

MEDIA ADVISORY FOR IMMEDIATE RELEASE

August 19, 2009

BCACG welcomes Government "unfreezing" of gaming funds but uncertain future still faces many BC charities & non-profit organizations.

While the BC Association for Charitable Gaming (BCACG) President Susan Marsden is delighted with the news today that the government has reinstated \$159 million in promised gaming funds affecting arts, sports and culture groups, she said the future is still very uncertain for many other charitable organizations, such as new and renewing Direct Access applicants and Bingo-affiliated charities.

"While we're thankful the funds will be released," she noted, "this is not new money. Much of it had already been committed to charities that felt they had a solid agreement with government."

"Although our organization, representing thousands of charities and non-profits, would have preferred to be consulted directly rather than through government media releases," she added, "we're pleased organizations have received a temporary reprieve." However, she cautioned, "we have no confirmation that future funding for organizations will be maintained or increased to cover cost of living, HST and other inflationary measures. Thousands of British Columbians who rely on the services of charities that depend on long-term gaming funding can take little comfort from this announcement." When government froze gaming funds, she said "many organizations were already on life support, given their foundation funds collapse, coupled with private donation reductions, which have dried up due to reeling stock market conditions."

She noted the BCACG has a Memorandum of Agreement of June 17, 1999 with the BC government, committing **one third of net community casino revenues, indexed to inflation, to charities and NGOs.** The Agreement also states "Government is to consult in a meaningful way with charities in the development of gaming policy changes that may affect charities." Communication through the media is not good faith policy negotiation and does not honour the agreement, she said. "Our association is a vehicle for consultation that the government should be using."

Speaking of the gaming revenue-sharing agreement she stated: "With nearly 2 billion in government gaming revenues for 2008, the unfreezing of \$159 million of that amounts to only 7.95%, a far cry from the 33 per cent original commitment," added Marsden. (See Memorandum of Understanding attached.)

Marsden also thanked the many media outlets, such as the Vancouver Sun, CKNW, Victoria Times Colonist and others for advising BCACG and BC groups of the funding freeze and for pursuing the government on this major crisis that "affects everyone in this province." Many BCACG members also contacted their local media, MLAs and the government to advise of funding cut impacts on their organizations and services to communities. Gaming funding goes to hospices, daycares, theatres, little league organizations, AIDs and disability groups, Parent Advisory Councils, Lions Clubs, Rotaries and many others.

Media Contact(s):

1. Cheryl Ziola, Executive Director, BCACG p. 604-568-8649 2. Susan Marsden, President, BCACG p. 250-624-6820

BCACG Mandate: The BCACG is a registered non-profit society that provides a collective voice on behalf of all organizations in the Province of British Columbia with a history of applications for gaming licenses and/or direct access to charitable gaming funding, in order to represent their interests, issues and concerns on all charitable gaming activities, policies, regulations and procedures, and to participate actively in any processes and decisions that impact on any of these interests, issues and concerns. www.bcacg.com

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This document dated for reference the 17th day of JUNE, 1999.

Memorandum of Agreement on Gaming Policy

Between:

The B.C. Association for Charitable Gaming (BCACG)

and

The Government of British Columbia (the Province):

The Province and the BCACG have agreed to govern their relationships with respect to gaming issues according to the following principles:

The Province:

- affirms the role of licenced charities as the sole beneficiaries of bingo gaming, including both paper and electronic bingo;
- affirms that charities have exclusive domain over all bingo activities, subject to licencing by the Gaming Commission, and subject to the provisions of the federal *Criminal Code*;
- will pursue changes to the gaming provisions of the federal *Criminal Code* to provide greater legal certainty for the continuing key role of licenced charities in charitable gaming;
- will pursue changes to the gaming provisions of the federal *Criminal Code* to permit the broad use of technology in bingo by licenced charities, so that licenced charities can have exclusive domain over all bingo activities;
- reaffirms its commitment to the existing charitable guarantee of a minimum \$125 million annually, indexed annually at the rate of Vancouver CPI, with a formula that ensures charity entitlement to an amount, after accounting for retained bingo revenues, equal to 1/3 of ongoing government net community casino gaming revenue;
- affirms that the existing bingo facility-level guarantee will remain in effect for an interim period to be determined by the Gaming Commission in meaningful consultation with licenced bingo charities;
- affirms that the British Columbia Gaming Commission is the sole licencing authority for charitable gaming;

- affirms that the "public foundation" licencing model recommended in the White Paper will not be pursued;
- will consult in a meaningful way with charities in the development of gaming policy changes that may affect charities;
- will consult in a meaningful way with charities regarding the form and content of gaming legislation before it is introduced into the Legislature; and
- reaffirms its commitment that video lottery terminals will not be permitted in British Columbia.

The BCACG intends to:

- actively and cooperatively work with the Province in the development of comprehensive gaming legislation;
- actively and cooperatively work with the Province in the support of negotiations with the federal government to achieve changes to the gaming provisions of the federal *Criminal Code* as contemplated in bullets three and four on the previous page.

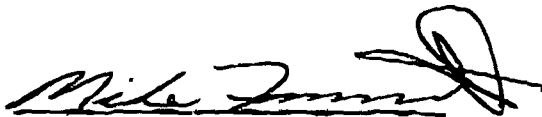
The Province and BCACG intend to:

- bring resolution to existing and future disputes through negotiations, where possible, and in a manner consistent with the principles of this Agreement.

These principles will govern the parties' actions with respect to gaming henceforth, and until legislation consistent with these principles is passed in the Legislature.



Robert MacInnes
President of BCACG



Mike Paraworth
Minister of Employment and Investment