

**Ministry of Finance**  
**BRIEFING DOCUMENT**

**To:** Honourable Michael de Jong, Q.C.  
Minister of Finance

**Date Requested:** July 16, 2013  
**Date Required:** July 16, 2013

**Initiated by:** Cheryl Wenezenki-Yolland  
Associate Deputy Minister

**Date Prepared:** July 16, 2013

**Ministry Contact:** Douglas S. Scott, ADM  
Gaming Policy Enforcement Branch

**Phone Number:** (250) 508-7802  
**Email:** [douglas.s.scott@gov.bc.ca](mailto:douglas.s.scott@gov.bc.ca)

330788

---

**TITLE:** A Provincial Health Officer report on Gambling in British Columbia

---

**PURPOSE:**

(X) FOR INFORMATION

---

**COMMENTS:**

Since 1993, the Provincial Health Officer has been required by the *Health Act* to report annually to British Columbians on their health status and on the need for policies and programs that will improve their health.

The Provincial Health Officer will release a report on problem gambling in BC tentatively scheduled for mid-august 2013. The Provincial Health Officer completed a report on provincial alcohol policy in 2002 and 2008.

The Public Health Officer will be meeting with the Minister of Finance and Minister of Health on Monday, July 22 for a joint briefing before the public release.

---

---

Executive Director approval: \_\_\_\_\_

ADM approval: \_\_\_\_\_

Associate DM approval: \_\_\_\_\_

**DATE PREPARED:** July 16, 2013

**TITLE:** A Provincial Health Officer report titled "*Lower the Stakes: A Public Health Approach to Gambling in British Columbia.*"

**ISSUE:** The report applies a public health perspective to the examination of gambling in BC and offers 16 recommendations.

**BACKGROUND:**

Dr. Perry Kendall, the Provincial Health Officer (PHO), is releasing a report titled "*Lower the Stakes: A Public Health Approach to Gambling in British Columbia.*" tentatively scheduled for mid-August. The PHO consulted with the Associate Deputy Minister, the Assistant Deputy Minister and the program director prior to the upcoming Minister briefing on July 22.

**DISCUSSION:**

The Provincial Health Officer's 2013 report provides a detailed analysis of the state of the gaming industry in BC, and the government-wide response to associated public health risks.

The body of the report includes complementary observations regarding the innovations and work currently undertaken by the Gaming Policy and Enforcement Branch, Responsible and Problem Gambling program (RPG) as well as other BC Government programs such as Children First Regional Initiative and StrongStart BC. However, the report indicates that more needs to be done to address addictive behaviours including for higher risk segments of the population. The report also points out that programs are only meeting the needs of a fraction of people with moderate or severe gambling problems, noting a low comparative funding level while revenue to the BC Government has increased steadily over the last decade.

The PHO report points to "policy decisions that have resulted in expanded gaming opportunities appear to be increasing rather than decreasing gambling related risk in BC and moving the province away from what has traditionally been a relatively lower risk approach to gambling when compared to some other provinces in Canada." When speaking of gambling expansion, the PHO refers to an increase in more addictive products such as slot machines and internet gambling in comparison to lower risk products such as lottery tickets.

The report is looking for an integrated government approach and offers key findings and sixteen recommendations (see Appendix A for the PHO's recommendations and Appendix B for the full report).

Highlights of the key findings are:

- A large proportion of revenue is derived from problem gamblers;
- BC spends less than any other province on responsible gambling as a percentage of revenue;
- The social and economic costs of problem gambling are difficult to measure, however, are believed to be high;
- Most problematic forms of gambling are casino tables, slots and internet gambling;
- The last 10 years have seen a significant increase in the amount of slots available in the province (Approximately triple); and
- Shortage of data and research related to problem gambling in BC.

**TIMELINES:**

- A meeting with the Minister of Health is scheduled for July 22, 2013.
- The Provincial Health Officer report is tentatively scheduled for release in mid-August.

**ADVICE/RECOMMENDED RESPONSE:**

- I thank the Provincial Health officer for his detailed and thoughtful report.
- I am pleased that the report highlights the good and innovative work that we are doing in BC to support those that have difficulty with gambling, and we are committed to using this report to further improve our Responsible and Problem Gambling Program.
- We will take the time to carefully consider all of the recommendations in this report and take action to advance our continued efforts to deliver gaming to the citizens of BC in the most socially responsible manner possible based on the latest evidence.

**Ministry of Finance**  
**BRIEFING DOCUMENT**

**To:** Honourable Michael de Jong, Q.C.  
Minister of Finance

**Date Requested:** July 26, 2013  
**Date Required:** August 7, 2013

**Initiated by:** Cheryl Wenezenki-Yolland  
Associate Deputy Minister  
Ministry of Finance

**Date Prepared:** August 7, 2013

**Ministry Contact:** Doug Scott  
Assistant Deputy Minister  
Gaming Policy Enforcement Branch

**Phone Number:** (250) 953-4482  
**Email:** [Douglas.S.Scott@gov.bc.ca](mailto:Douglas.S.Scott@gov.bc.ca)

**330972**

---

**TITLE:** Appointment of Provincial Directors to the Board of the Interprovincial Lottery Corporation

---

**PURPOSE:**

**(X) DECISION REQUIRED**

To add Doug Scott, Assistant Deputy Minister and General Manager of the Gaming Policy and Enforcement Branch, to the Board of Directors of the Interprovincial Lottery Corporation.

---

**COMMENTS:**

The Interprovincial Lottery Corporation was established by the provincial lottery organizations in 1976 to operate joint lottery games across Canada. Today it oversees two regular games, Lotto 6/49 and Lotto Max, and Celebration (a special event lottery). Each provincial organization is individually responsible for marketing the national games within its own jurisdiction, and revenues are returned to each province in proportion to generated sales.

---

**DATE PREPARED:** August 7, 2013

**TITLE:** Addition of GPEB ADM/GM to Board of Interprovincial Lottery Corporation

**ISSUE:** Whether to replace one of three BCLC candidates with the GPEB ADM/GM.

**BACKGROUND:**

Under the Interprovincial Lottery Corporation (ILC) agreement with shareholders (provinces and territories or their representative gaming corporations), British Columbia is entitled to have three directors – plus BCLC's CEO – sit on the ILC board of directors.

GPEB's General Manager (who is also Assistant Deputy Minister) typically sits on the ILC board and attends meetings as appropriate.

In 2012/13 only BCLC representatives sat on the ILC Board. BCLC has nominated the same three representatives and its CEO to sit on the 2013/14 board.

Appointees will sit on the board until the next ILC Annual Shareholders Meeting in September 2014 or until successors are appointed.

**DISCUSSION:**

GPEB's ADM/GM recommends that, given ILC's importance in the national and provincial gaming industry, the head of BC's gaming regulator be appointed to the ILC board.

Returning GPEB's ADM/GM will require that one of the BCLC appointees be removed.

**OPTIONS:**

- Direct BCLC to replace one of their appointees with GPEB's ADM/GM.
- Retain only BCLC officers as the Province's representatives on the ILC board.

**RECOMMENDATION:**

- Direct BCLC to replace one of their appointees with GPEB's ADM/GM.

~~APPROVED~~ / NOT APPROVED

Michael de Jong, Q.C.  
Minister

Date

Aug 8, 2013

**Ministry of Finance**  
**BRIEFING DOCUMENT**

**To:** Honourable Michael de Jong, Q.C.  
Minister of Finance

**Date Requested:** August 1, 2013  
**Date Required:** August 2, 2013

**Initiated by:** Cheryl Wenezenki-Yolland  
Associate Deputy Minister

**Date Prepared:** August 2, 2013

**Ministry Contact:** Douglas S. Scott  
ADM, GPEB

**Phone Number:** (250) 508-7802  
**Email:** [douglas.s.scott@gov.bc.ca](mailto:douglas.s.scott@gov.bc.ca)  
**331065**

---

**TITLE:** Gaming Policy and Enforcement Branch (GPEB) Enforcement Actions  
for Electronic 50/50 Raffles

---

**PURPOSE:**

(X) FOR INFORMATION

---

**Recommended Response:**

- The Province regulates commercial and licensed gambling to ensure gambling in BC is conducted fairly and responsibly.
- The Province is adapting to new developments in technology by reforming regulations and standards as required.
- It is now required that electronic 50/50 raffle equipment and software be certified by the Province before it is used. The companies must also be registered.
- The Province's Gaming Policy and Enforcement Branch worked with the two electronic raffle companies to ensure that the raffle equipment and process provide a fair outcome in electronic 50/50 raffles.
- More information about 50/50 ticket raffle systems can be found on the Province's website at [www.gaming.gov.bc.ca](http://www.gaming.gov.bc.ca).

**If Asked**

- The Canucks for Kids Fund charity and the BC Lions Community Fundraising group co-operated fully with the Gaming Policy and Enforcement Branch. Timing for public notification was planned for the beginning of the hockey season in September, to ensure the public had timely awareness of the matter. Due to the NHL lockout in fall 2012, the notification to the public took place in January 2013. At no time was there any risk to the public, since these systems were not in use.

**BACKGROUND:****The Technology**

- “Bump 50:50” and “Pointstreak 5050” are the two electronic systems used by BC charities raising funds through 50/50 draws (paper tickets are still used at many events).
- The electronic systems are used only to sell and print tickets. They are not involved in determining the winning number, nor do they pay out directly to the player. As a result, GPEB originally considered the equipment and software to be point-of-sale equipment that did not require certification. Similarly, it was determined the companies providing the technology did not need to be registered.

**Issue and Resolution**

- GPEB is undertaking proactive disclosure of enforcement actions consistent with Government’s priority of Open information. Included in this proactive disclosure, is a regulatory response to problems associated to electronic 50/50 systems in 2012/13, which may receive some media interest.
- In August 2012, GPEB became aware of a failure of the 50/50 system used by the Canucks for Kids Fund (CFKF) during the last game of the Stanley Cup (April 22, 2012).
- CFKF estimated 10,000 tickets were not printed into the barrel for the draw, however, still decided to run the draw.
- GPEB suspended the use of the “Bump 50:50” system and undertook an investigation of all 50/50 systems used in BC.
- The investigation determined that the other 50/50 system used in BC (“Pointstreak 5050”) also had issues of concern. In September 2012, use of all systems in BC was suspended pending certification of the equipment, and registration of the supplying corporations with GPEB.
- The investigation further determined that over 43,000 tickets were missing from the barrel during the CFKF raffle of April 22.
- The equipment for both “Bump 50:50” and “Pointstreak 5050” has been tested, adjusted and now certified for use and both companies have been registered.
- CFKF was issued a warning for failing to report the incident in a timely manner as required by their gaming license.
- CFKF was further required to make public notification of the system failure before holding another 50/50 raffle. This disclosure was made by way of an open letter posted on the front page of the Vancouver Canucks Website under news items. The open letter was also sent out in the season ticket holder/fan news letter (by link to their website) immediately preceding the first game of the season.
- Both systems are now operational in BC and continue to be under close scrutiny by GPEB.

**Ministry of Finance**  
**BRIEFING DOCUMENT**

**To:** Honourable Michael de Jong, Q.C. **Date Requested:** July 18, 2013  
Minister of Finance **Date Required:** July 22, 2013

**Initiated by:** Duncan Jillings **Date Prepared:** July 18, 2013  
Strategic Advisor  
Tax Policy Branch

**Ministry Contact:** Duncan Jillings **Phone Number:** 250 387-7324  
Strategic Advisor **Email:** Duncan.Jillings@gov.bc.ca  
Tax Policy Branch **Cliff #:** 330851

---

**TITLE:** Meeting with Chief Bryce Williams, Tsawwassen First Nation

---

**PURPOSE:**

(X) BACKGROUND

---

**COMMENTS:**

Meeting scheduled for July 22, 2013

---

---

Executive Director approval: \_\_\_\_\_

ADM approval: \_\_\_\_\_

DM approval: \_\_\_\_\_



**DATE PREPARED:** July 18, 2013

**TITLE:** Meeting with Chief Bryce Williams, Tsawwassen First Nation

**ISSUE:** s13, s16, s17

**BACKGROUND:**

(Tax Policy Branch bullet points follow excerpts from a Tsawwassen First Nation (TFN) note for the Minister of Community, Sport and Cultural Development).

s13, s16, s17

s13, s16, s17

s13, s16, s17

- 

s13, s16, s17

- Tax Policy Branch is working with the Ministry of Aboriginal Relations and Reconciliation (MARR) on this issue.

s16

s16

- 

s13, s16, s17

s13, s16, s17

- 

s13, s16, s17

- 

s13

BC-HST refunds (not raised in Tsawwassen's note)

- TFN has received its BC-HST refund cheque for the period through March 2012. The refunds are for BC-HST payments made while the First Nation performed functions of government on Tsawwassen Lands.
- Tsawwassen Economic Development Corporation will receive its cheque this week.
- We thank TFN for its patience while this temporary refund structure was put in place. We are prepared to process BC-HST payments for the 2012/13 fiscal year as soon as claims are submitted.
- Refunds of the new PST will be made under the soon-to-be amended Tsawwassen First Nation Tax Treatment Agreement and provisions in the *Provincial Sales Tax Act*.