

PERSPECTIVES

ON LABOUR AND INCOME

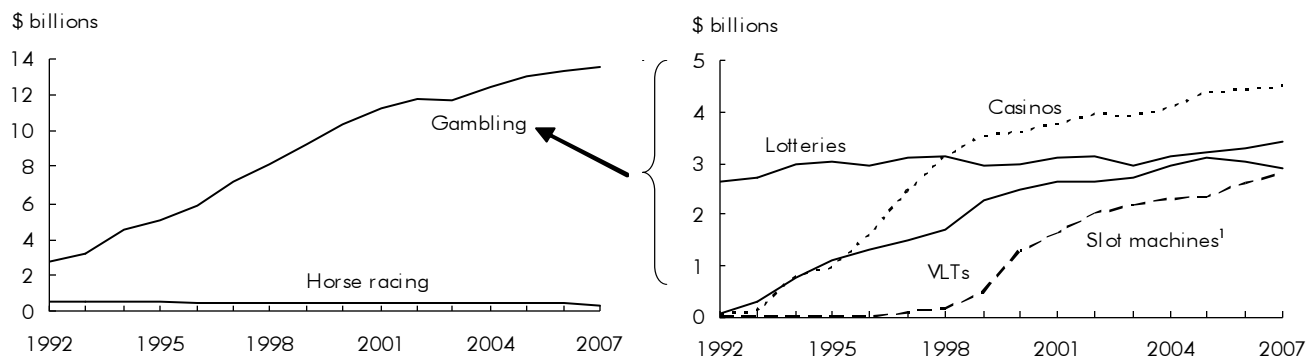
Gambling

- Net revenue from government-run lotteries, video lottery terminals (VLTs), casinos, and slot machines not in casinos rose from \$2.7 billion in 1992 to 13.6 billion in 2007.¹
- Net revenue from pari-mutuel betting (horse racing) dropped from \$532 million to \$384 million over the same period (1992 to 2007).
- In 2007, lotteries accounted for 25% of all net non-charity gambling revenue, casinos 33%, VLTs and slot machines not in casinos 21%.
- Average gambling revenue per person 18 and over in 2007 ranged from \$121 in the three territories to \$890 in Alberta, with a national average of \$524.²
- Compared with workers in non-gambling industries, those in gambling were more likely to be women (53% versus 47%), paid by the hour (80% versus 65%), and paid less (\$18 hourly versus \$20) and receiving tips at their job (30% versus 7%).
- Employment in the gambling industry rose from 11,000 in 1992 to 46,000 in 2007.
- One in seven women and men living alone reported spending money on casinos, slot machines or VLTs; however, the men spent almost four times as much as the women—\$1,667 compared with \$446.³
- Gambling participation and expenditure rates increased with household income. For example, 54% of households with incomes of less than \$20,000 gambled in 2006 and spent an average of \$469, while equivalent figures for those with incomes of \$80,000 or more were 82% and \$566.

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Net revenue from government-run gambling has increased steadily



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

Gambling revenues and profits

	Gambling revenue ¹		Gambling profit ²		Share of total revenue ³		Revenue per capita (18 and over) ⁴	
	1992	2007	1992	2007	1992	2005	1992	2007
	\$ millions (current)				%		\$	
Canada	2,734	13,649	1,680	7,058	1.9	4.8	128	524
Newfoundland and Labrador	80	189	42	106	2.3	3.2	189	461
Prince Edward Island	20	42	7	13	2.7	3.0	209	388
Nova Scotia	125	320	72	148	2.8	4.3	180	425
New Brunswick	117	214	49	123	2.7	3.2	209	353
Quebec	693	2,775	472	1,425	1.8	4.5	128	450
Ontario	853	4,699	529	1,658	1.9	5.3	106	468
Manitoba	153	566	105	354	2.5	5.2	186	624
Saskatchewan	62	530	39	316	1.1	5.1	86	696
Alberta	225	2,386	125	1,828	1.6	5.2	118	890
British Columbia	403	1,919	239	1,081	2.2	4.5	153	545
Yukon, Northwest Territories and Nunavut	5	9	1	6	0.3	0.3	82	121

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 2005 share of total revenue calculation is based on 2005 gambling revenue and 2005 total provincial revenue. The 2006 provincial revenue will be available autumn 2008.

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

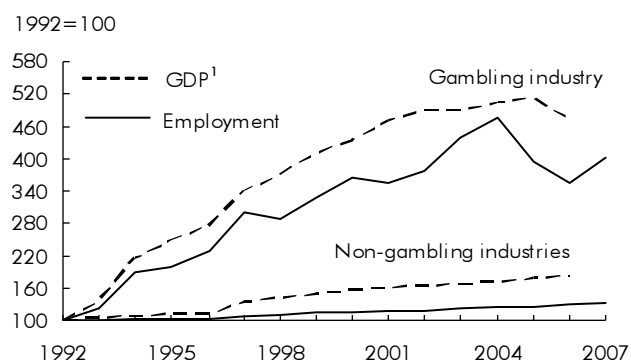
Sources: Statistics Canada, National Accounts, Public Institutions (Financial management statistics) and post-censal population estimates.

Characteristics of workers

	Gambling		Non-gambling	
	1992	2007	1992	2007
Total employed	11	46	12,720	16,820
		thousand		
Sex				%
Men	35	47	55	53
Women	65	53	45	47
Age				
15 to 34	57	42	45	37
35 and over	43	58	55	63
Education				
High school or less	66	48	57	41
Postsecondary certificate or diploma	21	38	27	35
University degree	13	14	16	24
Work status				
Full-time	60	84	81	82
Part-time	40	16	19	18
Provinces				
Atlantic provinces	8	3	7	7
Quebec	F	14	24	23
Ontario	28	46	39	39
Prairie provinces	30	18	17	18
British Columbia	25	19	13	13
Class of worker				
Employee	99	99	85	84
Self-employed	F	F	15	16

Source: Statistics Canada, Labour Force Survey.

Gambling outpaced other industries



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.
Sources: Statistics Canada, Labour Force Survey; National Accounts.

Characteristics of jobs

	Gambling		Non-gambling	
	1997	2007	1997	2007
Employees¹	33	45	11,323	14,206
		thousand		
				%
Unionized ²	29	26	34	32
Non-unionized	71	74	66	68
Permanent job	91	92	89	87
Temporary job	9	8	11	13
Usually receive tips	27	30	7	7
No tips	73	70	93	93
Paid by the hour	80	80	61	65
Not paid hourly	20	20	39	35
Average hourly earnings³				\$
Men: full-time	13.51	20.57	17.83	23.25
Women: full-time	13.04	17.42	14.79	19.90

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.
Source: Statistics Canada, Labour Force Survey.

Household expenditures on gambling activities

	At least one gambling activity		Government lotteries		Other lotteries/raffles, etc.		Casinos, slot machines and VLTs		Bingos	
	\$	%	\$	%	\$	%	\$	%	\$	%
All households										
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
2004	514	71	265	61	101	28	664	19	805	6
2005	549	69	254	61	142	27	720	18	963	6
2006	493	73	254	64	109	28	686	19	521	6
One-person households¹	523	62	212	53	103	18	1,034	16	566	5
Men	731	62	274	55	141	18	1,667	16	267	2
18 to 44	606	56	204	48	118	17	1,101	20	F	F
45 to 64	1,038	66	300	61	98	21	4,069	12	F	F
65 and over	521	70	367	62	285	17	516	15	F	F
Women	341	62	153	51	70	19	446	15	641	8
18 to 44	210	64	88	52	58	22	310	21	F	F
45 to 64	306	68	164	58	81	23	521	11	529	7
65 and over	455	56	182	46	66	14	510	15	778	11
All households										
Newfoundland and Labrador	472	76	278	67	79	41	541	10	556	16
Prince Edward Island	441	76	234	59	104	51	262	17	982	10
Nova Scotia	424	80	228	69	72	47	499	17	705	9
New Brunswick	422	73	277	64	76	39	458	8	673	9
Quebec	402	75	258	68	95	17	494	16	359	7
Ontario	507	71	258	63	109	27	647	22	598	5
Manitoba	548	69	220	57	95	36	778	21	599	10
Saskatchewan	491	77	212	63	108	49	537	28	546	8
Alberta	566	72	272	62	156	39	757	20	497	6
British Columbia	605	70	238	62	112	28	1,184	18	566	5
Income after tax										
Less than \$20,000	469	54	190	46	75	11	1,057	11	580	8
\$20,000 to \$39,999	513	69	247	62	102	22	859	16	590	8
\$40,000 to \$59,999	446	77	269	69	100	31	492	21	428	6
\$60,000 to \$79,999	445	80	247	71	93	36	551	24	370	5
\$80,000 and over	566	82	285	72	140	41	672	26	549	4

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.

Note: Expenditures are per spending household. Unless otherwise indicated, figures are for 2006.

Source: Statistics Canada, Survey of Household Spending.

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 (SHS): an annual survey that began in 1997 and replaced the Family Expenditure Survey and the Household Facilities and Equipment Survey. The SHS 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.

Household expenditure on all gambling activities by income groups, 2006

	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	\$ 358	\$ 493	73	0.5	0.7
Less than \$20,000	255	469	54	2.0	3.5
\$20,000 to \$39,999	355	513	69	1.2	1.7
\$40,000 to \$59,999	344	446	77	0.7	0.9
\$60,000 to \$79,999	357	445	80	0.5	0.6
\$80,000 and over	461	566	82	0.4	0.5

Source: Statistics Canada, 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%.