News Release

<u>Download complete report in .PDF format</u> (size 486 KB)

Audit of Gaming Integrity in Casinos

Backgrounder July 20, 2005

Gaming integrity defined

Gaming integrity includes the control processes used to help ensure that error, criminal exploitation and employee dishonesty in gaming operations is minimized.

The importance of gaming integrity

Significant consequences for government if it fails to ensure gaming integrity include:

- organized crime and dishonest individuals may become involved in the industry posing a threat to patrons and increasing the level of crime.
- a large number of patrons may lose confidence in the industry and stop visiting casinos leading to a significant reduction in government revenues.
- government may not receive all the revenue to which it is entitled.

Responsibilities for maintaining gaming integrity in B.C. casinos

The British Columbia Lottery Corporation (BCLC) and the Gaming Policy and Enforcement Branch (GPEB) in the Ministry of Public Safety and Solicitor General are responsible for gaming integrity in casinos. BCLC manages and conducts casino gaming through a partnership with private sector companies that provide day-to-day facility and operational services in compliance with BCLC's requirements. GPEB regulates casino gaming —it ensures that the provisions of the Gaming Control Act are met including ensuring the overall integrity of gaming in the province.

Measures used to maintain gaming integrity in casinos

The key measures used by BCLC and GPEB to maintain gaming integrity in casinos include ensuring that:

- casino industry participants meet high standards of honesty,
- casino gaming equipment operates fairly,
- casino gaming activities are conducted honestly, and

- casino revenue is properly recorded and government receives its correct share. Key facts about the casino industry in British Columbia
 - 21 casinos operated during fiscal 2004/05—maximum allowed under the Gaming Control Act is 22.
 - Casino revenue (after prize payouts) has grown significantly (2004/05: \$893 million; 1999/00: \$446 million) and accounts for an increasingly larger share of total gaming revenue—includes casinos, lotteries and bingos—(2004/05: 44%; 1999/00: 32%).
 - The number of slot machines has grown significantly (2004/05: 6,324; 1999/00: 2,360) as has slot machine revenue (2004/05: \$589 million; 1999/00: \$231 million).
 - The number of table games has grown more slowly than slot machines (2004/05: 453; 1999/00:402) as has table game revenue (2004/05: \$304 million; 1999/00: \$215 million).
 - Host local governments' revenue from casinos has increased (2004/05: \$53 million: 1999/00: \$20 million).
 - About 7,200 people are employed by B.C. casinos and a further 1,000 by ancillary casino service providers.

