

## Internet Gambling

### Overview

- Global online gambling revenue is expected to rise to \$127.3 billion USD by 2027.<sup>1</sup>
- Approximately 85 countries have chosen to legalize and regulate online gambling.
- Developments in the United States related to the legalization of online gambling are occurring at the State level.
- Nevada became the first jurisdiction in the United States to legalize Internet gambling in 2013.<sup>2</sup>
- In May 2018, the U.S. Supreme Court overturned a 1992 federal law against sports betting. This allows state legislation to pass laws allowing regulatory framework for legalized sports betting.
- Since then, 38 states and the District of Columbia have allowed some form of sports betting. Among those betting states, 29 permit wagering online.
- In August 2021, the Canadian federal government legalized single-event sports betting by passing Bill C-218. All provinces have now launched this service.

### Legality in Canada

- Section 206 of the Criminal Code of Canada makes it illegal to operate or place a bet through an offshore Internet casino. Gambling must be authorized by a province within a province.
- Under section 207 of the Criminal Code of Canada, provincial governments are permitted to conduct and manage computer-based lottery schemes like Internet gambling and offer them to their own residents in accordance with provincial laws.

### Canadian Overview

- Rates of overall gambling during the COVID-19 Pandemic did not really change in Canada, except that approximately 17% of Canadian players switched to online gambling during the lockdown. Reported gambling losses were lower during the lockdown period.<sup>3</sup>
- All age groups are involved in Internet gambling, but it is more common in younger adults (average age of 35 ½ years).
- Atlantic Lottery was the first provincially owned lottery corporation to have a transactional website, launched in 2004. The provincial government in British Columbia, through the British Columbia Lottery Corporation (BCLC), was the first province in Canada to offer casino-style games online in July 2010. New Brunswick was the first Atlantic province to launch casino style games in August 2020.
- Over 90% of Canadians now have access to regulated online casino-style games.
- British Columbia saw a decrease in its problem gambling rates following the launch of the online gambling site. The launch of the Espacejeux online gambling website in Québec was not linked to a statistically significant increases in the proportion of online gamblers qualifying as probable pathological gamblers.

<sup>1</sup> Grand View Research (April 2020)

<https://grandviewresearch.com/industry-analysis/online-gambling-market>

<sup>2</sup> National Conference of State Legislatures – Fiscal Brief September 2020

<sup>3</sup> Shaw, C.A, Hodgins, D. C., Williams, R.J., Belanger, Y.D, Christensen, D.R., El-Guebaly, N., ...& Stevens, R.M. (2021). Gambling in Canada During the COVID Lockdown: Prospective National Survey. *Journal of Gambling Studies*, 1-26.

- Below is a summary of the online games offered by provincially owned lottery corporations in Canada.

AREA	Lottery	Bingo	Sports	Casino	Poker
Nova Scotia,	X	X	X	X	-
New Brunswick	X	X	X	X	-
Newfoundland & Labrador	X	X	X	-	-
Prince Edward Island	X	X	X	-	-
Quebec	X	X	X	X	X
Ontario	X	X	X	X	X
Saskatchewan	X	X	X	X	X
Alberta	X	X	X	X	X
Manitoba	X	X	X	X	X
British Columbia	X	X	X	X	X

- BCLC, Loto-Québec and Manitoba Lotteries joined the Canadian Poker Network, the first regulated poker network in North America, allowing players from the three provinces to play at the same online tables.

**Nova Scotia**

- Atlantic Lottery has operated its online gaming site, alc.ca, for the four Atlantic Provinces since August 2004. Atlantic Lottery offers a range of online games where Atlantic Canadians, including Nova Scotians, over the age of 19, can play lottery games, Digital Instants, iBingo, iCasino, and wager on Pro-Line sports.
- As part of the 2011 Responsible Gaming Strategy the Nova Scotia government announced it would consider existing and emerging research related to Internet gambling to better understand the trend and determine best practices and policies with respect to regulation. Online casino-style games were launched in Nova Scotia in July 2022