



COMMITTEE REPORT TO COUNCIL

1100 Patricia Blvd. | Prince George, BC, Canada V2L 3V9 | www.princegeorge.ca

DATE: December 13, 2023

TO: MAYOR AND COUNCIL

NAME AND TITLE: Garth Frizzell, Chair, Standing Committee on Intergovernmental Affairs

SUBJECT: Gaming Grant Advocacy Options

ATTACHMENT(S): None

RECOMMENDATIONS:

That Council receive the report dated December 13, 2023, from the Chair of the Standing Committee on Intergovernmental Affairs titled, "Gaming Grant Advocacy Options" for information and consider the advocacy options presented.

PURPOSE:

At the October 30, 2023, Regular Meeting of Council, Council resolved to refer to the Standing Committee on Intergovernmental Affairs consideration of advocacy work related to the funding formula and criteria for provincial gaming grants. A discussion took place at the December 11th meeting of the committee and three advocacy options were directed to be returned to Council. Those options are presented here for consideration.

BACKGROUND:

In 1999, following changes to gaming policy, the Government of British Columbia, the BC Bingo Council, and the B.C. Association for Charitable Gaming signed a Memorandum of Agreement (MOA) to govern the parties' actions until legislation was passed. The memorandum set out a formula, giving charitable organizations one-third of government net community casino gaming revenue, with a minimum of \$125 million indexed to inflation.

The Gaming Control Act was introduced in 2002 and replaced the earlier MOA. The Act outlined the responsibilities of the Gaming Policy and Enforcement Branch (created in 2001). The Gaming Control Act also allows for the distribution of gaming revenue to eligible community organizations. The amount of funding for the Community Gaming Grants program is approved in the provincial government's annual budget and has fluctuated over the years.

Part 6 of the Gaming Control Act, which establishes the Community Gaming Grants program, is under the responsibility of the Ministry of Tourism, Arts, Culture and Sport (previously named the Ministry of Community, Sport, and Cultural Development). The Ministry of Tourism, Arts, Culture and Sport worked in collaboration with the branch to manage the administration of the Community Gaming Grants program. However, in April 2016, the administration of the program, excluding the audit of grant recipients, was transferred in its entirety to the Ministry of Tourism, Arts, Culture and Sport. The Government of British Columbia provides grants each year to organizations throughout the province to support a wide range of

community programs, community development initiatives and similar activities. The non-profit sector has benefited from this grant funding for decades. This source of revenue helps non-profit organizations, many of which rely heavily on unpaid volunteers, to extend the reach and range of the services they provide for the benefit of communities. In this way, grants are an important means of achieving value for public monies spent in support of community-based programs.

The Community Gaming Grants program is one of the largest grant programs in the province. In each of the last five years, it has awarded roughly \$140 million to about 5,000 organizations. Over the last decade, this program has distributed over \$1 billion to non-profit organizations throughout B.C.

An independent review of the program was requested by Premier Clark and Community, Sport and Cultural Development Minister Chong and completed in 2011 to identify avenues to improve on the program, many of the recommendations have been completed at this time. As well, in 2016 an audit of the program was completed by the BC Auditor General's Office.

Full text of these two reports can be found here:

- 1) [HTTPS://WWW.BCAUDITOR.COM/SITES/DEFAULT/FILES/PUBLICATIONS/REPORTS/FINAL_COMMUNITY_GAMING_GRANTS.PDF](https://www.bcauditor.com/sites/default/files/publications/reports/final_community_gaming_grants.pdf)
- 2) [HTTPS://WWW2.GOV.BC.CA/ASSETS/GOV/SPORTS-RECREATION-ARTS-AND-CULTURE/GAMBLING/GAMBLING-IN-BC/REPORTS/RPT-GAMING-GRANT-REVIEW.PDF](https://www2.gov.bc.ca/assets/gov/sports-recreation-arts-and-culture/gambling/gambling-in-bc/reports/rpt-gaming-grant-review.pdf)

STRATEGIC PRIORITIES:

It is assessed that a strong not-for-profit sector supports the City of Prince George's strategic pillar related to economic diversity and growth priorities, specifically, identifying and supporting the development of catalysts that enable and expedite the diversification of the economy.

FINANCIAL CONSIDERATIONS:

Proposed actions are within the current scope of administrations daily activities. Financial considerations are limited to staff time. Capacity to complete the proposed activities is assessed as present.

SUMMARY AND CONCLUSION:

Among the advocacy options that may be considered regarding gaming grants are the following:

- 1) Request The Ministry of Tourism, Arts, Culture and Sport consider providing multi-year funding through a three-year budgeting model that includes the ability to carry over unspent earmarked funds, the details of which to be determined in collaboration with recipient agencies.
- 2) Request The Ministry of Tourism, Arts, Culture and Sport distribute greater funding through the Community Gaming Grant program as the value distributed does not appear to meet the threshold established under the original MOA, has not kept pace with inflation, nor has it recovered to values experienced at the start of the last decade.
- 3) Request The Ministry of Tourism, Arts, Culture and Sport consider, based on comments within the "Community Gaming Grant Review Report, Options for Improving the Program and for providing predictability to grant recipients (2011)", the re-naming of the community gaming grants program as the "community investments" program, or similar, to better reflect the exemplary work of volunteers and the not-for-profit sector more generally.

RESPECTFULLY SUBMITTED:

Garth Frizzell, Chair, Standing Committee on Intergovernmental Affairs

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APPROVED:

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Meeting Date: January 8, 2024