



# CANADIAN GAMING ASSOCIATION

June 17, 2022

**The Canadian Gaming Association (CGA) welcomes the release of the final report of the Commission of Inquiry into Money Laundering in British Columbia lead by Commissioner Austin Cullen.**

The CGA would like to thank Commissioner Cullen, the Commission counsel and staff for their work over the past three years; we will be reviewing the final report, and the four of the 101 recommendations specific to the casino sector, to better determine potential next steps and implications for the Canadian gaming industry.

Canada's gaming industry has long been committed to rigorous regulatory oversight and being a strong partner in Canada's anti-money laundering (AML) regime with robust controls and regulations to prevent this kind of activity from occurring. The industry has actively participated in the review undertaken by Dr. German and in the work of the Cullen Commission. We continue our commitment by collaborating with FINTRAC, provincial gaming agencies, and law enforcement.

The Commission noted in the final report that the implementation of Peter German's recommendations has significantly curtailed the prevalence of suspicious cash in BC casinos. For example, in 2018, the value of suspicious transactions reported to FINTRAC by BCLC declined by nearly 90%. The Commissioner also referenced that it was the greater collaboration and cooperation between BCLC, GPEB and JIGIT that achieved this.

The report released on June 15 reflects the CGA's original message to the Commission on the need for increased efforts by law enforcement, as we cited in the 2016 Report from the Financial Action Task Force report which found that:

*"Law enforcement results are not commensurate with the [money laundering] risk and asset recovery is low."*

The Commission report stated what we have known for years: *"The RCMP's lack of attention to anti-money laundering allowed for unchecked growth" (page 27) and "law enforcement must make better efforts to follow the money and pursue money laundering and proceeds of crime" (page 29).*

Highlighted in the Commission's Report was how BCLC had to use personal relationships to convince the Federal Serious and Organized Crime section of the RCMP in 2015 to investigate activities of suspected organized crime as the RCMP had disbanded its Integrated Proceeds of Crime Units in 2012 (page 28).

Awareness of police investigations and the ensuing arrests and seizures are visible outcomes and deterrents, as well as proof that the system works. We welcome the recent renewed efforts by the RCMP to enhance their capacity to investigate financial crimes.

The Canadian gaming industry is committed to working with all stakeholders and policy makers at the federal and provincial levels of government to continue to enhance our comprehensive and



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effective AML regime in Canada, leverage advances in technology, and utilize payment technology to provide a safe playing environment.

In our opening statement to the Commission in February of 2020, the CGA focused on how Canada's AML regime operates on the strength of three interdependent pillars:

- Prevention and detection,
- Disruption and enforcement, and
- Policy and coordination.

In short, it's a partnership that is strongest when we all work together. As representatives of a very robust industry that generates significant benefits across nearly every region in the country, the CGA believes the nation's AML ecosystem, supported by diligent monitoring and detection that is backed by strong enforcement, will continue to ensure the Canadian public can have confidence in Canada's gaming industry.