

Gambling and employment



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We provide public services that change people's lives for the better

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Summary of findings

As an organisation that helps people move into sustainable employment, we are concerned about the impact of gambling on work. This report details the findings of our online YouGov survey and interviews with our Employment Advisers into the consequence of gambling on work.

- **More than four in five (82%)** British adults think that gambling and debt can be a distraction for people in work.
- 10% of working adults - almost **5 million people** - have direct experience of the problems gambling can cause in the workplace, as they know someone for whom gambling has negatively affected their work.
- 28% of working adults who gamble – over **4 million people** – would prefer to keep the extent of their gambling hidden from their colleagues. This rises to more than **one in three (34%)** people who work in finance, accountancy or legal services.
- Almost **three quarters** of adults (72%) think business should be concerned about gambling, with the biggest concern expressed by those who work in financial services.
- Unemployed people are at particular risk from controversial **Fixed Odds Betting Terminals** – they are **twice as likely to play them** as those in employment.
- Of those in employment, people who work in **retail** are most likely to have gambled in the past 12 months (56%) and those who work in **education** least likely to gamble (39%).
- People with **management responsibility** are more likely to have gambled in the past 12 months than those without this responsibility (45% vs 39%).
- More than **1 in 20 men (6%)** sometimes think about gambling while at work, compared to only 1 in 100 (1%) women.
- People **aged 25-34** are most likely age group to gamble while at work **online or via an application** on their phone (6%).

1. Introduction

1.1 Why do people gamble?

Gambling is defined as playing a game for a chance of a prize, or betting on the outcome of a race, competition or event. Participating in the National Lottery is not considered gambling under the Gambling Act 2005.¹

The British Gambling Prevalence Survey state that the reasons people gamble can be grouped into five broad areas: enhancement, recreation, social, coping and monetary reasons. The most popular specific rationales given by gamblers were the chance of winning big money (83%), because it's fun (78%), to make money (59%) and because it's exciting (51%).²

Problem gambling is usually defined as gambling that disrupts or damages personal, family or recreational pursuits.³ There are an estimated 593,000 problem gamblers in the UK.⁴ In addition, the Gambling Prevalence Survey estimates that around 6.5% of the UK population have gambling behaviours that put them 'at risk' of becoming problem gamblers.

Studies have observed that young people, those with existing health or substance abuse problems, and adults from minority ethnic groups are most at risk of developing a gambling problem.^{5,6}

The number of adults participating in gambling is increasing and so too is the prevalence of problem gamblers. Pathological gambling is now classified as a behavioural addiction with mental health considerations, akin to substance misuse.⁷

Like substance misuse, gambling behaviours can be assessed on a scale of severity from no gambling through to gambling problem/addiction, with escalation leading to greater adverse consequences for the individual, their family and wider society.⁸

The Problem Gambling Severity Index (PGSI) is a widely used nine item scale for measuring the severity of gambling problems in the population. It uses behaviour science questions to define four

¹ www.legislation.gov.uk/ukpga/2005/19/pdfs/ukpga_20050019_en.pdf

² Wardle et al, 2010

(www.gamblingcommission.gov.uk/PDF/British%20Gambling%20Prevalence%20Survey%202010.pdf)

³ <http://www.rcpsych.ac.uk/healthadvice/problemsdisorders/problemgambling.aspx>

⁴ www.nhs.uk/Livewell/addiction/Pages/gamblingaddiction.aspx

⁵ Forrest & Wardle, 2011 www.ajgiph.com/content/pdf/2195-3007-2-2.pdf

⁶ Petry NM (2005) Pathological Gambling: Etiology, Comorbidity and Treatments. American Psychological Association Press.

⁷ Diagnostic and Statistical Manual of Mental Disorders, Fifth Edition (DSM-5). American Psychiatric Association (2013)

⁸ www.rcpsych.ac.uk/pdf/FR%20AP%2001-for%20websiteApril2014.pdf

gambler types: non-problem, low-risk, moderate-risk and problem gamblers.⁹ It states that gambling activity is made up of two underlying factors: a 'gambling behaviour' dimension and a 'gambling related consequences' dimension. Gambling behaviour relates to gambling participation, such as needing to gamble for excitement. Gambling consequences relate to problems arising from gambling participation, such as borrowing money to pay gambling debts.¹⁰

Problem gambling is linked to financial problems such as debt and bankruptcy, divorce, lost productivity, crime (such as theft and fraud) and suicide.¹¹ The Royal College of Psychiatrists has reported that problem gamblers are more likely than others to suffer from low self-esteem, depression or anxiety, develop stress-related disorders and develop a substance misuse problem.¹²

Problem gamblers have significant debts and research on those being treated for gambling addictions found that bankruptcy had been declared by between 18% and 28% of men and 8% of women.¹³

Studies have shown that lower-income households spend proportionately more of their money on gambling than higher-income households. Shaffer et al (2002) explain that the primary driving force behind this is the psychoeconomics of gambling, i.e. that people living in poverty perceive greater potential for a gambling win to be a life-changing event than people living in wealth.¹⁴

1.2 The changing nature of the gambling industry

The gambling sector is a significant contributor to the UK economy. Revenue from the UK gambling industry rose from £5.6 billion in 2010 to £7.1 billion in 2014. However, almost all this growth happened online – termed 'remote gambling' – and disguises difficult trading conditions for high street betting shops. The result has been a series of mergers and acquisitions across the gambling industry, with more takeovers last year in the UK gambling sector than in any other country.¹⁵

While the number of betting shops on the high street has remained roughly static for many years, concern has been expressed by various organisations, such as the Local Government Association, about betting shops clustering together in town centres.¹⁶

In 2015 the UK gambling sector supported almost 105,000 jobs, but it has been in decline over recent years, coinciding with the shift to remote gambling. The number of people employed in the growth area of remote gambling increased by around 700 between 2011 and 2015, but was

⁹ Validity of the Problem Gambling Severity Index Interpretive Categories, Journal of Gambling Studies, Volume 29, Issue 2, pp 311-327. Shawn R. Currie, David C. Hodgins and David M. Casey.

¹⁰ www.gamblingcommission.gov.uk/pdf/developing%20a%20short%20form%20of%20the%20pgsi.pdf

¹¹ Research on the Social Impacts of Gambling. The Scottish Executive, 2006.

www.gla.ac.uk/media/media_34552_en.pdf

¹² www.gamcare.org.uk/get-advice/how-can-gambling-affect-your-life/mental-health#.VoKIXxWLSUK

¹³ Thompson, Gazel and Rickman 1996; Lesieur and Anderson 1995

¹⁴ Shaffer H, Freed C, Healea D: Gambling disorders among homeless persons with substance use disorders seeking treatment at a community centre. Psychiatric Services 2002,53(9):1112–1117

¹⁵ www.telegraph.co.uk/finance/newsbysector/retailandconsumer/11795535/Ladbrokes-plunges-to-51m-loss-after-shops-write-down.html

¹⁶ www.local.gov.uk/media-releases/-/journal_content/56/10180/6801649/NEWS

outpaced by the reduction in headcount in betting shops of around 4,500 and in bingo halls of around 5,500.¹⁷

1.3 Impact on unemployed people

Research has shown that gambling can be a barrier for unemployed people entering the workplace, with unemployed problem gamblers worried about the prospect of getting a job. They fear that access to disposable income and consumer credit would cause them to return to gambling on a larger scale. The problems of gambling and debt go hand-in-hand, with money management one of the primary concerns of those being treated for gambling problems.¹⁸

1.4 Research methodology

This report is based on findings from a Reed in Partnership commissioned an online survey by YouGov of 2,042 adults. The figures have been weighted and are representative of adults (18+) in Great Britain.

Reed in Partnership carried out interviews with our Employment Advisers, who deal daily with job seekers looking for work, and asked them to outline their concerns about the impact of gambling on those seeking to re-enter the labour market.

¹⁷ www.gamblingcommission.gov.uk/docs/Industry-statistics-April-2010-to-March-2015.docx

¹⁸ <http://eprints.lancs.ac.uk/60206/1/10.pdf>

2. Prevalence of gambling

Reed in Partnership's nationwide online YouGov survey of 2,042 adults found that 41% of people in Great Britain have gambled in the last 12 months (excluding the National Lottery), with men (45%) more likely to have gambled than women (37%).

The most popular forms of gambling are: scratch cards (19%), horse/dog race betting (11%) and bingo (8%).

Type of gambling	% of GB population used in last 12 months
Football pools	4%
Bingo	8%
Slot machines	5%
Fixed odds betting terminals	3%
Horse/dog race betting	11%
Casino games/poker at pubs or clubs	4%
Online games (e.g. apps for mobile devices, online poker, etc.)	6%
Scratchcards	19%
Other	6%

People in the North East are most likely to have gambled in the past 12 months (57%) and people in the South West, South East and East Midlands are least likely to have gambled (all 34%).

% of population who has gambled in the last 12 months

North East	North West	Yorks & the Hum	East Midlands	West Midlands	East of England	London	South East	South West	Wales	Scotland
57%	43%	41%	34%	37%	43%	43%	34%	34%	49%	45%

Map of GB regions showing % of people who have gambled in last 12 months



Young people are more likely to gamble than older people, with 52% of people aged 25-34 gambling in the last year compared to only 33% aged over 55.

We found that 16% of adults gamble at least once a week, with men much more likely to do so (20%) than women (11%).

The part of Britain with the most frequent gamblers is Scotland, where 28% of people gamble at least once a week. In contrast, just 5% of people in the South West gamble weekly.

The age group with the most frequent gamblers are those aged 35-44, with one in five doing so at least once a week.

Socio-economic grade also affects prevalence of gambling, with 45% of working class people (C2DE) gambling in the last year compared to 37% of middle class people (ABC1).

Family make up also plays a part in determining the likelihood of being a gambler. 37% of people living in households with no children gambled in the last year, compared to 48% of people living in households with children.

3. Relationship between gambling and employment

3.1 Sector and management responsibility

The survey evidence suggests that the likelihood of gambling is related to the industry sector they are employed in.

56% of people who work in retail have gambled in the last 12 months, compared to 39% of those in hospitality and education.



People with management responsibility are more likely to gamble than those without this responsibility (45% vs 39%), perhaps suggesting a link between more stressful employment positions and gambling. Similarly, 18% of those with management responsibility gamble at least once a week, compared to 14% of those without management responsibility.



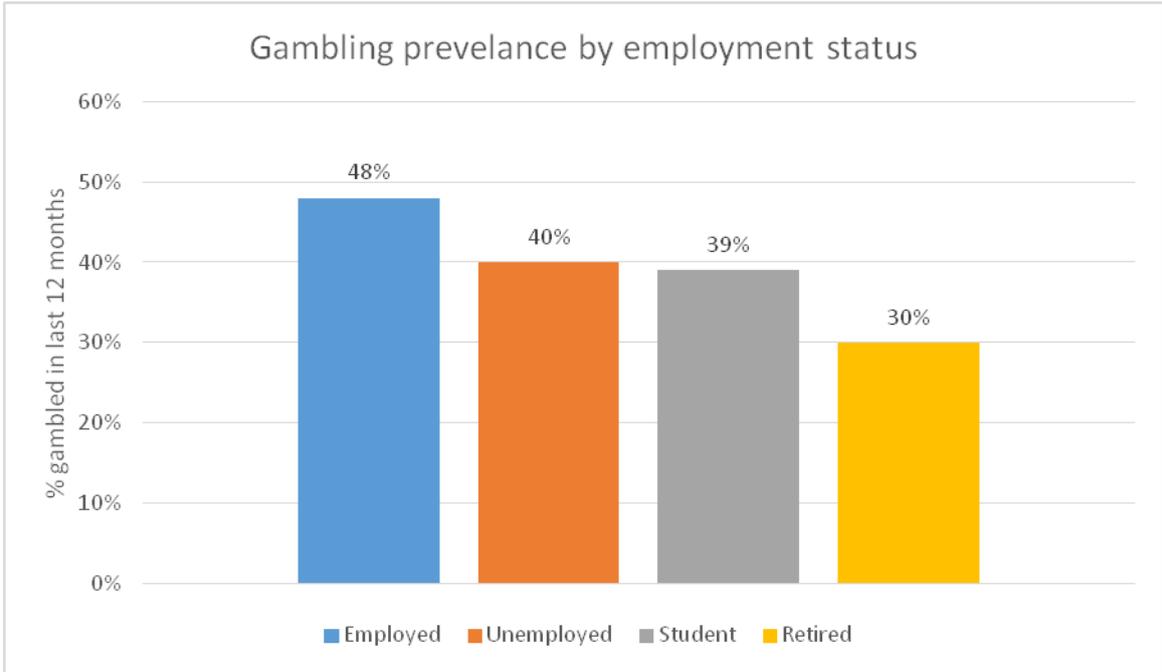
3.2 Hidden gambling

More than a quarter of working adults who gamble (28%) do not want their colleagues to know how much they gamble.

We have seen previously in this report that people at management level within organisations are more likely to gamble than those with less responsibility, and they are also more likely to want to keep their gambling a secret. 32% of people with management responsibility would not want their colleagues to know how much they gamble, compared to 24% with no management responsibility.

3.3 Impact on unemployed people

Our survey shows that while people in employment are more likely to have gambled in the past 12 months than those unemployed, 40% of unemployed people have gambled in the last 12 months.



When we interviewed Reed in Partnership Employment Advisers for this report, they told us that unemployed people can turn to gambling because they are “bored, stuck in a rut and have nothing else to do”. They also state that many hope that by gambling they can “turn the very little money they have into something bigger”.

They linked the appeal of gambling to its increased accessibility in recent years, particularly related to online gambling and gambling on smartphones.

“The widescale accessibility with smart phones, other mobile devices and increased advertising has increased the opportunities for people to get involved in gambling. This has a toll on people’s finances and mental health, which then distracts them from seeking work and also impacts on their ability to stay in work.”

Employment Adviser

The main four concerns our Employment Advisers had about gambling on people looking for jobs are:

1. The **distraction** that gambling and resultant debt causes
2. The **amount of money** being lost and Jobseeker's Allowance being "gambled away"
3. People spent **time** gambling that they should have used to look for work
4. The **impact on their work** should they get a job

Our Advisers spoke of their first-hand experience of the problems gambling can cause unemployed people and gave examples of people on our employment programmes - often young men - openly talking about losing while gambling.

The risk posed by gambling is greater for those who have been out of work for a prolonged period and do not have experience of budgeting for themselves. Advisers told us that a frequent consequence of gambling is that an individual cannot afford to travel to interviews and appointments, and so the issue has a very real impact on their prospects of finding work.

"Jobseekers already struggle to make ends meet when on Jobseeker's Allowance and if they gamble they would enter a vicious circle which can be hard to break. It can cause debt, black listing and even crime."

Employment Adviser

Several Advisers told us that they have witnessed the behaviour of people on employment programmes being negatively influenced by a gambling pre-occupation, thereby making it harder to secure a job.

"If someone's focus is gambling and how to get easy money to fund their gambling habit, they will become irritable, secretive, compulsive and generally start to display behaviour that employers do not want to be dealing with."

Employment Adviser

4. Impact of gambling on work

4.1 Experience of negative effects on work

Our research considered the link between gambling and employment. More than four in five British adults (82%) think that gambling and debt can be a distraction for people in work.

We found that one in ten adults have direct experience of the problems gambling can cause in the workplace, as they know someone for whom gambling has negatively affected their work. This varied according to industry sector, with people working in manufacturing most likely to know someone, and those in construction least likely.



People are more likely to know someone for whom gambling has negatively affected their work if they are unemployed than if they are in work (13% vs 10%).

It also varies across regions, with 16% of people in Yorkshire and Humber knowing someone for whom gambling has negatively affected their work, compared to 5% of people in the West Midlands.

% of population who know someone for whom gambling has affected their work

North East	North West	Yorks & the Hum	East Midlands	West Midlands	East of England	London	South East	South West	Wales	Scotland
14%	9%	16%	8%	5%	7%	13%	8%	7%	12%	10%

Map of GB regions showing % of people who know someone for whom gambling has affected their work



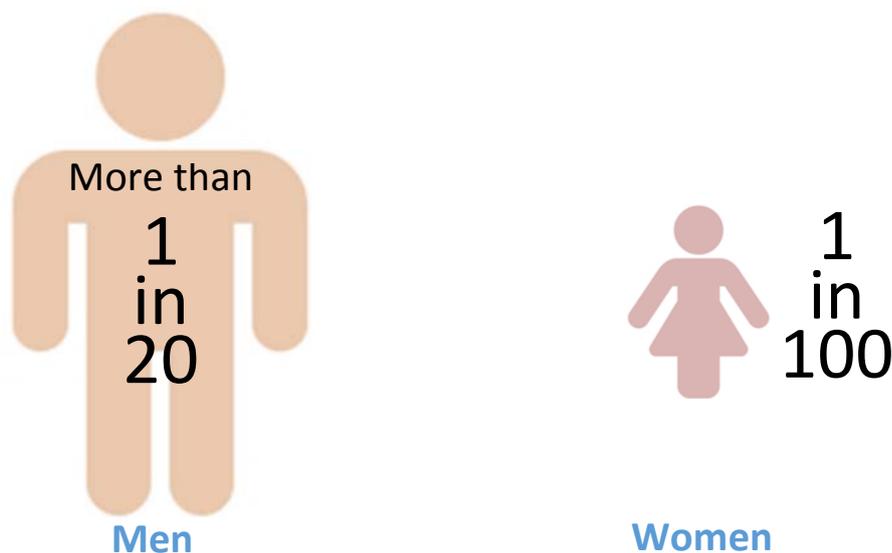
4.2 Productivity

Previous studies have linked gambling with a loss of productivity, with gamblers spending time away from work to gamble. International studies have estimated that gamblers lost over seven hours a month to gambling.¹⁹

¹⁹ Wisconsin Policy Research Institute Report, July 1996.
http://prism.ucalgary.ca/bitstream/1880/49232/1/Social_Costs_of_Gambling_in_Wisconsin_1996.pdf

As well as the gambling addiction itself, worries about mounting debts it causes and impact on family life exacerbates the problem. Concentration and behaviour at work has been found to be affected by gambling, leading to a loss of productivity.^{20, 21}

Our survey found that gambling is more of a distraction for men than women, with more than 1 in 20 men (6%) sometimes thinking about gambling during the working day, compared to only 1 in 100 women.



The level at which gambling impinges on the working day also varies with age, with 25-34 and 35-44 year olds most likely to think about gambling while at work (7% of both age groups). They are also the most likely to know someone for whom gambling has negatively affected their work (13% of both age groups) and 6% of 25-34 year olds gamble while at work online or via an application on their phone.

Young people: gambling and work
People aged 25-34 are one of the most likely age groups to:

- Think about gambling while at work
- Gamble while at work online or via app
- Know someone negatively affected by gambling

²⁰ Mental Health Foundation, 2009, p. 6; Social Exclusion Unit, 2004, p. 45

²¹ Ladouceur et al. as cited in Orford, Jim (2001) Excessive Appetites John Wiley & Sons LTD
(www.markedbyteachers.com/as-and-a-level/psychology/negative-effects-of-problem-gambling.html)

4.3 Consequence of gambling on employment

Problem gamblers prioritise gambling above their work and are at risk of disciplinary action by their employer, which can result in them losing their job. According to a study in the US by the National Research Council approximately one-fourth to one-third of gamblers in treatment in Gamblers Anonymous report the loss of their jobs due to gambling.²²

Our survey shows that 3% of British adults know someone who has lost their job because of gambling. There is a large disparity depending on industry, with construction workers much more aware of gambling related job losses than average (8%), along with those working in manufacturing and transportation workers (both 7%).

Our Employment Advisers have experience of helping individuals who have been made unemployed following losing their job because of gambling.

“I know people who have served time in prison because they stole from employers to gamble. Gambling is an 'invisible' addiction with none of the signs associated with alcohol addiction. It is a controlling issue in people's lives and causes them to take risks.”

Employment Adviser

²² The National Research Council (1999: 161) (www.nap.edu/read/6329/chapter/7#160)

5. Fixed Odds Betting Terminals

Our survey found that of Fixed Odds Betting Terminals (FOBTs) are particularly attractive to unemployed people, with twice the proportion of people out of work playing them as those in work.

“Gambling has become so accessible and offers what can appear to be a quick solution to money worries. Chasing losses then seems to continue the spiral wasting so much time and money.”

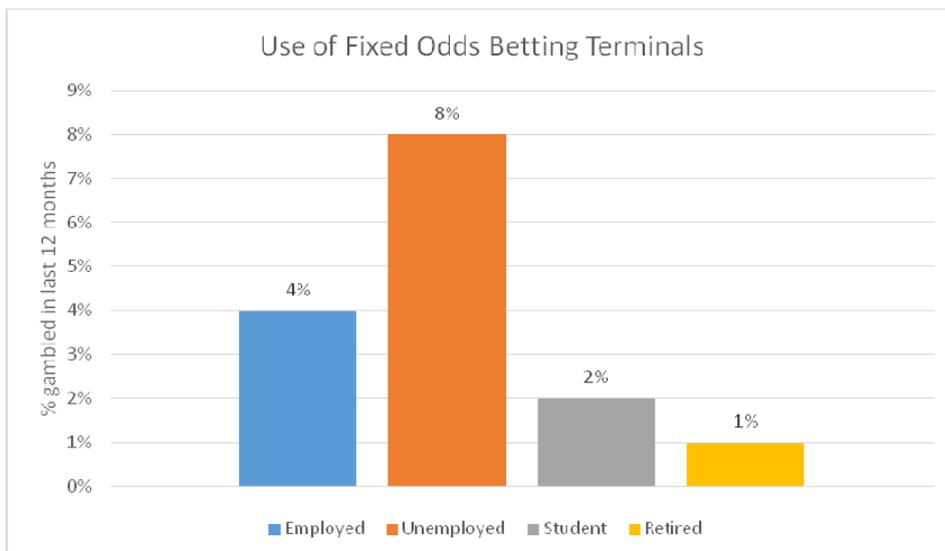
Employment Adviser

There has been much public debate in recent months about the increased prevalence of FOBTs, which are electronic game machines sited in betting shops. They were introduced in 1999 and are a growing source of revenue for the industry, with around 35,000 across the UK.

They offer simple touch screen play on the high street and so are readily accessible to those without any prior gambling knowledge. While “fruit machines” in pubs and shops cap the maximum bet at £2, the maximum bet on a FOBT is £100. This can be placed every 20 seconds and so hundreds of pounds can be lost very quickly.

An analysis for the Guardian newspaper found that four times as much is bet using these FOBTs in unemployment blackspots than in richer parts of the country.²³

Given the concerns raised about FOBTs we believe their high level of use among unemployed people is an issue that should be addressed by policy makers.



²³ www.theguardian.com/news/datablog/2013/jan/04/5bn-gambled-britain-poorest-high-street

6. Recommendations

Based on the finding presented in this report, Reed in Partnership make the following recommendations:

Employment support programmes

- Employment support programmes should recognise the risk gambling presents to people trying to get back to work.
- Where appropriate, employment programmes should consider incorporating the Problem Gambling Severity Index (PGSI), which draws on behaviour science, into the client diagnostic process to determine the level of support required. They should provide advice and guidance to prevent gambling from developing into a problem.

Protecting businesses

- While almost three quarters of people think businesses should be concerned about the impact of gambling on their employees, few companies have workplace gambling policies. Organisations should take gambling seriously, both in terms of the financial risk it can present to the business and the detrimental impact it can have on employees' wellbeing, by developing a clear anti-gambling at work policy.
- Businesses should provide information in the workplace so that employees can recognise if they are in the early stages of becoming a problem gambler, or understand if a colleague is exhibiting the symptoms of a problem gambler. This includes sign posting to gambling support, such as Gamblers Anonymous, and addiction services.

Government policy

- Our research has highlighted the increased risk Fixed Odds Betting Terminals (FOBTs) present to unemployed people. Given the concerns raised about FOBTs we believe their high level of use among unemployment people is an issue that should be addressed by policy makers.
- Specific gambling advice and support services should be developed for the 25-34 age group, which our research highlights are most likely to gamble while at work.

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As a public service provider, our mission is to be the partner of choice for developing people and their communities. We support individuals, businesses, families and communities to prosper.

Starting with one office delivering employment support in Hackney, we have grown our business to deliver a range of services - from National Citizen Service in the East of England to training the long term unemployed in Glasgow.

Reed in Partnership is a national provider of public services, drawing on nearly 50 years of the Reed family of businesses' recruitment experience.

Since 1998 we have helped over 150,000 people move into sustainable employment. We work in partnership with jobseekers to identify and overcome their barriers to entering the labour market.

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