

Close to home: Identifying links between gaming venues and financial hardship

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Researchers from the Centre for Health Economics at Monash University have found that people who live closer to pokies venues are more likely to gamble, experience financial hardship, become insolvent

or bankrupt, and report mental health problems.

Data from the Australian Government's Productivity Commission shows that up to 170,000 Australian adults experience problems due to [gambling](#) addiction and are among the heaviest gamblers in the world, losing A\$24.9 billion a year to gambling.

In Australia, there is considerable concern about the consequences of pokie venues, given their unusually high prevalence. There are approximately five times as many pokies per capita in Australia than in the United States, and Australia is the world leader in gambling losses per capita.

Lead researcher, Professor David Johnston from the Centre for Health Economics in the Monash Business School, said the aim of this study was to understand the consequences of neighborhood electronic gaming machine (EGM) venues.

"Using Australian longitudinal data, we found that increases in the number of pokie venues in a neighborhood is associated with increases in the number of personal insolvencies, including bankruptcies," Professor Johnston said.

"We also show that people who live closer to pokie venues are more likely to gamble, and are more likely to report [financial hardships](#) and [mental health problems](#)."

The research generated three main findings:

- People who live close to gambling venues are more likely to gamble
- The increase in gambling did not give rise to any apparent wellbeing benefits

- The [close proximity](#) of gaming venues can have harmful consequences in terms of increased financial hardship and mental ill-health

"Within a neighborhood, people living close to gambling venues are more likely to suffer from financial hardship and mental health problems, compared with people living further away from gambling venues within the same suburb," Professor Johnston said.

The study, which was conducted with funding support from the Victorian Responsible Gambling Foundation, used information on all gaming venues and survey data from Sydney, Melbourne, Brisbane and Adelaide. In addition, administrative records on insolvencies provided researchers with an accurate and meaningful measure of financial harm.

Chief Executive Officer of the Victorian Responsible Gambling Foundation, Shane Lucas, said the findings from this study provided new evidence that would be useful to [local governments](#) developing policies and strategies to reduce gambling-related harms in their communities.

"As we know, and as further demonstrated by this study, there are various types of gambling harm—not only financial—and that they range in severity from feelings of regret, right through to mental ill-health, broken relationships, and issues with work and study," said Mr Lucas.

"The results from our research suggest that there are substantial harms to the community and these need to be taken into account when governments decide on granting gambling licenses," said Professor Johnston.

The focus of this research on insolvencies as a measure of harm fits within the broader public [health](#) approach and categorizes gambling disorders like other substance-use disorders.

More information: Samia Badji et al, Association between density of gaming venues in a geographical area and prevalence of insolvency: longitudinal evidence from Australia, *Addiction* (2020). [DOI: 10.1111/add.15090](https://doi.org/10.1111/add.15090)

Consequences of Greater Gambling Accessibility: monash-ch-econ-wps.s3.amazonaws.com/e/chemon/2021-06.pdf

Provided by Monash University

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