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## Just Gambling? Ethical Challenges Pertaining to Gambling Provision, Policy and Research

Abbott, Max; Banks, James; Belanger, Yale; Brown, Dan;  
Christensen, Darren; Hancock, Linda; Harrigan, Kevin; Johnson,  
Mark; Lund, Anna; Markham, Francis...

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Presentation

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## The importance of “Framing” - Gamble Responsibly!

Interrogating a decade of Reno Model framing of “Responsible Gambling” through use of corporate political activity (CPA) analysis

**AGRI**

**Banff conference**

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# Disclosure of Potential Conflict of Interest

- *I have no potential conflicts of interest for my presentation or for the research upon which it is based.*
- ***Disclosure of independent Grants/Research Support.***
- Australian Research Council
  - Asia Pacific Gambling Research Association (APGRA)
- Peer review
  - Various Canadian provinces, academic journals
- Government appointments
  - Singapore government International Advisory Board (2014-16)
  - Chair, Independent Gambling Research Panel (Victoria) 2000-2004
- Other
  - Head of research: Responsibility in Gambling Trust (RiGT); Responsible Gambling Trust (UK) (2008-11)
  - Fairer Gambling (UK charity) (2015 onw.) submissions to UK government inquiries



- “Responsible gambling” has become an international mantra of regulators, policy makers and the casino industry
- **The importance of framing**
- **Reno model review and CPA themes**
- **TNCCs as dominant influential private actors in gambling regulatory regimes**
- **Stakeholder analysis on RG (90 interviews)** 4 out of 6 Macau licensees also operate transnationally – Macau + Las Vegas or Melbourne.
- **Conclusion – to keep or ditch RG?**



# The importance of “framing”

- Looking through the portal of “responsible gambling”
  - How is it constructed, upheld, argued
    - The shaping and construction of dominant RG narratives
  - With what consequences and for whom?
  - What is the critical evidence?
- How is RG policy shaped, reinforced and upheld?
- *Over-rider*: not anti-gambling but how to achieve “do no harm”



# The framing and construction of RG

- The construction of the **RG movement has not been extensively critiqued.**
- The fundamental tension at the heart of gambling policy— “gambling benefits a lot of people a little and harms a few people a lot” (Miers, 2016)

- **The Gist of the Issue**

RG is a good thing, the question is how rigorous should RG policies be. Current RG initiatives are generally soft and inadequate.

RG research has been industry influenced and based on neo-liberal ideology which has produced policies that place the responsibility for PG solely on individuals and left gambling providers largely immune from accountability.

Hence the paradoxical situation whereby there has been a global emphasis on RG for over a decade, yet light-touch regulatory oversight and predatory gambling policies still exist.





# Slow Progress

→ Australian Productivity Commission report (1999) recommendations yielded little targeted research or policy activity in the areas of

1. EGM modification
2. PGs contributing a disproportionate share of revenues
3. Consultation and transparency remain largely absent from policy development

Productivity Commission report (2010) recommendations produced little headway on

1. Lower bet limits (\$1 bet \$150 max bets per hour)
2. Time and money pre-commitment policies
3. Appointment of independent gambling regulators.
4. Independent research





# The community want change to prevent harms

- **Gambling Attitude Surveys in the UK, Australia and Alberta**
- A consensus that widespread commercial gambling is discordant with a beneficial quality of life.
- Orford's summation of the UK findings "gambling is foolish and dangerous, on balance it is bad rather than good for families, communities and society as a whole, and should not be encouraged."
- Australians favor tougher restrictions on gambling especially with regard to pre-commitments on EGMs and gambling regulations being strictly enforced.
- "The liberalization of gambling has proceeded as far as the public currently wants it to go and, future policies need to address more directly ways to reduce the harmful social consequences of gambling" (McAllister, 2014).





# Origin and Development of the RG Movement

- Little RG focus in early gambling expansion—only two security concerns; keep the activity free from criminal elements and away from children.
- In the rush to capitalize on new gambling opportunities, few, if any, governments had the foresight to implement RG programs.
- The adverse consequences of widespread gambling became too glaring to ignore: e.g. 1) high rates of PG; 2) increasing number of GA chapters; 3) media reports of gambling-related crime, bankruptcy and suicide; 4) research showing that gambling was not the urban renewal remedy it was expected to be; and 5) citizen opposition to proposed new gambling venues and perceived dangerous gambling formats.
- These factors led governments to support the nascent RG movement.





# Framing the RG Landscape (the Reno Model) 2004-2015 (Hancock & Smith 2017)

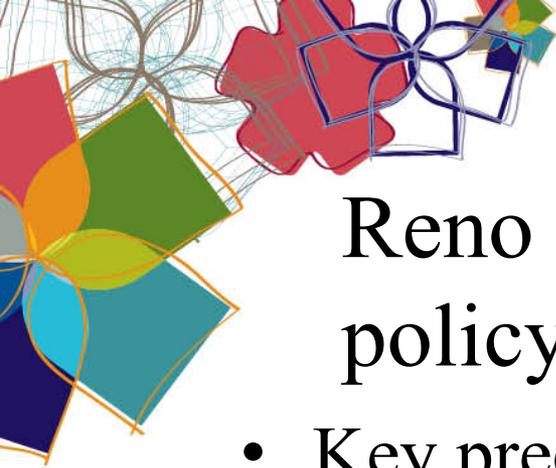
- The RG debate has been influenced by a small group of gambling studies researchers whose key articles include:
  1. Blaszczynski, A., Ladouceur, R. & Shaffer, H. (2004). A science-based framework for responsible Gambling: The Reno Model. *Journal of Gambling Studies*, 20, 301-17.
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# Definition and Operationalization of RG

- RG is a common, albeit nebulous term, that applies to “the provision of gambling services in a way that seeks to minimize the harm to customers and the community associated with gambling” (Hing, 2010).
- RG is typically operationalized through mediations aimed at curbing excessive gambling and fall into three broad categories:
  1. Public awareness and education (information about how games work, tips on gambling under control, and how to recognize PG behavior).
  2. Support services and counselling (gambling help-lines, on-site counsellors, and self-exclusion programs).
  3. RG environments (RG training for gambling venue staff, marketing guidelines, acknowledgement of RG accreditation).





# Reno discourse framing international RG policy for over a decade

- Key precept: individualised responsibility for harms and providing governments with justifications for compromised RG regulation.
- ((gamble responsibly echoes of Drinkaware “drink responsibly”))
- Echoes of CPA
  - Informed choice
  - The focus on PG
  - Limited definition of harm
  - More research needed on RG





## Barriers to ethical RG standards :

- deception and exploitation,
- faulty regulation and
- grim working conditions in gambling environments along with
- Reno Model adherents' dismissal of contradictory evidence (industry and governments).



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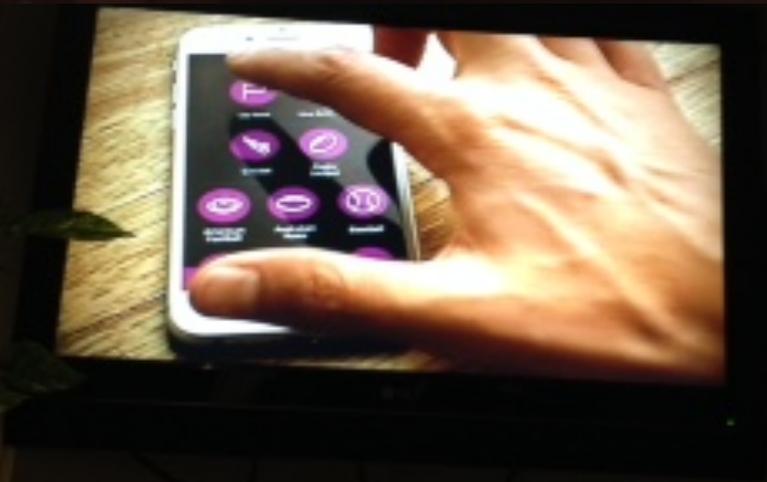
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## 2. Use of CPA analysis: Sports betting & advertising during sporting events (Hancock & Ralph)

- *Growth in sports betting – now a A\$3billion industry (Aust)*
- *Controversy over saturation TV sports betting ads*
  - *Normalising gambling*
  - *Seen by minors [adult activity]*
- *Brought to a head with bookmaker Waterhouse including odds in sports commentary*
- *From 2011 inquiries by Joint Select Parliamentary Committee on Gambling*
- *Brokered compromise in national Broadcasting Act*

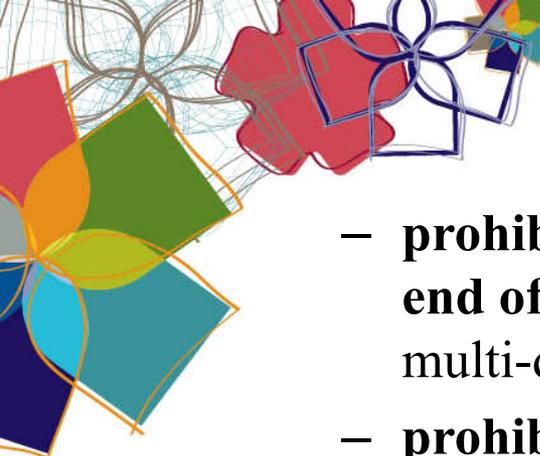




## Internet gambling *growing* from a low base

- Internet poker and casino gambling prohibited under Interactive Gambling Act 2000
- Sports betting small base (legal under wagering =1% in 2009 and 4.51% in 2014-15)
- 2014-15: Sports betting \$44.50 out of \$1241.86 per capita gambling expenditure in Australia.
- High rate of growth in sports gambling: **30%** 2013/4 to 2014/5
- (rate of growth for racing= 2.7%; for total gambling= 7.7%)

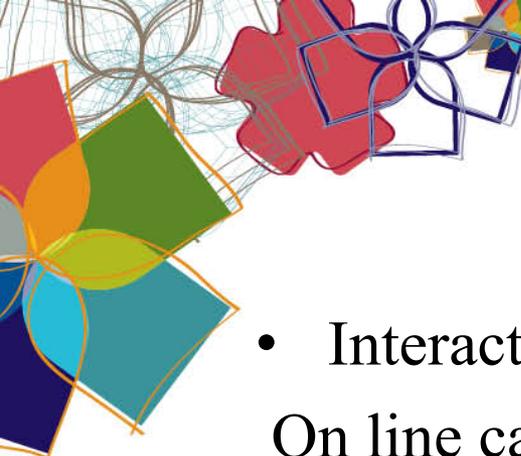




# 2013 Broadcasting Act Reforms (Aust.) Brokered compromise

- **prohibit the promotion of betting odds from the start until the end of play** (limited exemptions including for the broadcast of multi-day sports and overseas live sport)
- **prohibit commentators from promoting betting odds during play**, and for 30 minutes before and 30 minutes after the game
- restrict generic gambling advertisements to before and after play, scheduled breaks in play and when play is suspended
- **require gambling representatives to be clearly identified at all times**
- **prohibit gambling advertising that involves a gambling representative** at or around, or appearing to be at or around, the ground at any time
- **prohibit gambling representatives appearing as part, or a guest, of the commentary team** at any time (ACMA 2013).
- What's the difference between generic and sports betting advertisements?





# Sports betting regulatory inconsistencies -Australia

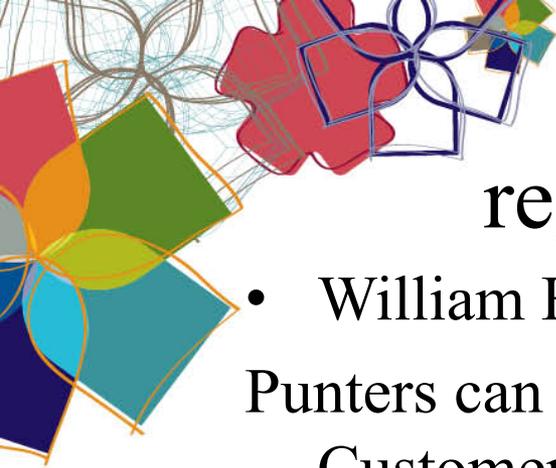
- Interactive Gambling Act 2001 inconsistent

On line casino games and poker illegal but online wagering on sporting events, by registered wagering service providers, is generally allowed as a form of ‘excluded wagering service’ . (Sections 5(3)(aa) and 8A )

BUT online wagering is not permitted on ‘in play’ or **live** aspects of a sporting event.

- betting online is not allowed on the outcome of, or contingency in, a sporting event where the bets are placed, made, received or accepted *after the beginning of the event (Hall and Wilcox, 2015)*





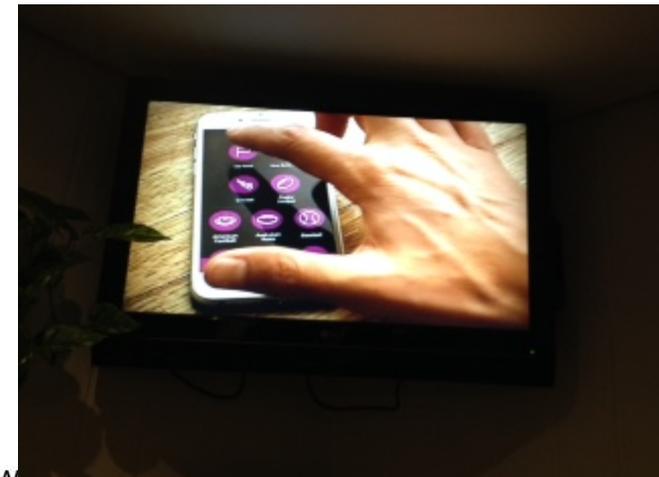
# New technology brings regulatory uncertainty

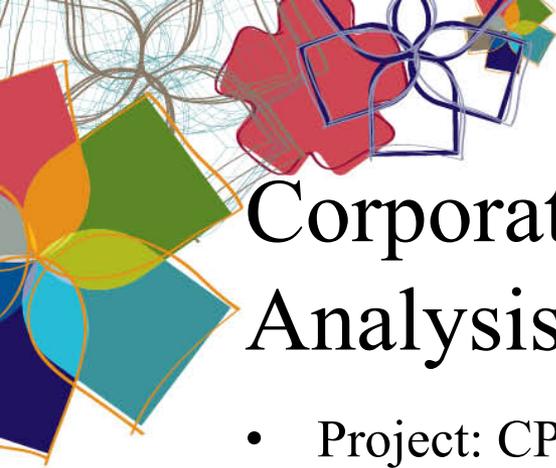
- William Hill “click to call”

Punters can place bets via automated voice technology.

Customers can place a bet with the click of their mouse, while the microphone on the customer’s computer or mobile device is switched on.

- Australian Communications and Media Authority (ACMA) and the Australian Federal Police looking into the way some operators conduct wagering on live sport.





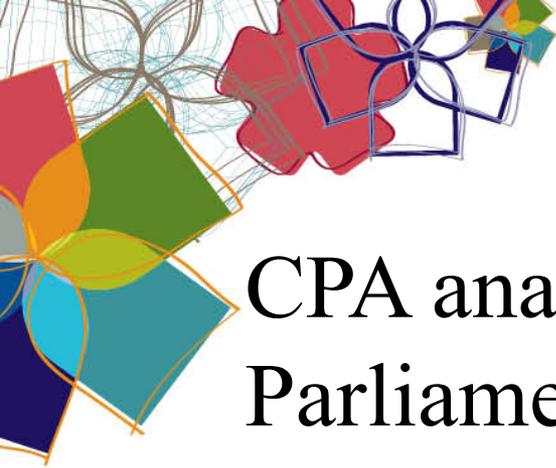
# Corporate Political Activity (CPA) Analysis (ARC funded research)

- Project: CPA analysis of the activities of the **tobacco industry** (TI)  
Hillman and Hitt (1999), Savell et al (2014)
- CPA strategies:
  - Information strategy,
  - Financial incentive strategy,
  - Constituency building strategy,
  - Policy substitution strategy,
  - Legal strategy, and
  - Constituency fragmentation and destabilisation strategy. Under each strategy fall various tactics.
- Applied to internet gambling Joint Select Parliamentary Committee  
GAMBLING INDUSTRY submissions 2013
- Addresses issue of industry lobbying strategies and tactics, frames  
and claims (arguments) to influence policies



- **52 submissions to 2013 inquiry**
- **Gambling industry 6 submissions** (12% of submissions)
- - Two main wagering operators:
  - Tabcorp
  - Betfair Pty. Ltd. (internet and telephone betting)
- -Sportsbet Pty. Ltd
- -Tom Waterhouse.com (bookmaker)
- - Australian Wagering Council (AWC), the wagering peak body
- -Clubs Australia
- The peak industry body for the online wagering and sportsbetting industry. Its members are: Betfair; Bet365; Betchoice (operating as Unibet); Eskander's Betstar; Sportsbet (including its subsidiary IASbet); Sportingbet Group Australia (which includes Sportingbet and Centrebet); and Tom Waterhouse.com. See Australian Wagering Council, Submission 31, p. 1.
- Nvivo analysis





# CPA analysis of industry submissions to Parliamentary Joint Select Committee on Gambling Reform

- Confirmed TI analysis 6 strategies and added new, additional strategy - Corporate Social Responsibility (CSR) or ‘good corporate citizenship’.
- Identified 27 tactics under these strategies
- Strength of CPA showing industry contestation of re-regulation. A tool for policy makers and public interest advocacy



# CPA Strategic Frames

- 1. Information - used in all 7 GI submissions
- 2. Shaping the evidence base; claiming “insufficient evidence” - used in 7 GI submissions
- 3. Constructing a narrative of negative unintended consequences - used in 6 GI submissions
- 4. Financial incentive - used in 4 GI submissions
- 5. Constituency building- used in 5 GI submissions
- 6. Policy substitution (regulatory redundancy) - used in 6 GI submissions
- 7. Legal (formerly listed under both strategies and frames) - used in 7 GI submissions
- 8. Constituency fragmentation and destabilization - used in 2 GI submissions
- 9. (New) CSR and “responsible gambling” - used in 6 GI submissions





# 9 strategic frames and 27 tactics identified

eg negative unintended consequences

Frame	Argument
<b>Negative Unintended Consequences</b>	The cost of compliance for manufacturers will be high/the time required for implementation has been underestimated
	Regulation will result in financial or job losses (among manufacturers)
	The regulation is discriminatory/regulation will not affect all producers/customers equally
	Regulation will cause economic/financial problems (for city, state, country or economic area (e.g. European Union))
	Regulation will result in financial or job losses (among retailers and other associated industries, e.g. printing, advertising, leisure)
	Regulation will have negative public health consequences
	Regulation will cause an increase in illicit trade
	Regulation could have other negative unintended consequences (e.g. cause confusion amongst customers, set a precedent for other types of products/'slippery slope')





# CPA analysis conclusions

- Savell et al.'s two frameworks strategies/tactics and frames/arguments highly relevant to GI
- We added one new strategy (CSR and RG frame) and a number of new tactics
- Makes sense to combine the two frameworks into one
- Useful tool for analysis what Big Industries do via framing strategies, tactics and claims to resist or stave off regulation

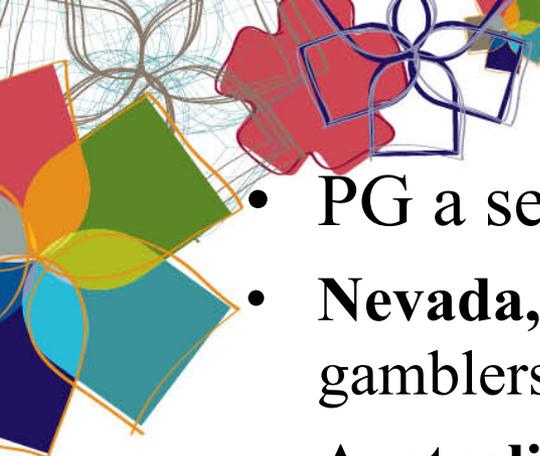




### 3. RG and TNCCs: Macau, Las Vegas and Melbourne)

- Investigates strategy of CSR
- TNCCs operating in Macau and one other jurisdiction
- Key Questions: How RG is “framed” by the 4 Operators? How is it practiced cross-jurisdictionally?





# Context

- PG a serious issue in all 3 jurisdictions.
- **Nevada**, 86% of adults gamble, and 6% are problem gamblers
- **Australia** prevalence rates for problem gambling are estimated at 0.5 to 1.0% of adults, with a further 1.4 to 2.1% per cent of adults experiencing moderate risks that may make them vulnerable to problem gambling\*.
- **Macau** ( 2010) - 55.9% of residents in Macau participated in gambling and 2.8% of them were problem gamblers ie more than 10,000 people in Macau.

(NB: problem is much broader eg. PG patrons from Mainland China)



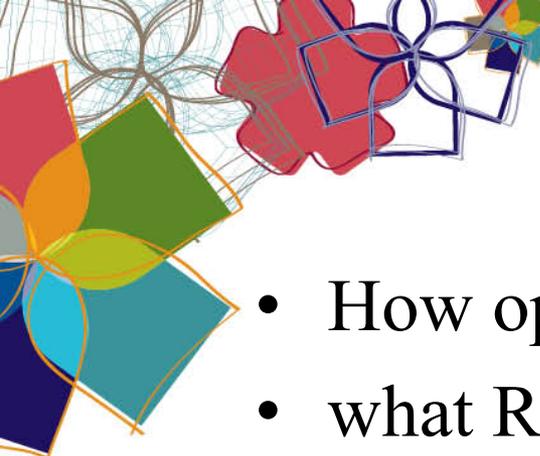
# Research Design

- **stakeholder interviews** (brief and in-depth individual and group interviews)
- 4 licensees – with operations in 3 jurisdictions:
  - Sands, Wynn, and MGM in Las Vegas, (in Macau & Las Vegas)
  - Melco Crown/ Crown Melbourne (in Macau and Melbourne)

N=97 people

- Government/regulators
- casino managements
- casino workers
- problem gambling counselling services,
- unions
- community organizations/NGOs
- some PGs





# Key Questions

- How operators approach/define/frame “RG”
- what RG measures are taken in their casino/casinos in their jurisdiction
- the effectiveness of these measures
- how serious is problem gambling (PG) among patrons as well as casino employees,
- the role of government, community, casinos, gamblers themselves on PG and PG prevention
- Key RG issues in their jurisdiction





# Casinos included

- Sands
- Wynn
- MGM
- Melco-Crown Entertainment

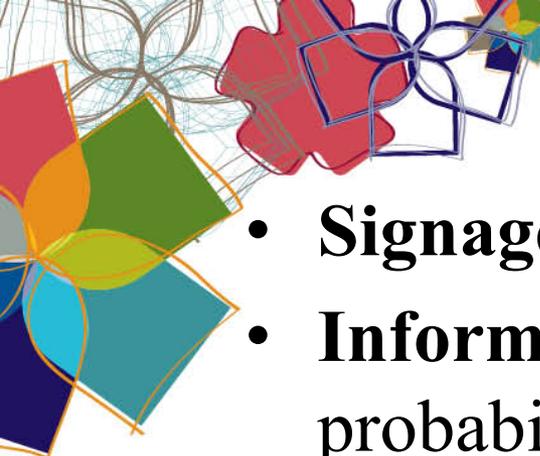




# Common elements across the 2 casino businesses

- Large integrated resorts
- 2500+ slots/EGMs in casinos
- 500+ tables
  
- How is RG framed and managed?
- How effective is it?





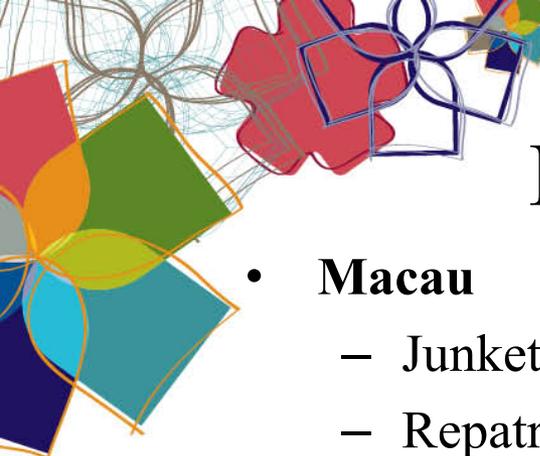
# RG – common elements

- **Signage**
- **Information** for customers eg game rules, probability of win/lose
- **RG training** for staff
- RG week
- **Info** on toll free Gamblers' help line
- Customers **can request** no advertising sent
- **Offer self exclusion** (casino can exclude)
- Under age excluded (illegal)
- ( Crown has on-site counseling and chaplain and RG code)



- 2.1 RG publicity
- 2.2 Floor management of PG
- 2.3 VIP room management
- 2.4 Loan sharking
- 2.5 Employee training and assistance programs
- 2.6 Counseling/Community organizations,
- 2.7 Alcohol policies and practices
- 2.8 Smoking policies and practices
- 2.9 The role of the government in regulating gambling and RG





# Issues in each of LV, Macau, Melbourne

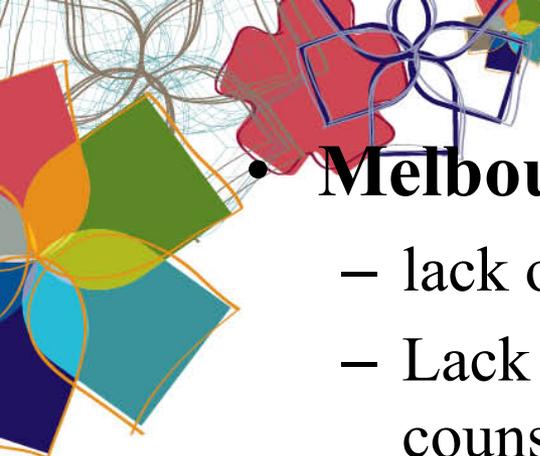
- **Macau**

- Junket operators
- Repatriating PG to Mainland China?
- Health impacts of smoking
- Employee health and safety
- Under-use of Self Exclusion
- Lack of RG codes

- **Las Vegas**

- Repatriation of harms (visitors/tourists)
- Lack of RG codes for operators
- Industry-funded Counselling services - GFC resulted in cuts to funding Smoking and risk of second hand smoke
- Under-use of Self-Exclusion





continued

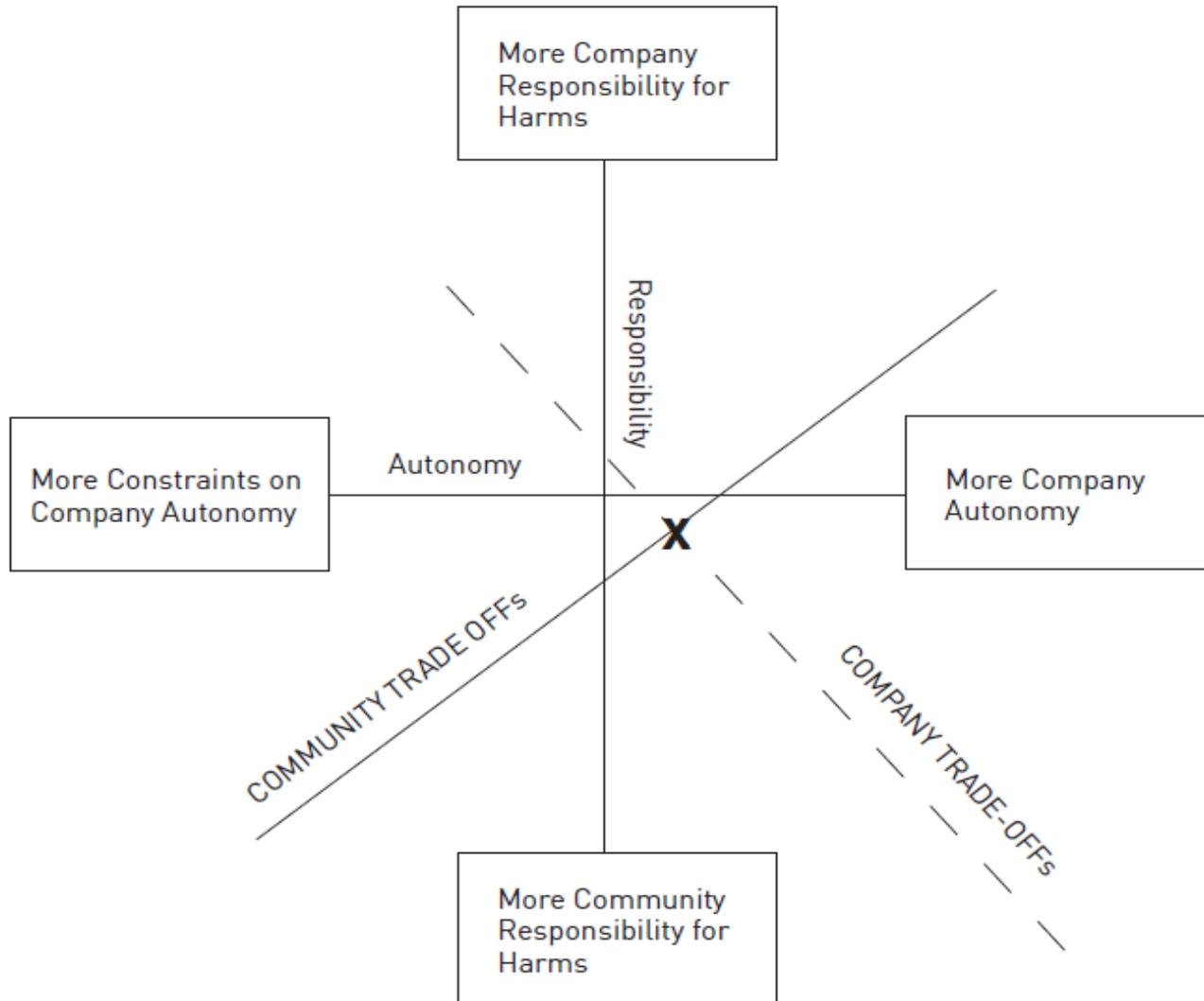
- **Melbourne**

- lack of implementation of RG code of conduct
- Lack of independent evaluation of RG on-site counseling centre
- Problems with effectiveness of self-exclusion
- Alcohol and intoxication in the casino
- Smoking exemption for VIP and high roller rooms ?  
Public health impacts
- “Play-safe” set limits (time,\$) via loyalty card but can still play on.
- The regulator’s 2013 review of Crown Melbourne casino license was critical of its performance on RG and recommended trial use of player tracking technology of VIP players using signature club membership.

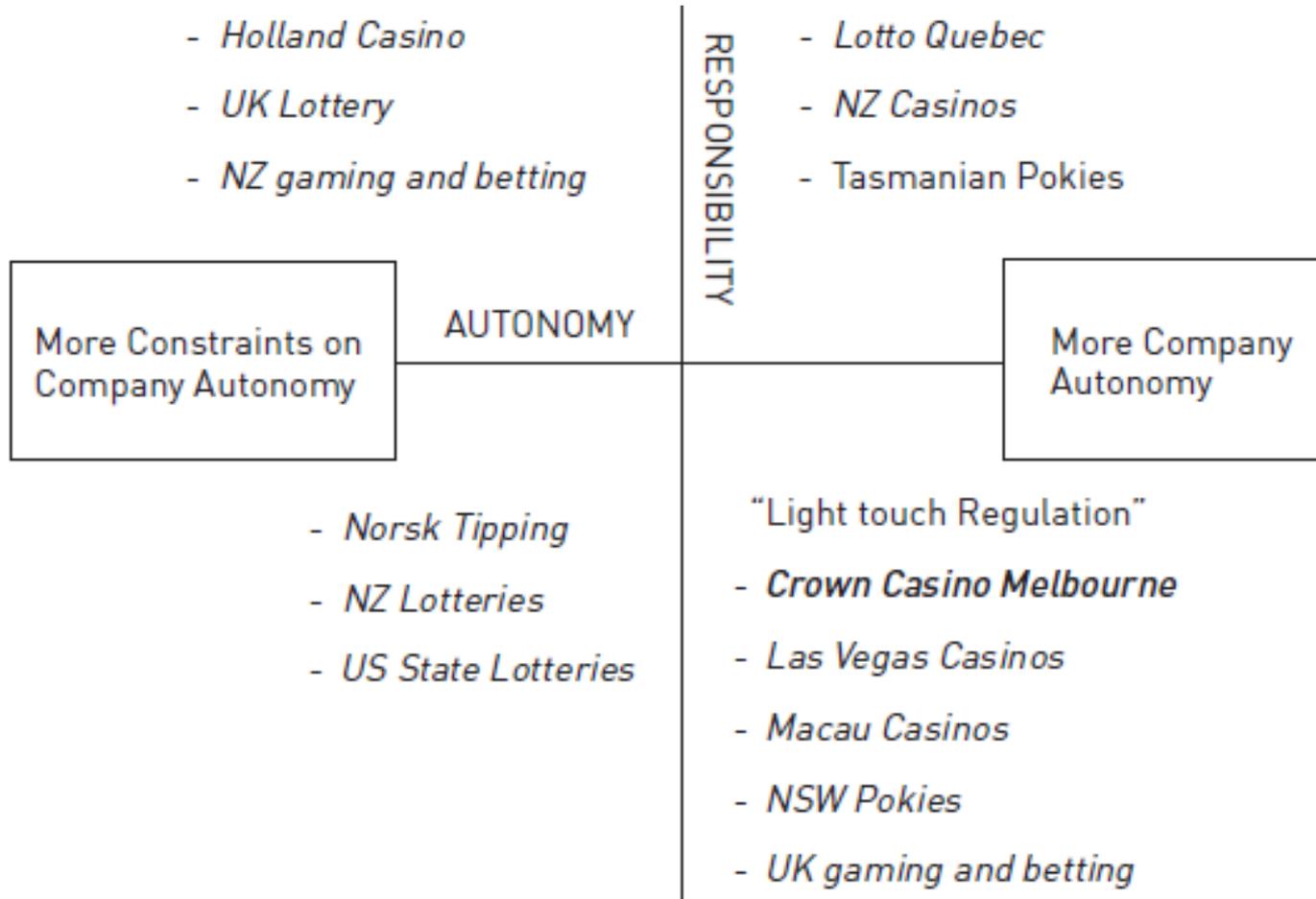


# Issues cross-jurisdictionally within the corporation (egs)

- Smoking – go for lowest standard allowed
- Self –exclusion hardly used in Macau at all (cf Melbourne N= 2500+ but ? effectiveness)
- Alcohol (RSA) not enforced enough in Las Vegas and Melbourne
- Employment standards differ within the same operator in different jurisdictions eg pay rates, 6 days per week in Macau cf 38 hour week in Melb.
- Crown -RG code in Melb but not in Macau



# Community/corporate trade-offs on autonomy and responsibility (Hancock 2011)



# RG in light of international best practice?

- Singapore – protect locals with entry fee
- Holland – player tracking and follow-up
- Switzerland – RG tied to licensing
- New Zealand – ‘signs’ of PG for staff interventions on casino floor
- Norway – leader on pulling back machines and limiting individual losses. Gambling as ‘entertainment’
- Player tracking interventions eg Saskatchewan



# Singaporean exceptionalism on RG

- ID check at entry to casinos who is in our casino?];
- charge for locals to enter casino [S\$100 per visit or S\$2000 per year to protect locals;
- no ATMs or credit at racetrack [state-owned corporation].
- Age 21 for gambling
- Policy objective of protecting vulnerable groups



# Overall summation on RG

- Operators/Regulators emphasise **individual** control model of RG (Reno)
- individual responsibility for harms
  - ‘stay in control’
  - ‘play responsibly’
- Cf public health harm prevention focus:
  - Operator host responsibility ‘duty of care’ to prevent harm “do no harm”?
  - Need for multi-faceted approach

A key question is whether regulators and operators should take as much responsibility as the gambler or even more?





# Reforming the RG Landscape

Research that has been ignored in favor of the dominant RG paradigm.

- exposure to high intensity continuous gambling formats and time spent playing contribute to serious harm.
- density of EGMs is significantly related to the magnitude of PG.
- loss of control when in ‘the zone’ militates against informed choice and RG.
- impact on vulnerable and disadvantaged communities is demonstrated by geospatial player loss analysis.
- player tracking via card based play is an effective way of identifying and helping to reduce risky behavior patterns.
- the failure of industry self-regulation of RG codes of conduct.





# Gamble Responsibly? Ditch or broaden “RG”?

**Broadening the Definition of RG** A more extensive view of RG would include:

- specifying who is responsible for what and how
- the extent to which gambling providers have a duty of care to patrons and employees
- encompass more than PG concerns
- ideas for blunting the addictive potency of hazardous gambling formats
- an examination of policies that contribute to improvident gambling



# Regulatory Challenges

- the lack of a transnational governance body either regionally or globally that sets out to protect casino consumers' interests in relation to operator duty of care
- **The implications for analysis of networked forms of production and regulation and self-regulation by TNCCs**
- **Highly networked TNCs using all the tricks in the CPA armory to influence largely captive governments driven by self-interest (politically and fiscally)**



# The Need for Re-framed RG Policies

- consumer protection/safety -the pre-eminent policy principle (over revenue generation).
- a public health population approach – prevention not PG
- an onus on regulators to mandate RG practices that protect players safe work environments
- gambling provider duty of care with legal redress for harms under mandated RG codes with “teeth”
- research that is independent of industry funding and influence.
- independent RG regulation focused on integrity of operations, transparency, enforcement, and accountability.





# Conclusion

The Reno model has serious limitations and falls far short of a committed RG buy in.

**Thank You**





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