
HOSTING A GAMBLING FACILITY

A Local Government Information Package
on the Public Health Risks of Gambling



Ministry of
Attorney General
|
Ministry of
Health



**CENTRE for
GAMBLING
RESEARCH
at UBC**

KEY FACTS FOR LOCAL GOVERNMENT DECISION MAKERS

WHAT IS THE PURPOSE OF THIS DOCUMENT?

The purpose of this document is to ensure that local governments are better informed about the risks associated with problem gambling, the programs and strategies in place to minimize harm, and additional steps local governments can take to mitigate risks. This page of Key Facts is meant to highlight some key considerations for local government decision makers. These considerations are discussed in more detail throughout the document.

WHAT IS THE SCOPE OF PROBLEM GAMBLING IN B.C.?

In 2014, 0.7% of adult British Columbians were classified as problem gamblers with a further 2.6% considered moderate-risk gamblers. This represents an estimated 125,000 people province-wide who are experiencing some negative consequences as a result of gambling. *(see page 6 for more info)*

HOW MUCH REVENUE COMES FROM PROBLEM GAMBLERS?

While research on this topic is limited, it appears that proportion of revenue derived from problem gamblers is higher than the prevalence of problem gamblers. This means that problem gamblers are disproportionately responsible for gambling revenues. *(see page 7 for more info)*

WHAT FACTORS IMPACT PROBLEM GAMBLING?

Problem gambling is a complex disorder, influenced by interactions between various biological, psychological and social factors. Two factors that can be influenced by local government decisions are:

- **Game type** - There is risk associated with every game in a gambling facility. However, some game characteristics have been found to increase risk. In particular, slot machines or Electronic Gaming Machines with fast speed of play, losses disguised as wins, and/or artificial near wins are considered higher risk. *(see page 9 for more info)*
- **Liquor and Gambling** –The consumption of liquor while gambling can impair judgement and is linked to increased wagers and longer gambling sessions. *(see page 11 for more info)*

WHAT CAN A LOCAL GOVERNMENT DO?

There are a number of tools that local governments can use to help mitigate the negative health impacts from gambling expansion:

- **Local government decisions** – Local governments make or influence a number of decisions about gambling facilities that determine how a facility may impact public health in their community, such as the size of a facility and gambling floor, and hours of liquor service. Local governments can work with the British Columbia Lottery Corporation (BCLC) and gambling facility service providers to make the best decisions for their community.
- **Slot machine limits** - Under the Gaming Control Regulation, local governments can place a limit on the number of slot machines, limiting the number of high risk games in a gambling facility.
- **Public health community** – Local governments may wish to seek input from the public health community, including their respective medical health officers.
- **Health Impact Assessments (HIA)** – HIAs can help evaluate the potential health effects of a gambling facility on a community. An HIA provides recommendations to increase positive health effects and minimize negative health effects as well as recommendations on how to monitor and manage those effects. BCLC and medical health officers can help local governments undertake an HIA to understand and minimize negative health impacts.
- **Social Contracts** – Local governments can establish social contracts with the gambling facility service providers. For example, the City of Vancouver used the land title process to establish responsible gambling requirements in several areas, including alcohol service, ATM availability and responsible gambling messaging. *(see page 14 for more info)*

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INTRODUCTION

Hosting a gambling facility can be a major decision for local governments – there are both opportunities and challenges to consider. A local government considering whether to host a gambling facility may wish to look at a number of factors, including: economic, social, public health, urban planning, security, environmental, and fiscal considerations. This document focuses on one factor, the public health risks associated with gambling.

Local governments also play a key role in gambling in B.C. by hosting gambling facilities.

The Gaming Policy and Enforcement Branch (GPEB), the British Columbia Lottery Corporation (BCLC), B.C.'s Ministry of Health, and the Centre for Gambling Research at UBC have all reviewed and contributed to this document.

Local governments also play a key role in gambling in B.C. by hosting gambling facilities. To ensure that adequate input has been sought before a gambling facility is built or relocated, B.C.'s *Gaming Control Act* requires that a host local government (HLG) carry out

the following consultations before providing approval to BCLC to build or relocate the facility:

- Seek and consider input from within the HLG's community.
- Consult with any other local governments within five kilometres of the proposed gambling facility on infrastructure or policing costs and traffic and highway use.

In 2013, the B.C. Provincial Health Officer (PHO) released *Lower the Stakes*, a report that examined gambling in B.C. and recommended strategies to minimize the negative effects of gambling on public health. In February 2015, the B.C. Government published *A Plan for Public Health and Gambling in BC*, the product of collaborative work undertaken by a cross-ministry working group with representation from the Ministry of Finance, Ministry of Health, Ministry of Education, and BCLC. The Plan included 21 commitments aimed at contributing to delivering gambling entertainment in a socially responsible way. One of the 21 commitments in the 2015 Plan was to:

“... develop a standardized package of information outlining the public health risks of gambling...to assist decision makers in their analysis of gaming expansion and ensure that they have a full understanding of the risks and benefits of expanding gambling in their communities.”

The purpose of this document is to fulfill that government commitment and provide information to local governments so they can be better informed about the health risks associated with gambling. This document also introduces measures that can be put in place to mitigate those risks if the local government decides to support a gambling facility in its community. The document focuses on four themes:

- Problem gambling prevalence;
- Revenue generated from problem gamblers;
- High-risk games; and
- The availability of alcohol and the impact of alcohol on gambling.

This document is produced by GPEB. GPEB is responsible for maintaining the integrity of gambling in B.C., which includes delivery of the B.C. Responsible and Problem Gambling Program.

Because this document is focused on the public health risks of gambling, it should not be considered an exhaustive list of local government considerations. There are a number of considerations to becoming an HLG to a gambling facility, including the HLG payment and revenues, job creation, tourism considerations and other economic spinoffs. Under the Host Financial Assistance Agreement between the Province of British Columbia and each HLG, the Province pays 10 per cent of net gambling revenue from the gambling facility to the HLG. In the 2016/17 fiscal year, HLGs received a combined total of over \$96 million in payments. See [GPEB's website](#) for detailed information on HLG payments.

More information on the benefits of hosting a gambling facility, including examples of how local governments have used the HLG money, can be found in BCLC's [Community Impact Reports](#).

BCLC is responsible for the conduct and management of commercial gambling on behalf of the B.C. Government. This role includes regularly assessing the marketplace to ensure existing gambling facilities are meeting market demand. More information about the roles played by GPEB, BCLC, HLGs and gambling facility service providers can be found in Appendix A.

WHAT IS PROBLEM GAMBLING?

Problem gambling is known by the medical community as “gambling disorder”. There are various tools to screen for problem gamblers, including the Problem Gambling Severity Index and the Gamblers Anonymous questionnaires¹. Problem gamblers may be clinically assessed using the *Diagnostic and Statistical Manual of Mental Disorders* (DSM).

The current DSM, DSM-5, defines gambling disorder as a persistent and recurrent problematic gambling behaviour leading to clinically significant impairment or distress. A person is considered to have a gambling disorder if they exhibit four or more of the behaviours in the table below in a 12 month period:

DSM-5 Diagnostic Criteria: Gambling Disorder²

- | | |
|---|---|
| ■ Preoccupied with gambling | ■ Relies on others to provide money |
| ■ Gambling with increasing amounts of money | ■ Lies to conceal extent of gambling |
| ■ Repeated, unsuccessful attempts to control or stop gambling | ■ After losing money, often returns to get 'even' |
| ■ Restless or irritable when trying to control or stop gambling | ■ Gambling impacts relationships and jobs |
| ■ Gambles as a way of escape or to improve mood | |

WHAT ARE THE HEALTH IMPACTS OF PROBLEM GAMBLING?

For the majority of people who choose to gamble, it is an enjoyable form of entertainment. However, for some people gambling can be problematic and for a small percentage of people, gambling can become a serious problem with severe consequences for themselves, their families, and their communities.

It is also very common for problem gamblers to simultaneously experience other health-related issues. While cause and effect findings are limited, studies have shown problem gambling to be correlated with:

- other mental health disorders (e.g., depression, anxiety, personality disorders);
- poor general health;
- drug, alcohol, and nicotine dependence;

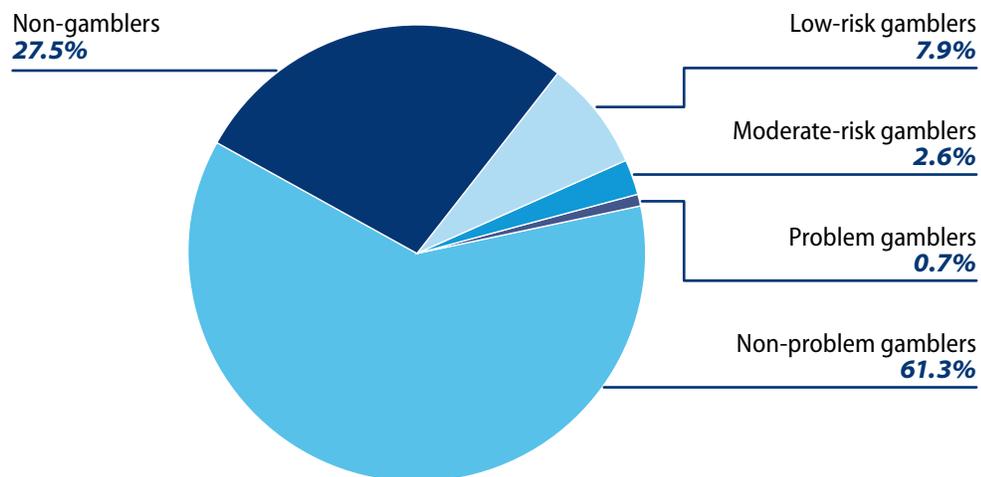
- personal debt and bankruptcy;
- legal troubles;
- reduced work productivity and job loss; and
- in extreme cases, suicide and involvement in criminal activities.³

HOW PREVALENT IS PROBLEM GAMBLING?

The B.C. Government periodically conducts a problem gambling prevalence study, led by GPEB, to measure adult participation in gambling and adult problem gambling in B.C. The most recent study from 2014 found that nearly three quarters (72.5%) of adult British Columbians gambled at least once in the past 12 months, with lottery being the most popular form of gambling.

The *2014 study* used the Canadian Problem Gambling Index to identify problem gamblers based on the number of identified negative consequences experienced as a result of gambling. The study found that 0.7% of adult British Columbians are problem gamblers with 2.6% moderate-risk gamblers.⁴ Overall, an estimated 125,000 British Columbians experience some negative consequences as a result of their gambling.⁵

Gambling and Problem Gambling Prevalence in British Columbia



Breakdown of British Columbian adults into non-gamblers, non-problem gamblers, at-risk gamblers and problem gamblers.

The B.C. prevalence study found that some groups are at higher risk of problem gambling:

- **Young adults** – Although young adults between the ages of 18 and 24 are the least likely age group to participate in gambling activities, they are the most likely to be problem gamblers.
- **People of Indigenous or South Asian Origins** – Individuals of First Nations, Inuit, or Métis origins and individuals of South Asian origins are more likely to be at risk for problem gambling than other ethnic groups.
- **Low-income individuals** - Although individuals with higher household incomes (above \$50,000) are more likely to participate in gambling, low income individuals (household income below \$30,000) are more likely to experience problem gambling than individuals in other income levels.⁶

The following table shows problem gambling prevalence among these high-risk groups in 2014:

Specific British Columbian adult groups	Percentage that are problem gamblers or moderate risk gamblers
Overall adult population	3.3%
Young adults	7.3%
Aboriginal origins	5.5%
South Asian origins	8.0%
Low-income	7.6%

Although the prevalence study broke down problem gambling by health region (Vancouver Coastal, Northern, Island, Interior and Fraser), no statistically significant difference was found between health regions.⁷ If a local government would like to know more about problem gambling prevalence in their region, BCLC and GPEB collect data from two programs that may be requested:

1. Voluntary Self-Exclusion Program

BCLC collects information from individuals participating in its Voluntary Self-Exclusion (VSE) program, a program where participants can exclude themselves from gambling activities to help them control their gambling behaviour. As of March 31, 2017, there were 9,565 people actively enrolled in the VSE program across B.C. Municipalities may engage BCLC to receive a high-level overview on the number of individuals that have enrolled in the VSE program in their jurisdiction. For the most recent VSE statistics please see BCLC's [Corporate Reports](#).

2. Responsible and Problem Gambling Program

GPEB collects information from individuals participating in its Responsible and Problem Gambling (RPG) program. Upon request from a local government, GPEB is able to provide the following data:

- The total number of phone calls received by the Problem Gambling Helpline over a specified time period (e.g., 2015) and the number of calls received that originated from a cluster of identified cities over that period. Note that these calls rely on the caller self-identifying their calling location.
- The total number of referrals from the Problem Gambling Helpline to counselling services provided to residents from a cluster of identified cities over a specified time period (e.g. by year). Note that a single call may result in multiple referrals and a referral does not necessarily result in the provision of counselling services.

More information on BCLC's VSE program and GPEB's Responsible and Problem Gambling Program can be found below under the heading "*What are some problem gambling interventions?*"

HOW MUCH REVENUE IS GENERATED FROM PROBLEM GAMBLERS?

Estimates of the proportion of revenue that comes from problem gamblers vary for a number of reasons, including the different screening tools used to identify problem gamblers and significant challenges in the methods used to collect data on the money spent on gambling. Based on a number of studies, it appears that the proportion of revenue derived from problem gamblers is higher than the prevalence of problem gamblers.^{8,9,10} For example, a study that used data from the 2002 B.C. Problem Gambling Prevalence Study found that problem gamblers in B.C. at that time made up only 4.6% of the adult population, but accounted for

over 26% of gambling expenditures (it should be noted that this study is not recent and does not reflect lower present day prevalence rates in B.C).¹⁷ Despite the difficulty in estimating the exact percentage of revenue coming from problem gamblers, research indicates that problem gamblers are disproportionately responsible for gambling revenues.

WHAT CONTRIBUTES TO PROBLEM GAMBLING?

Problem gambling is a complex disorder, influenced by interactions between various biological, psychological and social factors. A literature review identified several factors that may contribute to problem gambling. The following table outlines some of the most common factors relevant to potential HLGs.

Factor	Explanation
Availability of gambling	<p>There are generally two different perspectives on the relationship between availability of gambling and problem gambling. One suggests the introduction or expansion of a gambling facility leads to an increase in problem gambling.^{12,13,14} The theory is that if more people are exposed to gambling, more people may become problem gamblers.</p> <p>An alternative perspective suggests that despite an introduction or expansion of a gambling facility, over time, people tend to adapt and become accustomed to the presence of gambling opportunities. Although there may still be an initial increase in the number of problem gamblers, the magnitude of increase may be small and the number of problem gamblers will stabilize or drop over time. In part, this may occur because people in communities are already exposed to a number of gambling opportunities, such as lottery and online gambling, and may already have a gambling facility located nearby. In addition, many jurisdictions, including B.C., have mature responsible and problem gambling support programs that may reduce the risk.^{15,16}</p> <p>In July 2007, the B.C. Government released a study focusing on the impacts of gambling expansion in four lower mainland communities between 2004 and 2006:</p> <ul style="list-style-type: none"> ■ City of Vancouver – Edgewater Casino opened in February 2005 while three casinos closed between June 2004 and April 2005, resulting in an addition of 600 slot machines and a decrease of 35 table games; ■ City of Surrey – Fraser Downs Racetrack Casino re-opened in November 2004, increasing slot machines from 188 to 400 and table games from one to three; ■ City of Langley – New Cascades Casino opened in May 2005, adding 530 slots and 36 table games; and ■ Township of Langley – No gambling expansion within township. However, it surrounds City of Langley on three sides and is adjacent to Surrey.¹⁷ <p>Overall, the study found there was no statistically significant change in the rates of combined moderate and severe problem gambling over the four communities.¹⁸ However, the City of Langley, the only jurisdiction that added a new casino where no previous casino existed, experienced a statistically significant increase in the rate of moderate problem gamblers from 2004 to 2006 (2% to 5.4%).¹⁹</p>

Factor	Explanation
Gambling facility employment	Studies of gambling facility employees found increased rates of problem gambling in this group when compared to the general population. Some studies have found problem gambling rates three times higher for gambling facility workers than the general population. The research is unclear about whether this is a causal relationship, or whether high-risk individuals are more attracted to working in a gambling environment. ²⁰
Gambling facility operations	<p>Gambling facility operations help determine how individuals will interact with the gambling facility and its services and thereby affect risk. The following operational factors impact problem gambling and are discussed in more detail below:</p> <ul style="list-style-type: none"> ■ Availability of liquor; and ■ Availability of addictive games, such as Electronic Gambling Machines²⁷ <p>There are other operational factors that may impact problem gambling (e.g. gambling facility hours of operation); however, their impact on problem gambling is not as well understood. To ensure that responsible gambling policies are carefully considered and evidence based, local governments may wish to discuss potential problem gambling initiatives with their respective Medical Health Officers.</p>

WHAT ARE HIGH RISK GAMES?

There is a risk associated with every game in a gambling facility; however some forms of gambling are associated with greater harms than others, posing a higher risk to gamblers. Electronic Gaming Machines (EGMs) are interactive gambling games, including slot machines, which use randomized mathematical software to determine game outcomes. Evidence shows

Evidence shows EGMs are among the highest risk games due to a number of features, including fast speed of play and disguising losses as wins.

EGMs are among the highest risk games due to a number of features, including fast speed of play and disguising losses as wins. In many jurisdictions, EGMs are the most common preferred form of gambling among problem gamblers seeking treatment services.^{22, 23}

The speed of play can refer to two different intervals: the time interval between the bet and the outcome, and the time interval to play again. The shorter the time interval in either case, the more bets can be placed. EGMs present a higher risk because they provide an event every few seconds, which differs from other games such as table games, where play is slower. For example, the speed of play of a roulette table is slower because there is a break in play while the roulette ball spins. Players are able to wager an average of 630 times per hour on EGMs (this number is higher if a player uses the

stop button) compared to 50 times per hour on live table games such as roulette, blackjack or baccarat.²⁴ Fast-paced characteristics of EGMs increase risk over slower games.²⁵ Problem gamblers tend to have more gambling related problems with EGMs.

In modern gambling facilities such as the facilities in B.C., the slot machines are virtually all multi-line games. Multi-line slots allow for more than one winning combination for a prize payout. For example, instead of only paying a prize when three cherries are lined up in one horizontal line as is the case with a classic style slot machine, multi-line slots may award

multiple prizes based on multiple lines and multiple directions. This allows for a phenomenon known as a ‘loss disguised as a win’. With a loss disguised as a win, a payout is awarded that does not cover the initial wager, meaning the player loses money. However, this outcome is accompanied by the sensory feedback of winning (e.g., lights and sounds), providing individuals with a sense of winning, even if the “win” is less than the amount originally wagered.²⁶ Losses disguised as wins create an illusory higher win frequency by providing frequent small wins that do not cover the initial wager.

Multi-line Slot Machine

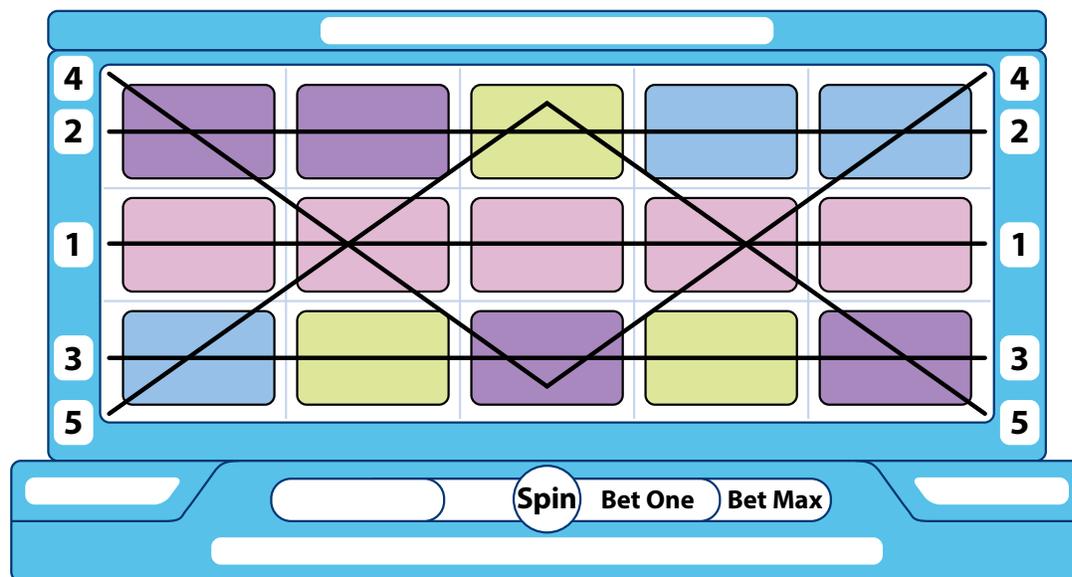


Figure 1: Multi-line Electronic Gaming Machines allow for more than one winning combination, in more than one direction. In this game there are five different winning combinations.

Although research suggests EGMs are among the highest risk games contributing to problem gambling due to features such as fast speed of play, at-risk and problem gamblers do not exclusively play EGMs and tend to participate in a wide range of gambling activities. The 2014 B.C. Problem Gambling Prevalence study found that the gambling activities described in the table below had the highest participation rates by at-risk and problem gamblers over the previous 12 month period.²⁷

Rank	Gambling Activity	% Participation in Past 12 months
1	Lottery games, Scratch & Wins, Keno or Pull-tabs	83.8 %
2	Charity Raffles	40.7 %
3	Private game such as cards, dice or dominoes in someone's home or at a club / organization	31.9 %
4	Gambling at a casino (includes slot machine)	28.0 %
5	Outcome of sports or other events with friends, co-workers, a bookie or some other person	23.6 %

It is important to note that B.C. is one of two provinces, along with Ontario, that does not have Video Lottery Terminals (VLTs), which is the name used to describe EGMs that are found outside of dedicated gambling facilities, usually in pubs and bars. B.C. restricts EGMs to dedicated gambling facilities, thereby limiting exposure to this form of gambling to facilities with responsible and problem gambling programming and interventions.

ARE THERE ANY CONSIDERATIONS RELATED TO LIQUOR CONSUMPTION?

Studies have shown that gambling and liquor consumption often co-occur. Co-occurrence is particularly high where gambling occurs at problematic levels. Studies have also shown that alcohol consumption prolongs gambling sessions²⁸ and that individuals who have consumed liquor are more likely to self-report impaired control over gambling.²⁹

The B.C. Liquor Control and Licensing Branch (LCLB) licenses and regulates the consumption of liquor in B.C., including in gambling facilities. As of 2018, all 17 casinos and 18 of 19 community gaming centres have liquor primary licences, meaning the service of liquor, as opposed to food, is the primary focus of the business. In June 2014, LCLB imposed minimum drink prices in all licensed establishments to prevent aggressive pricing strategies that may lead to intoxication.³⁰ These minimum price levels apply provincially, and supersede any local government bylaws that may be in place.

BCLC also has standards, policies, and procedures with respect to liquor service in B.C. gambling facilities that go over and above LCLB requirements. BCLC's liquor policy covers such items as how liquor may be advertised and service provider reporting requirements in the event of an infraction. Additionally, BCLC's liquor policy requires the gambling facility service provider to establish and implement a house policy for responsible liquor service. This house liquor policy must be approved by BCLC, and includes such items as when staff may provide complimentary alcoholic beverages to patrons (LCLB allows for customers to occasionally be provided with complimentary alcoholic beverages), employees' duty to monitor for intoxication, and action items for those visibly intoxicated in the gambling facility. Through its liquor policy, BCLC reserves the right to rescind approval for liquor service within a gambling facility at any time.

Local governments have some control over liquor service within their jurisdiction. Applications to LCLB for a liquor primary licence are sent to the relevant local government who must generally support the application for it to be approved (the local government may also opt out of commenting on the application). As part of the application review process, local governments can gather public input and consider a number of factors before deciding whether to support an application. These factors include the location of the facility, opening hours, capacity of the licensed area, and potential impacts on the community. For example, a local government could consider whether they support a liquor primary licence that extends throughout the gambling floor, allowing patrons to consume alcohol while gambling.



What are some existing responsible and problem gambling interventions?

The B.C. Government and BCLC are committed to ensuring that gambling activities and products are offered in a socially responsible way.

Both GPEB (*British Columbia Responsible and Problem Gambling Program*) and BCLC (*Responsible Gambling*) deliver responsible and problem gambling programs.

Prevention

Public Education – GPEB’s Responsible and Problem Gambling Program (RPGP) leads the public education delivered in communities across B.C. RPGP delivers information to students on the myths, facts and hazards of gambling through various grade 5 to 12 curricula, post-secondary presentations, allied professional training, older adult initiatives, community engagement and awareness, and culturally-specific education initiatives aimed at South Asian and Chinese populations in Metro Vancouver and Indigenous communities in the province.

Responsible Gambling

GameSense Programming - BCLC provides responsible gambling information to players. This information is available online, at all lottery retail outlets, and at interactive GameSense Info Centres in casinos and self-serve interactive kiosks in community gaming centres. BCLC’s GameSense program has been adopted by five different jurisdictions across North America and is recognized by international problem gambling advocacy groups.

GameSense Advisors in Casinos – BCLC employees who work in casinos (expanding to community gaming centres in the future) deliver BCLC’s GameSense programming to players and staff. These staff act as ‘GameSense Advisors’ to help players make healthy decisions about gambling, build an understanding of how gambling works, and offer strategies to keep gambling fun and safe. They also provide support and information to people who may need access to problem gambling services.

GameSense Information Centres (GSIC) – BCLC leads the deployment of GSICs in all casinos, and self-serve interactive kiosks are in place in community gaming centres. The centres are located on or near the gambling floor and offer a variety of resources and strategies intended to encourage positive play behaviour and support informed decision making.

Employee training – Appropriate Response Training (ART) is an educational program that prepares BCLC staff and service providers’ employees to assist players who are showing signs of problem gambling behaviours while taking a proactive stance on responsible gambling. ART is mandatory for all front-line workers, management and security personnel, and is refreshed throughout their employment. Currently, about 14,000 staff have received ART training.

RG Check – RG Check is an accreditation program created by the Responsible Gambling Council (RGC)³⁷ based on the RGC’s Responsible Gambling Index (standards). RG Check offers gambling companies the opportunity of an independent endorsement of the quality of their responsible gambling safety net.

BCLC requires all B.C. casinos and community gaming centres to receive RG Check certification, and must go through a re-certification process every three years.

Problem Gambling

Problem Gambling Help Line – GPEB’s RPGP delivers the Problem Gambling Help Line (1-888-795-6111), which operates 24-hours a day, seven days a week. Information specialists who staff the helpline link callers with information, crisis support, and referrals to counselling for anyone negatively impacted by gambling, including those affected by another person’s gambling. People speaking languages other than English can be assisted through a translation service.

Voluntary Self-Exclusion (VSE) Program – BCLC offers the VSE program which is available to individuals who want to exclude themselves from gambling activities in order to help them control their gambling behaviour. At the time of enrollment, individuals can choose the time period of their exclusion, ranging from six months to three years, and they can choose the type of gambling activities for their exclusion, including facilities with slot machines, commercial bingo halls, or PlayNow.com. They are also ineligible to be paid for any jackpot prize they may win while enrolled in the program. At the time of enrollment, BCLC provides materials to help individuals access resources to support them in addressing their gambling problem.

Counselling services – GPEB’s RPGP provides counselling and treatment services for individuals and families seeking help with gambling addiction, delivered free of charge by registered clinical counsellors. Requests for counselling support in languages other than English, including Cantonese, Mandarin, Vietnamese, Korean and Punjabi, are provided by professional interpreters free of charge. Counselling support is also available to people who request an Indigenous-specific treatment provider.

Discovery day-treatment program – An intensive multi-day treatment program that helps participants build skills useful in recovery, increase self-awareness about their relationship with gambling and form preferred visions for moving forward. The program is delivered in a group setting and is offered free of charge to individuals at the recommendation of their counsellor. The program is offered in weekends and five-day workshops each quarter on Vancouver Island and the Lower Mainland.

The provincial government and BCLC also support numerous community initiatives and activities that focus on responsible gambling. These include various conferences and events on responsible gambling and problem gambling, such as BCLC’s annual *[New Horizons in Responsible Gambling Conference](#)*.

Additionally, the B.C. Government and BCLC also established the *[Centre for Gambling Research at UBC](#)* in November 2014. The primary objective of the Centre is to advance the understanding of the psychology of gambling in order to reduce the harms associated with problem gambling, and improve evidence-based gambling policy.

WHAT TOOLS ARE AVAILABLE TO LOCAL GOVERNMENTS TO MITIGATE PROBLEM GAMBLING?

As Host Local Governments (HLGs), local governments will make a number of decisions on how a gambling facility impacts their community, including how it affects public health. These decisions include determining the size of the gambling floor, the allowable number of EGMs or other game types, and the capacity of the licensed area for a liquor primary licence. Local governments may make these decisions through discussions with BCLC and the gambling facility service provider. Local governments may wish to seek input from the public health community, including their respective Medical Health Officers.

The B.C. Gaming Control Regulation provides HLGs with the opportunity to set a maximum limit on the number of slot machines or EGMs in a gambling facility. HLGs set a limit by including it in the resolution or letter from the HLG to BCLC and GPEB approving the gambling facility. If a limit is established by the HLG, BCLC must seek approval from the

HLG before expanding the number of slots or EGMs beyond the maximum originally set by the HLG.

Several local governments have used their own regulatory tools to try to control the impact of gambling on their community. For example, the City of Burnaby used the zoning bylaw process and the City of Vancouver used the bylaw³² and land title³³ processes to establish limits on both slot machines and table games at gambling facilities. GPEB and BCLC have developed definitions for slot machines and various types of table games. These definitions, which can be found in Appendix B, are intended to provide clarity for local governments that wish to establish a maximum limit on the number of slot machines in their gambling facility.

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HLGs may use local government tools to establish social contracts between the HLG and the gambling facility service providers operating within local government jurisdiction. For example, the City of Vancouver used the land title process to establish responsible gambling and inner-city employment and procurement agreements with the casino service provider operating in their jurisdiction. More information on Vancouver's approach can be found under *Appendix C – Additional Resources*.

Another approach that may be useful to local governments when considering the potential impacts of expanded gambling on public health is a Health Impact Assessment (HIA). An HIA is a process that helps evaluate the potential health effects of a plan, project or policy before it is built or implemented. An HIA provides recommendations to increase positive health effects and minimize negative health effects as well as recommendations on how to monitor and manage those effects.

FINAL THOUGHTS

Hosting a gambling facility can be a major decision for local governments who may consider a number of factors as part of the decision making process. By offering this package of information, the Government of B.C. wants to help inform local government decision-makers about how problem gambling can impact the public health of a community and some of the tools local governments can use to mitigate those impacts.

APPENDIX A: MAJOR ENTITIES IN THE B.C. PROVINCIAL GAMBLING OPERATIONS MODEL

There are four major entities in the B.C. provincial gambling operations model – the Gaming Policy and Enforcement Branch, the British Columbia Lottery Corporation, the Host Local Government, and the gambling facility Service Provider. A brief description of each entity follows below.

Gaming Policy Enforcement Branch (GPEB) – Established in 2002, GPEB is responsible for maintaining the integrity of gambling, including horse racing, in B.C. With headquarters in Victoria, and with regional offices situated in Burnaby, Kelowna, and Prince George, GPEB promotes gambling integrity by registering gambling service providers and gambling service workers, conducting audits and investigations of gambling activities, licensing charitable gaming events and offering the B.C. Responsible and Problem Gambling (RPG) Program. The RPG Program promotes responsible gambling practices and minimizes harm on at-risk British Columbians through prevention, intervention, and treatment services. The program connects people with resources that are free of charge and can help them make informed choices and support healthy behaviours. Services offered by the RPG Program include public education in schools, communities and online; gambling information specialists in casinos; the toll-free Problem Gambling Help Line; and free community-based counselling and treatment services. More information on GPEB can be found at: <https://www.gaming.gov.bc.ca/index.htm>.

British Columbia Lottery Corporation (BCLC) – Established in 1985, BCLC is the crown corporation responsible for the conduct and management of commercial gambling on behalf of the B.C. Government. With headquarters in Kamloops, BCLC provides gambling entertainment and revenue for the B.C. Government. This includes offering lottery, casino, bingo, and online gambling services to the public. BCLC is also responsible for regularly assessing the marketplace to ensure existing gambling facilities are meeting market demand. As markets change, mature, and develop, existing gambling facilities may be upgraded or relocated, while some new facilities may be built. More information on BCLC can be found at: <http://corporate.bclc.com/>.

Gambling facility Service Providers (SP) – SPs are private sector entities that are contracted by BCLC to provide the day-to-day operations in gambling facilities. The duties of a SP include owning or leasing the gambling facility, hiring staff and operating the facility, maintaining the facility, and managing the physical security of the gambling facility. These duties are outlined in an Operational Service Agreement (OSA) between BCLC and the SP. SPs recognize that, as an agent of the Province, BCLC is solely responsible for the conduct and management of all commercial gambling in B.C., as per the *Criminal Code of Canada* and the *Gaming Control Act*.

Host Local Governments (HLGs) – HLGs are municipalities, regional districts or First Nations that have a gambling facility physically located within their jurisdiction. The province and the HLG will use a Host Financial Aid Agreement (HFAA) to outline the percentage of net gambling revenue that the province will pay to HLGs. The net gambling revenue paid to HLGs is intended for any purpose that would be of public benefit to the host communities. Historically, HLGs used funds to finance community centres, athletic fields, libraries, infrastructure, and law enforcement services. Terms and conditions of the payment include the frequency of payment, the host's requirements for accounting practices, and the reporting requirements.

APPENDIX B: AGREEMENT ON DEFINITIONS FOR TYPES OF GAMBLING FACILITY GAMES

Section 13.1 of the Gaming Control Regulation (GCR) provides that the British Columbia Lottery Corporation (BCLC) must obtain host local government (HLG) approval before increasing the number of slot machines at a gambling facility beyond any maximum limit established by that HLG in an approval letter or resolution delivered in accordance with section 13(a) of the GCR.

The intent of section 13.1 is to provide HLGs with the authority to limit the number of slot machines in a gambling facility because slot machines are considered high-risk games for problem gambling. The GCR provides a mechanism to limit the number of slot machines in a gambling facility. However, it does not provide a mechanism for limiting other types of games found in gambling facilities (e.g. table games). Some HLGs have chosen to place limits on slot machines and/or table games and may choose to use other tools (e.g. municipal by-laws) to place such limits. In other cases, HLGs have not placed any restrictions on the number of games offered in their municipalities.

The types of games available in B.C. gambling facilities has changed significantly over time, including from the time HLGs first started limiting the number of games. Electronic table games have now become commonplace in many B.C. gambling facilities; however, they were not specifically contemplated under the GCR.

To provide greater clarity, including what is considered a slot machine for the purpose of any maximum limit established by an HLG, the Gambling Policy and Enforcement Branch (GPEB) and BCLC have provided expanded definitions for the types of games below. These definitions will be reviewed and amended as necessary when new game types are introduced or greater clarity is needed in the marketplace.

We encourage HLGs to have a conversation with BCLC should they have questions about these definitions and any limits established by the HLG.

GAMBLING GAME DEFINITIONS

The two main gambling game types are table games and electronic gambling devices (EGDs). They are defined below.

Table Game:

A game where one or more players wager together at a gambling table or an electronic terminal(s). The game outcome is determined by a physical or mechanical device or cards and operated by a live dealer. All players share a common game outcome that is applied against each player's wager. Table games include:

- Table games (standard)
- Electronically assisted table games

Electronic Gambling Device (EGD):

A game where one or more players wager through an electronic terminal(s). The game outcome is determined by either a physical or mechanical device or software random number generator(s) (RNG). Wagering may be done through cash (bill acceptor / validator), ticket, or card. No live dealer is required. EGDs include:

- Slot machines
- Electronic tables games

Gambling Game Characteristics

The following table breaks down the four types of games by a number of characteristics.

Game Characteristic	Table Game (Standard)	Electronically-assisted Table Game	Electronic Table Game	Slot Machine
Game Type	Table Game	Table Game	EGD	EGD
Where to play	Gambling table	Gambling table - either directly or remotely through an electronic terminal(s)	Electronic terminal(s)	Electronic terminal(s)
Live Dealer	Yes	Yes	No	No
Individual or Shared Game Outcome	Shared (applied against individual wager)	Shared (applied against individual wager)	Shared (applied against individual wager)	Individual
How Game Outcome is Delivered	Physical or mechanical device or cards	Physical or mechanical device or cards	Physical or mechanical device, or Software RNG(s)	Software RNG(s)
Methods of Wagering	Chips	Cash (bill acceptor / validator), ticket or card	Cash (bill acceptor / validator), ticket or card	Cash (bill acceptor / validator), ticket or card
Notes			If a game can be played as both an electronic table game and an electronically-assisted table game, it should be considered an electronic table game for the purpose of any maximum limit established by an HLG.	If a game can be played as both a slot machine and an electronic table game, it should be considered a slot machine for the purpose of any maximum limit established by an HLG.

APPENDIX C: ADDITIONAL RESOURCES

1) British Columbia Responsible and Program Gambling Program Website ³⁴

The B.C. Responsible and Problem Gambling Program website is an online resource that provides information on understanding gambling, how to gamble responsibly, prevention and education services, free resources for problem gambling, and links to a number of additional responsible and problem gambling resources.

2) British Columbia Problem Gambling Prevalence Study, 2014 ³⁵

Released in October 2014, the B.C. Problem Gambling Prevalence Study is the fifth such study to be conducted since 1993 to establish the prevalence of adult problem gambling in B.C. The report's main objective is to provide estimates of gambling and problem gambling prevalence in B.C., and to compare these results to previous studies.

3) British Columbia Public Health Officer Report – Lower the Stakes ³⁶

In 2013, the B.C. Provincial Health Officer (PHO) examined gambling in B.C. using a comprehensive public health approach. The PHO report analyzes current gambling policies and programs, and recommends strategies to minimize the negative effects of gambling on public health.

4) Plan for Public Health and Gambling in British Columbia ³⁷

Released in February 2015, the Plan for Public Health is the product of collaborative work undertaken by a cross-ministry working group with representation from the Ministry of Finance, Ministry of Health, Ministry of Education, and the British Columbia Lottery Corporation (BCLC). The Plan focuses on responsible and problem gambling in B.C., and takes into considerations the PHO report recommendations, the findings from the 2014 Problem Gambling Prevalence Study, and other relevant research and policy related to gambling, health, and education.

5) Centre for Gambling Research at UBC ³⁸

Established with \$2 million in funding from the B.C. Government and BCLC, the Centre for Gambling Research at UBC was established to advance the understanding of the psychology of gambling, in order to reduce the harms associated with problem gambling, and improve evidence-based gambling policy. The Centre operates with complete academic independence from BCLC, the government and the gambling industry.

6) City of Vancouver Responsible Gaming Agreement ³⁹

In May 2015, the City of Vancouver required a number of conditions of the service provider. This agreement, known as the Responsible Gaming Agreement for the Casino at Parq, contained provisions for a social responsibility fund, mandatory payments to a local hospital foundation, enhanced responsible gambling procedures, limitations on ATM Machines, and restricted alcohol services. As such, local governments have an opportunity to control some factors that can impact problem gambling prevalence.

7) Toronto Public Health – The Health Impacts of Gambling Expansion in Toronto ⁴⁰

In 2012, the Ontario Ministry of Finance approved the Ontario Lottery and Gaming Corporation's report *Modernizing Lottery and Gaming in Ontario: Strategic Business Review* (referred to as the OLG Report). The OLG Report recommended increased access to gambling. It suggested developing a casino in Toronto, and more public access to slot machines and lottery tickets. Toronto Public Health collaborated with the Centre for Addiction and Mental Health (CAMH) to review the health impacts of gambling, the prevalence of problem gambling in the Greater Toronto Area and recommended strategies to prevent and mitigate harms from increasing access to gambling.

8) Conceptual Framework of Harmful Gambling ⁴¹

The Gambling Research Exchange Ontario (GREO) is an independent knowledge translation and exchange organization that aims to eliminate harm from gambling. In Sept. 2015, the GREO sponsored the international collaboration and development of the Conceptual Framework of Harmful Gambling. The Framework was developed to address a broad set of factors related to population risk, community effects, and societal considerations. These are captured by three key objectives:

- Reflect the current state of knowledge of factors influencing harmful gambling;
- Assist researchers, treatment providers, policy makers, and regulators to better understand the complex dynamics of harmful gambling and facilitate informed decision-making; and
- Identify areas where research is most needed to guide strategic research programs.

9) Responsible Gambling Council ⁴²

The Responsible Gambling Council (RGC) is an independent, non-profit organization dedicated to problem gambling prevention. RGC works to reduce gambling risks by creating and delivering innovative awareness and information programs. RGC brings various groups and perspectives together, including those experiencing problem gambling, gaming service providers, regulators, policy makers, and treatment professionals. One example includes RGC as the founding member in establishing the Canadian Partnership for Responsible Gambling (CPRG), a collaboration of organizations, gaming providers, research centres and regulators working to find and promote effective ways to reduce the risk of problem gambling. CPRG is responsible for producing the CPRG Canadian Gambling Digest, an annual report that compiles gambling statistics for each Canadian province.

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