

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

<b>To:</b>	Honourable Selina Robinson Minister of Finance	<b>Date Requested:</b> N/A <b>Date Required:</b> N/A
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**TITLE:** BCLC's 35-year economic and social impact in Kamloops

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**PURPOSE:**  
**(X) FOR INFORMATION**

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**COMMENTS:**

- To mark BCLC's 35-year anniversary in 2020, BCLC commissioned Thompson Rivers University to conduct a study to evaluate BCLC's economic and social impact for the city of Kamloops, B.C.
  - Results showed that BCLC activities have contributed approximately \$2.2 billion since 1985.
  - BCLC invested \$16,000 to commission the study.
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**TITLE:** BCLC's 35-year economic and social impact in Kamloops

**ISSUE:** BCLC engaged Dr. Peter Tsigaris, an economist at Thompson Rivers University (TRU), to conduct a study on BCLC's economic and social impacts on the Kamloops community over the past 35 years. Amongst other findings, the study showed that BCLC activities have contributed approximately \$2.2 billion to Kamloops since 1985.

**BACKGROUND:**

- Kamloops has been BCLC's head-office location since April 1, 1985, when the provincial government officially launched the lottery corporation with a mandate to conduct and manage commercial gambling in B.C.
- The head office is 57 years old and a former Woodward's department store. It represents a significant presence in downtown Kamloops, occupying most of one city block.
- In the past, there has been speculation from Opposition MLAs and media that BCLC may relocate its head office, due to a decision to defer redevelopment plans into the future. While this is not the case, Kamloops media has been historically interested in the number of BCLC employees and executives working out of BCLC's Kamloops office.
- Currently, four Vice Presidents of BCLC's seven-person Executive team are based in Kamloops.
- Kamloops-based staff are employed within the people & culture, customer service, data centre, information technology, prize payout and finance departments.
- The study by Dr. Tsigaris (*Appendix A*) updates and expands on a previous study by Dr. Laura Lamb, also an economist at TRU, which covered the 30 years between 1985 and 2015. In April 2015, BCLC had shared Dr. Lamb's study with media and published it online.

**DISCUSSION:**

- BCLC commissioned the study to help it evaluate economic and social impacts in Kamloops over the last 35 years so the corporation can continue to make a meaningful impact in the community. BCLC invested \$16,000 to commission the study which highlights its investment and commitment to Kamloops. Health-related social and economic outcomes related to gambling were not in scope.
- To estimate BCLC's economic and social impact, TRU's Dr. Tsigaris reviewed BCLC's expenditures over the 35-year period between 1985/86 to 2019/20, including those paid to Kamloops-based businesses, related to employee payroll and benefits, and corporate sponsorships.
- Dr. Tsigaris also included in his calculations the \$153 million that the Province has shared since 1999 with the City of Kamloops and Kamloops-based not-for-profits through Host Local Government payments and the Community Gaming Grants program.

- The study found that BCLC activities have had an economic and social impact of approximately \$2.2 billion on the community of Kamloops since its head office first opened in 1985.
- Of the \$2.2 billion, BCLC's cumulative economic and social impacts accounted for \$1.85 billion and \$373 million respectively, after accounting for economic spillover and adjusting for the increase in consumer price index.
- The study also found that for every two full-time equivalent jobs at the BCLC Kamloops office, one full-time equivalent (FTE) job is created in the Kamloops community based on economic spin-offs.
- In FY 2019/20, BCLC's total employment impact in Kamloops was an estimated 667 FTE jobs. This includes 445 BCLC FTEs in Kamloops and an additional 222 FTEs in the community as a result of economic spin-offs.
- The number of FTE positions at BCLC's Kamloops office increased from 117 in 1985 to 445 in 2020, for a 4.1% average annual rate of growth.
- BCLC employees are highly involved in the community and are passionate about giving back through volunteering and donations. The study found that the average BCLC employee in Kamloops volunteers approximately 45 hours every year and, combined, all employees have donated 475,659 hours and almost \$4 million since 1985 to support local charities.
- BCLC has an employee-led giving committee at each of its offices that fundraises for local charities through special events, silent auctions and raffles. Kamloops benefactors include the Royal Inland Hospital Foundation, Y Women's Shelter and the Kamloops Food Bank.
- The study found BCLC's corporate sponsorship and employee-led fundraising have contributed an estimated \$2.6 million towards Kamloops-based non-profit and not-for-profit organizations, yielding social impacts valued conservatively at \$6.2 million, which is equivalent to \$62-per-person living in Kamloops.
- The study also confirmed that BCLC is a major supporter of local businesses, spending \$232 million in the last 35 years on goods and services from suppliers in Kamloops.
- BCLC is working with GCPE to determine an appropriate opportunity to make public the report and announce its findings to media.

Attachment:

Appendix A - BCLC Economic and Social Impact 35 Years Report



# REPORT: ECONOMIC AND SOCIAL IMPACT OF BRITISH COLUMBIA LOTTERY CORPORATION FOR THE CITY OF KAMLOOPS

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