
18 Gambling policy research and evaluation

Key points

- Over the last decade, government-funded research has improved public understanding about the nature and extent of gambling and its impacts. But it has been poorly directed in terms of informing policymakers on the key issue of how to effectively reduce harm from gambling.
- Governments can pursue improvements in gambling data and research by:
 - addressing gaps in data collection and improving coordination between jurisdictions, to ensure that data are consistent and comparable
 - increasing transparency, by allowing public access to datasets for research purposes, and publishing research methodologies and results
 - refocusing research agendas, paying increased attention to measures that can effectively reduce harms from gambling.
- Gambling Research Australia (GRA) is a key institutional innovation. But it has been slow to produce research, and that which has been undertaken has not focussed sufficiently on the major questions for the design of gambling policy.
 - Because government officials (as nominated by the Ministerial Council on Gambling) set project briefs and manage research, this can mean that research on sensitive, but important, policy issues is not undertaken.
 - There is a case for national research arrangements to be restructured. In particular, there would be benefits in replacing the GRA with a specialist, policy-focused centre for gambling research and evaluation. To make this happen, it is desirable for the Australian Government to strengthen its involvement.
- Overall, policy evaluation and review of gambling programs and regulations has not been adequate. There are strong grounds to:
 - perform more post-implementation evaluations and reviews, especially of any significant policy initiative
 - increase public accountability through greater transparency of review evidence
 - raise the standard of reviews, including through greater independence.

18.1 Introduction

As in other areas of social research, there are many difficulties in assessing the effectiveness and impacts of gambling policies. As noted in previous chapters, in making policy decisions about gambling, governments have to weigh this uncertainty against the potential costs of inaction. However, an ongoing program of high quality, policy-focused research and evaluation will supplement policymakers' use of judgment and expert opinion, and enrich the existing evidence base. Better information may lead to new directions in policy and will allow policymakers to adapt, revoke or introduce regulations with greater certainty about their impacts.

Since the Commission's 1999 review, a significant body of research has accumulated on many aspects of gambling. Although governments have commissioned and funded much of this, its usefulness in guiding policy has been mixed, and sometimes data with clear policy relevance has not been analysed. As noted throughout this report, scarcity of policy relevant evidence has been apparent, notwithstanding a decade of apparent effort, and this has constrained the scope to design more effective and efficient regulations.

Many participants to this inquiry suggested that it is possible to do more to accumulate good evidence in gambling and to embed it in processes for the development and refinement of policies (box 18.1). This needs to be done by addressing problems with:

- data collection
- transparency of data and research findings
- governments' research agendas
- coordination between governments
- research capacity and scope for multidisciplinary input and collaboration
- policy and program evaluation.

This chapter looks at the scope for advances in each of these areas.

Box 18.1 The state of gambling research: some participants' views

Researchers

Researchers participating in an Inquiry Roundtable and in other informal discussions during this inquiry contended that a strategic national approach to gambling research was still lacking. There was also a view that inter-state rivalry inhibits the sharing of information across jurisdictions, and that governments are unwilling to use GRA for comparative research projects.

Concerns were also expressed about a lack of transparency in government research, with some researchers indicating that governments sometimes suppress the publication of research and restrict access to data for further analysis.

Industry and community groups

Clubs Australia

... the research is at times misdirected, the findings contradictory, and there is an absence of quality follow-up analysis. (sub. DR359, p. 107)

Australasian Casino Association

... there is now an opportunity to establish a nationally focussed research capability that will focus on issues surrounding gambling in a more systematic and strategic way and to inform future policy development in relation to gambling issues. (sub. 214, p. 3)

Australian Hotels Association

The history of gambling in Australia is littered with 'knee jerk' decisions designed to deliver Government a political quick fix ... A commitment to evidence-based policy making is long overdue. (sub. 175, p. 7)

Australasian Gaming Council

States and territories undertake regular activity assessment reports i.e. prevalence studies. These have been successful activities but the published reports have not made maximum use of the rich data for insights into problem gambling. (sub. 230, p. 27)

In their adoption of a range of restrictions upon access to cash facilities, governments are, however, yet to implement any system, benchmark or ongoing data collection to assess the effectiveness of those restrictions in place. (sub. 230, p. 58)

Council of Gambler's Help Services Incorporated

The Commission's view that post-implementation reviews, transparency of evidence and the standard of many reviews all require attention also accord with the council's experiences. (sub. DR326, p. 38)

Relationships Australia (SA)

Whilst some may suggest there has been an 'explosion of scientific research focusing on gambling' ... this focus has been directed primarily upon the gamblers' habits rather than on the effectiveness of problem gambling interventions. There is a dire lack of research regarding the effectiveness of different types of interventions with problem gamblers ... This includes little or no research/evaluation of telephone counselling, the self-exclusion process, venue-level and machine-based interventions, cultural differences in gambling ... and the link between counselling outcomes and counselling processes. (sub. 203, p. 10)

18.2 Improving gambling data: collection, national consistency and access

One area in which useful gains could be made relates to gambling data. While much is collected, there is a shortage of data that are directly applicable to policy issues. Moreover, the usefulness and value of gambling data is diminished by differences in the way that some jurisdictions specify, measure, record and report the data. For example, while most prevalence surveys adopt the Problem Gambling Severity Index (PGSI) of the Canadian Problem Gambling Index:

... differences in sampling and recruitment methodologies and in some cases the modification of the scoring methods used in the PSGI have led to substantial difficulties in comparison of the prevalence rates obtained in different studies. (Jackson et al. 2009)

There would be clear benefits were jurisdictions to coordinate their collection of data to obtain more comprehensive coverage and greater consistency across jurisdictions. But to make use of such data, greater transparency is also needed.

Current restrictions on the extent to which government-funded gambling datasets are made public limit their usefulness in helping researchers and the community evaluate the effectiveness of different policy approaches. Internationally, efforts have been made to make social science data more available — for example, the Cambridge Health Alliance has established the *Transparency Project*, a database repository for privately-funded, addiction-related research. In the UK, the Power of Information Taskforce was established in 2008 to give effect to the social and economic gains from better use of the data held by governments stated in the earlier review by Mayo and Steinberg (2007). Such developments contrast with the situation in Australia, where public access to gambling data generally remains poor. It is also in contrast with other areas of the social sciences in Australia. For instance, the Australian Social Science Data Archive manages public access to over 2000 datasets.

The issues discussed in this section relate to:

- problem gambling prevalence survey data
- industry data, including gaming machine numbers, expenditure and tax revenue
- data and information on counselling and treatment support services
- trials and pilot studies of harm minimisation measures.

Prevalence surveys

Jurisdictions have been undertaking their own surveys of the prevalence of problem gambling (chapters 4 and 5). While these have proved invaluable, there are significant

difficulties in getting a coherent picture of gambling in Australia due to differences in the content and implementation of those surveys. Differences relate to their frequency; scope (such as which gambling activities and expenditures are included); consistency in the questions used and in their ordering; the gambling screens applied; and in the definition of terms (such as what constitutes a ‘frequent’ or ‘regular’ gambler).

These deficiencies could be remedied by agreeing to some basic level of national consistency using a common set of core questions about gambling behaviour.

Ideally, jurisdictions would conduct their surveys at the same time, even if some smaller jurisdictions prefer to run less frequent surveys, due to their costs. It is also preferable for jurisdictions to use the same sampling approaches — for example, applying the CPGI to all gamblers.

In recognition of the value of nationally consistent survey data, there would be benefits in the Australian Government contributing towards the funding of the core component of the surveys. State and territory governments could fund supplementary modules for their own jurisdiction to assess specific issues or to evaluate state-based policy initiatives.

There is also a strong case for improving the transparency of data. The Commission is grateful for the access it was granted to unit record data from recent prevalence surveys in Victoria, Queensland, New South Wales, Tasmania and South Australia. But, outside government, the ability of researchers to undertake analysis is hamstrung by poor access to gambling datasets, which prevents useful scrutiny of existing research findings and limits informed and productive public debate.

In this inquiry, some participants noted that they had attempted and failed to secure data access. For example, Dr Rohan Miller, acting in his dual roles as a consultant to the gambling industry (Harvestdata attachment to Clubs Australia sub. DR359, p. 147) and as an academic in marketing (sub. 260, p. 1) indicated that it was exceptionally difficult to obtain datasets from state and territory gambling prevalence surveys. For instance:

Test-retest analysis of data should be able to provide new light into this argument about methods and provide some grounds to identify alternative theory to the deviant paradigm. However, ... Harvestdata has been denied access to data on every occasion we requested it from researchers and commissioning authorities alike. (Clubs Australia, sub. DR359, attach. p. 35)

Obstacles to access by non-government parties to *existing* gambling datasets appear to have arisen from survey respondents being informed that the surveys were conducted for government purposes, and where broader consent for use of the data for academic and commercial use was not flagged. However, in future, broader

access to gambling data by researchers and clearer criteria associated with that access would:

- allow researchers to replicate and verify any already published results — an important feature of scientific research
- provide a capacity for researchers to employ more detailed and complex analysis of the data (such as that recommended by Rogers et al. 2009)
- allow datasets to be potentially merged for a more informed assessment of the impacts of the different regulatory and other arrangements among jurisdictions
- encourage more gambling research without necessarily requiring additional funding from state and territory governments. Researchers would have increased incentives to use existing Australian Research Council and university funding to undertake data analysis. In that sense, free or inexpensive data access may be a low cost means of motivating additional research into problematic gambling behaviours (in the same way that the availability of the HILDA¹ and LSAC² datasets have spawned a large range of separate research studies by researchers across many disciplines).

In addition, because survey data is expensive to collect and a single user will rarely exhaust its full potential for analysis, improved public access to gambling survey data would allow researchers to explore issues that have not been fully analysed in government reports. Such reports tend to be summary documents, do not always report results for every question and tend to use relatively simple quantitative techniques (mainly tables) to explore policy issues.

For example, the 2006-07 Queensland survey asked questions about gamblers' views on loyalty cards as part of a pre-commitment mechanism, but no results for this question were published despite its policy relevance. Other jurisdictions included questions on player behaviour that likewise they did not report. This limitation could be overcome by ensuring that analysis of all questions is published — if necessary, with qualifications where the results are deemed to be inaccurate or imprecise.

Jurisdictions justifiably express a concern that data use is consistent with the conditions under which respondents gave consent to participate in a survey. For instance, there are clearly specified conditions of use associated with the HILDA dataset. And where data are collected under certain legal provisions, such as collections made by the ABS and the Office of Economic and Statistical Research in Queensland,

¹ The Household, Income and Labour Dynamics in Australia Survey.

² The Longitudinal Study of Australian Children.

special provisions may also apply.³ Similar provisions may be appropriate for some gambling datasets.

Access to data clearly needs to preserve the confidentiality of individuals, businesses and communities. In other social science datasets, the data owner manages confidentiality risks by imposing certain conditions on how the data can be used — normally made enforceable through a legal undertaking signed by the data user. ‘Deconfidentialisation’ of data, including by removing variables that potentially may risk identification of parties and by collapsing variables into larger groups, is also standard practice.

Principles governing the collection of data and conduct of research by any research institution using human participants can also limit the use of data for secondary analysis. For example, the *Australian Code for the Responsible Conduct of Research* (Australian Government 2007b) and the *National Statement on Ethical Conduct in Human Research* (Australian Government 2007c)⁴ set out principles and guidelines on protecting the privacy and confidentiality of participants. Specifically, the national statement on Ethical Conduct in Human Research states that:

When collecting data for deposit in a databank, researchers should provide clear and comprehensive information about:

- (a) the form in which the data will be stored (identifiable, re-identifiable, non-identifiable);
- (b) the purposes for which the data will be used and/or disclosed; and
- (c) whether they will seek:
 - (i) specific, extended or unspecified consent for future research; or
 - (ii) permission from a review body to waive the need for consent.

Any restrictions on the use of participants’ data should be recorded and the record kept with the collected data so that it is always accessible to researchers who want to access those data for research.

Researchers and custodians of the databank should observe any confidentiality agreement about stored data with the participant, and custodians should take every precaution to prevent the data becoming available for uses to which participants did not consent. (p. 31)

Associated with this, most Australian research institutions have policies that only permit researchers to use data that has gone through formal ethics approval and conforms to the relevant NHMRC statements and guidelines (including those

³ A practical result of these legislative conditions was that the Commission was not able to directly obtain data from the Queensland surveys, but was able, for a reasonable fee, to get statistical results based on SAS program files given to the OESR.

⁴ Both jointly issued by the National Health and Medical Research Council, the Australian Research Council and Universities Australia.

above). Where it is not already the case, it is a reasonable expectation that gambling prevalence surveys by governments should have the specific ethical clearance required to meet all relevant NHMRC standards and guidelines.

Notwithstanding increasing ethical and confidentiality requirements, it is also becoming more common for the contractual obligations of research funding to require that data be shared with other researchers. For example:

- Australian Research Council funding of Discovery Projects require that the administering organisation consider the benefits of depositing data with a suitable archive or repository. Data should be lodged within 6 months of project completion, and any reasons for not depositing data should be detailed in the project's final report.
- The Australian Urban and Housing Research Institute (AUHRI) stipulates that to ensure security of the data, research replication and access for use by other researchers, all data collected as part of AUHRI funded research must be deposited with the Australian Social Science Data Archive.

This suggests that current practices for collection of data from prevalence surveys and trials should meet both these confidentiality and data access requirements.

As is normal for the use of other such datasets, researchers should not face any conditions about publication of research results that meet the appropriate conditions of access, and access to the data should be at minimal cost, preferably free to most users.

RECOMMENDATION 18.1

All jurisdictions should improve the usefulness and transparency of gambling survey evidence by:

- ***conducting prevalence surveys using a set of core questions that are common across jurisdictions***
- ***ensuring that surveys meet all relevant National Health and Medical Research Council standards and guidelines, so as not to limit their use by researchers***
- ***depositing all survey data into a public domain archive, subject to conditions necessary to manage confidentiality risks and other concerns about data misuse.***

Basic data on the gambling industry

Data on turnover, expenditure, gaming machine numbers and tax revenue are published annually in *Australian Gambling Statistics* (compiled by the Queensland Office of Economic and Statistical Research). Some jurisdictions also provide comprehensive data that are easy to access online, in annual reports and budget papers. However, the

way that such data are specified and collected, and the extent to which they are made available for public access (if at all) differs among jurisdictions. Some provide more extensive data than others, some offer more cross-sectional detail (such as expenditure by individual venues), while others provide more longitudinal detail.

Similarly, gambling regulators report various summary statistics about self-exclusion activity. However, this information is often patchy and provided in a way that is highly inconsistent across jurisdictions. In addition, the usefulness of some self-exclusion information is doubtful — for example, when statistics are aggregated and ‘self-exclusions’ are combined with ‘involuntary exclusions’ (appendix E).

Researchers and consultants expressed concern about access to gaming machine data, including variation among jurisdictions in authorising access. For example, Livingstone et al. said that, whereas Victoria, South Australia and Queensland provide regular and locally disaggregated data about EGM revenue, New South Wales does not, and this is a major obstacle to independent analysis and community debate:

National data collection and speedy provision of such data ... is ... highly desirable in the interests of public debate about, and informed analysis of, matters relating to EGM harm, costs and benefits. (sub. 134, p. 7)

In Victoria, there are legislative limits on the provision of information, though in the main, these have not been an obstacle to disclosure. For example, under the *Victorian Gambling Regulation Act 2003* (s. 10.1.29), gaming expenditure data for individual enterprises is protected information and cannot be disclosed unless the Minister determines that it would be in the public interest. In the case of hotels and clubs, the Minister has determined that data access is in the public interest — and full details about gaming machine revenues for individual community gaming businesses are available online (a step that has been commended by many inquiry participants, including the Council of Gambler’s Help Services, sub. DR326, p. 37). However, this has not extended to making EGM revenue information for Crown Casino publicly available with the Commission’s formal request for such data denied.

Given that governments already collect and maintain datasets relating to gambling, providing better public access to this data is likely to generate a sizeable net benefit. Moreover, subject to stringent privacy protections, the use of micro gambling data collected through central monitoring or other networks may allow better and different types of research. As an illustration, monitoring data could potentially provide a better idea of playing patterns — such as how many times people bet more than one dollar (or some other amount), take their prizes or stay on the one machine. To make best use of current and emerging micro data collection technologies, and to enable comparison of regulatory environments and outcomes across jurisdictions,

governments should, at the outset of any such developments, agree to processes for the collection (and public release) of nationally consistent data.

In summary, more consistent and usable data could be available for researchers, the public and policy makers across the country if jurisdictions agreed to:

- collect a basic level of nationally consistent industry data
- make these data freely accessible
- disaggregate EGM data by location (local government area) and venue type (club, hotel and casino).
- publish more comprehensive data for casino gaming and wagering (to more fully account for a wider range of gambling types)
- make available, for the most recent year, estimates of gambling taxation from state budget papers, as well as the corresponding expenditure figures.

RECOMMENDATION 18.2

Governments should publicly provide timely data on:

- ***expenditure and tax revenue for each gambling form by type of venue***
- ***gaming machine numbers by venue type (hotels, clubs and casinos)***
- ***self-exclusion information, such as the number of agreements for each year that are current, have lapsed, been revoked, or breached.***

Evidence on prevention and early intervention strategies and counselling and treatment services

A better evidence base is also needed to answer basic questions about the effectiveness of prevention and early intervention strategies, and of counselling and treatment services. There are differences across jurisdictions in the way that preventative and early intervention strategies are evaluated and a lack of transparency in evaluation findings. A consistent set of methodologies and evaluation processes for preventative strategies would help build the evidence base. There would also be considerable value in evaluations being made publicly available so that jurisdictions can learn from each other.

Using and getting access to data on counselling and treatment services also presents some challenges. There are significant differences in the way that jurisdictions measure and collect gambling help services data, which make it difficult to put together a national picture on clients accessing these services and to undertake comparisons across jurisdictions. In the Commission's view, governments can improve the quality of these data by:

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- agreeing to a national minimum dataset, based on consistent approaches for collecting data to enable evaluation of the relative effectiveness of different treatment approaches. (Although jurisdictions have already agreed to a ‘data dictionary’, there continues to be considerable variation in the format of data collected.)
 - providing public access to data, recorded in a national client database (coordinated by the Commission’s proposed national centre for gambling policy research and evaluation (rec. 18.3) and made accessible in de-confidentialised form in a public domain data archive, subject to the normal conditions of use such collections have)
 - using longitudinal studies to collect more follow-up data about the effectiveness of counselling treatments
 - in the longer term, improving the tracking of clients to enable cross-referencing of clients’ access of other health services
 - systematically recording information that is already generated as part of existing administrative processes. In many cases, program administration already generates valuable information, but this is collected more for auditing and accountability purposes than for data analysis (some potentially useful data are not even in electronic form).

The Commission has made a recommendation on these matters in chapter 7 (recommendation 7.4).

Trials, pilot studies and experiments

Governments often face situations in gambling policy where the evidence about the effectiveness of a proposed policy measure is uncertain, but the risks of inaction are high (chapter 3). In such circumstances, based on the evidence available, it is necessary to reach a balance between the risks of either delaying or taking policy action. In some instances, it is possible to reduce the risks by conducting pilot studies or randomised trials before full scale implementation. (In practice, it can often be difficult to conduct such trials in conditions that genuinely test the impacts of a full scale policy intervention. However, the Commission has advocated one such approach in the case of pre-commitment.)

Similarly, a phased approach to implementation accompanied by timely post-implementation review before broad scale rollout is a sensible way to manage the risks of uncertain evidence, particularly if the costs of implementation and program reversal are low. The Commission has in this report urged governments to adopt a phased implementation approach in relation to some of its own recommendations — such as online liberalisation — as well as undertaking post-implementation evaluation across-the board.

But to enable learning across jurisdictions, good evidence to accumulate and to reduce the risk of unintended consequences, any ‘experimentation’ should have a sound conceptual basis and, wherever possible, governments should use consistent methodologies to evaluate the impact of policies.

While the Ministerial Council on Gambling (MCG), the Gambling Research Australia (GRA) and key regulators have helped develop cooperative and systematic approaches on some issues, this has not always been true. This can reflect the political reality that governments often face pressures to be responsive to particular pressures within their own jurisdictions. Also, proper experimentation can be expensive. Nevertheless, small-scale policy trials targeted in certain contentious areas could generate significant benefits by reducing the costs of regulatory failure and by enabling learning about how best to implement policies prior to proceeding with a large-scale rollout. They could also help governments deal with industry resistance to reform initiatives.

In the Commission’s view, state-based policy ‘experimentation’ and learning from different policy approaches across jurisdictions should continue to play a role in the development of gambling policy. To gain nationally from such initiatives, it would be useful to:

- specify a clear rationale for what the regulation is seeking to achieve and how the design of the regulation would give rise to the impacts expected (chapter 3)
- build into the policy initiative a mechanism for data collection and funding
- establish formal requirements for post-implementation review (including specified repeal processes triggered within three to five years of policy inception) and based on clear criteria to evaluate policy success.

Recent trials in South Australia and Queensland to evaluate the effectiveness of pre-commitment measures, provide examples of where this approach might have been followed. Though under the control of different jurisdictions, there may have been scope to coordinate these trials in a way that would have permitted a comprehensive evidence base to accumulate. But as each trial has been conducted in isolation, different evaluation methods have been used. (In section 18.4, the Commission proposes that mechanisms be put in place to facilitate better coordination in future.)

18.3 Improving national gambling research

In its 1999 report, the Commission saw considerable merit in Australian governments establishing a national research body to facilitate cooperation and

coordination in data collection and research across jurisdictions. Core features of the proposed national research facility included:

- independence of decision making about information needs and priorities
- a capacity to undertake its own, as well as to commission, research
- co-funding by governments, with no direct funding by industry
- processes involving all jurisdictions, including supervision by a board with representation from all states and territories
- industry and community consultation mechanisms and transparent processes
- early public release of data, results and methodologies, to allow further research and replication by other researchers
- no formal role in policy development or decision-making, with activities limited to information and research (PC 1999).

Following the Commission's 1999 report, the concept of a national research institution was broadly supported. At a meeting of the MCG in 2001, instead of creating an independent national research institution, governments chose to establish GRA as a satellite of the MCG (box 18.2). It has been located within the Office of Gaming and Racing within the Victorian Department of Justice, and is managed by representatives from each jurisdiction with resourcing sufficient for a secretariat of two full-time staff. The budget for research is about \$5 million over four years.

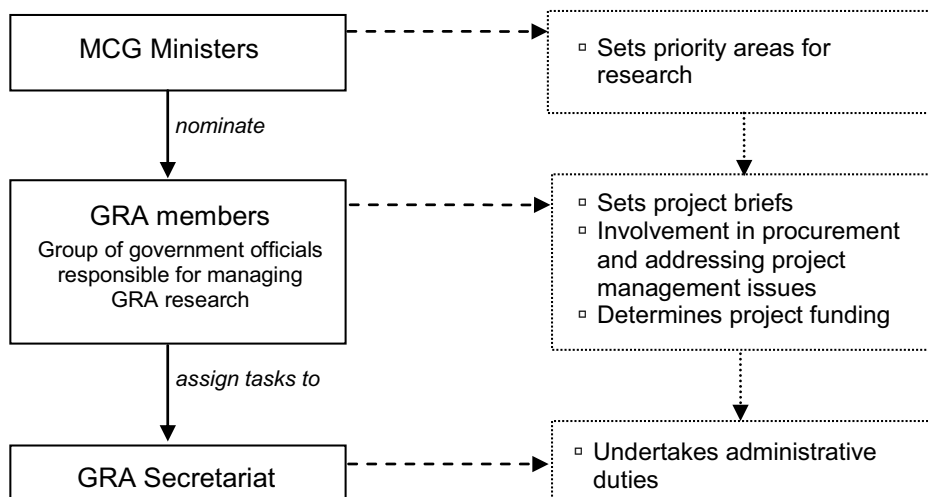
GRA's institutional structure and the way it undertakes research, differs from some of the core features identified for an effective national research body. In particular, GRA:

- lacks independence in determining information needs and priorities
- has no research capacity of its own, and has limited capacity to assess the quality of the research it commissions
- has not incorporated stakeholder input (although the Commission understands that a proposal is being considered for it to do so)
- does not have transparent processes and is not publicly accountable. (For example, it has no annual reporting obligations, its operation and performance have not been publicly reviewed, and explanations of what research projects are considered, and why a project was or was not undertaken, are not provided.)

It has also become evident that GRA-commissioned projects are not directly relevant to the design of better policies.

Box 18.2 The structure of Gambling Research Australia

State, territory and Australian Government officials manage GRA commissioned research, including project briefs for research based on priority areas agreed by the MCG. The Office of Gaming and Racing, within the Victorian Department of Justice, performs secretariat duties including administering aspects of project procurement, operating an online clearinghouse for gambling research and developing an up-to-date gambling research database. The annual budget of the GRA secretariat is around \$200 000.



The most recent priority themes of GRA research (as set by the MCG) include:

- Pathways to EGMs and consumer protection
- Access to cash and pre-commitment
- Responsible gambling environments
- Interactive gambling
- Early intervention and prevention strategies.

The GRA draws on these themes to select specific topics for research projects, but for a particular research project to proceed, agreement of all GRA members is required.

Sources: www.gamblingresearch.org.au; pers. comm. GRA secretariat.

Is GRA research well targeted?

In practice, research commissioned by GRA has concentrated on information reports, covering such matters as the appropriate definition of gambling and the nature and characteristics of gamblers, particularly focusing on youth and Indigenous gambling. It has been less active in undertaking research into many harm minimisation measures, such as pre-commitment and aspects of machine design.

An analysis of GRA-commissioned research indicates that its direct policy relevance is low (box 18.3), which is despite broad research themes, as set periodically by through the MCG, appearing well suited to the undertaking of policy-relevant research projects. The few projects that relate to potential harm minimisation measures have only peripheral relevance to the actual *design* of policy. For example, the study into pre-commitment looks at the attitudes and behaviour of gamblers and the likelihood that they would use pre-commitment, but does not evaluate alternative forms of pre-commitment, or examine what design features an effective pre-commitment system might have.

Participants similarly commented about the lack of policy relevance in GRA research, including the Council of Gambler’s Help Services, who expressed concern about:

... the relative lack of weighting currently given to harm minimisation, prevention and early intervention in the context of significant resources being devoted to the nature, extent and impacts of gambling. It can be argued that these are comparatively well known and of lesser immediate importance in a research context than generating the knowledge required to address gambling related harm. (sub. DR326, pp. 37-38)

The tendency of GRA research to investigate ‘softer’ issues appears also to reflect that, as a group, the states and territories are hesitant to use GRA as the vehicle for conducting research that directly informs their policy agendas. Possible reasons for this include that:

- jurisdictions run their own regulatory regimes and choose to implement new regulatory measures in different ways
- a policy question that is particularly relevant for one jurisdiction may not be for another, making it difficult to reach agreement
- GRA-commissioned research has lacked timeliness, reducing its capacity to inform policy questions when governments are seeking to be responsive. It may also be seen not to be sufficiently ‘practical’. The Northern Territory Government said:

While GRA undertakes considerable research that is of national significance; the local gambling agenda in the NT usually requires responses to address harms more expediently than can be addressed through either MCG activity or GRA research. (sub. 252, p. 10)

Box 18.3 What has been the focus of government-funded research?

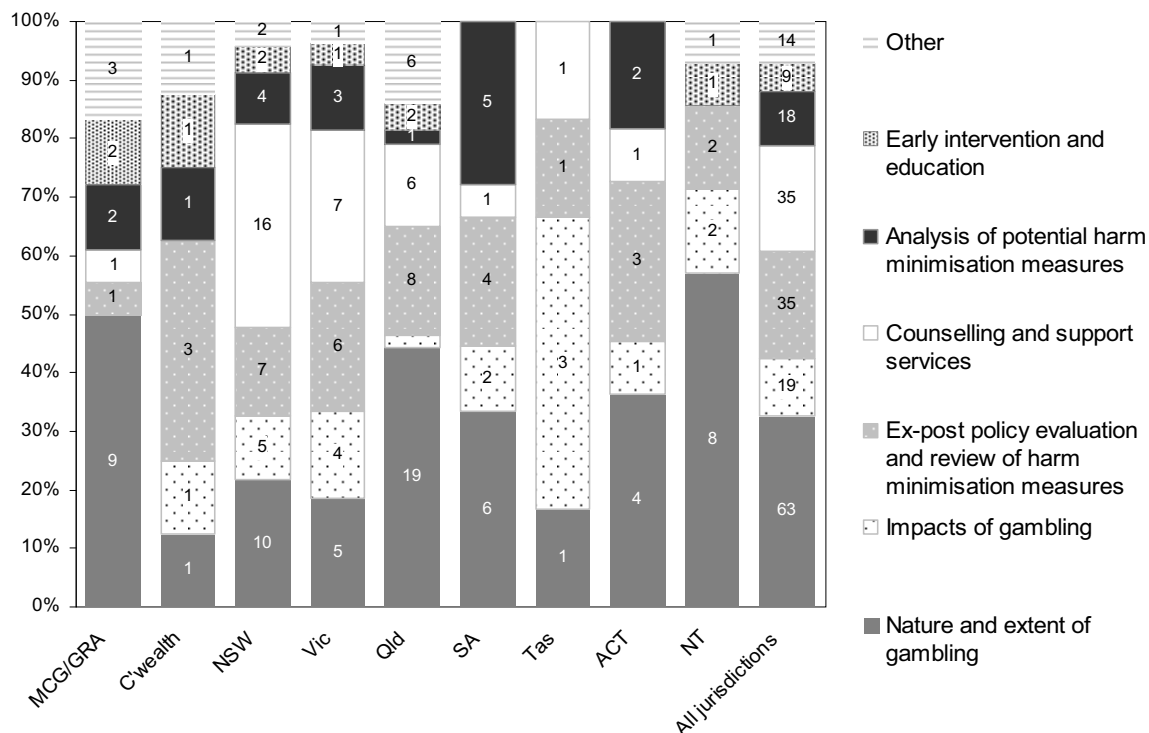
Over 40 per cent of all government-commissioned research during the last decade has focused on understanding the ‘impacts’ and the ‘nature and extent of gambling’ — gambling prevalence, participation and access; and gambler behaviour and demographic characteristics, including age and culture. Fewer than one in ten projects have investigated the potential for harm minimisation measures in gambling.

Ex-post policy evaluation and reviews account for almost 20 per cent of research. But the quality of this research has generally been poor, often stating only perceived effects and not providing causal links to outcomes. There is also variation across jurisdictions, with smaller jurisdictions tending not to undertake policy evaluations, possibly reflecting the cost, data needs and technical difficulty encountered in properly undertaking such analysis.

While, compared to larger jurisdictions, South Australia has produced fewer reports; it has undertaken projects that are generally more helpful for informing policy. New South Wales has focused much of its research on counselling and treatment services. Queensland has contributed significantly to the accumulation of baseline data on gambling, which is of use to other jurisdictions, but has done little research into harm minimisation measures.

Government research over the last decade

Per cent of reports in each research area by jurisdiction^a



^a Specific data labels indicate the number of reports (completed, in progress, or commissioned). ‘All jurisdictions’ includes Western Australia (two reports).

Sources: Government agency websites, www.gamblingresearch.org.au and participant submissions.

While an explicit mandate to perform only policy-relevant research would go further than was suggested by the Commission in 1999, it would help to

- prevent harm, raise community awareness, minimise harm where it occurs and to improve treatment of people experiencing severe problems
- address some of the competition issues that have persisted in gambling (such as in the wagering industry; tax concessions to some parties; barriers to online gambling)
- ensure that a more consistent evidence base develops for each jurisdiction's policy activities, with a greater likelihood that policy approaches will be better coordinated (section 17.5).

Reflecting this, the Commission proposes that going forward any national research model (box 18.4) should *only* provide funding to gambling research that is directly relevant to policy. Other academic research would proceed under current general university research funding arrangements, which would be strengthened by the Commission's recommendations for better access to data (recommendations 18.1 and 18.2.).

In addition, any new funding arrangement would not preclude the states and territories undertaking their own research as appropriate. Though often lacking national coordination, research commissioned by the states and territories has often been more helpful for policy purposes than research undertaken on behalf of the GRA. For example:

- South Australia has contributed some useful analysis of potential harm minimisation measures, particularly involving smart card technologies.
- New South Wales has produced a sizeable body of research on their gambling counselling and help services.
- Victoria has undertaken a number of policy evaluations, including of self exclusion programs and the impact of regional caps on EGMs (including quantitative modelling), and has recently evaluated the impacts of changes to EGM characteristics.

More timely research?

The delays in GRA-commissioned research can significantly constrain its usefulness in informing jurisdictions' regulatory and policy activities. GRA has attempted to remedy some shortcomings in this respect — including through a new grants scheme whereby researchers submit applications to investigate particular

research topics based on themes nominated by GRA. Nevertheless, it could focus further effort on:

- The procurement area and ways to reduce the time between when GRA specifies a project brief to when researchers are commissioned and contracts signed. (This can take over a year.)
- The research and analysis phase itself and what protocols operate to control for the quality and timeliness of research, including progress reports, setting timeframes and other contingencies. Given their outcomes-driven focus, the use of appropriately skilled consultants may reduce risks of budgets and timeframes blowing out.
- Quality assurance, including the role of early peer review, and scope to monitor the quality of research output internally by GRA, such as by overseeing the quality and editing of early drafts.

Looking specifically at delays in procurement, there are a number of confounding factors. For example:

- The pool of researchers suitable to undertake GRA-commissioned research is relatively small (especially in comparison to more established research markets, such as education and health analysis).
- The procurement panel within GRA involves departmental representatives from each jurisdiction, which can pose coordination problems.
- Problems with contracting researchers within universities can sometimes result in avoidable delays (for example, if researchers do not sufficiently understand contract terms).
- GRA specifies the brief, but it is up to the researchers to specify *how* they intend to go about the research.

Greater independence?

In its 1999 report, the Commission highlighted the particular importance of independent research to inform gambling policy. This is necessary to reduce the potential for conflicts of interests to influence the types of projects undertaken and their findings, and to maintain public confidence that the results are reliable.

Under the GRA, a group of officials determine project briefs, which are drawn from broad national priority areas for research as periodically agreed to by the MCG (box 18.2). One researcher commented:

... some crucial research questions can become 'off limits' due to their electoral and industry sensitivity. (Morrison 2009, p. 10)

Decisions by GRA members about research projects are made by consensus. Unless all members agree on the topic and the particular research question, the project will not proceed. Under this arrangement, jurisdictions that have already taken policy action or initiated their own research may be reluctant to support and fund research in those areas. Those that may have implemented regulatory measures with little evidential proof may be sensitive about approving research that could call these into question.

Options to improve current arrangements

Key criteria for making research arrangements more effective include:

- better quality and more timely outputs
- increased independence from government and industry
- improved transparency, including through increased access to data from government and industry, and wider dissemination of research findings to inform public debate
- enhanced research capacity
- stronger links to public policy and the current policy activities of governments
- more active engagement with stakeholders
- greater provision for multi-disciplinary input and collaboration.

Many participants said that there is insufficient institutional capacity for gambling research, with many signalling support for a nationally focused research capability that could take a more systematic, collaborative and strategic approach to informing policy. For example:

... Clubs Australia supports and calls for the development of a national [research] body, coordinated and funded by the Federal Government together with the States and Territories, as the pre-eminent Australian authority on gaming research and statistics. This is a leadership opportunity for the Federal Government to coordinate and better direct analysis and funding on a national level. ... Most importantly, it would concentrate research dollars in the hands of an agreed independent body, thereby eliminating disputes over the veracity of statistical findings. (sub. 164, pp. 44–45)

Similarly, some researchers see a need for a more comprehensive national research framework, and attribute the apparent weaknesses of GRA to insufficient capacity for gambling research in Australia, especially to fulfil GRA project briefs. For example:

... the tender basis that exists at the national level — specifically for GRA funding — implicitly assumes that a critical mass of experienced gambling researchers exists within Australia which is freely available for commercial hire ... this is not the case

with gambling. Continued reliance on commercially competitive funding fails to provide the necessary institutional infrastructure and career continuity to develop a critical mass of specialist gambling researchers. (Morrison 2009, p. 11)

Some specific proposals for building on national research arrangements have been presented to governments. For example, Southern Cross University (SCU) sought funding in 2008 to establish an independent national gambling research institute. (A proposal that officials of the MCG did not endorse.)

What is the best way forward?

In the Commission's view, there are some inherent obstacles to the GRA becoming sufficiently independent, timely and policy-focused, and it is desirable at this point to replace it with a properly constituted, specialised research centre. Such a centre should have a charter to undertake research that is of direct relevance to policy and have broad disciplinary input (drawing on the social sciences, statistics and an array of research methodologies).

In particular, to broaden the expertise and disciplines contributing to gambling policy research, the centre should collaborate with drug, alcohol and other public health research units. Many of these research disciplines have advanced institutional and collaborative structures, and their depth of research expertise would make a valuable addition to gambling policy research.

To complement the policy orientation of its research on gambling, the centre could also have a role in coordinating and strengthening policy and program evaluations by the states and territories. In particular, the centre should facilitate more rigorous and transparent evaluation of gambling regulations and policies, including by overseeing and peer reviewing evaluations, based on nationally agreed guidelines (section 18.4).

To emphasise the importance of these dual roles in informing and evaluating policy, a national centre for gambling policy research and evaluation should also include:

- an independently chaired advisory panel (with no executive functions), including representation from government, the community, industry, other researchers and international experts, to provide input on the direction of gambling policy research. It is important, however, that governance arrangements preclude any particular representative from dominating and that other transparent mechanisms are used to engage with stakeholders
- accountability to the public and stakeholders through publication of research and survey findings and meeting explicit performance outcomes.

In principle, joint funding of the centre by all Australian governments could help to leverage its standing among jurisdictions and provide a platform for cooperation. However, achieving agreement on funding could take some time and delay or stymie the centre's establishment. To avoid this, the Australian Government could make an initial commitment for recurrent funding of the centre for at least four to five years.

Reflecting its role in funding, and as a relatively independent player in the field, the Australian Government could have the power to request the centre to undertake specific policy-oriented research tasks. There would also be advantages in maintaining the involvement of state and territory governments in determining broad priorities for research. But any specific request for research should include public terms of reference.

Another core feature of the centre is that it should employ its own researchers to perform policy relevant research in-house. They should be co-located to build a critical mass of specific expertise and provide a central hub for collaboration with other research centres and researchers. However, to supplement its own research capacity, individual projects and streams of work could also be outsourced (in entirety, or partly, through collaboration) to suitable researchers located within other jurisdictions and institutions. In particular, this would enable:

- state-based contributions to national research projects (subject to consistent implementation and design across jurisdictions)
- experts in related fields to contribute where wider disciplinary input would be beneficial or synergies are apparent, including for example, with mental health, drug and alcohol researchers
- flexibility in career choices for researchers that would prefer not to relocate to the centre or become exclusively involved in gambling research. For instance, academic staff are more likely to be involved in an arrangement that allows them to continue progressing their academic careers
- a critical mass of gambling researchers to develop, which would also deepen the pool of researchers on hand to the centre.

There would also be benefits in involving New Zealand in the proposed centre for gambling policy research and evaluation, reflecting that:

- New Zealand is already involved in some aspects of gambling policy and regulation, including the gaming machine national standard
- given differences in regulatory regimes for gambling, there are opportunities for policy learning across the two countries
- New Zealand has built up considerable research expertise in this area.

That said, to enable the full benefits of information sharing and coordination of research and evaluation between the two countries, the extent of New Zealand's involvement should go beyond their current status as an observer on the GRA. While the New Zealand Ministry of Health has expressed an interest in being involved in the proposed new research centre (sub. DR321, p.1), they also foresee some uncertainties that would need addressing when the breadth of any involvement is decided in practice.

A number of participants welcomed New Zealand's involvement in the proposed centre, including the Gaming Technologies Association, which noted the many similarities in gaming across the two countries (sub. DR344, p. 26) and Betsafe, which suggested that:

The NZ gambling market has much in common with Australia and we consider that involving NZ in a joint centre for gambling policy research and evaluation will benefit both countries. (sub. DR345, p. 11).

UnitingCare also supported the involvement of New Zealand, observing that:

... New Zealand has taken strong leadership on gambling policy, practice and service evaluation at a domestic level, and also provides international leadership in areas of gambling policy development. An Australasian Centre for Gambling Policy and Research would also have the capacity to take a significant role in the development of international protocols associated with gambling, and could also provide some focus to international aspects of gambling policy development. (sub. DR387, p. 23)

What role for industry?

Representatives of the gambling industry also expressed a keen interest in being involved in any new national research arrangements (Australasian Gaming Council, sub. DR377, p. 6; Australasian Casino Association, sub. DR365, p. 29; Gaming Technologies Association, sub. DR344, p. 25).

The chief executive of the Australasian Gaming Council considered that industry would be more inclined to look into ways of making information and data available if they were treated as a legitimate participant in research, including in the drawing up of research agendas and commissioning of projects:

... I'm sure, with a greater role and recognition and participation around research and gathering data, that the industry would be pleased to start collecting data, if it hasn't already, and looking at what might be possible. (trans., p. 759)

Likewise, to improve access to data, Clubs Australia supported a more collaborative approach to research:

... greater cooperation between government, industry and researchers would ensure access to the best possible data and analysis of impacts from all points of view. ClubsAustralia believes this will also engender goodwill when it comes to the implementation of recommended changes. (sub. DR359, p. 107)

The involvement of industry brings both opportunities and risks — the outcome of which largely depends on the way that any industry involvement is managed and the extent that any involvement could influence research priorities and projects.

On the one hand, involvement of industry could improve access to data and provide a clearer picture about gamblers' behaviour, the commercial environment and other practical matters associated with policy change. In some areas, there may be few conflicts of interest (for example, better functioning self-exclusion arrangements). Industry involvement would be required in some instances to realistically assess compliance costs, technical matters and other key issues associated with implementation of policy. (In this inquiry, the Commission has greatly benefited from consultations with a host of industry technology suppliers about the costs, timing and feasibility of certain policies.)

In addition, industry involvement in applied gambling research might lessen the common practice of discrediting others' research findings and questioning the standard of evidence.

On the other hand, there is obvious potential for conflicts of interest in some areas and, at least, a perception that findings based on industry data or cooperation may not always be reliable. Reflecting these concerns, some inquiry participants cautioned that their support for a national policy research and evaluation centre is subject to suitable restrictions on the direct involvement of the gambling industry. For example, referring to the possibility of New Zealand being involved in Australia's national gambling research arrangements, the Problem Gambling Foundation of New Zealand said:

... we would specifically suggest that there is no industry representation at governance or management level. Our view is that such involvement (as seen in other countries) compromises the quality of the research agenda and research projects. (sub. DR294, p. 2)

Similarly, the Public Interest Advocacy Centre expressed concerns about the possibility of industry having any decision making role within the advisory panel of the proposed national research centre, saying that:

Industry and state and territory governments should be consulted but they should not be part of the decision making process. Industry representatives should not be part of licensing boards, advisory panels, or other bodies influencing decision-making. (sub. DR389, p. 21)

Box 18.4 Possible models for national gambling research

The existing GRA model for national gambling research is not a conventional research structure; it functions mainly as an administrative hub and clearinghouse and is housed within an existing government institution.

The desirability of alternative research arrangements will depend upon performance against a number of key criteria, including:

- the quality and promptness of research output, moderated by the maturity of the existing research market and scope to enhance research capacity
- the costs of building and maintaining research infrastructure, resources and working relationships, including with experts in other disciplines, and the proportion of funds made unavailable for undertaking projects
- independence from government and industry, while still maintaining strong links to the policy agendas of governments, the capacity to engage stakeholders, disseminate findings and inform public debate.

Many of the models above have common elements, with sometimes only subtle differences in how research is carried out in practice. On balance, differences will generally reflect the mix of administrative functions and actual research that takes place within either a central 'hub' or externally through existing research institutions.

Possible models for national gambling research include:

- *A 'hub and spoke' model within an existing institution or as a research management company.* For example, the Australian Housing and Urban Research Institute, which operates as a public research company, is run by a board and has a research advisory panel that sets research questions and supervises research and funding.
- *A single centre of excellence.* For gambling this would most likely require an expansion in funding for an existing university's gambling research program.
- *A university research institute based at multiple campuses.* For example, the Alberta Gaming Research Institute — a consortium of 3 universities.
- *A 'hub and projects' model within an existing institution.* For example, the National Drug Research institute at Curtin University and the National Drug and Alcohol Research Institute at the University of New South Wales.
- *Decentralised and network models.* For example, the approach taken by Cooperative Research Centres, which encourage close relationships between researchers and industry to foster utilisation and commercialisation.

Drawing on a number of elements from the models above, the Commission's proposed national centre for gambling policy research and evaluation would comprise a new, centralised research institution with specialist expertise in performing policy-oriented research and evaluation. To ensure multi-disciplinary input and to build upon existing research capacity within institutions outside of the centre, some contracting-out of projects and streams of work to suitable researchers and research nodes would also occur. Through its institutional structure and operational charter, the centre would address policy questions that are independently determined and of direct relevance to gambling policy.

Notwithstanding some positives, there is an inherent risk that the interests of the gambling industry could, *or be perceived to*, influence the selection of research topics and their findings. Further, looking at some overseas jurisdictions where the gambling industry is more closely involved in research, the quality of research evidence does not appear to be higher. There are also no clear examples of other industries that generate harm being directly involved in publicly funded, policy focussed research to reduce harms associated with the use of their product. For example, the National Drug and Alcohol Research Centre operates with an advisory board that includes representatives from government, service providers and other research institutions and universities, but does not involve industry.

Thus, although there should be scope for industry to inform research priorities and to provide valuable input into studies, including such involvement should be separate from the decision making processes of the centre.

A possible fallback: reforms to Gambling Research Australia

As a possible fallback from a new institutional structure for national gambling research, the Commission's draft report floated the possibility of changing some key aspects of the GRA to overcome some of its weaknesses. A central feature of this alternative option was to increase the independence of national research arrangements by expanding the role of the Australian Government. This model also sought to provide scope to increase institutional research capacity, although to a lesser extent than a dedicated research centre.

Overwhelmingly, responses from participants rejected the option to 'restructure' the GRA, preferring a stand-alone national centre. For example, Clubs Australia recommended that:

... state and territory governments, together with the Commonwealth, endorse the establishment of a new, national research body. This body should replace Gambling Research Australia and ensure greater consistency of approach between jurisdictions... (sub. DR359, p. 110)

The Financial and Consumer Rights Council similarly endorsed the establishment of a dedicated policy research and evaluation centre in place of the GRA (sub. DR356, p. 2), as did the South Australian Council of Social Services who argued that:

... the structure and implementation of research through the GRA has not, on the whole, generated reliable knowledge that can be applied at either the policy or practice level. Thus, we are in support of the proposed model detailing the new Gambling Research Centre. (sub. DR327, p. 13)

To place gambling research on a sound footing nationally, Gambling Research Australia should be replaced with a national centre for gambling policy research and evaluation. The centre should initially be funded by the Australian Government and:

- *have a charter requiring it to oversee research of direct policy relevance*
- *have a capability to perform and initiate such research itself, as well as respond to requests by the Australian Government*
- *have the capacity to outsource projects to external researchers and research institutions where appropriate*
- *have an advisory panel, with representation from the community, industry, other experts and all governments*
- *coordinate evaluations, surveys and reviews nationally*
- *collaborate with drug, alcohol and other public health research units to broaden the expertise and disciplines brought to bear on gambling*
- *establish guidelines, methodologies and processes for research and evaluations undertaken by governments.*

18.4 Improving policy evaluation and review

Policy and program effectiveness is hard to pin down

Post-implementation evaluations can reveal the impacts of a policy or program, and shed light on how outcomes might be improved by changing policy design and/or implementation. Deficiencies in the quantity and quality of evaluation — and sometimes its complete absence — make it difficult to ensure that the intent and expected impacts of harm reduction measures have occurred, or that policies have been cost effective. It also makes it difficult to compare the effectiveness of one approach against another.

Several factors account for these deficiencies, including that it is difficult and expensive to undertake comprehensive evaluations that identify and quantify the impacts of a policy measure. In particular, the relationship between regulatory measures and outcomes is usually indirect, and because regulatory measures in gambling are rarely introduced in isolation, determining the impacts of particular regulations can be challenging. Overcoming many of these obstacles often requires careful quantitative analysis and sometimes experimental approaches.

Apart from this, obtaining reliable knowledge about the effectiveness of gambling regulations is compounded by the following:

- There is little good baseline data, especially of sufficient disaggregation and duration, and access to data is often restricted because of commercial reasons, protected information clauses in legislation, or political sensitivities.
- Potentially rich sources of information, such as regulation impact statements, rarely *quantify* the expected benefits, costs and overall public benefit of new regulations.
- Standard post-implementation reviews do not usually measure the change *caused by* policy measures, so data and evidence does not accumulate.

Problems with policy evaluation and review are not unique to gambling policy, as problems with evaluations in social science research are widespread. For example, the Centre for Global Development (2006, pp. 2–3) noted that agencies regularly seek ideas and guidance to develop or improve programs, but with timeframes and budgets that do not allow rigorous evidence to be developed.

Borland et al. (2005) argued that, in comparison with Europe and North America, there appears to be less commitment by governments in Australia to this type of research:

There is minimal government funding for program evaluation (either in-house or externally), little effort to facilitate evaluation through the way in which policies are implemented, or by data collection and dissemination, and what evaluation occurs within government departments is often not of high quality. (p. 34)

They also noted that there were exceptions, including FaHCSIA, which they considered had a:

... very strong record for commissioning and sponsoring evaluation-orientated research, and in seeking to facilitate research through its construction and dissemination of administrative and general purpose data sets. (p. 34)

Do governments review their gambling-related legislation and regulation?

Most major reviews of gambling-related legislation have been conducted to fulfil National Competition Policy requirements. For example, New South Wales completed five reviews of nine Acts relating to gambling and Victoria performed three reviews of 12 Acts. However, most NCP reviews are five to ten years old and reviews of gambling legislation conducted more recently have not been common. Some gambling legislation includes provisions requiring periodical review of the legislation, but most do not.

Reviews of gambling regulation can also come about through automatic repeal processes, which are a legislated requirement in most jurisdictions. Such reviews

variously require gambling regulations to be assessed for effectiveness and consulted on in line with normal procedures for the making of new regulations. The period before repeal and review varies across jurisdictions, but in most cases, repeal and review of regulation is triggered ten years after its inception.

Who is charged with reviewing gambling policies and legislation?

The party responsible for conducting reviews in gambling varies across jurisdictions and depends on the nature and scope of the review. In many cases, reviews are undertaken within government, usually by the agency with policy responsibility for gambling, although other agencies are sometimes involved. In other cases:

- an independent review panel is established, although this is often supervised and supported by government
- gambling regulators are requested to review specific matters including the adequacy of existing regulatory measures
- private consultants are contracted by government or an independent economic regulator is requested to conduct the review
- a prominent person is asked to chair an ‘independent’ review with technical support and advice from within government or consultants.

The Commission has concerns about the extent of independence and analytical rigour associated with the governance and representation for trialling, reviewing and evaluating gambling policies. For example, several industry representatives, including the CEO of the peak gaming body in Australia, were members of the working party responsible for trialling pre-commitment technologies in South Australia, exposing a major policy experiment to potential conflicts of interests. The issues surrounding the appropriateness of different review bodies is discussed later in this section.

Aspects of review and evaluation need improving

A number of improvements could be made to the evaluation and review of gambling policy.

Requirement for review and evaluation

Evaluations and reviews should be written into legislation, regulations and programs at their inception. This already occurs in some jurisdictions, but it is not entirely consistent. However, unless there is an ‘in built’ requirement in the Act or

subordinate legislation, a review will often only occur if there is a political imperative or emerging policy issue.

Improving the quality of reviews and evaluation

The quality of reviews and evaluations could be addressed by:

- improving access to data and building expertise to analyse the impacts of policy measures
- better coordination between policymakers, regulators and administrators, gambling enforcement bodies and evaluation specialists, within and across jurisdictions
- using consistent evaluation methodology to conduct evaluations and reviews, to enable comparison of regulatory approaches across jurisdictions
- improving the transparency of reviews and evaluations, including requiring that they be publicly available in a timely manner, and used as a basis for consultation about policy responses
- removing the influence of governments and any other parties likely to have conflicts of interests on the review process.

The appropriateness of the bodies conducting the review

There is also the issue of determining the most appropriate bodies to conduct reviews and evaluations, given the trade-off between independence and in-depth knowledge and familiarity with the subject at hand.

Participants expressed a range of views. At one extreme, Clubs Australia suggested that the greater independence of research and reviews would not be helpful for progressing reform, largely because:

... the recommendations are so extreme, would adversely affect so many recreational gamblers, and would be so expensive to implement and/or in their revenue impacts that they cannot be put in place. (sub. DR359, p. 107)

Underlying this view, however, is an assumption that the costs of regulatory change are not adequately assessed as part of an independent review. To the extent that this might be true, it would reflect information asymmetries, which accentuates the importance of effective stakeholder consultation and the associated role for industry to provide credible information on costs and any unintended policy impacts.

On the other hand, a number of participants argued that more independent reviews and evaluations of gambling policies are a necessary step to advancing gambling policy. For instance, the Gaming Technologies Association supports the need for:

... transparency of reviews and evaluations, consistent evaluation methodology and the need for credible, unaligned, independent specialists to contribute to reviews and evaluations. (sub. DR344, p. 26)

The choice of possible evaluators is broad, including internal evaluations performed within departments, regulating agencies, special purpose institutions such as auditor general offices, parliamentary committees, private consultants, independent review panels and academic researchers.

Government agencies

Governments agencies with policy responsibility for gambling have valuable expertise in designing and understanding the objectives of gambling regulations and programs. They also have ready access to data and can benefit from the organisational learning that performing reviews can bring about. While this means that government agencies can provide an effective way of achieving a succinct and relatively low-cost evaluation of the policy or program, government agencies, and particularly those who designed the policy, have clear conflicts of interest. This can undermine their incentives to evaluate properly. The use of multiple agencies can reduce the potential for conflicts of interest but, in practice, coordinating diverse interests can be difficult, more protracted and, in turn, more expensive.

Gambling regulators

Because gambling regulators are similarly ‘close to the action’, they have a number of advantages in common with policy departments, including ease of access to data and information about operational aspects and other ‘micro’ details of the regulatory framework. When established with statutory independence, they may not be as susceptible to many of the conflicts of interest characteristic of government agencies. Nevertheless, regulators may have their own biases, including a tendency to increase the prescriptiveness of regulations and seek stronger compliance, rather than maximising the efficiency of regulations. (However, there may be circumstances where greater prescription provides businesses with greater certainty and lower compliance costs.)

Private consultants

Governments have sometimes contracted consultants to undertake reviews of gambling regulations. This may still involve conflicts of interest as a potentially conflicted party provides the funding. One way to resolve this is to have an independent third party, such as the Auditor General’s Department, administering funds to consultants. (While

this may overcome potential conflicts of interest, it is hard to see how this model could appropriately be limited to evaluation of gambling regulation, and yet any broader adoption would require significant changes to the machinery of government.)

Of the review bodies potentially available to governments, it is unlikely that any single review body will be ideal in all circumstances. Indeed, evaluation should be decentralised and embedded in the way every policy agency works, with the evaluator chosen according to the policy review task at hand.

The transparency of policy evaluations and reviews is especially important given the potential flaws in any evaluator. In particular, allowing the public to scrutinise the terms of reference, evaluation methodologies, findings and recommendations would reduce the potential for conflicts of interest to affect findings. Some jurisdictions publish this information already, although not always in a timely way. Some policy evaluations are only made available upon request.

Harnessing cooperation and a collective commitment by governments

A centre for gambling policy research and evaluation (recommendation 18.3) could improve the cooperation and coordination of program evaluation between governments. In particular, such a body could facilitate common research infrastructure and resources to underpin systems for evaluating policies in gambling, including by:

- setting evaluation guidelines and benchmarks and identifying and advising on appropriate methodologies
- prioritising and coordinating evaluations and reviews nationally
- peer reviewing the robustness of evaluations and reviews against established guidelines
- providing an established body of expertise to undertake, or manage, statutory reviews. For example:
 - the centre could be commissioned by state and territory governments to either undertake reviews, or contract them out in an independent manner
 - the Australian Government could request the centre to undertake statutory reviews as determined to be of a priority and in the national interest.

Because governments can be reluctant to publically release their data and evaluation findings, more rigorous and transparent evaluation of gambling regulations and policies is likely to require a joint commitment by governments to systematic, open evaluation. In particular, this commitment could include an explicit role for a centre

for gambling policy research and evaluation to impartially review all significant policy arrangements in gambling.

Such a pre-existing, public commitment by the states and territories to establish an evaluation and review function for the Commission's proposed national gambling policy research and evaluation centre would also make it more difficult for a government to avoid evaluation of a policy that appears to have significant flaws.

Inquiry participants widely supported the role of a national centre to undertake evaluations of government gambling policies. For example, given their concerns about conflicts of interest impeding rigorous review of policies, the Council of Gambler's Help Services commented that:

... the capacity of the proposed centre for gambling policy research and evaluation to resource, review and/or undertake external evaluations would add substantially to transparency, robustness and credibility of review processes and outcomes. (sub. DR326, p. 39)

While a new institutional setup to support evaluation of regulatory frameworks in gambling will involve some additional resourcing, it is important to balance this against the potential costs of regulations that have not been tested for effectiveness, both for industry and those experiencing harms from their gambling.

18.5 A forward agenda for gambling research

The Commission has identified a range of policy interventions aimed at harm minimisation. Some of these should be implemented immediately (chapter 19), in which case the priority will be in determining the appropriate post implementation evaluation strategies. Others will take some time to implement or require further evidence, such as the pre-commitment strategies discussed in chapter 10. Beyond some of the areas already canvassed in this report, listed below are some specific areas of research and evaluation that governments should undertake, preferably at a national level.

- *Structural features of machines*: What machine structural features are important for influencing play behaviour, enjoyment and generating harm
 - what is the effect of event frequency, volatility and expectation of winning? (For example, how effective have machine design changes, such as setting bet and win limits, been at reducing harm on the one hand, or reducing enjoyment to recreational gamblers)

-
- what advantages and disadvantages are associated with the use of cash, cards, token, note acceptors and bill changers, with particular regard to reducing risks to problem gamblers and minimising inconvenience to recreational gamblers?
 - *Jackpots*: To what extent do jackpots increase bets, extend the duration of play or cause false cognitions, and how important are they for the entertainment value of machines? Should additional restrictions be placed on jackpots?
 - *Counselling and treatment services*: What is the appropriate level of training for counsellors to treat clients effectively and the relative effectiveness of various gambling treatments (including self-help and brief interventions)? What types of treatment are most effective for different groups of problem gamblers (including adolescents and culturally and linguistically diverse groups)? Also, to what extent does natural recovery occur in problem gamblers; is it permanent, and how effective are campaigns to raise public awareness about gambling issues and counselling and support services?
 - *Interactive gambling*: What scope is there to develop international standards on harm minimisation measures for online gambling and how could they be progressed? How can a common pre-commitment harm minimisation system be delivered for all online gamblers in Australia? Is there the capacity for extending self-exclusion through the payments system or software solutions?
 - *Pre-commitment*: What is the uptake of pre-commitment by people with higher risks, what behavioural responses are there to the capacity to set limits and access information, what is the attitude to mandated card use and what defaults are appropriate?

Some additional issues warranting further research include:

- the appropriate tax level for different gambling products and venues (to the extent not covered by the Henry Review of Australia's tax system)
- the tax concessions provided to clubs on their profits and in relation to their EGM quotas. (The recent Productivity Commission report on the Contribution of the Not-for-Profit Sector questioned the basis for retaining the current tax concession provided to clubs, especially given that the cost of the concessions is considerably greater than the size of the donations. (PC 2010, p. 224))

A national framework to guide gambling research and policy?

Researchers participating in a roundtable conducted as part of the inquiry noted that national research programs are typically linked to strong national frameworks. They also considered that while the national framework for problem gambling has key focus areas, objectives and strategies, the extent of their implementation has been

‘thin’. Other participants called for a broad national strategic framework to provide a national perspective on gambling research, policy and regulatory issues. The Gambling Impact Society of NSW, for example, said:

... there’s a lot of discrepancies across states and territories, quite a lot of ad hoc harm minimisation approaches and really no binding national framework. People’s interpretation of public health, harm minimisation and population approaches are often very blurred in clarification ... there’s an opportunity to develop more guidance at the national level on that. These strategies need to specifically reflect protection, prevention, health promotion and treatment in the fields of both gambling and problem gambling. (trans., p. 124)

New Zealand’s Ministry of Health has developed a high level framework to guide the structure, delivery and direction of problem gambling services and activities. The framework outlines strategic alliances with other key stakeholders and organisations with an interest in preventing and minimising gambling harm. It includes measures to promote public health by preventing and minimising harm from gambling, services to treat and assist problem gamblers and their families, and independent scientific research associated with gambling and evaluation. Each of the key objectives set out in the framework are linked to actions required to achieve them (both short/medium and long term), and indicators to demonstrate the efficacy of activities and progress made (Ministry of Health 2009a).

National frameworks in other public health areas have sought to improve policy through sharing of information, trialling innovative services, developing nationally consistent approaches and identifying key areas of national activity. The Fourth National Mental Health Plan (Commonwealth of Australia, 2009), for example, adopts a population health framework within which five priority areas are identified — social inclusion and recovery, prevention and early intervention, service access, coordination and continuity of care, quality improvement and innovation and accountability.

The strength of such strategic national frameworks is the focus on building evidence through nationally consistent approaches and transparency of evaluations to inform policy direction and future research.

While at a conceptual level the Commission can see value in a high level framework to guide the direction and delivery of gambling research and evidence-based policy, the Commission’s proposed national policy-focused centre for gambling policy research and evaluation, if implemented, would fulfil a similar role (by overseeing research, coordinating evaluations, establishing guidelines, methodologies and processes for research and evaluation). That said, a national framework could provide a ‘formal’ platform for embedding evidence into future planning and policy direction and identifying priority areas for generating further knowledge in a systematic and coordinated way.