

Our views on the Regulatory Regime on Basketball Betting Consultation Document

1. The World Health Organization states 1.2% of the world's adult population has a gambling disorder. However, treatment for gambling disorder only has a low rate of uptake of 0.14%. It clearly indicates that it is a problem under the carpet, while family members and children suffer the most.
2. Gambling can threaten health, mental illness and suicide, drive poverty by diverting household spending from essential goods and services, family violence, neglect of children, generate crimes like theft and fraud, and many illegal activities. One person's gambling disorder could put the whole family under pressure and change the fate of every family member. For these reasons, the Government needs to be very careful in opening legalized avenues for gambling. The social cost could be unbearably high for the Government and the community to bear.
3. We observed that the consultation paper devotes a great deal of space in Chapter 3 to describing the difficulty in chasing the online illegal basketball betting activities because of technological advancement. We understand that technological advancement complicates the investigation of many crimes nowadays. Nevertheless, while the law enforcement has been trying hard to combat online illegal activities like drugs and sexual exploitation, we could not see the reasons why we should give in to online illegal gambling activities by opening a new gambling avenue in Hong Kong. We need to know the resources allocated to law enforcement and whether they need further support to improve their investigation.
4. The consultation paper only mentioned the illegal market turnover for basketball betting in 2024 was estimated to be around \$70 billion to \$90 billion (paragraph 3.3). However, it did not mention the social cost that will burden the Government in the long run at all. We need a neutral third-party, such as an academic institute to conduct a comprehensive Social Impact Assessment Study, with a Children and Youth Impact Assessment, to give clear and transparent information to the community before we could explore whether basketball gambling should be legalized. Inviting Hong Kong Jockey Club (HKJC) to submit a proposal as a basis for this consultation paper is biased and might be seen as a conflict of interest.
5. The consultation paper mentioned that the Government set up the Ping Wo Fund (PWF) in 2003 which serves as a critical resource for financing both preventive and remedial measures to address the gambling-related problems through four counselling and treatment centres. Since the number of clients remains at around 2,500-2,600 in recent years, it has been concluded that the problem of gambling disorder has not worsened (paragraphs 2.13-2.14). This is far from highlighting the true picture for the public knowledge.
6. If we look at the website of the Home and Youth Affairs Bureau, one could read all the study reports in relation to Hong Kong people's participation in gambling activities commissioned by the PWF to academic institutes. It began in 2001, then in 2005, 2011, 2016, 2021 roughly at an interval of every five years. We are supposed to see the study findings this year or next before we are rushing to make a decision? Besides, all these study findings have not been included in the consultation document. If we read

the study report in 2021 (paragraph 27) in relation to 'Opinion on the current provision of legal gambling activities', among all gamblers, 76.2% thought that the overall gambling opportunities offered by HKJC were sufficient, while only 5% thought they were not sufficient.

7. The study also found that 40 secondary school students replied that they started to gamble before the age of 10, and 143 secondary school students said they started to gamble at the age between 10 and 17 years old (paragraph 38). The study surveyed 1,564 secondary students, which means close to 12% of young people participated in gambling before the age of 18. Besides, 5% of them had experience of borrowing money from family members, relatives and friends to place bets (paragraph 42).
8. The consultation paper also did not mention that the study found the problem gamblers had debt ranges from \$150,000 to \$30 million (paragraph 53). One could imagine the huge pressure and negative implications for these families and children.
9. We must not take gambling problems too lightly and underestimate the bad effects of gambling on family, children and youngsters. WHO warns in countries where gambling has been legalized, governments typically receive substantial taxation revenues. This can create some dependence, creating disincentives to reduce harm. Perceived economic benefits of gambling markets may have precedence over poorly understood effects on health and well-being. This warning resonates in our city when our mental health issues and suicide cases in recent years have already sounded the alarm.
10. In considering the Regulatory Regime on Basketball Betting, the Hong Kong Committee on Children's Rights appeals to the Government to:
 - 10.1 Conduct a transparent and thorough public discussion by actively engaging various stakeholders and conduct research to prove if now is the right time to expand our gambling policy in Hong Kong. One month of public consultation is too rushed and far from enough.
 - 10.2 Commission a neutral third-party, such as an academic institute to conduct a comprehensive Social Impact Assessment Study, with a Children and Youth Impact Assessment, social cost calculation, on legalizing basketball betting in Hong Kong, and disseminate the findings in a transparent manner to enrich the public discussion.
 - 10.3 Find out the gaps in law enforcement in combating illegal betting to see if further allocation of resources is needed.
 - 10.4 Find out the gaps in counselling, treatment and support services for problem gamblers, their family members and friends.
 - 10.5 Revisit the public education strategies, particularly the education of combating gambling among young people.

References:

World Health Organization. (2 December 2024). *Fact Sheet on Gambling*,
<https://www.who.int/news-room/fact-sheets/detail/gambling>

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