

Bill C-218 Passed by Senate, Legalizing Single-Event Sports Betting

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The Senate approved Bill C-218, the *Safe and Regulated Sports Betting Act*, on June 22, 2021, which will officially legalize single-event sports betting in Canada once royal assent is received. The legislation garnered multi-party support in the upper chamber en route to a vote of 57-20, completing a remarkable journey for the private member's bill sponsored by Conservative Member of Parliament, Kevin Waugh.

Bill C-218 is the third attempt at legalizing single-event sports betting in Canada. After the bill was introduced, it was rivalled by Bill C-13, a government-backed bill introduced by the Minister of Justice, David Lametti. The latter bill's crucial protection for horse-race betting was subsequently incorporated into Bill C-218 before the second reading in the House of Commons, paving the way for widespread support for the bill. To learn more about the now-repealed legislative framework and the legislative history of both Bill C-218 and Bill C-13, please see our previous insights from February 8, 2021, *What Are The Odds? Proposed Legislation Could Modernize Canada's Sports Betting Industry*, and from February 18, 2021, *Bill C-218 Passed by House of Commons, Setting Up Canada for a Big Score*.

Bill C-218

The bill amends section 207(4)(b) of the *Criminal Code*, which currently prohibits betting “on any race or fight, or on a single sport event or athletic contest.”¹ While the original introduction of Bill C-218 sought to repeal s. 207(4)(b) entirely, the incorporation of Bill C-13 and its horse-race betting protection led to an amendment instead.

In its current form, as passed by the Senate, Bill C-218 limits the prohibition to the “bookmaking, pool selling or the making or recording of bets [...] on any horse-race”, thus legalizing single-event sports betting.²

Support from Major Sports Leagues

The major North American sports leagues have been urging the Canadian government to legalize single-event sports betting for some time now. Most notably, on June 8, 2020, the commissioners of five professional sports leagues with Canadian franchises – the National Basketball Association (NBA), the National Hockey League (NHL), Major League Baseball (MLB), Major League Soccer (MLS), and the

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Canadian Football League (CFL) – sent a joint statement to the federal government to “support an amendment to Canada’s federal laws that would authorize provinces to offer betting on single sporting events.”³ The joint statement followed the first reading of Bill C-218 in the House of Commons.

The leagues recognized that since “sports betting already happens illegally in Canada, creating a legal framework would shift consumers from illicit, unregulated markets to a legal and safe marketplace.” Sports betting also offers fans with another way to engage with the games, drawing in more fans to games they may not watch normally had they not placed bets.

Timeline of Provincial Rollout

The legalization of single-event sports betting paves the way for provinces to determine how to provide single-event bets to the public. The provinces have advocated in favour of legalization, as it would bring in significant revenue to support other provincial objectives.

Given the widespread anticipation for the legalization of single-event sports betting since Bill C-218’s introduction in February 2020, some provinces have already positioned themselves to offer single-event sports betting shortly after legalization.

The British Columbia Lottery Corporation (BCLC), through its online and mobile gambling website, PlayNow.com, is “positioned to provide single-event bets to players within days of legalization, as the digital infrastructure is already in place.”⁴

Alberta Gaming, Liquor and Cannabis (AGLC) has also stated that it already has plans to introduce a sports betting platform that includes single-event sports betting once legalized.⁵

In Ontario, single-event sports betting will be incorporated as a “critical component” into the Alcohol and Gaming Commission of Ontario (AGCO)’s new iGaming market, which will likely invite private sector gambling site operators to register with the AGCO and pay a fee to offer betting services for the province.⁶ To learn more about Ontario's plans for its new iGaming market, please see our insight from March 29, 2021, *Raising the Stakes: Ontario Unveils Plans for New iGaming Model*.

Once Bill C-218 receives royal assent, Prime Minister Justin Trudeau and his cabinet will set a date for the law to come into force. It is anticipated that the provincial rollout will be swift thereafter, ahead of the upcoming regular seasons for the NBA, the NHL, the CFL, and the NFL. Given the timing, Major League Baseball and Major League Soccer will likely be the first major North American leagues on which the Canadian public can place bets.

Future Outlook

While the federal legalization of single-event sports betting offers exciting opportunities for gaming operators, suppliers, and service providers, it is important to remember that gaming is regulated at the provincial level. As such, any business looking to capitalize on the new opportunities should seek legal assistance to navigate the various provincial legislative frameworks.

¹ <https://laws-lois.justice.gc.ca/eng/acts/c-46/page-49.html>

² <https://www.parl.ca/DocumentViewer/en/43-2/bill/C-218/third-reading>

³ <http://canadiangaming.ca/wp-content/uploads/Leagues-Joint-Statement.pdf>

⁴ <https://corporate.bclc.com/content/dam/bclccorporate/documents/fact-sheets/fs-single-event-betting.pdf>

⁵ <https://aglc.ca/news/single-event-wagering-questions-and-answers>

⁶ <https://www.ontario.ca/page/discussion-paper-model-internet-gaming-ontario>

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