Gambling landscape in V4 countries: the current situation and its legislative development

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Aims of the presentation

- To evaluate gambling development in the post-communist countries of Central European region – V4

- To show the differences in public policies regulating gambling in these countries

- To present the importance of the attitudes towards gambling
Before 1989 – restricted socialist period

Fundamental ideology - idea of equality

- The difference between the lowest and highest salaries was relatively modest
- The life of citizens became limited, regulated, directed, and controlled

State lottery, scratch tickets, very limited sports betting

Illegal gambling (shadow economy)

- Casino-style venues located in private apartments
- Card gambling games
After 1989 – process of liberalization

Transformation processes and changes

- Centrally planned economy x market economy
- Privatization of economies
- Deindustrialization
- **Gamblerization** = process of continuous penetration of gaming facilities in the area accompanied by increased availability and accessibility of gaming machines by society

An uncontrolled spread of gambling activities before adopting lottery acts

- Betting offices, bingo halls, casinos, and gambling machines
Legislative framework

  • 2011 - important amendment of the Act no. 300/2011
  • 2017 – new gambling Act no.186/2016

Slovakia, 1990 – no. 194/1990
  • 2005 - New gambling Act no. 171/2005

Poland, 1992 – no. 68/341
  • 2003 – amendment of the gambling Act – spread of gambling venues
  • 2009 – new gambling Act no. 201/1540 – restriction

Hungary, 1991 – no. XXXIV
  • 2012 – amendment of the gambling Act – EGMs out of casinos were banned
  • 2013 – new gambling act – particular liberalization
Very low taxation of gambling operators
  • Continuously growing from 2012

Finally municipalities have the right to regulate EGMs
  • Some of them still have more EGMs than inhabitants live in

EGMs are everywhere – casinos, gambling halls, restaurants, pubs, petrol stations etc.

Around 500 casinos; more than 7 000 of other facilities with EGMs (Mravčík et al., 2014)

Up to 6 machine can be outside of casino and/or gambling hall

The new Act on gambling is active from the beginning of 2017
Nowadays EGMs can be operated only in casinos

- In a period of 2003-2015 they could also be in shops, restaurants, etc.

**Around 50 casinos; 100 gambling halls**

- Before banning EGMs outside of casinos and gambling halls, there were more than 3000 places with EGMs (in 2013)
Legislation – current situation in the Slovakia

Since 2005:

- Only 2 machines can be operated outside of casino; at least 5 machines in gambling hall
- Taxation of gambling operators got increased
- Permission for casino games – just for 2 years

Municipalities can regulate EGMs – 30 % of inhabitants have to sign a petition against gambling
Legislation – current situation in the Hungary

Until 2012 – EGMs in restaurants and bars

- In 2005 (around 30,000 EGMs mostly in restaurants) more than 18,000 of them had an EGM

From 2012 to 2013

- no EGMs outside casinos
- Just 4 casinos in the whole country

Nowadays – government has cancelled the ban of EGMs and prefer a regulated market
Development of EGMs gambling market

<table>
<thead>
<tr>
<th>Year</th>
<th>Czech Republic (10 538 275)</th>
<th>Slovakia (5 421 349)</th>
<th>Poland (38 005 614)</th>
<th>Hungary (9 855 571)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>52 185</td>
<td>12 000</td>
<td>50 000</td>
<td>33 141</td>
</tr>
<tr>
<td>2008</td>
<td>59 018</td>
<td>138</td>
<td>18 917</td>
<td>30 693</td>
</tr>
<tr>
<td>2010</td>
<td>63 641</td>
<td>3 000</td>
<td>55 000</td>
<td>26 292</td>
</tr>
<tr>
<td>2011</td>
<td>60 841</td>
<td>17 633</td>
<td>19 908</td>
<td>24 422</td>
</tr>
<tr>
<td>2012</td>
<td>53 000</td>
<td>17 633</td>
<td>12 542</td>
<td>7 945</td>
</tr>
<tr>
<td>2013</td>
<td>61 066</td>
<td>21 379</td>
<td>13 449</td>
<td>211</td>
</tr>
<tr>
<td>2014</td>
<td>62 352</td>
<td>21 379</td>
<td>7 237</td>
<td>812</td>
</tr>
<tr>
<td>2015</td>
<td>60 682</td>
<td>23 546</td>
<td>4 101</td>
<td>854</td>
</tr>
</tbody>
</table>

Comparing numbers of EGMs according two sources of data

Figure 3: Number of EGMs in Czech Republic according to World Count of Gaming Machines and Ministry of Finance of the Czech Republic
Gambling in the Czech Republic – tourist places

Figure 4: Number of EGMs and casino games per 1,000 inhabitants in the administrative districts of the Czech Republic (December 31, 2015)
Connection with the regulation abroad

Restricted gambling markets in Germany and Austria

- **Germany** – 81 million inhabitants; 271 650 EGMs => 300 inhabitants per EGM
- **Austria** – 8.5 million inhabitants; 12 000 EGMs => 700 inhabitants per EGM
- **Czech Republic** – 10 million inhabitants; 60 000 EGMs => 170 inhabitants per EGM

Many casinos at the Czech-German and Czech-Austrian borders
Bratislava city

Figure 5: Bratislava city at the end of 2015
Attitudes towards gambling
(experiences from the Czech Republic, Finland and Great Britain)
1) People should have the right to gamble whenever they want
2) There are too many opportunities for gambling nowadays
3) Gambling should be discouraged
4) Most people who gamble do so sensibly
5) Gambling is dangerous for family life
6) On balance gambling is good for society
7) Gambling livens up life
8) It would be better if gambling was banned altogether

Source: Salonen et al., 2014
Table 2: Association between ATGS-8 and the correlates

<table>
<thead>
<tr>
<th>Variables</th>
<th>F/t</th>
<th>df</th>
<th>p</th>
<th>Positive attitude towards gambling¹ associated with:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Socio-demographics</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gender (2 groups)</td>
<td>13.875</td>
<td>3495</td>
<td>p ≤ 0.001</td>
<td>Male gender</td>
</tr>
<tr>
<td>Age (7 groups)</td>
<td>16.530</td>
<td>6</td>
<td>p ≤ 0.001</td>
<td>Age groups between 18–54 years</td>
</tr>
<tr>
<td>Education in years (2 groups)</td>
<td>4.426</td>
<td>3495</td>
<td>p ≤ 0.001</td>
<td>12 years or more education</td>
</tr>
<tr>
<td>Marital status (4 groups)</td>
<td>5.434</td>
<td>3</td>
<td>p ≤ 0.001</td>
<td>Single status</td>
</tr>
<tr>
<td>Net income in Euro (5 groups)</td>
<td>7.968</td>
<td>4</td>
<td>p ≤ 0.001</td>
<td>Net wage &gt; 2000 € or ≤ 500€ per month</td>
</tr>
<tr>
<td><strong>Gambling behaviours</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Past-year gambling participation (2 groups)</td>
<td>12.151</td>
<td>3495</td>
<td>p ≤ 0.001</td>
<td>Any gambling</td>
</tr>
<tr>
<td>Past-year gambling frequency (6 groups)</td>
<td>46.643</td>
<td>5</td>
<td>p ≤ 0.001</td>
<td>High frequency</td>
</tr>
<tr>
<td>Number of game types, past-year (6 groups)</td>
<td>53.937</td>
<td>5</td>
<td>p ≤ 0.001</td>
<td>Large number of game types gambled</td>
</tr>
<tr>
<td>Onset age of gambling (2 groups)</td>
<td>9.331</td>
<td>3265</td>
<td>p ≤ 0.001</td>
<td>Onset age less than 18</td>
</tr>
<tr>
<td>Past-year gambling severity, SOGS² (3 groups)</td>
<td>74.409</td>
<td>2</td>
<td>p ≤ 0.001</td>
<td>Non-problem gambler (score 0–2)</td>
</tr>
<tr>
<td><strong>CSO of a problem gambler (2 groups)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perceived health and lifestyle</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Self-rated health (2 groups)</td>
<td>2.910</td>
<td>3489</td>
<td>p = 0.004</td>
<td>Good, somewhat good or average general health</td>
</tr>
<tr>
<td>Loneliness (2 groups)</td>
<td>2.026</td>
<td>3495</td>
<td>p = 0.043</td>
<td>Never or rarely lonely</td>
</tr>
<tr>
<td>Smoking (2 groups)</td>
<td>2.686</td>
<td>3495</td>
<td>p = 0.007</td>
<td>Smoking daily or occasionally</td>
</tr>
<tr>
<td>Alcohol consumption³ (2 groups)</td>
<td>4.689</td>
<td>3109</td>
<td>p ≤ 0.001</td>
<td>Risky alcohol consumption</td>
</tr>
</tbody>
</table>

¹Total score for the Attitudes Towards Gambling Scale-8 (ATGS-8); ²SOGS, the South Oaks Gambling Screen; ³The Alcohol Use Disorders Identification Test (AUDIT-C), score for risky alcohol consumption ≥ 5 among women and ≥ 6 among men; CSO, concerned significant other of a problem gambler; Significance (p) is determined by one-way ANOVA (>2 groups) and t-test (2 groups); the data (n = 4484) were weighted based on gender, age and region of residence.

Source: Salonen et al., 2014
Conclusions

• All countries had a similar position at the beginning of the transformation process

• They have commenced to regulate the gambling market at different times → the Czech Republic is still the most affected country by EGMs in Central Europe

• The concentration of gambling facilities (casinos) is aimed on tourism to border areas – examples of the Czech Republic and Bratislava (the capital of Slovakia)

• Negative attitudes towards gambling are connected with the regulation process
Thank you for your attention