



CANADIAN PUBLIC HEALTH ASSOCIATION 2000 POSITION PAPER ON

Gambling Expansion in Canada An Emerging Public Health Issue

Issue Statement

In the last decade, Canada experienced a new social phenomenon – the unprecedented expansion of government-owned legalized gambling. This shift in public policy has been shaped primarily by the desire of government to: identify new sources of revenue without invoking new or higher taxes, stimulate economic development primarily in the leisure and entertainment sector, and strengthen support for charitable gaming.¹ Six out of ten Canadians believe that, on the whole, gambling is acceptable; seven out of ten indicate that they have gambled in the past year; and two-thirds believe that gambling-related problems have increased in the past three years in their province.² As we begin this new millennium, gambling via the Internet represents an important emerging area of concern.³ Despite its potential to result in significant health and social costs, only recently has gambling garnered attention on the national public policy agenda.^{4,5} Concerns have been raised by stakeholder and social policy groups about the role of government in encouraging gambling and at the same time protecting the public interest.⁶ Public health leadership through the Canadian Public Health Association will be a valuable contribution to the national debate.

Definitions

Gambling is risking money or something of value on the outcome of an event involving chance when the probability of winning or losing is less than certain. There are many forms of gambling including lotteries, casinos, instant scratch tickets, slots and electronic VLTs, bingo, sports betting, as well as wagering in financial markets and over the Internet. Gambling occurs in a variety of settings including corner stores, casinos, racetracks and schoolyards. It is practised widely

among people of all age groups, social economic status and cultural backgrounds.

Problem Gambling is defined as a progressive disorder characterized by: a) continuous or periodic loss of control over gambling; b) preoccupation with gambling and money with which to gamble; c) irrational thinking; d) continuation of the activity despite adverse consequences.⁷

Pathological Gambling is an impulse disorder categorized in the American Psychiatric Association's Diagnostic and Statistical Manual of Mental Disorders. This psychiatric definition focusses on impaired ability to control gambling-related behaviour; adverse social consequences that disrupt personal, family or vocational pursuits; and tolerance (need to gamble with increasing amounts of money in order to achieve the desired excitement) as well as withdrawal. To be eligible for a DSM-IV diagnosis of pathological gambling, the behaviour must satisfy at least 5 of its 10 criteria and not be better accounted for by a manic episode.⁸

Researchers and practitioners have used other terms such as compulsive gambling, probable pathological gambling, excessive gambling and recreational gambling. This lack of standard scientific terminology in the gambling field results in considerable confusion and creates difficulties for scientific study and public discourse. Conceptualizing gambling behaviour along a continuum ranging from not gambling to problem and pathological gambling provides a useful public health model to develop intervention strategies (see Figure 5 in Korn & Shaffer, ref. 24).

Context

Policy framework

In Canada, gambling is regulated under federal law, the Criminal Code of Canada adopted in 1892. Only gov-

ernments can "manage and conduct" gaming ventures or authorize charitable gaming under licence. Private sector ownership is prohibited. Over the years, periodic amendments to the sections on gambling have permitted its growth, but only since the 1970s have lotteries and casinos been operating legally. In 1985, computers, video, and slot devices were legalized and the provinces were given exclusive control of gambling.¹

Expansion of legalized gambling

During the 1990s, there have been dramatic increases in the types of gambling available (including casino, lottery, charity bingo) and in the locations where gambling is accessible. There are now more than 50 permanent casinos (in 7 provinces), 21,000 slot machines, 38,000 video lottery terminals, 20,000 annual bingo events and 44 permanent horse race tracks in Canada.² Casinos have become the largest generator of gambling revenue, having exceeded VLTs in 1997 and lotteries in 1998. Employment in the gambling industry increased by over 27,000 people between 1992 and 1999, accounting for 1.5% of the total increase in Canadian employment.⁹

CPHA involvement

The Canadian Public Health Association has been engaged in this issue since the early 1990s. In 1993, the CPHA membership passed a resolution at its annual general meeting calling for a national health impact assessment of regulated gambling.¹⁰ Rather than pursue funding for the national assessment at that time, CPHA decided that it would be important to gather information on the health-related gambling initiatives underway across the country. The CPHA Health Digest reported this information and made it available to its membership upon request.¹¹ Interest in the gam-

bling issue continued and in 1999, a second resolution was approved related to video lottery terminals.¹²

Gambling Trends in Canada

Participation, spending and revenue

In Canada during 1996, 82% of households spent money on at least one of the following legal gambling activities: government and non-government lotteries, raffles, casinos, slot machines and bingo. In 1997, Canadians wagered \$6.8 billion on some form of government-run gambling activity, 2.5 times the amount wagered in 1992, with casinos and VLTs accounting for almost 60% of all government gambling revenue. By 1997, all provinces were receiving at least 3% of total government revenue from gambling. Revenues from non-charity gambling rose from \$2.7 billion in 1992 to \$7.4 billion in 1998, a 170% increase.^{9,13}

Problem gambling services

The first public expenditures for gambling-related health services were made in 1993. By 1997/98, nine out of ten provinces allocated monies specifically for problem gambling including public awareness, professional training, help lines, treatment services and prevalence and other research studies, with expenditures totalling in the range of \$15 million.⁵ A major factor responsible for stimulating the growth of these programs has been the expansion of government-sponsored gambling and the associated revenues that are flowing to governments because of this growth. Advocates and health professions have sensitized public policy makers to the issue of problem and pathological gambling; recognizing their social responsibility, governments have developed and funded programs in response to the issue of problem and pathological gambling. Most of the new clinical services have emerged within addiction treatment and mental health settings.

Epidemiology of Gambling

In Canada, most provincial studies on the prevalence of gambling-related problems in the general adult population were undertaken in the mid-1990s.¹⁴⁻¹⁷ There have been no Canadian national prevalence studies

of problem and pathological gambling. Several epidemiological reports have described the impact of gambling in vulnerable and special populations such as youth, women, older adults and Aboriginal people.¹⁸⁻²⁰

The Division on Addictions at Harvard Medical School completed a meta-analysis of 152 prevalence studies conducted in North America as of 1997, including 35 Canadian prevalence estimates.²¹ More than half of these studies had been released since 1992, which reflects recent strong interest in the topic. The Harvard study showed that over the previous 25 years, the estimated prevalence of gambling problems in the general adult population had been low but rising, whereas among youth and people living in institutions it had been high but steady. In the general adult population, the estimated lifetime prevalence for problem and pathological gambling combined (levels 2 and 3 of the Harvard nomenclature) was reported at 5.5%. A similar combined prevalence estimate for the adolescent study population was 13.3%. There were no significant differences in prevalence rates between the United States and Canada. Male sex, youth, and concurrent substance abuse or mental illness placed people at greater risk of a gambling-related problem. The relationship between access to gambling settings and gambling problems is widely debated. Research done in the United States has indicated a higher prevalence rate in states with high per-capita lottery sales²² and in areas within 50 miles (80 km) of casinos.²³

The Value of a Public Health Perspective

There is considerable value in adopting a public health perspective on gambling.²⁴ It offers a broad viewpoint on gambling in society – not solely a focus on problem and pathological gambling. This is similar to the approach taken in alcohol studies. A public health approach emphasizes prevention and harm reduction* strategies to address gambling-related prob-

lems and to decrease the adverse consequences of gambling behaviour. It addresses not only the risk of problems for the gambler but also the quality of life† of families and communities affected by gambling. It embodies public health values that reflect concern for the impact of gambling expansion on vulnerable, marginalized and at-risk population groups. A public health position recognizes that there are both costs and benefits associated with gambling. By appreciating the health, social and economic dimensions of gambling, public health professionals can develop strategies that minimize gambling's negative impacts while recognizing its potential benefits.

Negative Consequences Associated with Gambling

The scientific literature and the lay media have identified a range of difficulties for individuals, families and communities that may be related indirectly or directly to gambling. These consequences can include:

- a) **gambling disorders**—a term that has been used to encompass a spectrum of problems experienced along the gambling continuum and that incorporates the constructs of problem and pathological gambling;²¹
- b) **family dysfunction and domestic violence** including spousal and child abuse;²⁷⁻²⁹
- c) **youth gambling problems and underage gambling**;^{21,30}
- d) **alcohol and other drug problems**;^{31,32}
- e) **psychiatric conditions** including major depression, bipolar disorder, antisocial personality, anxiety and attention deficit disorder;³²⁻³⁴
- f) **suicide, suicidal ideation and suicide attempts**;^{35,36}
- g) **significant financial problems** including bankruptcy, loss of employment and poverty as a direct result of wagering;^{23,37}
- h) **criminal behaviour** ranging from prostitution and theft to drug trafficking and homicide.^{23,38,39}

* Harm reduction refers to a policy or program directed towards minimizing or decreasing the adverse health, social, and economic consequences of gambling behaviour for individuals, families, communities and society. A harm reduction strategy does not require abstinence from gambling. This definition is adapted from a policy paper of the Canadian Centre on Substance Abuse.²⁵

† Quality of life is defined as the product of the interplay among social, health, economic and environmental conditions, that affect human and social development.²⁶

Determining the causal relationship between gambling involvement and each of these activities is a thorny matter. Research suggests that gambling may have a negative impact on health as a result of associated crime, substance abuse, poverty and domestic violence.⁴⁰ However, considerable study is necessary to resolve important questions regarding the uniqueness of pathological gambling, co-morbidity with other mental disorders and the identification of significant biological, behavioural and environmental risk factors.

Estimates of the health, social and economic costs of problem and pathological gambling have been proposed but the methodologies deserve further refinement. An example of a commonly cited estimate for the annual cost to society of each pathological gambler is \$13,200 US or \$20,000 CAN.⁴¹ Other research suggests that problem gamblers negatively affect 10-17 people around them including family, employer and government.⁴²

Potential Health Benefits

To date, health professionals and researchers have largely ignored the possibility of positive health benefits associated with gambling for both the individual and the community. Empirical data to support this viewpoint are largely lacking, although there is some theoretical basis to suggest the likelihood of positive health benefits. Further, the possibility of "healthy" gambling may help to explain the attraction of gambling, since people in general are inclined to make healthy adaptations in their lives.²⁴

For the individual, gambling can provide a sense of connectedness and socialization through discretionary leisure time entertainment; this may be particularly important for older adults. Many gamblers have a sense of hopefulness that they can beat the odds over time and acquire new wealth even though the probabilities of winning are extremely unfavourable; this is perhaps best illustrated by lottery play. Certain gambling activities may be associated with the ability to manage stress through recreational diversion and adult play.

Health gains can accrue to communities, particularly those with economic

problems, through gambling-related economic development.⁴⁰ Casinos, for example, can act as community catalysts through job creation in the gaming industry and a stimulus for the tourism and hospitality sectors. However, observers should interpret with caution projected community health status improvements associated with gambling expansion and local economic development since these economic gains must be sustainable in order to have positive health impact. As yet, other than for originally impoverished areas, long-term economic gains for communities have not been demonstrated and currently rest on a complex analysis of projected economic benefit and wealth generation.⁴³

Where charity gaming exists (e.g., bingo), gambling-generated monies can strengthen community capacity by directly supporting local non-profit and charitable organizations in such areas as environment, recreation and culture. Importantly, gaming generates considerable revenue for provincial, municipal and native governments that can mitigate the pressure to raise funds through increased taxation.

Major Public Health Issues

Placing gambling within a public health framework will guide the strategic approach taken to address gambling-related health and social public policy issues. The existence of problem and pathological gambling is the dominant health issue and appears to be stimulated by the rapid expansion, increased availability, and promotion of casinos and lotteries. Although disordered gambling trends in the general adult population is a central matter, there is considerable concern about the high prevalence of youth gambling-related problems. Issues related to gambling in other vulnerable, at-risk populations and groups with distinct needs (e.g., older adults, the poor, ethnocultural minorities, Aboriginal people and women) are not well understood and deserve focussed public health attention.

Gambling also has an impact on the quality of life of families and communities. Family issues include dysfunctional relationships, neglect, violence, and abuse. The implications of expanded gambling for the viability,

health, and quality of life for local/regional jurisdictions have been hotly debated. Among the public and health professionals, there is the perception that gambling disorders can lead to substance abuse, depression, suicide and crime. There is little consensus on the proper strategy to achieve economic and social benefit and to minimize the harms of gambling.

There are emerging issues related to the introduction of new gambling technologies. Concerns have been expressed about the wide availability of VLTs that have characteristics associated with the development of addictive behaviours. The existence of and dramatic growth in unregulated offshore and Internet gambling are worrisome trends because of easy access from home or office computer and the popularity of cybercasinos and sport betting. One area that has received little attention to date is gambling that occurs in the financial world. High-risk and impulsive financial speculation, particularly day trading, can have profound impacts on individuals and social institutions.

Recommended Positions

The Canadian Public Health Association can play a leadership role by emphasizing gambling's public health dimensions. Using a framework for action based on public health goals and principles, CPHA can engage policy makers, researchers and health practitioners in minimizing gambling's negative impacts while balancing its potential benefits. CPHA should:

1. Endorse the position that expansion of gambling in Canada has significant health and public policy impacts. CPHA should take a leadership role in the national debate; position gambling as part of a new public health thrust that addresses quality of life issues for individuals, families and communities; and establish a mechanism/interest group within CPHA to support this function.
2. Adopt the following **goals** to provide a focus for public health action and accountability:
 - a) **Prevent** gambling-related problems in individuals and groups at risk of gambling addiction.

- b) **Promote** balanced and informed attitudes, behaviours and policies towards gambling and gamblers both by individuals and by communities.
- c) **Protect** vulnerable groups from gambling-related harm.
3. Convene a public health **think tank** on gambling. This would bring together participants from, for example, the gambling industry, addictions, education, public health and population health fields. The forum could focus on public health concerns – including the impact on vulnerable groups – and build momentum for an action agenda.
 4. Advocate for a **national public policy review** of gambling expansion that analyzes the effectiveness of our public ownership and accountability framework, studies the Canada-wide prevalence of problem and pathological gambling, and assesses associated health and socioeconomic costs/benefits.

Acknowledgement

CPHA acknowledges the expertise and time provided by the authors, David A. Korn, MD, CAS, and Harvey Skinner, PhD, from the Department of Public Health Sciences, University of Toronto, in the development of this position paper.

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