

# Lotto players sue for prize

## Lottery ticket buyers sue Ontario Lottery and Gaming Corp. alleging they are the real winners of a \$12.5M Super 7 draw

Betsy Powell

**TORONTO** — “It’s been seven long years, but the OLG can be proud we will now deliver the right prize to the right people.”

So said Ontario Lottery and Gaming Corp. chair Paul Godfrey last January, declaring seven Niagara construction workers the rightful winners of a \$12.5-million Super 7 jackpot from Dec. 26, 2003.

But 14 former Burlington leasing company employees, who regularly bought tickets together, say the OLG got it wrong.

They’ve launched a multimillion-dollar lawsuit against the OLG claiming they were entitled to the \$14.85-million payout, which included accumulated interest.

“We still feel like we’re the winners,” says Oakville resident Cathy Brasil, one of the Burlington group.

In 2010, OLG admitted the original payout had been wrongfully made, resulting in criminal charges against three Burlington variety store employees, family members who allegedly stole the winning ticket.

The winning ticket was a free play ticket won when a ticket was validated at the store by a customer. The OLG alleges the manager or

his father kept the free play ticket rather than give it to the original purchaser. After the Dec. 26, 2003, draw, another family member is alleged to have taken the winning ticket to claim the prize.

Kenneth Chung, Jun-Chul Chung and Kathleen Chung are charged with fraud and money laundering. They are free on bail and are scheduled to appear in Milton court next month for a pretrial.

The 2003 win was one of five cases identified in 2007 by Ontario ombud André Marin who accused the OLG of turning a blind eye to suspicious insider wins.

The OLG sought the legitimate winners and invited claimants to present their cases, enlisting the Ontario Provincial Police to assist in the investigation.

A member of the Burlington group read about the case “and all the light bulbs went off . . . ‘Oh my God, it’s us,’” says Brasil.

“The criteria was there.” Their representative always bought the tickets in St. Catharines and collected any winnings in Burlington. And there were other coincidences. “We were all excited.”

Their statement of claim alleges the OLG was negligent paying out prize money “even though there was strong suspicion that the pre-

sender of the ticket was not the legitimate holder.”

According to the claim, the OLG “has not disproved and it cannot disprove the claim of the plaintiffs as rightfully entitled to the proceeds.”

In a statement of defence, the OLG disputes that the Burlington group is the rightful purchaser or that its investigation into the original prize claim “was in any way negligent or deficient.”

Saul Glober, the lawyer representing the Burlington group, said in an interview: “The four-year delay in finding the true owners made it virtually impossible for the real winners to be confirmed.”

His clients are not suggesting the Niagara construction workers weren’t also legitimate winners. “We’re just as likely to be the winners as they are,” says Glober.

According to Godfrey’s Jan. 27, 2011, statement, the OPP conducted a “detailed review” of 661 claims, including “long hours of interviews.”

The OLG’s investigative team reviewed the OPP’s findings, conducting further interviews with claimants and using a “powerful new (computer) tool” called Data Analysis and Retrieval Technology,



GLENN LOWSON, MERCURY NEWS SERVICES

Cathy Brasil, of Oakville, is one of a group of 14 lottery ticket buyers who is suing the Ontario Lottery and Gaming Corp. alleging they are the real winners of a \$12.5-million Super 7 draw from 2003.

or DART. It allows the OLG to track all lottery transactions in Ontario since March 1999.

According to the statement of claim, the Burlington case was “favourably reviewed” by OLG investigators.

Nonetheless, they received a letter dated Jan. 27, 2011, stating their claim was disallowed “without explanation.”

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# Gore Mutual watched Economical turmoil closely

Chuck Howitt

**WATERLOO REGION** — When the Economical Mutual Insurance Co. was wrestling with the issue of demutualization earlier this year, another company in the region was watching the process closely.

The Gore Mutual Insurance Co. in Cambridge is the second largest property and casualty insurance company in Waterloo Region and the third largest mutual insurer in Canada.

As Waterloo-based Economical fought a nasty public battle with a maverick group of mutual policyholders over who should control the demutualization process, Kev-

in McNeil, president and chief executive officer of Gore, was glad the same thing wasn’t going on at his company.

“I think it would be quite challenging for the company (Economical) to operate when it is being preoccupied with these other matters,” he says.

Accused by some policyholders of being secretive and behind the times, Economical’s management would not reveal how many people owned mutual policies until faced with a policyholder revolt.

Despite those concerns, McNeil won’t reveal how many people own mutual policies at Gore. “Any information regarding our mutual

policyholders we view as private,” he says.

Nor can he say if the number is common knowledge among mutual policyholders, which would tell them how many votes are required to approve a motion at annual meetings.

But there have been no rumblings of discontent among Gore’s policyholders about the company’s governance structure, McNeil says.

Gore and Economical have what’s called a dual-policyholder structure. A small number of policyholders own mutual policies, which provide home insurance and the right to vote at annual

meetings. A far larger number have cash policies, which provide auto and property insurance, but no voting rights.

Gore and Economical are part of an exclusive club in the property and casualty sector. Only four property mutuals in Canada have a dual-policyholder structure, according to the Canadian Association of Mutual Insurance Companies. The remaining 102, including the largest company, Wawanesa Insurance of Winnipeg, assign voting rights to all policyholders.

McNeil says to his knowledge, Gore has never considered demutualization, has no plans to do so and neither do most of the other

mutual insurance companies in Canada.

Economical is the first and so far the only property mutual in Canada that has indicated a desire, at least publicly, to demutualize, says Normand LaFreniere, president of the mutual association.

Economical says it needs to demutualize and convert itself into a publicly traded company so it can compete with the largest players in the industry.

But Gore is not worried it will lose ground by retaining its mutual ownership structure, McNeil says.

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# Liberals looking at lowering surgery fees

The Canadian Press

**TORONTO** — The minority Liberals will try to reduce the fees for some surgeries as part of their plan to lower doctor salaries and manage health-care costs.

With a \$16-billion deficit and soaring health-care costs, the Liberals are under pressure to find savings and rein in spending.

They say when it comes to upcoming negotiations with the province’s doctors, the focus will be on “value.”

That means, among other things, delisting any procedures that no longer prove as useful as once thought, as they did with vitamin D testing.

It will also mean taking a look at reducing the cost of procedures, such a cataract surgery, which are now much faster and easier to perform because of new technology.

Most doctors get paid through a fee-for-service plan, which means they get paid for each service they perform, and cost savings from more efficient technology aren’t being passed on to the province.

A Liberal source said that’s only one of various ideas on the table as negotiations get underway, but declined to provide further details, noting the government didn’t want to hold those talks publicly.

The source did also point to initiatives like doctor house calls, which the Liberals say will save thousands of dollars.

Health Minister Deb Matthews hinted at the plans earlier this week during a speech to health-care providers.

“We will need to shift spending from one part of the system to another because there are areas where we’re not getting best value, and other areas where new investments will generate savings elsewhere or improve quality of care,” Matthews said.

Premier Dalton McGuinty has warned the government must limit spending hikes to one per cent a year until the deficit is eliminated in 2017-18.

The goal is to reduce health spending, which eats up 42 per cent of the budget, by three per cent at best, and McGuinty has also called on the province’s doctors to accept a two-year pay freeze when their contract expires in March.

## NOTICE OF COMMENCEMENT OF CLASS ENVIRONMENTAL ASSESSMENT STUDIES

**Project A: Highway 7 and Wellington Road 44 Intersection Improvements  
G.W.P. 3069-07-00**

**Project B: Highway 7 and Jones Baseline Road Intersection Improvements  
G.W.P. 3131-10-00**

### THE PROJECT

The Ontario **Ministry of Transportation (MTO)** has retained **McCormick Rankin Corporation (MRC)**, a division of MMM Group Ltd., to undertake the preliminary and detailed design and Class Environmental Assessment (Class EA) Studies for intersection improvements at Highway 7 and Wellington Road 44 and Highway 7 and Jones Baseline Road, in the Township of Guelph-Eramosa, Wellington County. The purpose of these Class EA studies is to develop improvements at each of the intersection locations.

A Public Information Centre (PIC) will be held to present the proposed improvements as well as the anticipated environmental impacts and proposed mitigation measures. Notices providing the time and location of the PIC will be placed in local newspapers.

### THE PROCESS

These studies are subject to the Ontario *Environmental Assessment Act* and are being initiated as Group ‘B’ projects under the *Class EA for Provincial Transportation Facilities* (2000). Upon completion of the studies, a Transportation Environmental Study Report (TESR) will be prepared for each project. The TESRs will be available for public review and newspaper notices will be published to explain the review process and identify the locations where the TESRs will be available for viewing.

**NOTE:** If the Class EA screening process indicates that either of these projects will not result in any significant adverse environmental effects, then either of these projects may be ‘stepped down’ to a Group ‘C’ project, as per the Class EA. A notice will be issued and a review period will be provided if this decision is rendered.

### COMMENTS

If you wish to obtain additional information, obtain project updates or provide comments, please contact one of the Project Team members listed below:

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If you have any accessibility requirements in order to participate in this project, please contact one of the Project Team members listed above.

Comments and information are being collected to assist the MTO in meeting the requirements of the Ontario *Environmental Assessment Act*. Information will be collected in accordance with the *Freedom of Information and Protection of Privacy Act* and the *Access to Information Act*. With the exception of personal information, all comments will become part of the public record.

