

***Nova Scotia
Annual
Gaming Report
2023 - 2024***

Dear Reader:

Pursuant to Section 56 of the *Gaming Control Act*, the Minister of Service Nova Scotia must cause a report to be prepared each year on matters related to the operation of lottery schemes, casinos, and gaming control measures. To that end, I am pleased to provide this report on gaming activities in Nova Scotia for the year ending March 31, 2024.

The *Annual Gaming Report* also details the activities of the Alcohol, Gaming, Fuel and Tobacco Division during fiscal year 2023/2024. The Division's mandate is derived from the Minister's responsibility under Part II of the *Gaming Control Act* to regulate casinos and other lottery schemes, and to administer gaming "in the public interest and in accordance with the principles of honesty and integrity."

Yours truly,



Joanne Munro
Deputy Minister of Service Nova Scotia

TABLE OF CONTENTS

ABOUT GAMING REGULATION..... 4
 Mandate..... 4
 Locations..... 4
CORE FUNCTIONS 4
 Registration and Licensing 4
 Investigation and Enforcement 7
PROVINCIAL GAMING ACTIVITY 8
 Overview..... 8
 Fiscal Year 2023/2024 9
 Video Lottery Terminals..... 11
 Casinos 12
 ALC Lotteries 14
 Charitable Bingo 15
 Charitable Ticket Lotteries 18

ABOUT GAMING REGULATION

Mandate

Pursuant to Section 40 of the *Gaming Control Act*, the Minister of Service Nova Scotia is “responsible for regulating casinos and other lottery schemes and for administering this Part in the public interest and in accordance with the principles of honesty and integrity.” On behalf of the Minister, the Alcohol, Gaming, Fuel and Tobacco Division (the “Division”) licenses and monitors the conduct of casinos, bingos, lotteries and other games of chance (except harness racing), to ensure that these games are carried out in the best social and economic interests of Nova Scotians.

Locations

The Division maintains a workforce throughout the province. Offices are in Dartmouth and Sydney.

CORE FUNCTIONS

Registration and Licensing

As required by the *Gaming Control Act*, the Division registers individuals and companies who supply goods and services to regulated gaming activities. During the 2023/2024 fiscal year, the Division’s registry consisted of a total of 127 suppliers for casino gaming, casino non-gaming, Atlantic Lottery Corporation (“ALC”) lotteries, charitable bingos, and charitable ticket lotteries. There were 193 total registrants in 2022/2023.

The Division also conducts security checks on personnel related to the gaming industry, including all casino staff and employees of the Gaming Division of the Department of Finance and Treasury Board. Different levels of security clearances are applied, depending on one’s position in an organization or the type of service one provides. Suppliers of gambling equipment are held to a higher degree of scrutiny than the suppliers of non-gaming materials (e.g., food service equipment, maintenance supplies).

In 2023/2024, the Division conducted security checks on 90 new and 61 renewal casino employees, compared to 145 new and 85 renewal casino employees in 2022/2023. Furthermore, the Division conducted security checks on 13 lottery suppliers to ALC in 2023/2024, compared to 24 in 2022/2023.

Gaming Registration Issuance		
	2023/2024	2022/2023
Casino Registrations		
Gaming supplier	11	18
Non-gaming supplier - exemption	87	128
Non-gaming supplier	12	15
ALC Registrations		
ALC Lottery supplier	13	24
Charitable Bingo Registrations		
Charitable Bingo supplier	1	2
Charitable Ticket Lottery Registrations		
Charitable Ticket Lottery supplier	3	6
TOTAL	127	193

Registrations reflect the number of suppliers who applied and were registered by the Division during the year.

Under the *Criminal Code of Canada*, provincial governments may issue gaming licences to organizations that raise funds for charitable purposes. Allowed games include bingos, ticket lotteries, and events featuring games of chance. Where ticket lotteries have prizes valued at less than \$4,000, the Division issues a gaming permit through a simplified application process. All licences and permits are issued in accordance with the provisions of the applicable regulations as well as policies established by the Division.

Gaming Licence Active		
	2023/2024	2022/2023
Bingo (Series + Single + Manor)	380	336
Ticket Lottery Licence	533	488
Ticket Lottery Permit	6,603	5,033
Breakopen Ticket Licence	72	69
Games of chance/carnival	67	42
TOTAL	7,655	5,968

Single event bingo and ticket lottery licences are issued for one-time events; series bingo and ticket lottery licences are issued to organizations seeking to carry on a succession of events. Manor bingo permits are issued to seniors' facilities that offer bingo games to residents and their guests.

Breakopen or pull-tab tickets are instant-win lottery tickets that can be sold by eligible charitable, non-profit, or similar organizations.

Games of chance events include commercial carnivals, Monte Carlo nights, and casino-style games offered at fairs and exhibitions.

Investigation and Enforcement

Investigation and Enforcement regularly inspects licensed premises to ensure that gaming activities comply with applicable regulations. For example, video lottery play is checked for underage play and credit granting; bingos are checked to verify the proper use of bingo operating equipment. Investigation and Enforcement staff conduct inspections at the two casinos to ensure compliance with the *Casino Regulations* and the casinos' internal control procedures.

The gaming analyst section of Investigation and Enforcement conducts regular as well as random testing of casino slot machine software to ensure each machine is compliant with the legislated minimum payout percentage, as well as other requirements. The section also monitors payout percentages for video lottery terminals ("VLTs") in liquor licensed premises in the province.

Investigation and Enforcement is also responsible for reviewing and making recommendations with respect to all approval requests from the casino operator pertaining to:

- ❖ casino surveillance and security systems,
- ❖ permitted games of chance played in casinos,
- ❖ rules of play, and
- ❖ slot machine installations, modifications, removals and relocations.

PROVINCIAL GAMING ACTIVITY

Overview

The Division is responsible for the regulation of most legal gaming in the province of Nova Scotia. These gaming activities include video lottery terminals (“VLTs”), casinos, Atlantic Lottery Corporation (“ALC”) products, charitable bingo and charitable ticket lotteries.

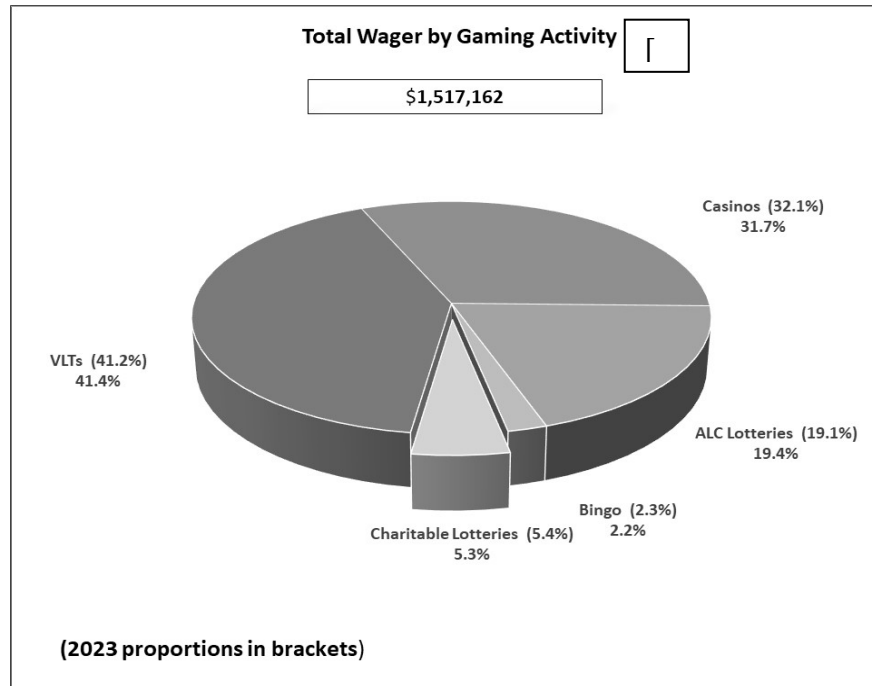
For the purpose of measuring the volume of gaming activities on a consistent basis, the “wager” is used as a base unit. This figure represents the amount of money actually wagered on each gaming activity before prizes are awarded, operating expenses are paid, and other assorted expenditures are deducted. The wager for each type of gaming activity is defined in the following manner:

- ❖ cash deposited in VLTs;
- ❖ cash or the value of vouchers deposited in casino slot machines or used to play table games;
- ❖ cash paid for the purchase of bingo cards; and
- ❖ cash paid for the purchase of lottery tickets.

Fiscal Year 2023/2024

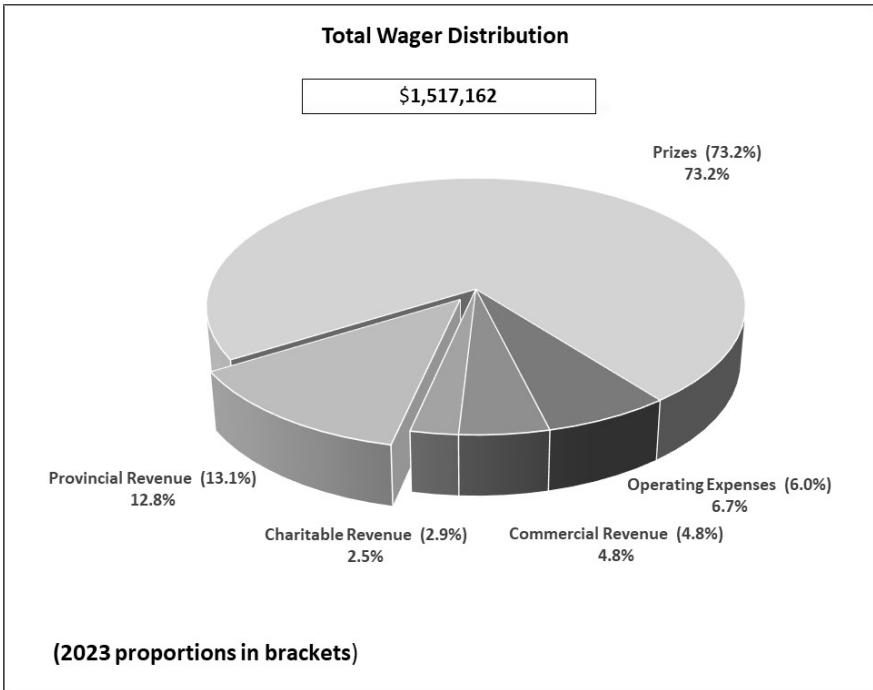
For 2023/24, the total provincial gaming wager was \$1.51 billion, an increase of 3.2 per cent from the \$1.47 billion in 2022/2023.

Total Wager by Gaming Activity			
(\$ thousands)			
	2023/24	2022/2023	Change
VLTs	\$628,609	\$605,389	3.8%
Casinos	\$480,882	\$471,351	2.0%
ALC Lotteries	\$293,899	\$280,383	4.8%
Bingo	\$33,205	\$33,701	-1.5%
Charitable Lotteries	\$80,567	\$79,039	1.9%
Total Wager	\$1,517,162	\$1,469,863	3.2%
Prizes	\$1,110,181	\$1,075,385	3.2%
Net Revenue	\$406,981	\$394,478	3.2%
(wager less prizes)			



*Total Wager in \$ thousands

Total Wager Distribution			
(\$ thousands)			
	2023/2024	2022/2023	Change
Total Wager	\$1,517,162	\$1,469,863	3.2%
Prizes	\$1,110,181	\$1,075,385	3.2%
Net Revenue (wager less prizes)	\$406,981	\$394,478	3.2%
Operating Expenses	\$101,470	\$87,962	15.4%
Commercial Revenue	\$72,197	\$70,605	2.3%
Charitable Revenue	\$38,493	\$41,956	-8.3%
Provincial Revenue	\$194,821	\$193,955	0.5%

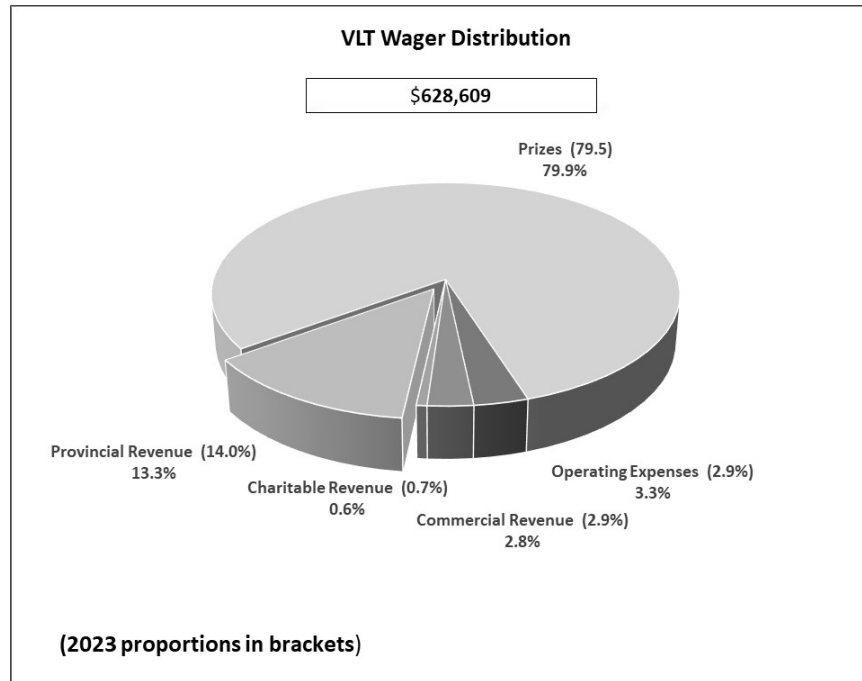


*Total Wager in \$ thousands

Video Lottery Terminals

In 2023/2024, there was an increase in VLT wager of 3.8 per cent to \$628.6 million, from \$605.3 million in 2022/2023. The VLT wager accounted for 41.4 per cent of the total provincial gaming wager in 2023/2024, up from 41.2 per cent in 2022/2023.

VLT Wager Distribution			
(\$ thousands)			
	2023/2024	2023/2023	Change
Total Wager	\$628,609	\$605,389	3.8%
Prizes	\$503,062	\$481,232	4.5%
Net Revenue (wager less prizes)	\$125,547	\$124,157	1.1%
Operating Expenses	\$20,851	\$17,835	16.9%
Commercial Revenue	\$17,522	\$17,538	-0.1%
Charitable Revenue	\$4,058	\$4,133	-1.8%
Provincial Revenue	\$83,116	\$84,651	-1.8%

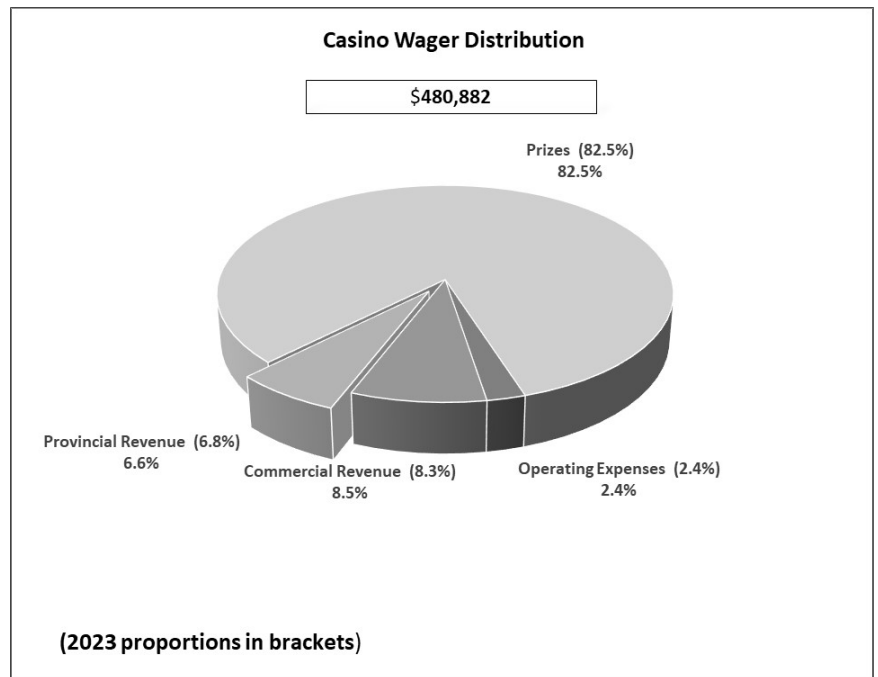


*Total Wager in \$ thousands

Casinos

At \$480.8 million, the wager at the Halifax and Sydney casinos was up 2.0 per cent from \$471.3 million in 2022/2023. Casino wager accounted for 31.7 per cent of the total provincial wager in 2023/2024, compared to 32.1 per cent in 2022/2023.

Casino Nova Scotia Wager Distribution			
(\$ thousands)			
	2023/2024	2022/2023	Change
Total Wager	\$480,882	\$471,351	2.0%
Prizes	\$396,539	\$388,430	2.1%
Net Revenue (wager less prizes)	\$84,343	\$82,921	1.7%
Operating Expenses	\$11,691	\$11,446	2.1%
Commercial Revenue	\$40,821	\$39,263	4.0%
Provincial Revenue	\$31,831	\$32,212	-1.2%



*Total Wager in \$ thousands

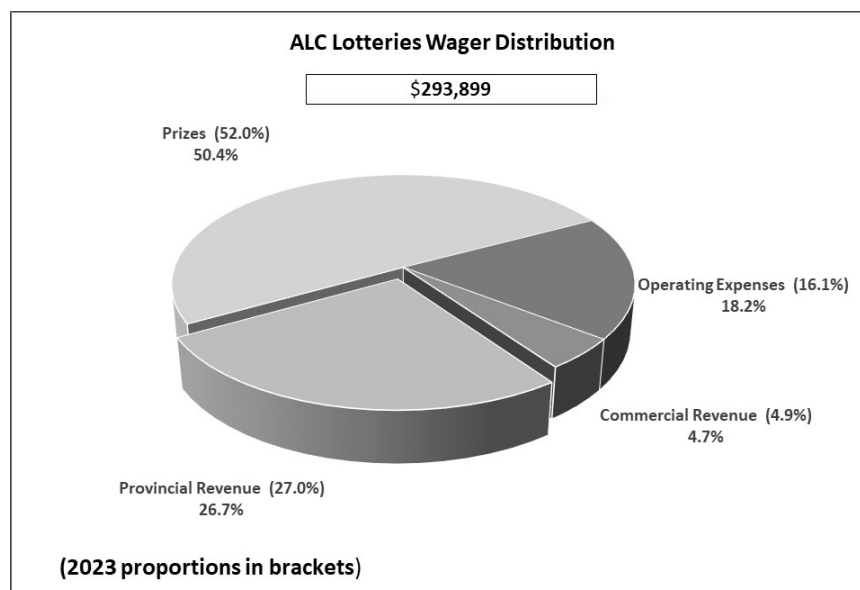
Casino Nova Scotia Profile				
	Halifax		Sydney	
	2023/2024	2022/2023	2023/20234	2022/2023
Wager (\$ millions)	\$388.6	\$382.5	\$92.3	\$88.8
Revenue to Province (\$ millions)	\$25.1	\$25.0	\$6.7	\$7.2
Gaming Floor Area (sq. ft.)	34,000	34,000	10,470	10,470
Employees	296	279	80	82
Visitors	770,059	721,671	261,498	231,892
Slot Machines	589	598	280	285
Table Games	28	27	0	0

ALC Lotteries

At \$293.8 million, total wager for ALC lotteries increased 4.8 per cent in 2023/2024, from \$280.3 million a year ago. ALC lotteries accounted for 19.4 per cent of the total provincial wager this year compared to 19.1 per cent in 2022/2023.

ALC Lotteries Wager Distribution			
(\$ thousands)			
	2023/2024	2022/2023	Change
Total Wager	\$293,899	\$280,383	4.8%
Prizes	\$147,905	\$145,578	1.6%
Net Revenue (wager less prizes)	\$145,994	\$134,805	8.3%
Operating Expenses	\$53,575	\$45,190	18.6%
Commercial Revenue	\$13,854	\$13,804	0.4%
Charitable Revenue*	\$27	\$0	-%
Provincial Revenue	\$78,538	\$75,811	3.6%

*Note: Charitable Revenue only refers to revenue that is generated from the sale of ALC products by charitable organizations.



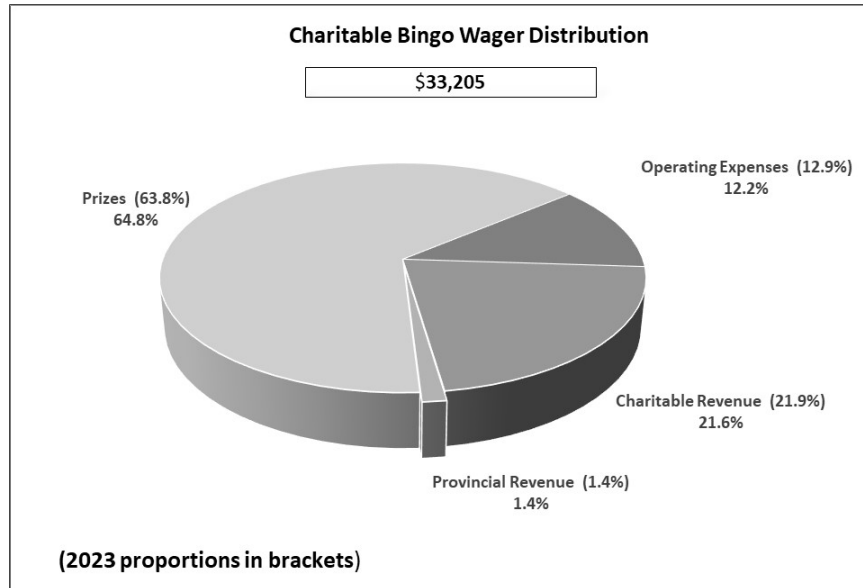
*Total wager in \$ thousands

Charitable Bingo

Total charitable bingo wager decreased 1.5 per cent to \$33.2 million in 2023/2024, from \$33.7 million last year. Bingo wager represented 2.2 per cent of the total provincial wager, down from 2.3 in 2022/2023.

Charitable Bingo Wager Distribution			
(\$ thousands)			
	2023/2024	2022/2023	Change
Total Wager	\$33,205	\$33,701	-1.5%
Prizes	\$21,532	\$21,493	0.2%
Net Revenue (wager less prizes)	\$11,673	\$12,208	-4.4%
Operating Expenses	\$4,037	\$4,364	-7.5%
Charitable Revenue	\$7,177	\$7,386	-2.8%
Provincial Revenue	\$459	\$458	0.2%

Bingos with revenues of at least \$30,000/year are required to file financial reports with the Division. By the end of the 2023/2024 fiscal year, financial reports had been received from 150 bingo licensees, compared to 152 licensees in 2022/2023. Although some licensees typically file after the year-end deadline, other operators may no longer be subject to the reporting requirements. Bingos that remained shuttered or otherwise fell under the \$30,000/year threshold are not obligated to file financial reports.



*Total Wager in \$ thousands

Charitable Bingo Wager Distribution (2023-2024)

(grouped by wager value)

Value of Wagers Placed	by Licensee		by Total Wagered*	
	#	%	(\$ thousands)	(% of total)
\$0-\$49,999	16	10.7%	\$400	1.2%
\$50,000-\$99,999	31	20.7%	\$2,300	6.9%
\$100,000-\$149,999	29	19.3%	\$3,559	10.7%
\$150,000-\$199,999	24	16.0%	\$4,252	12.8%
\$200,000-\$249,999	14	9.3%	\$3,079	9.3%
\$250,000-\$299,999	6	4.0%	\$1,637	4.9%
\$300,000-\$499,999	21	13.9%	\$7,983	24.1%
\$500,000-\$999,999	6	4.1%	\$3,813	11.4%
\$1,000,000+	3	2.0%	\$6,182	18.7%
TOTALS	150	100.0%	\$33,205	100.0%

*Note: Total Wagered reflects the total province-wide bingo wager. For example, there were 16 bingos where the combined value of all money spent by players was less than \$50,000. Province-wide, the total wager for this category was \$400,000.

Charitable Bingo Licensee Net Profit on Wager Received (2023-2024)
(grouped by wager value)

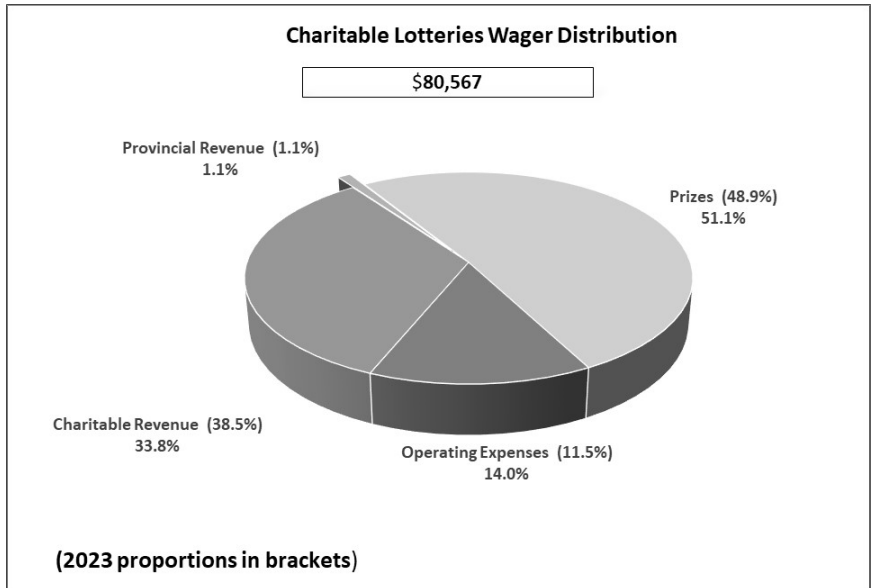
Value of Wagers Placed	Wager Distribution by Licensee #	Net Profits (by Licensee)*			
		<0%	0-15%	>15%	Average %
\$0-\$49,999	16	3	3	10	22.2%
\$50,000-\$99,999	31	1	16	14	13.4%
\$100,000-\$149,999	29	3	12	14	14.1%
\$150,000-\$199,999	24	4	12	8	11.8%
\$200,000-\$249,999	14	1	6	7	17.8%
\$250,000-\$299,999	6	0	1	5	22.2%
\$300,000-\$499,999	21	1	5	15	26.1%
\$500,000-\$999,999	6	0	2	4	20.0%
\$1,000,000+	3	0	0	3	32.4%
TOTALS	150	13	57	80	21.2%

***Note:** Net profit is the percentage of total wager that goes to an organization after expenses and prizes are paid. For example, in 2023/2024, there were 16 bingos where the combined value of all money spent by players was less than \$50,000. Three of these bingos lost money (made less than 0% in profit), three made up to 15% profit, and 10 bingos made a profit equal to more than 15% of the total amount wagered. The average profit for this category was 22.2% of the total amount wagered.

Charitable Ticket Lotteries

The wager on charitable ticket lotteries was \$80.5 million in 2023/2024, up 1.9 per cent from \$79.0 million last year. The charitable ticket lottery wager was 5.3 per cent of the total provincial wager, compared to 5.4 per cent in 2022/2023.

Charitable Lotteries Wager Distribution			
(\$ thousands)			
	2023/2024	2022/2023	Change
Total Wager	\$80,567	\$79,039	1.9%
Prizes	\$41,143	\$38,652	6.4%
Net Revenue (wager less prizes)	\$39,424	\$40,387	-2.4%
Operating Expenses	\$11,316	\$9,127	24.0%
Charitable Revenue	\$27,231	\$30,437	-10.5%
Provincial Revenue	\$877	\$823	6.6%



*Total Wager in \$ thousands

Charitable Ticket Lotteries Wager Distribution (2023-2024)

(grouped by wager value)

Value of Wagers Placed	by Licensee		by Total Wagered*	
	#	%	(\$ thousands)	(% of total)
\$0-\$49,999	368	72.7%	\$4,268	5.3%
\$50,000-\$99,999	52	10.3%	\$3,660	4.5%
\$100,000-\$149,999	27	5.3%	\$3,328	4.1%
\$150,000-\$199,999	14	2.8%	\$2,416	3.0%
\$200,000-\$249,999	9	1.7%	\$1,958	2.4%
\$250,000-\$299,999	7	1.4%	\$1,959	2.4%
\$300,000-\$499,999	10	2.0%	\$3,921	4.9%
\$500,000-\$999,999	5	1.0%	\$3,550	4.5%
\$1,000,000+	14	2.8%	\$55,507	68.9%
TOTALS	506	100.0%	\$80,567	100.0%

*Note: Total Wagered reflects the total province-wide amount spent in that category of ticket lottery. For example, there were 368 individual ticket lotteries where the total value of the tickets purchased by players was less than \$50,000. Province-wide, the total ticket wager for this category was \$4,268,000.

**Alcohol, Gaming, Fuel and Tobacco
Department of Service Nova Scotia**

Halifax Regional Municipality

780 Windmill Road, 2nd Floor
PO Box 545
Dartmouth, NS B2Y 3Y8

Telephone: 902-424-6160
Toll Free: 1-877-565-0556
Fax: 902-424-6313

Cape Breton Regional Municipality

1030 Upper Prince Street, Suite 1
Sydney, NS B1P 5P6

Telephone: 902-563-3495
Toll Free: 1-877-565-0556
Fax: 902-563-3430

<https://beta.novascotia.ca/programs-and-services/gaming-control-and-registration>

