



Problem gambling and crime—recent resources

Many local bodies in New Zealand examine the social impact of problem gambling on their communities when they are reviewing their gambling policy. The health impacts are often blatantly clear but the impact of crime from problem gambling is often a murky area. The 2008 KPMG Fraud survey showed that gambling was a key motivator for gambling fraud in Australasian, and within New Zealand is the second most common motivator for crime.

Clarke & Walker's 'Are gamblers more likely to commit crimes? An empirical analysis of a nationally representative survey of US young adults' in *International Gambling Studies* (9 (2) 2009: 119-134) used data from the National Longitudinal Study of Adolescent Health (6145 young adults) and found that higher gambling losses increase the propensity to commit crime.

Meyer & Stadler (1999) found that 89.3% of pathological gamblers in treatment admitted to having committing at least one crime in their lifetime. 60% had done so in the last year of their regular gambling, compared to 22% of the general public. Of these, 35% did so to finance their gambling. SHORE (2008) reported that 1.3% of the people they survey who said they had committed illegal activities did so because of gambling (this equates to nearly 10,000 people). Of these, over 25% said they would not have committed the crime if they had not been gambling.

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A 2009 AUT study by Bellringer et al. found that 55% of gambler participants reported thinking about doing something illegal to obtain money for gambling, while 41% actually performed a crime. As many as 70% borrowed money without permission in order

to gamble. Of the gambler respondents 63% reported a connection between their crimes and gambling. They also reported illegal activities such as dangerous driving while very tired after gambling and undesirable behaviour such as prostitution to obtain money. Most gamblers who committed offences did so to chase their loses. The study highlights the importance of identifying problem gamblers who are at risk of committing crimes to support their gambling, and encouraging them to seek help from agencies before they offend.

A study of offenders in Australia found that, of those who reported problem gambling, 26% admitted that it had contributed to their offending, and 46 percent said they had obtained money illegally to pay for gambling or related debts.³

Warfield's study⁴ was based on an extensive review of online reports of 528 legal judgments of 12,662 criminal offences heard in Australian courts. It revealed that in the past ten years more than a quarter of a billion dollars may have been lost to fraud related to gambling, most of which was never recovered. Around 12% of crimes involved amounts in excess of \$1 million; another 2%, amounts of over \$5 million. In general, gambling-motivated frauds were undertaken for relatively short durations (more than 62% lasting for less than one year), but 24% lasted for at least three years (10% lasting for more than five years). Frauds included defrauding of the government, falsification of accounts, forgery, fraudulent misappropriation, stealing as a servant, and use of false documentation. Of offenders prosecuted for gambling-motivated fraud, more than 58% were male, and most (65%) were between 31 and 50 years of age. The most likely victims were employers (67%), but the largest amounts were stolen from state governments (an average of nearly \$3.8 million per state government) and from clients of financial advisers, accountants and solicitors (an average of \$A1.45 million). The misappropriated money was used to fund a

pokie problem in more than half (56%) of the cases (the average amount stolen, nearly \$A65,000).

Other readings:

Abbott et al. Gambling and problem gambling among recently sentenced male prisoners in four New Zealand prisons and Gambling and problem gambling among recently sentenced women in New Zealand prisons. *Journal of Gambling Studies* 21 (4), 2005.

Julie Lahn. *Gambling and clients of ACT corrections. Final report* <http://dspace.anu.edu.au/bitstream/1885/45192/1/GamblingandCorrections.pdf>

Toine Spapens; Alan Litterer; Cyrille Fijnaut eds. *Crime, addiction and the regulation of gambling*. Martinus Nijhoff: 2008.

M. Bellringer et al. (2009) *Problem gambling—Formative investigation of the links between gambling (including problem gambling) and crime in New Zealand*. Auckland: AUT.

Centre for Social and Health Outcomes Research and Evaluation (2008) *Assessment of the social impacts of gambling in New Zealand*. Auckland: SHORE.

J. Lahn (2005) Gambling among offenders: results from an Australian survey. *International Journal of Offender Therapy and Comparative Criminology*. 49:343-355.

B. Warfield (2008) *Gambling motivated fraud in Australia: 1998-2007*. Sydney: Warfields.

Problem gambling awareness week: Shining the light on problem gambling's impact on crime. 25 February 2009. *The Entrepreneur*. <http://www.entrepreneur.com/PRWeb/release/7111.html>

Gambling Court. (2009) *The interface of the criminal justice system and the problem gambler*. <http://www.gamblingcourt.org/>

KPMG. 2008 *Fraud Survey*. 2009. http://www.kpmg.co.nz/download/103904/118163/KPMG_Fraud_Survey_2008.pdf; NZ perspective <http://www.kpmg.co.nz/download/103903/118160/SnapshotNZ.pdf>

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International Gambling studies:

Helen Breen. 2008. Visitors to Northern Australia: Debating the history of indigenous gambling. 8(2) 137-150.

John W Welte et al. (2009) Legal gambling availability and problem gambling among adolescents and young adults. 9 (2): 89-99,

Paul H Delfabbro et al (2009). Once a gambler—always a gambler? A longitudinal analysis of gambling patterns in young people making the transition from adolescence to adulthood. 9 (2): 151-163.

Crawford Moodie, Gerda Reith (2009). Responsible gambling signage on electronic gaming machines, before and after the implementation of the United Kingdom Gambling Act: an observational study. 9 (1): 5-17.

Jim Orford et al. (2009) Negative public attitudes towards gambling: Findings from the 2007 British Gambling Prevalence Survey using a new attitude scale. (1): 39-54.

Johanne Saint-Charles et al. (2008). A communication perspective on Video Lottery Terminals. 8 (3): 233-247.

Michael JA Wohl et al (2008). Episodic cessation of gambling: A numerically aided phenomenological assessment of why gamblers stop playing in a given session. 8 (3):249-263.

Nigel E Turner et al. (2008) Pathways to pathological gambling: Component analysis of variables related to pathological gambling. 8 (3): 281-298.

Kerrie Shandley & Susan Moore. Evaluation of Gambler's Helpline: A consumer perspective 8 (3): 315-330.

International Journal of Mental Health and Addiction

Mark Griffiths et al. (2009). Online poker gambling in university students: Further findings from an online survey.

Anna C Thomas et al. (2009) Gambling and the multidimensionality of accessibility: More than just proximity to venues.

Daniel L King et al (2009) Preliminary validation of a new clinical tool for identifying problem video game playing.

Nigel E Turner. (2009) What does a random line look like: An experimental study.

Jacinthe Dion et al. (2009) An exploration of the connection between child sexual abuse and gambling in Aboriginal communities.

Mark Griffiths et al. (2009) Internet gambling, health, smoking and alcohol use: Findings from the 2007 British Gambling Prevalence survey.

Jennifer R Felsher et al (2009) Young adults with gambling problems : The impact of childhood maltreatment.

Masood Zangeneh et al. (2009) Gambling in ethnic adolescent populations: An exploratory study of the utility of problem behaviour theory as an explanatory framework.

Jenny Spennyn et al (2009) The role of light and music in gambling behaviour: An empirical pilot study.

Others:

Australian Productivity Commission: *Gambling. Draft Report.* October 2009

The report examines the 'dubious economic benefits' of gambling to the Australian public. Its recommendations include: Victoria moving ATMs out of gambling venues; the use of pre-commitment technology; machine bets limited to \$1 a turn cutting potential losses from \$1200 an hour to \$120; pre-set limits on amount and duration of gambling; cash withdrawals at venues limited to \$200 a day to allow for cooling off; payout by cheque to discourage losing all their winnings. http://www.pc.gov.au/_data/assets/pdf_file/0010/91882/gambling-draft.pdf

The Australian Government. Department of Families, Housing, Community Services and Indigenous Affairs. *Review of current and future trends in interactive activity and regulation. Literature review.* June 2009.

Australian currently prohibits interactive gambling although certain services have exclusions through licensing and allowing wagering which is perceived as a different style of play (periodic versus repetitive style play). The review discusses international regulatory frameworks which includes the US, UK, Canada and NZ but does not include the EU. It examines the incidence of problem gambling amongst Internet gambling participants and finds that in some states that it could be as high as 12.5%. Certainly gambling preferences for moderate risk and problem gamblers was 10.9%. http://www.fahcsia.gov.au/sa/gamblingdrugs/pubs/review_trends/Documents/gambling%2025June.pdf

Lana Perese. *You bet your life.... And mine! Contemporary Samoan gambling in New Zealand.* PhD thesis. University of Auckland.

This thesis provides a broad knowledge base of cultural factors, practices, influences and understandings that are associated with contemporary Samoan gambling in New Zealand and highlights how Samoan (problem) gambling while often rationalised in terms of aiga enhancing precepts is in reality most often undermining and eroding of aiga values and practices.

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