

Submission to the House of Commons Standing Committee on Justice and Human Rights

RE: Bill C-218 - An Act to amend the Criminal Code (sports betting)

Dear Committee Members,

The Canadian Centre for Ethics in Sport (CCES) welcomes the opportunity to submit a brief in support of Bill C-218, An Act to Amend the Criminal Code. From a harm-reduction standpoint, a regulated framework with respect to single-sport betting provides more benefit and safeguards to participants in sport. In particular, we wish to draw your attention to the risks to sport integrity and athlete safety, which can be associated with sports gambling and match manipulation.

Match manipulation

Match manipulation is a global threat, often linked to gambling and organized crime, involving the deliberate and coordinated influence of the outcome of a sporting contest or elements within the contest. This typically involves a player, game official, coach, or other staff official who has been compromised through the influence of another party.

Rapid changes in technology, growing popularity of online gambling platforms, and groundbreaking legislative changes regarding gambling in the United States underscore the real and growing threat of match manipulation in Canada. Sports leagues, event sponsors, broadcast networks and clubs are rapidly contracting with legal betting platforms to expand their revenue streams. Furthermore, “the growing avalanche in betting is resulting in unforeseen attempts at corrupting athletes to increase profits.”¹

Protection

In the case of a manipulated competition or game, certain individuals will typically wager unusually large sums on a particular outcome (or elements in the game or match) due to prior knowledge of corrupt actions taken to ensure this outcome. Compared to unregulated betting markets in which bookmakers often operate with limited oversight, regulated markets provide better opportunities to monitor and address issues related to match manipulation.

¹ Richard H. McLaren, “Is Sport Losing its Integrity?” in *Marquette Sports Law Review* 21, no. 2 (Spring 2011)

International government response

Many countries are actively addressing match manipulation through legislation:

- The Council of Europe Convention on the Manipulation of Sports Competitions (the Macolin Convention) is a multi-lateral treaty that aims to prevent, detect and punish match fixing in sport. The Macolin Convention is a legal instrument and the only rule of international law on the manipulation of sports competitions.
- Growing threats to the integrity of sport in Australia from doping, illegal wagering, match fixing and the influence of organized crime led to the Review of Australia's Sports Integrity Arrangements (the Wood Review) in 2017. Since then, Australia has established Sport Integrity Australia, augmenting the current activities of the Sports Betting Integrity Unit, which is housed within the Australian Criminal Intelligence Commission.
- In Great Britain, the Sports Betting Intelligence Unit, within the Gambling Commission of Great Britain, protects sports betting from corruption.
- Germany made changes to its German Criminal Code, improving its ability to prosecute match manipulation with a goal to, "completely eliminate any interference with integrity of sports competition through betting fraud and match fixing."²

Many international sport organizations, such the International Ice Hockey Federation and the international governing bodies of tennis have also established integrity units to not only safeguard their sports, but also educate and protect their athletes.

Harm reduction

There are valid concerns that legalizing single-sport betting would contribute to match fixing by creating financial incentives for the manipulation of athletic contests. Until recently, this was the rationale used to prohibit gambling on sporting events in the United States and this context is important for Canada to now evaluate. However, extensive research undertaken by the Gambling Research Exchange Ontario suggests the approval and regulatory oversight of single-sport betting offers a number of advantages, including:

- Consumer protection;
- Taxation revenue and retention of gambling funds onshore;
- An architectural structure that permits more effective monitoring, detection and prevention of illegal bets in the sports betting market;
- Ability to closely monitor patterns of betting and the detection of aberrant or deviant patterns that might signal match fixing.

Maintaining the integrity of sport is fundamental to public acceptance of sport as an activity that is both fair and reliant on skills in determining outcomes. However, the detection of match fixing is difficult. It can only be detected in an environment that is regulated and monitored by appropriate authorities

² Christian Keidel, "A guide to Germany's new criminal law against betting fraud and match fixing in sports," LawInSport, 14 September 2017, <https://www.lawinsport.com/topics/item/a-guide-to-germany-s-new-criminal-law-against-betting-fraud-and-match-fixing-in-sports>

vested with the task of maintaining integrity in sport. The detection of match fixing affecting Canadian sport cannot be achieved if gambling is taking place overseas on regulated or unregulated sites.³

Canadian sport is at risk

In 2019, the CCES commissioned leading sports data, betting and integrity service provider Sportradar to assess risks related to match manipulation in Canada. Sportradar estimates that the global wagers placed on Canadian sporting competitions each year amount to nearly C\$20 billion.⁴ Based on the current regulatory climate, many Canadian sports can expect to see wagering increase. The amount of betting on a sport is one of the most important underlying variables related to that sport's risk profile as it relates to the threat of match manipulation.

This threat is real and it has the potential to cause severe damage to the integrity of Canada's most beloved sports. With Canada co-hosting the United 2026 FIFA World Cup, it is urgent for government to address this issue or risk reputational damage. Canada must take a more proactive stance regarding the detection and elimination of match manipulation.

Symposium on Match Manipulation and Gambling in Sport

The CCES hosted an international conference in April 2019 to explore this issue. The symposium was attended by a variety of international delegates and many key stakeholders in sport in Canada, including Government of Canada representatives from Sport Canada, amateur and professional sport organizations, athletes, government agencies, law enforcement, gambling industry representatives, researchers, and the legal community. The outcome of the symposium was a White Paper, titled [Match Manipulation and Gambling: A Growing Threat to Canadian Sport Integrity](#).

Key recommendations

The full White Paper and its executive summary are available on the [CCES's website](#). The documents outline key recommendations to the Government of Canada and the Canadian sport community.

The recommended actions are urgent to mitigate the potential for match manipulation in Canada, and in so doing, to better protect the integrity and reputation of our sporting culture as well as the athletes who may be most vulnerable to corruption:

1. Establish a Federal Commission to examine the issue of match manipulation in Canadian sport and to provide recommendations for action.
2. Become a signatory to the Council of Europe Convention on the Manipulation of Sports Competitions (the "Macolin Convention").
3. Undertake a review of relevant sections of Canadian Criminal Code, including amendments to address the prosecution of corrupt practices focused specifically on match manipulation in Canadian sport.

³ "Single-event sports betting in Canada: Potential impacts," Gambling Research Exchange Ontario, 2016.

⁴ Richard McLaren, Paul Melia, Declan Hill, David Howman, Paul Burns, Jeffrey Mishkin, Andy Cunningham, Harry Syvasalmi, Ashley Ehlert, Earl Cochrane, Ashley LaBrie, Luisa Ritacca, Jocelyn East, "Proceedings of the Symposium on Match Manipulation and Gambling in Sport," Toronto, 24-25 April 2019.

4. Enhance efforts to educate and inform athletes, coaches, officials, and sport organizations about the risks associated with match fixing in sport.
5. Create an independent Sport Integrity Unit in Canada.

Conclusion

As you consider Bill C-218, we specifically ask that you consider these recommendations as measures that could be put in place to protect the integrity of sport and the health and safety of athletes, officials and other participants who may be at risk of match manipulation, as outlined in the White Paper.

Respectfully,



Paul Melia
President and CEO
Canadian Centre for Ethics in Sport

About the CCES

The CCES is an independent, national, not-for profit organization with a responsibility to administer the Canadian Anti-Doping Program. We recognize that true sport can make a great difference for individuals, communities and our country. The CCES acknowledges funding, in part, from the Government of Canada. We are committed to making sport better by working collaboratively to activate a values-based and principle-driven sport system; protecting the integrity of sport from the negative forces of doping and other unethical threats; and advocating for sport that is fair, safe and open to everyone.