



CHRISTIAN INFLUENCE IN A SECULAR WORLD

Valerie Curtis
Head of the Casino Advisory Panel Secretariat
c/o Department for Culture, Media and Sport
2-4 Cockspur Street
London
SW1Y 5DH

9 August 2006

Dear Miss/Mrs Curtis,

Regional Casino in Newcastle

With regard to paragraph 17 of the Panel's document "Guidance Notes for Participants in the Examination in Public of certain proposals for a Regional Casino", please find enclosed a statement from the Christian Institute. The statement has also been emailed to Valerie.Curtis@culture.gsi.gov.uk.

We would like to participate in the Examination in Public meeting on 5 September regarding a regional casino in Newcastle. We believe we can make an important contribution to the discussion on this issue.

Yours sincerely,

Simon Calvert
Deputy Director (Public Affairs)

The Christian Institute

The Christian Institute is a registered charity, based in Newcastle upon Tyne, which holds to the truths of the historic Christian faith. We have more than 18,000 supporters throughout the UK, including over 2,800 churches and church ministers from across the Christian denominations.

We published a major briefing for the parliamentary debates on the Gambling Bill,¹ and were quoted in the course of a debate on the Bill as well as being referred to in standing committee.² As far as we are aware, ours was the most comprehensive briefing issued on the Bill by any charity. Staff examined the entire Joint Parliamentary Committee deliberations on the draft Bill. We made a submission to the Government about the Draft Gambling Bill.³

Christians have always been at the forefront of efforts to provide help to problem gamblers. Local churches do much of this work 'at the coal face' – they are the people picking up the pieces. We have over 100 churches in the North East on our mailing list.

A regional casino could introduce 1,250 unlimited stake and unlimited prize gaming machines – a type never before seen in this country. This is therefore a local issue with national implications; likewise, we are a locally-based, but national, charity well equipped to contribute to the regional casino discussion. We specialise in public policy research and have around 1,100 supporters in the region. Christian Institute staff have spoken about this issue at meetings around the country, including in Newcastle, Northumberland and County Durham. Supporters have already raised grave concerns with us about the proposal. We have already spoken out against the plans in the local media, and believe there are important arguments against a regional casino which we wish to raise at the Casino Advisory Panel meeting on 5 September:

A regional casino in Newcastle will make the poor poorer

Planning a major social experiment in the poorest region of England⁴ seems unwise when it is well documented that gambling disproportionately affects those with the least disposable income. There are over three times as many problem gamblers in households with an income of less than £15,600 compared to households with an income of £32,000 and over.⁵ In 1999, the American National

¹ *Gambling with our Future: The Government's Gambling Bill*, The Christian Institute, 2005

² House of Commons, Hansard, 1 November 2004, cols 65-66; and House of Commons Standing Committee B, Hansard, 9 November 2004, col. 005

³ *Response by The Christian Institute: Draft Gambling Bill Consultation*, The Christian Institute, February 2004, see <http://www.christian.org.uk/gambling/draftbill2004/submission.pdf> as at 8 August 2006

⁴ In terms of Gross Disposable Household Income per head, see *First Release: Regional Household Income*, National Statistics, 9 May 2006

⁵ Sproston K, Erens, B and Orford, J, *Gambling Behaviour in Britain: Results from the British Gambling Prevalence Survey*, National Centre for Social Research, 2000, Table 6.7, page 71

Research Council also concluded that pathological gambling (severe problem gambling) is found disproportionately more often among the poor.⁶

Gambling can lead to addiction

Gambling offers the lure of winning huge sums of money in an instant, and allows individuals to get into serious financial difficulty very quickly. Attempting to get out of these difficulties by 'chasing losses' makes gambling highly addictive.⁷ The evidence overwhelmingly shows that removing restrictions on gambling will inevitably increase problem gambling.⁸ Even the chief of the new Gambling Commission, Peter Dean, has admitted more people will suffer from a serious gambling addiction as a result of the Act. Mr Dean said the Government's assurances that 'super casinos' would not create more gambling addicts were "an exaggeration."⁹ Newcastle City Council have themselves admitted that a super casino could add to gambling problems,¹⁰ and a recent YouGov poll showed that a majority of people share this legitimate concern.¹¹

The link to crime

Gambling is associated with crime in two ways. Firstly, in relation to gambling addicts, who like drug addicts, steal to pay for their habit; and secondly, in relation to the involvement of organised crime in the provision of gambling. Concerns about crime were expressed in the Gambling Bill's Regulatory Impact Assessment: "There is a risk that increasing the opportunities to establish casinos could increase the risk of illegal gambling, criminal infiltration and money laundering into casinos."¹²

Existing casinos

There are four casinos in Newcastle, with planning permission for two additional facilities. Within the broader region, there is another casino in Sunderland.¹³ To take one example, Aspers Casino at the Gate has 110 gaming machines on the premises, limited by current legislation to a maximum prize of £4000.¹⁴ Allowing a new regional casino to have 1,250 unlimited prize machines under one roof represents a huge expansion in the availability of this particularly addictive form of gambling. The potential effects are unknown, and therefore the move would be a great risk.

⁶ *Final Report*, The National Gambling Impact Study Commission [USA], June 1999, page 4-11

⁷ Professor Mark Griffiths, Chartered Psychologist and Professor of Gambling Studies at Nottingham Trent University, House of Lords, House of Commons Joint Committee on the Draft Gambling Bill, Session 2003-4, HL Paper 63-II, HC 139-II, vol. II, Ev. 62

⁸ House of Lords, House of Commons Joint Committee on the Draft Gambling Bill, Session 2003-4, HL Paper 63-I, HC 139-I, Vol. I, page 7

⁹ *The Times*, 3 January 2006

¹⁰ *The Evening Chronicle*, 31 July 2006

¹¹ *The Evening Chronicle*, 29 July 2006

¹² *Gambling Bill: Regulatory Impact Assessment*, Department for Culture, Media and Sport, 2004, page 45, para. 4.25

¹³ *Formal Proposal to the Casino Advisory Panel*, Newcastle City Council, 31 March 2006, page 16

¹⁴ See <http://www.aspers.co.uk/about.html> as at 9 August 2006

Regeneration?

Newcastle City Council proposes to finance a new conference venue through partnership with a casino operator, so that the casino operator would have to build a new convention centre as well as a casino.¹⁵ Yet the Sage in Gateshead was suitable to accommodate the Labour Party's Spring Conference in February 2005. Newcastle makes much of its partnership with Gateshead, so it is unclear why the area requires a new venue. If one really is so necessary, the Council could surely build a convention centre without a regional casino attached, because there are other sources of funding. For example, Liverpool City Council will own and manage a new arena and convention centre after funding the development through a series of partnerships which do not include a casino operator.¹⁶

The Council says that a casino would be a boost to the city's economy, and that it would bring more investment into the city.¹⁷ But, it is far from certain that the predicted regenerative benefits of a regional casino will actually occur. The experience of cities in America, such as Atlantic City in New Jersey, shows that casinos are not a panacea for economic problems. According to a report in 1999 to the National Gambling Impact Study Commission in the United States, small business owners testified to the loss of their businesses when casinos came to town.¹⁸ Economic improvements such as the "Mississippi miracle" have been inaccurately attributed to a casino effect, when in fact a normal recovery from recession could well have been the cause.¹⁹ In other cases, a claimed benefit is simply not supported by the evidence: at the time of the above report, unemployment in Atlantic City remained higher than the state and national average more than 20 years after its first casino opened.²⁰ A casino can be expected to increase indebtedness,²¹ cause a loss in productivity of workers caught up in problem gambling²² and cost society through a need for treatment programs.²³

Far from regenerating communities, casinos bring crime, addiction and poverty. This was underlined by the Gambling Bill's Regulatory Impact Assessment which stated:

¹⁵ *Regional Convention Centre and Casino Update*, Newcastle City Council, July 2006, page 3

¹⁶ *The Journal*, 16 June 2006 and see <http://www.kingswaterfrontliverpool.co.uk> as at 9 August 2006

¹⁷ *Regional Convention Centre and Casino Update*, Newcastle City Council, July 2006, page 2

¹⁸ *Final Report*, The National Gambling Impact Study Commission [USA], June 1999, page 7-5

¹⁹ *Ibid*, page 7-6

²⁰ *Ibid*, page 7-11

²¹ *Ibid*, page 7-14

²² *Ibid*, page 7-16

²³ *Ibid*, page 7-16

"A significant increase in the social costs associated with the gambling industry, including problem gambling, could negate many or all of the direct economic benefits of the Bill."²⁴

Conclusion

These are important issues that must not be ignored, and the Christian Institute would like to be given the opportunity to bring them before the panel on 5 September.

²⁴ *Gambling Bill: Regulatory Impact Assessment*, Department for Culture, Media and Sport, 2004, page 16, para. 1.64