



PERSPECTIVES

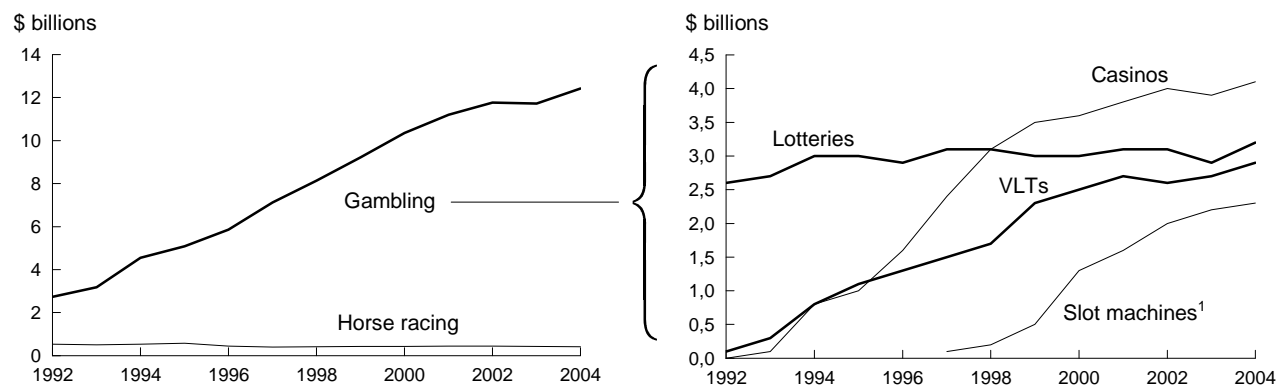
ON LABOUR AND INCOME

Fact-sheet on gambling

- Net revenue from government-run lotteries, video lottery terminals (VLTs), and casinos rose from \$2.7 billion in 1992 to \$12.4 billion in 2004.¹ Of this \$12.4 billion, \$5.0 billion was profit.
- Net revenue from pari-mutuel betting (horse racing) dropped from \$532 million to \$415 million over the same period (1992 to 2004).
- In 2004, lotteries accounted for 25% of all net non-charity gambling revenue, casinos 33%, VLTs 23%, and slot machines not in casinos 19%.
- Average gambling expenditure per person 18 and over in 2003 ranged from \$101 in the three territories to \$647 in Saskatchewan, with a national average of \$477.²
- Compared with workers in non-gambling industries, those in gambling were more likely to be women (51% versus 47%), under 35 (47% versus 37%), paid by the hour (76% versus 64%), and paid less (\$18 hourly versus \$19).
- Employment in the gambling industry rose from 11,000 in 1992 to 54,000 in 2004.
- One in six 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—\$684 compared with \$312.³
- Gambling participation and expenditure rates increased with household income. For example, 58% of households with incomes of less than \$20,000 gambled in 2003 and spent an average of \$312, while equivalent figures for those with incomes of \$80,000 or more were 79% and \$725.



Net revenue from government-run gambling has increased steadily.



Source: National Accounts
 1 Refers to ones found outside government-run casinos.

Gambling revenues and profits

	Gambling revenue ¹		Gambling profit ²		Share of total revenue ³		Revenue per capita (18+) ⁴	
	1992	2003	1992	2003	1992	2003	1992	2003
	\$ millions (current)				%		\$	
Canada	2,734	11,724	1,680	6,510	1.9	5.6	128	477
Newfoundland	80	202	42	107	2.3	5.2	189	490
Prince Edward Island	20	34	7	20	2.7	3.4	209	322
Nova Scotia	125	362	72	165	2.8	5.8	180	490
New Brunswick	117	205	49	124	2.7	3.7	209	345
Quebec	693	2,708	472	1,432	1.8	4.9	128	456
Ontario	853	4,583	529	2,080	1.9	6.4	106	484
Manitoba	153	475	105	304	2.5	5.0	186	542
Saskatchewan	62	483	39	311	1.1	6.5	86	647
Alberta	225	1,545	125	1,274	1.6	6.9	118	645
British Columbia	403	1,145	239	689	2.2	4.3	153	349
Yukon, Northwest Territories and Nunavut	5	7	1	4	0.3	0.4	82	101

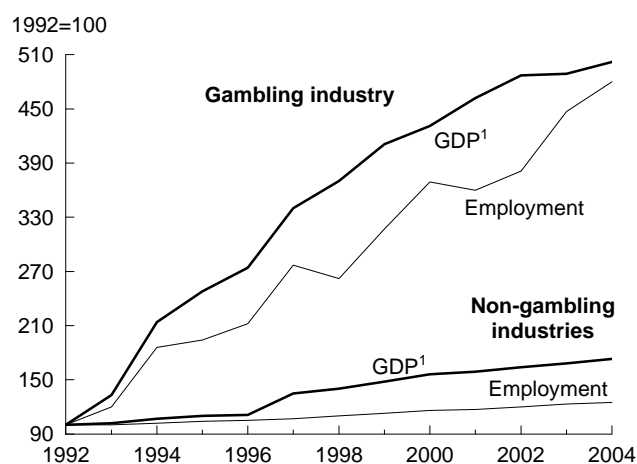
Sources: National Accounts, Public Institutions (Financial management statistics) and post-censal population estimates.
 1 Total revenue from wagers on government controlled lotteries, casinos and VLTs, minus prizes and winnings.
 2 Net income of provincial governments from total gambling revenue, less operating and other expenses (see Data sources and definitions).
 3 The 2003 share of total revenue calculation is based on 2003 gambling revenue and 2002 total provincial revenue. The 2003 provincial revenue will be available autumn 2005.
 4 Net wagers; persons 18 and over were selected as this is the legal age of gambling in most provinces.

Characteristics of workers

	Gambling		Non-gambling	
	1992	2004	1992	2004
Total employed	11	54	12,708	15,896
	'000			
Sex	%			
Men 35	49		55	53
Women	65	51	45	47
Age				
15 to 34	58	47	45	37
35 and over	42	53	55	63
Education				
High school of less	67	46	57	45
Postsecondary				
certificate or diploma	21	37	27	34
University degree	F	17	16	21
Work status				
Full-time	59	86	81	81
Part-time	41	14	19	19
Provinces				
Atlantic provinces	8	4	7	7
Quebec	F	18	24	23
Ontario	28	46	39	40
Prairie provinces	30	19	17	18
British Columbia	25	14	13	13
Class of worker				
Employee	99	97	85	85
Self-employed	F	3	15	15

Source: Labour Force Survey

Gambling outpaced other industries.



Sources: Labour Force Survey; National Accounts

1 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	2004	1997	2004
Employees¹	30	52	11,293	13,446
	'000			
Unionized ²	27	31	33	32
Non-unionized	73	69	67	68
	%			
Permanent job	90	93	89	87
Temporary job	10	7	11	13
Usually receive tips	27	26	7	7
No tips	73	74	93	93
Paid by the hour	80	76	61	64
Not paid hourly	20	24	39	36
Average hourly earnings³	\$			
Men: full-time	13.34	20.22	17.80	21.10
Women: full-time	12.93	16.34	14.71	17.95

Source: Labour Force Survey

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

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

3 Includes tips and commissions.

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	462	77	251	68	81	34	432	20	700	10
1999	499	76	246	67	76	32	631	20	655	10
2000	492	74	245	64	84	31	546	21	743	9
2001	513	72	257	62	98	30	554	20	815	9
2002	570	73	263	63	129	30	679	21	905	8
2003	506	74	243	66	96	29	670	19	799	8
One-person households¹	367	64	195	55	90	18	491	16	521	7
Men	444	67	243	60	117	18	684	16	714	3
18 to 44	391	64	198	55	78	18	516	22	777	2
45 to 64	449	74	243	70	107	18	1,169	12	172	4
65 and over	558	60	346	54	230	16	518	9	1,527	4
Women	291	61	143	50	66	18	312	15	467	10
18 to 44	178	61	92	53	59	19	245	14	318	5
45 to 64	264	70	161	61	80	22	276	17	296	8
65 and over	353	56	149	42	57	16	356	15	550	13
All households										
Newfoundland	457	76	255	65	90	37	378	11	688	15
Prince Edward Island	403	73	199	59	82	47	557	10	700	12
Nova Scotia	515	75	277	63	65	43	433	20	836	11
New Brunswick	495	74	259	66	57	35	568	12	836	13
Quebec	380	79	236	75	49	18	456	16	536	8
Ontario	545	71	243	63	111	28	645	21	951	7
Manitoba	537	72	226	60	88	36	579	26	611	11
Saskatchewan	448	76	223	61	91	50	433	24	640	9
Alberta	762	70	252	57	126	36	1,361	18	1,367	7
British Columbia	503	71	246	64	104	32	855	16	578	5
Income after tax										
Less than \$20,000	312	58	165	50	75	12	446	10	461	9
\$20,000 to \$39,999	407	72	224	65	69	24	395	16	843	8
\$40,000 to \$59,999	483	78	253	70	99	33	513	19	946	7
\$60,000 to \$79,999	665	83	263	75	101	39	1,024	26	674	7
\$80,000 and over	725	79	307	68	123	42	917	27	1,209	5

Source: Survey of Household Spending

Note: Expenditures are per spending household. Unless otherwise indicated, figures are for 2003.

¹ 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.

Household expenditure on all gambling activities by income groups, 2003

	Average expenditure		Per-centage reporting	Gaming as % of total income	
	All house-holds	Reporting house-holds		All house-holds	Reporting house-holds
	\$	\$	%	%	%
Income after tax	373	506	74	0.6	0.8
Less than \$20,000	180	312	58	1.3	2.2
\$20,000 to 39,999	294	407	72	1.0	1.4
\$40,000 to 59,999	377	483	78	0.8	1.0
\$60,000 to 79,999	550	665	83	0.8	1.0
\$80,000 and over	571	725	79	0.5	0.7

Source: Survey of Household Spending

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%.

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.

The **Canadian Community Health Survey (CCHS)** provides regular and timely cross-sectional estimates of health determinants, health status, and health system utilization. The initial year (2000) and every odd year thereafter (from 2001) collects generic health information from 130,000 respondents. During the even years, the survey sample is smaller (roughly 30,000) and addresses a specialized topic. Cycle 1.2, on Mental Health and Well-Being, was held in 2002. Its main objective was to provide national and provincial estimates of major mental disorders and problems, and to illuminate the issues associated with disabilities and the need for and provision of health care. The survey contained questions on a wide range of disorders and problems, including a section on 'pathological gambling'.

The target population of the CCHS 1.2 excludes those living in the three territories, individuals living on reserves or crown

land, residents of institutions, full-time members of the Armed Forces, and residents of some remote regions.

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): 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.

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