

# INVESTIGATION DIVISION – FILE FLOW CHART 2004/05

(Click on underlined categories for more information)

The Investigation Division of the Gaming Policy and Enforcement Branch investigates, or assists law enforcement agencies in the investigation of, complaints or allegations of criminal or regulatory wrongdoing in gaming and horse racing in the province.

## INPUTS – ILLEGAL ACTIVITY IN LEGAL GAMING VENUES

Reports of real or suspected illegal activity in legal gaming venues from gaming facility operators, government agencies and the general public.

[Input Data](#)

## INPUTS – ILLEGAL GAMING

Reports of real or suspected illegal gaming from the general public and law enforcement agencies.

## UNLAWFUL ACTIVITIES

All instances of unlawful activities in gaming venues are handled by the Investigation Division. These include: theft, fraud, counterfeit, cheat at play, loan sharking, money laundering, assault, threats, Gaming Control Act violations, code of conduct and other violations.

[Unlawful Activity Data](#)

Reported wrong doings occur in gaming venues, which include: casinos, community gaming centres, lottery outlets, charitable gaming events, and horse race tracks and teletheatres.

[Location Data](#)

## ILLEGAL GAMING

Instances of Illegal Gaming are investigated by the **Integrated Illegal Gaming Enforcement Team (IIGET)** which is comprised of members of the Investigation Division and the Royal Canadian Mounted Police.

Illegal gaming includes: supplying and operating video gambling machines, operating common-gaming houses, conducting illegal lotteries, illegal Internet gaming, and other forms of illegal gaming

[Illegal Gaming Data](#)

## INVESTIGATIONS

Responsibilities for each investigation are determined on a case-by-case basis depending on the size and scope of the reported wrongdoing.

## OUTPUTS

Files are classified in a variety of ways, these include: Criminal Code charges, Gaming Control Act charges, warnings—both written and verbal, administrative sanctions, and Ticket Violation Notices. Investigations may also be classified as providing intelligence or be deemed to be unfounded

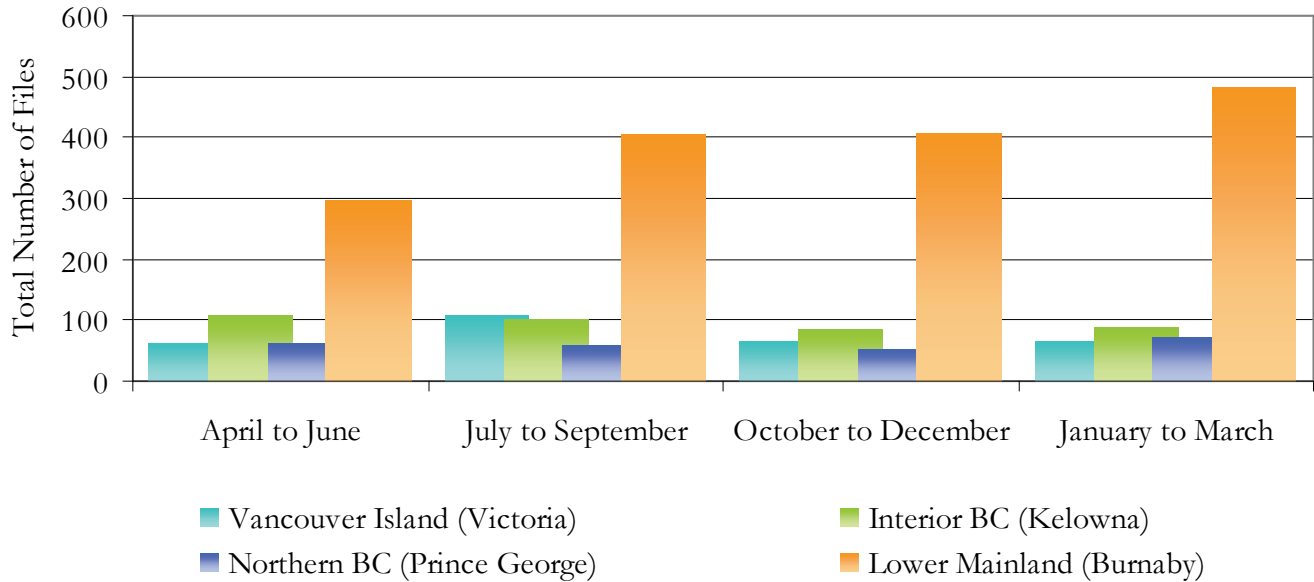
[Investigation Division Outputs](#) & [IIGET Outputs](#)

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## INVESTIGATION DIVISION INPUTS 2004/05

Investigations are initiated when the division receives a report of real or suspected criminal activity or a violation of the Gaming Control Act from legal gaming venues and referrals from government agents or the general public. In 2004/05, the Investigation Division opened 2,511 files.

### Number of Investigations Opened by Region 2004/05



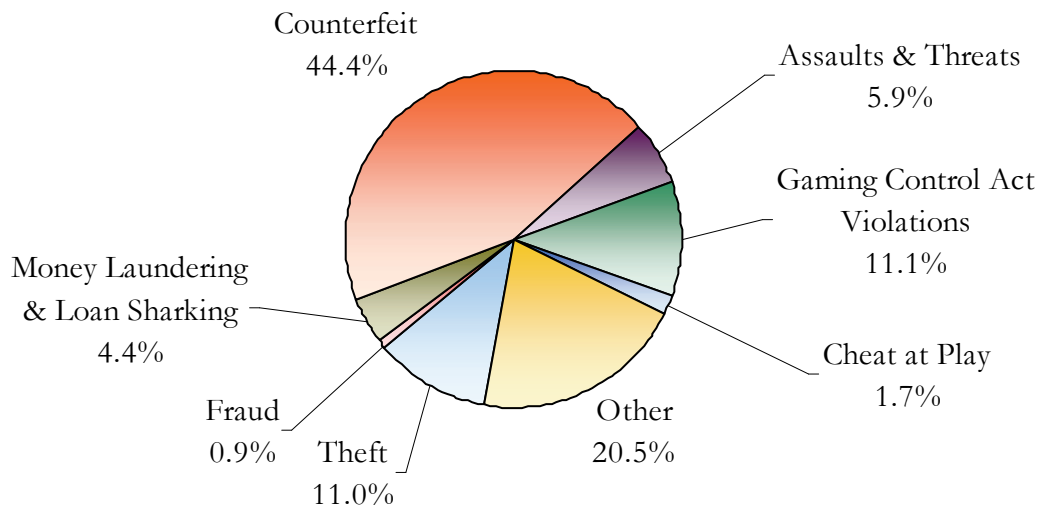
### DISCUSSION

- In 2004/05 the number of files opened in Vancouver Island, Northern BC, and the Interior was relatively constant. On average approximately 75 files were opened per quarter in Vancouver Island, 60 in Northern BC, and 95 in the Interior.
- There was an increase in the number of files opened in the Lower Mainland in 2004/05, from 300 in the first quarter to 480 in the fourth quarter.
- Including all regions, the Investigation Division opened 30% more files in the last quarter of 2004/05 than in the first quarter.

## REPORTED WRONG DOINGS IN GAMING VENUES 2004/05

Unlawful activities included theft, fraud, counterfeit, cheat at play, loan sharking, money laundering, assault, threats, Gaming Control Act violations, code of conduct and other violations. In 2004/05, the Investigation Division received 2,511 reports of suspected wrong doing.

### Reported Types of Unlawful Activity in Gaming Venues



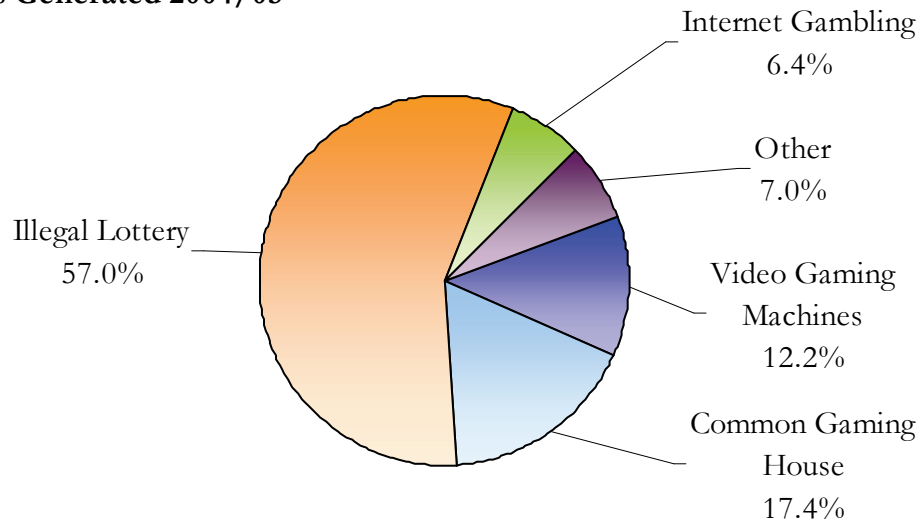
### DISCUSSION

- 2004/05 is the first year that statistics are available for the Investigation Division.
- The most common type of offence reported was counterfeit. In 2004/05 there were 1,115 reports of counterfeit in legal gaming venues.
- The next largest category, “other”, includes instances of wrong doing which include code of conduct and other violations. In 2004/05, there were 516 reports that were categorized as “other”.
- The remaining 35% of reports included: 276 reports of theft, 23 reports of fraud, 43 reports of cheating at play, 110 reports of money laundering and loan sharking, 149 reports of assaults and threats, and 279 reports of Gaming Control Act violations.

## TYPES OF REPORTED ILLEGAL GAMING 2004/05

Illegal gaming included supplying and operating electronic gaming machines, operating common-gaming houses, conducting illegal lotteries, illegal Internet gambling, and other forms of illegal gaming. In 2004/05, the Integrated Illegal Gaming Enforcement Team opened 328 files.

### IIGET Files Generated 2004/05



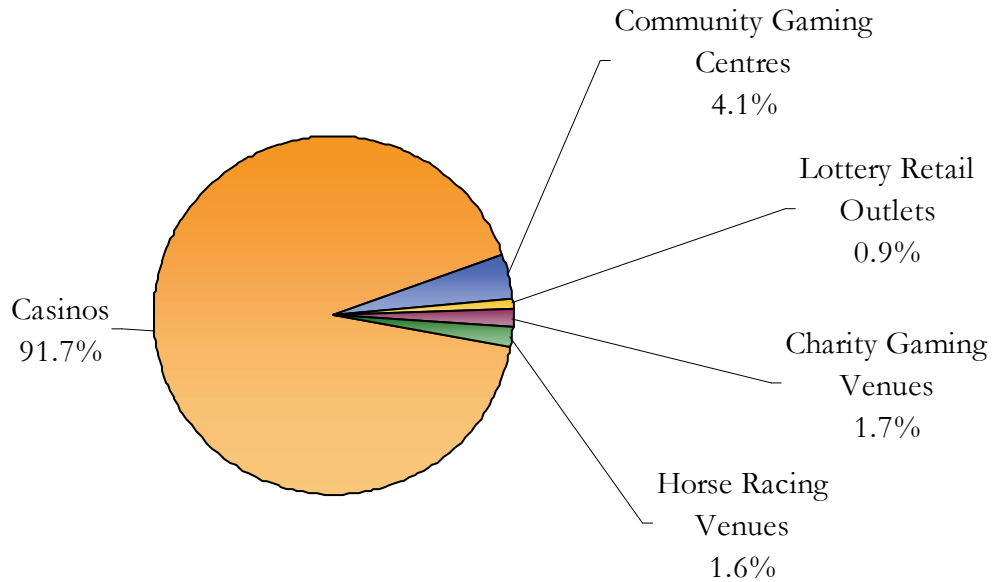
### DISCUSSION

- The four Integrated Illegal Gaming Enforcement Team (IIGET) offices became operational in late October 2004.
- The number of files opened per quarter has increased in all categories since the IIGET offices opened.
- The majority of illegal gaming files concerned illegal lotteries. In 2004/05, 57% of files open by IIGET related to illegal lotteries, 17% related to common gaming houses, 12% related to video gaming machines, and 6% related to internet gambling.

## OCCURRENCES OF REPORTED WRONG DOING IN LEGAL GAMING VENUES 2004/05

Locations where unlawful activities were reported included casinos, community gaming centres, lottery outlets, charity gaming venues, and horse racing venues.

### Location of Reported Wrong Doing 2004/05



### DISCUSSION

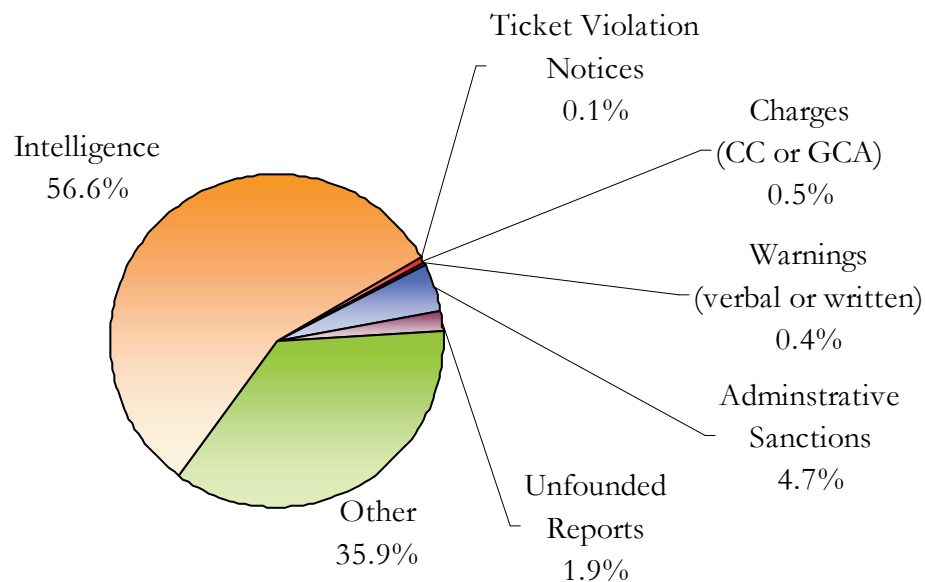
- Overall 90% of wrong doings reported to the Investigation Division occurred in casinos.
- In Northern BC, 7 of 10 reports of wrong doings occurred in casinos while 1 in 4 occurred in community gaming centres.
- Overall 4% of reported wrong doing occurred in community gaming centres and 1-2% of reported wrong doing occurred in either horse racing venues, charity gaming venues or lottery retail outlets.

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## INVESTIGATION DIVISIONS OUTPUTS 2004/05

In 2004/05, the Investigation Division closed 2,535 files. Closed files fall into four broad categories: intelligence, unfounded reports, other, and enforcement actions. Enforcement actions include: filing Criminal Code or Gaming Control Act charges; issuing Ticket Violation Notices; levying administrative sanctions; or issuing warnings.

### Investigation Division Outcomes 2004/05



### DISCUSSION

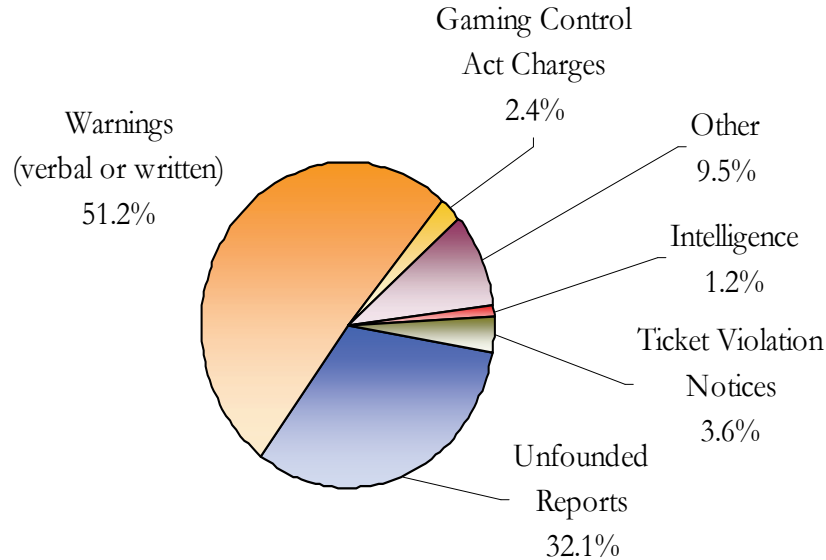
- Almost 57% of files concluded were categorized as “intelligence.” This indicates that during the course of investigating the original report of wrong doing information was documented which either led to a new file being opened, information being passed on to other law enforcement agencies, or the information was maintained for future reference.
- Almost 36% of files closed were categorized as “Other.” This category includes files that were shared with or investigated by other law enforcement agencies. The category also includes files that were deemed to not require any further action and did not fit into any of the set categories.
- Almost 2% of files were determined to be unfounded.
- Approximately 5% of cases resulted in enforcement action which included:
  - Ticket Violation Notices;
  - Gaming Control Act (GCA) or Criminal Code (CC) charges;
  - Warnings—written and/or verbal; and
  - Administrative sanctions including revocation of registration or licence and/or levying fines.

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## INTEGRATED ILLEGAL GAMING ENFORCEMENT TEAM OUTPUTS

The four Integrated Illegal Gaming Enforcement Team (IIGET) offices became operational in late October 2004. In 2004/05, IIGET closed 84 files. Almost 90% of the files closed were completed in the last quarter of the fiscal year.

### Intergrated Illegal Gaming Enforcement Team Outputs 2004/05



### DISCUSSION

- Over half of the files closed by IIGET resulted in issuing either verbal or written warnings.
- In 2004/05, IIGET began to use Ticket Violation Notices, with penalties ranging from \$150 to \$500, as another enforcement tool.
- Almost one-third of files closed were determined to be unfounded.
- Two percent of files closed resulted in charges under the Gaming Control Act. There were no files that resulted in Criminal Codes charges in 2004/05.
- One percent of files closed were categorized as intelligence.