2

What's the cost?

GambleAware

Activity introduction

Quick summary

How much is too much when it comes to gambling what you can't afford to lose?

It can be hard for people experiencing gambling harm to understand the full extent of their losses, especially when they sometimes experience wins which confuse their perception of their total cumulative losses over time.

It can also be hard to see these losses in 'real' terms as money that could have been spent on other things (outside of the cost of recreation through gambling, which can be an enjoyable pastime).

This lesson aims to change students' perceptions of the average person's gambling losses by comparing this figure to other average household purchases. Students then explore how this money could be more profitably invested in a compound interest scheme over time. Finally, students are asked to critically reflect on the true social and financial cost of gambling and to consider the extent to which they want to invest in this pastime, potentially at the cost of other necessities.

Activity introduction

Learning intentions

Students will:

- understand how much money is lost each year due to gambling

- understand how basic investments work.

Syllabus outcomes

- **MAO-WM-01** develops understanding and fluency in mathematics through exploring and connecting mathematical concepts, choosing and applying mathematic techniques to solve problems, and communicating their thinking and reasoning coherently and clearly

- **MA5-PRO-C-01** solves problems involving probabilities in multistage chance experiments and simulations.

The identified Life Skill outcome that relates to this activity is **MALS-PRO-01** applies chance and probability to everyday events.

Priorities and capabilities

Literacy
Numeracy
Information and communication technology (ICT) capability
Critical and creative thinking
Personal and social capability
Ethical understanding

Topic
Gambling probability

Unit of work
Mathematics Stage 5

Time required
60 minutes

Level of teacher scaffolding
High - students will require strong scaffolding through the explicit instruction on calculating probabilities, but will be able to perform the tasks independently.

Resources required

- Appendix A: Household expenditure table

- Calculators – one per student

- 2016 Census QuickStats: New South Wales

- Household Expenditure Survey: Australia

- Individual devices that can connect to the internet - one per student

- Student workbooks

Keywords
Gambling, betting, sports, casino, money, wellbeing, gaming.

Teacher worksheet

Teacher preparation

Gambling can be a high-risk activity and is a priority concern for young people. Therefore, before conducting the lesson on gambling, it is recommended that teachers read the Facilitator pack. The pack provides teachers and parents with essential information about gambling harm amongst young people and clarifies the nature of gambling-related behaviours and how to approach sensitive topics.

Learning intentions

Students will:

- understand how much money is lost each year due to gambling
- understand how basic investments work.

Success criteria

Students can:

- compare money lost on gambling to weekly expenditure.

> **Teaching sequence**
>
> 25 minutes - Part A: What has been lost?
>
> 30 minutes - Part B: What could have been gained?
>
> 5 minutes - Reflection

Part A:
What has been lost?

Work through this resource material in the following sequence:

Step 1

Share with your students the following gambling-related facts that came out from the <u>NSW Youth Gambling Study</u> in 2020:

- Young people tend to start gambling (both real and simulated) around 11-12 years old.

- Those who engaged in simulated gambling (for example: loot boxes; games with 'mini' gambling components; free demos of gambling games) are more likely to engage in 'real' gambling when older.

- The past-year problem-gambling rate was 1.5%, and another 2.2% were at-risk gamblers.

Step 2

Tell your class that in 2018-2019, adults in NSW lost over $9.9 billion from gambling.

Source: <u>qgso.qld.gov.au/statistics/theme/society/gambling/australian-gambling-statistics</u>

Ask students what information they would need to work out how much that is per person.

Step 3

The Australian Bureau of Statistics (ABS) makes all census data public, and that data can be looked at easily here: <u>2016 Census QuickStats: New South Wales</u>. Direct your students to this site and give them 5-10 minutes to calculate how many adults were in NSW in 2016. Based on the numbers in the Age table, have them consider people aged 20 and above.

Adding up the numbers will give you a population of 5,645,489 people aged 20 and above.

Step 4

Ask your class how they might estimate the number of people aged 18-19. One method would be to multiply the number of people aged 15-19 by two-fifths: 448,425 × ²⁄₅ = 179,370. This brings our total adult population to 5,645,489 + 179,370 = 5,824,859.

Step 5

Ask your class how to estimate the amount of money lost on gambling per person. The answer is to divide the amount of money by the population size.

$$\frac{\$9,900,000,000}{5,824,859} = \$1,699.61$$

Part B:
What could have been gained?

Step 1

As a class, discuss this figure. Is it a lot of money to students? What could it be used to purchase that they would enjoy? Does it seem like a lot of money to be losing in a year?

Step 2

Give students some time to explore the Household Expenditure Survey: Australia to explore the average weekly costs of some household and other expenses.

Source: abs.gov.au/statistics/economy/finance/household-expenditure-survey-australia-summary-results/latest-release

Step 3

Independently, using the Survey and **Appendix A: Household expenditure table**, students calculate how many weeks worth of various items could have been purchased with the money lost to gambling, by dividing $1,699.61 by the average weekly cost of the items.

For example, in 2015-16 Australians spent $237 per week on food and non-alcoholic beverages.

That $1,699.61 spent on gambling could have instead bought:

$$\frac{\$1,699.61}{\$237} = 7.2 \text{ weeks of food and drinks.}$$

Answers have been provided on the following page for your convenience.

Part B: What could have been gained?

Good and services	$ Cost per week (2015-16)	Weeks worth of gambling loss
Current housing costs	$279	6.0
Domestic fuel and power	$41	41.0
Food and non-alcoholic beverages	$237	7.1
Clothing and footwear	$44	38.2
Household furnishings and equipment	$58	29
Medical care and health expenses	$82	20.5
Transport	$207	8.1
Communication	$47	35.8
Recreation	$172	9.8
Education	$44	38.2

Step 4

As a class, discuss these results.

It might be worth first defining each of these categories. For example, communication might be the cost of a mobile phone plan. Recreation would be going to the movies or the zoo.

How do these results make students feel? How do they feel about NSW residents gambling and losing instead of potentially purchasing 20 weeks worth of medical expenses a year?

Part B: What could have been gained?

Reflection

Students write down ten things that they would enjoy spending $1,699.61 each year, such as going to the movies, video games, and food.

Then, students write a short reflection discussing:

- how they feel enjoying these things

- how they would feel missing out on these things, especially if they were left out while their friends were enjoying them

- how they would feel losing that money on gambling instead

- and finally their thoughts on the gain/loss tension of gambling.

Remind students that there are some people who win while gambling, and that gambling can be an enjoyable pastime.

However, the average person loses $1,699.61 each year on gambling, and the only way to guarantee not losing that money is by not gambling. If students are determined to risk their money to make a profit, ask them to consider a term deposit like the one above, which is a much safer, guaranteed increase in returns.

Teacher reflection

Take this opportunity to reflect on your own teaching:

What did you learn about your teaching today?

What worked well?

What didn't work so well?

What would you share?

Where to next?

How are you going to get there?

Appendix A: Household expenditure table

Using the <u>Household Expenditure Survey: Australia</u> find the average weekly cost of these goods and services for Australian households.

How many weeks worth of these goods and services could the average yearly gambling losses ($1,699.61) pay for?

Find this by dividing $1699.61 by the average weekly cost of the items.

Good and services	$ Cost per week (2015-16)	Weeks worth of gambling loss
Current housing costs		
Domestic fuel and power		
Food and non-alcoholic beverages		
Clothing and footwear		
Household furnishings and equipment		
Medical care and health expenses		
Transport		
Communication		
Recreation		
Education		