

# **A Study of Hong Kong People's Participation in Gambling Activities**

## **Executive Summary**

Centre for Social Policy Studies &  
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### **1. Background and Objectives**

**1.1** In February 2001 the Centre for Social Policy Studies of the Department of Applied Social Sciences and the General Education Centre of The Hong Kong Polytechnic University were commissioned by the Home Affairs Bureau (HAB) of the Hong Kong Special Administrative Region (HKSAR) Government to conduct *A Study of Hong Kong People's Participation in Gambling Activities*.

**1.2** The main objectives of this study include:

- i. to gauge the perception of gambling among the general (aged 15-64) and the underage (under 18) population and their gambling behaviour;
- ii. to understand the impact of different forms of gambling (including authorized, social and illegal gambling, within and outside Hong Kong) on gamblers;
- iii. to examine the definition of 'pathological' gambling with reference to the local context;
- iv. to gauge the prevalence of pathological gambling among the general population and among the underage in Hong Kong and compare the situation with other jurisdictions;
- v. to investigate the characteristics of pathological gamblers, the onset and the course of pathological gambling, and the impact of pathological gambling on the gamblers and their families; and
- vi. to identify ways to tackle and prevent pathological gambling in Hong Kong and measures to help pathological gamblers, in light of overseas experience and taking into account local circumstances.

### **2. Research Design and Sampling Method**

**2.1** As stipulated in the study brief issued by the HAB, the research design of this study consists of four parts. Part I was a telephone interview with a random sample of 2,004 Hong Kong inhabitants aged 15 to 64, and the margin of error (sampling error) was about 2.2%. Part II was a school survey in which 2,000 students who were born in or after the year of 1983 were invited to fill in a structured and self-administered questionnaire. Part III was a qualitative study in which twenty pathological gamblers and six of pathological gamblers' family members, together with ten social (non-pathological) gamblers, were recruited to participate in an in-depth interview. Part IV was mainly a comparison of the major findings derived from the previous three parts with other jurisdictions.

### **3. Major Findings**

- 3.1** *Results of the general population survey* indicated that gambling activities were very common in Hong Kong. Almost four out of five respondents (78%) had participated in at least one of the thirteen gambling activities listed in the survey. The three most popular form of gambling were Mark Six (64.2%), social gambling (e.g. playing Mahjong and cards with friends and relatives) (45.9%) and horse racing (30.4%).
- 3.2** While all the 13 gambling activities had money at stake, they were perceived as being of very different natures. Most of the respondents saw Mark Six lottery (62.5%) and betting on horse racing (78.8%) as ‘gambling’ activities. However, they had different opinions with regard to the nature of other gambling forms. A very large majority of respondents viewed betting on casino games (86.9%) and soccer matches (83.1%) primarily from the perspective of the ‘excitement’ they provided. Playing Mahjong or cards with friends and relatives, or what we called social gambling, was largely seen as a way to socialize with other people (75.9%).
- 3.3** Although we have a considerable size of respondents participating in gambling activities, it does not necessarily imply that the local population spends a lot of money on gambling. The median monthly betting money spent varied according to the form of gambling concerned (\$50 on Mark Six; \$100 on casinos in Macau and on social gambling respectively; \$150 on casino ships; \$200 on horse racing; \$300 on local soccer betting; \$750 on offshore soccer betting).
- 3.4** Regarding whether government should provide authorized outlets for soccer betting, the proportion supporting the proposal was larger than the proportion against it (51.2% as against 36.2%). Nearly one-fourth (23.1%) of respondents indicated they would probably/certainly participate in soccer betting if legalized outlets existed.
- 3.5** Concerning the prevalence of pathological gambling in Hong Kong, survey results indicated that 1.85% of the 2,004 respondents could be classified as “probable pathological gamblers” (DSM-IV scoring 5 or above). When asked about the forms of gambling where they experienced the problems, 48.6% of the 37 probable pathological gamblers named horse racing. Social gambling (27.0%) and Macao casinos (18.9%) ranked the second and the third.

- 3.6** Among the gambling population, the problem gamblers (DSM-IV scoring 3 or 4) or pathological gamblers (DSM-IV scoring 5 or above) were more likely to be male, the less educated (Form 3 or below), having a personal monthly income (\$10,000 or above). Insofar as the form of gambling is concerned, the probable problem and pathological gamblers were more likely to be involved in horse racing gambling, soccer matches betting or casino gambling.
- 3.7** *The school survey* found that the underage population also participated in gambling quite actively. About half (49.2%) had participated in social gambling in the past year. One-fifth (19.4%) of the respondents were involved in buying Mark Six in the past year. Among those who admitted gambling and disclosed how they were involved in buying Mark Six ticket, 76.3% did so with the assistance of family members.
- 3.8** Survey result also revealed that the underage was more actively involved in sport gambling (soccer betting 5.7% and betting on other ball games 3.9%) and Internet betting (online casino 4.6%), as compared with the general population.
- 3.9** Regarding the youngsters' perception of gambling, the underage tended to characterize all gambling activities as primarily gambling except social gambling and buying Mark Six tickets.
- 3.10** Two-fifths (40.1%) of our underage respondents accepted the idea of providing authorized outlets for betting on soccer matches, which has become more and more popular in the territory. However, there were also a significant proportion of youngsters (28.5%) who objected to the idea to provide authorized outlets for betting on soccer matches.
- 3.11** The estimated prevalence rate of probable pathological gambling among the underage was 2.6%, which was higher than that of the adult (aged 18-64) population (1.85%). This phenomenon also occurs in other jurisdictions. Respondents being classified as probable pathological gamblers were found to have very different perception about gambling, as compared to those who had not gambled in the past twelve months. The former tended to understate the nature of gambling and put more emphasis upon other attributes of the activities such as entertainment and excitement. Besides, the underage probable pathological gamblers were found to more likely come from a gambling environment (i.e. where family members or friends were involved in some forms of gambling).

- 3.12** *The qualitative study* found that a high proportion of the pathological gamblers picked up gambling skills (e.g. playing mahjong and card, etc) from their parents, relatives or neighbors at the very young age. They regarded gambling as socially and culturally acceptable behavior that facilitated social interactions and induced pleasure during leisure time. All the pathological gamblers were involved in social gambling for a period of time before they lost control over gambling.
- 3.13** A higher proportion of the pathological gamblers had unsatisfactory financial and stress management than the social gamblers. They also had problems in exercising self-control over gambling. They would borrow money from both legal and illegal lending sources in order to chase after losses.
- 3.14** Pathological gamblers were in general over-confident of their skills and luck in winning, and tended to recall winning experiences and forget losing experiences. There was an urge to gamble more frequently and/or place increasingly larger bets to achieve the desired level of excitement.
- 3.15** The adverse effects of pathological gambling were alarming, including huge debts (ranged from HK\$20,000 to \$3,000,000) and bankruptcy, serious relationship problems (e.g., separation, divorce, poor parent-child relationship and social isolation of the pathological gamblers, etc), disruption in work (e.g., dismissal, reduced prospect for promotion due to low motivation in work, and unsatisfactory work performance), depression and mental health problems (e.g., insomnia, suicide, mood disorders) faced by the pathological gamblers, their spouses and family members.
- 3.16** A high percentage of the pathological gamblers had been involved in social gambling for a considerable period of time before gambling progressed towards a pathological state. A significant stressor or greater exposure to gambling often precipitated the sudden onset. This critical stage was often characterized by impressive winning experiences that caused an increase in the frequency and the amounts of bets. Then the pathological gamblers were preoccupied with gambling and getting money with which to gamble, to chase after losses and to settle debts.
- 3.17** Pathological gamblers reported that the relapse rate was high when all or a significant portion of debts was cleared, and at a six month abstinence period.

- 3.18** All the pathological gamblers we had interviewed recognized that they needed help but were not aware of any government or non-government treatment and services. A high percentage of the pathological gamblers were encouraged and referred to seek help by their spouse, family members or close relatives.
- 3.19** *As compared with other jurisdictions*, the scenarios the participation of gambling activities of Hong Kong people were in line with experiences overseas. The prevalence of legal and authorized gambling (that is, Mark Six and local horse racing) among the general population aged 15-64, was 67.6% in Hong Kong. This was higher than USA (63%) and comparable to Germany (67%), slightly lower than UK (72%), but definitely lower than Sweden (89%), Australia (80%) and New Zealand (85-90%). Even if social gambling is included, the prevalence rate of gambling is 77.3% in Hong Kong. The percentage was still below that of Sweden, Australia and New Zealand.
- 3.20** The prevalence rate of potential pathological gamblers among the interviewees within the age range 15-64 was 1.85%. It was lower than Australia (2.3%), but higher than the United States of America (1.1%).
- 3.21** The present qualitative survey as well as similar investigations in US and Germany established the importance of family support to the pathological gamblers, on the one hand, and also the need for counseling the families, precisely because the latter are menaced by the gamblers and easily become disoriented. In fact, both US and Germany started the programs of rehabilitation and support for pathological gamblers in the 1970s. As we have no tailor-made support for pathological gamblers in Hong Kong, there is an urgent need for such services.
- 3.22** Our qualitative study showed that 100% of the pathological gamblers interviewed had borrowed money from banks and credit institutions, as well as owing large sums of money to credit card institutions. Three-quarters had borrowed money from loan sharks. The debts accumulated by them were normally at the level of several million dollars. This certainly presents an alarming picture of the drastic harm of pathological gambling, which is also substantiated by case studies of pathological gamblers in US, UK, Germany and Australia.

#### **4. Recommendations to the HKSAR Government**

On the basis of the findings of this comprehensive study, the research team makes the following recommendations to the HKSAR Government:

- 4.1** We recommend that legal gambling channels should be adequate but limited only to people above 18 years of age, taking into consideration that legalization aims to provide punters with the necessary safety and fairness, and to keep organized crime away.
- 4.2** We recommend that liberalization of gambling policy should be measured and deployed as a defensive strategy against crime and for the benefit of the punters and society as a whole. The legalization of soccer betting is a delicate issue, although a high proportion of the general public is open-minded enough to accept its legalization. However, legalization may lead to at least an immediate rise of gambling participation, and its influence on adolescent gambling must also be taken into account. Even if legalization of soccer betting is deemed a defensive strategy, close monitoring of its development and impact should be undertaken and the possible consequences have to be fully assessed.
- 4.3** We recommend that the Government should forbid promotion activities and advertisements for legal and illegal gambling that may mislead the public, or induce the underage to participate in gambling. For the higher vulnerability of the underage was reflected by a higher prevalence in pathological gambling.
- 4.4** We recommend that funding should be provided to conduct regular researches to understand the gambling habits of Hong Kong people, as well as the gambling and life patterns of problem and pathological gamblers, including both social and economic impacts.
- 4.5** We recommend that the Government should closely monitor through research funding the gambling behaviour of the underage so as to keep in touch with the further evolvement of adolescents' involvement in gambling.
- 4.6** We recommend that the Government should provide a good percentage (or per capita value) of its revenue from gambling or set up a public trust fund to launch and maintain help-lines, emergency services and treatment programmes for problem and pathological gamblers. Furthermore, services should be extended to the immediate members of the families of the problem and pathological gamblers.

- 4.7** We recommend that the Government should make it mandatory for all legal gambling institutions and their off-course betting establishments to put up signs of warning against excessive gambling and information about help-lines in prominent locations.
- 4.8** We recommend that the Government should launch TV and other media campaigns warning the public against excessive gambling and adolescents against illegal gambling and indulgence in gambling.
- 4.9** We recommend that the Government should make it mandatory for all printed media providing legal gambling information to the public to reserve a position to place warnings against excessive gambling and information about help-lines.
- 4.10** We recommend that the Government should initiate the making and use of teaching kits to educate students about the nature and impact of gambling as well as the nature and harm of pathological gambling in their social studies or ethics classes.
- 4.11** We recommend that the Government should undertake measures to put a stop to offshore on-line casinos and other related gambling forms. Local websites should be forbidden to maintain links with offshore on-line casinos and other related gambling forms.
- 4.12** We recommend that banks, credit institutes and credit card institutes should be forbidden to provide service for offshore on-line casinos and other gambling forms. Another effective measure is that the Government can refrain from the legal enforcement of debt payment to these financial institutes whenever overseas debts are incurred due to offshore on-line gambling.
- 4.13** We recommend that the Government should examine the possibility that banks, credit institutes and credit card institutes should be allowed to exchange information about the loan credibility of pathological gamblers. They should also consider setting up loan exclusion system for pathological gamblers upon information from pathological gamblers themselves or their immediate family members.

**4.14** We recommend that the Government should set up a Committee for Gambling Affairs to propose social policy for gambling, support researches and education related to gambling, treatment or counseling to pathological gamblers and their families, and finally guarantee fairness and address the issue of free competition in legal gambling service.

## **5. Lists of Research Team Members:**

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