

**Poverty Free
Kitchener-Waterloo**

Casinos and Poverty

Presentation to the Kitchener City
Council Consultation on Casinos by
Poverty Free Kitchener Waterloo,
April 23, 2013

Poverty Free Kitchener-Waterloo

- ✿ Network of local organizations, advocacy groups and human service agencies
- ✿ Working to eliminate poverty in our community
- ✿ Mobilizing local voices in Poverty Free Ontario provincial campaigns and more recently Social Assistance Reform

Arguments for Casino



✿ Increased Revenues

✿ Creation of Jobs


✿ Enhanced Tourism



Increased Revenues?



A casino in Kitchener will increase revenues for the city



At the same time, casino will result in increased expenditures on social problems in the community for:

- ✿ Individuals
- ✿ Community as a whole
- ✿ Public services

Individual costs

- ✿ Increases stress
- ✿ Harms financial well-being
- ✿ Linked with increased risk behavior
- ✿ Contributes to job losses and lost work productivity
- ✿ Linked with addiction & depression
- ✿ Can lead to inability to pay for essential items like food and housing
- ✿ Linked to family break up

Community Costs

- ✿ Business loss
- ✿ Violence
- ✿ Fraud
- ✿ Theft
- ✿ Homelessness

Public Service Costs

Increased need for

- Medical care
- Policing
- Courts and prisons
- Social assistance
- Community social services

Job Creation?

✿ A Casino will create more jobs

✿ Many of the jobs associated with casinos are:


- construction jobs are temporary and mostly for male
- relatively low wage and low skill (e.g., cleaning, hospitality)
- precarious (limited social benefits, insecure, low wages, high risks of ill health)

✿ Staff in casinos have three times higher risk of problem gambling

Tourism Development?

- ✿ A casino will bring in tourism dollars to businesses beyond the casino
- ✿ Casinos that are designed to be self contained tourist experiences do not encourage spending outside of their walls
- ✿ Other businesses may earn less if local people redirect their spending to a casino
- ✿ Saturation will result from building too many
- ✿ Local costs will be high because local people have greater risks related to gambling

Where Casino Profits Come From

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- Problem gamblers contribute a disproportionately high share of gaming revenues
- 2006 study: estimated that between 30 and 40 per cent of gambling revenues are derived from problem gamblers
 - 2003 study: problem gamblers (4.8% of population) generated 36% of gambling revenues

Problem Gambling

✿ 66% of Ontarians report gambling within previous 12 months, most are low-risk

✿ Problem gamblers:

- Gamble more than 2 to 3 times a month
- Spend more than 1 per cent of gross family income on gambling

Populations at Greater Risk

- ✿ Not all populations are at equal risk of problem gambling.
- ✿ High risk populations include:
 - People living in poverty
 - New Canadians
 - Seniors, those on fixed incomes
 - Young people, also on fixed incomes

Cost-Benefit Ratio

- ✿ Estimated annual cost associated with each problem gambler: \$20,000 to \$56,000.
- ✿ 9% of Kitchener population is low income (201,335); higher rate than any other municipality in Waterloo Region.

Final Statement

- ✿ The member organizations of Poverty Free KW do not support a casino
- ✿ All evidence suggests that casinos profits do not out-weight the costs
- ✿ Vulnerable populations are at greater risk of problem gambling
- ✿ To be responsible, Kitchener Council should not support any action to have a casino in or near Waterloo Region