

Backgrounder: Gambling in Nova Scotia

Since the early 1990s, the gambling industry in Canada has grown rapidly, and gambling is now a popular mainstream consumer activity. 87% of adult Nova Scotians gamble, according to the *2007 Adult Gambling Prevalence Study*.

As access to and popularity of gambling increases, so does the risk for gambling harm to individuals, families, and communities in Nova Scotia.

What is gambling?

According to the Responsible Gambling Council: “In its broadest sense, gambling is risking something of value—usually money—on an uncertain outcome with the chance of gaining something in return.”

What is “problem gambling”?

For many people, gambling is a harm-free recreational activity; however, gambling can have devastating consequences for some. Gambling becomes a problem when it interferes with daily life and negatively affects an individual’s finances, employment, mental or physical health, family, or other relationships. Problem gambling affects Canadians from all age groups, income levels, cultures, and jobs.

Gambling harm not only affects individual gamblers directly; rather, it can have a profound impact on the physical, emotional, and financial health of spouses, family members, coworkers, and the community at large.

Potential impacts of problem gambling...

...on the individual:

- psychological harm: anxiety, depression, helplessness
- feelings of guilt and suicidal ideation and attempts
- suicide
- alienation from family and friends; family disintegration
- overwhelming debt; bankruptcy
- poverty and homelessness
- poor work performance, lower productivity
- substance abuse
- mood swings
- criminal behaviors: fraud, theft, prostitution, etc.

...family and friends:

- stress-related physical and mental health issues including anxiety and depression
- inhibited access to adequate nutrition, heating, shelter, transportation, etc.
- increased risk of becoming problem gamblers: children with parents who have gambling problems are more likely to become gamblers themselves
- social isolation and withdrawal
- family breakdown
- domestic violence

...on employers and the general community:

- fraud and other criminal behavior
- increased absenteeism
- loss or disruption of employment
- Strain on the criminal and justice systems
- Strain on social programs
- Strain on health care: directly through treatment services and indirectly through increased health problems

History of gambling in Nova Scotia

Gambling falls under the Criminal Code of Canada. Most forms of gambling were illegal prior to 1969, when Federal legislation amended the Criminal Code to legalize lotteries and give Federal and Provincial governments' dual jurisdiction over control.

Most provinces immediately launched lotteries following this amendment; however, Nova Scotia did not introduce its first lottery until 1976. Shortly thereafter, the Provincial government created the Nova Scotia Lottery Commission to oversee gambling in the province.

In 1985, the Federal government amended the Criminal Code again, this time relinquishing control of ALL forms of gambling to the provinces. The new amendment also permitted mechanical forms of gambling like slot machines and Video Lottery Terminals at the discretion of each province.

Milestones

1991

- Nova Scotia joins New Brunswick and Newfoundland in legalizing Video Lottery Terminals

1993

- Government relocates VLTs to age-restricted premises due to opposition to the accessibility of the machines
- Government allocates \$500,000.00 annually to the prevention and treatment of problem gambling

1995

- Nova Scotia introduces the *Gaming Control Act*. The *Act* establishes two distinct and separate organizations to handle the responsibility of gaming: the Nova Scotia Gaming Corporation (NSGC) to manage the business of gambling, and the Nova Scotia Alcohol and Gaming Authority (AGD) to regulate the business of gambling
- Interim Casino opens in Halifax on June 1, followed by the fully-operational Sydney Casino on August 1

1998

- On March 19, the Gambling Awareness Foundation of Nova Scotia (formerly Nova Scotia Gaming Foundation) is established to receive, maintain, and disburse monies for projects in the areas of prevention, education, treatment, remedial intervention, and research. It will be funded annually through 1% of commissions from VLT retailers in Nova Scotia and a matching amount from the Nova Scotia Gaming Corporation (NSGC)
- An Order-in-Council creates NSGF Regulations; NSGC is responsible for the administration

1999

- Responsibility for the Gambling Awareness Foundation moves from the NSGC to the Minister of Health

2000

- Interim Board of Directors for the Gambling Awareness Foundation is appointed
- The Interim Board meets four times, reviews 10 applications, and funds three applicants a total of \$43,083.00

2001

- Minister of Health appoints first community-based Gambling Awareness Foundation of Nova Scotia Board of Directors
- Minister directs the Board to expand Gambling Awareness Foundation grant program to include operational funding to organizations providing services to Nova Scotians affected by gambling harm. Board identifies 1/3 of annual revenue after administrative expenses to be allocated to operational funding
- The day-to-day business of the NSGF is run by a Program Administration Officer housed in the Office of Health and Wellness (formerly Health Promotion and Protection).

2004

- First Executive Director of the Gambling Awareness Foundation is hired, followed by an Administrative Assistant
- Memorandum of Agreement (MOA) with the Office of Health and Wellness, which outlines NSGF authority and accountability, is signed
- Operational Grants to Recovery Houses begin

2005

- New MOA is effective April 2005
- New MOA calls for creation of an interest-bearing fund called the Community Development Fund for NSGF surplus. Interest is earmarked for annual distribution to Community Health Boards through the DHAs for use on problem gambling initiatives throughout Nova Scotia
- Grant disbursements to DHA operating grants, CHB funding, Health and Wellness grants, Recovery Houses, as well as Community Projects total \$1,059,289.00
- The Government introduces a five-year gambling strategy, *A Better Balance: Nova Scotia's First Gaming Strategy*

2006

- Board completes a strategic planning process that identifies three strategic priorities:
 - *Building Capacity to Make a Difference*
 - *Informing Balanced Dialogue on Gambling Problems*
 - *Mitigating the Undesirable Effects of Gambling*
- New Executive Director is appointed
- Last year of Recovery House operational funding

2007

- Foundation Board approves creation of new position: Communications and Events Coordinator
- Disbursements including DHA operating grants, CHB funding and HPP grants as per MOA total \$534,080
- First Roundtable event discusses the role of the NSGF, identify stakeholder needs, and how to address problem gambling
- *Dialogue* launches as a quarterly publication
- *Touchpoint* launches as a bi-weekly electronic newsletter
- Annual Report is widely distributed in a reader-friendly format
- Foundation partners with Nova Scotia Health Research Foundation (NSHRF) to host the first Gambling Research Think Tank in December. Event results in thirteen priority research questions requiring investigation
- Disbursements for the year included DHA operating grants, Research grants, CHB funding, and Community Projects funding totaling \$366,640
- Recovery Houses operational funding responsibility is transferred to HPP

2008

- NSGF partners with Department of Community Services: Family and Youth Services Division to offer a one-day professional development workshop for 120 staff and volunteers from community and volunteer organizations
- Women's Action Retreat on Problem Gambling—a first for the province—is held
- NSGF celebrates its tenth anniversary in December
- Inaugural round of Research Studentships are awarded
- NSGF implements Professional Development Grants for Teams and Individuals to build capacity among community-based organizations who address problem gambling in Nova Scotia communities
- Disbursements for the year include Research Studentships, CHB funding, PD grants, Research and Community Projects grants totaling \$371,547.00

2009

- A new Memorandum of Agreement between the NSGF and the Department of Health Promotion and Protection is signed. While the mandate remains the same, the NSGF has more flexibility in funding
- Investment Advisor is hired to maximize the return on investment for the CDA account and operating funds, as per Auditor General recommendations
- No CHB funding issued as NSGF works with CHBs to develop more effective CHB funding streams
- Minister authorizes NSGF to pursue its first strategic research initiative on the new Informed Player Care System technology (later to be known as 'My Play'). Focal Research Consultants are hired to complete this work
- Disbursements for the year include Research Studentships, Strategic Research funding, Community Project funding, and Professional Development grants totaling \$144,351.00

2010

- The Government announces its intention to develop a new gambling strategy for 2011-2016
- Board approves creation of new position: Public Issues and Stakeholder Relations Coordinator
- Board adds a fourth Strategic Priority: *Raising Awareness of Gambling as a Public Health Issue*
- First NSGF Student Scholarship Essay Contest launches: Three graduating high school students in Nova Scotia receive partial scholarships towards their post-secondary education in NS
- Outcome Measurement Workshop held for Community Project applicants and previous recipients
- NSGF hosts workshop titled, *Resilient Communities: A Public Health Approach to Addressing Gambling Harm*. Guest speaker is John Stansfield, former CEO of Problem Gambling Foundation of New Zealand
- UPDATES launches as a bi-monthly glance of new articles and research posted to www.nsgamingfoundation.org
- Minister appoints four new Board members
- NSGF launches Gambling Awareness Toolkit and revised funding application process for Community Health Boards