



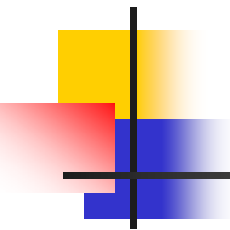
Banff, April 2006

Estimating the costs of substance abuse and its implications to the estimation of gambling costs



Overview of presentation

- **International Guidelines for Estimating the Costs of Substance Abuse**
- **The costs of substance abuse in Canada: results from a recent study utilizing the guidelines**
- **Implications to the development of cost/benefit estimates of gambling**



International Guidelines for Estimating the Costs of Substance Abuse

- **Purpose**
- **Layperson's Guide**
- **Methodological issues**
- **Framework for cost estimates**



Purposes of cost estimation studies

- Placing an issue on the policy agenda: the "Gee Whiz" function
- Targeting of programs and policies
- Identification of information gaps
- Provision of baseline measures for more sophisticated economic analyses



Methodological Issues

- **Definition of costs**
- **Definition of abuse**
- **Causality**
- **Welfare costs**
- **Non-workforce mortality and morbidity**
- **Gross vs. net costs**
- **Avoidable costs**
- **Importance of intangible costs**



Implications to estimating the costs of gambling

- **Build multi-disciplinary teams**
- **Real value lies in the details rather than the bottom line**
- **Maximize comparability via sensitivity analyses and other means**
- **Focus on developing on-going process for building consensus and continual refinement rather than seek a method that everyone must agree upon**