

Let the Games Begin: Quebec Repeals Laws Related to the Regulation of Publicity Contests

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The strict rules and limitations on private contests in Quebec are officially in the past. On October 27, 2023, Quebec's Bill 17, *An Act to Amend Various Provisions Mainly for the Purpose of Reducing Regulatory and Administrative Burden* (Amending Act) received royal assent.¹ As part of its overall goal of reducing administrative burdens on businesses in Quebec,² the Amending Act eliminated nearly all of Quebec's pre-existing laws that imposed cumbersome financial and reporting requirements on operators of publicity contests in Quebec, including by repealing the entirety of Quebec's publicity contest regulations. Since many Canadian and international contest operators previously responded to those requirements by excluding Quebec residents from their contests entirely, the new amendments are likely to open the door to a new era in Canada where significantly more private contests are open to all Canadians, including those who reside in Quebec.

Background

Prior to the passage of the Amending Act, "publicity contests" in Quebec were under the regulatory control of Quebec's *Regie des Alcools, des Courses et des Jeux* (the Regie), pursuant to Quebec's *Act Respecting Lotteries, Publicity Contests, And Amusement Machines* (the Act) and its accompanying *Rules Respecting Publicity Contests* (the Rules). Under this legislation, "publicity contests" were defined as contests, lottery schemes, games, plans or operations that award a prize (valued at \$100 or more for the purposes of regulation), involve an element of chance, and are intended to promote the commercial interests of the contest's sponsor.

Under the control of the Regie, sponsors of publicity contests with prizes that exceeded \$2,000 in value were required to meet various reporting and financial requirements, including registering the contest with the Regie within 60 days of announcing a winner; paying a fee to the Regie based on the value of the prize (which could range from 3 to 10%); posting security for the prize when required by the Regie; and reporting any winners to the Regie.³ The Rules also imposed a long list of mandatory disclosures about the contest that sponsors were required to include in the contest rules.

This regulation of publicity contests was unique to Quebec. While Canada has federal marketing and advertising laws that affect how contests can be conducted and publicized, other provinces do not require the sponsors of private contests to formally register their contests with a government agency or pay a fee.

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Because of this, many contests that are conducted in Canada have traditionally excluded residents of Quebec from participation.

Prior to the Amending Act, there were already signs that the Quebec government was loosening its regulation of publicity contests. For example, in 2021, the Act and the Rules were amended to exempt “international contests” – contests that are also open to entrants from outside Canada – from the regulatory requirements, which only left Quebec-exclusive and Canada-exclusive contests under the Regie’s jurisdiction.

The Amendments

The passage of the Amending Act creates an overhaul of Quebec’s prior regulation of publicity contests: it repeals all the provisions from the Act that relate to publicity contests and it repeals the Rules in their entirety.⁴ As a result, the regulatory requirements described above that previously applied to publicity contests will no longer apply after October 27, 2023, and publicity contests will now no longer be under the regulatory jurisdiction of the Regie.

However, the Amending Act clarifies that these repeals only apply on a go-forward basis. Any publicity contest about which the Regie was notified before October 27, 2023 will remain under its jurisdiction and will continue to be governed by both the Act and the Rules.

While the impact of the Amending Act was to eliminate almost all the regulatory requirements on publicity contests, a few requirements remain. Most notably, publicity contests will still be subject to Quebec’s unique French-language laws, and as a result, contest rules will still need to be translated into French to be conducted and advertised in Quebec. Quebec contests will also continue to be required to adhere to federal rules that apply to all contests conducted in Canada, including those found in the federal *Competition Act* and *Criminal Code*.

Key Takeaways

The Amending Act puts an end to a long-standing regulatory regime in Quebec that many argued was unnecessarily cumbersome and limiting. Now that contests will operate in Quebec in mostly the same manner as they operate across the rest of Canada, it is likely that contests conducted in Canada which exclude Quebec residents from participation will become far less common.

If you have any questions about how these amendments may affect your business or how to conduct a contest in accordance with Canadian law, please contact any member of our Intellectual Property Group.

¹ *End of the Régie's supervision of publicity contests as of October 27, 2023*, Régie des alcools, des courses et des jeux, online: <<https://www.racj.gouv.qc.ca/communications/messages-aux-titulaires-de-permis-et-licences/detail/fin-de-lencadrement-des-concours-publicitaires-par-la-regie-a-compter-du-27-octobre-2023.html>> [End].

² *An Act to Amend Various Provisions for the Main Purpose of Reducing Regulatory and Administrative Burden*, Quebec 2023, online: <<https://www.assnat.qc.ca/en/travaux-parlementaires/projets-loi/projet-loi-17-43-1.html>> [Amending Act].

³ *End*, *supra* note 1.

⁴ *End*, *supra* note 1; *Amending Act* *supra* note 2.

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