



Section One: Executive Summary

A. Summary of Theoretical Discussion

This research follows the study carried out and reported on by the National Responsible Gambling Programme (NRGP) in 2001.

1. The research was carried out by a market research company (Roots Research) among 5 816 adults with easy access to the new forms of legal gambling, namely urban casinos and the national lottery and with some knowledge of their household expenditure.
2. The research sought to establish the current position and how it has changed since 2001 with respect to:
 - 2.1 how familiar South Africans are with different forms of gambling, how much they participate in them and what their attitudes are towards gambling
 - 2.2 the prevalence of problem and pathological/addictive gambling in South Africa
3. Gambling was defined as staking something valuable in the hope of winning a prize where the outcome is unknown to the participants. Investing on the stock market was excluded but playing the lottery, bingo and charity “jackpots” in newspapers were included as well as fafi, scratch cards, casino games and betting on horses and other sporting events.
4. Whether gambling is accounted a vice or a recreation depends on moral judgements which vary in different cultures, at different points in history and among different individuals. It is not a function of the relative dangerousness or safeness of gambling compared with other activities which some people indulge in excessively and, thereby, harm themselves and others.
5. Recreational gambling, which is benign from the point of view of the gambler, provides at least the following pleasures:
 - * of playing games
 - * of fantasising about winning large sums of money
 - * of feeling artificially endangered
 - * of being in a stimulating environment



6. Gambling behaviour should be accounted “problematic” when gamblers are:
- * gambling excessively and thereby causing significant harm to themselves and to others
 - * failing to control this excessive behaviour by themselves and without assistance

Problem gambling behaviour may or may not be a symptom of incipient pathological gambling. It may or may not constitute or be part of a personality disorder. In particular, it may result from ignorance, inexperience or lack of financial management skills.

“Pathological gambling” should be used as a synonym for “addictive gambling” and should be used for gamblers who display, in relation to gambling, the same kinds of behaviour as do other addicts in relation to the activity to which they are addicted. This means That, in addition to gambling excessively and uncontrollably, they are:

- * obsessed with gambling and think about it for much of the time when they are not gambling
 - * use gambling as a means not of enhancing the pleasure in their life but of escaping the pain
 - * experience a unique but delusional sense of well-being when they gamble
7. There are severe methodological difficulties about attempts to measure the incidence of problem gambling, most of which apply to all studies of this kind but some of which are peculiar to, or apply with especial force in South Africa. Consequently, all figures for prevalence should be treated only as rough estimates.
8. Rough estimates are adequate for the purposes of:
- * informing debate about public policy in respect of gambling
 - * assisting in the work of educators, trainers, counsellors and treatment professionals who deal with problem gambling, to give an idea of the scope and character of the problem they are addressing
9. Dividing respondents into addictive and problem gamblers may be helpful for the purpose of developing:
- * coherent strategies for dealing with all sufferers from addiction, including gambling addicts



- * public education programmes, training programmes for industry professionals, and counselling and treatment programmes, all intended to minimise the incidence of, and harm caused by problem gambling
10. Instruments for measuring problem gambling invite respondents to identify themselves as having or not having particular symptoms of problematic behaviour. These symptoms vary in their severity and in the degree to which they manifest with people not identified as having a problem. All cut-off points are therefore to some extent arbitrary. This report gives the results of using the Gamblers Anonymous 20 Questions (GA), using seven or more affirmatives to identify problem gamblers, in accordance with the standard uses of this test. However, it also supplies details of answers to each question as well as the full range of affirmative answers for the GA questions.
 11. Results of the 20-question test developed by Johns Hopkins School of Medicine and used by Alcoholics Anonymous (AA) are also given so as to enable a comparison between problem gambling and problem drinking in the sample.
 12. Using results from self-identified “full-blown” addicts in GA or the NRGP treatment programme, the report proposes that 14 or more affirmatives on GA is a reasonable point at which to identify addictive or pathological gamblers.
 13. The report notes that in addition to the benefit which accrues to consumers and suppliers of gambling services from easier access to commercial gambling, the main test of whether legalisation and liberalisation of gambling laws have been beneficial in South Africa will be whether overall, the flow of benefits have been from richer to poorer, rather than vice versa.



B. Summary of Sample Data and Principal Empirical Finding

1. The Sample

The population of South Africa is composed of some 40 million people. Of these, 18 million live in formal housing in urban areas of whom 12 million are aged 18 or over. 4 million live in informal urban dwellings of whom 2.25 million are aged 18 or over. 12 million live in rural areas of whom 9.75 million are aged 18 or over. We surveyed 5 816 South Africans over the age of eighteen.

Those without easy access to commercial gambling were excluded, i.e. those living in rural areas and in informal settlements and those under the age of eighteen. (It would, in any case, have been prohibitively expensive to survey these groups.) The survey also excluded those with no knowledge of household disposable income. The surveys were conducted province by province and the number of respondents per province was as follows:

Gauteng, Western Cape, KZN¹ – 1 000 each;
 Eastern Cape – 700;
 Free State – 500;
 Northern Cape, North West, Northern Province and Mpumalanga – 400 each.

The distribution of respondents by race was as follows:

black – 3 106;
 white – 1 765;
 coloured – 769;
 asian – 176.

The ratio of black to non-black among the urban adult population is approximately 6:5.

The sample, though obviously not representative of the country as a whole, was adjudged sufficiently representative for the purposes of the research project. This was twofold: first, to inform debate about public policy in respect of gambling amongst policy-makers, regulators, industry professionals, the media and the general public; second, to assist the work of educators and treatment professionals concerned with minimising the incidence of, and harm caused by problem gambling in South Africa.

For these purposes it is enough to have a rough picture of gambling behaviour in South Africa and a rough estimate of how many South Africans were gambling excessively and of what social and economic factors make for vulnerability to problem gambling. Studies of gambling behaviour world-wide also have a necessarily



high degree of approximateness in the numbers they report (though they do not always make this plain).

2. Participation

Of the 5816 respondents in the 2003 survey the participation profile was as follows:

- 76.3% had played the lottery;
- 31.1% “ slots;
- 23.7% “ scratch-cards;
- 10.5% “ newspaper jackpots;
- 10.5% “ horses and
- <10% “ had participated in the remaining gambling activities, namely Fafi, Bingo, Dice, Roulette, Cards and Sport betting.

In respect to these activities amongst the 5 800, 2001 survey respondents:

- 69.5% had played the lottery;
- 28.9% “ slots;
- 20.8% “ scratch-cards;
- 12.8% “ newspaper jackpots; and
- <10% “ had gambled on the remaining activities listed.

3. Regularity of play

Of the 5 816 surveyed in the 2003 survey:

- 20.1% never gamble
- 4.3.% gamble occasionally, i.e. less than once a month
- 41.4% gamble regularly i.e. once a month or more, ONLY on the lottery,; and
- 34.3% gamble regularly (once a month or more) on some activity other than the lottery whether or not they also gamble on the lottery.

These compare with the following statistics for the 5 800 surveyed in the 2001 sample

- 25.6% never gamble
- 2.2.% gamble occasionally, i.e. less than once a month
- 34.6% only gamble regularly on the lottery, i.e. once a month or more; and
- 37.5% gamble regularly (once a month or more) on some activity other than the lottery whether or not they also gamble on the lottery.



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Of the 5 816 surveyed in the 2003 survey the following gaming profiles were revealed:

- 72.3% play the lottery regularly (mostly once a week)
- 14.1% play slots regularly
- 15.0% play scratch-cards regularly
- 5.7% bet on horses regularly
- 5.6% play fafi regularly
- 3.3% do newspaper jackpots regularly
- 2.2% bet regularly on sports
- 2.0% play dice regularly
- 1.4% play table games regularly

These compare with the following statistics for the 5 800 surveyed in the 2001 sample

- 67.6% play the lottery regularly (mostly once a week)
- 19.2% play slots regularly
- 12.0% play scratch-cards regularly
- 9.5% do newspaper jackpots regularly
- 7.8% bet on horses regularly
- 4.9% play table games regularly
- 4.5% play fafi regularly
- 2.8% bet regularly on sports and
- 1.7% play dice regularly.

4. Other leisure activities

For the 2003 survey, these figures compare with the following statistics for movies, restaurants and sports events:

- Movie goers:
 - never - 44.2%
 - occasional - 24.2%
 - regular - 30.2%
- Restaurant visitors:
 - never - 27.1%
 - occasional - 19.9%
 - regular - 51.8%
- Sports events attenders:
 - never - 48.0%
 - occasional - 26.2%
 - regular - 23.8%



The comparable numbers for the 2001 survey are

- Movie goers:
 - never - 47.6%
 - occasional - 23.8%
 - regular - 26.9%
- Restaurant visitors:
 - never - 28.5%
 - occasional - 18.2%
 - regular - 52.4%
- Sports events attenders:
 - never - 48.9%
 - occasional - 21.8%
 - regular - 27.7%

Also for the 2003 survey:

- 36.3% of the sample drank alcohol regularly, 9.97% drank occasionally and 53.73% never drank.; (whereas in the 2001 survey, 2 893 (48.7%) people never drink (alcohol); 681 (23.5%) drink occasionally; 2 226 (38.4%) drink regularly)
- 26.9% of the sample smoked daily, 2.7% smoked occasionally and 70.4% never smoked.;

5. Key Demographics of Regular Gamblers

- 44.3% of whites play the lottery alone on a regular basis, as do 42.5% of blacks, 31.2% of coloureds and 36.9% of blacks. However, 26.5% of whites are regular players of games other than the lottery, as are 34.4% of blacks, 47.5% of coloureds and 52.3% of indians
- 22.3% of whites have never gambled, whereas 20.4% of blacks, 16.5% of coloureds and 7.4% of indians, have never gambled.
- 91.5% of the sample lived in either a brick house or flat, 2.5% lived in hostels or a back room, 5.4% in shacks or squatter camps and 0.6% in traditional (mud huts) housing. Of those who lived in brick houses 41.5% were regular (lottery only) players and 34.6% were regular (non-lottery) players and 19.7% had never played. These percentages were similar for flat dwellers and for those in shacks or settlements. However, in the hostel or back-room category 46.5% were regular (non-lottery) players, 40.3% were regular (lottery only) players and a low 9.0% had never played.
- Regular lottery only players are spread evenly across the disposable income groups. For example, 35.7% of those with disposable income of less than R800 per month are regular lottery (only) players and 43.1% of those with a disposable income of more than R12 000, fall into this category. In the regular (other)



category, the highest percentage of players are in the R4000-R6000 disposable income group at 39.2%. 28.0% of those with disposable incomes of less than R800 per month are regular (other) players and 30.0% of those with disposable incomes in excess of R12 000 are regular (other) players. 31.9% of those with disposable incomes of less than R800 per month have never gambled, whereas lower percentages of the wealthier group fall into this category; for example, only 13.7% of those with disposable incomes between R8 000 and R12 000 have never gambled.

6. Income and spending profiles of the 3 main gambling types

6.1 **The regular lottery player** are evenly spread against all demographic criteria except to some extent that of the very poor. Even for the those with less than R800 of disposable income a high 58.3% were regular lottery players. This percentage then rises to between 70% and 80% of those with disposable incomes in excess of R1 400 per month. The average expenditure on lottery tickets across income categories is low in absolute terms at R33.40 a month for those with disposable incomes of less than R800 and then rises steadily to R126.00 for those with disposable incomes in excess of R12 000. However, in relative terms the expenditure on lottery tickets represents 8.4% of monthly disposable income for those with disposable incomes of less than R800 and drops to 0.8% for those with disposable incomes in excess of R12 000.

One concludes that the lottery is played on a regular basis by a very large percentage of people across a broad demographic profile. A large proportion of the poor, therefore, are spending a significant portion of their disposable income on the lottery.

6.2 **The regular slot player** is generally situated in the middle to high disposable income group rather than in the lower disposable income groups. For example, of regular slot players, only 4.5% are in the less than R800 disposable income group, 9.9% are in the R1 400 – R2 500 group but 23% are in the R8000 – R12 000 group. Monthly expenditure on slot play by regular slot players rises with disposable income, but slower than disposable income rises. Thus, for example, the average monthly expenditure on slots is R124 in the less than R800 group, constituting a very large 31% of (mid-point) income, whereas average monthly expenditure on slots averages R1 006 in the R12 000 group, but comprises a much lower 6.7% of mid-point disposable income.



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One concludes that regular slot players comprise a small proportion of the poor and a much larger proportion of the middle and upper income groups. However, the spend is proportionately very large for those poor people who do play and proportionately much lower for the more wealthy group fall into this category, for example, only 13.7% of the R8 000 – R12 000 group have never gambled.

6.3 The profile of **the regular horse player** is somewhere in-between the profile of the regular slot and the regular lottery player. Gambling on horse racing is fairly evenly spread across the various demographic profiles but is favoured by the lower middle class. Hence, although only 3.2% of those with a disposable income of less than R800 bet regularly on the horses and 4.4% of those with disposable incomes in excess of R12 000 bet regularly on the horses, 7.2% of those with disposable incomes in the R2 500 –R4 000 category bet regularly on the horses. Expenditure is high in this disposable income group in a relative sense, comprising 7.2% of monthly expenditure on average.

7. Beliefs about Gambling

When people are asked about their attitudes towards gambling in South Africa, 2 491 (42.8%) had a positive or very positive attitude towards gambling whereas 1 258 (21.6%) had a negative or very negative attitude towards gambling, the remainder being neutral.

This compares with the following 2001 statistics: namely that 3 352 (57.7%) believed that gambling should not be banned as against 1 185 (20.4%) who favoured banning, the remainder being neutral

8. Problem Gambling.

8.1 Some international statistics

Some numbers derived from international studies of problem gambling may, when treated with appropriate caution, provide context for understanding the South African numbers. Amongst these are:

* Some US studies conducted when the legalisation of gambling outside the resorts of Nevada and Atlantic City was in its early stages.

Place and Date in sample	% of Gamblers in sample	Problem Gamblers
New York (1988)	92%	4.2%
Maryland (1988)	89%	3.9%
Massachussets (1989)	90%	4.4%
Iowa (1989)	84%	1.7%
California (1990)	89%	4.1%



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* Similar figures for Canada at an early stage of the development of commercial gambling there are:

Place and Date	Gamblers	Problem Gamblers
Quebec (1989)	88%	3.8%
New Brunswick (1992)	87%	4.5%
Nova Scotia (1993)	80%	4.7%
Alberta (1994)	93%	5.4%
Saskatchewan (1993)	87%	4.0%

* A 1991 study in New Zealand three years after the introduction of slot machine gambling reported 95 % of the New Zealand population to be gamblers and 6.9% to be problem gamblers

* An early (1991) Australian study is exceptionally honest in reporting on methodological difficulties. Its results using SOGS were clearly erratic since there were more respondents who scored 5 or more affirmatives when asked if they had had problems over the last six months than when they were asked if they had ever had these problems. It also excluded lottery-only players who showed up as problem gamblers when it discovered that these were spending very small amounts on gambling. Nevertheless the researchers offered a figure of 1.16% of the total population as being problem gamblers.

* The SOGS figure for South Africa reported on here (1.4% of the total population of 40m suggesting about 5.5 thousand problem gamblers in the country as a whole) compares with the following most recent estimates from the developed world as quoted in the UK Gambling Review Report (Budd et al: 2001):

Country	Population (Approx)	SOGS Prevalence %	No. of Problem Gamblers (estimated)
USA	280 m	1.1%	3000 000
Canada	31 m	1.6%	500 000
Australia	18 m	2.3%	430 000
New Zealand	2.8m	1.3%	36 000
Sweden	9 m	0.6%	54 000
UK	50 m	0.8%	370 000

* The incidence of lottery-only players in South Africa who exhibit problems, though only 15.83% of all problem gamblers, is at 1.74% of all lottery-only players, much higher than the comparable figure for the UK (0.1%).



8.2 South African numbers

- * 270 (4.6%) scored 7 or more, the number used as a cut-off to identify those who should consider getting help. This is 1.3% of the total population but 6.1% of regular gamblers. This suggests that preventative and treatment services should be targeting some 550 000 people in South Africa.
- * This compares with 221 (3.8%) who scored 7 or more in 2001. This is 1.1% of the total population but 5.29% of regular gamblers. This suggests that preventative and treatment services should be targeting some 500 000 people in South Africa.
- * Of the 270 problem gamblers, 87 or 32% only played the lottery, 67% regularly gambled on something other than the lottery although most of these also gambled on the lottery (250 of all problem gamblers were regular lottery players). These numbers compare with 35 out of 221 problem gamblers identified in the 2001 survey as lottery only (15.8%) and 150 (71.9%) of the 221 problem gamblers identified as regular (other) gamblers.

8.3 Profile of the problem gambling group of 270

Of the 270 problem group –

- * 250 (92.6%) are regular lottery players of which 87 (32%) only play the lottery
- * 91 are regular slot players
- * 64 are regular scratch players
- * 42 play the horses regularly

Of the 250 lottery players who are problem gamblers –

- * 131 (52.4%) play more than once a week
- * 92 (34.1%) play weekly
- * 87 (34.7%) are regular slot players as well
- * 61 (24.3%) are regular scratch players as well
- * 21 members of the problem gambling group revealed expenditure on roulette, the average monthly spend being R782
- * 123 members of the problem gambling group revealed expenditure on slots, the average monthly spend being R644
- * 251 members of the problem gambling group revealed expenditure on the lottery, the average monthly spend being R80



Problem gamblers are spread evenly across the different income groups

- * 3.4% of whites were problem gamblers, 5.0% of blacks, 6.2% of coloureds, 4.5% of Indians.

The playing venue for the 117 problem regular slot players was casinos in 95.7% of cases, with informal casinos comprising the typical venue in only two cases (1.7%), sportsclubs in two cases and pubs in one case.

Fridges & TVs

Of the whole sample, 89.5% have both a fridge and TV and 85.6% of the problem gambling sample have both a fridge and TV. Problem gamblers seem to be fairly representative from an income point of view of the general sample.

- * For regular lottery players, 90.3% have both have both a fridge and TV and 86.8% of the problem regular lottery players have both.
- * For regular slot players, 95.1% have both have both a fridge and TV and 95.6% of the problem regular slot players have both
- * For regular horse players, 87.3% have both have both a fridge and TV and 85.7% of the problem regular horse players have both

The results are consistent and mutually reinforcing, the profile of the slot player is somewhat wealthier than the lottery player who is somewhat wealthier than the horse player and these results are consistent across the whole sample and for problem gamblers.

- * The incidence of problem gambling is similar to the incidence of problem drinking, though there are fewer regular drinkers than regular gamblers and amongst regular drinkers the incidence of problem drinking is 9.4% as against about 6% for regular gamblers. (There is, however, no national responsible drinking programme).
- * Though this is overall a less alarming picture than some will have expected, it should be borne in mind that problem gambling is a condition which develops over a fairly long period of time. This means that the incidence of problem gambling is likely to grow over the coming years as people who have started gambling in the past two or three years develop the problem behaviours which may be expected to show up in future surveys. It is hoped, however, that preventative measures will be successful in inhibiting this growth.