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Our Reference #: M-2021-16963

December 10, 2021

His Worship John Woodbury
Mayor
Township of Southgate
185667 Grey County Road 9
RR1
Dundalk, ON
N0C 1B0

c/o Email: hmalynyk@southgate.ca

Dear Mayor Woodbury:

Thank you for your letter regarding an additional level of licensing to permit small organizations to hold fundraisers. The office of Bill Walker, MPP for Bruce-Grey-Owen Sound, shared your letter with my ministry.

The legal framework for gaming in Canada flows from the *Criminal Code*. Under the *Criminal Code*, gambling is illegal in Canada unless it falls within one of the exceptions outlined in Section 207 of the Code. This section permits provincial governments and licensed charitable or religious organizations to conduct and manage lottery schemes, provided they meet certain criteria under a licence issued by the appropriate authority.

A “lottery scheme” consists of three elements: a fee or consideration, a chance, and a prize. Depending on the nature of the games being conducted, they could be considered a “lottery scheme.” If a type of gaming activity qualifies as a “lottery scheme,” it must either be conducted and managed by the province or conducted and managed by a charitable or religious organization, and licensed by the Alcohol and Gaming Commission of Ontario (AGCO) or a municipality to be considered legal under the *Criminal Code*.

As you may be aware, in Ontario, the Registrar of the AGCO is responsible for the overall administration of charitable lottery licences. Both the Registrar and municipal councils have the authority to issue charitable lottery licences within certain parameters. The Registrar of the AGCO has issued a [Lottery Licensing Policy Manual \(LLPM\)](#) which sets out the types of lottery schemes for which a licence may be issued and is used to determine eligibility for a lottery

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licence and for the use of proceeds. The policies and procedures contained in the LLPM reflect the mandate of the AGCO to regulate charitable lotteries to ensure they are conducted with honesty and integrity, and in the public interest.

To hold charitable lottery events, eligible organizations must obtain a charitable lottery licence issued by the AGCO or a municipality, and proceeds raised from these lottery events must be used solely to support the eligible charitable or religious purposes approved on the lottery licence. At minimum, organizations eligible for a lottery licence must have been in existence for at least one year, have a place of business in Ontario, provide charitable services in Ontario, and use their proceeds for charitable objects or purposes which benefit Ontario residents, among other things.

For more information about the rules regarding charitable lotteries, the types of lottery licences that are available and to determine eligibility, you may wish to contact Mr. Frank Cuda, Manager of Gaming Eligibility, AGCO, by email at frank.cuda@agco.ca or by telephone at 416-326-3137.

Please know that our government values the contributions that not-for-profit organizations make in their communities.

I trust the above information will be of assistance.

Sincerely,

A handwritten signature in black ink that reads "Doug Downey". The signature is written in a cursive style with a long, sweeping underline.

Doug Downey
Attorney General

c: Frank Cuda, Manager of Gaming Eligibility, Alcohol and Gaming Commission of Ontario
Bill Walker, MPP, Bruce-Grey-Owen Sound