

RESEARCH HIGHLIGHT: HOST CASINO COMMUNITIES - POTENTIAL BENEFITS AND HARMS

KEY MESSAGES

Gambling venue placement has been associated with numerous impacts and harms on population health and wellbeing, specifically for vulnerable populations and disadvantaged members of the community.

There are two main theories to conceptualizing the short- and long-term influences of casino proximity and gambling harms or impacts on individuals and communities.

In the literature there are mixed findings on the degree to which proximity impacts problem gambling incidence, when this phenomenon is observed, and whether any increase in prevalence continues to persist long-term.

WHAT DO WE MEAN BY HARMS?

Gambling harms can be conceptualized as occurring across numerous dimensions depending on who is experiencing the harms, the types of harms they are experiencing, and the timeframe in which the harms occur. Langham and her colleagues classified seven dimensions of gambling harms (2016):

- financial harms
- relationship harms
- psychological harms
- health behaviour harms
- cultural harms
- workplace or employment harms
- criminal activity harms

These harms can influence life course trajectories including intergenerational harms. The gambler, their friends and family, and the greater community can all be at risk of impact from these gambling harms. However, the majority of gambling harms result from low-risk gambling activities engaged in by recreational and non-problem gamblers due to the sheer size of the population compared to problem gamblers (Raisamo et al., 2014).

CONSIDERATIONS FOR CASINO DEVELOPMENT AND COMMUNITY WELLBEING

- Does casino proximity influence problem gambling prevalence or factors indicative of problem gambling?
- What are the social and economic impacts of having a casino in a community?
- What is the impact of casinos in host communities on local priority populations?

DOES CASINO PROXIMITY INFLUENCE PROBLEM GAMBLING PREVALENCE OR FACTORS INDICATIVE OF PROBLEM GAMBLING?

Problem gambling and casino development – Exposure Theory

Exposure theory suggests that the closer an individual is to a gambling venue, the greater the chance they will experience problem gambling (Vasiliadis et al., 2013). Numerous Canadian studies have explored the association between casino proximity and increased problem gambling, with mixed results. One Ontario study found that proximity to a casino or slots venue was positively associated with being a problem gambler (Rush et al., 2007). However, both a Quebec-based and a national study reported either weak or no associations between casino proximity and an increase in problem gambling (Williams et al., 2011; Sevigny et al., 2008). Still, results have shown that living in close proximity to a gambling venue does make it more difficult for those with a gambling problem to control and limit their gambling activities (Vasiliadis et al., 2013; Thomas et al., 2011).

Problem gambling and gambling venue proximity – Adaptation Theory

Adaptation Theory as it relates to casino development and proximity suggests that any association between proximity to a casino development and a change in the prevalence of problem gambling will return to previous baseline rates as the community adjusts to having gambling entertainment nearby (Vasiliadis et al., 2013). Longitudinal research confirms this association, as a study published in 2006 found no long-term association between problem gambling rates and the introduction of a casino in the community (Jacques & Ladouceur,

2006). Despite an initial impact on local problem gambling prevalence one year after casino development, there were no long-term impacts as measured at two and four years following development.

WHAT ARE THE SOCIAL AND ECONOMIC IMPACTS OF HAVING A CASINO IN A COMMUNITY?

The measurement and conceptualization of the negative social impacts associated with casino development include factors such as: income lost from work, decreased productivity on the job, crime, depression and physical illness related to stress, increased suicide attempts, bailout costs, unrecovered loans to problem gamblers, unpaid debts and bankruptcies, higher insurance premiums resulting from problem gamblers, corruption of public official, strain on public services, industry cannibalization, and divorces caused by gambling (Walker, 2013). A complete review of these factors is beyond the scope of this brief, but a few notable findings are included below.

The introduction of a casino to a community can result in moderate, short-term changes (i.e., less than 5 years) to employment rates, primarily through the hospitality and tourism industries (Walker & Sobel, 2016). The net employment effect of casinos depends on the degree to which casinos influence other industries; for example if they provide direct competition to an industry then the positive employment effect of casinos diminishes (Walker et al., 2015). Overall, there is a negligible earnings effect on casinos in communities (Cotti, 2008). In areas with high levels of unemployment, such as rural areas, the introduction of a casino will have a more positive effect on employment than those with lower levels of unemployment. Although there is limited data to draw from, the evidence that does exist suggests that casinos may serve as a catalyst for regional economic growth (Walker et al., 2015).

Overall, casinos may have a slightly positive impact on quality of life (Walker et al., 2015), with residents perceiving positive economic benefits but negative perceptions on the effects of the casino on crime (Nichols et al., 2002). For example, current literature suggests there are mixed findings on the associations between casino development and local criminal activity and deviant behaviour, such as violent and property crimes. Some studies have found that casinos may stimulate crime (Grinols & Mustard, 2006; Bontan et al., 2017), while others concluded that casino development resulted in little to no change in the incidence of crime (Humphreys & Soebbing, 2014; Johnson & Ratcliffe, 2017).

One study found that the presence of a casino resulted in increased rates of drunk driving in rural areas only (Walker & Sobel, 2016). Findings on whether casino openings result in increased community bankruptcy rates are mixed, with some studies finding an increase and others not (Walker et al., 2015).

WHAT IS THE IMPACT OF CASINOS IN HOST COMMUNITIES ON LOCAL PRIORITY POPULATIONS?

Low socioeconomic status communities

Several international studies have shown that there are more electronic gaming machines (EGMs) in lower socioeconomic status communities (Wardle et al., 2017). EGMs have very high addiction potential because they are a continuously accessible gambling activity (Williams et al., 2011). Living in a poor neighbourhood with a high density of EGMs can expose individuals to gambling and place them at higher risk of problem gambling. People living in these communities tend to have lower education and income levels, meaning they potentially spend a greater proportion of their income on gambling activities but are the least able to absorb their losses (MacDonald et al., 2004). Communities with more EGMs had higher numbers of unemployed and migrant residents, who may experience similar impacts (Xouridas et al., 2016).

Older adults

Older adults are identified as especially vulnerable to gambling harms (Piscitelli et al., 2016). Despite being less likely to gamble than younger age groups, older adults are more likely to be living on fixed incomes and to view going to gambling venues as a socializing and entertainment opportunity. Older adults have increased access to gambling venues through programs or services, such as organized bus tours or other routes of transportation for older adults to gambling venues (van der Maas et al., 2017B). Bus tours facilitate access to gambling and normalize gambling as a social and leisure activity, and one study showed that older adults who participate in bus tours to gambling venues were twice as likely to develop a gambling problem. These factors create an environment that can contribute to the development of problem gambling and numerous gambling harms among older adults (van der Maas et al., 2017A).

Indigenous peoples and communities

Gambling a frequent activity in many Indigenous communities, with 51%-74% of Indigenous peoples in Canada reporting gambling at least once a month (Kowatch, 2017). Indigenous peoples can be more vulnerable to developing problematic gambling behaviours in part because of the high gambling prevalence and the low levels of treatment access and participation (Kowatch, 2017). American research has shown that 'Indian casinos' are associated with employment and housing improvements as well as increases in population (Wenz, 2008). In contrast to commercial casinos, 'Indian casinos' are associated with a short term (two-three years) increase but long-term (thirteen-fifteen years) decrease in crime for both the host region and neighbouring regions (Nichols & Tosun, 2017).

Youth

Numerous research studies have investigated the factors that may potentially influence children's attitudes and actions towards gambling. Settings in which casino games or EGMs were present can influence a child's knowledge of gambling behaviours and desire to participate in gambling activities, as they often perceived them to be regular games (Bestman et al., 2017). One study found that the heightened exposure to a casino development increased the likelihood that a child had participated in gambling activities over the previous year (Esters et al., 2008). Similar to adults, children from lower socioeconomic status communities are more likely to participate in gambling activities and develop problem gambling habits, due in part to potentially lower education and income levels, and high EGM density (Martins et al., 2013). In response to casino developments specifically, young men are the most likely group to see increases in gambling participation and problem gambling through casino games or EGMs compared to other gambling activities (Bell & Boldero, 2011).

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