

***Responsible Gambling:
Whose Responsibility Is It?***

A Critique

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Paper presented at the

***Insight Nova Scotia
International Problem Gambling Conference***

“Myths, Reality and Ethical Public Policy”

***Halifax, Nova Scotia
October 4, 2004***

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2004

I would like to preface this presentation by stating Viva Consulting's objectives and our position on gambling. Viva Consulting Family Life Inc. neither opposes nor endorses social gambling. Our organization has chosen to assume a responsibility towards ensuring that adequate systems are in place to provide care for those adversely affected by gambling. Our primary focus is to work pro-actively to minimize the risks associated with expanded gambling. We offer our services to governments and to the gaming industry in an attempt to develop harm-reduction strategies. In the private sector, we also offer seminars on recognizing the signs of problem gambling in the workplace, as well as seminars to at-risk groups including, but not limited to, adolescents and seniors.

Responsible Gambling: Whose Responsibility Is It?

Introduction:

All of us who are here today at this conference are here because we have serious concerns about legalized gambling and the impact it has had on society. In this presentation, I would like specifically to address the issue of **Responsible Gambling**.

In 1994, when I founded the Canadian Foundation on Compulsive Gambling (Sask.), I recruited a Board of Directors composed of twenty-three volunteer members from varied backgrounds. Among them were men and women who worked in health care, justice, clergy, police, city council, and EAP counselling. We all had one thing in common; we had no hidden agendas. In Toronto, Tibor Barsoni was founder and Executive Director of Canadian Foundation on Compulsive Gambling (Ontario). Although the two Foundations were autonomous, we shared similar goals and missions. We worked towards education and awareness programs that would make the general public more knowledgeable about the dangers of uncontrolled gambling.

In Saskatchewan, we worked in harmony with (and were supported by) the Ministers of Health and Gaming, the Saskatchewan Liquor and Gaming Authority, the Western Canada Lotteries, and the Hotel and Restaurant Associations. We were engaged by Casino Regina to assist in creating a booklet that would be available to casino clientele entitled, "*When It's No Longer A Game*". That booklet even today is a valuable tool in preventing gambling problems. In addition, when the stakeholders created a module entitled "*Problem Gambling Customer Assistance Training Manual*", I was asked to act as facilitator for the four-hour presentations. More than 500 casino staff were trained to recognize problem gamblers and how to do an intervention. The success of this program led to a similar program being presented to field workers and executives of Saskatchewan Liquor and Gaming Authority. Money that was paid to us for the work we did had no strings attached. We were paid for services, and we provided them.

For me, personally, it was a wonderful period of learning. As I attended conferences across Canada, I had the opportunity to meet many intelligent, informed, and interesting people. Like myself, almost all were passionately committed to the cause, and deeply involved in the study of problem gambling, the creation of programs of prevention, and the training and preparation of counsellors to deal with the increasing numbers of problem gamblers. While each researcher had different fields of expertise, we had a common bond: our desire to share honest findings that would help us understand the short-term and long-term effects of legalized gambling.

Somewhere along the way a strange thing happened. It was so subtle that at the time I didn't even see it happening. The gambling industry infiltrated our side. With the unlimited dollars that they had available, they started funding some of our institutes of higher learning and some of our problem gambling councils. The gambling industry in the United States coined a phrase, "responsible gaming" and some of our allies bought into the premise. This was a calculated move on the part of the gambling industry. I will continue to call it the gambling industry, because gaming as I knew it meant hunting and fishing. (Ironically, in a sense, it still is. The lottery corporations and casinos hunt their victims through never-ending advertising and the consumers become the industry's hapless fish.) With the help of a handful of researchers, the industry had shifted the responsibility from themselves to the victims. The new message was "gamble responsibly, but by all means gamble". Many organizations, whose prime reasons for existing were to educate the public as a means of preventing gambling problems and to lobby governments and the industry to provide funds for treatment of pathological gamblers, themselves bought into the "responsible gambling" premise. So much funding had become available to certain groups that their entire direction changed. Gone was the passion. Suddenly, when positions like Executive Director needed to be filled, the requirements had nothing to do with knowledge of gambling problems and expertise in dealing with prevention or treatment programs. The requirements were a degree in business administration and good communication skills.

I think that the "Problem Gambling Industry" is as much accountable for the prevailing situation as the "Gaming Industry." There is a distinct need to **deconstruct** and to **reconstruct** some of the methods being used today to study the effects of legalized gambling in our communities around the world.

Deconstruction:

A. Prevalence Studies:

Studies have always been based on entire populations of regions, regardless of whether or not people participated in the activity. This leads to watered-down statistics. It is obvious that people who don't gamble cannot develop problems. Neither can people who buy a raffle ticket or a lottery ticket on occasion. We must first define "*gambling*" so that it encompasses only people who participate on a regular basis and the studies ought to be administered in gambling venues i.e. casinos, race tracks, bingo halls.

Studies that have been conducted in this manner produce significantly higher numbers of gamblers who are problematic or borderline than do telephone surveys. During telephone surveys the respondents are more likely to distort the truth, as they are experts at denial. What is more often the case, the person with the problem is not at home, but out gambling! The existing method of studying prevalence will most likely give us unchanging numbers over any period of time. These studies only serve to make the industry look good. They continue to provide more opportunities to gamble, without raising the reported rates of problem gambling.

Furthermore, here in Canada where the industry is owned by the government, they use these watered-down statistics to come to an unfounded conclusion. For example, they translate the findings that 2% of the population are pathological gamblers to prove, therefore, 98% of us gamble without developing problems. This is not a valid conclusion. It also ignores the tremendous number of people that this 2% of the population affects. The only noticeable statistics that come out of these studies is that the 18 to 34 year olds are gambling in increasing numbers, but is that surprising? No, because they graduated from the group that were 12 to 17 and are now being replaced by new adolescents. If we need any more prevalence studies then let us develop an instrument and a methodology that will give us the real numbers. Anecdotally, one can walk into the local casino and see the same people there day after day. Pathological gamblers are easily recognized, and not in the small numbers being reported by our present prevalence studies.

B. Harm-Reduction Strategies:

Many casinos offer self-exclusion contracts to their clients. The premise is that for persons having difficulty controlling the willpower to stay out of the casino, the casino will take their picture and have them sign an agreement that they will be escorted off the premises should they try to come in during the prescribed duration of the contract. In theory, this is a wonderful initiative. In reality, however, it turns out to be nothing more than a Public Relations ploy to make it look like the casino cares. In fact, almost all self-exclusion contracts have a disclaimer denying responsibility if a banned player returns.

In 1995, at a conference in Winnipeg, Manitoba, I attended a session presented by M. Jacques Grilli, who at that time was head of operations at Casino de Montreal. M. Grilli described how the program worked, how many times banned gamblers attempted to get in after signing the contract, and how effective casino security was in ushering them back out. He talked of one man who during the term of a six month self-exclusion contract tried unsuccessfully more than 80 times to come back. In fact, M. Grilli told us that during the last attempt he was wearing a wig, high heels and a dress, but the high tech cameras at the doorway were still able to recognize him. He was ejected again. I was so impressed by this information that during every staff training class I conducted at Casino Regina, I quoted it as a great example of corporate responsibility on behalf of the Montreal casino.

However, the bubble burst when I returned to Montreal in 1998 and started meeting gamblers in distress who were coming to us for therapy. Constantly, client after client told us that although they had asked to be barred from the casino, they never had a problem re-entering. Last year, a journalist and newscaster from CJAD radio in Montreal tested the system at Montreal casino. He followed the proscribed procedure and barred himself. He then came back the very next day and every day following that, at 3:00 A.M. and 3:00 P.M., for a full two weeks. Despite the fact that he (in his own words) looks like a biker with leather vest and grey ponytail, despite the fact that while he sat and played the slots he looked right up at the overhead cameras, despite the fact that he looked directly into the eyes of passing security guards, yet he was able to continue to gamble unchallenged.

Lest I leave you with the impression that only in Montreal does this occur, let me tell you about a gentleman in Brampton, Ontario that has reached out to me for help. This gentleman suffers from Parkinson's disease. Like several other sufferers of the same affliction, the very medication that helps him endure the effects of the illness creates within him an uncontrollable urge to gamble. He asked to be barred from the racinos, but has been back to Mohawk and Woodbine enough times to lose in excess of \$100 000. He has had his telephone and his Internet cancelled because of non-payment. He is now penniless and soon to be homeless.

Attempts were made to hold OLG responsible for allowing this to happen, but they resorted to the disclaimer. I can appreciate the necessity of a disclaimer because compulsive gamblers are very creative. If they could ban themselves and then re-enter and sue, there would be no end to the lawsuits. However, the person in question shakes violently when he plays the machine to a point where he has fallen off the stool, much to the amusement of the security people watching him. Also, due to hip surgery the man is required to walk with the aid of a walking device. It would be impossible for him not to be recognized. I believe these two facts would outweigh the conditions of the disclaimer in a court of law. However, no lawyer will handle this case without a sizeable retainer and the man is destitute, so OLG is allowed to continue the pretence that it cares.

There are some self-exclusion programs that are effective. I have confidence in the programs offered at Mohegan Sun and Foxwood in Connecticut, as well as the one offered by Caesar's Entertainment, but they are the exception.

The gambling industry has argued successfully for too long that it is impossible to track all gamblers who have asked to be excluded. I agree it is certainly not in their best interest to refuse admittance to their best customers. Nor will they do it voluntarily. Yet the technology already exists that could make it impossible for unwanted gamblers to enter a casino, even heavily disguised. With Iris Recognition Technology, if the camera can see the eyes, it will identify unwanted customers. This is no revelation to the gambling industry. Some casinos have been using this technology for years, but only to prevent professional card counters, cheaters and people that the casino considers undesirables from entering. Clearly, there is no reason why the casinos cannot keep people out if they choose to.

However, in view of the fact that most casinos do not choose to use this technology to protect the public, I believe the government needs to legislate changes and make recognition technology mandatory. The government passed legislation obliging the automobile industry to install seat belts in cars because it could save lives. Later, it legislated the installation of air bags in automobiles for the same reason. Why should the gambling industry be immune to legislation? It is obvious that they are not prepared to take preventative measures on their own to diminish harm to consumers. Therefore, we need to place the responsibility back where it belongs, on the purveyor.

C. Industry funded studies:

Since the shift from “Problem Gambling” to “Responsible Gaming” occurred, it has become increasingly difficult to trust some of the research being presented in the field. Many studies are underwritten and funded by organizations with a vested interest in obtaining favourable results. I ask you to consider these questions: “Is it possible that the research results are not fully published? Is it possible that the results that are made public are those results which are biased in favour of the source of funding?”

For example, In *The Wager* (Weekly Addiction Gambling Education Report; Vol. 5, Issue 2; Jan. 11, 2000), published by the Division on Addictions of the Harvard Medical School, an excerpt of a study by Robert Ladouceur of Laval University was the subject of the week. Entitled “*A Replication Study From Quebec 7 Years Later*”, it was reprinted from the Canadian Journal of Psychiatry.

In it, Dr. Robert Ladouceur reported that in 1989 there were five racetracks in Quebec, and in 1996 there were only four. He called this a reduction of 20%. He also reported that in 1989 there were 659 race programs and in 1996 there were only 431, a reduction of 34.6%.

In reality, Dr. Ladouceur omitted the fact that during that same period of time, off-track betting parlours were added to the menu of choices of gambling preferences. He further omitted to report that these betting theatres, which operate under the name Hippo Club, offer more than 425 harness and trot-horse races each week. These races are broadcast simultaneously from the Montreal Hippodrome, other prestigious tracks in North America, and all over the world, including France and Hong Kong. Such scheduling necessitates our sites staying open daily from 8:00 a.m. until, somewhere on the other side of the globe, the last race has been run. While the study he cited reported 431 racing programs in 1996 (which would approximate 4 310 races in a year), the Hippo Club admits to more than 425 in a single week (a potential 22 100 races in a year)!

I sent a letter to Dr. Howard Shaffer at Harvard University asking for a correction to the apparently inaccurate information. Dr. Shaffer has not answered. A phone call to Dr. Ladouceur concerning this issue also yielded no response.

Now let's fast forward to 2004. Dr. Ladouceur *et al* have released a study showing that the numbers of problem gamblers have remained stable over the recent years. Dr. Ladouceur speculates that the numbers have remained stable due to "media scrutiny on the dangers of problem gambling". This is a very interesting theory in view of the fact that the media is inundated with gambling promotions, and yet there is a conspicuously noticeable void of preventative messages. It is also interesting to note the fact that Video Lottery revenues have increased every year.

According to Dr. Ladouceur's reported estimates, however, there is little cause for alarm. He maintains that in the entire province of Quebec, for all types of gambling combined, "the pool of addicted gamblers could number as high as 56 000 Quebecers, while as many as 62 000 could be at risk". Also notice that in his summary report the conventional second category, the problematic gambler, suddenly no longer exists. The gamblers recognized were either pathological or at risk.

Not all researchers agree with his conclusions. In contrast to Dr. Ladouceur's reassuring report to the public, a Montreal study which was based strictly on people who are machine gamblers yielded significantly higher figures (Quebec Institute of Public Health; April, 2001). This study showed that among the group of machine players, 9% tested pathological, 21% problematic and 42% at risk. That means that, at that time, in Montreal alone, without including the rest of the province or other types of gamblers, there were 13 000 pathological gamblers, 29 000 problematic gamblers, and 58 000 gamblers-at-risk, for a total of 100 000 people in danger as a direct result of gambling. This is without even considering the vast number of people affected as a result of the "ripple effect" of gambling.

The report released in 2004 found 81% of Quebecers gambled at least once a year. Gambling in this case was defined as anything from playing the lottery, playing cards with friends, or going to Bingo, up to excessive and compulsive play at casinos or video lottery terminals. That number is down from the 90% that researchers had tallied in 1996. It is a decrease that some of these researchers speculate could be attributed to increased media scrutiny on the dangers of pathological gambling, or to would-be players simply becoming disappointed with the casino experience and walking away.

I have my own theory, which is substantiated in part by the record numbers of bankruptcies, crimes, and suicides occurring today. I speculate that fewer people are gambling, because they have run out of their previous sources of revenue.

Dr. Ladouceur describes the typical pathological gambler as a single male who didn't go further than high school and is earning less than \$40 000 per year. Our practical experience contradicts this: you would be amazed at the occupations and salaries earned by some of those we presently see in treatment.

Dr. Ladouceur concluded that he would like to see a "long term study" following the at-risk group to see how many are walking away from the table. Another long-term study -- *Quelle surprise!*

Meanwhile, recent studies in the United States have shown that gambling on campuses is reaching dramatic proportions.

Much attention is being paid to the fact that a growing number of college students are gambling on sports. In some cases this includes athletes, some of whom admit to having played “at less than their full potential” in order to pay a gambling debt. More and more students are playing Texas Hold-em Poker, emulating the World Series of Poker currently being shown on television. With Hollywood stars participating and making significant wins, the temptation to play increases for students. There are increasing numbers of college students gambling on Internet casino sites. Many college students from Massachusetts, Connecticut, New York, Vermont and Ontario show up at Montreal Casino on weekends because they only have to be 18 years old to gamble in Quebec.

Why, then, did Howard Shaffer release a study in March 2004 that says, “college gambling worries overblown”? First of all, the study analyzed answers to questions on gambling included in the 2001 Harvard School of Public Health College Alcohol Study (CAS). The emphasis on the original study focused on alcohol use. Shaffer and his colleagues find it exemplary that more students drink than gamble. He considers the worries are overblown, because only 42% of college students gamble. I find it shocking that 42% of students admit to gambling and yet Dr. Shaffer doesn’t see that as a problem!

Which brings me full circle to my original argument, which is that industry-funded studies are tainted. This study was funded by the NCRG (National Center for Responsible Gaming), a problem-gambling research and education group funded by the casino industry. What benefit could there possibly be in releasing this study other than more “Brownie points” for Harvard University from the gambling industry?

Reconstruction:

We need to create a healthy environment for our citizens, in spite of legalized gambling. To do so, it is important to understand that “*responsible gambling*” is an oxymoron. “*Responsible gambling*” is no more possible than responsible cocaine or heroin usage, and equally dangerous. The onus of responsibility must be on the provider of the activity. That means the onus of responsibility must be on the gambling industry. In Canada, that industry is wholly the provincial government of each province. Since the provinces are not willing to police themselves and set constructive policies, it is incumbent upon the federal government to legislate and establish policies through the Ministry of Health and Welfare. We must either ban advertising of gambling, as we have done with tobacco and alcohol, or, at a minimum, balance the advertising with public service messages warning of the health hazards of gambling. In each province, the Minister of Health must have the gambling portfolio. Putting Ministers of Finance in charge of gambling places them in a conflict of interest position.

We can learn from the initiatives the State of Victoria, in Australia, implemented to deal with this problem. In 2002 they reviewed gambling regulations and addressed the imperatives of revenue enhancement coupled with regulatory control located within one government department. Following this review, gambling regulation and policy was placed within the Department of Justice, while revenue collection remained with the Department of Treasury and Finance. Following this, in 2003, an Advocate for Responsible Gambling was appointed.

The primary responsibilities of the Advocate are to:

- investigate, report and make recommendations on the effectiveness of any aspect of gambling regulation aimed at promoting responsible gambling;
- promote, facilitate and encourage the provision, development and co-ordination of effective intervention services to people with gambling problems;
- provide a clear channel for government to listen to community concerns about gambling in their region or suburb and across the state;
- promote the development of community and voluntary organisations providing public education services and supporting people with gambling problems;
- promote the development and provision of curriculum development assistance for educators.

The Advocate is to consult extensively with a range of stakeholders, including the general community, in identifying issues relating to problem gambling and initiatives to minimise gambling-related problems. Why do we not have an Advocate for Responsible Gambling in every province and territory in Canada?

We must do everything in our power to keep compulsive gamblers out of the venues. If the industry can track players in order to reward them for frequent playing, then the industry can certainly track those who are abusing the activity. This is demonstrated best in the Netherlands where Holland Casinos issues 'visitor registration cards' to clients. These cards are computerized and linked to all 12 Holland casino venues. It is called the "frequent visitors monitoring system" and is used to monitor the frequency and location of each gambling session. If clients play more than 20 times per month in a three month period, they are called in for an open interview on all the aspects of problem gambling. Floor managers and security risk-control officers conduct these interviews. At the interview the clients are questioned about things like affordability, number of dependants, other hobbies, etc. If a problem is identified, preventive and protective measures are then taken. The first step is a limited visit ban. The client may return to a venue a maximum of eight times in a given month for a duration of six months to one year. Or instead of the limited visit ban, the client may opt for an entry ban (self-exclusion) of six months, one year, or indefinite. If the client wants to be re-admitted after the ban period expires, he or she must attend an interview before being re-admitted. At the same time, the client is advised to continue the limited visit program. The same rules apply for Internet gambling. A significant number of gamblers in the Netherlands take the initiative to ask for a limited visit ban or an entry ban even without showing problematic behaviour.

We must put warnings on electronic gaming machines and slots informing players that these machines may create a serious and dangerous dependency. We must visibly post the odds of winning on every form of gambling. We must alert consumers that there is no skill involved in playing machines, that the results are strictly based on luck, and that a random number generator decides the outcome of every spin. The public needs to be clearly warned that the amount wagered or the amount of time played cannot affect the outcome of any play. And, above all, people need to be told that gambling is NOT entertainment. Gambling is risk-taking and heavily weighted in favour of taking your money. If we must do more prevalence studies, we must use better methodology. And finally, if the researchers are going to use industry funding for research, the results must be truly objectively peer-reviewed --- and by others not receiving funding from the same sources.

In Conclusion:

We are here today because we have serious concerns about legalized gambling and the impact it is having on our society. The “Gaming Industry” is reaping enormous financial benefits, in spite of the tremendous social and economic costs to individual lives. Let us endeavour to be sure that the “Problem Gambling Industry” stays focused on its original goals. Let us not lose sight of the fact that our *raison d’être* is to protect the public from harm. If the methods we are using are no longer effective, let us be prepared to work together to develop new ones. With shared purpose and shared results, we can yet get our governments to honestly address the issue of **Responsible Gambling: Whose Responsibility Is It?**