

Hon. Michael Chong, M.P.
Wellington-Halton Hills



L'hon. Michael Chong, député
Wellington-Halton Hills

March 15, 2012

The Senate of Canada
Ottawa, Ontario K1A 0A4

Dear Senator,

Mr. Joe Comartin introduced Private Member's Bill C-290, *An Act to amend the Criminal Code (sports betting)*, on September 28, 2011. I am opposed to Bill C-290 and had intended to send this letter to my colleagues in advance of a formal recorded vote in the House of Commons in order to outline my reasons. However, on Friday, March 2, 2012, just before the House rose for the day, Bill C-290 was unanimously passed at all stages in the House and is now in the Senate. As Members of Parliament did not have a chance to stand in a recorded vote at any stage during the legislative process for this Bill, I was not able to formally record my opposition. I would therefore like to take this opportunity to explain my opposition in the hope that you might take these concerns into account.

Since 1969, successive amendments to the *Criminal Code* have removed restrictions on various forms of gambling, resulting in a huge increase in gambling in Canada. Data from Statistics Canada indicate that gross revenues from government-run gambling operations rose steadily from \$2.73 billion in 1992 to \$13.75 billion in 2007, a five-fold increase¹.

However, these gambling revenues come at a high cost to society. Numerous research studies indicate that government revenues generated by government-sponsored gambling come with dangerous societal consequences. A study published by the Boston College Law Review concluded that the adverse social costs of gambling are borne by children, lower income families and people with compulsive personalities². Evidence demonstrates that gambling-related suicides are on the rise in Canada. In 1998, Quebec's coroner's office linked 27 of the province's 1,271 suicides to problem gambling. In 2004, that annual number rose to 32 out of 1,172 suicides, and the suicide rate is between 17% and 24% among pathological gamblers in Quebec³. A similar phenomenon is underway in Ontario. A report by the Chief Coroner for Ontario revealed that gambling-related suicides more than tripled between 1998 and 2007⁴. Since many provinces do not have a formal reporting system for gambling-related suicides, the above figures are no doubt much higher if all gambling-related suicides were to be reported. In fact, the Canada Safety Council estimates that over 200 Canadians commit suicide every year due to gambling-related problems⁵.

Gambling is not an effective or efficient way of raising revenues for government. For each dollar collected in revenue, governments must spend 50 cents to collect that revenue. In other words, governments across Canada spent \$6.9 billion to collect \$13.75 billion in gambling revenues in 2009, resulting in a \$6.7 billion contribution to government coffers. Raising \$6.7 billion in revenue through conventional means would be far more effective and efficient.

Gambling does not create good employment. Data from Statistics Canada indicates that, compared to workers in non-gambling industries, workers in the gambling industry were more likely to have a high school education or less (53% versus 40%), be paid by the hour (85% versus 65%) and be paid less (\$20.25 hourly versus \$23.55)⁶.

While organized crime in Canada undoubtedly benefits from illegal gambling on single sports events, the solution lies not in legalization. The federal government is not pursuing the legalization of prostitution in order to tackle the organized crime associated with that activity. Rather, the government prohibits this activity because it has deemed it to have an undeniably harmful effect on society. The same logic applies to single sports gambling in Canada.

Supporters of Bill C-290 may argue that jurisdiction over gambling policies should rest with the provincial governments. However, the federal government has an imperative obligation to ensure that a consistent standard of oversight is maintained across all levels of Canadian legislation. For example, in the case of driving laws, although primary jurisdiction rests with the provincial governments, the federal government plays a critical role in establishing a standard of safety and care on all Canadian roads through the *Criminal Code*. For example, section 249 of the *Criminal Code* outlines the criminal offence of dangerously operating a motor vehicle.

In a similar manner, although the provinces have constitutional jurisdiction over gambling policy, the federal government has constitutional jurisdiction to determine what forms of gambling will be legal and what forms of gambling will be subject to restrictions in the *Criminal Code*, in order to protect Canadian society.

Various forms of gambling have been legal in Canada for decades. This will no doubt continue as governments have become reliant on gambling revenues. However, we should not add to the adverse social costs of gambling by expanding it through the legalization of single sports betting.

For all the reasons outlined above, I ask that you voice your concerns to your colleagues in the Senate regarding Bill C-290, *An Act to amend the Criminal Code (sports betting)*. Please do not hesitate to contact me if you have any questions.

Sincerely,



Michael Chong

¹ Government of Canada. Statistics Canada. *Perspectives on Labour and Income: Gambling (Catalogue no. 75-001-X)*. Canada: StatsCan, July 2009. Electronic.

² Rychlak, Ronald J. "Lotteries, Revenues and Social Costs: A Historical Examination of State-Sponsored Gambling." *Boston College Law Review* 34.1.1 (1992): 11-81. Print.

³ Gouvernement du Québec. Bureau du coroner Québec. *Les caractéristiques des suicides liés au jeu pathologique*. 2009. Web. < <http://www.coroner.gouv.qc.ca/index.php?id=134>>

⁴ Province of Ontario. Office of the Chief Coroner. *Suicides - Gambling, 1998-2010*. Ontario: Ministry of Community Safety & Correction Services, September 2011. Electronic.

⁵ Canada Safety Council. *Canadian Roulette*. January 2005. Web. < <http://canadasafetycouncil.org/community-safety/canadian-roulette>>

⁶ Government of Canada. Statistics Canada. *Perspectives - Gambling, 2012 (Catalogue no. 75-001-X)*. Canada: StatsCan, August 2010. Electronic.