

Full-court press to push single event sports betting in Canada over the line

March 01, 2021

Bill C-218 adopted at second reading; Bill C-13 will not move forward in current House of Commons session.

What you need to know

- On Feb. 17, 2021, the House of Commons voted overwhelmingly in support of adopting private member's Bill C-218, the Safe and Regulated Sports Betting Act, on second reading. Bill C-218 is now being referred to the last phase of hearings with the Justice Committee before moving to third reading in the House of Commons, the Senate and then to the Governor-General for Royal Assent.
- Following its adoption at second reading, Bill C-218 was immediately scheduled for examination by the Justice Committee for their meetings on Feb. 23 and 25, 2021.
- Industry stakeholders such as Bragg Gaming Group¹, Score Media and Gaming Inc.² and Alberta Gaming, Liquor and Cannabis³ applauded the result of the vote and its importance in moving Canada towards a modernized sports betting framework.
- On Feb. 18, 2021, the Speaker of House announced that government Bill C-13, which also proposes to decriminalize single event sports betting in Canada, will no longer proceed in the current legislative session.
- For full analysis of the implications of current federal and provincial proposals to modernize gaming laws, please read our recent article: "[A winning hand? Combined changes to gambling industry could end Canada's drift.](#)"

Consolidated support for C-218

Until Feb. 18, 2021, there were two bills - C-218 and C-13 - which proposed decriminalizing single event sports betting in Canada. The bills were substantially similar, but C-13 excluded horse racing, as it is regulated by the Canadian Pari-Mutuel Agency.

There was confusion as to how the bills would co-exist in moving through the legislative process. The Speaker's decision to remove Bill C-13 from current consideration makes

Bill C-218 the one to watch. Importantly, the Speaker's decision was made in the context of the government indicating its "strong support for single sport betting" and that "in the interest of moving forward with the legislation in the most efficient manner possible, the government will now focus its energy on supporting Bill C-218".⁴

Following its adoption on second reading, Bill C-218 was immediately added to the Justice Committee's schedule -a positive sign for the bill's progress. However, as the bill is likely to face proposed amendments (specifically regarding horse racing), there will be an opportunity for further debate on the final form of the bill when it is brought back to the House of Commons for a vote. Despite the government indicating support for the **bill's efficient passage, industry participants should keep a close eye on the proposed amendments to Bill C-218 at the committee stage so as to anticipate any potential difficulties with its further passage.**

The deadline for written submissions on Bill C-218 is March 11, 2021 and the deadline for proposed amendments is March 23, 2021.

Assuming C-218 is enacted in the current legislative session, the ball will then be in the court of provincial regulators to determine how to implement and regulate single event sports betting.

Investor response

The capital markets continue to respond warmly to offerings from sports betting industry players, as indicated by Score Media and Gaming Inc.'s recent announcement of an upsized initial public offering in the United States. Per the announcement, the size of the offering has increased from five million to six million Class A Shares to be traded on the Nasdaq Global Select Market.⁵

Takeaways

After decades of waiting, it appears the Canadian gambling industry has finally been dealt a winning hand. We will continue to monitor the progress of Bill C-218 and its corresponding reception from provincial regulators and keep gaming industry stakeholders apprised of new developments.

To capitalize on the potential of the proposed changes, gaming industry businesses, service providers and entrepreneurs need an effective engagement strategy with provincial regulators. Our experts in sports and gaming, governmental affairs and corporate and securities laws can help navigate the complex regulatory and legislative landscape of sports and gaming to identify opportunities and strategies in connection with the proposed decriminalization of single event sports betting. For assistance, reach out to any of the key contacts listed below.

¹ ["Bragg Commends Successful Vote on Bill C-218 to Legalize Single-Event Sports Betting"](#) (Feb. 18, 2021).

² [“Statement from theScore on the Status of Legislation to Legalize Single Event Sports Betting in Canada”](#) (Feb. 17, 2021).

³ [“AGLC and Calgary-based company support move to legalize single-event sports betting”](#) (Feb. 16, 2021).

⁴ Canada, House of Commons, Hansard, 43rd Parliament, 2nd Session, No 61 (2021-02-18).

⁵ [“theScore Announces Pricing of Upsized Initial Public Offering in the United States”](#) (Feb. 24, 2021).

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