

New Brunswick gives green light to first casino

Fredericton – New Brunswick is wagering that a casino will revive its faltering tourism industry, which has seen the number of visitors decline by 25 per cent over the past five years.

The province issued a request for proposals Thursday for a single casino – New Brunswick's first – to be in operation by 2010.

Finance Minister Victor Boudreau concedes a casino may not directly boost the number of tourists, but he believes it will have an effect.

“We feel that when visitors are coming to New Brunswick, giving them more options, more things to do while they're here in the province will certainly help,” he said.

Newfoundland and Labrador is the only province that does not allow casino gambling now that New Brunswick is looking at opening its first one.

The idea is being applauded by Bill Rutsey, president of the Canadian Gaming Association.

“I think you're going to have some economic development here, you're going to have some more jobs, you're certainly going to add one more facet to your tourism infrastructure,” he said.

Mr. Boudreau said there will be no government funding for a casino.

“Private enterprise will fund the design, construction, equipping, operating and financing of the destination casino,” he told a news conference.

However, the Liberal government is expecting to collect about USD 25-million in revenues from the casino that it can redirect to services such as health care and education.

According to the request for proposals, the inclusion of ancillary services such as harness racing, hotel, performance theatre, restaurants, or recreation facilities will weigh heavily in the assessment process.

The deadline for proposals is March 11.

The casino or racino facility is just one aspect of the government's new gaming policy.

Mr. Boudreau said the number of video-lottery terminal sites in the province will be cut by 50 per cent, and the actual number of machines by 25 per cent by April 2009.

They'll be removed from restaurants, while Royal Canadian Legion branches will be able to keep the machines they already have.

While the actual number of VLTs being removed is 625, the new casino will be allowed to have up to 800 slot machines.

Legislation will be introduced to regulate charitable gaming activities, including the licensing of Texas hold 'em poker tournaments.

Premier Shawn Graham said funding for programs dealing with gambling addiction will be doubled to USD 1.5-million.

"New, enhanced programs will be launched, such as providing training for video lottery site staff and in addition more responsible business standards will be established for VLT sites and responsible practices for advertising," said Mr. Graham.

Peter McKenna, a political studies professor at the University of Prince Edward Island said New Brunswick should have learned

a lesson from P.E.I.

Mr. McKenna, who has written a book on the gaming industry in Atlantic Canada, said the racino in Charlottetown is losing about USD 5-million a year and is doing virtually nothing to assist the harness racing industry.

“Harness racing is on its last legs, it’s dying a slow death,” he said “What the racino did was put it on life support, but for how long and at what cost?”

Brent Briggs, vice chair of the New Brunswick Harness Racing Association, said with up to 500 jobs associated with the industry in the province, he was hoping the government would have insisted on a racino, such as the one that has been proposed by the Exhibition Park Raceway in Saint John.

“We have very grave concerns about the future of harness racing if this casino does not include a harness racing component,” he said.

Meanwhile, at least one native leader in the province is expressing concerns with the government’s plan.

“We asked to be a major shareholder in this casino because in the United States and Canada, the native-owned casinos are the successful ones and it helps the communities to be self-sufficient and move forward,” said Susan Levi-Peters, chief of the Elsipogtog First Nation.

First Nations groups can submit casino proposals.

Meanwhile, Mr. Boudreau said the government is discussing responsible gaming with First Nations communities.

In 2006-07, eight First Nation communities in the province got USD 7.5-million from the government through revenue sharing agreements on gaming.

Ms. Levi-Peters said she would meet with the other chiefs to

formulate a response to the government's plan.