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**A Brief for the Senate of Canada
Standing Senate Committee on Legal and Constitutional Affairs
October 17, 2012**

Prepared by:

The Ontario Problem Gambling Research Centre

Regarding:

Bill C290 – An Act to Amend the Criminal Code (Sports Betting)

Introduction:

The Ontario Problem Gambling Research Centre appreciates the opportunity to speak to the Senate Committee as you consider the issues related to Bill C290 regarding single event sports betting.

The Ontario Problem Gambling Research Centre (OPGRC) is an independent, not-for-profit organization. It was set up by Province of Ontario, twelve years ago, to put distance between Government and problem gambling research in order to reduce perception of Government bias.

OPGRC's purpose:

1. To fund research to develop knowledge about problem gambling
2. To build problem gambling research capacity in Ontario
3. To disseminate research results through knowledge transfer to treatment and prevention providers and policy makers

The Centre has a rigorous, objective, and independent research review process that have been reviewed and validated by CHIR. It is a recognized leader in problem gambling research in Ontario, Canada, and around the world.

Background:

The past two decades saw widespread expansion of legalized gambling in Canada and Ontario in the number and types of gaming opportunities. Legalized gambling has become a part of Ontario's entertainment and tourism industry as an accepted leisure option. Increased availability of legalized gambling in the form of accessible gaming venues and the addition of thousands of electronic gambling machines was paralleled by increased rates of gambling problems. Data just published estimated that the rate of problem gambling in Ontario in 2011 was 1.2%, depending on problem gambling severity.¹ The highest prevalence have emerged in areas with high concentrations of electronic gambling in the community combined with permanent casinos.²

Empirical research and systematic reviews funded by the OPGRC have confirmed that the accessibility and proximity of land-based gaming opportunities has a significant influence on the rate of problem gambling.¹ These findings support earlier predictions that the rapid and prolific expansion of new forms of legalized gambling in many regions would be associated with a considerable public health cost.^{2,3}

The OPGRC, worked together with leading researchers and practitioners in the field, to contribute to the developed a range of responsible gambling initiatives each intended to reduce potential harm caused by legalized gambling.

These include:

- Developing online learning tools to dispel mistaken beliefs about the odds of winning (Harrigan and Dixon, 2008)
- Slot machine pop-up messages and educational animations designed to increase monetary and time limit adherence (Stewart and Wohl, 2010; Wohl, Anisman, Christie, & Matheson, 2006).
- Relocating ATMs to reduce over-expenditure during slot machine play (Dixon and Harrigan, 2009)
- Unveiling the addictive properties inherent in electronic game design (Harrigan, Dixon, Fugelsang, & Collins, 2010)
- Examining how social media campaigns influence attitudes toward gambling (Derevensky, Gupta, Byrne, & Dickson, 2002; Derevensky and Gupta, 2004)
- Examining how the gambling venue design influences play (Finlay, Marmurek, Kanetkar, & Londerville, 2003)

While these responsible gambling initiatives show promise in reducing harmful gambling during land-based gaming, Ontario is facing a new challenge.

The Government of Ontario recognizes that the long-term sustainability of the gambling industry has been threatened by advances in technology, changes to shopping patterns, aging demographics, and declining visits from tourists. Consequently, in July of 2010 the Government

of Ontario gave the Ontario Lottery and Gaming Corporation (OLG) new direction. The OLG was asked to modernize commercial and charitable gaming through:

- Building new facilities based on customer interest to be located “where the customers are”
- Expanding the distribution of lottery sales options to multi-lane retailers, including supermarkets and big box stores
- Delivering a full range of games on the internet through an online site accessible by computer and other internet-connected devices including lottery ticket sales, interactive casino-style games and peer-to-peer games like poker

The modernization initiative is intended to the “broaden player base by becoming more appealing – *not* increasing the amount that current customers gamble”.⁴

However, internet gambling, where single event sports betting is likely to be launched, is the perfect storm for gambling addiction. Currently, Ontarians wager an estimated \$400 million on gambling websites that are not authorized in Ontario. The most recent Canada-wide study in 2006-2007 indicated the prevalence of internet gambling was 2.1%. It is also estimated that the rate of problem gambling among Internet gamblers is 17.1%, compared to 4.1% for non-internet gamblers.⁵

A comprehensive review funded by the OPGRC has identified several aspects of internet gambling, where sports betting is most likely to occur, that may increase the risks for problem gambling⁵. These include:

- 24-hour availability
- Convenience and comfort of playing at home and/or on mobile devices
- Greater anonymity and loose age restrictions
- Better playing experience and solitary nature of the play
- Money transactions are electronic
- Online gamblers can play under the influence of drugs and/or alcohol

Given the ease of accessibility and convenience of internet gambling, we can expect an increase in gambling problems during this wave in gambling expansion.⁵

As internet gambling moves forward, the governments and gaming industry should have its primary focus on ensuring that its internet gambling program is socially responsible.

Accordingly, government decisions on gambling should be evidence-based, and thus should support gambling research. The OPGRC supports policy recommendations put forth by leading experts in the field which include:

- Restrict use for those 18 years of age and under by implementing verification techniques
- Implement preset limits on deposits, losses, and session time while discouraging re-gambling

- Provide prominently placed information about responsible gambling, access to self-diagnostic tools, and prevention/treatment services
- Implement controls over advertising and promotion so as not to target youth or mislead gamblers
- Provide transparent information about the odds of winning and game design.
- Offer self-exclusion programs^{5,7}

Conclusion:

We encourage the Senate to make recommendations to the federal and provincial governments about the policy recommendations noted above and about enhancing resources to problem gambling research, prevention, awareness and treatment. Research shows that all forms of gambling lead to problem gambling. As revenue to governments is increased, support for the broader social and economic issues that expanded gambling will bring about must also be increased.

¹Williams, R., Volberg, R., & Rhys, S. (2012). The population prevalence of problem gambling: Methodological influences, standardized rates, jurisdictional differences, and worldwide trends. Final report prepared for the Ontario Problem Gambling Research Centre and the Ontario Ministry of Health and Long Term Care.

² Cox, B.J., Yu, N., Afifi, T.O., & Ladouceur, R. (2005). A national survey of gambling problems in Canada. *Canadian Journal of Psychiatry*, 50, 213-217.

³Volberg, R. (2001). *When the chips are down: Problem Gambling in America*. New York: The Century Foundation Press.

⁴Ontario Lottery and Gaming Corporation (OLG; 2012). Modernizing Gaming and Lottery in Ontario: Strategic business review/Advice to government.

⁵Wood, R., & Williams, R. (2009). Internet gambling: Prevalence, patterns, problems, and policy options. Final report prepared for the Ontario Problem Gambling Research Centre.

⁶Williams, R. J. and Wood, R. T. (2007). *Internet Gambling: A Comprehensive Review and Synthesis of the Literature*. Report prepared for the Ontario Problem Gambling Research Centre.

⁷ CAMH Recommendations on Internet Gambling in Ontario. May 30, 2011.

http://www.problemgambling.ca/EN/Documents/4486bcamh_on_internet_gambling.pdf