

# Problem Gambling and Poverty

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## Gambling and Income in Canada

While gambling continues to generate nationwide revenues [1], the economic costs of gambling are increasingly shouldered by those who can least afford the monetary and social losses [2]. Indeed, people in the low-income brackets (2.8%) spend a higher percentage of their household income on games of chance than people in higher income brackets (0.5%) [3]. This is important given that the risk of gambling related harm increases significantly when more than 1% of gross family income is spent on gambling activities [4]. The additional risk of gambling for those in a lower income bracket warrants further attention with the expansion of government-operated gambling throughout Canada [5], especially since increased rates of problem gambling prevalence are linked to enhanced accessibility and availability [6].

## Problem Gambling and Poverty

Several studies from the United States, United Kingdom, and Canada have reported a relationship between problem gambling and poverty [7-13]. Problem gambling can be defined as difficulties in limiting money and/or time spent on the activity, which leads to problems for the gambler and others [14].

Some research studies focus on specific population who are more vulnerable to gambling problems with a focus on measures such as low income, homelessness, and neighborhood disadvantage. These populations include historically oppressed groups (i.e., Indigenous groups) [15, 16] and those with complex needs (i.e., those experiencing mental illness and substance use problems) [9, 17, 18]. Studies indicate that the following populations are at higher risk of experiencing problem gambling:

- Indigenous
- Experiencing Complex Needs (i.e., experiencing substance abuse problems and mental illness)
- Older adults
- Males
- Unemployed/Low Income
- African American
- Young Adults
- Living in Disadvantaged Neighborhoods
- Experiencing Homelessness
- Veterans

Homelessness serves as a measure for poverty in the majority of the studies. The prevalence rates of problem gambling in the homeless population is significantly higher at roughly 9 times the rate in the general

## Key Message

A developing body of evidence suggests that problem gambling prevalence rates are higher in populations experiencing poverty when compared to the general population. The temporal order of poverty and problem gambling remains unclear although some research suggests problem gambling precedes poverty. Disadvantage at both the individual and neighborhood level are risk factors for problem gambling. This link warrants further research to disentangle the relationship. Enhanced awareness of the link between poverty and problem gambling is required as are services and supports that are tailored to a population that has complex needs including concurrent disorders.

population [19].

For those who gamble excessively, the majority report that gambling problems occurred prior to becoming homeless (82.4%) while a minority disclosed that homelessness preceded their gambling problems (15.4%). Two important life events that may lead to homelessness include gambling problems and significant job loss [7]. Unemployment might further contribute to gambling tendencies. Without employment, whether through the lack of opportunities or the inability to work, gambling can become a coping strategy to deal with complex social and health problems [20].

Most studies focus on prevalence of problem gambling within homeless populations, drawing on samples from

specific agencies where clients experiencing homelessness seek services and supports. Although such studies are important contributions to existing knowledge, there are few studies that explore the relationship between problem gambling and poverty among a representative sample with few exceptions [21, 22]. This white paper will focus on a study by Barnes and colleagues [22] which draws on two representative samples, one of young people and the other of adults, to examine the effects of neighborhood disadvantage and individual level socioeconomic status on problem gambling.

### Neighborhood and Individual Level Disadvantage

Using a representative sample of both young adults and adults living in the United States, Barnes and colleagues [22] examined the effects of neighborhood disadvantage and individual level socioeconomic status on problem gambling behavior, filling a gap in the literature. This article has several methodological strengths especially the use of a large national survey allowing for statistical analysis to determine whether neighborhood and individual level disadvantage were significant risk factors for problem gambling.

Barnes and colleagues were able to determine that neighborhood disadvantage was a significant risk factor for problem gambling. In other words, those living in the poorest neighborhood have significantly increased odds (1.28X) of developing a gambling problem.

Just as with the neighborhood measure, problem gambling was highest for those with low socioeconomic status (11.1%) compared to those with higher socioeconomic status (5.1%). Barnes and colleagues also noted that problem gambling was highest in men, those aged 22-30 and African Americans. Additional analysis showed that:

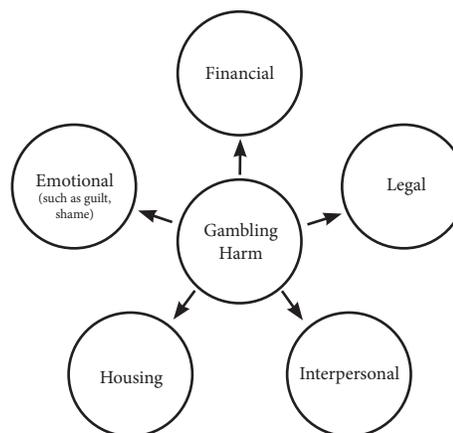
- Males were 2X as likely to be a problem gambler when compared to females
- African Americans had significantly increased odds of being a problem gambler when compared to other race and ethnic groups

The authors determined the direct relationship between neighborhood and individual level disadvantage, and found that problem gambling is highest when individual socioeconomic status is low and neighborhood disadvantage is high. In other words, those living in

the poorest neighborhood and with the lowest level of socioeconomic status have significantly increased odds of developing a gambling problem.

### Translating Research Findings Into Best Practices

Poverty serves as an important risk factor for problem gambling. Problem gambling is associated with the following harms that are heightened for vulnerable populations [15]:



This harm extends to others, where over one million Ontarians (1 in 9) are estimated to be negatively affected by someone else's gambling [23].

A handful of qualitative and quantitative studies provide tips on how we can help reduce the harms for those experiencing problem gambling and poverty [17, 20, 24, 25]:

- Increase awareness of the link between problem gambling and related conditions (e.g., mental illness, substance abuse) among service providers working with vulnerable populations (e.g., shelter agencies, community services, mental health and addiction treatment centers, VA mental health services);
- Create general awareness of problem gambling services and supports, with targeted marketing in disadvantaged neighborhoods;
- Incorporate communication training, including cultural sensitivity training, to existing services and supports for vulnerable clients to start the conversation about problem gambling;
- Provide integrated services and supports for clients, in one location, to ensure uptake with enhanced access;

- Offer tailored care, with a person-centered engagement approach to meet clients' needs;
- Ensure that those experiencing problem gambling and poverty are helped to secure affordable housing, employment, and related resources needed to address the complexity of their needs
- Deliver timely access to prevention and recovery services, including enhanced life skills training to help with money management.

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