June 25, 2021

Mr. Robert Auger  
Town Solicitor, Legal and Legislative Services/Clerk  
Town of Essex

Email: rauger@essex.ca

Dear Mr. Auger:

Thank you for your letter regarding licensing to permit small organizations to hold fundraisers in the Town of Essex.

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 be either run by the Ontario Lottery and Gaming Corporation (OLG) 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.

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 licence and for the use of proceeds.

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, at the AGCO. You can reach him by email at frank.cuda@agco.ca or by telephone at 416-326-3137.

I trust the above information will be of assistance.

Sincerely,

Doug Downey
Attorney General

c: Taras Natyshak, MPP, Essex
   Frank Cuda, Manager of Gaming Eligibility, Alcohol and Gaming Commission of Ontario