

As sports betting flourishes in Canada, other countries are cracking down

BEN MUSSETT >

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A billboard for theScore in Yonge-Dundas Square in Toronto. Ontario became the first Canadian province to open its doors to online gambling companies on April 4.

BEN MUSSETT/HANDOUT

When Canadians turned on the Stanley Cup playoffs this past spring, a new era of professional sports greeted them. Seemingly overnight, betting companies had carved out a sizable presence on prime time.

Flashy ads with celebrities like Wayne Gretzky, promoting BetMGM, and Breaking Bad's Aaron Paul, hawking bet365, saturated commercial breaks. Between periods on Hockey Night in Canada, a betting analyst employed by DraftKings, an industry giant, regularly updated viewers on the latest odds.

And the promotional blitz wasn't only on TV. After Ontario became the first Canadian province to open its doors to online gambling companies on April 4, ads for sports betting sites such as PointsBet, BetRivers and theScore crowded social-media feeds and were plastered on billboards, buses and trains. Hockey superstar Connor McDavid peered into the camera with his arms crossed in ads for BetMGM.

Late last month, regulators announced that Ontario's new online gambling market had generated \$162-million in its first quarter. Compared to early expectations, it's a modest start. But the National Football League's regular season, which kicked off last week, is expected to be a bonanza. And more companies are still in line to join the market.

In Britain, a different story is playing out. On the day after Ontario's market went live, British authorities announced ads featuring athletes would soon be illegal in that country. The ban, which takes effect this fall, also prohibits social-media influencers and other celebrities who appeal to youth.

It was the latest in a series of recent limits on the multibillion-pound industry, spurred by a growing awareness of gambling harms. A government report last year estimated that more than 400 Britons die by suicide each year because of gambling. Today, betting companies in Britain no longer accept credit cards and gambling commercials don't air during sporting events before 9 p.m. More changes are on the way – and Britain isn't alone in its crackdown. Spain and Italy have banned nearly all gambling ads, while Belgium and the Netherlands will soon follow suit.

Meanwhile, the promotion of sports betting in Canada has already exceeded what was deemed acceptable in Britain. Industry-paid betting analysts and

sportscasters never promoted gambling during broadcasts, which is now common in Canada.



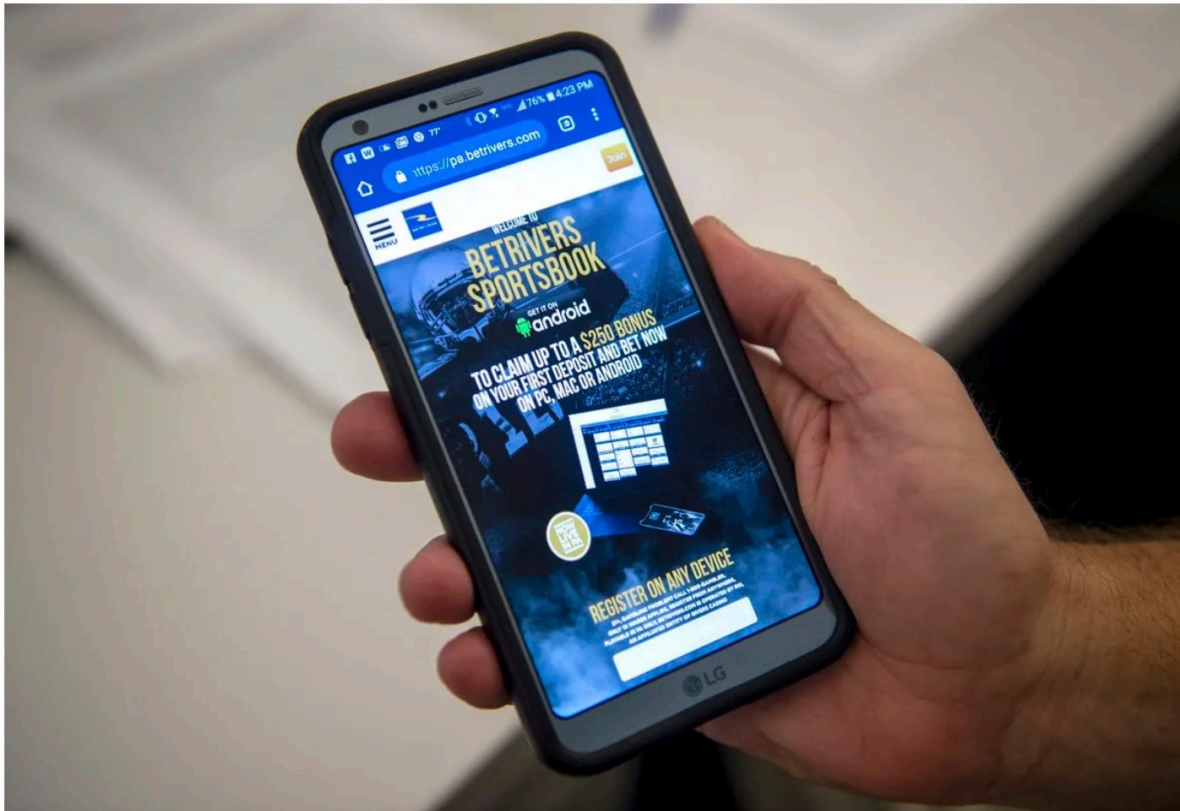
North Carolina State guard Anthony Barber, right, dribbles across the FanDuel logo during an NCAA basketball game in the Legends Classic in New York in 2015.

KATHY WILLENS/THE ASSOCIATED PRESS

Unlike years past – when bettors placed wagers with illegal bookies and offshore websites – authorities and betting companies argue that Ontario’s new regulated market will protect the vulnerable while enhancing the experience for sports fans.

“Our sustainability as an industry depends on us doing it the right way,” Richard Taylor, BetMGM’s responsible gambling program manager, told The Globe and Mail.

But observers suggest Canada has failed to learn some hard-earned lessons from other jurisdictions.



The Rivers Casino launched an online sports betting website and app on a test basis in Pittsburgh in 2019.
CAITLIN LEE/THE ASSOCIATED PRESS

The proliferation of betting ads has pricked even those who helped to legalize single-event betting in Canada.

“Having them bombard prime time and using celebrities in this way is totally inappropriate. This is almost like the early days of tobacco,” said Brian Masse, an NDP MP for Windsor West and a vocal supporter of the federal legislation that legalized single-event betting, enabling Ontario to open its market. Before that, legal sports betting had been limited to horse races and parlays, where multiple bets are linked together and all must succeed in order to pay out.

For now, Ontario is the only province with a private sports-betting market. Other jurisdictions have given exclusive control to government-run lottery corporations. But soon Alberta will allow two private companies into the fold, likely prompting another, perhaps more localized, ad blitz – and fresh concern over the risk for an accompanied rise in gambling harms.

Rob Davies, British journalist and author of *Jackpot: How Gambling Conquered Britain*, knows this story well. “You’ve got this influx of betting companies, and they’re all fighting for customers at the moment, and they’re spending a lot of money on advertising,” said Mr. Davies. “Is your regulatory system up to what that’s going to lead to?”

The modern history of sports betting is filled with unforeseen consequences. When Britain rewrote its gambling rules 15 years ago, lawmakers failed to anticipate just how much the internet would transform the way people bet.

The iPhone debuted in 2007, the same year the rules came into force. Pretty soon, folks were walking around with “seven or eight different competing casinos at the touch of a button on a device in their pocket,” said Mr. Davies. Six years after the new rules were introduced, gambling commercials in Britain had increased by 600 per cent.



People make their bets at the FanDuel sportsbook during Super Bowl LIII in East Rutherford, N.J., in 2019.
EDUARDO MUNOZ/REUTERS

Mr. Davies notes that only a minority of people who gamble will become addicted, though the numbers vary. A 2021 survey by YouGov found that a tenth of British men struggle with gambling or are at risk of falling into addiction. However, government figures, supported by industry, suggest that number is much lower.

Online gambling has become a growing concern in the United States as well. In 2018, the Supreme Court struck down a ban on sports betting outside of Nevada. Since then, around 30 states have legalized the practice, leading to a surge in advertising and a sharp rise in calls to helplines, according to the National Council on Problem Gambling. Fuelled by a jump in online gambling brought on by the pandemic, the risk of addiction grew by 30 per cent between 2018 and 2021, the council said.

That kind of change leads to a normalization of sports betting, Mr. Davies said. “You’re going to have a generation of kids who are growing up thinking that gambling is a normal part of life, and that it’s intrinsically linked to sport.”

In Canada, the thinking behind legalization was simple: Governments could reduce cashflow to organized crime, lessen gambling harms through regulation and profit in the process. (Five years down the road, Deloitte says Canada could see nearly \$28-billion wagered on sports annually.)

For these reasons, Mr. Masse had spent years pushing to legalize single-event gambling. In 2016, he introduced an unsuccessful private members’ bill that was nearly identical to Bill C-218, the federal legislation that passed last year with broad support from all four parties.

But now Mr. Masse is worried he and his colleagues may have bungled the legislation by not establishing any federal standards on sports betting, leaving provinces and territories to regulate their own markets. “We gave up the ship to each province to sail in its own direction,” he said. “And all we can do is sit here and watch.”

Conservative MP Kevin Waugh, who introduced Bill C-218, also questions whether athletes who are still playing, such as Mr. McDavid and Auston Matthews, who’s signed with Bet99, should be associated with sports betting. But he says the ads aren’t his responsibility.

“We’ve done our legislation,” he said. “It’s up to the provinces now to regulate that.”

Unlike other jurisdictions, Ontario chose not to limit the degree to which sports-betting companies can market themselves. However, the province does expect companies to achieve a balance between purely promotional ads and those that focus on responsible gambling, the industry’s most used phrase.

It also doesn't allow promotional inducements such as free bets – believed to encourage riskier gambling – to appear outside of betting websites or via direct marketing. Since April, the Alcohol and Gaming Commission of Ontario (AGCO), which oversees gambling in the province, has slapped four operators with tens of thousands of dollars in fines for breaking this rule.

“Responsible gambling really is our number one priority,” said Brent McCurdy, the AGCO’s deputy chief operating officer.

Within two years, companies must also receive accreditation through a government-funded organization called the Responsible Gambling Council (RGC), which requires adherence to provincial guidelines along with other measures, like staff training. So far, three of more than 20 companies now offering regulated online gambling in Ontario have secured their “RG Check.”

The Globe interviewed representatives from BetMGM, BetRivers and FanDuel. Each emphasized responsible gambling as a top priority.

BetRivers, owned by the Chicago-based Rush Street Interactive, touted the fact it received accreditation from the RGC before the Ontario market had even opened. FanDuel Canada, a subsidiary of Ireland-based Flutter Entertainment, noted the company’s first suite of ads in Ontario focused exclusively on responsible gambling.

“We want to make sure that no wager placed on our platform hurts a loved one,” Dale Hooper, general manager of FanDuel Canada, said.

The province’s rules include a fair amount of detail on what ads can’t do – like mislead people, target “high risk” individuals or “primarily” appeal to minors. (Mr. McCurdy said he didn’t think ads featuring athletes such as Mr. McDavid or Mr. Gretzky violate this standard as they have broader appeal beyond children.)

But when it comes to addressing what the industry calls “problem gambling,” besides providing broad guidelines, the Crown agency lets betting companies choose their own approach.

“We don’t want to have to determine each set of circumstances and create a rule for that,” Mr. McCurdy said. “We expect the operators to have a responsible environment.”

Companies must identify and address worrisome behaviour on their platforms, such as reckless betting, in a way that's proportional to the "severity of the situation." ("We're not going to tell them how to intervene," Mr. McCurdy said.)

When asked how they respond to problematic behaviour, like signs of addiction, the companies usually pointed to the voluntary ways people can curb their own gambling, such as wager limits or a function that blocks access to the platform altogether, also known as self-exclusion. Pressed on how often BetMGM does intervene out of concern for a player, Mr. Taylor said, "it's more than zero."

Although Ontario plans to create a provincewide list of people who've self-excluded from any given site, today they can simply jump on another platform and begin gambling again.

With terms such as "responsible gambling," the onus is often put on the individual when more attention should be paid to the harms generated by the gambling industry, argued Darragh McGee, a professor of public health at the University of Bath.

Dr. McGee and Mr. Davies, the British journalist, stressed the importance of imposing strict safeguards instead of leaving it up to consumers to protect themselves. That could mean banning dangerous products or promotions, like inducements, cross-selling (where sports bettors are encouraged to try more addictive casino offerings) or VIP and loyalty schemes. It could also mean restricting advertisements or implementing affordability checks.

"Some people would say a gambling addict is going to find a way to lose that money anyway," said Mr. Davies, who reports for The Guardian. "But the more friction you put in that process, the more chances there are for somebody to avoid those kinds of fates."

The effort to protect players is still a work in progress, Mr. Hooper of FanDuel said. But he believes sports betting could transform the fan experience for the better.

Placing a small bet "just makes watching the game better," he said. "It helps increase fan engagement." It's one reason he thinks leagues, after decades opposed to gambling, have embraced sports betting – though he acknowledged "there's obviously revenue implications, as well."

Dr. McGee, who describes himself as a “highly trained academic who’s a sports fan first,” doesn’t see it like that.

Rather than making fandom more interactive, he said sports betting “denatures” it. Eventually there comes a time when some fans can’t watch a game without having money on it, he said. Sometimes they begin rooting against their home team.

“When gambling becomes culturally embedded and normalized as a part of fandom, I think there’s a real danger that the essence of sport is lost,” he said. “Hold the cultural values of what sport means dearly. Hold them close because when they’re gone, they’re gone.”

When other provincial and territorial governments say the word, sports betting will expand beyond Ontario. But today, the industry is focused on the country’s biggest province. With hockey and basketball soon to follow the NFL, expect a new burst of marketing come fall. How big is still the question.

All in the name of “freedom.” Freedom for whom, to do what? The freedom to fleece suckers? These people, like all morally-stupid but avariciously-clever bullies, with no scruples, are relentless and wear us, and our institutions, down. Trump, “Freedom Convoys,” and now the likes of Poilievre epitomize them.

Wayne Gretzky shilling for gambling confirms why I have never been able to trust and like the guy.

Professional sports should never forget the danger it puts its products in the more outcomes of games—not just win or lose, but point spreads and whatever else is dreamed up to bet on—have financial fallout beyond organizational success. The more active players, coaches, and management (with vulnerabilities from betting themselves or a host of other compromising circumstances) are vulnerable to gamblers—notoriously unscrupulous—with stakes in outcomes, the less faith we can have in the integrity of the game. “The Great One” disgusts me. TJB