



BRITISH COLUMBIA ASSOCIATION FOR CHARITABLE GAMING

October 15, 2010

Open Letter to Minister Rich Coleman

Dear Minister Coleman,

We write on behalf of the nearly 7000 B.C. charities affected by gaming grants. These groups include the Heart and Stroke Foundation, the Deaf Children's Society, Surrey Hospice Society, North Shore Rescue Team, Horsefly Volunteer Fire Department, Pacific Post Partum Support Society, Crisis Intervention and Suicide Prevention Centre, Charlie Lake PAC, Campbell River Minor Hockey, Cerebral Palsy Sport Association, and thousands more worthwhile community causes across B.C.

Our members, tens of thousands of them, are at work 7 days a week, 365 days a year, helping the poor, the weak and vulnerable, the elderly, disabled, the bullied child, sports teams, the arts, refugees and immigrants, and our environment. They man crisis lines, deliver Meals on Wheels, and search for the lost in our mountains and forests. We could not ever afford to buy what our charities and non-profits give us for free. We cannot live without them, and they never stop giving of themselves, no matter how hard it gets.

On Friday, October 15, you were asked to comment on our request to Vancouver City Council to postpone hearing any application to expand the gambling licenses relating to the planned Edgewater Casino redevelopment and expansion, pending the provincial government agreeing to honour its agreement to allocate 33.3% of net gaming revenues to B.C. charities.

You said that there was no agreement, only a letter of understanding, and that you have other bills to pay.

Minister Coleman, you are mistaken.

The Memorandum of Agreement with the B.C. Association for Charitable Gaming, which the Province of British entered into on June 17, 1999, can be found on the provincial government legislature's website at: http://www.lhb.c.ca/public/pubdocs/B.C.docs/336215/game_append4.htm. On that day the government formally crystallized a binding revenue sharing formula with both the charitable sector (for whose benefit gambling was legalized in Canada) and the Union of B.C. Municipalities.

The Meekison Report of 2000 found both agreements to be foundational to the architecture of gaming in the province, and held them to be binding. No subsequent legislation, regulation, enactment, or new agreement extinguishes this agreement, and the sister agreement with the Union of B.C. Municipalities (allocating 10% of net revenue to local host cities) stands, and is complied with by your government to this day.

B.C. charities have actively supported and enabled the expansion of B.C. gambling--mistakenly believing that this would bring them a share of the proceeds. Their participation and support in

municipal expansion hearings has been decisive in councilors agreeing to allow more and more slot machines and casinos in their communities across the province.

This has brought hundreds of millions of dollars annually in new money to the B.C. treasury, but not a dime of that new money has gone to the charities that made it possible, and for whose benefit municipal councils agreed to gambling expansion in the first place.

In fact, while net earnings from gambling expansion have risen 292% from 1995, your ministry has starved charities, giving them 14% less in 2010 than they got 15 years ago--to a total of \$112.5 million.

Many of these groups are on the front line of the recession—helping the weak and vulnerable, dealing with family violence, suicidal youth, and addictions of many kinds, including, in a cruel twist, gambling. Others assist the elderly, disabled, children, sports, arts, and the environment. They have bills to pay, too. Every dollar they get goes into the community, buying supplies, equipment, creating part time jobs and supporting small business and strengthening communities.

But because your government failed to fulfill its contractual obligations, they are, almost every one, desperately short of money.

On average, for the last ten years, your government has short-changed charities by almost \$128 million of gambling entitlements each and every year. In 2009/10, your ministry paid charities \$247 million less than what is owed under our agreement.

Total arrears now stand at nearly \$1.3 billion.

Your comments to media demonstrate exactly why it is vitally important to stop the expansion of Edgewater until this situation is clarified. B.C. charities are a 33.3% silent partner in this venture. You cannot wish us away.

We repeat our request of Vancouver City Council that it not proceed on the Edgewater Casino until the province adheres to or renegotiates its binding contractual obligations.

Yours truly,

Susan Marsden,
President
B.C. Association for Charitable Gaming