THE UTILITY OF GAMBLING FOR ENTERTAINMENT

Presented by Prof. Matthew Rockloff

Matthew Rockloff
Alex Russell
Matthew Browne
Nerilee Hing

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DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Rockloff and Browne have not received any funding from the gambling industry.

In the last 5 years, Hing declares that she has produced annual consultancy reports on staff gambling and problem gambling to inform improved responsible gambling practices and support for staff at Jupiters, Treasury, and Star Casinos 2012-16. Funding for this work has been $16,000-$40,000 p.a. and has been paid to Southern Cross University. Russell declares that he conducted the statistical analyses for these reports from 2014-16.

Hing declares that she produced a consultancy report (2014) for Sportsbet on the adequacy of responsible gambling features on their web and mobile platforms. $46,287 for this work was paid to Southern Cross University.

The present research was funded internally.

MEASURING GAMBLING HARM

Burden of Disease Approach

- We used ideas from Burden of Disease (BoD) framework.
- BoD measures impact of health states on quantity and quality of life.
- ‘Health state utility’ (between 0 and 1) summarises total impact on quality of life
  - e.g. severe alcohol use disorder = .55, bipolar affective disorder = .48
- Utility * N persons affected = approximate population impact
- Fractional years of (healthy) life lost in a given year

BURDEN OF GAMBLING HARMS STUDY

Gambling Harm Descriptions

- Example vignette for ‘harms from own gambling’

Your gambling is affecting your quality of life. The gambling is making you feel hopeless. You also feel like a failure. You are experiencing stress related health problems (e.g. high blood pressure). You are also living in unhygienic conditions (e.g. living rough, neglected). You neglect your relationship responsibilities. At work/study you have reduced your performance (e.g. due to tiredness or distraction). (A377)

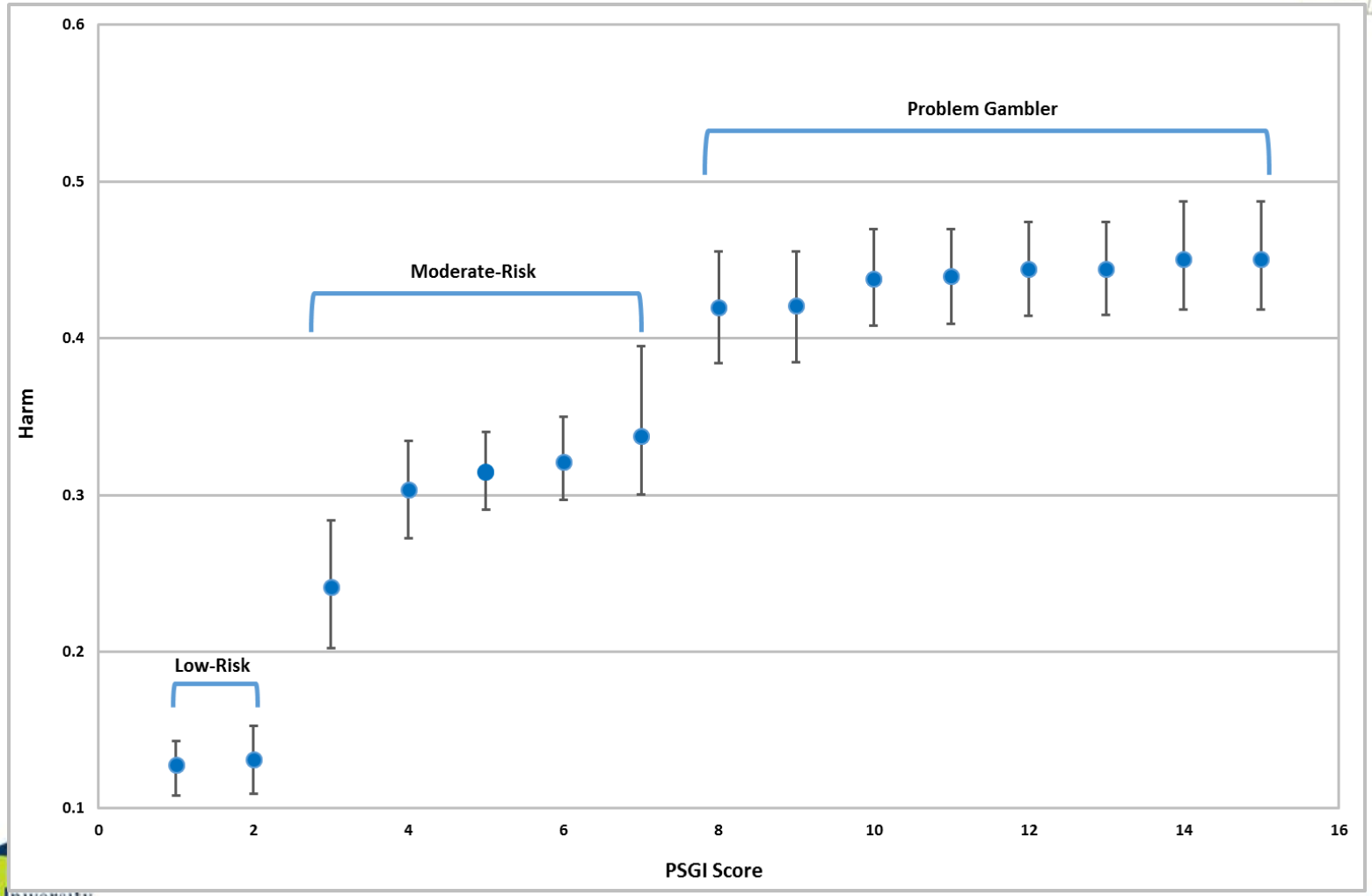
SHORT HARMS

Considering the last 12 months, did you experience any of the following as a result of your gambling? Check all that apply.

- ❑ Reduction of my available spending money
- ❑ Reduction of my savings
- ❑ Less spending on recreational expenses such as eating out, going to movies or other entertainment.
- ❑ Had regrets that made me feel sorry about my gambling
- ❑ Felt ashamed of my gambling
- ❑ Sold personal items
- ❑ Increased credit card debt
- ❑ Spent less time with people I care about
- ❑ Felt distressed about my gambling
- ❑ Felt like a failure
- ❑ None of the above (exclusive answer)

RESULTS (BROWNE ET AL., 2016)

Gambling harm utility scores – PGSI Score



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METHODS (CURRENT STUDY)

Australia-wide Internet Survey

Sample Frame:

Gambled on commercial EGM, Casino or Wagering product in the last 6 months

Respondents:

1467 Gamblers, 55% Male, Mean Age = 37

27% non-problem, 15% low risk, 15% moderate risk, 44% PGs

UP SIDE OF GAMBLING (POSITIVE UTILITY)

Q1. Imagine two situations:

a. You live a further 10 years without being able to gamble at all.

b. You live only a further 5 years and are able to gamble normally and without problems.

For you, which is the better life to live? (a or b)

On “b” skip OUT

Q2. Imagine two situations:

a. You live a further 10 years without being able to gamble at all.

b. You live only a further 8 years and are able to gamble normally and without problems.

For you, which is the better life to live? (a or b)

On “b” skip OUT etc. …

NET UTILITY

PGSI	Positive	Negative	NET
No risk	9.1%	- 5.0%	+4.1%
Low risk	13.7	- 15.3	- 1.6
Moderate risk	19.4	- 24.7	- 5.3
Problem Gambler	19.2	- 28.4	- 9.2

DISTRIBUTION OF NET UTILITY BY PGSI

		PGSI							
		No problem		Low risk		Moderate Risk		Problem Gamblers	
		Count	Percent	Count	Percent	Count	Percent	Count	Percent
Net Benefit	< -.3	2		12		22		80	
	-.3 to -.21	40		64		58		221	
	-.2 to -.11	11		18		27		82	
	-.1 to -.01	11		8		20		62	
	0	185		31		9		5	
	.01 to .1	77		30		15		39	
	.11 to .2	17		11		13		36	
	.21 to .3	11		20		41		111	
	> .3	38		23		8		9	

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VICTORIAN POPULATION 2014-15: ESTIMATED BENEFITS OF EGM, CASINO & WAGERING

Net Utility (YLL)		
	% of Gamblers	utility per person
PGSI 0	73.63%	4.11%
PGSI 1-2	18.63%	-1.61%
PGSI 3-7	5.76%	-5.29%
PGSI 8+	1.98%	-9.19%
Utility per person (YLL)		2.24%

YLL price (based on GDP)	$	60,000
YLL benefit per gambler	$	1,344

# people vic	4,390,438
% people gambling	38%
# people gambling	1,652,948

yrly $ net benefit (gamblers) =	$	2,221,491,818

LIMITATIONS

- Method variance/bias
- Can gamblers with problems make accurate judgments on their Utility?
- What about “long term” Utility? It’s all fun until you get hurt.
- Utilitarian Philosophic Orientation

CONCLUSION & IMPLICATIONS

- There is an estimated “value” to gamblers that exceeds their costs (on average)
- Nevertheless, is the “value” large enough to justify the costs
  – including externalities (e.g. harm to others)?

FUTURE DIRECTIONS

- New methods needed to reduce potential methods bias
- Which gambling games produce the highest net utility?
- How does the value of gambling compare to other recreational pursuits?