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Online gambling should not be permitted in Manitoba

By Derek Miedema, published November 8, 2011

It's the classic argument for legalizing gambling: people are doing it anyway, so the government should get a piece of the cash. If people are gambling on offshore websites, where the government doesn't make any profits, making it legal here will ensure that the government does.

So goes the argument from online-gambling supporters in Bruce Owen's Nov. 3 article, *Federal bill may hasten web gambling*.

It's the classic argument, but it's also terribly lopsided.

Problem gamblers are the reason gambling makes money for government. And guess what? Problem gamblers are also the ones whose children go unfed, whose marriages break down, who can't pay their rent -- all to support their habit. It is these same cases of child poverty and single parenting that the government will step in to help with financial aid. Money in, money out. Government may earn a bit from gaming, but they'll spend more attempting to help gambling addicts and their families, employers and communities, who pay the price.

A 2009 study estimated that 3.2 per cent of adult Canadians are problem gamblers. According to Manitoba Health's 2010 estimate of the population of Manitoba, this would translate into just less than 30,200 problem gamblers in the province. Every problem gambler has parents, children or both.

In fact, a study from Australia estimates that five to 10 people per problem gambler are affected negatively. This means that anywhere between 151,000 and 302,000 Manitobans are suffering because of problem gambling.

Most gamblers don't have a problem; they can set a budget and stop when the budgeted money's gone. The blessing for governments is that the few (3.2 per cent) spend a lot more per capita than the many (96.8 per cent).

A recent study in Alberta estimated that 80 per cent of money spent on gambling in that province came from 10 per cent of gamblers.

Paul Burns, vice-president of the Canadian Gaming Association, says that Canadians wager approximately \$1 billion a year gambling online.

He figures that a large part of that money would go to governments instead if they established strongly regulated online gambling.

Government regulation, some people naively assume, will help avert the problem gamblers. What, however, is the motivation for governments to prevent their biggest customers from gambling? It's a conflict of interest.

Is a government looking to increase revenue going to make a serious effort to shut out the big spenders? Not likely.

It's easy to say that only 3.2 per cent of gamblers let it affect their work and family negatively. We can't regulate the 97 per cent just because of the three, goes the argument, as if 30,000 Manitobans are so insignificant in the face of the anticipated extra revenue.

Manitobans would be wise not only to take their time examining the issue of legal online gambling. They would be best to find other ways to raise revenue instead of doing it on the backs of gambling addicts. Expanding into online gambling would deepen the conflict of interest between maximizing profits and ensuring that gambling is "conducted honestly, with integrity and in the public interest," as the Manitoba Gaming Control Commission is mandated to do.

Gambling hurts people. Knowing this, the government of Manitoba should get out of the business. They certainly shouldn't expand the practice by pushing it into people's homes. If it's all about the money, there's more of that to lose than gain.

If Manitobans want to decrease the amount of social breakdown in the province, it makes no sense to encourage behaviours which facilitate it.

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