



Know your limit, play within it.

November 2, 2012

Log # 485229

Shaila Anwar
Committee Clerk
The Senate
anwars@sen.parl.gc.ca

Dear Shaila Anwar:

I am responding to your October 10, 2012 email, extending the invitation for me to appear before the Committee hearing on Bill C-290 – An Act to Amend the Criminal Code (Sports Betting).

I was unable to attend in person. Enclosed please find British Columbia's Gaming Policy and Enforcement Branch's comments on Bill C-290.

Thank you for the opportunity to comment on this Bill.

Sincerely,

for
Douglas S. Scott
Assistant Deputy Minister

Enclosure

**SUBMISSION TO THE SENATE COMMITTEE ON LEGAL AND
CONSTITUTIONAL AFFAIRS
Bill C-290 - An Act to Amend the Criminal Code (Sports Betting)
Meeting of October 18, 2012**

Submission By: Province of British Columbia

Agenda Topic: Bill C-290 - An Act to Amend the Criminal Code (Sports Betting)

Issue: Bill C-290 would repeal Criminal Code section 207(4)(2) and make it legal to wager on a single sporting event.

Position of British Columbia:

- We welcome the opportunity to have this discussion at the national level, and provide information regarding British Columbia's position on amending the Criminal Code to allow wagering on single sports events.
- British Columbia supports the need to modernize the gaming provisions of the Criminal Code.
- Despite the existence of multiple sports betting or parlay-style sports wagering, existing restrictions on single-event sports wagering have not kept pace with the speed of change, the growth of the sports industry, the rapid development of internet gambling and popularity and consumer demand.
- The impetus to change our gambling laws arose from the reality that a demand exists for different permitted forms of gambling. Repealing the Criminal Code to allow single sports betting recognizes the shift from "bricks and mortar" gambling to technological developments, particularly gambling by remote means such as the internet.
- Currently, single-event sports wagering in Canada is estimated to be in excess of \$10 billion per year, however only a small portion of that revenue (\$450 million) is wagered legally through provincial sports lottery products. This means, millions of Canadians are placing their wagers with offshore internet gambling sites (which are illegal) or turning to illegal bookmakers.
- Nowhere has change occurred more quickly than internet gambling. Gambling needs to be regulated even in circumstances where the player is not present on the operator's premises. Currently, the British Columbia Lottery Corporation has strict means of monitoring internet sports gaming but has no such controls on illegal single-event sports betting commonly placed on off-shore internet sites. Remote gambling is a global and growing phenomenon, a practice that will not go away.
- Modernizing the Criminal Code to allow single-events sports betting would allow British Columbia to regulate, control and make it safe to electronically wager on single sports events.

- Modernizing the Criminal Code to permit single-event sports wagering in Canada would allow the diversion of significant revenue away from criminals and organized crime and back into communities. Other witnesses have introduced evidence outlining the numerous offshore illegal sites conducting single-events betting. We would add that if Code changes are allowed, the possibility of placing bets through Canada using nominees may occur. This is a likelihood because the United States does not permit single sport betting (only Nevada does), and therefore Canada may become an attractive option.
- Proceeds from gaming benefit people and communities across British Columbia through our Community Gaming Grant program. In 2011/12, \$135 million was dispersed across 6 applicant sectors (Arts & Culture, Environment, Human & Social Services, School Parent Advisory Committees, and Public Safety and Sport). Of all provinces, BC distributed the most government gaming revenue to non-profit community organizations.
- In 2012/13, an estimated \$83.6 million in gaming revenue will be distributed to local governments that host casinos and/or community gaming centres.
- \$147.3 million will be allocated directly to the Health Special Account to support health care services.
- It is essential to recognize that gambling requires regulation not simply as a means to extract revenue from it but for other sound public policy reasons, such as mitigating criminal activity and protecting minors and vulnerable persons.
- The regulation of gambling allows government the ability to:
 - support responsible gambling and the protection of minors and other vulnerable persons;
 - conduct gambling fairly and openly;
 - mitigate criminal and illicit activity.
- The day-to-day regulation of single-event sports betting would allow a range of penalties for non-compliance with the regulatory system, ranging from administrative penalties to civil or criminal sanctions.
- It is important to provide Canadians with a legal and regulated product for single-event sports.

Submitted by: Douglas S. Scott
 Assistant Deputy Minister
 Gaming Policy and Enforcement Branch

Date: October 17, 2012