



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 \$10.7 billion in 2001.¹ Of this \$10.7 billion, \$6.0 billion was profit.
- Net revenue from pari-mutuel betting (horse racing) dropped from \$530 million to \$440 million over the same period (1992 to 2001).
- In 2000, lotteries accounted for 30% of all net non-charity gambling revenue, casinos 32%, VLTs 25%, and slot machines outside casinos 13%.
- Average gambling expenditure per person 18 and over in 2000 ranged from \$106 in the three territories to \$536 in Manitoba, with a national average of \$424.²
- Compared with workers in non-gambling industries, those in gambling were more likely to be women (55% versus 46%), under 35 (52% versus 38%), paid by the hour (78% versus 63%), and paid less (\$15 hourly versus \$17).
- Employment in the gambling industry rose from 12,000 in 1992 to 41,000 in 2001.
- One in five women and men living alone reported spending money on casinos, slot machines or VLTs; however, the men spent more than twice as much as the women—\$1,120 compared with \$450.³
- Gambling participation and expenditure rates increased with household income. For example, 62% of households with incomes of less than \$20,000 gambled in 2000 and spent an average of \$412, while equivalent figures for those with incomes of \$80,000 or more were 78% and \$555.

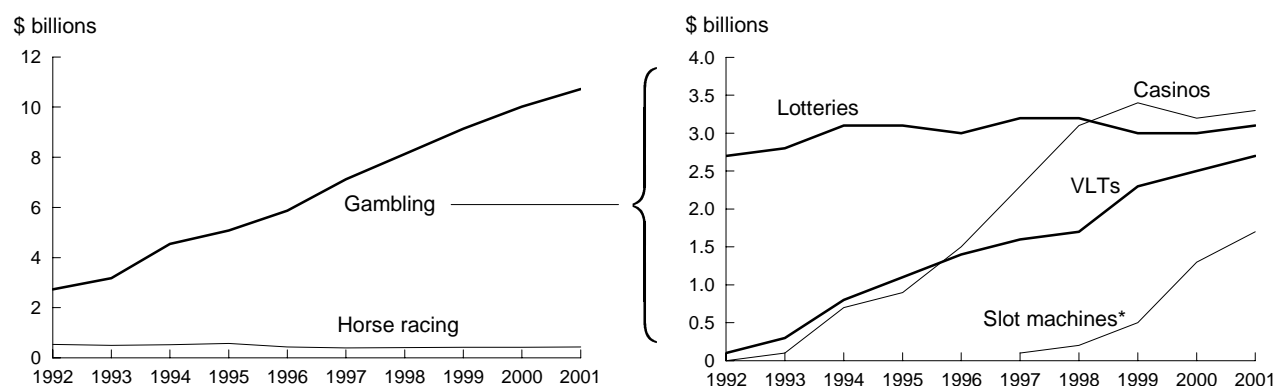
Note: In the late 1990s, government slot machines were introduced at racetracks in Alberta and Ontario, and at the 16 charity casinos in Alberta. As of 2002, there were 324 slot machines at 2 of 7 racetracks in Alberta, 4,981 machines at the 16 charity casinos, and over 8,650 machines at 15 racetracks in Ontario. For further information see www.gaming.gov.ab.ca and www.olgc.ca.



Statistics Canada
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Net revenue from government-run gambling has increased steadily.



Source: National Accounts

* Refers to ones found outside government-run casinos (see note page 1).

Gambling revenues, profits and expenditures

	Gambling revenue*		Gambling profit**		Share of total revenue***		Expenditure per capita (18+) [†]	
	1992	2000	1992	2000	1992	2000	1992	2000
	\$ millions (current)				%		\$	
Canada	2,734	10,019^{††}	1,680	5,553	1.9	5.2	130	424
Newfoundland and Labrador	80	166	42	93	2.3	4.0	190	396
Prince Edward Island	20	28	7	16	2.7	3.0	205	268
Nova Scotia	125	319	72	153	2.8	5.6	180	436
New Brunswick	117	176	49	88	2.7	3.4	210	299
Quebec	693	2,584	472	1,376	1.8	5.0	130	447
Ontario	853	3,117 ^{††}	529	1,836	1.9	4.8	105	348
Manitoba	153	459	105	228	2.5	5.5	185	536
Saskatchewan	62	319	39	263	1.1	4.4	85	423
Alberta	225	1,182	125	954	1.6	6.3	120	526
British Columbia	403	918	239	539	2.2	3.6	155	290
Yukon, Northwest Territories and Nunavut	5	7	1	7	0.3	0.3	80	106

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

* Total revenue wagered on non-charity lotteries, casinos and VLTs, minus prizes and winnings.

** Net income of provincial governments from total gambling revenue, less operating and other expenses (see Definitions).

*** The 2000 share of total revenue calculation is based on 2000 gambling revenue and 1999 total provincial revenue. The 2000 provincial revenue will be available autumn 2002.

[†] Persons 18 and over were selected as this is the legal age of gambling in most provinces.

^{††} The Ontario data currently exclude slot machine revenue, but it is in the national total. The series will be revised in autumn 2002.

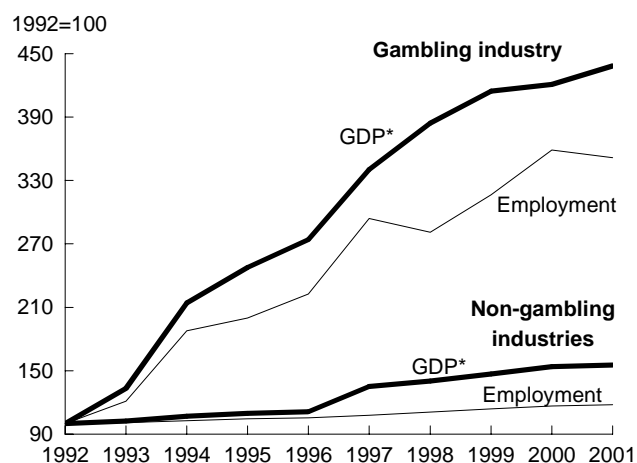
Characteristics of workers

	Gambling		Non-gambling	
	1992	2001	1992	2001
	'000			
Total employed	12	41	12,830	15,036
	%			
Sex				
Men	35	45	55	54
Women	65	55	45	46
Age				
15 to 34	57	52	45	38
35 and over	43	48	55	62
Education				
High school graduation or less*	66	52	57	46
Postsecondary certificate or diploma	21	36	27	34
University degree	13	12	16	20
Work status				
Full-time	59	82	82	82
Part-time	41	18	18	18
Province				
Atlantic provinces	8	5	7	7
Quebec	9	14	24	23
Ontario	28	46	39	39
Prairie provinces	30	23	17	18
British Columbia	25	12	13	13
Class of worker				
Employee	98	99	85	85
Self-employed	F	F	15	15

Source: Labour Force Survey

* May include some uncompleted postsecondary.

Gambling outpaced other industries.



Sources: Labour Force Survey; National Accounts

* The price, at basic prices, 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	2001	1997	2001
	'000			
Employees*	34	40	11,419	12,727
	%			
Unionized**	30	31	34	32
Non-unionized	70	69	66	68
Permanent job	91	94	89	87
Temporary job	9	6	11	13
Usually receive tips	27	27	7	7
No tips	73	73	93	93
Paid by the hour	80	78	61	63
Not paid hourly	20	22	39	37
Average hourly earnings†	\$			
Men: full-time	13.60	17.70	17.80	19.80
Women: full-time	13.10	14.60	14.80	16.20

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										
1999	499	76	246	67	76	32	631	20	655	10
2000	492	74	245	64	84	31	546	21	743	9
One-person households*										
Men	567	67	224	57	101	22	1,120	20	179	2
18 to 44	511	64	164	52	60	23	902	25	F	F
45 to 64	633	70	280	63	152	23	1,282	18	F	F
65 and over	571	67	240	57	109	20	1,649	13	F	F
Women	388	64	143	52	65	24	454	18	604	13
18 to 44	255	61	114	51	65	26	166	21	514	9
45 to 64	482	73	146	58	58	27	1,059	18	496	13
65 and over	380	61	153	49	69	21	255	16	671	15
All households										
Newfoundland and Labrador	420	71	242	55	73	40	253	10	572	19
Prince Edward Island	412	63	208	50	97	31	385	9	902	10
Nova Scotia	502	76	233	64	72	42	421	23	748	14
New Brunswick	477	73	234	63	51	36	430	11	897	15
Quebec	453	80	251	72	62	23	630	19	503	10
Ontario	528	72	255	62	97	30	460	24	969	8
Manitoba	537	75	228	57	64	46	462	28	879	13
Saskatchewan	512	78	195	57	77	54	538	27	873	11
Alberta	610	73	228	57	123	41	1,023	20	622	10
British Columbia	385	69	237	61	62	30	432	16	591	5
Income after tax										
Less than \$20,000	412	62	172	52	74	18	740	12	557	11
\$20,000 to 39,999	448	74	231	64	70	30	538	19	680	10
\$40,000 to 59,999	488	79	267	69	74	35	386	24	943	9
\$60,000 to 79,999	655	81	315	70	100	41	647	29	1,059	8
\$80,000 and over	555	78	263	68	121	40	581	30	569	6

Source: Survey of Household Spending

Note: Expenditures are per spending household. Unless otherwise indicated, figures are for 2000.

* 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.

For further information on any of these data, contact Katherine Marshall, Labour and Household Surveys Analysis Division. She can be reached at (613) 951-6890 or perspectives@statcan.ca.

Household expenditure on all gambling activities by income groups,³ 2000

	Average expenditure		Percentage reporting	Gaming as % of total income	
	All households	Reporting households		All households	Reporting households
	\$	\$	%	%	%
Income after tax	365	492	74	0.6	0.8
Less than \$20,000	255	412	62	1.9	3.0
\$20,000 to 39,999	333	448	74	1.1	1.5
\$40,000 to 59,999	385	488	79	0.8	1.0
\$60,000 to 79,999	533	655	81	0.8	1.0
\$80,000 and over	434	555	78	0.4	0.5

Source: Survey of Household Spending, 2000

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 prizes and winnings, operating expenses (including wages and salaries), payments to the federal government and other overhead costs are deducted.

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 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

Marshall, K. 1996. "A sure bet industry." *Perspectives on Labour and Income* 8, no. 3 (Autumn): 37-41.

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