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## FEWER SOUTH AFRICANS GAMBLING: SOCIO-ECONOMIC IMPACT STUDY

Fewer South Africans are spending their money on gambling, according to the South African National Gambling Board's latest report on the socio-economic impact of legalised gambling. The study found that fewer people were involved in serious gambling than in 2002 and 2005, when similar studies on the impact of gambling on South African society were conducted.

Compiled by the University of South Africa's Bureau of Market Research, the study concludes that after a period of rapid growth between 1997 and 2002 - when gambling participation originated from the novelty effect of legalized gambling and unrealistically high expectations of winning - participation wane, leaving behind mainly those gamblers that regard gambling as a leisure activity and more serious gamblers who visit gambling venues almost on a daily basis with the top priority of winning easy money.

The study involved a national survey among 3 100 respondents conducted between November 2008 and February 2009. It used a questionnaire similar to that used in similar studies in 2002 and 2005, to allow longitudinal comparisons with regard to various aspects including participation levels, impact of gambling on household welfare, propensity to gamble, household expenditure displacement, household budgetary behavior with regard to gambling and the extent of problem gambling. However, the 2009 study was extended with a few questions on the perceived attitude towards gambling, the most preferred gambling activity, knowledge of gambling and visiting patterns to gambling venues.

### GAMBLING PARTICIPATION AND COMMUNITY ATTITUDES

#### PARTICIPATION IN GAMBLING ACTIVITIES

The propensity of the South African population 18 years and older to participate in legalised gambling activities during the three months preceding the survey was reported as follows (multiple involvement possible):

- 29.2% bought lotto tickets
- 6.4% bought scratch cards
- 6.3% participated in casino gambling
- 1.7% participated in sports betting
- 1.2% participated in horse betting
- 0.9% played Limited Payout Machines (LPMs)
- 0.3% played bingo
- 0.4% participated in interactive gambling

- 65.1% abstained from gambling

Longitudinal comparisons suggest a decline in the propensity to gamble among the South African population. The following trends were recorded:

- Participation in the national lottery declined from 71.3% in 2002 to 45.8% in 2005 and to 29.2% in 2009.
- The percentage of respondents visiting casinos declined from 19.3% in 2002, to 7.1% in 2005 and to 6.3% in 2009.
- Respondents who did not participate in any gambling activity increased from 43.2% in 2002 to 50.2% in 2005 and to 65.1% in 2009.

## **ATTITUDES TO GAMBLING**

Attitudes of respondents towards gambling reveal that:

- 73.8 % express the view that people should have the right to gamble whenever they want to
- 68.4 % feel that gambling is like a drug
- 65.4 % feel that gambling is dangerous for family life
- 50.4 % feel that gambling is a waste of time
- 49.0 % feel that gambling is an important leisure activity
- 45.1 % find gambling acceptable
- 40.9 % feel that most people gamble sensibly
- 37.2 % feel that gambling should be discouraged
- 37.0 % feel it would be better if gambling was banned altogether

## **UNDER-AGE GAMBLING**

Just more than a third (35.7 %) of all respondents affirmed awareness of under-age gambling. The gambling modes in which the youth participated, as reported, by respondents were:

- Dice 70.7 %
- Lotto 24.4 %
- Gaming competitions per SMS 14.7 %
- Fafi 13.5 %

## **GAMBLING OUTLETS**

To the question of the adequacy of gambling outlets:

- 32.4 % indicated that there are too many outlets
- 31.2 % indicated that there are enough
- 15.7 % indicated that there are not enough
- 20.8 % don't know

## **MOST PREFERRED GAMBLING ACTIVITY**

To the question of the most preferred gambling activity of gamblers:

- 74.9 % preferred lotto
- 10.1 % preferred casinos
- 3.7 % preferred scratch cards
- 3.2 % preferred gaming competitions

## **BUYING OF LOTTO TICKETS**

A comparison with the findings of previous surveys suggests a gradual decline in the buying frequency of lotto tickets. Those who bought lotto tickets at least once a week showed the following trend:

- 85.0 % in 2002
- 72.7 % in 2005
- 67.9 % in 2009

## **VISITING OF CASINOS**

Those who visited casinos confirmed the following frequency:

- 3.1 % daily
- 21.9 % once a week
- 20.3 % once every two weeks
- 28.1 % once a month
- 26.6 % visit casinos less often

High frequency (daily and once a week) visitors show the following pattern:

- 9.3 % of total casino visitors in 2002
- 10.2 % in 2005
- 25.0 % in 2009

## **EXPENDITURE ON GAMBLING**

Average monthly expenditure per gambler amounted to R133.70. The percentages of gamblers allocating the following amounts per month were as follows:

- 59.4 % less than R50
- 21.5 % between R51-R150
- 9.2 % between R151-R300
- 5.2 % between R301-R500
- 4.7 % more than R500

## **BUDGETING FOR GAMBLING EXPENDITURE**

The budgeting behaviour of respondents participating in gambling reveals that:

- 38.2 % of respondents budgeted a specific amount for gambling
- 61.8 % indicated that they did not budget a specific amount for gambling

Of those who did not budget for gambling expenditure:

- 32.7 % engaged regularly in impulsive gambling on a regular basis
- 67.3 % engaged occasionally in impulsive gambling

## **EFFECT OF GAMBLING**

The following percentages of gamblers agreed with a selection of statements on gambling:

- 73.6 % : Gambling by family members has a negative impact on my welfare
- 55.9 %: I am aware of information about the nature and risks of gambling
- 59.4 %: I am aware of programme(s) to assist compulsive/problem gamblers to address their problems
- 59.4 %: Living close to a gambling venue (within 30 km) can stimulate problem gambling
- 41.8 %: I am aware of the National Gambling Board
- 38.0 %: I am aware of provincial gambling boards

## **GAMBLERS AND THEIR FAMILIES**

- 31.9 % of gamblers agreed with the statement that 'Gambling of family members has a negative impact on my welfare'.
- 38.3 % of gamblers confirmed that their gambling behaviour originated from the gambling behavior of family members.

## **YOUTH GAMBLING**

Youth gamblers are defined as falling within the 18 to 25 year age group. Just less than a quarter (24.3 %) of the sample falls within this age group. The propensity to gamble among the youth is somewhat lower than among the adult population. However, their participation levels in lotto, gaming competitions (eg per SMS) and betting on sports events are marginally higher than those of adults. Their gambling behaviour and attitudes to gambling closely resemble those of the rest of the gambling population.

## **PARTICIPATION IN GAMBLING**

The youth recorded their gambling activities as follows:

- 23.7 % played lotto
- 5.7 % bought scratch cards
- 4.9 % frequented casinos
- 4.1 % participated in gaming competitions eg per SMS
- 2.4 % played dice

## **ATTITUDES TOWARDS GAMBLING**

More than half the respondents supported the following statements:

- 71.4 %: People should have the right to gamble whenever they want
- 67.9 %: Gambling is like a drug
- 66.3 %: Gambling is dangerous for family life
- 50.0 %: Gambling is a waste of time

## **UNDER-AGE GAMBLING**

Almost half (45.8 %) the youth is aware of under-age gambling mainly in the form of playing dice and buying lotto tickets.

## **MOST PREFERRED GAMBLING MODES**

The most preferred gambling mode recorded by youth gamblers is lotto (67.0 %) followed by casino gambling (11.6 %).

## **QUANTITATIVE PERSPECTIVE**

This study applied the 20 Gamblers Anonymous (GA) questions to determine the extent of problem gambling. In the survey, the 20 GA questions were put to all high-frequency gamblers, ie gamblers who bought lotto tickets and scratch cards at least twice a week, visited a casino at least once a week, played LPMs at least once a week, wagered on horses/sport events at least once a week or played bingo at least once a week. The percentage of respondents answering 14 or more of the 20 GA questions in the affirmative are as follows:

- 0.44 % of all respondents who gambled in the three months preceding the survey (0.44 % in 2005).
- 0.16 % of the total South African population 18 years and older (0.20 % in 2005).

The following five GA questions attracted the most affirmatives:

- GA8 'After a win, have you felt a strong urge to return and win more?': 49.3 % in 2009 and 52.1 % in 2005.
- GA7 'After losing, have you felt you must return as soon as possible and win back your losses?': 38.5 % and 44.5 % respectively.
- GA5 'Have you ever gambled to get money with which to pay debts or otherwise solve financial difficulties?': 30.9 % and 35.0 % respectively.
- GA14 'Have you ever gambled more than you had planned?': 26.6 % and 25.2 % respectively.
- GA19 'Have you ever had an urge to celebrate any good fortune by a few hours of gambling?': 24.8 % and 29.4 % respectively.

The above shows that the most affirmatives centred largely on financially-related reactions after winning or losing money. As could be expected, the winning motive captured the imagination of the majority of high-frequency players.

## **THE LESS AFFLUENT AND GAMBLING**

A clear indication emerges from the survey that the less affluent groupings of the South African population are important participants in gambling activities. For example:

- 22.2 % of gambling participants were unemployed
- 15.8 % occupied part-time jobs
- 12.1 % had no formal schooling or had only primary education
- 23.9 % earned less than R1 000 per month

The question arises as to what gambling modes the less affluent groupings of the community participate in. Of those that earned less than R1 000 per month:

- 85.7 % bought lotto tickets
- 21.0 % bought scratch cards
- 9.1 % frequented casinos
- 2.8 % participated in sports betting
- 1.6 % wagered on horses
- 0.4 % played LPMs

Of the unemployed:

- 82.9 % bought lotto tickets
- 17.1 % bought scratch cards
- 9.6 % visited casinos
- 6.2 % participated in sports betting
- 2.9 % wagered on horses
- 2.9 % played LPMs

## **CONCLUSION**

By comparing the 2005 survey findings with previous surveys the following gambling patterns and trends emerge:

- Since 2005 a clear declining trend with a smaller percentage of the adult population participating in gambling has become evident. This decline is particularly evident with regard to national lottery games. The decline is much smaller with regard to other legalized gambling modes.
- It is also evident that the frequency of indulging in lottery games has declined substantially. The frequency of visiting casinos has, however, increased.
- However, playing lotto remains the most preferred gambling activity of the overwhelming majority of gamblers (74.9 %). The rest of the gambling modes attracted relatively small numbers of gamblers.
- Problem gambling will remain an inherent part of gambling behaviour and needs continued attention from regulatory bodies and the private sector roleplayers within the industry.
- A significant portion of the less affluent groupings of the community is active in gambling (especially lottery games). Proper education and information campaigns to highlight the nature of and risks involved with gambling would not only benefit this portion of the community, but may also inform the general public to alert them against problem gambling.
- The attitudes, gambling behaviour and participation levels of the youth in gambling closely resemble those of the adult gambling population. Some marginal differences are evident in some of the variables measured in the survey.
- The propensity to allocate money to gambling declined from 1.70 % in 2005 to 1.34 % in 2009. This can largely be attributed to the decline in participation levels of the South African population in gambling activities, but may also be influenced by the recessionary conditions of the South African (and world economy) during the survey period (November 2008 to February 2009).
- Participation levels in the various gambling modes largely correlate negatively with the amounts allocated to the different gambling modes. The following serves to illustrate this phenomenon:
  - The lotto attracted 29.2% of gamblers but only 10.1% of gambling money.
  - Casinos attracted 6.3% of gamblers but 76.4% of money expended on gambling.
  - Horse wagering and sports betting attracted 1.2% and 1.7% of punters respectively but 9.3% of gambling money.

The above suggests the involvement of a smaller percentage of South Africans in gambling activity at a somewhat higher frequency and expenditure level by gamblers. This may point towards a more stable gambling community regarding their involvement in gambling as a fairly regular entertainment event. Novelty and irregular gamblers will always be present but they seem to be on the decline after almost a decade of legalised gambling in South Africa.

## **EUROPE LACKS IN-DEPTH PROBLEM GAMBLING RESEARCH**

According to a new report on problem gambling in Europe, presented to the European Parliament this month, evidence suggests that the majority of European markets are lacking research into problem gambling, with only one third of countries undertaking national surveys on the subject.

The new report by Dr. Mark Griffiths, Professor of Gambling Studies at Nottingham Trent University, provides a country-by-country analysis of the known empirical evidence of gambling and problem gambling in Europe and highlights the gaps between Member States in carrying out gambling research, with countries separated into three different categories.

Countries that have carried out national surveys on gambling and/or problem gambling of varying representativeness, quality and empirical rigour include Belgium, Denmark, Estonia, Finland, Germany, Great Britain, The Netherlands, Lithuania, Sweden and Switzerland.

Those that have carried out the same but at a regional and/or local level rather than a national level include Austria, France, Hungary, Romania, Russia, Slovakia, Slovenia and Spain.

There were also a number of countries where almost nothing is known empirically about gambling and/or problem gambling, such as Bulgaria, Cyprus, Czech Republic, Greece, Ireland, Latvia, Luxembourg, Malta, Poland and Portugal.

According to the report, the majority of European markets are lacking in research into problem gambling of sufficient quality, consistency and breadth.

Adrian Morris, the deputy managing director of Stanleybet International, one of Europe's leading cross-border sports betting operators, said: "The debate about gambling is multi-faceted. Many reasons and interpretations are put forward as to why a particular State does or does not grant access to its market by operators from other Member States, be they online or offline, be they casino, betting or other type of gambling operator.

"I have become increasingly concerned that this debate is informed by little or no information and the argumentation seems to be based on myths appealing to emotion rather than facts informing reason and leading to policymaking. Unfortunately, to this day, it seems that emotion continues to overrule facts."

Among the main points in the report are the following -

- European research has consistently shown that problem gambling can negatively affect significant areas of a person's life, including their health, employment, finances, and interpersonal relationships. In addition, there are significant comorbidities with problem gambling, including depression, alcoholism, and obsessive-compulsive behaviours. These comorbidities may exacerbate, or be exacerbated by, problem gambling. Availability of opportunities to gamble and the incidence of problem gambling within a community are known to be linked.
- Among adults, lotto is the most popular adult game in most European countries. Among adolescents, the trend seems to be that wherever commercial games (such as the lottery or slot machines) are widely available, adolescents increase their participation even though in most jurisdictions they may not be legally permitted to play these games.
- Problem gambling rates in Europe appear to be similar to rates found elsewhere (typically 0.5%-2%), although a few countries (e.g., Estonia, Finland, Switzerland) have reported problem gambling prevalence rates of above 3%.
- Relatively few studies in Europe report prevalence rates for probable pathological gambling but the results from these studies suggest broadly similar rates. For example, the current prevalence rates of probable pathological gambling (scoring 5 or more on the DSM-IV) in Great Britain was 0.3%, in Sweden 0.3%, in Iceland 0.6%, in Norway 0.3% and in Denmark 0.1%.
- Results from studies in different European countries suggest that problem gambling among adolescents is considerably higher than among adults. Although problem gambling among adolescent samples tends to be higher than in adult samples, many of the participants used in these studies are either local surveys and/or use opportunistic or non-representative samples. However, in countries where there have been large samples with good representation (e.g., Great Britain), the problem gambling prevalence rate among adolescents is at least four to five times higher than in the adult population.
- In terms of problem gambling by type of gambling, there appear to be some consistent trends across European jurisdictions that have done research. Prevalence studies in Europe have tended to report that problem gamblers are most likely to be electronic gaming machine (EGM) players including Estonia, Germany, Holland, Norway, Sweden and Switzerland. Other studies have also found similar results with adolescents reporting that the main type of problem gambling among adolescents is related to EGM play (e.g., Great Britain, Iceland and Lithuania).
- Furthermore, statistics from problem gambling helpline data show a growing proportion of problem gamblers contacting helplines or assessing treatment are identifying EGMs as their primary form of gambling. Many European countries reported that problem EGM gamblers were most likely to seek treatment and/or contact national gambling helplines including 60% of gamblers seeking help in Belgium, 72% in Denmark, 93% in Estonia, 66% in Finland, 49.5% in France, 83% in Germany, 45% in Great Britain, 75% in Spain, and 35% in Sweden.

The full report may be accessed at -

[http://www.responsiblegambling.org/articles/Prob%20Gamb%20Europe%202009%20\(3\).pdf](http://www.responsiblegambling.org/articles/Prob%20Gamb%20Europe%202009%20(3).pdf)

## **TASMANIA TABLES NEW LEGISLATION TO AID PROBLEM GAMBLERS**

In an effort to further address problem gambling, the Tasmanian government has tabled new gambling legislation that will see the implementation of a range of measures developed in response to the findings of last year's Social and Economic Impact Study into Gambling.

Tasmania Treasurer Michael Aird said that the measures covered four broad areas and would "ensure Tasmania continues to have the best harm minimisation practices in Australia."

The new legislation enhances restrictions on access to gambling by minors as well as strengthening the gaming exclusions regime for self-excluded gamblers.

The Tasmanian Gaming Commission's rule-making power will also be expanded in relation to access to cash, with a limit on payment of winnings in cash to \$1 000, a prohibition on cashing winning cheques on the day they are won, and extending the current restriction of one EFTPOS (Electronic Funds Transfer at Point of Sale) transaction per person per day in hotels and clubs to the state's two casinos.

The legislation will also establish the requirement for a mandatory industry Code of Practice, to be developed following industry consultation, which will include prohibiting the serving of food and drinks in gaming areas from 9 pm to close of business, require the display of clocks on walls, as well as the introduction of minimum lighting standards in venues.

Under the code, gambling venues will also be required to display signage including an explanation of returns to player, while setting standards for advertising of gambling products including player loyalty programmes and restricting inducements that may lead to problem gambling behaviour.

Aird said the measures complement those already being implemented following a Ministerial Direction given to the Gaming Commission earlier this year in July, which included problem gambler identification, the reduction of bet limits and a requirement to bank cheques within a certain time.

The new measures would also complement national action agreed at July's Ministerial Council meeting to reduce harm from gambling. "Much of the national work programme has already been introduced, or is being introduced, in Tasmania," said Aird.

In relation to the recently released draft Productivity Commission Report on Gambling by the Australian government's independent research and advisory body, Aird said Tasmania would be examining the draft report in more detail to assess its findings and recommendations.

"Whether the Government implements the final report's recommendations will need to be considered as part of ongoing reviews of gambling regulation at both a state level and national level (through the Ministerial Council on Gambling). I can say at this stage however that the Final Report will inform the scope of the next social and economic impact study into gambling which will commence in 2010."

## **TURNING RATS INTO GAMBLERS: MODULATING GAMBLING BEHAVIOUR USING LABORATORY ANIMALS**

Animal models of human behaviour help scientists to understand pathology and develop new drugs. A recent issue of *The WAGER* reviewed a study that examines an animal model of gambling behaviour.<sup>1</sup> Zeeb et al. sought to determine if rats are capable of "playing the odds" and if altering their brain chemistry (e.g., to mimic the neurochemistry of human gamblers) changes the rats' decision-making, which according to the authors was a proxy for gambling strategy.

### **Method**

Investigators trained 32 rats to choose between four trays (P1 – 4) to nose-poke for food (see figure below). Each time a rat "won", it received one or more sugar pellets as a reward. Each time it "lost", there was a timeout during which it could not play.

In terms of long-term gain, the optimal choice was to choose P2, which was getting two sugar pellets with moderate waiting time. P1 represented the choice with the lowest reward (one pellet) and the lowest probability of timeout; P4 was the choice with the highest reward (four pellets) and the highest probability of timeout.

After at least one week of stable baseline behaviour, the researchers injected various drugs that affected (i.e., increased or decreased) the level of dopamine in the brain to alter the animals' brain chemistry to mimic that of problem gamblers. Examples of drugs are:

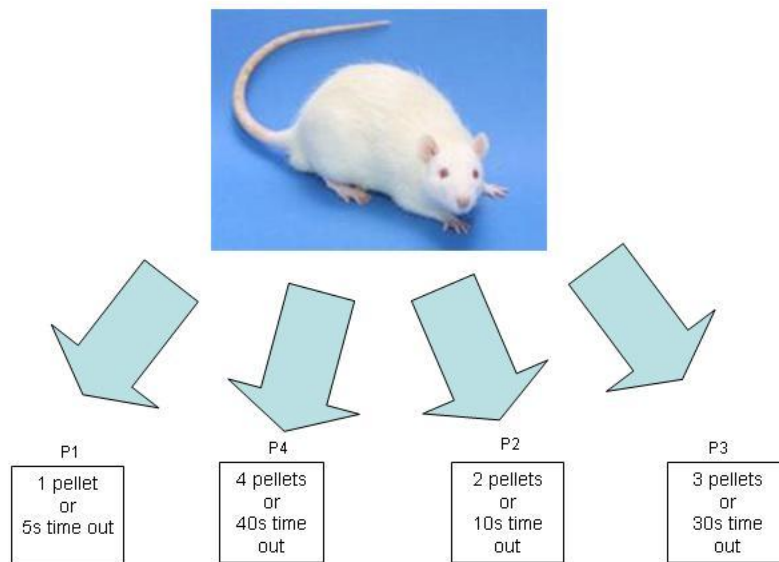
- Amphetamine: potentially increases the level of dopamine in the brain.
- Eticlopride: blocks dopamine receptors.
- SKF 81297: triggers dopamine response by the brain cell.

Investigators conducted repeated measures ANOVA to measure how the preferences were changed following the drug injection.

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<sup>1</sup> Zeeb, F. D., Robbins, T. W., & Winstanley, C. A. (2009). Serotonergic and Dopaminergic Modulation of Gambling Behavior as Assessed Using a Novel Rat Gambling Task. *Neuropsychopharmacology*, 34(10)

## Trial structure for the Rat Gambling Task.\*



*Notes:\* The location of the trays was counterbalanced across rats. A picture represents one possible setting.*

### Results

At baseline, animals consistently showed a preference for the optimal choice (P2), associated with a modest gain and moderate punishment.

Amphetamine significantly increased selection of the non-optimal choice P1, which is associated with the least punishment but also with the least reward. Eticlopride significantly increased selection of the optimal choice. SKF 81297 significantly increased the selection of P4 (risky with largest probability of punishment) and significantly decreased the selection of the optimal choice.

### Limitations

- The "Rat gambling task" is not a complete analogy for human gambling behavior (e.g., rats cannot really "lose" food).
- The "decision making" task is not necessarily a proxy for gambling.
- It is not clear if dopamine leads to the avoidance of punishment or awareness of rewards.
- It is not clear if rats are relying on memory to make their choice, rather than basing their preference on the perception of risk or punishment tolerance.

### Conclusion

This study indicates that rats are capable of 'playing the odds'. Moreover, they seem to be "risk-averse" animals, similar to human beings. The obtained data suggest that changing brain chemistry produces subsequent changes in animals "similar-to-gambling" behaviour. Specifically, dopaminergic agents (drugs that influence dopamine activity in brain) can impair or improve gambling performance. The results imply that high levels of dopamine might pre-dispose non-optimal decision making, creating a risk factor for gambling-related problems. The mechanism of dopamine as a risk factor is not yet clear. However, the results are consistent with previous studies that found dopamine treatment to increase gambling drive among human patients.<sup>2</sup> Taken together, these findings indicate that the rats gambling task might be a useful tool to study biological aspects of gambling.

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## FLORIDA REPORT: CURRENT INTERNET POKER SYSTEM FAILING CONSUMERS

The Florida Legislature's Office of Programme Policy Analysis and Government Accountability (OPPAGA) has published a report presenting the options available to state lawmakers in order to protect consumers from unlawful internet poker, warning that maintaining the status quo will do nothing to establish greater consumer protection without concrete action by the federal government.

<sup>2</sup> Abler, B., Hahlbrock, R., Unrath, A., Gron, G., & Kassubek, J. (2009). At-risk for pathological gambling: imaging neural reward processing under chronic dopamine agonists. *Brain: A Journal of Neurology*, 132(9)

The OPPAGA report sets out three options for state lawmakers in addressing the issue of unlawful internet poker, that of regulation, prohibition or a standstill pending federal legislation.

In view of the desired objective of strengthening consumer protection, the OPPAGA asserts that maintaining the status quo in Florida, where online poker is neither specifically prohibited nor regulated, could result in cost savings for the state as the Federal government would bear the cost of licensing and regulation. It warns however that until the Federal government takes action, this approach will do little to provide additional consumer protection.

The alternatives therefore would be either to regulate or specifically prohibit internet poker, both of which could cause problems for the state.

With regard to prohibition, the OPPAGA's findings suggest that such an approach may serve to reduce the number of Florida residents participating in online gambling and increase awareness of the problems associated with the activity, thereby reducing the cost to the state for the treatment of problem gamblers. It warns however of an increased cost to the state if it were to actively enforce the prohibition.

It also suggests that the state's enforcement of the prohibition could face a number of challenges, specifically its ability to identify and take action against internet gamblers in their own home and the First Amendment issues surrounding the blocking of Florida residents' access to illegal gaming sites.

On the issue of regulating internet poker, the OPPAGA believes that such an approach could increase state revenues and retain those revenues within the state, as opposed to the federal licensing system under which the states would only receive a portion of revenues. It also believes that a state regulated system could offer greater consumer protections than those currently offered by offshore providers.

This approach however is said to pose a number of problems with regard to compatibility with federal law, the state's relationship with the Seminole Tribe and increasing societal problems associated with problem gambling.

The state regulation approach was also found to impose a new cost burden on the state with regard to licensing operators, ensuring compliance with state law and monitoring for illegal sites falsely presenting themselves as being state approved.

## **SURVEY RESPONDENTS CONSIDER GAMBLING MACHINE SOCIAL RESPONSIBILITY MEASURES TO BE INEFFECTUAL**

The British Gambling Commission has published the results of a qualitative study of machine gamblers. Using a sample of regular, at-risk, and current and recovering problem gamblers in locations across Great Britain, the research explored four aspects of gambling with participants:

- player motivations for gaming machine play in the context of their gambling activity;
- structural characteristics of machines: for example the impact of stakes and prizes, impact of frequency and size of wins, and the availability of note acceptors on player behaviour;
- situational characteristics: for example the accessibility of machines to players and the availability of additional funds within a venue (e.g. ATMs); and
- player attitudes to smart cards and other technologies which track individual behaviour and allow spending limits to be set.

### **Motivations for gaming machine play**

The research found that machine gambling behaviour is affected by a number of characteristics including personal, structural and situational factors. These characteristics interact and are not mutually exclusive.

*Personal characteristics* include all the characteristics of the individual gambler insofar as they impact upon his or her gambling behaviour, including factors such as social relationships, financial circumstances, pleasure and enjoyment, and self-affirmation.

*Structural characteristics* are the features of an individual gaming machine that act to drive and motivate play: e.g. perception of a near miss, the speed of play and frequency of payouts.

*Situational characteristics* include all the characteristics of the gambling environment impacting upon individual gamblers and their gambling behaviour: e.g. access to gaming machines, their prevalence, social facilitation in the gambling environment and familiarity with that environment.

Within these categories, the research found the following factors to be key drivers of machine gambling behaviour amongst the 43 gamblers researched:

- *Personal*
  - *Enjoyment*: this included escapism from everyday life and the thrill and excitement of machine gambling motivated by its speed and the sense of real-time risk.

- *Social*: for many regular gamblers machine gambling was seen as a social activity while for problem gamblers it tended to be more solitary; bingo halls, casinos and betting shops were all seen to facilitate social gambling while gambling in adult gaming centres was perceived to be more solitary.
- *Mastery*: players perceived that through learning to play the machine and by identifying 'tricks', they could minimise the risk of the gamble, and increase the likelihood of winning.
- *Financial*: problem gamblers often played to win (or would chase their losses), while regular gamblers usually saw money as a way of facilitating continued play.
- *Structural*
  - *Near miss*: perceptions of a 'near miss' encouraged people to continue playing and sometimes to extend their pre-defined budget for that particular day.
  - *Speed and simplicity*: the instantaneous thrill and real-time risk of machine playing was intensified by speedier and simpler games. Slower and more complex games were favoured by those less interested in winning (typically regular rather than problem gamblers) and looking to play for longer or to kill time.
  - *Frequency of payout*: many were encouraged to continue playing when they won small payouts, as it made them feel that they were on a lucky streak. Incremental payouts added to this and sometimes led to more aggressive gambling behaviour.
  - *Familiarity and skill*: many chose to play a specific machine or game as they had played it many times before and felt that their knowledge of it increased their likelihood of winning, as well as providing them with a feeling of comfort and control.
- *Situational*
  - *Machine density and access*: all machine gamblers believed that machines were easy to access and cited a range of venues where they could play the gaming machines in their local area. The availability of machines was not considered a barrier to machine gambling.
  - *Presence of others*: as identified above, some were attracted to a specific venue due to the opportunity it provided for social interaction; problem gamblers often preferred more solitary, asocial gaming environments.

This research indicated that there may be some distinctions between problem and regular gamblers. In particular, the following differences emerged:

- *Excitement vs. escapism* – Problem gamblers were more likely to cite gambling as an exciting activity whilst regular gamblers tended to focus on it as a way of escaping the realities of everyday life.
- *Chasing money (jackpot, debt) vs. money to facilitate play* – Overall, problem gamblers were more likely to talk about chasing the jackpot or their debt when compared to regular gamblers. Problem gamblers fantasised about the way in which they would spend their winnings. However, regular gamblers often sought to win money to facilitate continued play – these players were looking to play for a long period of time using as little money as possible.
- *Isolated vs. social* – Regular gamblers often discussed the social aspects of machine gambling. Some noted that gambling was important to their social life. Others viewed machine gambling as part of a night out when they would socialise with friends. Problem gamblers tended to view machine gambling as a more solitary experience and most preferred to gamble alone.
- *Itinerant vs. familiar venues* – Continuing from the point made above, problem gamblers tended to be more itinerant in their choice of gambling venue. Their venue choice tended to be driven by machine or game type rather than on the basis of social interaction. Regular gamblers, as noted above, played at familiar venues where they knew fellow gamblers and staff and felt comfortable.

Interestingly, the research did not find that problem gambling was related to jackpot size. Whilst jackpot size was considered important, availability of funds tended to be a stronger driver of behaviour, with funds dictating the category of machine played. Therefore, problem gamblers were as likely to play category C machines as B1, B2, B3 or B3A, depending on how much money they had. These machine categories are defined in the table below.

Machine category	Maximum stake	Maximum prize
B1	£2	£4 000
B2	£100 (in multiples of £10)	£500
B3 / B3A	£1	£500
B4	£1	£250
C	£1	£70

### Attitudes towards social responsibility measures

When it came to exploring reactions to social responsibility measures, participants agreed that where social relationships existed within the gambling environment, there was an opportunity for gamblers to be supported in changing their behaviour (either by members of staff or even by fellow customers, who might be able to identify and address any obvious problem gambling behaviour). However, it was observed that these types of social relationships did not always exist and that such social relationships may be more likely amongst regular rather than problem gamblers, as regular gamblers were more likely to be loyal to particular venues.

Despite this, it was widely felt that not all venues the gamblers participating in the research had attended were doing enough to support and assist problem gamblers. In particular, two of the recovering problem gamblers gave examples of staff in different venues not implementing self-exclusion arrangements properly. In one case, the gambler felt he had been hindered from self-excluding from an adult gaming centre, where the proprietor said he did not have the appropriate forms to implement a self-exclusion when approached. In the other, the gambler had self-excluded himself from a betting shop but sent a friend in to play the machines on his behalf. When the proprietor saw him standing outside, looking in through the window, he did not try and stop him from playing vicariously and actually asked how his game was going.

Furthermore, in one of the venues visited, the visibility of gaming machines was impeded while in others, staff showed a reluctance to address problem gambling for fear of aggression on the part of the customer. This suggested that more could be done in venues, whether through their physical arrangement or through staff training, to improve customer interaction as a route to addressing problem gambling.

Use of player or loyalty cards as a social responsibility measure was viewed with scepticism by participants. None of the respondents were using cards at the time and while they could see them as being used by venues for marketing and promotions, they were doubtful of their applicability in a social responsibility context. One of the suggestions made by participants was that venues might phone them up to check everything was all right if they noticed a spike in their spending patterns. However, most did not believe that venues would use them in such an interventionist way, or that such an approach would be particularly effective.

Most of the suggestions focusing on interrupting the flow of machine play (mandatory game breaks, time limits, money limits) were unpopular as they were perceived to run against the pattern of play, which was often repetitive and protracted. Specifically, many players were concerned that machines would stop when they were on a lucky streak or close to winning and interrupt the momentum they had achieved. There were also concerns that such disruption could aggravate violence and aggression amongst gamblers.

However, regular gamblers were open to the idea of pop-up messages informing them of money spent or length of time played. A small number of players felt that this type of information would be useful and could encourage them to stop and think about their behaviour and potentially modify it if deemed necessary.

Overall, it should be noted that participants considered the social responsibility measures discussed in the research rather ineffectual given the prevalence of machines and the ease of access described by respondents during the focus groups and depth interviews. If gamblers were deterred from playing machines in one venue, there was likely to be another venue where they could play in the vicinity.

The full report may be accessed at –

<http://www.gamblingcommission.gov.uk/pdf/GfK%20NOP%20Qualitative%20study%20into%20machine%20gamblers%20-%20October%202009.pdf>

## **GAMBLING COMMISSION PUBLISHES FINDINGS ON GAMBLING MACHINE-RELATED HARM**

The British Gambling Commission has published the findings of an expert panel which was convened to investigate the relevant issues and evidence regarding the association between risk, harm and gaming machines and the respective approaches to harm reduction. The panel was also tasked with proposing recommendations for a medium to long-term research programme for gaming machines in Great Britain.

The aims of this consultation were to assess, in relation to gaming machines, the level of consensus regarding factors which determine gambling-related harm; identify preventative measures which may be appropriate to the British context; and, to the extent that evidence was lacking or needed, recommend medium and long-term priorities for a programme of research to examine gaming machine players' behaviour and identify potential challenges associated with such research.

Two panels were constructed (one international and one British) comprising academic experts who could speak with authority on the area of gaming machines. The international panel was brought in to ensure the latest research and regulatory experience from other jurisdictions were included.

### **International panel: Perspectives on risk factors and harm mitigation**

- There was broad consensus among panellists that high-stake machines are associated with problem gambling. However, explanations for this view lacked consistency and were limited in detail.
- In terms of prizes, there were suggestions from the panel that both small and large wins would be associated with harm in that smaller wins were reinforcing and provided entertainment, whereas larger prizes were considered to be more important for generating excitement and encouraging 'chasing' behaviour.

- In terms of game speed, distribution of wins, and percentage return to player (RTP), the overall view from the panel was that there was limited empirical evidence clarifying these issues, and that a reduction in speed could have an unavoidable negative impact on the experience of all types of players. The panel was in general agreement, however, that restricting access to funds may be effective in reducing and preventing harm.
- Convenient and proximate locations, sites located within economically deprived areas, and having 'many small venues as opposed to few large venues' were also suggested to be related to harm. The panel members who responded to the potential impact of the availability of both compensated and random gaming machines were in agreement that this may cause confusion among players and may facilitate the development of cognitive biases during play.

### **International panel: Consensus on risk factors and harm mitigation**

- There was a general lack of consensus among the panel regarding the role of structural factors in generating harm and the effectiveness of harm minimisation approaches. A high level of consensus was apparent only for a few propositions for certain structural characteristics under consideration.
- Regarding size of stake, a high level of consensus was noted relative to other characteristics. It was suggested that the main risk for players experiencing harm was that higher stakes normally imply a higher financial cost to play a gaming machine in any given timeframe. Panellists were also in agreement that potentially the best options to mitigate gambling-related harm regarding this factor would be to apply an upper limit on stake size, or to help extend control for the player over their expenditure through the use of responsible gambling features enabled by card-based or other tracking technologies.
- Overall, there was a low level of consensus regarding the importance of the size of prizes in relation to creating and facilitating harm. However, there was a high level of agreement regarding the most effective approaches for harm mitigation in relation to size of prize, including putting an upper limit on the size of prizes and paying out large wins using cash alternatives so that they could not be immediately reinvested.
- There was some consensus that the most significant risks posed by faster games are that they allow less time for reflection, and that they lead to a higher level of spending per hour. Restrictions on 'autoplay' and reducing reel spin speed were considered priorities for harm mitigation, although the panel also suggested that reducing speed of play may make a game less appealing.
- Restricting access to ATMs in gambling venues and other similar facilities was considered as potentially one of the most effective harm minimisation approaches. Imposing withdrawal limits and restrictions on location for ATMs also received some support; however, this received less support than for a complete ban. Support for using 'cooling-off' periods was mixed, as were suggestions by the panel for the appropriate length of time for such periods.
- There was significant uncertainty and disagreement among the panel regarding volatility and RTP and their respective impacts on harm. This seemed to be a result of a lack of empirical evidence in this area, and/or a general lack of understanding of the concepts being considered.

The full report may be accessed at -

<http://www.gamblingcommission.gov.uk/pdf/A%20medium%20to%20long%20term%20programme%20of%20research%20for%20investigating%20gaming%20machines%20in%20Great%20Britain%20-%20November%202009.pdf>

## **WEST VIRGINIA RELEASES DATA ON PROBLEM GAMBLERS**

Data released by the Problem Gamblers Help Network of West Virginia reveals that slot machines are the biggest source of trouble for problem gamblers in the state. This month the Network published a profile of the characteristics of the more than 8 000 callers to its help-line since its inception in 2000.

The common profile of a problem gambler in West Virginia is a married, middle-aged woman, working fulltime in the health care, social work or gaming industry. She may be dealing with stressors like "empty nest syndrome" or death of a loved one. She gambles at neighbourhood slot machines. Her gambling debts range between \$5 000 and \$25 000 and her money problems cause her to borrow money from other people, neglect her bills, and spend all her income at the slots.

The vast majority of callers to the gambling help-line are addicted to slot machines, usually those located in neighbourhood bars and restaurants. Of the 8 045 callers, 5 156 reported that they gamble at local establishments, while 1 240 play the slots at West Virginia's four racetracks. Figures for other forms of gambling include:

Lottery/Powerball	565 callers
"Gray Machines"	258 callers
Cards (poker, blackjack)	168 callers
Sports	165 callers
Internet gambling	156 callers
Bingo	148 callers
Horse racing	102 callers
Dog racing	64 callers

Help Network programme director Steve Burton said: "The emotional and financial toll this addiction takes on the gambler and his or her family can seem overwhelming. About 9% of people who call us are suicidal. The Help Network understands these issues and can help people bring control back into their lives."

The top seven money concerns reported by callers are:

Borrowed money from others	5 332 callers
Unpaid bills	4 532 callers
Spending all income on gambling	4 426 callers
Credit card charges	2 602 callers
Bad checks	2 078 callers
Bank/finance co. loan	1 094 callers
Sold/pawned property	1 154 callers

## ONLINE GAMING REGULATION EQUALS PROTECTION, EXPERTS TELL CONGRESS HEARING

The American Congress has begun hearings on legislation designed to establish the licensing and regulation of the online gambling industry in the United States.

A 2006 law banned Internet gambling and also barred financial institutions from accepting payments from credit cards, cheques or electronic fund transfers to settle online gambling bets.

The House Financial Services Committee hearing on 3 December heard expert testimony from a number of witnesses and was presented with a new study by Harvard University, showing that U.S regulation of Internet gambling is the most effective way to protect consumers, particularly children and problem gamblers.

The study by Professor Malcolm Sparrow of Harvard's John F. Kennedy School of Government said that "combining a thoughtful regulatory scheme with education, technology tools, and support appears to be the most effective means of handling the realities and risks of online gambling. Consumers in the United States would be better protected than they are now."

Sparrow's study analyses ten specific risks that others have suggested are potentially associated with online gambling. These range from gambling by minors to organised crime and from money laundering to problem gambling. For each of the ten risks, he examined a set of regulatory methods and technologies that would provide a reasonable degree of risk management in a regulated environment. Most of these methods have already been implemented in some form in other jurisdictions. The United Kingdom, Alderney, Gibraltar and others have successfully implemented regulation, and nearly all of the well-regulated jurisdictions studied address the risks to some degree.

### Online Gambling and the Incidence of Problem Gambling:

Some studies have claimed an association between increased gambling exposure and increased incidence of problem gambling. In addition, commentators have suggested that the increased accessibility inherent in online gambling magnifies such risks. However, more recent studies specific to online gambling, most conducted since the advent of legal and regulated online gambling, have indicated that online gambling does not inherently encourage excessive gambling. For example, researchers at Harvard Medical School studied real-time betting activities of 48 000 Internet players over two years and found that their betting levels in Internet sports gambling and casino games were moderate. Most gamblers placed fewer than four bets per day, and sports gamblers tended to moderate their play based on their wins and losses; i.e., they played less often when they lost money and more often when they won money. Also, a large-scale British study in 2007 found no increase in the rate of problem gambling in the United Kingdom since 1999, despite a large increase in the number of new gambling opportunities (although the number of people who had gambled in the past year decreased between 1999 and 2007).

On the basis of this review of the existing literature and interviews with academics, regulators, industry participants, and public interest advocates, Sparrow came to the following conclusions –

- Online gambling could be regulated effectively if it were legalized.
- A well-structured regulatory regime should provide much better social and consumer protections than the status quo for the risks identified.
- At a minimum, even an imperfect legalization and regulatory regime for online gambling would give Americans much more protection than they have now. The current prohibitionist policy is extremely weak: large numbers of U.S. residents already gamble online, but they do so using offshore sites, many of which are poorly regulated or unregulated.

In the section of his submission dealing with regulatory methods and technologies available for controlling each risk, Sparrow says that, unlike the other nine risks, the potential effect of legalization on problem gambling is less obvious *a priori*. On the one hand, in a well-regulated online environment, gamblers (including existing U.S.-based online gamblers) would have more access to mechanisms with which to try to curb their problem behaviour. These include tools for self-exclusion and self-limits as well as greater awareness of and access to clinical and self-help resources. On the other hand, pathological or addictive gambling behaviours might nevertheless be exacerbated by the increased opportunity to gamble at any time and from anywhere.

## Potential Effects of Legalization of Online Gambling on Problem Gambling

Some researchers and policymakers have expressed concerns about the impact of online gambling on problem gambling. They fear that legalization of online gambling might spur excessive gambling and problem gambling incidence by facilitating (1) unlimited access and availability of gambling platforms; (2) anonymity, which would allow gamblers to participate without fear of stigma; (3) gambling under the influence; (4) decreased perception of value of money; and (5) isolation. A notable example of this concern is the 1999 assertion by the National Gambling Impact Study Commission that the three main reasons to prohibit online gambling are abuse by underage gamblers, addiction by pathological gamblers due to its high speed and instant gratification, and the potential for criminal activities. Policymakers are also concerned about negative spill-overs to the rest of society, including increases in crime, lost work and school hours, and increase in personal debt.

The following sections describe and analyze mechanisms through which legalization could affect the level of problem gambling in the United States. We identify several mechanisms by which legalization is commonly expected to increase the incidence of problem gambling and two mechanisms by which regulation might be expected to alleviate problem gambling.

### **Increased Accessibility**

*Potential Effect:* One of the most common critiques of online gambling is the increase in access and availability inherent in Internet-based gambling platforms. Many believe that increased access to gambling and 24-hour-a-day availability may exacerbate problem gambling. In addition, online gambling also facilitates (1) anonymity, allowing gamblers to participate without fear of stigma; (2) gambling under the influence; and (3) decreased perception of the value of money, thereby elevating the risks of problem gambling. Potential risks posed by the frequency and speed of gaming, variety of games, and smaller permissible bet size on the Internet are frequently cited.

*Mitigating Considerations:* U.S. residents already have online gambling options available to them all day, everyday, and from anywhere. So the addition of U.S.-licensed sites would not alter that particular reality. Furthermore, regulation can assuage these concerns. Responsible gaming features and safeguards, including links to problem gambling help-lines and websites, self-exclusion programs, and self-imposed time and money limits, are some common features that can be enforced to curb problem gambling. In fact, some have suggested that problem gamblers may benefit the most from the legalization of online gambling, because they would gain access to the tools required by the regulator.

### **Potential Benefits of Legalization**

There are two mechanisms through which regulation could reduce problem gambling. Regulators could implement (1) public policy measures designed to educate the public on the dangers of problem gambling and (2) efforts to provide resources to those affected by problem gambling.

#### **a. Access to Funding to Increase Awareness of Problem Gambling**

If the United States decides to legalize and tax online gambling, significant revenues may accrue from the imposition of taxes and license fees. Australia, Costa Rica, Great Britain, Aruba, and Antigua are some of the many countries that have recognized tax benefits from legalizing online gambling.

The United States could use tax and license revenues to substantially boost publicly funded prevention, counselling, and treatment programs as well as research on gambling addiction. Currently, statutes in some states require that information regarding problem gambling be provided to persons participating in any form of legalized gambling. At least three states require that telephone helplines be maintained for problem gamblers.

Advocates for problem gamblers have been very vocal about the under-funding in existing budgets for prevention, counselling, and treatment services and observe that most health insurers currently do not cover these services. Only 25 states provide any funding for problem gambling programs. Availability of tax dollars from online gambling revenues and licensing fees could be used to substantially bolster problem-gambling awareness and treatment programs, and to provide educational supports for parents and higher-educational institutions dealing with underage gambling.

#### **b. Wider Implementation of Responsible Gambling Features**

Legalization of online gambling could lead to the introduction and wider implementation of regulations that give online gamblers tools for controlling their own gambling behaviours.

Online gamblers today have access to a variety of online gambling options. However, research indicates the general lack of responsible gambling practices and safeguards offered by these online gambling websites. A 2004 exploratory study of 30 U.K.-based Internet gambling sites found that very few sites engaged in socially responsible practices.<sup>313</sup> Of the 30 sites, 26 had no reference to a problem gambling help resource; further, 20 sites showed no evidence of social responsibility and 29 sites did not seem to give an option to self-exclude from the site.

Various types of responsible gambling practices have been advocated, including links to

problem gambling helplines and websites, self-exclusion programs, and self-imposed time and money limits. Some common elements of regulatory structures across leading online gambling jurisdictions include (1) requiring operators to provide players with mechanisms to set their own betting limits or limit the deposits they make to their online gambling accounts; (2) requiring site operators to allow gamblers to self-exclude from participating in gambling with the operator; (3) permitting family members to petition to exclude a gambler from a website; (4) banning extension of credit to players; (5) requiring operators to display prominent links to support and counselling services. In addition to these, the European Gaming and Betting Association lists approximately 50 provisions related to mitigating problem gambling. U.S. regulators could use this list as a menu from which to identify and evaluate various safeguards. The list includes requiring registration pages to offer self-diagnostic tests designed to help would-be gamblers understand their own attitudes and vulnerabilities, and requiring operators to impose speed-of-play, compulsory time-outs, or player-loss-rate caps. Aristotle, Inc., mentioned previously, has produced the Integrity Self-Exclusion List (SEL), an international database of people who have chosen to exclude themselves from bricks-and-mortar and online gambling. If an excluded gambler attempts to open an account, Integrity will not return an approval code from its verification system. Finally, gambling sites can train staff to identify spending patterns that indicate problem gambling and to contact the gambler directly.

In assessing the general effectiveness of responsible gaming features in the context of online gambling, one 2008 study by researchers at Harvard University demonstrated that responsible gaming safeguards can be effective in the Internet gambling environment. With self-limits, online gamblers reduced their frequency of play—both the number of days on which they placed bets and the number of bets they placed per betting day. The amount they wagered per bet did not change significantly, although the online gamblers did reduce the total amount they wagered. In a large-scale survey of online gamblers, when asked about the usefulness of including responsible gambling features, such as self-imposed time limits, self-exclusion, regular financial statements, and regular self-assessments tests, online gamblers indicated that they would find it “quite useful.” The Executive Director of the National Council on Problem Gambling, Keith Whyte, testified before the U.S. Congress as follows:

“The graphical and interactive structure of the internet provides a revolutionary opportunity to create informed consumers with access to a variety of information designed to encourage safe choices and discourage unsafe behaviour....

“The technology also exists, unlike for other forms of gambling, to allow players and operators to set limits on time, wagers, deposits, etc... as well as to exclude themselves.

### **Concluding Remarks**

Legislative restrictions have failed to prevent U.S. gamblers from engaging in online gambling. Rather, those restrictions have led to additional business for Internet gambling operators beyond the regulatory reach of the United States. The current environment lacks responsible gaming features and safeguards offered to gamblers and limits publicly funded resources to educate the populace about problem gambling. We believe that regulators should be able to design sufficient protections to prevent any significant growth in problem gambling that results from legalization.

Operators licensed within the United States should be required to offer a best-in-the-world range of services and resources for problem gamblers as well as to prevent underage gambling. Moreover, a proportion of the tax revenues and licensing fees derived from the U.S.-based industry could be used to substantially bolster the level of support for educational programs and services. According to André Wilsenach, head of the Alderney Gambling Control Commission, problem gamblers would receive “clear-cut” benefits from regulated online gambling, since land-based gaming does not provide the tools that are possible in an online environment.

The full document may be accessed at -

[http://www.house.gov/apps/list/hearing/financialsvcs\\_dem/sparrow.pdf](http://www.house.gov/apps/list/hearing/financialsvcs_dem/sparrow.pdf)

## **FORTHCOMING CONFERENCES**

- 24 - 26 February 2010, Auckland, New Zealand  
2010 International Gambling Conference. The Implications of Technology for Policy, Practice and Research

This conference will examine new and emerging technologies and their implications for the future shape of gambling and the groups of people who might be targeted or impacted. The conference will also consider the enhancing measures needed to prevent and reduce harms associated with current and emerging forms of gambling. Such measures include government policy and regulation, industry practice, public education, culturally appropriate education, community engagement and advocacy, indigenous responses reflective of indigenous communities, prevention, early and brief interventions, treatment and rehabilitation. Professor Robert Williams from the University of Lethbridge in Canada will give a keynote address around internet gambling and will also convene a full day workshop on prevention of problem gambling. Professor David Korn from the University of Toronto will give a keynote address on public health in relation to gambling.

<http://www.pgfnz.org.nz/International-Gambling-Conference-2010/0,2752,15232,00.html>

- 9 – 10 April 2010, Banff, Alberta Canada  
Alberta Gaming Research Institute's 9th Annual Conference  
The conference theme is "Emergent Clinical Issues in Problem Gambling." Presentation and discussion topics will include competing perspectives on etiology and conceptualization of gambling disorders. Research into problem gambling issues was begun to develop an evidence-base for understanding what treatments work. But how do we make these treatments work even better? How can we maximize the number of people who are exposed to these treatments? How can we "sell" our treatments to those that could benefit? What new approaches are worthy of further investigation? What are the most effective knowledge transfer approaches - getting research to influence policy and practice?  
[http://www.abgaminginstitute.ualberta.ca/2010\\_conference.cfm](http://www.abgaminginstitute.ualberta.ca/2010_conference.cfm)
- 13 – 16 April 2010, Toronto, Canada  
Responsible Gambling Council's Discovery 2010 Conference  
Themes for panel discussions will include: • Genetic Theories and Problem Gambling – What Do We Know Now? • Pay Day Loans/Bookies/Bankruptcies – Looking for Prevention and Early Intervention Opportunities Before the Crisis Hits • Poker – Is It Really a Game of Skill? • Gambling and the Aboriginal Experience – Has It Helped or Hurt? • Are New Slot Machine Features Truly Game Changers? What Are the Implications for Research, Prevention and Treatment? • Fantasy Leagues – Are They Betting on More Female Gamblers? • A Tough Economy – What Are the Impacts on Problem Gamblers? • Game Design – Innovative or Predatory? • Is Legalized Online Gaming in North America Inevitable?  
<http://www.responsiblegambling.org/en/programs/events-upcoming.cfm>
- 10 – 12 June 2010, Portland, Oregon, USA  
National Council on Problem Gambling 24th National Annual Conference
- 10 – 12 June 2010, Portland, Oregon  
National Council on Problem Gambling 24th National Annual Conference  
<http://www.ncpgambling.org:80/i4a/pages/index.cfm?pageid=3824>
- 14 – 17 September 2010, Vienna, Austria  
8th European Conference on Gambling Studies and Policy Issues

## BRIEFER BRIEFINGS

### **ECOGRA ON COURSE WITH RESPONSIBLE GAMBLING**

The non profit industry watchdog group, eCOGRA has entered its fifth consecutive year of training accredited online casinos and poker rooms on responsible gambling.

This year alone, 70 personnel from four different countries received training on their own premises, conducted by Tex Rees who is Responsible Gambling manager for the group.

The courses covered issues such as the identification of a problem gambler and how a compulsion develops, problems facing problem gamblers, perceived numbers versus prevalence study percentages, the implementation of eCOGRA standards and practices, and advertising standards.

Tex Rees commented on eCOGRA's commitment to high standards in responsible gambling. "Responsible gambling ranks very high in eCOGRA priorities for both social responsibility and business reasons," he said.

"This year is the fifth in which eCOGRA has provided this professional service to Fair and Safe seal bearing online gambling revenues across the online casino, poker room, mobile, bingo, live dealer and sports betting platforms of the 145 international, tier one gambling sites that are accredited."

"It is heartening to note that this vitally important service is in constant demand, illustrating a real commitment to responsible gambling by eCOGRA operators that goes beyond merely meeting the standard

accreditation requirements in this regard," he added.

Andrew Beveridge, chief executive officer of eCOGRA spoke of the disproportionately large amount of media attention that the miniscule percentage of problem gamblers receive.

"Nevertheless, problem gambling is frequently seized on by industry detractors, and for this as well as moral and business reasons, it is essential that operators ensure that staff is trained and facilities are available to the players," said the CEO.

*GamblingKingz.com*  
20 November, 2009

### **COMPULSIVE GAMBLING AFFLICTS 40 000 IN FINLAND**

Three percent of Finland's adult population are problem gamblers. Two-thirds of these - around 40 000 people - suffer from serious gambling addictions, which can gobble up all of their resources and free time.

Compulsive gambling is often compared with other compulsive behaviours such as addictions to shopping or sex. However the root causes of these obsessions remain unclear.

"The best known type of addiction is substance addiction, whose results can usually be clearly seen by others. But compulsive gambling is not externally visible," notes psychologist Marja Pura, who leads a therapy group for compulsive gamblers at Oulu's Redi 64 youth addiction centre.

"In extreme cases, which we call the

desperado phase, the addict is truly alone and heavily in debt. Suicidal thinking and attempts become part of everyday life," she says.

A growing number of addicts are hooked on internet games such as online poker. "It's easy. You can do it secretly from home," Pura points out.

However most problem gambling in Finland is still associated with games operated by state monopolies, Veikkaus, the Slot Machine Association (RAY) and Fintoto.

The European Union takes a dim view of the Finnish state's gambling monopoly. The government defends by arguing that state controlled gambling is better at preventing gambling-related problems.

"From the point of view of preventing problems, a system directly under state or public control is at least theoretically better able to intervene in problems," says Dr Tuukka Tammi, Research Manager at the A-Clinic Foundation and chair of the Finnish Society for Alcohol and Drug Research.

"However the level of compulsive gambling appears to be about the same regardless of what kind of system is in effect," he says.

*YLE News*

*11 November, 2009*

#### **ONTARIO GOVERNMENT SPENDS \$40 MILLION ON PROBLEM GAMBLING AWARENESS**

The Ontario government has decided to take a step forward in the fight against problem gambling in the province. Home to two of the country's biggest casinos, Ontario sees some of the biggest gambling revenues, much of which is derived from individuals with gambling addictions. Nigel Turner, a scientist at Toronto's Centre for Addiction and Mental Health, believes that Ontario has one of the best problem gambling treatment programmes in the country, due to its impressive funding.

The government will put forth \$38 million to help problem gamblers in the province. \$23.6 million will go towards treatment, while \$9 million will be allocated for prevention. The remaining \$4 million will be put towards research of problem gambling, to identify possible causes and additional treatment methods.

The government believes that the problem lies within awareness, which is what most of the new program is focused on. Frances Gelinias notes the importance of identifying the signs of problem gambling when dealing with the issue.

"At the end of the day, you always have to look at how these people got there", says Gelinias.

With one of the biggest gambling industries in Canada, it is a positive sign that the province is taking such pre-emptive responsibility to ensure the safety of its people. Ontario's leaders are also well aware that the availability of gambling destinations - whether online casinos or land-based - is not the problem; it is a much deeper

issue, and they are prepared to deal with it head on.

*Onlinecasino.org News*

*11 November, 2009*

#### **VALIDITY OF PROBLEM GAMBLING SEVERITY INDEX TO BE ASSESSED**

The Ontario Problem Gambling Research Centre has invited proposals for a psychometric evaluation of the Problem Gambling Severity Index (PGSI). The PGSI assesses gambling problems using a nine-item scale, classifying respondents as non-gamblers, non-problem gamblers, low-risk gamblers, moderate-risk gamblers, or problem gamblers according to the PGSI summary score.

However, the validity of this classification is not clear and further research is needed to evaluate the validity of the commonly-used PGSI cut-off scores and/or to suggest alternative cut-offs. In addition, there is evidence that some items of the PGSI items might be more important than others. An appropriate weighting of items and categories within items might improve the performance of the PGSI. Research is needed to develop item weights and to study performance and potential benefits of a weighted scale relative to the original unweighted scoring.

#### **BELGIAN UNDERAGE GAMBLING PREVALENT, BUT NOT ONLINE**

The Belgian Government Centre for Research and Information (CRIOC) has published a report into underage gambling in Belgium, showing that more than 22% of 10-17 year olds have participated in some form of gambling for money, with 40% regularly playing real-money poker.

According to the findings of the research, carried out amongst 2 600 males and females aged ten to seventeen, one in five Belgian minors claim to have participated in gambling for money with an average participation rate of 1.3 times per week and an average monthly spend of €38 per person.