

GPE Comments on BCLC's Fifth Status Update on Implementation of Recommendations from B.C.'s Ombudsman (October 2008)

Introduction

In October, 2008, the BC Lottery Corporation (BCLC) issued its fifth quarterly report outlining the status of its response to recommendations made by B.C.'s Ombudsman and Gaming Policy and Enforcement (GPE) concerning B.C.'s lottery systems. This document provides GPE's comments on that report.

Observations

Since BCLC's last report in July 2008, it has continued to make progress on implementing recommendations made by the Ombudsman. In particular, GPE notes that since July 2008 BCLC has:

- Implemented an ongoing research program to track retailer play and win; and
- Enhanced its customer complaint handling by implementing improvements in their case management processes and systems.

GPE will continue to monitor BCLC's work regarding these initiatives and, where necessary and appropriate, make recommendations.

In July 2008, GPE reported the results of its review of BCLC's training program for prize payout staff. This report noted that the training program was not fully implemented and, as such, it was not possible to fully evaluate its effectiveness. GPE also made three recommendations to enhance the effectiveness of the program. GPE will review the BCLC training program as part of the Prize Payout audit that will be conducted prior to the end of March 2009.

GPE will continue to monitor and report on BCLC's outstanding obligations related to recommendations made by B.C.'s Ombudsman. These include:

- Implementing enhancements and additions to its fraud detection system; and
- Completing its work to ensure that all tickets, including Scratch & Win tickets, are readable by Check-A-Ticket machines.

In its October 2007 report on B.C.'s lottery retailer network, Deloitte & Touche cautioned against the implementation of the Ombudsman's recommendations to: scan all scratch and win tickets at the time of sale; and, implement mandatory retailer swipe cards. GPE is a part of the process determining an appropriate course of action. Once a determination has been made, GPE will monitor and report on any initiatives implemented by BCLC.

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GPE notes that BCLC is no longer pursuing the development of devices that will allow players to validate their own tickets. GPE understands that the implementation of this technology was not a recommendation of the B.C. Ombudsman but, rather, a BCLC proposal. BCLC has indicated that, based on its research, the ability to self-validate tickets would not add value to the existing process with the controls already in place. GPE accepts BCLC's rationale for no longer planning to develop this technology.

GPE also notes that, in her report, the Ombudsman identified concerns with Pull Tab game design such that retailers are not obligated to make public when, or if, a major prize has been won from a Pull Tab box. While she did not make a recommendation on the matter, she did suggest that BCLC consider ensuring that all players have access to the same information that the retailer has about when major prizes have been paid out. GPE will continue to monitor BCLC's response to this suggestion.