

SPORTS BETTING

Fact Sheet

Bill C-218, *The Safe and Regulated Sports Betting Act*, was introduced in Parliament on February 25, 2020 as a Private Member's Bill by Kevin Waugh, MP for Saskatoon-Grasswood. The Bill will seek to amend the Criminal Code to make it legal to bet on the outcome of a single sporting event.

Experts in responsible gambling, law enforcement, and amateur sport all believe that bringing regulatory oversight and control to sports wagering is the best way to protect people, athletes, and the integrity of the games.

Amending the Criminal Code to allow single-event sports betting would provide:

- **Greater regulatory oversight and cutting off illegal wagering activities**
- **Stronger consumer protection**
- **Economic opportunities for communities**



Wagering Today

Canada has had legal sports wagering for decades. Canadian lottery corporations can only offer parlay wagering which is a bet on two or more sporting events. This is not what Canadians want, as evidenced by the tens of billions of dollars that have been channeled to illegal bookmaking operations or to offshore online sportsbooks - which represent a very significant stream of incremental revenue which could be funding the important public priorities.

Cutting Off Illegal Wagering Opportunities

It's estimated Canadians are spending \$10 billion dollars annually through illegal sports betting operations control by organized crime.

In December 2019, the Ontario Provincial Police (OPP) broke up a Hells Angels-controlled illegal gambling ring in southwestern Ontario that earned \$131 million over a five-year period.

Based on the average profit margin of 5 – 6% for a sportsbook operation, this single organized crime operation would have accepted close to \$2.5 billion dollars in illegal wagers over the five-year period.

The OPP allege that Hells Angels members controlled the gambling ring and its five sports betting websites:

Ultimate Sports Book, Titan Sports Book, PlaytoWin Sports Book, Privada Sports Book, and Players Sports Book.

The recently released "Public Report on Organized Crime in Canada" by Criminal Intelligence Service Canada highlights the use of illegal gaming operations by organized crime groups as a "high-profit/low-risk market".

"Outlaw Motorcycle Groups collaborate with other Organized Crime Groups (OCGs) in the importation of cocaine and other illicit drugs, and have networks stretching across Canada that facilitate their well-established distribution lines. They are criminally associated to groups that form the Traditional Organized Crime network and are involved with Organized Crime Groups involved in illegal online gaming, which is seen as a high- profit/low-risk market."

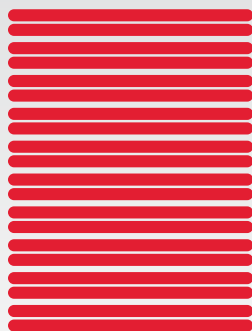
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The report went on to remark that the organized crime groups use the illegal gaming operations to fund other forms of criminality.

"Gaming networks generate millions of dollars of revenue each year, and OCGs involved in this market use these illicit funds to finance other forms of criminality, such as drug importing and trafficking."

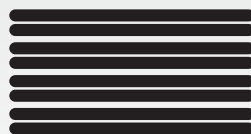
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Annual Sports Wagering in Canada



\$10 billion

through illegal bookmaking operations, usually operated by organized crime



\$4 billion

through offshore online sports wagering sites



\$500 million

through legal provincial sports lottery products



Supporting Jobs in Communities Across Canada

Canada's gaming industry supports over 182,000 jobs across Canada with almost \$12 billion in annual labour income, while purchasing over \$14.5 billion in goods and services each year. There are currently 115 casino-style gaming facilities across Canada located in the ridings of 100 MP's.

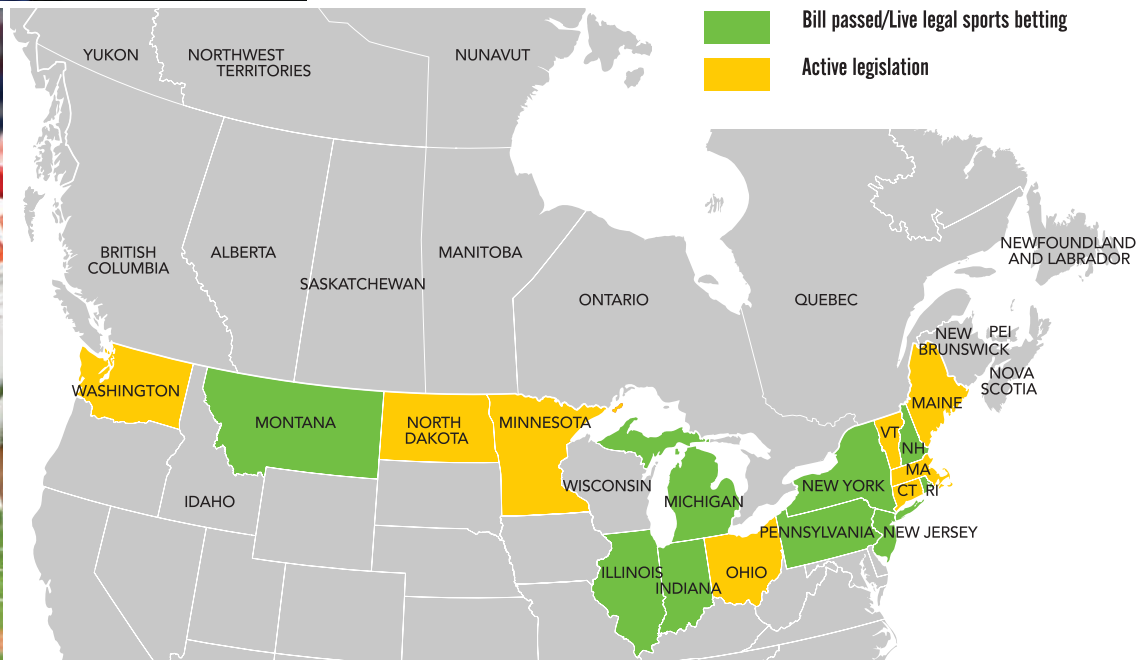
A legal, regulated sports wagering marketplace will drive additional revenue through increased food and beverage sales, gaming activity, and sports wagering revenue while supporting jobs in Canada's legal and regulated gaming industry.



Legal Single-Event Sports Betting in US Border States

The majority of the states directly touching the Canadian border have live and approved sports betting, or have changes coming or under consideration for sports betting.

For border communities, opening a sports book will serve as an economic stimulus, create hundreds of employment opportunities, and generate a significant new tax revenue stream for the city. There is a real and rising threat to our industry from US border states and we can't afford to be left behind.



Protecting Consumers

The Safe and Regulated Sports Betting Act is about providing Canadians who enjoy sports wagering a safe and regulated sports betting market with greater consumer protection and ensuring access to Canada's world leading responsible gaming programs.

Every province has enacted responsible gaming programs, from training frontline staff to robust player education, to standards for advertising. Canada is a world leader in responsible gaming programming and invests more funds each year than any other jurisdiction in the world.

Canadian provincial lottery corporations and gaming operators have implemented some of the most



comprehensive programs that are decades ahead of jurisdiction like the United Kingdom, Australia, and the United States.

British Columbia Lottery Corporation's "Games Sense" responsible gaming education and awareness program is currently being used by three other Canadian provinces, three U.S. states, and MGM Resorts International utilizes the program in all of its U.S. gaming properties.

Strong Support for a Safe and Legal Option

Over past eight years the request to amend the Criminal Code to permit a legal and regulated sports betting regime has earned widespread support from provincial governments, business, communities, labour and sports organizations.

Throughout this time, these organizations have all supported stronger regulatory oversight of sports wagering in Canada and greater consumer protections measures at one point or another:

- International Olympic Committee
- National Basketball Association (NBA)
- Canada Soccer
- National Hockey League (NHL)
- Canadian Football League (CFL)
- Major League Soccer (MLS)
- Province of British Columbia
- British Columbia Chamber of Commerce
- British Columbia Lottery Corporation
- BC Gaming Policy Enforcement Branch
- Province of Alberta
- Province of Ontario
- Alcohol & Gaming Commission of Ontario
- Ontario Lottery and Gaming
- Ontario Chamber of Commerce
- Regional Municipality of Niagara
- City of Niagara Falls
- City of Windsor
- Windsor-Essex Regional Chamber of Commerce
- Province of Prince Edward Island
- Province of New Brunswick
- Atlantic Lottery Corporation
- Province of Nova Scotia
- Nova Scotia Provincial Lotteries and Casino Corporation
- Loto-Québec
- Canadian Labour Congress
- UNIFOR
- Canadian Chamber of Commerce
- Manitoba Lotteries
- Province of Manitoba
- Province of Saskatchewan
- Saskatchewan Gaming Corporation
- Saskatchewan Indian Gaming Authority