

# RESILIENT ADAPTABLE RESPONSIVE



AGLC YEAR IN REVIEW 2020-21

## Message from the Board Chair



This past year has been one of the most unique times in our generation. The COVID-19 pandemic has forced us all to reflect on our priorities and to find ways to operate differently in all aspects of our lives. Despite the challenges, my fellow board members and I found ourselves inspired by both AGLC staff and stakeholders who reinvented how they work—adapting to new social and economic realities. In many ways, their strength and resilience motivated our efforts to respond to the changing needs of industry to support them in their success.

Our Board's number one focus in the last fiscal year was balancing the immediate needs and impacts of COVID-19 on our employees and stakeholders with a consideration for our long-term outcomes. COVID-19 accelerated our work on red tape reduction (RTR), which will result in sustained benefits for the gaming, liquor and cannabis industries in the long-run. We established a special Policy Committee with a mandate to both deliver on what the government asked of us in terms of RTR and be a leader in the field. In January 2021, we were honoured to receive the Golden Scissors Recognition Award from the Canadian Federation of Independent Business for our RTR efforts. I encourage our readers to reference the AGLC's year in numbers section of this report to see specific examples of our achievements in this area.

Additionally, we supported business continuity for both our stakeholders and for AGLC, as well as reducing costs and finding efficiencies in our operations.

The year saw continued income generation for the Government of Alberta's General Revenue Fund despite reduced revenues. Through sessions with stakeholders, we gained valuable insight into their daily realities and challenges. Those insights helped inform and shape supportive policy changes. We remain keenly aware of industry's evolving needs and therefore anticipate a continued and sharpened focus on creating opportunities for private sector job creation and business growth.

Looking forward, I would like our stakeholders to know that our Board is committed to business and economic recovery for the province. We will be working closely with stakeholders to understand their needs, deliver opportunities to boost economic recovery and maximize charitable gaming proceeds. Opportunities for improvements discovered during the last year will be carried forward into future years, making us more efficient and better equipped to serve our stakeholders.

AGLC has always been an organization with a strong customer focus, and the Board is determined to tap into and enhance that culture, resulting in a future-oriented organization that is more customer-centric than ever before.

*Original signed by*

Len Rhodes  
Board Chair

“Our Board was inspired by the strength and adaptability of our stakeholders, who reinvented their business and charitable models to adapt to social and economic realities we have not seen before in our generation.”

## Message from Acting President and CEO



Albertans have been deeply impacted by the challenges of the global pandemic. At the start of this fiscal year, the magnitude of COVID-19 was not yet clear and the impact to lives and businesses largely unknown. As the Crown commercial enterprise and agency that oversees gaming, liquor and cannabis in Alberta, we challenged ourselves to expedite our actions to support these industries in the face of uncertainty. I am thankful for the guidance of our Board of Directors in helping our organization quickly address the challenges facing our industries.

Through stakeholder consultations, AGLC implemented several policy changes to help industry adapt to the changing environment. Many changes are detailed throughout the report. The impacts of these changes are truly, positively shaping Alberta's future. Upon reflection, it is evident that the pandemic expedited plans that were in the making to progress economic growth, consumer choice and business sustainably.

Evident in AGLC's history, our models have continuously offered strength and stability to the province. While 2020-21 was marked by uncertainty, it also showcased AGLC's ability to execute, which supported the transfer of \$1.7 billion in revenue to the Alberta General Revenue Fund, where it will be used to support government funded projects and initiatives.

We are deeply committed to creating a modern regulatory environment and have achieved significant progress in alignment with the Government of Alberta's

red tape reduction initiative. Our commitment to modernization also means enhancing our already growing online digital presence to meet consumer expectations. In addition to popular land-based gambling experiences, October 1, 2020, marked the launch of PlayAlberta.ca—the regulated, online gambling website available to Albertans over the age of 18 and physically located within the province's borders. PlayAlberta.ca also integrates AGLC's best-in-class GameSense responsible gambling program, which promotes healthy gambling behaviour.

We have significant talent and resiliency at AGLC and a commitment from our Board to challenge us to be bold in setting our future direction. This includes strengthening AGLC as a diverse, inclusive workforce, increasing our customer-centric approach and delivering our services in the most efficient way possible to aid in Alberta's economic recovery.

As an organization, we are proud of being open and accountable to ensure we continue to earn the trust of our stakeholders and Albertans. We are excited to continue supporting positive economic growth in Alberta's gaming, liquor and cannabis industries.

*Original signed by*

Kandice Machado  
Acting President and CEO

"I want to thank our employees for their incredible commitment. Over the past year, they have shown tremendous resilience to support one another, our stakeholders, our customers and Albertans."

# Who we are

AGLC is the Crown commercial enterprise that oversees the gaming, liquor and cannabis industries in Alberta. We uphold a commitment to balancing choice and social responsibility to provide choices Albertans can trust.

## Vision

Driven by a balanced approach, AGLC will be a leader in creating gaming, liquor and cannabis experiences trusted by Albertans.

## Mission

Ensuring responsible gaming, liquor and cannabis choices for the benefit of Albertans.



## Values



### Integrity

We play by the rules, do the right thing and do what we say we'll do.



### Respect

We create an environment where each individual is valued and heard and celebrate the diversity that makes us stronger.



### Collaboration

Together we are better. Working as a team with our partners we achieve extraordinary results.



### Innovation

We imagine the possibilities. We challenge ourselves to look beyond what is to what can be.



### Excellence

We are all leaders. We work with passion, pride and purpose and own our part in the success of the team.





## Guiding principles for a balanced approach

Together, we are guided in our work by the following principles:

- ▶ **Focus on consumers**
- ▶ **Reduce barriers and encourage economic growth**
- ▶ **Focus on public health and safety**
- ▶ **Maintain stakeholder integrity**

# Performance at a glance

The following table summarizes our performance measured against our strategic directions as described in our 2020-23 Business Plan.<sup>1</sup>

Strategic direction	Performance measure	Target	Actual
 Responsible growth	Gaming net operating income (in thousands of dollars)	\$1,396,089	\$773,608
	Liquor net operating income (in thousands of dollars)	\$843,636	\$897,105
	Cannabis net operating loss (in thousands of dollars)	\$(36,095)	\$(12,033)
 Effective regulation <sup>2</sup>	Stakeholder satisfaction <sup>3</sup>	92%	92%
	Compliance charitable gaming activities <sup>4</sup>	95%	99%
	Compliance liquor licensees <sup>4</sup>	95%	99%
 Culture of moderation <sup>2</sup>	Responsible gamblers <sup>3</sup>	97%	96%
	Responsible drinkers <sup>3</sup>	85%	89%
	GameSense awareness <sup>3</sup>	34%	39%
	DrinkSense awareness <sup>3</sup>	31%	32%
 Organizational strength	Reputation index <sup>3</sup>	80%	83%

<sup>1</sup>AGLC was significantly impacted by the ongoing effects of the COVID-19 pandemic. Please visit [aglc.ca](http://aglc.ca) for more information provided in the Annual Report.

<sup>2</sup>Cannabis compliance related targets will be set once a baseline has been established with at least two full years of results. Currently collecting baseline data on awareness of responsible cannabis use messaging. A cannabis responsible use program is pending development as Alberta's cannabis model evolves.

<sup>3</sup>See Annual Satisfaction Surveys 2021 Methodology Summary available on [aglc.ca](http://aglc.ca).

<sup>4</sup>Calculated by total inspections during the fiscal year, minus incidents resulting in penalties, divided by total inspections during fiscal year.

# Red tape reduction

## Overview

 **26%**

red tape reduction achieved by AGLC in the 2020-21 fiscal year.

 **12%**

the Government of Alberta's red tape reduction target set for AGLC.

 **1**

Golden Scissors Recognition Award received from the Canadian Federation of Independent Business for red tape reduction.

 **12,000+**

businesses with the potential to be positively affected by AGLC red tape reduction initiatives.

 **8**

policy handbooks reviewed and streamlined, resulting in decreased administrative burden, reduced costs, increased flexibility and more options for businesses and charities to maximize proceeds.

- ▶ Community Bingo Terms & Conditions
- ▶ Commercial Bingo Handbook
- ▶ Casino Terms & Conditions and Operating Guidelines
- ▶ Racing Entertainment Centre and Terms & Conditions and Operating Guidelines
- ▶ Raffle Terms & Conditions
- ▶ Liquor Licensee Handbook
- ▶ Retail Liquor Store Handbook
- ▶ General Merchandise Handbook

 **13,000+**

charities in Alberta can explore increased proceeds through improved raffle opportunities.

# Guiding principles in action

## Focus on consumer

AGLC prioritizes the needs and expectations of consumers, which is reflected in the accessibility and variety of products and services available.

 **80%**

of Albertans trust AGLC to manage gaming, liquor and cannabis activities in Alberta. We are proud to offer choices Albertans can trust.<sup>1</sup>

## Increased consumer choice

 **+127**

more locations to buy lottery tickets compared to five years ago.

 **PLAYALBERTA**

We expanded entertainment options in Alberta by providing secure, casino-style games, instants and live dealer games for legal-aged residents.

 **27%**

more liquor products on the market compared to five years ago.

  
**ALBERTA**  
CANNABIS

Albertans can make cannabis purchases online through Alberta's only legal, non-medical online cannabis store, [albertacannabis.org](http://albertacannabis.org).

 **433%**

more cannabis products since 2018-19.

<sup>1</sup>Based on AGLC Annual Satisfaction Surveys 2021.

## Reduce barriers and encourage economic growth

Economic activity is generated throughout communities in Alberta through independent operators and retailers who serve their communities as local casino providers, liquor stores and cannabis stores.



<sup>1</sup>Deployed as of March 31, 2021.

<sup>2</sup>Retailers engaged in the sale of liquor for consumption in another location e.g., purchased from a liquor store or hotel for off-premises consumption.

<sup>3</sup>Retailers that are licensed to sell cannabis products.



## Focus on public health and safety

AGLC aims to reduce the social harms related to gambling, liquor and cannabis by focusing on public awareness and education to enable healthy and informed choices.

### **DrinkSense** [drinksenseab.ca](http://drinksenseab.ca)

AGLC's responsible drinking campaign provides Albertans with information and resources to promote responsible alcohol consumption.

**89%** of drinkers do so responsibly.<sup>1</sup>

### **GameSense** [gamesenseab.ca](http://gamesenseab.ca)

AGLC's responsible gambling campaign provides Albertans with information and resources to promote responsible gaming activities.

**96%** of gamblers do so responsibly.<sup>1</sup>

### **Cannabis.** **Know the facts.** [aglc.ca/cannabisfacts](http://aglc.ca/cannabisfacts)

Know the facts is a source for Albertans to learn about cannabis, including what's legal, the health effects and safe consumption. AGLC also operates [albertacannabis.org](http://albertacannabis.org) to help ensure cannabis products stay out of the hands of minors.

These programs deliver education and training, ensuring that employees in the gaming, liquor and cannabis industries are well-prepared to provide responsible service to Albertans.

### AGLC **SMART** TRAINING PROGRAMS

**46,453**

**SMART training certifications issued in 2020-21.**

*Our SMART programs provide social responsibility training to staff in the gaming, liquor and cannabis industries.*

### **GAIN**

**73**

**GAIN webinars held with representatives from**

**781** organizations.

*Our GAIN sessions provide information to groups that conduct charitable gaming activities.*

<sup>1</sup>Please visit [aglc.ca](http://aglc.ca) for annual satisfaction survey results and methodology.

## Maintain stakeholder integrity

AGLC is dedicated to a regulatory and policy environment that maintains our commitment to compliance in the gaming, liquor and cannabis industries.



1,932

gaming inspections conducted.



38,260

liquor inspections conducted.



7,866

cannabis inspections conducted.



907

due diligence disclosures received.<sup>1</sup>



99%

liquor compliance rate.



99%

charitable gaming compliance rate.

<sup>1</sup>AGLC's Due Diligence Unit conducts a full investigation for each disclosure received. As at March 31, 2021, 411 gaming and 496 cannabis disclosures were received.

# Contact

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