

Manitoba Gaming Control Act



**Manitoba Gaming
Control Commission**

Municipal VLT Plebiscite Review

July 1998

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**Manitoba Gaming
Control Commission**

July 10, 1998

Honourable Michael Radcliffe, Q.C.
Minister responsible for The Gaming Control Act
Room 317
450 Broadway Avenue
Winnipeg, Manitoba
R3C 0V8

Dear Mr. Minister:

In response to your request, the Manitoba Gaming Control Commission has considered and reviewed the question of municipal video lottery terminal (VLT) plebiscites as recommended in the *Manitoba Lotteries Policy Review Working Group Report*.

Our review and report detail a number of aspects, issues and concerns considered by the Commission in reaching our conclusions and finalizing our recommendations. As you are aware, in addition to our own research and deliberations, the Commission also sought the input of Manitoba's citizens via public meetings, private meetings and written and oral submissions.

On behalf of the members of the Manitoba Gaming Control Commission I am honoured to submit the Municipal VLT Plebiscite Review Report to the Province of Manitoba.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Archie M. Cham".

Archie M. Cham
Chair

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ABOUT THE MANITOBA GAMING CONTROL COMMISSION

The Manitoba Gaming Control Commission (MGCC) was established in October 1997 to regulate and control gaming activity in Manitoba with the aims of ensuring that gaming activities are conducted honestly, with integrity and in the public interest. The establishment of the MGCC was a significant recommendation of the Lottery Policy Review Working Group Report, often referred to as the Desjardins' Report.

The MGCC is an independent commission led by a seven-member board, including a Chairperson, appointed from the community. The Board, in addition to its regulatory responsibilities, also serves an advisory role to government on matters related to gaming in the province. The MGCC is also responsible for licensing and monitoring charitable gaming events; registering gaming industry employees and suppliers; conducting gaming inspections and investigations; and registering electronic gaming devices. The MGCC derives its powers and responsibilities from *The Gaming Control Act* and accompanying regulations.

The MGCC recognizes the diversity of views with respect to gaming and takes a reasoned and balanced approach toward gaming activities in our province. The MGCC strives at all times to treat its employees, clients and the general public with respect, fairness and service beyond question.

Board of Commissioners

Mr. Archie Cham, Chair - Winnipeg

Mr. Ross Bailey, Member - Gimli

Right Reverend Monsignor Michael Buyachok, Member - Dauphin

Ms. Joan Montgomery, Member - Russell

Mr. E. Wells Peever, Member - Winnipeg

Ms. Susan Swan, Member - Lake Manitoba First Nation

Ms. Claudia Weselake, Member - St. Germain

EXECUTIVE SUMMARY

The Manitoba Gaming Control Commission was asked by the Provincial Government to consider the issue of municipal video lottery terminal (VLT) plebiscites as recommended by the Lottery Policy Review Working Group. It is clear that plebiscites, by their nature, are not binding on either provincial or municipal governments. However, it is also clear that citizens and elected officials may initiate plebiscites to measure public opinion on a particular issue, including VLTs. Based on its review, the MGCC recommends that a defined and orderly process must be established and followed by citizens and municipalities wishing to pursue a VLT plebiscite.

Highlights of the Commission's recommendations are as follows:

- Plebiscites should be held in conjunction with municipal elections, beginning with the October 28, 1998 elections.
- Pending legislative review and amendment, the results of municipal plebiscites would be advisory only to the municipal and provincial governments.
- A plebiscite may be initiated: on the decision of a municipal council; or on the presentation of a petition signed by 20% of the voters in a municipality.
- A standard question would be used for both the petition and the plebiscite.
- A plebiscite vote of 50 percent plus one would be prescribed as a minimum requirement.
- Those communities choosing to prohibit or remove VLTs would forfeit the ten percent VLT revenue grant.

BACKGROUND TO THE MGCC'S REPORT

In December of 1995, the Manitoba Lottery Policy Review Working Group Report (Desjardins' Report), recommended that communities be able to decide by plebiscite to prohibit VLTs in their municipalities and that the provincial government would recognize plebiscite results.

The Report further recommended that citizens would initiate and carry out a petition, in accordance with *The Municipal Act*, requesting their local council to hold a plebiscite to prohibit VLTs. The Report also recommended that those communities choosing to prohibit VLTs would not share in VLT revenues.

The establishment of an independent body to regulate and oversee gaming activities in the province was also a key Desjardins' Report recommendation. In June 1996, legislation was introduced to establish the Manitoba Gaming Control Commission (MGCC). At the same time, the Provincial Government indicated it would refer the recommendations on plebiscites to the new Commission for its review.

Following its formal establishment in October 1997, the MGCC began to examine the municipal VLT plebiscite recommendations. The MGCC's initial review examined existing applicable legislation, public policy and plebiscite experiences in other jurisdictions. As a result of this review, the Commission formulated preliminary recommendations regarding municipal VLT plebiscites in the province.

However, recognizing that plebiscites are, by their nature, citizen-driven initiatives, the Commission broadened the scope of its review by inviting Manitobans to share their views via a public consultation process. As well, the Commission conducted focus tests with citizens to assist in the development of standard petition and plebiscite questions.

The MGCC's public consultations focused on three specific areas and asked Manitobans to share their views on:

- municipal VLT plebiscites in general;
- the development of a potential plebiscite formula, including a consistent plebiscite question; and
- VLT revenues should a municipality choose to prohibit VLTs in its jurisdiction.

The recommendations and narrative detailed in the Municipal VLT Plebiscite Review Report are based on the input received from this consultation process, the focus tests and the Commission's own research and deliberations.

PUBLIC CONSULTATION PROCESS

The members of the Manitoba Gaming Control Commission would like to thank all the individual Manitobans and representatives of organizations who participated in the public municipal VLT plebiscite consultations and meetings. A total of 124 submissions were made to the Commission. Public meetings were conducted in Brandon, Winnipeg and Thompson. Written submissions were received via fax, e-mail and regular mail. Views were also shared through a special toll-free telephone line, and Commission members also met with individual Manitobans and stakeholder groups.

Submission Breakdown

Fax submissions -	13
E-Mail submissions -	5
Voice mail submissions -	59
Mail submissions -	16
In-Person submissions -	4
Public Meetings:	
a) Brandon -	4
b) Winnipeg -	20
c) Thompson -	3

VLTs are clearly a matter of public interest in Manitoba. During the public consultations, the Commission heard wide-ranging views and submissions from a cross-section of Manitobans. Consultation participants provided very useful input with reason and conviction. The opinions expressed were weighed and included in the process of developing the Commission's final recommendations.

In general, public consultation participants supported the position that VLT plebiscites should be held in conjunction with municipal elections. Municipal government representatives, as an

exception, opposed VLT plebiscites being held during municipal elections. They submitted that VLTs are a provincial matter and should be dealt with during a provincial election.

Certain stakeholders, while not favouring plebiscites, felt that plebiscites were inevitable and that a defined process was required.

Overall, though, it should be mentioned that the public meetings were not widely attended. Numerous reasons have been suggested to explain this fact. Despite the lower than expected figures, the Commission believes that presentations were both thorough and representative of the different viewpoints in the VLT plebiscite discussion.

While the Commission intended the consultation to focus on municipal plebiscites, many of the Manitobans who shared their views saw the consultation process as an opportunity to express their views about VLTs in general. The Commission appreciates the interest and concern which many Manitobans expressed about VLTs. The comments received reinforce the Commission's recommendation that citizens should have the opportunity to pursue VLT plebiscites at the community level.

RECOMMENDATIONS

The Commission's research clearly shows that municipalities may hold plebiscites to gauge interest in an issue of interest or concern to a community. However, it must be noted that the results of plebiscites are not binding on either municipal governments or on the provincial government. Nevertheless, if citizens choose to pursue a VLT plebiscite and municipal and provincial governments choose to recognize the results of such a process, the Commission recommends that a defined and orderly process must be followed.

These are the Commission's recommendations:

1. *The Provincial Government should request that municipalities make the opportunity available to conduct VLT plebiscites on the municipal election cycle commencing with the October 28, 1998 general elections.*
2. *Plebiscites should be held in conjunction with municipal elections.*

The upcoming, October 1998, municipal elections, and subsequent municipal elections, offer the opportunity to allow citizens and councils to consider a petition and plebiscite process at the municipal level.

In considering public opinion options, the MGCC also considered a province-wide plebiscite. However, pursuit of this option would contradict the original municipally-driven recommendation made in the Desjardins' Report. The results of a province-wide plebiscite would largely eliminate community choice and ignore individual community characteristics. It is likely that plebiscite results in the province's major centres would skew the province-wide outcome, again eliminating individual community choice. Accordingly, the MGCC's recommendations are based on a municipally-driven plebiscite process.

During the consultations it was noted that election candidates are sometimes acclaimed, negating the need for an election. The Commission believes that while some municipalities may not conduct a general election, a plebiscite could still be tied to the municipal election cycle. In the communities of Dunnottar, Victoria Beach and Winnipeg Beach it would be at the discretion of Council to conduct a plebiscite during their summer election, or in October with the other municipalities.

3. *Pending legislative review and amendment, the results of municipal plebiscites would be advisory only to the municipal and provincial governments.*

Manitoba municipalities may conduct plebiscites to gauge public opinion on a particular matter, including VLTs. As noted previously, however, plebiscite results, by their nature, are not binding on either a municipality or the Province. A review of relevant legislation indicates there is no present legal mechanism which would make the results of a municipal VLT plebiscite legally binding. So while municipalities may conduct VLT plebiscites, and while the Provincial Government may pledge to honour the results, the absence of actual legal authority to recognize and implement plebiscite outcomes may result in legal challenges.

It should be noted that the Manitoba Lotteries Corporation's current VLT siteholder agreement includes a section which allows the unilateral cancellation of siteholder contracts. However, termination based on a VLT plebiscite without cause or notice may be viewed as ad hoc discrimination. The siteholder agreement does include impropriety or insolvency as reasons for cancellation, but geographic location or plebiscite results are not referred to in the agreement.

The Commission has examined The Local Option provision in the *Liquor Control Act*, which clearly outlines the liquor prohibition and reinstatement processes for fair and equitable community based decision-making. It is envisioned that similar legislative

requirements could be drafted with regard to VLTs. Statutory changes to *The Gaming Control Act* or to *The Municipal Act*, could entrench the specifics of the VLT plebiscite process and resulting VLT removal.

4. *A standardized plebiscite process would be used by all municipalities.*

Accordingly, the Manitoba Gaming Control Commission recommends that:

- A plebiscite may be initiated: on the decision of a municipal council; or on the presentation of a petition signed by 20% of the voters in a municipality.
- Petitions to conduct a plebiscite must be completed in keeping with *The Municipal Act* petition requirements. In addition, petitions should be filed with a municipality no later than 60 days prior to the election day.
- Standardized wording for both the petition and plebiscite question should be used. During the public consultations and in focus testing, participants identified the need for a clear, concise question which also indicates the potential consequences. At the same time, it was indicated that “plebiscite” is an uncommon word and concept which required a definition. Based on its review and citizen input, the MGCC recommends:

Petition Question

“We the undersigned, being electors of the Name of Municipality, hereby petition City/Town/Municipal Council to hold a plebiscite requesting the ban of video lottery terminals in Name of Municipality.”

- The petition question should be followed by the following definition of a plebiscite and inform voters of the consequence to the municipal VLT grant:

“A plebiscite is a non-binding vote where citizens may accept or reject a specific proposal. Banning VLTs from City/Town/Municipality would result in loss of the annual VLT grant”

Plebiscite Question

“Should City/Town/Municipal Council request that the Provincial Government ban video lottery terminals in Name of Municipality, which would result in the City/Town/Municipality losing its annual municipal VLT grant?

Yes _____ No _____”

5. *A plebiscite vote of 50 percent plus one would be prescribed as a minimum requirement.* _

The municipal council would review the results of the plebiscite and take into consideration voter turn-out and margins. Based on its review, council would determine whether it is appropriate to request the Minister responsible for *The Gaming Control Act* to review the plebiscite outcome. Council would pass a resolution requesting such a review. The resolution would be forwarded to the Minister.

6. *The Minister responsible for The Gaming Control Act would review the council resolution and the results of the plebiscite and determine the issue.*

Upon determination of the issue by the Minister and under the Minister’s direction, the MGCC would advise siteholders in the municipality of the potential loss of VLTs.

7. Municipalities and citizens may use the same process for the re-introduction of VLTs into their jurisdictions.

Similar wording of the petition and plebiscite questions detailed in recommendation #4, but seeking reinstatement, should be used.

VLT Community Grant Deliberations

Unanimous agreement on the preceding seven recommendations was reached after significant consideration and deliberation by the Commission members. However, the recommendation concerning VLT revenues and whether communities choosing to prohibit VLTs should continue to receive those revenues, was a difficult and contentious issue to address.

At the beginning of deliberations, the Commission agreed with the Desjardins' Report recommendation that "those communities choosing to prohibit VLTs would not share in VLT revenues". While there was no specific reason given for this recommendation, it may be assumed that the Working Group believed that if a community felt strongly enough to ban VLTs, it should not receive revenues from VLTs. Based on this view, the discussion paper prepared for the Commission's public consultation process suggested tying VLT prohibition to forfeiture of VLT grants. Specifically, during the consultations, Commission members asked Manitoban's about VLT grants in their communities and to consider that a municipality may forfeit its annual VLT revenue grant if it chose to prohibit VLTs.

During the consultations, citizens expressed varying views, both agreeing and disagreeing with the original Desjardins' Report recommendation. As well, during the focus testing on the petition and plebiscite question, participants digressed from the question at hand and strongly indicated VLT revenue grants should be linked to having VLTs.

The Commission also considered the broader aspects of government revenues and their allocations. The Commission found that government revenues generally are not distributed

according to source. Similarly, present VLT revenues are distributed via a community grant formula according to a base grant and a per capita grant. This formula does not vary according to the number of VLTs in a jurisdiction, nor is it based on the VLT revenue generated in that jurisdiction.

Most significantly, all municipalities receive VLT grants. Funding does not depend on the presence of VLTs in a municipality. Research revealed that at present, 55 out of 201, or approximately 27%, of Manitoba municipalities do not have VLTs. Furthermore, these 55 communities, representing approximately 90,000 citizens, will receive VLT grants totaling approximately \$1.3 million in 1998/99.

The Manitoba Government apportions VLT revenues as follows: 65% to general revenues; 25% to rural and urban development initiatives; and 10% to municipalities as an unconditional grant. The 1998/99 community VLT grant formula is: \$5,000 base grant and \$13.46 per capita grant.

Annual VLT grants to Manitoba municipalities (excluding City of Winnipeg):

1993/94 - \$4,727,856
1994/95 - \$6,401,939
1995/96 - \$6,824,958
1996/97 - \$6,548,773
1997/98 - \$6,500,000 (subject to adjustment)
1998/99 - \$7,000,000 (estimate)

Annual VLT grants to the City of Winnipeg:

1994/95 - \$6,017,600
1995/96 - \$6,372,600
1996/97 - \$6,896,600
1997/98 - \$6,500,000 (subject to adjustment)
1998/99 - \$6,700,000 (estimate)

This information, and revenue source and allocation information led some Commission members to reconsider the original proposal. The Commission is mandated to take a reasoned and balanced approach with respect to gaming activities in the province. It has employed the same approach to considering and weighing the question of VLT revenue grants should a community choose to prohibit VLTs. It should be noted there was much discussion and consideration given to this question and that the Commission was divided on this final recommendation. Ultimately, the eighth recommendation was not reached with unanimous support from all members.

Nevertheless, the Commission felt it had to make a final recommendation with regard to this matter. Accordingly the Commission recommends that:

8. Those communities choosing to prohibit or remove VLTs would forfeit VLT revenue grants.

Those communities now without VLTs would continue to receive annual revenues as they have not specifically chosen to prohibit VLTs in their jurisdictions.

APPENDIX A: HISTORY OF THE VLT PROGRAM IN MANITOBA

Manitoba's VLT program began operation on November 15, 1991. Initially, the program was introduced throughout the province, with the exception of the City of Winnipeg. In September 1993, the program was expanded to include Winnipeg. The program was intended to create economic benefits for the hospitality industry and to create economic development in rural areas.

The program is managed and operated by the Manitoba Lotteries Corporation (MLC). As of June 1, 1998, there were a total of 4,768 VLTs operating in 570 sites throughout the Province. With the exception of First Nations sites, VLTs are located in age-controlled, Manitoba Liquor Control Commission licensed bars and lounges, in accordance with MLC regulations. The MGCC understands that the programs' numbers fluctuate slightly within the provincial cap. The cap on the number of VLTs was established in 1996 following Mr. Desjardins' recommendations. As a result, in 1996 the Province reduced the number of VLTs by 650.

VLTs in Manitoba - June 1, 1998

<i>Rural Manitoba</i>	
Commercial sites	2,228 VLTs
Veteran's Organizations	251 VLTs
<i>Winnipeg</i>	
Commercial sites	1,768 VLTs
Veterans Organizations	190 VLTs
<i>First Nations sites</i>	331 VLTs
Total VLTs	4,768 VLTs

Note: The above figures do not include gaming machines in casinos or at the Assiniboia Downs, as these locations would be exempt from municipal plebiscites. First Nations sites would also be excluded.

The VLT program generates significant provincial revenues. In 1996/97, net VLT program revenues amounted to \$124.5 million, twenty-five percent of which is directed to municipal development initiatives and ten percent is provided as an unconditional grant to municipalities.

APPENDIX B: WHAT IS A PLEBISCITE?

The Commission's review identified the need to define a plebiscite and its role in direct democracy, as well as its historical relevance.

The concept of direct democracy, which includes plebiscites, is not new in Canada. Direct democracy refers to the right of Canadians to vote directly on certain laws and policies. Public participation is possible through referendums and plebiscites and is part of our long-developed democratic process.

A plebiscite is a non-binding vote which enables citizens to express their views on a particular issue. In this sense, a plebiscite is more like an opinion poll than a referendum. A plebiscite does not bind a municipal council or legislative body to enact or repeal a certain law; i.e. politicians are not forced to act on voting results unless legislation specifically requires them to act. As a result, the traditional approach has been to enact a specific statute each time a plebiscite is held.

Generally, the types of laws on which Canadian citizens may directly vote are of a specialized nature dealing with issues like liquor, Sunday shopping, or a municipal bond issue. Single-issue voting is available mainly at the municipal level, because of the immediate and specific conclusions which can be drawn from local voting results.

The Municipal Act in Manitoba is silent as to the use of plebiscites in public governance. Accordingly, general plebiscites are neither authorized nor prohibited by current legislation. It is implicitly understood that municipalities may hold plebiscites to measure public opinion on a given issue.

Manitoba was one of the first provinces to entrust a public issue directly to the people in a plebiscite with its vote on liquor prohibition in 1892. Since then, Manitoba has been at the

forefront of democratic innovation. On at least seven occasions, Manitobans have been consulted directly on issues of public interest. For instance, *The Initiative and Referendum Act* was unanimously passed by the Manitoba Legislature in 1916. Key provisions of this legislation allowed laws to be made and repealed by voters instead of the Legislative Assembly. In 1919, the Judicial Committee of the Privy Council held that the Act was unconstitutional, as it altered the powers of the Lieutenant Governor.

More recently, there are several ways in which plebiscites can be used on an issue-specific basis in Manitoba. For example, the Local Option provision in *The Liquor Control Act* allows municipalities to conduct plebiscites regarding the sale of liquor within their jurisdiction(s). As well, *The Municipal Act* permits the incorporation or dissolution of municipalities on the basis of a local referendum. A third example is found in *The Public Utilities Board Act* which requires the Public Utilities Board to obtain the approval of taxpayers if an individual or business is to be charged a preferential rate.

The right to vote on a particular question, once established by the provincial legislature, cannot arbitrarily be changed or interfered with locally. In other words, every eligible voter in a municipality may vote on the plebiscite question to measure public opinion with regard to a specific issue.

APPENDIX C: THE PETITION PROCESS IN MANITOBA

It is likely that citizen-driven petitions will be a significant instrument for initiating a plebiscite process in municipalities. Therefore the Commission has included a brief section on petitions and the petition process in Manitoba.

A petition is a signed record of the shared opinion of citizens on a given issue. It is a citizen-sponsored effort to influence the decision-making of elected officials. Any eligible voter may sponsor or sign a petition.

A valid VLT plebiscite petition must conform to *The Municipal Act* requirements and consist of a simple standard, and clearly-worded question (see recommendation #4). A standard question is essential to reduce possible confusion, since different jurisdictions will likely be voting on the same issue at the same time. The wording that is used for the petition should also be used as the basis for the plebiscite question which may follow.

Division 3 of Manitoba's *Municipal Act* sets out the requirements for citizen petitions. A valid petition must contain a statement of purpose on every page. Each petitioner must include his or her printed name, signature and address. The date of signature must be recorded and it must be witnessed by another person. Petitioners have a maximum of 90 days to collect the needed signatures and file the petition with the municipality. There is no minimum time period required.

In addition to *The Municipal Act* requirements, the Commission recommends that petitions be filed with a municipality at least 60 days prior to the next election. This would give election officials adequate time for review and to complete other administrative functions.

The Commission recommends that a VLT plebiscite petition should be signed by not fewer than twenty percent of eligible voters before the matter is referred to the municipal council for inclusion on the municipal election ballot. The Commission has relied on the existing twenty percent signature minimum for a petition as prescribed in the Local Option section of *The Liquor Control Act*.

The Commission also believes that a second method of initiating a plebiscite should be available to municipalities -- via a municipal council vote. Under this route, a municipal council majority may decide to attach the VLT question to the municipal ballot. On this basis, a municipal plebiscite could also be conducted without a petition.

Specific Manitoba statutes, however, contemplate the use of plebiscites in the decision-making process. For example, the Local Option provision in *The Liquor Control Act* clearly outlines the liquor prohibition and reinstatement processes for fair and equitable community decision-making. The Local Option authorizes a community vote through either a municipal council decision or petition. It should be noted that the Local Option allows for public input, but final licensing authority remains at the provincial level; i.e. the decision to issue or revoke licenses still rests with the Provincial Government.

APPENDIX D: PLEBISCITES IN OTHER JURISDICTIONS

During its deliberations, and in preparing this report, the Commission examined the experiences of other Canadian jurisdictions with respect to gaming plebiscites. Over the past year, some municipalities in Alberta, Ontario and Prince Edward Island have experienced citizen-driven initiatives which led to plebiscites or referendums. Nevertheless, few VLT plebiscites have been conducted and because of the lack of standardized or legislatively mandated processes, legal and public policy issues remain unresolved in other jurisdictions.

VLT plebiscites in other provinces have been controversial and attempts to implement the results of these votes have been mixed. In some areas, the VLT matter remains unsettled even post-plebiscite. By looking at how the gaming plebiscites were handled in these provinces, the MGCC hopes to make recommendations which will avoid the confusion and problems which have occurred to varying degrees in the other provinces.

The Province of Alberta has seen the greatest public interest in VLT plebiscites and the Commission looked closely at its experience. The Alberta *Municipal Act* authorizes two plebiscite-initiating options in the context of the municipal process; i.e. VLT plebiscites can be sponsored by either a municipal council vote or a citizen petition. (Manitoba's *Municipal Act* is silent with regard to plebiscites, although it is understood that municipalities may conduct plebiscites.) Beyond authorizing the plebiscite options, however, Alberta does not have a standard petition or plebiscite question which may be applied throughout the province.

The time frame for VLT removal, or even the authority for VLT removal in Alberta, in the event of a successful plebiscite have also not been clarified. There has also been confusion over the question of municipal VLT grants should a community choose prohibition. Recent events indicate that forfeiture of VLT grants may be tied to VLT removals resulting from municipal plebiscites. As well, some plebiscites have resulted in very close voting outcomes and low voter turnouts bringing into question the validity of such votes.

Overall, five VLT plebiscites have been conducted in the last eighteen months in Alberta. Four of these plebiscites resulted in residents voting to remove VLTs (and three of these were unsuccessfully challenged in court). Legal challenges focused on voting irregularities and the municipal capacity to hold a plebiscite (not the provincial right to implement results).

The Alberta example shows the problems associated with proceeding without a consistent, clearly-defined and orderly process. It is expected that additional plebiscites will take place in other Alberta municipalities, including Calgary and Edmonton, during the fall elections. Controversy has already begun over the wording of the plebiscite question.

A plebiscite conducted in Charlottetown, Prince Edward Island, in November 1997, led to a significant change in public policy with regard to VLTs in the province. Citizens voted 79 percent in favour of prohibiting VLTs. VLTs were removed from non-age-controlled locations on April 1, 1998. (VLTs in PEI were available at corner-stores and other non-age restricted venues).

There are no legal VLTs in the Province of Ontario. However, it is relevant to consider casino referendums which have been held in Ontario related to gaming expansion. Initially, the Ontario Government indicated that forty-four new charity casinos would be introduced. More recently, though, the Province announced that only four casinos will be allowed. The four casinos will be placed in municipalities which: a) passed a municipal council resolution in favour of a casino; or b) voted in favour of a casino in a local referendum. The Province has not announced a specific long-term process or policy for further gaming expansion, but no additional casinos will be allowed before the next municipal elections in 2000.

In general, the lesson from our Canadian jurisdictional review is that clearly-set guidelines are necessary to avoid a variety of problems. If VLT plebiscites are to be conducted fairly and efficiently throughout Manitoba, different municipal jurisdictions must use the same rules, thresholds and procedures. In addition, a possible removal of VLTs based on plebiscite results will rely on a uniform process being followed. Manitobans should be able to expect a

consistent response to plebiscite results. The Commission therefore believes that a workable plebiscite must be conducted according to a defined and orderly process. Based on the experience of other Canadian provinces with VLT plebiscites, fair implementation of results is dependent on a predetermined and consistent process.

