

# Expansion of gambling in Canada: implications for health and social policy

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## Abstract

CANADA EXPERIENCED A DRAMATIC INCREASE IN LEGALIZED GAMBLING IN THE 1990s, primarily because of governments' need to increase revenue without additional taxation. This article examines gambling from a public health perspective. The major public health issues include gambling addiction, family dysfunction and gambling by youth. Debates have emerged about the health, social and economic costs and benefits of gambling. Stakeholder and social policy groups have expressed concern about the impact of expanded gambling on the quality of life of individuals, families and communities. Epidemiological studies show that the prevalence of gambling in the general adult population is low but increasing. Of particular concern is the high though steady prevalence of gambling among youth. New technologies have been linked to gambling-related problems such as addiction to gambling by video lottery terminals. Gambling by means of the Internet represents another emerging issue. The article concludes with recommendations for health and social policy related to gambling. These recommendations incorporate a broad public health approach to create a strong research program and to balance risks and benefits.

**G**ambling is as old as human history. Yet, as we move into the third millennium, Canada is experiencing a new phenomenon — the dramatic expansion of government-owned legal gambling. This shift in government policy is based on the intent to generate additional revenue without increasing taxation, to stimulate economic development primarily in the leisure and entertainment sector, and to strengthen support for charitable gaming.<sup>1</sup> Other factors contributing to increased participation in gambling include the rise of new technologies (e.g., video lottery terminals), mega-lotteries and Internet gambling (e.g., online cypercasinòs).

Until recently, gambling has not been framed as a public health matter.<sup>2</sup> A public health perspective on this problem will balance risks and benefits and will encourage full community participation and involvement of medical practitioners. But the examination of the health, social and economic impacts of the rapid expansion of gambling is still in its infancy. There is a need to enhance awareness within the medical profession about gambling-related problems and to develop effective strategies to prevent and treat pathological gambling.<sup>3</sup>

## An evolving health interest

In 1972 Dr. Robert Custer, a psychiatrist working at a Veterans' Administration hospital in Ohio, first proposed a medical syndrome associated with gambling, which he termed "compulsive gambling."<sup>4</sup> His efforts brought the problems associated with gambling into the health care arena. In 1980 the American Psychiatric Association included "pathological gambling" in its *Diagnostic and Statistical Manual of Mental Disorders (DSM)*, categorizing it as an impulse disorder.<sup>5</sup> Since then, psychiatry has accepted severe problems associated with gambling as constituting a legitimate disorder. The essential feature of pathological gambling is persistent and recurrent maladaptive gambling behaviour. The psychiatric definition focuses on impaired ability to control gambling-related behaviour; adverse social consequences that disrupt personal, family or vocational pursuits; and tolerance (need to gamble with increasing amounts of money to achieve the desired excitement) and withdrawal. The diagnosis is not made if the gambling behaviour can be better accounted for by a manic

*Review*

*Synthèse*

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episode. To be eligible for a *DSM-IV* diagnosis of pathological gambling, a person must satisfy at least 5 of the 10 criteria described in the current edition of the manual.<sup>6</sup> In the late 1980s Lesieur and Blume developed a clinical screening tool, the South Oaks Gambling Screen, to assist clinicians in identifying this disorder.<sup>7</sup> This tool has become the main instrument used to study the prevalence of problem and pathological gambling in communities.

The first Canadian group of Gamblers Anonymous, a self-help and mutual support fellowship rooted in the 12-step movement, was established in Toronto in 1964 to assist people who identified themselves as having a gambling addiction. The Canadian Foundation on Compulsive Gambling (Ontario) was founded in 1983 to advocate for health services for compulsive gamblers and to enhance public awareness of the problems associated with gambling.

The federal legal framework for gambling in this country is the Criminal Code of Canada. A 1985 amendment gave provinces exclusive control of gambling and of legalized computer, video and slot devices. Provincial governments now own and operate a wide variety of gambling products. The 1990s saw a dramatic growth in the numbers of casinos, slot machines and video lottery terminals across Canada, associated with significant increases in revenues for provincial governments. There are now more than 50 permanent casinos (in 7 provinces), 21 000 slot machines, 38 000 video lottery terminals, 20 000 annual bingo events and 44 permanent horse race tracks in Canada.<sup>8</sup> By 1997 Canadians were wagering \$6.8 billion annually on some form of government-run gambling activity, 2.5 times the amount in 1992, with casinos and video lottery terminals accounting for almost 60% of government revenue from gambling. During the same period, profits for provincial governments from this source also rose dramatically: in 1997 gambling accounted for at least 3% of total government revenue in all provinces.<sup>9</sup>

Only recently has attention become focused on the health and social policy agenda. Beginning in 1993, provincial governments, led by New Brunswick and Alberta, began to fund services for people with gambling problems. By 1997/98, every province except Prince Edward Island was allocating monies specifically for such services, with expenditures totaling about \$15 million.<sup>10</sup> The public ownership model thus places provincial governments in the position of carrying out multiple roles and responsibilities: regulator, owner-operator and service provider for gambling-related problems. Concerns have been raised by stakeholder and social policy groups such as the National Council of Welfare<sup>11</sup> and the Canada West Foundation<sup>10</sup> about the role of governments in encouraging gambling and at the same time protecting the public interest.

The Canadian Public Health Association (CPHA) has been engaged in this issue since the early 1990s. In 1993, the CPHA passed a resolution at its annual general meeting calling for a national assessment of the health impacts of regulated gambling.<sup>12</sup> Rather than pursuing funding for the national assessment at that time, the CPHA decided to

gather information on the rising number of health-related initiatives underway across the country. It reported in the *CPHA Health Digest* the information it gathered on provincial and territorial initiatives related to the health impacts of gambling, and made it available to its membership upon request.<sup>13</sup> The CPHA continues to monitor the evolution of gambling across Canada; in 1999, a second resolution related to video lottery terminals was approved.<sup>14</sup>

The Canadian research literature on the health aspects of gambling is limited but growing. *CMAJ* has published only one article on the subject of gambling, a cover story in 1996, in which Kezwer<sup>15</sup> solicited opinion from physicians and gambling experts on the impact of gambling. Also in 1996 the Canadian Centre on Substance Abuse National Working Group on Addiction Policy produced its first examination of the issue, a policy discussion paper on problem gambling.<sup>16</sup> This document expanded the scope of interest in addiction to gambling to incorporate the concept of a continuum of gambling behaviour. It also included a broad definition of problem gambling: "a progressive disorder characterized by a continuous or periodic loss of control over gambling; a preoccupation with gambling and with obtaining money with which to gamble; irrational thinking; and a continuation of the behavior despite adverse consequences." In the area of epidemiological research, the Canadian Centre on Substance Abuse is currently developing a new survey instrument, the Canadian Problem Gambling Index, for use in population studies.<sup>17</sup> The survey instrument, to be completed in fall 2000, will place greater emphasis than existing prevalence tools on measuring the social impacts of gambling on family, coworkers and the community at large.

Most provincial studies on the prevalence of gambling-related problems in the general adult population were undertaken in the mid-1990s.<sup>18-20</sup> In addition, several epidemiological reports have described the impact of gambling in vulnerable and special populations such as youth, women, older adults and aboriginal people.<sup>21-23</sup> A recent meta-analysis<sup>24</sup> revealed that, as of 1997, 152 prevalence studies had been conducted in North America. More than half of these studies had been released since 1992, which reflects recent strong interest in the topic.

The Division on Addictions at Harvard Medical School completed a landmark meta-analysis of these available studies, including 35 Canadian prevalence estimates.<sup>24</sup> This study showed that over the previous 25 years, the estimated prevalence of gambling problems in the general adult population had been low but rising, whereas among youth and people living in institutions it had been high but steady. The estimated lifetime prevalence in the general adult population for problem and pathological gambling combined (levels 2 and 3 of the Harvard nomenclature) was reported at 5.5%. A similar combined prevalence estimate for the adolescent study population was 13.3%. There were no significant differences in prevalence rates between the United States and Canada. Male sex, youth, and concurrent substance abuse or mental

illness placed people at greater risk of a gambling-related problem. Research done in the United States has indicated a higher prevalence rate in states with high per-capita lottery sales<sup>25</sup> and in areas within 50 miles (80 km) of casinos.<sup>26</sup> There have been no Canadian national prevalence studies of problem and pathological gambling.

Primary care providers have not yet embraced screening for gambling as part of their routine practice pattern. However, these matters are beginning to change. For instance, in 1997 the CMA carried out a needs assessment for physician practice in the area of problem gambling as the first phase of a project to develop office resources.<sup>27</sup> Clinicians seeking resources to assist with the detection and management of patients with gambling-related problems might best contact their provincial health ministry, help line or addiction agency.

## A public health matter

A public health approach to gambling is valuable because it offers a broad perspective on the gambling phenomenon and does not focus solely on the more specific area of gambling addiction. It recognizes that there are health, social and economic costs and benefits for individuals, families and communities, and that intervention strategies must provide a balance between these costs and benefits.<sup>2</sup> This perspective on gambling incorporates current views on the socioeconomic and behavioural determinants of health, while acknowledging that there are population groups vulnerable to its harm.

There has been considerable interest in the relation between gambling and socioeconomic status. Recent Statistics Canada reports are instructive.<sup>9,28</sup> These reports indicated that participation rates in general increased with household income, a trend that held for the purchase of government lottery tickets, spending at casinos and use of slot machines. Bingo was the only gambling activity studied for which there was an inverse correlation with income. In terms of actual expenditures, high-income households spent more than low-income households on gaming activities (specifically lotteries, casinos, slot machines, video lottery terminals and bingo). Of note, however, is the finding that lower-income households spent proportionately more than higher-income households. For example, among households in which at least one person was involved in gambling, those with incomes of less than \$20 000 spent an annual average of \$296 on gambling pursuits, which represented 2.2% of total household income, whereas those with an income of \$80 000 or more spent \$536, only 0.5% of total income. Given that gambling revenue goes to the government, these data suggest that gambling expenditures may be regarded as a voluntary regressive tax that has a proportionately greater impact on people with lower incomes.

A number of public health issues associated with gambling expansion deserve attention. The dominant concern is the emergence of gambling addiction that appears to be

stimulated by increased availability and promotion of casinos and lotteries. Several populations are vulnerable to the impacts of gambling, in addition to lower socioeconomic groups. The cost to families in terms of dysfunctional relationships, violence and abuse, financial pressure, and disruption of growth and development of children can be great.<sup>29,30</sup> The high prevalence of gambling and gambling-related problems among youth, including betting on sports at colleges and universities, is cause for concern and invites innovative approaches to prevention.<sup>31,32</sup> Other financially vulnerable and marginalized populations such as older adults, various ethnocultural groups and individuals with substance use and mental health disorders<sup>30</sup> may be negatively affected by the expansion of gambling and deserve further study as to the health, social and economic impact.

Technology has become a significant dimension of gambling. Emerging health issues are linked to computer-based innovations and their effect on the frequency, accessibility and types of gambling. Concerns have been raised about the wide availability and addictive potential of video lottery terminals, as well as the dramatic rise of unregulated casino-style gambling Web sites. Although not traditionally defined as gambling, stock speculation and day trading in financial markets represent an important area of activity that can have a profound impact on individuals and social institutions.

## Policy implications

Five recommendations are made to strengthen health and social policy regarding gambling.

**Balance the public interest:** In 1985 provinces were given exclusive control over gambling. All provinces now own a variety of gambling products, receive significant revenue from gambling and fulfill several roles related to gambling, including regulation of the industry and provision of services to those with gambling problems. Policy-makers at all levels of government should regularly monitor and assess the public owner-operator models now in place, to ensure that there is a responsible balance between encouraging gambling as entertainment and protecting the public from gambling-related harm.

**Monitor gambling advertising:** Public guardians and government regulatory bodies should scrutinize the scope of gambling advertising and, in particular, the messages to youth, lower socioeconomic groups and vulnerable populations. Health officials should advocate in this area and, where possible, ensure that owners and operators prominently display the odds of winning and losing for each of their gambling activities.

**Assess the impact on quality of life:** Policy analysts should assess the impact of the expansion of gambling on the quality of life of individuals, families and communities. Quality of life encompasses the interplay among social, health, economic and environmental conditions.<sup>33</sup> To better inform policy, government should fund a credible scientific body to develop a standard methodology to estimate

the health, social and economic costs and benefits of gambling and related problems. Key stakeholders should be involved in building consensus, and public health expertise should be represented in this activity.

**Foster a research agenda:** The health research establishment, such as the new Canadian Institutes for Health Research, should support an agenda for gambling that incorporates population health, neurobiological and behavioural research, and health services research. Such knowledge would greatly enhance our understanding of the determinants of gambling-related problems, the relation of gambling to substance abuse and other mental illness, and gambling's health, social and economic costs and benefits. This research would result in more effective primary and secondary prevention programs, as well as lead to more innovative interventions, including brief treatments and pharmacological strategies.

**Adopt harm reduction:** Health authorities should adopt harm-reduction strategies directed toward minimizing the adverse health, social and economic consequences of gambling behaviour for individuals, families and communities. These strategies would include healthy-gambling guidelines for the general public<sup>34</sup> (similar to low-risk drinking guidelines<sup>35</sup>) and creative approaches to the early identification of gambling problems, as well as the incorporation of moderation and abstinence goals for problem gamblers, offered in a nonjudgemental fashion.

## Conclusion

There is a need for enhanced awareness on the part of health care professionals about the potential impact of gambling on vulnerable, at-risk individuals and special populations. The rapid expansion of gambling represents a significant public health concern that challenges our values, quality of life and public priorities. A broad research agenda is required to better inform a range of questions and solutions. Because gambling is in the public domain in Canada, our health, social policy and political leaders have a special responsibility to make informed and wise choices about costs and benefits and to demonstrate public accountability.

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