

AGCO – Lottery Licensing

Presentation to Council for the
City of Greater Sudbury

May 16, 2007

- Gambling in Canada is illegal unless the activities fall within exemptions provided for in the *Criminal Code (Canada)*
- The *Criminal Code* is federal legislation
- Ontario cannot “amend” the *Criminal Code* – criminal law is exclusively within the constitutional jurisdiction of the Parliament of Canada
- The Lottery Licensing program is administered within the *Criminal Code*

- *Criminal Code of Canada*
 - General prohibition against “gambling” unless activities fall within exemptions set out in *Criminal Code*
 - Although exclusive federal jurisdiction to legislate, provinces may regulate gaming – if the regulation is with respect to an exemption from the general prohibition
 - Paragraph 207(1)(b) of the *Criminal Code* sets out exemption for charitable or religious organizations conducting and managing a lottery scheme

- Order in Council 2688/93, as amended
 - designates the Registrar and municipal councils to issue licences pursuant to para. 207(1)(b)
 - OIC sets out certain terms and conditions to all licences issued by Registrar or municipal councils
 - OIC authorizes Registrar and municipal councils to impose additional terms and conditions
 - failure to comply with terms and conditions results in violation of *Criminal Code* as activities no longer fall within the exemption – see also subsections 207(2) and (3)

- Policy Manual

- assists in assessing eligibility for a licence under the *Criminal Code* and with respect to policy objectives
- use of proceeds generally
- use of proceeds in specific circumstances
- Modernization of Lottery Licensing Policy Manual – May 2005 and regular updates

- *Gaming Control Act, 1992*
 - provides for the registration of gaming suppliers – businesses and employees
 - applies to charitable gaming, casinos, charity casinos and slot facilities
 - terms and conditions to licences and *GCA* require licensees to use services of registered gaming supplier, i.e., bingo hall operator
 - standards established for certain supplies and services, i.e., Standards for Suppliers of Goods and Services - Bingo

- Modernization of Charitable Gaming
 - initiative started in late 2004
 - broad consultation within the sector, including municipalities, suppliers, and charities
 - professional advice on revenue models for bingo halls and break open tickets
 - substantial changes based on balance of flexibility and accountability
 - Bingo Revenue Model has been focus of substantial work by AGCO and the sector, including municipalities, suppliers and charities

- Lottery Licensing Policy Manual deals with eligibility to assist municipal licensing officers
- Eligibility assessment requires a detailed analysis to ensure that an organization is “eligible” and that its proposed use of proceeds are “eligible”
- The law of charities is not “easy”
- But compliance is needed to ensure that the activities fall within the exemption provided for in 207(1)(b)

- Law of Charities
 1. Relief of Poverty
 2. Advancement of Religion
 3. Advancement of Education
 4. Other Purposes Beneficial to the Public –
that is charitable in nature

- Senior Citizen Centres and Programs for Senior Citizens
 - Courts have recognized support to “the aged” may be charitable
 - Falls under either “relief of poverty” or “other purposes beneficial to the public” depending upon activity
 - Lottery Licensing Policy Manual provides assistance in analysis under “Other Purposes Beneficial to the Community” within the Health and Welfare category

- Majority of members is 60 years of age or older
- Provide social and recreational programs to seniors *if* to assist remain active in community and available to all seniors
- Benefit is not limited to exclusive group
- Facility may be eligible if all seniors in the community have reasonable access

- Senior Citizens Centres
 - Establish, operate and maintain a senior citizens centre to provide recreation, education, cultural activities and other programs for senior citizens
 - Must be independent of government as provided for in Lottery Licensing Policy Manual
- Social Clubs – to alleviate loneliness and isolation

- Questions and Answers