

## Chapter 4

# Lotteries and Gaming Saskatchewan Corporation— Saskatchewan Indian Gaming Authority Inc.

### 1.0 MAIN POINTS

Saskatchewan Indian Gaming Authority Inc.'s (SIGA) 2024–25 financial statements are reliable. During 2024–25, SIGA had effective rules and procedures to safeguard public resources and complied with authorities governing its financial-related activities other than it needs to ensure its procedures and reporting clearly comply with the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*.

Under the Act, SIGA is required to assess and document the risk of money laundering or terrorist financing offences at its casinos and report suspicious financial transactions to the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC).<sup>1</sup>

In September 2024, FINTRAC examined SIGA's reporting, policies, and procedures for compliance with the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* and identified findings. FINTRAC issued SIGA a notice of violation and associated administrative penalty of \$1.175 million in August 2025.<sup>2</sup> Administrative penalties can adversely affect SIGA's distribution of income to Lotteries & Gaming Saskatchewan. SIGA disagrees with the findings in the notice of violation and assessment of penalties and was planning to appeal to the Federal Court of Canada as of September 9, 2025.

### 2.0 INTRODUCTION

The Saskatchewan Indian Gaming Authority Inc. is a non-profit corporation established under *The Non-Profit Corporations Act, 2022*. The members of SIGA are the Federation of Sovereign Indigenous Nations (FSIN), Tribal Councils of Saskatchewan, and certain independent First Nations. SIGA operates, under licences issued by the Saskatchewan Liquor and Gaming Authority, seven casinos and an online gaming site (PlayNow) in Saskatchewan. SIGA's seven casinos provide table games, slot machines, and other hospitality services (ancillary operations) to the public.

### 2.1 Background

As required by section 207 of the Criminal Code of Canada, Lotteries & Gaming Saskatchewan Corporation is responsible for the overall conduct and management of slot machines and online gaming in the province.<sup>3,4,5</sup> It owns the slot machines located in

<sup>1</sup> The Financial Transactions and Reports Analysis Centre (FINTRAC) is Canada's financial intelligence unit and anti-money laundering and anti-terrorist financing supervisor (i.e., regulator). The Centre helps to combat money laundering, terrorist activity financing, sanctions evasion, and threats to the security of Canada.

<sup>2</sup> [fintrac-canafe.canada.ca/pen/amps/pen-2025-09-12-eng](https://fintrac-canafe.canada.ca/pen/amps/pen-2025-09-12-eng) (15 September 2025).

<sup>3</sup> Criminal Code, RSC (1985) c C-46 s 207.

<sup>4</sup> Lotteries & Gaming Saskatchewan Corporation was established April 1, 2023, as a Crown corporation to conduct and manage gaming for the province. The Government of Saskatchewan transferred responsibilities related to gaming from the Saskatchewan Liquor and Gaming Authority to Lotteries & Gaming on June 1, 2023 (Order in Council 250/2023).

<sup>5</sup> In 2002, the Government of Saskatchewan and the Federation of Sovereign Indigenous Nations (FSIN) signed a Framework Agreement effective from June 11, 2002, to June 11, 2037. The Agreement continued to allow the development and operations of casinos in Saskatchewan within the parameters of the Criminal Code of Canada.



SIGA's casinos. Revenue from those slot machines and online gaming belongs to Lotteries & Gaming. SIGA administers public money (as defined in *The Provincial Auditor Act*) on behalf of Lotteries & Gaming.

Under the Casino Operating Agreement, effective from June 11, 2002, to June 11, 2037, Lotteries & Gaming allows SIGA to deduct reasonable costs from slot machine revenues, determined by Lotteries & Gaming, for operating casinos.<sup>6</sup> SIGA must remit the remainder of slot machine revenue to Lotteries & Gaming. The Casino Operating Agreement also allows SIGA to recover, in any year, net losses from the operation of licensed table games and ancillary operations from the net income earned from the operation of slot machines.<sup>7</sup>

Under the Online Gaming Operating Agreement, effective from November 5, 2021, to June 10, 2037, Lotteries & Gaming allows SIGA to recover expenses related to online gaming from online gaming revenues. SIGA must remit the remainder to Lotteries & Gaming.

## 2.2 Financial Overview

**Figure 1** summarizes the 2024–25 and 2023–24 results of the Saskatchewan Indian Gaming Authority Inc.'s operations, which include slot machines, online gaming, ancillary operations (e.g., gift shops, restaurants), and table game operations. At March 31, 2025, SIGA generated about \$154 million in net income from slot and online gaming operations and distributed \$146 million to Lotteries & Gaming Saskatchewan.

**Figure 1—Saskatchewan Indian Gaming Authority Inc. Net Income**

	Actual 2024–25	Actual 2023–24
	(in millions)	
Net income from slot and online gaming operations	\$ 154.9	\$ 148.0
Revenue from table games and ancillary operations	40.1	37.5
<b>Total revenue</b>	<b>195.0</b>	<b>185.5</b>
<b>Table game and ancillary expenses</b>	<b>49.0</b>	<b>46.7</b>
Income before distribution	146.0	138.8
Distribution of income to Lotteries & Gaming Saskatchewan	(146.0)	(138.8)
Unrealized (loss) gain on interest rate swaps	(1.1)	0.2
<b>Net (loss) income and comprehensive (loss) income</b>	<b>\$ (1.1)</b>	<b>\$ 0.2</b>

Source: Adapted from SIGA financial statements for the year ended March 31, 2025.

## 3.0 AUDIT CONCLUSIONS

Our Office worked with appointed auditor Deloitte LLP, to carry out the audit of the Saskatchewan Indian Gaming Authority Inc. We followed the framework in the *Report of the Task Force on Roles, Responsibilities and Duties of Auditors*.<sup>8</sup>

<sup>6</sup> The 2002 Casino Operating Agreement is an agreement between Lotteries & Gaming Saskatchewan Corporation and Saskatchewan Indian Gaming Authority Inc. setting out terms and conditions for operating SIGA casinos.

<sup>7</sup> If Lotteries & Gaming determines that any expenses SIGA incurred did not follow approved policies and directives, it may recover such expenses from future amounts due to the First Nations Trust Fund.

<sup>8</sup> *Report of the Task Force on Roles, Responsibilities and Duties of Auditors* available at [auditor.sk.ca](http://auditor.sk.ca).

In our opinion, for the year ended March 31, 2025:

- **SIGA had effective rules and procedures to safeguard public resources**
- **SIGA complied with the following authorities governing its activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing except for the matter described in this chapter**

*The Non-profit Corporations Act, 2022*  
*The Non-profit Corporations Regulations, 2022*  
*The Alcohol and Gaming Regulation Act, 1997*  
*The Gaming Regulations, 2007*  
*The Proceeds of Crime (Money Laundering) and Terrorist Financing Act*  
*The Proceeds of Crime (Money Laundering) and Terrorist Financing Suspicious Transaction Reporting Regulations*  
 Framework Agreement (June 11, 2002)  
 Casino Operating Agreement (June 11, 2002)  
 Online Gaming Operating Agreement (November 5, 2021)  
 Terms and Conditions for SIGA Table Games (issued by Saskatchewan Liquor and Gaming Authority [SLGA])  
 SIGA Operating Policies and Directives (issued by SLGA)  
 SIGA Bylaws

- **SIGA had reliable financial statements**

## 4.0 KEY FINDING AND RECOMMENDATION

### 4.1 Regulator Identified Non-Compliance with the Law

The Saskatchewan Indian Gaming Authority needs to comply with the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*.

In April 2025, the Financial Transactions and Reports Analysis Centre (FINTRAC) notified SIGA that it violated provisions of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* and the *Proceeds of Crime (Money Laundering) and Terrorist Financing Suspicious Transaction Reporting Regulations*.

Under the Act and Regulations, SIGA is required to assess and document the risk of money laundering or terrorist financing offences at its casinos and regularly submit reports to FINTRAC on suspicious transactions (e.g., cash transactions of \$10,000 or greater, or inconsistent with a client's apparent financial standing).<sup>9</sup> FINTRAC completes periodic reviews of SIGA's compliance with the Act and Regulations.

In September 2024, FINTRAC examined SIGA's reporting, policies, and procedures for the period September 1, 2022, to September 1, 2024. It communicated to SIGA its findings (e.g., failure to report transactions, provide additional information required in reporting, and develop and apply policies and procedures for higher risk clients) in February 2025.

<sup>9</sup> Casinos must fulfill specific obligations to help combat money laundering and terrorist activity financing in Canada. [fintrac-canafe.canada.ca/intro-eng](https://fintrac-canafe.canada.ca/intro-eng), [fintrac-canafe.canada.ca/re-ed/casinos-eng](https://fintrac-canafe.canada.ca/re-ed/casinos-eng) (24 July 2025).



Where FINTRAC identifies reasonable grounds to believe non-compliance with the Act and Regulations, it may impose penalties. On April 30, 2025, FINTRAC provided SIGA with an initial notice of violation. SIGA formally disagreed with FINTRAC's findings and requested a review of the results. On August 28, 2025, FINTRAC provided SIGA with an updated notice of violation and administrative penalty of \$1.175 million.

SIGA can appeal FINTRAC's decision to the Federal Court of Canada. As of September 9, 2025, SIGA planned to appeal the decision.<sup>10</sup>

If SIGA does not ensure its reporting, policies, and procedures support compliance with the Act and Regulations, FINTRAC may identify violations in the future and impose administrative penalties on SIGA (subject to SIGA's right to appeal to the Federal Court of Canada), which can negatively impact the distribution of income to Lotteries & Gaming.

- 1. We recommend Saskatchewan Indian Gaming Authority Inc. ensure its reporting, policies, and procedures support compliance with the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act and Regulations*.**

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<sup>10</sup> Appeal of decision to the Federal Court of Canada [Reviews and Appeals](#) (24 July 2025).