



Gambling harms from EGMs are better prevented with state control

Dr. Johanna Järvinen-Tassopoulos & Dr. Virve Marionneau

EASG 2022, Oslo
16/09/2022

Finnish Institute for Health and Welfare

Introduction

1/2



- The Covid-19 pandemic forced states, gambling companies, public health and social services, communities, and individuals to find solutions to stop the virus from spreading
- The closure of many gambling opportunities (EGMs, gambling arcades) meant a clear decline in gambling availability in Finland
- Reduced availability of EGM gambling has been connected to reduced overall harms (Järvinen-Tassopoulos et al., 2020; Marionneau & Järvinen-Tassopoulos, 2021, 2022)

- The EGMs, the gambling arcades, and the Casino Helsinki have re-opened since, and while some of the Finnish problem gamblers have stopped gambling, others have continued to gamble
- The Finnish Gambling Policy Programme (2022) sets guidelines for the prevention and reduction of harms caused by gambling up to 2030
- As the Programme is yet to be implemented, the question of the land-based EGMs remains open
- Our research questions are the following:
 - 1) What characterizes the current Finnish EGM scene?
 - 2) What steps have been taken to prevent EGM related gambling harms?
 - 3) What will be the future of the Finnish EGM scene?

Content of this presentation

Introduction

1. Electronic gambling machines in Finland
2. Prevention of EGM related gambling harms
3. The future of the EGM scene

Conclusion

References

1. Electronic gambling machines in Finland



- Finland is characterized by a wide availability of EGMs in non-casino-locations
- There are more than 300 EGMs at the Casino Helsinki
- In addition, there are (about 90) gambling arcades (called Feel Vegas and Pelaamo, which offer EGM games, table games, sports and horse betting, lottery games, and scratch cards

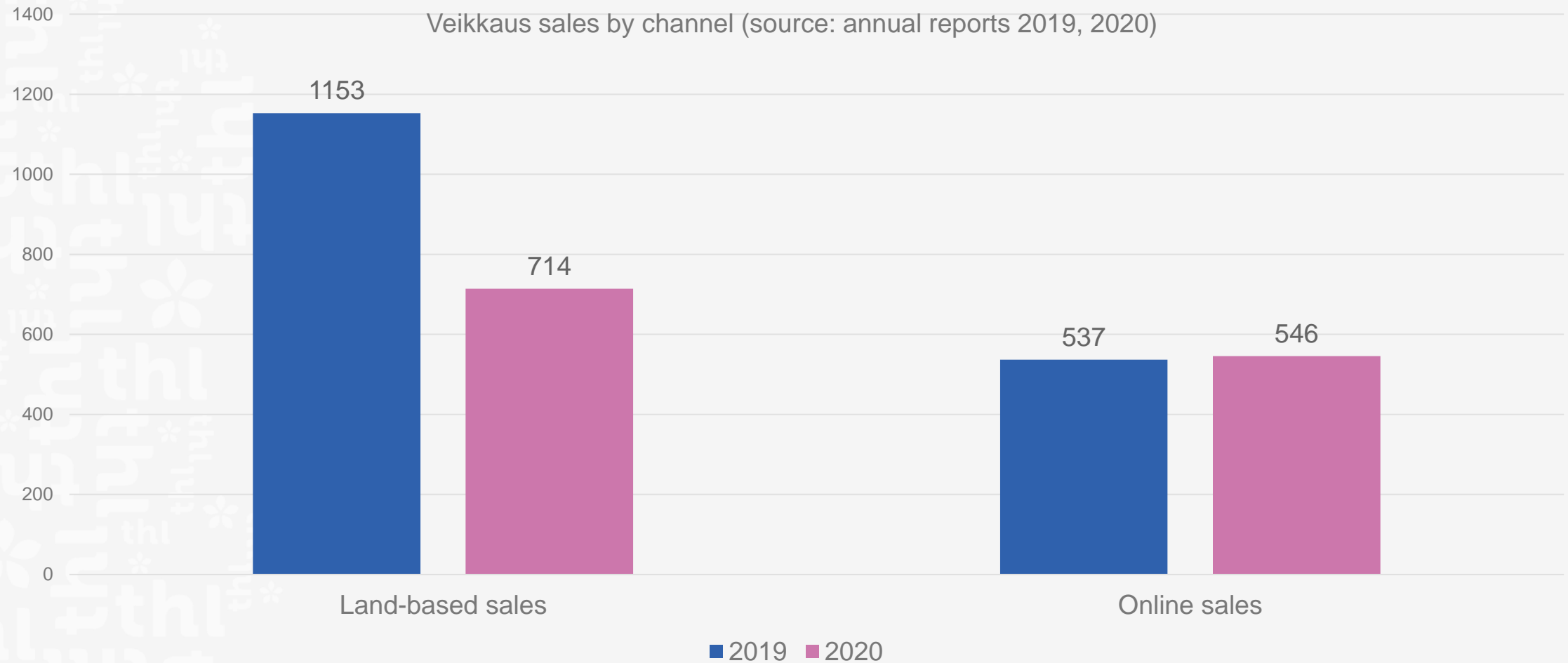
1. Electronic gambling machines in Finland

- There are over 35,000 Veikkaus games sales clercks (www.veikkaus.fi)
- There are approximately 13,100 EGMs in Finland, of which 10,500 EGMs are placed in non-casino locations and 2,600 EGMs are in gambling arcades
- The GGR from the land-based EGMs was 80,4 M€ (Veikkaus, 2022) – 17,9 M€ from the EMGs placed in the gambling arcades and 52,4 M€ from the EGMs placed in the non-casino locations

1. Electronic gambling machines in Finland

- Although EGM proceeds may vary, one machine can produce on average 30,000 € a year – the share of the distribution location (e.g., a supermarket) is 4,500 € a year (Marionneau et al., 2022)
- Between January and June 2021, most of the EGMs were closed for 4 months. Some of the EGMs were still closed in early spring this year (Veikkaus, 2022)
- The mandatory loss limits (since fall 2021; 500 €/day and 2000 €/month) have also decreased playing on EGMs in 2021 (Veikkaus, 2022)
- According to the statistics of the Finnish helpline Peluuri (2021), 54% of the callers had gambling problems while playing on online slot machines, whereas only 9% of the callers had problems with EGMs placed in convenience stores in 2021

Impact of COVID-19 on Veikkaus sales



2. Prevention of EGM related gambling harms



- The *first step* towards prevention of gambling harms was taken in 2011 when the age limit of the land-based EGMs was risen to 18 years
- The *second step* was taken in early 2019 when a group of experts by experience launched a citizens' initiative called "Remove EGMs from stores"- the aim was to collect 50,000 signatures from Finnish citizens to engage the Finnish Parliament to discuss the proposition

2. Prevention of EGM related gambling harms

- The *third step* was taken in September 2019 when Veikkaus announced that it would remove 3,000 EGMs from the non-casino locations - later Veikkaus announced that it would remove in total 8,000 EGMs from non-casino locations.
 - The announcement was a result of increased public criticism of EGM availability in Finland (Marionneau et al., 2022)
- In April 2020, the German grocery store chain Lidl announced that it would remove all 250 EGMs from its supermarkets in Finland – not one Finnish grocery store chain followed Lidl's example
- The *fourth step* was taken in 2020 when the Finnish Gambling Harm Evaluation Group published its report on EGM related harms - one of its recommendations was to follow the Norwegian model when preventing EGM related gambling harms

3. The future of the EGM scene



- Since the beginning of 2022, identification is mandatory for all EGM players
- Since September 2022, the EGMs in non-casino locations are opened daily for playing from 9 am to 9 pm
- The new Gambling Policy Program (2022) does not take a stand on the accessibility of EGMs in Finland

3. The future of the EGM scene

- The popularity of land-based EGMs has declined (permanently?) after the pandemic:
 - In 2019, EGMs produced 40 % of Veikkaus GGR
 - In 2021, only about 13 % (still impacted by COVID)
 - In 2022, estimated less than 20 % (Veikkaus, 2022)
- Increased importance of the digital channel: Competition is fierce in the digital market (Järvinen-Tassopoulos, 2022), and it may be the end of the Finnish monopoly in online (EGM) gambling

Conclusion

- The land-based EGM market in Finland is declining mainly due to Veikkaus initiatives, public criticism, and changing market environment. The role of policy initiatives is less important - at least for now
- Gambling companies' self-regulation initiatives and corporate social responsibility programs are not enough to prevent and limit EGM related gambling harms
 - Reducing the availability and accessibility of EGMs should be a key issue in the new Gambling Policy Program
 - Targeting not only the number of EGMs but also the number of non-casino locations (cf. reductions in Italy)
 - Norway's example should be studied more closely and compare it to the Finnish EGM scene

THANK YOU!



References

- Järvinen-Tassopoulos, J. (2022). State-Owned Gambling Operation in a Global Competitive Environment. In J. Nikkinen, V. Marionneau & M. Egerer (Eds.) *The Global Gambling Industry. Structures, Tactics, and Networks of Impact*. Springer, pp. 27-40.
- Järvinen-Tassopoulos, J., Marionneau, V. & Nikkinen, J. (2021). For debate: Gambling harms caused by electronic gambling machines should be prevented with state control. *Nordic Studies on Alcohol and Drugs*.
- Järvinen-Tassopoulos, J., Marionneau, V. & Lerkkanen, T. (2021). Rahapelaaminen koronapandemian aikana: Kokemuksia riskeistä ja muutoksista. *Tiede & Edistys*, 4, 386-406.
- Marionneau, V. & Järvinen-Tassopoulos, J. (2022). From habit-forming to habit-breaking availability: Experiences of electronic gambling machine closures during COVID-19. *Frontiers in Psychiatry*.
- Marionneau, V. & Järvinen-Tassopoulos, J. (2021). Changes in treatment and help services for gambling during the COVID-19: Experiences of gamblers and their concerned others. *Nordic Studies on Alcohol and Drugs*.
- Marionneau, V., Mandolesi, G., Rolando, S., Nikkinen, J. (2022). Addressing gambling harms by reducing the supply of electronic gambling machines: A comparative study of Italy and Finland. *BMC Public Health*.
- Valtioneuvosto (2022) Rahapelipoliittinen ohjelma (Gambling Policy Programme). Helsinki: Valtioneuvosto
- Veikkaus (2022) Osavuosisikatsaus tammi-kesäkuu. Helsinki: Veikkaus.
- Veikkaus (2022). Vuosi- ja vastuullisuusraportti 2021