

***Criminal Code of Canada (C-46)***

Sections 201 to 203 of the *Criminal Code* pertain to betting and gaming activities that constitute an offence. Section 204 of the *Criminal Code* provides certain exemptions to the gaming and betting prohibitions of the preceding sections.

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204. (1) Sections 201 and 202 do not apply to

- (a) any person or association by reason of his or their becoming the custodian or depository of any money, property or valuable thing staked, to be paid to
  - (i) the winner of a lawful race, sport, game or exercise,
  - (ii) the owner of a horse engaged in a lawful race, or
  - (iii) the winner of any bets between not more than ten individuals;
- (b) a private bet between individuals not engaged in any way in the business of betting;
- (c) bets made or records of bets made through the agency of a pari-mutuel system on running, trotting or pacing horse-races if
  - (i) the bets or records of bets are made on the race-course of an association in respect of races conducted at that race-course or another race-course in or out of Canada, and, in the case of a race conducted on a race-course situated outside Canada, the governing body that regulates the race has been certified as acceptable by the Minister of Agriculture and Agri-Food or a person designated by that Minister pursuant to subsection (8.1) and that Minister or person has permitted pari-mutuel betting in Canada on the race pursuant to that subsection, and
  - (ii) the provisions of this section and the regulations are complied with.

**Exception**

(1.1) For greater certainty, a person may, in accordance with the regulations, do anything described in section 201 or 202, if the person does it for the purposes of legal pari-mutuel betting.

**Presumption**

(2) For the purposes of paragraph 1(c), bets made, in accordance with the regulations, in a betting theatre referred to in paragraph (8)(e), or by telephone calls to the race-course of an association or to such a betting theatre, are deemed to be made on the race-course of the association.

**Operation of pari-mutuel system**

(3) No person or association shall use a pari-mutuel system of betting in respect of a horse-race unless the system has been approved by and its operation is carried on under the supervision of an officer appointed by the Minister of Agriculture and Agri-Food.

**Supervision of pari-mutuel system**

(4) Every person or association operating a pari-mutuel system of betting in accordance with this section in respect of a horse-race, whether or not the person or association is conducting the race-meeting at which the race is run, shall pay to the Receiver General in respect of each individual pool of the race and each individual feature pool one-half of one per

cent, or such greater fraction not exceeding one per cent as may be fixed by the Governor in Council, of the total amount of money that is bet through the agency of the pari-mutuel system of betting.

#### **Percentage that may be deducted and retained**

(5) Where any person or association becomes a custodian or depository of any money, bet or stakes under a pari-mutuel system in respect of a horse-race, that person or association shall not deduct or retain any amount from the total amount of money, bets or stakes unless it does so pursuant to subsection (6).

#### **Idem**

(6) An association operating a pari-mutuel system of betting in accordance with this section in respect of a horse-race, or any other association or person acting on its behalf, may deduct and retain from the total amount of money that is bet through the agency of the pari-mutuel system, in respect of each individual pool of each race or each individual feature pool, a percentage not exceeding the percentage prescribed by the regulations plus any odd cents over any multiple of five cents in the amount calculated in accordance with the regulations to be payable in respect of each dollar bet.

#### **Stopping of betting**

(7) Where an officer appointed by the Minister of Agriculture and Agri-Food is not satisfied that the provisions of this section and the regulations are being carried out in good faith by any person or association in relation to a race meeting, he may, at any time, order any betting in relation to the race meeting to be stopped for any period that he considers proper.

#### **Regulations**

(8) The Minister of Agriculture and Agri-Food may make regulations

- (a) prescribing the maximum number of races for each race-course on which a race meeting is conducted, in respect of which a pari-mutuel system of betting may be used for the race meeting or on any one calendar day during the race meeting, and the circumstances in which the Minister of Agriculture and Agri-Food or a person designated by him for that purpose may approve of the use of that system in respect of additional races on any race-course for a particular race meeting or on a particular day during the race meeting;
- (b) prohibiting any person or association from using a pari-mutuel system of betting for any race-course on which a race meeting is conducted in respect of more than the maximum number of races prescribed pursuant to paragraph (a) and the additional races, if any, in respect of which the use of a pari-mutuel system of betting has been approved pursuant to that paragraph;
- (c) prescribing the maximum percentage that may be deducted and retained pursuant to subsection (6) by or on behalf of a person or association operating a pari-mutuel system of betting in respect of a horse-race in accordance with this section and providing for the determination of the percentage that each such person or association may deduct and retain;
- (d) respecting pari-mutuel betting in Canada on horse-races conducted on a race-course situated outside Canada; and
- (e) authorizing pari-mutuel betting and governing the conditions for pari-mutuel betting, including the granting of licences therefor, that is conducted by an association in a betting theatre owned or leased by the association in a province in which the Lieutenant Governor in Council, or such other person or authority in the province as may be specified by the Lieutenant Governor in Council thereof, has issued a licence to that association for the betting theatre.

#### **Approvals**

(8.1) The Minister of Agriculture and Agri-Food or a person designated by that Minister may, with respect to a horse-race conducted on a race-course situated outside Canada,

- (a) certify as acceptable, for the purposes of this section, the governing body that regulates the race; and
- (b) permit pari-mutuel betting in Canada on the race.

**Idem**

(9) The Minister of Agriculture and Agri-Food may make regulations respecting

- (a) the supervision and operation of pari-mutuel systems related to race meetings, and the fixing of the dates on which and the places at which an association may conduct those meetings;
- (b) the method of calculating the amount payable in respect of each dollar bet;
- (c) the conduct of race-meetings in relation to the supervision and operation of pari-mutuel systems, including photo-finishes, video patrol and the testing of bodily substances taken from horses entered in a race at such meetings, including, in the case of a horse that dies while engaged in racing or immediately before or after the race, the testing of any tissue taken from its body;
- (d) the prohibition, restriction or regulation of
  - (i) the possession of drugs or medicaments or of equipment used in the administering of drugs or medicaments at or near race-courses, or
  - (ii) the administering of drugs or medicaments to horses participating in races run at a race meeting during which a pari-mutuel system of betting is used; and
- (e) the provision, equipment and maintenance of accommodation, services or other facilities for the proper supervision and operation of pari-mutuel systems related to race meetings, by associations conducting those meetings or by other associations.

**900 metre zone**

(9.1) For the purposes of this section, the Minister of Agriculture and Agri-Food may designate, with respect to any race-course, a zone that shall be deemed to be part of the race-course, if

- (a) the zone is immediately adjacent to the race-course;
- (b) the farthest point of that zone is not more than 900 metres from the nearest point on the race track of the race-course; and
- (c) all real property situated in that zone is owned or leased by the person or association that owns or leases the race-course.

**Contravention**

(10) Every person who contravenes or fails to comply with any of the provisions of this section or of any regulations made under this section is guilty of

- (a) an indictable offence and is liable to imprisonment for a term not exceeding two years; or
- (b) an offence punishable on summary conviction.

**Definition of “association”**

(11) For the purposes of this section, “association” means an association incorporated by or pursuant to an Act of Parliament or of the legislature of a province that owns or leases a race-course and conducts horse-races in the ordinary course of its business and, to the extent that the applicable legislation requires that the purposes of the association be expressly stated in its constating instrument, having as one of its purposes the conduct of horse-races.

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