

What is Bingo?¹

Bingo is a form of charitable gaming that is licenced by the provincial government. An important feature of charitable gaming is that funds generated are raised locally by charitable and non-profit organizations for use in support of their community.

Under the Criminal Code of Canada, provincial governments have the authority to allow gaming for charitable purposes. In Ontario, gaming is generally regulated by the Alcohol and Gaming Commission of Ontario (AGCO). For bingos with prizes less than \$5500, municipalities are responsible for licencing. The AGCO assists municipalities in exercising their licencing authority as well providing assistance with compliance and enforcement.

A few numbers: Charity bingos raised \$7.8 million for community groups in Ottawa in 2001² and approximately \$3.7 million per year in Kingston³ during the same period.

Smoking Restriction in Ontario Bingo Halls^{4,5}

None of the by-laws below are identical. All are working towards 100% smoke-free public places. Many of these include the food service, washroom, and common areas in the smoke-free area.

100% Smoke-Free and no designated Smoking room (DSR):

Waterloo Region	January 2000	No option to install DSR
City of Guelph	September 2000	No option to install DSR
City of Ottawa	August 2001	No option to install DSR
Grey County (Owen Sound)	September 2002	No option to install DSR

Other restrictions worth mentioning:

Peterborough	January 2000	Option to install DSR max. 50%
Toronto	June 2004	Option to install DSR max. 50%
York Region	June 2004	Option to install DSR max. 50%
Oakville	May 2002	Option to install DSR max. 50%
Niagara	May 2004	Option to install DSR max. 60%

Arguments Against Smoke-Free Bingos

- Bingo halls, and specifically charities, will lose revenue.
- A high percentage of bingo players are smokers.
- Smokers will go to bingos and/or other gambling venues in other municipalities.

The primary argument against smoke-free bingos is that because smokers will no longer patronize these establishments, this will lead to a drop in attendance. This argument goes on to predict that bingos will close, charities will suffer a partial or total loss of revenue, and thus clients of charities will suffer a loss of service.

¹ KFL&A Health Unit, Kingston Bingos : Backgrounder, May 14, 2002.

² Kirkpatrick, Ken, Report to : Corporate Services and Economic Development Committee, February 28, 2002.

³ KFL&A Health Unit, Kingston Bingos : Backgrounder, May 14, 2002.

⁴ Ibid.

⁵ Ontario Campaign for Action on Tobacco. Ontario By-Law Comparison, June 2001.

Secondarily, bingo operators argue the need for a level playing field. They indicate that if food premises (i.e. bars and restaurants) are allowed to have DSRs, then so should they. They argued that DSRs provide enough protection from second-hand smoke for patrons. Bingo operators also indicate that with increasing number of venues trying to attract the same clientele, it is imperative to keep their existing clients satisfied no matter what the cost.

Arguments For Smoke-Free Bingos

- Costs of smoking and exposure to second-hand smoke, not only impact on the players but the staff and volunteers as well. Not to mention the costs of smoking to the public in general.
- The mandate of many of the charities is to improve health and well-being. A 100% smoke-free by-law has similar goals as it will go a long way in improving the health of all Ontarians.
- Health effects of second-hand smoke, especially on women and unborn children.
- There strong public support for smoke-free bingos.
- Smokers go to movies, travel on trains and aircraft, attend indoor sporting events for the same length of time as a bingo session, and continue using them although they are smoke-free.
- Gambling not smoking draws players. Similarly, prizes not smoking draw players.
- Players are playing for themselves and not for the charities.
- Breaks in bingo sessions allow smokers to go outside to smoke. 'Smoke' breaks could be scheduled.
- DSRs do not provide protection for volunteers and staff who would service the DSR.
- Ventilation is not an acceptable method of protection from tobacco smoke in any venue.
- The best way to protect the public from second-hand smoke is to remove the source.

Designated Smoking Rooms (DSR)

- They are costly to install and maintain.
- DSRs must be totally separated and totally ventilated outside of the building.
- Who provides service in a DSR?
- All ancillary services and facilities must be outside of DSR.

Factors Affecting Bingo Operations⁶

Government regulation: Operators of bingos often express concern over the regulatory framework they must work within. This framework administered by the Alcohol and Gaming Commission of Ontario (AGCO) is criticized for restricting advertising and customer incentives, and slow to approve new bingo games. AGCO is working to address these issues. In their 1999-2000 Annual Report, AGCO states that they are looking "for way(s) to make bingo more viable and competitive with other forms of gaming."

Future of bingo: The Registered Gaming Suppliers of Ontario (RGSO), in their 2001 Annual Report, states, "We are unable, as an industry, to clearly identify the main causes of this decline, whether it is other gaming experiences or the fact that we have become complacent in challenging the method of product delivery and understanding the changing patterns of the customers needs and wants." As a result of market conditions, there have been significant reductions in the number of customers, thus revenues and proceeds to charities have declined. Whether these market conditions involving an aging and changing demographic coupled with competition from other gaming options are successfully dealt with may have more to do with bingo's future than any other issue.

⁶ KFL&A Health Unit, Kingston Bingos: Backgrounder, May 14, 2002

Competition for Bingos⁷

Competition: “Because competition for the entertainment dollar is increasing dramatically” the AGCO is, “seeking ideas and recommendations that will allow the charitable gaming sector to have a greater opportunity to compete successfully on a more level playing field in the future.” Competition from racetracks, slot machines, casinos, Internet gambling, and instant win tickets all compete for the same market.

Although some bingo operators are quick to blame smoke-free bylaws for their decrease in revenues and attendance, evidence indicates that casinos’ may be responsible for a large portion of the loss of patrons and revenue in bingo halls. Below are some relevant quotations:

- Ken Seiling wrote that it is important to note that the bingo industry in general is being impacted more significantly by the proliferation of casinos, charity casinos, and slot machines.⁸
- A report came out of the Chatham area indicating a decrease in bingo revenues but Chatham does not have a no-smoking bylaw. Therefore, something else is responsible for the losses.
- With casinos running virtually around the clock in Niagara Falls and Brantford, bingo halls throughout the region have seen a drop in business and are bracing for another hit when Flamboro Downs opens 750 slot machines in 2 months.⁹
- Slot machines eliminate a lot of charities and it will fall back onto municipalities to meet the social needs previously met by charities. Council voted to convene a meeting between Mississauga’s bingo industry and the AGCO. In a report done for the council, the four bingo halls in Mississauga reported a 35-45% decrease in charity profits since slot machines were introduced at Woodbine Raceway near Pearson airport and Mohawk Raceway near Milton.¹⁰
- At the International Centre Bingo Hall adjacent to the Pearson International Airport, charity revenue fell by about \$440,000 from June 1999 to May 2000, compared to the same period the previous year. Bingo operators told council they are stymied by outdated regulations preventing them from advertising and promotion options, many of which are open to the Ontario Lottery Corporation and the racetracks.¹¹

As they operate casinos across the province, the Ontario Lottery and Gaming Corporation has several advantages over bingo hall operators:

Advertising restrictions: Ontario Lottery and Gaming Corporation promotions have no restraint on the type or amount of advertising conducted, whereas bingo hall may spend no more than 1% of its prize board.

Instant win games: the stakeholders contend that the decline in the amount of bingo and break open ticket spending of an average individual is directly related to the increase in other instant win tickets.

Customer appreciation: Bingo halls are restricted to the type and amount of customer appreciation gifts to be offered.

Entertainment policy: Ancillary entertainment for patrons is also a restricted option in bingo halls.

Transportation: Group bus transportation is available and advertised for Ontario Casinos; however, Bingo Hall Operators or Sponsors Associations cannot provide transportation for their patrons.

Approval Process: The alcohol and gaming commission of Ontario does not endorse or approve new types of Bingo games without an excessively long review.

⁷ Corporate Report. June 7, 2000. Janice M. Baker, Commissioner of Corporate Services and Treasurer. Bingo Industry Update.

⁸ Ken Seiling in a letter to Debbie Zimmerman, Regional Chair The Municipality of Niagara. Sept 21, 2001

⁹ Ibid

¹⁰ Toronto Sun. Thursday June 29, 2000. “Under the B, broke. Slot machines suck charities dry: McCallion”. By John Schmied, Peel Bureau.

¹¹ Ibid

Slot Machines: As a general rule, it is thought that the money spent by a bingo player for one trip to play the slots represents approximately four trips to the bingo hall.

What is being done to help bingo and charities

Media¹²: According to information provided by the media, Kitchener City Council made an effort to help charities by waiving bingo fees. In addition, the United Way offered cash from an emergency fund to charities who needed money, but were unable to get it from struggling bingos.

Major initiatives taken by the province:¹³

- **Superstar Bingo:** In March 1997, the then Ontario Lottery Corporation introduced the Superstar Bingo program. This was an electronic link-up of 185 bingo halls in the province for one cross-Ontario game. One of the major objectives of this program was to increase attendance at bingo halls by 10%.
- **Advance Funding Program:** The government indicated that an additional forty million dollars would be made available through the Advance Funding Program to qualifying charities. When the Charity Gaming Club initiative was cancelled, it was announced that the Advance Funding Program would continue through the Ontario Lottery and Gaming Corporation.

Trillium Foundation Grant Program: The province announced that it intended to provide one hundred million dollars annually to qualifying charitable organizations through the newly constituted Trillium Foundation. The program is described as an opportunity to reach out to new sectors in the community to support the important role that arts, culture, recreation, sports, the environment and social services play in the creation of vibrant communities. Eighty percent of the funding available is for community programs. The remaining twenty percent is for the province-wide programs. It is possible to apply as a single organization and as part of a collaborative at the same time, provided it is for different activities. Trillium will normally approve only one grant at a time to the same organization. Grants are under the following headings: Operating Grants, Project Grants, and Equipment and Renovation Grants.

- **Electronic Bingo Pilot Project for 2000:** The Ontario Lottery and Gaming Corporation is currently in the early stages of introducing an electronic bingo pilot project for the bingo market. It is an attempt to upgrade and modernize the look and feel of the bingo industry through the introduction of a touch screen terminal in place of the traditional bingo paper.

Funding for this program has been provided in part by the Ontario Tobacco Strategy, Ministry of Health and Long-Term Care. No endorsement by the ministry is intended or should be inferred.

¹² Media-Network Database. Cancer Care Ontario. Access to Members.

¹³ Corporate Report. June 7, 2000. Janice M. Baker, Commissioner of Corporate Services and Treasurer. Bingo Industry Update.