

# Lower the Stakes



*A Public Health Approach to Gambling  
in British Columbia*

# Why a Report About Gambling?

- In 1985, provincial governments in Canada were given exclusive rights by the federal government to conduct and manage legalized gambling in their jurisdictions. This authority allows expansion of gambling availability.
- This arrangement provides government revenue and minimizes the role of organized crime in gambling. But, it creates a recognized conflict of interest between the needs for revenue generation and responsibilities for health and safety.
- The majority of gamblers engage in legalized gambling as a harmless form of entertainment, but a small minority experience severe and persistent problems related to their gambling.
- Government policies and programs can influence rates of both gambling and problem gambling through availability and type of gambling introduced and/or expanded.

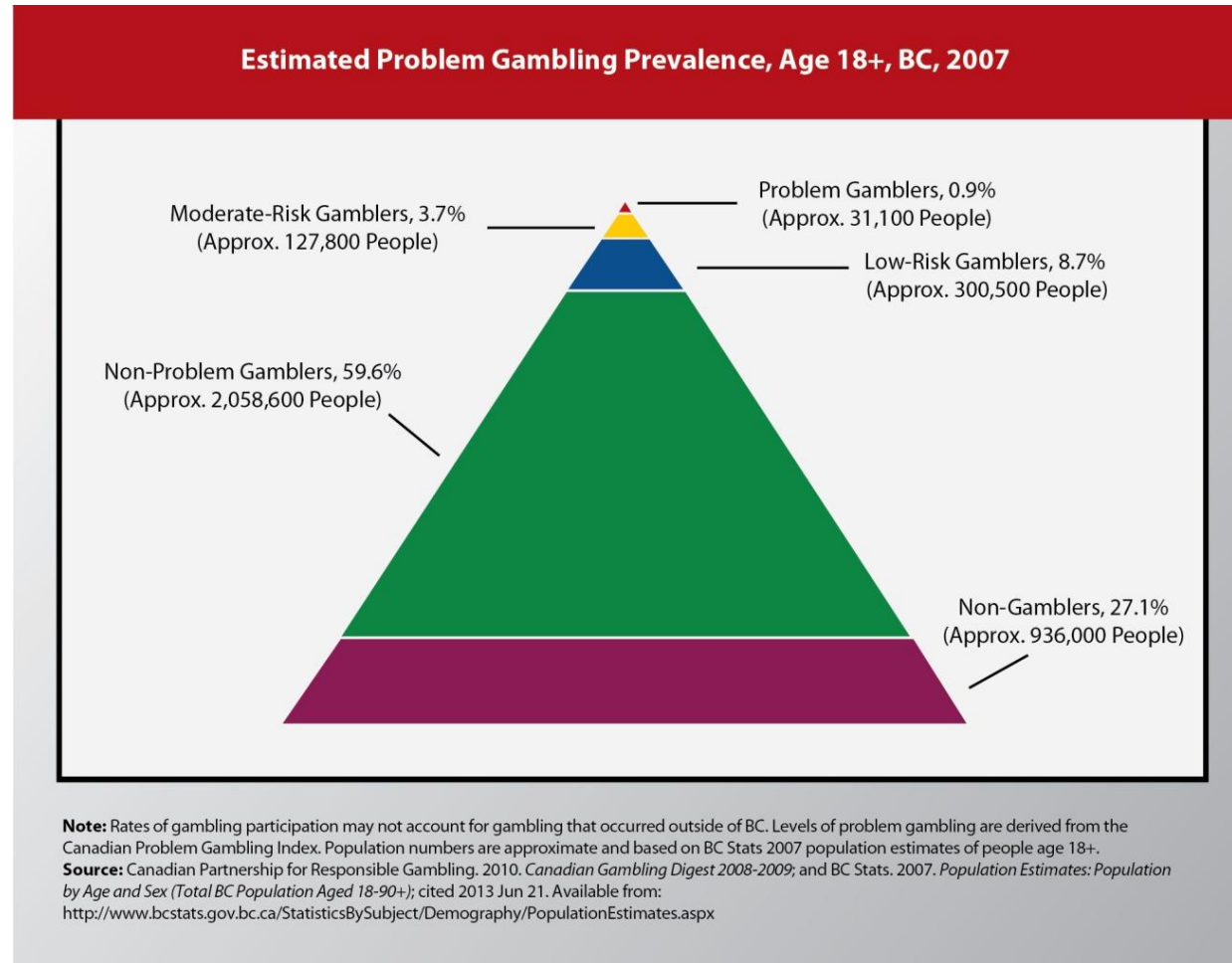
# Profile of Gambling Behaviour in BC

(Results of BC Problem Gambling Prevalence Study, 2007)

- 38% of British Columbians reported first gambling for money before their 19<sup>th</sup> birthday. Another 20% first gambled by age 20.
- Those aged 55+ are more likely than all other age groups to gamble on a weekly basis.
- Males participate in weekly gambling more than females (33% vs. 26%).
- While most people gamble “because it’s fun” or to “socialize with friends or family” (58% and 53%), many also gamble “to win money” (38%).
- Lottery games are the favourite gambling activity in BC (32%), with slot machines being the second favourite (9%).
- Favourite gambling activities are in close proximity to most people, with 67% reporting that they travelled 0 to 5km to participate.

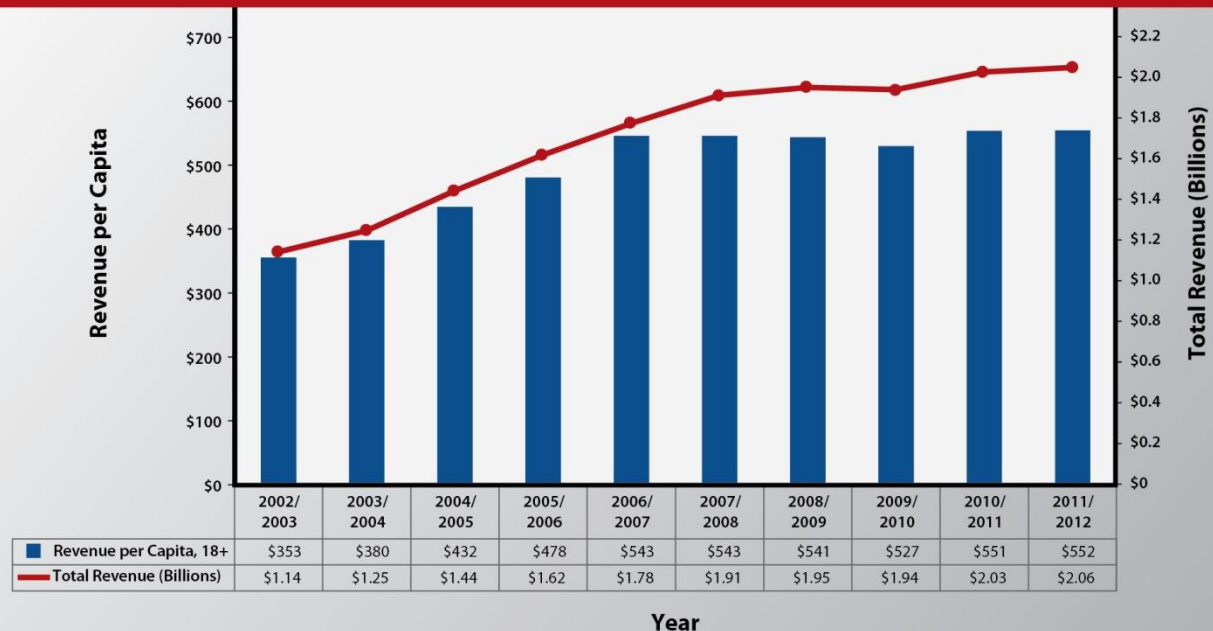
# Prevalence of Gambling Activities in BC

- Approximately 70% of British Columbians surveyed (age 18+) are considered *non-problem gamblers* or *low-risk gamblers*, and 27% said they do not gamble.
- Those experiencing the greatest problems with gambling include 3.7% that are *moderate-risk gamblers*, and 0.9% that are *problem gamblers*.



# Revenue from Gaming

Gaming Revenue per Capita, Age 18+, and Total Gaming Revenue, BC, 2002/2003 to 2011/2012



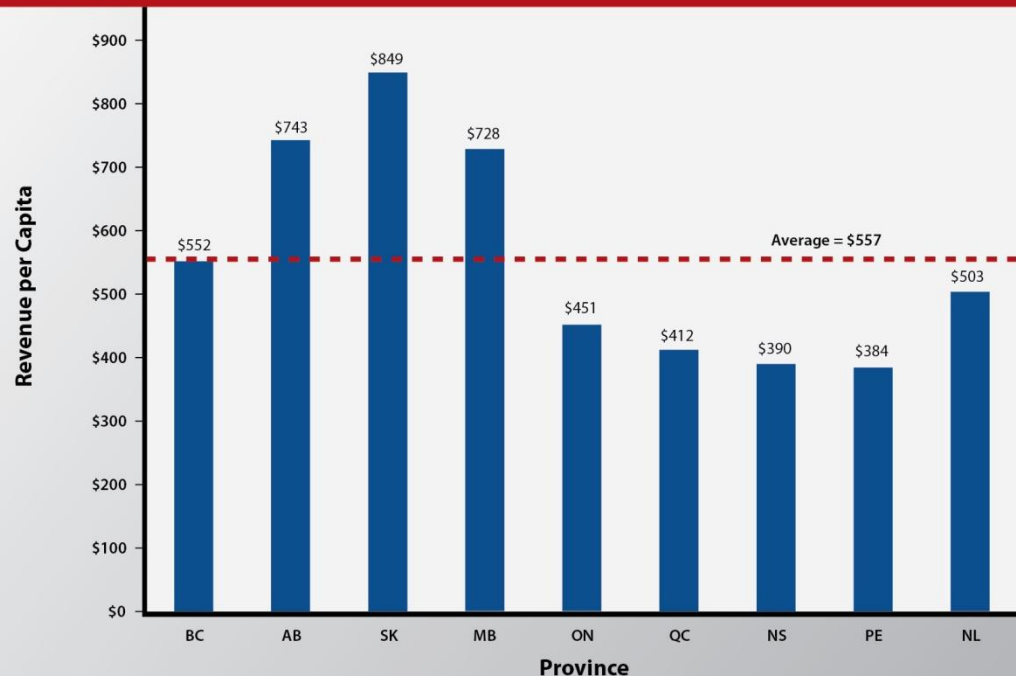
**Note:** Revenue is after prizes are paid and before expenses are deducted.

**Source:** Canadian Partnership for Responsible Gambling, 2004-2013. *Canadian Gambling Digest 2002-2003 to 2011-2012*. Data compiled by the Centre for Addictions Research of BC, 2013; prepared by Public Health Planning and Surveillance and the Office of the Provincial Health Officer, Ministry of Health, June 2013.

- In the last decade, total gaming revenue for the BC government increased substantially, from about \$1.1 Billion to \$2.1 Billion.
- Revenue per capita from gaming also increased 56%, from \$353 to \$552 per capita age 18+.

# Comparison of Revenue

Gaming Revenue per Capita, Age 18+, by Province, Canada, 2011/2012



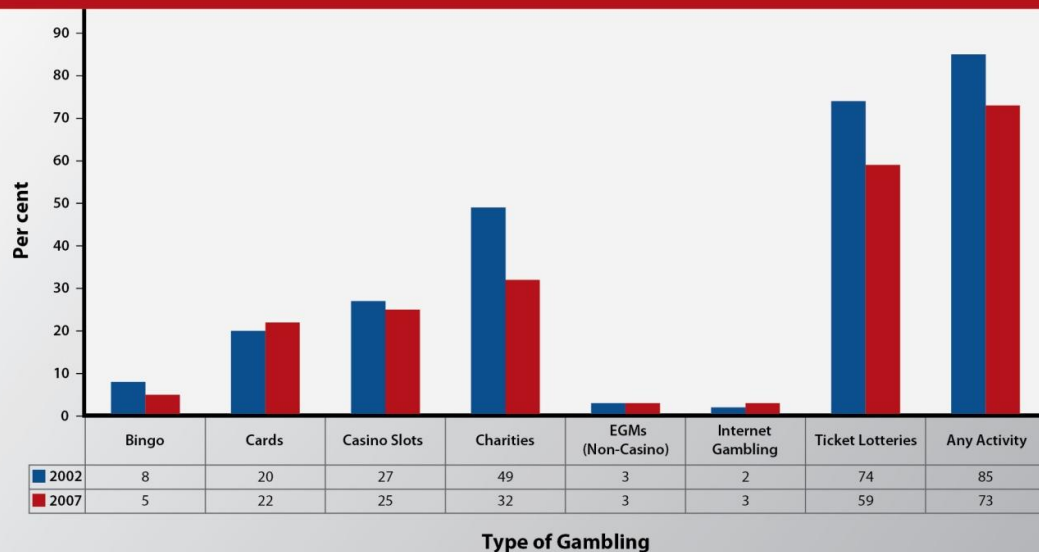
**Note:** No data were available for New Brunswick. Revenue is after prizes are paid and before expenses are deducted.

**Source:** Canadian Partnership for Responsible Gambling. 2013. *Canadian Gambling Digest 2011-2012*. Prepared by Public Health Planning and Surveillance and the Office of the Provincial Health Officer, Ministry of Health, June 2013.

- The amount per capita that provincial governments earn from gaming revenue varies by province.
- With revenue of \$552 per capita age 18+, BC was very close to the average of \$557 in 2010/2011.

# Gambling Participation

Percentage of Population Reporting Past Year Gambling Participation,  
Age 18+, by Type, BC, 2002 and 2007



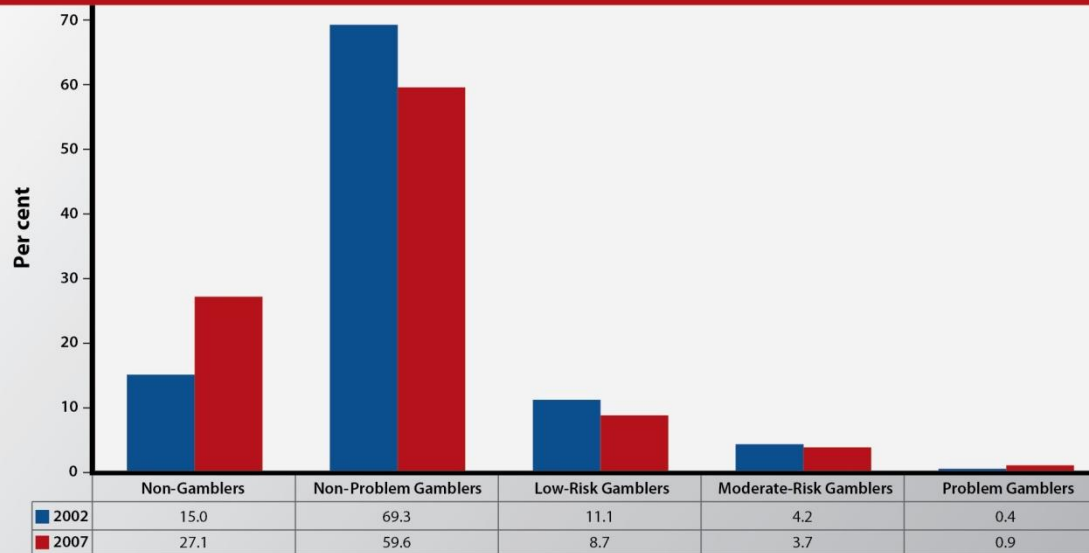
**Note:** EGMs = electronic gaming machines. Since there were no legal EGMs outside of casinos in BC before 2005 (when the BCLC began placing slot machines in community gaming centres throughout the province), it can be presumed that gamblers reporting this type of play in 2002 were either playing out-of-province machines or illegal machines located in the province. For all types, the rates of gambling participation may not account for gambling that occurred outside of BC.

**Source:** Canadian Partnership for Responsible Gambling, 2004 and 2012. *Canadian Gambling Digest 2002-2003 and 2010-2011*. Data compiled by the Centre for Addictions Research of BC, 2013; prepared by Public Health Planning and Surveillance and the Office of the Provincial Health Officer, Ministry of Health, June 2013.

- From 2002 to 2007 there were decreases in all activities except for cards, internet gambling, and electronic gaming machines outside of casinos.
- Overall, participation in gambling activities (population age 18+) decreased.

# Types of Gamblers

Problem Gambling Prevalence, Age 18+, by Canadian Problem Gambling Index Level, BC, 2002 and 2007



CPGI Level

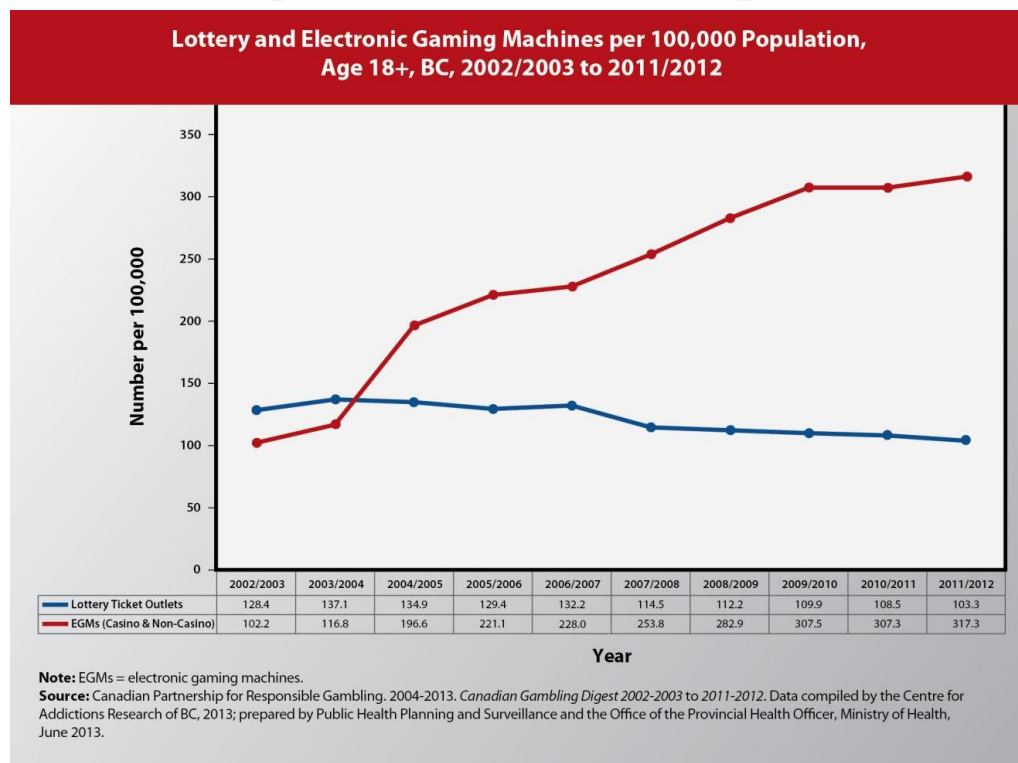
**Note:** The rates of gambling participation do not account for gambling that may have occurred outside of BC. The levels of problem gambling are derived from the Canadian Problem Gambling Index (CPGI). According to analyses completed by the Gaming Policy and Enforcement Branch, the increase in the estimate of problem gamblers and the decrease in the estimate of low-risk gamblers are statistically significant ( $p < .05$  and  $p < .01$ , respectively), from 2002 to 2007.

**Source:** Canadian Partnership for Responsible Gambling. 2004 and 2012. *Canadian Gambling Digest 2002-2003 and 2010-2011*. Data compiled by the Centre for Addictions Research of BC, 2013; prepared by Public Health Planning and Surveillance and the Office of the Provincial Health Officer, Ministry of Health, June 2013.

- Between 2002 and 2007, types of gamblers polarized somewhat in BC, with fewer *non-problem gamblers*, *low-risk gamblers* and *moderate-risk gamblers*, and more *non-gamblers* and *problem gamblers*.
- The percentage of *problem gamblers* more than doubled, increasing from 0.4% to 0.9%. This is an increase from nearly 13,000 to more than 31,000 problem gamblers in five years.

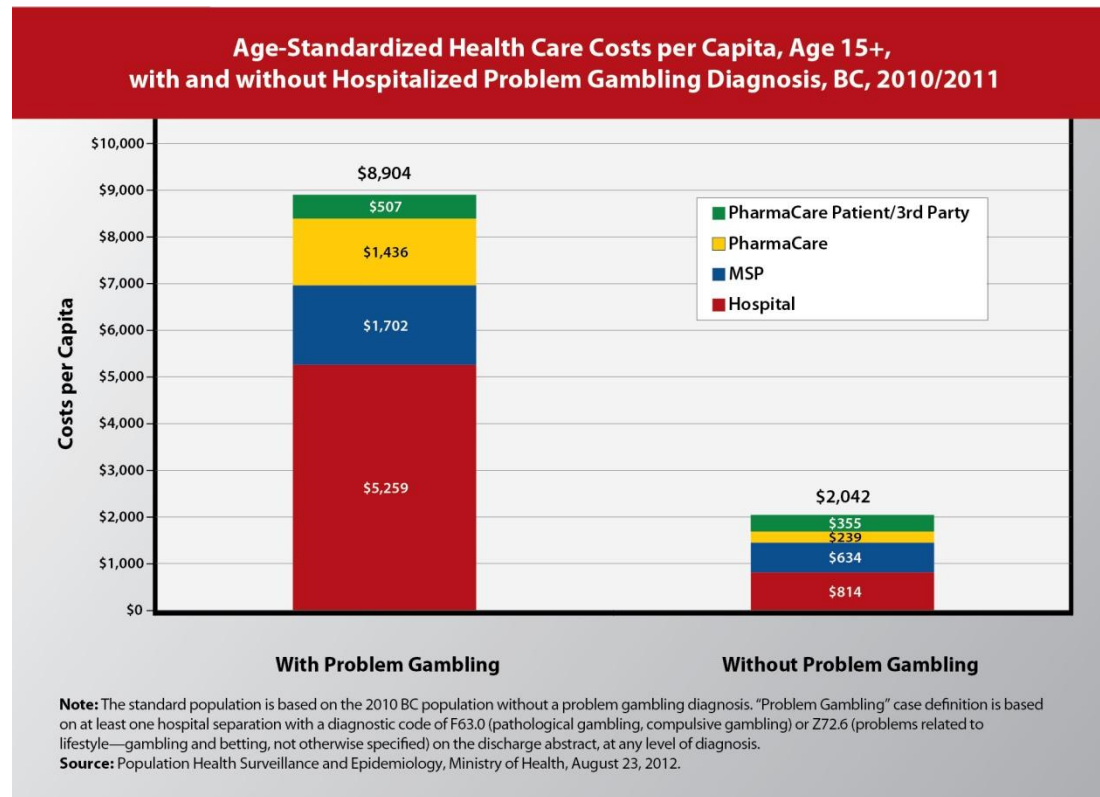


# Availability of Lottery and EGMs



- The number of Electronic Gaming Machines (EGMs) per 100,000 people increased by just over 210% in last decade. They accounted for 55.6% of government-operated gaming revenue in 2010/2011.
- Studies suggest that continuous forms of gambling (like EGMs) and forms with 24-hour access are more conducive to risky gambling.
- Others types of gaming decreased (per 100,000 people): ↓ 19.5% lottery ticket outlets, ↓ 17% permanent casinos, and ↓ 30% full-time bingo halls.

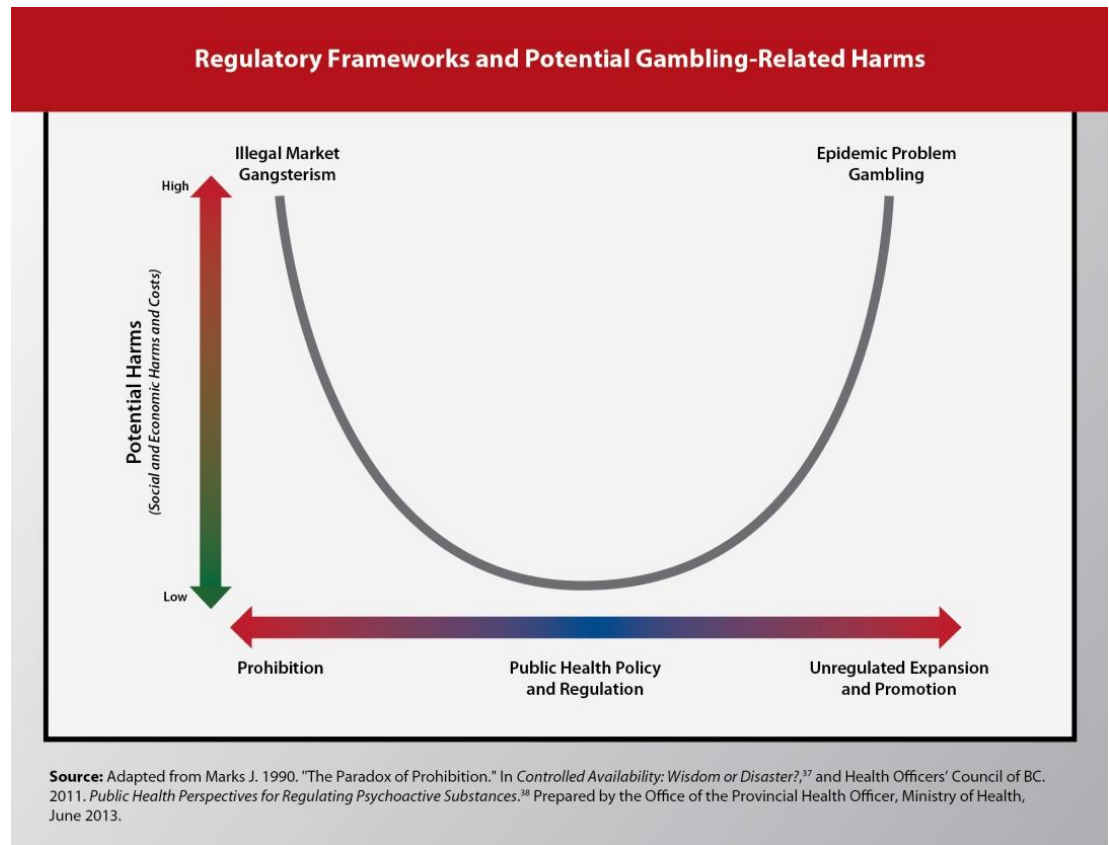
# Costs of Problem Gambling



- Estimated excess health care costs indicate that on average, individuals hospitalized with a problem gambling diagnosis on their discharge abstract incur over 4 times the medical-related expenses than patients not diagnosed with this condition.
- Age-standardized hospital co-morbidity rates and rate ratios show that problem gambling cases are significantly more likely to be hospitalized with conditions related to mental illness, problematic substance use, and other conditions.
- Many additional associated costs are non-monetary. However, BC does not regularly assemble data on the social and economic impacts of gambling.

# A Public Health Approach to Gambling

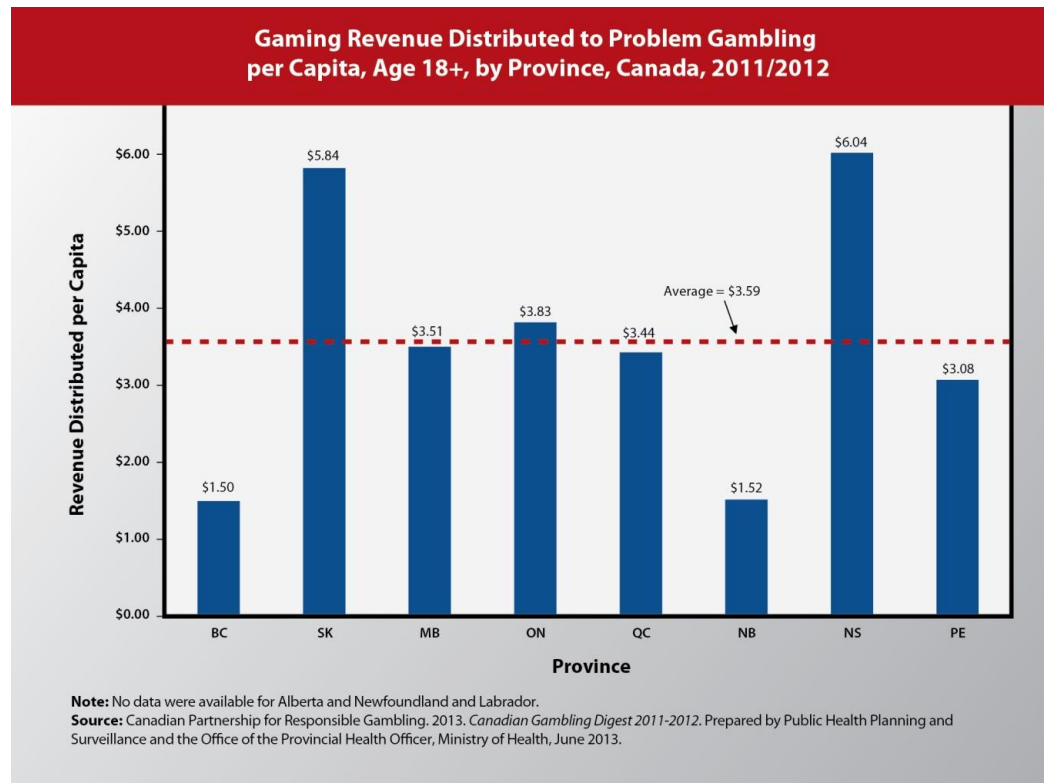
- This approach enables examination of the health, social, and economic dimensions of problem gambling, and pursuit of strategies that balance the potential benefits and harms.
- Incorporates 4 themes: preventive interventions, health promotion, health protection, and assessment and surveillance.
- Considers public health issues. (E.g., youth and underage gambling, impacts of gambling on socio-economic and health inequity, impact on quality of life.)



# Prevention Initiatives and Treatment Programs in BC

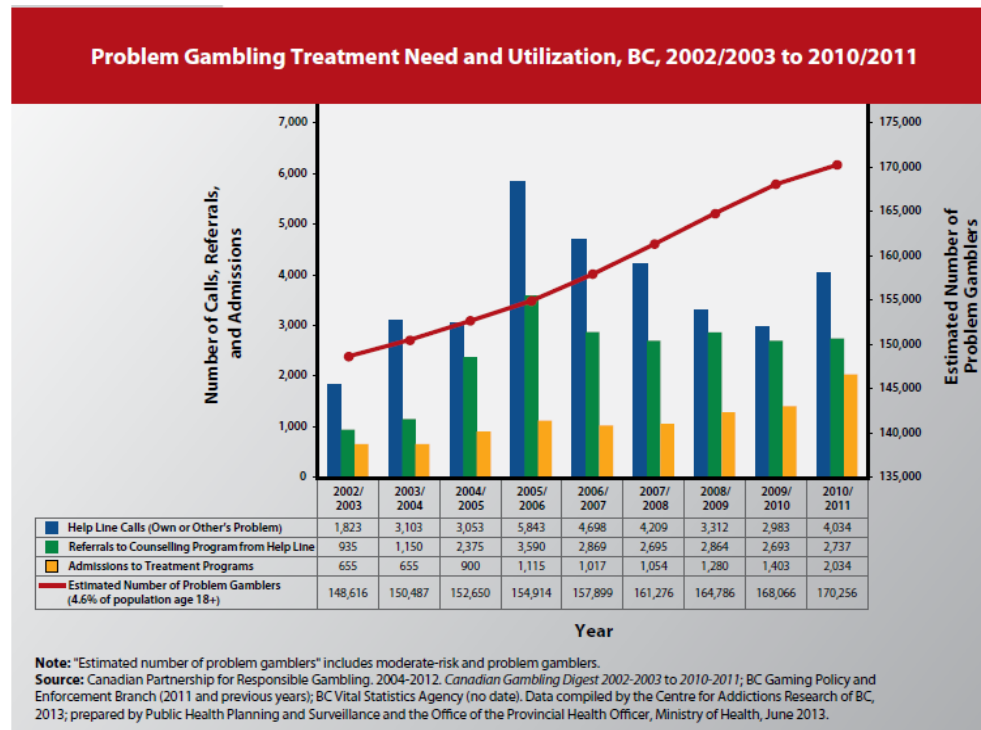
- Some current problem gambling initiatives and programs in BC include:
  - In-school problem gambling prevention programs (e.g., the Gam\_iQ program);
  - Public information and awareness campaigns;
  - On-site prevention staff and responsible gambling information centres;
  - Community-based presentations and training sessions;
  - The Problem Gambling Help Line and the Voluntary Self-Exclusion Program;
  - A government-imposed maximum loss limit of \$10,000 per week on the *Playnow.com* website.
- Some initiatives are also underway to help better understand problem gambling:
  - A 3<sup>rd</sup> (and more extensive) problem gambling prevalence survey is planned for 2013/2014; and
  - \$2 million grant to establish the BC Centre for Gambling Research at the University of British Columbia (expected to open later in 2013).

# Revenue Spent on Problem Gambling



- While BC has moderate to high levels of revenue from gaming, we spend the lowest amount (per capita age 18+) of gaming revenue on problem gambling (\$1.50) – less than half of the average (\$3.59).
- BC distributed approximately \$5.6 million to problem gambling treatment in 2011/2012 – this is 0.51% of government gaming revenue.

# Treatment Need and Utilization



- Some intervention initiatives for preventing and treating problem gambling are available in BC, but programs currently meet the needs of only a fraction of people with gambling problems.
- In 2010/2011 there were over 170,000 problem gamblers estimated in BC (4.6% of the population age 18+), but only 4,034 calls to the Problem Gambling Help Line and only 2,034 admissions to treatment programs.

# Lowering the Stakes in BC

- Policy and programming decisions have resulted in expanded gaming opportunities and revenue, and an associated increase in problem gambling behaviour. Related risk in BC is now increasing—moving us away from our traditionally lower-risk approach.
- Current policies of gaming expansion are taking more from a vulnerable population (i.e., 26% from problem gamblers) and directing those funds into general revenue to provide products and services for those who are less vulnerable (the general population).
- This is a public health issue, with substantial health, social, and economic impacts on citizens and communities in BC, and warrants a comprehensive response.
- This report provides **17 recommendations** to move forward in BC.

# ***Recommendations:***

## **Preventive Interventions**

1. The 2003 PHO report *An Ounce of Prevention* recommended the development and implementation of an evidence-based curriculum running from school entry to graduation as part of a comprehensive school health promotion process. It is recommended that the Ministries of Education, Finance, and Health work together to develop a consistent, province-wide approach to enhancing risk avoidance related to gambling among children and youth, with a special emphasis on youth in grades 10 to 12.



# ***Recommendations:***

## **Health Promotion**

2. Place signage on all electronic gaming machines in service in British Columbia conveying the risk-rating of that machine, so consumers can make informed point-of-play choices about the games they choose to play.
3. Improve the capacity of BC Lottery Corporation staff to actively identify and respond to problem gamblers in its venues, including community gaming centres. This could include using information from loyalty card programs to identify problem gamblers, giving training on proper and safe ways for facility staff to intervene, and providing incentives and performance monitoring to encourage staff members to proactively identify problem gamblers.
4. Implement a pilot project to test the efficacy of using brief interventions and motivational enhancement therapy within the Feedback Informed Treatment and Discovery treatment programs to treat low- and moderate-risk gamblers, and cognitive behavioural therapy to treat moderate- and high-risk gamblers. This includes conducting and publishing formal outcome evaluations of these programs.
5. Integrate and formally link problem gambling screening and treatment in the larger mental health and substance use treatment systems managed by the regional health authorities in BC.
6. Review all policies related to processing applications for changing gaming availability to ensure appropriate community engagement and self-determination.

# ***Recommendations:***

## **Health Protection**

7. Meaningfully involve public health stakeholders in decisions regarding the availability of gaming in BC. This could involve creating an advisory committee on gaming that must be consulted regarding all future decisions on the expansion of gaming or changes in gaming policy.
8. Require assessment of risk potential, including the percentage of revenue that will be generated from problem gamblers, before approving any expansion of gaming or introducing new gambling products.
9. Make all future decisions on the expansion of gaming or introduction of new gambling products contingent upon reducing the overall percentage of revenue derived from problem gamblers.
10. Reduce the availability of high-risk electronic gaming machines (EGMs) and high-risk gambling offerings on the *PlayNow.com* website. This could involve replacing high-risk EGMs with lower-risk variants or reducing the overall number of EGMs in service.
11. Restrict or reduce access to alcohol in gaming facilities. This could involve reducing the physical availability of alcohol (e.g., reducing hours of service) and reducing the economic availability (e.g., raising prices).
12. Restrict or reduce access to money in gaming facilities. This could involve mandating player pre-commitment, and prohibiting automated teller machines (ATMs).
13. Allocate at least 1.5 per cent of gaming revenue to responsible and problem gambling initiatives, with set amounts earmarked for prevention, health promotion, and treatment initiatives that meet evidence criteria. This includes monitoring programs and implementing policies that increase the effectiveness of responsible and problem gambling programs.

# ***Recommendations:***

## **Assessment and Surveillance**

14. Develop and implement a comprehensive monitoring system to routinely and systematically track the economic and social impacts of gambling. At a minimum, this would need to include impacts on the health and quality of life of the population as a whole and on that of vulnerable populations, with attention to health equity concerns.
15. Collect and monitor data to assist local governments and communities to make evidence-based decisions about hosting and/or expanding gaming facilities. This includes (but is not limited to) establishing reliable estimates of the potential revenue derived from local citizens' gambling compared to tourists' gambling, and determination of an optimal blend of gaming revenue derived from local residents and tourists.
16. Engage public health and gambling researchers in developing an evidence-based strategy for BC, funded by the holdbacks from the Voluntary Self-Exclusion Program. The newly created Centre for Gambling Research at the University of British Columbia could provide expert counsel to the government on gambling-related matters and help promote the emergence of a comprehensive, public health-informed approach to gambling policy in BC.
17. Establish and maintain a stable source of funding to support ongoing gambling-related research and evaluation in BC.

# Conclusions

- Gambling will always involve a risk of harm. The recommendations made in this report are aimed at maintaining the benefits while reducing harms to vulnerable groups.
- Prevention requires building resilience and preventing new cases of problem gambling. Health promotion involves creating environments that discourage unhealthy choices and behaviours. Health protection initiatives should focus on restricting availability of more harmful forms of gambling, and providing adequate and appropriate services.
- Overall, BC should allocate a higher and more consistent percentage of gaming revenue to gambling-related prevention, health promotion, and treatment initiatives, and should focus on embedding effective or promising practices in these services.
- Adopting these recommendations may result in some inconveniences for non-problem gamblers and/or some decrease in revenue. These effects are expected to be offset by reductions in problem gambling and related social and economic consequences.





# Questions?

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