

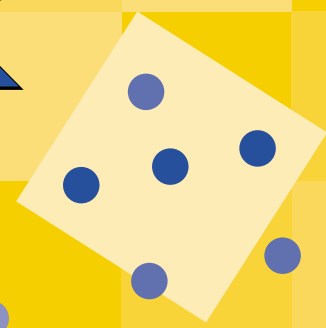
Newslink

Problem Gambling News & Information

A source of news, views and trends



Spring Issue 1999



Internet Gambling and Canada Local Bettors, Offshore Sites - Is It Legal?

FEATURE ARTICLE

Interview with
**Detective Inspector
Larry Moodie**

Director of the Ontario Illegal
Gaming Enforcement Unit

CFCG: Is the OPP responsible for dealing with illegal gambling? Is it specifically mandated and funded to do so? Since when?

Moodie: Yes. The OPP first formed its "Anti Gambling Squad" in 1942. At that time horse racing was the only form of legalized gambling. In November 1996, at the request of the OPP, the current government created the Ontario Illegal Gaming

Enforcement Unit, a 36 officer multi-police agency task force managed by the OPP. It comprises officers from the Niagara, Peel, York, Hamilton-Wentworth, London, Windsor, Ottawa-Carleton, and Toronto Police Services.

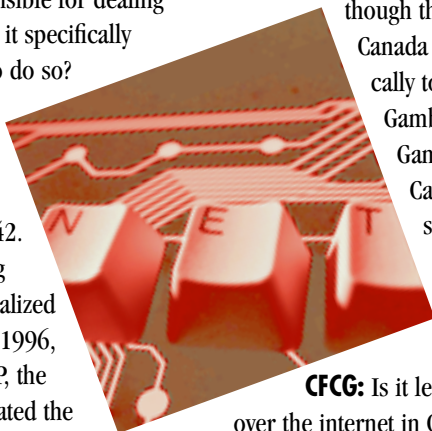
CFCG: Reports by the press and the gambling industry put the online wagering figure at US\$650M. They expect this figure to double

by the end of the year and exceed \$2 billion by 2001. Some countries like Australia have legalized Internet Gambling. Is it legal to provide Internet Gambling sites in Canada?

Moodie: Except for the provinces, it is illegal to provide gambling sites in Canada. Even though the Criminal Code of Canada was not written specifically to address Internet Gambling, an Internet Gambling site within Canada utilizing the services of a Canadian-based server is clearly illegal under Section 206 (1) (c).

CFCG: Is it legal for individuals to bet over the internet in Canada?

Moodie: Generally, the answer is no. Again, since the Code does not deal specifically with Internet Gambling, the law applying to gambling in general applies here too. While it is legal to place a bet with a bookie in Canada, for example, it is illegal for that bookie to "keep a book" or to solicit bets. Similarly with the internet - it is illegal to provide gambling sites in Canada and to



Continued page 2

Conference Applauded

The CFCG's bilingual conference held in Ottawa April 22-24 has received widespread praise from participants. Great opportunities to learn about problem gambling treatment, community initiatives and to network made the yearly get together very successful.

See Lisa Root's review on page 7

INSIDE

From the Executive Director	Pg 2
NewsCan Published	Pg 2
Problem Gambling Online	Pg 3
What are the odds?.....	Pg 3
Gambling in Canada Roadmap?.....	Pg 4
The Value of a Public Health Perspective on Gambling.....	Pg 6
Conference Applauded	Pg 7
Celebrating Five Years in Windsor	Pg 7
Feedback & Articles	Pg 8
Teen Response from the UK.....	Pg 8
Upcoming Events	Pg 8

News Published

CFCG staff have been searching through and collecting news reports of problem gambling issues for some time. Since March, the Foundation has been sharing topical parts of this collection with interested individuals and organizations. This has evolved into NewsCan.

NewsCan is a weekly look at what has been happening in the problem gambling field worldwide. There is no commentary or opinion, just a precis of the article and references for further reading. The full articles are available from the Foundation on request.

From the Executive Director

Jane Scott is returning to her roots. Next month she will be moving back to eastern Ontario and accepting a community outreach position with the gambling addiction team of Lennox and Addington Addiction Services.

Those of us who have come to know Jane since she returned to Canada in 1997 from the U.S. will miss her constant good humour, her depth of understanding of problem and compulsive gambling and her outstanding capability for connecting with a great number of people.



The Foundation Board and Staff are very grateful to Jane for the remarkable contribution she has made to the work of the Foundation and wish her continued success in her move to the Kingston area. The good news for the problem gambling sector is that we will continue to benefit from Jane's knowledge and commitment to this field in her new setting.

The good news for the Foundation is that Jane will maintain a continuing relationship with CFCG and be involved on a special project basis to the extent her new position permits.

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Internet Gambling and Canada

Continued from page 1

solicit bets. But, for individuals who place bets over the internet, it depends on the kind of bet or game of chance they are playing. If the bet were a sports bet then it would be legal. If the bet were placed on a casino game, an electronic version, then it would be illegal. It gets more complicated however since there are jurisdictional and enforcement questions to consider. Like most courts in other countries, Canadian courts have not made any decisions on jurisdiction that I am aware of. The view of the OPP is that since part of the offense, the bet, was placed in Canada, both the player and the provider have committed an offense.

CFCG: Does this mean that you are able to charge Canadians who have established gambling web sites legally offshore when they return to Canada?

Moodie: Yes, provided that we could show

that the bets were made in Canada.

CFCG: And the individuals who bet on those sites?

Moodie: Yes. But I want to make it clear that this (Illegal Gambling) Unit is not in the business of prying into the private lives of people. We are not interested in what happens in their bedrooms. Our mandate is concerned with the business of illegal gambling. We do not comment on investigations, but I can say that out of the last one thousand cases we have dealt with, only one had to do with Internet Gambling. We are aware of the increasing number of sites and bets made by bettors in Canada and will take steps to deal with them. For now, there is more than enough land-based illegal gambling for us to deal with.

CFCG: Do you liaise with other law enforcement agencies across Canada and the world to co-ordinate your efforts?

Moodie: We share information and provide training to police agencies across Canada and liaise regularly with the FBI on this and other gambling issues. Illegal gambling is only one issue concerning crime on the internet. Others such as hate crimes, pornography and fraud are also important to the OPP. Internet Gambling is being increasingly discussed by us but we have to go by what is in the Criminal Code. Internet Gambling is not specifically mentioned as is the case with possession of child pornography, for example. Like elsewhere in the world, it may be up to the courts to eventually decide on particular jurisdictional issues such as: the extra-territorial application of Canadian criminal law in foreign countries; who may lawfully license; and who may lawfully provide Internet Gambling to Canadians.

CFCG: Thanks

Problem Gambling Online - Why the Internet is Different

Here is the scene: Elliott Ness is staking out the big speakeasy on Chicago's notorious south side.

Inside, the party is raging and people are having a good time. Crouched in the shadows, his crew, machine guns in hand and cigarettes on their lips, are waiting to raid the high-spirited gathering of boozers, hookers and gamblers.

Fast forward to the present: picture a great speakeasy in the sky. At the click of a button, all the old vices and more are delivered to your home quicker than a pizza from Dominoes.

The number of Internet Gambling sites has grown twenty-fold in the last two-and-a-half years to more than three hundred. Gamblers wagered more than \$650M in 1998. Analysts project Internet wagering will double in 1999 and reach \$2.3B in 2001. Almost all the sites are operated outside of North America in places like Australia, Costa Rica and other Caribbean nations. Yet, up to 90 percent of gamblers reside in North America.

While gambling is as old a past time as any, gambling on the Internet is new and different in two important ways - access and enforcement.

Internet Gambling is delivered to individuals right in their homes. Never before has there been such universal access to gambling.

Almost fifty percent of Canadian homes are connected to the Internet and this figure is growing.

For the first time gambling can be done in complete secrecy - not even your local bookie need know. The only limit is the amount you can lose before hitting the financial wall.

Not surprisingly, an increasing number of Canadians are gambling on the Internet. As more participate, we can expect more gambling problems. And, while almost all wagers flow offshore to foreign operators, the increased demand for treatment will be local.

Internet Gambling is mostly illegal in Canada, yet the police services face real stumbling blocks in enforcing the law.

Who is thinking about this problem in Canada? Is anyone doing anything about it? Can anything be done?

From the regulatory perspective, different approaches are being taken in other countries. Some are attempting to ban Internet Gambling outright. Others, like Australia, are taking steps to regulate it. Both these approaches present with difficulties.

Lawmakers trying to ban Internet Gambling are troubled by the enforcement difficulties.

The Internet has made interactions across

international boundaries as quick and easy as communicating with a colleague on the other side of the divider. This is problematic for law enforcement officials especially when the web-site is legally based in another country. Today's cyber-cops stakeout Internet Gambling sites in front of their computer monitors. They open casino accounts and place bets just like anyone else. To make an arrest they have to wait for the unsuspecting Internet casino executives to come into the country. But arrests don't always mean convictions especially in the face of the traditional reluctance of the courts to hear matters where their judgments may not be enforceable.

Internet Gambling presents unprecedented challenges to those concerned about problem Gambling. It is challenge enough to manage gambling when the locations are physical, local and access tightly controlled. The Internet can bring a VLT to virtually every home.

There aren't many firm conclusions to be drawn about the impact of Internet Gambling on problem gambling. Two things seem obvious, however - that Internet Gambling heightens the urgency for greatly expanded public awareness action and that prevention professionals need to come up with new strategies designed specifically to address home-based gambling.

Gamblers wagered more than \$650M in 1998... wagering will double in 1999 and reach \$2.3B in 2001.

Who is thinking about this problem in Canada? Is anyone doing anything about it? Can anything be done?



By Nigel Turner
Gambling Researcher at CAMHA

For many, perception is reality. When it comes to the odds of winning in gambling most people perceive that their chances of winning are greater than they really are. What do you believe?

What are the odds?



1. What is the best way to become a millionaire? 1) Win a lottery. 2) Inherit the money. 3) Score big in Poker. 4) Rob a bank. 5) Start your own business. **Number 5.** About 75% of millionaires got there by running a business.

2. True or False? If every 649 lottery draw for the past year had two numbers between 31 and 39, it would probably indicate that the lottery has a bias toward those numbers. **False.** Number patterns in lotteries can occur by chance.

Continued on page 4

The Value of a Public Health Perspective on Gambling

By David Korn

Historically gambling has been viewed from a moral, mathematical, recreational and economic perspective. People are only now beginning to see the value of a public health perspective on gambling.

In Canada, during the early part of the 20th century, most types of gambling were considered criminal. People with gambling problems were dealt with through the criminal justice system, the church and the welfare system.

In 1969, a change to the Criminal Code allowed for the expansion of legalized and government supported lottery and casino gambling in Canada. Since then there has been a recognition that in addition to the financial benefits, there are important social and health costs to this activity.

In 1972, Dr. Robert Custer, a psychiatrist working at a Veterans' Administration Hospital in Ohio first proposed a medical syndrome associated with gambling, which he termed compulsive gambling. This was the first time that gambling problems were introduced into the health care arena. In 1980, The American Psychiatric Association included "pathological gambling" in its Diagnostic and Statistical Manual. Since then psychiatric practice has accepted severe problems associated with gambling as a legitimate disorder.

During this period several other groups in the U.S. and Canada began laying the ground for a health approach to gambling.

Gamblers Anonymous, a self help group rooted in the 12-step movement was set up in 1957 in the US and in 1964 in Canada to assist people who identified themselves as having a gambling addiction. In 1983, the Canadian Foundation on Compulsive Gambling was founded to advocate for health services for compulsive gamblers and to enhance public awareness of problems associated with gambling. In 1993, Alberta was the first government to fund a gambling treatment program.

Currently there is a vigorously emerging policy debate concerning the economic benefits and the social costs of gambling in Canada.

Provincial governments and selected municipalities have joined the gambling industry in embracing the economic benefits for themselves and for local communities. Opponents to gambling expansion have focussed on the risk to youth and other vulnerable populations, associated criminal activity and gambling addiction.

What has been lacking from this dialogue is a public health voice and perspective on gambling and its related problems.

Such a viewpoint can offer a useful lens through which to analyze the issues and frame a beneficial strategy.

Public health looks at the impact on individuals, families and populations. It addresses not only the biological and behavioral dimensions of gambling and health but also the social and economic determinants such as income, employment and poverty.

A public health analysis balances the negative consequences and the potential benefits. It

can develop a spectrum of prevention strategies incorporating a variety of clinical interventions and treatment options. It also promotes co-ordination of community services.

There are a number of gambling issues that might best be examined from a public health perspective. These include addiction, the impact of gambling on older adults, natives and youth, as well as concerns about VLTs, Internet Gambling, suicide and other mental illness.

For communities, public health departments can provide the means to make informed choices and track broad health indices over time. Community development can foster socially responsible approaches to gambling among stakeholders including government, the gambling industry, local groups and health service providers.

A public health perspective would offer an opportunity for balancing risks and benefits, for full community participation and for public health science and practice to take a larger role in the evolution of this important social experiment.

David Korn is a public health physician and visiting Professor at Harvard University studying gambling and public health policy. He is a CFCG Board member and can be reached at david_korn@hms.harvard.edu.

**Emerging
Policy
Debates**

**Balancing
Risks
&
Benefits**

Conference Applauded

By Lisa Root

Gambling Treatment Program
Niagara Alcohol and Drug
Assessment Service

The CFCG's recent "Community and Treatment: Sharing Responsibility" conference in Ottawa (April 22-24, 1999) was a great opportunity to learn about problem gambling treatment and community initiatives as well as to network with others in the field. Attending the conference was an interesting mix of clinicians, researchers, political and gambling industry representatives, who were all eager to discuss the issues at hand.

The conference was held at the Ottawa Congress Centre, an excellent facility that accommodated all the participants comfortably. The breakfasts and lunches, sponsored by the Ontario Substance Abuse Bureau and Casinos de Hull, Niagara, Windsor and Rama allowed us to mingle and "pick the brains" of others who are doing interesting things in their communities.

One of the highlights of the conference was keynote speaker Alex Blaszczynski from Australia. His presentation, "A Pathways Model of Gambling," suggested a useful framework for conceptualizing the different aspects of individuals who experience gambling problems. Although listening to Dr.

Blaszczynski's presentation was an exercise in rapid short-hand writing skills (there were lots of ideas presented that we felt were worth putting on our notepaper), the information seemed to fit very well with the clients we have seen in our clinical practice here in Niagara. He also presented on "Imaginal Desensitization for the Problem Gambler" which was a more practical session from the treatment perspective. As with all the other presenters, Dr. Blaszczynski was approachable and open to sharing his ideas as well as his overhead slides.

Dr. Robert Ladouceur from Laval University in Quebec offered both information on the cognitive treatment of problem gamblers and illustrated some of its concepts in a practical way - he facilitated a live session with "Jean", a person who has experienced gambling problems firsthand. Many heartfelt thanks to Jean for bravely volunteering to talk with Dr. Ladouceur in front of 100 onlookers. It's always great to hear about various treatment approaches but even better to watch an expert such as Dr. Ladouceur put his ideas into practice. He also emphasized that the cognitive treatment of problem gamblers does not need to be done in a purist way; the skills can be added to one's "toolbox" of clinical skills.

From the community perspective, the "Community Partners: Lessons to Share"

session demonstrated that when agencies, institutions and individuals put their heads together on the issue of problem gambling, many positive initiatives can begin. The group from Orillia, Ontario, comprised of gaming industry, education and community-based treatment representatives, told us about their efforts and were candid about some of the things they tried that were not shining successes.

Ontario's Management Board Minister Chris Hodgson spoke to us about provincial government initiatives with regard to the expansion (and in some cases, non-expansion) of gambling. It was refreshing to hear him refer to "gambling" rather than the somewhat whitewashed term "gaming". Unfortunately, we didn't have enough time to interact on a deeper level with regard to the government's future directions. Maybe next year!

The conference ended with Chris Anderson's inspiring words about helping problem gamblers. He offered encouragement about one remaining true to one's own values. As always, Chris makes us feel good about the work we are doing in the field.

Of course, there were many other great presentations, presenters and participants at the Ottawa conference, too many to mention individually here. Thanks to all who planned and participated in this event. See you next year.

Celebrating Five Years in Windsor

On March 25 the CFCG celebrated its five-year presence in Windsor. The "FunRaiser" included a dinner-dance featuring a fifty-piece show band. It was an ideal opportunity to publicly thank our Windsor area supporters. The success of the



event also helped to increase awareness of problem gambling. It also emphasized that there is a place in Windsor where people can get help. Sincere thanks to all sponsors and volunteers.

Feedback & Articles

To make Newslink responsive to readers' interests, your feedback is important to us. We will consider all your comments, suggestions and opinions. We are contemplating adding a "letters to the editor" feature. What do you think about this or any of the articles appearing in the current issue? If you would like us to consider an article for inclusion in Newslink, please let us know.

CFCG Seeks Prevention Co-Ordinator

The Prevention Co-Ordinator will lead the design and implementation of problem gambling prevention and community outreach projects. Reporting to the Executive Director, this individual will co-ordinate awareness campaigns for the public and professionals. He/she will have a hands-on role in providing information, education and consultation for problem gambling counselors, gaming industry staff and other community professionals.

The successful candidate will have:

- Outstanding expertise in the delivery of prevention and public awareness programs
- Thorough knowledge of problem gambling and responsible gambling
- Excellent interpersonal skills
- Strong capability to organize and manage events and programs

Important additional assets include:

- Knowledge of the practice of adult education
- Experience in counselling supervision
- Knowledge of the gaming industry
- Computer Skills
- Fluency in French and other languages

Salary Range - \$40,000 - \$50,000 depending on skills and experience.

Please submit resumes by June 25, 1999 to The CFCG(O) Search Committee.

CFCG gratefully thanks our sponsors: The Ontario Substance Abuse Bureau (Ministry of Health), Casino Niagara, Casino Rama and Casino Windsor.

Teen Response from the U.K.

By Dr. Mark Griffiths

Psychology Division,
Nottingham Trent University

In the UK, the twenty or so studies on adolescent slot machine playing have indicated that this is a widespread phenomenon. These studies taken as a whole suggest (i) up to 90% of adolescents play slot machines at some point during adolescence, (ii) one third of adolescents have gambled in the last month, (iii) 10 - 20% of adolescents gamble at least once a week and (iv) up to 6% are problem gamblers or have severe gambling difficulties.

All studies have reported that boys gamble more than girls and that as slot machine playing becomes more regular it is more likely to be a predominantly male activity. Research also suggests that irregular ("social") gamblers play for different reasons than the excessive ("problem") gamblers. Social gamblers usually play for fun, because their friends or parents do, to win money and/or for excitement.

Among the excessive players there appear to be at least two subtypes. The first type of problem gambler appears to be addicted to the machines themselves. They play to test their skill, to gain social rewards, and most of all for excitement (i.e. they get a 'high' or 'buzz' from playing the machines). The second type appears to play slot machines as a form of escapism, where the machine is an "electronic friend". The players are usually depressed and socially isolated.

* There are no age restrictions on slots in the U.K. For further information see my book Adolescent Gambling (1995; Routledge; ISBN-0415-05834-1; 312pp)

Upcoming Events

Fall 1999

Problem Gambling Work Shop - YMCA Building 42 Charles Street E 9th Floor. Implications for Suicide Prevention. Goals: To give an overview of problem gambling; to address clinical approaches; and to answer additional questions. Jim Milligan and Peter Chen. Contact: Karen Letofsky, Survivor Support Program (416) 595-1716.

September 23-24, 1999

New Jersey Council on Compulsive Gambling annual conference addressing: research; outreach; and clinical issues at the Marriott Hotel - Somerset, NJ Contact: Shirley at (609) 599-3299 Ext. 13.

To advertise upcoming events in the summer issue of Newslink, please let us have details of the event no later than July 9, 1999.

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