

Single-Event Sports Wagering in Canada

DID YOU KNOW?

An Ipsos poll found that 64% of Canadians want this legislation passed and 74% agree that it will allow for greater regulation and oversight.

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KEY FACTS ON SPORTS WAGERING IN CANADA

- Sports wagering has been legal in Canada for decades.
- Single event sports betting in Canada is a huge business, but only \$450 million is wagered legally in Canada. **It is estimated that in excess of \$14-15 billion annually is bet illegally through bookies run by organized crime, and an additional \$4 billion is bet through offshore internet sites that are not regulated by Canadian provincial gaming regulators.**
- Eight provinces support this legislation and the former federal Minister of Justice received letters from the governments of British Columbia, Alberta, Saskatchewan, Manitoba, and Ontario, requesting that the *Criminal Code* be amended to permit single event sports wagering. The provinces of Quebec, PEI, and New Brunswick have also indicated support for the amendment.
- Former bill C290 received all party support in the House of Commons.

Why this bill? Canadians have been legally betting on sports for decades but are only permitted to make parlay bets (wagering on the outcome of 3 or more events). This bill amends the *Criminal Code* to permit wagering on the outcome of single sporting events.

Why is this necessary? Canadians enjoy wagering on sports, and they are wagering approximately \$450 million annually on parlay bets with provincial sports lottery products. However, Canadians are wagering over \$14 BILLION annually on single sporting events.

How are they doing this? Illegally, through access to offshore Internet betting sites or through local bookmaking operations predominately controlled by organized crime.

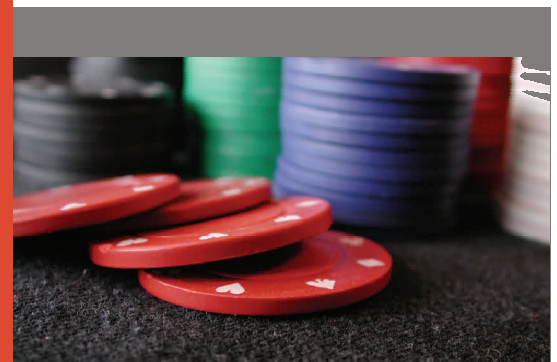
Why do they do this? It's a fairer bet as it provides a knowledgeable sports fan with a better opportunity to win their bet. It means if you want to bet on the outcome of the Super Bowl you aren't required to also pick the outcome of an NHL hockey game or English Premier League football match.

Sports books that take single event wagers typically return 93%-95% back to the bettor in prizes, while with provincial sports lottery products less than 70% that goes back to the customer.

Passing this bill will mean Canadians will have the opportunity to make fair wagers in safe, secure, regulated environments. It will also mean hundreds of millions of dollars of revenue will stay in the Canadian economy, supporting jobs and communities.

"We have a clear choice: either allow billions to go offshore and through illegal book making operations, or offer Canadians a legal alternative, supervised by our provincial regulators, capturing revenue for government and creating good-paying, permanent new jobs."

~ Bill Rutsey, CEO Canadian Gaming Association



Myth Vs. Fact

Stop Paying Organized Crime

MYTH VS. FACT #1

Illegal and overseas gaming will persist because they offer better odds. The premise behind this statement is flawed. Odds, spreads, or lines are not set to attract customers. They are set in an attempt to attract the same amount of betting on both sides of the wager so they have roughly an equal dollar amount of wins and losses in order to cover (pay) the winning bets. The odds on the games are the same, including illegal bookies that generally use Las Vegas odds. Why? If they are different you would see people betting heavily on one side of the game at the book offering those odds, and if they won, would ultimately put the book out of business. In jurisdictions where

sports betting is legalized, odds and lines were consistent after regulation and the illegal market had no competitive advantage. One issue often confused with the "odds" discussion is commissions paid to bookmakers for taking the bet. If you win, you pay a commission to the bookmaker, and the rates of commission are similar when you compare Las Vegas books with the Offshore Online. Thus no advantage exists.



To find out more information, read more of the myth versus fact, and to see the debates in Parliament visit:

www.brianmasse.ca

MYTH VS. FACT #2

All sport bodies are against this proposal. This is simply not true. While North American based leagues have been traditionally opposed, this is not the case elsewhere in the world. UK, European and other international sports teams, leagues and organizations share information and work together with legal, regulated sports books, regulatory bodies and law enforcement agencies to combat match fixing. Interestingly, the CFL's position is neutral. As well, the International Olympic Committee's submission, spoke in favour of regulations single event sports wagering.

MYTH VS. FACT #4

Sports betting will make the outcome of the games secondary to the betting line. The NFL, MLB, NHL, and NBA already participate in and endorse "Fantasy" sports on their websites and television programs. The nature of these fantasy programs promotes individual player performance over game outcome. Those participating in fantasy sports games choose their own players by position and their ranking or score is based on the individual player performance. The concept is similar: that an individual may feel conflicted if the best interest of their chosen team diverts from their fantasy game.

providers work together to identify suspicious amounts and movements of bets.

MYTH VS. FACT #3

The social costs outweigh the gains. This is a common claim, but it has no empirical data to back it up. While no one would assert that there are no social costs due to problem gambling, the problem exists in the absence of government-sanctioned products. Provincial governments across Canada have developed some of the most innovative responsible gaming programs that include education, counseling, intervention, and exclusion programs. None of these support systems are available through illegal gaming sources.

MYTH VS. FACT #5

The 1919 "Black Sox Scandal" shows how gambling can harm the integrity of the sport. If anything, this scandal identifies the need for regulated gaming. There was no legal gaming at the time and the gamblers who infiltrated the team were involved with organized crime. Similarly, the gambling scandal that ended Pete Rose's career revolved around illegal bookies and bet runners. In locations where sports betting is legalized, the regulators, law enforcement officials, and gaming

MYTH VS. FACT #6

This will create more problem gamblers. Over the past decade, the rate of problem gambling has stabilized in Canada at approximately 1% of the population. Canadians are currently (and easily) wagering billions of dollars annually on single event sports and, given how accessible the product is, it is safe to assume any negative impacts are already present. Responsible gaming experts agreed that it was best to bring single event wagering into a regulated environment where player protection measures can be implemented.

JOBS AND TOURISM

A survey done by the Canadian Gaming Association suggested that tourism in Niagara Falls and Windsor, Ontario alone would bring in an extra 1.5 MILLION visits annually and would create hundreds of direct jobs and many more in spin-off jobs in local economies serving the tourists.

Start by passing this bill.