

## Recent Report Reveals Facts of Gambling in Canada

Statistics Canada's newly published volume of *Perspectives on Labor and Income* entitled "Fact-sheet on gambling" informs the potential and realized economic and social consequences of the steadily expanding gambling industry upon Canadian households. While gambling proponents have long argued the economic benefits of the gaming industry, the report speaks to an economic gain which may be tempered by financial and personal costs to individuals and families.

Findings from the Canadian Labour Force Survey indicate that with the rapid expansion of the gaming industry, the number of Canadians employed by the gambling industry has risen from 12,000 to 42,000 in the years from 1992 to 2002.

This wave of new employment has resulted in a population of primarily non-unionized workers (72%), with non-salary jobs (83%), who are paid less on average than employees in comparable non-gaming industries. Casino employees are also younger on average (52% < 35 years of age), and more likely to be female (55%).

Information on gambling participation and expenditure rates provided by the Survey of Household Spending revealed that households in the lowest income bracket were spending the highest proportion of earnings on gambling activities. While the "Fact-sheet on gambling" indicated that both gambling participation and expenditure rates were found to increase with family

earnings, the ratio of earnings spent on gambling was hardly proportional across income levels. In fact, reporting households in the highest income bracket at \$80,000 plus, spent the lowest percentage of income on gambling (0.4%). The percentage of income spent on gambling actually rose as income levels declined, reaching a peak in the lowest bracket with reporting households spending an average of 2.6% of earnings on gambling in 2001. Further, men living alone were found to spend upwards of

seemed to account for the greatest percentage of all net non-charity gambling revenue at 34%. Lottery revenues were not far behind at 27%, and VLTs and slot machines (not in casinos) revenues was 23% and 17%, respectively. It is important to note that not all provinces currently have VLTs and casinos, revenues will certainly rise as casinos are opened.

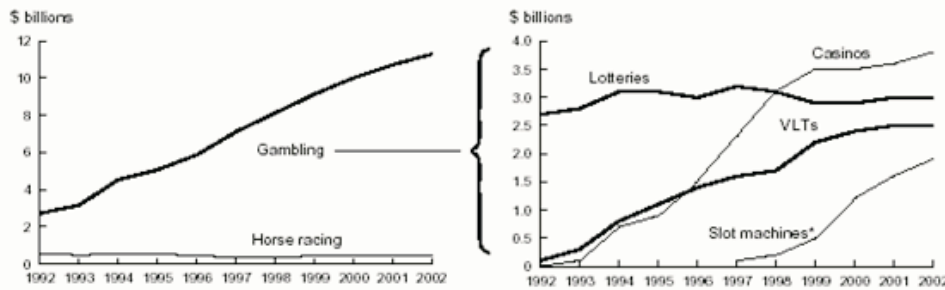
Although this report does not discuss gambling participation and expenditure in underage youth, adolescents remain particularly vulnerable to gambling's

potentially detrimental effects. Given the continuous growth of the industry, and its stable and emerging market, it is very likely that the serious social impact of this expansion has not yet been fully realized. The Statistics Canada report provides us with much needed

facts; valuable data for a public health analysis of some of the costs and benefits of gambling on communities. It does not, however, help us better understand the effects of the growth of the industry on individuals, as well as the social-economic and health implications of such growth on society. There is an urgent need for more research informing the long-term public health consequences of this burgeoning industry.

Marshall, K. (2003). Fact-Sheet on Gambling. *Perspectives on Labour and Income*, March 2003, Statistics Canada. For more information and a complete version of this paper: [http://www.statcan.ca/english/indepth/75-001/online/00403/fs-fi\\_200304\\_01\\_a.pdf](http://www.statcan.ca/english/indepth/75-001/online/00403/fs-fi_200304_01_a.pdf)

Net revenue from government-run gambling has increased steadily.



Source: National Accounts  
\* Refers to ones found outside government-run casinos (see note page 1).

three times as much on gambling compared to female single-person households (\$914 per annum vs. \$261). The national average of gambling expenditure per person was reported at \$447 per annum for individuals over 18, while no information was given on gambling in youth.

The report also reveals that growth in the gambling industry is concentrated in the areas of casinos, slot machines, and video lottery terminals (VLTs).

Revenue from government-run gambling continues to increase steadily. The net revenue from lotteries, VLTs, and casinos increased from 2.7 billion in 1992 to 11.3 billion in 2002, a growth rate of over 400%. In 2002, casinos