

How much do Australians lose on gambling?



By William Jolly on December 20, 2018



Want to bet how bad Australians are at gambling? Find out what the statistics tell us about how much Australians bet, and why we do so.

Far too many Australians are losing large sums of money through gambling, and it's hurting our [savings accounts](#). This isn't a hit piece on gambling (I've done it myself before and will probably do it again at some point), but it's interesting and even a little depressing to see the effect that rampant gambling can have on people, in ways that go beyond just their bank accounts.

Gambling in Australia statistics - how much do we lose?

The latest statistics published by the Queensland Treasury in the 34th edition of *Australian Gambling Statistics* (regarded as the authoritative source of gambling statistics in Australia) show that, in total, Australians bet more than **\$208 billion** in 2016-17. Two. Hundred. Billion. Averaged out across all Australians aged over 18, this is more than \$11,000 per person! Of the various forms of gambling:

- \$23.87 billion was spent on racing (\$1,261 per capita)
- \$174.6 billion was spent on gaming, like casinos and the pokies (\$9,223 per capita)
- \$10.1 billion on sports betting (\$533 per capita)

That's the total amount *spent*: not every dollar spent on gambling is lost – that's the whole risk-reward appeal. The same report tallied our national gambling losses at just under \$24 billion. Per person that's more than \$1,250 lost to gambling every year. We can break these losses down into:

- \$3.33 billion on racing (\$175 per person)
- \$19.4 billion on gaming (\$1,020 per person)
- \$1.6 billion on sports betting (\$56 per person)

So the average man and woman over 18 in this country is losing \$1,250 per year just on gambling. That's \$1,250 that could be going towards people's **loan repayments, mortgages, credit card bills**, savings accounts or investments. It's an extra \$1,250 that could be spent on their families or friends. And remember how averages work: there are countless people who lose well over this amount every year. Some people will be losing tens if not hundreds of thousands to the game of chance.

This is a slight decrease on last year's figure by 0.5%. There was a near 13% rise in betting and a near 7% increases in losses on racing, however.



The social cost of gambling

In November 2017, the Victorian Problem Gambling Foundation found that there is more than just a personal cost to gambling in Australia. This research found that in 2014-15, the cost of problem gambling in Australia totalled \$7 billion:

- \$2.2 billion – family and relationship problems
- \$1.6 billion – emotional and psychological issues, including distress, depression, suicide and violence
- \$1.3 billion – financial losses
- \$1.1 billion – costs to the Victorian government, such as research, regulation, and professional support services
- \$600 million – lost productivity and other work-related costs
- \$100 million – costs of crime

And that's just the state of Victoria – the total cost country-wide will be much more. So gambling can clearly cost people dearly in the form of addictive habits, emotional and mental problems, lost productivity at work, crime and the breakdown of relationships. And when you consider that the government rakes in roughly \$6 billion a year in tax revenue from gambling, it appears that it does have a net-negative effect on society at the moment.

Other key statistics

Here are a few other key gambling statistics from the *Australian Institute of Family Studies*:

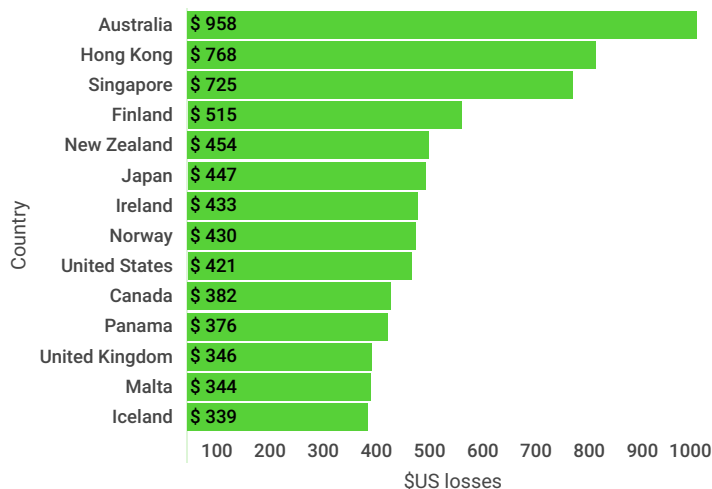
- There are 6.8 million regular gamblers in Australia – 39% of the population
- Participation in lotteries was most common (76%), followed by instant scratch tickets (22%) and electronic gaming machines (EGMs) (21%)
- Males are over-represented among gamblers – 54% of gamblers are males versus 49% of the adult population
- Gamblers generally spent around half their overall gambling outlay on a single product
- Mean expenditure was lower among gamblers who had a university degree and lived in a house with children
- 1.39 million Australian adults had experienced one or more gambling-related problems in 2015
- Gamblers living in low-income households spent, on average, a much greater proportion of their household's total disposable income on gambling than high-income households (10% vs 1%)
- Problem gamblers in low-income households spent the greatest proportion (27%)—equivalent to four times the average yearly household utility bills

How do Australian gamblers compare to other populations?

Places like Vegas in America might be synonymous with gambling, but the United States are nowhere near us in terms of gambling losses per person. Australia is by far the gambling capital of the world when it comes to gambling losses per capita. According to a 2017 study by H2 Gambling Capital, gambling losses per capita in Australia were \$US958 that year. In second was Hong Kong at \$768 per capita – the United States was ninth with \$421 lost per capita.

Gambling losses per adult in 2017

The 15 highest rates of gambling losses per adult in 2017 (\$US)



Download data

Source: H2 Gambling Capital, 2017.

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Given the ease-of-access and normalisation of gambling in Australia, a wise punter wouldn't put money on us losing 'top-spot' any time soon...

Why do we bet so much?

The pokies

"Australia has always embraced gambling ... Having always been a culture where risk and reward reigns supreme."

- onlinecasinos.com.au

Gambling is commonplace in Australian culture and it's almost impossible to not be exposed to it, especially when watching TV or sport.

But despite the rise of online betting on sports, racing and the winner of *The Bachelor*, pokies still reign supreme.

The majority (\$19.4 billion) of Australia's gambling losses in 2016-17 were on the pokies, called slot machines in the US and fruit machines in the UK. Australia has **20% of all of them worldwide**. Why? Because we're one of few countries that permits these machines outside of casinos – frequenting pubs, bars, and even sporting clubs, with the exception of Western Australia.

In 2017, the Australian Institute of Family Studies found that there were more than 200,000 active pokie machines in Australia, with 100,000 of them in NSW. You can walk into pretty much any pub or sporting club, plonk yourself down at a machine and mindlessly press a button. In Victoria, 90% of AFL teams operate their own pokies. They're easy to access, and they're everywhere.

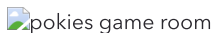
There are regulations on pokies in Australia – you can't place a bet of more than \$5, for example, and NSW recently put a 20% cap on new pokie machines in problem gambling areas – but they appear to have little impact. These machines also have mandatory return to player ratios: at least 85% in NSW, Victoria, Queensland and the Northern Territory, 87% in the ACT and 87.5% in South

Australia. That means that over the life of the game in South Australia (often several years) it must return at least 87.5% of the wagered amounts back to the player, so a **maximum** of 12.5% of the turnover is retained by the gambling venues.

Pokies are “really good at getting people hooked: Each (bet) provides a dopamine release, similar to a drug like cocaine, in your brain. They target people who are often under stress, offer a euphoric sensation, then take all their money off them.”

- Charles Livingstone, Senior Lecturer, School of Public Health and Preventative Medicine at Monash University

In essence, each bet on the pokies makes you feel good. And when you combine this with the sheer multitude of the things around, it's no wonder we use them so much.



Look at all the pretty colours. Source: [Unsplash](#).

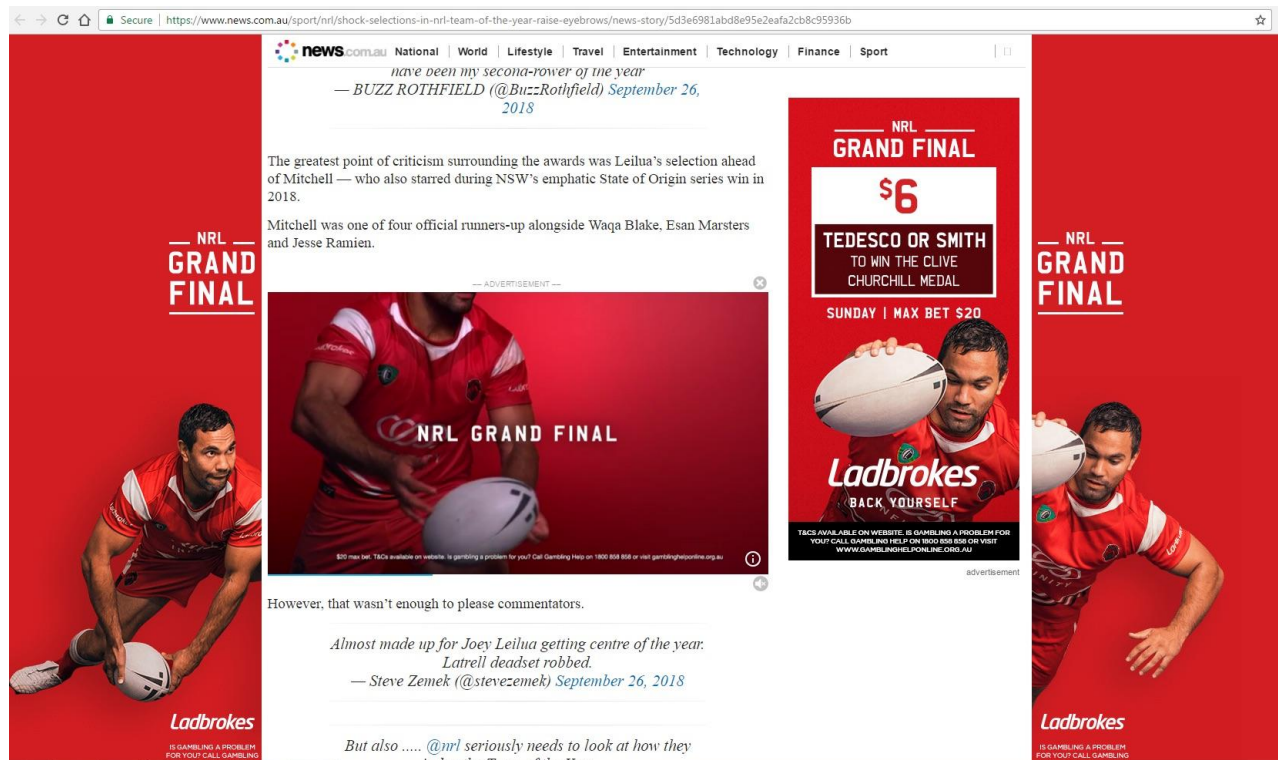
Sports Betting

“Online sports betting, particularly with young men, is growing exponentially, it's become normalised, it's all over television.”

- Fiona Guthrie, Financially Counselling Australia CEO to News Corp

Sports betting, particularly among young men and low-income people, is gaining popularity at an exponential rate. Betting on racing grew by just under **13% from 2015-16 to 2016-17**, while sports betting grew by **4%**. Much of this can be attributed to the prominence of online betting and mobile apps, combined with the seemingly-incessant advertising on the internet and during sporting games.

As at March 30 2018, gambling ads are banned on mainstream tv during sports games before 8.30pm, as of March 2018, but platforms like youtube are exempt, so anyone in their target demographic (such as young males or people who've placed a bet before) are incredibly likely to see an ad from a betting company. Banner ads online are everywhere, and those who link their mobile number to betting accounts (which is often required) receive text messages about upcoming games or deals unless they respond saying 'STOP'.



Braving many mainstream websites without an adblocker will give you a similar view.

Source: [Reddit](#).

Anyone with a smartphone or laptop can open their betting app and place a punt on the game they're watching, or one that's taking place halfway around the world, which is a cause for concern for many high-profile people. Speaking to the ABC, Dr Chris Hunt, a clinical psychologist at the University of Sydney's Gambling Treatment and Research Centre, said: "It's been such an ingrained part of

Australian culture for such a long time. I think we should be concerned about the availability of betting and the promotion of betting in sport."

How gambling affects your savings

If you're anything like the average Australian, gambling doesn't affect your savings in a good way. We've [written previously](#) about how the average person here saves \$427 per month, or \$5,124 per year. The average gambling losses of \$1,250 per person reduce this yearly savings amount to just over \$3,870. This equates to billions of lost savings for Australians every year. And obviously, there are many problem gamblers who would be losing tens of thousands of dollars every year, far eclipsing their savings.

Even if you don't have a problem with gambling, the small amounts here and there can really add up over time, especially if you don't make any returns. According to a 2012 study by the government of South Australia, 93% of non-problem gamblers bet less than \$50 at any one time, but even a few of these bets can equal hundreds of dollars.

Resources for gambling help

Problem gambling is generally defined as:

When betting starts to create trouble in your life, such as debt; relationship problems; loss of a job; stress or depression etc.

If you continue to gamble despite negative consequences, or if you know you need to stop, but can't, then you might be a problem gambler. If you're reading this and think you might have a problem with gambling, there are numerous resources you can reach out to for help:

- [Gambling help online](#): 1800 858 858
- [Lifeline](#): 13 11 14
- [Gambler's Help](#): 1800 858 858 (Gambling help online's number)

To help get your finances back in order after gambling issues, you can also speak to an [ASIC approved financial counsellor](#).

Savings.com.au's two cents

For non-problem gamblers, there's the obvious tip of re-thinking every bet before you place it. The vast majority of bets are unsuccessful, and while it can be fun and increase your interest in a game, you don't want to end up near the average person's yearly losses. If you do end up betting, we'd recommend tracking every bet you place or every note you put into the pokies, just as you would with everything else you budget. Try one of the highly-recommended [budgeting and savings apps](#) from [this list](#) to help you with this.

However, if you do think you have a problem with gambling, then don't hesitate to contact one of the places listed above.



William Jolly

William Jolly joined Savings.com.au as a Financial Journalist in 2018, after spending two years at financial research firm Canstar. In William's articles, you're likely to find complex financial topics and products broken down into everyday language. He is deeply passionate about improving the financial literacy of Australians and providing them with resources on how to save money in their everyday lives.



Collections: [MONEY SAVING TIPS](#)

