## White Paper No. 2

## The Case for Banning Gambling Advertising

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## The Campaign to Ban Ads for Gambling

#### https://www.banadsforgambling.ca/

## May 14, 2024

## Introduction

In August 2023, the Campaign to Ban Ads for Gambling issued its White Paper No. 1 on "The Impact of Advertising for Gambling". The Campaign calls for the prohibition of ads for gambling in the same way that ads for tobacco and cannabis have been restricted. Since last August, there has been continued research on the impact of advertising for gambling and on the individual and social impact of gambling and gambling disorders, especially in light of the growth of the online sports betting industry. The purpose of this White Paper No. 2 is to highlight the findings of the continued research and to update what is happening in Canada and other countries concerning the regulation of ads for gambling.

There is a growing call to politicians and governments, in Canada and other countries, to move from an individual approach and so-called "responsible gambling" to a public health approach. While the individual and social costs of gambling are widespread and difficult to estimate, experts in the field agree that they far exceed the revenue that governments may receive from legally registered gambling businesses.

The Centre for Addiction and Mental Health (CAMH) issued a "Gambling Policy Framework" on March 27, 2024 providing a template for gambling policy that effectively addresses the health and social harms that can accompany gambling, and to inform government initiatives in this area. While CAMH argues that a full ban on gambling advertising may not be realistic in the short term (a position with which the Campaign to Ban Ads for Gambling disagrees), they do advocate for much stricter regulation and, in particular, strengthened youth protections. They write: "There is a causal relationship between exposure to gambling promotion and gambling attitudes and activities. Children and youth, as well as those already experiencing gambling problems, are especially susceptible to these effects."

## Please review this update in conjunction with the original August 5, 2023 White Paper No. 1

https://www.banadsforgambling.ca/resources-white-paper

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#### Glossary

#### **Gambling Advertising:**

"Gambling advertising" refers to:

- print media in all its forms, including billboards,
- electronic and digital media, including television, radio and social media,
- electronic and print signage on or adjacent to the field of play in sport arenas and stadia,
- player uniforms,
- sponsorship of teams and events, and
- product placement, whereby sports commentators normalize gambling with betting information and encouragements to bet in their dialogue.

#### Gambling:

"Gambling" refers to commercial gambling conducted by and operated by for-profit companies and organizations, including, but not limited to:

- · casino table games,
- electronic gambling machines,
- sports betting, and
- online gambling, including sports betting apps.

## The Case for Banning Gambling Advertising

#### **Executive Summary and Conclusions**

#### **Executive Summary**

- Notwithstanding recent amendments imposing some restrictions on gambling ads in Ontario, gambling ads continue to proliferate in every media. These ads, in volume and content, are targeted particularly to potential new "players" (children, young people, women) and to existing vulnerable groups such as recovering gambling addicts.
- The dangers of the normalization of gambling activities and the role of advertising in encouraging that normalization continues to be confirmed by continued research.
- There is a growing recognition of the public health challenges posed by increased exposure to and availability of gambling opportunities.
- There is a growing call to politicians and governments to move from an individual approach and so-called "responsible gambling" to a public health approach.
- Responsibility for preventing harms lies not only with the providers and the gamblers, but also with the legislators and regulators.
- A public health approach includes limiting exposure to gambling activities. One of the most effective ways of limiting exposure is to restrict advertising.
- Public opposition to gambling ads is growing.
- The public does not believe that that the gambling companies are acting responsibly with their ads. The public does believe that there ought to be more government oversight and regulation.
- While the gambling industry argues that sports betting drives fan engagement, athletes, coaches and officials have been the target of fan engagement of a negative and potentially dangerous sort.

#### Conclusions

• Public policy with respect to betting in Canada (and particularly Ontario) is 'exceptional' in retaining an individual responsibility approach, when the strategies developed to reduce the damage from other harm-creating products, such as alcohol, tobacco and cannabis, now employ public health, holistic and comprehensive approaches. International advocates are calling for a public health approach to gambling.

- The betting industry is 'irresponsible' because it does not police its own abuses of the limited advertising regulations that exist.
- The regulators are irresponsible because they do not police the abuses of the limited advertising regulations that exist.
- Federal and Provincial Government action is necessary, and must move from enabling and enhancing the gambling industry to regulating with a public health approach.

## 1. Background - Update

Since Bill C-218 (the *Safe and Regulated Sports Betting Act*) was passed by the Canadian House of Commons in 2021 and received royal assent on August 27 of that year, Ontario is the only province, in Canada, to date to establish a regulatory regime for sports betting and to allow commercial online sportsbooks. Alberta is exploring an open, regulated sports betting market similar to Ontario. In February, 2024 Quebec Finance Minister Eric Girard spoke out against expanded online gambling in the province.<sup>1</sup>

At the time it was passed, there was very little opposition to Bill C-218. The focus was on reducing illegal gambling activities, from which the governments could earn no revenue. There was no debate on the possibility of extensive advertising by the gambling industry or on the harm that the advertisements might cause. The Hon. Michael Chong, then M.P. for Wellington-Halton Hills, was one of the few voices expressing concern about the societal harms of increased exposure to gambling. In a letter to the then Minister of Justice and Attorney General of Canada, dated February 27, 2020, Mr. Chong expressed his opposition to the Bill, saying that "these gambling revenues come at a high cost to society".

As of April 15, 2024, there are 48 operators registered with iGaming Ontario operating 78 gaming websites, of which 29 offer sports betting<sup>2</sup>. According to iGaming Ontario's report for its third quarter ended December 31, 2023, total wagers were \$17.2 billion, up 21% from the previous quarter. Total gaming revenues grew to \$658 million, up from \$540 million (22%) in the previous quarter. Of this, sports betting accounted for wagers of \$3.1 billion, up significantly from \$1.9 billion in Q2, and revenue was up almost 45% over Q2. In the third quarter, sports betting accounted for 18% of overall wagering in Ontario, up from 13% in the second quarter, and \$171 million (25%) of gaming revenue.<sup>3</sup>

<sup>3</sup> <u>https://www.igamingontario.ca/en/news/igaming-ontarios-fy-2023-24-q3-market-performance-report</u>; <u>https://www.igamingontario.ca/en/news/igaming-ontarios-fy-2023-24-q2-market-performance-report</u>

<sup>&</sup>lt;sup>1</sup> <u>https://www.legalsportsreport.com/canada/</u>

<sup>&</sup>lt;sup>2</sup> <u>https://www.igamingontario.ca/en/operator/operators</u>

iGaming Ontario reported that the average monthly spend per active player account was \$186, slightly lower than the \$191 in the second quarter. This was more than offset by the increase in active accounts, of which there were approximately 1.2 million in the third quarter compared to 943,000 in Q2.<sup>4</sup>

Available statistics on gambling activity, in particular sports gambling, and the harms it causes are now outdated, with reports from Statistics Canada on national data dating from 2022 and statistics from Ontario dating from 2017. Notwithstanding the lack of more current data, in particular data since the time that single event sports betting was allowed, the trends are alarming. In a recent panel discussion<sup>5</sup> involving health professionals from CAMH and a self-described recovering addict, panel members discussed the shift in calls to help lines from issues involving slot machine gambling to issues involving online gambling and especially online sports gambling. Further, more calls are from younger gamblers. An article published by *Global News* in November 2023, quoted Dr. Nigel Turner, who does quantitative research for CAMH:

[W]hen the feds legalized single-game wagering [in August 2021], the Ontario Problem Gambling Helpline began to get more specific on how it was keeping its data.

[O]ver the following eight months, the calls from those who were having issues with online gambling began to slowly rise.

[T]he number of calls the helpline was receiving from online gamblers skyrocketed in April 2022 when gambling became regulated in Ontario.

[He] also noted the callers who have been seeking help have tended to be younger people, as they generally tend to be savvier about internet use.<sup>6</sup>

While statistics on gambling activity, including the harms it causes and problem gambling, have become outdated, in part because of cuts to funding for research and survey agencies (more on this below), there is current information on how provinces other than Ontario and how individual Canadians are responding to the proliferation of ads for online sports betting. On April 22, 2024, CBC reported on the proliferation of ads and the fact that sports betting ads are being broadcast across Canada although only Ontario has a regulatory regime that allows online sportsbooks. Regulators in other provinces are not pleased:

<sup>4</sup> Ibid.

<sup>&</sup>lt;sup>5</sup> <u>Panel Discussion: Playing the Odds – a discussion of online gambling and sports betting (youtube.com)</u> March 27, 2024

<sup>&</sup>lt;sup>6</sup> <u>https://globalnews.ca/news/10103891/ontario-gambling-sports-casino-rules-profits/</u>

Two years after they first exploded onto television screens, ads for sports betting platforms only regulated in Ontario continue to bombard Canadians in markets where the websites are not regulated.

A coalition of lottery and gaming corporations from eight provinces across the country wants that changed.

"We are in a fight with people that are operating illegally in our provinces," said Marie-Noëlle Savoie, the British Columbia Lottery Corporation's chief compliance officer and vice-president of safer play and enterprise integrity — and a spokesperson for the Canadian Lottery Coalition.<sup>7</sup>

In addition to the unhappiness being expressed by other provinces, individual Canadians are not happy about the ads. A study by Maru Public Opinion based on data it collected in February 2024 summarized its key findings as follows:

TORONTO, March 27, 2024—A Maru Public Opinion survey finds seven in 10 (68%) Canadians want current team players and celebrities banned from sports betting ads, two thirds (66%) say sports betting commercials should not be allowed during live sports games/events, and a majority (59%) believe a nationwide ban on sports betting commercials needs to be implemented right away.

The study also revealed:

• A majority (75%) of Canadians say there's a need to protect youth and children from sports betting commercials/marketing as almost as many (72%) fears that many young adults will go deep into debt with online sports betting now available.

• A majority (62%) of Canadians believe sports betting owners are not acting responsibly with their ads and marketing with most (53%) believing that sports betting needs more government oversight and regulation than there is now.

• One quarter (24%) of Canadians say the ability to bet on sports makes them want to watch those sports more often.

• One in six (17%) Canadians have wagered money on an online betting platform for a professional sporting event/game—and is dominated by one-third of young Canadians (33%) (compared to their older counterparts 35-54 17% / 55+ 5%) and men (27% versus women 7%).<sup>8</sup>

<sup>&</sup>lt;sup>7</sup> <u>https://www.cbc.ca/news/canada/saskatoon/ontario-sports-betting-tv-ads-broadcast-across-canada-1.7180545</u>

<sup>&</sup>lt;sup>8</sup> https://www.marugroup.net/public-opinion-polls/canada/the-odds-on-sports-betting

### 2. Gambling and a Public Health Approach

In the Campaign to Ban Ads for Gambling's White Paper No. 1, we reviewed the approach by the betting companies and reactions of the public to gambling advertising, especially since the proliferation of sports gambling ads and the aggressive advertising campaigns once single event sports betting was legalized in Canada and Ontario started registering betting companies. Updates on the minor changes to the regulation of advertising in Ontario and on research regarding the impact of advertising, especially on children, young people and other vulnerable people is provided in the following sections of this White Paper No. 2.

The Campaign to Ban Ads for Gambling argues, however, that the most significant development has been the growing recognition of the public health challenges and the call to politicians and governments, in Canada and other countries, to move from a focus on individual responsibility and "responsible gambling" to a public health approach. This approach pursues coordinated, government-directed and monitored strategies, including a ban on advertising, requirements that betting companies bear legal and financial responsibility for the harms caused by gambling, and much greater support for mental health.

The significance of the focus on a public health approach is that it is the responsibility of legislators to regulate the industry and reduce the exposure of the public (particularly children, young people and other vulnerable people) to a potentially harmful activity. The emphasis on "responsible gambling", which has been the approach so far in Canada by governments and by the facilitators of the harmful activity, namely the gambling companies, fails to recognize both the ineffectiveness of "responsible gambling" messages for the vulnerable and the social costs of gambling. The "responsible gambling" approach puts the onus on the vulnerable and, effectively, "blames the victim". Just as the "blame the victim" approach was soundly rejected in the campaign to ban ads for tobacco<sup>9</sup>, so it should be rejected in the context of ads for gambling.<sup>10</sup>

The gambling companies quickly demonstrated their inability to regulate themselves as soon as single event sport betting was permitted. With the proliferation of ads recognized as targeting the vulnerable, the gambling companies have been attracting and cultivating new "players" (children and young people) and increasing their impact on other vulnerable groups.

White Paper No. 1 cited a July 2020 article published on the University of Bath's website titled "Growth of Online Sports Betting Poses Significant Public Health

<sup>&</sup>lt;sup>9</sup> v011p00167.pdf (nih.gov) "Blaming tobacco's victims - People who develop diseases as a result of smoking are victims of the tobacco industry's tactics, and do not deserve to be blamed for their "own misdeeds"

<sup>&</sup>lt;sup>10</sup> <u>https://www.ncbi.nlm.nih.gov/pmc/articles/PMC10028136/</u> "The impact of responsible gambling framing on people with lived experience of gambling harm"

Challenge – New Study<sup>"11</sup>. The researchers' findings are supported and expanded upon in a February, 2023 article in *Public Health – ScienceDirect*, which concluded:

Gambling advertising restrictions could reduce overall harm and mitigate the impact of advertising on gambling-related inequalities. Public health harm prevention strategies should include policies which limit exposure to advertising, particularly among children and vulnerable groups.<sup>12</sup>

Since then, researchers who have been working in this area, have published more articles advocating for the need to move to a public health approach and to introduce legislative restrictions, including on the marketing and promotion of gambling.<sup>13</sup> <sup>14</sup>

Citing many studies about the harms of gambling and naming the commercial gambling industry as "a rapidly transforming health-harming industry", the authors of "Global public health action is needed to counter the commercial gambling industry" conclude that there is "ample evidence to show the significant negative health and social consequences of gambling not only for individuals who gamble, but also for families and communities"<sup>15</sup>. In the introductory paragraph to their article, they state:

The commercial gambling industry has become one of the most innovative health-harming industries of recent times. New digital technologies and affordable internet have enabled the rapid transformation of this industry and its ability to offer many high-intensity gambling products across the world ... These are readily accessible in land-based venues and online via mobile devices which are constantly available 24 hours a day. In low- and middle-income countries (LMICs), mobile betting, coupled with the weak or complete absence of regulatory enforcement also adds to gambling engagement, particularly among youth ... Gambling harms can destroy lives, and the liberalization of gambling markets partnered with the highly sophisticated products and practices of the commercialized gambling industry means that harm can now occur even more rapidly and at a larger scale. There is ample evidence to show the significant negative health and social consequences of gambling not only for individuals

<sup>14</sup> <u>https://www.sciencedirect.com/science/article/pii/S2468266723002219</u> "Public health approaches to gambling: a global review of legislative trends", January 2024

<sup>&</sup>lt;sup>11</sup> <u>https://www.bath.ac.uk/announcements/growth-of-online-sports-betting-poses-significant-public-health-challenge-new-study/</u>

<sup>&</sup>lt;sup>12</sup> <u>https://www.sciencedirect.com/science/article/pii/S0033350622003420?via%3Dihub</u> "What is the evidence that advertising policies could have an impact on gambling-related harms? A systematic umbrella review of the literature"

<sup>&</sup>lt;sup>13</sup> <u>https://academic.oup.com/heapro/article/38/5/daad110/7280079</u> "Global public health action is needed to counter the commercial gambling industry", September 21, 2023

<sup>&</sup>lt;sup>15</sup> Op.cit., Note 13

who gamble, but also for families and communities. These include financial difficulties..., family violence..., homelessness..., criminality..., psychological distress..., comorbidities with substance misuse..., and suicide..., as well as disproportional health care utilization and associated economic costs...<sup>16</sup>

The Campaign to Ban Ads for Gambling is calling for a ban similar to the ban that exists in all the provinces and territories of Canada on advertising tobacco and cannabis. In this regard, the authors of "Global public health action is needed to counter the commercial gambling industry" note that "A range of powerful vested interests have contributed to ensuring an "exceptionalism" in gambling research, policy and regulation …" and state:

... while much action is still required to counter the efforts of tobacco and alcohol industries, a range of government policies in these areas have sought to prioritize public health and wellbeing through measures addressing advertising, packaging, labelling, taxation, access and supply... By contrast, policies notionally targeting harms from gambling have remained stubbornly focussed on behavioural addiction, 'informed choice' and 'responsible gambling' approaches to harm minimization that place the individual at the centre of the narrative about responsibility for harm..., and do little to alter environments to protect children and young people from widespread gambling marketing.<sup>17</sup>

Similar to the authors of this article, the Campaign to Ban Ads for Gambling believes that both the gambling industry and governments must be accountable and play a role in preventing harm. As the gambling companies operating in Canada have demonstrated an unwillingness to play such a role, the government must step in, take a public health approach, and take steps to protect children, young people and other vulnerable people from the harms of gambling, including by banning gambling ads.

Acknowledging that problem gambling<sup>18</sup> has been widely recognized as a health and well-being issue, the authors of "Public health approaches to gambling: a global review of legislative trends", published in the January 2024 edition of *The Lancet Public Health*, find in their review of legislation and policies around the world, including Canada and specifically Ontario, that "near-exclusive focus was given to individual-level harms rather than to wider social and economic harms, or harms to others".<sup>19</sup> In the face of the recognition that problem gambling results in significant harms not only to individuals but

<sup>&</sup>lt;sup>16</sup> Op. cit., Note 13

<sup>&</sup>lt;sup>17</sup> Op. cit., Note 13

<sup>&</sup>lt;sup>18</sup> Problem gambling was classified as a non-substance-related addictive disorder by the American Psychiatric Association in 2013. *Diagnostic and Statistical Manual of Mental Disorders*, 5th edition (DSM-5) American Psychiatric Association, 2013

<sup>&</sup>lt;sup>19</sup> <u>https://www.sciencedirect.com/science/article/pii/S2468266723002219</u>

also to families and society, why is it that this focus on individual responsibility has prevailed? The authors suggest this answer:

The dominance of individual-frame perspectives in gambling and other public policy domains has been fuelled by corporate support for individual-frame interventions focusing on individual behaviours and actions. Such perspectives provide easier policy solutions for governments as they place onus on individual action and defer the need for more systemic interventions that might be more politically unpalatable for some.<sup>20</sup>

The Campaign to Ban Ads for Gambling agree with the authors when they conclude that:

When gambling is made legal, the responsibility for preventing harms lies not only with providers and gamblers, but also with legislators and regulators who permit gambling within their jurisdiction and govern all characteristics associated with its provision.<sup>21</sup>

A meaningful step towards accepting this responsibility would be to ban all ads for gambling.

Further evidence of the need for a public health approach and for the regulators to implement measures, including legislation, to reduce exposure to gambling, to limit promotion of gambling and to implement protections for youth and other vulnerable people, is found in CAMH's recently released Gambling Policy Framework<sup>22</sup>.

The Centre for Addiction and Mental Health (CAMH) is Canada's largest mental health teaching hospital and one of the world's leading research centres in its field. In developing the Gambling Policy Framework, CAMH reviewed evidence and current policy environments for the purpose of proposing "evidence-informed principles to guide public policy in Ontario"<sup>23</sup>. In addition to reviewing the evidence on the prevalence of gambling and the associated harms, they cite a study that estimated that for every person experiencing gambling problems, another 5 to 10 people are negatively affected, with harms to mental health and financial security especially common. While individual characteristics make some people more susceptible to developing gambling problems (e.g. young male, lower level of income and education), CAMH points out that: "the most important predictors of both individual problem gambling and overall rates of problem gambling in a population are environmental (i.e., not individual) factors related

<sup>20</sup> Ibid.

<sup>21</sup> Ibid.

<sup>23</sup> Ibid, p. 2

<sup>&</sup>lt;sup>22</sup> <u>camh-gambling-policy-framework-pdf.pdf</u>, March 27, 2024

to: a) exposure to gambling in general, and b) exposure to more harmful forms of gambling."<sup>24</sup>

A principal reason why CAMH is advocating for a public health approach is that:

Research has shown that education and the provision of information are among the less effective harm prevention strategies in dealing with addictive substances and behaviours. ...this approach places the onus to avoid harm on individuals, ignoring the environmental factors and product features most responsible for gambling-related harm.<sup>25</sup>

As described immediately above, one of the "environmental factors" is exposure to gambling in general. Since the legalization of single event sports gambling and the ease of accessing online gambling (age and location verification is easily circumvented; anyone with access to a smart phone and a credit card can access the gambling apps<sup>26</sup>), the proliferation of gambling ads in every sort of media and venue is exposing everyone on an almost continuous basis to gambling and is normalizing betting.

CAMH explains what is meant by a "public health approach" and urges the Ontario government to shift its harm prevention focus from the people who gamble to the providers of gambling products and the products themselves:

...in the context of gambling, the principles of a public health approach can be summarized as follows:

• It acknowledges that gambling occurs on a spectrum, from benign to problematic.

• Its primary focus is on the health of the whole population.

• It takes aim at the risk factors for gambling-related harm, rather than gambling *per se*. • It seeks to regulate different forms of gambling proportionately to the level of risk they pose.<sup>27</sup>

Among other components of a public health approach (such as regulating the most harmful product features and implementing mandatory safeguards), CAMH advocates limiting overall gambling availability. Recognizing that limiting the availability of online

industry-365521/ ,December 20, 2023; <u>https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7873963/</u>, January 25, 2021, "A Perspective on Age Restrictions and Other Harm Reduction Approaches Targeting Youth Online Gambling, Considering Convergences of Gambling and Videogaming"

<sup>27</sup> Ibid, p. 11

<sup>&</sup>lt;sup>24</sup> Ibid, p. 6

<sup>&</sup>lt;sup>25</sup> Ibid, p. 10

<sup>&</sup>lt;sup>26</sup> <u>https://www.thelondoneconomic.com/lifestyle/challenges-of-age-verification-in-the-online-gambling-</u>

gambling is challenging, they suggest that "reducing exposure can best be achieved through controls on advertising, marketing and promotion"<sup>28</sup>.

The Campaign to Ban Ads for Gambling is taking aim at one of the greatest risk factors for gambling-related harm – the exposure to and consequent normalization of gambling.

The Campaign believes that this issue must be addressed nation-wide rather than just province by province. Online gambling has, to date, been regulated only by the government in Ontario and thus is only formally permitted in that province. However, as discussed above under "Background – Update", it is recognized that gambling ads are shown in media across Canada and many individuals across Canada tap into the iGaming Ontario operators<sup>29</sup>.

The Campaign also believes that funding to research gambling activity, the harms it causes, the costs of those harms, and help for the individuals and their families and friends who are harmed must be reinstated and increased. Far from increasing funding and despite the growing gambling industry, in 2019 the Ontario government eliminated funding for Gambling Research Exchange Ontario, a key organization that researched and provided resources for problem gambling prevention.<sup>30</sup> At the time, the Ontario government said it was making the cut so that it could focus on delivery of front-line services. However, it is clear that the money spent on aggressively marketing gambling opportunities far outweighs the money spent on the addressing the individual and public harms it causes. In a policy paper published by the Munk School of Global Affairs & Public Policy at the University of Toronto, the authors, in making a case for gambling reform in Ontario, include the following in their observations and recommendations:

Finally, to help gamblers struggling with addiction, Ontario should reduce advertising spending and put the money towards problem-gambling research, prevention, and treatment. For gambling run by OLG, this would be a straightforward matter of slashing OLG's marketing budget. In 2018 (the last year in which this information was published), OLG spent \$282 million on marketing and promotion but only \$64 million on problem-gambling prevention and treatment: \$45 million was directed to the Ministry of Health and Long-Term Care, as per a policy that earmarks two percent of gross slot-machine revenue for problem gambling, and \$19 million was devoted to its own Responsible Gambling program. In other words, OLG has been spending four and half times as much encouraging people to gamble more as it has fighting gambling addiction. These figures should at the very least be balanced, if not reversed. For private

<sup>&</sup>lt;sup>28</sup> Ibid, p. 12

<sup>&</sup>lt;sup>29</sup> <u>https://www.cbc.ca/news/canada/saskatoon/ontario-sports-betting-tv-ads-broadcast-across-canada-1.7180545</u>, April 22, 2024

<sup>&</sup>lt;sup>30</sup> <u>https://www.thestar.com/politics/provincial/ontario-eliminates-funding-to-group-that-researches-problem-gambling/article\_66b6bd68-63e4-5047-b2a1-1e35bffc8e61.html</u>, May 5, 2019

operators regulated by iGaming Ontario, the government could consider a policy requiring that online gambling and sports betting providers contribute a certain amount to the Ministry of Health for every dollar spent on advertising in Ontario. Ideally, the ratio would be one-to-one: not only would this improve problem-gambling treatment resources, it would also double the cost of marketing, a valuable check on the aggressive promotion of gambling in Ontario.<sup>31</sup>

# 3. Gambling Advertising – What Type of "Fan Engagement" is Being Encouraged?

Professional sports organizations continue to argue that betting drives fan engagement. The betting companies, through their ads, promote gambling as an exciting activity. However, health professionals, recovering addicts, parents of teenagers who have started gambling, and a growing number of politicians are sounding the alarm that gambling is being normalized as a result of ubiquitous advertising. Furthermore, athletes, coaches and officials have been the target of fan engagement of a negative and potentially dangerous sort.

In April, 2023, there were reports of Raptors basketball players receiving death threats, threats to their families and racial taunts:

"Somebody said: 'I chose the wrong slave today.' Literally, sent me that message," forward Chris Boucher said on Yahoo Sports Canada's Hustle Play podcast last month, as flagged by CBC News. "I had to read it; I couldn't believe it. He said, 'I chose the wrong slave,' because I had only five points, and he needed me to score 10."

Boucher, along with co-host Mike Roach and guest Alvin Williams, discussed how the relationship between players and fans has grown increasingly toxic with the rise of social media.

"People just want you to do what they want, and that's the issue. The betting's not going to make it better with the parlays and all that. I'm so over this, man," he added.

Raptors point guard Fred VanVleet pointed out that his family has been targeted due to bettors not hitting on certain wagers.

"You can't fathom dealing with this on a daily basis," he said on Yahoo's Strictly Hoops podcast. "You can't fathom a 'I hope your mom dies' DM every day."<sup>32</sup>

<sup>&</sup>lt;sup>31</sup> <u>https://on360.ca/policy-papers/on360-transition-briefings-2022-turning-aces-into-assets-the-case-for-gambling-reform-in-ontario/</u>, June 21, 2022

<sup>&</sup>lt;sup>32</sup> <u>https://dailyhive.com/vancouver/raptors-racist-messages-gambling</u>, April 12, 2023

As Bruce Kidd, a founding member of the Campaign to Ban Ads for Gambling, said upon hearing of these slurs and threats:

"It's very upsetting that athletes are under this pressure and they're getting these attacks from not meeting the point spread or the parlay that a bettor has placed," said Kidd, professor emeritus at the University of Toronto.

"I'm at a loss for words about how upsetting that is. It so demeans the value of sport — that sport is only for people to be making money out of bets.<sup>33</sup>

This type of toxic fan engagement has been increasing since the legalization of single sport betting and the proliferation of gambling ads. It has also seeped into collegiate sports in the US. As reported in *The Guardian* on April 10, 2024:

Throughout this year's men's and women's NCAA Tournaments, athletes have reported receiving death threats on social media. After LSU's loss to lowa last week, an emotional Angel Reese said she has been receiving such threats since winning the national title in 2023. Days later, Iowa's Gabbie Marshall deleted her social media altogether due to threats hurled her way after she drew a game-clinching foul against UConn in the Final Four.<sup>34</sup>

NCAA president, Charlie Baker, wrote in a March letter to US campus leaders that "[r]ecent data indicates that approximately one in three high-profile athletes receive abusive messages from someone with a betting interest"<sup>35</sup>.

#### 4. Gambling Advertising – Attracting New "Players"

White Paper No. 1 cited several studies that found that gambling advertising is particularly enticing to children, young people, and other vulnerable groups. It is enticing because of the frequency, ubiquity, and content. The studies found that the marketing has a normalizing impact on the gambling attitudes, risk perceptions, and consumption intentions of children and young people. The authors of one of the studies ("Protecting children and young people from contemporary marketing for gambling"<sup>36</sup>), have continued their research in this area, noting in a February 11, 2024 study ("Young people's views about the use of celebrities and social media influencers in gambling marketing"), that many previous studies about the impact of advertising focused on

<sup>&</sup>lt;sup>33</sup> <u>https://www.cbc.ca/news/canada/toronto/raptors-sports-betting-1.6804154</u>, April 14, 2023

<sup>&</sup>lt;sup>34</sup>https://www.theguardian.com/sport/2024/apr/10/angel-reese-death-threats-gambling-college-sportsncaa

<sup>&</sup>lt;sup>35</sup> Ibid.

<sup>&</sup>lt;sup>36</sup> Health Promotion International, Volume 38, Issue 2, April 2023, <u>https://doi.org/10.1093/heapro/daac194</u>

television advertising while more recent research has shown that the gambling industry uses a range of unique appeal strategies, including on social media platforms and with social media influencers (SMIs) and celebrities, to reach younger audiences.<sup>37</sup> In talking about "the novel ways the gambling industry attempts to appeal to children and young people", the authors found the following, based on data from qualitative focus groups of 12- to 17-year-olds in Australia:

First, young people perceived that celebrities and SMIs created additional appeal and recall of gambling advertisements because they were attention grabbing and familiar. Second, young people thought that celebrities and SMIs increased the trust, legitimacy and social acceptance of gambling. Third, the use of celebrities and SMIs lowered the perceptions of risk associated with gambling. Lastly, there were suggestions to reduce the impact of celebrity and SMI gambling promotions on young people, such as bans and restrictions. This study highlights the importance of a comprehensive approach to preventing young people's exposure to gambling marketing, that not only considers imposing stronger regulations to restrict the way the gambling industry is allowed to promote its products, but also aims to counter the novel ways the gambling industry attempts to appeal to children and young people.<sup>38</sup>

Dr. Steven Joordens, a Professor of Psychology at the University of Toronto Scarborough, has written about the psychology of why the sports betting ads are so enticing and argues that: "Society needs to restrict the marketing of sports gambling as soon as possible. It reflects a weaponization of psychology that is designed to create addictions".<sup>39</sup> After explaining that sports gambling is "so dangerous because of the psychological power of random rewards", Dr. Joordens states: "As every gambling institution knows, their only real challenge is to get people playing. If they can do that, the psychology of random rewards will do the rest".<sup>40</sup> To get people to play, the sports betting companies design their marketing to make use of several well known

38 Ibid.

<sup>40</sup> Ibid.

<sup>&</sup>lt;sup>37</sup> Health Promotion International, Volume 39, Issue 1, February 2024, <u>https://doi.org/10.1093/heapro/daae012</u>

<sup>&</sup>lt;sup>39</sup> "Sports Gambling and the Weaponizing of Psychology", <u>The Weaponization of Psychology</u> — <u>BanAdsForGambling.ca</u>, September, 2023

psychological phenomena – authority and liking; commitment; and consensus<sup>41</sup>. When used in combination "they reflect a weaponization of psychology that targets anyone who can be convinced to give it a try, luring them into the world of random rewards and addiction".<sup>42</sup>

On February 28, 2024, the previously announced amendments to the Marketing and Advertising section of the Alcohol and Gaming Commission of Ontario (AGCO)'s Standards for Internet Gaming (the Standards) came into effect, introducing further restrictions as part of the Standards' pre-existing prohibition on iGaming advertising that targets minors.

Specifically, the amendments:

- Add "social media influencers" who appeal to minors as an express category of persons who cannot be employed in iGaming advertising;
- Clarify that the standard for whether a social media influencer, cartoon figure, symbol, role model, celebrity or entertainer can be employed in iGaming advertising is whether that person "would *likely be expected* to appeal to minors" (a stricter standard than the previous language of "primary appeal is to minors"); and
- Impose a blanket prohibition on the use of active or retired athletes in iGaming advertising, except where the iGaming operator or supplier is using the athlete for the exclusive purpose of advocating for responsible gambling practices.<sup>43</sup>

Notwithstanding these changes, hockey stars such as Wayne Gretzky and Connor McDavid can still appear in advertisements for gambling companies provided they promote "responsible gambling", and there continues to be a proliferation of ads in

42 Ibid.

<sup>&</sup>lt;sup>41</sup> Ibid. In the context of sports gambling and marketing, Dr. Joordens expands on these phenomena as follows:

<sup>&</sup>lt;u>Authority & Liking</u> – Although these two principles are distinct, in this context they are often related. Put simply, people are more likely to be persuaded to engage in some act if that act is endorsed by someone in authority, or someone the person likes and respects. Given how intertwined gambling has become with sports, often it is the commentators (authorities) who are endorsing bets. Ads for sports betting often feature popular athletes: commercials featuring Wayne Gretsky and Conner McDavid come to mind. <u>Commitment</u> – People like to think of themselves as consistent in their identities. Ads for sports gambling often describe it as something that truly dedicated fans do. The ads play on one's commitment and encourage sports viewers to truly "join the game" rather than "watching from the sidelines." <u>Consensus</u> – Humans are social creatures and we often shape our behaviour to be consistent with social norms. Sports broadcasts and ads normalize gambling behaviour. They make it seem like it's what everyone does, something that makes the enjoyment of sport better and that's why "everyone is doing it". This is the true danger of the almost complete intertwining of gambling and sport broadcast.

<sup>&</sup>lt;sup>43</sup> <u>https://cassels.com/insights/a-game-changing-update-ontarios-amended-restrictions-on-use-of-athletes-influencers-in-igaming-advertising-are-now-in-effect/</u>

arenas, change rooms, players benches, etc., frequented by children and young people, and in movie theatres before movies appealing to young audiences. An opinion piece written by Tim Dewhirst, one of the founding members of the Campaign to Ban Ads for Gambling, and published in *The Globe and Mail* on March 24, 2024, describes the experience of going to the hockey arena where his young son plays and being confronted by sports betting ads everywhere.<sup>44</sup> Journalists and sports commentators (respected "authorities" in the eyes of sports fans young and old) have not been included in the definition of social media influencers, and they continue to discuss betting and gambling generally during broadcasts of sports events. Social media influencers (SMIs) continue to promote gambling on their social media platforms.

Some of these SMIs are targeting another new audience – young women. In a March 18, 2024 article in *The Globe and Mail*, Simon Houpt wrote: "With women's sports ascending and Taylor Swift bringing millions of new female fans to the NFL last season, the sports gambling industry is realizing women are an enormous potential new market".<sup>45</sup> Couched in terms of "female empowerment" and "a new sisterhood of sports betters", several SMIs have posted "how to" videos on TikTok with titles such as "Sports betting 101 for the girlies" and mottos such as "bet like a lady". Houpt writes about "The Gist", a Toronto-based sports media company:

As the NFL kicked off its 2022-2023 season, The Gist unveiled a step-by-step sports betting guide as part of a brand partnership with the sportsbook FanDuel, and a glossary for newbies. It also began including odds and other betting-oriented content in its newsletter, a chatty, conversational, pop-culture-inflected missive sent to inboxes four times a week.<sup>46</sup>

Without any attempt to hide the goal of the betting companies to normalize gambling:

FanDuel CEO Amy Howe told a trade journal in the fall of 2022, when the company signed the deal with The Gist, that "research showed that many GISTers have expressed intimidation when trying to get involved in sports betting." She added that, "sports betting has the ability to enhance sports fandom and foster community. Our goal is to lower the barriers and bring the experience of sports betting to everyone."<sup>47</sup>

The recent restrictions imposed by the AGCO have done little to stop the marketing efforts, on the many diverse platforms at their disposal, of the gambling companies to

<sup>&</sup>lt;sup>44</sup> <u>https://www.theglobeandmail.com/business/commentary/article-ontario-isnt-doing-enough-to-protect-our-children-from-sports-gambling/</u>

<sup>&</sup>lt;sup>45</sup> How the sports betting industry is wooing female fans to the playing field - The Globe and Mail

<sup>&</sup>lt;sup>46</sup> Ibid.

attract new "players" and to normalize the activity of gambling and thus increase the risk of harm. Indeed, the restriction imposed on the use of athletes to advocate only for socalled "responsible gambling" serves to tell the young sports fan that gambling must be okay by implication because their sports hero tells them to do it "responsibly".

After the Centre for Addiction and Mental Health (CAMH) released their Gambling Policy Framework<sup>48</sup> on March 27, 2024, health professionals from CAMH participated in a panel discussion<sup>49</sup> about online gambling and sports betting. A self-described recovering gambling addict also participated to discuss his lived experience with problem gambling, including the impact of gambling ads. He explained that there is a risk for him that any ad could trigger him and cause a relapse. He talked about the difficulty of watching sports with his young son whose idol is Conor McDavid. The fact of his son's hero appearing in an ad, even if it is just to say gamble responsibly, tells his son that his hero thinks gambling is okay. While in its summary of recommendations to the Ontario government CAMH recommends more restrictions on advertising and not an outright ban, this recovering addict, with lived experience, says that all the gambling ads should be banned.

The volume of advertisements that children, young people and other vulnerable groups continue to experience while watching sports on television continues to be enormous. CBC's Marketplace worked with researchers at the University of Bristol to study five National Hockey League games and two National Basketball League games in late October 2023. They found that gambling messages filled up to 21 percent of each broadcast, on average. The researchers counted gambling messages including betting company logos, commercials, sponsored segments and any time betting odds appeared on screen – a total of 3,537 gambling messages across the broadcasts studied, or about 2.8 every minute, totalling one-fifth of the viewing time. The report guoted Markus Geisler, a professor of marketing at York University, Toronto, as saving: "All of this is contributing to the normalization of gambling. Something that we conventionally think of as a very risky and a very dangerous practice [is framed] as something that's actually just fun and harmless." CBC *Marketplace* also spoke to a recovering addict and reported: "For Noah Vineberg, who is recovering from a gambling addiction and is a lifelong sports fan, avoiding gambling advertisements is impossible. The onslaught constantly threatens to trigger him to gamble again."50

<sup>48</sup> camh-gambling-policy-framework-pdf.pdf

<sup>&</sup>lt;sup>49</sup> Panel Discussion: Playing the Odds – a discussion of online gambling and sports betting (youtube.com) . See also the comments of Senator Stan Kutcher regarding his grandson's fascination with sports betting because of the ads <u>Debates</u>, <u>Issue 165</u> (November 30, 2023) (sencanada.ca)

<sup>&</sup>lt;sup>50</sup> <u>https://www.cbc.ca/news/marketplace/sports-betting-gambling-advertisements-1.7086400</u>, January 22, 2024

The Campaign to Ban Ads for Gambling believes that all gambling ads should be banned in a manner similar to the ban on advertising for tobacco and cannabis. CAMH expresses its reason for not recommending a full ban on gambling advertising "in the short term" as follows:

There is an argument to be made for banning gambling promotion altogether, as many countries in Europe have done or are in the process of doing. In the case of Ontario, which is attempting to replace grey-market or illicit online gambling with a new and regulated market, there is a need for people who gamble to be aware of the existence of those legal alternatives. For that reason, a full ban on gambling advertising may not be realistic in the short term.\*

\* While this situation is somewhat similar to that of cannabis, online gambling is different in being virtual. Unlike legal online gambling, sources of legal cannabis are visible via storefronts and products can be promoted at the point of sale.<sup>51</sup>

CAMH has invited public discussion on its recommendations. The Campaign argues that people who want to gamble can easily find the registered, legal alternatives via a publicly available registry maintained by the regulator. iGaming Ontario maintains such a registry, complete with a description of the type of online gambling offered and links to the website of the registered operators: <u>https://www.igamingontario.ca/en/player/regulated-igaming-market</u>.

## 5. Gambling Advertising – Moving Forward

#### Australia

White Paper No. 1 described the June 2023 report of a Parliamentary Committee that recommended banning gambling advertising in four phases within three years. We understand from articles in the Australian press that the Australian government is currently reviewing the parliamentary report and its recommendations but has not yet announced its official response or policy plans regarding gambling advertising restrictions in Australia.

On January 12, 2024, The Guardian (Australia) reported:

Victoria's gambling regulator is calling for the Albanese [federal] government to ban wagering ads after being "bombarded" with complaints, including by parents who have discovered that their children are secretly gambling.

<sup>&</sup>lt;sup>51</sup> <u>camh-gambling-policy-framework-pdf.pdf</u> , p. 14

The Victorian Gambling and Casino Control Commission's chief executive, Annette Kimmitt, said she supported a ban and was routinely asked by parents why it had not been introduced.<sup>52</sup>

#### Ontario

As already discussed in this White Paper No. 2, amendments to the Marketing and Advertising section of the Alcohol and Gaming Commission of Ontario (AGCO)'s Standards for Internet Gaming (the Standards) came into effect on February 28, 2024, adding some restrictions on advertising of online gaming. These restrictions have been criticized by many, including by the Campaign to Ban Ads for Gambling and CAMH, as falling short of what is needed for a public health approach to reduce the harms of gambling.

To date, three school boards in Ontario (Toronto, Owen Sound and Waterloo) have passed motions and written letters to provincial and federal political leaders calling "for the prohibition of advertisements for gambling in the same way that ads for tobacco and cannabis have been restricted".

#### Canada

Senators Marty Deacon and Brent Cotter introduced a bill in the senate against gambling advertisements. The bill, Bill S-269, *An Act respecting a national framework on Advertising for Sports Betting*<sup>53</sup>, which received first reading on June 20, 2023, would require the federal government to develop a framework that would identify measures to regulate and restrict the use of advertising for single-event sports betting. It would also set national standards for the prevention and diagnosis of problem gambling.

Senators Marty Deacon and Brent Cotter have both spoken to the bill they introduced to control advertising for gambling. Their speeches can be found here:

https://sencanada.ca/en/content/sen/chamber/441/debates/139db\_2023-09-19-e#70

https://sencanada.ca/en/content/sen/chamber/441/debates/141db\_2023-09-21-e? language=e#56

On May 9, 2024, Senator Marty Deacon issued a press release stating that the bill "was referred to committee, where it will receive further study as Canadians continue to be bombarded by sports betting ads". The following quotes were included in the press release:

<sup>&</sup>lt;sup>52</sup> <u>https://www.theguardian.com/australia-news/2024/jan/12/victoria-gambling-ad-ban-regulator-push-parents-children</u>

<sup>&</sup>lt;sup>53</sup> Public Bill (Senate) S-269 (44-1) - First Reading - National Framework on Advertising for Sports Betting Act - Parliament of Canada

"Since the introduction of Bill S-269 in spring of last year, I have heard from Canadians from coast to coast to coast inquiring about the status of the legislation and asking why something has not yet been done to rein in the ads they are seeing every day."

-- The Honourable Brent Cotter, Senator for Saskatchewan

"While I acknowledge the work of the Alcohol and Gaming Commission of Ontario as a first step in regulating these ads, I have heard from other provincial and territorial jurisdictions, questioning why their populations are being exposed to ads for Ontario betting companies even though these companies are not regulated in their own jurisdictions."

- The Honourable Marty Deacon, Senator for Ontario

"Given that broadcasting, both on the airwaves and online, has little regard for provincial jurisdictions, this is a national problem that requires a national solution which includes the provinces and territories and is led by the federal government. It is my hope this bill receives quick study in committee because every day more and more Canadians are feeling the effects of these gambling based harms."

- The Honourable Marty Deacon, Senator for Ontario

The Campaign to Ban Ads for Gambling intends to apply to make a deputation at which we would advocate a ban on all ads for gambling, similar to the ban on advertising of tobacco and cannabis.