



**Submission to the Productivity Commission's
Public Inquiry into Gambling**

March 2009

Submission from

Anglicare Tasmania

GPO Box 1620

Hobart 7000

Phone: 03 6213 3577

About Anglicare

Anglicare Tasmania is a non-government organisation that has been working for the Tasmanian community for the past 25 years. Since its establishment it has grown into a state-wide service responding to issues faced by Tasmanians such as gambling problems, financial crisis, homelessness, unemployment, alcohol and other drug use, and the challenges faced by people with physical and intellectual disabilities or mental health problems.

Part of Anglicare's mission is to speak out against poverty and injustice and to offer alternatives to decision-makers to help build a more just society. Anglicare practices this advocacy through its Social Action and Research Centre (SARC). Established in 1995, SARC works with low income earners to identify the issues that affect them and then carries these concerns to Government.

SARC has produced a series of major research reports on issues affecting low income Tasmanians including gambling, access to health care, unemployment, financial crisis and mental illness.

Introduction

Anglicare Tasmania would like to thank the Australian Government for the opportunity to provide an update on gambling since the Productivity Commission's 1999 report. Anglicare found the 1999 report to be comprehensive and useful to furthering debate on this issue in Tasmania.

This submission draws from Anglicare's experience of providing services to low income earners and from research conducted into the impacts that gambling has on low income earners in Tasmania. Attached are some of the documents Anglicare has produced since the last Productivity Commission's inquiry into gambling.

Independence of the Tasmanian Gaming Commission

In 2003, Anglicare studied the operation of the Tasmanian Gaming Commission and subsequently produced a research paper (see attached *The Emperor's New Clothes: The Tasmanian Gaming Commission*). The key recommendation of the paper was that the Gaming Commission should be entirely independent of Government (page 10). While the State Government made some changes following this report, the lack of an independent gaming commission leaves Tasmania in the undemocratic position

of having decisions about gambling policy and gambling taxes being made by the same person – the Treasurer.

A stark example of the problems associated with the current arrangement between Tasmania's Gaming Commission and the Government was the 2003 signing of a new deed between the Government and Federal Hotels (see page 2 of the attached *Submission to the Parliamentary Standing Committee of Public Accounts Federal Hotels Agreement Inquiry*). Despite the Gaming Commission stating that it would consult with the public, the new deed was signed without any public consultation.

The Productivity Commission's 1999 report also recommended that gambling regulatory bodies should be independent (Productivity Commission 1999, Volume 2, page 22.26).

The number of poker machines in Tasmania

In 2003, Anglicare asked a marketing company to conduct a telephone survey of 1000 adults in Tasmania to seek their opinion of poker machines (see attached *Anglicare Poker Machine Survey – August 2003*). The vast majority of respondents (84%) thought the Tasmanian community had not benefited from having poker machines in hotels and registered clubs. These results were similar to studies commissioned by the Tasmanian Government in 2000 and 2005 (Department of Health and Human Services, 2001; 2006). Further, 81% of respondents wanted the number of poker machines reduced in Tasmania.

Given the strength of public opinion, Anglicare believes that the public should be consulted on the number of poker machines and their locations when considering licenses for individual premises and also prior to the Government considering a new deed for poker machine operation across the State.

Patron Care

In 2004, Anglicare released a report that looked into the quality of patron care in Tasmania (see attached *From patron care to consumer protection: Poker machines in Tasmania*). In this paper, Anglicare listed patron care strategies that were being implemented around Australia but not in Tasmania (page 7) and recommended a move from patron care to consumer protection (pages 8-9). Many of these strategies are similar to those proposed in 2008 by the Tasmanian Gaming Commission (Tasmanian Gaming Commission 2008). While Anglicare supports the recent

announcement by the Tasmanian Government for new measures intended to improve responsible gambling, Anglicare believes these measures do not go far enough. Any strategy for consumer protection should be based on the principles of “duty of care” and ‘informed choice”, both of which are currently lacking in Tasmania.

Social and economic impacts of gambling

In 2005, Anglicare published a comprehensive report that looked into the social and economic effects of problem gambling on low income earners in Tasmania (see attached *House of Cards*). This research documented personal stories of people with a gambling problem, exploring why they gambled, the social and economic impacts that gambling had on their lives and what they believed could be done to help them and others. Twenty four recommendations were made but the Tasmanian Government ignored the report.

In 2007, the Tasmanian Government called for submissions to the first Independent Social and Economic Impact Study into Gambling in Tasmania. Anglicare’s submission (see attached *Pokies Plunder: Problem gambling and public subsidies in a losing state*) explained the economic vulnerability of Tasmania (pages 7-9 and 23-24) and provided an analysis of the extent of problem gambling based on Tasmania’s gambling prevalence studies (page 18-23). The final report of the impact study was released in June 2008. The report concluded that, notwithstanding measures to reduce the level of harm arising from problem gambling, “the overall level of harm remains substantial” (Department of Treasury and Finance Tasmania, 2008, Volume 1, page 245,).

The Tasmanian Gaming Commission produced their response in October 2008 (Tasmanian Gaming Commission, 2008). This report listed 73 measures that could improve consumer protection and potentially reduce the impacts of problem gambling. Unfortunately the Government proposed just 13 measures, many of which will not have a negative impact on turnover and therefore are unlikely to reduce problem gambling, with other measures that are not clear enough to evaluate their usefulness (see *Tasmania Leading Australia in Responsible Gambling* at www.tas.gov.au).

Recommendations

Each of the Anglicare reports attached contains recommendations, which we remain advocates for. Anglicare will, however, select the following 5 as being key recommendations to improving consumer protection and reducing harm and we hope that the Productivity Commission can place these recommendations into a national framework. Anglicare recommends that:

- The Tasmanian Parliament restructure the Gaming Commission so as to form a regulatory body that is independent of Government;
- Public consultations be held over the number or poker machines and their locations prior to licences being approved at individual locations and prior to negotiations for any new deed of contract for poker machine operation across the State;
- The Tasmanian Government introduces effective and extensive patron care practices on the basis of research and advice from an independent Gaming Commission;
- The proposed mandatory Code of Practice for gambling venues be evaluated and strengthened and regulated by a body independent of industry; and
- A comprehensive program of gambling research be funded and overseen by an independent Gaming Commission.

References

Anglicare Tasmania 2003, *Submission to the Parliamentary Standing Committee on Public Accounts Federal Hotels Agreement Inquiry, July 2003*, Anglicare Tasmania: Hobart

Anglicare Tasmania 2003, *Anglicare Poker Machine Survey - August 2003*, Anglicare Tasmania: Hobart

Anglicare Tasmania, 2007, *Pokies Plunder: Problem gambling and public subsidies in a losing state*, Submission to the Independent Social and Economic Impact Study into Gambling in Tasmania, September 2007, Anglicare Tasmania: Hobart

Department of Health and Human Services, 2001, *The Third Study into the Extent and Impact of Gambling in Tasmania with Particular Reference to Problem Gambling*, Follow up to the Baseline Studies Conducted 1994 and 1996, prepared by Roy Morgan Research Melbourne, Department of Health and Human Services: Hobart

Department of Health and Human Services, 2006, *The Fourth Study into the Extent and Impact of Gambling in Tasmania with Particular Reference to Problem Gambling*, Follow up to the Baseline Studies Conducted 1994, 1996 and 2000, prepared by Roy Morgan Research Melbourne, Department of Health and Human Services: Hobart

Department of Treasury and Finance Tasmania, 2008, *Social and Economic Impact Study into Gambling in Tasmania*, Volume 1, Final Report, Department of Treasury and Finance: Hobart

Law, M. 2005, *House of Cards: Problem gambling and low income earners in Tasmania*, Anglicare Tasmania: Hobart

Law, M. 2004, *From patron care to consumer protection: Poker machines in Tasmania*, Anglicare Tasmania: Hobart

Law, M. 2003, *The Emperor's New Clothes: The Tasmanian Gaming Commission*, Anglicare Tasmania: Hobart

Productivity Commission, 1999, *Australia's Gambling Industries*, Report No. 10, AusInfo: Canberra,

Tasmanian Gaming Commission, 2008, *Social and Economic Impact Study into Gambling in Tasmania Policy Responses Report to Treasurer*, Department of Treasury and Finance: Hobart