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Position on Casinos

Background

When the Ontario Lottery and Gaming Corporation identified Waterloo Region as a likely location for a new casino, the Waterloo Region Crime Prevention Council (WRCPC) was frequently asked whether this was likely to lead to any increase in crime, victimization or fear of crime. When taking a position on issues the WRCPC asks itself three questions: (1) Is the issue relevant to crime prevention through social and community development? (2) What does the research tells us? (3) What guidance can be taken from the expressed values of the WRCPC in forming a position?

Research evidence of crime in the vicinity of casinos is mixed. Some studies have found an increase in street level crimes, such as money laundering, counterfeiting, prostitution, and drug dealing, while other studies have found the changes in these types of crimes are comparable to the opening of any large entertainment establishment. The negative impact of a casino on the broader community is much clearer in public health research, and changes in the health of individual, family and social situations can in turn lead to increases in intimate partner violence, illegal drug use, drunk driving and childhood neglect, among other consequences. In other words, while the data with regards to a direct link between the presence of a casino and increase in crime is inconclusive, the data that speak to increases in risk factors for crime is quite compelling.

Population health research shows that the opening of a casino leads to a direct increase in problem gambling within a community. Persons most at risk of problem gambling tend to share some of the following characteristics: being males, youth, older adults, Aboriginal peoples, low income, mental health and/or addiction issues, low educational attainment. These characteristics can be compounded by someone experiencing a “big win” when they are first introduced to gambling. Problem gamblers or those at risk of problem gambling tend to not appreciate the severely limited odds of winning, and a win early on in their gambling career can further lead to them overestimating their chances of success in the future.

Problem gambling outcomes tend to not only negatively impact the individual but also can create significant community and social costs. Problem gamblers have higher rates of:

- health problems,
- stress and depression,
- suicide,
- bankruptcy,
- alcohol abuse and alcohol related traffic fatalities,
- problematic substance use of prescription or illicit drugs,
- neglect of children in their care,
- divorce,
- domestic and intimate partner assaults.

Over one-third of gambling profits come from problem and at-risk gamblers. While the impact on the community of problem gambling is costly there is therefore little business incentive for the casinos to eliminate or reduce the risks associated with problem gambling.

Prevention planning involves multi-generational thinking. When making decisions today from a crime prevention perspective, it is imperative that we ensure that the solutions of today do not become the problems of tomorrow. A critical question to ask ourselves is: What will be the long term impact of a casino on the people living in the community? The research evidence clearly shows that a casino will increase the prevalence of problem gambling. Problem gambling in turn is shown to lead to expensive detrimental health outcomes for the individual and the community in which they reside. Many of the social determinants of health over time have been shown to be the same risks that are associated with increases in crime and victimization. While these crimes may not necessarily be visible or felt in the public arena, a responsible community gives equal consideration to crimes committed in the privacy of homes. It is a key principle of the WRCPC to consider long term outcomes of today's decision from the perspective of what elevates the risks for crime. "For the crime committed by the offender he or she is responsible, for not having dealt with the root causes of crime when these are known to us, all of us are responsible" (Thoreau)

Given the above considerations,

the Waterloo Region Crime Prevention Council opposes the opening of a casino within Waterloo Region but recommends that in the event that a casino opens in Waterloo Region the development and operation of the casino must incorporate crime prevention considerations and harm reduction strategies from the very beginning.

In the event that a casino opens in Waterloo Region, the Waterloo Region Crime Prevention Council has a number of specific recommendations to mitigate the negative impacts of problem gambling. These recommendations constitute a comprehensive gambling reduction program and should not be implemented in isolation. Each recommendation is designed to build upon one another and to provide maximum protection for the community and vulnerable populations. The roll out of the recommendations may not be simultaneous but should be accomplished in an integrated and comprehensive fashion over time.

Recommendation 1: Create a Region Wide Advisory Group to Prevent Problem Gambling

A host community can have the most impact on the design and operation of a casino during the application process. That is the optimal timeframe in which to ensure programs will be in place to reduce problem gambling. Social services, crime prevention, police, public health and other expert evidence need to be consulted in the design of the physical and operational features of a casino from the beginning. Ideally harm reduction strategies such as outlined below will feature in any Request for Proposals and impact the decision making process about the successful bidder. A comprehensive working group can ensure that specific casino proposals include measures that will limit the negative impact of problem gambling. These harm reduction methods specifically should include:

Recommendation 2: Limiting Access to Credit

Accessing credit to gamble is a clear sign of problem gambling. Credit should not be provided within the casino. In addition, ATMs should not accept credit cards because cash advances are an easy way for patrons to borrow money to continue gambling.

Recommendation 3: Limiting Access to Alcohol

Alcohol reduces inhibition thus making it easier to run up gambling losses. Additionally, problem gamblers are at a higher risk of alcohol misuse. To help limit the consumption of alcoholic beverages, these should not be served at gambling tables or slot machines.

Recommendation 4: Daily Casino Closing

Closing a casino for at least six hours every day forces problem gamblers to leave the facility and return at another time. This provides them an opportunity to rest and consider their situation at a distance from the stimulants of gambling.

Recommendation 5: Implement Mandatory Casino Card Use at all Machines and Tables

All casino patrons should be required to use a casino card when playing any game. The card can be used by local researchers to track gambling activity. Along with demographic information (postal code, gender, age, annual household income etc.) this information will allow the community to measure the impact of the casinos on patterns of gambling over time. Confidentiality agreements should be worked out to protect the privacy of casino patrons.

Recommendation 6: Identify Problem Gamblers

Identifying problem gamblers must be a high priority of the casino. Policies should be clearly in place for assessing and assisting patrons that display gambling problems. Casino staff should be trained to identify and intervene with problem gamblers much as they are in establishments serving alcohol through the smart serve training. Patrons should also be provided tools to identify their own problem behaviors. A brief summary of patrons gambling behavior should be mailed on a monthly basis to all casino visitors. The information gathered from a player's individual casino card can be used to assemble a report that contains the total gambling winnings and losses for the year and month and how this compares to average losses for casino visitors. This approach will aid problem gamblers in identifying their own gambling addiction challenges.

Recommendation 7: Ensure the Self Exclusion Program is Effective

The casino self exclusion program should be well promoted and easy to use. The exclusion program should also allow players to set their own loss limits, per visit, month or year. It should additionally allow patrons to set a time limit for each visit to the casino. The mandatory casino cards are the key to making enforcements of these self selected limits possible. The casino cards will also aid the exclusion program, but should be backed up by traditional methods such as staff at the casino identifying and excluding problem gamblers.

Recommendation 8: Modifying Casino Physical Space to Discourage Excessive Gambling

The physical space of a casino should not encourage excessive gambling. Digital clocks should be visible from every gaming table and slot machine. In addition, each slot machine should show the time. Exits should be clearly marked so individuals wishing to leave can do so easily.

Recommendation 9: Limit ATM Access

ATM's should not provide access to credit cards for cash withdrawals. In addition, ATM's should have a \$250 daily limit. This is enough money to cover a taxi ride home and to allow someone to gamble if they forgot to withdraw cash before heading to the casino but it is a low enough amount to also limit the impact of gambling losses. In addition, the casino should only have one ATM and it should be located near the taxi stand, so individuals withdrawing money to leave do not need to walk by gaming tables on their way out.

Recommendation 10: Modify Slot Machines to Discourage Excessive Play

Slot machines should show the time. They should *not* have "stop" buttons, which implies control over the outcome by the user. Near wins on the slot machine should be proportional in frequency to the likelihood of a near win appearing through random chance and be identified as such. Cash tallies of wins and losses should be displayed (as opposed to "credit wins and losses") on slot machines. Patrons should be required to do more than simply push one button to bet at a slot machine.

Recommendation 11: Monitor Impact of Problem Gambling Harm Reduction Efforts

Effective harm reduction strategies require on-going monitoring and evaluation. Measuring the impact of harm reduction strategies creates accountability for program managers. Monitoring should be done in partnership with local researchers with knowledge of community context and credibility with the local citizenry. Making casino cards mandatory will aid greatly in monitoring efforts as it will provide detailed information to evaluators. This information can be augmented by data gathered from local governments, police and health and social service providers. Findings should be reported back to local government and should become part of quality of life monitoring report cards.

Recommendation 12: Continue All Existing OLG Problem Gambling Programs

All existing Ontario Lottery and Gaming Corporation programs designed to reduce problem gambling should be continued and where possible expanded if a casino is introduced within Waterloo Region.

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Appendix one: Casinos and Crime (www.smartoncrime.ca)

A [blog post](#) is available on the WRCPC www.smartoncrime.ca website which also includes a video explaining the odds of winning. Below is a research summary reviewing casinos and their relationship with crime.

Casinos may bring jobs and revenue to a community but they may also increase local crime. Casino related crime is difficult to measure independent of other factors that impact crime rates such as population and economic demographics. This difficulty in measurement means there is little consensus on how casinos directly impact crime rates.

Organized crime

Ontario's casinos are publicly owned and managed by the Ontario Lottery and Gaming Corporation. When Casino Niagara opened the number of people with ties to organized crime trying to enter Canada decreased (Piscitelli & Albanese, 2000).

Street level crime

Street-level crimes are those committed in and around the casino including money laundering, counterfeiting, theft, assault, robbery, drug dealing, and prostitution. There is evidence that theft and robbery increase when a casino opens (Wilson, 2001; Bridges & Williamson, 2004; Barthe & Stitt, 2009; Grinols & Mustard, 2006; Topoleski & Evans, 2003). In Edmonton over a two year period the most common gambling related crime was counterfeiting (Smith, Wynne, & Hartnagel, 2003). Theft is often higher in casino areas than breaking and entering or car theft suggesting the availability of cash around casinos may determine the type of crime committed (Barthe & Stitt, 2009).

Development and population changes

Casinos can bring economic development and population growth to a community. When casino development revitalizes an area or when casino jobs increase the standard of living for workers crime decreases (Grinols & Mustard, 2006). Conversely, casinos have been criticized for attracting prostitution and illegal-gambling which harm economic development (Grinols & Mustard, 2006). With increased jobs and tourism, population growth may occur in casino communities. Population growth usually increases faster than incidents of crime suggesting that casinos do not increase the risk of crime (Albanese, 1999; Margolis, 1997; Miller & Schwartz, 1998).

Crime rates before and after casinos open

Brantford, Thunder Bay and Windsor all saw decreases in crime since opening casinos; however crime rates have been decreasing throughout Canada and these cities have higher crime rates and severity than Ontario averages (Statistics Canada, 2011). Ten years after Windsor opened a casino crime did not increase in the surrounding neighbourhoods (Phipps, 2004).

Other studies found mixed results on casinos and crime:

- In American communities crime decreased the first two years of casino operations and then increased thereafter, often spilling over into neighbouring communities (Grinols & Mustard, 2006);
- In 2001 and 2002, 3% of crime in Edmonton was attributed to gambling venues (Smith, Wynne, & Hartnagel, 2003);
- In the U.S. changes in crime rates were inconsistent across different casino communities (Stitt et al., 2003);
- Violent crime increased by 10 percent in U.S. aboriginal communities with casinos (Topoleski & Evans, 2003);

Tourists and crime

Theft is common in tourist areas as tourists carry cash and do not know the local area making them easier targets (Miller & Schwartz, 1998). There is concern about the type of tourists that casinos tend to attract. After Casino Niagara opened the number of people with criminal records attempting to enter Canada increased (Piscitelli & Albanese, 2000).

Problem gambling

Problem gambling crimes such as fraud, theft, drug dealing, or prostitution are tend to be committed in order to support a gambling addiction. Casino presence increases the rate of problem gamblers in and around a community (Stitt et al., 2003; Smith, Wynne, & Hartnagel, 2003) and some communities see bankruptcy rates rise by as much as 10% after a casino opens (Topoleski & Evans, 2003).

Social capital and fear of crime

Social capital is the connection and degree of trust between people in the community. Fear of crime and social capital are inversely linked. Casinos tend to increase fear of crime which in turn decreases social capital (Stitt, 2001). In one study, social capital decreased by 14% in the 25 kilometers surrounding a casino (Griswold, & Nichols 2006). Calls to police reporting suspicious persons are greater in casino areas, suggesting people may be less trusting around casinos (Barthe & Stitt, 2009). This impact on social capital may be tied to residents' attitudes about casinos. In casino communities residents who believe gambling is good for their community report higher levels of social capital than those who fear casino related crime (Stitt, 2001). Communities tend to over-estimate the impact a casino will have on crime. In Niagara Falls prior to the opening of the casino 77% of residents feared a casino related crime wave but one year after the casino opened only 44% felt that crime increased (Smith, Wynne, & Hartnagel, 2003).