

The background of the slide features a stylized globe with glowing blue lines representing a global network or data flow. The lines connect various points across the globe, creating a sense of interconnectedness. The overall color scheme is blue and white.

Online Gambling in Canada

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Evidence. Engagement. Impact.



AGRI NATIONAL PROJECT TEAM





Online Gambling: History

- **1996: access via computers**
- **1999: access via television (iTV)**
- **2005: access via smartphones**



Online Gambling: History

1995

- **Liechtenstein has online purchase of lottery tickets**

1996-1997

- **Some Caribbean & Central American countries begin hosting online casinos &/or sports/race books**
- **Online casinos &/or sports/race books offered by a few U.K. and Australian based companies**
- **Online lotteries conducted in Finland and Coeur d'Alene tribe in Idaho**



Online Gambling: History

Rapid Expansion from 1998 on

- **650 sites by end of 1999**
- **1800 sites by end of 2002**
- **2500 sites by end of 2006**

Online Gambling: History

- 1995: Lotteries
- 1996: Casinos; Sports/Race Books
- 1998: Poker; Bingo
- 2000: Betting Exchanges
- 2001: Skill Games
- 2004: Politics, Entertainment events
- 2007: Financial Indices Betting



Online Gambling: History

- Most early sites owned by new companies not associated with land-based gambling
- Most based in small jurisdictions with little regulation; low taxes; lax enforcement
 - Kahnawake First Nation (Canada)
 - Antigua, Curacao
 - Costa Rica, Belize
 - Malta, Gibraltar, Alderney
 - Philippines

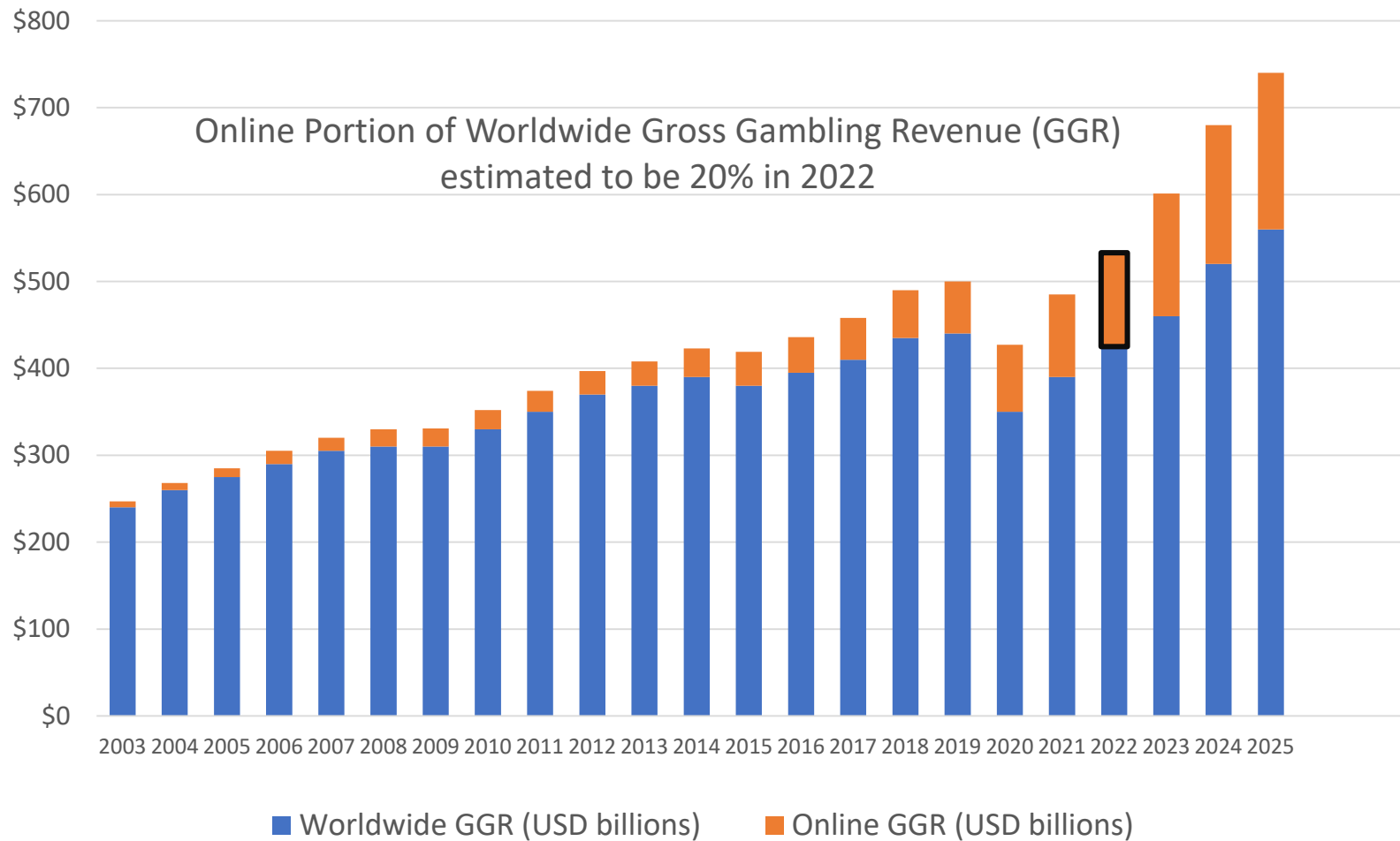
Online Gambling: History

- **Historical problems with:**
 - unfair odds
 - not receiving winnings
 - underage play
 - absence of responsible gambling features
 - DoS extortion attacks
 - player collusion
 - money laundering
 - lack of legal recourse

Online Gambling: History

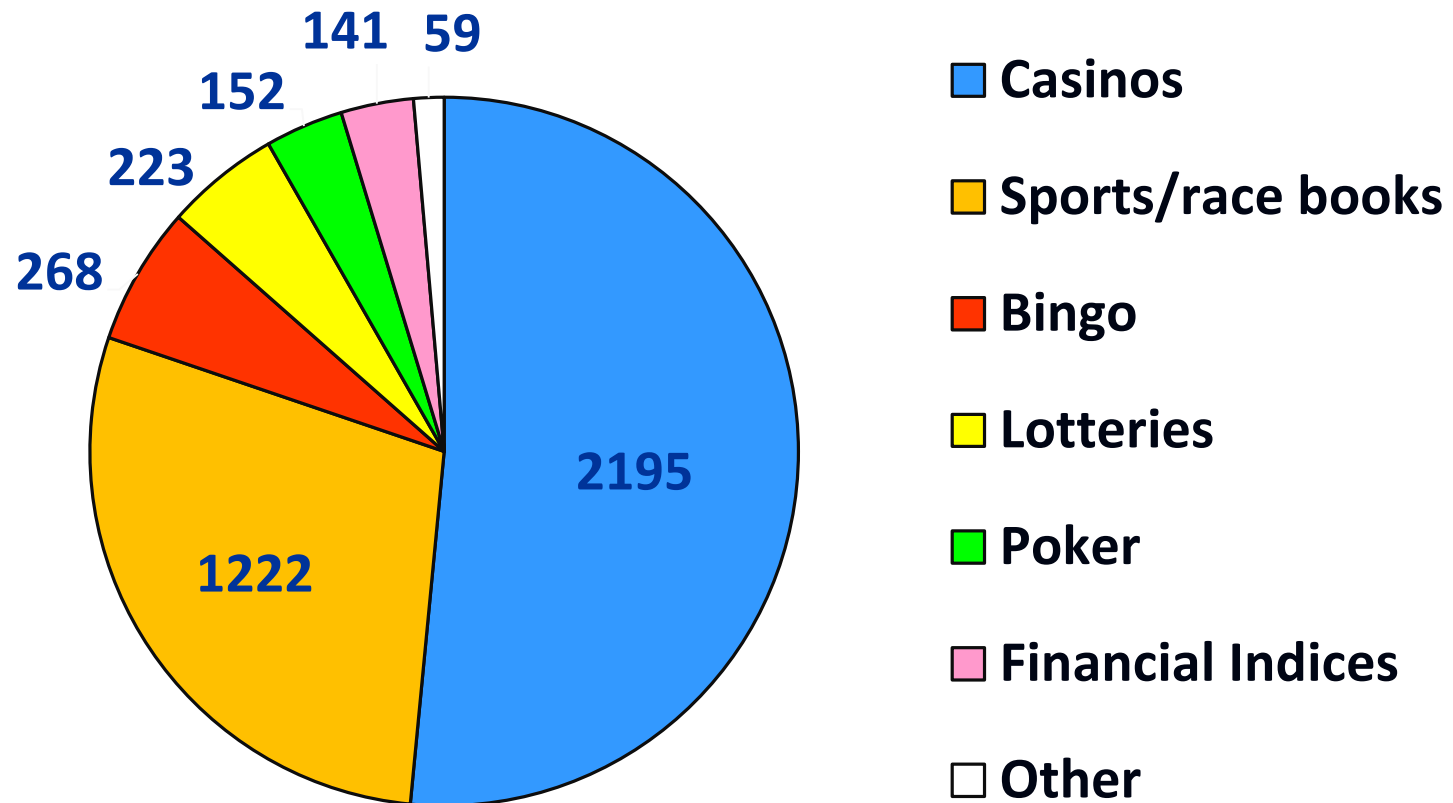
- **However, legitimacy and fairness of online gambling has improved with expanded legal availability and provision in most Western countries**
- **This, in turn, has increased online gambling participation; further spurred by:**
 - **expanded legalized sports betting**
 - **land-based COVID restrictions**

Online Gambling: History



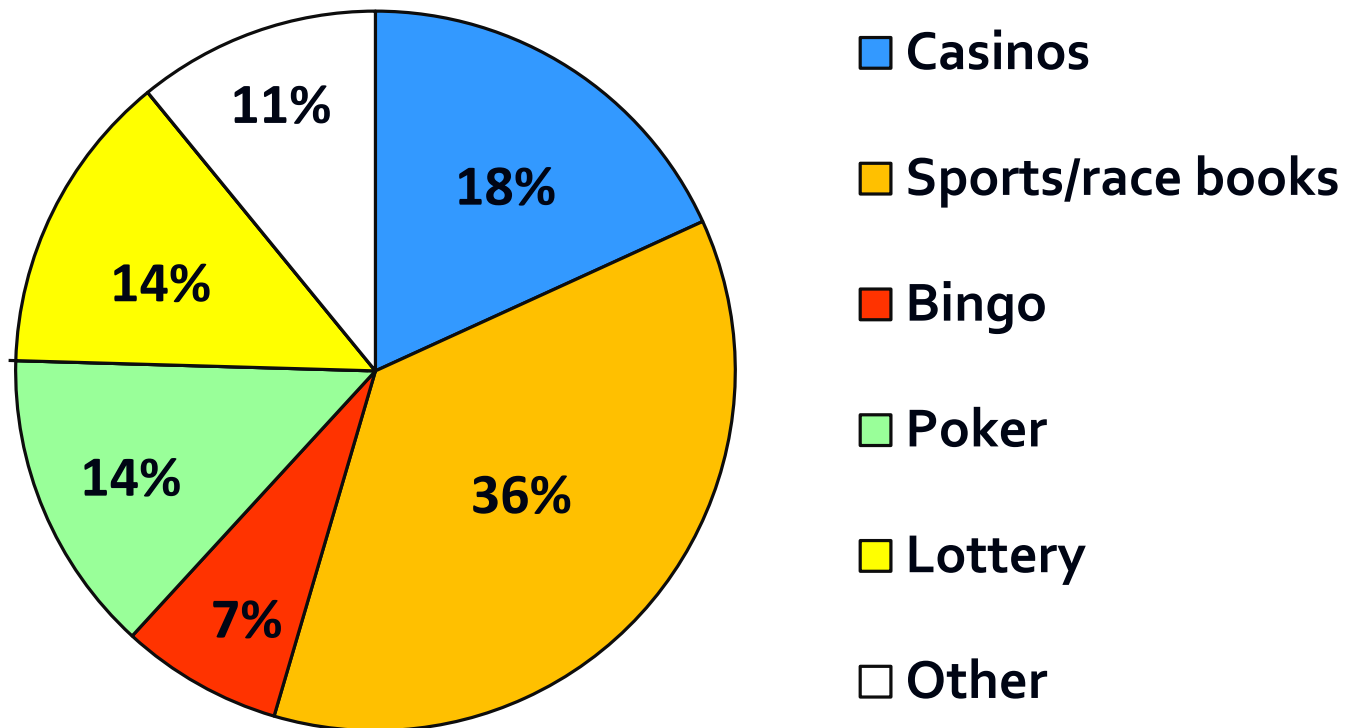
Current Online Gambling

4260 Online Sites in Feb 2023



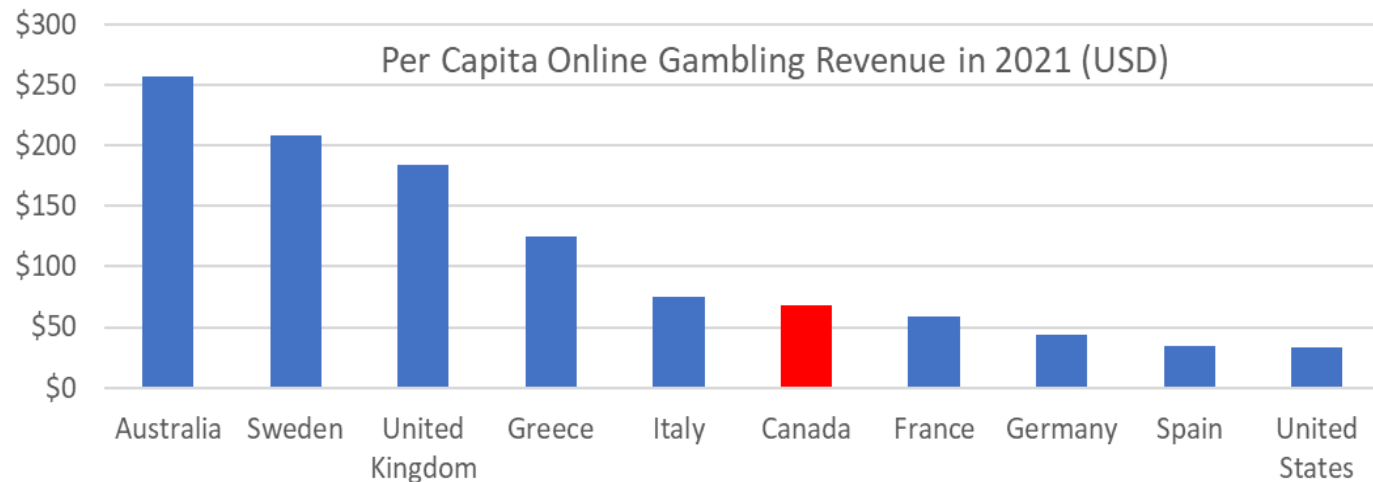
Current Online Gambling

Estimated Relative Game Revenue



Current Online Gambling

Significant Variability Between Countries





Canadian Online Gambling

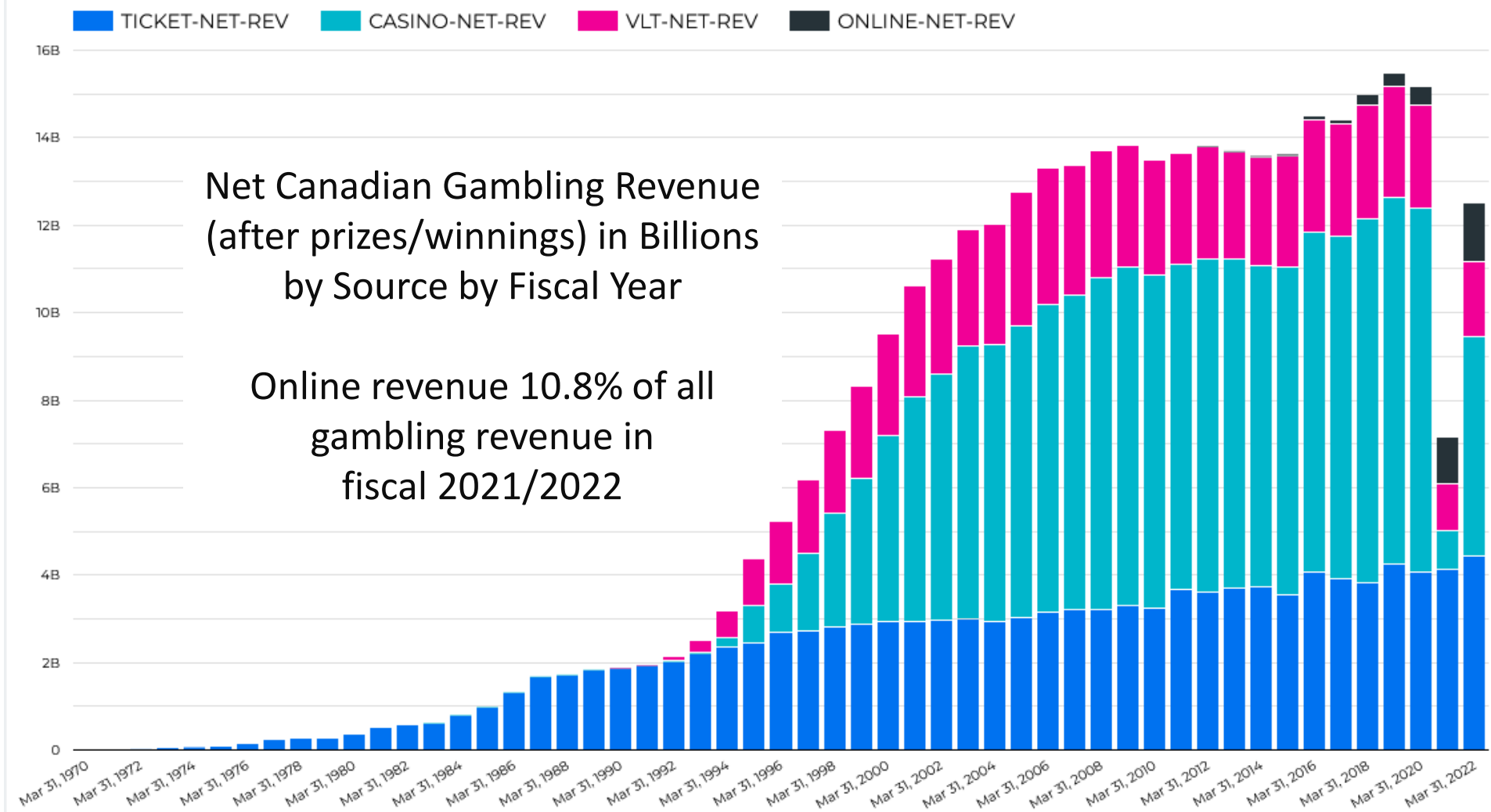
- 1996: foreign based gambling websites become available to Canadians
- 1997: Starnet Communications (Vancouver) offers online gambling to Canadians
- 1998: Kahnawake First Nation (Quebec) begins hosting online gambling sites
- 1999: Starnet shut down
- 2004: Woodbine Entertainment (Ontario) offers online horse race betting across Canada
- 2004 - 2022: Provincial government-provided online gambling websites introduced

Canadian Online Gambling

| | British Columbia | Atlantic Provinces | Quebec | Manitoba | Ontario | Alberta | Saskatch. |
|------|------------------|--------------------|----------|-------------|---------|---------|-----------------|
| 2004 | L I St | L St | | | | | |
| 2005 | | I | | | | | |
| 2006 | | | | | | | |
| 2007 | | B | | | | | |
| 2008 | | | | | | | |
| 2009 | P | | | | | | |
| 2010 | B T SI | | St T | | | | |
| 2011 | P | | P | | | | |
| 2012 | | | L I | | | | |
| 2013 | | EP | B SI E P | L St T SI P | | | |
| 2014 | EP | | | I B EP | | | |
| 2015 | | | | | L T SI | | |
| 2016 | | | | | | | |
| 2017 | | | | | | | |
| 2018 | | | | | I | | |
| 2019 | | | | | | | |
| 2020 | | T SI (NB) | | | | T SI | |
| 2021 | S | S (NB,PEI) | S | S | S | L I S | |
| 2022 | | T SI S (NS) | | | | | L I B St T SI S |
| 2023 | | | | | | | |

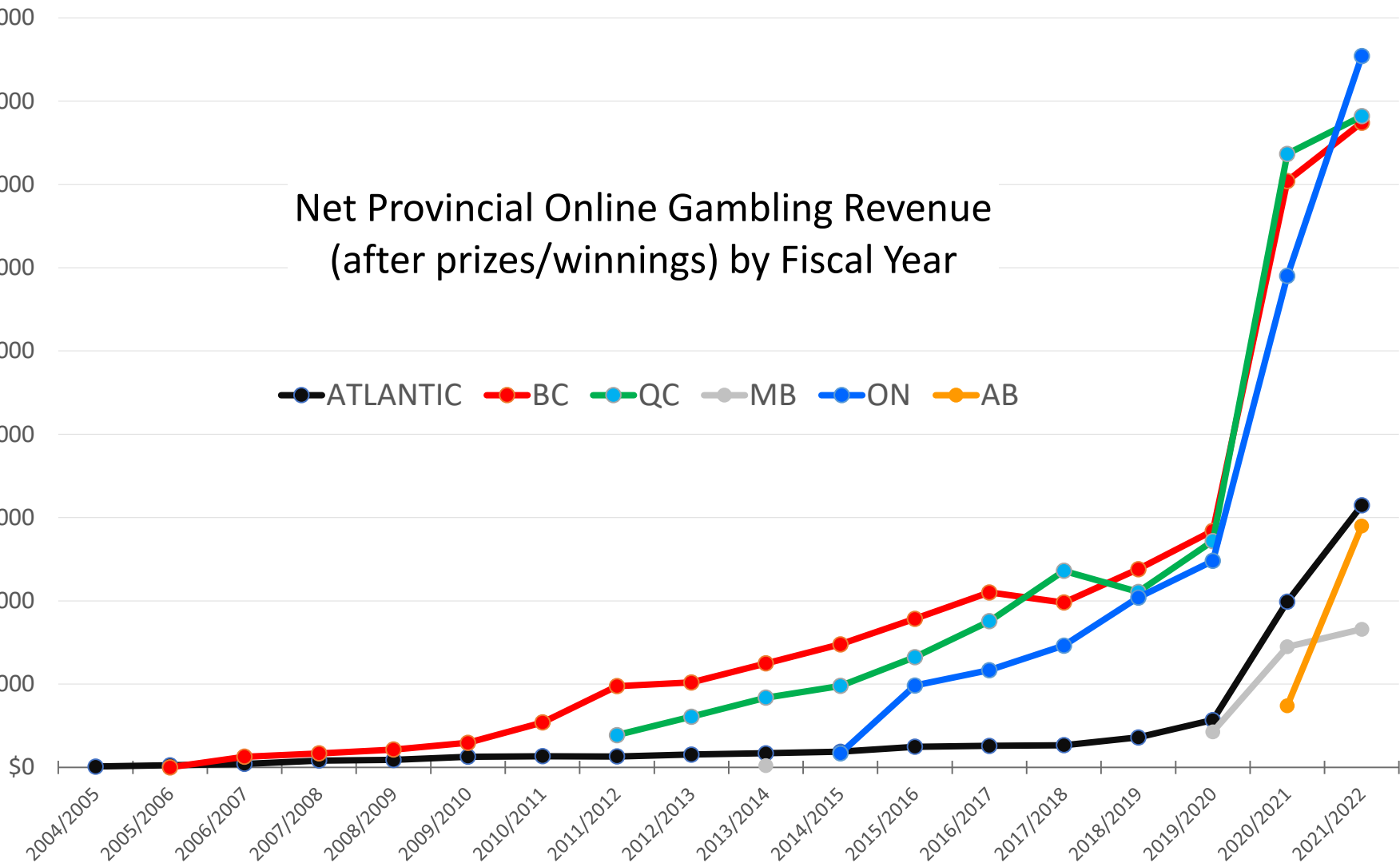
L = Lottery
 I = Instant lottery
 St = Sports tickets
 B = Bingo
 T = Table games
 SI = Slots
 P = Poker
 S = Sports betting
 EP = Entertainment & Political events

Canadian Online Gambling

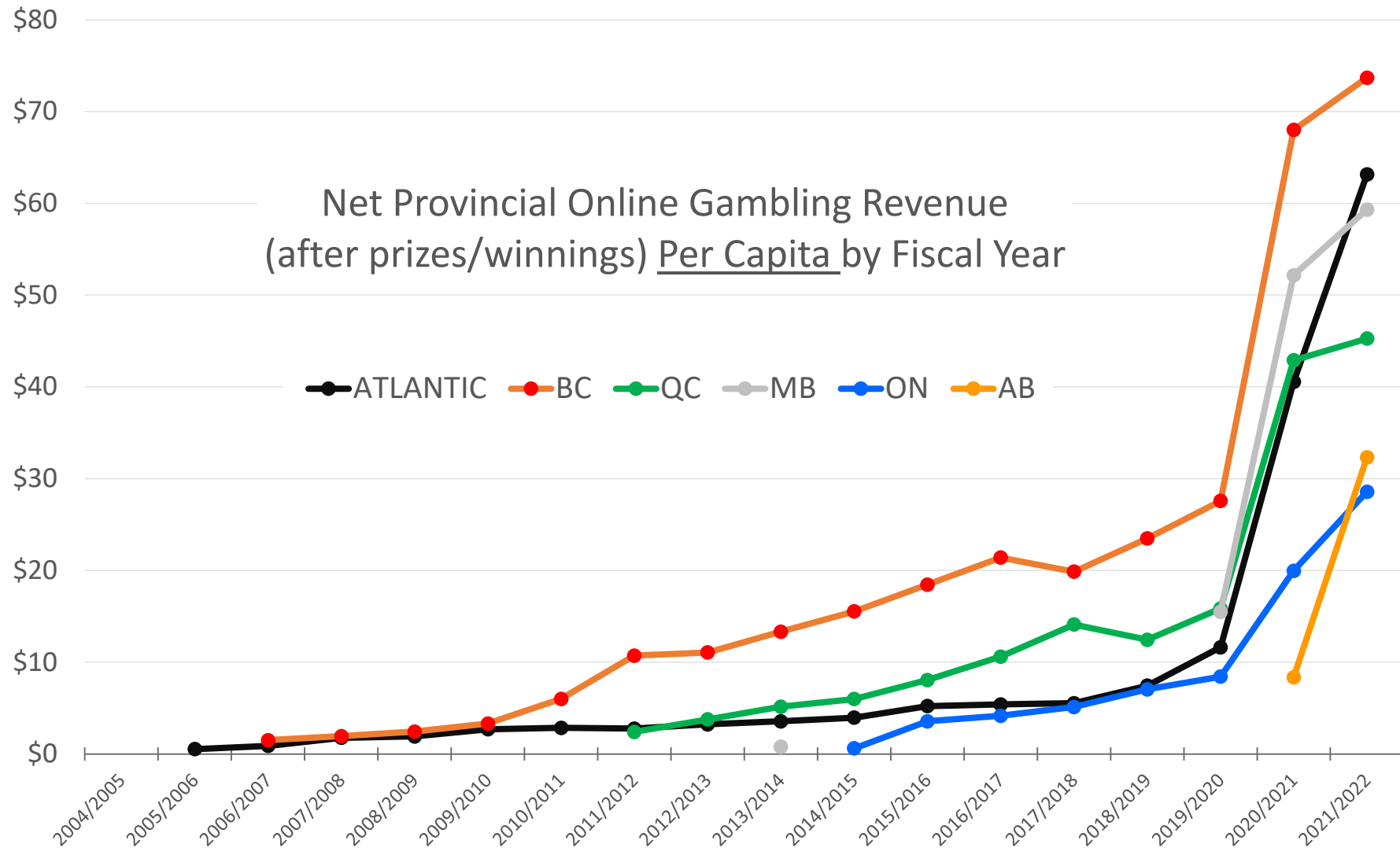


Canadian Online Gambling

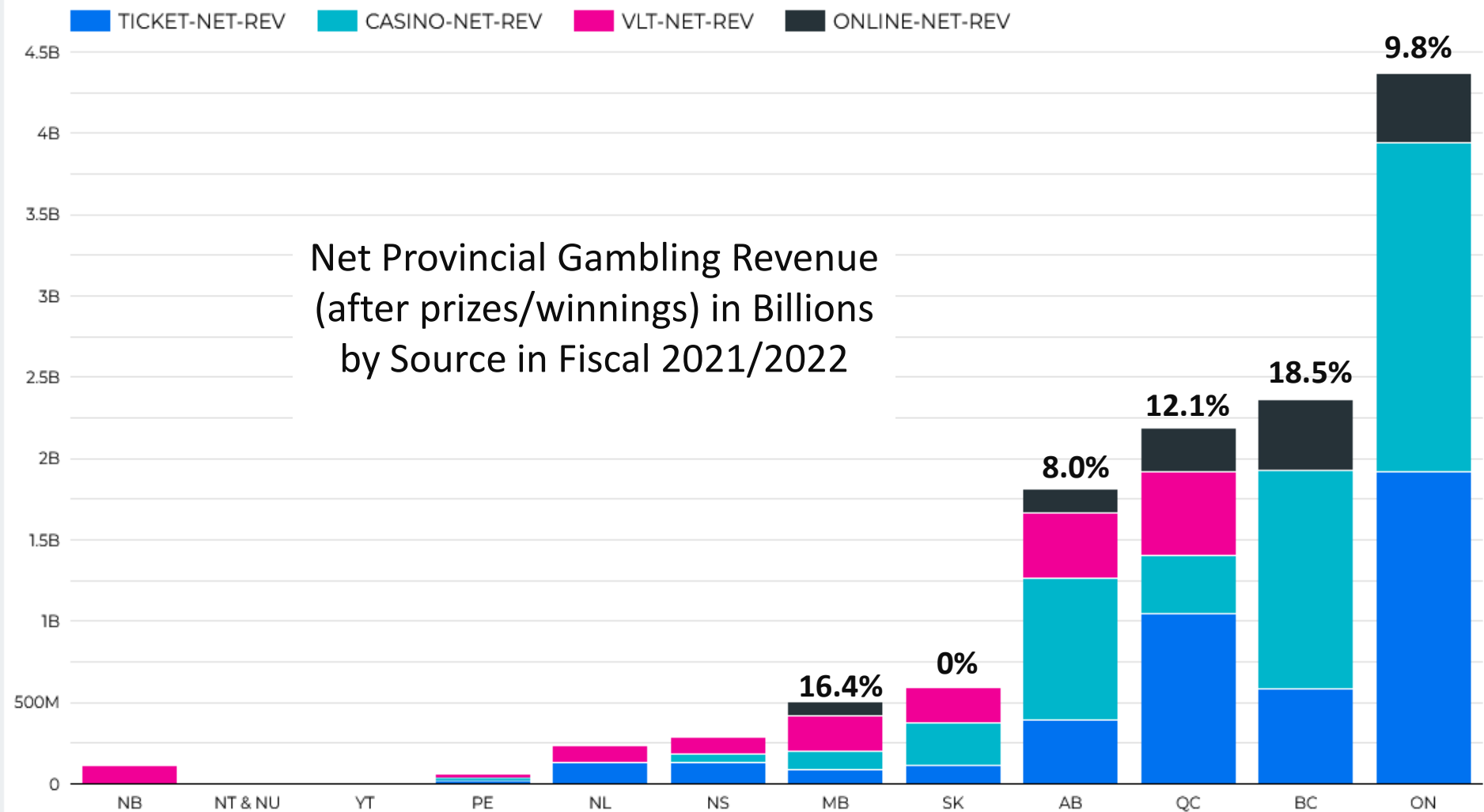
Net Provincial Online Gambling Revenue
(after prizes/winnings) by Fiscal Year



Canadian Online Gambling

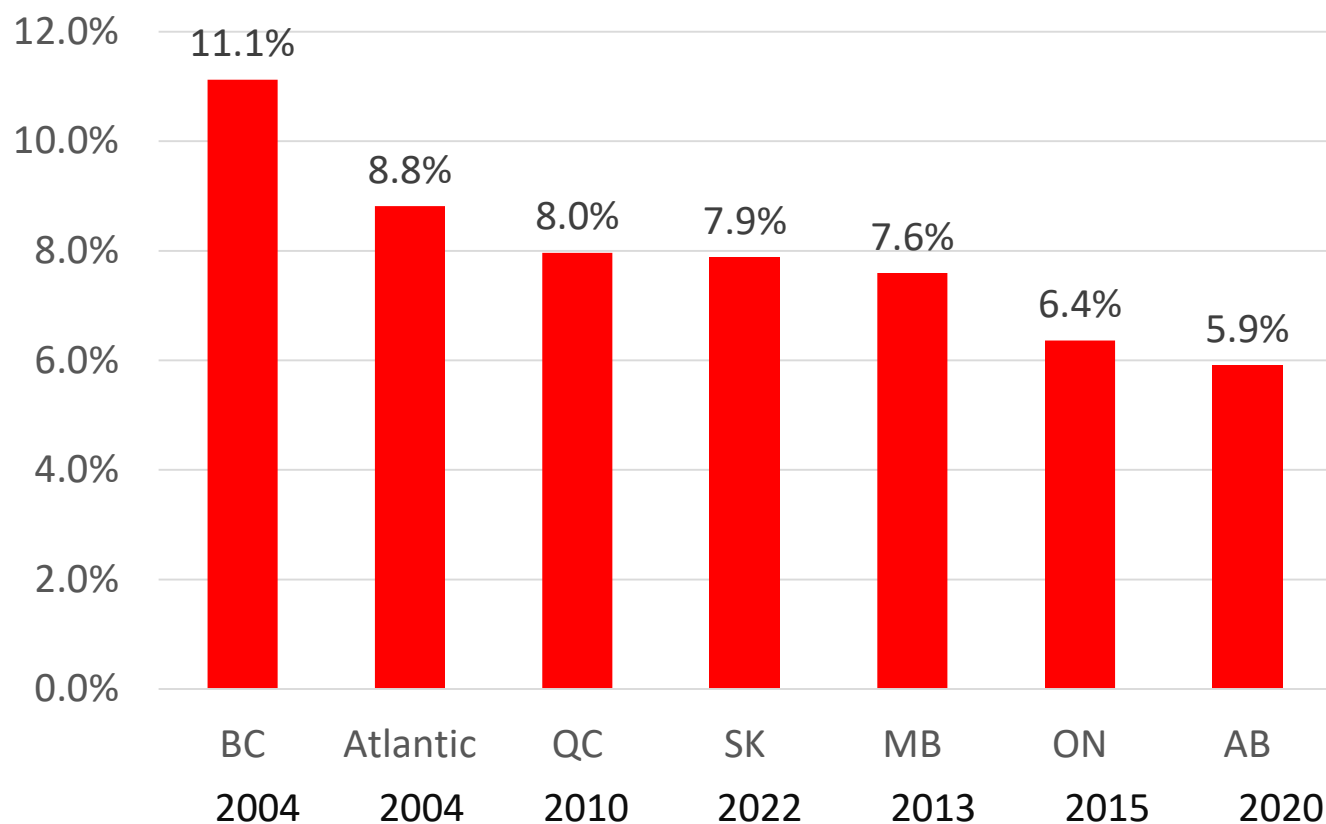


Canadian Online Gambling



Canadian Online Gambling

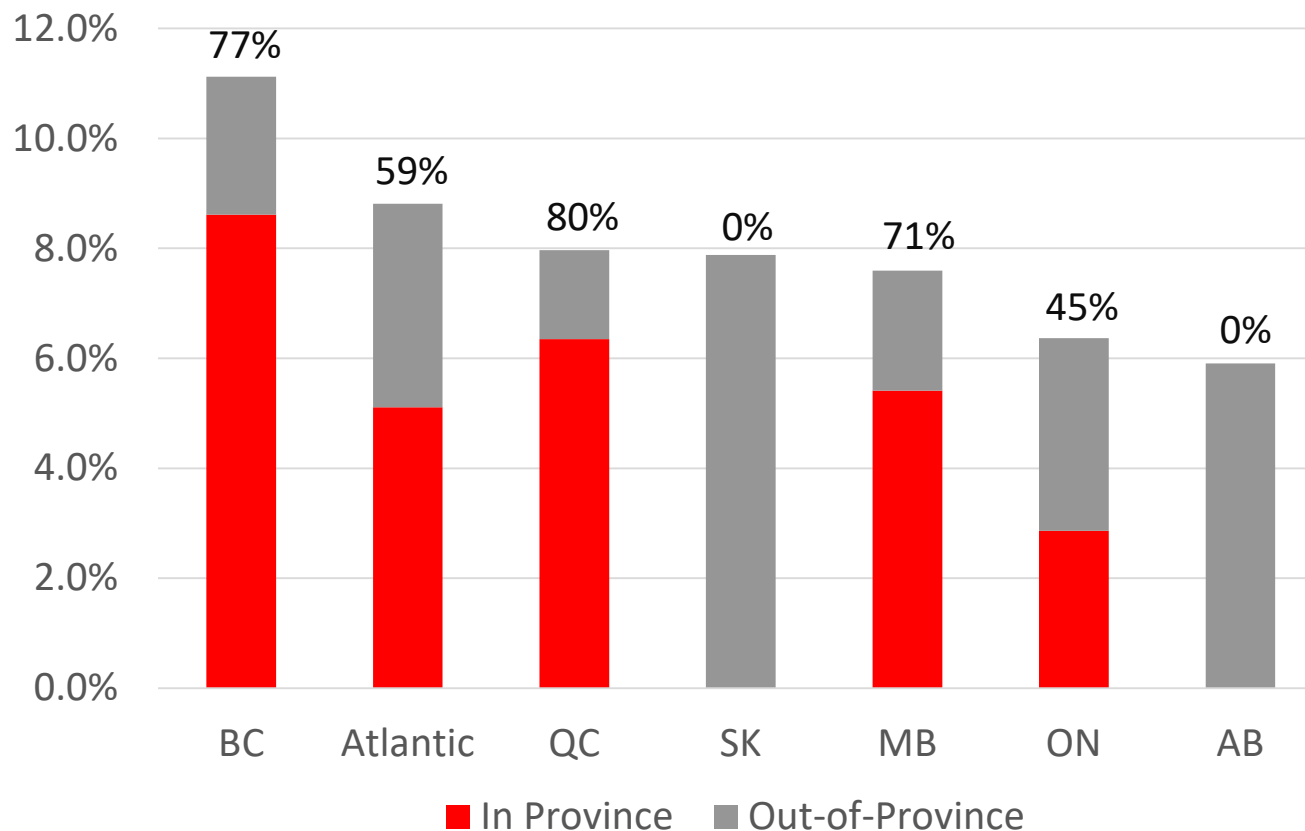
Provincial Adult (18+) Population Prevalence of
Online Gambling In 2018
(ANP; $n = 10,199$; weighted)



- Population participation in online gambling related to length of legal availability
- SK is only province that does not fit the pattern

Canadian Online Gambling

Portion of Online Gambling done on the Legal
Provincial Website in 2018
(ANP; $n = 10,199$; weighted)



'Regulatory capture'
increases with

- breadth of offerings (BC, QC, MB)
- cultural similarity (QC)
- length of legal availability

Canadian Online Gambling

Demographics of Canadian Online Gamblers in 2018 (ANP; $n = 10,199$; weighted)

| | Online Gamblers | Non-Online Gamblers |
|---------------------|-----------------|---------------------|
| % Male | 65.9% | 53.1% |
| Average age | 49.0 | 53.2 |
| Household income | \$75,512 | \$70,769 |
| % Bachelors degree+ | 25.2% | 20.9% |

Canadian Online Gambling

Gambling Patterns of Canadian Online Gamblers in 2018 (ANP; $n = 10,199$; weighted)

| | Online Gamblers | Non-Online Gamblers |
|-------------------------------|-----------------|---------------------|
| # Types in Past Year | 1.71 | 1.31 |
| Total Frequency Category | 7.01 | 5.08 |
| Average Monthly Hours | 28.41 | 13.55 |
| Median Monthly Expenditure | \$70.00 | \$48.00 |
| % Exclusively Online Gamblers | 19.5% | 0% |
| % At Risk + Problem Gamblers | 20.8% | 6.7% |

6.8% of online gamblers report paying exclusively by “digital or cryptocurrency (e.g., Bitcoin)”



Canadian Online Gambling

Questions?