

Conference series on online gambling

The regulatory landscape of online gambling in Ontario

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greo

- Our platforms



world's largest international gambling evidence centre

research-grade gambling data repository

dedicated evidence hubs + stakeholder platforms

- Our products



regularly published research snapshots

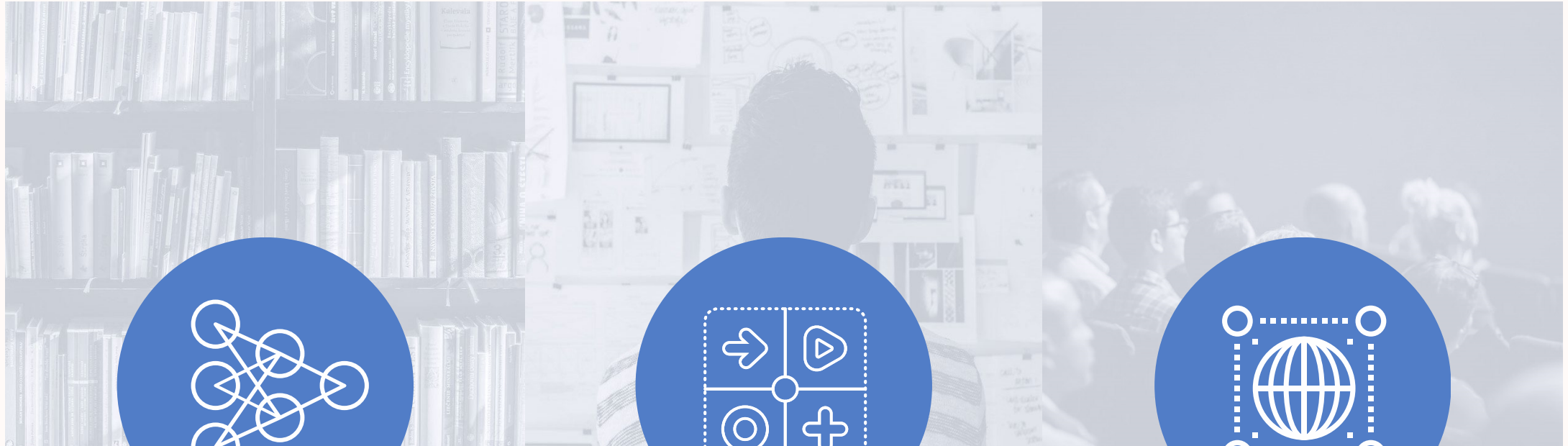


on-demand policy briefs

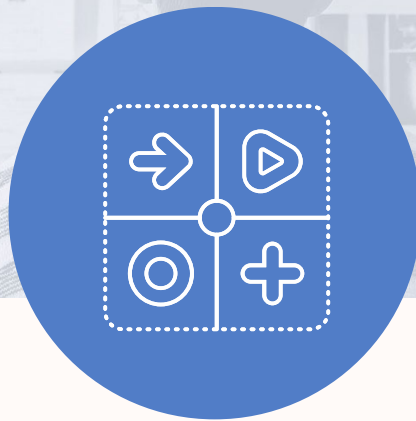


conceptual framework of harmful gambling

- Our services



research and evidence services



third-party evaluation



stakeholder engagement

Context of online gambling in Ontario

The historical context

- Authority to regulate gambling sits with the provinces/territories
- **Alcohol and Gaming Commission of Ontario (AGCO)**: regulates alcohol, gambling, horse racing, and cannabis retail
- **Ontario Lottery and Gaming (OLG)**:
 - Government-owned gambling operator (i.e., crown corporation)
 - (Previously) only legal provider of gambling
- **2015**: online gambling available in Ontario

Legalizing single-event sports betting

- Increases in opportunities to legally gamble in Ontario since 2021
- **June 22, 2021:** the Canadian Senate approved Bill C-218 - the Safe and Regulated Sports Betting Act
 - Provides provinces and territories discretion to **conduct and manage** single-event sports betting (previously only parlays were permitted)
 - **OLG** began offering retail (in-person) and online single-event sports betting shortly thereafter

Opening the online gambling market

- **2020:** Ontario government announced the law would be amended to allow the AGCO to **register and regulate** online gambling
 - The dedicated subsidiary organization iGaming Ontario (iGO) is charged with **conduct and manage** functions
 - AGCO continues its role as regulator
- **April 2022:** Ontario becomes the first Canadian market to allow private gambling operators to offer (and advertise) sports betting and online gambling

Regulatory model in Ontario

- Regulatory model in Ontario

Alcohol and Gaming Commission

- Receives applications, determines eligibility, and registers operators and suppliers
- **The regulations - *Registrar's Standards for Internet Gaming.***
 - **Outcomes based:** operators able to develop different activities to meet outcomes, this approach used as prescriptive standards (i.e., rules or processes) may become quickly outdated and less effective
 - **Regularly updated:** most recently in February 2023
 - **Include sports betting:** seen as integral to online gambling so embedded in standards

- Regulatory model in Ontario

Select Registrar's Standards

- Public advertising of **inducements or bonuses** is prohibited (allowed on operator websites and in direct marketing with consent)
- Offers cannot be described as **(risk) free** if they require a person to risk their own money or incur a loss
- Operators must **consult with stakeholders** (e.g., those who gamble, researchers) to meet best practices for addressing gambling harms
- **Game design and features**: no auto-play, quick spin, losses disguised as wins, or simultaneous slots play; minimum 2.5 second spins
- Guidelines around **advertising** content and placement, but not volume

- Regulatory model in Ontario
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iGaming Ontario

- iGO enters into **operating agreements** with private operators to offer online gambling on behalf of the province
- **Supervises** operator activity in the province
- Operators pay **\$100,000 annually** for each online gambling website
 - Seen as relatively low compared to land-based and other jurisdictions
- Submissions must include **compliance gap analysis** against the Registrar's Standards

- Regulatory model in Ontario

iGO requirements around safer gambling

- Operators required to:
 - Undergo **accreditation** (RG Check)
- Emerging plans to require operators to:
 - Run **prevention/safer gambling campaigns** to attempt to balance gambling marketing and promotion
 - Participate in a **centralized self-exclusion** program
 - Share anonymized **player data** for research purposes

- Regulatory model in Ontario

Substantial market growth in first year

- Number of operators: 40+
- Number of websites: 78
- Market in Q3 2022-2023¹:
 - **\$11.53 billion** in total wagers (91% increase from Q2, not including bonuses)
 - **910,000** active player accounts (45% increase from Q2)
 - Average monthly spend of **\$167** per active account (not individual player; 18% increase from Q2)

¹ <https://igamingontario.ca/en/igaming-ontarios-fy-2022-23-q3-market-performance-report>

- Regulatory model in Ontario

Increasing media coverage

- **January 12, 2023:** Sports betting in Canada: Are we making a bad gamble? - The Fifth Estate
- **January 18, 2023:** Ipsos survey of Canadians on online gambling¹
 - 48% of Canadians agree that the volume of advertising is excessive and should be cut back
 - 63% agree limits on the amount/placement of advertising should be in place
- **February 15, 2023:** Is betting taking the fun out of sports? – The Agenda with Steve Paikin

¹ <https://www.ipsos.com/en-ca/how-much-too-much-nearly-half-canadians-think-gambling-ads-have-gotten-out-hand>

For more information

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Thank You

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