

## Overview of the Report on the Integrated Illegal Gaming Enforcement Team (IIGET) Effectiveness Review By Consultant Catherine Tait

The Tait report was prepared for the Police Services Division of the Ministry of the Solicitor General and Public Safety and submitted in January 2008.

### TIMELINE

<b>2004/05</b>	<ul style="list-style-type: none"> <li>▪ A memorandum of Understanding (MOU) was signed between the Police Services Division, GPEB, RCMP and BC Lottery Corporation in March 2004 (for a 3 year term) to create a specialized police unit dedicated to the investigation of illegal gaming.</li> <li>▪ Staffing of the RCMP positions (12) took almost a year; employees were subsequently sent to Ontario for a 2 week training course on illegal gaming investigations.</li> <li>▪ The focus of investigations were on common gaming houses and illegal gaming machines, and operations.</li> </ul>
<b>2005/06</b>	<ul style="list-style-type: none"> <li>▪ Significant RCMP staff turnover took place, while GPEB positions remained stable.</li> <li>▪ Only 2 RCMP members were with IIGET since its inception (October 2004).</li> <li>▪ A full complement of staff was available for 3 months of the 3+ years of operations.</li> <li>▪ There were 4 incumbents and 1 acting staff member in the Staff Sergeant position over the 3+ years of operations.</li> </ul>
<b>2006/07</b>	<ul style="list-style-type: none"> <li>▪ The Consultative Board directed GPEB investigators to focus on low-level investigations and the higher level targets were a focus of the RCMP investigators.</li> <li>▪ RCMP investigators focussed on one high-level case that was transferred to an American enforcement agency; no other "take downs" of illegal gaming occurred in BC that year.</li> <li>▪ RCMP efforts were re-focussed at the end of the year to mid level targets.</li> </ul>
<b>2007/08</b>	<ul style="list-style-type: none"> <li>▪ IIGET was extended for one year and then terminated on April 1, 2009. RCMP staff reverted to detachments and GPEB investigations staff continued operations with available resources.</li> </ul>

### KEY ISSUES IDENTIFIED IN THE TAIT REPORT

**The mandate was too broad:** The mandate: to "*maintain the integrity of public gaming in British Columbia by enhancing the level of enforcement specifically targeting illegal gaming*"; and the objectives of **education & partnership, intelligence and enforcement**, were too broad to allocate the available resources adequately in order to

achieve the objectives. Performance evaluation of IIGET did not show dramatic results in meeting these objectives. Data was not managed or reported adequately.

**Investigations - a lack of focus:** Resources were used to target low risk compliance issues. The RCMP focus on a high level investigation in 2006 used the RCMP resources and did not bring results. IIGET's ability to tackle high level investigations was not demonstrated. Staffing issues and turnover further compromised investigations and knowledge transfer.

**The cost to establish and resource the team:** The MOU detailed partnership contributions that included 12 RCMP officers with support of GPEB staff. Direct and in-kind expenditures for IIGET totalled approximately \$6 million over 3 years:

- BCLC contributed \$3.7 M and had budgeted \$5.4 M
- Federal government (Public Safety Canada) contributed \$1.2 M
- GPEB contributed approx. \$1.1 M (in-kind contributions)
- The RCMP allocation was under spent by 23% and the GPEB allocation by 53%
- The Pinnock<sup>1</sup> business case that supported expansion requested \$4.2 M per year for operations (an increase of approximately \$2 M per year).

*(See Appendix for a Summary of Issues)*

## **IIGET PERFORMANCE AND RESULTS**

### **1. Objective/activity: Education and Partnerships**

- Planned to meet with police of jurisdiction and partner with Liquor Control and Licensing to inform of responsibilities to ensure illegal gaming does not occur – these activities were undertaken (meetings, presentations, e-mail newsletters to RCMP detachments, DVDs)
- Planned to work with charitable organizations to educate on the need to license lotteries and raffles. *It appears that this was not undertaken, nor were any educational campaigns directed to the general public. (However, the Pinnock business case refutes this statement and indicates that presentations were made to non-profit agencies on licensing raffles and events for charity.)*

**Measures of success** – the increase in number of reports of illegal gaming from the public, other organizations, law enforcement and other regulatory enforcement agencies

#### **Issues:**

- *There was no comparative baseline for this measure; the information on the reporting rate was inconsistent; and,*
- *The conclusion was that the education efforts should have been continuous and the number of reports received (on illegal gaming) should have been reported out consistently.*

<sup>1</sup> S/Sgt Fed Pinnock, RCMP, E Division, developed a business case to support the extension of the IIGET (July 2007) which is subject to a FIIPA request and will be partly released on April 1, 2010.

## 2. Objective/activity: Intelligence

- Planned to generate intelligence by marketing IIGET to police detachments and departments, other organizations that would report illegal gaming activity, as well as from informants, interviews, interrogations, etc.

**Measures of success** – IIGET's ability to give a more informed estimate and a more accurate picture of the extent of illegal gaming in BC, and to give an 18 month overview of the number of intelligence reports received or initiated.

### Issues:

- *The Board did not feel this report was complete; that it did not provide information on the full extent of activities in BC.*
- *Additional reports provided an overview of the investigations underway, backlogged cases were not included.*
- *IIGET staff interviewed for the review indicated anecdotally there were highly visible forms of illegal gaming prevalent in regions – in the north, gaming on First Nations (FNs) reserves was said to be common, in the lower mainland slot machines were prevalent; internet gaming is widely and easily accessible; organized crime is suspected but none indicated knowledge of a direct link.*
- **Note:** Author's comment (p.19): *"Nonetheless, a body of intelligence reports has now been accumulated by IIGET, and while the recent attempts to analyse these reports did not prove successful, analysis is necessary to understand the implications of the information that is available." ...." routine reporting of information regarding both [types] of investigation are underway, and the backlog of reports where investigations have not begun, would improve the Consultative Board's understanding of illegal gaming in the province."*

## 3. Objective/activity: Enforcement

- Planned activities for the first 18 months included a focus on mid-level targets: possession and distribution of illegal slot machines and common gaming houses (with the objective of providing more experience and developing skills before the investigators pursued higher-level crimes). A division of responsibilities directed the GPEB investigators to enforce minor illegal gaming offences and support the RCMP leading more complex investigations. The Consultative Board directed IIEGT to re-focus on mid-level investigations in 2007.

**Measures of success:** (stated) measureable increase in gaming license requests and a measureable increase in the number of seizures and enforcement actions (note: base line data did not exist)

### Issues - Results – GPEB Investigators:

- *Between January 2004 and June 2007, nearly 1,200 investigation files were opened by IIGET. Of those, 975 were opened by GPEB (724 related to lottery investigations); these could be considered low risk as many were concluded by either a verbal warning (57%); 24% were concluded as unfounded; 10%*

*were recorded as information for future use and 9% were recorded as administrative).*

- *GPEB also investigated reports of common gaming houses for IIGET and the number of investigations remained constant.*

**Issues - Results – RCMP Investigators:**

- *Between April 2005 and June 2007, RCMP investigators opened 184 illegal gaming investigations. Common gaming houses accounted for 51% of the investigations with illegal slot machines accounting for another 24%; there were 8 take downs of illegal gaming operation in 2005/06; none in 2006/07 and 8 in 2007/08.*
- **Note:** *Author 's comment: the enforcement activity regarding licensing (illegal lotteries) indicates a continuing impact is not evident; data is suspect; enforcement action is not a good measure as charges or cases could collapse.*

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## Appendix

**SUMMARY OF ISSUES**  
EXTRACTED FROM THE CONSULTANT'S REPORT**Interagency cooperation and integration:**

- Agency and staff roles evolved since the MOU was signed; roles were not defined regarding GPEB assistance to the RCMP investigations.
- Co-location of staff was clearly a benefit; however, in the Burnaby regional office with the largest complement of staff, the RCMP and GPEB IIGET staff were in adjacent locations.
- The BCLC role and presence at the Consultative Board meetings was questioned as its limited vote to budget matters could compromise investigation matters or resources (voting on budgets and use of BCLC operational funds; confidentiality of investigations). The report further states: *"If the Consultative Board recommends the continuation of IIGET to the Solicitor General, it should also recommend restructuring funding arrangements"* and suggests a separate, independent budget for IIGET.

**Investigations focus:**

- With IIGET dis-banned, it is likely that GPEB enforcement staff could continue with mid to low level investigations.
- With IIGET dis-banned, RCMP IIGET members would not be investigating mid and high level targets; there is a backlog of mid-level targets.
- Mid-level targets could be taken on by police of jurisdiction.
- High-level targets (organized crime) could be investigated by the Co-ordinated Special Forces Enforcement Unit (E-Division indicated it is unlikely to focus on major illegal gaming investigations; their focus is on individuals.)

**First Nations gaming:**

- The report suggests that *"one very visible area of gaming activity is on First Nations reserves"*. The report states that *"IIGET staff report that First Nations gaming continues unabated and is highly visible"* and that: *"Both legal advice and political decision are required regarding the long term role of IIGET enforcing gaming laws on First Nations lands" as "past attempts to enforce against First Nations gaming have proven to be difficult and an operational decision had been taken to allow First Nation Constables to handle these issues."* (The Criminal Code applies and should be enforced; the report suggests that IIGET was ineffectual in dealing with First Nations gaming on reserves.)
- Presently, there are 3 provincially regulated gaming centres on First Nations lands including the Casino of the Rockies, Squamish Boardwalk Chances and Cowichan Chances Gaming Centre.

**Resource issues:**

- Scope and scale of investigations needed to be defined and adequate resources applied (cost benefit analysis)
- Focus and targets of investigations needed to be clearly defined
- Measurable performance indicators needed to be identified and a demonstrated progress toward the achievable objectives



- Management of data (capture, collection and maintenance) and the reporting function needed to be reviewed and re-aligned in order to identify appropriate allocation of resources to meet targets

**Staff issues:**

- High turn-over of staff; only 2 RCMP members were with IIGET since its inception (October 2004)
- There was a full complement of staff for 3 months of the 3+ years of operations
- There were 4 incumbents and 1 acting staff member in the Staff Sergeant position (NCO in charge of the unit)
- Staff that filled positions were new to illegal gaming investigations; training for new recruits is offered once per year in Ontario (two weeks training; cost?)
- GPEB employees did not experience the turn over and remained fairly constant; their knowledge retention was beneficial
- There was no procedures/orientation manual or background information for new recruits
- Recommended secondment positions with Vancouver Police Department for better access to knowledge, etc. however, many GPEB investigators are former police officers and police investigators