

Backgrounder

2nd Annual National Gaming Monitor

Introduction

Canadian attitudes and values continue to evolve when it comes to the topic of gaming and its impact. Over the past several years, gaming has grown in terms of product offerings, economic benefits, responsible gaming programs, and government policy and regulation. Canadians actively participate in gaming and governments benefit from the revenue and spin-off economic impact that accompanies legalized gaming.

In 2006, the Canadian Gaming Association (CGA) initiated the first National Gaming Monitor. The Monitor is a national survey of Canadians which benchmarks values, attitudes and support for gaming in their communities, their provinces and the country. It measures attitudes and beliefs towards economic benefits, ownership, operator integrity, problem gaming, government regulation and expansion of facilities.

In this, the second year for the National Gaming Monitor, there is a clear consistency in the results. Year over year, the monitor will provide a solid benchmark to see how perceptions, attitudes and behaviours change concerning:

- Gambling and its place in society
- Participation in gambling activities
- Gambling as a form of entertainment
- The financial and social outcomes of gambling
- Examining problem gambling
- Addressing problem gambling

Methodology

This research consisted of a telephone survey administered to a random sample of Canadian households. More than 4,500 households were contacted, with a sample size of 1000 completed interviews. This represents a margin of error of +/- 3.1, 19 times out of 20. Data collection took place between February 13, 2007 and March 15, 2007. The research was managed and executed by PMG Consulting Ltd., a Waterloo, Ontario based market research and data intelligence company.

Summary of Key Findings

Throughout the course of this research, some key themes have emerged. Nearly half of all Canadians surveyed indicated that their main reason for gambling was enjoyment. When asked directly if they felt gambling was fun, over half of respondents agreed.

It is clear the majority of Canadians gamble. They do so because they enjoy it, and do so responsibly. Over three quarters of those surveyed reported that they either always or often go to a gaming facility with a pre-determined amount of money that they are willing to spend strictly for gaming purposes, and that they stick to the budget.

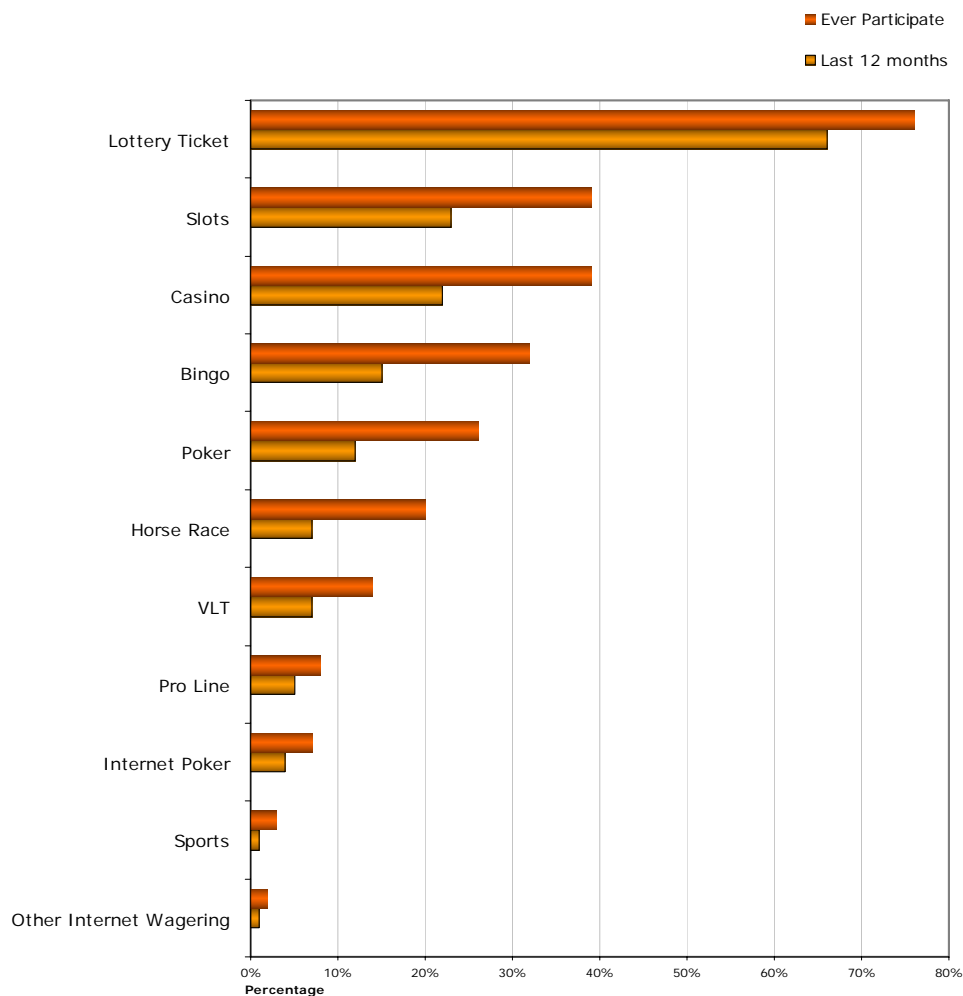
Another significant finding concerns the perceived lack of industry investment into programs that address problem gambling. The Canadian gaming industry overall invests more money into helping problem gamblers through contributions to governments and charities than any other jurisdiction in the world (\$90 million annually). The results of this research however, indicate that in general Canadians are not aware of this investment.

When asked if they believe enough is being done by the Canadian government to address problem gambling, more than two-thirds of respondents indicated that they believed more could be done. When asked whether they believed that Canada spends more than any other country in the world to address problem gambling, very few respondents indicated that they believe this to be true. An opportunity exists here for the Canadian gaming industry to improve the country's awareness of the investments that they have made, and are currently making, in addressing the issue of problem gambling.

Breakdown of Key Findings

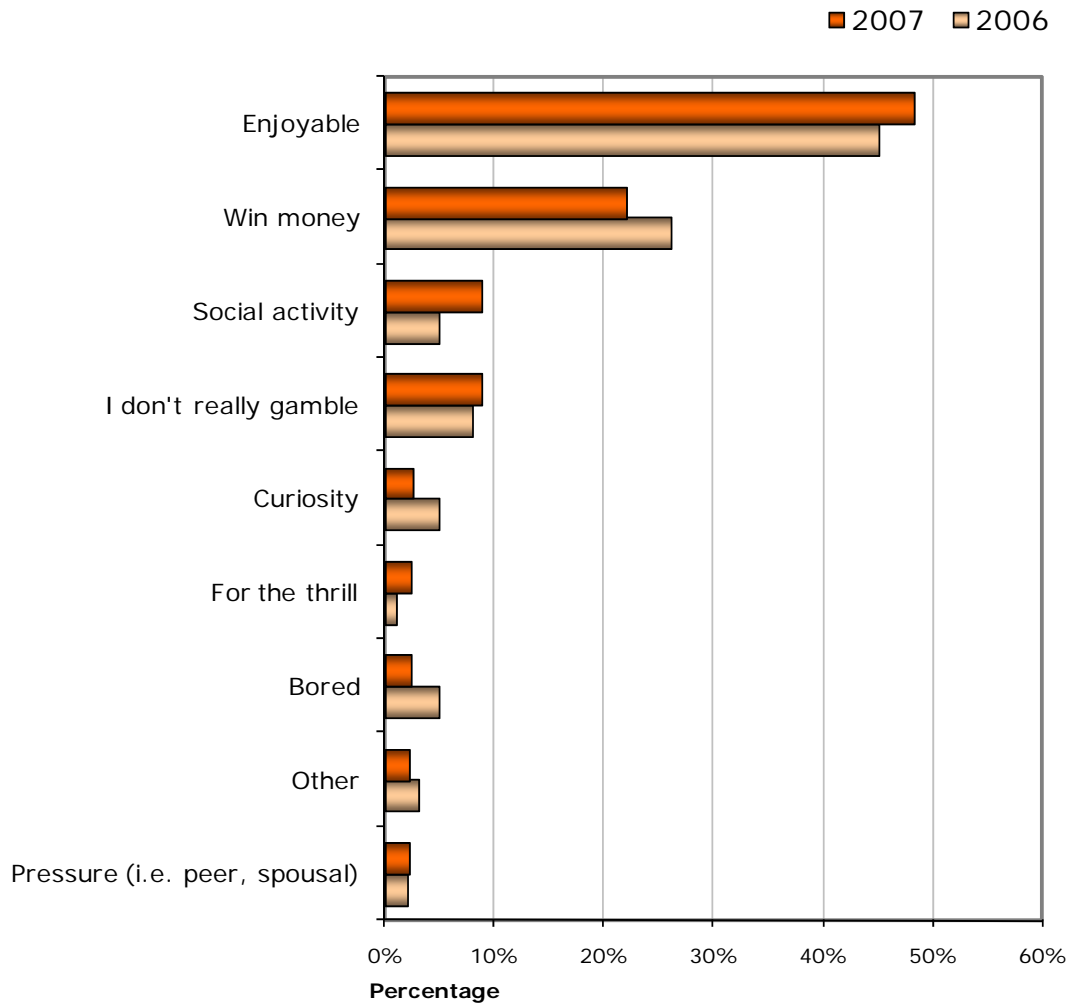
Canadians actively participate in gaming – Over three quarters of Canadians surveyed have purchased a lottery ticket at some point and more than one-third have played the slots and more than 1/5th have gambled in a casino within the past 12 months. Nine % of respondents indicated they have never gambled. Of those, 32 % say they don't gamble because they feel it is against their moral or religious values, and 31 % say it is because it is not appealing to them.

Participation in gambling activities



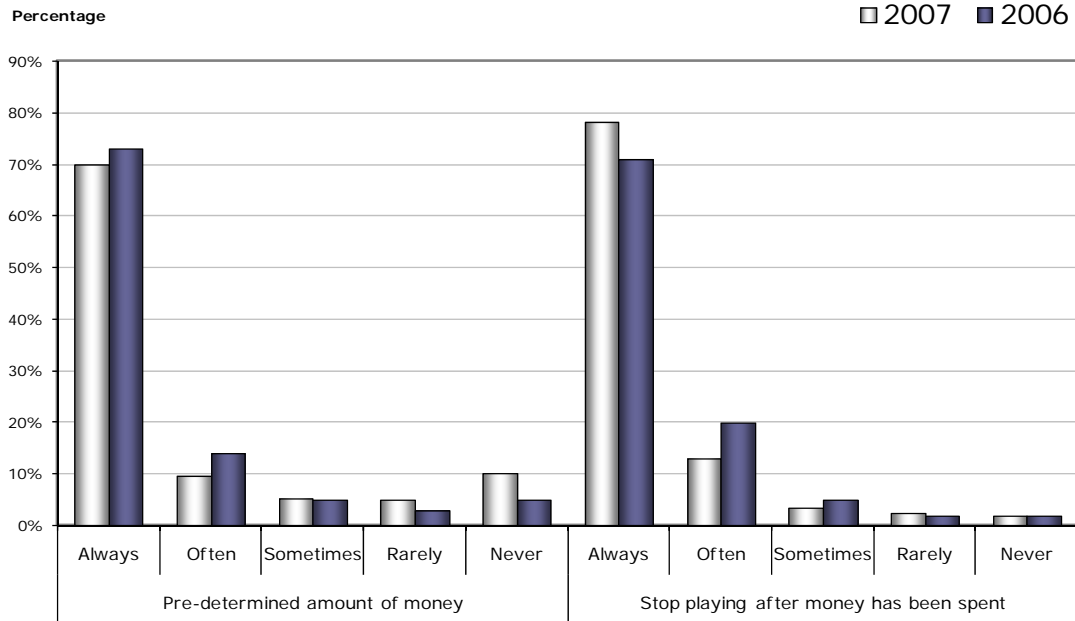
Most Canadians gamble because it is an enjoyable activity. In fact, 48% of Canadians gave this as their primary reason for gambling. Only a quarter (22%) indicate that the reason they gamble is to win money. Another 9% said that they gamble because they consider it is a social activity.

"I participate in gambling because ..." (Unaided response)



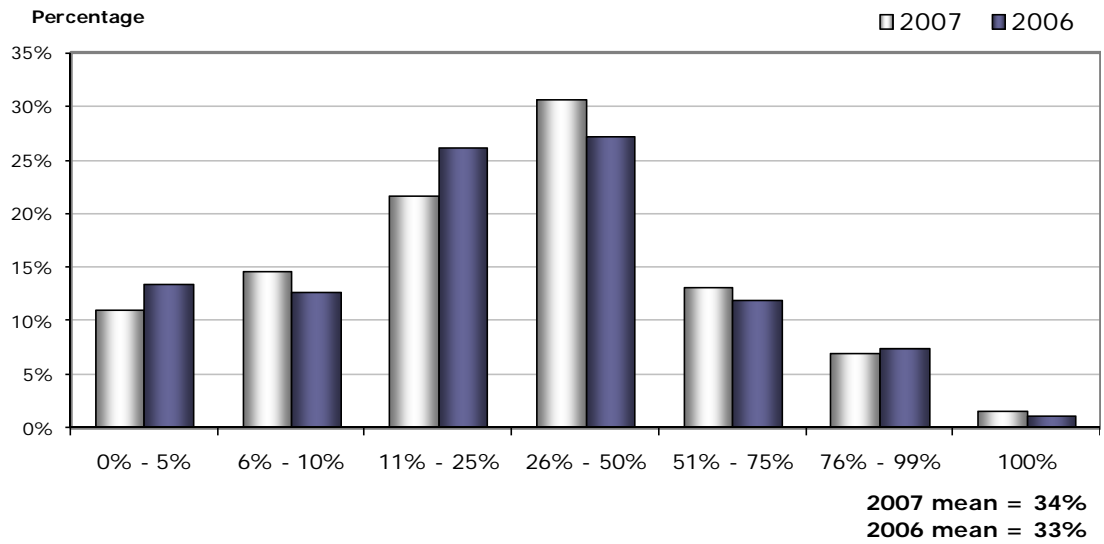
Most Canadians gamble responsibly. The majority of Canadians manage their gaming budget in a thoughtful, responsible manner. Over three quarters of those surveyed reported that they either always or often go to a gambling facility with a pre-determined amount of money that they are willing to spend strictly for gambling purposes. Those that do go with a predetermined budget also indicate that they always or almost always stop gambling after their money has been spent. These findings have remained consistent from those taken in 2006.

Canadians are responsible gamblers



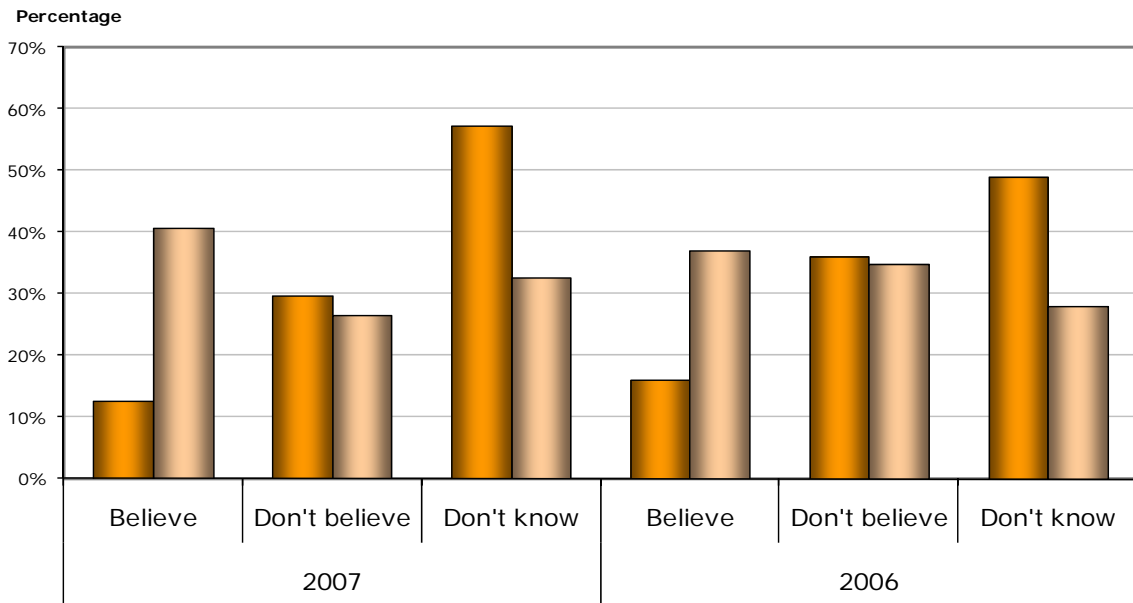
Canadians over-estimate the extent of problem gambling in Canada. While independent research (most recently – Canadian Gambling Digest 2004-2005) consistently records problem gambling rates across Canada as being between half of one-% to 1.5 %, Canadians mistakenly believe that roughly one-third of participants are problem gamblers.

Respondents who believe the statement “most who gamble have a gambling problem”



Canadians underestimate the industry's commitment to problem gambling. The study also confirmed that few Canadians are aware of the commitment the gaming industry makes in addressing problem gaming. Canada (and Ontario alone) currently spends more than any other jurisdiction in the world to address problem gambling (\$90 million annually). However, when asked, few believe this fact. Few also believe the actual facts about problem gambling. Less than half believe that people are between three to five times more likely to develop a drinking problem than they are to develop a gambling problem.

Communicating the message

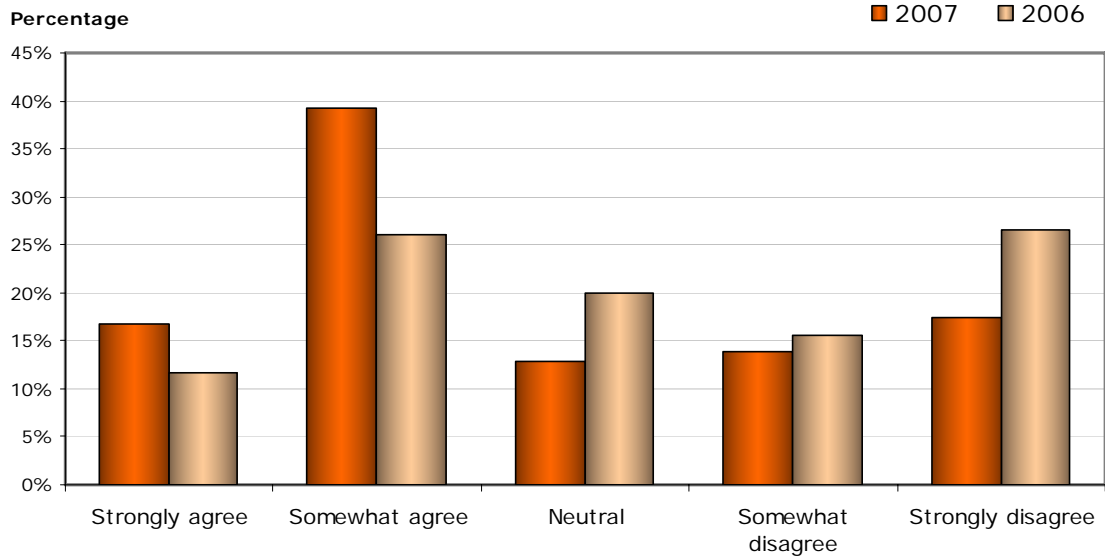


■ Canada spends more than any other country in the world to address problem gambling.

■ People are between three to five times more likely to develop a drinking problem than they are to develop a gambling problem.

Canadians have increased their understanding of the role of legal gaming revenues. Compared with 2006, there was an increase in the number of Canadians who understand that revenue generated from legal gaming contributes positively to the economy. In 2006, 38 % agreed that gambling revenues made a positive contribution, while in 2007 that number increased to 56 %.

Level of agreement with statement "Revenues generated from legal gambling contribute positively to the economy."



The full research study will be presented in Toronto at the Canadian Gaming Summit from April 25-27, and the study highlights will be available on the CGA's website at www.canadiangaming.ca.