

PERSPECTIVES

ON LABOUR AND INCOME

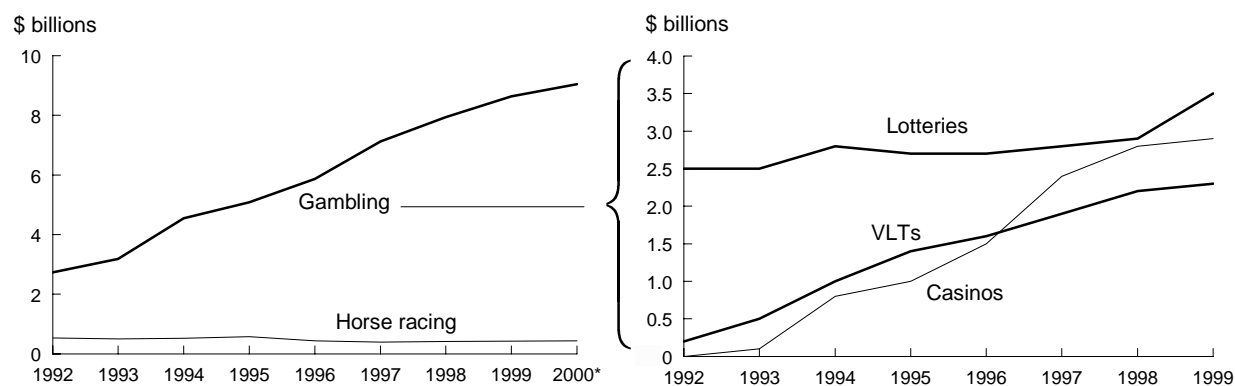
Fact-sheet on gambling

- Net revenue from government-run lotteries, video lottery terminals (VLTs) and casinos rose from \$2.7 billion in 1992 to \$9.0 billion in 2000 (preliminary data).¹
- Net revenue from pari mutuel betting (horse racing) dropped from \$530 million to \$430 million over the same period (1992 to 2000).
- In 1999, lotteries accounted for 40% of all net non-charity gambling revenue, casinos 33%, and VLTs 27%.
- After several years of flat revenue generation, lotteries broke the \$3 billion mark in 1999, jumping from \$2.9 billion in 1998 to \$3.5 billion in 1999.
- Of the \$8.6 billion generated from government-run gambling in 1999, \$5.0 billion was profit.
- Average gambling expenditure per person 18 and over in 1999 ranged from \$90 in the two Territories to \$488 in Manitoba, with a national average of \$370.²
- Compared with workers in non-gambling industries, those in gambling were more likely to be women (56% versus 46%), under 35 (53% versus 38%), paid by the hour (81% versus 62%), and paid less (\$14 hourly versus \$17).
- Employment in the gambling industry has risen from 12,000 in 1992 to 42,000 in 2000.
- Although one in seven women and men living alone reported spending money on casinos, slot machines or VLTs, men spent more than three times as much as women, \$700 compared with \$200.³
- Gambling participation and expenditure rates increased with household income. For example, 64% of households with incomes of less than \$20,000 gambled in 1999 and spent an average of \$333, while equivalent figures for those with incomes of \$80,000 or more were 80% and \$776.



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Net revenue from government-run gambling



Source: National Accounts

* Preliminary data.

Provincial gambling revenues, profits and expenditures

	Gambling revenue*			Gambling profit**			Annual gambling expenditure per capita†	
	1992	1999	Increase	1992	1999	Increase	1992	1999
	\$ millions (current)	\$ millions (current)	%	\$ millions (current)	\$ millions (current)	%	\$ (current)	\$ (current)
Canada	2,734	8,632	216	1,680	4,987	197	130	370
Newfoundland	80	160	100	42	93	121	190	382
Prince Edward Island	20	26	33	7	12	71	205	251
Nova Scotia	125	313	151	72	137	90	180	430
New Brunswick	117	187	61	49	90	84	210	320
Quebec	693	2,464	256	472	1,316	179	130	430
Ontario	853	3,250	281	529	1,546	192	105	370
Manitoba	153	416	173	105	249	137	185	488
Saskatchewan	62	319	415	39	221	467	85	423
Alberta	225	953	323	125	807	546	120	434
British Columbia	403	539	34	239	512	114	155	172
Yukon and Northwest Territories	5	6	20	1	4	300	80	90

Sources: National Accounts; Public Institutions (Financial management statistics); and post-censal population estimates

* Total money wagered on non-charity lotteries, casinos and VLTs, minus prizes and winnings (see Data sources and definitions).

** Net income of provincial and territorial governments from total gambling revenue, less operating and other expenses.

† Persons 18 and over, as this is the legal age for gambling in most provinces.

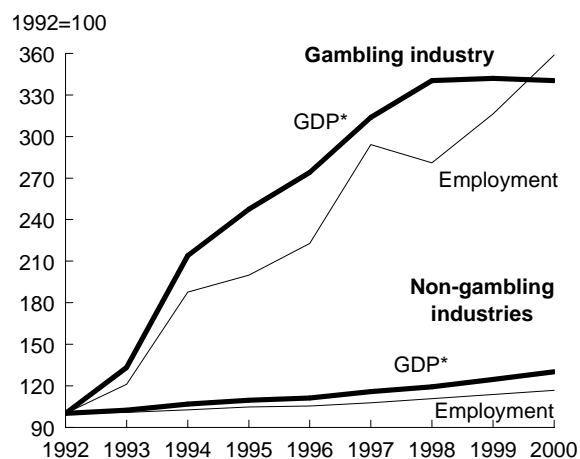
Characteristics of workers

	Gambling		Non-gambling	
	1992	2000	1992	2000
	'000			
Total employed	12	42	12,830	14,868
	%			
Sex				
Men	35	44	55	54
Women	65	56	45	46
Age				
15 to 34	57	53	45	38
35 and over	43	47	55	62
Education				
High school graduation or less*	66	55	57	48
Postsecondary certificate or diploma	21	36	27	32
University degree	13	9	16	20
Work status				
Full-time	59	80	82	82
Part-time	41	20	18	18
Province				
Atlantic provinces	8	4	7	7
Quebec	9	14	24	23
Ontario	28	49	39	39
Prairie provinces	30	18	17	18
British Columbia	25	14	13	13
Class of worker				
Employee	98	96	85	84
Self-employed	--	4	15	16

Source: Labour Force Survey

* May include some uncompleted postsecondary.

Gambling outpaced other industries.



Sources: Labour Force Survey; National Accounts

* The price, at factor cost, of the goods and services produced. The GDP figures for the gambling industry refer strictly to wagering activities, such as lottery ticket sales, VLT receipt sales and bets at casinos. Other economic spinoffs, such as hotel and restaurant business, security services, or building and equipment maintenance, are not included.

Characteristics of jobs

	Gambling		Non-gambling	
	1997	2000	1997	2000
	'000			
Employees*	34	40	11,419	12,448
	%			
Union status				
Unionized**	30	33	34	32
Non-unionized	70	67	66	68
Job status				
Permanent	91	92	89	87
Temporary	9	8	11	13
Usually receive tips				
Yes	27	24	7	7
No	73	76	93	93
Paid by the hour				
Yes	80	81	61	62
No	20	19	39	38
Average hourly earnings†	\$			
Men: full-time	13.58	15.72	17.83	19.20
Women: full-time	13.06	13.62	14.77	15.73

Source: Labour Force Survey

* More detailed questions on employees were introduced with the 1997 revision of the Labour Force Survey.

** Includes persons who are not union members, but whose jobs are covered by collective agreements.

† Includes tips and commissions.

Fact-sheet on gambling

Household expenditures on gambling activities

	At least one gambling activity		Government lotteries		Other lotteries/raffles, etc.		Casinos, slot machines and VLTs		Bingos	
	\$	%	\$	%	\$	%	\$	%	\$	%
All households										
1998	464	77	253	67	82	34	438	20	707	10
1999	499	76	246	67	76	32	631	20	655	10
One-person households*	350	66	192	57	64	22	459	15	536	7
Men	421	69	242	61	83	22	709	16	364	3
18 to 44	374	69	184	60	65	23	650	20	--	--
45 to 64	508	74	297	68	76	24	923	15	--	--
65 and over	380	60	281	54	155	16	428	8	--	--
Women	283	63	142	54	47	21	208	14	573	11
18 to 44	165	63	114	52	48	28	143	18	105	7
45 to 64	254	70	139	64	34	20	203	13	593	9
65 and over	346	60	155	49	54	19	244	12	655	14
All households										
Newfoundland	477	75	254	61	99	44	360	12	528	22
Prince Edward Island	--	74	291	55	99	46	--	11	1,177	19
Nova Scotia	580	79	249	64	50	48	567	22	958	15
New Brunswick	431	74	218	63	56	41	292	12	741	17
Quebec	450	81	267	76	52	18	633	18	433	9
Ontario	493	74	241	65	79	32	574	21	638	10
Manitoba	673	77	232	63	73	45	771	29	802	15
Saskatchewan	494	79	227	61	90	56	488	29	476	13
Alberta	597	73	228	60	103	44	844	20	932	9
British Columbia	480	73	236	66	67	32	691	17	777	6
Income										
Less than \$20,000	333	64	173	55	50	17	414	11	562	11
\$20,000 to 39,999	478	77	242	68	66	28	629	18	580	12
\$40,000 to 59,999	519	81	274	72	80	39	540	23	739	9
\$60,000 to 79,999	547	86	300	75	83	46	483	29	873	8
\$80,000 and over	776	80	245	68	101	45	1,221	29	936	6

Source: Survey of Household Spending

Note: Expenditures are per spending household. Unless otherwise indicated, figures are for 1999.

* Using one-person households allows examination of individual characteristics. Persons 18 and over were selected as this is the legal age for gambling in most provinces.

Data sources and definitions

Labour Force Survey: a monthly household survey that collects information on labour market activity, including detailed occupational and industrial classifications, from all persons 15 years and over.

National Accounts: The quarterly Income and Expenditure Accounts (IEA) is one of several programs constituting the System of National Accounts. The IEA produces detailed annual and quarterly income and expenditure accounts for all sectors of the Canadian economy, namely households, businesses, governments and non-residents.

Survey of Household Spending: an annual survey that began in 1997 and replaced the Family Expenditure Survey and the Household Facilities and Equipment Survey. It collects data on expenditures, income, household facilities and equipment, and other characteristics of families and individuals living in private households.

Gambling industries: This industry group covers establishments primarily engaged in operating gambling facilities, such as casinos, bingo halls and video gaming terminals; or providing gambling services, such as lotteries and off-track betting. It excludes horse race tracks and hotels, bars and restaurants that have casinos or gambling machines on the premises.

Gambling profit: net income from provincial and territorial government-run lotteries, casinos and VLTs, after deducting prizes and winnings, operating expenses (including wages and salaries), payments to the federal government and other overhead costs.

Gambling revenue: all money wagered on provincial and territorial government-run lotteries, casinos and VLTs, less prizes and winnings. Gambling revenue generated by and for charities and on Indian reserves is excluded.

Government casino: a government-regulated commercial casino. Permits, licences and regulations for casinos, both charity and government, vary by province. Government casinos, now permitted in several provinces, also vary by the degree of public and private involvement in their operations and management. Some government casinos are run entirely as crown corporations, while others contract some operations—for example, maintenance, management and/or services—to the private sector.

Video lottery terminal (VLT): a coin-operated, free-standing electronic game of chance. Winnings are paid out through receipts that are turned in for cash, as opposed to cash payments from slot machines. Such terminals are regulated by provincial lottery corporations.

■ Notes

- 1 Refers to total money wagered on non-charity lotteries, casinos and VLTs, minus prizes and winnings.
- 2 Survey of Household Spending (SHS) and National Accounts rankings of provincial expenditures differ, in part because the SHS includes both charity and non-charity gambling activity.
- 3 The expenditure figures are not adjusted for any winnings. As well, households consistently under-report the amount of money they spend on gambling. Comparisons with Lottery Corporation figures, for example, have shown that households under-report their government lottery purchases by more than 50%.

■ References

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