

# Arcades blame gambling law for lost income

Seaside arcades and amusement centres are among thousands of businesses that have lost more than a fifth of their income because of the impact of gambling legislation on gaming machines, industry leaders told MPs on Tuesday.

Reduced stakes on gaming machines and limits on the number of machines allowable in each entertainment venue are two of the little-noticed measures brought in by the Gambling Act, which came into force on September 1 to liberalise outdated gambling laws.

Their impact has been catastrophic, claims the British Amusement Catering Trade Association, which says job losses since the act came into force are running into the hundreds and the threat of closure is hanging over several arcades and other venues.

A survey of Bacta's 600 trade members found the average loss of income for the last four months of 2007, compared with the same period in 2006, was running at 21 per cent.

The social fabric of gaming was at stake, warned Nick Harding, of Bacta, with people shifting from softer gambling venues to those where harder forms of gambling were available. "The corollary of this must be a potential increase in problem gambling rates. This is an outcome nobody wants, and is the exact opposite of the objectives of the Gambling Act," he said.

Under the act, maximum stakes in arcade and bingo gaming machines have been cut from GBP 2 to GBP 1, and maximum jackpots set at GBP 500 (USD 983). Venues that were previously allowed unlimited numbers of machines may now have no more than four. However, the government said operators had been

able to exploit a loophole: previous legislation restricted the numbers of machines in public areas but defined machines as servers. The Department for Culture, Media and Sport said operators got round that by basing servers off-site and filling premises with non-server machines.

Bacta said 26,000 worked in the gaming machine sector. Mr Harding said Bacta's members were in "desperate straits", and that an urgent solution was needed.

MPs representing seaside constituencies yesterday signed an early day motion, which said the Gambling Act had created an uneven playing field between arcades and amusement centres on one side and other adult gaming venues on the other.

The department said: "It would be unusual for us to revisit ... a new piece of legislation ... so soon after implementation when we consulted thoroughly on this during the passage of the bill."