

GAMING POLICY AND ENFORCEMENT BRANCH

ANNUAL REPORT



2020/21

Letter of Transmittal



I am pleased to submit the 2020/21 Annual Report of the Gaming Policy and Enforcement Branch (GPEB) of the Ministry of Public Safety and Solicitor General for delivery to the Legislative Assembly and the citizens of British Columbia. The information in this report reflects the activities of the branch between April 1, 2020, and March 31, 2021.

GPEB is responsible for the overall regulation and oversight of British Columbia's gambling sector. This includes all commercial gambling conducted and managed by the British Columbia Lottery Corporation (BCLC), licensed charitable gambling events, horse racing and the delivery of responsible and problem gambling programs to the citizens of the province. The branch's activities are intended to ensure gambling is conducted safely and with integrity.

Honourable Mike Farnworth
Minister of Public Safety and Solicitor General

Accountability Statement

Solicitor General:

I am pleased to present the 2020/21 Annual Report for the Gaming Policy and Enforcement Branch (GPEB). This report covers the period between April 1, 2020, and March 31, 2021. I am accountable for the contents of this document and the basis on which the information has been reported.

As mandated under the *Gaming Control Act* (the Act), and within the provisions of the Gaming Control Regulation and the federal *Criminal Code* of Canada, GPEB is responsible for the overall integrity of gambling and horse racing in the province as well as the delivery of responsible and problem gambling programs.

On March 11, 2020, COVID-19 was declared a pandemic by the World Health Organization. On March 16, 2020, Attorney General David Eby¹ directed the British Columbia Lottery Corporation (BCLC) to close all gaming facilities in B.C. on the advice of the Provincial Health Officer. Gambling facilities remained closed for the duration of the fiscal year.

COVID-19 had a significant impact on GPEB staff, programs and the gambling sector. The pandemic showcased GPEB's flexibility during a time of change and uncertainty as staff adapted to remote work, maintained operational requirements in office, and refocused resources due to gaming facility closures. GPEB staff supported the Province's pandemic response by working on priority government initiatives including the Provincial Orders Support Team and processing applications to extend the Employment Standards Act temporary layoff period.

GPEB supported the gambling sector in various ways including seeking government approval to remove the obligation for gaming facility operators and their senior officials to pay one anniversary fee and making gaming worker registration more accessible and efficient by bringing the application process completely online. Charitable gambling was heavily impacted as organizations were unable to hold in-person events. GPEB supported licensees in their fundraising efforts by allowing extensions to the sales period of ticket raffle events and financial reporting period requirements. Licensees were also granted permission to raise funds for donations towards COVID-19 relief efforts within Canada.

Although land-based gambling facilities were temporarily closed, traffic on BCLC's online gambling platform PlayNow.com increased. Gambling Support BC, formerly known as GPEB's Responsible and Problem Gambling Program, enhanced its presence online, including a new website and has worked to promote the visibility of the Gambling Support Line to raise awareness of services during casino closures.

Sam MacLeod
Assistant Deputy Minister and General Manager
Gaming Policy and Enforcement Branch

¹ Until November 2020, the Attorney General was the Minister responsible for BCLC.

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Our Organization

The Gaming Policy and Enforcement Branch (GPEB) is responsible for the overall integrity of gambling² and horse racing in British Columbia.

We do that by maintaining a regulatory and service delivery framework that promotes fairness, public safety and public confidence.

OVERVIEW

GPEB regulates all gambling in B.C. and ensures the integrity of gambling industry companies, people and equipment, and compliance with policies and standards established under the *Gaming Control Act* and the Gaming Control Regulation. This includes regulatory oversight of commercial gambling conducted and managed by the British Columbia Lottery Corporation (i.e. lotteries, casinos, community gaming centres, commercial bingo halls and PlayNow.com), B.C.'s horse racing industry and licensed charitable gambling events. GPEB also delivers responsible and problem gambling programs.

GPEB's core objective is to ensure that a comprehensive and responsible gambling regulatory framework is in place.

VISION

The public has confidence in B.C.'s gambling industry.

MISSION

To uphold the overall integrity of gambling by maintaining government's gambling policy, regulating the gambling sector, and providing related supports, services and community programs that benefit British Columbians.

² As the term "gaming" is used to describe both gambling and video gaming and there has been significant growth in the eSports industry in the past five years, this report uses the term gambling for clarity. Exceptions include proper pronouns – the Gaming Control Act, Gaming Control Regulation, Community Gaming Centres, Licensed Gaming Online, Community Gaming Grants, Joint Illegal Gaming Investigation Team, Gaming Online Service, and Gaming Account Summary Report.

GPEB has six divisions to carry out its core business:

- Licensing, Registration and Certification Division
- Compliance Division
- Enforcement Division
- Community Supports Division
- Strategic Policy and Projects Division
- Operations Division

Gambling in British Columbia

GAMBLING IN BRITISH COLUMBIA

The commercial gambling industry includes³: PlayNow.com - the only legal online gambling website in B.C., Provincial and National Lottery Games, 16 Community Gaming Centres, 19 Casinos, 19 Horse Racing Teletheatres, 2 Horse Racetracks and 1 Commercial Bingo Hall.

In 2020/21, **\$940 million** in revenue was generated through commercial gambling in the province.

\$419 million⁴ of commercial gambling revenue in 2020/21 was returned to government after deducting prize payout and expenses. This revenue was used to support local communities, the horse racing industry, responsible and problem gambling treatment programs, provincial health programs, First Nation revenue sharing, other provincial government programs, and GPEB operations.

\$125,000 was generated through licensed gambling events for not-for-profit, charitable and religious organizations in B.C. in 2020/21.

GOVERNMENT SUPPORTS⁵

\$147 million allocated to the Health Special Account reflecting a commitment made by the B.C. government in 1992 to allocate revenue from BCLC specifically for health care initiatives.

\$140 million allocated to non-profit community groups through Community Gaming Grants.

\$103 million allocated to the Consolidated Revenue Fund to support provincial government programs and services.

\$29 million revenue sharing entitlement to the BC First Nations Gaming Revenue Sharing Limited Partnership.

\$13 million allocated to fund GPEB operations.

\$11 million allocated to the federal government under a revenue-sharing agreement between the federal and provincial governments.

\$6 million allocated to fund Gambling Support BC.

3 Refer to Appendix B Gambling Permitted in British Columbia.

4 Note that a change in accounting guidance in 2018/19 requires that all revenue be stated net of prizes, which is a change from the practice in prior years, and generally results in a lower revenue figure that does not reflect a decline in revenue for BCLC.

5 Due to casino closures, no Host Local Governments payments were made for fiscal 20/21 and no net slot machine revenue from casinos co-located at Hastings and Fraser Downs racetracks was allocated to the horse racing industry.

Licensing, Registration and Certification Division

The Licensing, Registration and Certification Division is responsible for the registration and certification of the gambling industry, and for licensing charitable gambling events. The Registration and Certification Units are responsible for registering companies and individuals involved in gambling, and for certifying gambling supplies and equipment respectively. Their objective is to ensure the integrity of the companies, individuals, supplies and equipment involved in gambling. The Licensing unit issues gambling event licences which allow eligible organizations and individuals to fundraise by holding a single gambling event or a series of events within B.C. for direct delivery of programs and services that benefit the broader community and/or a third-party community member in need.

Every year, individuals and companies apply to be registered so that they may work and operate in the commercial gambling industry in B.C. GPEB's goal is to ensure only suitable candidates participate in the gambling industry. Applicants are subject to a background investigation, including but not limited to, a criminal record check and an overall suitability examination to ensure they meet the required standards of integrity. If successfully registered, individuals and companies continue to be monitored to ensure they adhere to the conditions of registration set out in the *Gaming Control Act* and Gaming Control Regulation.

There are three different types of registration: corporate, personnel and lottery retailers. There is an application fee for each type of registration that partially recovers the costs of investigating each application. In addition, corporate registration involves an annual fee.

In 2020/21 GPEB processed new and renewed registrations for:

852 Gambling Workers
825 Lottery Retailers
475 Horse Racing Workers
121 Senior Officials and Senior Employees
12 Gambling Equipment Suppliers
10 Gambling Services Providers
1 Ancillary Service Contractor

CORPORATE REGISTRATION

GPEB conducts an in-depth investigation of gambling-related businesses and their executive personnel to ensure suitability. Businesses registered with GPEB include many large public and privately owned companies as well as suppliers and manufacturers of gambling services, including online content providers and gambling equipment (e.g., slot machines, automatic shufflers).

GPEB also registers other service providers such as gambling consultants, raffle services, security, and ancillary services including food and janitorial services provided at gambling facilities.

As land-based gaming facilities were closed through the fiscal year of 2020/21, there was a decrease in registration renewal applications as registration expiration was deferred to December 31, 2021. A remote investigation process was developed by Corporate Registration investigators to continue the registration of companies and their senior people and alternate methods to complete due diligence investigations were also implemented. In 2020/21, Corporate Registration saw an increase in BCLC's online business, several new businesses applying to become ticket raffle providers to support the charitable sector, and an unprecedented number of corporate mergers and acquisitions among existing registrants.

Refer to Appendix B, Table 1: Corporate, Lottery Retailer Registration and Personnel Registration

To provide the gaming industry with a measure of economic relief during the COVID-19 pandemic, government approved:

- Extending registration terms of active gaming services providers, gaming workers, and senior officials that would have otherwise expired to December 31, 2021.
- Deferring the deadline for gaming services providers and their senior officials to pay 2020/21 and 2021/22 anniversary fees to December 31, 2021.
- Removing the obligation for gaming facility operators and their senior officials to pay one anniversary fee.

PERSONNEL AND LOTTERY REGISTRATION

GPEB registers all workers involved in the commercial gambling industry. This includes all people directly involved in the industry (e.g. casino, bingo, horse racing workers and lottery retailers), as well as those indirectly involved (e.g. BCLC and GPEB employees)⁶.

In response to the COVID-19 pandemic, the Personnel and Lottery Registration unit fast tracked the launch of the online gaming worker registration system to July 1, 2020. The personnel registration process was moved entirely online, allowing applicants to submit their applications and fee payments electronically.

The Personnel Registration team made a number of other process improvements to streamline their systems. Rather than waiting for GPEB to produce and courier their ID/registration cards, service providers now produce those cards on-site once the registration has been approved. Regulations that did not add value were eliminated, such as the requirement for gaming workers to register each time they wished to work at a different location, even at sites owned by the same service provider.

Additionally, internal processes were changed to include more systemic tracking of application information in a database format, replacing management of paper-based information.

Due to the COVID-19 pandemic and the closures of casinos, 2020/21 gaming worker registration decreased by over 80 per cent allowing these process improvements to be prioritized.

The impact on Lottery Retailer registration was limited to the period of March through June 15, 2020, when many retailers were closed due to Provincial Health Officer restrictions. After June 15, 2020, lottery retailer restrictions were lifted, and application levels returned to usual levels.

Refer to Appendix B, Table 2: Registration Decisions

⁶ Individuals that operate charitable gambling in B.C. are not registered gambling workers. Instead, GPEB issues charitable gambling licences to eligible organizations.

In 2020, the Personnel Registration unit was awarded the North American Gaming Regulators Association Excellence in Gaming Regulation Award for demonstrating excellence in the field for their work in streamlining the gaming worker registration process and moving the application process online.

CERTIFICATION

Before operating in a live environment, all gambling supplies⁷ used in the province must be tested to the applicable requirements set forth in GPEB's technical gambling standards. GPEB establishes and maintains these technical gambling standards to ensure gambling supplies that are used in commercial or charitable environments operate fairly, are safe and secure, deliver the stated odds of winning, and can be audited.

GPEB investigates player complaints and all reports of malfunctioning gambling supplies, including issues with lottery products, internet gambling software and electronic raffle systems.

Gambling supplies are routinely upgraded and improved. This means their original certification may no longer be valid. Certification is suspended or revoked when a manufacturer or an Accredited Testing Facility (ATF) reports that a particular gambling product no longer meets GPEB's technical gambling standards. A certification may be suspended or revoked for a number of other reasons: a gambling product malfunctions⁸; an ATF rescinds their certification; or a vendor upgrades the gambling product and no longer supports the previous version. Software and hardware malfunctions, software bugs, and faults all lead to revocations.

Gambling supplies for which certification has been suspended or revoked must be removed from the gambling floor, PlayNow.com website, or licensed charitable gambling event. Before the gambling supplies can be returned to service, any repairs, modifications, or upgrades must be re-tested by an ATF and re-certified by GPEB.

Certification requests remained steady throughout the year and in some cases increased. With the closure of casinos, BCLC and Certification retired flash games and upgraded game themes. The Certification team conducted records management cleanup for lottery tickets, developed a remote inspection process to assess charitable organizations using an electronic raffle system and responded to an 150% increase for electronic raffle system examinations. Additionally, GPEB's involvement in projects with BCLC are ongoing.

Refer to Appendix B, Table 3, Gambling Supplies Certification

⁷ Gambling supplies include slot machines and related casino management systems, lottery products (including pull-tab tickets and Scratch & Win tickets), lottery and self-checking terminals, electronic table game equipment, lottery draw systems, bingo supplies, table game supplies, internet gambling systems and software, and charitable gambling electronic raffle platforms.

⁸ A malfunction may include a situation where a slot machine accepts a counterfeit bill or a scratch ticket manufacturing error that does not allow the player to scratch the latex off the ticket.

CHARITABLE LICENSING

GPEB's licensing program is responsible for the administration of gambling event licences, which allow eligible organizations and individuals to fundraise by holding a single gambling event or a series of events within B.C. for direct delivery of programs and services that benefit the broader community and/or a third-party community members in need.

One of GPEB's responsibilities is to ensure that licensed gambling events are conducted fairly and transparently. The branch ensures that organizations applying for a license are in good standing, have an approved governance structure and open membership and operate according to sound financial practices. GPEB also conducts audits of licensees to ensure they follow rules designed to protect the public and the integrity of gambling in the province, and that proceeds are used to support the eligible programs stated in the license.

Gambling events required to be licensed by GPEB include:

- Ticket raffles,
- Independent bingos, wheel of fortune,
- Social and limited occasion casinos consisting of red dog, blackjack, and wheel of fortune, and
- Poker.

Refer to Appendix B, Table 4, Licensed Gambling

In response to the COVID-19 pandemic and in an effort to ensure support for charitable organizations and the citizens of B.C., the General Manager of GPEB approved the following rule amendments in March 2020:

- Enabled the ability for charitable organizations to extend ticket raffle sales and end dates;
- Provided the ability for charitable organizations to extend Gaming Account Summary Report (GASR) and Gaming Event Revenue Report (GERR) reporting deadlines; and
- Allowed proceeds to be used for COVID-19 response (provincially or nationally).

In 2020/21, GPEB issued 2,686 licences to eligible organizations to conduct gambling events.

In total, community organizations raised \$125 million to support their projects and services.

Compliance Division

The Compliance Division works to ensure regulatory compliance with the Gaming Control Act, Gaming Control Regulation and Criminal Code of Canada. The Division conducts inspections and audits of gambling activities in British Columbia to ensure compliance with legislation, regulation and public interest standards and directives. The division conducts both commercial and charitable gambling audits. It also provides assistance to the Ministry of Municipal Affairs in auditing and investigating the use of grants provided under the Community Gaming Grants program per the Gaming Control Act. The division's Horse Racing Unit develops and enforces rules and policies for horse racing, regulates horse racing events and licenses all racing participants.

THE AUDIT PROGRAM

The audit program uses a risk-based approach which focuses audit resources on those areas of greatest risk. This approach has resulted in a dynamic audit plan responsive to emerging and changing risks and gives GPEB the ability to allocate audit resources to the areas of greatest risk within the branch. The audit program also promotes voluntary compliance with provincial gambling legislation through education sessions for eligible organizations that conduct licensed gambling or receive gaming grants.

The program's annual audit plan outlines the five main areas that are audited:

1. BCLC's overall conduct and management of all forms of gambling, including the corporation's PlayNow.com website and anti-money laundering procedures;
2. BCLC's conduct and management of lottery gambling;
3. BCLC's conduct and management of commercial gambling facilities (casinos, community gaming centres and bingo halls);
4. Horse racing; and
5. Licensed gambling and community gaming grants.

Due to COVID-19 concerns, the audit team addressed higher-risk charitable files, including requests from other divisions and complaints from the public, and conducted compliance work through other means such as control self-assessments, information bulletins and non-reporting compliance follow-ups.

In 2020/21, the GPEB audit team completed 109 audits and file reviews. This was comprised of 1 audit of a gambling facility, 6 audits related to BCLC's conduct of commercial and lottery gambling, 22 financial integrity reviews, 30 audits of gaming grant recipients, and 50 licence audits.

Of the 80 audits of gaming grant recipients and gambling event licensees, 40 were registered as special projects or complaints from the public, and of the 40 that were assessed for compliance, 10 were fully compliant, 22 were moderately non-compliant, and 8 were severely non-compliant⁹.

The audit team continues to work with GPEB's Corporate Registration Unit to conduct reviews on the financial integrity of corporate registrants. The primary focus is to identify potential risks and the viability of the registrant. This year, the audit team completed 22 financial integrity reviews of corporate registrants in the gambling industry. This partnership reflects the branch's risk-based audit approach and utilization of staff skill sets.

Refer to Appendix B, Table 5, Gambling Audits by Category

The fiscal year 2020/21 has been a challenge for all areas of government. This was no different for the audit team, which had to shift their focus and resources due to the closure of casinos and the additional strain of COVID-19 on charitable organizations and other government priorities. This resulted in a significant reduction in the number of audits completed by the audit team. The majority of the audit team supported other branches within government in various roles working on high-priority initiatives over a six-month period during the fiscal year.

⁹ Under a risk-based approach, GPEB targets higher-risk organizations for non-compliance. Therefore, reported compliance rates will be lower than rates that would result from a random sample of all organizations. Moderately non-compliant is defined as findings that the recipient organization must address, for example if an organization fails to submit reporting documentation to GPEB. Severely non-compliant is defined as findings that may require immediate action from recipient organizations, for example an organization may have misused funds.

HORSE RACING

GPEB's Racing Unit regulates horse racing events in B.C. to ensure compliance with the Gaming Control Act. The racing unit is also responsible for developing policies and rules to ensure horse racing is conducted fairly and with integrity. In particular, the unit establishes the Rules of Thoroughbred and Standardbred Horse Racing. As required, the unit reviews and revises the rules and meets regularly with industry stakeholders to address issues.

B.C.'s horse racing industry employs approximately 2,300 licensed owners, jockeys, drivers, trainers, grooms and exercise riders, all of whom must be licensed and registered with GPEB. In 2020/21, 475 horse race workers were either licensed for the first time or had their licences renewed.

The racing season at both racetracks was condensed due to the pandemic. The stabling of horses in the backstretch continued on and GPEB Horse Racing Unit team members continued to provide the same regulatory oversight services at each racetrack, with the additional duty of monitoring and assisting with the enforcement of COVID protocols.

Refer to Appendix B, Table 6, British Columbia Horse Racing Summary

In 2020, GPEB's stewards and judges issued a total of 99 rulings: 59 were for thoroughbred racing infractions (issued by stewards), and 40 were for standardbred racing infractions (issued by judges). The penalties issued by judges and stewards range from temporary suspensions to monetary penalties or registration cancellation.

Refer to Appendix B, Table 7, Horse Racing Rulings

In 2020, GPEB had 16¹⁰ registered teletheatre sites in B.C. that presented simulcast satellite broadcasts of horse races conducted at local, national and international tracks.

HORSE RACING BETTING FEES

Horse race betting fees are levies on bets made at horse racing events that are collected by GPEB through Hastings Racecourse, Fraser Downs Racetrack and Horse Racing Teletheatre B.C. (4.5 per cent on triactor¹¹ bets and 2.5 per cent on other bets). Any balance in excess of annual regulatory fees (equal to the cost of regulating the horse racing sector) is remitted back to the horse racing industry. At fiscal year end, the cumulative total of monthly fees is transferred into the Consolidated Revenue Fund. In 2020/21, the province collected \$2.9 million in betting fees, retained \$1.9 million to offset the cost of regulating the industry and returned \$1.0 million to the industry.

Refer to Appendix B, Table 8, Horse Racing Wagering

¹⁰ The 13 teletheatres located at Casinos and Community Gaming Centres were closed as of March 17, 2020 and remained closed for the remainder of the year. The remaining 3 teletheatres located in pubs/restaurants were open intermittently throughout the year, when permitted under COVID orders/protocols.

¹¹ A triactor bet, the bettor picks three horses to finish first, second and third, in exact order.

Enforcement Division

GPEB's Enforcement Division enforces provisions of the Gaming Control Act, Gaming Control Regulation, Criminal Code of Canada and other provincial statutes under the authority of Special Provincial Constable appointments. Investigators respond to instances of any conduct, activity or incident occurring in connection with gambling that could threaten the integrity of the industry.

The Gaming Intelligence Unit works within a collaborative intelligence model with law enforcement, and provides government and its policing partners with information and situational awareness on organized crime and illicit activity impacting the integrity of gambling in B.C. This unit operates within the Joint Illegal Gaming Investigation Team (JIGIT).

INVESTIGATIONS

Investigators work with the police to investigate various illegal gambling activities, including: unauthorized lottery schemes, illegal gambling houses and criminal offences occurring within casinos, such as loan sharking and money laundering. Under the Gaming Control Act, GPEB has the authority to recommend charges for prosecution, issue tickets and warnings and/or recommend administrative sanctions. Investigators also provide in-depth gambling expertise to law enforcement agencies throughout the province and deliver outreach presentations outlining the GPEB mandate. In response to Dr. German's "Dirty Money" Report, investigators have become more effective partners to law enforcement by providing a real-time proactive response to criminal incidents and threats of money laundering in casinos.

The Enforcement Division operates under a risk-based regulatory enforcement model guided through defined objectives, emphasizing social responsibility, public safety and voluntary regulatory compliance. The division works collaboratively with BCLC, gaming services providers and law enforcement agencies and focuses on matters which help to safeguard the industry and address vulnerabilities.

Refer to Appendix B, Table 9, Investigations and Enforcement Actions of Incidents Reported

JOINT ILLEGAL GAMING INVESTIGATION TEAM

In 2016, the Government of British Columbia and the province's anti-gang agency, the Combined Forces Special Enforcement Unit of British Columbia (CFSEU-BC), announced the joining of forces to form a co-ordinated investigation unit designed to address illegal gambling and money laundering taking place in B.C. The team is located within CFSEU-BC, the largest integrated joint forces police unit in Canada.

The primary focus of JIGIT is to disrupt organized crime and gang involvement in illegal gambling and to prevent criminals from using B.C. gambling facilities to launder the proceeds of crime.

Four GPEB investigators along with a manager, provide in-depth gambling expertise to JIGIT and other law enforcement agencies throughout the province. GPEB investigators embedded within contribute to ongoing, high-level investigations that are reported through the protocols established upon forming JIGIT.

GAMING INTELLIGENCE INVESTIGATION UNIT

The Gaming Intelligence Investigation Unit (GIU) is comprised of RCMP and GPEB personnel. The mandate of the GIU is to provide a quality, dedicated, integrated and coordinated multi-jurisdictional intelligence approach to illegal activity within the gambling sector in B.C., with an emphasis on transnational organized crime networks and money laundering. The mandate is designed to maintain the integrity of gambling in B.C. by enhancing all levels of enforcement, disruption, deterrence and prevention by specifically targeting high-threat criminal entities.

COVID-19 IMPACTS

COVID-19 had a significant influence on the work undertaken by the Enforcement Division this past year. With the closure of the casinos, staff were refocused in support of various government priorities, including the establishment of the Provincial Order Support Team call center to help community enforcement officers across the province appropriately respond to pandemic related concerns.

Over the past year due to the closure of casinos, an increased risk of illegal gaming houses was also identified. The GIU focused on identifying potential locations and responding to various complaints.

As a result of the pandemic, patronage on BCLC's PlayNow online gaming platform increased significantly, which led to the Division's increased regulatory oversight within this area. Working along with BCLC, to address the increase of BCLC PlayNow traffic, a consistent process of reporting incidents of fraud was established, along with a risk matrix in order to respond to increased reports of attempted or credit card fraud and fraud with potential links to money laundering.

Community Supports Division

The Community Supports Division provides prevention, clinical and Indigenous programs and services to support a healthy understanding and/or involvement with gambling and provide supports for those negatively impacted by gambling products. The division administers Gambling Support BC (GSBC), formerly known as the Responsible and Problem Gambling Program. GSBC delivers public awareness through education and training in schools and the community, early intervention and harm reduction services, including community outreach and free clinical counselling for individuals and families negatively impacted by gambling products.

BC RESPONSIBLE AND GAMBLING STRATEGY

In 2020/21 the Responsible Gambling Program name changed to Gambling Support BC in order to reduce stigma. A new program website was also launched. Gambling Support BC minimizes harm and promotes responsible gambling practices in communities through B.C.'s Responsible Gambling Strategy.

The strategy's goals are to:

- Create public awareness of risks associated with gambling;
- Deliver gambling in a manner that encourages responsible gambling and informed choice; and
- Provide treatment and support to those impacted by problem gambling.

Refer to Appendix B, Table 10, Gambling Support BC

Some notable highlights of work completed by the division in 2020/21 :

- Completion of an Online Gambling Prevalence Study in collaboration with BCLC. This study was the first of it's kind in B.C. and one of the first in the world.
- Completion of a study on youth games and gambling behaviors in BC in partnership with McCreary Centre Society.
- Completion of an Indigenous film "Balance" about historical-cultural practices from community games and gambling.

BC RESPONSIBLE GAMBLING STANDARDS

In supporting this strategy, the Province issues responsible gambling standards for the B.C. gambling industry to ensure that:

- Minors are prevented from participating in gambling activities;
- Patrons are equipped to make informed decisions regarding gambling;
- Gambling-related risks are minimized; and
- People affected by excessive gambling have access to timely and effective information and help.

These standards apply to BCLC, gambling service providers, commercial gambling facilities and community organizations licensed to conduct charitable gambling events.

All licensee and service provider gambling events are subject to audit by GPEB to ensure compliance with responsible gambling standards. Compliance audits focus on six key areas:

- Advertising - ensuring that all gambling related advertising contains responsible gambling messaging, does not use minors to promote gambling and does not encourage people to play beyond their means by implying the certainty of financial reward.
- Informed choice – ensuring proper use of the “Know your limit, play within it” tagline, an appropriate level of responsible gambling messaging, and availability of rules of play and information regarding the odds of winning;
- Appropriate response – ensuring gambling workers have received Appropriate Response Training;
- Responsible practices – ensuring clocks and responsible gambling material are placed in highly visible and appropriate areas;
- Financial transactions – ensuring information describing payout policies and stating that credit will not be extended is prominently displayed; and
- Voluntary Self-Exclusion Program – ensuring program is fully operational, including making sure that program information is readily available and gambling facilities are effectively monitoring for excluded individuals.

During the pandemic, GSBC observed a marked decline in referrals to the clinical line of service, to outreach services and experienced the cancellation of prevention and community engagement activities due to public health orders.

In spite of these challenges, the program shifted to provide information and support to citizens online through one-on-one and group counselling, remote outreach and virtual presentations. Service providers were supported to move to an online social marketing approach in order to maintain and increase community awareness of services. Training was provided to all counsellors to expand telephone counselling to support communities across the province. Indigenous training was also moved online and prevention initiatives were held in-person in compliance with Public Health Orders, or online in order to reach people across the province.

Despite the unanticipated and continued challenges related to COVID-19, the program continues to provide support to those negatively impacted by gambling products.

Strategic Policy and Projects Division

The Gaming Control Act requires GPEB to advise the Minister on broad gambling policy, standards and regulatory issues, and, under the Minister's direction, to manage the government's gambling policy. The Strategic Policy and Projects Division (SPPD) supports the integrity of gambling in B.C. by providing strategic policy, advice, communications and project management services that support government's gambling objectives for the benefit of British Columbians.

The division's key areas of responsibility are:

- Identifying emerging issues in the gambling sector;
- Providing advice and recommendations to B.C.'s Solicitor General, Deputy Solicitor General, and the General Manager on policy approaches that protect the integrity of gambling;
- Working with stakeholders, such as BCLC, the gambling industry, non-profit organizations, other provincial jurisdictions and the federal government on gambling issues and initiatives;
- Ensuring B.C.'s legal, regulatory and policy framework supports the integrity of gambling and government's objectives for the gambling sector;
- Leading strategic internal communications for five branch divisions and supporting communications to the public about gambling; and
- Providing project management leadership for priority branch projects, including projects to improve business efficiency and service delivery.

COVID-19 RELIEF FOR THE GAMBLING SECTOR

The closure of gambling facilities caused significant financial hardship for the industry. In 2020/21, SPPD worked with the Licensing, Registration and Certification Division to implement several measures to provide relief to the sector.

In spring 2021, SPPD developed and received approval of a new regulation under the Financial Administration Act (Gaming Services Registration Fee (COVID-19 Emergency) Remission Regulation) that forgave one annual registration fee for all gaming facility operators and their senior officials. This reduced the financial hardship faced by gaming facility operators and ensured fairness by not charging the operators a fee at a time when government has ordered facilities to temporarily close. Forgiving these fees provided an estimated \$1,188,000 in financial relief to gaming facility operators.

Over the course of 2020/21, SPPD also developed and received approval of three amendments to the Gaming Control Regulation to defer the deadline for gaming services providers and their senior officials to pay their annual registration fees. These deferrals ensured that members of the sector were not required to pay their fees at a time when facilities were closed. The amendments deferred an estimated \$1,383,000 in annual registration fees to December 31, 2021. The general manager also extended registrations to December 31, 2021, which deferred an additional estimated \$869,500 in renewal fees.

In addition, SPPD developed and implemented three extensions to the registration term of an estimated 5,200 gaming workers and gaming services providers. For gaming workers, extending registration terms ensured workers do not need to complete the registration renewal process at a time when most workers have been laid off or furloughed. In addition, these extensions allowed gaming services providers to focus their limited staff resources on planning for the reopening of facilities.



GAMING CONTROL ACT REFORM AND TRANSITION TO THE INDEPENDENT GAMBLING CONTROL OFFICE

On December 11, 2019, government announced it will transition GPEB to the Independent Gambling Control Office (IGCO). The IGCO is intended to have greater authority to set and enforce requirements for the gambling industry and will focus exclusively on regulatory policy matters related to gambling, horse racing and responsible gambling programs.

The key objectives of the amendments are to establish the IGCO, create a standards-based regulatory model, clarify the roles and responsibilities between the regulator and BCLC, make anti-money laundering in the gambling sector a responsibility of the IGCO, and modernize the Act to ensure it meets the needs of the current and evolving industry. The new legislation will address nine remaining recommendations from Dr. Peter German's report, "Dirty Money" Part 1.

Along with the amendments to the legislation, SPPD began policy work on potential amendments to the Gaming Control Regulation to support the new legislation and modernize the current regulations. In 2021/22, SPPD will undertake targeted consultations on the new regulations with interested stakeholders.

GPEB's policy and communications team has been working to ensure a smooth transition to the IGCO once the proposed legislation is in place. A new logo has been chosen, and a new website is in the final development stages. Work is also underway on a transition Strategic Plan, staffing strategy and other operational planning requirements to ensure the organization is well-prepared to take on its enhanced role.

GAMING REVENUE SHARING WITH B.C.'S FIRST NATIONS

In summer 2020, SPPD supported the Ministry of Indigenous Relations and Reconciliation to negotiate and finalize a long-term agreement to share 7% of annual BCLC net income revenues with eligible First Nations. The final agreement was signed on September 16, 2020, and provides a stable, long-term revenue source for First Nations communities. The agreement is expected to result in approximately \$3 billion in revenues shared by 2045. To date, 97% of eligible First Nations have joined the First Nations Gaming Revenue Sharing Limited Partnership.

CULLEN COMMISSION OF INQUIRY

The Commission of Inquiry into Money Laundering was announced on May 15, 2019, by Premier John Horgan, to examine money laundering in British Columbia and to make recommendations to address any conditions which had enabled money laundering to prosper. The Commission was mandated to provide government a final report on May 30, 2021, detailing its findings and recommendations.

Operations Division

The Operations Division is responsible for providing financial, information technology¹², records management and workforce planning services for GPEB. This division is also responsible for freedom of information requests for the branch, monitoring financial operations and distributing gambling-related funding throughout the province.

FINANCIAL SERVICES

GPEB's financial services unit supports all divisions and business units in GPEB. This includes, but is not limited to: operational financial services, contract management and budget administration, providing strategic financial advice to GPEB's executive, payment of community gaming grants, host local government payments, destination assistance compensation and distribution of horse racing revenue.

Refer to Appendix B, Table 11 GPEB Budget and Expenditures

INFORMATION TECHNOLOGY

The Information Technology (IT) unit manages, administers, enhances, maintains and supports line of business application environments and infrastructures to prevent service disruption to GPEB business units while ensuring that all data is securely managed.

The IT unit also delivers specialized reports, and guides information management to each division. The intranet site provides a tool for internal communications and access to operational materials, while the public-facing site provides information about the branch, and a mechanism for applying for licenses that are administered by GPEB.

During the pandemic the Operations Division has supported GPEB staff and programs in numerous ways including the transition to remote work and ensuring that GPEB offices were safe for staff who were needed or chose to work in the office.

¹² In April 2016, the Ministry of Municipal Affairs and Housing assumed responsibility for the program staff and policy for the Community Gaming Grants program. However, GPEB continues to provide financial administration and IT support services for the program and retains responsibility for its audit and compliance.

APPENDIX A

GAMBLING PERMITTED IN BRITISH COLUMBIA

| Commercial Gambling | Casinos | Bingo Halls | CGCs | Co-Located Racetrack Casinos | Racetracks | Lottery Outlets | PlayNow.com | Licensed Events | Pubs & Bars |
|------------------------------------|---------|-------------|------|------------------------------|------------|-----------------|-------------|-----------------|-------------|
| Commercial Bingo Games | ✓ | ✓ | ✓ | | | | ✓ | | |
| Lottery Products | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ |
| Slot Machine | ✓ | | ✓ | ✓ | | | ✓ | | |
| Table Games | ✓ | | | ✓ | | | ✓ | | |
| Poker Tables | ✓ | | | ✓ | | | ✓ | | |
| Electronic Table Games | ✓ | | ✓ | ✓ | | | ✓ | | |
| Live Horse Racing | | | | ✓ | ✓ | | | | |
| Teletheatres | ✓ | ✓ | ✓ | ✓ | ✓ | | | | ✓ |
| Licensing of Gambling Events | | | | | | | | | |
| Ticket Raffles | | | | | | | | ✓ | ✓ |
| Independent Bingo | | | | | | | | ✓ | ✓ |
| Social Occasion Casino | | | | | | | | ✓ | ✓ |
| Wheels of Fortune | | | | | | | | ✓ | ✓ |
| Limited Texas Hold'em Poker Events | | | | | | | | ✓ | ✓ |

APPENDIX B

INFORMATION TABLES

Table 1: Corporate, Lottery Retail Registration and Personnel Registration

Table 2: Registration Decisions

Table 3: Gambling Supplies Certification

Table 4: Licensed Gambling

Table 5: Gambling Audits by Category

Table 6: British Columbia Horse Racing Summary

Table 7: Horse Racing Rulings

Table 8: Horse Racing Wagering

Table 9: Investigations and Enforcement Actions of Incidents Reported

Table 10: British Columbia Responsible and Problem Gambling Program

Table 11: GPEB Budget and Expenditures

TABLE 1

CORPORATE, LOTTERY RETAIL REGISTRATION AND PERSONAL REGISTRATION

| | 2020/21 | | 2019/20 | | 2018/19 | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|
| | New | Renewal | New | Renewal | New | Renewal |
| Corporate Registrations¹³ | | | | | | |
| Gambling Services Providers | 7 | 3 | 7 | 7 | 9 | 11 |
| Gambling Equipment Suppliers | 6 | 6 | 8 | 8 | 4 | 7 |
| Ancillary Service Contractors | 1 | 0 | 2 | 4 | 6 | 7 |
| Senior Officials and Senior Employees | 92 | 29 | 108 | 88 | 130 | 103 |
| Totals | 106 | 38 | 125 | 107 | 149 | 128 |
| Lottery Retail Registration and Personnel Registrations¹⁴ | | | | | | |
| Gambling Workers ¹⁵ | 729 | 123 | 4,108 | 2,228 | 4,878 | 1,797 |
| Lottery Retail Managers ¹⁶ | 193 | 632 | 263 | 622 | 246 | 475 |
| Horse Racing Workers | 120 | 355 | 233 | 489 | 207 | 483 |
| Totals | 1,042 | 1,110 | 4,604 | 3,339 | 5,331 | 2,755 |

13 New and renewal registration term duration is up to five years.

14 New and renewal registration term duration is up to three years.

15 Gambling workers include all workers in the BC gambling industry defined by prescribed classes of registration in the Gaming Control Regulation.

16 This figure reflects the Lottery Retail Registration cycle, which provides registrants a three-year registration per renewal.

TABLE 2

REGISTRATION DECISIONS¹⁷

| Registration Type | 2020/2021 | | | 2019/2020 | | | 2018/2019 | | |
|---------------------------------------|-----------|-----------|----------------------|-----------|-----------|--------------|-----------|-----------|--------------|
| | Denied | Cancelled | Ceased ¹⁸ | Denied | Cancelled | Ceased | Denied | Cancelled | Ceased |
| Gambling Workers | 1 | 0 | 631 | 23 | 12 | 3,638 | 29 | 24 | 3,751 |
| Horse Racing Workers | 0 | 1 | 0 | 2 | 1 | 0 | 5 | 2 | 0 |
| GPEB and BCLC Personnel | 0 | 0 | 61 | 1 | 0 | 175 | 3 | 0 | 250 |
| Lottery Retail Managers ¹⁹ | 1 | 0 | 263 | 0 | 0 | 255 | 0 | 1 | 359 |
| Total | 2 | 1 | 855 | 26 | 13 | 4,068 | 37 | 27 | 4,360 |

17 This table only includes personnel registration because corporate registration did not have any denials/revocations during this three-year period.

18 Ceased indicates a registrant who is no longer employed as gaming worker.

19 This figure reflects the Lottery Retail Registration cycle, which provides registrants a three-year registration per renewal.

TABLE 3

GAMBLING SUPPLIES CERTIFICATION

| Certification Type | 2020/2021 | | 2019/2020 | | 2018/19 | |
|---|---------------|------------|---------------|------------|---------------|------------|
| | Certification | Revocation | Certification | Revocation | Certification | Revocation |
| Lottery Tickets: Scratch & Win, Pull Tab | 91 | 3 | 71 | 3 | 91 | 0 |
| Online (Playnow.com) ²⁰ | 206 | 8 | 181 | 31 | 236 | 79 |
| Electronic Gambling Devices & Other Supplies | 348 | 2 | 426 | 20 | 437 | 12 |
| Table Games | 16 | 0 | 3 | 0 | 21 | 0 |
| Licensed/Charitable (50/50) | 4 | 0 | 85 | 0 | 8 | 0 |
| Other (Lottery systems, Lotto Express, Bingo, etc.) | 6 | 0 | 0 | 0 | 40 | 0 |
| Total | 671 | 13 | 766 | 54 | 833 | 91 |

²⁰ Increase in revocations in 2018/19 due to removal of dated software.

TABLE 4

LICENSED GAMBLING^{21 22}

| Licence Class | Event Type | 2020/21 \$000's | | 2019/20 \$000's | | 2018/19 \$000's | |
|---|---|---------------------------|------------------|---------------------------|------------------|---------------------------|-----------------|
| | | Number of Licences Issued | Net Revenue | Number of Licences Issued | Net Revenue | Number of Licences Issued | Net Revenue |
| Class A ²³ | Ticket Raffles (registered, major, minor) | 381 | \$103,509 | 377 | \$84,464 | 346 | \$45,947 |
| | Independent Bingos | 84 | \$7,182 | 87 | \$9,445 | 89 | \$6,341 |
| | Wheel of Fortune | | | | | | |
| | Social Occasion Casino | | | | | 1 | \$4 |
| Subtotal of Class A | | 465 | \$110,692 | 464 | \$93,909 | 436 | \$52,292 |
| Class B ²⁴ | Ticket Raffles | 1,229 | \$6,281 | 3,879 | \$17,785 | 3,714 | \$6,285 |
| | Independent Bingos | 71 | \$510 | 86 | \$654 | 90 | \$547 |
| | Wheels of Fortune | 1 | \$0 | 9 | \$24 | 9 | \$11 |
| | Social Occasion Casino | | | 19 | \$65 | 22 | \$43 |
| | Poker | 31 | \$109 | 77 | \$524 | 72 | \$325 |
| Subtotal of Class B | | 1,332 | \$6,900 | 4,070 | \$19,052 | 3,907 | \$16,142 |
| Class C ²⁵ | Ticket Raffles | 8 | \$6,595 | 15 | \$6,413 | 15 | \$2,296 |
| | Wheels of Fortune | | | 2 | \$433 | 2 | \$236 |
| | Independent Bingos | | | 1 | \$3 | 1 | \$0 |
| | Limited Casino | | | | | | |
| Subtotal of Class C | | 8 | \$6,595 | 18 | \$6,848 | 18 | \$2,532 |
| Class D ²⁶ | Ticket Raffles | 819 | \$749 | 5,971 | \$5,205 | 5,940 | \$4,424 |
| | Independent Bingos | 62 | \$61 | 174 | \$272 | 148 | \$165 |
| Subtotal of Class D | | 881 | \$810 | 6,145 | \$5,477 | 6,088 | \$4,589 |
| Grand Total – All Licence Classes Issued | | 2,686 | \$124,996 | 10,697 | \$125,287 | 10,449 | \$75,556 |

21 Net revenue figures are estimated and based on Gaming Event Revenue Reports (GERRs) received by May 18, 2021.

Licenseses submit GERRs as part of the 90-day post-licensed gambling event reporting requirements.

22 FY2019/20 & 2018/19 net revenue figures have been updated and may have changed from previous annual reporting due to an increase of GERRs received from licensees in FY2020/21.

23 Class A licences are issued to eligible charitable and religious organizations for gambling events expected to generate gross revenue exceeding \$20,000.

24 Class B licences are issued to eligible charitable and religious organizations for gambling events expected to generate gross revenue not exceeding \$20,000.

25 Class C licences are issued to approved boards of community fairs and exhibitions that operate ticket raffles, bingos, wheels of fortune and limited casinos. These licences are issued to established fairs and exhibitions on a case-by-case basis.

26 Class D licences are issued to eligible groups or organizations wishing to conduct small-scale fundraising events that are expected to generate up to \$10,000 in gross annual revenue.

TABLE 5

GAMBLING AUDITS BY CATEGORY

| | 2020/21 | 2019/20 | 2018/19 |
|--|------------|------------|------------|
| Number of Gambling Audits and Files by Category | | | |
| Casinos, CGCs, Bingo Halls, and Race Tracks | 1 | 13 | 13 |
| BCLC's Conduct of Commercial & Lottery Gambling | 6 | 11 | 13 |
| Financial Integrity Analysis of Corporate Registrants | 22 | 23 | 25 |
| Gaming Grants | 30 | 110 | 102 |
| Licences | 50 | 79 | 74 |
| Total | 109 | 236 | 227 |

TABLE 6

BRITISH COLUMBIA HORSE RACING²⁷

SUMMARY

| | 2020 | 2019 | 2018 | 2020 | 2019 | 2018 | 2020 | 2019 | 2018 |
|---------------------------------|-------------------------|------------------|------------------|------------|------|------|------------|-------|-------|
| | Race Days ²⁸ | | | Live Races | | | Horses Ran | | |
| Thoroughbred | | | | | | | | | |
| Hastings Racecourse (Vancouver) | 25 ²⁹ | 51 | 51 | 206 | 390 | 373 | 1,465 | 2,871 | 2,729 |
| Standardbred | | | | | | | | | |
| Fraser Downs Racetrack (Surrey) | 46 ³⁰ | 62 ³¹ | 60 ³² | 485 | 694 | 678 | 3,405 | 5,109 | 5,424 |

27 Horse Racing results are reported in calendar year as betting permits are issued for calendar year. All results from Canadian Pari-Mutuel Agency regarding wagering and drug testing are also reported by calendar year.

28 The number of horse racing days is determined by the different breed associations in consultation with the track operator through the HRIMC and approved by the General Manager of GPEB.

29 In 2020, 51 race dates were approved: 25 were raced; 26 were cancelled due to COVID-19.

30 In 2020, 65 race dates were approved: 46 were raced; 17 were cancelled due to COVID-19; 2 were cancelled due to unsafe track conditions due to weather.

31 In 2019, 65 race dates were approved: 62 were raced; 6 were cancelled due to unsafe track conditions due to weather; and 3 additional days were added, 1 in March and 2 in April.

32 In 2018, 62 race dates were approved: 60 were raced; 4 were cancelled due to unsafe track conditions due to weather; and 2 additional days were added in April.

TABLE 7

HORSE RACING RULINGS³³

| | 2020 | 2019 | 2018 |
|--|-----------|-----------|-----------|
| Standardbred | | | |
| Whipping Violations | 4 | 20 | 7 |
| Racing or driving infractions committed during a race | 18 | 38 | 50 |
| Drug or Alcohol infractions involving either horses or registered horse racing workers | 4 | 17 | 7 |
| Inappropriate behaviour in the backstretch area of a racetrack | 7 | 5 | 15 |
| Licensing or registration violations | 0 | 0 | 1 |
| Horses that bled during a race | 0 | 0 | 1 |
| Restoration of a horse or a horse racing worker of good standing ³⁴ | 4 | 4 | 2 |
| Other categories ³⁵ | 3 | 2 | 4 |
| Total Standardbred Rulings | 40 | 86 | 87 |
| Thoroughbred | | | |
| Racing or riding infractions committed during a race | 29 | 17 | 11 |
| Drug or alcohol infractions involving either horses or registered horse racing workers | 10 | 10 | 4 |
| Entering an ineligible horse | 0 | 2 | 1 |
| Inappropriate behaviour in the backstretch area of a racetrack | 11 | 10 | 14 |
| Licensing or registration violations | 1 | 7 | 1 |
| Horses that bled during a race | 2 | 5 | 4 |
| Restoration of a horse or a horse racing worker of good standing ³⁴ | 4 | 3 | 0 |
| Other categories ³⁵ | 2 | 7 | 2 |
| Total Thoroughbred Rulings | 59 | 61 | 37 |

33 Horse Racing results are reported in calendar year as betting permits are issued for calendar year. All results from Canadian Pari-Mutuel Agency regarding drug testing are also reported by calendar year.

34 When a licensee is suspended pending a hearing before the Judges/Stewards, a ruling is generated following the hearing reinstating him/her to good standing.

35 "Other" captures a ruling that does not fall within any of the other categories or is not race-related.

TABLE 8

HORSE RACING WAGERING³⁶

| | 2020 | 2019 | 2018 |
|---|---------------|---------------|---------------|
| | \$000's | | |
| Hastings Park (HP) | | | |
| HP Live Races ³⁷ | 0 | 5,133 | 5,213 |
| HP Simulcast Wagers ³⁸ | 4,645 | 23,271 | 26,352 |
| Total HP | 4,645 | 28,404 | 31,565 |
| Fraser Downs (FD) | | | |
| FD Live Races ³⁹ | 298 | 1,037 | 1,188 |
| FD Simulcast Wagers ⁴⁰ | 1,078 | 7,080 | 8,343 |
| Total FD | 1,376 | 8,117 | 9,531 |
| Teletheatre BC⁴¹ | | | |
| Hastings Park Races | 133 | 510 | 557 |
| Fraser Downs Races | 113 | 305 | 467 |
| Wagers on Other Racetracks | 9,922 | 31,154 | 33,624 |
| Total Teletheatre BC | 10,168 | 31,969 | 34,648 |
| HorsePlayer Interactive (HPIbet.com) BC⁴² | | | |
| Hastings Park Races | 1,407 | 1,899 | 1,720 |
| Fraser Downs Races | 856 | 856 | 908 |
| Wagers on Other Racetracks | 87,977 | 68,547 | 66,104 |
| Total HPIbet.com BC | 90,240 | 71,302 | 68,732 |

36 Horse Racing results are reported in calendar year as betting permits are issued for calendar year. All results from Canadian Pari-Mutuel Agency regarding wagering are also reported by calendar year.

37 In 2020, live racing at Hastings took place without any fans in attendance due to COVID-19, hence \$0 reported for wagering at Hastings on HP Live Races.

38 The simulcast facility at Hastings was closed due to COVID-19 as of March 17, 2020, and remained closed for the remainder of the year, resulting in the dramatic drop in HP Simulcast Wagers from previous years.

39 In 2020, live racing at Fraser Downs took place without any fans in attendance after March 15th due to COVID-19, consequently only \$298,000 was reported for wagering at Fraser Downs on FD Live Races, significantly less than previous years.

40 The simulcast facility at Fraser Downs was closed due to COVID-19 as of March 17, 2020, and remained closed for the remainder of the year, thus the substantial drop in FD Simulcast Wagers from previous years.

41 In 2020, the 13 Teletheatre BC venues located at Casinos and Community Gaming Centres were closed as of March 17, 2020 due to COVID-19, and remained closed for the remainder of the year. Accordingly, there was a considerable drop in Teletheatre BC wagering versus previous years. The remaining 3 teletheatres located in pubs/restaurants were open intermittently throughout the year, when permitted under COVID orders/protocols.

42 Due to COVID-19 related closures some wagering that would historically take place at bricks and mortar venues shifted to online wagering, resulting in the significant increase in HPIbet.com BC wagering.

TABLE 9

INVESTIGATIONS AND ENFORCEMENT ACTIONS OF INCIDENTS REPORTED

| Type ⁴³ | 2020/21 | | | 2019/20 | | | 2018/19 | | |
|--------------------------------------|-------------------------|----------------------------|--------------------|--------------------|-----------------------|--------------------|--------------------|-----------------------|--------------------|
| | Incidents Reported | Investigated/Actioned | Enforcement Action | Incidents Reported | Investigated/Actioned | Enforcement Action | Incidents Reported | Investigated/Actioned | Enforcement Action |
| Gaming Control Act Offences | 47 | 5,229 | 349 | | 329 | 226 | 20 | 161 | 165 |
| Criminal Code Offences ⁴⁴ | 673 | 5,329 | | | 2,541 | | 117 | 169 | |
| Criminal Code Non-Gambling Related | | | 1,149 | | | 985 | | | 80 |
| Criminal Code Gambling Related | | | 280 | | | 272 | | | 54 |
| Other | 123 | 316 | 335 | | 246 | 262 | 5 | 7 | 24 |
| Total | 843⁴⁵ | 10,904⁴⁶ | 2,113 | | 3,116 | 1,745 | | 337 | 323 |

Definitions

"Gaming Control Act Offences" include all offences listed in the Gaming Control Act and Gaming Control Regulation.

"Criminal Code Non-gambling Related" includes incidents that were reported to GPEB related to assault, counterfeit currency, fraud, loan sharking, false ID, theft and threats for which GPEB has a categorization in their database.

"Criminal Code Gambling Related" includes all offences under Part 7 of the Criminal Code.

"Other" includes other reported items that are related to incidents such as offences which may include: abandonment of child; intoxication in a public place; civil harassment, various Criminal Code and assistance files to other jurisdictions. The "Other" category is used because the GPEB database does not allow for the categorization of these offences.

"Incidents Reported" indicates that GPEB received a report or complaint from various sources, primarily gambling service providers.

"Investigated/Actioned" indicates that GPEB opened a file and took action.

"Enforcement Action" indicates that GPEB took action that resulted in recommended charges, administrative actions and warnings.

43 Lower Mainland No Action Files and Prohibited Persons Reports are now reported in their appropriate "Gaming Control Act Offences" or "Criminal Code Offences" type.

44 In 2019/20 "Criminal Code Offences" now include "Criminal Code Gambling" and "Criminal Code Non-Gambling Related" Offences (suspicious cash transactions chip passing and others).

45 The casinos were closed due to the COVID-19 pandemic during the 2020/2021 reporting period resulting in a significant reduction of incidents reported.

46 The General Manager issued a directive to BCLC and Gambling Service Providers effective September 3, 2019 to bring reporting expectations in line with GPEB's enhanced enforcement responsibilities. File management practices have also been adjusted to ensure all incidents that fall within the Enforcement Division's mandate are recorded. In 2019/20 matters that were previously bulk filed such as chip passing or provincial prohibition violations are now reported as individual incidents and therefore the number of incidents has risen this year. This was done in part to refine the risk assessment process during intake of complaints to focus efforts on investigating incidents that pose the highest risk.

TABLE 10

GAMBLING SUPPORT BC

| | 2020/21 | 2019/20 | 2018/19 |
|--|-----------------|---------------------|---------|
| Program Outputs | | | |
| Number of prevention presentations | 2020 | 3,028 | 2,524 |
| Calls made to Help Line (specific to problem gambling) ⁴⁷ | 1,998 | 1,754 ⁴⁸ | 3,393 |
| Referrals to Gambling Support BC ⁴⁹ | 356 | 1,422 | 1,415 |
| Clients served (clinical and early intervention combined) | 540 | 2,229 | 1,997 |
| Discovery Day Treatment Program participants (online) | 63 | 180 | 148 |
| Narrative Workshops | 0 ⁵⁰ | 14 | 11 |
| Number of Contracted Service Providers | | | |
| Clinical Counsellors | 25 | 22 | 27 |
| Prevention Service Providers | 18 | 17 | 15 |
| Indigenous Providers ⁵¹ | 11 | 12 | 9 |
| Gambling Outreach Support | 10 | 11 | 15 |
| Training Team | 4 | 4 | 6 |

47 BC 211 is the vendor that supplies the Gambling Support Line, and they provide these metrics.

48 Low 2019/20 incoming call numbers were due to serious technical and operational issues with the support line vendor. A new contract was issued to a new vendor for the balance of the year and an increase in calls to the support line was observed in the reporting period.

49 Not all calls to the Gambling Support Line result in a referral to GSBC.

50 Due to impact of covid-19 these did not occur in this reporting period. These workshops moved online in the 2021/22 fiscal.

51 Indigenous providers deliver workshops, information, early intervention and counselling services free of charge as well as leading resource development and community engagement initiatives. GPEB started collecting this information in 2014/15. Not all of these providers identify as Indigenous, but rather all specialize in providing services in Indigenous contexts.

TABLE 11

GPEB BUDGET AND EXPENDITURES

| | FY20/21 | FY19/20 | FY18/19 |
|--|----------------------|----------------------|---------------------|
| Branch Budget | | | |
| Core Operations | \$13,520,000 | \$13,419,000 | \$13,221,000 |
| Responsible Gambling Program | \$5,916,000 | \$6,016,000 | \$6,014,000 |
| Total Branch Budget | \$19,436,000 | \$19,435,000 | \$19,235,000 |
| Branch Expenditures | | | |
| Salaries and Benefits Cost | \$14,303,406 | \$13,943,919 | \$12,172,509 |
| Operating and Business Expenses (Including Legal and Professional Services) | \$1,799,010 | \$1,973,472 | \$1,845,736 |
| Subtotal | \$16,102,416 | \$15,917,391 | \$14,018,245 |
| Responsible and Problem Gambling Program | | | |
| Salaries and Benefits Cost | \$809,021 | \$662,442 | \$584,450 |
| Operating and Business Expenses (Including Legal and Professional Services) | \$455,921 | \$611,069 | \$752,019 |
| Contracts | \$3,595,178 | \$4,284,021 | \$4,192,488 |
| Subtotal | \$4,860,120 | \$5,557,533 | \$5,528,957 |
| Total Branch Expenditures | \$20,962,536 | \$21,474,924 | \$19,547,202 |
| Surplus (Deficit) | \$(1,526,536) | \$(2,030,924) | \$(312,202) |

