

Certain mobile crane operators may be obtaining In-Transit Permits because the cumulative cost of these permits is cheaper than the annual licensing fee. Of the 138 Special Permits issued to mobile cranes in 2003, 73 also required an In-Transit Permit because they weren't licensed.

2.23 Gambling Rehabilitation Services

In 2004 the Province received \$108 million from the Atlantic Lottery Corporation (ALC), an increase of \$38.8 million or 56% from the \$69.2 million received in 1995. Of this amount, \$76 million was from Video Lottery Terminals (VLT), an increase of \$44 million or 137% from the \$32 million received in 1995.

A Statistics Canada report issued in December 2003 indicated that one in four gamblers, whose playing includes VLTs, are at risk to become or are already problem gamblers. The report went on to state that “...VLTs are the ‘crack cocaine’ of gambling.” Furthermore, correspondence from five of the six health boards providing addiction services in the Province indicated that the vast majority of individuals being treated for problem gambling were addicted to VLTs.

There are a number of significant issues relating to Government's involvement with the identification and treatment of gambling addiction. For example:

- Newfoundland and Labrador is the only Province in Canada that has not conducted its own prevalence study to determine the extent of the gambling problem.
- The four health and community services boards and the two integrated boards charged with administering the gambling addiction program are unable to provide complete or comparable statistics on the numbers of clients with gambling addictions who were referred, treated and waitlisted. Furthermore, the boards do not have systems in place to capture information on the costs of providing each of the various addiction programs and the amount of time spent by staff on each program.

- Boards indicated that they did not have sufficient resources to meet the demand for gambling addiction rehabilitation and as a result several boards had waitlists.
- There is no centralized resource at the Department of Health and Community Services to assist the regional boards in developing standard programs for gambling rehabilitation including a strategy for the delivery of a Provincial education and awareness program.
- Although Government is required to match a 1% VLT fee received from retailers, officials at the Department of Health and Community Services were not aware of this requirement.

2.24 Grenfell Regional Health Services Board

The Grenfell Regional Health Services Board was incorporated on 1 April 1981. In November 1994, as a result of the restructuring of health boards in the Province, health services formerly under the Board in Happy Valley-Goose Bay, Churchill Falls and coastal Labrador north of Black Tickle were transferred to the newly constituted Health Labrador Corporation. Also, the Board assumed responsibility for the St. Anthony Interfaith Home.

The Board has incurred an annual operating deficit in four of the past five years and at 31 March 2003 had an accumulated deficit of \$12.1 million. Contrary to the requirements of the *Hospitals Act*, the Board did not obtain the approval of the Minister of Health and Community Services to incur any of the annual deficits. At 31 March 2003, the Board had total liabilities of \$23.5 million including net bank indebtedness of \$1.1 million.

Although the Board has incurred annual deficits and has bank indebtedness, it has either spent money contrary to Government policy, its own internal policy or has not collected amounts owed to it.