

RAMA FIVE YEARS LATER:
*A Discussion on the Advantages and Pitfalls of
Aboriginal Gaming in Ontario*

*An Interview with Casino-Rama Director of
First Nations Affairs, Kevin Wassegijig*

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It was 1994 when the Mnjikaning leadership decided that their community was perfectly suited to open a gaming establishment. Following a protracted selection process, it was later announced that the Mnjikaning proposal beat out 13 proposals from neighbouring First Nations communities. Despite a number of consequential events such as a change in government and a court challenge, both of which delayed progress on casino construction which also affected revenue distribution, Casino-Rama just celebrated its five-year anniversary and according to most observers has exceeded expectations. With over 700 Aboriginal employees out of work force that numbers close to 3000, Casino-Rama is the largest single-site employer of Aboriginal people in Canada. Ranging in age from 18-55, there are employees representing close to 70 Aboriginal communities from throughout Canada.

It was decided that an interview be conducted with Casino-Rama Director of First Nations Affairs, Kevin Wassegijig, who spoke with the Journal of Aboriginal Economic Development regarding the success of Casino-Rama while outlining some of the challenges casino management must deal with in upcoming years. Aboriginal gaming in Canada is a recent development, and the success of Casino-Rama has come as a pleasant surprise to many. At the same time, however, the success of Casino-Rama has generated concerns that have unwittingly resulted from their own success. Issues such as improving existing Casino-Rama facilities and the anticipated market saturation resulting from Casino-Rama's success which is expected to become pronounced in light of the Ontario government and neighbouring First Nations and non-Aboriginal communities seriously beginning to consider gaming as an economic development tool. These issues were dealt with during the following phone interview, which was conducted 4 October 2001.

Rama just celebrated its five year anniversary. Reflecting upon the last five years, has the gaming experience come to be recognized as a success in Ontario?

Well, I think that Casino-Rama has come to be recognized as a success in a couple of ways. One obviously is the revenue generation, which I think is beyond anybody's initial expectations. If you think back to six years ago when they were talking about opening up a casino here, I don't think anybody was really expecting the success that it's enjoyed. In fact, the Toronto Sun does a reader's survey and we've been selected as people's choice for favourite casino every year, so just measuring those two in terms of overall accomplishment I think we've had some measure of success and we are the largest single site employer of Aboriginal people in Canada. So just on a couple of those areas I think certainly we have been successful.

What has the response to Casino-Rama's success been from the 133 First Nations who are a part of the gaming compact?

I think you'd get a varied response. Certainly, in the communities in closer proximity the casino is something that is more on their mind in terms of what things are going on. In terms of employment, it's a little more realistic for the people coming from Curve Lake or Georgina to be coming here than somebody, say, coming from Whitefish Bay. So across the province you'd get a different measure of the response to the success of Casino-Rama. Certainly they've all benefited by the revenue distribution. The money that is distributed according to the revenue sharing agreement can be used for community and economic development, for health, education and culture. That's what the Ontario First Nations are using their money for although they don't have to go into all five areas. I mean, the community may decide to use all of it for economic development. It does have to be in those five areas. For example, they can't use it for per capita distribution. When you take a term like economic development, doing housing can be argued as community or economic development because of the jobs it creates. They are very broad areas, but then again if somebody was going to do pay down their debt, that would be

hard to fit in there. It's geared to moving forward, looking at trying to benefit the communities in the future so that they can start or get involved in things in their community that can help them.

Your workforce at this point has solid First Nations representation. How do you see attracting more First Nations employees into the workforce?

Actually, that's something that we're working on right now. We've undertaken the First Nations workforce analysis to give us a better handle on any issues and the level of interest out there of people coming to work at Casino-Rama. Secondly, we're starting a First Nations recruitment drive next week (begun October 11), beginning here at Casino-Rama and then moving out to Sudbury, Sault Ste. Marie, Thunder Bay, Timmins, Ottawa, London, Brantford, and Toronto conducting preliminary interviews with First Nations people who are interested in obtaining employment at Casino-Rama. In the past what we've done are career fairs at Casino-Rama for people who are interested in employment at the casino, but this time we're actually going out to the communities. Again, we're not actually going into the smaller communities, but into the neighbouring larger centres, to use Thunder Bay as an example. So we're doing that to increase our First Nations employment, but it is something that is first and foremost in everybody's mind that is that we are looking to recruit First Nations people. So, it's not something that is done just by myself or just by the human resources department; it's something that is done straight across the board. As for our work force, primarily it is a younger workforce and I think that has a lot to do with just the gaming environment: the excitement, certainly the late hours and that kind of thing. Certainly some of the older people have done their tour of duty if you will. It's not that we don't have older people working here, but again it's primarily a younger workforce. To attract employees is one of the challenges as for some it's a big move because they are far from home.

Recently, a vote was held to lower Mnjikaning's percentage of gaming revenues. Could you comment on the rea-

sons for this vote and what could happen as a result?

When it comes to things like revenue sharing, it's something that I'd prefer to stay away from. Our responsibility as employees of Casino-Rama is to ensure that the casino is a success and I think we've done that and we'll work and continue to try and do that. But it's between the First Nations and the governments in regards to how they are going to distribute the revenue.

What is the response from the Ontario government regarding the success of Casino-Rama and how has the Ontario government benefited from its relationship with Casino-Rama?

In a number of ways I think they have. Then again, this is my own perspective, but I wouldn't doubt that there were some naysayers about the appropriateness or the success a First Nations casino would have here in Ontario; but the success it has generated I think has made the initiative of keeping a casino running that much easier, so I think that they have realized some of the benefits there. Certainly just as a commercial casino in Ontario they do receive financial contributions from Casino-Rama. Again, due to our success, this does benefit the provincial government. They get a percentage off of our gross revenue and it's their choice as to how they want to utilize it.

Last year, according to the Globe and Mail, gaming revenues were down provincially. Also, Michelle Mandel of the Toronto Sun wrote in December that an internal Casino-Rama document outlines that upwards of \$240 million a year in slots revenue could be lost to local gaming establishments. How does Casino-Rama intend to deal with such issues?

Certainly, any other gaming option our patrons have could affect our casino. What we've been doing, especially with the opening of the entertainment complex and the opening of our hotel next spring are some of the measures that we're taking to maintain our place in the gaming market in Ontario. Also, our marketing people have been very successful in placing us within that market in terms of coming to the casino for a

good time. They drive primarily an hour-and-a-half to get to us, so we have to make it worth their while to come here. In some cases, they have to drive by other gaming opportunities. So, we've added a fine dining Italian restaurant, we've modified our gaming floor, and we do things to certainly stay in touch with what our customers are looking for in a casino. Our entertainment centre is obviously a key component to keeping people interested in Casino-Rama.

Just as an aside, I know there were a few promoters in Toronto upset that they got bypassed after Faith Hill announced she would be appearing at Casino-Rama and not perform anywhere else in the region. Is this indicative of the approach that Casino-Rama is attempting to maintain their market?

It is. I mean, if the shoe was on the other foot, I'm not sure how people would feel about Casino-Rama unable to get customers to come up here. We're out there competing for the dollar just like every other entertainment company whether it's another casino, whether it's the theatre or whether it's the major sporting events. Each person has only a certain amount of money that they're going to choose to spend to enjoy themselves.

Beyond the new hotel going up, what other plans are in the works at this point?

Again, the hotel and the like are things that the community is responsible for. We're on the operational end. For example, the hotel is the community's construction project and once its completed and they're happy with it, the amenities that they've decided will be in it, then we'll operate it to the best of our abilities to continue to make Casino-Rama a success. The hotel is part of the Casino-Rama complex but it's the community's construction. I guess technically, when the construction of different types of projects such as the entertainment centre, the casino itself or the hotel, we are in the community of Mnjikaning so obviously they do have a huge say in it and I believe they are the ones who signed on the dotted line for the millions of dollars of banks loans required.

How is the relationship between the new management company responsible for Casino-Rama?

Penn is our new management company for Casino-Rama. It's still fairly new. A lot of the changes occurred more at the management company level than operationally at Casino-Rama so we haven't noticed in day-to-day business a lot of difference. A lot of this has to do with the fact that it's very, very new.

When the Carnival management company was in charge, did they keep their distance from the day-to-day operations of were they involved in directing operations at Casino-Rama?

They were more like overseers. You see, we have our executive here that's responsible for the day-to-day operation of our casino. On the more global scale, whether it's annual budgets or what have you, marketing plans and those types of things are submitted to our operating committee for approval.

Looking at how successful the Pequot Foxwoods Casino is in the United States combined with the fact that Casino-Rama is becoming a growing concern in Ontario, is there a push to promote the casino more internationally?

Right now we actually do concentrate primarily on our present market. We don't do a lot in terms of large promotions, whether it's the United States or internationally, because again it's not our place in the market. For example, at Windsor their market is the United States: they do benefit from the market in Detroit where ours is Toronto and that's where we focus our energies as opposed to spreading ourselves too thin and trying to be too many things to too many people.

Is there a fear that other provincial First Nations may see the advantages of opening a casino, thereby saturating the market and affecting all First Nations and Ontario casinos?

That's part of where Casino-Rama came from. When the discussions started with the province and the federal government, I don't believe the discussions were started with the First nations

saying "We'd like open one and put it here." A lot of the communities were very interested and remain very interested in getting into the gaming market. Casino-Rama has been a good start and they appreciate that, but I don't believe it would prohibit anybody from looking at other opportunities. And when we talk about gaming, it's just not casinos. I know there have been other communities out there that have expressed interest and have conducted in the past high level bingos and I expect that they will continue to work on those kind of ventures. All I'm saying is that there are other First Nations out there who could get involved in other gaming ventures.

What are some of the future challenges you see facing Casino-Rama?

One certainly is what you alluded to earlier is that of other gaming opportunities such as slots at the racetracks and those kind of things. The racetrack has moved from Barrie to Innisville and will be opening very soon which will contain slot machines and they are directly between us and our market, at least a half-hour closer to Toronto than we are. Those kinds of things will present challenges. And these days the economy is a question mark. With the tragedy that occurred in the United States there is a lot of concern with what's going to happen in the United States and in Canada and what that will do to the economy. Any kind of major shift in the economy, especially when people only have so much money to spend, when things get a little shaky people tend to hold on to their money and be less inclined to take a night on the town and come to Casino-Rama to take their chance at the slots or the table games. Maintaining our place in the market is important. Toronto continues to grow and look at different things. Barrie has certainly been a growing concern so options for people become more varied, so we have to stay close to our customers and to react to what they want. One of the challenges is to stay close and not lose sight of that. With everything that's going on we're not going to close our doors, but we have to be aware of what's going on and react accordingly.

Have you any closing comments?

One of the things when you talk about the impact of Casino-Rama on the surrounding area, such as brining 3000 jobs into the region which

has been beneficial to the area, is important to recognize. Whether it's housing starts or we see the addition of a few more hotels coming into the area, of which the construction creates more jobs, this all means that the dollar continues to spin around the local area. And we have the community wellness fund. In the five years we've

been open we've contributed over \$3 million to local community groups, whether it's the Native Women's associations or other community groups that have benefited directly from Casino-Rama being here. Those are some of the other ways that we try and be a partner in the community as opposed to things being one-way street.