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THE BINGO PROJECT

Rethinking gambling regulation





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RESEARCH SUMMARY

The Bingo Project (www.kent.ac.uk/thebingoproject) has hoped to achieve two key objectives: to better understand how the game of bingo is regulated in different places around the world, and to relate that better understanding back to debates in law, politics, and political economy about gambling.

Funded by the Economic and Social Research Council, one of the UK's main academic research funders, the three-year project selected four case studies of bingo in England and Wales, Canada, Brazil, and online in the European Union. We wanted to gain a good overview of the diverse ways in which bingo is played (online versus land-based; in commercial halls versus in charitable facilities), and of legal approaches (e.g. criminal prohibition, licensing as charitable activity; licensing as commercial activity).

We focused on bingo because it is a globally significant, but under-studied, gambling form. It is a social, community activity for many people, and in many places it attracts a distinctive demographic of players. In England and Wales and Canada bingo is especially popular with older, working class women. First Nations/Native American players are a key part of the player base in North America. We hoped that bingo would provide us with some insights into how classed, aged, raced, and gendered gambling cultures are shaped by regulation. We were also interested in bingo because it is associated with charitable fundraising as much as, if not more than, commercial gambling in many places. Charities, religious organisations, and non-profit groups often operate the gaming themselves, making bingo a key example of the intersection between playful speculation and good works. The 'vice' of gambling meets the 'virtue' of local charity, mutual aid, and community head on in bingo, and we wanted to know what impact that had on regulatory priorities in different places.

Our research for the Bingo Project involved 217 interviews, with 255 people involved in bingo. They included operators (commercial and non-commercial), regulators (across many levels of government, from the municipal to the supra-national), politicians, specialist lawyers, judges, employees, volunteers, software designers, and bingo equipment manufacturers. We conducted a systematic review of relevant case law, legislation, and regulatory guidance, official records of political debate, consultations, and annual reports from bingo regulators and operators. We have a collection of over 1000 relevant legal cases across the four case studies, stretching back to 1845. We also have thousands of pages of historical political debate about bingo, stretching back to 1936. Finally we conducted observations of legal bingo games in three of the four case studies (we were unable to find legal games in Brazil), to see how rules and regulations were implemented in practice.

This report – aimed at non-academics interested in gambling regulation – summarises what we have learned so far from our research. It describes how the game is regulated, and the scale of play. Each chapter identifies some 'key themes' that suggest what can be learned more broadly from bingo. These cover topics such as the impact of prohibition on players and operators; the shift in political attitudes to bingo over time; the regulation of game definition; the use of proceeds by charitable bingo providers; and the social nature of online bingo play. Each case study chapter also contains substantive recommendations, drawn from the research, for those involved in bingo regulation. These range from a set of recommendations about legalising bingo in Brazil, to a suggestion that the focus of European Union level discussions of consumer protection in online gambling be expanded beyond problem gambling, underage gambling, and responsible gambling to also encompass the regulation of substantive fairness. In each case study chapter we have also included a table of the most important legal cases on bingo. These cases shed light on how courts in different places have handled disputes over which level of government has authority over bingo; how bingo proceeds should be used; how the game's boundaries should be defined; and how far licensing discretion should extend.

In the final, comparative chapter of the report we develop some over-arching lessons, using our research from across the four case studies. In particular, we highlight the following key points:

- 1 The value of expanding the concept of 'responsible gambling' to better reflect fairness for players and workers.
- 2 The need for context-specific consideration of whether non-commercial actors should be privileged as bingo operators by regulators, taking into account how such actors use proceeds, how they are connected to players as donors, and how they mobilise volunteers.
- 3 The need for rules that reflect the distinctiveness of bingo as a game, and a playing environment.
- 4 A potential role for gambling regulators in supporting and preserving everyday, vernacular forms of play like bingo.
- 5 The need to better support international collaborations across local governments that license low-level forms of gambling such as bingos.
- 6 The uneven effects of the female-dominated nature of bingo on its regulation.



THE BINGO PROJECT: AN INTRODUCTION TO RETHINKING WHAT COUNTS

“Let’s face it, Las Vegas uses bingo halls as loss leaders. They know they’re going to bring in the one spouse that likes to play bingo and the other spouse that’s going to go and really spend the money where it counts.” (female charity bingo hall manager, Canada).

Why bingo?

The Bingo Project (www.kent.ac.uk/thebingoproject/) was a research project funded by the Economic and Social Research Council – one of the UK’s main academic research funders. It used four case studies of bingo regulation around the world to explore the governance of risk, welfare, and gambling in law, politics, and political economy.

That might seem strange.

But gambling has long been studied by researchers in law, politics, and political economy. It has been used to think through concepts of fairness, deserved rewards, worthwhile leisure, responsible consumption, and the state’s role in harm prevention.¹ It also plays a key role in our discussions about how market economies should function. For example:

- gambling is so central to debates about individual choice and the role of the state that the political philosopher John Stuart Mill devoted a long section to it in his 1859 book *On Liberty*.
- as a popular, playful, entertaining form of engaging with chance for gain, gambling has to be continuously distinguished in law and policy from its serious, productive, properly-capitalist others: insurance; stock market speculation; weather derivatives, and so on.²
- when economic crises occur, scholars and politicians often use casinos as a metaphor in their critiques of capitalist excesses. Both UK Prime Minister David Cameron and US President Barack Obama spoke of the dangers of ‘casino capitalism’ after the 2008 financial crisis, echoing those who have used the term to highlight inadequate control over financial markets.³ As gambling researcher Rebecca Cassidy (2009) points out, the irony here is that casinos are actually very heavily regulated.

So, taking gambling seriously in law and political economy is nothing new.

However our research project focused on everyday practices of bingo rather than spectacles of stockmarkets as giant casinos. We chose this focus because bingo is a globally significant, but under-studied, gambling form, played in many countries and increasingly popular online. It is a lottery-style game where players cross numbers, called randomly, off a ticket to form patterns and (they hope) win prizes. It is globally salient, and increasingly transnational in operation. Although bingo spread globally through military and missionary circuits in the early twentieth century (with the Irish courts asked to rule on its legality as early as 1916),⁴ as the game has spread online new operators are emerging to offer play across borders.

Bingo is interesting in part because it is so diverse, with significant variations in play. Some countries play with 90 numbers, some with 75, and different patterns are required in different places to win prizes. During our research players told us about winning life changing jackpots in commercial bingo halls, playing down the pub with old friends for slabs of meat, buying virtual cups of tea (with real money) to share with online bingo buddies, and getting their handbags searched for illegal winnings during a police raid. We met people volunteering to sell tickets at bingo so that their child would get access to a sports programme, and we watched drag queen bingo callers simulate sex acts with players when particular numbers were drawn.



“When (asked) what do you do for a living, I say I rob old ladies of their pensions. Which usually makes people think that I’m a financial advisor (laughs)” (male, bingo hall manager, England).

“What we established here in Brazil was bingo, bingo as a neighbourhood game, a place for individuals to socialise” (male, industry analyst, Rio de Janeiro)

“One of my favourite halls we did – I’ll never forget these two elderly ladies, they must have been in their 60s, 70s, loving it. They said, ‘we are loving this. But you know who really loves this?’ And I said ‘Who?’ They said ‘our mom.’” (male organiser of bingo-based entertainment events in British Columbia, Canada).

“Gambling is at the boundary between personal freedom and state intervention. On one side of the boundary is the reasonable expectation of adults who, within the law, exercise their right to live their lives as they choose. On the other is the role of the state: to recognise human frailty, and in particular to respect its duty to protect children and the vulnerable. As a Government and a society, we have three options in that respect: prohibition, a free-for-all or regulation. We have no doubt about choosing the regulatory route. (Tessa Jowell, UK Minister of Culture Media and Sport, in a debate on the Gambling Bill, 1 Nov 2004, vol. 426, col. 28).

1 See for example Gerda Reith. 2002. *The Age of chance: Gambling in Western Culture*. London: Routledge.

2 See for example G. Clark. 1999. *Betting on Lives*. Manchester: Manchester UP; U. Staheli. 2013. *Spectacular Speculation: Thrills, the economy and popular discourse*. Stanford: Stanford UP; R. Cassidy et al. 2013. *Qualitative Research in Gambling*. London: Routledge.

3 See especially Susan Strange (1986), who coined the term ‘casino capitalism’

4 Barrett v Flynn [1916] 2 Ir. R. 1 (KB).

THE BINGO PROJECT: AN INTRODUCTION TO RETHINKING WHAT COUNTS



“De dona-de-casa a dona da Casa!” – from housewife to homeowner, official poster with an old advertisement for the federal lottery, Brazil.

The demographics of bingo are also distinctive, especially when measured against the popular images of high-spending, glamorous, risk-taking men associated with casino table games. Bingo is one of the few forms of gambling that attracts more female than male players: women were over 80% of the players in some of the bingo halls in our research. Even online – where there are more male bingo players than in land based venues – the game tends to attract more female players than sports betting, casino games, and online poker. In many places bingo is especially popular with older, working class women. Moreover, First Nations/Native American players are a key part of the player base in North America. When we began the research project, we hoped that bingo would provide us with some insights into how classed, aged, raced, and gendered gambling cultures are shaped by law.

Bingo and the casino shadow

In political debate, as in academic research, bingo has long been in the shadow of casinos. But interesting things can happen out of the spotlight. In 2012-3 Toronto was consumed by a fight over a downtown casino. During this time bingo businesses worked with the provincial regulator, municipalities, and charities to negotiate opening new gaming facilities. As one industry insider put it, with a smile, all the light was on casinos while “donkey bingo plods along and gets ahead” (male, Ontario).

Finally, we were interested in bingo because it is associated with charitable fundraising as much as, if not more than, commercial gambling in many places. As a result, it raises distinctive and pressing questions about law and policy within many jurisdictions.

Charitable gaming – in forms such as raffles, tombolas, lotteries, and bingos – is the most widely available form of legal gambling. As gambling researcher Sytze Kingma argues, gambling liberalisation is often reliant on the “charitable alibi” that the money raised will go to worthy causes (2008, 448).⁵ Others refer to the ‘halo’ around charitable gaming that can result in inadequate regulatory oversight⁶ (Christensen et al. 2009). The charitable rationale is of course key

for lotteries, often run by the state or a state-chosen monopoly provider. However in bingo charities, religious organisations, and non-profit groups have often themselves retained a key role in operating the gaming, making bingo a key example of the intersection between playful speculation and good works. The ‘vice’ of gambling meets the ‘virtue’ of local charity, mutual aid, and community head on in bingo, and regulatory priorities are consequently complex and contested.

What do we mean by regulation?

Bingo may be impacted by a range of laws, policies, recommendations, guidance documents, codes of practice, standards, and street-level enforcement mechanisms. Rule-making by lawmakers and courts, at various levels, is certainly crucial. But it exists alongside rule-making by sector experts in governmental agencies, and rule-making by non-government groups such as businesses and charities. Regulation is a convenient way of talking about these plural forms of legal and political power. One definition we have found helpful is provided by Bettina Lange, Fiona Haines, and Dania Thomas in their book on *Regulatory Transformations: Rethinking Economy-Society Interactions*: “both legal and non-legal processes for changing the behaviour of economic actors according to specific standards, backed up by institutions and mechanisms of enforcement.”⁷

Some academic researchers argue that prohibition should not really be considered a form of regulation, since the term implies a preference for less coercive mechanisms of shaping behavior. For example in her book on regulation of the British Railways, Bridget Hutter argues that “The very use of the word regulation signals a toleration of the activity subject to control. Regulation is not an attempt to eradicate risk, crucially it is an attempt to manage it.”⁸ Others argue that some states are increasingly relying on criminal law as a form of regulation, in arenas such as anti-social behaviour.⁹ In this report we include criminal law within our research on regulation.

5 Kingma, S. 2008. ‘The liberalization and (re) regulation of Dutch gambling markets: National consequences of the changing European context.’ *Regulation & Governance* 2(4): 448.

6 Christensen, R. et al. 2009. ‘Light and Dark Sides of Nonprofit Activities and the Rules to Manage Them: The Case of Charitable Bingo.’ *Administration and Society* 41 (2): 213–34.

7 p 7. (Hart, Oxford 2015).

Our key questions

The Bingo Project aimed to do two things: better understand how the game was regulated in different places, and relate that better understanding back to debates in law, politics, and political economy about gambling. Specifically the objectives were:

- 1 To provide the first systematic account of how bingo is regulated, with the aim of identifying the key legal and policy challenges involved in regulating bingo as experienced by a variety of stakeholders, and making recommendations to policymakers, the gambling industry, third sector stakeholders, and academics. Key questions included:
 - 1.1 How, and to what end, is bingo regulated in each jurisdiction? What is the role of charity, criminal, and commercial law? Where is enforcement power located, in law and practice?
 - 1.2 Are laws governing bingo being relaxed as part of trends towards global gambling liberalisation, or is the game being subjected to increasing regulation? Is play being standardised, converging towards a global norm?
 - 1.3 Which rules are most important to various stakeholders, and why? Which are ignored, and why? Whose priorities appear to be reflected in new legislation and case law?
 - 1.4 What are the key regulatory challenges and disputes about? How do various actors understand those challenges, and seek to resolve them?
 - 1.5 How, if at all, are responsible gambling concerns evident in relation to bingo regulation?
 - 1.6 What similarities and differences emerge between and within cases, regarding the regulatory principles; the key stakeholders; the challenges; etc, and what do these add to current knowledge?
- 2 To make a contribution to academic research in law and political economy by advancing knowledge of a neglected site in global gambling liberalisation debates. In particular, we aimed to explore how the governance of risk and speculation are gendered, and related to concerns about charity. Key questions included:
 - 2.1 How, and to what extent, does it matter to regulators that bingo is part of a gendered gambling culture? Does the female-dominated nature of the game affect its regulation?
 - 2.2 Which charities and community projects is bingo money used to fund? What relationship do those projects have to bingo players?
 - 2.3 What strategies, if any, are being undertaken by policymakers to support bingo, and how do these strategies position the players? Is the current demographic breakdown of the players perceived to be an obstacle to the development of the industry, an advantage, or something else?
 - 2.4 What does the regulation of bingo in different contexts tell us about how governments perceive the role of profit-making within broader community welfare projects?

Our case studies

To answer these questions we undertook four in-depth case studies of bingo regulation, each the subject of a chapter in this report.

- 1 **Brazil:** Until 1993, bingo was included within Brazil's 50 year old prohibition against non-state suppliers of popular gambling experiences and products. In 1993 the federal government exempted bingo from prohibition, to provide an income-generating opportunity for sports organisations. However the new Brazilian bingo industry and its regulators were repeatedly ensnared in corruption, organised crime, and money laundering scandals. Just seven years after opening the licensed bingo market the federal government attempted to close it. By 2007 prohibition had been, in effect, reinstated as Brazil's regulatory instrument for governing bingo, and the game had been driven largely underground. Our case study aims to learn the lessons from that period. It tries understand why bingo – a game

that in Brazil (as elsewhere) evokes family holidays, charitable fundraising and older women's sociality – acquired such menacing connotations during its brief period of commercialisation, and to identify whether and how trust can be re-built.

- 2 **Canada** (Ontario and British Columbia, land-based). In many parts of Canada bingo is a source of fundraising for charities, service clubs, and religious institutions, with games run by volunteers (sometimes in partnership with private gaming service providers). More recently provinces have begun to operate bingos, sometimes leading to disputes with charities over bingo revenues. The right to autonomously operate and regulate bingo has also been an important legal issue in some First Nations communities. In Canada and the USA attempts by First Nations/Native American groups to operate and regulate bingo have a long connection with struggles for control over economic development and cultural life on reservation territories. Although many researchers have explored 'tribal gaming' debates, they typically do so from the perspective of casinos rather than bingo.¹⁰

We chose Ontario and BC as sites for in-depth exploration of these dynamics because they are both crucial provinces in the history of bingo in Canada. Ontario is the biggest market, and BC was the site for lengthy legal struggles around charitable and provincial involvement in bingo in the 1990s and 2000s. Kate had previously done small scale pilot studies looking at bingo regulation in Alberta, and Ontario.

- 3 **England and Wales** (land-based). In England and Wales bingo occurs in range of venues, from commercially-run bingo halls, holiday parks, and amusement arcades, to non-commercial members' clubs and miners' welfare institutes and churches. Operators have been grappling with declining attendance, especially since the smoking ban in 2007. Resulting innovations in where, and how, the game can be played have prompted interesting regulatory debates about what defines bingo. We chose four regions for in-depth exploration of these dynamics: South Wales, North East England (Newcastle and around); the seaside North West of England (Blackpool and around); and Greater London. Kate had previously done a pilot project looking at bingo regulation in seaside towns in Kent.

8 *Regulation and Risk: Occupational Health and Safety on the Railways*. (Oxford University Press, Oxford 2001, p 4).

9 See for example Adam Crawford. 2009. Governing Through Anti-Social Behaviour: Regulatory Challenges to Criminal Justice. *British Journal of Criminology*. 49 (6): 810-831.

10 See for example Belanger, Y. (ed.). 2011. *First Nations Gaming in Canada*. Winnipeg: University of Manitoba Press.

THE BINGO PROJECT: AN INTRODUCTION TO RETHINKING WHAT COUNTS

Why only England and Wales?

A case study of UK bingo regulation would be, in our view, unwise, because Northern Ireland's gambling law is very distinct from the rest of the country and needs in-depth exploration in its own right. In Scotland, local level licensing procedures for gambling premises are different to those in England and Wales. Since local licensing was a key aspect of our research we wished to hold that element of this case study steady to allow for valid comparisons between regions that are covered by the same rules and procedures. However some commercial bingo operators that we interviewed in England and Wales also operate in Scotland. We also reviewed Scottish cases in our analysis of case law on bingo. As a result we hope that the research has some applicability there.

4 On-line bingo in the European Union (EU)

Online bingo is not equally popular across all of the EU's 28 Member States, but in some – such as the UK, Spain, Italy, Denmark, Portugal and Sweden – it is a significant sector. In such places, EU-level and national-level laws on gambling interact. The European Commission decided in 1992 that it would not seek to submit formal proposals for harmonised gambling rules, leaving EU Member States with considerable discretion over regulating online gambling. However many pieces of EU legislation impact on online gambling. These include measures to regulate misleading and aggressive marketing practices, money laundering, online dispute resolution, the fairness of consumer contracts, and data protection. Furthermore, the Court of Justice of the European Union has held that the provision of online gambling services falls within the scope of EU rules relating to the free movement of services and the freedom of establishment. Previous research and policy debates have largely explored the impact of EU law in relation to sports betting, slot machines, casino games or online gambling in general.¹¹ While lotteries operated by states,

state-approved monopoly providers, or charities have also been examined in the light of EU and national level regulation, again bingo has largely been kept out of the research and policy spotlight.¹²

These four case studies were selected to give us a good overview of the diverse ways in which bingo is played (online versus land-based; in commercial halls versus in charitable facilities), and of legal approaches (criminal prohibition, licensing as charitable activity; licensing as commercial activity; etc).

A key priority of the project was to explore the diverse laws, policies, and practices that govern bingo. Hence we explored 'high' politics and law, as expressed in legislation, official records of political debate, and recorded court cases. We also collected and analysed codes of practice, annual reports from regulators, and high-level national reports in which bingo was examined. If relevant we explored lower-level political debate and regulations, such as those crafted by municipal governments, along with licensing guidelines, inspections check lists, and compliance forms.



A bingo acquaintance met during fieldwork in Canada, 2015.

THE 10 COMMANDMENTS OF BINGO

- 1 Thou shall not sit in thy neighbours lucky seat.
- 2 Thou shall not stare at thy neighbours card.
- 3 Thou shall not take the Callers name in vain.
- 4 Thou shall not call false "Bingo".
- 5 Thou shall not wish bad luck on thy neighbour.
- 6 **Thou shall not harass or threaten to kill 'the "Caller"'**.
- 7 Thou shall not steal thy husband's money for Bingo.
- 8 Thou shall not brag about how much thou hast won.
- 9 Thou shall not whine about how much thou hast lost.
- 10 Thou shall not covet thy neighbours winnings.

A list of 'bingo commandments' on a pinboard at a community centre for elderly people in British Columbia, Canada, positioned next to the official 'rules of play' that are required to be displayed by provincial regulations.

11 See eg D. Doukas and J Anderson. 2014. 'Commercial Gambling without Frontiers: When the ECJ Throws, the Dice is Loaded' 27 Yearbook of European law (2008) 237-276; S. Planzer. 2014. *Empirical views on European Gambling Law and Addiction* (Springer)

12 See eg S. Kingma and T. van Lier. 2006. *The Leeway of lotteries in the European Union: A Pilot Study on the Liberalisation of Gambling Markets in the EU* (Dutch University Press).

Because our research was interested in the rules 'on the ground' as well as those 'on the books', we also sought to understand how different groups of people experienced the regulations. Hence in each case study we conducted semi-structured interviews with representatives from key groups involved in debates about bingo regulation. The interviews were anonymous and confidential. In total we conducted 217 such interviews, with 255 respondents.

Finally, in the three case studies where bingo can currently be lawfully played we participated in games in order to learn more about how rules and regulations were applied in practice, and to talk informally with staff and players. *We funded this ourselves: at no point was any ESRC money used for gambling.*

More information on our research methods, the data we collected, and our approach to analysis is contained in appendix 1.

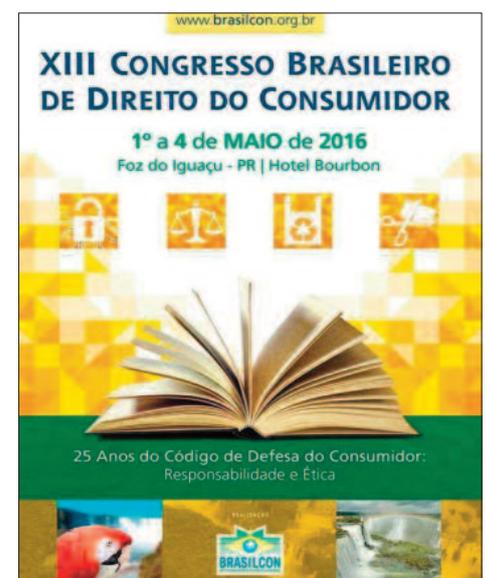
Our findings and this report

We are using many outlets to share our research findings, including our website (www.kent.ac.uk/thebingoproject/), our twitter feed (@bingo_project), our presentations at conferences, our academic and non-academic publications, and our involvement in initiatives that seek to draw together different stakeholders in bingo. For example in October 2015 we hosted a public debate on the key challenges and future directions in bingo regulation in England and Wales, involving representatives from the national gambling regulator, local government, the Working Men's Club and Institute Union, commercial bingo operators, and academic researchers. In May 2016 the Brazil research team gave presentations on their findings to a conference of Brazilian consumer law experts, and to the 2nd Brazilian Gaming Congress attended by gambling industry specialists from around the world. They presented three papers, including "Bingos no Brasil: fardo ou legado? Reflexões críticas e contribuições para a regulação dos jogos na atualidade" (Bingos in Brazil: burden or legacy? Critical reflections and contributions to the regulation of contemporary gaming"), and "Responsible Gambling in Brazil: Lessons from the Bingo project".

This report is a key part of our on-going work to share our results with gambling experts who are not academics. It is intended both for those who have an interest in bingo already and want to know more about its regulation in different places, and those who work in related gambling fields and want to know what our research on bingo can add to their existing perspectives. It is focused more explicitly on the first objective (the systematic account of how bingo is regulated) than the second (the re-framing of academic debates about the governance of risk and speculation). However in the chapters summarising the four case studies we have selected some 'key themes' that, we hope, show what can be learned more broadly from bingo. These cover topics such as the impact of prohibition on players and operators; the shift over time in political attitudes to bingo; the regulation of game definition; the use of proceeds by charitable bingo providers; and the social nature of online bingo play. Each case study chapter also contains substantive recommendations, drawn from the research, for those involved in bingo regulation. These range from a set of recommendations about legalising bingo in Brazil, to a suggestion that the focus of European Union level discussions on consumer



Professor Toni Williams, presenting the Bingo Project's Findings to Brazilian consumer law specialists.



THE BINGO PROJECT: AN INTRODUCTION TO RETHINKING WHAT COUNTS

protection in online gambling be expanded beyond problem gambling, underage gambling, and responsible gambling to also encompass the regulation of substantive fairness.

In each case study chapter we have also included a table of the most important legal cases on bingo. These are not intended to give technical legal summaries of the cases for use by lawyers. Rather they aim to explain the basic background of the issue, and the decision, in terms that a non-lawyer interested in bingo, or gambling in general, can understand. In each chapter we selected the cases that were key to the development of bingo in that jurisdiction, and that illuminate some of the core themes in our report. They shed light on how courts in different places have handled disputes over which level of government has authority over bingo; how bingo proceeds should be used; how the game's boundaries should be defined; and how far licensing discretion should extend.

In the concluding chapter we develop some overarching lessons, using our research from across the four case studies. In particular, we highlight the following key points.

- 1 The value of expanding the concept of 'responsible gambling' to better reflect fairness for players and workers.
- 2 The need for context-specific consideration of whether non-commercial actors should be privileged as bingo operators by regulators, taking into account how such actors use proceeds, how they are connected to players as donors, and how they mobilise volunteers.
- 3 The need for rules that reflect the distinctiveness of bingo as a game, and a playing environment.
- 4 A potential role for gambling regulators in supporting and preserving everyday, vernacular forms of play like bingo.
- 5 The need to better support international collaborations across local governments that license low-level forms of gambling such as bingos.
- 6 The uneven effects of the female-dominated nature of bingo on its regulation.

Acknowledgments

The Bingo Project was a collaborative initiative, involving a team of researchers: Kate Bedford (Principal Investigator), Oscar Alvarez-Macotela, Donal Casey, Maria Luiza Kurban Jobim, and Toni Williams. You can find out more about us and our research interests at the end of this report.

We would like to thank the ESRC for funding the research, and Kent Law School for facilitating our fieldwork and writing up time. In particular, Sarah Slowe, Sarah Gilkes, and Cathy Norman (the research administration team), Mark Dean (IT specialist), Andrea Shieber (communications specialist), and Jill Holiday (the school's administration manager) supported us with unfailing good humour. Our project was a challenge in terms of technology and administrative arrangements. They kept us on the road, and in front of functioning software, so that we could do our work.

Linda Pitt has been transcribing our English-language interviews on bingo since the first pilot project in 2010. She has overcome every auditory hurdle she has so far encountered, including those caused by our habit of recording during live bingo games. Joao Araujo Monteiro Neto transcribed our Brazilian interviews, and did an excellent job of translating our website into Portuguese.

The Project also benefited greatly from the support of an international advisory group of experts. Chaired by Professor Gerda Reith (a gambling researcher based in Glasgow), this included experts drawn from the commercial bingo industry, government, legal practice, and academic life. All of our 16 members served voluntarily, and some had to take holiday from their paid work to attend our meetings. Some also had to travel considerable distances. We have relied on them especially extensively for guidance on data collection, and for feedback on research plans and preliminary findings. We could not have completed the project without their help, and we thank them sincerely for their generous support over the last three years. You can find out more the members of the advisory group at the end of this report.

Finally, we wish to thank the people who agreed to speak with us and share their insights into bingo. In the course of our travels we have met hundreds of people involved in the sector in various ways. They generously shared their time and perspectives, and in doing so they helped us make the case that bingo was worth taking seriously in terms of research. The analysis and recommendations we provide in this report are ours, but we have striven to include as many of their voices as we were able. Indeed they are the reason why this report is 80 pages (rather than 50 as was planned four years ago when we submitted our research grant). Luckily for us, people had a lot to say about bingo regulation!

Kate, Oscar, Donal, Luiza, and Toni.



Kate Bedford (Bingo Project), Miles Baron (Bingo Association), and Gerda Reith (University of Glasgow), presenting at the Public Debate on Bingo, October 2015.

CHAPTER 1: THE REGULATION OF BINGO IN BRAZIL

Overview of the case

Until 1993, bingo was included within Brazil's 50-year-old prohibition against non-state suppliers of popular gambling experiences and products. Prohibition had been established during the 1940s under two Criminal Contravention Acts that consolidated piecemeal bans on specific games into a default rule of illegality for all forms of gambling that were not specifically exempted. This stance was in part justified by lawmakers as being in accordance with widespread anti-gambling values in the international arena. Bingo was played on a small scale by religious organisations for fundraising purposes in some parts of Brazil, but these activities – although widely tolerated – do not appear to have been subjected to formal state oversight.

However, in 1993 Brazil exempted bingo from prohibition. The federal government created the exemption to raise funds for the democratisation of sports, an obligation that the Brazilian state had assumed under the 1988 post-dictatorship constitution. The legalisation of bingo was intended to provide an income-generating opportunity for sports organisations. Lacking the required expertise and investment capacity, however, such organisations partnered with commercial operators. Large and profitable bingo halls were established in many cities, particularly in Brazil's prosperous South and South East regions. Bingo businesses grew rapidly, creating lots of jobs and generating sustained revenue streams for municipal, state, and federal governments. But the Brazilian bingo industry and its regulators also were repeatedly ensnared in corruption, organised crime, and money laundering scandals. Just seven years after opening the licensed bingo market the federal government attempted to close it. Closure was resisted through political processes, legal actions and defiance – unlicensed bingo is played illegally to this day – but by 2007 prohibition had been, in effect, reinstated as Brazil's regulatory instrument for governing bingo, and the game had been driven largely underground.

It is important to learn the lessons from that failure, to understand why bingo – a game that in Brazil (as elsewhere) evokes family holidays, charitable fundraising and older women's sociality – acquired such menacing connotations during its brief period of commercialisation.

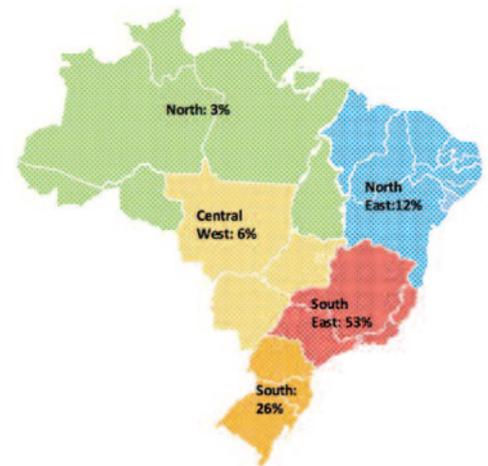
To understand the rise and fall of licensed bingo in Brazil this case study examined the regulatory systems, processes and requirements established to govern the game. We also interviewed 24 key informants with relevant experience of the game and its regulation. We did not directly observe or participate in any games because bingo halls were unlawful at the time of the study. However, we sought to access the experience of bingo play as reported by key informants and through media accounts and contemporaneous reports.

Scale, distribution, and demographics of play

Licensed bingo businesses were established in every one of Brazil's 27 states during the legalisation era but their distribution across the country was highly uneven. Half (468) of the 924 bingo businesses known to the federal licensing authority, the Caixa Econômica Federal (CAIXA) in the early 2000s were located in São Paulo, Brazil's most populous and richest state, and another 15 percent (140 businesses) were located in Rio Grande do Sul, Brazil's fourth richest state. No other state hosted more than 7 percent of the total licensed businesses, and seven states clustered in the North (Brazil's poorest region) together hosted only 2 percent of all licensed bingo businesses.¹

A more comprehensive survey, conducted by the Parliamentary Commission of Inquiry on Bingos in 2005 (after the ostensible closure of the market), identified 1547 operating bingos and confirmed the pattern of uneven development. Just 3 percent of bingo businesses were located in the North while the rich South and South East regions together hosted 80 percent of the sector. Rio Grande do Sul's 224 businesses gave it the same 15 percent market share in this larger sample as in the CAIXA data. São Paulo state, by contrast, was less dominant in this study, with its 595 bingos amounting to about 40 percent of the total number. This difference reflects the extent to which the later study found a higher proportion of bingo businesses in other states in the South and South East.

Figure 1: Regional distribution of bingos in Brazil, 2005.



Source: data reported in the CPI dos Bingos 2006, p.112-3.

¹ Comissão Parlamentar de Inquérito (CPI dos Bingos), created according to Requerimento 245/2004, Senado Federal, 2006, Relatório Final, Brasília, DF, available at: www.senado.gov.br/comissoes/CPI/Bingos/RelFinalBingos.pdf

CHAPTER 1: THE REGULATION OF BINGO IN BRAZIL

Generally, licensed bingo halls were large, well-staffed establishments, with the capacity to seat hundreds of players. Many offered electronic games as well as card-based play. One player recalled “a huge bingo on two floors. It gave us dinner, afternoon coffee... everything. ... One floor was only slot machines, another floor was only card bingo” (Female, Player, Rio Grande do Sul). Some 15 percent of Brazilians played the game, about a quarter of the number who play the lottery (CPI dos Bingos 2006, p.121). Players were an eclectic, albeit class-stratified, population, according to the CPI dos Bingos. Their experience of the play would to a significant extent depend on their class, gender and age:

Bingo customers vary according to the location, size and the types of play offered. Seniors are faithful customers of these establishments. However, this was more obvious at card-based bingos. The majority of those playing electronic bingo are aged between 30 and 50 years old. Card and electronic bingos also attract different clienteles with men more frequently opting for electronic machines and women for card-based games. (CPI dos Bingos 2006, p.121)

Although the game is no longer licensed, bingo is still played in Brazil. Portuguese language websites hosted outside the country target Brazilians for online play; sporadic land-based bingo games are held to raise money for charitable purposes; and according to the Instituto Jogo Legal, an industry think-tank, some 463 criminal actions were taken against clandestine establishments and players in 2013.



Sign advertising a church bingo on the highway linking Porto Alegre, the capital of Rio Grande do Sul, to the coast, 11/04/2016. Taken by Maria Luiza Kurban Jobim.

Current regulation of bingo in Brazil

Bingo was exempted from Brazil's criminal prohibition against gambling under Article 57 of Lei “Zico” (Lei nº 8.672/93) – a law named after a popular former footballer who subsequently became the federal government's minister for sports. Lei Zico was primarily concerned with the democratisation and financing of sport, not with gambling.

The rationale for legalisation

Art. 57: Sports clubs and Olympic sports federations able to demonstrate active participation in Olympic sports may be authorised by the Treasuries of their respective states to hold events intended to raise money for sports development by means of sweepstakes called Bingo, or similar.

[Lei Zico] creates conditions for the beginning of a new era of sport, with an enhanced role for the private sector and the reduction of state interference in sporting activities ... with the goal of implementing a sporting democracy. (Dossiê Lei Zico, p.260).

[Lei Zico aims to] (a) expel from sporting legislation any authoritarian philosophy, which is disciplinary, controlling, centralised, restrictive, elitist and protective of personal and group interests; ... and (c) enact, in the sports field, the predominance of a ‘destatisation’ philosophy ... eliminating state interference in the internal business of sport clubs (Dossiê Lei Zico, p.392)

Substantive rules on bingo governance and regulation, first enacted in November 1993, defined bingo as a lottery played as a 90 number game, and set out detailed accreditation requirements for marketing and supplying the game (Decreto nº 2.573/98 Art.74). These rules covered the minimum occupancy standards for bingo halls, accreditation of sports bodies to enter the bingo market, renewable licensing of permanent bingo businesses as well as event-based authorisation of occasional bingos, returns to players and remittance of revenue from entry fees for sports development and to finance the regulator, reporting and accountability requirements, and extensive certification of equipment, premises, the licensee's financial standing, and security and labour and consumer practices. Municipalities were authorised to tax bingo businesses as local services and the federal government drew revenues from business

and employee taxes. However the Decreto made no provision to finance the states that, until 1998, formally had primary responsibility to regulate bingo. Those states that did regulate bingo had the capacity to levy taxes for regulatory services. The result was variation across the country in the funding of regulators as well as in their regulatory practices.

We can differentiate between states where there were state lotteries and the others. The state lotteries embraced the cause of bingo. They had the attitude, so here's the bingo game, we'll take care of anything about the game, we're going to regulate the game here.... In Rio Grande do Sul the 'bingueiros' were happy. There it was the LOTERGS [the lottery of the State of Rio Grande do Sul], that would take care [of regulation], while here in São Paulo the LOTESP [lottery of the state of São Paulo] just existed on paper drawn up by the Secretary of the Treasury... It never worked... Here in São Paulo the state put two retired ladies in charge of regulation without an adequate regulatory infrastructure. They would receive applications for authorisation and process them by the deadline but they would never monitor them as required by the law. Entrepreneurs soon realised that what they did would not be monitored and that's what started the fragile relationship between bingos and the public authorities.” (Male, former bingo owner, São Paulo emphasis added).

Brazil experimented with different systems for allocating regulatory licensing and supervisory powers during the legal bingo era. However, it never settled on a model that could maintain public confidence in the resilience of the bingo market against corruption and criminality. Initially regulatory authority over bingo businesses, including licensing authority, was dispersed to State Treasury departments, except in the state of Rio de Janeiro which gave the responsibility to its well-established state lottery agency (LOTERRJ). In 1998, in the wake of corruption scandals in five states with significant commercial bingo markets, the federal government enacted Lei Pelé (Lei nº 9.615/98), which transferred regulatory authority, including licensing, to a federal organisation, the Instituto Nacional do Desenvolvimento do Desporto (National Institute for the Development of Sports – INDESP). INDESP was a small agency that never developed the capacity to regulate the bingo industry effectively. It therefore contracted with larger states that had the most active bingo industries – 13 out of 27 states – to continue the regulatory arrangements that they had created under Lei Zico.

A third model gradually emerged after 2000, the year in which the federal government first tried closing the bingo market. It took this initiative in the wake of a corruption scandal involving its regulator, INDESP. Lei Maguito (Lei nº 9.981/2000) withdrew INDESP's authority to grant new bingo licences, put existing bingo halls on notice that their annual licences would not be renewed upon expiry, and transferred responsibility for licensing, supervision and compliance (until the licences expired) from INDESP to the CAIXA, which ran the successful federal lotteries. This attempted closure of the market was contested at the state level through measures to maintain state authority over the bingo market. Some state courts were willing to issue judicial orders extending expired bingo authorisations.²

Another attempt to close the market in 2004 (Medida Provisória nº 168/2004), this time through a Presidential decree issued in the wake of a major corruption scandal centred on campaign financing payments to the governing Partido dos Trabalhadores (PT), also failed. Courts in some states, notably São Paulo and Rio Grande do Sul, continued well-established practices of issuing discretionary injunctions to extend bingo authorisations³. There was little consistency in the exercise of this judicial power, however, so it was difficult for business owners, players, regulators and enforcement authorities to understand what was legally and constitutionally acceptable. Moreover, the lucrative nature of the businesses affected and the substantial losses occasioned by closure aroused suspicion that courts – as well as political processes and the executive – were being corrupted to secure the continuation of the bingo industry.

There were judges who allowed Bingo Halls to operate normally....And there was speculation that these injunctions would cost R\$1 million, 2 millions, 5 millions. ...[T]he ones who got these decisions felt like they had won the lottery. When these suspicious about “judicial decisions’ for sale” were strengthened by Operation Hurricane, the Supreme Court had to act in order to bring judicial uniformity. (Male, politician, Rio Grande do Sul)

A conjuncture of three key events during 2006-7 finally brought about closure of Brazil's formal bingo market:

- A special investigation by the Federal Police and Prosecution Services (Operation Hurricane) confirmed corrupt practices in some courts that had been extending bingo licences through judicial order, undermining public confidence in the integrity of courts.
- Brazil's Constitutional Supreme Court affirmed the federal government's exclusive control over gambling regulation.⁴ This ruling established that Brazil's state governments lacked the competence or power to enact legislation to permit bingo businesses to operate.
- A Parliamentary Commission of Inquiry (the CPI dos Bingos) reported that businesses representing the interests of organised crime – both domestic and international – had captured much of the Brazilian bingo market. The report found that criminals were using bingo halls to launder money and that proceeds were diverted to corrupt government officials, from federal to municipal levels (CPI dos Bingos, pp. 12, 134, 122-149).

Despite finding that the enabling regulation enacted during the 1990s had not adequately protected legitimate bingo businesses and Brazilian public administration against the activities of criminal organisations, the Inquiry recommended re-opening the bingo market with stronger and more effective regulation. Several legalisation bills have been proposed since 2007, and in 2015 two Special Parliamentary Commissions were created to work on reform. However, no measures have as yet come through the legislative process successfully.

Organised crime and corruption in Brazilian bingo: Findings from the Parliamentary Commission of Inquiry (2006)

Organised crime and gambling are “conjoined twins”. There is strong evidence worldwide that casinos and similar businesses mask the real, illegal business that actually control them.

Since the beginning of their activities in 1993, the bingo halls have rendered a disservice to the nation... [S]ome of these entities have been used to launder money coming from illegal activities.

As stakeholders bingo has – sometimes hidden – individuals notably related to crimes and misdemeanours, who sometimes represent the interests of an international organised mafia (CPI dos Bingos 2006 pp.7-8)

The weak regulatory structure governing bingo in Brazil allowed the sector to be exploited for other purposes. Proceeds were used to finance and corrupt election campaigns and to help launder money from crimes (CPI dos Bingos 2006, p.455).

2 Agravo de Instrumento Nº 70005784434, Primeira Câmara Especial Cível, Tribunal de Justiça do RS, Relator: Angelo Maraninchi Giannakos, Julgado em 28/04/2003.

3 Mandado de Segurança Nº 4730320000 Relator(a): Linneu Rodrigues de Carvalho S; Comarca: Poá; Órgão julgador: 7ª Câmara; Data do julgamento: 27/05/2004; Data de registro: 16/06/2004; Mandado de Segurança Nº 70005921507, Quarta Câmara Cível, Tribunal de Justiça do RS, Relator: Araken de Assis, Julgado em 28/05/2003)

4 See Supremo Tribunal Federal, Sumula Vinculante nº 2 DJe nº 31 de 06/06/2007, p. 1. DJ de 06/06/2007, p. 1. DOU de 06/06/2007, p. 1.

CHAPTER 1: THE REGULATION OF BINGO IN BRAZIL

Key themes

1 A lack of systematic attention to regulatory objectives, instruments, and processes contributed to the failure of Brazil's bingo market and damaged public confidence

"For more than 51% of the people, bingos are related to criminal practices such as money laundering, tax evasion, and increasing violence. To 43%, the bingo halls have no positive features." (CPI dos Bingos 2006, p.120)

Brazil's bingo exemption was a side effect of the democratisation of sports administration rather than the result of a carefully considered policy decision to open up a legal gambling market. This inauspicious beginning meant that the regulatory framework for the game lacked a robust articulation of objectives, instruments, and methods. One informant told us that the idea of legalising bingo in Brazil had stemmed from news of the UK bingo sector's sponsorship of elite sports, with little consideration of how it could be transplanted to the Brazilian context.

"A working group was established to evaluate how to bring resources to [sports development], and someone said we will do bingo because bingo was reputed to be strong sponsor of competitive sailing in England. The model was imported without consultation. No one had operated bingo or had any previous experience of this model in Brazil. It simply did not exist here. Then along came the legislator with Lei Zico and the model was approved." (Male, former bingo owner, São Paulo).

Nonetheless, a bingo industry developed swiftly and the game grew, particularly in Brazil's prosperous South and South East.

"Within four months, seven bingo halls began to work regularly in Porto Alegre center, there are another 10 applications for authorisation for establishments of this kind in the capital and many plans for the interior. "It became a craze," says Rildo Machado da Silva, Bingo Beach Street supervisor. "Competition is getting stronger." Zero Hora 12 November 1994.

By contrast the regulatory framework developed in a slow, piecemeal fashion. It relied from the outset on heroic, unrealistic assumptions about the ability of sports organisations to diversify into the provision of gambling services such as bingo, and about the capacity of new and inexperienced institutions to regulate the country's only formal market for non-state provision of mass-market gambling.

Three specific features of the regulatory regime combined to undermine public confidence in the licensed bingo market. First, the legalisation of bingo as the *only* mass-participation game provided by non-state actors made the game attractive to criminal organisations that owned and operated the country's popular illegal numbers game, the *jogo do bicho*. If markets for products such as casinos had been opened up at the same time then bingo may have been sheltered from the pressure to develop quasi-casino spaces and thus been less vulnerable to capture by *bicheiros*, the entrepreneurs of the *jogo do bicho* franchises.

"There was a problem once the *bicheiro* entered the bingo business to launder money. I am against bingo regulation without a serious oversight" (Male, former bingo owner, Rio Grande do Sul).

"We've always had clandestine casinos and when the bingos were legalised, many of these people from clandestine casinos migrated to bingo. (Male, former treatment provider, Rio Grande do Sul).

Secondly, the misdirected focus of the licensing standards contributed to a loss of public confidence in the licensed bingo market. The scale of the certification requirements tended to have the unintended and perverse effect of precluding entry into the market of the very providers that the regulation had been intended to promote, and which the public might have considered more resilient against the risk of capture by organised crime. Businesses were set up in large spaces to meet the equipment and minimum occupancy standards enshrined in the regulations. Such investment was beyond the capacity of the sports organisations that entered the bingo business to generate income for sports development. Those organisations that wished to take advantage of the opportunity opened up by Lei Zico therefore had to partner with commercial

operators willing to invest in bingo. In turn this demand for capital created significant new opportunities for owners of *jogo do bicho* franchises to diversify, to deploy their expertise in developing the bingo market and to launder proceeds from their other illicit businesses.

Likewise, suitability tests were applied as part of the accreditation process for sports organisations that fronted bingo businesses on the basis that they were ultimately responsible for the commercial investors and operators who ran the bingos. The purpose of the regulation may have been to ensure that persons responsible for bingos were honest and reputable. It is unclear, however, that the suitability certifications required, which focused on the identity of the licensee, its status as a registered business in the formal economy and good standing with various public authorities, provided useful information to regulators or players about a bingo provider's suitability, probity, integrity, or market conduct. Requirements that do not respond effectively to risks potentially undermine rather than strengthen public confidence because they suggest that the regulator is unable to carry out its basic responsibility of controlling entry to the market.

The system they approved was not a good fit for the plan because there were so many certification requirements ... I wanted to set up a bingo with Corinthians [a large São Paulo sports club known for its football team] but it is so big that no one could afford to obtain all of the required certificates and pay any outstanding tax liabilities. But I could pay for the certification and the unpaid taxes of [a small Brazilian sports federation] because it had just two or three employees and a president. So after I paid for the certificate and the back taxes I was able to develop a bingo on behalf of this small sports federation. And this is what happened all the time. Licences were obtained in partnership with small sports rather than the big sports clubs that the legislators had envisaged. (São Paulo, male, former bingo owner).

Thirdly, under-investment in effective regulatory structures contributed to lack of confidence in the system's capacity to keep the bingo market free of crime. This weakness is linked to the problems of multi-level regulation that bedevilled the era of lawful bingo. State and federal institutions competed with each other instead of working collaboratively to regulate the bingo market, and municipalities which had regulatory powers to approve bingo locations⁵ do not appear to have

⁵ Lei Pelé Decreto Regulamentador 2.574/98. In addition the state of Rio de Janeiro allowed the bingo regulator to authorise municipalities to offer bingos to raise revenues under Art. 14 of Decreto Estadual nº 25.723/1999.

CAIXA Certificado de Autorização 0004560

A CAIXA ECONÔMICA FEDERAL no uso de suas atribuições, tendo em vista o constante do Processo de Autorização nº 5438-00.084/2001, e considerando o disposto no Decreto nº 3659, de 14 / 11 / 2000, publicado no Diário Oficial da União de 16 de Novembro de 2000, resolve:

Conceder AUTORIZAÇÃO à **FEDERACAO GAUCHA DE TENIS DE MESA**

CNPJ nº 089.370.613/0001-24, situada RUA HUMBERTO DE CAMPOS, 1340-PARTENON-PORTO ALEGRE-RS

para fins de realização do **Bingo Permanente** no endereço AV. MAURICIO CARDOSO, 123-ERECHIM-RS

sendo a empresa **ADMINISTRADORA DE PROGNOSTICO ERECHIM LTDA** CNPJ nº 003.346.495/0001-01

com sede à AV. MAURICIO CARDOSO, 123-ERECHIM-RS, a promotora

encarregada da administração e promoção dos bingos.

BINGO LUZ

Nome de fantasia do Bingo: **BINGO LUZ**

Vigência: 20 07 2001 a 19 04 2002

Brasília, 20 de Julho de 2001

Gerente Nacional de Bingos: *Odorico Luiz dos Santos Neto*
Matrícula 789.809
Gerente Nacional de Bingos e Promoções Conexas

CÓDIGO DE AUTORIZAÇÃO
43.04.006401.1.02.2001

Este Certificado não autoriza a exploração de qualquer outra modalidade de jogo

Superintendente Nacional de Loterias: *MARCO ANTONIO COELHO*
Superintendente Nacional de Loterias

Image of an authorisation issued by the CAIXA authorising the Gaucha Table Tennis federation to run a bingo in collaboration with a private operator. Source: Apelação Cível Nº 70006541205, Quarta Câmara Cível, Tribunal de Justiça do RS, Relator: João Carlos Branco Cardoso, Julgado em 11/07/2007.



Bingo Imperatriz in São Paulo, taken from p.1250 of the CPI dos Bingos, 2006.



Bingo Pamplona in São Paulo, taken from pp.1254 of the CPI dos Bingos, 2006.

featured prominently in policy discussions – although we have found some cases on the exercise of these municipal powers.⁶ Tensions between federal and state level regulation came to a head at the end of the 1990s after INDESP, as the national regulator, issued orders claiming for itself the exclusive competence to regulate the lucrative electronic bingo market across the country including in states that already had made provision for state level regulation.⁷ INDESP was subsequently exposed as having been corrupted to support expansion of electronic gaming in bingo halls⁸. Most of its regulatory functions were then transferred to the CAIXA, the federal bank responsible for lotteries, which simply ignored the arrangements established in larger states for regulating bingo. In 2001 INDESP was completely closed down.⁹ The frequent changes in the location of regulatory authority between different

levels of government, and the variation across the country, made it difficult for people to know which agency was responsible for the bingo market.

“The [regulator] INDESP was a tiny organisation – 50 or 60 employees to take care of all bingos in Brazil. Of course it did not.” (Male, former Bingo owner, São Paulo).

These three factors – failure to consider the impact of partial legalisation in the light of Brazil's existing gambling environment; poorly designed standards that created perverse incentives; and under-investment in regulation – combined to reduce public confidence in the integrity of bingo operations and the capacity of Brazilian regulators to control the market.

6 eg Agravo de Instrumento Nº 70005784434, Primeira Câmara Especial Cível, Tribunal de Justiça do RS, Relator: Angelo Maraninchi Giannakos, Julgado em 28/04/2003; Agravo de Instrumento Nº 70006051601, Vigésima Primeira Câmara Cível, Tribunal de Justiça do RS, Relator: Genaro José Baroni Borges, Julgado em 03/09/2003; Agravo de Instrumento Nº 70006521009, Quarta Câmara Cível, Tribunal de Justiça do RS, Relator: Wellington Pacheco Barros, Julgado em 08/10/2003.

7 Portaria INDESP n. 104/98; Portaria INDESP n. 23/99.

8 Boudens, E. 2000. Bingo: usos e abusos. Consultoria Legislativa. Câmara dos Deputados. Centro de Documentação e Informação. Coordenação de Publicações. Brasília.

9 Medida Provisória n. 2216-37/2001

CHAPTER 1: THE REGULATION OF BINGO IN BRAZIL

2 Changing bingo environments in Brazil: From diversity to clandestine, decapitalised uniformity

Licensed bingos were diverse. Some bingo businesses targeted the mass market, charging low prices, outfitting their interiors simply, and opening in locations such as shopping malls that were already heavily used by the public.

“Central Bingo with its plastic tables and chairs and reusable cards mostly attracts the lower and middle classes... the public who really understands bingo” (female bingo manager quoted in Zero Hora November 12, 1998, p.5).

“Our clients are ordinary people”, said the owner of the Royal Bingo, which recently opened with its plain fittings and the lowest prices in the city. (Zero Hora November 12, 1998 p.5).

Other bingo businesses targeted affluent men as their customers, marketing bingo as a sophisticated leisure option and the bingo hall as a conducive environment for both relaxation and business networking. These places benefited from considerable investments in playing environments that conveyed opulence, glamour, luxury and excess.

“Bingo X was famous for being one of the most luxurious places in the city ... the first time I went it was a beautiful place with lovely chairs and tables made of marble.” (Male, Public Official, Rio Grande do Sul)

“There are some very sumptuous establishments, such as the Emperor and Empress Bingos, located in the city of São Paulo. The magnificence of these bingos is evident from the outside. Their luxurious interiors are designed to impress”. (CPI dos Bingos p.116).

“A little over a year ago, the image of a bingo hall used to be a common room with long tables, dining chairs, straw and underpaid workers trying to have fun or earn some money without spending a lot. Today a bingo is a carpeted environment filled with mirrors, full of electronic equipment and waiters in ties serving imported whisky. ...The old bingo has become a chic leisure option.” (Zero Hora 1998).

“We bring together people representing 90% of the Gaúcho [Rio Grande do Sul] GDP.” (Male, Director of a large bingo in Porto Alegre, Rio Grande do Sul, quoted in Zero Hora November 12, 1998).

In particular, some bingo businesses invested heavily in the creation of casino-like environments to attract players, where electronic bingo

machines and slot machines were central. Many blame the problems associated with the bingo industry on the spread of machines.

Slot machines in bingo halls: Some views from interviewees

“Typical players were the archetypal middle aged couple who didn’t want to do anything wrong. After legalisation of bingo they began to play the little machines.” (Male, former problem treatment provider, Rio Grande do Sul)

“What I like most is the slot machine, but when bingo started in Porto Alegre there were no slot machines. I started with card bingo, then they brought in the slot machines based on the bingo cards. When they legalised they started slowly bringing the slot machines into the bingo halls. Then they started to make lots of money with slot machines and began to expand, began to make rooms only for slot machines and to expand the space for them.” (Female, player, Rio Grande do Sul)

“Slot machines are very harmful. Card-based bingo I think is social. If the person is with others it is not harmful. But the slot machine, it is individual, it individualises you, and, it’s you against the machine, and you want to challenge it... You know the hours pass quickly. It’s all hallucinogen, those numbers, those challenges. My husband had no idea about the extent of my compulsion. Then he started watching me. He would call at a certain time and ask what are you doing? I would tell him I am in the store. It was such a lie... I was at bingo.” (Female, service provider and former player, Rio Grande do Sul).

“I was always against the slot-machine, why? Because I think the slot-machine will destroy bingos” (Male, Former bingo owner, Rio Grande do Sul.)

“In bingo halls in São Paulo, electronic gaming machines represent 80% of the profit from gambling houses, sometimes reaching 90%, which detracts somewhat from the idea that these places should be considered bingos and makes them seem more like casinos” (CPI dos Bingos, p.115).

“Bingo is the gateway to the casino” (Male, Mayor of a city in Rio Grande do Sul, quoted in Zero Hora, 12 November 1994)

Some bingo halls catered to a range of players, using time as the basis for dividing up the use of space. One former São Paulo bingo owner told us that he had organised his business to attract elderly people looking to socialise with friends during the daytime, and local workers wanting to avoid the city’s notorious traffic congestion in the early evening. Later at night the bingo catered to business people or couples looking to extend their evening after dinner. Finally, during the early hours of the morning he targeted night workers such as security guards, and restaurant and bar managers who needed time to chill out after their shifts.

Since the end of the legalisation period it is the smaller, less glamorous, and less visible spaces that have survived as clandestine bingos. In particular, our research shows that impoverishment of the bingo hall environment, through confiscation of fixtures and fittings, has been used as a deliberate law enforcement strategy.

“At one point we had about ten illegal bingo halls that were working simultaneously in Porto Alegre. So I went there and closed them and the next day they were open again. I tried as a strategy to seek to “de-capitalise” these offenders, seizing all the material that would include all the furniture, ie tables, chairs, everything that they used to operate the bingo. We sometimes took 300 or 400 chairs, armchairs, tables. Even doing this, some bingos were still very fast to reopen the establishment, which shows that they really had a lot of capital to finance the reopening of these locations.” (Male, Public Prosecutor, Rio Grande do Sul).

Confiscation of the fittings of an illegal bingo hall did not necessarily prevent the business from reopening, outfitted with replacement furniture, but over time even a well-capitalised business might have difficulty repeatedly raising the funds required to refit a well-appointed bingo hall to its former standards. A public prosecutor illustrated this point with the example of a once luxurious bingo facility in Porto Alegre, which:

...[s]uffered a series of raids from both the public prosecutor and the Police that aimed at de-capitalising the business. So in subsequent re-openings the comfortable armchairs were replaced with plastic chairs, the granite tables were replaced with folding tables and the large screen was never restored.” (Male, Public Prosecutor, Rio Grande do Sul)

A new form of clandestine operation has developed since closure of the market: the pop-up bingo. This is set up with very little investment and can be taken down quickly in the event of a police raid. An industry expert described a typical scenario as one in which:

“a Bingo manager who worked ten years in that place turns to his boss and says ‘sell me this structure.’ He then mounts a clandestine Bingo as an itinerant bingo. He sets up in a shed here today, tomorrow he moves it, two weeks later he changes the Bingo somewhere else again, and then the police will be there and close the business. He moves, two weeks later he’s in a different place. We have come to the conclusion by analysing data from newspaper reports and conversations with players that Brazil has on average between 200 and 250 clandestine Bingos” (Male, Industry expert, Rio de Janeiro).

Clandestine bingos indicate that there remains considerable interest in play, but these places may expose both players and staff to risks of violence and prosecution.¹⁰ While Brazilian law extends some protection to consumers by refusing to uphold the debts incurred by a “pathological” player on grounds of her vulnerability¹¹, the hidden nature of clandestine bingo limits players’ access to the extensive rights and powerful remedies of Brazil’s Consumer Protection Code.¹²

“I’ve had the police come several times [while playing at a clandestine bingo]. They wave a gun, ask you to raise your hand. They open your bag, examine you, take things, money, if there’s enough money in the bag they take it thinking it’s from the bingo.” (Female, bingo player, Rio Grande do Sul)

3 A continuing concern with pathology and addiction

Although some treatment providers who spoke to us still treat gambling addictions on a small scale, gambling addiction did not feature heavily in our interviews as a significant current problem in Brazil. This is unsurprising given the lack of widespread legal gambling opportunities (other than lotteries). However, fears about pathological gambling cropped up frequently, with some respondents drawing on experience of the bingo legalisation era.

“At first the game had more men than women. As the availability of bingo and video-bingo increased so too did the ratio of women to men. So in the beginning it was 3 to 1 and then it became 2 men to 1 woman. It depends on the type of game, too, so you can’t really talk about gambling in general... The lottery is very different from bingo, which is different from betting, which is different from poker, video poker. What the studies show is that these little games are far more serious than the others, because they are more addictive, because it is so much faster. You play there in the machine, you lose track of time and space quickly then, it’s like the comparison between cocaine and crack.” (Male, problem gambling researcher, São Paulo)

Some regarded bingo as a ‘gateway’ to harder and more intensive forms of play and suggested that the transition could happen very smoothly, despite the difference between the highly social nature of traditional bingo and the more individualised play on the machines.

“The typical profile of our patients at the time that the Bingos operated more openly was a person, it could be a man or a woman, around 47 years old and the problem started like this: he began to enter the Bingo playing one or two cards games for a while, then when he got bored he went over to the computer.” (Male, Researcher and treatment provider, São Paulo)

Another key concern was that the slot machines found in many bingo halls during the legalisation era were designed to stimulate repetitive play. This respondent, for example, identified elements of machine gaming, including its isolation, display designs and the positioning of the slot receptacles for tokens or coins, as contributing to compulsive play.

The slot machine is the most harmful. I consider the slot very harmful. They put the coin slot up here at the level of your eyes, if they put it down there at the level of your pocket, you will think about it, because if you take your money out of your pocket you will think. But it’s up here instead. (So) you’re putting coins in, you’re putting coins in, you’re happy. The hours pass quickly, it’s hallucinogenic, all those numbers, those challenges. (Female, service provider and former player, Rio Grande do Sul).

Such concerns about pathology, compulsiveness, and over-consumption of gambling services, especially in machine form, are not unique to Brazil. They are central to debates about gambling policy across the world. However, the persistence of these concerns – long after the end of Brazil’s lawful market for bingo – indicates how deeply experiences of pathology marked that era and contributed to popular understandings of the effects of legalising bingo.

10 Recurso Crime Nº 71005227848, Turma Recursal Criminal, Turmas Recursais, Relator: Madgeli Frantz Machado, Julgado em 11/05/2015.

11 REsp 1406487/SP, Rel. Ministro PAULO DE TARSO SANSEVERINO, TERCEIRA TURMA, julgado em 04/08/2015, DJe 13/08/2015.

12 Lei nº: 8.078/1990 – Código de Defesa do Consumidor (CDC).

CHAPTER 1: THE REGULATION OF BINGO IN BRAZIL

Recommendations

Today there is no plausible justification for gambling to remain illegal. (Male, industry analyst, Rio de Janeiro)

Almost half of the population is against the legalisation of bingo halls...Consequently, the regulation issue is not just about legalisation but also about capacity to remove the strong stigma of criminality from bingo halls... Generally people prefer a well-known formula: State intervention. Fifty percent of the interviewees prefer the "Government" to administer the bingo halls. In the opinion of 78%, the bingos should operated in designated areas. In sum the hand of the State should not be invisible". (CPI dos Bingos 2006, p.119-120)

It is difficult to see the benefits to Brazil of its current approach to bingo. The lack of a regulatory model for legal bingo may reduce access to the game but it does not stop those who want to play. Illegality generates costs of enforcement, corruption and foregone jobs and taxable revenues. Illegality also tends to drive gambling problems, including the exploitation of vulnerabilities and fraud, further underground. For reasons such as these there is considerable support within Congress to legalise gambling, particularly to realise the fiscal and economic benefits that liberalisation is expected to create.

We consider, however, that the legacy of the criminality, corruption, and ensuing loss of confidence in regulatory capacity that ultimately destroyed Brazil's retail bingo market, together with concerns about consumer vulnerability that are found in the case law as well as the views of treatment providers, pose serious obstacles to successful legalisation.¹³ Furthermore, at the time of writing, Brazil is enduring political turmoil triggered by the largest and most extensive corruption scandals in its history, which potentially will exacerbate opposition to the idea of re-opening a bingo market. For reasons such as these it is doubtful whether the legalisation of bingo is sustainable without a deliberate strategy to rebuild trust and public confidence that the sector will be less corrupt and be better protected against capture by organised crime than it was during the 1990s.

We think a good case can be made that the benefits of lawful bingo – to the communities of players and workers as well as to the state – outweigh the risk of harms. For bingo to play a role in Brazil's future, however, it must be provided in a way that marks a clean break with the past. We consider it implausible that Brazil at this moment can create a trusted licensed bingo market populated by private sector businesses without robust, effective and well-funded regulation.

In view of our findings, we therefore recommend:

- 1 That bingo be legalised as part of an integrated set of reforms to legalise gambling in Brazil. Although other forms of gambling are outside the scope of this research, inclusion of bingo legalisation within a more general legalisation programme will help to avoid the problems that occurred when the game was legalised as an exception to the general norm of prohibition.
- 2 That legalised bingo in Brazil should encompass online and mobile bingo as well as the terrestrial form. This broad scope will allow Brazil to capture some of the revenues currently flowing to Portuguese language bingo sites outside the country that are marketed to Brazilians and create a foundation for Brazil to respond effectively to growth in online and mobile forms of bingo.
- 3 That bingo be legalised through a regulatory system that is comprehensive, integrated, responsive to the distinctive nature of bingo, well-staffed and properly funded to develop staff expertise and conduct effective inspections. Regulation of bingo in Brazil also must be tailored to the country's distinctive history, cultures, legal institutions and political arrangements. While we believe that Brazil should not simply transplant a regulatory model from elsewhere to govern its bingo market, we think it is useful to consider best practice from other jurisdictions. We recommend further that bingo regulation in Brazil should address, *inter alia*, the following four concerns:

- a The definition of the game: Because a blurring of the lines between bingo and casinos contributed to the downfall of the legalised bingo market we consider that it is desirable clearly to differentiate bingo as a specific form of gaming distinct from slot-machines and casino games in order to start the process of rebuilding trust in the bingo sector. We recommend the creation of a comprehensive definition to cover land, online and mobile bingo. The rationale for a comprehensive definition is to encourage regulators to think about what kinds of play should be licensed as bingo games across the different modalities, and to help reinforce the distinctive character of the game. To carry out this definitional work effectively – in particular to reduce the risks of land-based bingo once again being conflated with casinos and to demarcate clearly the boundaries of online and mobile bingo – bingo regulators will require training to develop expertise in bingo operations.
- b The sites of regulatory authority and institutions: It is imperative that Brazil settles upon a viable structure of regulatory institutions for legal bingo and then invests sufficient resources for them to function effectively. The first and most critical choice is the locus of regulatory authority in light of the perennial conflicts between federal and state power. We recommend the placing of licensing, inspection, revenue distribution, consumer protection and enforcement powers at the state level as is done in other federal jurisdictions and we think that Brazil would benefit significantly from a formal means to share and sometimes to coordinate regulatory practice across different states. We therefore recommend that Brazilian policy makers introduce a network model of regulation through which "epistemic communities" of state regulators work to achieve uniformity without centralisation.¹⁴
- c Player protection: In addition to conventional forms of regulating market entry, inspection and supervision, which have historically been used for land-based bingo, it is important for Brazil to create systematic and effective conduct of business regulation to govern relationships between providers and players.

¹³ Superior Tribunal de Justiça: REsp 1509923/SP, Rel. Ministro HUMBERTO MARTINS, SEGUNDA TURMA, julgado em 06/10/2015, DJe 22/10/2015.

¹⁴ The idea of governance through regulatory networks has been developed most systematically in fields such as competition policy and financial regulation where the domestication of international standards may play a significant role in national regulation. The idea of a loose confederation of "epistemic communities" at state levels, sharing practice through activities coordinated by the Union government could potentially be adapted to the Brazilian context. For a useful summary and discussion of regulatory networks see: Ramsay, Iain. "Consumer law, regulatory capitalism and the new learning in regulation." *Sydney L. Rev.* 28 (2006): 9.

- i Regulation of these relationships should be based on the principles of “Know Your Customer” (KYC) and “Know Your Provider” (KYP). The KYC principle is usually associated with crime control and security, particularly in relation to account based play online. But we consider that the principle is important also for player protection and as such should influence regulation of the risks that providers may exploit vulnerable consumers. The KYP principle reflects the idea that players are entitled to feel confident that products and services are safe, of good quality and delivered on fair non-abusive terms.
 - ii One option for giving effect to KYC and KYP principles is to treat bingo players as consumers under Brazil’s Código de Defesa do Consumidor (Consumer Protection Code) and create a regulatory duty on bingo providers to demonstrate how they “treat consumers fairly”. This duty would require bingo providers to report to the regulator and the public on the measures they take to ensure that bingo is provided in ways that uphold the consumer’s rights under the Brazilian Consumer Code. These rights are based on the Code’s general understanding of a consumer’s vulnerability as the weaker party in transactions and more specifically rights to protection against harmful products and services, rights to fair dealing, including protection against misleading and abusive advertising, coercive or unfair business methods and abusive practices, and rights to disclosure and education, quality products and accessible dispute resolution.
 - iii Reporting of bingo providers’ compliance with the duty to treat consumers fairly would require providers to document their strategy to achieve the specified outcomes, report regularly on the measures taken to achieve the outcomes and their success. These reports would be subject to audit as part of regulatory inspection and supervision and be made publicly available.
 - d Crime prevention: Regulation in Brazil must respond proactively to the public mistrust caused by the levels of criminality associated with the country’s previous experience of lawful bingo. In addition to articulating a regulatory objective to prevent crime (as is done elsewhere), requiring providers to comply with Anti-Money Laundering provisions (as is done elsewhere), and researching best practice in other jurisdictions we consider it advisable for Brazil to impose on bingo providers a duty to prevent crime, including fraud, money laundering, bribery and corruption. The regulation should articulate the outcomes that compliance with this duty should deliver, require providers to develop a compliance strategy to achieve the specified outcomes and require regular reporting of the measures that providers take to achieve the outcomes and the success of their measures. Providers’ reports would be subject to audit during regulatory inspection and supervision processes and be made publicly available. While there are good reasons for the regulation to be drafted as universally applicable, consideration should be given to exemptions from more onerous requirements for small-scale, non-profit and charitable providers of bingo.
- 4 We make two further recommendations for institutional practices that Brazil could adopt to help develop a strong and generally accepted licensed bingo sector:
- a First we consider that regulatory capacity would be enhanced if a portion of the revenues from legalised bingo were used to fund specialist NGOs to develop expertise in gambling regulation, data analysis, and communications. The role of these “Bingo Watch” organisations would be to strengthen the capacity of civil society, independently of the regulator, to assess and where necessary critique the performances of bingo providers against their regulatory duties to treat consumers fairly and prevent crime.
 - b Second, recognising the contributions of players and workers to the value that bingo creates, we recommend that a portion of bingo revenues be ring-fenced to support local services and causes and that staff and players be given a voice in the distribution of these bingo revenues.

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Top 20 bingo cases

A note about Brazilian cases: Usually cases in Brazil bind only the parties. They do not usually function as binding precedents for subsequent decisions. We have selected the following cases as examples of the types of questions that judges have confronted in relation to bingo. We have focused in particular on cases about the legality of bingo licences and games to illustrate varying views on this question.

Decisions about an Action on Constitutional Rights (Ação Direta de Inconstitucionalidade/Constitucionalidade) are binding and the last case on the list was taken to the Supreme Constitutional Court on this basis.

On specific occasions a Brazilian Supreme Court will decide to issue a decision to promote uniformity of court decisions in a context where there are a lot of cases with different results on an important issue. This type of case – a Súmula Vinculante – does function as a binding precedent. In 2007 Brazil's Federal Supreme Court (STF) issued a Súmula Vinculante in relation to bingos, holding that Brazil's states lacked the competence to legislate about bingo and so could not pass laws creating licensing and other regulatory powers for bingo businesses within their jurisdictions.

Our table includes cases from the following courts: Tribunal de Justiça do Rio Grande do Sul (TJRS; Court of Appeals of the State of Rio Grande do Sul); Tribunal de Justiça de São Paulo (TJSP, Court of Appeals of the State of São Paulo); Superior Tribunal de Justiça (STJ, Superior Court of Justice); and Supremo Tribunal Federal (STF, Federal Supreme Court).

| Full citation | Summary |
|--|--|
| Tribunal de Justiça do Rio Grande do Sul – TJRS | |
| Apelação e Reexame Necessário Nº 598267391, Vigésima Primeira Câmara Cível, Tribunal de Justiça do RS, Relator: Pedro Luiz Rodrigues Bossle, Julgado em 11/04/2001 | Whether "Toto bola", a form of tele-bingo developed and widely sold in Rio Grande do Sul until the state shut it down because of corruption, could be lawfully marketed. The applicant had obtained a bingo licence under Lei Zico (nº 8.672/93) and its implementing Decree (Decreto Regulamentador (nº 981/93), which had permitted states to authorise the development of "similar games" to bingo. This provision had been revoked before expiry of the applicant's licence. The court confirmed that the applicant's state licence to market Toto bola remained valid despite the Federal government's withdrawal of authority to issue licences on this basis. |
| Agravo de Instrumento Nº 70003960085, Terceira Câmara Cível, Tribunal de Justiça do RS, Relator: Luiz Ari Azambuja Ramos, Julgado em 11/04/2002 | An action brought by an operator who had been denied permission to install electronic gaming machines in a bingo hall. The court denied the application holding that Electronic Gaming Machines are not legal in a bingo hall since the legislation only authorised the licensing of traditional bingo. |
| Apelação Cível Nº 70004871380, Primeira Câmara Cível, Tribunal de Justiça do RS, Relator: Henrique Osvaldo Poeta Roenick, Julgado em 16/10/2002 | A bingo operator brought the case to challenge a charge that the State of Rio Grande do Sul had imposed on bingo businesses. The operator argued the charge was an illegal tax because operators received no services in return for payment and that if the State had simply wanted to raise revenues from bingo it should have created a special tax called an imposto. The court held that the charge was legal because the funds it raised paid for inspection and surveillance activities required by the licensing activity. The situation in this case is similar to the case below (Apelação Cível Nº 70005068325), decided three weeks later, but the two cases (decided by different judges) have conflicting outcomes. |
| Apelação Cível Nº 70005068325, Primeira Câmara Cível, Tribunal de Justiça do RS, Relator: Roque Joaquim Volkweiss, Julgado em 06/11/2002) | (see above). In this case the fee was considered illegal because no surveillance, inspections or oversight were conducted in bingo halls. |
| Agravo de Instrumento Nº 70005784434, Primeira Câmara Especial Cível, Tribunal de Justiça do RS, Relator: Angelo Maraninchi Giannakos, Julgado em 28/04/2003 | The case was brought by a commercial operator, after his bingo licence (issued by the CAIXA) expired and the bingo market was closed under Lei Maguito. Because there was no longer a regulatory agency available to deal with renewal of bingo licences the applicant asked the court to renew his licence. The court decided that the law was in a state of "unacceptable juridical uncertainty" and the operator could have the licence renewed through a judicial injunction. |
| Mandado de Segurança Nº 70005921507, Quarta Câmara Cível, Tribunal de Justiça do RS, Relator: Araken de Assis, Julgado em 28/05/2003 | The case was brought by a commercial operator, after his bingo licence (issued by the CAIXA) expired and the bingo market was closed under Lei Maguito. Because there was no longer a regulatory agency available to deal with renewal of bingo licences the applicant asked the court to renew his licence. This decision went further than the previous case, which granted the licence because of the uncertainty about the applicant's rights that the law had created. In this case the court held that commercial bingo is legal and that the absence of a regulatory framework could not transform it into an illegal activity. It therefore granted the operator a licence to run bingo. |
| Agravo de Instrumento Nº 70005784434, Primeira Câmara Especial Cível, Tribunal de Justiça do RS, Relator: Angelo Maraninchi Giannakos, Julgado em 28/04/2003 | A local authority had refused to issue a permit (alvara) to allow a building to be used for bingo, since the licence to operate bingo issued by the federal agency (the CAIXA) had already expired and would not be renewed after the enactment of Lei Maguito. The court held that the degree of legal uncertainty surrounding the regulation of bingo met the threshold for unreasonableness and as such the company was entitled to continue its bingo activities. This meant that denial of the local authority permit was not a valid exercise of local authority discretion and the application should be granted. |

| Full citation | Summary |
|--|---|
| Tribunal de Justiça do Rio Grande do Sul – TJRS | |
| Apelação Cível Nº 70005845771, Terceira Câmara Cível, Tribunal de Justiça do RS, Relator: Augusto Otávio Stern, Julgado em 26/06/2003 | The applicant in this case was concerned about the many contemporaneous media stories on the closure of bingo halls. It therefore sought an order to protect it against any future closure action. The claim was dismissed because the company was not facing a specific threat or action from a public authority. The court ruled that in the absence of such a specific threat or action the applicant could not assume that it would suffer the same fate as other businesses and that media stories or the facts of other cases could not be used to secure an order from the court in the applicant's case. |
| Apelação Cível Nº 70002112969, Segunda Câmara Especial Cível, Tribunal de Justiça do RS, Relator: Ícaro Carvalho de Bem Osório, Julgado em 30/06/2003 | This case was brought by a bingo operator who sought to enforce a debt incurred by a player who paid with a cheque that bounced. The court held that a commercial bingo operator could enforce the debt against the player because the debt had been incurred when bingo had been licensed and therefore legal. |
| Agravo de Instrumento Nº 70006051601, Vigésima Primeira Câmara Cível, Tribunal de Justiça do RS, Relator: Genaro José Baroni Borges, Julgado em 03/09/2003 | <p>A bingo owner brought this case to challenge the zoning / separation requirements on licensed bingos imposed by a municipality. The court denied the application, holding that it is not for a court to decide whether minimal separation requirements established by municipalities for sanitary, safety, security or other reasons within municipal authority, are legal or not. It is instead within the discretion of the municipality to decide.</p> <p>This case was appealed to the Supreme Court. However, the court did not decide on the merits of the issue because the Súmula Vinculante decision had been released. As noted below, this special precedent decision upheld the federal government's exclusive competence to legislate in the field of bingo. Consequently, the enactment (by the federal government) of Lei Maguito to close the bingo market made questions about the authority of a municipality to establish zoning and separation requirements between premises irrelevant (STF – RE: 524501 RS, Relator: Min. EROS GRAU, Data de Julgamento: 13/06/2008, Data de Publicação: DJe-118 DIVULG 27/06/2008 PUBLIC 30/06/2008).</p> |
| Agravo de Instrumento Nº 70006521009, Quarta Câmara Cível, Tribunal de Justiça do RS, Relator: Wellington Pacheco Barros, Julgado em 08/10/2003 | The City of Bage denied a commercial operator a permit (alvara) because it did not hold a federal-level CAIXA authorisation (a precondition for the permit). Held that this was outside the municipality's powers. Given that there was no legal certainty regarding the level of government, or agency, to which bingo operators should apply for authorisation, municipalities had no right to deny permits (alvaras). |
| Apelação Cível Nº 70008269813, Décima Nona Câmara Cível, Tribunal de Justiça do RS, Relator: José Francisco Pellegrini, Julgado em 14/12/2004 | This action was brought by a comercial bingo operator against a debtor for repayment of money the debtor had borrowed to play bingo. The judge held that although bingo was operated lawfully the lending of money to enable someone to play compulsively to the point of over-indebtedness would not be condoned by law. The debt therefore was unenforceable. |
| RECURSO CRIME Nº 71005227848, TURMA RECURSAL CRIMINAL, TURMAS RECURSAIS, RELATOR: MADGELI FRANTZ MACHADO, JULGADO EM 11/05/2015. | The Ministério Público (a type of public prosecutor) brought a criminal action under Art. 50 of the 1941 Lei de Contravenções Penais (Criminal Contravention Act) against an employee of a bingo hall alleging that the employee was illegally offering games of chance. The court held that bingo staff cannot be prosecuted under Brazil's Criminal Contravention Act because they do not benefit personally from the profits of bingo activities. |
| Tribunal de Justiça de São Paulo – TJSP | |
| Mandado de Segurança Nº 4730320000 Relator(a): Linneu Rodrigues de Carvalho S; Comarca: Poá; Órgão julgador: 7ª Câmara; Data do julgamento: 27/05/2004; Data de registro: 16/06/2004 | <p>This case was brought by a commercial operator, after his bingo licence (issued by the CAIXA) expired and the bingo market was closed under Lei Maguito. Because there was no longer a regulatory agency available to deal with renewal of bingo licences the applicant asked the court to renew his licence.</p> <p>The court held that commercial bingo is legal and it granted the operator the requested licence. The court considered that the 1993 exemption of bingo from the s.50 of the Lei de Contravenções Penais (Criminal Contravention Act) effectively revoked prohibition as it applied to bingo and that once a law is revoked it cannot be revived. Since bingo is legal it would be unfair to deny the operator a licence to run it.</p> |
| Apelação Cível nº 004720-44.2011.8.26.0642. D.J.: 18/08/2015, Desa. Lucila Toledo | This case was brought after a charitable bingo run by a commercial operator failed to deliver the prize to the winner. The winner took action against the charitable institution but the charity blamed the operator for non-delivery of the prize and also argued that the judge had no authority to issue an order for it to award the prize. The court held that the charity was responsible because the bingo had been marketed in its name and that the judge was entitled to order the charity to deliver the prize because the bingo had been held on the basis of a judicial order authorising the event. |
| Embargos de Declaração 0.129.718-13.2008.8.26.0053/50001 | This case concerned a challenge to the legitimacy of the fees that the State of São Paulo charged bingo halls, ostensibly to cover the costs of regulatory services. São Paulo, unlike Rio Grande do Sul, funded its bingo regulation work though a general "fee on diverse services" rather than a specific tax. The Court rejected the bingo owner's challenge, holding that the legitimacy of the fee was justified merely on grounds of the police power [which in many systems of law is the power to regulate behaviour on the basis of health, safety, morals, and general welfare]. |

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| Full citation | Summary |
|---|--|
| Superior Tribunal de Justiça (STJ) | |
| REsp 1406487/SP, Rel. Ministro PAULO DE TARSO SANSEVERINO, TERCEIRA TURMA, julgado em 04/08/2015, DJe 13/08/2015. | This case concerns the unenforceability of a debt owed by a problem gambler to a bingo establishment. The debt was incurred while bingo was lawful although the case was decided after the restoration of prohibition. The Court held that the debt was unenforceable based on the Brazilian Consumer Code's protection of the vulnerable consumer. |
| REsp 1509923/SP, Rel. Ministro HUMBERTO MARTINS, SEGUNDA TURMA, julgado em 06/10/2015, DJe 22/10/2015. | This case was initiated by the public prosecutor's office in São Paulo together with the Federal Public Prosecutor. It sought damages from the operators of illegal bingos. The court held that the illegal operation of bingo houses per se is an economic activity that harms consumer and collective interests so the Public Prosecutor did not have to prove pain, suffering or psychological damage from the illegal economic activity to claim collective moral damage to consumer interests. The bingo halls were ordered to compensate society for collective moral damages and to pay a daily penalty of R\$ 20,000 [approximately £4000] for holding bingo games and R\$ 2000 [approximately £400] per slot-machine. |
| Superior Tribunal Federal | |
| Súmula Vinculante 2 Data de Aprovação Sessão Plenária de 30/05/2007 Fonte de Publicação DJe nº 31 de 06/06/2007, p. 1. DJ de 06/06/2007, p. 1. DOU de 06/06/2007, p. 1. | Building on previous decisions, this binding precedent makes a statement about competence to regulate bingo, lotteries and other games. It holds that the exclusive competence to legislate in this field lies with the Union (federal) government. States may not legislate to license bingo or in anyway regulate it unless there is a general federal law authorising them to do so. The consequence of this decision is that state laws and regulations on bingo and lotteries have no effect without an enabling federal law. Because this case is decided specifically as a binding precedent it means that any future claims about the operation of bingos at the state level must be decided consistently with this Supreme Court precedent. Thus until a new federal law is enacted, states cannot authorise the development of commercial bingo in Brazil and state courts cannot hold that commercial bingo is allowed. |
| MI 766-AgR, Rel. Min. Joaquim Barbosa, julgamento em 21-10-2009, Plenário, DJE de 13-11-2009. STF – AgRg 765 – j. 30/11/2011 – rel. Dias Toffoli | This case concerns a challenge to the previous decision that bingos could not be run because of a lack of federal authorisation. Claiming a constitutional right to run a bingo business, the applicant asked the court to issue an order to compel the State (Union) to pass enabling legislation for bingos. The court agreed that in principle this type of order can be used to oblige the Union to fill a legislative omission that prevents full enforcement of rights or liberties. It held in this case, however, that the remedy could not be used to force the state to legislate and regulate gambling activities because there is no constitutional right to run a gambling business. |

CHAPTER 2: BINGO REGULATION IN CANADA (ONTARIO AND BRITISH COLUMBIA)

Current approach to law and regulation

The federal legal framework for Canadian gambling is set out in part VII of the Criminal Code, a part otherwise preoccupied with prostitution, bawdy houses, and acts of indecency. This criminalises those found gambling and betting, alongside those who offer gambling, promote or advertise gambling, or supply gambling devices. Penalties are up to two years imprisonment.

Bingo is considered a game of mixed chance and skill in Canadian law, meaning that it must fit within specified exemptions from gambling prohibitions to be conducted legally. The key exemptions are as follows:

s.207 (1) Notwithstanding any of the provisions of this Part relating to gaming and betting, it is lawful

(a) for the government of a province, either alone or in conjunction with the government of another province, to conduct and manage a lottery scheme in that province, or in that and the other province, in accordance with any law enacted by the legislature of that province;

(b) for a charitable or religious organisation, pursuant to a licence issued by the Lieutenant Governor in Council of a province or by such other person or authority in the province as may be specified by the Lieutenant Governor in Council thereof, to conduct and manage a lottery scheme in that province if the proceeds from the lottery scheme are used for a charitable or religious object or purpose.

Businesses can only assist the provincial governments and charities allowed to conduct and manage legal games: the latter groups must retain the overall responsibility and control of the gaming. In an important further limitation on charitable gambling activity, s. 207 (4) (c) of the Criminal Code reserves to provinces the authority to run a game "operated on or through a computer, video device or slot machine." This prohibits charities from conducting and managing forms of bingo that are computer-reliant (such as electronic bingo, and many types of linked game). Such games have to be run by the province, under s.207 (1) (a).

Some First Nations governments in Canada have claimed a constitutional right to operate and regulate gambling on their territory. The Supreme

Court of Canada has held that there is no Aboriginal right to operate or regulate gambling in the Canadian constitution. Bingo was central to the development of case law in this area.¹ Provincial jurisdiction over bingo operations remains contested by many First Nations governments and bingo operators, some of whom continue to assert rights to operate and regulate gambling for both economic development and cultural reasons.

Under s 207 (1) (a) of the Criminal Code, the provinces of BC and Ontario conduct bingos through hybrid, quasi-autonomous agencies. In BC provincial gambling is conducted and managed by the Crown Corporation² charged with managing gambling, the British Columbia Lottery Corporation (BCLC). In Ontario, Ontario Lottery and Gaming (OLG) operates gaming services on behalf of the province.

In British Columbia charitable and provincial bingo is regulated by the Gaming Policy and Enforcement Branch of the Ministry of Finance. This directs policies, legislation, standards, and responsible gambling strategies, licenses charitable bingo events, registers gambling service providers, certifies supplies and equipment, distributes the proceeds generated from provincially-operated gaming in grants to applicant organisations, and conducts audits and compliance investigations. The BCLC sets standards and policies for bingo facilities operated under its brand.

In Ontario bingo is regulated by the provincial-level Alcohol and Gaming Commission of Ontario (AGCO), and by municipalities. The AGCO licenses larger charitable bingo events (with a prize board over \$5500), and certain kinds of higher prize games (eg jackpot games that allow a prize to be accumulated). It also registers gaming suppliers and gaming employees, and approves rules for games conducted and managed by OLG. Municipal actors issue licences for organisations running charitable bingos with a prize board of under \$5500. OLG also sets standards and policies for facilities operated under its brand.

Scale of play and bingo demographics

In Canada participation in bingo appears to vary significantly by province, although participation data has been collected at varying times so it is not possible to get definitive national figures. As in the UK, bingo is popular with older, working class

Revenue report used in BC by charitable, religious, and non-profit organisations running bingos.

¹ See for example R. v. Pamajewon, [1996] 2 SCR 821, 1996 CanLII 161 (SCC);

² Crown Corporations are wholly owned by the state but they operate at arm's length from government. They have public policy goals, but operate as businesses.

CHAPTER 2: BINGO REGULATION IN CANADA (ONTARIO AND BRITISH COLUMBIA)



Detail from an old slide bingo card, used in pub games in BC. Card acquired by Kate Bedford during fieldwork; image by Andrea Shieber.

women. In 2001 Statistics Canada found that while 9% of households participated in bingo overall, participation was 13% for one person households headed by women over 65. Bingo participation was far higher among households with an income of less than CAN \$20,000 after tax (11%) than households with an income of CAN \$80,000 or more (5%). Bingo is also especially popular with First Nations players, on and off-reserve.

Bingo has been in decline in both Ontario and British Columbia, due largely to the effects of smoking bans and competition from the expansion of other forms of gaming (especially casinos). Bingo revenue in British Columbia has declined on average 13 per cent per year over the past four years. Hall numbers and attendances have also fallen significantly: for example in Ontario there are now 61 bingo halls, down from 230 in 2000. Most operators we interviewed predict further hollowing out of the sector in the next 5 years.

Charitable operations

Bingo funds a wide-range of charitable and religious organisations, from violence against women services to right to life groups, from

churches to Buddhist temples. Children's sports and recreation clubs are a key sector in both provinces. These rely heavily on the mobilisation of family members (usually parents or grandparents) as volunteers to run the bingo.

When bingo boomed in Canada in the 1980s and 1990s it was via charities and religious organisations acting in alliance with private businesses. Profit-making organisations (who charged rent for facilities, and fees for support services) often sought out charities as partners, since they could not legally conduct bingos on their own. Many non-profit organisations that had run games in their own premises moved to running bingos in privately-owned facilities, involving associations of licensed charities where the bingo ran full-time.

Of the 61 bingo halls remaining in Ontario, 30 are operated by associations of charities (the rest are operated by the province). In 2014/5 3723 licences were issued to charities and religious organisations by the AGCO for bingo fundraising, out of a total of 4143 licences issued for all forms of charitable gaming. In 2013-4 Ontario charities raised \$33 million from conducting bingo operations.

Diverse experiences of smoking bans

Ontario implemented a province-wide smoking bans in bingo. Based on a 32 hall sample, a 2008 report found an average reduction in profitability of 34% between 2006 and 2007, and a 25% reduction in profits for charities.

One Ontario manager recalled that the provincial smoking ban "took about 45% of our business away overnight." (male, charitable bingo hall manager, Ontario). A manager in BC (where a provincial smoking ban was implemented in 2008) estimated a 60% drop.

Some self-organised bingos on First Nations land, in BC and Ontario, allow smoking. Players can travel some distance to frequent such places. However some First Nations health organisations and family service organisations in Ontario expressed concern about the health impacts on First Nations workers and volunteers of allowing smoking.

During fieldwork for the Bingo Project, in spring 2015, new smoking regulations were introduced in Vancouver Island (BC) increasing the distance that smokers had to keep away from doorways from 3m to 7m (Clean Air Bylaw 3962). One popular bingo hall in a poor district of a small city was facing the prospect of chivvying its mostly elderly customers away from the paved pedestrian area (where they currently clustered to smoke) into the busy car park. The manager feared they would be run over.

"They said, 'oh no, you'll grow and people will come. Non-bingo players will now come because it's non-smoking.' That hall was making almost 5 million a year for charity...By July I had it down to four days a week, because we were losing money...Then by the fall it was down to three. Revenues for the charities went from 5 million dollars to 946,000 dollars. But 'non-smoking will not have an impact on you' (snorts)." (male bingo operator, on his experience of a municipal smoking ban).

"See, I smoked. So being in that smoky bingo hall meant nothing to me. But when the by-law was coming, I had to quit smoking, because I don't smoke outside. I can't, I never did. My mother always told me only hussies smoked outside. So I grew up thinking that was a bad thing to do." (female, charitable bingo hall manager, Ontario).

"When the smoking ban was brought into the province, when a lot of consolidation happened, AGCO got together with the operators, implemented an interim revenue model to allow us to survive and weather the storm." (male, commercial bingo operator, recalling the origins of a shift in revenue model giving a higher share of proceeds to businesses in Ontario).

"When non-smoking came in, the decision was made that the slots were being successful and bingo had just been decimated at that point. And so we lost about three hundred (bingo) seats. And those three hundred seats were lost to slots." (male, BC commercial operator).

Table 1: Gambling participation rates (%) in various gambling forms across Canada

Source: Canadian Gambling Digest 2013/14

| Year of survey | British Columbia 2014 | Alberta 2009 | Saskatchewan 2001 | Manitoba 2006 | Ontario 2011 | Quebec 2012 | New Brunswick 2009 | Nova Scotia 2007 | Prince Edward Island 2005 | Newfoundland and Labrador 2009 |
|------------------------|--------------------------|-----------------|----------------------|------------------|-----------------|----------------|-----------------------|---------------------|------------------------------|-----------------------------------|
| Bingo | 5.7 | 4.8 | 8.4 | 12.9 | 4.6 | 4.2 | 7.5 | 11.6 | 6.9 | 8.7 |
| Casino slots | 28 | 15.4 | 20.3 | 23.9 | 20.5 | 13.5 | 7.6 | 15.5 | 6.1 | 4.8 |
| Casino table games | | 7.0 | 7.3 | 6.4 | | | 5.9 | 3.6 | 3.7 | |
| Online Gambling | 3.7 | 3.1 | 0.2 | 1.5 | 1.9 | 1.5 | 0.9 | 0.2 | 0.7 | 0.4 |
| Speculative investment | 7.7 | 8.6 | 8.4 | | 4.6 | | 1.6 | | | 1.2 |

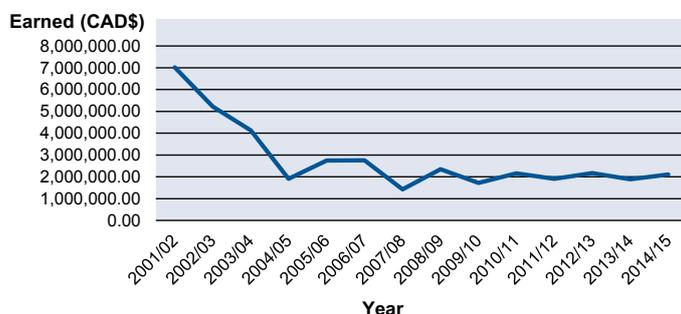
Table 2: Charity/religiously-operated and government operated bingo In Ontario (ON) and British Columbia (BC)

Source: Canadian Gambling Digest (2013-4)

| Charitable Operations | BC | ON |
|--|---------------|---------------|
| Total charity-operated bingo revenue (CAN \$) after prizes paid, before expenses deducted | 3,313,000 | 115,658,000 |
| Total charity-operated gambling revenue (CAN \$) after prizes paid before expenses deducted | 77,478,000 | 381,898,000 |
| Distributions to charity from government-operated gambling (CAN \$) | 135,000,000 | 128,300,000 |
| Net Gaming Revenue to charitable organisations from their gaming operations (CAN \$) after prizes and expenses paid | | |
| Net revenue from bingo | 1,989,000 | 32,962,000 |
| Net revenue from all gambling forms | 34,129,000 | 155,298,000 |
| Government-operated gaming revenue after prizes paid before expenses deducted | | |
| Total Bingo revenue | 249,735,000 | 53,738,000 |
| Revenue from slots or VLTs at bingo facilities | 236,127,000 | 0 |
| Total government operated gambling revenue (CAN \$) after prizes paid before expenses deducted | 2,129,614,000 | 4,682,322,000 |
| Net Gaming revenue (CAN \$) after prizes and expenses paid | 1,174,600,000 | 1,923,149,000 |

Table 3: Money raised by independent bingos in British Columbia 2001/02 to 2014/15

Source: Gaming Policy and Enforcement Branch reports

**Table 4: Highest and Lowest Revenues from Independent Bingos, BC (2014-5)**

Source: Gaming Policy and Enforcement Branch reports

| Top 5 | | |
|-----------------|---|---|
| City | Organisation name | Revenue from independent bingo (CAN \$) |
| Burnaby | St. Helens Parish | \$85,454.41 |
| Vancouver | Italian Cultural Centre Society | \$123,653.00 |
| Vancouver | United Croats of Canada – King Tomislav Branch | \$145,437.21 |
| Vancouver | St Mary's Parish | \$157,975.48 |
| Cumberland | Royal Canadian Legion Branch #28 Cumberland | \$206,514.43 |
| Bottom 5 | | |
| City | Organisation name | Revenue from independent bingo (CAN \$) |
| Coquitlam | Eager Beaver Bingo Club – Community Fundraising Group | \$48.05 |
| North Vancouver | Silver Harbour Centre Auxiliary | \$49.23 |
| Victoria | Cedar Hill New Horizons Seniors Club | \$198.00 |
| Sayward | Royal Canadian Legion #147 Sayward | \$231.16 |
| Kaslo | J V Humphries School PAC | \$252.02 |

CHAPTER 2: BINGO REGULATION IN CANADA (ONTARIO AND BRITISH COLUMBIA)



Charity-run association bingo halls have been replaced by provincial operations in BC (see below). However independent charitable bingo operations continue. Independent bingos are usually run weekly, in premises owned by a charity, religious organisation, or service club (such as a church, community centre, legion, or elderly care facility). In 2013/4 133 licensed charities raised \$2 million from such bingos in BC. This is a significant fall from the CAN\$ 7 million raised by the 255 charities licensed for independent bingos in 2001/2. However the number of licensees, and the amount raised, has stabilised since 2010. In 2014/5 147 licences were issued by BC's Gaming Policy and Enforcement branch for such independent bingos and they raised CAN \$ 2.1 million in revenue.

Some of these bingos are tiny in scale. One community fundraising group in the lower mainland raised CAN \$48.05 through its licensed bingo in 2014/5. However for some organisations, in some places, independent bingo provides significant funds. One game we attended in BC – with an accumulated jackpot of over CAN\$50,000 – attracted over 300 players to a community hall one sunny afternoon, requiring seats to be set up in the hallways to accommodate people. Charities that run these bingos tend to have close connections to players, and extensive expertise in operating the game.

Provincial operations

In the 1990s, a scandal over misuse of bingo proceeds in BC encouraged the provincial government in tighter control of charitable gaming. Some charities fought a long, bitter, and unsuccessful legal battle to retain their independent role in conducting and managing gaming in association bingo halls. In 2002 association bingo halls were taken over by the crown corporation. Many were re-positioned as community gaming centres (CGCs), which offer slot machines alongside bingo. Currently the BCLC operates 7 commercial bingo halls and 18 CGCs in the province. Charities can apply to the province for grants from the money raised in BCLC's venues. However there is no link between bingo facilities and local organisations, and charities are not required to take any role in the gaming to get the grants.

In Ontario, as bingo has declined in popularity associations of charities and commercial operators have pressured the provincial government for support. In 2005 the AGCO launched a Modernization of Charitable Gaming initiative, part of which involved piloting electronic bingo (e-bingo) in 6 sites. To comply with the Criminal Code, which prohibits charities from running bingo games that require a computer, the OLG assumed responsibility for conducting and managing gambling in the e-bingo sites. In 2012

Table 5: Revenue and income from government operated gambling, BC (millions \$)

Source: BCLC 2014-5 Annual Service Plan Report.

| Revenue | 2010/11 | 2011/12 | 2012/13 | 2013/14 | 2014/15 |
|----------------------|---------|---------|---------|---------|---------|
| Slot machines | 1126.6 | 1140.7 | 1140.1 | 1135.3 | 1149.4 |
| Table Games | 357.1 | 380.9 | 390.2 | 452.1 | 555.1 |
| Poker | 22.5 | 22.1 | 21.3 | 20.7 | 21.1 |
| Bingo | 110.1 | 96.3 | 86.5 | 76.7 | 75.3 |
| Total | 1616.3 | 1640.0 | 1638.1 | 1684.8 | 1800.9 |
| minus Awarded Prizes | 70.8 | 61.1 | 55.4 | 49.9 | 49 |
| Net revenue | 1545.5 | 1578.9 | 1582.7 | 1634.9 | 1751.9 |

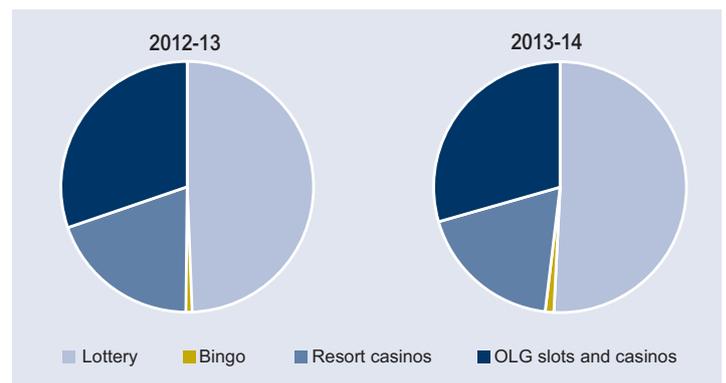
Table 6: Revenue and profits from government-operated gambling, Ontario

Source: AGCO Annual Report 2014-5

| Revenue (thousands of dollars) | 2012-13 | 2013-14 |
|--------------------------------|------------------|------------------|
| Lottery | 3,287,469 | 3,387,571 |
| Bingo | 39,876 | 73,817 |
| Resort casinos | 1,297,145 | 1,244,946 |
| OLG slots and casinos | 2,008,081 | 1,964,044 |
| Total | 6,632,571 | 6,670,378 |

Revenue by gambling type, Ontario

Source: AGCO Annual Report 2014-5



the pilot was approved for a province-wide rollout, whereby bingo facilities would be turned into c-gaming sites (the 'c' stands for charitable). 31 of Ontario's 61 bingo halls are now run as c-gaming sites.

Provincial revenue generation is a key priority of both the BCLC and OLG. In 2014-5, BCLC achieved its highest net income for the province to date, of \$1.25 billion. Since 1985 it has raised over \$18 billion. In 2014-5 the OLG generated \$2 billion, making gambling the greatest source of non-tax revenue for the province. Since 1975 it has generated nearly \$40 billion. However in both cases casinos and lotteries provide most of this income. In BC in 2014/5 bingo provided \$62 million of the £1.8 billion in total revenue generated by casino and community gaming operations. In Ontario OLG made \$74,000 in total revenue from its bingo operations, but after prizes, expenses, and payments to charities it made a net loss of \$46,000.

Key themes

1 The shifting debate about the charitable role in bingo

Ontario Charitable Gambling Association, Private Sector and Government Work Together to Deliver Technology Opportunities for Charitable Bingo.

This is the most exciting news that the charitable bingo industry has had in years! (OCGA website, www.charitablegaming.com/Public/AboutOCGA)

The limited law and policy attention that has been given to bingo in Canada has focused mainly on a tripartite relationship of stakeholders (see fig 1), and in particular on the perceived clash between provincial governments and charities. Provinces have been accused by some observers of cannibalising charity fundraising, by expanding their own gambling operations and reducing the charitable role in bingo.³

Our research suggests that the tripartite model of stakeholder relations remains helpful in understanding disputes about bingo regulation, especially in BC. Some BC interviewees, representing both charities and gaming service providers, remained critical of the government for

Figure 1: Stakeholders in Canada bingo: The usual suspects



severing the link between bingo operations and local charities in the aftermath of the provincial bingo scandal. However others felt that facilities were better run and easier to manage without the reliance on charity volunteers.

In Ontario, the tripartite understanding of bingo interests has been somewhat overcome, since charities, businesses, and government are increasingly partnering up to promote c-gaming halls. Unlike in BC, charities retain a role in provincially-operated bingo in Ontario. For example member charities retain a share of proceeds in return for sending volunteers to help at the c-gaming facility. The Ontario Charitable Gambling Association has also taken a leading role in drafting standards that apply to the charities fundraising in the c-gaming centres.

Ontario's experience of partnership suggests a need to think beyond a presumed clash between charities, provinces, and private businesses, by considering other stakeholders with interests in charitable bingo. Key here is the question of how well volunteer interests are represented in debates about bingo regulation. Licensed charitable bingo in much of Canada (and much

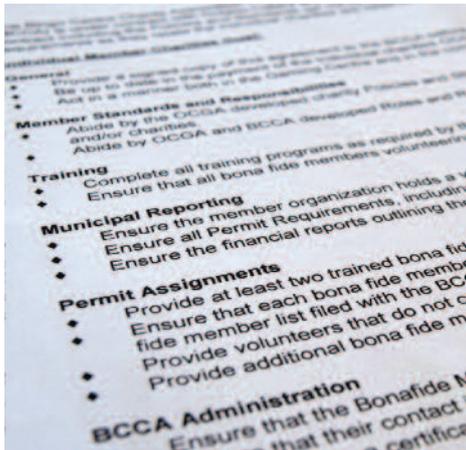
of the USA) rests on volunteer labour. To receive a licence for bingo fundraising in most provinces charities must use their own volunteers to conduct and manage the gaming. Volunteers in bingo are often beneficiaries or users of a charity, working bingos in part to get access to its services. This is especially true of parents and grandparents who are volunteering for children's sports clubs. In one example raised in a divorce case⁴ a father in Alberta was 'volunteering' 16 bingos a year, of 5-7 hours each, to keep his daughter in a swimming club. If he missed one of those bingos, he was fined \$100. Parents of children in sports clubs in Ontario spoke to us of fines of \$200 if they missed working a bingo. Low-income parents found such conditions especially onerous.

"Everyone is a volunteer. Every worker on the floor. And, volunteer is a dicey word for some of them....If they don't show up for what they've been assigned they do get fined. Seventy five bucks and hundred and fifty bucks in the summer" (male organiser of an independent charity bingo in BC in which most of the bingo volunteers were Filipina mothers).

³ See for example Campbell, Colin, Timothy Hartnagel, and Garry Smith. 2005. *The Legalization of Gambling in Canada*. Ottawa.

⁴ MJF v. JMF, [2006] ABQB 189. See also R. v. Weitzel, 2005 CanLII 378 (ABPC), involving prosecution of a charitable bingo coordinator for paying bingo volunteers.

CHAPTER 2: BINGO REGULATION IN CANADA (ONTARIO AND BRITISH COLUMBIA)



Standards for charities participating in OLG's c-gaming halls, Ontario.



Canadian bonanza ticket.

2 Coping with decline: Regulating diverse game innovations

In the face of declining attendance, many attempts have been made to refresh or revitalise bingo in Canada. Four types of product innovation have been particularly significant.

Firstly, games were introduced that ran alongside main stage play rather than in the breaks, in part so that additional revenue could be extracted from side games while allowing players to go outside to smoke. Key here were 'balls tickets', a form of pull tab (an early form of scratch card) with guaranteed winners in every box. Some pull tabs reveal numbered bingo balls which the player then has to cross off in a live game to win an additional prize, sometimes of several thousand dollars. They are fun to sell: many balls tickets have ribald names, called out with a smile by floor workers ('Hot balls! Great balls!'). They were a low-tech add-on to the existing product offering, requiring authorisation from the provincial gambling regulator and a set of rules about how to play (especially around the fact that all tickets in a box had to be sold once it was opened) but no shift in conduct and management authority. They became the survival route for association halls faced with declining attendance in Alberta, and then in Ontario. An agreement to introduce them in BC is being negotiated now.

"In all honesty, if we wouldn't have brought the balls in, we probably wouldn't have a hall. In this area, people are crazy for the ball cards." (female, charitable bingo hall manager, Alberta).

Secondly, some providers have tried to reinvigorate bingo's appeal by introducing more entertainment via innovations such as disco bingo, late night bingo, drag bingo, naughty bingo, and dirty bingo. These can require extensive regulatory negotiations, including around whether guest entertainers can call out bingo numbers and whether rude prizes such as vibrators can be given away in provincially-run facilities. Spontaneity can be difficult to accommodate. For example when a guest caller – Santa – generously added to the prize board in a Newfoundland hall in 2004, the hall initially had its licence suspended because it had exceeded the prize board regulations.⁵

Thirdly, electronic bingo has been embraced by some providers as the solution to declining revenues, in part because it allows existing bingo players to play more tickets and in part because – it is hoped – it will attract younger people. Tickets

are auto-dabbed. In accordance with the Criminal Code electronic bingo requires provincial involvement, since the play is run through a computer. It also requires new rules on equipment standards and authorised providers, the procedure for winning (especially whether a physical shout is required after a machine notifies a player of a win), and the maximum number of tickets that may be loaded onto a device. The latter is required both for responsible gambling concerns, and to reassure paper players that they still have a chance to win.

Flashboards in an electronic age: Out of date technology or player engagement tool?

In line with its move to electronic bingo the BCLC has taken away display flashboards that show the numbers called. These are unnecessary with e-bingo and expensive to maintain, in part because the light bulbs are constantly blowing. One regulator described them as "old technology that we can't support anymore, it's analogue in a digital world." (male regulator, BC) Another, however, felt that the boards had successfully engaged players: "if we could put those damn boards back we would have some happy people." (female regulator, BC)

Finally, slot or slot-variant machines are regarded by some operators as the way forward for bingo facilities. In BC the decline in the industry – in part caused by the provincial smoking ban – prompted changes in the floor space devoted to bingo versus slot machine play. One community gaming centre (CGC) that is notable for its determination to retain and promote bingo went from 800 bingo seats to under 400. The number of slots – originally 50 – grew to over 300. In 2014-5 there were 2508 slot machines in CGCs in BC (up from 1850 in 2010-11).

Although OLG is constrained by provincial regulation from introducing slot machines in its c-gaming facilities, it has introduced electronic break open ticket machines. These were originally designed in the US for those Native American gaming facilities that are not permitted to have slot machines. Technically they are not slot machines because they do not rely on random number generation for their outcomes. However, as several interviewees noted, the machines appear to many players to be slot machines. Their introduction in Ontario has raised concerns from

⁵ Community Fundraising Corp. v. Newfoundland and Labrador (Department of Government Services and Lands), [2004] NLTD 236.

some local government officials and responsible gambling advocates about harder gambling forms being introduced to bingo environments.⁶

3 Role of other governments

Although the provincial government role in bingo regulation is central to the Canadian case study, our research has also illuminated the role of other governments.

First Nations governments

Self-organised bingos, run without a licence from the province as mutual aid activities on reserve territory, have long existed in Canada. In fact some of the key legal cases on the Aboriginal right to operate and regulate gambling included testimony from First Nations leaders about the historical regulatory role of First Nations governments and communities in bingo.⁷ Many organisers of on-reserve bingos have been prosecuted, typically for keeping a common gaming house. In two Ontario cases, decided in 2004, the prosecution relied on the local and regional police having conducted extensive surveillance of on-reserve bingo play.⁸ The women who had key organising roles were both convicted of keeping a common gaming house.

Self-organised bingos are often run in community facilities, and part of the proceeds are typically used for good causes. Many causes are similar to those off-reserve, such as supporting a local school sports team, and sometimes the individuals who are raising money for the activity will volunteer to help run the game. However self-

organised bingos can also be used to help individuals, such as via assisting a family afflicted by an illness or accident, or providing resources for a young person going away to college. The use of proceeds in self-organised bingos is reliant on strong links to players as donors, in keeping with the mutual-aid style nature of the activity.

Provincial involvement with licensing bingos on reserve territory varies, although in both BC and Ontario provincial jurisdiction over bingo remains contested by many First Nations governments. In BC First Nations with provincially-recognised jurisdiction over land use planning can become a host local government to a gaming facility conducted and managed by BCLC, receiving a portion of gaming revenue in this capacity. Two First Nations host community gaming facilities on their land. Ontario's provincial government has pursued some gaming partnerships with First Nations governments. For example the Rama First Nation runs a casino and a c-gaming facility. The First Nations lottery licensing framework delegates authority comparable to that of municipalities to some First Nations, providing them with the authority to issue licences to eligible religious and charitable organisations to conduct lottery schemes. 39 First Nations communities have been designated this authority (AGCO Annual Report 2014-5, p. 66). Otherwise, the AGCO is the licensing authority for lottery schemes in 'unorganised' territories.

Local government role

There is no local government role in licensing bingo in BC. The provincial gambling regulator (the Gaming Policy and Enforcement Branch) determines eligibility, monitors use of proceeds, approves rule changes to games, etc. However host local governments must approve the location of a community gaming facility. On several occasions local councils have refused to do so, out of concern about the proliferation of slot machines.

In Ontario, the AGCO and municipalities share roles and responsibilities in licensing charitable bingos. Municipal actors issue licences for organisations running lower prize games. Municipalities can attach terms and conditions on licensees: the most common are that the organisation has to deliver services within the municipality.

Municipalities have taken diverse approaches to their licensing role. Some simply respond to applications from charities and religious organisations. Others are more heavily involved in charitable bingo, scheduling charities for their slots in an association hall for example, or creating arms-length bodies make decisions about eligibility in order to maximise local interests.

This variation notwithstanding, municipalities often understand themselves as having a key role in protecting charity interests in association bingo halls (eg by enforcing prize board limits so that

Table 7: Slots and slot-variant machines in bingo facilities, British Columbia (BC) and Ontario (ON)

Canadian Gambling Digest 2013/4

| Canadian Gambling Digest 2013/4 | BC | | ON |
|--|--------------|--------------|--------------|
| | 2013/14 | 2014/15 | 2013/14 |
| Electronic Break Open ticket/Pull-tab units | BC | | ON |
| Terminals | 0 | 2014/15 | 470 |
| Total Electronic Break Open ticket/Pull-tab units | 0 | | 470 |
| Terminals | 0 | | 470 |
| Total Electronic Bingo units | 0 | | 470 |
| Terminals | 4069 | | 3450 |
| Total Electronic Bingo units | 4069 | | 3450 |
| Terminals | 4069 | | 3450 |
| Total Electronic Gaming Machines (EGMs) | 4069 | | 3450 |
| Slots or VLTs at Bingo Facilities | 2803 | 2508 | 0 |
| Electronic Gaming Machines (EGMs) | 9907 | 9797 | 11974 |
| Slots or VLTs at Race Bingo | 0 | 2508 | 10224 |
| Slots or VLTs at Race Bingo | 0 | 9907 | 0 |
| Slots or VLTs at Race Bingo | 0 | 9797 | 11974 |
| Total Slots or VLTs at Racetracks | 12710 | 12305 | 22198 |
| VLTs at bars/lounges etc. | 0 | | 0 |
| Total | 12710 | 12305 | 22198 |

6 See, for example, Harrigan, Kevin, Vance MacLaren, and Ryan Huckle. 2013. *The Modernization of Bingo in Ontario: Recommendations for Responsible Gambling*. Report to the Ontario Problem Gambling Research Centre.

7 See for example R. v. Bear Claw Casino Ltd et al., 1994 CanLII 4710 (SKPC); R. v. Victor Jim, 1995 CanLII 1522 (BCCA); [1996] 3 WWR 30

8 See R. v. Gardner, 2004 CarswellOnt 2308, 2004 ONCJ 69, 62 W.C.B. (2d) 232; and R. v. Shabaquay, 2004 CanLII 68 (ONCJ).

CHAPTER 2: BINGO REGULATION IN CANADA (ONTARIO AND BRITISH COLUMBIA)

charities receive a fair portion of funds). However they tend to balance this with an eye on the charities themselves. They are especially focused on monitoring eligibility of the organisation, and use of proceeds.

Local licensing officers in Ontario reported that they had been pressured, on occasion, by local elected representatives to accept organisations or uses of proceeds that did not, in their view, meet eligibility criteria. This was most likely to happen with service clubs whose interests are especially well-represented on local councils (and in courts⁹). Licensing officers were usually able to resist such pressure, acting – as they saw it – to uphold the rules fairly in the broader public interest.

The municipal role, including as a regulator of charities, has been significantly changed under Ontario's move to c-gaming. Municipalities issue permits (not licences) for charities to get a place at an OLG-run c-gaming facility, and they have a

reduced enforcement role. Some licensing officers advised local councils against signing the contract to convert the halls, in part because they were concerned about the products that may be introduced (including slots-variant machines), and in part because municipalities might lose links to local charities. Those links were seen by some municipal regulators as about offering support and guidance, and by others as about providing oversight.

4 Standardisation of bingo using risk-based regulation approaches from casinos

The AGCO is continuing its ongoing transition towards risk-based, outcomes-based, and compliance-focused regulation. The AGCO will develop a framework to guide the consistent use of risk-based methodologies and approaches across all

lines of business. Under the Standards-Based Approach, the regulatory focus shifts from requiring gaming registrants to comply with a prescriptive set of rules and regulations – a “command and control” regulatory approach – to providing standards that must be achieved. This is a fundamental change that delivers a modernized approach to gaming regulation and allows the AGCO to focus its resources on key risks and maintaining game integrity, while providing a degree of business flexibility and efficiencies for the industry. (AGCO Annual Report 2014-5, p. 18)

Finally, provincially-run bingo is impacted by the rollout of standardised responsible gambling policies initially designed with casinos in mind. These policies include self-exclusion in BC (where players who consider themselves to have a gambling problem can ask to be excluded from

Standardisation of rules using a risk-based regulation model derived from casinos: BC's experience with 'Dusting Off'

'Dusting off' rules originated in casinos, to regulate how gambling employees touched cash and chips. Employees are forbidden from accepting cash or chips hand to hand from a customer, and they are required to open their hands, and/or wipe them together, and show their palms to a camera, to demonstrate that they are not hiding money or chips. 'Dusting off' is so familiar to casino employees that some apparently do it automatically outside of work, 'dusting off' after touching cash while shopping at the supermarket for example. As one BC interviewee noted, "You get casino employees that will go shopping and (taps hands together, in a gesture of dusting off). [Laughs]. It's just become so natural, right."

When BCLC took over bingos in BC, they essentially cut and pasted the regulatory framework used for casinos. Hence dusting off was applied to bingo staff.

"You can't do hand to hand contact for any cash. It must be laid on the counter and then we take it and count it out on the counter and then put it in the till and then we have to dust off to show that we don't have any cash in our hands. And we also have to dust off to show nothing is in our hands when we leave the cash area as well. It was a bit of a struggle when I first started working here, everyone would do hand to hand." (female, BC bingo hall manager).

When asked what the provincial regulator would be looking for when they inspected, one bingo hall manager said first:

"cash handling, they'll literally, going in and view random days on our CCTV to make sure all the staff are following proper cash handling.

Kate: I saw you rub your hands there?

Dust off, yeah. Literally. That's one of the things they check." (female, BC bingo hall manager).

"They say 'Why do we have to do it like this?' I walked in one time for an audit and the cashier looked at me and went like this (loud, obvious dusting off with hands). Coz he thought, 'I am going to show you!' (Laughs)" (male, BC bingo auditor).

"We have so many regulations about how we touch cash. We can't cup cash. It has to be very visible and it's under camera. What it did do from our point of view as operators, it cost us more money, because you have got to install cameras. So systems cost money. But at the end of the day, it also brought a tremendous amount of credibility and peace of mind to owners and to government in the fact that at least the cash was being handled properly. With the owner group here, they were very happy about a lot of the controls, because they said, any time we can have something that shows clearly that our staff are doing proper procedures and at the end of the day, this is a legitimate business, the stronger we all get." (female, BC bingo manager)

One hall manager stated that although employees had now learned to comply with dusting off rules, customers still tried to initiate hand to hand contact when using cash, and they had to be reminded. I did the same the first time I purchased tickets in a BC bingo facility, trying to place money in the cashier's hand. He backed away and told me to put it on the counter. I felt rather affronted, since close physical contact with staff, and trust, are key features of bingo. Over the subsequent weeks of fieldwork I saw the same thing happen again and again with other customers, in other locations. Employees backed away from the player's hands, glanced up at the camera, and told the player to place their cash on the counter. The customer did so, but often left looking affronted. These interactions took place over 10 years after the 'dusting off' rules had first been imposed on bingo facilities.

⁹ See, for example, the generous judicial treatment given to the Kinsmen club's illegal bingo in R. v. Kinsmen Club of Windsor, [1963] CarswellOnt 305, [1964] 1 C.C.C. 144

the facility for a period of time); special educational weeks giving information about game odds and resources on problem gambling in both provinces; posters about gambling treatment services being displayed in toilets; and so on. The OLG requires responsible gambling training for all staff in c-gaming sites. Many clinicians and counsellors who work in the field of responsible gaming – and who in the past have typically worked in casinos – are being exposed to bingos for the first time. Plans are also underway to extend self-exclusion to the c-gaming facilities.

In Ontario in 2013/4 self-service interactive responsible gambling terminals (giving automated information about gambling myths, game odds, etc) and on-site support centres (offering leaflet information and occasionally frequented by responsible gambling staff) were in place in 12 c-gaming facilities. In BC they were available in 19 bingo facilities.

Some respondents – representing both charitable and commercial interests – felt that a greater emphasis on responsible gambling was required once slot machines or electronic break open ticket machines had been introduced into bingo facilities. However in Ontario the roll out of these responsible gambling measures into c-gaming has been resisted by those who do not see bingo as a significant site for problem gambling, or who regarded the initiatives as a top-down, casino-based imposition, reflecting a lack of understanding of the bingo sector and a lack of interest in its own dynamics. Self-service terminals giving automated information about responsible gambling have on occasion been mysteriously unplugged, and responsible gambling staff have had to travel to c-gaming facilities to plug them back in.

Recommendations specific to the Canada case study

- 1 Notwithstanding the importance of charities, provinces, and commercial operators, the views of other stakeholders – especially volunteers, local governments, and First Nations bingo regulators and operators – need to be included in policy debates. An expanded model of stakeholder interests should be considered (fig 2).
- 2 The association model of full time charitable bingo halls is becoming harder to sustain, but charity-run bingo may be viable on a smaller, more occasional scale. Hence regulators concerned with charitable bingo, especially in BC, might consider how independently licensed charitable bingos could be better supported. Support could involve 'how to' workshops where successful charities are

invited to share their expertise with other groups; funding for inter-organisational learning; or a designated section on independent bingos in annual regulator reports, with targets for action to be discussed with existing operators. Interviewees from the Gaming Policy and Enforcement Branch (BC), the Alcohol and Gambling Commission of Ontario, and local municipalities in Ontario all spoke of their commitment to helping small organisations operate within charitable gaming rules, so in our view there is a strong desire from staff on the ground to provide such support.

- 3 While provincial governments have taken measures to share expertise on gambling regulation amongst themselves, and via international collaborations with other gaming regulators, jurisdictional collaboration is weaker at other levels of government in Canada. Opportunities for provincial government regulators to learn from the bingo-related expertise of First Nations regulators seem especially constrained, in the absence of a broader shift in federal and provincial approach to First Nations jurisdiction over mutual aid gambling activity. Attention could, however, be fruitfully devoted to improving collaboration at the local government level, within and across provinces. A first step could be to invite local gambling licensing experts to present at events such as those organised by the Federation of Canadian Municipalities; the Association of Municipalities (Ontario); and the Association of Municipal Managers, Clerks and Treasurers of Ontario.

- 4 Local and provincial level regulators could explore options for better supporting low-tech and entertainment-focused game innovations, such as drag bingo, disco bingo, dirty bingo, and so on. These often enjoy more local support than the expansion of automated gaming, and they do not require control of the gaming (and distribution of proceeds) to be transferred to the province. To support innovative live game formats greater flexibility may be required around rules on non-cash prizes; guest callers; and prize board limits.
- 5 As a result of a recent amendment to s. 207 (4) of the Criminal Code, passed in late 2014, provinces may now authorise charities and religious organisations to directly run computerised raffles. Ontario's AGCO is working with large charities (who wish to run such raffles during major sports events) to explore new regulations. Our research has shown that bingo operators are still subject to strict constraints on games involving a computer derived from s. 207 (4) of the Criminal Code; indeed these constraints have in part driven the creation of the province's c-gaming strategy, where electronic bingo is operated by the OLG. Hence in fairness bingo operators should be included in provincial discussions of whether and how to relax rules on raffles, in order that any concessions granted to large charities running electronic raffles are assessed for their impact on other sectors of charitable gaming.

Figure 2: Revised stakeholders in Canadian bingo: Some additional suspects



CHAPTER 2: BINGO REGULATION IN CANADA (ONTARIO AND BRITISH COLUMBIA)

Top 25 bingo cases

| Case | Brief summary |
|---|---|
| R. v. McGee, [1942] 2 W.W.R. 206, 50 Man. R. 152, 77 C.C.C. 302 | A dance hall owner in Manitoba let out the hall 5 evenings and 2 afternoons a week for charitable organisations running bingo; was paid a flat rental fee plus a fee per person admitted if admissions exceeded 400 (which they frequently did). Was charged with keeping common gaming house. Claims that bingo is not a game (relying on an Irish case, Barrett v. Flynn [1916] 2 Ir. 1, that had held 'housey' – a synonymous with bingo – to be a lottery involving no skill), and hence that the charge of running a common gaming house does not apply. Manitoba Court of Appeal held that bingo is a game of chance; the dance hall was a common gaming house; the accused was liable as a keeper thereof. The exemption granted to charitable or religious organisations allowing premises to be used "occasionally" for the playing of games for charitable or religious objects did not apply: "instead of permitting his hall to be used occasionally for the playing of games for such objects without any gain or profit to himself, he made the keeping of his premises for the playing of games of chance a regular revenue-producing business for his own benefit". Convicted. |
| R. v. Cosmopolitan Club, 1948 CarswellAlta 10, [1948] 1 W.W.R. 290, 5 C.R. 100, 90 C.C.C. 358 | Prize bingo played at a carnival in Edmonton (Alberta) to raise money for charity; club charged with keeping a common gaming house and conducting a lottery. Alberta Supreme Court hold bingo not to be a lottery, and can benefit from exemptions applied to raffles and games played at bazaars and premises where the proceeds are used for charitable or religious objects. Court directed an acquittal. |
| R. v. Kerim, [1962] CanLII 32 (ONCA) | Bingo played in premises in Ontario four nights a week for religious or charitable purposes. Religious or charitable organisations supplied equipment and bingo staff, and paid a rental fee (not dependent on the number of people playing) to the Kerim brothers as president and manager of the facility. Whether brothers are keeping a common gaming house – an offence liable for up to 2 years imprisonment – or knowingly permitting a place to be used for the purposes of a common gaming house (a lesser offence). Court allows appeal against the charge of keeping a common gaming house. 'Keeping' involves "some act of participation in the wrongful use" (Laidlaw at para. 6). Crown appeal dismissed in R. v. Kerim, [1963] SCR 124 |
| R. v. Kinsmen Club of Windsor, [1963] CarswellOnt 305, [1964] 1 C.C.C. 144 | Club organisers, who ran a newspaper bingo in Windsor (Ontario), charged with keeping a common gaming house and conducting or managing a lottery scheme. Identical schemes, running since 1959, had raised over \$81,000 for local charities. Ontario magistrate holds that they can't be convicted of keeping a common gaming house because there was no place for gaming. But newspaper bingo is a lottery, not a game. Although the club believed it was operating within the law, and consisted of "reputable and public-minded people motivated by a high ideal of public service" (Jasperson at para. 37), the Court must draw the line since "there is considerable public opinion inclined to the view that all things done in the name of Bingo are legal if the object of the game is for charitable or religious purposes. This, of course, as a broad statement of the law is not correct." (at para. 38) |
| R. v. MacDonald and Mount Pleasant (British Columbia No. 177) Branch of the Royal Canadian Legion, [1966] SCR 3 | Mount Pleasant War Memorial Community Cooperative Association, a branch of the Canadian Legion, was operating bingo games afternoons and evenings 6 days a week, with daily attendance estimated at 1800 people. Bingo was open to the public on payment of an entrance fee. Legion claims exemption from gambling prohibitions on the grounds that a place is not a common gaming house if used by a bona fide social club. Court rules that the premises were not being used as a bona fide social club; convictions for illegal gaming restored. "It was a place open to the public without discrimination and in daily use as a centre of public gambling...The use of these premises for bingo on such a widespread scale contradicts any possible inference of the use as a bona fide social club" (Judson at page 6). Note that the facility – in Vancouver – is still in use today as a bingo hall. |
| Keystone Bingo Centre Inc. v. Manitoba Lotteries Foundation, [1990] Carswell Man. 243 (C.A.) | Association of charities (with licences to conduct and manage bingos) agree with business owner to conduct games at his premises. Association pays rent plus a cut of the proceeds plus most of the concessions income. Government changes its lottery policy, requiring charities to conduct bingos on their own premises, on publically owned premises, or facilities owned by other charities, due to concern over role of private businesses in bingo operations. Keystone demand compensation from provincial government and Lotteries Foundation. Dismissed, on grounds that the business was illegal in the first place; the business owner was conducting and managing lottery scheme and using proceeds for other-than charitable or religious purposes. |
| R. v. Furtney, [1991] 3 SCR 89 | Operators of a bingo business in Ontario charged after repeatedly counselling charitable bingo licensees to violate terms and conditions of their licences by breaking rules set by regulators on maximum percentages of the revenues that can go to management costs. Business claims that Parliament exceeded its powers of delegation in permitting exemptions from criminality for provincially-licensed charitable or religious organisations operating lotteries, since criminal law is reserved for the federal government. Held that there is no improper delegation, and that provinces can act to regulate gaming activities under the Canadian constitution. Provincial licensing and regulation of gaming activities is not per se legislation in relation to criminal law: it can also relate to provincial powers to maintain charitable institutions. |
| Tumaitis v. Tumaitis, 1992 CanLII 689 (BCSC) | Husband claims wife wasted significant assets during their marriage through regular bingo playing (3-5 times a week, playing up to 14 cards at a time) and occasional trips to Vegas. Judge holds "there is not sufficient evidence to justify the drawing of an inference that she was somehow a compulsive gambler and even less to suggest that she somehow suffered substantial losses in her activities." |
| R. v. Bear Claw Casino Ltd et al., 1994 CanLII 4710 (SKPC) | Claim of Aboriginal right to operate and regulate gambling as part of constitutional right to engage in cultural and economic activities. Case is triggered by Royal Canadian Mounted Police (RCMP) action against a casino on the White Bear First Nation reserve in Saskatchewan, but bingo is referred to prominently in testimony on customary law. eg Edward Harvey Lloyd Littlechief – a councilor at White Bear First Nation – claimed that on-reserve bingos were well-known by the RCMP, which had never – in at least 25 years – acted against bingo; and that the bingo had been regulated (including via a licence) through the Chief and Band Council until regulation moved to the newly-established White Bear First Nation Gaming Commission. This evidence was key to the court's decision that the accused's belief that the Criminal Code's gaming provisions did not apply to their on-reserve gaming activities was reasonable, and hence that there was sufficient doubt of guilty intention to convict. (NB: appeal occurs in Bear Claw Casino Ltd and others v. R., 1995 CanLII 3914 (SKCA), but case is adjourned after enactment of an operating agreement between the Province and the Federation of Saskatchewan Indian Nations which results in the opening of the casino. It does not offer bingo). |

| Case | Brief summary |
|--|--|
| Mount Pearl (City) v. Local Board of Appeal (Mount Pearl), 1995 CanLII 9858 (NL CA). | Newfoundland and Labrador Court of Appeal upholds City council's discretion to refuse a permit for a new bingo hall on the grounds of concerns from non-profit organisations that the new bingo could harm existing bingos run for the purpose of community fund raising. |
| R. v. Victor Jim, 1995 CanLII 1522 (BCCA); [1996] 3 WWR 30 | Victor Jim and Jack Sebastian assert an Aboriginal right to engage in and organise gaming activities subject only to regulation by Gitksan and Wet'suwet'en law. Charged in 1988 in connection with organising an on-reserve bingo in BC without a provincial licence. Argue that the Criminal Code's gaming provisions are not applicable as a result of ss.35(1) and ss.52 of the Constitution Act 1982, on Aboriginal rights to engage in cultural and economic activities. Evidence given by two elders (both Wet'suwet'en Chiefs, one estimated at 100 years old) that bingo was widely played and a crucial source of funds for community and charitable purposes. But bingo found to be not of profound Aboriginal cultural significance. Held that there is no Aboriginal right in the constitution to operate or regulate gaming. |
| R. v. Bragdon, 1996 CanLII 4706 (NBCA); 183 NBR (2d) 329 | Charges brought against 6 people for keeping a common gaming house after police investigation of a bingo hall on Tobique Indian Reserve in New Brunswick. All 6 were employed in the hall. Held that the premises were controlled by the Tobique Indian Band (which was not charged), and that the 6 lacked sufficient control over/management of the bingo hall to be deemed keepers. |
| R. v. Pamajewon, [1996] 2 SCR 821, 1996 CanLII 161 (SCC) | Members of the Shawanaga First Nation and Eagle Lake First Nation convicted of keeping a common gaming house and conducting a lottery scheme for their role in organising bingos and other gambling on reserve land. The Shawanaga First Nation asserted an inherent right to self-government. The Eagle Lake First Nation asserted the right to be self-regulating in its economic activities. Court holds that evidence presented did not demonstrate that gambling, or the regulation thereof, was an integral part of the distinctive cultures of the Shawanaga or Eagle Lake First Nations at the time of contact; nor that gambling played an important role in the cultures of the Shawanaga and Eagle Lake First Nations. |
| Nanaimo Community Bingo Assn. v. British Columbia (Attorney General), 1998 CanLII 1192 (BCSC), 1998 CarswellBC 266 52 B.C.L.R. (3d) 284, [1999] 2 W.W.R. 428 | As part of its introduction of electronic bingo, the BC government introduced a regulation dividing bingo proceeds between charities, for-profit bingo providers, and the province. Judge rules that BC's Gaming Act did not authorise this regulation diverting charitable funds to the government, and that the Criminal Code prevents the government diverting the proceeds of charitable gaming authorised under s. 207 (1) (b) of the Criminal Code to for-profit management companies. Declares the regulation invalid, and declares "that the Province of British Columbia cannot receive, or authorise or require "for-profit" companies to receive, the proceeds of gaming that is managed and conducted by charitable and religious organisations in British Columbia" (Owen-Flood at para 3). The government successfully appeal against the latter declaration (see Nanaimo Bingo v. British Columbia (Attorney General), [2000] BCCA 166) |
| Nanaimo Immigrant Settlement Society v. British Columbia, 2004 CanLII 410 (BCCA). | A group of charitable and religious organisations seek a declaration that the licensing fees they paid to operate bingos in BC were invalid. 1987 changes to the gaming fees, and the expansion in gaming, meant that the revenues grew such that the share going to government far exceeded the costs of the regulatory scheme. Charities wanted the fees repaid (with interest) on the basis of unjust enrichment, including on the grounds that the fees were illegal taxes imposed by regulation (any bill imposing a tax must originate in Parliament or the provincial legislature). Decisions culminate in a ruling that the fees were legal taxes. |
| R. v. Gardner, 2004 CarswellOnt 2308, 2004 ONCJ 69, 62 W.C.B. (2d) 232 AND R. v. Shabaquay, 2004 CanLII 68 (ONCJ) | Nancy Gardner and Harriet Shabaquay charged with unlawfully keeping a common gaming house and participating in a lottery scheme by means of a game of bingo at the First Nations Territory of Eagle Lake (Gardner) and First Nations Territory of Wabigoon Lake (Shabaquay). Evidence of 6 witnesses detailing extensive surveillance of both First Nations bingos by provincial and regional police, including via plain clothes police observations and participation in bingos. Court confirms that bingo is a game of mixed skill and chance (not a lottery), but that the two women "had some degree of control over the premises" (at para 37). They gave out prize money and sold tickets, were identified by others as in charge of the bingo, and Gardner was a keyholder to the cafeteria. Both women convicted of keeping a common gaming house. |
| Community Fundraising Corp. v. Newfoundland and Labrador (Department of Government Services and Lands), [2004] NLTD 236 | Lottery regulations in Newfoundland and Labrador permit a maximum \$3,000 prize board to be won in any given bingo event. In Dec. 2003 Santa Claus called two games of bingo – attended by c275 players – and spontaneously increased the prizes of two games (by \$100, and \$75), hereby exceeding the maximum. Provincial regulator concluded that the excess payout breached the regulations and was likely to reflect unfavourably upon the integrity of the lotteries program. The Corporation's bingo licence was suspended for one week, leading to a loss of gross revenue in excess of \$60,000. Judge holds that regulation wasn't intended to apply to isolated breaches involving a small excess of prize money precipitated by a guest rogue caller. It was unreasonable for the regulator to believe that the violation triggered an application of the rule. Appeal allowed. |
| Bingo City Games Inc. et al v. B.C. Lottery Corp. et al, [2005] BCSC 25. | Final case in a set of proceedings begun in 2003 by a company that owned a bingo facility used by a charitable association in Prince George (BC). Business fails, in part because BCLC take over running the bingo in January 2002. The business is offered worse terms by the BCLC than the charity association had agreed to and a rival hall (also run by the BCLC) is allowed to extend its hours, increasing competition. Damages claimed against both the provincial government and the BCLC. Court rejects all claims. Once it took over bingos BCLC owed no duty of care to keep them open. Its new policy was to increase revenues, which entailed that it "weed out failing halls and inefficient bingo operators" (Rogers at para. 223). |

CHAPTER 2: BINGO REGULATION IN CANADA (ONTARIO AND BRITISH COLUMBIA)

| Case | Brief summary |
|---|--|
| R. v. Weitzel, 2005 CanLII 378 (ABPC) | Lewis Weitzel (President of ALS Society of Alberta) convicted of paying bingo workers on behalf of the Society (contrary to the rules of Alberta's Gaming and Liquor Commission), by forging invoices showing inflated expenses for equipment used by the charity's beneficiaries. The excess was used to pay members of sports teams to work the ALS' bingo slots. Testified that "there were always problems finding volunteers... the efforts and resources of the family members of someone diagnosed with ALS were more preoccupied with the health of that family member, than working a bingo" (para 32). The idea of paying for volunteers came from hockey and baseball teams also raising money via bingo. Practice was widespread and others in the society knew of the scheme. Conditional sentence imposed |
| MJF v. JMF, [2006] ABQB 189 | Divorce case. Father worked at least 16 bingos a year (of 5-7 hours each) to keep daughter in swimming programme; was fined \$100 for missing a session. |
| Abbotsford Families United v. Abbotsford (City), 2009 CanLII 463 (BCSC) | City of Abbotsford (BC) pass zoning amendment bylaw in 2007 allowing a bingo hall to operate 125 slot machines and 192 personal play bingo machines. Challenged by a not-for-profit cooperation (with 1 member) established to defend and promote family values. Claims non-disclosure of key information. The public debate about the zoning amendment was premised on an assumption that the hall owner would close the hall if slots were not allowed, causing a loss of revenue to the city and local charities. City failed to disclosure letters from Solicitor General and his Assistant Deputy Minister that there was no longer any direct relationship between the revenue that government earned, via BCLC, at a bingo hall and the grants given to hall affiliates. Held that City's failure to disclose the letters did not constitute failure in its duty of procedural fairness: the petitioner did not ask for them specifically, and the city is not obliged to disclose all information it receives. |
| 2031012 Ontario Ltd. v. Canada, 2010 CanLII 2834 (ONSC) | Corporation with exclusive rights to import and distribute a US-produced electronic game intends to install machines in bingo halls across Canada; seeks a declaration that the game is legal in Ontario as a game of skill). If the game involves an element of chance it falls within the gambling prohibitions of the Criminal Code and would be illegal. Application is held to be premature and speculative; "this court should not be placed in the position of determining in advance whether the game 'Match em up' would be legal in every conceivable circumstance" (at para. 12). But evidence suggests it is a game of mixed chance and skill. |
| Dow v. Dow, [2013] NBQB 106, FDSJ-635-2012 | New Brunswick case. Distribution of assets of a 9 year marriage; wife gambled throughout, on Video Lottery Terminals and bingo. She says it was recreational. Husband says it was an addiction which wasted the family resources and was the eventual cause of the marriage breakup. Court finds that the wife "dissipated" (wasted, involving an element of bad faith or neglect) the family's resources because of gambling addiction, to such an extent that there should be an unequal division of the home. |
| Amyotrophic Lateral Sclerosis Society of Essex v. Windsor (City), [2015] ONCA 572 | Proceedings initiated in 2008 by a group of charities (including a minor hockey association and a country dance troupe) against cities of Windsor and Tecumseh, in Ontario, to get a certification of class action claiming that charitable lottery licensing and administration fees collected by the municipalities were direct taxes and therefore outside the powers of the city because the revenues far exceeded the costs of administration. In this specific case, the cities objected to the time scale of the class action (going back to 1990). Judges amend the class action certification to use a 15 year ultimate limitation period. Proceedings are on-going. |
| Merpaw v. Hyde, [2015] ONSC 1053 | Significance of bingo play to a claim regarding a woman who alleges inability to work, and seeks damages, following a fall. Ontario court orders the disclosure of the contents of her casino card for the Akwesasne Mohawk Casino (located in a First Nations reservation in New York state, USA), where she says she plays mainly bingo, and authorises the Akwesasne Casino to disclose all records of her visits, and money spent and won, between 2004 and 2014. Ability to stay focused during play "may indicate workplace capacity in the form of focus, concentration, reason and ability to stay on task" (Leroy at para. 59). |

CHAPTER 3: REGULATION OF LAND-BASED BINGO IN ENGLAND AND WALES



Teresa, Pauline, and Mary, regular bingo players in a Kent bingo hall. Photograph taken by Andrea Shieber.

Kate: What was bingo like when you first started working in it?

Interviewee: Amazing. Absolutely amazing. I would have worked for nothing. I absolutely loved it. It just opened your eyes to a whole new life. (male, commercial bingo hall manager, Wales)

Part 1: Current regulation

Gambling regulation in Great Britain is driven by the Gambling Act 2005 (the Act). This aimed to modernise gambling regulation, reflecting a New Labour desire to encourage the leisure sector as a crucial part of the UK economy. It replaced a law and policy approach characterised by a reluctant tolerance of gambling. The 1968 Betting and Gaming Act, which reflected that earlier approach, employed a prescriptive, 'command and control'-style of regulation in which operators had little flexibility in interpreting rules and procedures. The 2005 Gambling Act aimed to move to a more self-regulatory approach, where

operators had more freedom to decide how they could best comply with standards laid down by the new national regulator, the Gambling Commission.

The licensing principles of the Act are threefold:

- 1 preventing gambling from being a source of crime or disorder, being associated with crime or disorder, or being used to support crime,
- 2 ensuring that gambling is conducted in a fair and open way, and
- 3 protecting children and other vulnerable persons from being harmed or exploited by gambling.

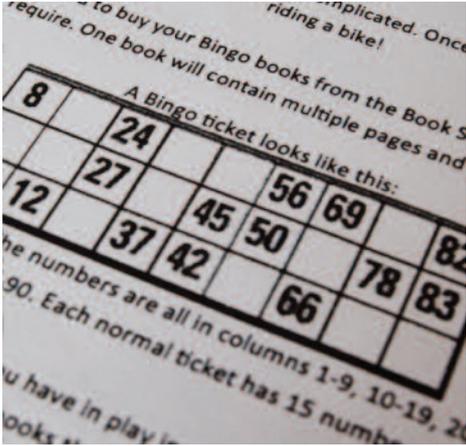
The Act covers both commercial and non-commercial bingo operations.

Commercial bingo operators include traditional bingo halls, seaside bingo arcades, holiday parks, commercial sports and social clubs, and adult gaming centres. These require an operating licence for the company and a personal licence for key staff, both issued by the Gambling Commission. They also require a premises licence from the relevant local authority.

Non-profit making bingo operators include ex-services clubs, miners' welfare institutes, politically-affiliated clubs; working men's clubs; non-profit making sports and social clubs; village halls; community centres; and churches. Proceeds are donated or used for the benefit of members. When bingo was first legally enabled in Great Britain, in 1934 via the Betting and Gaming Act and then more explicitly in 1956 via the Small Lotteries and Gaming Act, legislators intended to support these sorts of activities.

Bingo can be run – without a licence – to raise money for a good cause, so long as the players are informed where the money is going and all the money raised is donated to the good cause (minus reasonable costs for organising the event). If played for cash prizes (to a maximum of £600 in any event), participation fees of up to £8 can be charged. They must be donated.

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Bingo stakes and participation fees

Under the 2005 Act, all operators (commercial and non-commercial) offering bingo with aggregate stakes or prizes of over £2,000 in any seven day period must hold an operating licence from the Gambling Commission. Bingo games are allowed in pubs, members' clubs, miners' welfare institutes and commercial clubs (where proceeds can be taken as profit) without an operating licence, so long as they do not exceed the £2000 threshold or involve links with other premises. Members' clubs (commercial and non-commercial) and miners' welfare institutes can charge limited participation fees of £1 per person per day. Pubs can not charge participation fees.

To charge higher participation fees, of up to £3 per person per day, members' clubs and miners' welfare institutes require a local authority permit. To qualify for a club gaming permit, members' clubs must be genuine members' clubs, with participation in gaming restricted to members and their bona fide guests but open to them all. The rules around this are extensive. The Act lays out minimum numbers of members required to establish a members' club and waiting periods to play, and the Gambling Commission has offered guidance to local authorities on determining whether a club is a genuine members' club, and whether there is "substantial evidence of activities other than gaming."¹ Clubs can only be established for gaming if established for whist or bridge, a long-standing class-based distinction that continues to impact bingo.

By law all the stakes in cash bingo must be returned to players as prizes, since as an equal chance game bingo cannot involve staking against the house. Players' payments must be divided transparently between stakes (all of which are returned in prizes), or participation fees. Prize bingo (involving goods such as kitchen utensils, toys, or vouchers) involves no stakes, since the prize is not determined by the number of people playing or the amount paid for the game.

Scale of play and bingo demographics

"The one thing I would dispel is the idea that it is a dead product: there are still 2.5 million regular bingo players in the UK and they deserve our support." (Neil Goulden, Gala Bingo, testifying to the Parliamentary committee investigating the impact of the Gambling Act (2005), 25 Oct 2011).

"The foundations of the Legion is bingo, no matter where you go" (male bingo organiser, North of England).

Land-based bingo in England and Wales is especially popular with older, working class women. The 2001 Budd report on gambling, a consultation that laid the groundwork for the legal reforms in the 2005 Act, found that "of all the gambling types surveyed, playing bingo was most closely related to social class, ranging from 3% in Social Class I to 20% in Social Class V."² According to the most recent comprehensive Gambling Prevalence Survey, in 2010:

- 9% of people played bingo in the past 12 months, 12% of women and 6% of men. Although this includes bingo played 'in club' (land-based) and online, the prevalence for playing bingo online was then very low, at under 1%.
- Participation was highest in Scotland (12%), the North East of England, and Wales (both 10%), and lowest in London (5%).
- The percentage of people who had played in-club bingo in the last 12 months has remained steady over the last 3 gambling prevalence surveys (7% in 1999 and 2007, and 8% in 2010). But the percentage of people who had played in the last week was down: 4% in 1999; 3% in 2007; 2% in 2010. In 2010 54% of bingo players played once a month or more.
- Prevalence was highest among the oldest (75+) (11%) and youngest age groups (16-24) (10%).
- "Bingo was the only activity where participation was highest among those who were widowed. 13% of those who were widowed had played bingo in the past year compared with 8% of those who were single." [Prevalence Survey 2010, 39]

¹ Gambling Commission. 2012. *Guidance to Licensing Authorities*, 138.

² The Gambling Review report. 2001, 41.

Table 1: Number of licensed bingo premises

Source: Gaming Board and Gambling Commission annual reports

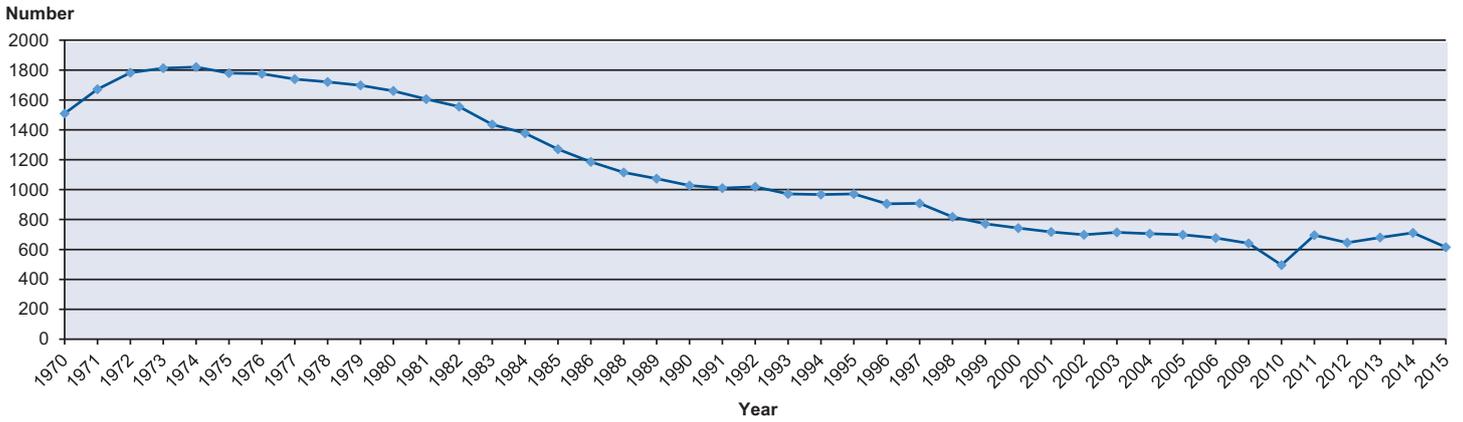


Table 2: Money staked on licensed bingo (amount in £million)

Source: Gaming Board and HMRC reports

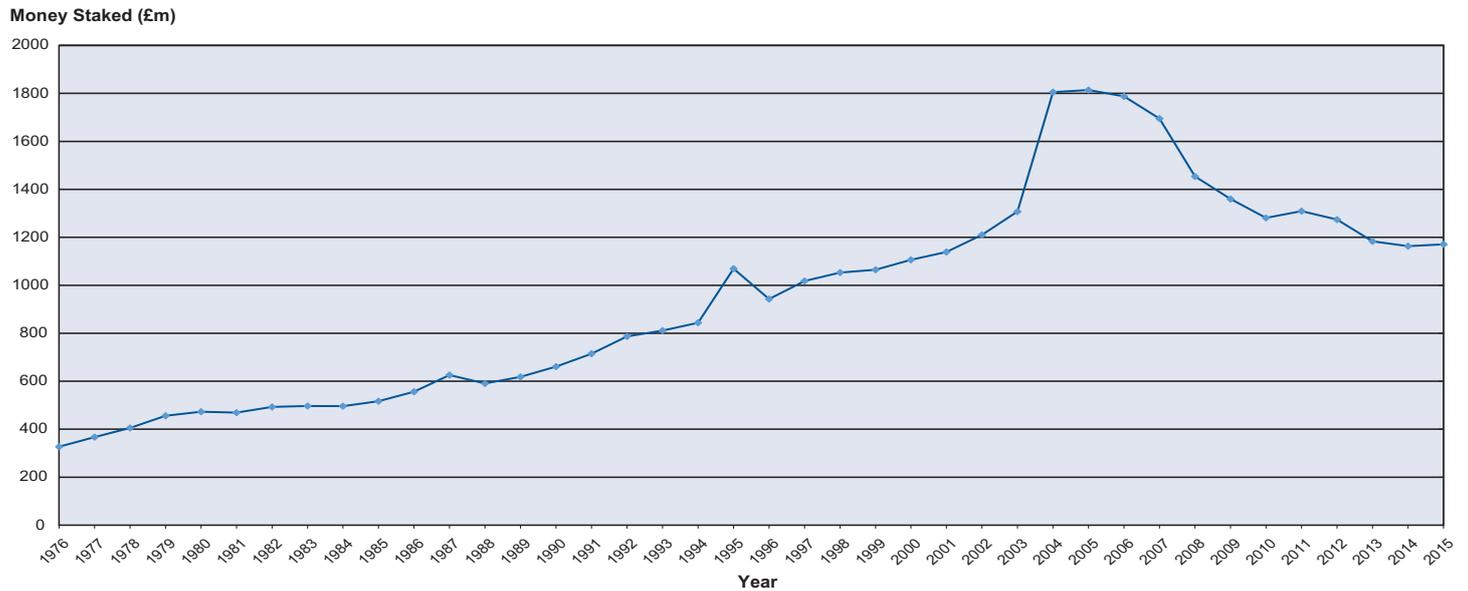
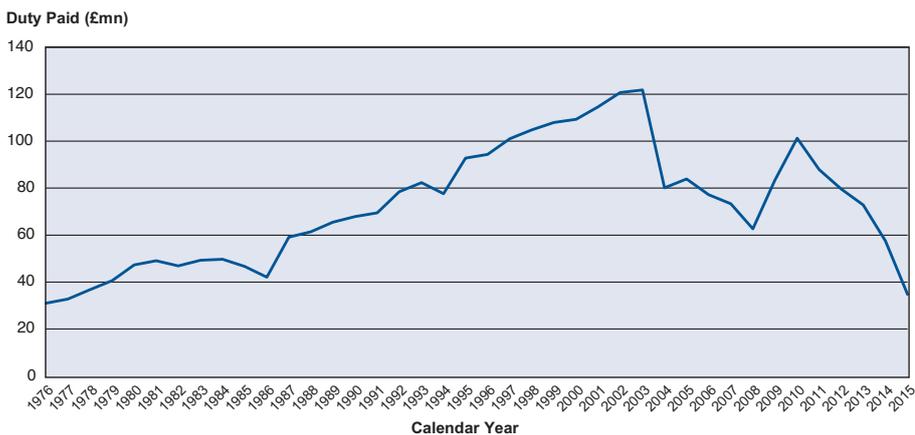


Table 3: Bingo duty paid

Sources: Gaming Board (1969-1985) and HMRC (1986-2015) reports



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A 2014 report, using 2012 health survey data, confirmed that land-based bingo remains distinctive in its popularity among working class women: “Men tended to be more likely than women to take part in most activities and to have a larger gambling activity repertoire than women.

The exceptions to this are bingo, with men being less likely to participate than women (3% and 7% respectively); and scratchcards and other lotteries, with men and women being equally likely to participate.”³ 2% of those whose highest educational qualification was a degree or higher played land-based bingo compared with 8% of those with no qualifications.⁴

There are currently 615 licensed bingo premises in the UK, the overwhelming majority of which are profit-making businesses. However commercial bingo has been in decline in Great Britain when measured by the number of licensed clubs, the duty paid to government, and the money staked. The smoking ban, implemented in 2007, had a particularly significant impact on attendance.

Given that all stakes in cash bingo have to be returned to players as prizes, commercial bingo halls make money from participation fees built into

the main stage bingo game ticket price, or from sides games and machines played in intervals. From October 2014 to September 2015 gaming machine revenue accounted for 46% of gross gaming yield in licensed bingo facilities.

There is poor data on the scale of non-commercial bingo in the UK. Most bingo fundraising does not require a licence, and most providers of bingo in members’ clubs require neither an operating licence nor a local authority permit. However our research shows that non-commercial bingo is in decline, with falling attendance and loss of institutional memory about how to organise games. The number of new club gaming permits issued by local authorities – required for higher participation fees to be charged for bingo games – is at a 5 year low. In one part of South Wales visited for fieldwork there had been 400 working men’s clubs attached to the regional branch in the 1980s. Most of those were thought by local experts to have offered bingo. In May 2014 there were 116 clubs left, and many of those were in danger of closing. Most still offered bingo.

52 non-commercial operators (out of 200 operators in total) hold an active operating licence from the Gambling Commission, enabling them to offer bingo with aggregate stakes or prizes over £2,000 in any seven day period. They include groups such as the Boldon Colliery and North Road Social Club and Institute; Skegness Working Men’s Club & Institute, Leicester Railwaymen’s Club; Morfa Social & Athletic Club, Yardley Ex Servicemen’s Club, Nottingham Imperial Order Of Oddfellows Club & Institute, and the Pennywell Comrades Social Club & Institute.

Although participation fees can be charged to play, money is rarely made from bingo in members’ clubs like these. Sometimes operators benefit in additional food or drink sales, or separate admission fees to see a performer in the interval between games. But frequently the surplus generated is described in non-monetary terms. As one male volunteer in an ex-services club in the North West of England put it:

‘we’re just having a laugh, really. It’s a bit of fun. It’s providing a service. It is not like big bingo halls. It’s about meeting friends, comradeship, friendship.’



Control panel used by bingo callers, Kent. Image taken by Andrea Shieber.

3 Wardle et al. 2014. *Gambling Behavior in England and Scotland*, (Gambling Commission), p 2, emphasis added.

4 *Ibid.* p 23.

Table 4: Gross Gaming Yield (GGY) for bingo games and gaming machines in licensed bingo premises

Sources: Gaming Board (1969-1985) and HMRC (1986-2015) reports

Percentage

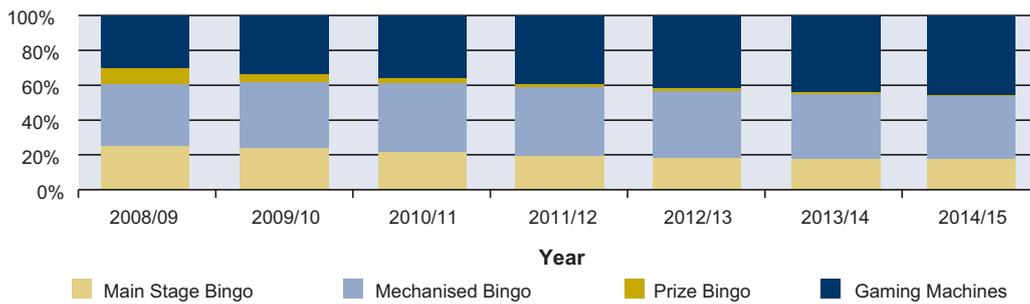


Table 5: Number of new club gaming permits issued by local authorities, 2010-15.

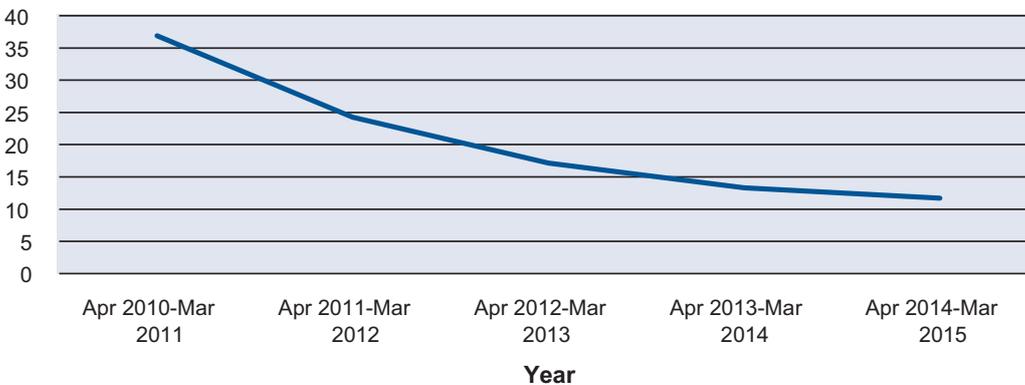
Source: Licensing Authority Statistics 2010-15, Gambling Commission.

| Year | Club Gaming Permit |
|---------|--------------------|
| 2009-10 | 179 |
| 2010-11 | 265 |
| 2011-12 | 190 |
| 2012-13 | 100 |
| 2013-14 | 64 |
| 2014-15 | 44 |

Table 6: Average number of gaming permits/notices issued by local licensing authorities submitting returns.

Source: Licensing Authority Statistics 2010-15, Gambling Commission.

Average number issued



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Key themes

Theme 1: The shifting attitudes of lawmakers and the declining visibility of the non-commercial sector

Bingo has always had great cross party support, which is partly why I think the duty change was successful. (male commercial bingo operator, England)

When bingo was first mentioned in parliament in 1936, it was by an MP seeking to liberalise hours for working men's clubs. In the 1950s, when concentrated attention was paid in parliament to bingo for the first time, lawmakers regarded the game positively due to its connection to the military (where it was widely played by soldiers and sailors), political parties (where it was used to fundraise), and working men's clubs (where it supported member activities and good works within the community, such as taking children on holiday). Lawmakers from both parties were keen to show their support for working men's clubs in particular, since the club movement had links to many MPs.

Commercial operators at that time included showmen who offered bingo in travelling fairs, and the holiday camp pioneer Billy Butlin. They appear in the parliamentary record mostly as part of complaints by advocates of working men's clubs about the unfairness of police toleration for commercial play when contrasted with occasional raids on members' club spaces.

Commercial bingo subsequently exploded in Great Britain under a loophole in the 1960 Betting and Gaming Act allowing profit-making clubs to conduct equal chance gaming and to charge for entry. It provoked a backlash. Commercial bingo survived the subsequent crackdown on gambling enshrined in the 1968 Betting and Gaming Act

Changing attitudes to bingo (1936-1995): Extracts from the Hansard Record

NB: in these examples housey is a synonym for bingo.

Commander Bower, speaking in favour of a measure to amend licensing hours for working men's clubs: "The bona fide clubs... are a very great asset in the social life of the country. (An MP opposed to the reform) could come to my constituency and visit one or two of the working men's clubs in which I spend a good deal of my time. He could have a game of billiards or darts, or backgammon, listen to the wireless or read the newspapers, or he might even indulge in a surreptitious game of "Housey-Housey". The drinking is moderate and quite ancillary to the ordinary activities of the club...(Clubs) are a great boon to the unemployed man... There are many of these men in my constituency, and it is pathetic to see the shifts they will employ in order to be able to pay their club subscription, and be able to go along to these social centres and feel themselves on terms of equality with their more fortunate brethren who are working." (HC Deb 6 March 1936, vol 309, col. 1710-1).

Mr Boardman asked how many people had been prosecuted in Lancashire during 1955 for playing housey-housey in social clubs. The answer was 115.

"Is the Home Secretary aware that the game is a traditional pastime of the British Army, that under the name of tombola it is played in certain seaside holiday camps whose brochures advertise it..., and that under the name of either tombola or bingo it is played in the most fashionable London clubs? Why should there be discrimination against Lancashire clubs? Is it not time the law was amended to legalise this innocent pastime? (HC Deb 14 July 1955, vol 543, col. 2101-1).

"We have all broken the law. For example, "housey-housey" is played on every troopship leaving this country and coming back. It is played in my constituency at fetes organised by ex-Service men who probably learnt the game while in the Army." (Major H Legge-Bourke HC Deb 25th Nov 1955, vol 546, col. 1858).

"Bingo, in its modern form, is a highly commercialised and greatly exploited type of gaming....It is becoming another form of drug addiction.... In one form or another bingo is being played all the time. One cannot have a sandwich or drink without some form of bingo being on top of one. If one goes for a tour in the country, bingo is played on the train. It is all a commercial operation run to make profit" (Mr Blenkinsop HC Deb 11 June 1968, vol 766, col. 63).

"By limiting the amount of the prize to such an absurdly low sum the Home Secretary is taking the "go" out of bingo. He is taking a lot of excitement and zip out of it....When the linked game comes up there is an intensification of the atmosphere, an excitement which I do not consider harmful.... I have seen old people enjoying themselves, and I wonder what they would be doing if they were not in a bingo hall with other people. They would probably be at home before their television sets, perhaps fast asleep and utterly lonely... They are enjoying themselves there in a social atmosphere and I do not see that that is a great evil." (Mr Buck HC Deb 11 June 1968, vol 766, col. 138-9).

"Bingo is – or should be – a relatively harmless form of gaming of a sociable and neighbourly kind... Provided it is kept within proper bounds we have no wish to harass it unduly" (Lord Stonham HL Deb 29 June 1968, vol 293, col. 854-5).

"(Linked bingo) is the negation of what bingo was originally conceived to be, which is a friendly, modest, intimate neighbourly game. You cannot call it a game when there are perhaps 5 million people up and down the country just drawing a number. That is not a game." (Lord Stonham HL Deb 29 June 1968, vol 293, col. 901-902).

(unlike most casinos), but only within strict limits. For example there were to be no linked games, and almost no advertising.

Whereas commercial bingo survived in the 1960s on the grounds that it was seen by most lawmakers to be a social, family game, offering harmless fun and entertainment, in the 1980s the perceived benefits of commercial bingo became also economic: tax revenue; employment; well-run businesses; and sites that attract tourists in seaside towns. By the mid 1990s, commercial bingo was seen positively by politicians of all parties, both for economic and social reasons, and it was regarded as a favourable site for deregulation.

The sense that bingo provides a safe, respectable outlet for elderly working class women's leisure – a framing seen since bingo was first explicitly debated in the 1950s – remains. Now bingo halls are contrasted with betting shops, pay day lenders, and pawn shops as sites of sociality, community, and harmless fun. The Mary Portas review on high street regeneration actively promotes them. In 2014 the Chancellor announced a 10% duty cut on commercial bingo – double what the industry had requested.

“Bingo is a brilliant way to bring people together for a bit of old fashioned community fun. Why can't we encourage more bingo nights on our high streets?” (Mary Portas, The Portas Review: An independent review into the future of our high streets p. 46)

The positive attitudes held by lawmakers towards commercial bingo are in part the result of effective lobbying. Industry involvement in debates about land-based regulation is well-institutionalised. The Bingo Association, the trade association for land-based commercial operations in Great Britain, takes a proactive role in lobbying around taxation, and regulatory reform.

Changing attitudes to bingo (1936-1995): Extracts from the Hansard Record (continued)

“It always amazes me when I hear people talking about spending family allowances on beer and bingo, because it is a lot of nonsense. It may be true that a father and mother will have a drink of beer and may even play bingo. But is it suggested that the father and mother of a family in receipt of family allowances should not be entitled to have a drink of beer or play bingo? It really is a nonsense” (*Mr Loughlin HC Deb 2 April 1968, vol. 762, col. 147*).

“Are we acting wisely in encouraging a kind of Bingo, lounge bar society—the kind of society in which people feel that they can get things without making substantial contributions?” (*Lord Taylor of Gryfe HL Deb 18 February 1970, vol. 307, cc 1221*).

“Many people would rather spend their hard-earned money on subscriptions to BUPA¹⁸ so that they are given medical care when they require it rather than spend that money on drink or bingo. In a free country why should they not have this choice?” (*Mrs Knight HC Deb 27 April 1976, vol. 910, col. 287*).

“If it were not for bingo our elderly people would have no social life.” (*Mr Roberts HC Deb 29 Oct 1979, vol 915, col 840*).

“We are not interested in the extension of bingo halls and ferris wheels. We are interested in the creation of proper jobs and opportunities for employing our young people and renewing a dying industrial situation.” (*Mrs Dynwoody HC Deb 21 April 1980, vol. 983, col. 87*).

“People who go to bingo halls are working-class men and women and old-age pensioners. One does not have to hire a top hat or tails to go to bingo halls, or wear floppy hats as women do at some of the racecourses, such as Ascot. Those who play bingo are miners' wives, not millionaires' wives; shipbuilders' wives, not shipowners' wives.” (*Mr Dixon speaking against an increase in bingo duty, HC Deb 6 July 1981, vol. 8, col. 187-8*).

“Unless the changed circumstances of today, compared with 1968, are taken into account the survival of this form of recreation is truly in peril. The word “peril” may seem an emotional and dramatic one to use in connection with the game of bingo, which we sometimes laugh at and pass off but it is a form of recreation which means a great deal to many people... This is not an inconsiderable industry. It provides 52 million a year to the Exchequer; it provides jobs and a living for tens of thousands of staff; and it provides recreation for 13.5 per cent. of the adult population of Britain.” (*Lord Harmor-Nicholls HL Deb 4 May 1983, vol. 442, cc.148*).

“Some of my constituents enjoy bingo. What about subsidising bingo for ordinary people? It is an art form for them in the same way that watching and listening to a fat Italian singing in his own language, dressed like a woman, is an art form. As far as I am concerned, there is no difference.” (*Mr Dicks HC Deb 20 May 1988, vol. 133, col. 1236*).

“The bingo industry is declining. There is no cause or call for the Government to support it. However, by the same token there is no reason for its survival to be impeded by unnecessary restrictions” (*Viscount Montgomery of Alamein HL Deb 25 March 1991, vol. 527, col. 918*).

John Whittingdale, then a new MP, speaking of his visit to a new-build bingo club: “A bingo club now is not only a gambling hall; it is a leisure centre where people can meet, talk, enjoy a drink, have a meal and generally have a fun and sociable afternoon or evening of activity. In addition, clubs often fulfil a more general social role as places where elderly people can go during the day to enjoy a cheap meal, have a bit of fun and chat with friends in a warm, safe environment... The industry is falling into decline, which can be halted only by deregulation that will allow it to compete on a basis equal to that of its main competitors while it is still in good enough shape to take advantage of a level playing field. The Government have rightly championed competition and deregulation. No industry is more deserving of the chance to enjoy the benefits of those policies than the bingo industry” (*HC Deb 11 May 1995, vol. 259, col. 965*).

18 The British United Provident Association, a company providing private medical insurance.

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By contrast, non-commercial bingo is now barely mentioned by lawmakers in debates about the sector. Club associations did not give oral evidence to the 2013 parliamentary committee investigating whether the Gambling Act 2005 was 'a bet worth taking,' for example. This is in part because working class associations have far weaker links to lawmakers than in the past.

Theme 2: The challenge of defining the game: The importance of game mechanics and environment

In a key sign of its perceived nature as an 'everyday' gambling form, the Gambling Commission describes bingo as "the only form of gambling recognised in the Gambling Act 2005 that does not have a specific statutory definition, the Act providing simply that 'bingo' means 'any version of that game, irrespective of by what name it is described.'⁵ In contrast the legislation provides definitions for betting, casino, draw, horse race pool betting, lottery ticket, lottery, prize gaming, football pools, gaming, and gambling.

As our table of key bingo cases shows, the definition of the game has long been contested.⁶ In fact the issue of whether bingo should have a statutory definition was debated by the 1977 Rothschild commission on gambling. This was in response to what the Gaming Board (the then national regulator of bingo) considered objectionable game innovations where high participation fees were being charged to players. However the issue of the game's boundaries is especially significant now. In part because bingo premises licences offer access to lucrative games machines entitlements – including up to 20% of the total gaming machines being B3 machines (with a £2 stake and £500 prize) – and in part because bingo machines are explicitly defined by the 2005 Act as *not* gaming machines (meaning that they do not count towards the quota of total machines allowed on a premises) there has been an attempted expansion in the type of operators and premises offering bingo. Some operators have developed new, variant forms of bingo, often called electronically, and not requiring players to stop the game by shouting out. Membership has also been removed as a criteria for commercial bingo operators, meaning that bingo has expanded into non-member environments such as adult gaming centres. As a result there has been a growing need for regulators to rule on boundary disputes between bingo and other forms of gaming.

In 2009 the Gambling Commission issued a document on 'key characteristics of bingo', intended to help clarify the game's boundaries.⁷ This focused on stakes and participation fees in bingo machines. Most recently, in 2014 the Commission published a guidance note on *What constitutes bingo*.⁸ This guidance is intended "to help bingo operators avoid creating and offering products that we consider to be casino games, lotteries or fixed odds betting" (s.1.1). It identifies 3 fundamental principles of bingo: that the game is an equal chance game; that it must involve a degree of participation, and that it must have a clearly defined end point (s. 3.3).

Most commercial operators we interviewed welcomed this guidance, with some seeing profit potential in more automated forms of the game that resemble electronic lotteries. However one industry insider contended that any game definition could be reversed by the Commission in the absence of a statutory definition, leading to uncertainty in product development.

Membership and gambling in pubs

Historically membership differentiated the illegality of gambling in pubs, to which the public has access, from the legality of some gambling in some members' clubs, seen as private spaces. In the 1968 Betting and Gaming Act the rules governing commercial bingo halls were modelled on those for clubs, and so membership was crucial. Under the 2005 Act membership was scrapped as a statutory requirement for commercial bingo halls (even though the industry wanted to keep it). Membership still matters for non-commercial clubs, though. From that point – when membership was no longer a key part of the definition of bingo in both commercial and non-commercial sectors – the issue of gambling in pubs was destined to re-emerge, because membership had been such a key part of what had stopped higher-stakes bingo from being in pubs in the first place.

Our research suggests that a definition of the game focused solely on its mechanics will not resolve the regulatory challenges facing the sector, because it ignores the key issue of place. 'Going to the bingo' refers both to a premises, and to a game played in that premises. Bingo premises licensing is largely a matter for local

5 Gambling Commission. (2014). *What constitutes bingo?* (London: Stationery Office), s.1.1; quoting s. 363 of the Gambling Act 2005.

6 See for example *Rogers v Cowley* [1962] 1 WLR 770 (HL); *Adcock v Wilson* [1968] 2 WLR 914 (HL); and *Walker v Leeds, Greenwich and Lewisham* [1976] 3 WLR 736 (HL).

7 Gambling Commission. (2009). *Key characteristics of bingo*. (London: Stationery Office).

8 Gambling Commission. (2014). *What constitutes bingo?* (London: Stationery Office).



authorities, with the national-level Gambling Commission focusing on operator suitability. The 2005 Act gives little discretion to local authorities on gambling premises licensing (other than for casinos). The expectation is that they will grant a licence if the core licensing objectives are fulfilled. Unlike with alcohol licensing (under the 2003 Licensing Act) there is no authority to restrict based on concerns about clustering or proliferation. This inability to restrict has been criticised by some MPs and anti-gambling organisations, but in relation to the perceived growth in betting shops rather than bingo halls.

The Gambling Commission have sought to shape local authority decision making about premises licensing, especially through the concept of 'primary gambling activity.' This intends to address two concerns: keeping gambling largely within establishments focused on gambling (a key concern of lawmakers in debates leading up to the 2005 Act), and ensuring that a premises seeking a licence for one form of gambling in fact intends to focus its operations on that form, rather than using the licence as a 'flag of convenience' to offer other, harder gambling forms.

The regulatory concern with the suitability of operators, and the suitability of the premises within which they plan to offer bingo, is key to the current debate over whether licensed bingo should be allowed in pubs. Pubs can already run low-stakes bingo, subject to conditions: there are no participation fees allowed, and stakes are limited to £5 per person per game. But if able to offer licensed bingo pubs could run games with higher stakes and prizes, with links, and – crucially – with the entitlement to higher stakes gaming machines. In a recent legal case, the Gambling Commission had its authority to deny an operator licence to a pub chain upheld based on concerns about the environment within which it sought to offer the game.⁹

Theme 3: Risky play and the increasing formalisation of harm prevention

Much has been written on the growing centrality of medical models of risk and harm to gambling law and policy.¹⁰ In the UK, regulatory attention is increasingly focused on problem gambling

(defined as "gambling to a degree that compromises, disrupts or damages family, personal or recreational pursuits"¹¹) and on 'at-risk' gambling behavior.¹² The latter includes people who could be considered 'at-risk' of experiencing negative consequences from gambling, and/or who may be at risk of developing problems in the future, but who are below the threshold for problem gambling.

A key operational challenge in law and policy around harm prevention in gambling is over where to strike the balance between a standardised approach across all gambling sectors, versus distinctive approaches to distinctive sectors which may have varying harm potential. For example, according to 2012 health survey data the highest overall prevalence of 'at-risk' gambling was observed among those who participated in spread-betting, gambling on machines in bookmakers, and betting exchanges.

The challenge for bingo specifically is that while it has comparatively low levels of problem gambling they almost always relate to the ancillary product (gambling machines) rather

9 *Gambling Commission v Greene King* [2016] UKUT 0050 (AAC)

10 See, especially, G. Reith. 2007. Gambling and the Contradictions of Consumption: A Genealogy of the 'Pathological' Subject. *American Behavioral Scientist* 51(1): 33–55; F. Nicoll. 2012. Bad habits: Discourses of addiction and the racial politics of intervention. *Griffith Law Review* 21(1): 164–189; R. Cassidy, C. Loussouarn and A. Pisac. 2013. *Fair Game: Producing Gambling Research* (The Goldsmith report). London: Goldsmiths.

11 Wardle et al. 2014. *Gambling Behaviour in England and Scotland*, p 101.

12 Wardle et al. 2014. *Gambling Behaviour in England and Scotland*, p 97.

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than the core offering (main stage bingo). Side products – including gambling machines and games played in intervals between traditional bingo games – are central to revenue in the commercial sector. Almost unanimously, when we asked interviewees from the licensed sector about problem gambling in bingo they said that it was rare, and that it was normally relevant to machines. That is supported by the latest data on problem gambling rates across different sectors from the 2010 Gambling Prevalence Study.

Some commercial operators felt that there were several features of bingo's distinctiveness that made it relatively low risk. These included the fact that the game is popular with older women (younger people, and men, are more likely to be at-risk gamblers according to the 2012 health surveys¹³); the social nature of the game and the fact that groups of friends or family often came together; the close bond between players and staff in traditional hall environments (leading, some argue, to better monitoring of potential gambling problems); the nature of the traditional, paper-based main stage game itself (involving time-bound, sessional play and built-in breaks, and where stakes are limited by the physical capacity of the player to mark off tickets); and the fact that not all players regard the game as a form of gambling.

That said, most hall managers had encountered customers who, in their view, gambled too much. There had long been mechanisms for dealing with this, including 'having a chat,' calling up family members; telling someone to go home or to only come in with a group of family or friends; barring someone from the premises as a whole, or from the machine section; refusing to serve alcohol to someone with a gambling problem; and 'letting someone know you are keeping an eye.'

These mechanisms are being eclipsed by more formalised measures laid out in the Gambling Commission's Licensing Conditions and Codes of Practice (LCCP), to which all licensed operators must adhere. There are two types of code provision in the LCCP. Ordinary codes set out good practice. Social responsibility codes relate to ensuring that gambling is conducted in a fair and open way; protecting children and other vulnerable persons from being harmed or exploited by gambling; and making assistance available to persons who are or may be affected by problems related to gambling. Compliance with these codes is a condition of operator licences. A breach may result in a review of the licence (and suspension or revocation), imposition of a fine, and/or prosecution.

At first preventing under-age gambling was the key concern of the social responsibility codes. However in 2015 a revision was undertaken that made problem gambling far more central to the regulations.¹⁴ For example the new social

responsibility codes require licensed bingo operators to put in place measures for sector-wide self-exclusion (where individuals who request to be excluded from a licensed bingo premises are subsequently excluded from licensed bingo facilities run by other operators), and for 'customer interaction.' This requires staff to identify and intervene effectively "where they have concerns that a customer's behaviour may indicate harm (or risk of harm) as a result of their gambling behavior" (3.4.1). Customers exhibiting agitation, distress, or aggression are mentioned as targets for customer interaction, but the Commission also note that:

"behaviour that is normal for one individual (eg behaviour that might reflect a well-controlled leisure experience) might, in another individual, be indicative of gambling related harm... For these reasons, the Commission considers that it is important to include a code provision that requires operators to put in place provisions to identify those customers potentially at risk of gambling-related harm, whether or not they are displaying obvious signs of, or overt, behaviour associated with problem gambling."¹⁵

In the light of such guidance, some staff we interviewed were anxious about being held responsible for identifying problematic gambling behaviour.

Table 7: Prevalence of problem gambling among those who reported that they took part in different gambling activities on a regular (at least monthly) basis.

Source: 2010 Gambling Prevalence Survey p95-96.

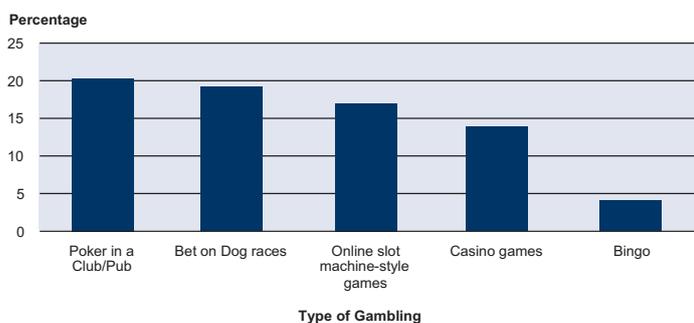
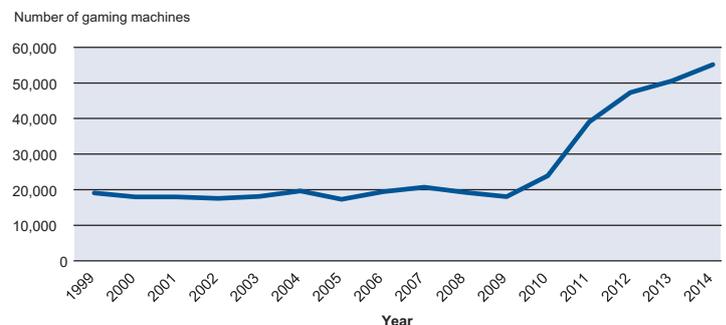


Table 8: Total number of gambling machines in licensed bingo clubs

Source: Gaming Board and Gambling Commission Annual Reports.



¹³ Wardle et al. 2014. *Gambling Behaviour in England and Scotland*, p 2-3.

¹⁴ Gambling Commission. 2015. *Strengthening social responsibility: Amendments to the social responsibility provisions in the licence conditions and codes of practice (LCCP) for all operators*. (London: Stationery Office).

¹⁵ Gambling Commission. 2015. *Strengthening social responsibility: Amendments to the social responsibility provisions in the licence conditions and codes of practice (LCCP) for all operators* p 43 (London: Stationery Office).

Recommendations specific to the England and Wales case study

1 Involve non-commercial bingo operators more systematically into debates about gambling regulation

Non-commercial bingo remains a significant part of the sector, and operators have accumulated considerable expertise, over a lengthy period. Since non-commercial bingo is largely self-regulated, with most operators exempt from licensing and permits, it is rarely on the radar for local licensing authorities or the Gambling Commission. While it is not a concern in terms of compliance, we suggest that more systematic involvement of representatives from the non-commercial sector will be of benefit.

On a general level, better consultation with the non-commercial sector will serve as a reminder – to regulators and all of us who are interested in gambling – that a lot of gambling is, and always has been, run on a not for profit, or mutual aid basis, as an ancillary activity in places primarily used for other purposes.

On a more specific level, some rule changes suggested by our interviewees could be accommodated without endangering the principles of the Gambling Act. For example, participation in gaming in members' clubs is restricted to members and their bona fide guests, but it must be open to them all. If a portion of the stakes of regular players are rolled over, into accumulating jackpots ('snowballs') clubs are supposed to allow a guest – often someone signed in just for the evening – to play for the prize. It seemed unfair to some for an outsider to have the chance to win a large, equal chance prize made up of regular members' contributions.

Likewise in the light of recent debates about bingo in pubs it is especially important to consult with representatives of members' clubs who have long offered gambling as an ancillary product in environments licensed for alcohol. If membership requirements are, in their experience, a key factor in ensuring that gambling is conducted responsibly within such environments, it may be helpful to consider once again its role within commercial facilities that are primarily designed around alcohol.

2 Consider testing partial self-exclusion with willing operators

Some interviewees from the commercial sector wondered whether partial self-exclusion might be a way forward for bingo halls seeking to respond to the new policy emphasis on responsible gambling. In their experience, some players had been reluctant to request self-exclusion from a bingo facility, even if they had experienced problems with their gambling, since typically they understood their problem to involve gaming machines. Excluding from the bingo club as a whole would cut them off from a key social outlet, where they tended to see friends and family and experience community. Partial self-exclusion would enable them to exclude from a specific product (usually gaming machines).

The Gambling Commission consulted on partial self-exclusion by product in 2015, but decided against introducing it due to lack of evidence. There were also objections raised by gambling treatment providers on the grounds that it would not address the root cause of the harms being experienced by problem gamblers, and that "self-exclusion should be about the total cessation from all forms of gambling."¹⁶ However the Commission committed to continue monitoring the evidence on the matter.

In our view commercial bingo clubs are an excellent site on which to develop such evidence. They are primarily social gambling spaces, with low levels of problem gambling associated with specific products. Those products tend to be separated off from the main stage bingo floor, allowing partial self-exclusion to be more easily monitored than in other gaming venues. If – as we were told – some customers had requested partial self-exclusion, and some operators are willing to explore the option, resources could be diverted to researching whether it would be useful.

3 Consider formalising social responsibility training and staff accreditation alongside the requirement to intervene, across the gambling sector

Among individuals with long histories in the commercial bingo industry there is a common thread of nostalgia for 'command and control' regulation and clarity about the rules, especially

for the 'pink card' and the police-style model of regulation it represented (see text box overleaf). It has been a challenge for some – especially smaller companies without large compliance departments – to resource to self-regulation, and to keep up with frequent consultations on proposed rule changes.

One recent manifestation of this challenge concerns the growing emphasis on social responsibility in the licensing codes. There is some anxiety among staff about making mistakes that will result in serious consequences (fears range from losing their jobs to being prosecuted).

Bingo is widely recognised, across our interviews, to be a compliant sector, enjoying generally positive attitudes from lawmakers and generally positive relationships with regulators. If these anxieties are being raised by bingo staff, we suspect that they are relevant more widely.

In turn the Gambling Commission has increased its emphasis on effective training as part of a company's responsibility.

In the 2015 consultation on the new LCCP, one operator suggested that the Commission could create a staff training accreditation scheme in order to instil good practice in the area of training for self-exclusion.¹⁷ This was rejected as out of step with the emphasis on self-regulation.

If key elements of social responsibility are to be downloaded onto staff who work in gambling facilities then we suggest independent verification of the quality of training, and sector-specific compliance knowledge. We recommend that regulators consider attaching a mechanism to test expertise to the grant of a personal licence. This need not replicate the hazing ritual 'horrors' of the old 'pink card' exam, but it needs to go beyond self-verification by the company in order to maintain a sense of trust in the professionalism and integrity of the gambling sector as a whole. This may also help to ensure that staff are properly protected, and that their anxieties about their new roles in protecting players from harm are allayed.

¹⁶ Gambling Commission. 2015. *Strengthening social responsibility: Amendments to the social responsibility provisions in the licence conditions and codes of practice (LCCP) for all operators* p 57 (London: Stationery Office).

¹⁷ Gambling Commission. 2015. *Strengthening social responsibility: Amendments to the social responsibility provisions in the licence conditions and codes of practice (LCCP) for all operators* p 76, rec. 7.34. (London: Stationery Office).

CHAPTER 3: REGULATION OF LAND-BASED BINGO IN ENGLAND AND WALES

Pink card narratives and the shift from command and control regulation: experiences in bingo

The Gaming Board – which regulated bingo in Great Britain until 2007 – thoroughly investigated the trustworthiness and expertise of people working in licensed bingo. A police background check was conducted, and commercial bingo club managers were issued certificates of consent, known as pink cards, from the Board. To obtain a pink card you had a pass an interview with a panel of Gaming Board inspectors, many of whom were ex-police officers. This interview focused on the law and its practical application to the running of a bingo club.

In all 27 people, across 22 interviews, spoke to us about pink cards when sharing their experiences of bingo regulation.

Generally people spoke of the pink card process in similar terms: as intimidating, stressful, an interrogation, a trauma, awful, ‘difficult and nerve wracking,’ tough, daunting, intense, horrendous, ‘like your A-levels or driving test.’ As one manager put it

My hands were sweating and the heart was thumping. It was the most intimidating exam I've ever had in my life—and I've had a few (laughs). They fired a load of questions at you... I just felt there was a spotlight missing from me. ... I went with another manager and he come up crying and I thought, oh my god, oh my god, I am never going to pass this. (male, bingo hall manager, Wales).¹⁹

The stakes were personally high for people, since a pink card was necessary to progress as a bingo manager. Without one you could not be left in charge of the premises alone.

You were a little bit of a care bear manager... not quite there. You couldn't really make a decision. (female commercial bingo operator, Wales)

It was very important to make sure that I got that otherwise basically my livelihood would be shot. Survival is a great instinct. (male, bingo hall manager, England).

The pink card process relied heavily on company-level training and support. Bingo operators prepared staff for the interviews, often by involving ex-Board inspectors. Larger operators also did mock interviews. However the external validation of expertise involved in the pink card system also bolstered managerial authority, and wages.

The licence protected my job. You couldn't come and do my job, because you had to go through hoops to get it... Over the years they have had to pay me a lot of money, because there wasn't a great surplus of people with the knowledge and experience or whatever. So this was probably quite cynical of me, but to get rid of that process has enabled a company to open up the amount of managers who they can employ which, in essence has allowed them to reduce the salaries, the wages, they reduced their pensions and that. (male, bingo hall manager, England)

You felt that you'd joined an elite club... I am highly fatted and a right and proper person and all that. I can now operate in quite a lucrative career. (male, commercial bingo operations, England).

The pink card process also enhanced respect for, and sometimes fear of, the Gaming Board.

In them days you could get a good relationship with the Gaming Board as long as they trusted you and respected you and knew that you were legal, kosher and everything else. (male, bingo hall manager, England)

Respondent 1
I used to fear them, as a manager.

Respondent 2
They could take away your pink card. Having given you this thing which was so aspirational you have worked so bloody hard to get that you didn't want it to be messed about. If anything went wrong, you were the one that they were going to come after.

Respondent 1
You wouldn't want to risk a breach that could potentially lose you your pink card, because any breach could have lost you it. It wasn't just the work. This was in my social life as well. If I went out and got drunk with my friends and got myself into any sort of trouble... or driving offences or anything like that, I could have my pink card revoked. It was a big thing back then in terms of your behaviour inside work and outside of work. (male and female, commercial bingo operations, England)

¹⁹ We distinguish between those who were – at the time of the interview – working as bingo hall managers, and those who were working in other roles within commercial bingo operations.

Pink card narratives and the shift from command and control regulation: experiences in bingo (continued)

Under the current system for personal management licences individuals are required by the Gambling Commission to fill in forms focusing on criminal records, and on financial background. Testing of gambling knowledge is handled by the company, which provides training and certifies the person as appropriately qualified. Licence holders described this system as faster, and much less onerous:

Nothing really, it was just more of a tick box exercise... I just had to fill in a form. (female, commercial bingo operations, England).

Obviously because I am not a criminal it went through quite easy (female, commercial bingo operations, England).

If the company is happy then you fulfil all the legal requirements (male, bingo hall manager, England).

Three of those who had been through both systems felt that the new system was better. As one explained "The onus is on the company to self police so the onus is on the company to make sure that I know, that I understand, that I'm trained, that I'm a fit and proper person to run a bingo club. And if that's not the case the onus is on the company to deal with me appropriately either taking me out of the job or giving me the knowledge that I require... There are checks with the police and such like, criminal records and all that kind of stuff which is entirely correct because there are some people out there who may not be entirely the right people getting to bingo." (male, bingo hall manager, England)

However most of those who had been through both systems felt that the older one had been better at ensuring high levels of expertise.

The way we used to do it was much better... Nowadays, this is my personal prejudice, anybody can now get a gaming licence in a bingo hall. I spoke to some of the new people the other day and I was quite shocked....They came from (a previous job in a shop) and they told me that they applied for their Gaming Licence on the second day that they were in the business, because they were on a training course with our company... That's all they had to do. Filled the application form in. (male, bingo hall manager, England).

You had to know the law, you would revise six months prior, they would question you on everything. Then you were given a licence to say yes, you know your stuff. And the 2005 Act came along and just that went out of the window. So I just tick a couple of boxes, write a couple of things... Nobody's ever come to see me. (male, commercial bingo operations, England).

It checks finance doesn't it and it checks criminal record, which obviously it is beneficial. You wouldn't want someone with any fraudulent past or any kind of criminal conviction. It's slightly different because there is no actual gambling knowledge needed to hold a PML (personal management licence). Whereas, previously we held a licence which was actually based on your knowledge of gambling. Now we are regulated almost by our personal behaviour rather than our actual industry knowledge, I guess. There is no Gambling Commission involvement in that, almost you just send it away. (female, bingo hall manager, England).

I was lucky, because I was probably one of the last lots of people to hold a pink card. (male, bingo hall manager, Wales)

CHAPTER 3: REGULATION OF LAND-BASED BINGO IN ENGLAND AND WALES

Top 25 bingo cases

| Full citation | Brief summary |
|--|---|
| <i>Bow v Heatly</i> [1960] JC 114 | Edinburgh miners' welfare institute running a tombola/housey housey game for charitable purposes; convicted of illegal gaming on grounds that no entertainment other than the tombola/housey housey was provided. Held that a game of chance, or of chance and skill combined, was in itself an "entertainment" within the meaning of the Small Lotteries and Gaming Act, 1956, sec. 4 (1), and conviction quashed. |
| <i>Payne v Bradley</i> [1961] 2 All ER 882 (HL) | Whether Huddersfield Friendly and Trade Societies Club was rightly prosecuted for unlawful gambling. Tombola was played; proceeds put into general funds of the club and used to meet general expenses. Held that proceeds were a 'private gain' and hence that gaming was unlawful. Dissenting judgements by Denning and Morris disagree that benefits to club members constitute a private gain. This case is raised several times by MPs calling on the government to introduce legislation to amend the 1956 Small Lotteries and Gaming Act so as to explicitly allow such clubs to apply the proceeds from gaming events to activities benefiting club members. In 1962 a private member's bill is introduced in the House of Commons by an MP to reverse the ruling by allowing non-proprietary members' clubs and sports and athletic and cultural societies to apply gaming proceeds to club funds. It passes, with government support. |
| <i>Rogers v Cowley</i> [1962] 1 WLR 770 (QB) | Undercover police operation reveals bingo being offered to non-members in a seaside club. Charging them to participate was unlawful. However allowing legitimate players (members) to buy different numbers of tickets did not violate the equal chance provision since all individual chances had an equal chance to win. |
| <i>DPP v Regional Pool Promotions Ltd</i> [1964] 2 QB 244 | The Spastics League Club, with 6 million members, was convicted of running multiple lotteries (described as bingos) out of the headquarters. Numbers were assigned to members on the basis of their membership card, and winners were notified after Club officials had drawn the numbers. In closing, Lord Parker noted the reluctance with which he made the decision "because it is the undoubted fact that a great deal of the proceeds of these activities goes, as one would expect from the name, to a most worthy cause" (at para. 256). |
| <i>Armstrong v DPP</i> [1965] 2 All ER 745 (HL) | Upheld the conviction of the proprietor of a postal bingo club for running an illegal lottery, on the grounds that buying a ticket in this form of bingo was not participation in a game. The postal bingo involved 300,000 players. Results were announced in a dedicated bingo programme on the pirate radio station Radio Luxembourg and published in the cult magazine Tit Bits. Again winners were contacted and notified without having to claim; again the court held that there was no gaming, since there was no participation in a game and no assembly of players. |
| <i>DPP v Essoldo Circuit (Control)</i> [1966] 1 QB 799 | Unlawful nature of a roulette-style interval game ('super legalite') played in a bingo club, involving a players' pool. |
| <i>DPP v Bradfute and Associates Ltd</i> [1967] 1 All ER 112 (QB) | Bingo prize competition, with tickets included on tins of cat food. Held that this is advertising an illegal lottery. |
| <i>Mecca Ltd v Edinburgh Corporation</i> [1967] SLT (Sh. Ct) 43 | Local authority had refused a permit for amusement with prizes machines in an unlicensed club on the grounds that the police had no entry power without a warrant to supervise. Held that local authority had not validly exercised its discretion; application for permit should be granted. |
| <i>Adcock v Wilson</i> [1968] 2 WLR 914 (HL) | An early version of a linked national game (National Golden Scoop Game, involving c 500 clubs and up to 200,00 players nightly) was not a legal game under the 1963 Betting and Gaming Act. Held that players were taking part in various separate games of bingo. Held that it would be possible to have a national game, if played at the same time everywhere and if there was instantaneous communication. |
| <i>Douglas v Valente</i> [1968] SLT (Sh. Ct) 85 | Overtaken the conviction of a shopowner who had run a gaming club. He charged a membership fee to play machines, and offered free bingo games with prizes of shop goods. Had been charged with conducting and promoting an illegal lottery, but acquitted on appeal on the grounds that members had not contributed to the prize fund via the membership fee. Lotteries must involve some form of paying into the prize fund as a way of participation. Using free bingo to attract people into the premises, to buy drinks or use machines, does not establish a contribution by them to the prize fund (see also <i>Mccollom v Wrightson</i> [1968] 2 W.L.R. 578). |
| <i>Plaza Bingo and Social Club LTD. v Port Glasgow Burgh Council</i> [1968] SLT (Sh. Ct) 3 | Bingo club applied for a permit for amusement with prizes machines; granted but local authority attached conditions that didn't fall within the list specified in s 49(3) of the 1963 Betting Gaming and Lotteries Act. The conditions were not within the powers of the local authority; the discretion bestowed is either to grant or renew. Permit is granted. |
| <i>Metropolitan Police Commissioner v I. & N. Weston Ltd</i> [1969] 1 WLR 847 (QB) | Confirmed the illegality of a roulette-variant game played in a bingo club that did not offer equal chance to all the players, and where the club kept part of the stakes. |
| <i>Rogers v Home Secretary</i> [1972] 3 WLR 279 (HL) | Upheld the denial of a bingo operator's licence on the basis of information contained in confidential documents, from which the Gaming Board concluded that the applicant was of "dubious character and reputation." Held that Gaming Board had the right to use these documents to determine operator suitability, and to withhold them. |

| Full citation | Brief summary |
|--|---|
| <i>Wheeler v Gibbins</i> [1970] 1 WLR 268 (QB) | Undercover police operation against a telephone link game involving 23 members' clubs. Undercover police officers pay the entrance fee and play; there is no check on membership. Held that persons not members or bona fide guests of members were participating in games with the intention of claiming winnings; gaming was unlawful. |
| <i>W.M.T. Entertainments Ltd v Glasgow Burgh Licensing Court</i> [1975] SLT (Sh. Ct) 39 | Upheld refusal to grant a licence for a bingo hall, on the grounds that the demand for bingo was met by existing facilities. The applicants unsuccessfully argued that the existing premises were not providing the type and range of facilities that they intended to offer. |
| <i>Granada Theatres Ltd v Secretary of State for the Environment</i> [1976] JPL 96 (QB) | Overtures a refusal by the licensing authority to grant an application for the conversion of cinema into a bingo hall. The refusal was made on the grounds that preserving the use of those premises for a cinema was more desirable. <i>Walker v Leeds, Greenwich and Lewisham</i> [1976] 3 WLR 736 (HL) |
| Series of cases involving local authority licensing powers over gambling activity and premises. | The cases focus on prize bingo, the definition of a pleasure fair, and permits for amusements with prize machines. Ultimately held that local authorities can not make 'blanket resolutions' not to grant permits for premises used for amusements with prizes (whether with or without gaming machines). |
| <i>Tynwydd Labour WMC and Institute Ltd v The Commissioners</i> [1980] VATTR 165 | HMRC claimed VAT due on admission fees charged to members in a working men's club. The club argued that those charges were for tax-exempt bingo sessions. HMRC argued that the admission charges had been made on days where live entertainment was also provided in the premises. Held that members who paid the entry fees on the entertainment evenings did so to get live entertainment and bingo. Therefore, those members considered that a part of each entry free was for the supply of the live entertainment. VAT was due on that money. |
| <i>Mecca Leisure Ltd v Glasgow District Licensing Board</i> [1986] SC 230 (OH) | Upheld local authority discretionary powers to decide on a renewal of a bingo licence involving an inter-linked increase in amusement with prize machine entitlements. Plausible for authority to believe that allowing 25 gaming machines in one bingo venue would undermine the social character of the bingo club. |
| <i>Robertson v Anderson</i> [2003] SLT 235 (IH) | An agreement between two women to share the national game bingo prize would be enforced by the courts, and was not subject to the rules relating to the unenforceability of gaming contracts. |
| <i>Wilson v Burnett</i> [2007] EWCA Civ 1170, [2007] All ER (D) 372 | Woman who won the national game in a bingo club is sued by two acquaintances who claimed that, some days prior, the three had agreed to share any bingo winnings over £10 pounds. Winner denies the existence of the agreement. Appeal court uphold the lower court decision that there was no legally enforceable agreement, including because there was inadequate evidence of an intention to create legal relations. |
| <i>Clockfair v. Sandwell Metropolitan Borough Council and Grosvenor Casinos Limited</i> [2012] EWHC 1857 (Admin) | In 2005 Mecca is granted a casino licence (under the 1968 Betting and Gaming Act) for a premises already licensed as a bingo premises; in 2008 it converts both licences into ones held under the 2005 Gambling Act. It subsequently applies to move the casino licence to apply to a new premises. A rival company applies to the licensing authority to review and revoke the casino licence, on the grounds that it has not been used since granted, and that "the continued existence of the (casino) licence is legally incompatible with the bingo licence that exists in respect of part of the same premises" (at para. 7). Appeal court agrees there was an error in law that should have been taken into account in the licensing authority's decision about reviewing the licence; decision sent back to the licensing authority for reconsideration. |
| <i>Carleton Clubs Ltd v HMRC</i> [2014] UKFTT 1045 (TC) (Appeal number: TC/2013/01013) | HMRC claim a bingo company (operating 13 clubs in the UK) is liable to bingo duty on charges made for the hire of electronic hand held devices ("Bingo Bees") between 2009 and 2012. Company claim that payments to use the devices are exempt, since they are not "payments ... in respect of entitlement to participate in bingo" (at para. 3) within the relevant section of the Betting and Gaming Duties Act 1981. Rather they are simply a payment to use the devices. Company claim that the fees are analogous to the price paid to purchase a bingo dabber, used to cross off numbers on a paper ticket. Court distinguishes electronic devices from dabbers/pens since dabbers and pens are an option when playing; the electronic device is a necessity to read the tickets loaded thereon. "The reality is that when playing electronically the electronic handheld device is physically the "ticket". Payment for the ticket undoubtedly falls within the ambit of bingo duty (whilst the charges for dabbers and items such as pens that fulfil that function do not)" (para 41). |
| <i>Cavenbridge Ltd v HMRC</i> [2015] UKFTT 0536 (TC) (Appeal number: TC/2013/7359) | Cavenbridge claim that the duty paid on bingo dabbers was wrongly applied, since they are required to participate in bingo, and optimised for bingo, and fall within the exempt supply of the provision of facilities to play bingo. HMRC claim that the purchase of a dabber/marker pen is optional, and not essential or compulsory to play bingo. Ordinary pens can also be used. Court agrees with HMRC. |
| <i>Gambling Commission v Greene King</i> [2016] UKUT 0050 (AAC) | Gambling Commission successfully appeal against an earlier ruling that quashed their refusal to grant a bingo operator licence for Greene King (operating c1,000 pubs). Case rests in large part on the powers of the Commission to act as national 'gatekeeper' under the Gambling Act 2005 Act, by considering operating environment as part of operator suitability. Commission's concern was mostly with the availability of high stakes gambling machines (to which licensed bingo premises are entitled) in pubs, especially re: the potential for vulnerable people to be harmed or exploited by gambling due to the centrality of alcohol to the environment, and the fact that gambling would be "an ancillary attraction in alcohol-led non-bespoke gambling premises" (at para. 39). Judge holds that the 2005 Act gives the Commission power to consider matters relating to the operating environment. The counter-argument that the Gambling Commission should limit its role to considering suitability for an operators licence and then object individually to premises applications if necessary, engaging with local licensing authorities on a case by case basis, is rejected: this would require the Commission to pursue national policy objectives via "some kind of guerilla warfare in each separate locality" (para 55). |

CHAPTER 4: REGULATION ON ONLINE BINGO IN THE EUROPEAN UNION

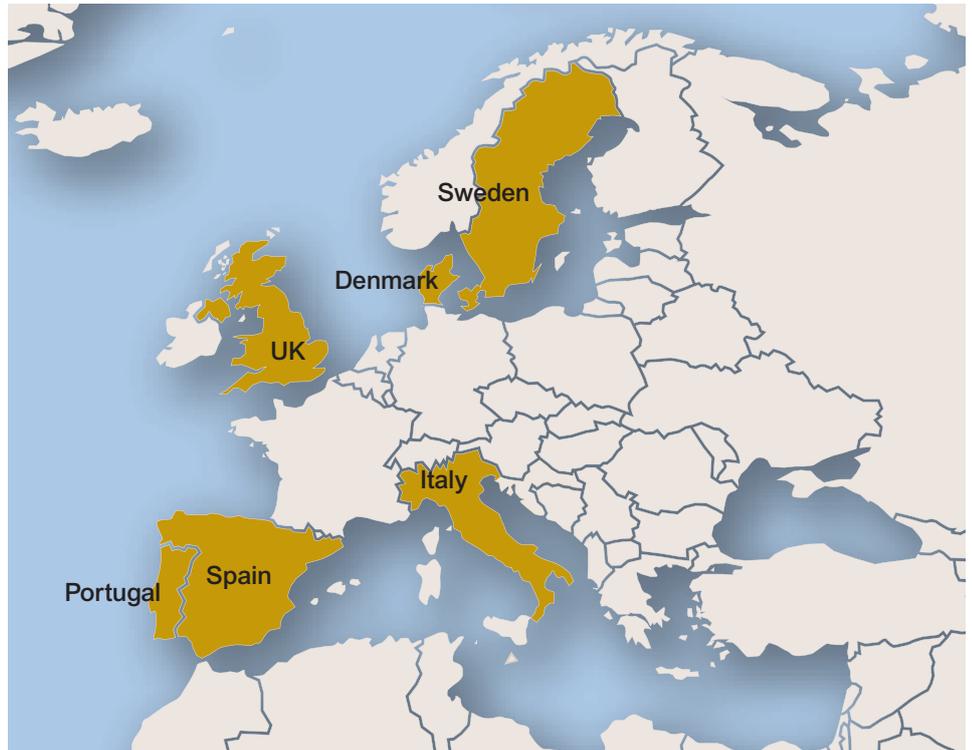
You combine online and gambling, two concepts that scare politicians everywhere, because they are nervous about gambling traditionally, scared about the Internet because having control about it and all this sort of thing. The government is there to control things and some things you can't control, [it] just touches all the wrong buttons for them. (Male, Trade Association)

Part 1: The scale of play

Bingo was sort of last to the [online] market.
(Male, Affiliate Marketer)

The International Lottery in Liechtenstein allowed the general public to purchase lottery tickets over the internet in 1995.¹ This is reported to be the first time the general public was able to purchase the chance to win a prize, using real money, over the internet. The first internet bingo website, www.ibingo.com, opened in 1998.² Interviewees for this case study said that the initial online bingo sites were North American focused; it was not until the early 2000s that the first UK facing online bingo sites such as www.uk-bingo.net began to appear. By 2013 it was estimated that the Global Gambling Revenue for online gambling in the 28 European Union (EU) Member States was €10.9 Billion.³ Of this, just over €926 Million was attributed to online bingo.⁴

Online bingo is not equally popular across all 28 EU Member States. A number of Member States were mentioned repeatedly in relation to online bingo during our research, including the UK, Spain, Italy, Denmark, Portugal and Sweden. Despite the popularity of online bingo in these countries it remains less important to overall gambling revenues than other online gambling forms, such as sports betting, casino games and slot machines.



EU Member States mentioned most frequently by our interviewees in relation to online bingo.

If it's a country where they have never really done bingo, it [online bingo] is a hard sell. It's such a crowded marketplace with the games people are familiar with. ... For some it is, for some it's a huge commercial sector of course.... Generalising it, when we reach further east in Europe, it drops off the map. (Male, Trade Association)

The stereotypical image of bingo players – female, elderly and working class – was recognised throughout our research. Many interviewees pointed out that there is more female participation in online bingo than in other forms of online gambling.

Retail (land-based bingo) is still very much an older clientele and (we) find it very difficult to make its proposition attractive to a younger audience. Whereas, certainly within (our) online bingo offering or digital bingo offering, we have a much younger demographic....I think there's a marked difference there between the two. I also think that's technology driven as well from a mobile perspective, and I think it's also heritage driven, that a lot of young people are slightly put off from retail bingo....there's a lot of stigmas around retail bingo.... But I think when it comes to digital bingo, it's much more accessible to a younger audience. (Male, Commercial Online Bingo Operator)

1 Robert J. Williams, Robert T. Wood and Jonathan Parke, 'History, Current Worldwide Situation, and Concerns with Internet Gambling' in Robert J. Williams, Robert T. Wood and Jonathan Parke (eds) Routledge International Handbook on Internet Gambling (Routledge 2012) 3.

2 Robert J. Williams, Robert T. Wood and Jonathan Parke, 'History, Current Worldwide Situation, and Concerns with Internet Gambling' in Robert J. Williams, Robert T. Wood and Jonathan Parke (eds) Routledge International Handbook on Internet Gambling (Routledge 2012) 4. See <https://web.archive.org/web/19981205231204/http://www.ibingo.com/>

3 European Gaming and Betting Association, 'Factsheet: Market Reality' available at <http://www.egba.eu/facts-and-figures/market-reality/> accessed 13 May 2016. Citing H2 Gambling Capital.

4 Bwin.party, 'Our Markets: Online Bingo' available at <http://tinyurl.com/jpvej9e> accessed 13 May 2016. Citing H2 Gambling Capital.

The UK operators we spoke to mentioned that roughly 60% of online bingo players were female and that the average age was around 40. A number of operators spoke of the player base in terms of the UK National Readership Survey Social Grades, with players within the C1 (lower middle class), C2 (skilled working class), D (working class) and E (not working) groups. UK operators generally positioned online bingo players as younger than land-based players, and noted that online players were getting younger with the introduction of mobile gaming.

Looking beyond the UK, high participation rates of female players were also observed in other Member States. A person familiar with the Danish online bingo market noted that the demographic of online bingo players in Denmark was “more or less the same” as the UK. There were around 60% female players that were “40 plus” and it was “not a high status game.” The interviewee emphasised, however, that 40% of the players were male. Interestingly, a recent report from the Spanish online gambling regulator found that over 65% of online bingo players in the jurisdiction were male.⁵ A similar player demographic was identified by someone with knowledge of the Swedish online bingo market. They stated that roughly 60% of online bingo players in Sweden were male and the average age of players was around 38 years old. Italy also appeared to be a market where there were more male online bingo players than female.

Part 2: The law and regulation of online bingo

Memories of pre-regulation and the Wild West

I think that perhaps in the early days.... it was a bit wild west. Whereas it's got a lot more serious. It's got a lot more suited and booted and leaner for me now. It's kind of a lot more, serious players in the market now, whereas back in 2000, early, early noughties, it was kind of, there wasn't really.... it felt pretty maverick, a bit of Delboy. 'Cause now, it's actually quite serious. (Male, Software Provider).⁶

European regulation of online bingo

The European Commission decided in 1992 that it would not seek to submit proposals for harmonised gambling rules. The European Commission's decision took into account the principle of subsidiarity, which stipulates that the EU should only regulate if it would be more effective than national or local level regulation. Since then, there has been no sector-wide harmonisation of online gambling regulation in the EU. There have, however, been a number of pieces of EU legislation that have or will impact upon online bingo operators, players, and regulators. For operators and players, the Unfair Commercial Practices Directive harmonises the regulation of misleading and aggressive marketing practices and thus provides important rules for one of the core activities of online bingo operators. Indeed, regulations relating to marketing were identified as key concerns for both operators and regulators. In addition, EU legislation regulates in the areas of anti-money laundering, online dispute resolution, the fairness of consumer contracts, and data protection, all of which are applicable to the online gambling sector. Finally, the EU legislation also requires Member States to send notification of changes to online gambling regulation prior to them entering into force. As such, EU legislation provides the European Commission and Member States with an important oversight role in relation to other Member States' online gambling regulation.

In 2011, the European Commission published its Online Gambling Green Paper. The Green Paper provided a framework for debate on the development of online gambling in the EU and sought responses from stakeholders. In 2012, following the consultation on the Green Paper, the European Commission published its online gambling action plan. This action plan concluded that:

In view of the type of challenges posed by the development of online gambling and their implications for each Member State it is not possible for Member States to effectively address these challenges alone and to provide individually a properly regulated and sufficiently safe offer of online gambling services.⁷

The Commission's action plan proposed the creation of an expert group on online gambling, increased cooperation between regulators, and a

focus on ensuring that Member States comply with their obligations under EU law. Importantly, the Commission has also sought to engage in a 'soft' form of harmonisation through the development and publication of a non-binding Recommendation on Consumer Protection in Online Gambling and has proposed the development of common technical standards for online gambling equipment.

The provision of online gambling services falls within the scope of the EU's Treaty rules relating to the free movement of services and the freedom of establishment. The freedoms aim to allow operators to freely provide services on a temporary basis from their country of origin to another Member State (services) or to move on a permanent basis to another Member State to provide services (establishment). The Court of Justice of the European Union has stated that gambling may entail certain moral, religious and cultural aspects, involve a high risk of crime or fraud, and have damaging individual and social consequences. As a result, Member States are in principle free to regulate online gambling to achieve certain public interest objectives such as consumer protection, the mitigation of problem gambling, the prevention of gambling becoming a source of private profit, and the prevention of fraud and crime. It is important to note that the use of gambling as a means of revenue generation for the state or for good causes cannot be the primary objective of a Member State's gambling regulation. Furthermore, Member States must demonstrate that their regulatory approach is proportionate, necessary, and suitable to achieving such aims, and that the public interest objectives are being pursued in a consistent and systematic manner.

National approaches to the regulation of online bingo

With no sector-wide harmonisation and a wide margin of discretion afforded to Member States in how to regulate online gambling, the regulation of online bingo in the EU is a patchwork of national regulatory regimes and approaches. The emergence of online gambling has challenged not only traditional approaches taken by Member States to gambling regulation, but also the ability of Member States to control the provision and consumption of gambling services. It also altered regulatory assessments of risks posed to consumers.

⁵ Directorate General for the Regulation of Gambling, 'Report: Analysis of the Online Player Profile' (The Ministry of Finance and Public Administration 2014) available at <http://www.dgojuego.minhap.gob.es/es/informe-jugador-online> accessed 13 May 2016.

⁶ 'Delboy' was a working class TV character on British television renowned for his rule-bending, can-do entrepreneurial attitude.

⁷ European Commission, 'Communication from the Commission to the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions towards a comprehensive European framework for online gambling' COM(2012) 596 final, 5.

CHAPTER 4: REGULATION ON ONLINE BINGO IN THE EUROPEAN UNION

The last ten years has seen a number of Member States move to a local licence regime for online bingo as part of their online gambling regulation. Such a regime requires online bingo operators to obtain a national licence before they can offer gambling to customers from that jurisdiction. Italy was the first jurisdiction to move to such a regime in 2007, with Spain, Romania, Portugal and the United Kingdom later embracing this approach. In contrast to the local licence regimes such as Italy, Spain and the UK, Belgium operates what has been called a “licence + model” where authorisation to offer online gambling services is dependent upon possession of a land-based gambling licence.

A number of jurisdictions have established a local licence regime for certain categories of online gambling products but have reserved the provision of online bingo to national lottery operators. For example, both Denmark and France define bingo as a lottery product that can only be offered online by Danske Spil and Française des Jeux (the state monopoly providers) respectively. In Germany, too, bingo is characterised as a lottery game and reserved for the state lotteries. While online gambling is currently prohibited in the Netherlands, an exception exists for lottery operators and charity lotteries. Such operators are permitted to offer lottery products online, with bingo being one such product. Ireland currently only explicitly regulates online betting. However, Ireland’s land-based gambling and lotteries regulation technically also applies to the online provision of such services

with the practical result that online bingo can only be offered by, or on behalf of, charity lotteries. Both the Netherlands and Ireland are currently in the process of regulating online gambling. Ireland has proposed to allow commercial online bingo while the Netherlands has sought to reserve online bingo to lottery operators.

While state monopolies for online gambling are in decline in the EU and the European Economic Area, a number of jurisdictions such as Norway and Finland still retain a state gambling monopoly that has extended to online gambling. In Sweden, the prevention of gambling becoming a source of private profit is a cornerstone of the regulatory regime. The result of such an approach is that only the state operator, Svenska Spel, and a small number of charity operators are permitted to offer online bingo.

Any discussion of online gambling regulation in the EU must recognise the existence of a “grey market” where the distinction between what is legal and illegal is unclear, blurred or obscured. In Sweden, for example, the offer of online bingo to customers within its territory is not explicitly prohibited, but commercial operators cannot be licensed to offer such services. Sweden and Ireland emerged as key “grey markets” within the EU while an online bingo software provider joked that the entire EU was a “grey market”. Operators respond differently to this lack of clarity depending on their own interpretations of EU law, and their differing appetite for regulatory and reputational risk.

28 shades of grey

Back then [2000] it was very grey... The product was ahead of the legal system. So, back then it was only two or three places like Curacao, Costa Rica, places like that that had actually proactively said: “yes, we will license online gaming”. The rest of the world hadn’t said: “no, you can’t” but at the same time hadn’t said: “yes, you can. (Male, Affiliate Marketer)

Sweden is a good market and it’s still grey, so you can put your dot com solution into Sweden. (Male, Software Provider)

We feel comfortable operating in Sweden. (Male, Commercial Online Bingo Operator)

We are very white in terms of the country we approach. We don’t take, if it’s slightly grey then we won’t touch it. (Male, Commercial Online Bingo Operator)

Finland is meant to be closed off to Veikkaus [State Lottery Monopoly] but a lot of people still operate there. They are obviously not marketing through TV and radio, etc. But they are still getting online traffic through other means. (Male, Software Provider)

The position in relation to other jurisdictions is they may not have, or their legislation may not allow you to apply for a licence or the law is really outdated and it doesn’t really deal with it. In those instances, we adopt what’s called a ‘country of origin’ approach. Obviously our main hub is in Gibraltar and we are legal and licensed in that jurisdiction. There’s obviously European Union rules about the supply of services between Member States and having taken legal advice and (becoming) clear on the position in each country, we supply into a number of European countries from our Gibraltar hub, into jurisdictions that don’t have those licensed regimes and where the law allows us to rely on EU arguments to do so. (Male, Commercial Online Bingo Operator)

Appendix A: Requirements Met

| | |
|-------------------------|---|
| Reference: | UK_RTS / RTS - 7 Generation of random outcomes (3.7:1, 3.7A:1) |
| Requirement: | To ensure that games and other virtual events operate fairly. Random number generation and game results must be ‘acceptably random’. Acceptably random here means that it is possible to demonstrate to a high degree of confidence that the output of the RNG, game, lottery and virtual event outcomes are random, through, for example, statistical analysis using generally accepted tests and methods of analysis. Adaptive behaviour (i.e. a compensated game) is not permitted. |
| Assessment: Pass | The RNG was determined to be acceptably random, unpredictable, and not reproducible for all of the ranges assessed. No evidence of compensatory or adaptive behaviour was observed in the RNG source code supplied. |

| | |
|---------------------|---|
| Reference: | UK_RTS / RTS - 7 Generation of random outcomes (3.7A.a, 3.7A.a.i) |
| Requirement: | a. RNG’s should be capable of demonstrating the following qualities: i. the output from the RNG is uniformly distributed over the entire output range and game, lottery, or virtual event outcomes are distributed in accordance with the expected/theoretical probabilities |

Extract from a certification document issued by a testing house that tests the integrity of random number generators in online bingo. Image taken by Donal Casey.

Part 3: Key themes

1 The social nature of the game

You can argue that online bingo isn't bingo anyway (Male Commercial Bingo Operator, England).

Companies that have specialised in bingo I think have a more fundamental understanding of their bingo customers.... I think companies that are generic online gambling companies and have embraced bingo as part of their suite of products don't have the same, how can I put it? They don't have the same sense of community as perhaps you know, a mainstream bingo company would have, because they understand the culture, the history of bingo as a game. (Male National Regulator)

The questions of what happens to bingo when it moves to the online environment, and how law and regulation deal with this transition, coloured much of our research. These challenges have even made their way to the UK's House of Lords during domestic debates on gambling regulation. In March 2016, Lord Collins of Highbury noted that:

One issue which concerns me, but has not been mentioned so far, is bingo. It is a community activity and, conducted communally, it is a very positive thing. But online gambling has taken the word "bingo", adapted it and changed it out of all recognition. It has now become a gambling activity done in isolation, not a community one. How do we catch up with these things? (HL Deb. 11 March 2016, col547).

The social interaction between players, the resultant sense of community that flows from these interactions, and participation through daubing and calling out to win are central features of land-based bingo. While there is an assumption that online bingo is a solitary activity, our research indicated that the chat forums and the social interaction that they allow are crucial for many players. Both non-profit and commercial operators providing online bingo, across a number of jurisdictions, highlighted the social nature of online bingo as a distinctive feature setting the game apart from other forms of online gambling. Many interviewees we spoke to pointed out that the automation of online bingo – players' cards are automatically daubed and players do not need to call to win – provides more opportunity for social interaction than land-based bingo. Indeed it was the importance of the social element of online bingo that drove its automation.

Chatting about community and participation in online bingo

So if you think about desktop, the real innovation in desktop was chat, because you can't talk while you are playing bingo. You would be thrown out of the bingo club if you talk while you are playing bingo. Obviously, chat allowed people to create a sense of community and we spent a bit of time explaining the benefits of that. But in order to chat, there was a real drive to make the play automatic. (Male, Commercial Online Bingo Operator)

To be fair, I mean, I've worked, I've done some experience in retail bingo clubs as well, and we spoke about community and community elements for retail and online bingo and multi-channel elements in my past as well. And I could put an argument that online bingo is actually more community focused. And from the community I mean that people are sharing the experience of the game. People are talking about different things. Talking about television, talking about what's happening in their lives. Friendships are built online. (Male, Commercial Online Bingo Operator)

If they have to mark their tickets, online, in the same manner (as in-hall) then there would be a lot less chat going on.... But then again, you lose that element of danger that if you miss your number or you don't call in time and lose the prize. (Male, Commercial Online Bingo Operator)

The chat room, I think it's the most distinctive feature of the game. The bingo is a very social game, compared to all the other online games. (Female, National Lottery Operator)

I guess it's different in the sense that no-one really dabs numbers in online, so you are really only interested in the bit where you are getting close to the win. Whereas, land based there is more concentration and you can't really multi task so your focus is on the game whereas online you can do a bit of chat and you can play mini game slots, etc or look at Facebook and then the bingo is just a small proportion of your attention and just keeping an eye on it or not even watching it. You can play and not just—it's like the lottery, you come back and see if you've won, later on. How many people actually watch the draw compared to those that buy tickets. (Male, Software Provider)

I made the bingo initially. It's many years ago, almost ten years ago. Somebody said, let's make a bingo without chat. And then I said, we can't launch bingo without chat, because the chat is everything. Bingo is just bingo. (Female, National Lottery Operator)

I think that's [chat] very very important. I think many of the bingo players, they are not only playing bingo to win a lot of money. They are playing bingo for having one hour of fun and chat with other customers. Have a nice time. I think the social aspect of bingo is very very important. I also think that is one other reason why there's a little bit more of women in bingo than other products. (Male, National Lottery Operator)

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2 Defining the game

The move to the online environment not only complicates the distinctiveness of the game; it also challenges how regulators seek to regulate play. In particular, the move to the online environment raises the question of how to regulate a game that, at its core, is just a randomly generated set of online numbers paying out winners automatically, but which may have a long land-based tradition and approach to regulation. While some Member States have drawn upon their understanding of land-based bingo in regulating its online mechanics, others have allowed a more flexible approach to how the game can be run. In the UK, for example, the Gambling Commission's 2014 guidance on *What constitutes bingo*⁸ incorporates components of online play, such as the ability to win without calling out to stop play. By contrast, both Spain and Italy drew directly from their land-based regulation when developing their online bingo regulation. In Italy, only 90 ball bingo is allowed and prizes can only be awarded for the first line and full card. Spain only allowed for 90, 80 and 75 ball bingo and requires online bingo to be strictly *pari-mutuel* (where prizes come directly from the common pool of money wagered in a particular bingo game only).

Despite the role that land-based regulations play in defining online bingo in certain jurisdictions, a number of interviewees highlighted how, as markets open, pressure increases to relax rules on game definition. As jurisdictions that license online bingo seek to both attract players away from unregulated operators, and create an attractive regulatory environment for online bingo operators, there is a trend away from prescriptive rules relating to game mechanics. In 2013, Spain relaxed its regulations on the variations of the game that can be offered, and Italy has proposed amended regulations that offer a broader definition of bingo, not restricted to 90 ball play.

Diverse game definitions

In the early days of online gambling...product definition wasn't at the forefront of what they were controlling people on. So it's much more about payments and security and RNG (random number generation) and telling the truth and all of this, rather than focusing on product. I think to some extent that's still in place.... There is still less emphasis on product definition than there is perhaps in the land based market. (Male, Commercial Online Bingo Operator)

There [UK] is no limitation as to the number of balls in a game and the way the tickets need to be displayed and the total RTP (return to player) that needs to be offered to the player and total maximum ticket price, minimum ticket price, minimum number of players. It was like the world is your oyster. (Male, Software Provider)

In some ways we didn't significantly distinguish between online bingo and online casino products, because most of the characteristics are the same, so there's a random number generator. The rules of that, parts of that, fairness, social responsibility measures and so on are all very similar. (Male, Regulator)

Bingo is considered as a casino game.... That way it's still a concern. It's not being considered as an innocent game. That's the difference from the land based game where everybody knows that elderly people like to play bingo at hotels and so on. (Male, Regulator)

It has to be born in mind that, for us, the core element in the bingo regulation has to be, or the core feature of bingo has to be, the *pari-mutuel* element and the fact that the game of bingo is a mutual game, where players make a deposit or participate economically and this funds the prize. If you departed too much from this, you would end up with a different animal. (Male, Regulator)

So online bingo could be offered by pure online operators, but online bingo as a product was a simple transposition of the retail product.... [W]e had to use the same rule for online bingo. (Male, Regulator)

3 Slots, casino and other side games

[O]nline bingo is just a portal and a gateway into harder forms of gambling online. (Male, Commercial Bingo Operator).

Slots, casino games and other side games are a significant revenue stream for online bingo operators. Operators reported that in some cases bingo was run as a 'loss leader' and that around 50% of their revenues were generated through slots, casino and side games. Most commercial, and some non-profit, online bingo operators offer such games. Many of the online operators interviewed spoke candidly about the importance of these games for the online bingo business model and drew comparisons with the use of slot machines in the retail bingo sector in the UK. Moreover, a number of the regulators interviewed drew attention to the use of side games by online bingo operators.

Spain provides an interesting example of how the importance of side games for revenue, and the mingling of games, can impact regulation. When Spain initially introduced a local licensing regime for online gambling it did not allow online slot machines. However, in the last year Spain has introduced regulations for the provision of online slot machines. An interviewee stated that the reason for this change was a realisation that online gambling operators needed "a robust and synergic portfolio of products". Indeed, a software supplier noted that the Spanish online bingo market hadn't taken off because it was only recently that operators could legally offer online slots. Furthermore, a recent study undertaken by the Spanish regulator showed that a high proportion of online bingo players were also playing casino games such as roulette and blackjack.⁹ An interviewee indicated that the relationship between online bingo and casino games, and recognition that such games are available on online bingo sites, drove the reconsideration of how the advertising of online bingo should be regulated. While the advertising of bingo had previously been regulated in the same way as lottery products, proposed regulations will treat online bingo in a similar manner to casino games. Thus, the relationship between casino games and online bingo, and the mingling of games on online bingo sites, led to the rethinking of a "bingo exception" in Spain's gambling advertising regulation.

8 Gambling Commission. (2014). *What constitutes bingo?* (London: Stationary Office), s.1.1; quoting s. 363 of the Gambling Act 2005.

9 Directorate General for the Regulation of Gambling, 'Report: Analysis of the Online Player Profile' (The Ministry of Finance and Public Administration 2014) 32. Available at <http://www.dgojuego.minhap.gob.es/es/informe-jugador-online> accessed 13 May 2016.

The use of online bingo as a 'gateway' to offering slots, casino games, and side games, and the mingling of these forms of gambling on some sites, challenges how we perceive online bingo. The potential for bingo to be an 'alibi' or camouflage for other forms of gambling leads some to challenge the perception that bingo is a gentler, less risky form of online play.

Online bingo and slot machines: views from interviewees

Quite a lot of people play bingo and slots and casino games, but if you are just playing bingo it's actually probably quite hard to spend too much money too quickly, because it's only one game every six minutes or five minutes. (Male, Commercial Online Bingo Operator)

People say they are only offering bingo but they are also offering roulette. There is 1p cards at bingo, but people are staking £10 on roulette games and games of black jack and slots. Bingo operators often can't say, we are just a bingo operator and this is a less harmful form of gambling, because they are offering repetitive RNG [random number generator] based games alongside this that don't have any of the characteristics that make bingo more social and slow and less likely to cause significant harm. (Male, Regulator)

It's [slot machines] critical in most instances. I think it's where the money is made. Customers will come in and play bingo. Most companies actually – and we are included – operate bingo pretty much at a loss. So bingo itself does not make money. It just sits there and it draws customers in to play bingo and it's community-led and it's experiential and then they go and they play slots around the bingo and that's where the money is made. (Male, Software Provider)

Whilst there are many many thousands of bingo players, the bingo, the online bingo model is remarkably similar to the offline bingo model in that the bingo game can be a loss leader or making a modest profit, but because the gaps in the game and the distractions of slots and other games and the cross selling of other products, it's essentially used as a marketing vehicle. (Male, Commercial Online Bingo Operator)

Online bingo and slot machines (continued)

I think definitely the ability for someone to lose a lot of money on bingo has increased because of slots. So when I started, you couldn't spend a lot of money on bingo, really. It was a slow game. The tickets were quite cheap and that kind of stuff, whereas now, you can play a lot of slot machines. You can spend a lot of money very quickly. I think that's something we are very conscious of. We have to be very nervous about that. (Male, Commercial Online Bingo Operator)

4 Lotteries, charities and online bingo

One of the key themes that emerged from our research is the use of online bingo as a means of revenue generation by states and by the third sector. Member states have taken varied regulatory approaches to this issue. As a result of bingo's importance for some state lotteries and charitable organisations, in some places within the EU online bingo has been a focal point of contestation in the process of liberalisation and commercialisation of online gambling.

Many interviewees noted the similarity between bingo and lotteries, and some claimed that online bingo was "just" a type of lottery. A number of Member States have categorised bingo as a lottery product that may only be offered by either state or charitable lottery operators. Denmark was one of the first EU Member States to liberalise its online gambling market. In so doing, however, Denmark defined bingo as a lottery product. The provision of lottery products is reserved to the national lottery operator Danske Spil. An interviewee indicated that although industry actors wanted, and indeed still do want, online bingo to be commercialised in Denmark, decision-making about the law and policy framework was driven by non-profit interests. Similarly, although France liberalised some forms of online gambling, bingo is characterised as a lottery product and can only be offered by the national lottery operator, Française des Jeux. Denmark and France provide important examples of how regulation can be used by Member States to cement a relationship between lotteries and bingo, including in order that online bingo provides direct revenue to states.

In addition to national lottery operators, many charities also offer online bingo. For example, Marie Curie (a cancer charity) offered online bingo in the UK up until this year; Folkspel (a group of charities including the National Sports Association and the Breast Cancer Association) offer online bingo in Sweden; and Rehab Lottery (helping people with disabilities) offers online bingo in Ireland. The People's Post Code Lottery (whose beneficiaries include groups such as the Dogs Trust and the World Wildlife Fund) operates online bingo in the UK, Sweden, and the Netherlands.

Interestingly, both Ireland and the Netherlands are in the process of regulating online gambling. One key issue that has emerged during these processes is whether the online bingo market should be opened to commercial operators in a similar way to other forms of online gambling. Both jurisdictions currently class bingo as a lottery product, which can only be provided by certain charities and non-commercial operators. Ireland's proposed Gambling Control Bill indicates that the government intends to move away from the current situation and commercialise the online bingo sector. By contrast, proposed regulations in the Netherlands will not liberalise the lottery market and will treat bingo as a lottery product.

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Online bingo and lotteries: views from interviewees

The perception of bingo is obviously that it's a softer, more acceptable form of gambling and maybe there isn't the same societal taboo that there might be about casino or table games. So the lotteries think well, if we are going to enter this market we don't want to cannibalise or piss off customers we've already got or create a perception that we are some sort of hard gaming companies. So actually, the way we could do that is going to enter through bingo. (Male, Software Provider)

Everybody knows in the Netherlands that lobbying from current incumbents and lobbying from the good causes has played a significant role, because they see a threat that online gambling is expected to be regulated For some games it's clear that it will be regulated [licensed]: sport betting, poker, casino games. For some games it's clear that it will still remain illegal online like the lottery. But for bingo it's not clear. (Female, Regulator)

I mean, frankly in my experience, most companies have the same sort of mindset, including lottery companies who I'm particularly critical of, because they try and dress up their activities in a way that you know, makes them look as if they are just doing something for the public good. But in fact [they] are increasingly, through their lobbying activities, being enabled to provide a range, a whole range of mainstream, really mainstream gambling activities under the banner of lottery. So I don't buy the argument that lotteries are more benign. (Male, Responsible Gambling Consultant)

[The] Danish government wanted to channel unlicensed gambling into (a) licensed regulators framework. It decided to go ahead and open a multi-licensing regime, but only for online betting, for online casinos and online poker, and there were discussions about online bingo. Obviously the industry wanted online bingo to be part of the online reform and to be privatised, but other stakeholders thought that bingo should be kept in the monopoly with the lottery games and that was the outcome. (Male, Trade Association)

When the negotiations take place if there's any sort of give, often it's the bingo that is not allowed to be licensable to private companies first. But that's where the lotteries would see themselves moving to next if they moved anywhere. (Male, Commercial Online Bingo Operator)

Part 5: Policy recommendations

Representation of bingo at the European level

Our research shows the absence of bingo from discussions of online gambling at the EU level. Bingo is largely subsumed within discussions of online gambling, lotteries, or games of chance in general. With limited exception, the Court of Justice of the EU has tended to speak about online gambling as a singular form of gambling, and has mentioned bingo only in passing when discussing games of chance. A similar approach is evident in the political debates, and policy documents, of the European Commission, the European Parliament, and the Council of the European Union. When different forms of gambling are distinguished by European institutions, it is largely with reference to lotteries and sports betting.

Online bingo is less economically significant than other forms of commercial gambling (such as sports betting), and state operated gambling (such as lotteries). State lotteries are particularly well represented at the EU level, and constitute a powerful lobbying force. Furthermore bingo is not universally popular in all Member States, unlike more widely available forms of gambling such as sports betting and lotteries. These factors contribute to the absence of bingo from EU level discussions about gambling.

However, if there is something distinctive about online bingo that sets it apart from other forms of online gambling – and this research suggests that there is – in our view policy makers and regulators need to consider how the game could be better represented in policy debates at the EU level. More comprehensive outreach with stakeholders, ranging from large commercial operators that use proprietary software to small charities, would help improve the depth of debate about the distinctiveness of the game and the effectiveness of supranational regulations currently impacting operators and players.

Recognising the importance of bingo for charities

The importance of gambling in fund raising for good causes and broader welfare objectives has been recognised at the EU level, albeit in a limited way. This recognition has occurred in EU case law, political debates, and policy documents from EU institutions such as the European Commission, the European Parliament and the Council of the European Union.

However, despite frequent references to “other games of chance” within these fora, lotteries and sports betting dominate such debates. In turn, at the Member State level, discussions around the role that online gambling plays in fundraising are dominated by lotteries, and are largely framed around the “either/or” choice of opening or

REGISTRATION
LOGIN
FORGOT YOUR PASSWORD?

HELP for HEROES
Support for our Wounded

TIDY AND THE TROOPS

Tidy And The Troops

Tidy and The Troops was a promotion originally created after being contacted by a serving regiment in Afghanistan who requested a donation of dabbers and tickets for a bingo game they were to hold. You can read the [full story here](#). Following on from the success of the donation by Tidy Bingo we wanted to continue the 'Feel good' aspect of this and the Tidy and The Troops idea was born.

At inception the original plan was to donate all ticket sales over and above the prize money to a serving regiment in Afghanistan. This proved more difficult to organise than first anticipated with maintaining regular contact nigh on impossible. For this reason we made the decision to approach a well known charity involved with the support of veterans and serving personnel from the Armed Forces who have been wounded or injured, or have become sick as a result of serving their country, Help For Heroes. Help For Heroes is a registered charity number 1120920 and our event ID is 201403070009133.

Charitable donations are a key feature of some commercial online bingo companies, as in this example of a UK-based site raising money for veterans. Image taken by Donal Casey.

closing markets for particular gambling services to competition. The cases of Ireland and the Netherlands discussed above provide contemporary examples of such discussions.

In our view policymakers and regulators should consider giving greater consideration – at the EU and Member State level – to the fundraising role that online bingo does and could play for third sector organisations, and to exploring how such organisations could be supported in offering services. In particular, as Member States move towards liberalisation of online gambling, stakeholders should consider how licensing requirements can be used to better harness market gatekeepers, such as software and network providers, for use by non-profit organisations, in order to open up more space for the third sector within newly-competitive online markets.

At the EU level, this could involve the creation of more space for discussions around the important role that gambling plays as a means of revenue generation for third sector organisations, and more explicit inclusion of bingo in such discussions. At the Member State level, stakeholders should consider how third sector organisations that wish to use online bingo as a means of fundraising could be better supported in so doing. Perhaps policymakers could consider incentivising software providers to work more effectively with small non-profit organisations wishing to offer online bingo but lacking the technical expertise, for example.

Expanding the concept of fairness within online gambling regulation

The focus of EU level discussions on consumer protection in online gambling has been on issues such as problem gambling, underage gambling, and responsible gambling. Greater attention could be paid to fairness.

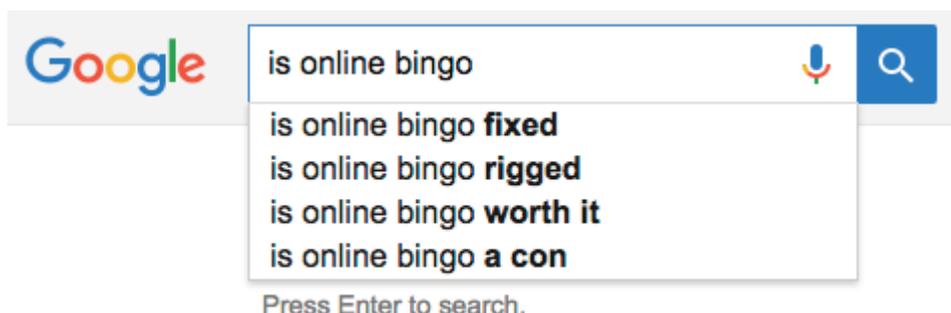
Along with ensuring a minimum level of safety in consumer markets, fairness has emerged as a central principle of the EU's consumer protection regulation. Both the Unfair Contract Terms Directive and the Unfair Commercial Practices Directive seek to embed fairness in Member States' consumer regulation. Despite this, fairness is rarely mentioned in discussions at the EU level in relation to online gambling. For example, the European Commission's Green Paper and its Action Plan on online gambling are largely silent on the issue of fairness and mention it only in relation to sports betting. The absence of fairness from such discussions is in stark contrast to the prominent role that problem gambling plays in EU debates and policy discussions, and in "soft" (not legally binding) forms of harmonisation such as the European Commission's recommendation on principles for the protection of consumers and players of online gambling services.

The requirement that online gambling services, including online bingos, are offered in a fair and transparent manner was mentioned by most regulators and operators as an important component of current approaches to gambling regulation in Member States. It is also a key

concern of players. However, in many cases fairness appears in regulations only in relation to the integrity of the random number generator, and transparency obligations.

Nevertheless, some interviewees spoke about fairness in broader terms and in ways not mandated by regulation. They mentioned issues such as ensuring a high return of money wagered back to players, monitoring average player loss, fair wagering requirements, and ensuring quick and easy withdrawal of winnings. These stakeholders talked about substantive fairness in online bingo in ways that shifted focus away from the responsibility of the player to be aware of the terms under which the game was offered, to the responsibility of the gambling service provider.

In line with this approach, stakeholders should consider whether, and to what extent, a minimum level of substantive fairness should be embedded in Member States' online gambling regulation, and whether the EU can and should play a role in such a process. Existing EU consumer protection legislation, such as that mentioned above, outlines broad concepts of fairness and may provide a spring board for such discussions. Furthermore, existing fora such as the European Commission's Expert Group on Gambling Services could provide space for discussions of how the concepts of substantive fairness could have concrete application in the online gambling sector.



A screenshot from an internet search engine, suggesting player concern with the fairness of online bingo. Image taken by Donal Casey.

CHAPTER 4: REGULATION ON ONLINE BINGO IN THE EUROPEAN UNION

Top 22 European Union-level cases on the regulation of online bingo

Unlike with the other three case studies in our research, there is no clear line of legal cases on online bingo regulation at the European level. However there are many cases dealing with on-line gambling that impact online bingo.

NB: CJEU = the Court of Justice of the European Union. The CJEU “interprets EU law to make sure it is **applied in the same way** in all EU countries, and settles **legal disputes** between national governments and EU institutions. It can also, in certain circumstances, be used by **individuals, companies or organisations** to take action against an EU institution, if they feel it has somehow infringed their rights.” (http://europa.eu/about-eu/institutions-bodies/court-justice/index_en.htm, original emphasis).¹

EFTA court = the Court of Justice of the European Free Trade Association. This has jurisdiction over the three states (Iceland, Liechtenstein, and Norway) that are signatories to the European Free Trade Agreement and parties to the European Economic Area Agreement, which guarantees the free movement of people, services and capital. These three states are not members of the European Union.

| Citation and year of judgement | Summary |
|--------------------------------------|--|
| Case C-275-92 Schindler 1994 | UK legislation prohibited the importation of lottery tickets and promotional material relating to lotteries. Held by the CJEU that lotteries were a service for the purpose of the EU Treaty and the prohibition on the importation of tickets and promotional material from other Member States constituted an obstacle to the free movement of services. However, given the peculiar nature of lotteries, Member States could restrict the provision of lottery services from other Member States given the concerns of social policy and the prevention of fraud. |
| Case C-124-97 Läära 1999 | Finnish legislation granted monopoly rights for the operation of slot machines. Held by the CJEU that the provisions relating to freedom to provide services did not preclude national legislation that granted exclusive rights for the operation of slot machines given that such regulation sought to achieve public interest objectives such as the protection of consumers, the mitigation of problem gambling and the prevention of crime and fraud. |
| Case C-67-98 Zenatti 1999 | Italian legislation restricted betting on sports events to events supervised by the National Olympic Committee and the National Union for the Improvement of Horse Breeds. Held by the CJEU that Member States may restrict the free provision of sports services by granting special or exclusive rights to certain organisations provided the legislation seeks to achieve social policy objectives and the restrictions are not disproportionate. |
| Case C-243-01 Gambelli 2003 | The case concerned the regulation of the Italian sports betting market (see Zenatti above). Held by the CJEU that while Member States are free to set the objectives of their gambling regulation, they must seek to achieve those objectives in a consistent and systematic way. In this case, although the Italian legislation had the stated objective of reducing gambling opportunities, the Italian state had encouraged participation in gambling and engaged in the expansion of the national sports betting market in order to increase tax revenues. |
| Case C-42-02 Lindman 2003 | Under Finnish law, winnings from games of chance conducted in Finland were exempt from Finnish income tax while winnings from games of chance conducted in other Member States were subject to Finnish income tax. Held by the CJEU that such a scheme directly discriminated based upon the nationality of the service provider and is prohibited by the Treaty. The Finnish government had failed to provide evidence as to the appropriateness and proportionality of the discriminatory tax regime. |
| Case C-338-04 Placanica 2007 | Italian sports betting legislation had the effect of prohibiting gambling operators that were quoted on regulated markets such as the London Stock exchange from becoming licensed or authorised to offer services in Italy. Held by the CJEU that it was for the Italian courts to determine whether the licensing system genuinely contributed to the objective of preventing fraud or crime. Member States are prohibited from excluding as operators companies whose shares are quoted on the regulated markets, and Member States may not impose criminal penalties on operators that offer gambling services without a licence or authorisation where those operators are unable to obtain a licence or authorisation because of national law that is in breach of EU law. |
| Case E-3-06 Ladbrokes 2007 | Ladbrokes challenged three decisions to reject its application to offer online and offline gambling services in Norway. In Norway certain forms of gambling could only be offered by the State monopoly while other forms of gambling, such as betting on horse races, could be offered by non-profit organisations. The EFTA court held that Member States could grant exclusive rights to offer gambling services in order to achieve social policy objectives and could grant licences only to non-profit organisations in order to prevent gambling becoming a source of private profit. Case E-1-06 |
| EFTA 2007 | Norway amended its regulations with the aim of reducing the number of gaming machines. It created a state monopoly for operating the machines. The EFTA Court held that the exclusive rights system that was introduced in Norway was a more effective means of achieving the social protection objectives of the legislation compared with other options, such as a licensing system. |
| Case C-42-07 Liga Portuguesa 2009 | Portuguese regulation granted Santa Casa, a non-profit organisation, the exclusive right to offer lottery and sports betting services, including via electronic means. Held by the CJEU that Member States may extend exclusive rights to offer gambling services to online gambling. Furthermore, Member States may prohibit online gambling operators licensed in another Member State from offering games of chance over the internet within their territory. |

¹ Last accessed 10 May 2016.

| Citation and year of judgement | Summary |
|---|---|
| Case C-409-06 Winner Wetten 2010 | German regulation granted monopoly rights to provide lotteries and sports betting. The German courts asked the CJEU whether national gambling regulation that was in breach of European Union law could still be applied during the transitional period, before being amended. The CJEU held that national gambling regulation that is inconsistent with European Union law cannot continue to apply during such a transitional period. |
| Case C-316-07 Markus Stoß 2010 | German regulation granted monopoly rights to provide lotteries and sports betting. Held by the CJEU that Member States may opt for a system of monopoly rights to ensure a high level of consumer protection. However, Member States must ensure that the monopoly does in fact pursue this objective in a consistent and systematic manner. In this regard, the monopoly could not engage in advertising that sought to encourage or stimulate participation in gambling or expand into offering "riskier" games in order to maximise its profits. |
| Case C-447-08 Sjöberg & Gerdin 2010 | Swedish legislation prohibited the advertising of unlicensed gambling offered by operators based in Sweden, as well as gambling that was operated from other Member States. The CJEU held that Member States could restrict the advertising of commercial gambling in order to prevent gambling becoming a source of private profit. However Member States could not have stricter penalties for unlawfully advertising gambling offered from another Member State than for unlawfully advertising unlicensed gambling offered from that territory. |
| Case C-203-08 Betfair 2010 | The Netherlands provided monopoly rights to offer and promote games of chance to customers in the Netherlands, including games offered over the internet. Held by the CJEU that a monopoly rights system may be justified in order to prevent fraud and crime. |
| Case C-46-08 Carmen Media Group 2010 | German regulation granted monopoly rights to provide lotteries and sports betting. The CJEU was asked whether Germany was required to allow an operator licensed in Gibraltar to offer betting services in Germany. The CJEU held that Member States are not required to recognise authorisations to offer gambling services issued by another Member State. |
| Case C-64-08 Engelmann 2010 | Austrian legislation required that only public limited companies established in Austria could apply for a casino licence. The CJEU held that such a requirement constituted discrimination based upon the nationality of a company. Such a restriction on where companies could be established could not be justified and was not proportionate. |
| Case C-258-08 Ladbrokes Betting 2010 | Same issue, and decision, as Case C-203-08 Betfair (above). |
| Case C-347-09 Dickinger & Ömer 2010 | Austrian legislation reserved to the Austrian state the right to offer gambling services. The Austrian state granted only one concession to offer casino games over the internet. The CJEU held that a system of monopoly rights can be justified in order to ensure a high level of consumer protection, but the monopoly operator must operate in a way that is consistent with such an objective. Furthermore, the CJEU held that Member States are not required to recognise authorisations granted by another Member State. |
| Case C-212-08 Zeturf 2011 | France granted monopoly rights to offer betting services for horseracing in France. The CJEU held that a system of monopoly rights can only be justified where Member States seek a particularly high level of consumer protection owing to the restrictive effect of such a system on the provision of gambling services. |
| Case C186-11 Stanleybet International 2013 | Greece granted monopoly rights to OPAP to operate games of chance and certain forms of betting. The stated object of the monopoly system was to restrict the supply of gambling and to combat criminality in the operation of games of chance. The CJEU held that Member States may not grant exclusive rights to operate games of chance where the legislation does not genuinely seek to limit gambling opportunities in a consistent or systematic manner and where the public authorities do not have strict control over the monopoly operator's expansion. At the time, OPAP had expanded to offer games of chance in Cyprus. |
| Case C-156-13 Digibet 2014 | The case concerned the legality of an operator licensed in Gibraltar offering games of chance and sports betting over the internet to customers in Germany. The provision of games of chance via the internet was prohibited in all but one of Germany's states. Held by the CJEU that the Treaty did not preclude such a situation provided the legislation was proportionate. |
| Case T 721-14 Belgium v Commission 2015 | Belgium sought to annul a European Commission Recommendation on principles for the protection of consumers and players of online gambling services and for the prevention of underage gambling online. Belgium argued that the Commission did not have the power to adopt a legally binding instrument that sought to harmonise Member States' online gambling regulation. The CJEU held that the Recommendation was not legally binding on Member States and therefore could not be annulled. |
| Case C-336-14 Sebat Ince 2016 | Germany introduced a licensing system for sports betting, having previously had a system of monopoly rights. Germany's previous monopoly system had been held to be contrary to European Union law (see Case C-409-06 Winner Wetten; Case C-316-07 Markus Stoß and Case C-46-08 Carmen Media Group). No licences had been granted and the German court observed that the previous monopoly system was, in practice, still in effect. Held by the CJEU that Member States may not criminally prosecute an operator, licensed in another Member State, for unlawfully offering gambling services if the existing monopoly rights system is ruled contrary to European Union law by the national courts. |

RESPONSIBLE

Responsible Gambling

Definition

Aims to reduce the harms of gambling.

CHAPTER 5: SOME LESSONS FROM THE COMPARATIVE PERSPECTIVE

When we began the research for the Bingo Project, we obviously wanted to learn about bingo regulation in our four case studies. But we also aimed to contribute some new perspectives to debates about gambling regulation. In particular, we hoped that bingo could offer a distinctive lens on some long-standing concerns within law, politics, and political economy, including around the role of the state; the role of commercial and non-commercial actors; and the role of gender in regulating chance. In this chapter we highlight some of the ways in which our findings, across all the case studies, might add to those existing debates.

1 The value of expanding the concept of 'responsible gambling' to better reflect fairness for players and workers

As several researchers have argued¹ problems associated with gambling consumption are overwhelmingly discussed in languages borrowed from psychological literatures on addiction. This has contributed to a policy and research landscape that is heavily skewed towards medicalised or therapeutic interventions. It also results in the privileging of increasingly formalised measures that enable individuals who are considered vulnerable to harm through excessive consumption to voluntarily abstain from play.

Our analysis of bingo confirms the need to expand this addictions-focused approach. Whether framed in terms of problem or at risk gambling (England and Wales), problem gambling or gambling addiction (EU); or responsible gambling (Canada), consumer protection initiatives in legal bingo are overwhelmingly focused on treatment services and self-exclusion policies for the very small minority of people who identify as being unable to control their gambling (and who usually exhibit this problem through excessive spending on products other than bingo). In Brazil, where bingo is illegal, we encountered frequent discussions about the compulsivity of its players.

In the case studies where bingo is legal, preventative measures intended to keep players responsible are prioritised, for example via information leaflets to overcome myths, posters in toilets, or notifications about time spent playing. Fairness is often only mentioned with reference to equipment standards (such as those affecting the generation of bingo numbers), or transparency

procedures such as the public posting of game rules. More substantive concerns about the fairness of the game, and especially the rates of return to players, are minimised in both the EU and Canada. The assumption is that informed players can choose whether or not to accept the operator's game terms. In England and Wales (where all stakes have to be returned to players) regulations focus on the need to display participation fees, rather than on limiting what can be charged to participate as a proportion of stakes.

The predominant focus of responsible gambling policies on problem and at risk gamblers makes it more difficult to hear, and respond to, the interests of workers (paid and unpaid) in bingo. In the law and policy debates of many jurisdictions psychologists are far more likely to be consulted by gambling regulators than organisations representing gambling workers. The under-inclusive understanding of who counts as an expert creates a cycle whereby policy is more and more driven by psychological literatures on addiction (where bingo is rarely a focus), and less and less reflective of experiences on the ground. In the England and Wales and Canadian case studies, some employees expressed anxiety about measures to prevent excessive play, and worried that they would be held responsible in the event of a problem. In Canada, some unpaid workers spoke of feeling coerced into volunteering in bingos as a condition of receiving services for their family members. It is necessary to significantly expand debates about responsible gambling to allow such concerns, and such expert stakeholders, to feature more prominently in policy debates.

2 The need for context-specific consideration of whether non-commercial actors should be privileged as bingo operators by regulators, taking into account how such actors use proceeds, how they are connected to players as donors, and how they mobilise volunteers.

Across all four case studies, bingo has benefited from its association with fundraising for good causes. This has occurred because it is linked, variously, to charitable lotteries (online EU); working class associational forms (England and Wales); service clubs (Canada), and sports associations (Brazil). Using Sytze Kingma's notion of the charitable alibi for gambling law reform,² we can say that the charitable alibi has been essential for bingo's legalisation. Unlike with lotteries that were often legalised to increase revenues for states, non-profit groups are typically involved in directly running games rather than simply receiving a share of profits, and they have often taken very active roles in lobbying for law reform and protecting their interests.

Although non-commercial actors are central stakeholders in bingo, their centrality to regulation varies considerably, within and across case studies. In Brazil non-profit third sector partners did not play a visible role in policy debates during the legalised bingo era. In England and Wales working men's clubs have diminished in significance within debates about bingo regulation: the commercial sector is the key voice nowadays. In BC charities were eclipsed as the actors conducting and managing games in association bingo halls after the province took over that role, making the survival of independently licensed charitable bingos conducted in a charity's own premises especially significant. In Ontario, in contrast, charities have partnered with the province and commercial gaming service providers within 'c-gaming' facilities, where the association of bingo with volunteering and local-level benefit to communities is a key defining feature. In the EU, online bingo is used by a number of charitable lotteries to raise funds. These relatively large organisations have a strong lobbying presence at the national level, especially in countries such as the Netherlands and Ireland. They are also represented at the European level by organisations such as the Association of Charity Lotteries in the EU. By contrast, smaller charitable

1 See for example Reith, G. 2007. Gambling and the Contradictions of Consumption: A Genealogy of the 'Pathological' Subject. *American Behavioral Scientist* 51(1): 33–55; Nicoll F. 2012. 'Bad habits: Discourses of addiction and the racial politics of intervention.' *Griffith Law Review* 21(1): 164–189. Cassidy, Loussouarn and Pisac. 2013. *Fair Game: Producing Gambling Research* (The Goldsmith report). London: Goldsmiths.

2 Kingma, S. 2008. 'The liberalization and (re) regulation of Dutch gambling markets: National consequences of the changing European context.' *Regulation & Governance* 2(4), p.448.

CHAPTER 5: SOME LESSONS FROM THE COMPARATIVE PERSPECTIVE



Older people playing card bingo in Brazil. Image credit: Senior week – bingo at the senior's day centre. www.flickr.com/photos/prefvotuporanga/ ASCOM Prefeitura de Votuporanga

organisations do not appear to be key stakeholders in discussions around online gambling regulation.

One response to that divergence – one we heard from some interviewees and that was reflected in an early report from Ontario on bingo regulation in 1990 – is to put charities ‘back in the driving seat’³, via better support for their attempts to use equal chance gaming for good causes. For example, some Canadian interviewees favoured rules to ensure that private gaming providers and provincial governments were not capitalising on the charitable connotations of bingo without giving a correspondingly high level of control to charities to determine the use of proceeds. In England, we interviewed one charitable organisation that had found online bingo to be more successful than traditional raffles at reaching women, and younger people, as donors. However charity sector bodies did not have bingo on their radar, and the national gambling regulator primarily consulted with charities in relation to lotteries. As a result it was challenging to disseminate that organisation’s experiences within

the sector. Its online bingo site has since shut down.

Notwithstanding such examples, our case studies of bingo regulation do not lead us to recommend a blanket restoration, or bolstering, of the charitable role in gambling. A key lesson from our research is that the non-commercial sector is diverse, and that its privileged promotion should be considered carefully. In particular *charities should not be assumed to represent ‘the community’ or ‘the public’ interest in gambling, without further exploration of how they use proceeds, how they are connected to players as donors, and how they mobilise volunteers.*

For example, some good causes funded using bingo proceeds are closely linked to players as donors. This is especially true of members’ clubs, many religious organisations, and First Nations communities. In such instances bingo is a form of mutual-aid style fundraising for a group with a distinctive class-, gender-, nation-, and age-based demographic. In our view there are good reasons for regulators to extend privileged treatment and

support for gambling as a mutual aid form of fundraising, including the fact that it has a long history in many jurisdictions, is rarely a compliance concern, and is run on such a small scale that transparency is relatively straightforward to ensure. Bingo players can intuitively judge the fairness of the returns being made via prizes if the scale of play is limited – something that can not be said of large scale lotteries.

However in other instances charities may have almost no connection to players. Under such circumstances, the automatic privileging of non-commercial interests needs further exploration. For example, players may not be particularly interested in donating to charity: they may simply wish to play bingo and socialise with their friends and family. In some places they may be required to do so under arrangements that offer low prize boards in order that funds are set aside for organisations that are very distant from their own communities, as when gaming proceeds are extracted from players in bingo halls located in poor neighbourhoods to fund middle class sports clubs or school associations in other areas.

3 Charitable gaming: putting the charities back in the driver’s seat. Ministry of Consumer and Commercial Relations. Toronto. 1990.

Relatedly, if use of volunteer labour is required for organisations to access charitable exemptions from gambling prohibitions (as in Canada, and many parts of the US), volunteers need to be consulted as a separate group of regulatory stakeholders. Charities should not be assumed to speak for them.

A further example of the importance of exploring charitable gaming in greater depth can be found in the case of online bingo. In general the very large scale of play involved in online bingo, and the relative anonymity of players, means that it not generally used as a means of mutual aid style fundraising. However online bingo is offered by a number of large scale charity lotteries in EU Member States, and recent debates in Ireland and the Netherlands shed light on the important role bingo plays in charity fund raising activities. The level of transparency with regard to how donations are used varies significantly, as does the disclosure of the profits made through partnerships with commercial operators.

3 The need for rules that reflect the distinctiveness of bingo as a game, and a playing environment

“Some of them look at bingo and there is this kind of... it’s patronising. It’s slightly insulting and disrespectful, because in their minds it’s a poor person’s casino, which of course it’s nothing but. I just wonder to what extent that influences some of the regulators [3 second pause]. What I mean by that is that they don’t spend enough time or they don’t really get to know the product.” (male, commercial bingo operator, England).

Do players, operators, politicians, regulators, judges, and the wider public see bingo as a distinctive gambling sector? If so, what impact should this have on how bingo is regulated? These were key, recurring questions from our research, and they relate to broader debates about the harmonisation of regulation across gambling sectors.

There are many topics that came up in our case studies under the theme of standardisation, including taxation rates on bingo in relation to other sectors (England and Wales); differences in regulation between online and land based bingo (EU; England and Wales); and perceived inequalities in the ability to offer the same range of ancillary gaming products as can be offered by operators of casinos, or race tracks (Canada). Bingo is typically seen as distinctive because of the player demographic (in terms of age, class, gender, First Nations status, or sometimes all four)

and the key role of the game in non-commercial and religious spaces. However the game itself is also seen as distinctive due to its association with soft, low-stakes social play: in fact some players don’t regard bingo as a form of gambling.

Some stakeholders we interviewed wished regulators to take more account of bingo’s distinctiveness. They tended to want regulators to get to know the game, and its distinctive atmosphere, better. Others felt that bingo’s survival depended on the enhanced ability of operators to offer other forms of gaming (especially electronic bingo and gambling machines). As a result those interviewees were generally supportive of standardised rules and procedures across gambling sectors (eg to prevent underage access to halls; to introduce responsible gaming measures).

It is possible – and we think valuable – for regulators to avoid either/or decisions on this question. Specifically, while it is true that bingo operators in all four of the case studies rely for their profitability on ‘harder’ forms of gambling, in three of those case studies people can choose to legally engage in those forms in other environments. Bingo is thus not simply a soft and social ‘mask’ for harder forms of gambling; there is something attractive about the bingo environment (online or land-based), even if some customers subsequently play slot machines there.

With this in mind, it would make sense to regulate ‘harder’ gaming products on offer in bingo facilities as they are regulated in other gaming environments, and to ensure the centrality of bingo to a bingo facility (eg by looking carefully at the use of space, the times in which bingo is available, the prominence of bingo versus machines in advertisements for the facility, etc). Furthermore, consideration should also be given to whether and how such approaches to regulation could be implemented in the online environment.

However our research suggests that the imposition of generic rules treating bingo premises or websites as if they were casinos is unwise. As is clear from the example of ‘dusting off’ rules in BC, casinos are poor generic models for risk-based regulatory standards across gambling sectors. When such standards were ‘cut and pasted’ into provincially-run bingo facilities they lead to inefficiencies; unnecessary burdens on operators; and culture clashes. They also harmed the distinctive appeal of bingo, for paid and unpaid workers and for players.

We have encountered similar ‘culture clashes’ around policies that seek to move customers away from cash and into account-based play (evident in both BC and England and Wales). These policies are motivated by concerns about money laundering, and the impaired ability to track the play of cash users for responsible gambling purposes. They have been designed with high-spenders, and machine users, in mind. However in bingo many customers have a strong preference for cash, and some find it helps them to limit their spending.

Developing alternatives to such generic policies, which are attentive to the risks that exist in the sector and the environment that makes it distinctive, requires that regulators have a deeper understanding of operational bingo expertise, and the confidence to design bingo-specific standards. Given that the bingo player demographic is poorly represented in most regulatory agencies, this will likely require considerable training.

4 A potential role for regulators in supporting and preserving everyday, vernacular forms of play like bingo

There is an ongoing discussion among gambling researchers about the impact of globalisation on vernacular forms of play.⁴ Our research has repeatedly returned to the issue of bingo’s perceived distinctiveness as an everyday, local form of gambling, materially embedded in ordinary life in a variety of ways (the local church or members’ club or elderly care facility offering bingo every week; widespread advertisements for online bingo on social media; the dabbers that are available for purchase in budget shops; and so on). As the game moves online, and as technologies devised in one jurisdiction are transplanted into another, in some places the game is changing form quite rapidly. Automated variants, and new formats of numbers and patterns (especially those derived from the North American 75 number variant) are increasingly on offer.

In the light of such developments, in our view it is past time for policymakers to explicitly consider whether national gambling regulation should aim to support, and preserve, vernacular forms of play. Support for vernacular sports, and other manifestations of everyday culture (such as popular music), is taken for granted as a legitimate part of a state’s role in many jurisdictions. Policy makers and regulators could likewise consider the value of preserving the distinctiveness and key features of vernacular

4 See for example Cassidy, R., A. Pisac and C. Loussouarn (Eds.). 2012. *Qualitative research in gambling. Exploring the production and consumption of risk*. London: Routledge; Kingma, S. (Ed.). 2010. *Global gambling: Cultural perspectives on gambling organizations*. London: Routledge.

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Prize won at a seaside bingo arcade in North West England, 2014. The prize is a wooden board that holds paper bingo tickets in place for easier play. Image taken by Andrea Shieber.

forms of gaming, such as those evident in bingo, where they exist.

There is of course a risk that regulators may be less likely to approve game innovations if they adopt an objective of supporting and preserving vernacular gaming forms. No doubt policymakers would debate this issue. But in our view the risks are worth it. In particular, explicit conversation about whether to adopt this objective will help to de-centre the Las Vegas casino as the imagined reference point for national debates about gambling. In many jurisdictions, US-style resort casinos – and the foreign investors that seek to profit from them – seize opportunities when reform potential emerges in gambling law and policy. Games like bingo, dog-racing, dominoes, chase the ace, la Lotería (Mexicana); jogo de bicho, etc. are at a distinct disadvantage. It may be necessary to design a policy environment that helps lawmakers and regulators remember that a lot of gambling is, and always has been, run on an ‘everyday’ basis, as an ancillary activity in places primarily used for other purposes. Bingo, in particular, challenges assumptions that gambling is a ‘destination’ or ‘resort’ activity; instead, it shows that gambling is local, everyday, and familiar (in both senses of the word). Debating whether such vernacular forms of gambling should be supported, and preserved, would be one way to open space for alternative, non-casino centered regulatory conversations.

5 The need to better support international collaborations across local governments that license low-level forms of gambling such as bingos

In three of our case studies (Brazil; England and Wales; Canada), sub-national governments have taken central roles in gambling regulation. We expected to see lower levels of government taking a greater role in regulating gambling as we moved the spotlight away from casinos as destination gambling resorts (often of regional importance, involving higher levels of government) to the sort of low level licensing and permits associated with everyday gambling forms like bingos. However while national and sometimes provincial or state governments have taken measures to share expertise on gambling regulation amongst themselves, jurisdictional collaboration is substantially weaker at lower levels of government. In particular, information sharing about best practices could be better supported for local governments, within and across case studies. For example, there are opportunities to explore better collaboration on effective regulation of ‘everyday’ gambling forms

through international or regional bodies such as the International Institute of Municipal Clerks; the Congress of Local and Regional Authorities of the Council of Europe; the Council of European Municipalities and Regions; United Cities and Local Government, or the Commonwealth Local Government Forum.

At the same time, however, our research shows that ‘everyday’ gambling is increasingly affected by transnational rules and standards-setting. Effective oversight requires close cooperation between national and supranational regulators. This is especially evident as bingo has moved to the online environment. For example the European Commission has recommended particular practices in relation to responsible gambling regulation, proposed the creation of common technical standards for online gambling technology, and formalised cooperation and information sharing between EU Member States. In our view the emergence of online gambling makes collaboration on technical standards especially important. Such measures can assist countries (such as Brazil) that may choose to liberalise their gambling markets in ways that account, from the outset, for online play.

6 Is gender relevant to the regulation of bingo? A diverse answer

A key question animating our research in the Bingo Project was whether the female-dominated nature of the game effected its regulation.

Our answer to that question, across the case studies, varied. In two of our case studies (England and Wales; Canada) the player-base is unambiguously predominantly female; up to 80% of attendees are women according to some interviewees. This is not the case across the board in the other two case studies (EU online; Brazil) – but even then the game has a relatively high percentage of female participants, far higher than for EU online poker sites, for example.

One unexpected finding was that the gender of the players seemed to matter less to the early history of regulation than the gender of the organisers and intended beneficiaries of bingo games. In England and Wales and Canada bingo exemptions were carved out of general gambling prohibitions due to the lobbying pressure of male-dominated organisations that used, or wanted to use, bingo to fundraise. In England and Wales working men’s clubs (and political parties) were key lobbyists; in Canada service clubs (the Elks, Moose, Kiwanis etc.) played the same role. Women were denied entry as full members to some of these key lobbying groups until relatively late in the 20th Century. In Brazil, elite male football

clubs were the intended beneficiaries of the relevant reform, although there was little evidence of them lobbying Brazil's federal government for bingo legalisation. Economic elites also secured casino-like bingo environments in which to socialise, network and conduct business. The ability of male-dominated associations to influence law and policy was thus the key explanatory factor in bingo's sometimes generous treatment from regulators. In England and Wales those associations were rooted in working class social, economic, and political life; in Canada and Brazil they were rooted in middle class social, economic and political life.

In England and Wales, the fact that women play the game, and that it is associated with low-stakes, family fun subsequently became crucial to the commercial sector's ability to survive restrictions on gambling imposed by the 1968 Gambling Act. However in Canada bingo's positive valence is far more associated with the proceeds it generates for charities than the female-dominated player demographic. In Brazil, the negative connotations of bingo, and especially its links to criminality, are typically associated with the preferences of male players and owners for slot machines. Brazilian women who played slot machines, sometimes compulsively, are more commonly regarded as vulnerable – as “sad” or “mad” rather than “bad”, to use the distinctions common to literatures on criminal justice.⁵ Such women were seen by professionals to be particularly likely to benefit from regulation aimed at responsabilisation or treatment. For online bingo, although many regulators discussed the fact that online bingo attracted high rates of female players, they did not link this to regulation. Most did not distinguish between different forms of online gambling in terms of regulatory approaches, although some mentioned specific risks associated with particular games, such as collusion in online poker. In short there was no evidence that the gender of the players affected the game's regulation in a uniform way across the four case studies.

For the two cases where gender was most significant (England and Wales, and Canada), bingo games were sometimes quite sexualised, flirtatious environments. Female players regularly engaged in suggestive banter with male bingo callers (when they were not insulting them for drawing the ‘wrong’ numbers), and groups of players were often ‘naughty’ in between games, making jokes about body parts, touching bottoms, and so on. Drag bingo is also popular, in gay and lesbian venues and sometimes in

mainstream halls. These dimensions of the game environment can be overlooked if bingo is – wrongly – assumed to involve a conservatively traditional gendered atmosphere.

We found that politicians and the media, in both Canada and England and Wales, have sporadically raised fears that poor women are wasting state welfare benefits on bingo. In Canada, concerns focused on the bingo play of mothers, and First Nations women. But in general concern declines with age. As an amusement associated with older women, licensed bingo tends to be tolerated as harmless. We have found no evidence of political opposition to the elderly wasting their pension money on bingo play, although there was some concern expressed about the vulnerability of elderly female players (especially in Brazil).

This helped us realise that age, in its intersection with gender, class, and indigenous identity, is far more significant to land-based bingo regulation than we had expected. In particular, the fact that the game provides a space for inter-generational socialising and play appears to be a key part of its appeal in England and Wales, and Canada. While many players enjoy bingo because it gives them a break from caring for their family, and provides a space where they can comfortably sit alone, others considered it a family activity. Hence strict enforcement of restrictions on young people's presence proved jarring in both places,

since the game had a tradition of being relatively welcoming of young people – and sometimes children – if they were playing with family members.

The intergenerational and familial transfer of skill and enthusiasm for bingo has been impacted by under-age gambling restrictions. However, the land-based game is still seen to be distinctive in part because it is an unusually inclusive family affair in age terms, spanning multiple generations. Hence while many operators focus on combating what they called the ‘blue-rinse stereotype,’ including by attracting young people through investment in new technology, others see the future of bingo as in part reliant on maintaining the intergenerational feel of the game. This requires it to be kept affordable for, and welcoming to, different age groups. As one Welsh interviewee put it when asked about the future of the sector:

“The next five years, we will still be dancing. We will still be dancing. It's all about the people and looking after (them) and not taking too much from them. Keeping them playing. Keeping them dancing. Keeping them coming back... We have got mothers, grandmothers, daughters, sisters, they come in. I love to go to tables and say, there is a young man, 22 year old young man and he's got his girlfriend. That's my girlfriend. I have come in with my grandmother as well. I love it.” (female, commercial bingo operator, Wales).



Mural painted on the side of a bingo hall, England 2014. Image taken by Kate Bedford. .

5 Worrall, A. *Offending women: Female lawbreakers and the criminal justice system*. Routledge 2002.

CHAPTER 5: SOME LESSONS FROM THE COMPARATIVE PERSPECTIVE

Gender and Bingo Regulation: reflections from across the case studies

Brazil

My 85-year-old mother liked to play bingo when the halls were open. I often took her in the car and would stay to watch. She really liked it and used to say things like “when I’m at the bingo, I’m out in the world ...I forget all about my problems. It makes me feel super good.” One thing that I noticed a lot in the bingos was that most of the players were people of a certain age, say 30 or 40 and older. Young people didn’t go. It was very difficult to find a young person there. There were more older people, more seniors.” (Male, former journalist, Rio Grande do Sul).

The old man uses the bingo as a space of socialising and independence. It lets him do something that is independent of the family. He goes to the bingo hall, maybe he takes a taxi to get there. He plays there and meets other people. He feels good, he feels connected to other people; he feels cherished; he socialises. He probably starts by playing card bingo at the tables and then his play evolves into machine bingo so that he can play ten, 20 or 100 cards at the same time. Obviously the harm increases with more intensive play... (Its) the same mental mechanism as drug use. (Male, problem gambling service provider, Rio Grande do Sul).

The compulsion to play – well you never know when it will develop. It can happen at any time. There was a woman in our group – she’s dead now – whose gambling became compulsive at 80 years-old. From age 80 to age 81 she lost four apartments. She had five, she lost four. She did not lose the last one because her son found out what was happening. (Female, former player, Rio Grande do Sul).

I think there are lots of women who enjoy bingo. For example, I had a group of older ladies who were dependent on bingo. Some were mildly depressed women who stayed at home and had nothing much to do. They weren’t heavily depressed but life was kind of boring and unhappy. They had gone to bingo and found it really exciting. It was like a ‘wow’ moment. These women could become compulsive players so in those cases, where there was perhaps a predisposition let’s say, bingo caused havoc. (Female, treatment provider and researcher, São Paulo).

One kind of bingo player is the grandma who, instead of giving her pension to her grandson who does not work to spend it all on himself... instead she goes to the bingo to have fun with her friends. She spends maybe 50 reais [ca. 10 pounds] per day, which she can afford. She sees her friends there, has a coffee break, drinks some tea. (Male, industry expert, Rio de Janeiro).

Canada

Bingo, in the ‘80s, it was a social. We had tables of bingo players; you know, ten or fifteen women, kibitzing back and forth. They prided themselves in how many cards they could play. Some of these women can play twenty cards, right. I could barely keep up with one little one. (male, commercial bingo operator, Alberta)

The first (rule) that they started with was raising the age to 18. That has affected bingo as well because when the kids came and learnt and played, they played with their grandmother, they played with their mum or whatever, and now they’re not getting that. (female, charity bingo hall manager, Alberta).

I have noticed lately we are starting to get some younger people coming. But the majority of mine are definitely seniors. All time miserable – believe me. Absolutely hate women callers and are nasty to them, they just are absolutely wicked to women callers. (female, charity bingo hall manager, Alberta)

You’ve got people fighting over chairs. It’s four o’clock and it’s just opened and ‘That bitch is in my chair!’. There is 200 empty chairs. ‘Take another one.’ ‘No I want mine!’ I’ve seen fist fights. Little old ladies. They are zealots (laughs). (male, volunteer organiser of an independent charity bingo, BC)

You will notice lots of men in bingo. Well a lot of them come with their wives. But I see a lot of younger men, especially gay men. Gay men love bingo, I don’t know why. (female, charity bingo hall manager, Ontario)

The new technology clashes with our typical bingo customer. When Mabel comes to play bingo, Mabel knows she can play thirty six bingo cards. She’s done it for years and she knows how to play the game. Someone new comes in and they can only play nine bingo cards. Well, in Mabel’s mind the new player has to pay their dues in order to be able to play that many cards to compete against Mabel, right? With the introduction of bingo verifiers a layman can come in and with computer assistance play the same amount of cards against Mabel and Mabel doesn’t like that. There is a bit of a clash that goes on. (male, commercial bingo operator, Ontario)

England and Wales

If the wife went to the husband at seven o’clock at night and said, can I have £30 to go to bingo he would give it to her just like that. If she said, can I have £30 to go to a nightclub with the girls tonight, he would kick up a storm. It’s that safe, clean environment to go to. You know what I mean? (male, commercial bingo operator, England)

When we opened our new build clubs through the 90s, we would invite the chairman and the secretary of the local working men’s clubs to come to the opening day, because I know that the wives of the members are going to be coming to us. Occasionally we would get the husbands with them as well. (Male, commercial bingo operator, Wales).

Gender and Bingo Regulation: reflections from across the case studies (continued)

There's always been a case of gran maybe bringing her granddaughter to the bingo for the first time and she's 17 or 16 and somebody points that out. As a manager you were always very unpopular stopping one of your best customers bringing her underage granddaughter in to play bingo (male, commercial bingo manager).

You look at some of the age group that we have here and these people are quite dependent on coming here. This is their life. You know that might sound a bit dramatic—but I think that it is that for a lot of people. My mum plays bingo. And I don't know what she would do if she didn't come here. This is it, all roads lead to here. (female, commercial bingo operator, Wales)

Before I came here, I had always assumed that it was pensioners. But there is a lot of single mothers. Most of the people I would say are below 50 – most of them haven't retired yet. There is quite a lot of youngsters come, like 18 to 25. They come all dressed up ready for town after. You have quite a few, well, rich people who like to play the machines. (male, commercial bingo employee, Wales)

Respondent: I am quite a regular. I come up here and then I got voted onto the women's section committee.

Kate: Why do you think the women's section runs the bingo?

Respondent: Because if it's left to everyone else it wouldn't go on (laughs). They have been doing it for years. I just think that it just took a couple of people to get in there and start organising it and just happened to be the women. I guess it's always the women that are more into bingo than the men. I don't know. They (the men) enjoy it when they are here. I wouldn't say that they would be bothered to organise it. (woman, non-commercial bingo organiser, England)

We are looking to bring bingo kicking and screaming into the 21st century and remove the, what was always the wrong view of bingo in the first place, the blue rinse brigade. Remove the old lady syndrome from bingo. Because it's not that. (male, commercial bingo operator, England).

EU

From the perspective of the profile of the player, bingo is often said to be a specific game consumed by, if you allow me and excuse me please, mid aged to elderly ladies at mid hours of the day. Well, this is common belief. (Male, National Regulator).

Most bingo sites skin themselves up in pink and they've got ladies and ladies promotions, because that's the perceived notion, that only women play bingo. That's just not true. ... A lot of men play online bingo. A lot of men go to bingo halls. My dad and my gramp used to go to bingo halls, maybe not in such large numbers, but there were always a good portion of men every night. (Female, Commercial Online Bingo Operator)

Often I think people assume that bingo is something that only older people are participating in and get involved in. The traditional phrase I think is, Blue Rinse. It's sort of an indication of a nod to the fact that an ageing lady would typically dye her hair and therefore you are thinking, 65 plus. But online, and particularly on the mobile you are seeing a much younger audience demographic. The most recent stuff that we've been running we are seeing as young as 25 year old players getting involved which is a substantial change for the industry. It's not something that's been seen before. (Male, Online Bingo Software Provider).





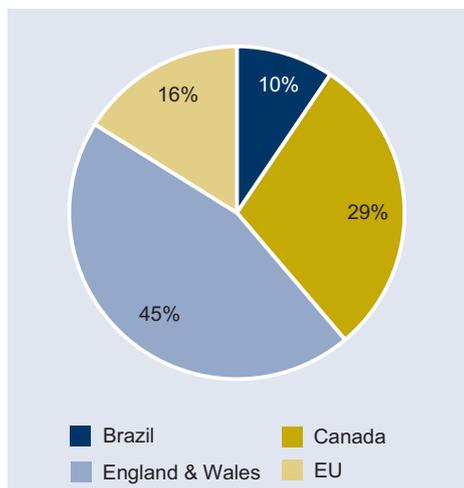
APPENDIX 1: RESEARCH METHODS AND APPROACH TO ANALYSIS

Our research for the Bingo Project involved a range of qualitative methods. It included interviews with individuals involved in bingo, such as operators (commercial and non-commercial), regulators (at many levels, from the municipal to the supra-national), politicians, specialist lawyers, judges, employees, volunteers, software designers, and bingo equipment manufacturers. Interviews were semi-structured, so they ran more like a guided conversation than a survey. Notes or a full transcript of the interview (whichever the interviewee preferred) were sent back to the interviewee in case they wished to make any changes. Once a final version had been agreed, an anonymised version could be created for analysis.

We conducted observations of legal bingo games in three of the four case studies. (We were unable to find legal games in Brazil, and as a condition of our research ethics agreement our researchers there could not participate in illegal gaming). We also conducted a systematic review of relevant case law, legislation, and regulatory guidance, official records of political debate, consultations, and annual reports from bingo regulators and operators.

We collected much more data than we had expected to. We had a sense before we started our research that bingo was important. But we didn't expect that we'd find so much material about its regulation that we'd have to increase our allocated server space three times in order to store the information. We have a collection of over 1000 relevant legal cases across the four case studies, stretching back to 1845.¹ We also have thousands of pages of political debate about bingo, stretching back to 1936.

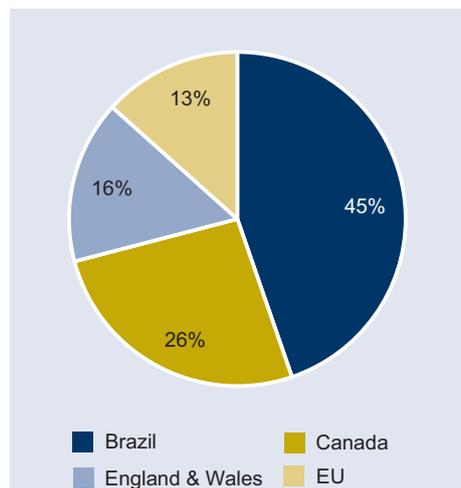
Interviewees, by case study
N = 255



In all we conducted 217 interviews, with 255 respondents. This is far in excess of the 166 interviews we committed to conduct in our original grant application. We are still being approached by people who want to contribute their experiences of bingo to the research.

We uploaded the documents associated with these research activities (cases, reports, interview transcripts, fieldnotes, etc.) into a software programme called NVIVO. As we analysed the documents, the software helped us keep track of key themes (both those that were already in our questions, and those that emerged during the course of the research). For example we were able to compare how the issue of responsible gambling appeared in court cases, versus in political debates. Similarly we could compare whether attitudes to bingo regulation were different for men and women (they weren't), or for interviewees associated with charities and commercial operators (they were). Towards the end of the research we were also able to compare the key themes across the case studies, seeing how clusters of themes emerged differently. In total we created tags for 37 themes (many with sub-themes). Some of those themes have been developed into academic publications. For example Kate used material tagged under the themes 'smoking,' 'gender,' 'class,' 'Race/First Nations' and 'technology' in a recent conference paper on how bodies are regulated in Canadian bingo halls. Some themes will develop in the coming months. For example material associated with the theme of 'self-regulation' is central to Donal's upcoming conference paper on risk and welfare in online gambling regulation in the European Union.

Court Cases collected, by case study
N = 1035



Brazil

To understand the rise and demise of licensed bingo in Brazil we examined the regulatory systems, processes and requirements established to govern the game and spoke to key informants with relevant experience of the game and its regulation. We did not directly observe or participate in any games because bingo halls were unlawful at the time of the study. However we have sought to access the experience of bingo as reported by key informants and in media accounts and contemporaneous studies. Our data consist of the following sources:

Twenty semi-structured interviews with twenty four people knowledgeable about the game of bingo in Brazil during and after legalisation. We talked to current and former players and ex-bingo owners, a judge, lawyers and public servants involved in law enforcement, industry experts, journalists, a politician, addiction researchers and support services providers. Informants were located in São Paulo and Rio Grande do Sul (the two states that hosted the highest numbers of bingo businesses when bingo was legal), Rio de Janeiro (a state that has a long tradition of popular gambling and is home to prominent industry analysts), and Distrito Federal (the home of the nation's capital and seat of the Federal government which is responsible for gambling legislation). One informant, interviewed by Skype, is in London, UK.

Legislative and regulatory texts from the liberalisation period and recent bills that are part of the contemporary legalisation debate. We collected and reviewed 20 legislative texts on bingo regulation at the national/federal level and analysed in depth the most significant sources for the bingo sector (Lei Zico, Lei Pelé, Lei Maguito and their respective Decretos). At the state level, 16 legislative sources were analysed from the states of Rio Grande do Sul, São Paulo, Rio de Janeiro and Distrito Federal.

Analysis of superior court cases (ten in the Superior Tribunal de Justiça (Superior Court of Justice) and seven in the STF (Supremo Tribunal Federal (Federal Supreme Court), and more than 400 cases at the Tribunal de Justiça do Rio Grande do Sul (Court of Appeals of the State of Rio Grande do Sul)). Our data include also legal cases from two other Brazilian states (São Paulo and Minas Gerais) selected by reference to specific topics that were actively litigated in those regions, such as the licensing of occasional charitable bingos in Minas Gerais.

Reports of the Comissão Parlamentar de Inquérito dos Bingos (CPI dos Bingos), a comprehensive parliamentary inquiry into bingo that reported in 2007. It included

¹ Allport v Nutt [1845] 1 C.B. 972, S. C. 3 D. & L. 233; 14 Lr J. C. P. 272; 9 Jur. 900. This case concerned illegal gambling in a public house.

APPENDIX 1: RESEARCH METHODS AND APPROACH TO ANALYSIS

contemporaneous surveys of bingo establishments, interviews, and reports on site visits conducted before the market was formally closed.

Data and commentary published by non-governmental sources including industry analysts' reports on bingo and other forms of gambling in Brazil; newspaper archives, journal articles, websites, blogs and theses.

Canada

We analysed relevant law, policy, and guidance (eg gambling legislation, licensing regulations at provincial, municipal, and First Nations level; codes of practice; guidelines; information bulletins from regulators); annual reports from provincial gambling operators and regulators; and data on licensees and use of proceeds. We have records of official federal and provincial political debate on bingo (stretching back to 1938), and we collected and reviewed 271 cases involving bingo. These ranged from high level cases involving constitutional debates at the Supreme Court of Canada, to divorce cases, labour disputes, and civil lawsuits over how to divide up bingo winnings.

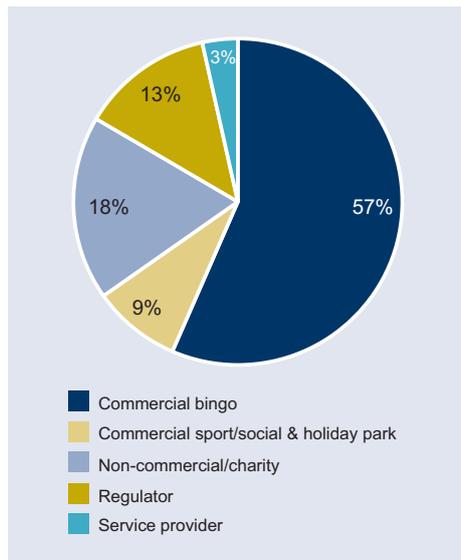
In Ontario in 2015 we conducted 19 recorded interviews (with 24 people); 3 unrecorded interviews with notes (with 3 people), and 5 scoping chats (involving 8 people). In 2015 in BC we conducted 25 transcribed interviews (involving 28 people), and a further 7 untranscribed interviews (involving 12 people). In total 59 interviews were funded by this research grant (with 75 people). We also participated in bingo games, of varying scales, across British Columbia and Ontario.

England and Wales

We analysed relevant legislation, case law, policy, guidance, and licensing statements on land-based bingo in Great Britain, including Hansard references to bingo/housey-housey (going back to 1936); legislation, proposed legislation, and early day motions (going back to 1908); case law (we collected a total of 163 relevant cases, going back to 1845), operator codes of practice and training manuals, regulators' annual reports; and consultations and inquiries in which bingo was a consideration.

We also conducted 98 interviews, with 115 people involved in bingo in England and Wales. We spoke with a range of informants, from volunteers running small non-profit games in members' clubs to commercial bingo executives. We also targeted local level licensing officials alongside national level regulators.

Classifications for the England and Wales Interviews
N = 115



Finally we conducted observations in different bingo spaces (seaside arcades, bingo halls, sports clubs, holiday parks, working men's clubs etc). This gave us a chance to see how regulations are interpreted in different venues, and to chat informally with staff and other customers.

European Union

At the European Union (EU) level we collected judgments from the Court of Justice of the European Union and the Court of Justice of the European Free Trade Association court, along with the opinions of the Advocate Generals and the available data relating to infringement proceedings initiated by the European Commission.

Although there is no sector specific legislation on gambling at the EU level, we collected EU legislation that applies to the online gambling sector such as the Unfair Commercial Practices Directive, the Notification Directive, the Money Laundering Directive and the Data Protection Directive and Regulation.

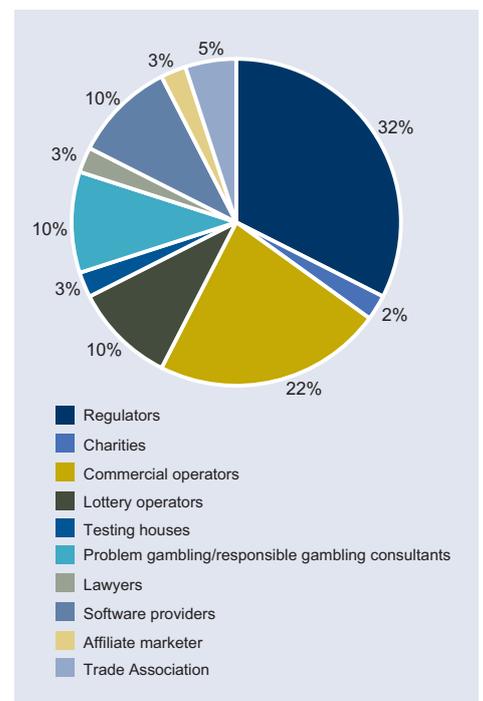
We used the European Commission's Technical Regulation Information System (TRIS) as a means by which to identify changes in Member States' regulation of online bingo.

We examined policy documents and political debates at the EU level relating to gambling, and more recently, online gambling, with a focus on the European Commission, the European Parliament, the Council of the European Union and the European Council.

In addition to informal scoping chats, we conducted 40 semi-structured interviews with 41 online bingo stakeholders between June 2015 and March 2016. The types of organisations represented in the interviews included regulators, trade associations, lottery operators, commercial operators, charities, testing houses, law firms, software providers, affiliate marketers and responsible gambling consultants.

We undertook observations of online bingo sites during the research. Six online bingo sites were chosen. They ranged from a large operator running proprietary software, a leading UK brand, a small commercial white label site, and white label sites operated by charities. The observations not only gave us a sense of mechanics of the game and the interactions that occur during play, but also how regulations impact upon and are experienced by players as they sign-up, play and (sometimes) win. We also conducted participant observation at nine industry conferences and events.

Classifications for the EU Interviews
N = 40



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WHO WE ARE

The researchers

Principal Investigator: Dr Kate Bedford, Reader in Law, Kent Law School

My academic research is on law and political economy. I have conducted research on gender and sexuality in development lending, especially in Latin America, and on international debates about care policy. I am interested in bingo because it is a key site of working class women's gambling, and because it often mixes charity and commerce. I therefore think that it offers important lessons to academics and policymakers about gender, class, and the regulation of speculation.

I have also played bingo since I was a child, and I enjoy learning about how the game is run, regulated, and played in different places.

I led the research on this project, drawing on previous research on bingo regulation in seaside Kent (England), and Ontario and Alberta (Canada). My favourite parts of the research are when people share their bingo stories with me.

Dr Oscar Alvarez-Macotella, Research Associate, Kent Law School

My academic work focuses on law and development. I have undertaken research on law and financial development looking at both developed and emerging countries, and on international debates about policy and legal reforms to boost local and regional economies. I have worked as a legal practitioner in international business and commercial law, and I have experience with social anthropological research examining oral histories of daily life in Uganda, and on ethical finance.

I have worked on the case studies of England and Wales and the EU.

I think bingo is an intriguing activity. It is an old game that has survived, and evolved, in many countries.

Dr Donal Casey, Lecturer in European Law, Kent Law School

My research concerns multilevel and transnational regulation, and the role that law, standards and other norms play in shaping regulatory regimes. In particular, I am interested in how regulatory actors seek to legitimate their activities. I have published in leading international journals including the European Law Journal, the Journal of Law and Society, the British Food Journal and Regulation & Governance. I was a fellow of the Hague Institute for the Internationalisation of Law in connection with the project Transnational Private Regulation: Constitutional Foundations and Governance Design. I have also previously held a visiting position at Osgoode Hall Law School (York University, Toronto) as a fellow of the Critical Research Law in Law and Society.

I led the European Union (EU) case study that examined the regulation of online bingo within the EU. This case proved a fascinating laboratory for study as gambling, and online gambling in particular, represent significant and long running sites of contestation within the European Union. Moreover, given the distinctive culture and character of bingo, I was interested to see how the game is operated, played and regulated when it moves from its traditional land-based environment to the virtual world.

Maria Luiza Kurban Jobim, Research Assistant, Kent Law School

My academic research focuses on consumer and regulatory law with particular emphases on the economic and social aspects of law, and the extent to which legislation contributes to development.

Working in the field of gambling regulation allowed me to apply many of the lessons learnt during my previous studies. I focused on the reasons why gambling, and particularly bingo, remain so popular and widely-practiced. The interaction of legal and social issues in the international regulation of gambling was also an interesting research focus.

Professor Toni Williams, Professor of Law, Kent Law School

My current research concerns regulation, economic development and the role of personal finance products such as loans and insurance in familial and household relationships. I have written about microcredit and financial education, and about financial consumer protection in the wake of the recent financial crisis. Much of my work focuses on the development of a transnational model of personal finance regulation that aims to increase household dependence on consumer finance products. I am interested in the gendered understandings of risk and responsibility that this model entails as well as the gender implications of increasing household reliance on personal finance markets. I have worked on these questions with colleagues in Brazil, Germany, Canada, Australia and Canada.

I was excited about the bingo project because it engaged with my interests in global and transnational changes to regulation and governance and gendered understandings of risk. More specifically, the Brazilian case study was an exciting opportunity to explore gender aspects of debates about the effects of personal credit expansion and recent reforms to gambling regulation.



WHO WE ARE

The support team

Joao Araujo Monteiro Neto, Portuguese Translation, Kent Law School

I am a PhD candidate at Kent Law School. My work engages with the study of internet governance and law. I am especially interested in the impact of multi-stakeholder practices within the Internet governance system.

I have translated the website and the transcribed the Portuguese language interviews for the research team. I am interested in how different groups engaged with the policy making process around bingo in Brazil construct strategic legal narratives to promote or block the regulation of gambling.

Mark Dean, IT support, Kent Law School

After finishing my MPhil, I worked in the NHS and in Social Services on a variety of projects supporting people with disabilities. I developed an interest in ICT whilst enabling people with limited speech to communicate using early BBC computers with specialist input devices. I then worked for several years as a freelance consultant and trainer and in mainstream ICT support with a Microsoft partner company before joining Kent Law School.

Sarah Gilkes, Assistant to the Research Support Administrator, Kent Law School

I am responsible for assisting with KLS research activities, including co-ordinating the organisation of internal and external conferences and workshops, providing administrative support to the School's research staff and centres, and managing general post-award administrative processes for research grants. I organise the Bingo Project's research events, booked most of the research travel, and helped with the compiling of data, reports, and webpages.

Helen Johnson, NVIVO Coding, Kent Law School

I have coded some of the interviews for the Bingo Project. I have over ten years of research and project management experience in the legal, policy, charity and academic spheres. I have worked as a barrister, research consultant, wellbeing specialist and policy advisor. I specialise in the use of innovate qualitative methods, gender, service provision, emotions and desistance.

Melina Malli, NVIVO Coding, Kent Law School

I am a PhD Candidate in Applied Psychology, SSPSSR (Tizard Centre). My academic research focuses on attitudes and stigma, with particular emphasis on children with intellectual and developmental disabilities within the school environment. I have experience with semi-structured and in-depth interviews. I have coded many of the Canadian interviews for the project. The Bingo Project grasped my attention because it explores attitudes and beliefs about gambling. It also uses personal narratives and experiences to better understand changes within the sector, which is interesting to me.

Linda Pitt, Transcription, LAPTOP Confidential

I run a transcription company based in Withernsea, specialising in transcriptions for academic work. I have transcribed the English-language interviews that the research team have conducted.

This has been an interesting project for me to work on and it has been a pleasure to work with Kate, Donal, and Oscar.

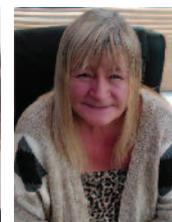
Andrea Shieber, Communications Coordinator, Kent Law School

My role is one of communications support for the research team, helping to disseminate news of project events. I've also enjoyed employing my amateur photography skills to capture images of bingo memorabilia gathered by the team during the course of fieldwork. Exposure to the world of bingo regulation was a major influence in my decision to photograph people playing bingo for an Adult Education class project. During visits to my local bingo hall in Herne Bay I discovered for myself just how much it's valued by players as a space to enjoy the company of friends. Many of the players are women who have been members for more than 15, 20 and even 25 years. They go on the same night each week, sit in the same seat, order the same drink and, as one of them explained, they 'share a gossip, a laugh and a joke.' For them 'winning is a bonus' but it would seem the real bonus is the very existence of the bingo hall within the community.

Sarah Slowe, Research Support Administrator, Kent Law School

I provide administrative support for all aspects of research at Kent Law School, including research grant applications and grant management. I have been involved in the Bingo Project since the first pilot project based in seaside Kent towns, and throughout both the pilot and this project.

I provide excel wizardry and emotional support.



Advisory group

Miles Baron

Miles Baron holds an M.B.A. from the University of Leeds. Mr. Baron joined the bingo industry in 1983. He worked for Mecca Bingo in a variety of positions such as Operations Director and Sales and Marketing Director. His expertise and leadership in the sector are witnessed by his appointment in 2012 as the Chief Executive of the Bingo Association and, at the same time, Chief Executive of the National Bingo Game.

Professor Colin S Campbell

Gambling law and policy expert; author of several key studies of charitable gambling in Canada. Professor Campbell teaches criminology at Douglas College, Coquitlam (British Columbia).

Dr Emma Casey

Sociologist specialising in women's gambling cultures. Dr Casey is Senior Lecturer in Sociology at Kingston University. Her books include *Women, Pleasure and the Gambling Experience* (Ashgate, 2008) which was shortlisted for the BSA Philips Abrams Memorial Prize, and *Gender and Consumption: Domestic Cultures and the Commercialisation of Everyday Life* (edited with Lydia Martens, Ashgate, 2007). She is currently working with the Mass Observation Archive on an ESRC funded project on the theme of gambling and households.

Professor Rebecca Cassidy

Professor Cassidy is a gambling anthropologist. She is the Principal Investigator for GAMSOC, an ERC-funded project which used ethnography to investigate the expansion of commercial gambling in Europe. and coordinator of Goldsmith's network on gambling. She is the author of several key research texts on gambling including *Sport of Kings: kinship, class and thoroughbred breeding in Newmarket* (Cambridge University Press, 2002) and co-editor of *Qualitative Research in Gambling: exploring the production and consumption of risk* (Routledge, 2013)

She writes an occasional blog about gambling at: <https://gamblingacrossborders.wordpress.com>.

Professor Amy Chazkel

Historian of gambling criminalization in Brazil, and Associate Professor of History at Queens College and the CUNY Graduate Center. Professor Chazkel is the author of a socio-legal study on the criminalization of Brazil's 'animal lottery,' *Laws of Chance: Brazil's Clandestine Lottery and the Making of Urban Public Life in Brazil* (Duke University Press, 2011). Other publications include articles on penal institutions, illicit gambling, and forced labor in post-colonial Brazil.

Dr Ruth Cherrington

Dr Cherrington is a leading authority on the history, development and decline of Working Men's Clubs. Brought up on a post-war housing estate where most residents regularly used the local club, Ruth witnessed the centrality of this institution to people's lives. Decades later she combined her sociological training with personal experiences and insights to document this club. Her book '*Not Just Beer and Bingo!*' *A social history of working men's clubs*, was published in 2012. She has written academic articles on the club movement and she has presented at numerous conferences. She gives regular media interviews on club-related issues, and is the owner/editor of the website www.clubhistorians.co.uk. A member of the Warwick Drinking Studies Network, Ruth is currently Employability Manager at the School of Business and Law, University of East London.

Dr Carolyn Downs

Dr Downs is an expert in historical and cultural analysis of bingo, and the former coordinator of the Leisure, Recreation and Heritage Research Group at the University of Salford. Carolyn has pioneered research into virtual gambling and content-generated risks to young people from online social networking. She led the first UK study into gambling-related debt, and a pilot study into the relationship between leisure and under-age alcohol use. Her academic work on the social, economic and cultural history of bingo (1906-2005) acted as a springboard for her current research into various social aspects of gambling. That research was featured in the BBC documentary 'Eyes Down! The Story of Bingo,' broadcast in 2012.

Cherry Hosking

With prior expertise as Company Secretary in commercial property and the professional services industry, Cherry joined the Bingo Association (the trade association of licenced bingo operators in Great Britain) in 2007. She is Company Secretary to the Executive Council. Cherry is also Company Secretary for The National Bingo Game Association Limited (NBGA), which holds a remote bingo operating licence from the Gambling Commission. The NBGA has operated games of combined bingo, linking hundreds of clubs to play joint games, since 1986.



WHO WE ARE

Dr Sytze Kingma

Dr Kingma is a European gambling policy analyst. He works in the Organisation Sciences department of VU (University of Amsterdam). He is the author of several key texts on global gambling liberalisation trends, including *Global gambling: Cultural perspectives on gambling organizations* (Routledge).

Professor Roy Light

Professor Light is a leading licensing barrister and academic analyst of gambling law. With expertise in administrative law, licensing, and planning, he is a member of St Johns Chambers (Bristol). He writes and lectures extensively, regularly speaks at national conferences and provides training for local authorities and others. He is professor emeritus at Bristol Law School, and a member of the Portman Group Independent Complaints Panel. He also sits on the editorial board of *Licensing Review*.

Dr Alan Littler

Dr Littler is an academic specialising in gambling law within the European Union. He is the author of several key articles on European gambling regulation, including on remote gambling. He practices at a gambling law firm in Amsterdam. Dr. Littler is also an 'Extramural Fellow' of the Tilburg Law and Economics Center (TILEC) at Tilburg University (The Netherlands), where he completed his PhD.

David Lucas

David has over 30 years experience in licensing law. He specialises in all aspects of gambling, alcohol, and entertainment licensing. With a client list which includes national and local operators, licensing and responsible authorities he has practical experience of all aspects of licensing and regulatory issues. David is the solicitor instructed by Greene King in their landmark bingo operating licence case. He provides training on

all aspects of licensing and is accredited by the British Institute of Innkeeping Awarding Body (BIIAB). David is also regional Chairman of the Institute of Licensing (East Midlands) and a member of the Board of the Institute. He has contributed to Paterson's Licensing Acts (Butterworths) on the Licensing Act 2003 and Gambling Act 2005.

Professor Debra Morris

Professor Morris specialises in charity law, property, and employment law. Her research has focused on many different aspects of charity law and regulation, ranging from the 'public benefit' test through to the regulation of fundraising. Debra's work on charity mergers and acquisitions and the resolution of disputes in the charitable sector was carried out in close consultation with the charitable sector and this approach helps to ensure that the recommendations are pertinent and useful to charities. Debra has also published on the legal position of private schools and not-for-profit hospitals. Debra is currently examining the impact of the Equality Act 2010 on charities. Debra teaches Equity and Trusts, Land Law, Employment Law at the University of Liverpool.

Professor Gerda Reith (Chair)

Professor Reith works in the sociology department at the University of Glasgow. Her research interests centre on problematic forms of consumption, particularly those considered risky or 'addictive.' She is a leading expert in critical gambling studies, with publications including *Consumption: Regulation and Excess* (2005, Routledge) and *The age of chance: gambling in Western culture* (2002, Routledge). Professor Reith is a Gambling policy expert and former Chair of the Research Panel at the Responsible Gambling Strategy Board.

Dr Jane Rigbye

Dr Rigbye is the Director of Commissioning at the Responsible Gambling Trust (UK). She is responsible for the Trust's harm prevention and treatment programmes. Her doctoral dissertation, on the psychology of gambling, is titled: 'Barriers to Treatment Access among Young Problem Gamblers' (Nottingham Trent University). Prior to her current appointment, Jane was Head of Youth Services and Policy Development at GamCare. She has lectured on gambling studies at the University of Salford (Salford Business School) and at Nottingham Trent University (Division of Psychology), and has published a range of academic and consultancy papers on gambling and problem gambling.

Jonathan Watkin

Mr Watkin is a gambling industry specialist and Senior Policy Development Officer with the Gambling Commission (UK). He is the Commission's research liaison with the Bingo Project.







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