

Research at a glance

The social costs of gambling to Victoria, 2023¹

About the report

This study sought to quantify the cost of gambling harm to Victoria in financial terms.

The researchers used data from the 2023 Victorian population gambling and health study,² supplemented by a range of other data sources to estimate costs for the 2022-23 financial year.

The study is a follow-up to a previous study that found a total cost of \$7 billion in 2014-15³ (around \$10.5 billion after adjusting for inflation and population growth).

Key findings

The total cost of gambling to Victoria in 2022-23 was estimated to be \$14.1 billion

The researchers categorised the costs as follows:

- \$5.2 billion: financial impacts, such as excess spending⁴ and bankruptcy
- \$3.3 billion: emotional and psychological harm to people who gamble, for example, depression, suicide attempts and fatalities
- \$2.5 billion: relationships and family, for example, divorce/separation, violence, impacts of suicide on affected others
- \$1.5 billion: productivity loss and work/study impacts, including impaired performance, job loss, absenteeism
- \$1.3 billion: costs to the Victorian Government and local governments, including the health and human services systems, the mental health sector, and policy, regulation, and research costs
- \$289.4 million: crime, including costs to corrections, court and police systems
- \$3.2 million: costs to non-profit organisations
- \$1.5 million: costs to the Federal Government.

The biggest change in costs from 2014-15 was financial impacts, in particular excess spending

In 2022-23, \$5.2 billion in costs was attributed to financial impacts of gambling, up from \$2.0 billion (adjusted for inflation and population growth) in 2014-15. The vast majority of this cost (\$4.8 billion) was due to excess spending by people who gamble.

This increase occurred despite declining participation in gambling, suggesting an intensification effect since 2014, in which higher gambling spend is concentrated among fewer players losing larger amounts.

¹ Browne M, Tulloch C, Rawat V, Dellosa G, Russell A, Hing N, Rockloff M and Doran C (2025), *The social costs of gambling to Victoria, 2023*, State Government of Victoria, Melbourne.

² Victorian population gambling and health study (2023) Dataset. Victorian Responsible Gambling Foundation.

³ Browne M, Greer N, Armstrong T, Doran C, Kinchin I, Langham E and Rockloff M (2017) *The social cost of gambling to Victoria*, Victorian Responsible Gambling Foundation, Melbourne.

⁴ Excess spending refers to the amount of spending by those classified at any level of risk of problem gambling (low- and moderate-risk and problem gambling) by the Problem Gambling Severity Index, relative to those who gamble but are not considered at any level of risk.

Losses are heavily concentrated among EGM and wagering users, and those experiencing the most severe levels of harm

- Electronic gaming machines (EGMs) and wagering (race and sports betting) products account for over 80% of gambler losses in Victoria:
 - Approximately 46% of losses come from EGMs and 35% from wagering.
 - While a much higher proportion of Victorians gamble on lotteries and scratchies, only around 10% of losses come from these products.
- Two-thirds (67%) of losses on EGMs come from those classified as problem gamblers by the Problem Gambling Severity Index (PGSI), for casino table games the figure is 59%, for wagering 50% and Keno 45%.
 - By contrast, only 5% of losses on lotteries and scratchies come from those classified as problem gamblers by the PGSI.

Costs to health and wellbeing were distributed more among those experiencing less severe levels of harm

The health-related quality of life (HRQoL) impacts to people who gamble were estimated to be \$3.0 billion, with most of this cost attributable to those experiencing between one and 3 of the 10 types of harm assessed.

Thus, in contrast to expenditure, for which the vast majority of aggregate cost was borne by those experiencing severe gambling harm, the higher prevalence of those experiencing lower levels of harm outweighed this impact on a population level.

This suggests that interventions and strategies that address both severe gambling harm and the larger number of individuals experiencing lower levels of harm are necessary to effectively combat gambling harm at a population level.

Affected others such as family members bear a substantial proportion of the total cost of gambling harm

The HRQoL impacts to affected others such as family members were estimated to be \$1.6 billion, more than half the amount of that for gamblers themselves.

This figure is likely to be an underestimate, as impacts to children of gamblers were omitted due to a lack of available data.

Various EGM reforms have the potential to reduce the cost of gambling to Victoria

The researchers estimated the potential savings for Victoria associated with applying EGM reforms from other jurisdictions. These included reducing the number of EGMs, mandatory identification, banning banknote acceptors, restrictions on nighttime gambling, mandatory pre-commitment and default loss limits.

Applying Western Australia's ban on EGMs outside of its single casino was associated with the greatest potential savings. This policy was estimated to reduce EGM-linked costs by 65.9%, equivalent to \$4.34 billion.

Of most relevance to the Victorian context, Tasmania's proposed (now abandoned) mandatory pre-commitment system with default daily, monthly and annual limits was estimated to produce savings of \$4.25 billion, or 63% of total EGM-linked costs.