

The Fiscal Costs and Benefits of Problem Gambling: Towards Better Estimates

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We estimate that around 380,000 people experience problem gambling, which corresponds to 0.7 per cent of the total population of 16 years and older living in private accommodation.

Central Fiscal Cost

£1.4 billion per year

The bulk of the cost is linked to higher welfare payments, in addition to increased healthcare, criminal justice costs and the costs of homelessness. In essence, people who experience problem gambling are significantly more likely to require public services than those who experience at-risk gambling.

Cost per person

£3,700 per year

Drawing on NIESR's modelling capability, we find that the fiscal cost per person experiencing problem gambling is at least £3,700 per year compared with people experiencing 'at-risk' gambling. We compare these two groups because their gambling behaviour is similar in profile, as opposed to the total population that includes many non-gamblers.

In relation to the benefits associated with gambling, the total tax revenue from Betting & Gaming Duties and corporation tax receipts from the gambling industry amount to around £3.5 billion per year. Here too, there are other economic benefits associated with gambling, including the benefits linked to happiness and risk taking, which supports entrepreneurial activity.

Betting and Gambling Duties

£3.5 billion per year