of the design and implementation of a lottery scheme which establish its very character or nature likely comprise conduct and management activities. Decision -making power in these respects must not be exercised by a service provider in the capacity of an independent contractor. An independent contractor should be confined to carrying out a merely functional (i.e. operational) role if the activities in question pertain to the essential character or constituent elements of the lottery scheme. That role should be performed in accordance with specifications of the operating mind of the lottery scheme. Any decision-making power left to an independent contractor in the design or implementation of the lottery scheme increases the risk that the independent contractor will be found to be, in part or in whole, conducting and managing the lottery scheme. If some element of conduct and management is in the hands of an independent contractor, the fact that the government or a licensed charity has an ownership or proprietary interest in the lottery scheme will

not save it. Finally, participation in gaming profits may be indicative of conduct and management.

In general, it might be expected that business activities common to any commercial undertaking and not unique to gaming will be within the permissible bounds of services provided by independent contractors (provision of premises, janitorial or concession services, etc.). In *R. v. Kerim* and other authorities, such activities have not been considered sufficient in and of themselves to amount even to participation in the operation of the gaming activity for the purpose of conviction for keeping a common gaming house.

Provision and maintenance of premises and other types of ancillary services ought not to be viewed as part of the conduct and management of the lottery scheme as such. If the exemption in s. 207 is engaged, the Code should not prohibit a person from leasing commercial space or providing concession or other operational services at premises that would otherwise be a "common gaming house".

To the extent that these activities do not of themselves amount to conduct and management of gaming, no particular control over the manner of their performance need be vested in the government or licensed charity in order to meet the Code requirements.

However, payment for these services should not be structured in such a way as to indicate arrangements other than would be made for such services in non-gaming contexts. Indeed, as discussed below, the financial arrangements may have to be more carefully structured than might otherwise be the case due to the restriction on use of proceeds from charitable gaming.

It is in respect of the elements of the gaming itself that an independent contractor must be most strictly confined. To minimize the risk that the independent contractor will be found to be in any way the operating mind of the lottery scheme, there should be no discretion left to the independent contractor in respect of the gaming itself.

Remuneration for operational services should be designed to minimize any risk that it will be viewed as an indication of conduct and management by other than government or a licensed charity. This risk is minimized where a fee for service provides only for cost recovery. More risk is entailed in a fee for service that includes a reasonable return on investment or a profit margin. However, the key may well be the amount of the return or profit margin. Returns that are not defensible as reasonable market rates or profit margins for the services in issue (without regard to the gaming context) might adversely colour the view taken of the operational arrangements. The form adopted for the fee for service will also bear on the risk. For instance, a fixed charge would less likely be viewed as indicative of conduct and management than would a percentage of the gaming revenues. Remuneration that varies with the success or volume of the gaming presents a higher risk of being seen as indicating conduct and management of the gaming by the recipient of that remuneration. If such a compensation structure is used, particular attention will be required to ensure that, when viewed as a whole,

the operational arrangements do not indicate that the independent contractor is conducting and managing the lottery scheme, in whole or in part.

An alternative approach to attempting to discern a clear division between conduct and management on one hand and operational services on the other, is to ensure that any involvement of a service provider in conduct and management is only as an agent of government or of the licensed charity as the case may be. In this context, "agent" is used as distinct from "independent contractor" and refers to persons who act on behalf and under the control of a principal. The acts of the agent should be attributable to the principal. In this manner the conduct and management requirement is met, with the result that the principal has the benefit of the exception in s. 207(1)(a) or (b) and the agent has the benefit of the exception in s. 207(1)(g).

An agent for the provincial government may be appointed by statute, but an agent for charities may be appointed only by contract. The contractual agency appointment must be real. Mere designation as such, without more, will not suffice. The charity must have the right and ability to exert control over the agent. The agent may have no area of independent discretion in relation to the gaming beyond the principal's control. Other elements of the relationship may also be taken into account in determining whether a real agency relationship exists. If the purported agent has ownership of the productive assets used in the gaming and has the chance of profit or risk of loss depending on the success of the gaming, this may lead a court to conclude the service provider is an independent contractor. The gaming enterprise must in essence be that of the government or the licensed charity.

It should be noted that reliance on establishing an agency relationship, particularly in the charitable gaming context, will not necessarily provide greater certainty than will reliance on restricting an independent contractor to mere operational functions. Success in either approach will depend on the particular facts and the details of the arrangements between the parties.

3.5 Charitable or Religious Organizations

The Criminal Code of Canada has, since 1969, allowed for the conduct and management of gaming by "charitable or religious organizations", if licensed by provincial government authorities. Between 1938 and 1969, places used "occasionally" by "charitable and religious organizations" were excluded from the Code definition of a common gaming house. It is necessary to determine what forms or types of organizations are eligible to be licensed. The focus of this discussion will be "charitable organizations", a term not defined by the Code. Although not directly applicable in determining eligibility for licensing under the Code, provisions of the federal *Income Tax Act* dealing with registered charities must be considered as the tax exemptions they confer may influence the form and structure of gaming activities.

ADVICE TO MINISTER

CONFIDENTIAL DRAFT GCPE-FIN ISSUE NOTE

Ministry of Finance Date: February 07, 2014

Minister Responsible: Michael de Jong

Proposed pilot for gaming on BC Ferries

DRAFT

ADVICE AND RECOMMENDED RESPONSE:

- It is still very early in the process and there's a great deal of work to be done before any decision is made about gaming on B.C. Ferries.
- Government is developing proposals for a pilot project that will assess the viability of introducing gaming on B.C. Ferries.
- If successful, net gaming revenues could help reduce the pressure on general fares.

KEY FACTS REGARDING THE ISSUE:

On November 18, 2013, the Ministry of Transportation and Infrastructure released details of changes being implemented or considered to improve B.C. Ferries. One of the items for consideration is the introduction of a pilot project to assess the viability of gaming on major routes between Vancouver Island and the Lower Mainland.

Media have raised a number of questions regarding when the pilot project will begin and what types of gambling will be available.

No decisions have been made about gaming on B.C. Ferries. Government is developing proposals for a pilot project that will assess the viability of introducing gaming on B.C. Ferries. If successful, net gaming revenues could help reduce the pressure on general fares.

Communications Contact: Glen Plummer Program Area Contact: Suzanne Bell

File Created: File Updated: File Location:

Program Area	Comm. Director	Deputy	Minister's Office

250 387-3514 250 387-3211 Pages 66 through 71 redacted for the following reasons:

s14, s17



NEWS RELEASE

For Immediate Release [release number] [Date]

Ministry of Transportation and Infrastructure

Moving towards a sustainable coastal ferry service

VICTORIA – The government of B.C. has reviewed the 2013 B.C. Coastal Ferries Engagement Summary Report, which was made public today. The Province confirms \$18.9 million in service reductions will be implemented beginning this spring to better align service levels to demand. Government is also proceeding with a reduction in the seniors' discount, and will pursue a gaming pilot project.

These changes are in keeping with government's vision of a coastal ferry system that's affordable, efficient and sustainable, while protecting basic services.

Taxpayers have provided an additional \$86.6 million to BC Ferries to 2016 to help reduce the pressure on fares. That brings provincial and federal funding to over \$200 million this year and to \$1.7 billion over the last 10 years to support coastal ferry services. As well, BC Ferries is on track to find \$54 million in efficiency improvements to 2016.

That leaves \$18.9 million in net savings necessary over the next two years to meet the requirements under the current price cap. BC Ferries is reducing service on the minor and northern routes, which will account for \$14 million in net savings. These service adjustments will be implemented beginning this spring.

BC Ferries will meet with designated community representatives to refine the schedules on the affected minor and northern routes, taking into account the community input received during engagement. For example, on some routes, there are opportunities to eliminate mid-day sailings in favour of retaining early morning or late evening sailings. The final schedules will be made public by the end of March.

BC Ferries will also implement further changes to the major routes (Tsawwassen to Swartz Bay, Tsawwassen to Duke Point and Horseshoe Bay to Departure Bay) prior to April 2016 to achieve \$4.9 million in savings. BC Ferries will be undertaking the analysis to develop these potential service reductions. Minor and northern routes will not be affected by these changes.

With respect to Route 40, government and BC Ferries are responding to issues raised by Bella Coola residents during the engagement by expanding the summer connector service. This service between Bella Coola and Bella Bella will increase from one sailing per week to three to four sailings per week in the summer, using the MV Nimpkish. This will also help mitigate the tourism impacts while the industry develops new options for circle tours.

Effective April 1st, seniors (65 and older) travelling Monday to Thursday on major and minor routes will pay a half-price passenger fare. Currently, B.C. taxpayers cover the full cost of their passenger fare. Government will continue to provide the same level of funding to BC Ferries.

The additional revenue from seniors' passenger fares will help reduce pressure for future fare increases, benefitting all ferry users. Seniors currently pay full price for their vehicle, and will continue to do so.

Government is pursuing a gaming pilot project on one of BC Ferries' major routes and revenues would be directed to reduce pressure on future fare increases.

More than 3,700 people participated in public meetings during the engagement process that ended last December, with 2,300 feedback forms and over 1,300 written submissions received by government.

Long term, the government of B.C. and BC Ferries will continue to explore strategies to support an affordable and sustainable ferry system beyond 2016. This will include looking at standardized and no-frills vessels, LNG propulsion, other alternative technologies, a new reservation and point-of-sale system, increased operational efficiencies and seeking federal infrastructure funding to renew the fleet and terminals.

Minister of Transportation and Infrastructure Todd Stone -

"We are making these tough decisions today in the interest of the taxpayers of B.C., and for the future of the coastal ferry service and the communities they serve. Better alignment of service levels to the demand, while protecting basic levels of service, is necessary to ensure a coastal ferry service that's affordable, efficient and sustainable for future generations."

BC Ferry Commissioner Gordon Macatee -

"All of the principle stakeholders – users, taxpayers and the ferry operator - need to be part of the solution in order to achieve a ferry system that is affordable and financially sustainable. In my 2012 report, I recommended improvement to the ferry system's capacity utilization, and the service adjustments announced today support that recommendation."

Learn More:

The summary report on the 2013 B.C. Coastal Ferries Community Engagement is available at www.coastalferriesengagement.ca

For information on the BC Ferry Commission, visit http://www.bcferrycommission.com

Two backgrounders follow.

BACKGROUNDER

Public input has helped shape coastal ferries' future

May 1, 2011: Gordon Macatee appointed the new BC Ferry Commissioner, replacing Martin Crilly, who had served since 2003.

May 24, 2011: In response to a request by BC Ferry Commissioner Gordon Macatee, the government of British Columbia introduced legislation to support the commissioner's review of the province's coastal ferry system in light of public concern about rising ferry fares.

Jan. 24, 2012: BC Ferry Commissioner Gordon Macatee delivered his review of the Coastal Ferry Act, following a comprehensive public consultation process which included over 40 meetings with approximately 2,000 participants. The key themes that emerged from the consultation were affordability, accountability and financial sustainability.

May 9, 2012: In response to the independent BC Ferry Commissioner's review, government introduced amendments to the Coastal Ferry Act. In addition, government increased its funding to BC Ferries through 2016, and asked BC Ferries to find additional savings through efficiencies.

Oct. 29. 2012: The government of B.C. began a public consultation and engagement process on the future of coastal ferry service in British Columbia, to inform decisions about service adjustments, and to get public input on strategies to support a long-term vision for the service.

March 5. 2013: The report summarizing the consultation was released. Over the eight weeks, senior ministry staff hosted 40 public consultation meetings in 30 communities, along with one webinar. More than 2,000 people attended the public meetings and almost 2,000 feedback forms and written submissions were received.

Nov. 18. 2013: The government of B.C. announced a second public engagement process. The purpose was to seek input on measures that are intended to maintain a sustainable ferry service while minimizing the rate of future fare increases through a combination of service adjustments, a reduction in the senior's discount, and a potential new revenue source.

Contact:

Lisanne Bowness Government Communications and Public Engagement Ministry of Transportation and Infrastructure 250 356-8241

Community Engagement Summary Report Q&As Feb. 4, 2014

- 1. The summary report shows no public support for service reductions, little support for the reduction in seniors' discounts, and minimal support for gaming. Why didn't government listen to the public?
 - B.C. taxpayers have provided an additional \$86.6 million to 2016 to help reduce the pressure on fares.
 - That brings funding from B.C. and the Government of Canada to more than \$200 million this year, and to nearly \$1.7 billion over the last 10 years to support coastal ferry services.
 - In addition, BC Ferries has committed to find \$54 million in efficiency improvements to 2016 and are on their way to that goal.
 - To further close the gap, we're committed to achieving \$18.9 million in savings to 2016 through reductions in service.
 - During the most recent engagement, we heard ideas that will help BC Ferries develop new schedules that try to address community concerns about service reductions while achieving the net savings objective.
 - Government has been clear that we are committed to achieve \$18.9 million in savings from service reductions to 2016.
 - Our focus is to ensure an affordable, efficient, sustainable coastal ferry system that protects basic service levels in communities.
 - These are tough decisions to make, but we're not going to shy away from making them.
 - We're moving forward with some of the ideas we heard in the first round of engagement - to reduce the seniors discount and to pursue a gaming pilot.

2. Did government get anything from the last round of engagement or was it just a sham?

 During the 2012 consultation, we promised that we'd go back out to discuss changes with communities before they're made and that's what we did.

18. What do you mean by "pursuing" a pilot project on gaming?

- There's still a lot of work to do on gaming.
- What we'll do is develop proposals for a pilot project that assesses the viability of introducing gaming on BC Ferries.
- If successful, net gaming revenues could help reduce the pressure on general fares.

19. What about all the concerns about gaming and the additional health costs relating to gaming addictions in the Province?

• The province and B.C. Lottery Corporation has invested in a number of treatment programs this year,

s13, s17 in various responsible-gambling programs that include clinical counselling and awareness campaigns.

20. When will the public learn more about the \$4.9 million in service reductions that still need to come from the major routes?

- No final decisions have been made with respect to the outstanding \$4.9 million, though the Province and BC Ferries have a commitment to find another \$4.9 million in savings on the major routes connecting Vancouver Island and the lower mainland prior to April 2016.
- These savings will be in addition to the \$4 million in net savings from service reductions already implemented on the major routes.

21. Will there be a similar public engagement process on the \$4.9 million in reductions to the major routes?

- BC Ferries is currently undertaking analysis on potential changes to the major routes.
- We haven't yet had fulsome discussions with BC Ferries on the nature of those changes.

2013 Service Adjustments/Community Engagement Q&As Nov. 16, 2013

1. These service reductions do not address the fact that the ferries are too expensive. What are you doing to reduce fares?

- The Province is seeking input on service reductions and other measures that are intended to maintain a sustainable ferry service.
- While a number of long-term measures are being explored to address affordability concerns such as moving to LNG, replacing vessels on the minor routes with "no frills" vessels and creating more interoperability in the system, these will take time.
- In the meantime, other measures such as changes to the seniors discount program and the introduction of gaming will help to reduce pressures on fares beginning in 2016.
- The service reductions are part of the Province's response to the Ferry Commissioner's report and warning that the current system is unsustainable.
- They are necessary to meet the immediate challenges and provide a foundation for reducing the pressure on fares going forward

2. How did you arrive at these route-specific reductions?

- We looked at the all the routes through the lens of the considerations discussed in the 2012 engagement process,
- It was necessary to develop a plan that would achieve \$14 million in net saving to 2016.
- By focusing on reductions to the relatively high cost northern routes, and on under-utilized round trips on the other routes we developed a plan to meet the \$14 million objective.
- The plan protects basic service levels and minimizes the impact on users as best as possible. For example, many of the round trip reductions are late night and have low ridership.
- Reductions on the longer northern routes offer the opportunity to achieve significant savings, particularly in terms of fuel.

- And yes, their executives get paid quite a bit less.
- That said, the administrative costs of running BC Ferries is a small part of the cost structure. Frankly, here's why Washington State fares are lower:
 - they have less routes 10 versus 25 operated by BC Ferries.
 As a result, their cost for vessels, terminals and maintenance are \$210 million versus \$450 million for BC Ferries.
 - They carry more passengers and more vehicles 22 million and 10 million cars, respectively, versus 20 million passengers and 7.7 million cars for BC Ferries. BC Ferries carries 10 per cent fewer passengers and 30 per cent fewer vehicles.
- With less than half the operating costs and significantly more passengers and vehicles, they have a greater opportunity to have lower fares.
- The Washington State ferries experience illustrates that just bringing back BC Ferries into government will not solve our problems.
- Washington State Ferries are facing the same problems as BC Ferries. Since 2000 their fares have increased between 47 per cent and 132 per cent, depending on the route. BC Ferries average fares have risen between 44 per cent and 80 per cent, depending on the route.
- The direct costs of providing service (vessels, terminals, and maintenance) over the last six year have increased by around 20 per cent for both organizations (NB six year period is based on data available for WSF).
- Ridership is down over the last ten years on Washington State by 9 per cent for passengers and 11 per cent for vehicles, while BC Ferries has had declined by about 7 per cent for both.

15. What routes or vessels will have gaming?

- We are considering a gaming pilot project on the most heavily used route between Tsawwassen and Swartz Bay.
- BC Ferries Board needs to approve the proposal.

 Based on the feedback we receive through the public engagement process, and on the success of the pilot, we would consider expanding gaming to other routes.

16. How many slot machines will be on board?

 There would be a number of details that would need to be finalized prior to implementing the pilot.

17. What's the estimated revenue from introducing gaming?

- It's difficult to estimate the net revenues of allowing gaming on a BC Ferry as it has not been tried on a public ferry system in BC.
- BC Ferries is currently estimating the cost of the cabling and renovations to provide a gaming area.
- It is clear that we have to look at a variety of methods to address the issues of affordability and sustainability.
- A pilot would give us better idea of the revenue potential without incurring significant start up costs. The pilot could be for all the vessels operating on Route 1 or only the most commonly used vessel – this determination will depend on the refit costs.
- If the pilot is successful, and the engagement process supports the expansion of this activity, then the revenues will help reduce the pressure for fare increases in future.

Contemplation of Slot Machines on BC Ferries

Note: The information contained in this document is a preliminary review of the proposal to place slot machines on BC Ferries it should not be regarded as a comprehensive analysis of all considerations necessary for the placement of slots on BC Ferries.

The *Criminal Code* of Canada permits exclusive responsibility for commercial and charitable gaming to the Provinces and requires each province to enact its own gaming legislation. British Columbia Lottery Corporation (BCLC) is the agent of the provincial government mandated to conduct, manage and operate commercial gaming in British Columbia including sole responsibility for proposing the location or relocation of any gaming facility (as defined in the GCA) under the current Ministerial Directive to make its decisions for business reasons based on marketplace demand.

A significant amount of policy work, consultation and legislative drafting is likely required prior to introduction of slot machines on ferries operated by BC Ferries. BC Ferries is not a Crown Corporation and not within government and operates as an independent corporation. In BC, the *Gaming Control Act* (the "GCA" or the "Act") and Gaming Control Regulation govern casino gaming, including slot machines, and the procedure for locating or relocating gaming facilities.

The authority to operate slot machines on BC ferries would likely require a number of steps:

- Significant amendments to the Gaming Control Act.
 - Requires amendments in the Act relating to establishing gaming facilities, and in particular facilities for casino gaming.
 - Requires a new mechanism in the Act to make a gaming facility subject to something other than a 'host local government', and consideration must be given to the consultation rights of host local governments and First Nations that may be potentially affected by the establishing ferries as gaming facilities.
 - Requires an addition to the current prescribed definition of 'gaming facility' under the
 Act to consider ferries as a gaming facility or alternatively the Act might be amended to
 directly permit slot machines to be operated in prescribed classes of location.
- The Ministry of Transportation and Infrastructure would need to determine whether the Coastal
 Ferry Act would require a legislative amendment to permit gaming. The Regulator for BC Ferries

 the BC Ferry Commission would need to determine any potential impacts as the Regulator.
- Public consultation required with affected local governments (potentially Sidney Delta and West Vancouver - Nanaimo) as required under the Local Government Act and Community Charter Act;
- Gaming public policy would have to be redefined;
- Consultation with the Union of British Columbia Municipalities (UBCM).
- Determine who the service provider would be. If BC Ferries or subsidiary were to be designated the service provider;

- If BC Ferries was the service provider, would BC Ferries be paid the same commission rate as current gaming service providers or something lower/higher?
- The Gaming Policy and Enforcement Branch (GPEB) to create new policies for security and surveillance and registration of personnel;
- BCLC to create new operational Standards, Policies and Procedures for this new type of gaming facility; and
- BC Ferries to consult with the federal government and the U.S. government given that its vessels sail in coastal waters (federal jurisdiction) and U.S. waters.

Here is further detail on those steps and considerations:

- 1. The GCA would have to be amended at least in the following two areas:
 - Under Part 3 of the GCA, the definition of 'host local government' does not contemplate ferries. A new mechanism is required in the Act to make a gaming facility subject to something other than a 'host local government.' A 'host local government' means the municipality, regional district or First Nation that has authority over land use planning at the place where a gaming facility is operating.
 - Requires an addition to the current prescribed definition of 'gaming facility' under the Act to consider ferries as a gaming facility. Preliminary legal advice indicates that an area within a ferry likely cannot be described as a 'facility' for casino gaming as a ferry's primary use is a facility for transporting vehicles and passengers and not gaming.
 - Host local governments are defined as having land use planning and that can't include BC Ferries.
- 2. There are two potential avenues of change under the GCA that could be considered to permit slots on ferries. Either amend the definition of a 'gaming facility' or amend the Act to permit slot machines to be operated in prescribed classes of locations.
 - Amend the classes of "gaming facilities" change in the definition section of the GCA (through a legislative amendment). Then it is necessary to create a new 'prescribed class of gaming facility' by amending the Gaming Control Regulation through OIC as was the case with the addition of community gaming centers as a prescribed class set out in s. 2.1 of the Gaming Control Regulation.; It is not clear that such an area could be included as a class of gaming facility because an area within a ferry or some other place may not be considered to be a "facility" and if not would not be a "facility for gaming" which could be prescribed as a class of facilities.
 - o Alternatively the Act might be amended to directly permit slot machines to be operated in prescribed classes of locations. This would allow prescribing areas on ferries and other areas if required later. This avenue might be preferable to the option of trying to make a ferry to be a gaming facility, however will likely be described by critics as VLTs.

Gaming Control Act, section 17.1.

² Gaming Control Act, section 1 (1).

3. Although the announcement of slots on ferries was made by BC Ferries and the Ministry of Transportation and Infrastructure, under the GCA the decision to conduct manage and operate casino gaming including slots or to establish or relocate a gaming facility is made by government or BCLC not a local government that wants to host a casino and not by someone (such as a private company like BC Ferries) that wants to have a casino. In particular they may want to consider s. 88.1 below to ensure BC Ferries is not seen to be offside.

Prohibition — unauthorized activities relating to gaming facilities

- **88.1** A person, other than the government or a person authorized under this Act, must not
 - (a) do, or promote or hold himself or herself out as someone authorized to do, or
 - (b) negotiate with a municipality, regional district, first nation or any other person respecting

anything referred to in section 18 (1) (a) to (c).

It should be seen that the Ministry of Transportation is working on and promoting this rather than BC Ferries. How does the revenue end up with BC Ferries? Or is it just for general revenue and not to finance ferries?

- 4. The GCA specifies that only government or BCLC can propose the location of a gaming facility. BCLC cannot locate a new gaming facility without the prior approval of the proposed host local government ("HLG"). As set out in Part 3 of the Act, subject to Ministerial Directive, BCLC has the authority to propose the location of a gaming facility to a potential host local government. Specifically, under Part 3 of Act³, a "host local government" (HLG) is defined as the municipality, regional district or first nation that has authority over land use planning" where the facility is proposed to be located. Since the ferries have a start and end location, it is likely that West Vancouver (Horseshoe Bay); Nanaimo (Departure Bay); Sidney (Schwartz Bay) and Delta (Tsawwassen) would be designated as the host local governments and would be responsible for seeking community input. As a host local government, they would also be eligible for 10% of gaming revenue.
- 5. The Province, through the GPEB, published policy, specifically prohibits slots/VLTs in any location other than a gaming facility. Gaming public policy would have to be redefined.
- 6. The Memorandum of Understanding (MOU) between the Province and the Union of British Columbia Municipalities (UBCM) with respect to gaming would have to be amended. In the MOU, the Province affirmed local government's ability to direct and define the extent, scope and type of

-

³Ibid at note 1 and section 105 (2)(t)

casino and bingo gaming within their boundaries. It also affirms the ability of local government to decide whether slot machines or other similar devices could be placed within their boundaries. Changing the MOU would likely require public consultation.

To not consult with the UBCM would be inconsistent with the practice established with and since the passage of the GCA and a shift in policy as other changes to the GCA and Gaming Control Regulation have been discussed with UBCM. If the Province wishes to alter or end the MOU, this would require a discussion with UBCM.

- 7. The GCA authorizes BCLC to contract for operational services at its gaming facilities with registered gaming services providers (ss. 7 (1)(f) and 7(1.1)). Under the New West Partnership Trade Agreement (NWPTA) and the Agreement on Internal Trade (AIT), BCLC would likely be required to conduct a competitive bid process to select a service provider for a new gaming facility unless an exception applies. Such exceptions include contracting with a public body (NWPTA Part V, C(2) (b) or circumstances where only one service provider exists (NWPTA Part V, C (2)(g)). It is unknown whether the Ministry of Transportation and Infrastructure and BC Ferries are considering BC Ferries to be proposed as the gaming service provider under contract to BCLC. If BC Ferries or a subsidiary were selected by BCLC as the gaming services provider for the ferry gaming facility, one or both of the NWPTA exceptions would likely apply precluding the requirement for a competitive bid process. Notably under the terms and conditions of BCLC's current service provider agreements, the service provider can sub-contract some or all of its services to an third party subject to BCLC approval. This paragraph opinion by BCLC needs further consideration by Ministry of Justice, Legal Services Branch.
- 8. Consideration would have to be given as to how security and surveillance would be conducted on a designated area within a BC Ferry and how the service provider would comply with the requirement to report wrong doing under Section 86 of the GCA.
- 9. In its contracts with gaming services providers, BCLC requires compliance with its operational Standards, Policies and Procedures and its Security and Surveillance Standards. These standards would likely be amended to accommodate the unique situation of a gaming facility located within a ferry, but still maintain the equivalent operational and security levels. The gaming services provider would have to comply with the amended standards.
- 10. BC Ferries routes include travel in coastal waters. Canadian coastal waters are a matter of federal jurisdiction. Onboard casinos on international cruise ships are not regulated under the GCA. The *Criminal Code* contemplates gaming on international cruise ships under section s.207.1. However, s. 207.1 (4) clearly defines international cruise ship as [with emphasis added]:
 - a. "international cruise ship" means a passenger ship that is suitable for continuous ocean voyages of at least forty-eight hours duration, but does not include such a ship that is used or fitted for the primary purpose of transporting cargo or vehicles.

On a plain reading of the definition, it is unlikely it would apply to a BC Ferry which is fitted for the primary purpose of transporting vehicles.

Notably, some ferry routes cross waters under the jurisdiction of the United States. These intergovernmental circumstances would have to be considered and managed. The Ministry of Transportation and Infrastructure will need to seek fulsome legal advice in this regard.

- 11. It is unknown whether any of the coastal waters that BC Ferries travels through includes First Nations' rights and whether this would have any impact on establishing gaming on ferries; and
- 12. On October 16, 2013, the British Columbia Provincial Health Officer (PHO) released a report to the Minister of Health, providing a detailed analysis of the state of the gaming industry in BC. The report noted that increasing access to products such as slot machines appears to be increasing gambling related risk in BC. Experience further suggests that one of the strongest methods for reducing the incidence of problem gambling is to restrict or centralize access to Electronic Gaming devices within communities. In light of this recent report, expansion of slot machines would likely garner negative media scrutiny.

From: Thorneloe, Meghan FIN:EX

Sent: February-27-14 4:27 PM

To: Dickson, Brandy FIN:EX

Subject: FW: EN - Gaming Pilot on BC Ferries

Categories: URGENT

And the last one that I have, but no document attached.

Cheers, Meghan 250-952-6651

From: Thorneloe, Meghan FIN:EX
Sent: Friday, February 14, 2014 4:11 PM

To: Jaggi-Smith, Michele FIN:EX **Cc:** Bell, Suzanne N FIN:EX

Subject: RE: EN - Gaming Pilot on BC Ferries

Okay thanks, I was wondering about those actually. I had already made some edits to the note they sent, so I have removed the tables from the note in our drive and the track changes are in there as well.

Meghan

250-952-6651

From: Jaggi-Smith, Michele FIN:EX **Sent:** Friday, February 14, 2014 4:03 PM

To: Thorneloe, Meghan FIN:EX **Cc:** Bell, Suzanne N FIN:EX

Subject: Fwd: EN - Gaming Pilot on BC Ferries

Meghan,

Laura & I chatted about this note

s13

513

we should have a better estimate by the time we appear in the

House and can update the note.

Michele

Begin forwarded message:

From: Angela Law <<u>ALaw@BCLC.com</u>>
Date: February 14, 2014 at 3:51:04 PM PST

To: "Jaggi-Smith, Michele FIN:EX" < Michele.JaggiSmith@gov.bc.ca >, "Thorneloe, Meghan FIN:EX"

<Meghan.Thorneloe@gov.bc.ca>

Cc: "XT:Piva-Babcock, Laura FIN:IN" < lpiva-babcock@bclc.com

Subject: EN - Gaming Pilot on BC Ferries

Attached is the latest draft for the Gaming Pilot on BC Ferries estimates note.

Thanks,

Angela

Angela Law

Communications Officer
BCLC, 2940 Virtual Way, Vancouver, B.C. V5M 0A6
T 604 225 6306

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Last year, more than \$1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

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From:Thorneloe, Meghan FIN:EXSent:February-27-14 4:26 PMTo:Dickson, Brandy FIN:EX

Subject: FW: BC Ferries

Categories: URGENT

And again

Cheers, Meghan 250-952-6651

From: Thorneloe, Meghan JAG:EX

Sent: Thursday, October 31, 2013 10:37 AM

To: Bell, Suzanne N EMNG:EX

Subject: BC Ferries

Hi Suzanne,

I'm just working on this 30-60-90 document and I am wondering if you have any updates about the slot machines on BC Ferries topic? I have read the BN and $_{\rm S13}$

s13

Thank you! Meghan

Meghan Thorneloe

Manager, Strategic Initiatives BC Ministry of Finance | Gaming Policy and Enforcement Branch

Phone: 250-952-6651 | Fax: 250-356-1910 Email: meghan.thorneloe@gov.bc.ca

From: Thorneloe, Meghan FIN:EX

Sent: February-27-14 4:26 PM

To: Dickson, Brandy FIN:EX

Subject: FW: Slots on ferries

Categories: URGENT

For the FOI Request regarding BC Ferries ©

Cheers, Meghan 250-952-6651

From: Thorneloe, Meghan FIN:EX
Sent: Friday, January 24, 2014 4:47 PM
Tan Edwardson Jamin CODE-EX

To: Edwardson, Jamie GCPE:EX **Subject:** RE: Slots on ferries

Thanks Jamie – huge help!

Cheers, Meghan 250-952-6651

From: Edwardson, Jamie GCPE:EX **Sent:** Friday, January 24, 2014 4:05 PM

To: Bell, Suzanne N FIN:EX; Thorneloe, Meghan FIN:EX

Subject: FW: Slots on ferries

This info is from TRAN, but it is consistent with what we worked on with them following the announcement.

- . When will the slot machine pilot project start?
- There would be a number of details that would need to be finalized prior to implementing the pilot.

What routes or vessels will have gaming?

- There would be a number of details that would need to be finalized prior to implementing the pilot, including decisions on which routes or vessels.
- BC Ferries Board needs to approve the proposal.
- There is also a process under the Gaming Control Act that must be followed for expanding gaming facilities.
- Based on the feedback we receive through the public engagement process, and on the success of the pilot, we would consider expanding gaming beyond the route hosting the pilot project.

How many slot machines will be on board?

That would be one of a number of details that would need to be finalized prior to implementing the pilot.

What's the estimated revenue from introducing gaming?

- Too early to say.
- There would be a number of details that would need to be finalized prior to implementing the pilot.

What are the criteria for the pilot project to be deemed a success?

• Detailed criteria are being developed, but the purpose of the pilot is to determine whether revenues can be generated to help address the issues of affordability and sustainability of the coastal ferry service.

Won't this just encourage those with gambling addictions? A report from the Provincial Health Officer, Dr. Perry Kendall, says the province isn't doing enough for problem gamblers.

- I would like to thank Dr. Kendall and his staff for his thoughtful review of gaming in British Columbia. We are committed to continually improving our efforts in addressing problem gambling, and this report will be constructive as we advance our programs.
- We take the social costs of gambling seriously and have designed several initiatives to address the potential social costs of gambling. I am pleased the report also highlights the work we are doing in B.C.
- This year, the provincial government and BCLC are providing approximately \$11 million for responsible gambling: \$6 million for the provincial responsible gambling program, \$3.6 million for the BCLC responsible gambling program, and \$2 million over three years for the Centre for Gambling Research.
- As announced in Budget 2013, the provincial government is providing an additional \$5 million over three years to its Responsible Gambling program, a 30 per cent increase. This increased funding will be used to maintain services such as clinical counselling and improve awareness campaigns.
- Before further increasing spending for problem gambling programs and services, we're going to review the outcomes of our current programs to ensure that we're meeting the needs of our population.
- The new BC Problem Gambling Prevalence Study will be available in early 2014 and will provide data consistent across jurisdictions to help us pinpoint if we need to expand services.

From: Mazure, John C FIN:EX
Sent: February-07-14 4:42 PM

To: Plummer, Glen GCPE:EX; Bell, Suzanne N FIN:EX

Cc: Jaggi-Smith, Michele FIN:EX

Subject: RE: For your review/input - draft issues note re. proposed pilot project - BC Ferries - 07

Feb 14

I am ok too, thx

From: Plummer, Glen GCPE:EX

Sent: Friday, February 7, 2014 3:01 PM

To: Bell, Suzanne N FIN:EX

Cc: Jaggi-Smith, Michele FIN:EX; Mazure, John C FIN:EX

Subject: RE: For your review/input - draft issues note re. proposed pilot project - BC Ferries - 07 Feb 14

Fantastic. Thanks.

From: Bell, Suzanne N FIN:EX **Sent:** February-07-14 2:55 PM **To:** Plummer, Glen GCPE:EX

Cc: Jaggi-Smith, Michele FIN:EX; Mazure, John C FIN:EX

Subject: RE: For your review/input - draft issues note re. proposed pilot project - BC Ferries - 07 Feb 14

Hi Glen, looks good to me!

Suzanne

From: Plummer, Glen GCPE:EX

Sent: Friday, February 7, 2014 2:53 PM

To: Bell, Suzanne N FIN:EX

Subject: For your review/input - draft issues note re. proposed pilot project - BC Ferries - 07 Feb 14

Hi Suzanne,

I've taken the response points you approved and dropped them into an issues note that we can update as and when needed. Could you please review and let me know if you have any edits/concerns?

Thanks,

Glen

Glen Plummer
Senior Communications Officer
Government Communications and Public Engagement
250 387-3514

From:Mazure, John C FIN:EXSent:February-07-14 4:35 PMTo:Plummer, Glen GCPE:EXCc:Bell, Suzanne N FIN:EX

Subject: Re: For your review/input - draft issues note re. proposed pilot project - BC Ferries - 07

Feb 14

Looks good Glen.

Sent from my iPad

On Feb 7, 2014, at 3:02 PM, "Plummer, Glen GCPE:EX" < Glen.Plummer@gov.bc.ca > wrote:

Hi John,

Could you please review and let me know if you have any edits/concerns? Suzanne has reviewed and approved.

Thanks,

Glen

Glen Plummer Senior Communications Officer Government Communications and Public Engagement 250 387-3514

<IN_gaming on BC Ferries_07 Feb 14_DRAFT.doc>

From: McPherson, Gordon JAG:EX

Sent: February-06-14 11:43 AM

To: Bell, Suzanne N FIN:EX

Cc: Dorrian, Brian J JAG:EX

Subject: Gaming on BC Ferries (UPDATE) - 5FEB14.docx



Hi Suzanne

There is so much in this document

s14, s13

s14, s13

Gord

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Gordon McPherson Barrister & Solicitor Justice and Education Law Group Legal Services Branch Ministry of Justice Tel: (250) 387-3145

From: Stewart, Janet GCPE:EX
Sent: February-06-14 11:23 AM

To: Edwardson, Jamie GCPE:EX; Plummer, Glen GCPE:EX; Bell, Suzanne N FIN:EX; McLachlin,

Jessica GCPE:EX; XT:Piva-Babcock, Laura FIN:IN; Robertson, Janis GCPE:EX

Subject: CKNW: Scientist criticizes potential for ferry gambling

From: Horricks, David FIN:EX
Sent: February-06-14 9:16 AM

To: 'Kuldip Gill'

Cc: Bell, Suzanne N FIN:EX; Edwardson, Jamie GCPE:EX

Subject: RE: CKNW radio interview request - Thursday at 2:05pm PST

Hi Kuldip,

Could you let the producer know that this topic is out of your area of expertise and they should contact Jamie Edwardson, Communications Director at 356-2821.

thanks

David Horricks, MSW

Director, BC Responsible & Problem Gambling Program Gaming Policy and Enforcement Branch Ministry of Finance,

Telephone: (250) 953-3078 Fax: 250-356-0794

From: Kuldip Gill s22 **Sent:** Thursday, February 6, 2014 12:06 AM

To: Horricks, David FIN:EX; Robertson, Janis GCPE:EX; MediaRelations@bclc.com

Subject: Fwd: CKNW radio interview request - Thursday at 2:05pm PST

Hello Everyone,

I am available to do the pre-recorded radio interview at 11:00am as per the request below. Just want to make sure that it will be okay to discuss The Responsible and Problem Gambling Services and my role. Can i also mention the RGAW weeks in the lower mainland although that may not be the focus of the interview?

If at possible please let me know as quickly as you can as it runs at 11:00am on Thursday.

thank you,

Kuldip Gill

From: Claire Allen <claire.allen@cknw.com>

Subject: CKNW radio interview request - Thursday at 2:05pm PST

Date: 5 February, 2014 3:37:31 PM PST

To: \$22

Hi Dr. Gill,

My name is Claire Allen and I produce the CKNW Simi Sara Show which is broadcast across the province of BC. On Thursday's show Simi would like to discuss the news that the government will be installing slot machines on some BC Ferries despite public opposition. We would like to discuss how this could contribute to problem gambling in the province of BC and how people become addicted to gambling.

Would you be able to discuss these issues with Simi Sara tomorrow for 10 minutes? If so, we either looking for a live interview at 2:05pm PST or a pre-recorded segment within the 11:00am PST hour.

Thank you! I look forward to hearing from you!

--

Claire Allen

CKNW Simi Sara Show Producer (604) 331-2791 (604) 363-2844

--

Kuldip Gill, M.Ed, RCC Clinical Counsellor and Prevention Specialist tel. 604-764-9575 email.

Contracted with the B.C. Responsible and Problem Gambling Program.

From:Bell, Suzanne N FIN:EXSent:February-05-14 5:32 PMTo:Jaggi-Smith, Michele FIN:EX

Subject: RE: Transcript: Min. Stone - sustainable ferry service and gaming comments

Merci beaucoup, you're da bomb!!! ©

Suzanne N. Bell
Executive Director, Corporate Services
Gaming Policy & Enforcement Branch

Know your limit, play within it.

From: Jaggi-Smith, Michele FIN:EX **Sent:** Wednesday, February 5, 2014 17:32

To: Bell, Suzanne N FIN:EX

Subject: RE: Transcript: Min. Stone - sustainable ferry service and gaming comments

I also forwarded this to Gordon et al.

From: Bell, Suzanne N FIN:EX

Sent: Wednesday, February 5, 2014 5:31 PM

To: Stewart, Janet GCPE:EX; Edwardson, Jamie GCPE:EX **Cc:** Jaggi-Smith, Michele FIN:EX; Mazure, John C FIN:EX

Subject: RE: Transcript: Min. Stone - sustainable ferry service and gaming comments

Thanks very much for this, Janet and Jamie. Thanks also for helping us on our quest for accuracy in messaging on this challenging file – I know it was a tough slog in a big hurry. We appreciate you!!

Suzanne N. Bell

Executive Director, Corporate Services Gaming Policy & Enforcement Branch

Know your limit, play within it.

From: Stewart, Janet GCPE:EX

Sent: Wednesday, February 5, 2014 16:59

To: Bell, Suzanne N FIN:EX; Jaggi-Smith, Michele FIN:EX; XT:Piva-Babcock, Laura FIN:IN; XT:Dolinski, Susan GCPE:IN;

Edwardson, Jamie GCPE:EX

Cc: 'Aly Couch'; 'Chris Fairclough'; 'Greg Walker'; Scallion, Kate GCPE:EX; Thorneloe, Meghan FIN:EX; Plummer, Glen

GCPE:EX; 'Sarah Morris'; Stewart, Janet GCPE:EX; Robertson, Janis GCPE:EX **Subject:** Transcript: Min. Stone - sustainable ferry service and gaming comments

Today's transcript Gaming mentions yellow-highlighted

s3

Pages 98 through 102 redacted for the following reasons:

From:Bell, Suzanne N FIN:EXSent:February-05-14 5:28 PMTo:Robertson, Janis GCPE:EX

Cc: Stewart, Janet GCPE:EX; Edwardson, Jamie GCPE:EX; Jaggi-Smith, Michele FIN:EX

Subject: RE: draft messaging

Hi Janis – changes in red below.

Suzanne N. Bell
Executive Director, Corporate Services
Gaming Policy & Enforcement Branch

Know your limit, play within it.

From: Robertson, Janis GCPE:EX

Sent: Wednesday, February 5, 2014 17:07

To: Bell, Suzanne N FIN:EX **Cc:** Jaggi-Smith, Michele FIN:EX **Subject:** draft messaging

Hi Suzanne,

MOTI is not doing any more media today but all requests are covered off for now. We should have holding messaging for the rest of the week and or next week. Below are draft messages. Please provide suggestions.

- s13 It is still very early in the process and there's s13 a great deal of work to be done before any decision is made s13 about gaming on B.C. Ferries.
- Government is developing proposals for a pilot project that will assess the viability of introducing gaming on B.C. Ferries.
- If successful, net gaming revenues could help reduce the pressure on general fares.

Thanks.

Janis

From: Bell, Suzanne N FIN:EX **Sent:** February-05-14 5:23 PM

To: Jaggi-Smith, Michele FIN:EX; McPherson, Gordon JAG:EX; Dillon, Brian FIN:EX;

Handrahan, Kirk TRAN:EX; Thomas, Martha O FIN:EX

Subject: RE: BC Ferries and Gaming

One additional piece of information – Cheryl wanted the HLG portion removed and John does not – so we need the answers to the questions, but we aren't going to remove it from the list of considerations, we're just going to make sure the pros and cons are well fleshed out.

Suzanne N. Bell
Executive Director, Corporate Services
Gaming Policy & Enforcement Branch

Know your limit, play within it.

From: Jaggi-Smith, Michele FIN:EX **Sent:** Wednesday, February 5, 2014 17:19

To: McPherson, Gordon JAG:EX; Dillon, Brian FIN:EX; Handrahan, Kirk TRAN:EX; Thomas, Martha O FIN:EX

Cc: Bell, Suzanne N FIN:EX **Subject:** BC Ferries and Gaming

Hi,

I need to update the last BC Ferries and Gaming briefing note (see attached). There are a number of questions that I have posed in the note for each of your input. Could you kindly review and provide your advice and add any additional thoughts/questions that you may have. Thanks!

Michele

Michele Jaggi-Smith | Director

Policy and Communications | Gaming, Policy and Enforcement Branch |

Direct: 250.387.0201 | Fax: 250.356.1910 | Email: michele.jagqismith@gov.bc.ca

From: Robertson, Janis GCPE:EX
Sent: February-05-14 3:28 PM
To: Bell, Suzanne N FIN:EX

Subject: RE: Media Request - slots on ferries - Global/Unfiltered w/ Krop

Copy that!

From: Bell, Suzanne N FIN:EX **Sent:** February-05-14 3:27 PM

To: Plummer, Glen GCPE:EX; 'Sarah Morris'; Stewart, Janet GCPE:EX; Robertson, Janis GCPE:EX

Cc: 'Aly Couch'; 'Chris Fairclough'; Edwardson, Jamie GCPE:EX; 'Greg Walker'; Jaggi-Smith, Michele FIN:EX; 'Jennifer Wint'; XT:Piva-Babcock, Laura FIN:IN; Scallion, Kate GCPE:EX; XT:Dolinski, Susan GCPE:IN; Thorneloe, Meghan FIN:EX

Subject: RE: Media Request - slots on ferries - Global/Unfiltered w/ Krop

Just a reminder – the approved language is gaming on ferries, not slots on ferries ...

Suzanne N. Bell Executive Director, Corporate Services Gaming Policy & Enforcement Branch

Know your limit, play within it.

From: Plummer, Glen GCPE:EX

Sent: Wednesday, February 5, 2014 14:57

To: 'Sarah Morris'; Stewart, Janet GCPE:EX; Robertson, Janis GCPE:EX

Cc: 'Aly Couch'; 'Chris Fairclough'; Edwardson, Jamie GCPE:EX; 'Greg Walker'; Jaggi-Smith, Michele FIN:EX; 'Jennifer Wint'; XT:Piva-Babcock, Laura FIN:IN; Scallion, Kate GCPE:EX; XT:Dolinski, Susan GCPE:IN; Bell, Suzanne N FIN:EX;

Thorneloe, Meghan FIN:EX

Subject: RE: Media Request - slots on ferries - Global/Unfiltered w/ Krop

I think we'll have to determine that on a case-by-case basis.

From: Sarah Morris [mailto:SMorris@BCLC.com]

Sent: February-05-14 2:53 PM

To: Plummer, Glen GCPE:EX; Stewart, Janet GCPE:EX; Robertson, Janis GCPE:EX

Cc: Aly Couch; Chris Fairclough; Edwardson, Jamie GCPE:EX; Greg Walker; Jaggi-Smith, Michele FIN:EX; Jennifer Wint; XT:Piva-Babcock, Laura FIN:IN; Scallion, Kate GCPE:EX; XT:Dolinski, Susan GCPE:IN; Bell, Suzanne N FIN:EX; Thorneloe,

Meghan FIN:EX

Subject: RE: Media Request - slots on ferries - Global/Unfiltered w/ Krop

Excellent. Many thanks. Assume we should follow this same procedure for any additional calls we get?

From: Plummer, Glen GCPE:EX [mailto:Glen.Plummer@gov.bc.ca]

Sent: Wednesday, February 05, 2014 2:51 PM

To: Sarah Morris; Stewart, Janet GCPE:EX; Robertson, Janis GCPE:EX

Cc: Aly Couch; Chris Fairclough; Edwardson, Jamie GCPE:EX; Greg Walker; Jaggi-Smith, Michele FIN:EX; Jennifer Wint; Laura Piva-Babcock; Scallion, Kate GCPE:EX; Susan Dolinski; Bell, Suzanne N FIN:EX; Thorneloe, Meghan FIN:EX

Subject: RE: Media Request - slots on ferries - Global/Unfiltered w/ Krop

Importance: High

Hi Sarah,

MOTI has agreed to stick-handle this one. I've provided the details to GCPE staff at that ministry.

Thanks,

Glen

From: Sarah Morris [mailto:SMorris@BCLC.com]

Sent: February-05-14 2:27 PM

To: Stewart, Janet GCPE:EX; Plummer, Glen GCPE:EX; Robertson, Janis GCPE:EX

Cc: Aly Couch; Chris Fairclough; Edwardson, Jamie GCPE:EX; Greg Walker; Jaggi-Smith, Michele FIN:EX; Jennifer Wint; XT:Piva-Babcock, Laura FIN:IN; Sarah Morris; Scallion, Kate GCPE:EX; XT:Dolinski, Susan GCPE:IN; Bell, Suzanne N

FIN:EX; Thorneloe, Meghan FIN:EX

Subject: Media Request - slots on ferries - Global/Unfiltered w/ Krop

Importance: High

Hi,

Global producer just called asking to interview a BCLC rep about slots on ferries and why we support the initiative. I explained that may not be possible. Nevertheless, please provide your direction on how to proceed and if MOT is taking the lead on this matter.

Thanks, Sarah

Reporter / Outlet / Contact: Jeff Stamp Producer, Jill Krop Unfiltered, 604-422-6612

Deadline: 4:30pm, Feb 5 2014 – on air interview at 7pm tonight

Request:

Producer wants a BCLC rep to comment on the slots on ferries pilot announcement and why BCLC supports this expansion of gambling offerings.

Recommendation/Response: Defer to GCPE or MOT spokesperson?

Date & Time of Inquiry: 2:20pm, Feb 5 2014

Sarah Morris

Communications Officer
BCLC, 2940 Virtual Way, Vancouver, B.C. V5M 0A6
T 604 228 3097

Connect with us: @BCLC | @BCLCGameSense | blog | bclc.com

Last year, more than \$1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

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From:Bell, Suzanne N FIN:EXSent:February-05-14 2:24 PMTo:Jaggi-Smith, Michele FIN:EX

Subject: FW: Excerpt from 1999 Report On Gaming Legislation And Regulation In British

Columbia

fyi

Suzanne N. Bell
Executive Director, Corporate Services
Gaming Policy & Enforcement Branch

Know your limit, play within it.

From: McPherson, Gordon JAG:EX **Sent:** Thursday, January 16, 2014 15:36

To: Bell, Suzanne N FIN:EX **Cc:** Dorrian, Brian J JAG:EX

Subject: Excerpt from 1999 Report On Gaming Legislation And Regulation In British Columbia

s13, s14

Let me know if you have any questions or wish to discuss these issues further.

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Gordon McPherson Barrister & Solicitor Justice and Education Law Group Legal Services Branch Ministry of Justice Tel: (250) 387-3145



From: Jaggi-Smith, Michele FIN:EX

Sent: February-05-14 2:09 PM

To: Bell, Suzanne N FIN:EX

Subject: FW: Excerpt from 1999 Report On Gaming Legislation And Regulation In British

Columbia

I wasn't copied on Gordon's original email. Can you send it to me so that I can receive the attachment. Thanks.

Michele

From: McPherson, Gordon JAG:EX

Sent: Thursday, January 16, 2014 3:53 PM

To: Bell, Suzanne N FIN:EX

Cc: Dorrian, Brian J JAG:EX; Jaggi-Smith, Michele FIN:EX

Subject: RE: Excerpt from 1999 Report On Gaming Legislation And Regulation In British Columbia

Sorry just noticed typo ..

s13, s14

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Gordon McPherson Barrister & Solicitor Justice and Education Law Group Legal Services Branch Ministry of Justice Tel: (250) 387-3145

From: Bell, Suzanne N FIN:EX

Sent: Thursday, January 16, 2014 3:42 PM

To: McPherson, Gordon JAG:EX

Cc: Dorrian, Brian J JAG:EX; Jaggi-Smith, Michele FIN:EX

Subject: FW: Excerpt from 1999 Report On Gaming Legislation And Regulation In British Columbia

Thank you very much!

Suzanne N. Bell
Executive Director, Corporate Services
Gaming Policy & Enforcement Branch

Know your limit, play within it.

From: McPherson, Gordon JAG:EX

Sent: Thursday, January 16, 2014 15:36

To: Bell, Suzanne N FIN:EX **Cc:** Dorrian, Brian J JAG:EX

Subject: Excerpt from 1999 Report On Gaming Legislation And Regulation In British Columbia

s14, s13

Let me know if you have any questions or wish to discuss these issues further.

NOTE -- This message, including any attachments to it, is confidential and subject to solicitor-client privilege. In keeping with the Standards of Conduct for Public Service Employees, it is not to be disclosed outside of provincial government without prior written approval from the Legal Services Branch, Ministry of Justice. If you are not the intended recipient, please notify me immediately and do not copy or disclose the contents of this message to any other person.

Gordon McPherson Barrister & Solicitor Justice and Education Law Group Legal Services Branch Ministry of Justice Tel: (250) 387-3145

<< File: 20140116142544.pdf >>

From: Wenezenki-Yolland, Cheryl FIN:EX

Sent: February-05-14 1:23 PM

To: Edwardson, Jamie GCPE:EX; Mazure, John C FIN:EX; Bell, Suzanne N FIN:EX

Cc:Robertson, Janis GCPE:EX; Stewart, Janet GCPE:EXSubject:RE: CKNW: Stone - Ferries service reductions

Thank-you for the clarification and confirmation Jamie.

Cheryl

From: Edwardson, Jamie GCPE:EX

Sent: Wednesday, February 5, 2014 1:00 PM

To: Wenezenki-Yolland, Cheryl FIN:EX; Mazure, John C FIN:EX; Bell, Suzanne N FIN:EX

Cc: Robertson, Janis GCPE:EX; Stewart, Janet GCPE:EX **Subject:** FW: CKNW: Stone - Ferries service reductions

The word slot machines used below were not said by Minister Stone.

From:Bell, Suzanne N FIN:EXSent:February-05-14 1:18 PMTo:Edwardson, Jamie GCPE:EX

Subject: RE: CKNW: Stone - Ferries service reductions

Did he correct the misimpression?

Suzanne N. Bell
Executive Director, Corporate Services
Gaming Policy & Enforcement Branch

Know your limit, play within it.

From: Edwardson, Jamie GCPE:EX

Sent: Wednesday, February 5, 2014 13:00

To: Wenezenki-Yolland, Cheryl FIN:EX; Mazure, John C FIN:EX; Bell, Suzanne N FIN:EX

Cc: Robertson, Janis GCPE:EX; Stewart, Janet GCPE:EX **Subject:** FW: CKNW: Stone - Ferries service reductions

The word slot machines used below were not said by Minister Stone.

From: Stewart, Janet GCPE:EX
Sent: February-05-14 9:44 AM

To: Jaggi-Smith, Michele FIN:EX; Bell, Suzanne N FIN:EX; Horricks, David FIN:EX

Cc: Edwardson, Jamie GCPE:EX

Subject: RE: Please confirm dollar amount: MOTI announcement tomorrow - NR question from

BCLC

Thanks, Michele, as per Suzanne's earlier email

s13

From: Jaggi-Smith, Michele FIN:EX **Sent:** February-05-14 9:34 AM

To: Stewart, Janet GCPE:EX; Bell, Suzanne N FIN:EX; Horricks, David FIN:EX

Cc: Edwardson, Jamie GCPE:EX

Subject: RE: Please confirm dollar amount: MOTI announcement tomorrow - NR question from BCLC

Importance: High

s13

From: Stewart, Janet GCPE:EX

Sent: Tuesday, February 4, 2014 8:09 PM

To: Bell, Suzanne N FIN:EX

Cc: Edwardson, Jamie GCPE:EX; Stewart, Janet GCPE:EX; Jaggi-Smith, Michele FIN:EX

Subject: Please confirm dollar amount: MOTI announcement tomorrow - NR question from BCLC

Suzanne, we are seeking clarity

s13

their BC Ferries announcement tomorrow. I recall this amount was discussed a week or more ago when the New Horizons materials were being drafted.

S13 Thank you.

From: Stewart, Janet GCPE:EX <Janet.Stewart@gov.bc.ca>

Sent: Tuesday, February 4, 2014 6:55 PM

To: Edwardson, Jamie GCPE:EX **Cc:** Stewart, Janet GCPE:EX

Subject: MOTI announcement tomorrow - NR question from BCLC ??

See Laura's question below GPEB a couple of weeks ago.

s13

We had the same discussion with

PEB a couple of weeks ago. s13

From: Laura Piva-Babcock < LPiva-Babcock@bclc.com >

Sent: Tuesday, February 4, 2014 5:51 PM

To: Stewart, Janet GCPE:EX

Subject: Re: STRICTLY CONFIDENTIAL - announcement tomorrow

s13

s13 Thx L

Sent from my BlackBerry 10 smartphone on the TELUS network.

From: Stewart, Janet GCPE:EX

Sent: Tuesday, February 4, 2014 4:58 PM

To: Laura Piva-Babcock **Cc:** Stewart, Janet GCPE:EX

Subject: STRICTLY CONFIDENTIAL - announcement tomorrow

Laura, the info below is from the attached MOTI QA that is publicly embargoed till 11:30 a.m. tomorrow (Wed. Feb. 5) when it will be announced by Transportation Minister Stone. There are gaming related pieces included in the MOTI NR also for your information

s13 Thank you.

Janet

From the Q&As

What do you mean by "pursuing" a pilot project on gaming?

- There's still a lot of work to do on gaming.
- What we'll do is develop proposals for a pilot project that assesses the viability of introducing gaming on BC Ferries.
- If successful, net gaming revenues could help reduce the pressure on general fares.

What about all the concerns about gaming and the additional health costs relating to gaming addictions in the Province?

The province and B.C. Lottery Corporation has invested in a number of treatment programs this year, including in various responsible-gambling programs that include clinical counselling and awareness campaigns.

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From: Richter, Kevin J TRAN:EX

Sent: February-05-14 9:04 AM

To: Mazure, John C FIN:EX

Subject: RE: announcement

11:30

From: Mazure, John C FIN:EX

Sent: Wednesday, February 5, 2014 8:56 AM

To: Richter, Kevin J TRAN:EX **Subject:** announcement

Hi Kevin. What time is the ferries announcement today?

From: Edwardson, Jamie GCPE:EX

Sent: February-04-14 4:32 PM

To: Bell, Suzanne N FIN:EX

Cc: Mazure, John C FIN:EX; Wenezenki-Yolland, Cheryl FIN:EX

Subject: RE: Ferries.

Thanks Suzanne – I grabbed John when he was here and we agreed we would live with it.

From: Bell, Suzanne N FIN:EX **Sent:** February-04-14 4:00 PM **To:** Edwardson, Jamie GCPE:EX

Cc: Mazure, John C FIN:EX; Wenezenki-Yolland, Cheryl FIN:EX

Subject: RE: Ferries.

Hi Jamie, I think the Q&A is ok. In the news release,

s13

s13

That's it from me.

Suzanne N. Bell
Executive Director, Corporate Services
Gaming Policy & Enforcement Branch

Know your limit, play within it.

From: Edwardson, Jamie GCPE:EX **Sent:** Tuesday, February 4, 2014 15:26

To: Mazure, John C FIN:EX; Wenezenki-Yolland, Cheryl FIN:EX; Bell, Suzanne N FIN:EX

Subject: FW: Ferries. **Importance:** High

Just in from TRAN – Will review if you can also please

Please see our NR and also our Qs and As. Please review the gaming pieces and let me know if you have any changes. We are going live tomorrow at 11:30.

From: Jaggi-Smith, Michele FIN:EX Sent: February-04-14 3:47 PM

To: Bell, Suzanne N FIN:EX; Fair, Susan P FIN:EX

Subject: FW: Estimates Table update

Attachments: 2014 Estimates Notes Proposal for Minister's Binder rev -30-JAN-14.docx

FYI.

From: Thorneloe, Meghan FIN:EX

Sent: Thursday, January 30, 2014 12:09 PM

To: Jaggi-Smith, Michele FIN:EX; XT:Piva-Babcock, Laura FIN:IN; MacLean, Shelley FIN:EX

Subject: Estimates Table update

Hello all,

Please see attached GPEB's revised table of Estimates notes for the ADM binder.

Please contact me with any questions/concerns.

Meghan Thorneloe

Manager, Strategic Initiatives

BC Ministry of Finance | Gaming Policy and Enforcement Branch

Phone: 250-952-6651 | Fax: 250-356-1910 Email: meghan.thorneloe@gov.bc.ca

across B.C.

From: Jaggi-Smith, Michele FIN:EX February-04-14 2:39 PM Sent: To: XT:Piva-Babcock, Laura FIN:IN Bell, Suzanne N FIN:EX; XT:Dolinski, Susan GCPE:IN Cc: **Subject: RE: Ferries Question Attachments:** Slots on BC Ferries (FINAL) - 18DEC13.docx Laura, As per our telephone conversation, please find attached an earlier draft briefing note on BC Ferries. As we discussed, s13 s14 s13 This is strictly for your background information. We will share an updated version once drafted. Thanks. Michele ----Original Message-----From: Bell, Suzanne N FIN:EX Sent: Tuesday, February 4, 2014 11:00 AM To: XT:Dolinski, Susan GCPE:IN Cc: Jaggi-Smith, Michele FIN:EX; XT:Piva-Babcock, Laura FIN:IN; Mazure, John C FIN:EX Subject: Re: Ferries Question Ok - we will send the draft as soon as we can. Thanks Susan! Suzanne Sent from my iPhone On 2014-02-04, at 10:44 AM, "Susan Dolinski" <SDolinski@BCLC.com> wrote: > Thanks Suzanne, > We will do everything we can to support you. If you send us a draft of the note we would be happy to insert the relevant pieces per your direction. > > Cheers > Susan Dolinski > Vice President, Communications & Social Responsibility BCLC > 2940 Virtual Way, Vancouver BC V5M 0A6 T 604-228-3096 F 604-225-6422 C > sdolinski@bclc.com > bclc.com

> Last year, more than \$1 billion generated by BCLC gambling supported health care, education and community groups

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>
>
>
> -----Original Message-----
> From: Bell, Suzanne N FIN:EX [mailto:Suzanne.Bell@gov.bc.ca]
> Sent: February 4, 2014 9:02 AM
> To: Susan Dolinski
> Cc: Jaggi-Smith, Michele FIN:EX; Laura Piva-Babcock; Mazure, John C
> FIN:EX
> Subject: Re: Ferries Question
> Hi Susan! We have to update the briefing Ferries briefing note - Cheryl asked for changes. We are doing that now, and
will send it to you as soon as we have, so we can make sure we have your feedback before it goes up. The working
group hasn't been formed yet, but BCLC will certainly be part of it when I is. I think what happens next will depend on
the reaction to the note.
> Regarding the ideas for revenue other than the current ferry suggestion, both Cheryl and John have asked that other
possible options for revenue (on ferries
                                             NR
                                                     ) be included in the note. They have both said they would like the
Minister to have possible alternatives - so I am going to need to include these ideas in the briefing note
                                                                   but if you can isolate the ideas to include here, that's
what they would like - hence my question.
> Thanks Susan!!
> Suzanne
> Sent from my iPhone
> On 2014-02-03, at 10:29 AM, "Susan Dolinski" <SDolinski@BCLC.com> wrote:
>> Hi Suzanne
>>
>> I've had some discussions with our finance group about providing some information to GPEB per your request. I have
a few questions as we put this info together:
>> - What is the status of the BC Ferries discussions/review? Will Jerry
>> Williamson from BCLC be engaged in a working group led by government
>> to look at the viability of this idea? (This is what was discussed a
>> few weeks ago if I recall correctly, has this work been started?)
                                                           NR
                                                 We will also engage GPEB in this once we have the work complete
                    Given this, I don't think there a need to generate an additional briefing note at this time. Thoughts?
        NR
>>
>> Thanks
>>
>> Susan
>>
>>
>> Susan Dolinski
>> Vice President, Communications & Social Responsibility BCLC
```

>> >> 2940 Virtual Way, Vancouver BC V5M 0A6 T 604-228-3096 F 6	04-225-6422
	04-223-0422
s17	
>>	
>> sdolinski@bclc.com	
>> bclc.com	
>>	
>> Last year, more than \$1 billion generated by BCLC gambling su	pported health care, education and community groups
across B.C.	
>>	
>>	
>>	
>>	
>>Original Message	
>> From: Bell, Suzanne N FIN:EX [mailto:Suzanne.Bell@gov.bc.ca]	
>> Sent: January 26, 2014 9:05 AM	
>> To: Susan Dolinski	
>> Cc: Jim Lightbody; Jaggi-Smith, Michele FIN:EX	
>> Subject: Re: Ferries Question	
>>	
>> Thanks Susan, that's great. We do indeed want the briefing no	ite, and it will be great to talk with you about it
>> Thanks susuif, that's great. We do indeed want the briefing no	te, and it will be great to talk with you about it.
>> Suzanne	
>> Suzumic >>	
>> Sent from my iPhone	
>> sent from my if none	
>> On 2014-01-25, at 7:56 AM, "Susan Dolinski" <sdolinski@bclc< td=""><td>comemailto:SDolinski@BCLC com>> wrote:</td></sdolinski@bclc<>	comemailto:SDolinski@BCLC com>> wrote:
>> On 2014-01-23, at 7.30 AW, Susan Domiski Sodomiski@BCCC	comanianto.sbomiski@bclc.com>> wrote.
>> Hi Suzanne	
>> 111 Suzarine >>	
>> I've given this some further thought and I will send you a high	lovel email on this semetime next week and we can
schedule a call to discuss as needed after that.	
	NR so please do let us know if this is needed and
	o please do let us know il this is needed and
specifically what you had in mind.	
>> Though	
>> Thanks	
>> C D. I'. I.'	
>> Susan Dolinski	
>> Vice President, Communications & Social Responsibility BCLC	
>>	04.005.6400
>> 2940 Virtual Way, Vancouver BC V5M 0A6 T 604-228-3096 F 6	04-225-6422
s17	
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>> sdolinski@bclc.com <mailto:sdolinski@bclc.com></mailto:sdolinski@bclc.com>	
>> bclc.com <http: bclc.com=""></http:>	
>> >>	
>> Last year, more than \$1 billion generated by BCLC gambling su	apported health care, education and community groups
across B.C.	The state of the s
>> >>	
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>>
>>
>> From: Bell, Suzanne N FIN:EX [mailto:Suzanne.Bell@gov.bc.ca]
>> Sent: January 23, 2014 4:26 PM
>> To: Susan Dolinski; Jim Lightbody
>> Cc: Jaggi-Smith, Michele FIN:EX
>> Subject: RE: Ferries Question
>>
>> That sounds like a good idea – it should turn into a briefing note, yes. We are hoping to be able to show the Minister
what other options might be available as an alternative to slot machines. We would have to present that in writing, and
if you've got ideas in hand already, that's great.
>>
>> Suzanne N. Bell
>> Executive Director, Corporate Services Gaming Policy & Enforcement
>> Branch
>>
>> Know your limit, play within it.
>>
>>
>>
>>
>> From: Susan Dolinski [mailto:SDolinski@BCLC.com]
>> Sent: Thursday, January 23, 2014 16:00
>> To: Bell, Suzanne N FIN:EX; Jim Lightbody
>> Cc: Jaggi-Smith, Michele FIN:EX
>> Subject: Re: Ferries Question
>>
>> Hi Suzanne
>>
                                                         NR
                                                                                                                     lt
might be best if we plan a meeting to brief you and John on this as opposed to try and explain via email.
>>
>> What will this info be used for? Briefing Note etc? Any context you can provide would be great. Thanks.
>>
>> From: Bell, Suzanne N FIN:EX
>> Sent: Thursday, January 23, 2014 6:23 PM
>> To: Susan Dolinski; Jim Lightbody
>> Cc: Jaggi-Smith, Michele FIN:EX
>> Subject: Ferries Question
>>
>> Hi Susan and Jim! Susan, a couple of months ago when you were in Victoria, you and I talked briefly about the
possibility of ideas other than slot machines on ferries which could be good revenue generators. I wondered if you and
Jim had had a chance to consider the concept any further, and if you have, whether there are better ideas for either the
same, or higher revenue potential.
>> Government hasn't abandoned the idea of slots on the ferries, but it would be helpful to know if there are other
options - either for the ferries, or elsewhere.
>> Thank you so much!
```

>> Suzanne N. Bell

>> Executive Director, Corporate Services Gaming Policy & Enforcement
>> Branch
>>
>> Know your limit, play within it.
>>
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>>
>>
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»>
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From: Sent: To: Cc: Subject:	Bell, Suzanne N FIN:EX February-04-14 10:59 AM XT:Dolinski, Susan GCPE:IN; Edwardson, Jamie G Mazure, John C FIN:EX; Jaggi-Smith, Michele FIN Lightbody Re: Pls review: ferries and gambling	
Hi Susan - yes, understood - we d was the feedback we got.	id give the gaming instead of slots already - but I	think "pilot" has to stay - at least, tha
Jamie, any chance of a change? 1	Γhanks!	
Suzanne		
Sent from my iPhone		
On 2014-02-04, at 10:42 AM, "Su	san Dolinski" <sdolinski@bclc.com> wrote:</sdolinski@bclc.com>	
	eed. Do we need to include the term "pilot projecing a pilot if government was open to this? How	-
	s13	
s13	erm gaming instead of slot machines	s13
>		
proposed by BCLC given under ou ferries to do this work.	r perspective on language but I would appreciate or conduct and manage responsibilities it would b	,
> With thanks,		
>		
> Susan Dolinski> Vice President, Communication	s & Social Responsibility BCLC	
> 2040 Vintual May Vanasayyan Di	C VENA DA C T COA 220 200C E COA 22E CA22 C	
> 2940 Virtual Way, Vancouver Bi	C V5M 0A6 T 604-228-3096 F 604-225-6422 C	
>		
> sdolinski@bclc.com > bclc.com		
>		un advisadas de es
> Last year, more than \$1 billion across B.C.	generated by BCLC gambling supported health ca	ire, education and community groups

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>
>
>
> -----Original Message-----
> From: Bell, Suzanne N FIN:EX [mailto:Suzanne.Bell@gov.bc.ca]
> Sent: February 4, 2014 9:49 AM
> To: Susan Dolinski
> Cc: Mazure, John C FIN:EX; Jaggi-Smith, Michele FIN:EX; Laura
> Piva-Babcock
> Subject: Re: Pls review: ferries and gambling
> Susan, evidently Transportation is issuing a news release tomorrow - proposed wording is below. Apparently their
Minister and the Premier are supportive - so BCLC needs to know - we didn't want this to be a surprise.
> I will keep you posted in case there are any changes.
> Cheers!
> Suzanne
> Sent from my iPhone
> On 2014-02-04, at 9:06 AM, "Mazure, John C FIN:EX" < John.Mazure@gov.bc.ca < mailto: John.Mazure@gov.bc.ca >>
wrote:
>
> Sent from my iPhone
> Begin forwarded message:
> From: "Edwardson, Jamie GCPE:EX"
> < Jamie. Edwardson@gov.bc.ca < mailto: Jamie. Edwardson@gov.bc.ca >>
> Date: February 4, 2014 at 8:02:38 AM PST
> To: "Wenezenki-Yolland, Cheryl FIN:EX"
> < Cheryl. Wenezenki Yolland@gov.bc.ca < mailto: Cheryl. Wenezenki Yolland@gov.
> bc.ca>>
> Cc: "Mazure, John C FIN:EX"
> < John.Mazure@gov.bc.ca < mailto: John.Mazure@gov.bc.ca >>
> Subject: RE: Pls review: ferries and gambling
>
> I would need transportation to judge how they want to contextualize the consultation results on that question.
> But how about this:
                                                          s13
>
```

49

> From: Wenezenki-Yolland, Cheryl FIN:EX

> Sent: February-04-14 7:28 AM > To: Edwardson, Jamie GCPE:EX > Cc: Wenezenki-Yolland, Cheryl FIN:EX; Mazure, John	ı C FIN:EX
> Subject: Re: Pls review: ferries and gambling >	
> Hi Jamie,	s13
	s13
>	
> Cheryl >	
> Sent from my iPad	
> On Feb 3, 2014, at 7:56 PM, "Edwardson, Jamie GCP <jamie.edwardson@gov.bc.ca<mailto:jamie.edwardso> Hi Cheryl - Worked with John on the proposed word</jamie.edwardson@gov.bc.ca<mailto:jamie.edwardso>	on@gov.bc.ca>> wrote:
	s13
> Let me know what you think. thx. JE	
> >	
	s13
>	
>	
seeking feedback on introducing gaming as a permane Vancouver Island and the Lower Mainland. The pilot p between Swartz Bay and Tsawwassen. If successful, garevenues reinvested into the ferry system to support a >	duction of a pilot project to assess the viability of gaming, and is ent revenue-generating program on major routes between project would be implemented on BC Ferries' busiest route aming revenue would help reduce the pressure on fares with ne general fares.
>	
> Jamie Edwardson > Communications Director Ministry of Finance Pro > Columbia > P: 250.356.2821 s17	ovince of British
> jamie.edwardson@gov.bc.ca <mailto:jamie.edwards></mailto:jamie.edwards>	on@gov.bc.ca>
> This email is intended only for the addressee. It may	contain confidential or proprietary information that cannot be

50

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delete the email.

From:Mazure, John C FIN:EXSent:February-04-14 9:08 AMTo:Bell, Suzanne N FIN:EX

Subject: Fwd: Latest nr

Attachments: nr_Community Engagement results + decision DRAFT 9.docx; ATT00001.htm

Sent from my iPhone

Begin forwarded message:

From: "Richter, Kevin J TRAN:EX" < Kevin.Richter@gov.bc.ca>

To: "Mazure, John C FIN:EX" < <u>John.Mazure@gov.bc.ca</u>>

Subject: FW: Latest nr

From: Chambers, Craig GCPE:EX

Sent: Tuesday, February 4, 2014 8:30 AM

To: Richter, Kevin J TRAN:EX

Subject: Latest nr

Craig Chambers

Government Communications and Public Engagement (GCPE)

Ministry of Transportation and Infrastructure

5A - 940 Blanshard St. Victoria, B.C. V8W 9T5

Office Phone: 250 387-5798 / Mobile: \$17

craig.chambers@gov.bc.ca<mailto:craig.chambers@gov.bc.ca>

From: Edwardson, Jamie GCPE:EX **Sent:** February-04-14 8:55 AM

To: Mazure, John C FIN:EX; Wenezenki-Yolland, Cheryl FIN:EX

Subject: RE: Pls review: ferries and gambling

s13

s13 I'll send them what we have and keep you posted.

From: Mazure, John C FIN:EX **Sent:** February-04-14 8:51 AM

To: Edwardson, Jamie GCPE:EX; Wenezenki-Yolland, Cheryl FIN:EX

Subject: RE: Pls review: ferries and gambling

s13

From: Edwardson, Jamie GCPE:EX **Sent:** Tuesday, February 4, 2014 8:03 AM **To:** Wenezenki-Yolland, Cheryl FIN:EX

Cc: Mazure, John C FIN:EX

Subject: RE: Pls review: ferries and gambling

s13

From: Wenezenki-Yolland, Cheryl FIN:EX

Sent: February-04-14 7:28 AM **To:** Edwardson, Jamie GCPE:EX

Cc: Wenezenki-Yolland, Cheryl FIN:EX; Mazure, John C FIN:EX

Subject: Re: Pls review: ferries and gambling

Hi Jamie s13

s13

Cheryl

Sent from my iPad

On Feb 3, 2014, at 7:56 PM, "Edwardson, Jamie GCPE:EX" < <u>Jamie.Edwardson@gov.bc.ca</u>> wrote:

Hi Cheryl - Worked with John on the proposed wording below for Transportation's announcement Wed. I'll also encourage them not to reference specific routes, or anything definitive.

That said, I think we'll get pressure back to say something more concrete or advanced than this. The wording is essentially the same as the original wording in the news release, and seems to show no progress or decision being made on the proposal. Suspect they'll want more. Let me know what you think. thx. JE

s13

Original news release wording:

The government of B.C. is also considering the introduction of a pilot project to assess the viability of gaming, and is seeking feedback on introducing gaming as a permanent revenue-generating program on major routes between Vancouver Island and the Lower Mainland. The pilot project would be implemented on BC Ferries' busiest route between Swartz Bay and Tsawwassen. If successful, gaming revenue would help reduce the pressure on fares with net revenues reinvested into the ferry system to support general fares.

Jamie Edwardson

Communications Director | Ministry of Finance | Province of British Columbia

P: 250.356.2821 | jamie.edwardson@gov.bc.ca

From:	Richter, Kevin J TRAN:EX
Sent:	February-03-14 7:55 PM
То:	Mazure, John C FIN:EX
Subject:	Re: Gaming and ferries

s17

Sent from my iPhone

```
> On Feb 3, 2014, at 7:54 PM, "Mazure, John C FIN:EX" <John.Mazure@gov.bc.ca> wrote:
> 
> 8:30 works better for me and I may be a few minutes late depending on traffic. I'll call you when I'm off the road. What's your number?
> 
> Sent from my iPad
> 
>> On Feb 3, 2014, at 7:47 PM, "Richter, Kevin J TRAN:EX" <Kevin.Richter@gov.bc.ca> wrote:
```

>> Certainly. 8 or 8:30?

>>

>> Sent from my iPhone

>>

>>> On Feb 3, 2014, at 7:45 PM, "Mazure, John C FIN:EX" <John.Mazure@gov.bc.ca> wrote:

>>>

>>> Hi Kevin. I understand that there is an announcement planned for wed am coming out of your recent consultations on ferry service reductions that will be making reference to gaming on ferries as well. Can we chat tomorrow morning? Just want to ensure we are both up to speed on the work done on this file to date and that it is considered in the wording for the announcement.

>>>

>>> Sent from my iPad

From: Edwardson, Jamie GCPE:EX
Sent: February-03-14 7:52 PM
To: Mazure, John C FIN:EX
Cc: Bell, Suzanne N FIN:EX
Subject: Re: ferries and gambling

OK thanks. I suspect we may get pressure from TRAN for stronger language. I'll run this by Cheryl and then over to them

Thanks,

Jamie Edwardson

Communications Director | Ministry of Finance | Province of British Columbia

On Feb 3, 2014, at 7:37 PM, "Mazure, John C FIN:EX" < John.Mazure@gov.bc.ca > wrote:

Thx Jamie. I have provided alternate wording below. To my knowledge BCLC has not been actively involved in the work done to date so have left them (and ferries) out. I also like including the word "considering" which leaves the option that a pilot may not follow. I like referring to gaming more generally rather than specifically mentioning slots to allow for consideration of other options. As I mentioned to you we should stay away from mentioning specific ferry routes at this point.

s13

Sent from my iPad

On Feb 3, 2014, at 5:22 PM, "Edwardson, Jamie GCPE:EX" < <u>Jamie.Edwardson@gov.bc.ca</u>> wrote:

As mentioned to John, TRAN is releasing government's response to the coastal ferries consultation process on Wed. morning \$13

Original news release wording:

The government of B.C. is also considering the introduction of a pilot project to assess the viability of gaming, and is seeking feedback on introducing gaming as a permanent revenue-generating program on major routes between Vancouver Island and the Lower Mainland. The pilot project would be implemented on BC Ferries' busiest route between Swartz Bay and Tsawwassen. If successful, gaming revenue would help reduce the pressure on fares with net revenues reinvested into the ferry system to support general fares.

Jamie Edwardson

Communications Director | Ministry of Finance | Province of British Columbia
P: 250.356.2821

s17

jamie.edwardson@gov.bc.ca

From:

Sent:

February-03-14 6:03 PM

To:

Edwardson, Jamie GCPE:EX

Mazure, John C FIN:EX

Subject:

Re: ferries and gambling

It is ok as long as it is clear that we are still in the exploratory stages. It is entirely possible that once we have the briefing note to MDJ, the idea of a pilot will shift. We discussed that with Kirk Handrahan of TRAN last week and he was going to take that back to his folks. Don't want to have to be very committed and then back away...

Suzanne

Sent from my iPhone

On 2014-02-03, at 5:22 PM, "Edwardson, Jamie GCPE:EX" < Jamie.Edwardson@gov.bc.ca> wrote:

As mentioned to John, TRAN is releasing government's response to the coastal ferries consultation process on Wed. morning.

s13

Original news release wording:

The government of B.C. is also considering the introduction of a pilot project to assess the viability of gaming, and is seeking feedback on introducing gaming as a permanent revenue-generating program on major routes between Vancouver Island and the Lower Mainland. The pilot project would be implemented on BC Ferries' busiest route between Swartz Bay and Tsawwassen. If successful, gaming revenue would help reduce the pressure on fares with net revenues reinvested into the ferry system to support general fares.

Jamie Edwardson

Communications Director | Ministry of Finance | Province of British Columbia P: 250.356.2821 s17 jamie.edwardson@gov.bc.ca

From:

Sent:

Bell, Suzanne N FIN:EX

January-29-14 1:07 PM

Handrahan, Kirk TRAN:EX

Subject:

Re: Gaming on Ferries

Thx Kirk!

Sent from my iPhone

On 2014-01-29, at 1:03 PM, "Handrahan, Kirk TRAN:EX" < <u>Kirk.Handrahan@gov.bc.ca</u>> wrote:

Note I have changed the title

-----Original Appointment-----**From:** Bell, Suzanne N FIN:EX

Sent: Thursday, January 23, 2014 3:18 PM

To: Jaggi-Smith, Michele FIN:EX; Handrahan, Kirk TRAN:EX

Subject: Gaming on Ferries

When: Friday, January 24, 2014 1:30 PM-2:30 PM (UTC-08:00) Pacific Time (US & Canada).

Where: 3rd floor, 910 Govt St.

When: Friday, January 24, 2014 13:30-14:30 (GMT-08:00) Pacific Time (US & Canada).

Where: 3rd floor, 910 Govt St.

Note: The GMT offset above does not reflect daylight saving time adjustments.

~~*~*~*~*

From: Bell, Suzanne N FIN:EX
Sent: January-27-14 11:20 AM

To: Mazure, John C FIN:EX; Wenezenki-Yolland, Cheryl FIN:EX

Cc: Jaggi-Smith, Michele FIN:EX; Thorneloe, Meghan FIN:EX; Salling, Tammy L FIN:EX; Fair,

Susan P FIN:EX

Subject:Estimates Notes QA (SNB4)Attachments:Estimates Notes QA (SNB4).docx

Importance: High

Here is the updated document with your changes, Cheryl.

Suzanne

From: Wenezenki-Yolland, Cheryl FIN:EX

Sent: January-27-14 10:27 AM
To: Bell, Suzanne N FIN:EX

Cc: Salling, Tammy L FIN:EX; Mazure, John C FIN:EX; Jaggi-Smith, Michele FIN:EX;

Thorneloe, Meghan FIN:EX

Subject: FW: Estimates Notes QA (SNB3) **Attachments:** Estimates Notes QA (SNB3).docx

Importance: High

Thank-you Suzanne,

Please make the edits and add the additional material as requested in the attached.

s13

John, we will also need to take a copy of the final version of the speaking notes.

Cheryl

From: Bell, Suzanne N FIN:EX

Sent: Monday, January 27, 2014 9:56 AM **To:** Wenezenki-Yolland, Cheryl FIN:EX

Cc: Salling, Tammy L FIN:EX; Mazure, John C FIN:EX; Jaggi-Smith, Michele FIN:EX; Thorneloe, Meghan FIN:EX

Subject: FW: Estimates Notes QA (SNB3)

Importance: High

Hi Cheryl, here is the Q&A document with edits. John has approved.

Suzanne N. Bell

Executive Director, Corporate Services Gaming Policy & Enforcement Branch

Know your limit, play within it.

From:Bell, Suzanne N FIN:EXSent:January-27-14 9:16 AMTo:Mazure, John C FIN:EX

Cc: Jaggi-Smith, Michele FIN:EX; Thorneloe, Meghan FIN:EX; Fair, Susan P FIN:EX

Subject:Estimates Notes QA (SNB3)Attachments:Estimates Notes QA (SNB3).docx

Importance: High

John, here is the Q&A for you, Cheryl and the Minister. It includes your changes and Chris Brown's. Do you want to send it to Cheryl, or should I?

Suzanne

From: Brown, Chris FIN:EX

Sent: January-27-14 9:08 AM

To: Bell, Suzanne N FIN:EX

Cc: Mazure, John C FIN:EX; Thorneloe, Meghan FIN:EX; Jaggi-Smith, Michele FIN:EX

Subject:RE: Estimates Notes QA (SNB2)Attachments:Estimates Notes QA (SNB2).docx

Hi Suzanne,

I have made a couple of suggested edits in track changes.

Thanks

Chris

From: Bell, Suzanne N FIN:EX Sent: January-27-14 8:45 AM To: Brown, Chris FIN:EX

Cc: Mazure, John C FIN:EX; Thorneloe, Meghan FIN:EX; Jaggi-Smith, Michele FIN:EX

Subject: Estimates Notes QA (SNB2)

Importance: High

Hi Chris – we prepared the attached for Cheryl and the Minister for this morning. Can you please take a look at the last row, which addresses the Review, and see if you'd like any changes/additions to the wording? Thanks so much!

Suzanne

From:

Sent:

January-27-14 9:06 AM

To:

Bell, Suzanne N FIN:EX

Subject:

Estimates Notes QA (SNB2)

Attachments:

Estimates Notes QA (SNB2).docx

Hi Suzanne,

Just made a few suggested edits using track changes.

Thanks

Chris

From: Mazure, John C FIN:EX

Sent: January-26-14 9:02 PM

To: Bell, Suzanne N FIN:EX

Cc: Nagel, Kandice FIN:EX

Subject: Notes for Estimates Notes QA (SNB)-Annotated

Attachments: Estimates Notes QA (SNB)-Annotated.pdf; ATT00001.txt

Thx Suzanne. I have provided some comments as noted below and in the attached PDF. pls let me know if you can make the changes otherwise I can work with kandace to make them tomorrow.

Annotation Summary for: Estimates Notes QA (SNB)-Annotated

s13

--

Marked up using iAnnotate PDF on my iPad

From: Bell, Suzanne N FIN:EX
Sent: January-24-14 10:20 PM

To: Mazure, John C FIN:EX; Wenezenki-Yolland, Cheryl FIN:EX

Cc: Fair, Susan P FIN:EX; Salling, Tammy L FIN:EX; Thorneloe, Meghan FIN:EX; Jaggi-Smith,

Michele FIN:EX

Subject: Estimates Notes QA (SNB).docx

Hi Cheryl and John, here are the issues and Q&As.



Suzanne

From: Thorneloe, Meghan FIN:EX

Sent: January-24-14 4:30 PM

To: Bell, Suzanne N FIN:EX

Cc: Dickson, Brandy FIN:EX

Subject:Rush Talking Points for MinisterAttachments:Estimates Notes Q&A.docx

Hi Suzanne,

Please see the attached table with the salient points for each topic. Cheryl's office has phoned to follow up on this already. Sorry for the delay!

Meghan Thorneloe

Manager, Strategic Initiatives BC Ministry of Finance | Gaming Policy and Enforcement Branch

Phone: 250-952-6651 | Fax: 250-356-1910 Email: meghan.thorneloe@gov.bc.ca

From:Bell, Suzanne N FIN:EXSent:January-24-14 4:07 PMTo:Edwardson, Jamie GCPE:EXCc:Thorneloe, Meghan FIN:EX

Subject: Re: Slots on ferries

Thank you!!

Sent from my iPhone

On 2014-01-24, at 4:04 PM, "Edwardson, Jamie GCPE:EX" < Jamie.Edwardson@gov.bc.ca > wrote:

This info is from TRAN, but it is consistent with what we worked on with them following the announcement.

- . When will the slot machine pilot project start?
- There would be a number of details that would need to be finalized prior to implementing the pilot.

What routes or vessels will have gaming?

- There would be a number of details that would need to be finalized prior to implementing the pilot, including decisions on which routes or vessels.
- BC Ferries Board needs to approve the proposal.
- There is also a process under the Gaming Control Act that must be followed for expanding gaming facilities.
- Based on the feedback we receive through the public engagement process, and on the success of the pilot, we would consider expanding gaming beyond the route hosting the pilot project.

How many slot machines will be on board?

• That would be one of a number of details that would need to be finalized prior to implementing the pilot.

What's the estimated revenue from introducing gaming?

- Too early to say.
- There would be a number of details that would need to be finalized prior to implementing the pilot.

What are the criteria for the pilot project to be deemed a success?

• Detailed criteria are being developed, but the purpose of the pilot is to determine whether revenues can be generated to help address the issues of affordability and sustainability of the coastal ferry service.

Won't this just encourage those with gambling addictions? A report from the Provincial Health Officer, Dr. Perry Kendall, says the province isn't doing enough for problem gamblers.

• I would like to thank Dr. Kendall and his staff for his thoughtful review of gaming in British Columbia. We are committed to continually improving our efforts in addressing problem gambling, and this report will be constructive as we advance our programs.

- We take the social costs of gambling seriously and have designed several initiatives to address the potential social costs of gambling. I am pleased the report also highlights the work we are doing in B.C.
- This year, the provincial government and BCLC are providing approximately \$11 million for responsible gambling: \$6 million for the provincial responsible gambling program, \$3.6 million for the BCLC responsible gambling program, and \$2 million over three years for the Centre for Gambling Research.
- As announced in Budget 2013, the provincial government is providing an additional \$5 million over three years to its Responsible Gambling program, a 30 per cent increase. This increased funding will be used to maintain services such as clinical counselling and improve awareness campaigns.
- Before further increasing spending for problem gambling programs and services, we're going to review the outcomes of our current programs to ensure that we're meeting the needs of our population.
- The new BC Problem Gambling Prevalence Study will be available in early 2014 and will provide data consistent across jurisdictions to help us pinpoint if we need to expand services.

From: Laura Piva-Babcock <LPiva-Babcock@bclc.com>

Sent: January-24-14 12:10 PM **To:** Thorneloe, Meghan FIN:EX

Cc: Jaggi-Smith, Michele FIN:EX; Bell, Suzanne N FIN:EX; XT:Dolinski, Susan GCPE:IN; Sarah

Morris

Subject: Minister's Binder contents with contact person

Attachments: 2014 Estimates Notes Proposal for Minister's Binder rev -23JAN14.docx

Hi,

NR

Let us know your thoughts on this. I added the a notation on the ENs in the current BCLC section that will require a Q&A.

As for timetable, here is what we discussed, but please let me know if there are any changes

Date	Action
Feb 13	BCLC/GPEB EN writers (MJ-S/LP-B/MT and SM) share notes for initial review
Feb 17	All finalized drafts are sent to Michael Graydon and John Mazure for review
Feb 18	Michael Graydon and John Mazure review
Feb 19	Edits from MG and JM are incorporated
Feb 21	GPEB sends notes to Associate DM and GCPE
Feb 21-28	GPEB/BCLC make any requested revisions from ADM/GCPE
Feb 28	Notes are final

Thanks,

Laura Piva-Babcock

Manager, Media and Issues Management
74 West Seymour Street, Kamloops, B.C. V2C 1E2
T 250 828 5576
S17
F 250 828 5637

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Last year, more than \$1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

From: Thorneloe, Meghan FIN:EX [mailto:Meghan.Thorneloe@gov.bc.ca]

Sent: January 23, 2014 4:52 PM

To: Laura Piva-Babcock; Jaggi-Smith, Michele FIN:EX

Cc: Bell, Suzanne N FIN:EX

Subject: Minister's Binder contents with contact person

Hi Michele and Laura,

Please see the attached table (updated) outlining the GPEB contact person for each of the estimates notes.

Meghan Thorneloe

Manager, Strategic Initiatives BC Ministry of Finance | Gaming Policy and Enforcement Branch

Phone: 250-952-6651 | Fax: 250-356-1910 Email: meghan.thorneloe@gov.bc.ca

This email is intended only for the addressee. It may contain confidential or proprietary information that cannot be disclosed without BCLC's permission. If you have received this email in error, please notify the sender immediately and delete the email.

From:Bell, Suzanne N FIN:EXSent:January-24-14 10:33 AMTo:Jaggi-Smith, Michele FIN:EX

Subject: RE: BC Ferries

John doesn't want us to take out the HLG stuff. He said he'd speak to Cheryl.

Suzanne N. Bell
Executive Director, Corporate Services
Gaming Policy & Enforcement Branch

Know your limit, play within it.

From: Jaggi-Smith, Michele FIN:EX **Sent:** Friday, January 24, 2014 09:21 **To:** Handrahan, Kirk TRAN:EX

Cc: Bell, Suzanne N FIN:EX

Subject: BC Ferries

Hi Kirk,

Please find attached a briefing note that was prepared before Christmas for our Associate Deputy Minister. We need to update the note as we will remove the requirement to consider gaming revenue for a host local government.

At this time, the briefing

material has not been forwarded to our Minister.

Michele

Michele Jaggi-Smith | Director, Gaming Policy and Communications

Corporate Services | Gaming, Policy and Enforcement Branch |

Direct: 250.387.0201 | Fax: 250.356.1910 | Email: michele.jaggismith@gov.bc.ca

From:
Jaggi-Smith, Michele FIN:EX
Sent:
January-23-14 3:21 PM
To:
Bell, Suzanne N FIN:EX
Subject:
Accepted: Slots on Ferries

Subject:Slots on FerriesLocation:3rd floor, 910 Govt St.

Start: Fri 24/01/2014 1:30 PM **End:** Fri 24/01/2014 2:30 PM

Show Time As: Tentative

Recurrence: (none)

Meeting Status: Not yet responded

Organizer: Bell, Suzanne N FIN:EX

Required Attendees: Handrahan, Kirk TRAN:EX; Jaggi-Smith, Michele FIN:EX

When: Friday, January 24, 2014 13:30-14:30 (GMT-08:00) Pacific Time (US & Canada).

Where: 3rd floor, 910 Govt St.

Note: The GMT offset above does not reflect daylight saving time adjustments.

~~*~*~*~*~*

Pages 152 through 156 redacted for the following reasons:

Not Responsive

From:	Bell, Suzanne N FIN:EX
Sent:	January-16-14 12:52 PM
Го:	McPherson, Gordon JAG:EX
Cc:	Jaggi-Smith, Michele FIN:EX

Subject: New Time Proposed: Telephone discussion re BC Ferries issues

Hi Gord, can we do 3:00 instead and include Michele? Thanks!

Suzanne

New Meeting Time Proposed:

Thursday, January 16, 2014 15:00-15:30 (GMT-08:00) Pacific Time (US & Canada).

From:Bell, Suzanne N FIN:EXSent:January-16-14 11:37 AMTo:McPherson, Gordon JAG:EX

Subject: Declined: Telephone discussion re BC Ferries issues

From: Seabrook, Norine FIN:EX
Sent: January-16-14 10:36 AM
To: Jaggi-Smith, Michele FIN:EX

Subject: FW: s14 s17

s14, s17

Norine Seabrook Financial Analyst Gaming Policy and Enforcement Branch Ministry of Finance 250-387-2412 Norine.Seabrook@gov.bc.ca

From: Walker, Brenda MK JAG:EX

Sent: Thursday, January 16, 2014 10:24 AM

To: Seabrook, Norine FIN:EX

Subject: s14, s17

Hi Norine,

s14, s17

Thanks Brenda

Brenda MK Walker

Procurement & Contracts Coordinator
Ministry of Justice | Corporate Management Services Branch (client LSB)

Till die one of the control of the c

5th floor 910 Government Street

Direct Phone: 250.952.7562 | Fax: 250.356.9528

Email: brenda.walker@gov.bc.ca

Pages 160 through 163 redacted for the following reasons:

Not Responsive

From: Jaggi-Smith, Michele FIN:EX
Sent: January-15-14 2:16 PM
To: MacLean, Shelley FIN:EX

Cc: Fair, Susan P FIN:EX; Bell, Suzanne N FIN:EX; Thorneloe, Meghan FIN:EX

Subject: FW: ACTION REQUIRED -- 2014 Estimates Preparation

Importance: High

Hi Shelley,

Please find attached the ADM approved proposed list of Estimates Notes for the Minister's Estimates Binder. If you have any questions, please give me a call!

Michele



Michele Jaggi-Smith | Director, Gaming Policy and Communications

Corporate Services | Gaming, Policy and Enforcement Branch |

Direct: 250.387.0201 | Fax: 250.356.1910 | Email: michele.jaggismith@gov.bc.ca

From: Fair, Susan P FIN:EX

Sent: Tuesday, January 14, 2014 8:54 AM

To: Bell, Suzanne N FIN:EX; Jaggi-Smith, Michele FIN:EX

Subject: FW: ACTION REQUIRED -- 2014 Estimates Preparation

Importance: High

For your attention please

NR

Pages 165 through 168 redacted for the following reasons:

Not Responsive

From: Jaggi-Smith, Michele FIN:EX

Sent: January-15-14 1:13 PM

To: Mazure, John C FIN:EX

Cc: Bell, Suzanne N FIN:EX

Subject: RE: BC Ferries

Thanks John.

Michele

From: Mazure, John C FIN:EX

Sent: Wednesday, January 15, 2014 12:51 PM

To: Jaggi-Smith, Michele FIN:EX Cc: Bell, Suzanne N FIN:EX Subject: RE: BC Ferries

Yes you can talk to MoT. You can also share our list of considerations with them (i was going to share it with Kevin Richter ADM) but just let them know it is draft and will be going to our minister at some point. Cheryl knows and is supportive of engaging MoT in this manner. thx

From: Jaggi-Smith, Michele FIN:EX **Sent:** Tuesday, January 14, 2014 4:33 PM

To: Mazure, John C FIN:EX **Cc:** Bell, Suzanne N FIN:EX

Subject: BC Ferries

Hi John,

I met with Martha Thomas today to discuss slots on BC Ferries NR . Suzanne and I briefed Cheryl on the BC Ferries note right before Christmas.

s13

814 But in order to

move forward in fleshing out how to flow slot money to BC Ferries we need to have a conversation with the Ministry of Transportation (MoT) to understand how government money currently flows to them. It is my understanding, that so far we have not shared our briefing information with anyone at MoT about the various considerations necessary to enable slots on BC Ferries. Martha has a contact at MoT that she can discuss this with but we wanted to make sure that Cheryl is fine with this? In order to answer Cheryl's questions, we need to chat w/ MoT. Can you please let me know if we can have any conversations w/ MoT on this topic at this time? Thanks.

Michele

Michele Jaggi-Smith | Director, Gaming Policy and Communications

Corporate Services | Gaming, Policy and Enforcement Branch |

Direct: 250.387.0201 | Fax: 250.356.1910 | Email: michele.jaggismith@gov.bc.ca

From: Bell, Suzanne N FIN:EX **Sent:** January-15-14 1:08 PM

To: Mazure, John C FIN:EX; Jaggi-Smith, Michele FIN:EX

Subject: RE: BC Ferries

Thanks, that's great!

Suzanne N. Bell
Executive Director, Corporate Services
Gaming Policy & Enforcement Branch

Know your limit, play within it.

From: Mazure, John C FIN:EX

Sent: Wednesday, January 15, 2014 12:51

To: Jaggi-Smith, Michele FIN:EX Cc: Bell, Suzanne N FIN:EX Subject: RE: BC Ferries

Yes you can talk to MoT. You can also share our list of considerations with them (i was going to share it with Kevin Richter ADM) but just let them know it is draft and will be going to our minister at some point. Cheryl knows and is supportive of engaging MoT in this manner. thx

From: Jaggi-Smith, Michele FIN:EX

Sent: Tuesday, January 14, 2014 4:33 PM

To: Mazure, John C FIN:EX Cc: Bell, Suzanne N FIN:EX

Subject: BC Ferries

Hi John,

I met with Martha Thomas today to discuss slots on BC Ferries

and I briefed Cheryl on the BC Ferries note right before Christmas

s13

s13

But in order to

move forward in fleshing out how to flow slot money to BC Ferries we need to have a conversation with the Ministry of Transportation (MoT) to understand how government money currently flows to them. It is my understanding, that so far we have not shared our briefing information with anyone at MoT about the various considerations necessary to enable slots on BC Ferries. Martha has a contact at MoT that she can discuss this with but we wanted to make sure that

Suzanne

Cheryl is fine with this? In order to answer Cheryl's questions, we need to chat w/ MoT. Can you please let me know if we can have any conversations w/ MoT on this topic at this time? Thanks.

Michele

Michele Jaggi-Smith | Director, Gaming Policy and Communications

Corporate Services | Gaming, Policy and Enforcement Branch |

Direct: 250.387.0201 | Fax: 250.356.1910 | Email: <u>michele.jaggismith@gov.bc.ca</u>

From:

Jaggi-Smith, Michele FIN:EX

Sent:

January-14-14 6:01 PM

Mazure, John C FIN:EX

Cc:

Bell, Suzanne N FIN:EX

Subject: FW: ACTION REQUIRED -- 2014 Estimates Preparation

Importance: High

John,

Attached is the proposed GPEB/BCLC Estimates notes for the *Minister's* Binder for your review. This has been approved by BCLC. Please let me know if you would like to add / remove any items or discuss further. This is due to Cheryl on Thurs. At a later date we will also create a GPEB ADM binder with further notes as well. Thanks.

Michele



Pages 173 through 175 redacted for the following reasons:

Not Responsive

From: Thomas, Martha O FIN:EX
Sent: January-10-14 4:37 PM
To: Jaggi-Smith, Michele FIN:EX
Subject: Accepted: NR BC Ferries

From: Thomas, Martha O FIN:EX Sent: January-10-14 4:36 PM To: Jaggi-Smith, Michele FIN:EX

Subject: **BC** Ferries NR

Interesting. Thanks for the documents. I will review before the meeting.

Martha Okot Thomas CA | Director, Financial Planning and Reporting | Corporate Services Division | Ministry of Finance |

Phone: 250 - 387-9530 | BB: Fax: 250-387-8586 s17

http://gww.fin.gov.bc.ca/camss/fsa/default.stm

Rethink Reduce Reuse Repair Recycle



From: Jaggi-Smith, Michele FIN:EX **Sent:** Friday, January 10, 2014 3:10 PM

To: Thomas, Martha O FIN:EX

BC Ferries Subject: NR

Hi Martha,

slots on BC Ferries next week? Can we please discuss NR NR

NR

Secondly, you may have heard in the media about the proposal to place slot machines on BC Ferries. Attached is a briefing note that we provided to Cheryl before Christmas. s13

have to re-work the briefing note but I'm attaching the note so that you have some understanding of the issues at hand and the complexities involved

s13

Thanks Martha!

Michele Jaggi-Smith | Director, Gaming Policy and Communications

Corporate Services | Gaming, Policy and Enforcement Branch |

Direct: 250.387.0201 | Fax: 250.356.1910 | Email: michele.jagqismith@gov.bc.ca

Subject: NR BC Ferries **Location:** Martha's office

Start: Tue 14/01/2014 1:30 PM **End:** Tue 14/01/2014 2:30 PM

Show Time As: Tentative

Recurrence: (none)

Meeting Status: Not yet responded

Organizer: Jaggi-Smith, Michele FIN:EX **Required Attendees:** Thomas, Martha O FIN:EX

When: Tuesday, January 14, 2014 1:30 PM-2:30 PM (GMT-08:00) Pacific Time (US & Canada).

Where: Martha's office

Note: The GMT offset above does not reflect daylight saving time adjustments.

~~*~*~*~*

Martha, I can come and meet you at your office. Let me know if this time works for you? Thanks.

Michele

From:

Jaggi-Smith, Michele FIN:EX

Sent:

December-18-13 5:14 PM

Bell, Suzanne N FIN:EX

Subject:

FW: Ferries Note

Attachments: BN - Slots on Ferries Considerations (includes BCLC edits).docx

Is the latest and greatest version that went up to Cheryl or has there been revisions later in the day? Thanks.

Michele

From: Bell, Suzanne N FIN:EX

Sent: Wednesday, December 18, 2013 10:45 AM

To: Fair, Susan P FIN:EX

Cc: Jaggi-Smith, Michele FIN:EX

Subject: Ferries Note

Here is the Ferries BN, ready to go.

Suzanne N. Bell

Executive Director, Corporate Services Gaming Policy & Enforcement Branch

Know your limit, play within it.

From: Fair, Susan P FIN:EX

Sent: December-18-13 3:06 PM

To: Bell, Suzanne N FIN:EX

Subject: FW: BC Ferries Note - 333462

Attachments: 333462 - BN - Slots on Ferries Considerations (includes BCLC edits).docx

Please see Cheryl's note below. I have highlighted it for you.

Susan

From: Salling, Tammy L FIN:EX

Sent: Wednesday, December 18, 2013 2:43 PM

To: Fair, Susan P FIN:EX

Subject: BC Ferries Note - 333462

Hi Susan,

Is Suzanne available to meet with Cheryl tomorrow morning to discuss this note? Cheryl is available between 9:00-10:30

Tammy Salling
Senior Executive Assistant
Associate Deputy Minister's Office
Ministry of Finance
Ph. 250 387-8499

From: Wenezenki-Yolland, Cheryl FIN:EX **Sent:** Wednesday, December 18, 2013 2:33 PM

To: Wenezenki-Yolland, Cheryl FIN:EX

Cc: Salling, Tammy L FIN:EX; Wenezenki-Yolland, Cheryl FIN:EX

Subject: Re: BC Ferries Note - 333462

Not sure if someone can discuss this with me tomorrow morning

Sent from my iPad

On Dec 18, 2013, at 2:22 PM, "Wenezenki-Yolland, Cheryl FIN:EX" < Cheryl.WenezenkiYolland@gov.bc.ca> wrote:

This is not approved to go forward.

a full briefing and a full discussion on options.

s13

and I will require

Cheryl

Sent from my iPad

On Dec 18, 2013, at 2:13 PM, "Salling, Tammy L FIN:EX" < Tammy.Salling@gov.bc.ca wrote:

Resending as requested

From: Salling, Tammy L FIN:EX

Sent: Wednesday, December 18, 2013 12:55 PM

To: Wenezenki-Yolland, Cheryl FIN:EX **Subject:** BC Ferries Note - 333462

Hi Cheryl,

Forwarded to you for approval please.

Thank you, Tammy

From: Fair, Susan P FIN:EX

Sent: Wednesday, December 18, 2013 11:46 AM

To: Salling, Tammy L FIN:EX **Subject:** 333462 - Ferries Note

Hi Tammy, I have uploaded the above briefing note into CLIFF for Cheryl's approval.

Gusan

Susan Fair Executive Administrative Assistant Gaming Policy and Enforcement Branch Ministry of Finance

(250) 387-1301

Know your limit, play within it.

Problem Gambling Helpline: 1-888-795-6111 Toll Free, 24 Hours, or visit www.bcresponsiblegambling.ca

<333462 - BN - Slots on Ferries Considerations (includes BCLC edits).docx>

From:Bell, Suzanne N FIN:EXSent:December-17-13 4:47 PMTo:XT:Piva-Babcock, Laura FIN:IN

Cc:XT:Dolinski, Susan GCPE:IN; Jaggi-Smith, Michele FIN:EXSubject:BN - Slots on Ferries Considerations (includes BCLC edits)Attachments:BN - Slots on Ferries Considerations (includes BCLC edits).docx

Importance: High

Hi Laura, please let me know your thoughts – I made the changes we discussed.

Thanks! Suzanne

From: XT:Piva-Babcock, Laura FIN:IN
Sent: December-17-13 3:05 PM
To: Bell, Suzanne N FIN:EX

Cc: Fair, Susan P FIN:EX; Jaggi-Smith, Michele FIN:EX; Mazure, John C FIN:EX; XT:Dolinski,

Susan GCPE:IN

Subject: RE: BN - Slots on Ferries Considerations(2)

Attachments: BN - Slots on Ferries Considerations(BCLC Edits) Dec 17.docx

Hi Suzanne,

We have provided a number of edits and comments. We have also inserted the financial analysis that was originally provided to BC Ferries.

s13

Please call if you have any questions. I am on my cell.

Thanks,

Laura Piva-Babcock

Manager, Media and Issues Management
74 West Seymour Street, Kamloops, B.C. V2C 1E2
T 250 828 5576
s17
F 250 828 5637

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Last year, more than \$1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

From: Bell, Suzanne N FIN:EX [mailto:Suzanne.Bell@gov.bc.ca]

Sent: December 16, 2013 11:36 AM **To:** Laura Piva-Babcock; Susan Dolinski

Cc: Fair, Susan P FIN:EX; Jaggi-Smith, Michele FIN:EX; Mazure, John C FIN:EX

Subject: BN - Slots on Ferries Considerations(2)

Importance: High

Hi Susan and Laura, can you please take a quick look at this note to see if you have any concerns? It's pretty high-level. I'm hoping to send it down to Cheryl this afternoon.

Thanks!

Suzanne

This email is intended only for the addressee. It may contain confidential or proprietary information that cannot be disclosed without BCLC's permission. If you have received this email in error, please notify the sender immediately and delete the email.

From:Bell, Suzanne N FIN:EXSent:December-16-13 9:18 AMTo:McPherson, Gordon JAG:EXCc:Jaggi-Smith, Michele FIN:EX

Subject: Ferry Question

Importance: High

Hi Gord, s14

s14

s14 Thanks!

Suzanne N. Bell

Executive Director, Corporate Services Gaming Policy & Enforcement Branch

Know your limit, play within it.

From: Mazure, John C FIN:EX

Sent: December-14-13 1:35 PM

To: Bell, Suzanne N FIN:EX

Cc: Fair, Susan P FIN:EX; Jaggi-Smith, Michele FIN:EX

Subject: RE: BN - Slots on Ferries Considerations

Attachments: BN - Slots on Ferries Considerations -im comments.docx

Thx Suzanne. The note looks good but i do have some comments – see attached.

From: Bell, Suzanne N FIN:EX

Sent: Friday, December 13, 2013 4:02 PM

To: Mazure, John C FIN:EX

Cc: Fair, Susan P FIN:EX; Jaggi-Smith, Michele FIN:EX

Subject: BN - Slots on Ferries Considerations

Hi John, here's the draft BN of considerations for slots on ferries. It's very high level – each bullet has lots more detail to it, but I've tried to keep it as straightforward as possible for Cheryl and the Minister. Please let me know if you would like changes.

Suzanne

From:

Sent:

December-09-13 8:58 AM

To:

Mazure, John C FIN:EX

Cc:

Fair, Susan P FIN:EX

Subject: RE: BC Ferries and Slot Machines

We sent it down last week before your meeting with her, I believe – Susan, is that right? We haven't changed it since then because we didn't get any feedback from her.

Suzanne N. Bell Executive Director, Corporate Services Gaming Policy & Enforcement Branch

Know your limit, play within it.

From: Mazure, John C EMNG:EX

Sent: Monday, December 9, 2013 08:56

To: Bell, Suzanne N FIN:EX **Cc:** Fair, Susan P FIN:EX

Subject: RE: BC Ferries and Slot Machines

I'm not sure regarding Cheryl's concerns – as such we should share the latest version of the note with her just to be sure.

From: Bell, Suzanne N EMNG:EX

Sent: Friday, December 6, 2013 11:41 AM

To: Mazure, John C EMNG:EX

Subject: BC Ferries and Slot Machines

John, Cheryl didn't have any more concerns about this note, is that correct? Because we're ready to go to Transportation, but I wanted to make sure there weren't any changes to our note. I should have asked you that before you went down there, sorry about that!

Thanks!

Suzanne N. Bell

Executive Director, Corporate Services Gaming Policy & Enforcement Branch

Know your limit, play within it.

From:

Sent:

December-03-13 11:13 AM

To:

Mazure, John C FIN:EX

Cc:

Jaggi-Smith, Michele FIN:EX

Subject: ferries

John, was Cheryl happy with the material we provided about Ferries? If so, I will share it with Transportation and get the working group together.

Suzanne N. Bell

Executive Director, Corporate Services Gaming Policy & Enforcement Branch

Know your limit, play within it.

From: Jaggi-Smith, Michele FIN:EX

Sent: November-28-13 2:04 PM

To: Mazure, John C FIN:EX

Cc: McPherson, Gordon JAG:EX; Bell, Suzanne N FIN:EX; Fair, Susan P FIN:EX

Subject: FW: BC Ferries and Slot Machines **Attachments:** Slots on BC Ferries - 28Nov13 (3).docx

Hi John,

Attached is a revised note regarding slots on BC Ferries.

s14

s14

The note is ready to share with the Ministry of Transportation.

Michele

From: Jaggi-Smith, Michele EMNG:EX

Sent: Thursday, November 21, 2013 1:26 PM

To: Mazure, John C EMNG:EX

Cc: McPherson, Gordon JAG:EX; Bell, Suzanne N EMNG:EX; Fair, Susan P EMNG:EX

Subject: BC Ferries and Slot Machines

Hi,

Please find attached a draft list of items that need to happen or to be considered for slot machines to be placed on BC Ferries.

However, this is not for further dissemination to the Ministry of Transportation at this time s14 s14 Please let me know if

you have any questions. Thanks!

Michele

Michele Jaggi-Smith | Director, Gaming Policy and Communications

Corporate Services | Gaming, Policy and Enforcement Branch |

Direct: 250.387.0201 | Fax: 250.356.1910 | Email: michele.jaggismith@gov.bc.ca

From: Jaggi-Smith, Michele EMNG:EX
Sent: November-28-13 1:51 PM
To: McPherson, Gordon JAG:EX

Subject: RE: Slots on BC Ferries - 19Nov13 (2).docx

Just saw this. I'll add it to the note I just sent to John. Thanks.

Michele

From: McPherson, Gordon JAG:EX

Sent: Thursday, November 28, 2013 10:05 AM

To: Jaggi-Smith, Michele EMNG:EX

Subject: RE: Slots on BC Ferries - 19Nov13 (2).docx

s14, s13

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Gordon McPherson Barrister & Solicitor Justice and Education Law Group Legal Services Branch

Ministry of Justice Tel: (250) 387-3145

From: Jaggi-Smith, Michele EMNG:EX

Sent: Wednesday, November 27, 2013 5:11 PM

To: McPherson, Gordon JAG:EX

Subject: RE: Slots on BC Ferries - 19Nov13 (2).docx

Thanks Gordon – much appreciated. I will make the changes and forward on to John for sharing with the Ministry of Transportation. I'll cc you on the email.

Michele

From: McPherson, Gordon JAG:EX

Sent: Wednesday, November 27, 2013 1:20 PM

To: Jaggi-Smith, Michele EMNG:EX

Cc: Dann, Katherine D JAG:EX; Morgan, Jean JAG:EX **Subject:** Slots on BC Ferries - 19Nov13 (2).docx

<< File: Slots on BC Ferries - 19Nov13 (2).docx >>

Hi Michele

I took a quick look at your draft document and have included some suggested edits and some comments. Call to discuss or for clarification if required.

s13, s14

Gord

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Gordon McPherson Barrister & Solicitor Justice and Education Law Group Legal Services Branch Ministry of Justice Tel: (250) 387-3145

From: Jaggi-Smith, Michele EMNG:EX

Sent: November-26-13 3:22 PM

To: McPherson, Gordon JAG:EX

Subject: FW: BC Ferries and Slot Machines

Attachments: Slots on BC Ferries - 19Nov13.docx

Hi Gord,

s14

s14 Thanks!

Michele

From: Jaggi-Smith, Michele EMNG:EX

Sent: Thursday, November 21, 2013 1:26 PM

To: Mazure, John C EMNG:EX

Cc: McPherson, Gordon JAG:EX; Bell, Suzanne N EMNG:EX; Fair, Susan P EMNG:EX

Subject: BC Ferries and Slot Machines

Hi,

Please find attached a draft list of items that need to happen or to be considered for slot machines to be placed on BC Ferries.

However, this is not for further dissemination to the Ministry of Transportation at this time s₁₄ Please let me know if

you have any questions. Thanks!

Michele

Michele Jaggi-Smith | Director, Gaming Policy and Communications

Corporate Services | Gaming, Policy and Enforcement Branch |

Direct: 250.387.0201 | Fax: 250.356.1910 | Email: michele.jaggismith@gov.bc.ca

From: Dickson, Brandy EMNG:EX Sent: November-20-13 6:18 PM

To: Bell, Suzanne N EMNG:EX; Jaggi-Smith, Michele EMNG:EX

Subject: HP TRIM File Created - BC Ferries - Gambling Proposition - Working Papers

Attachments: 179964 - GAMING POLICY AND CONSULTATION - Policy development case files - BC

Ferries - Gambling Proposition - Working Papers.tr5

Hi there,

Please find attached a Policy file as per Suzanne's request.

Thanks!

В

From:
Jaggi-Smith, Michele EMNG:EX
Sent:
November-20-13 10:37 AM
McPherson, Gordon JAG:EX
Subject:
FW: Slots on BC Ferries

Attachments: Slots on BC Ferries - 19Nov13.docx

Hi Gordon,

s14

I need to provide something to John by the end of the day or early tomorrow am at the latest. Thanks Gord.

Michele

From: Laura Piva-Babcock [mailto:LPiva-Babcock@bclc.com]

Sent: Wednesday, November 20, 2013 9:55 AM

To: Jaggi-Smith, Michele EMNG:EX Cc: XT:Dolinski, Susan GCPE:IN Subject: RE: Slots on BC Ferries

Hi Michele,

Here is what we developed as discussed. could read the comment on that item.

s13

but I left it in there so you

Let us know if you need anything further.

Thanks,

Laura Piva-Babcock

Manager, Media and Issues Management
74 West Seymour Street, Kamloops, B.C. V2C 1E2
T 250 828 5576 s17 F 250 828 5637

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Last year, more than \$1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

From: Jaggi-Smith, Michele EMNG:EX [mailto:Michele.JaggiSmith@gov.bc.ca]

Sent: November 18, 2013 5:18 PM

To: Laura Piva-Babcock

Cc: Susan Dolinski; Bell, Suzanne N EMNG:EX

Subject: Slots on BC Ferries

Hi Laura,

John would like us to provide a document to Ministry of Transportation (MoT) that identifies what needs to be considered in order for slot machines to be placed on ferries. He'd also like to see us provide information to MoT that illustrates in what area MoT has to work w/ GPEB and in what areas MoT would have to work with BCLC. He's advised the MoT ADM that we'll give them something in the next few days. I've just put together a quick draft identifying some preliminary thoughts

S14

Would you be able to put together some information for MoT on how they would have to work with BCLC on this matter? Please let me know your thoughts. Thanks Laura!

Michele

Michele Jaggi-Smith | Director, Gaming Policy and Communications

Corporate Services | Gaming, Policy and Enforcement Branch |

Direct: 250.387.0201 | Fax: 250.356.1910 | Email: michele.jagqismith@gov.bc.ca

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From: Meilleur, Len EMNG:EX Sent: November-19-13 1:27 PM To: Jaggi-Smith, Michele EMNG:EX

Subject: FW: ISSUE - BC Ferries and gaming pilot project

FYI and I will send the document you sent with a few comments.

Thanks

Len

Leonard J. Meilleur Executive Director and Registrar Registration and Certification Division Gaming Policy Enforcement Branch

Location: 3rd Floor, 910 Government Street, Victoria BC V8W 1X3 Mailing Address: P.O. Box 9202 Stn Prov Govt, Victoria BC V8W 9J1

Tel:250-356-6320 Fax:250-356-0782 E-mail: len.meilleur@gov.bc.ca

Website: www.pssg.gov.bc.ca /gaming

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***THIRD PARTY RULE APPLIES. ***

From: Lefler, Stephen C EMNG:EX

Sent: Tuesday, November 19, 2013 11:39 AM To: Jomha, Robin EMNG:EX; Meilleur, Len EMNG:EX Subject: RE: ISSUE - BC Ferries and gaming pilot project

s13

Steve Lefler

Director, Certification and Game Integrity

From: Jomha, Robin EMNG:EX

Sent: Tuesday, November 19, 2013 11:25 AM

To: Meilleur, Len EMNG:EX; Lefler, Stephen C EMNG:EX Subject: RE: ISSUE - BC Ferries and gaming pilot project Also is there a registrant for us in this? Would we register BC Ferries, their personnel, their ancillary services or any of the above?

From: Meilleur, Len EMNG:EX

Sent: Tuesday, November 19, 2013 10:31 AM

To: Lefler, Stephen C EMNG:EX; Jomha, Robin EMNG:EX **Subject:** FW: ISSUE - BC Ferries and gaming pilot project

FYI. Larry's comments for your reading.

Len

Leonard J. Meilleur Executive Director and Registrar Registration and Certification Division Gaming Policy Enforcement Branch

Location: 3rd Floor, 910 Government Street, Victoria BC V8W 1X3 Mailing Address: P.O. Box 9202 Stn Prov Govt, Victoria BC V8W 9J1

<u>Tel:250-356-6320</u> Fax:250-356-0782 E-mail: <u>len.meilleur@gov.bc.ca</u> Website: <u>www.pssg.gov.bc.ca</u>/gaming

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***THIRD PARTY RULE APPLIES. ***

From: Vander Graaf, Larry P EMNG:EX **Sent:** Tuesday, November 19, 2013 9:58 AM

To: Jaggi-Smith, Michele EMNG:EX; Meilleur, Len EMNG:EX; Van Sleuwen, Terri EMNG:EX; Cowland, Ursula EMNG:EX

Cc: Mazure, John C EMNG:EX; Bell, Suzanne N EMNG:EX; Fair, Susan P EMNG:EX

Subject: RE: ISSUE - BC Ferries and gaming pilot project

Thanks Michele,

Larry

Larry Vander Graaf, Executive Director **Investigations and Regional Operations Gaming Enforcement Gaming Policy and Enforcement Branch**

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From: Jaggi-Smith, Michele EMNG:EX Sent: Monday, November 18, 2013 5:05 PM

To: Vander Graaf, Larry P EMNG:EX; Meilleur, Len EMNG:EX; Van Sleuwen, Terri EMNG:EX; Cowland, Ursula EMNG:EX

Cc: Mazure, John C EMNG:EX; Bell, Suzanne N EMNG:EX; Fair, Susan P EMNG:EX

Subject: FW: ISSUE - BC Ferries and gaming pilot project

Importance: High

Hi,

Could you please review the attached document and provide any necessary further comments/thoughts regarding the proposal of slot machines on BC Ferries. I would greatly appreciate it if you could get back to me by the end of Tues. Thanks!

Michele

From: Jaggi-Smith, Michele EMNG:EX Sent: Monday, November 18, 2013 3:19 PM

To: Mazure, John C EMNG:EX

Cc: Bell, Suzanne N EMNG:EX; Thorneloe, Meghan JAG:EX; Fair, Susan P EMNG:EX

Subject: FW: ISSUE - BC Ferries and gaming pilot project

Importance: High

Hi John,

Please find attached a draft list of considerations re: placing slot machines on ferries.

s14

If you're fine with that I will forward this for their consideration/comments as well. Please let me know if the attached document is what you were thinking you would like to share with MoT. Thanks.

Michele

From: McPherson, Gordon JAG:EX

Sent: Monday, November 18, 2013 2:31 PM

To: Jaggi-Smith, Michele EMNG:EX

Subject: RE: ISSUE - BC Ferries and gaming pilot project

Michelle

s14

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Gordon McPherson Barrister & Solicitor Justice and Education Law Group Legal Services Branch Ministry of Justice Tel: (250) 387-3145

From: Jaggi-Smith, Michele EMNG:EX **Sent:** Monday, November 18, 2013 2:09 PM

To: McPherson, Gordon JAG:EX

Subject: FW: ISSUE - BC Ferries and gaming pilot project

Hi Gord,

s14

s14

Can you please review and let me know if I have overlooked

anything? Thanks Gord.

Michele

From: Jaggi-Smith, Michele EMNG:EX

Sent: Monday, November 18, 2013 12:00 PM

To: Mazure, John C EMNG:EX; Bell, Suzanne N EMNG:EX

Cc: Thorneloe, Meghan JAG:EX

Subject: RE: ISSUE - BC Ferries and gaming pilot project

I'm on it. John as per our discussion Jamie is managing this with Ministry of Transportation. I'll work w/ BCLC on what has to be done from our perspective.

Michele

From: Mazure, John C EMNG:EX

Sent: Monday, November 18, 2013 11:09 AM

To: Bell, Suzanne N EMNG:EX **Cc:** Jaggi-Smith, Michele EMNG:EX

Subject: FW: ISSUE - BC Ferries and gaming pilot project

Importance: High

Suzanne,

Pls advise asap on any changes to the answers below.

s13

s13

Michele – copying you

s22

From: Edwardson, Jamie GCPE:EX

Sent: Monday, November 18, 2013 10:54 AM

To: Wenezenki-Yolland, Cheryl FIN:EX; Mazure, John C EMNG:EX

Cc: Robertson, Janis GCPE:EX

Subject: FW: ISSUE - BC Ferries and gaming pilot project

Importance: High

Flagging for you from TRAN re BC Ferries and possible gaming pilot project. Qs and As below – full suite attached.

1. What routes or vessels will have gaming?

- We are considering a gaming pilot project on the most heavily used route between Tsawwassen and Swartz Bay.
- BC Ferries Board needs to approve the proposal.
- Based on the feedback we receive through the public engagement process, and on the success of the pilot, we would consider expanding gaming to other routes.

2. How many slot machines will be on board?

 There would be a number of details that would need to be finalized prior to implementing the pilot.

- It's difficult to estimate the net revenues of allowing gaming on a BC Ferry as it has not been tried on a public ferry system in BC.
- BC Ferries is currently estimating the cost of the cabling and renovations to provide a gaming area.
- It is clear that we have to look at a variety of methods to address the issues of affordability and sustainability.
- A pilot would give us better idea of the revenue potential without incurring significant start up costs. The pilot could be for all the vessels operating on Route 1 or only the most commonly used vessel – this determination will depend on the refit costs.
- If the pilot is successful, and the engagement process supports the expansion of this activity, then the revenues will help reduce the pressure for fare increases in future.

From: Wenezenki-Yolland, Cheryl FIN:EX **Sent:** November-19-13 12:28 PM

To: XT:Piva-Babcock, Laura FIN:IN; Robertson, Janis GCPE:EX; Bell, Suzanne N EMNG:EX;

Jaggi-Smith, Michele EMNG:EX; Sarah Morris

Cc: XT:Dolinski, Susan GCPE:IN

Subject: RE: FOR REVIEW: Updated responses to coastal ferries gaming Qs

At this time I would prefer to keep these responses high level as proposed...

s13

s13

This order respects the process that would be required.

From: Laura Piva-Babcock [mailto:LPiva-Babcock@bclc.com]

Sent: Tuesday, November 19, 2013 10:29 AM

To: Robertson, Janis GCPE:EX; Wenezenki-Yolland, Cheryl FIN:EX; Bell, Suzanne N EMNG:EX; Jaggi-Smith, Michele

EMNG:EX; Sarah Morris

Cc: XT:Dolinski, Susan GCPE:IN

Subject: Re: FOR REVIEW: Updated responses to coastal ferries gaming Qs

s13

From: Robertson, Janis GCPE:EX

Sent: Tuesday, November 19, 2013 9:44 AM

To: Wenezenki-Yolland, Cheryl FIN:EX; Bell, Suzanne N EMNG:EX; Jaggi-Smith, Michele EMNG:EX; Sarah Morris; Laura

Piva-Babcock

Subject: FOR REVIEW: Updated responses to coastal ferries gaming Qs

Please review the revised Q&A below and advise if you have any concerns. Thanks.

Janís Robertson Ministry of Finance 250 387-1248 (office) **From:** Chambers, Craig GCPE:EX **Sent:** November-19-13 9:06 AM **To:** Edwardson, Jamie GCPE:EX **Cc:** Robertson, Janis GCPE:EX

Subject: FOR REVIEW: Updated responses to coastal ferries gaming Qs

Jamie: based on initial input from John Mazure yesterday, here are revised responses to Qs for coastal ferries gaming. Reviewed by our ADM, Kevin Richter.

1. When will the slot machine pilot project start?

 There would be a number of details that would need to be finalized prior to implementing the pilot.

2. What routes or vessels will have gaming?

- There would be a number of details that would need to be finalized prior to implementing the pilot, including decisions on which routes or vessels.
- BC Ferries Board needs to approve the proposal.
- There is also a process under the Gaming Control Act that must be followed for expanding gaming facilities.
- Based on the feedback we receive through the public engagement process, and on the success of the pilot, we would consider expanding gaming beyond the route hosting the pilot project.

3. How many slot machines will be on board?

 That would be one of a number of details that would need to be finalized prior to implementing the pilot.

- Too early to say.
- There would be a number of details that would need to be finalized prior to implementing the pilot.

Craig Chambers

Government Communications and Public Engagement (GCPE)

Ministry of Transportation and Infrastructure

5A - 940 Blanshard St. Victoria, B.C. V8W 9T5

Office Phone: 250 387-5798

s17

craig.chambers@gov.bc.ca

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From:Van Sleuwen, Terri EMNG:EXSent:November-19-13 12:24 PMTo:Jaggi-Smith, Michele FIN:EX

Cc: Meilleur, Len FIN:EX; Cowland, Ursula FIN:EX; Mazure, John C FIN:EX; Bell, Suzanne N

FIN:EX; Fair, Susan P FIN:EX; Vander Graaf, Larry P FIN:EX

Subject: Re: ISSUE - BC Ferries and gaming pilot project-Audit Division Comments

Hi Michele, I agree with Larry's comments and then provide a number of rough thoughts, concerns and questions from the Audit Division's perspective.

s15

s13

Thanks,

Terri Van Sleuwen Sent from my iPad

On 2013-11-19, at 9:58 AM, "Vander Graaf, Larry P EMNG:EX" < Larry. Vander Graaf@gov.bc.ca > wrote:

Thanks Michele,

s13, s15

Larry

Larry Vander Graaf, Executive Director Investigations and Regional Operations Gaming Enforcement Gaming Policy and Enforcement Branch

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From: Jaggi-Smith, Michele EMNG:EX **Sent:** Monday, November 18, 2013 5:05 PM

To: Vander Graaf, Larry P EMNG:EX; Meilleur, Len EMNG:EX; Van Sleuwen, Terri EMNG:EX; Cowland,

Ursula EMNG:EX

Cc: Mazure, John C EMNG:EX; Bell, Suzanne N EMNG:EX; Fair, Susan P EMNG:EX

Subject: FW: ISSUE - BC Ferries and gaming pilot project

Importance: High

Hi,

Could you please review the attached document and provide any necessary further comments/thoughts regarding the proposal of slot machines on BC Ferries. I would greatly appreciate it if you could get back to me by the end of Tues. Thanks!

Michele

From: Jaggi-Smith, Michele EMNG:EX **Sent:** Monday, November 18, 2013 3:19 PM

To: Mazure, John C EMNG:EX

Cc: Bell, Suzanne N EMNG:EX; Thorneloe, Meghan JAG:EX; Fair, Susan P EMNG:EX

Subject: FW: ISSUE - BC Ferries and gaming pilot project

Importance: High

Hi John,

Please find attached a draft list of considerations re: placing slot machines on ferries.

If you're fine

with that I will forward this for their consideration/comments as well. Please let me know if the attached document is what you were thinking you would like to share with MoT. Thanks.

Michele

From: McPherson, Gordon JAG:EX

Sent: Monday, November 18, 2013 2:31 PM

To: Jaggi-Smith, Michele EMNG:EX

Subject: RE: ISSUE - BC Ferries and gaming pilot project

Michelle

s14

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Gordon McPherson Barrister & Solicitor Justice and Education Law Group Legal Services Branch Ministry of Justice

Tel: (250) 387-3145

From: Jaggi-Smith, Michele EMNG:EX **Sent:** Monday, November 18, 2013 2:09 PM

To: McPherson, Gordon JAG:EX

Subject: FW: ISSUE - BC Ferries and gaming pilot project

Hi Gord,

s14

s14 Can you please

review and let me know if I have overlooked anything? Thanks Gord.

Michele

From: Jaggi-Smith, Michele EMNG:EX

Sent: Monday, November 18, 2013 12:00 PM

To: Mazure, John C EMNG:EX; Bell, Suzanne N EMNG:EX

Cc: Thorneloe, Meghan JAG:EX

Subject: RE: ISSUE - BC Ferries and gaming pilot project

I'm on it. John as per our discussion Jamie is managing this with Ministry of Transportation. I'll work w/ BCLC on what has to be done from our perspective.

Michele

From: Mazure, John C EMNG:EX

Sent: Monday, November 18, 2013 11:09 AM

To: Bell, Suzanne N EMNG:EX **Cc:** Jaggi-Smith, Michele EMNG:EX

Subject: FW: ISSUE - BC Ferries and gaming pilot project

Importance: High

Suzanne,

Pls advise asap on any changes to the answers below

s13

s13

Michele - copying you

s22

s22

From: Edwardson, Jamie GCPE:EX

Sent: Monday, November 18, 2013 10:54 AM

To: Wenezenki-Yolland, Cheryl FIN:EX; Mazure, John C EMNG:EX

Cc: Robertson, Janis GCPE:EX

Subject: FW: ISSUE - BC Ferries and gaming pilot project

Importance: High

1. What routes or vessels will have gaming?

- We are considering a gaming pilot project on the most heavily used route between Tsawwassen and Swartz Bay.
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- It's difficult to estimate the net revenues of allowing gaming on a BC Ferry as it has not been tried on a public ferry system in BC.
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- If the pilot is successful, and the engagement process supports the expansion of this activity, then the revenues will help reduce the pressure for fare increases in future.

From: Bell, Suzanne N FIN:EX

Sent: November-19-13 8:27 AM

To: Mazure, John C FIN:EX

Subject: RE: CBC Online: BC Ferries to cut service, seniors discounts, and add casinos

Thank you!

Suzanne N. Bell
Executive Director, Corporate Services
Gaming Policy & Enforcement Branch

Know your limit, play within it.

From: Mazure, John C EMNG:EX

Sent: Tuesday, November 19, 2013 06:56

To: Bell, Suzanne N EMNG:EX

Subject: Re: CBC Online: BC Ferries to cut service, seniors discounts, and add casinos

That is ok. We managed. s22 Thx

Sent from my iPad

On Nov 18, 2013, at 9:30 PM, "Bell, Suzanne N EMNG:EX" < Suzanne.Bell@gov.bc.ca > wrote:

John, s22

Suzanne

Sent from my iPhone

On 2013-11-18, at 10:33 AM, "Mazure, John C EMNG:EX" < John.Mazure@gov.bc.ca > wrote:

Heads up. We'll need to get on this asap. I have a call in to Kevin Richter at MOT to find out who we should be talking to.

From: Michael Graydon [mailto:MGraydon@BCLC.com]

Sent: Monday, November 18, 2013 10:16 AM

To: Wenezenki-Yolland, Cheryl FIN:EX

Cc: Mazure, John C EMNG:EX

Subject: Fw: CBC Online: BC Ferries to cut service, seniors discounts, and add casinos

Importance: High

Has this got government endorsement. We have little or no interest in this at BCLC but obviously will follow govt direction. This has put us into the media and it would have been nice if Ferries had given us a heads up so we could be in a position to respond. How would you I've us to deal with this.

From: Susan Dolinski

Sent: Monday, November 18, 2013 10:09 AM

To: Michael Graydon; Jim Lightbody

Subject: Fw: CBC Online: BC Ferries to cut service, seniors discounts, and add casinos

Surprise

From: Laura Piva-Babcock

Sent: Monday, November 18, 2013 10:07 AM

To: Susan Dolinski

Subject: FW: CBC Online: BC Ferries to cut service, seniors discounts, and add casinos

Fyi – references casino pilot. We're meeting with Greg to discuss. Have the previous

BN

From: Sarah Morris

Sent: November 18, 2013 10:04 AM **To:** Laura Piva-Babcock; Chris Fairclough

Subject: FW: CBC Online: BC Ferries to cut service, seniors discounts, and add casinos

Importance: High

Since this is the first I'm hearing of it, do we have a briefing note or IN on slots on ferries we're using for potential media calls today?

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From:Bell, Suzanne N EMNG:EXSent:November-18-13 9:27 PMTo:Scott, Douglas S JAG:EX

Subject: Re: Georgia Straight Online: Slot machines coming to B.C. Ferries?

Hey, sorry I missed your note, s22

S

Sent from my iPhone

On 2013-11-18, at 11:12 AM, "Scott, Douglas S EMNG:EX" < Douglas.S.Scott@gov.bc.ca > wrote:

? – give me a call when you have a moment...

From: Bicknell, Liz M GCPE:EX
Sent: November-18-13 8:36 PM

To: Richter, Kevin J TRAN:EX; Mazure, John C FIN:EX; Handrahan, Kirk TRAN:EX; Chambers,

Craig GCPE:EX; Petruzzelli, Lynda TRAN:EX; Nacey, Sean TRAN:EX

Cc: Bell, Suzanne N FIN:EX; Jaggi-Smith, Michele FIN:EX; Edwardson, Jamie GCPE:EX;

Knight, Jeff J GCPE:EX

Subject: Re: ISSUE - BC Ferries and gaming pilot project

Thx Kevin, Jamie Edwardson and I work very closely together and will stay connected on this.

We will update our Qs and As accordingly.

Thank you.

From: Richter, Kevin J TRAN:EX

Sent: Monday, November 18, 2013 07:31 PM

To: Mazure, John C EMNG:EX; Bicknell, Liz M GCPE:EX; Handrahan, Kirk TRAN:EX; Chambers, Craig GCPE:EX; Petruzzelli,

Lynda TRAN:EX; Nacey, Sean TRAN:EX

Cc: Bell, Suzanne N EMNG:EX; Jaggi-Smith, Michele EMNG:EX **Subject**: RE: ISSUE - BC Ferries and gaming pilot project

Thank you John.

Liz, et. al., can you please John's comments for our Q & As.

From: Mazure, John C EMNG:EX

Sent: Monday, November 18, 2013 4:07 PM

To: Richter, Kevin J TRAN:EX

Cc: Bell, Suzanne N EMNG:EX; Jaggi-Smith, Michele EMNG:EX **Subject:** FW: ISSUE - BC Ferries and gaming pilot project

Hi Kevin, i understand that all media queries from today's event will be handled through MOT. I am forwarding you comments i provided to GCPE Finance re the Q&As relating to Gaming that i think you should be aware of. \$13

s13

From: Mazure, John C EMNG:EX

Sent: Monday, November 18, 2013 11:15 AM

To: Edwardson, Jamie GCPE:EX; Wenezenki-Yolland, Cheryl FIN:EX

Cc: Robertson, Janis GCPE:EX

Subject: RE: ISSUE - BC Ferries and gaming pilot project

I have staff reviewing so will get back to you with a more definitive response.

From: Edwardson, Jamie GCPE:EX

Sent: Monday, November 18, 2013 10:54 AM

To: Wenezenki-Yolland, Cheryl FIN:EX; Mazure, John C EMNG:EX

Cc: Robertson, Janis GCPE:EX

Subject: FW: ISSUE - BC Ferries and gaming pilot project

Importance: High

Flagging for you from TRAN re BC Ferries and possible gaming pilot project. Qs and As below – full suite attached.

1. What routes or vessels will have gaming?

- We are considering a gaming pilot project on the most heavily used route between Tsawwassen and Swartz Bay.
- BC Ferries Board needs to approve the proposal.
- Based on the feedback we receive through the public engagement process, and on the success of the pilot, we would consider expanding gaming to other routes.

2. How many slot machines will be on board?

 There would be a number of details that would need to be finalized prior to implementing the pilot.

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 it has not been tried on a public ferry system in BC.
- BC Ferries is currently estimating the cost of the cabling and renovations to provide a gaming area.
- It is clear that we have to look at a variety of methods to address the issues of affordability and sustainability.
- A pilot would give us better idea of the revenue potential without incurring significant start up costs. The pilot could be for all the vessels operating on

Route 1 or only the most commonly used vessel – this determination will depend on the refit costs.

• If the pilot is successful, and the engagement process supports the expansion of this activity, then the revenues will help reduce the pressure for fare increases in future.

From: Cowland, Ursula EMNG:EX
Sent: November-18-13 5:14 PM
To: Jaggi-Smith, Michele EMNG:EX

Subject: RE: ISSUE - BC Ferries and gaming pilot project

I think a couple of other considerations:

s13

s13

From: Jaggi-Smith, Michele EMNG:EX **Sent:** Monday, November 18, 2013 5:05 PM

To: Vander Graaf, Larry P EMNG:EX; Meilleur, Len EMNG:EX; Van Sleuwen, Terri EMNG:EX; Cowland, Ursula EMNG:EX

Cc: Mazure, John C EMNG:EX; Bell, Suzanne N EMNG:EX; Fair, Susan P EMNG:EX

Subject: FW: ISSUE - BC Ferries and gaming pilot project

Importance: High

Hi,

Could you please review the attached document and provide any necessary further comments/thoughts regarding the proposal of slot machines on BC Ferries. I would greatly appreciate it if you could get back to me by the end of Tues. Thanks!

Michele

From: Jaggi-Smith, Michele EMNG:EX **Sent:** Monday, November 18, 2013 3:19 PM

To: Mazure, John C EMNG:EX

Cc: Bell, Suzanne N EMNG:EX; Thorneloe, Meghan JAG:EX; Fair, Susan P EMNG:EX

Subject: FW: ISSUE - BC Ferries and gaming pilot project

Importance: High

Hi John,

Please find attached a draft list of considerations re: placing slot machines on ferries.

s14 If you're fine with that I will forward this for their consideration/comments as well. Please let me know if the attached document is what you were thinking you would like to share with MoT. Thanks.

Michele

From: McPherson, Gordon JAG:EX

Sent: Monday, November 18, 2013 2:31 PM

To: Jaggi-Smith, Michele EMNG:EX

Subject: RE: ISSUE - BC Ferries and gaming pilot project

Michelle

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Gordon McPherson Barrister & Solicitor Justice and Education Law Group Legal Services Branch Ministry of Justice Tel: (250) 387-3145

From: Jaggi-Smith, Michele EMNG:EX **Sent:** Monday, November 18, 2013 2:09 PM

To: McPherson, Gordon JAG:EX

Subject: FW: ISSUE - BC Ferries and gaming pilot project

Hi Gord,

s14

s14

Can you please review and let me know if I have overlooked

anything? Thanks Gord.

Michele

From: Jaggi-Smith, Michele EMNG:EX **Sent:** Monday, November 18, 2013 12:00 PM

To: Mazure, John C EMNG:EX; Bell, Suzanne N EMNG:EX

Cc: Thorneloe, Meghan JAG:EX

Subject: RE: ISSUE - BC Ferries and gaming pilot project

I'm on it. John as per our discussion Jamie is managing this with Ministry of Transportation. I'll work w/ BCLC on what has to be done from our perspective.

Michele

From: Mazure, John C EMNG:EX

Sent: Monday, November 18, 2013 11:09 AM

To: Bell, Suzanne N EMNG:EX **Cc:** Jaggi-Smith, Michele EMNG:EX

Subject: FW: ISSUE - BC Ferries and gaming pilot project

Importance: High

Suzanne,

Pls advise asap on any changes to the answers below.

s13

s13

Michele - copying you

s22

From: Edwardson, Jamie GCPE:EX

Sent: Monday, November 18, 2013 10:54 AM

To: Wenezenki-Yolland, Cheryl FIN:EX; Mazure, John C EMNG:EX

Cc: Robertson, Janis GCPE:EX

Subject: FW: ISSUE - BC Ferries and gaming pilot project

Importance: High

Flagging for you from TRAN re BC Ferries and possible gaming pilot project. Qs and As below – full suite attached.

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From: Jaggi-Smith, Michele EMNG:EX
Sent: November-18-13 3:29 PM
To: McPherson, Gordon JAG:EX

Subject: RE: ISSUE - BC Ferries and gaming pilot project

Hi Gordon,

s14

s14 I look forward to your

thoughts. Thanks Gordon.

Michele

Michele Jaggi-Smith | Director, Gaming Policy and Communications

Corporate Services | Gaming, Policy and Enforcement Branch |

Direct: 250.387.0201 | Fax: 250.356.1910 | Email: michele.jaggismith@gov.bc.ca

From: McPherson, Gordon JAG:EX

Sent: Monday, November 18, 2013 2:31 PM

To: Jaggi-Smith, Michele EMNG:EX

Subject: RE: ISSUE - BC Ferries and gaming pilot project

Michelle

s14

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approval from the Legal Services Branch, Ministry of Justice. If you are not the intended recipient, please notify me immediately and do not copy or disclose the contents of this message to any other person.

Gordon McPherson Barrister & Solicitor Justice and Education Law Group Legal Services Branch Ministry of Justice Tel: (250) 387-3145

From: Jaggi-Smith, Michele EMNG:EX **Sent:** Monday, November 18, 2013 2:09 PM

To: McPherson, Gordon JAG:EX

Subject: FW: ISSUE - BC Ferries and gaming pilot project

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anything? Thanks Gord.

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Sent: Monday, November 18, 2013 12:00 PM

To: Mazure, John C EMNG:EX; Bell, Suzanne N EMNG:EX

Cc: Thorneloe, Meghan JAG:EX

Subject: RE: ISSUE - BC Ferries and gaming pilot project

I'm on it. John as per our discussion Jamie is managing this with Ministry of Transportation. I'll work w/ BCLC on what has to be done from our perspective.

Michele

From: Mazure, John C EMNG:EX

Sent: Monday, November 18, 2013 11:09 AM

To: Bell, Suzanne N EMNG:EX **Cc:** Jaggi-Smith, Michele EMNG:EX

Subject: FW: ISSUE - BC Ferries and gaming pilot project

Importance: High

Suzanne,

s13

Michele - copying you

s22

From: Edwardson, Jamie GCPE:EX

Sent: Monday, November 18, 2013 10:54 AM

To: Wenezenki-Yolland, Cheryl FIN:EX; Mazure, John C EMNG:EX

Cc: Robertson, Janis GCPE:EX

Subject: FW: ISSUE - BC Ferries and gaming pilot project

Importance: High

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of this activity, then the revenues will he	lp reduce the pressure for fare
increases in future.	

From: Jaggi-Smith, Michele EMNG:EX
Sent: November-18-13 2:16 PM
To: McPherson, Gordon JAG:EX

Cc: Dann, Katherine D JAG:EX; Morgan, Jean JAG:EX

Subject: RE: ISSUE - BC Ferries and gaming pilot project

Nope.

From: McPherson, Gordon JAG:EX

Sent: Monday, November 18, 2013 2:11 PM

To: Jaggi-Smith, Michele EMNG:EX

Cc: Dann, Katherine D JAG:EX; Morgan, Jean JAG:EX **Subject:** FW: ISSUE - BC Ferries and gaming pilot project

I just saw the news clip online and wondered if anyone had spoken with GPEB.

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Gordon McPherson Barrister & Solicitor Justice and Education Law Group Legal Services Branch Ministry of Justice Tel: (250) 387-3145

From: Jaggi-Smith, Michele EMNG:EX **Sent:** Monday, November 18, 2013 2:09 PM

To: McPherson, Gordon JAG:EX

Subject: FW: ISSUE - BC Ferries and gaming pilot project

Hi Gord,

s14

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Michele

From: Jaggi-Smith, Michele EMNG:EX **Sent:** Monday, November 18, 2013 12:00 PM

To: Mazure, John C EMNG:EX; Bell, Suzanne N EMNG:EX

Cc: Thorneloe, Meghan JAG:EX

Subject: RE: ISSUE - BC Ferries and gaming pilot project

I'm on it. John as per our discussion Jamie is managing this with Ministry of Transportation. I'll work w/ BCLC on what has to be done from our perspective.

Michele

From: Mazure, John C EMNG:EX

Sent: Monday, November 18, 2013 11:09 AM

To: Bell, Suzanne N EMNG:EX **Cc:** Jaggi-Smith, Michele EMNG:EX

Subject: FW: ISSUE - BC Ferries and gaming pilot project

Importance: High

Suzanne,

s13

Michele – copying you

s22

From: Edwardson, Jamie GCPE:EX

Sent: Monday, November 18, 2013 10:54 AM

To: Wenezenki-Yolland, Cheryl FIN:EX; Mazure, John C EMNG:EX

Cc: Robertson, Janis GCPE:EX

Subject: FW: ISSUE - BC Ferries and gaming pilot project

Importance: High

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From: Michael Graydon < MGraydon@BCLC.com>

Sent: November-18-13 12:32 PM **To:** Mazure, John C FIN:EX

Subject: Re: Ferries

Thanks John. Mg

From: Mazure, John C EMNG:EX

Sent: Monday, November 18, 2013 12:16 PM

To: Michael Graydon **Subject:** Ferries

Hi Michael,

I just had a chat with Kevin regarding working with GPEB and BCLC on their proposed pilot.

s13

s13

s13 Having said that they are eager to work with us. Suzanne will be getting as much info from them before they head off on their coastal community consultations. She'll also be in touch with your folks so we can work together on this.

thx

From: Richter, Kevin J TRAN:EX

Sent: Monday, November 18, 2013 11:56 AM

To: Mazure, John C EMNG:EX **Cc:** Handrahan, Kirk TRAN:EX

Subject: Contact

good morning John,

Glad that we were able to connect.

Kirk Handrahan is the Marine Executive Director and he is the contact for Suzanne Bell from your group to work through getting gaming going on BC Ferries.

Thanks for your support.

This email is intended only for the addressee. It may contain confidential or proprietary information that cannot be disclosed without BCLC's permission. If you have received this email in error, please notify the sender immediately and delete the email.

From: Jaggi-Smith, Michele EMNG:EX
Sent: November-18-13 12:27 PM
To: Cashmore, Susan EMNG:EX

Cc: Bell, Suzanne N EMNG:EX; Thorneloe, Meghan JAG:EX

Subject: FW: Media Requests

Hi Susan,

As per your questions, it is fine if staff put media requests through to my phone. Alternatively, if there isn't anyone from Policy available, any requests from the media should be referred to GPEB's contacts at the Government Communications and Public Engagement (GCPE), Ministry of Finance Communications shop. An email should be forwarded with such information as noted in the email below. If you do forward a media request to GCPE, please ensure that Suzanne, myself and Meghan are copied so we are aware of the media interest. All of the following GCPE contacts should be included in any email. These contacts are:

Jamie Edwardson, Director, Communications Janet Stewart, Manager Communications Janis Robertson, Public Affairs Officer

Thanks!

Michele

Michele Jaggi-Smith | Director, Gaming Policy and Communications

Corporate Services | Gaming, Policy and Enforcement Branch |

Direct: 250.387.0201 | Fax: 250.356.1910 | Email: michele.jaggismith@gov.bc.ca

From: Edwardson, Jamie GCPE:EX

Sent: Monday, November 18, 2013 12:15 PM

To: Jaggi-Smith, Michele EMNG:EX; Robertson, Janis GCPE:EX

Cc: XT:Piva-Babcock, Laura FIN:IN; XT:Dolinski, Susan GCPE:IN; Mazure, John C EMNG:EX

Subject: RE: Globe and Mail re: Slots on BC Ferries

Thanks – will send to TRAN for response.

From: Jaggi-Smith, Michele EMNG:EX **Sent:** November-18-13 12:13 PM

To: Edwardson, Jamie GCPE:EX; Robertson, Janis GCPE:EX

Cc: XT:Piva-Babcock, Laura FIN:IN; XT:Dolinski, Susan GCPE:IN; Mazure, John C EMNG:EX

Subject: Globe and Mail re: Slots on BC Ferries

Hi Jamie,

I just received a phone call from Ms Katelyn Verstraten wanting a statement about the announcement of slot machines on BC Ferries. She is from the Globe and Mail – Vancouver Bureau and can be reached at \$\sigma^{22}\$

Michele

Michele Jaggi-Smith | Director, Gaming Policy and Communications

Corporate Services | Gaming, Policy and Enforcement Branch |

Direct: 250.387.0201 | Fax: 250.356.1910 | Email: <u>michele.jaggismith@gov.bc.ca</u>

From: Fair, Susan P EMNG:EX
Sent: November-18-13 12:15 PM
To: Jaggi-Smith, Michele EMNG:EX

Subject: BC Ferries BN



From: Edwardson, Jamie GCPE:EX **Sent:** November-18-13 11:20 AM

To: Wenezenki-Yolland, Cheryl FIN:EX; Mazure, John C FIN:EX

Cc: Robertson, Janis GCPE:EX

Subject: FW: Press Theatre: Stone - ferry service vision

Transcript below.

From: Wenezenki-Yolland, Cheryl FIN:EX Sent: November-18-13 11:18 AM

To: Mazure, John C FIN:EX; Edwardson, Jamie GCPE:EX

Cc: Robertson, Janis GCPE:EX

Subject: RE: ISSUE - BC Ferries and gaming pilot project

s13

From: Mazure, John C EMNG:EX

Sent: Monday, November 18, 2013 11:15 AM

To: Edwardson, Jamie GCPE:EX; Wenezenki-Yolland, Cheryl FIN:EX

Cc: Robertson, Janis GCPE:EX

Subject: RE: ISSUE - BC Ferries and gaming pilot project

I have staff reviewing so will get back to you with a more definitive response.

s13

From: Edwardson, Jamie GCPE:EX

Sent: Monday, November 18, 2013 10:54 AM

To: Wenezenki-Yolland, Cheryl FIN:EX; Mazure, John C EMNG:EX

Cc: Robertson, Janis GCPE:EX

Subject: FW: ISSUE - BC Ferries and gaming pilot project

Importance: High

Flagging for you from TRAN re BC Ferries and possible gaming pilot project. Qs and As below – full suite attached.

1. What routes or vessels will have gaming?

- We are considering a gaming pilot project on the most heavily used route between Tsawwassen and Swartz Bay.
- BC Ferries Board needs to approve the proposal.
- Based on the feedback we receive through the public engagement process, and on the success of the pilot, we would consider expanding gaming to other routes.

2. How many slot machines will be on board?

 There would be a number of details that would need to be finalized prior to implementing the pilot.

3. What's the estimated revenue from introducing gaming?

- It's difficult to estimate the net revenues of allowing gaming on a BC Ferry as
 it has not been tried on a public ferry system in BC.
- BC Ferries is currently estimating the cost of the cabling and renovations to provide a gaming area.
- It is clear that we have to look at a variety of methods to address the issues of affordability and sustainability.
- A pilot would give us better idea of the revenue potential without incurring significant start up costs. The pilot could be for all the vessels operating on Route 1 or only the most commonly used vessel – this determination will depend on the refit costs.
- If the pilot is successful, and the engagement process supports the expansion of this activity, then the revenues will help reduce the pressure for fare increases in future.

From: Wenezenki-Yolland, Cheryl FIN:EX Sent: November-18-13 11:01 AM

To: Edwardson, Jamie GCPE:EX; Mazure, John C FIN:EX

Cc: Robertson, Janis GCPE:EX

Subject: RE: ISSUE - BC Ferries and gaming pilot project

s13

Cheryl

From: Edwardson, Jamie GCPE:EX

Sent: Monday, November 18, 2013 10:54 AM

To: Wenezenki-Yolland, Cheryl FIN:EX; Mazure, John C EMNG:EX

Cc: Robertson, Janis GCPE:EX

Subject: FW: ISSUE - BC Ferries and gaming pilot project

Importance: High

Flagging for you from TRAN re BC Ferries and possible gaming pilot project. Qs and As below – full suite attached.

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- If the pilot is successful, and the engagement process supports the expansion of this activity, then the revenues will help reduce the pressure for fare increases in future.

From: Michael Graydon < MGraydon@BCLC.com>

Sent: November-18-13 11:00 AM **To:** Wenezenki-Yolland, Cheryl FIN:EX

Cc: Mazure, John C FIN:EX

Subject: Re: CBC Online: BC Ferries to cut service, seniors discounts, and add casinos

No worries we will start that process ASAP.

From: Wenezenki-Yolland, Cheryl FIN:EX Sent: Monday, November 18, 2013 10:58 AM

To: Michael Graydon

Cc: Mazure, John C EMNG:EX

Subject: RE: CBC Online: BC Ferries to cut service, seniors discounts, and add casinos

I only had the note you both provided me previously, which was sent along to the Minister.

I was aware of the interest, but completely unaware of this announcement. I did not receive any heads up on this.

I need you to work with John on this Michael, there are some policy considerations that will need to be worked out – before a pilot proceeds and we should know what they are before any discussions with BC Ferries occur.

Cheryl

From: Michael Graydon [mailto:MGraydon@BCLC.com]

Sent: Monday, November 18, 2013 10:16 AM **To:** Wenezenki-Yolland, Cheryl FIN:EX

Cc: Mazure, John C EMNG:EX

Subject: Fw: CBC Online: BC Ferries to cut service, seniors discounts, and add casinos

Importance: High

Has this got government endorsement. We have little or no interest in this at BCLC but obviously will follow govt direction. This has put us into the media and it would have been nice if Ferries had given us a heads up so we could be in a position to respond. How would you I've us to deal with this.

From: Susan Dolinski

Sent: Monday, November 18, 2013 10:09 AM

To: Michael Graydon; Jim Lightbody

Subject: Fw: CBC Online: BC Ferries to cut service, seniors discounts, and add casinos

Surprise

From: Laura Piva-Babcock

Sent: Monday, November 18, 2013 10:07 AM

To: Susan Dolinski

Subject: FW: CBC Online: BC Ferries to cut service, seniors discounts, and add casinos

Fyi – references casino pilot. We're meeting with Greg to discuss. Have the previous BN

From: Sarah Morris

Sent: November 18, 2013 10:04 AM **To:** Laura Piva-Babcock; Chris Fairclough

Subject: FW: CBC Online: BC Ferries to cut service, seniors discounts, and add casinos

Importance: High

Since this is the first I'm hearing of it, do we have a briefing note or IN on slots on ferries we're using for potential media calls today?

s3

From: Bell, Suzanne N EMNG:EX

Sent: November-06-13 10:14 AM

To: Jaggi-Smith, Michele EMNG:EX

Subject: RE: DRAFT list

Thank you, it looks good.

s13

s13

Suzanne N. Bell
Executive Director, Corporate Services
Gaming Policy & Enforcement Branch

Know your limit, play within it.

From: Jaggi-Smith, Michele EMNG:EX **Sent:** Wednesday, November 6, 2013 10:10

To: Bell, Suzanne N EMNG:EX **Subject:** FW: DRAFT list

Hi Suzanne,

Please find the link below to the draft Corporate Services deliverable list in case you want to play with it.

s13

s13

Michele

G:\GPE Enforcement\Operations\Policy\Policy Task List\2013\Corporate Services Deliverables - 6Nov13.docx

From: Bell, Suzanne N EMNG:EX

Sent: Tuesday, November 5, 2013 2:19 PM

To: Jaggi-Smith, Michele EMNG:EX

Subject: FW: DRAFT list

Here it is.

Suzanne N. Bell
Executive Director, Corporate Services
Gaming Policy & Enforcement Branch

Know your limit, play within it.

From: Scott, Douglas S EMNG:EX **Sent:** Wednesday, July 31, 2013 09:12

To: Fair, Susan P EMNG:EX; Bell, Suzanne N EMNG:EX

Subject: Fwd: DRAFT list

NR

Douglas S. Scott Assistant Deputy Minister Gaming Policy and Enforcement Branch Government of British Columbia

Begin forwarded message:

From: "Bell, Suzanne N EMNG:EX" < Suzanne.Bell@gov.bc.ca>

Date: July 30, 2013 6:01:47 PM PDT

To: "Scott, Douglas S EMNG:EX" < <u>Douglas.S.Scott@gov.bc.ca</u>>

Subject: DRAFT list

Hi Doug,

NR

Suzanne N. Bell

Executive Director, Corporate Services
Gaming Policy & Enforcement Branch

From: Jaggi-Smith, Michele EMNG:EX
Sent: November-01-13 9:16 AM
To: Salling, Tammy L FIN:EX

Cc:Bell, Suzanne N EMNG:EX; Fair, Susan P EMNG:EXSubject:FW: Copy of 30 60 90 day issues 31OCT13 FINAL.xlsxAttachments:Copy of 30 60 90 day issues 31OCT13 FINAL.xlsx

Hi Tammy,

We're not sure if John forwarded this to Cheryl yesterday? If not, please find the 30-60-90 day note. Thanks.

Michele

From: Bell, Suzanne N EMNG:EX

Sent: Thursday, October 31, 2013 5:40 PM

To: Mazure, John C EMNG:EX

Cc: Jaggi-Smith, Michele EMNG:EX; Thorneloe, Meghan JAG:EX; Fair, Susan P EMNG:EX

Subject: Copy of 30 60 90 day issues 31OCT13 FINAL.xlsx

Here is the finalized note, John.

Cheers! Suzanne

From: Thorneloe, Meghan JAG:EX

Sent: October-31-13 2:34 PM

To: Jaggi-Smith, Michele EMNG:EX

Subject: FW: 30-60-90 day issues

Attachments: 30 60 90 day issues.xlsx

Document also attached!

From: Laura Piva-Babcock [mailto:LPiva-Babcock@bclc.com]

Sent: Thursday, October 31, 2013 10:18 AM

To: Thorneloe, Meghan JAG:EX **Subject:** RE: 30-60-90 day issues

NR

From: Laura Piva-Babcock Sent: October 30, 2013 10:30 AM To: 'Thorneloe, Meghan JAG:EX' Subject: RE: 30-60-90 day issues

NR

From: Thorneloe, Meghan JAG:EX [mailto:Meghan.Thorneloe@gov.bc.ca]

Sent: October 30, 2013 10:00 AM

To: Laura Piva-Babcock

Subject: RE: 30-60-90 day issues

Hi Laura,

NR

From: Jaggi-Smith, Michele EMNG:EX **Sent:** Tuesday, October 29, 2013 4:03 PM

To: XT:Piva-Babcock, Laura FIN:IN **Cc:** Thorneloe, Meghan JAG:EX **Subject:** RE: 30-60-90 day issues

NR

Michele

From: Laura Piva-Babcock [mailto:LPiva-Babcock@bclc.com]

Sent: Tuesday, October 29, 2013 3:57 PM **To:** Jaggi-Smith, Michele EMNG:EX **Cc:** Thorneloe, Meghan JAG:EX **Subject:** RE: 30-60-90 day issues

NR

From: Jaggi-Smith, Michele EMNG:EX [mailto:Michele.JaggiSmith@gov.bc.ca]

Sent: October 29, 2013 3:45 PM

To: Laura Piva-Babcock

Cc: Thorneloe, Meghan JAG:EX **Subject:** RE: 30-60-90 day issues

HI Laura,

NR

Michele

From: Laura Piva-Babcock [mailto:LPiva-Babcock@bclc.com]

Sent: Tuesday, October 29, 2013 3:37 PM

To: Jaggi-Smith, Michele EMNG:EX **Subject:** RE: 30-60-90 day issues

Hi – NR

NR L

From: Jaggi-Smith, Michele EMNG:EX [mailto:Michele.JaggiSmith@gov.bc.ca]

Sent: October 29, 2013 3:29 PM

To: Laura Piva-Babcock

Subject: FW: 30-60-90 day issues

Hi Laura,

This is a ministry exercise that we complete every few months. The purpose of this note is to advise the MO of any imminent issues for the Minister's decision or any issues that may involve media attention.

NR Thanks.

Michele

From: MacLean, Shelley FIN:EX

Sent: Friday, October 25, 2013 10:59 AM

To: Tkachyk, Mary FIN:EX; Brown, Chris FIN:EX; Mazure, John C EMNG:EX

Cc: Salling, Tammy L FIN:EX; Reijeris, Brittany FIN:EX; Fair, Susan P EMNG:EX; MacLean, Shelley FIN:EX

Subject: 30-60-90 day issues

As discussed at the division executive meeting yesterday, attached is the template for the 30-60-90 day issues. If you could please populate the template and return it to me by October 31, we will review it at the November 4 executive meeting. Thank you!

This email is intended only for the addressee. It may contain confidential or proprietary information that cannot be disclosed without BCLC's permission. If you have received this email in error, please notify the sender immediately and delete the email.

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This email is intended only for the addressee. It may contain confidential or proprietary information that cannot be disclosed without BCLC's permission. If you have received this email in error, please notify the sender immediately and delete the email.

From:

Sent:

October-31-13 11:27 AM

To:

Thorneloe, Meghan JAG:EX

Jaggi-Smith, Michele EMNG:EX

Subject: Re: BC Ferries

Hi Meghan, we have been asked to do a broad policy review of government's policy regarding slot machines in gaming facilities.

s13

We can talk this afternoon and I can share the proposal I just finished.

Suzanne

Sent from my iPhone

On 2013-10-31, at 10:37 AM, "Thorneloe, Meghan JAG:EX" < Meghan. Thorneloe@gov.bc.ca > wrote:

Hi Suzanne,

I'm just working on this 30-60-90 document and I am wondering if you have any updates about the slot machines on BC Ferries topic? $_{\rm s13}$

s13

Thank you! Meghan

Meghan Thorneloe

Manager, Strategic Initiatives

BC Ministry of Finance | Gaming Policy and Enforcement Branch

Phone: 250-952-6651 | Fax: 250-356-1910 Email: meghan.thorneloe@gov.bc.ca

From:Richter, Kevin J TRAN:EXSent:October-29-13 1:56 PMTo:Mazure, John C FIN:EX

Subject: RE: BC Ferries

Certainly. I will be travelling so you may call my cell s17

Thank you.

From: Mazure, John C EMNG:EX

Sent: Tuesday, October 29, 2013 1:30 PM

To: Richter, Kevin J TRAN:EX **Subject:** Re: BC Ferries

Thx Kevin. Can I call you sometime tomorrow morning?

Sent from my iPhone

On Oct 29, 2013, at 12:41 PM, "Richter, Kevin J TRAN:EX" < Kevin.Richter@gov.bc.ca> wrote:

Good afternoon,

I have left a couple of voice messages and was interested in connecting with you to chat about BC Ferries and gaming.

My number is s17

From: Thorneloe, Meghan JAG:EX Sent: October-29-13 9:35 AM

To: Bell, Suzanne N EMNG:EX; Jaggi-Smith, Michele EMNG:EX

Subject: 30-60-90

Hi Suzanne and Michele,

I'm just working up a list for the 30-60-90 document and I have the following things so far:

NR

5. Slots on BC Ferries

This is all there is so far, please let me know if I can add/delete anything.

Thanks ☺ Meghan

Meghan Thorneloe

Manager, Strategic Initiatives BC Ministry of Finance | Gaming Policy and Enforcement Branch

Phone: 250-952-6651 | Fax: 250-356-1910 Email: meghan.thorneloe@gov.bc.ca

From: Main, Grant TRAN:EX

Sent: October-28-13 12:34 PM

To: Mazure, John C FIN:EX

Cc: Richter, Kevin J TRAN:EX

Subject: RE: Gaming on Ferries

Thanks for your note John –Kevin Richter is the point of contact in the Ministry, and by way of cc – will make sure you two connect (I believe he was trying to make contact with you last week as well).

I am happy to discuss as well if and as needed. Regards Grant

From: Mazure, John C EMNG:EX

Sent: Monday, October 28, 2013 8:44 AM

To: Main, Grant TRAN:EX **Subject:** Gaming on Ferries

Hi Grant, hope you are well. I understand there is some interest in introducing gaming (ie slot machines) on ferries. As this would represent a change from current policy, our branch (Gaming Policy and Enforcement Branch) needs to be involved. Who at MOTI should we be talking to? thx

From: MacLean, Shelley FIN:EX
Sent: October-23-13 11:38 AM

To: Mazure, John C FIN:EX; Bell, Suzanne N FIN:EX; Wenezenki-Yolland, Cheryl FIN:EX

Cc:Salling, Tammy L FIN:EX; Fair, Susan P FIN:EXSubject:RE: BN Slots on BC ferries_October 23 2013 SNB

I sent it to Peter/Brian Menzies and can confirm Peter has read it. Thank you!

From: Mazure, John C EMNG:EX

Sent: Wednesday, October 23, 2013 11:35 AM

To: Bell, Suzanne N EMNG:EX; Wenezenki-Yolland, Cheryl FIN:EX

Cc: Salling, Tammy L FIN:EX; MacLean, Shelley FIN:EX; Fair, Susan P EMNG:EX

Subject: RE: BN Slots on BC ferries_October 23 2013 SNB

The note looks much better Suzanne, thx

From: Bell, Suzanne N EMNG:EX

Sent: Wednesday, October 23, 2013 10:27 AM

To: Wenezenki-Yolland, Cheryl FIN:EX; Mazure, John C EMNG:EX

Cc: Salling, Tammy L FIN:EX; MacLean, Shelley FIN:EX; Fair, Susan P EMNG:EX

Subject: BN Slots on BC ferries_October 23 2013 SNB

Hi Cheryl and John, here is the edited note about slot machines on ferries. Cheryl, we didn't hear from BCLC about this topic before John got the heads up last night from Michael Graydon. Because of the timing, we haven't done any in-depth analysis.

Susan, would you please be able to log this into CLIFF for me? Thanks very much!

Suzanne

From: Wenezenki-Yolland, Cheryl FIN:EX

Sent: October-23-13 10:39 AM
To: MacLean, Shelley FIN:EX

Cc: Wenezenki-Yolland, Cheryl FIN:EX; Mazure, John C FIN:EX

Subject: Re: BN Slots on BC ferries_October 23 2013 SNB

Yes please forward it asap - incase this is discussed during the BC ferries sustainability discussion.

Sent from my iPad

On 2013-10-23, at 10:30 AM, "MacLean, Shelley FIN:EX" < Shelley.MacLean@gov.bc.ca > wrote:

Cheryl, let me know if you're comfortable with me sending this along as an information item. The meeting starts at 1:00. Thx

From: Bell, Suzanne N EMNG:EX

Sent: Wednesday, October 23, 2013 10:27 AM

To: Wenezenki-Yolland, Cheryl FIN:EX; Mazure, John C EMNG:EX

Cc: Salling, Tammy L FIN:EX; MacLean, Shelley FIN:EX; Fair, Susan P EMNG:EX

Subject: BN Slots on BC ferries October 23 2013 SNB

Hi Cheryl and John, here is the edited note about slot machines on ferries. Cheryl, we didn't hear from BCLC about this topic before John got the heads up last night from Michael Graydon. Because of the timing, we haven't done any in-depth analysis.

Susan, would you please be able to log this into CLIFF for me? Thanks very much!

Suzanne

From:

Sent:

October-23-13 9:41 AM

To:

Mazure, John C EMNG:EX

Subject:

RE: Information Note

John, I've just read the last of the note, and there is no way I can do a proper job on this in the next 10 minutes – can I have more time, or should I disregard the fact that there are no pros and cons?

Suzanne N. Bell
Executive Director, Corporate Services
Gaming Policy & Enforcement Branch

Know your limit, play within it.

From: Mazure, John C EMNG:EX

Sent: Wednesday, October 23, 2013 09:37 **To:** Wenezenki-Yolland, Cheryl FIN:EX

Cc: Bell, Suzanne N EMNG:EX; Salling, Tammy L FIN:EX; Fair, Susan P EMNG:EX

Subject: RE: Information Note

Michael gave me a heads up yesterday and i received a briefing note last night but otherwise GPEB was not aware of the discussions happening between BCLC and BCFC. So, to your point, i think i need to raise this with Michael and other ministries (including perhaps have our minister raising the need to involve GPEB on gaming policy matters with his colleagues at Cabinet) so we don't get jammed. We'll get you a revised note asap.

From: Wenezenki-Yolland, Cheryl FIN:EX **Sent:** Wednesday, October 23, 2013 9:10 AM

To: MacLean, Shelley FIN:EX

Cc: Wenezenki-Yolland, Cheryl FIN:EX; Mazure, John C EMNG:EX

Subject: Re: Information Note

John, I read the note s13 and GPEB should be writing the note and including BCLC business analysis. Current policy and limits on the number of venues and machines would be significant considerations, not to mention the responsible gambling policy and the risks of locating slots in public spaces - which is very significant. Has GPEB even been consulted on the policy implications? before going to cabinet it is normal practice to consult with other ministries that are responsible for policy...

Sent from my iPad

On 2013-10-23, at 9:05 AM, "MacLean, Shelley FIN:EX" < Shelley.MacLean@gov.bc.ca > wrote:

I have the Cabinet agenda in front of me and I don't see it on the agenda. At PPC there is a report back: Sustainable Ferry Service which may be where what this note is for, but it's not our item. John can you send me the note, I'll check with my cab ops contact. thx

From: Wenezenki-Yolland, Cheryl FIN:EX **Sent:** Wednesday, October 23, 2013 8:45 AM

To: Mazure, John C EMNG:EX **Cc:** MacLean, Shelley FIN:EX **Subject:** Re: Information Note

What? I don't know anything about this? Who would be taking this to cabinet?

Shelley can you find out what is going on please.

Is transportation taking something forward?

They should have consulted with us as we are responsible for gaming policy

Cheryl Wenezenki-Yolland

On 2013-10-23, at 7:46 AM, "Mazure, John C EMNG:EX" < John.Mazure@gov.bc.ca> wrote:

Cheryl, we are reviewing the attached note which apparently going to cabinet today.

s13

Sent from my iPad

Begin forwarded message:

From: "XT:Dolinski, Susan GCPE:IN" < SDolinski@BCLC.com>

Date: October 22, 2013 at 7:05:04 PM PDT

To: "Mazure, John C EMNG:EX" < John. Mazure@gov.bc.ca>,

Michael Graydon < MGraydon @BCLC.com>

Subject: Information Note

Hello John

Per Mike's previous message, please see attached information note regarding a matter we believe will be brought forward to Cabinet tomorrow. Happy to make any edits as needed.

Regards,

Susan

This email is intended only for the addressee. It may contain confidential or proprietary information that cannot be disclosed without BCLC's permission. If you have received this email in error, please notify the sender immediately and delete the email.

<BN Slots on BC ferries_ DRAFT 4_October 22 2013.doc>

From:

Sent:

October-23-13 9:35 AM

To:

Mazure, John C EMNG:EX

Cc:

Fair, Susan P EMNG:EX

Subject:BN Slots on BC ferries_ DRAFT 4_October 22 2013Attachments:BN Slots on BC ferries_ DRAFT 4_October 22 2013.doc

Importance: High

I've made the changes, John – but this has been labelled as an information note, and there are recommendations at the end, making it a decision note. There aren't any pros and cons in this version. I could restructure it, but it will take longer – do you think we have the time?

Suzanne

From:Bell, Suzanne N EMNG:EXSent:October-22-13 7:53 PMTo:Mazure, John C EMNG:EX

Subject: RE: BC Ferries

I think it will be more trouble than it's worth...

Suzanne

From: Mazure, John C EMNG:EX

Sent: Tuesday, October 22, 2013 11:59 AM

To: Bell, Suzanne N EMNG:EX **Subject:** FW: BC Ferries

Coming our way soon...

From: Michael Graydon [mailto:MGraydon@BCLC.com]

Sent: Tuesday, October 22, 2013 10:48 AM

To: Mazure, John C EMNG:EX **Cc:** XT:Dolinski, Susan GCPE:IN

Subject: BC Ferries

I was informed this morning that the Ministry of Transportation may be going to cabinet to seek approval to put slots on Ferries. We chatted to the Ferry Corp about 2 years ago to gage level of interest and there was none. The Minister has taken up the charge of late and it seems to have gained some momentum. We are going to do an issues note today for the Minister outlining the background

s13

s₁₃ Not sure this is the battle we want to fight. We will provide you the note before it goes to the MO. Mg

Sent from my BlackBerry 10 smartphone on the TELUS network.

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