

Remarks to Press Club Breakfast

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Regarding

Bill C-290, An Act to amend the Criminal Code (sports betting)

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My name is Gerald Boose. I was Deputy Commissioner, Operations in the Ontario Provincial Police when I retired with 30 years of service. My second career has been on the security side of the gaming industry. I have 15 years and counting in that business.

I am the Executive Director of the Gaming Security Professionals of Canada (GSPC). The GSPC is a not-for-profit association, with a membership that includes executives and senior managers in private and public sector organizations who have responsibility for supporting and ensuring the security of gaming operations. Its mandate is game protection, game integrity and regulatory compliance in general and more particularly, the protection of casino, video lottery, conventional lottery ticket systems and electronic gaming products and systems. Our members represent virtually all of the major gaming jurisdictions across the country. Our association will be celebrating its 20th anniversary next year.

The three pillars upon which our organization is built are safety, security and game integrity. I believe there is none better anywhere in ensuring these key elements are provided. However, in Canada, a large swath of gaming activity remains outside the scope of our operations owing to the limitation of the Criminal Code regarding sports betting. That limitation prevents the legitimate authorities from providing this service and enables organized crime and off-shore operators to fill the gap.

It is for that reason the GSPC supports this legislative amendment. We believe that it would be good for the Canadian public, it would be good for the Canadian gaming industry, and it would be bad for organized crime.

I will take the next few minutes to elaborate on our position.

The Canadian gaming service providers are prohibited by the Criminal Code from offering wagering on a single sporting event. As a result, they can only provide the much less desirable form of sport betting – parlay wagering on multiple events.

This in effect cedes the vast majority of this multi-billion dollar market to the murky area of off-shore gaming and to organized crime. In this domain, there is no one looking out for our public's interest – ensuring wagering systems have integrity, that they are delivered in a responsible fashion, and that the patrons are treated fairly.

The argument for having the ability to wager on a single sporting event is that it enhances the enjoyment of the event. The argument against it is that it can result in the corruption of the event as those having placed a wager on its outcome may want to somehow influence the results.

In most gaming jurisdictions outside of North America, the gaming service providers, regulators, police and sporting bodies – using well established and highly developed technologies and protocols – work together to ensure the integrity of wagering, and continuously monitor the action to identify and address issues at a very early stage.

In Canada, we leave this to chance. We know the betting is taking place, but we have no means to monitor and control the off-shore betting. And trying to stop the flow of gaming funds through organized crime does not work. Organized crime is not about to give up this major profit centre when their risk is so low and their profits are so high. And there are simply not sufficient police resources to have a meaningful impact.

The impact on organized crime and policing of providing a legal outlet for single event sport wagering is difficult to measure. However, it is abundantly clear that when a legitimate, easily accessible and well regulated alternative exists, organized crime's bookmaking revenues suffer as a result, and police services can reallocate resources to other priorities.

Current Canadian public policy as reflected in the Criminal Code has a number of negative implications. In effect, there can be no assurance that the system is fair and is delivered responsibly, and it is certainly not open. At the same time, it serves to stigmatize a large segment of the population by criminalizing their activity and ceding billions of dollars of revenue to criminal organizations. Finally, it serves to divert precious law enforcement resources from higher priorities.

The recommended amendment to the Criminal Code would enable the legitimate gaming authorities in Canada to provide this very popular

form of wagering to the public in a responsible manner and in a highly regulated environment which ensures the integrity of the system and method of payment. It would also enable frameworks and protocols to be developed amongst gaming service providers, regulators and the sporting bodies to monitor and act on any indications of attempts to fix or influence the outcome of events.

This would not mean the complete end of all illegal sports betting. However, it would provide for a legal alternative in which the public could have confidence and would become the preferred form of sports wagering based on the experience of other jurisdictions.