

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

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# Aims of the presentation

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- 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

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## **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

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## 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

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## **Czech Republic**, 1990 – no. 202/1990 – still active

- 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

# Legislation – current situation in the Czech Republic

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## **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**

# Legislation – current situation in the Poland

## 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

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## 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

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## **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 2: Number of EGMs in Central European countries

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

Source: World Count of Gaming Machines 2008 - 2015

# Comparing numbers of EGMs according two sources of data

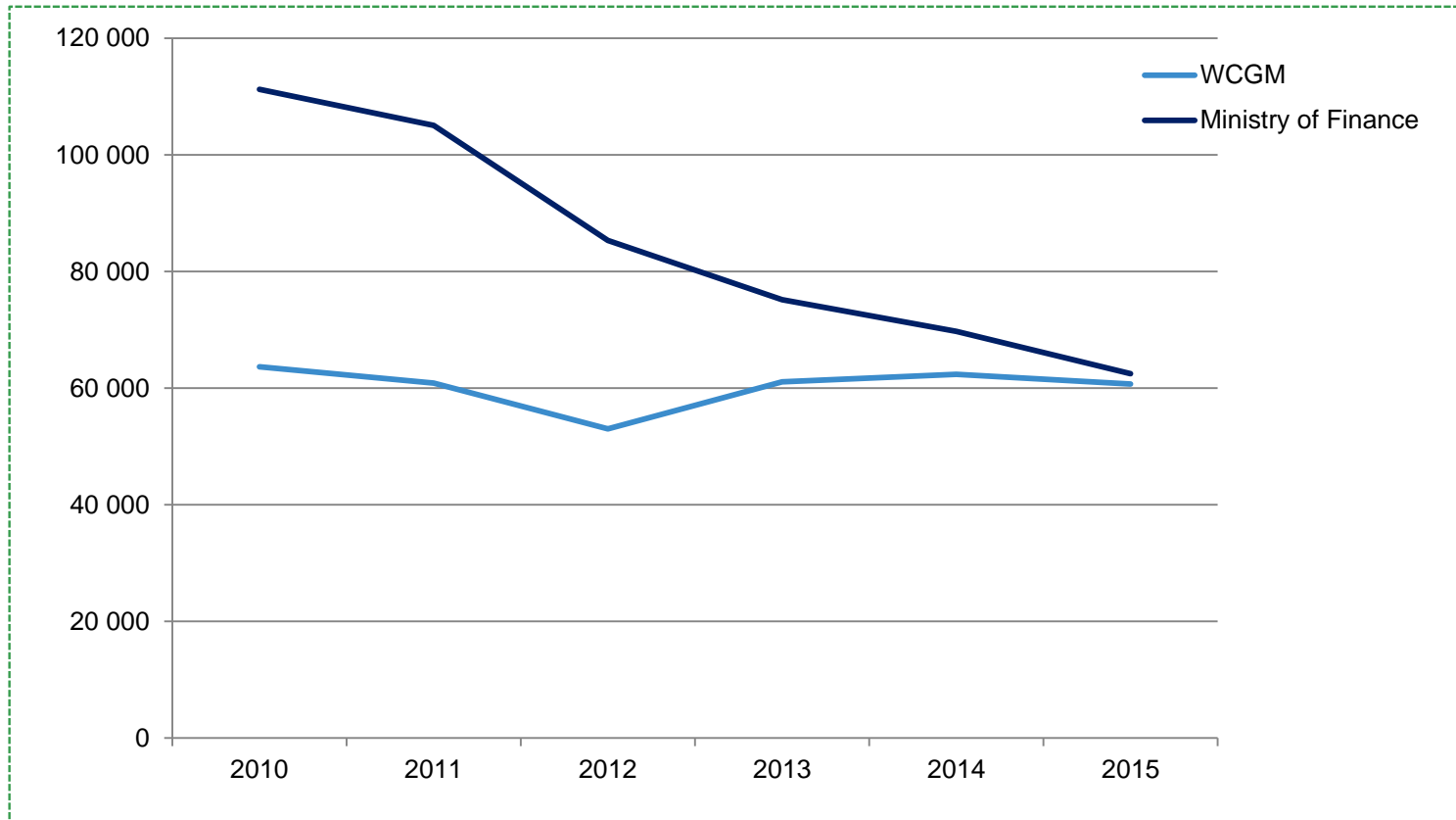


Figure 3: Number of EGMs in Czech Republic according to World Count of Gaming Machines and Ministry of Finance of the Czech Republic

# Gambling in the Czech Republic – tourist places

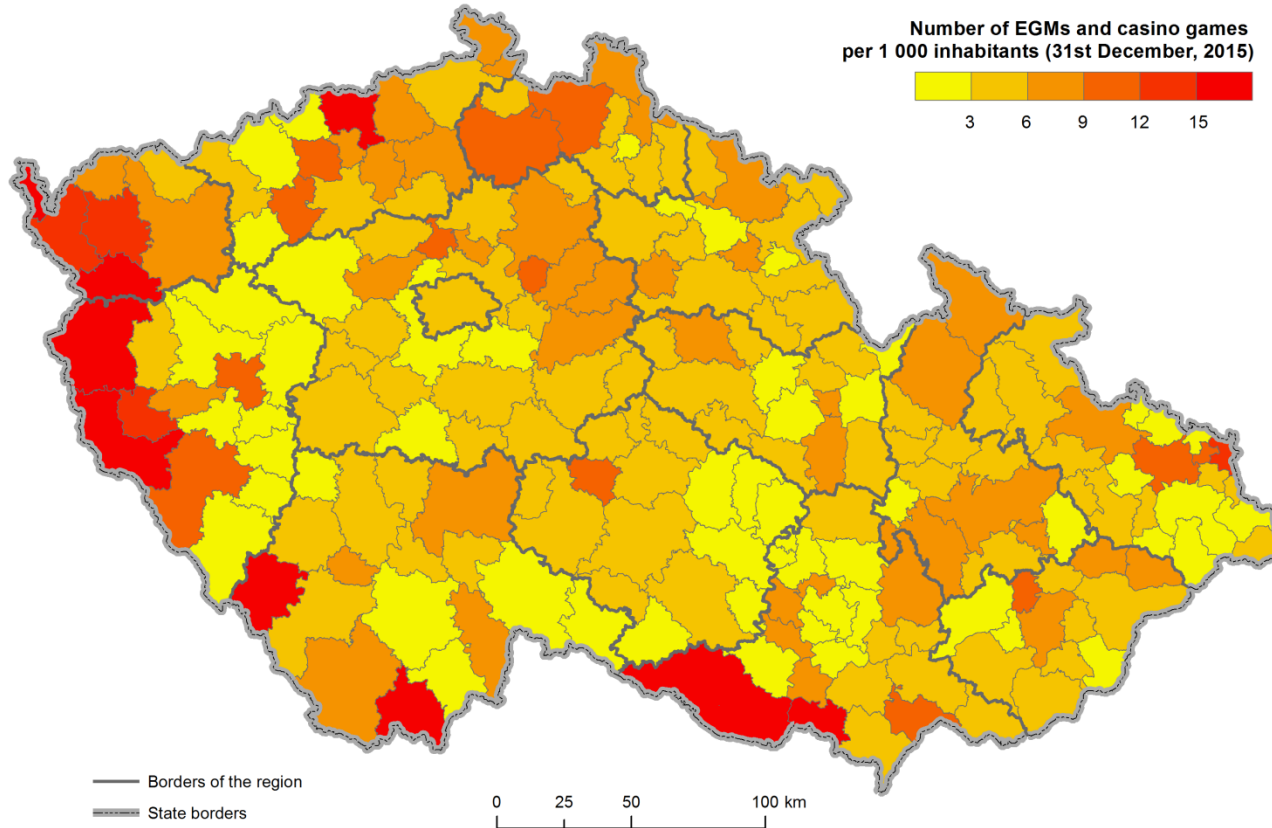


Figure 4: Number of EGMs and casino games per 1 000 inhabitants in the administrative districts of the Czech Republic (December 31, 2015)

# Connection with the regulation abroad

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## 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

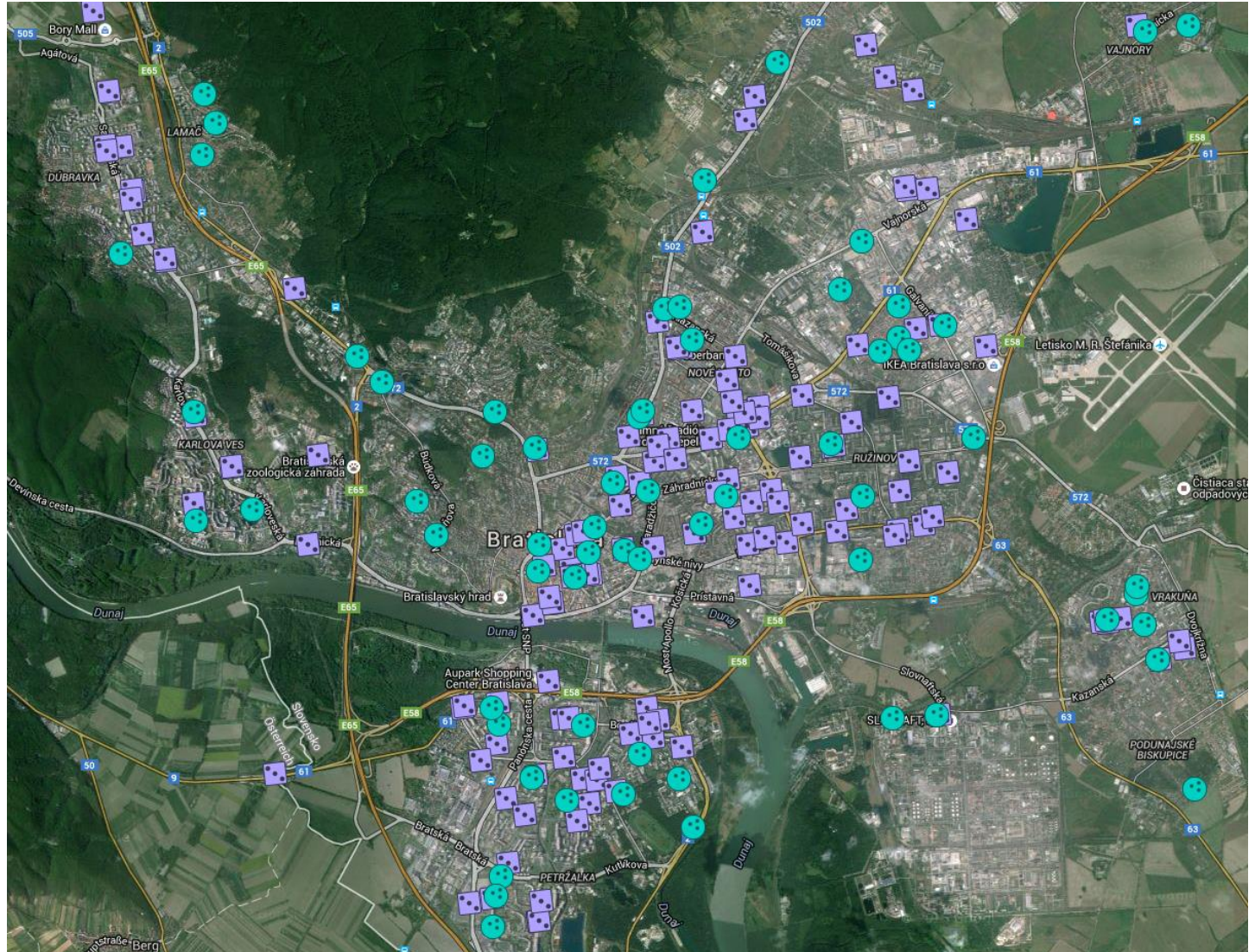
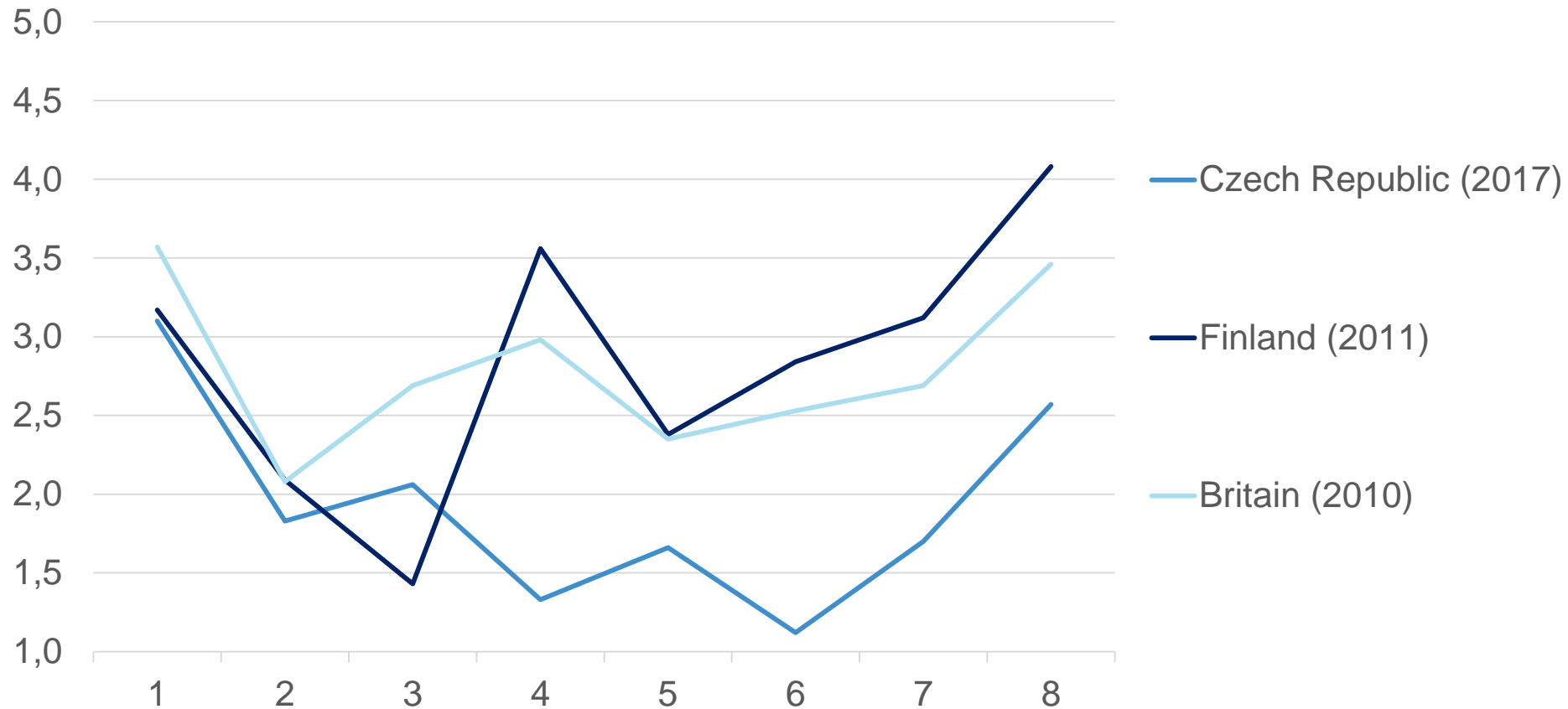


Figure 5:  
Bratislava city at  
the end of 2015

# 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





**Table 2 Association between ATGS-8 and the correlates**

Variables	F/t	df	p	Positive attitude towards gambling <sup>1</sup> associated with:
<b>Socio-demographics</b>				
Gender (2 groups)	13.875	3495	$p \leq 0.001$	Male gender
Age (7 groups)	16.530	6	$p \leq 0.001$	Age groups between 18–54 years
Education in years (2 groups)	4.426	3495	$p \leq 0.001$	12 years or more education
Marital status (4 groups)	5.434	3	$p \leq 0.001$	Single status
Net income in Euro (5 groups)	7.968	4	$p \leq 0.001$	Net wage > 2000 € or $\leq 500\text{€}$ per month
<b>Gambling behaviours</b>				
Past-year gambling participation (2 groups)	12.151	3495	$p \leq 0.001$	Any gambling
Past-year gambling frequency (6 groups)	46.643	5	$p \leq 0.001$	High frequency
Number of game types, past-year (6 groups)	53.937	5	$p \leq 0.001$	Large number of game types gambled
Onset age of gambling (2 groups)	9.331	3265	$p \leq 0.001$	Onset age less than 18
Past-year gambling severity, SOGS <sup>2</sup> (3 groups)	74.409	2	$p \leq 0.001$	Non-problem gambler (score 0–2)
<b>CSO of a problem gambler (2 groups)</b>	7.448	3495	$p \leq 0.001$	Non-CSO of the problem gambler
<b>Perceived health and lifestyle</b>				
Self-rated health (2 groups)	2.910	3489	$p = 0.004$	Good, somewhat good or average general health
Loneliness (2 groups)	2.026	3495	$p = 0.043$	Never or rarely lonely
Smoking (2 groups)	2.686	3495	$p = 0.007$	Smoking daily or occasionally
Alcohol consumption <sup>3</sup> (2 groups)	4.689	3109	$p \leq 0.001$	Risky alcohol consumption

<sup>1</sup>Total score for the Attitudes Towards Gambling Scale-8 (ATGS-8); <sup>2</sup>SOGS, the South Oaks Gambling Screen, <sup>3</sup>The Alcohol Use Disorders Identification Test (AUDIT-C), score for risky alcohol consumption  $\geq 5$  among women and  $\geq 6$  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.

# Conclusions

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- 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

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Thank you for your attention