LEGALIZED GAMBLING IN CANADA

Prepared by: Rhys Stevens, Librarian, Alberta Gaming Research Institute

Date: February 8, 2002.

email: rhys.stevens@uleth.ca

HISTORY AND REGULATION

The history of gambling in Canada is inextricably linked to the Canadian Criminal Code, which in 1892 declared a complete ban on most gambling activities with the exception of horse racing. Gambling on horse races at the end of the century occurred both on and off the track. Although the legal status of on-track betting was uncertain, authorities were inclined to accommodate it. This Criminal Code is closely based on the English laws that Canada incorporated at the time of its Confederation in 1867. Since that time, the ban on gambling has gradually been lifted.

Over time, Criminal Code exemptions that permitted small scale gambling on behalf of charities were introduced. Between 1892 and 1969, Canadians could wager on horse races or gamble at summer fair midways. These charitable experiences with gambling eventually led to a Criminal Code amendment in 1969 that gave the provincial and federal governments the opportunity to use lotteries to fund worthwhile activities (e.g. 1976 Montreal Olympics).

A 1969 amendment authorized provincial governments to manage and conduct lottery schemes and authorized charitable groups to do likewise under license – the federal government still had control, however, and even had their own lottery. The provincial and territorial governments soon negotiated provisions that led to the introduction of further gambling options in Canada such as province-run ticket lotteries. Governments began to generate substantial revenues from their virtual monopoly on Canadian gambling and became interested in diversifying their gambling offerings.

A major 1985 amendment to the Criminal Code permitted provincial governments to administer computer and video gaming devices (i.e. VLTs, slot machines) and gave them exclusive control over gambling. Along with the expansion of electronic gambling, the amendment further solidified the provinces' grip on gambling as charitable groups and First Nations' bands were required to operate under their authority. Since that time, gambling in Canada has expanded rapidly and continues to evolve at a brisk pace.

Canada has a unique policy structure with respect to gambling. It differs from many international counterparts as gambling operates exclusively under the control of the provincial and territorial governments. These governments work within the limitations of the Criminal Code to offer gambling options that the market and the political environment demand. Charities, First Nations and private operators also benefit from gambling in Canada by providing provincially-authorized gambling activities through operational arrangements.

It is necessary to examine the provinces and territories individually to understand the regulation of gambling in Canada as a whole.

FORMS OF GAMBLING LEGAL IN CANADA

Ticket lotteries, horse racing, and charitable gaming (including bingo) are currently legal in all ten provinces, Yukon Territory, Northwest Territories, and Nunavut Territory (but not offered in all jurisdictions). **Casino-style gaming** is available in all provinces with the exception of New Brunswick, Prince Edward Island, and Newfoundland & Labrador. Provincial electronic gaming policy in Canada makes a distinction between slot machines and VLTs (Video Lottery Terminals). **Slot machines** are usually found in casinos and at racetracks, and are available in all provinces with the exception of New Brunswick, Prince Edward Island, and Newfoundland & Labrador. **VLTs** are available in all provinces but Ontario and British Columbia. **Internet Gambling** is not featured among the legalized gambling offerings in Canada.

PROGRAMS IN PLACE FOR PROBLEM GAMBLERS

All provincial governments fund prevention and treatment services to deal with the consequences of problem gambling. In the fiscal year 2001/2002, the provinces combined to make spending commitments of over \$44 million (Canadian) on programs. Using figures from provincial studies, estimates of problem gambling prevalence rates in Canada generally range from 3-5% of the adult population.

Sources:

- Azmier, J. J. (2001). <u>Gambling in Canada final report and recommendations</u>. Calgary, Alta.: Canada West Foundation.
- Azmier, J. J., & Clements, M. (2001). <u>Gambling in Canada 2001 an overview</u>. Calgary, Alta: Canada West Foundation
- Canada West Foundation. (1999). <u>Canada's gambling regulatory patchwork a handbook</u>. Calgary, Alta.: Canada West Foundation.
- Thompson, W. N. (2001). <u>Gambling in America an encyclopedia of history, issues, and society</u>. Santa Barbara, Calif: ABC-CLIO.

SELECTED BIBLIOGRAPHY

- Azmier, J. J. (2000). <u>Canadian gambling behaviour and attitudes: Summary report.</u> Calgary, Alta.: Canada West Foundation.

 Retrieved February 6, 2002 from http://www.cwf.ca/pdf/200001.pdf
- Azmier, J., Roach, R., & Canada West Foundation. (2000). The ethics of charitable gambling: a survey. Calgary, Alta.: Canada West Foundation.

 Retrieved February 6, 2002 from http://www.cwf.ca/pdf/200017.pdf
- Azmier, J., Smith, G. J., & Canada West Foundation. (1998). The state of gambling in Canada: an interprovincial roadmap of gambling and its impact. Calgary, Alta.: Canada West Foundation.

 Retrieved February 6, 2002 from http://www.cwf.ca/pdf/200111.pdf
- Azmier, J. J. (2001). <u>Gambling in Canada: final report and recommendations</u>. Calgary, Alta.: Canada West Foundation.

 Retrieved February 6, 2002 from http://www.cwf.ca/pdf/200114.pdf
- Azmier, J. J., & Canada West Foundation. (2001). <u>Gambling in Canada special report: video lottery terminals in New Brunswick</u>. Calgary, Alta.: Canada West Foundation.

 Retrieved February 6, 2002 from http://www.cwf.ca/pdf/200103.pdf
- Azmier, J. J., & Clements, M. (2001). <u>Gambling in Canada 2001: an overview</u>. Calgary, Alta: Canada West Foundation.

 Retrieved February 6, 2002 from http://www.cwf.ca/pdf/200107.pdf
- Azmier, J. J., Kelley, R., & Todosichuk, P. (2001). <u>Triumph, tradegy or trade-off?:</u> considering the impact of gambling. Calgary, Alta: Canada West Foundation.

 Retrieved February 6, 2002 from http://www.cwf.ca/pdf/200108.pdf
- Beare, M., Jamieson, W., & Gilmore, A. (1988). <u>Legalized gambling in Canada</u>. A working paper for the Ministry of the Solicitor General of Canada.
- Berdahl, L. Y. (1999). <u>The impact of gaming upon Canadian non profits: a 1999 survey of gaming grant recipients</u>. Calgary, Alta: Canada West Foundation.

- Campbell, C. S. (Ed.). (1994). <u>Gambling in Canada: The bottom line</u>. Vancouver: Simon Fraser University Press.
- Campbell, C., & Canada West Foundation. (2000). Non-profits and gambling expansion: the British Columbia experience. Calgary, Alta.: Canada West Foundation. Retrieved February 6, 2002 from http://www.cwf.ca/pdf/200016.pdf
- Campbell, C. S., & Lowman, J. (Eds.) (1989). <u>Gambling in Canada: Golden Goose or Trojan Horse? A report from the first National Symposium on Lotteries and Gambling, May 1988</u>. Burnaby, B.C.: School of Criminology, Simon Fraser University.
- Campbell, C. S., & Smith, G. J. (1998). Canadian gambling: Trends and public policy issues. <u>Annals of the American Academy of Political and Social Science</u>, 556, 22-35.
- Canada West Foundation. (1999). <u>Canada's gambling regulatory patchwork: a handbook</u>. Calgary, Alta.: Canada West Foundation.

 Retrieved February 6, 2002 from http://www.cwf.ca/pdf/199915.pdf
- Henriksson, L. E., & Lipsey, R. G. (1999). Should Provinces Expand Gambling? Canadian Public Policy, 25(2), 259-275.
- Hutchinson, B. (1999). <u>Betting the house winners, losers and the politics of Canada's gambling obsession</u>. Toronto: Viking.
- Kelley, R. (2001). <u>First Nations gambling policy in Canada</u>. Calgary, Alta.: Canada West Foundation.
 Retrieved February 6, 2002 from http://www.cwf.ca/pdf/200104.pdf
- Kelley, R., & Canada West Foundation. (2001). <u>Gambling@home: internet gambling in Canada</u>. Calgary, Alta.: Canada West Foundation.

 Retrieved February 6, 2002 from http://www.cwf.ca/pdf/200111.pdf
- Korn, D. A. (2000). Expansion of gambling in Canada: implications for health and social policy. <u>Canadian Medical Association Journal, 163(1), 61-64</u>.

 Retrieved February 6, 2002 from http://www.cma.ca/cmaj/vol-163/issue-1/pdf/pg61.pdf

- Mandal, V. P., & Vander Doelen, C. (1999). <u>Chasing lightning: gambling in Canada</u>. Toronto: United Church Publishing House.
- National Council of Welfare (Canada). (1996). <u>Gambling in Canada: a report</u>. Ottawa: National Council of Welfare.

 Retrieved February 6, 2002 from http://ccsa.ca/ncw/gambcont.htm
- Nova Scotia Alcohol & Gaming Authority. (1999). <u>Annual Report 1998-1999</u>. Halifax, N.S.: Author.

 Retrieved February 6, 2002 from: http://www.gov.ns.ca/aga/AnnualReport/Gaming%201999%20Report.pdf
- Smith, G. J., Azmier, J., & Canada West Foundation. (1997). <u>Gambling and the public interest</u>. Calgary, Alta.: Canada West Foundation.

 Retrieved February 6, 2002 from http://www.cwf.ca/pdf/199714.pdf
- Smith, G. J., Wynne, H. J., & Canada West Foundation. (1999). <u>Gambling and crime in Western Canada: exploring myth and reality</u>. Calgary, Alta.: Canada West Foundation.
- Smith, G. J., & Wynne, H. J. (2000). <u>A Review of the Gambling Literature in the Economic and Policy Domains</u>. Edmonton: Alberta Gaming Research Institute.

 Retrieved February 6, 2002 from http://www.abgaminginstitute.ualberta.ca/documents/reviews/economic.pdf
- The Wager (March 14, 2001). The Great Wide Open: Implications of Gambling's Expansion in Canada. The Wager, 6(11).

 Retrieved February 6, 2002 from http://www.thewager.org/Backindex/vol6html/wager611.htm
- Thompson, W. N. (2001). <u>Gambling in America: an encyclopedia of history, issues, and society</u>. Santa Barbara, Calif: ABC-CLIO.
- Vaillancourt, F., Roy, A., & Canadian Tax Foundation. (2000). <u>Gambling and governments in Canada, 1969-1998 how much? who plays? what payoff?</u>. Toronto: Canadian Tax Foundation.

Wynne, H. J. (2000). Gambling on the edge in Alberta. <u>EGambling: The Electronic Journal of Gambling Issues, (1)</u>. Retrieved February 6, 2002 from http://www.camh.net/egambling/issue1/policy/

SELECTED LIST OF WWW HYPERLINKS

NATIONAL:

Canada West Foundation Gambling in Canada Project http://www.cwf.ca/gambling.cfm

Canadian Centre on Substance Abuse (CCSA) – Gambling http://www.ccsa.ca/gambgen.htm

Gambling in Canada -- A Report by the National Council of Welfare (Winter 1996) http://ccsa.ca/ncw/gambcont.htm

North American Association of State & Provincial Lotteries http://www.naspl.org/index.html

North American Gaming Regulators Association http://www.nagra.org/

Problem Gambling: A Canadian Perspective http://www.problemgambling.ca/

ALBERTA:

AADAC (Alberta Alcohol and Drug Abuse Commission) -- Addictions Information on Gambling

http://www3.gov.ab.ca/aadac/addictions/subject_gambling.htm

Alberta Gaming

http://www.gaming.gov.ab.ca/

Alberta Gaming & Liquor Commission http://www.aglc.gov.ab.ca/

Alberta Gaming Research Institute http://www.abgaminginstitute.ualberta.ca/

Wynne Resources Limited http://www.wynne.com/

BRITISH COLUMBIA:

Ministry of Public Safety and Solicitor - General Gaming Policy and Enforcement Branch

http://www.pssg.gov.bc.ca/gaming/

MANITOBA:

Addictions Foundation of Manitoba – Gambling http://www.afm.mb.ca/afmservices/Gambling/gambling.html

Manitoba Gaming Control Commission http://www.mgcc.mb.ca/

NEW BRUNSWICK:

New Brunswick Addiction Services http://www.gov.nb.ca/0378/en/

New Brunswick Coin Machine Owners Association Inc. http://www.nb-videogames.ca/

New Brunswick Department of Finance – Reports http://www.gnb.ca/nosearch/0024/reports/index.asp – includes Lotteries Commission Annual Reports

NOVA SCOTIA:

Nova Scotia Alcohol and Gaming Authority http://www.gov.ns.ca/aga/defaultindex.htm

Nova Scotia Department of Health – Problem Gambling Services http://www.gov.ns.ca/health/gambling/

Nova Scotia Gaming Corporation http://www.gamingcorp.ns.ca/

ONTARIO:

Alcohol and Gaming Commission of Ontario http://www.agco.on.ca/en/c.gaming/c.gaming.html

eGambling – The Electronic Journal of Gambling Issues http://www.camh.net/egambling/index.html

Ontario Problem Gambling Research Centre http://www.gamblingresearch.org/

Ontario Lottery and Gaming Corporation http://www.olgc.ca/

Problem Gambling Research Group – University of Windsor http://venus.uwindsor.ca/pgrg/index.htm

Responsible Gambling Council (Ontario) http://www.responsiblegambling.org/

The Chase: Report on Problem Gambling http://www.thechase.ca/

QUEBEC:

Centre québécois d'excellence pour la prévention et le traitement du jeu http://www.psy.ulaval.ca/~jeux/eng/ -- English version of site available

International Centre for Youth Gambling Problems and High-Risk Behaviors http://www.youthgambling.com/en

Loto-quebec http://www.loto-quebec.com/indexa.htm