

Submission to Productivity Commission

Gambling Inquiry

From the Committee for Social and Bioethical Questions,
Lutheran Church of Australia in consultation with Lutheran Community Care
SA

Gambling is the seeking of gain at the expense of others, based solely on chance. Inevitably, some gain, while others lose. Often the promoter of the activity is a beneficiary, and at times this means that significant resources are diverted from other activities, or profit is made by some from the weakness of others.

We believe that Governments are charged with the responsibility of caring for the whole of the community, especially the vulnerable, and to create, uphold and enforce the protective nature of the law. While recognising that gambling is an accepted pastime and considered a recreational activity by a large portion of the general community in Australia, as a church community we are concerned when the vulnerable suffer, and as providers of care to many people both inside the church and in the wider community, we encounter many of the negative effects of gambling.

Some of the concerns we would like to place before the commission are

1. Concerns regarding public policy on gambling

- We are concerned that there is a conflict of interest in that the Governments at both State and Federal level are the beneficiaries of the revenue from gambling, yet are also the regulatory authority, policy makers, administrators, adjudicators and enforcers.
 - i. We would prefer to see an Independent Gambling Authority appointed, which would be more objective in overseeing gambling, in assessing its positive and harmful effects, and accordingly influencing, adjudicating and enforcing policy.
 - ii. We recognise that governments at Federal, State and local government level need to cooperate with policy making as well as implementation and enforcement. However, this needs to be for the good of the community.
 - There is evidence that this is not always the case. For example, in SA where a 0.2% tax was first applied to the casino and pokies in order to work with the “problem gamblers” via the “Gambler’s Rehabilitation Fund”, the joint Federal and State governments’ changes to laws requiring a fixed amount to be donated by casinos etc. resulted in less money being “donated”. Effectively, Skycity casino in 2004 donated one half of what it

previously paid while a tax was applied (Jackson, 2001, Skycity 2004).

- While we agree with aspects of the harm minimisation procedures taking place, we believe there are issues within this that need to be addressed.
 - i. One noticeable absence in harm minimisation documentation is the identification of a problem gambler. Personnel at gambling venues are trained to identify risks, and what to do with “problem” or “at risk” gamblers, but our search for documentation has not found any definition or description that would render a “problem gambler” as identifiable. So enforcement of this type of is limited, if not impossible.
 - ii. While harm minimisation methods recommend “safer” designs for poker machines, we recognise that designers and manufacturers are more interested in designing addictive machines, than governments in requiring “safer” designs—especially while governments are so reliant on gambling for revenue

2. Concern with ‘normalisation’ of gambling, especially to children

- Though we appreciate the enjoyment that many people derive from gambling, we are concerned with the “normalisation” of gambling in more subtle forms. For example, enticing our children in game

parlours with signs of “Jackpot”, and ticket-machine-games mimicking pokie machines; television shows such as “Deal or No Deal”; and “Powerballs” etc during prime-time television.

- i. We are concerned about their prevalence in proportion to other types of game shows on public television. In child protection terms, this would be called “grooming”.
- ii. We believe there should be tighter controls on the amount of blatant advertising for gambling, as well as the types of subtle “advertising” on television.

3. Concern with the way in which revenue from gambling is spent

- State governments rely heavily on gambling revenue for their budgets. State governments also argue that they put much of this back into the community. However, the amount of revenue collected from gambling in comparison to the amount spent on community welfare is pitiable.

For example, while the total gambling taxes and levies in Queensland for 2008 was \$950 m, representing 9.4% of tax revenues in 2008-2009, Queensland’s Gambling Community Benefit Fund (GCBF) distributed \$40 m to community grants - which is merely 4.2% of taxes and levies on gambling (OLGR 2008, QLD Govt 2009).

- We expect that if the government relies on gambling for revenue, much more of the revenue should be used to build up communities.

4. Impact of gambling on vulnerable families and communities

- Within SA the areas where gambling is the most problematical are the low socio-economic areas. Statistically, people from these areas are the least-educated, most likely to be unemployed, most likely to be sick and to die early. These are also the areas from which SA receives most of its gambling revenue.
- We are concerned that the promotion of gambling in many forms, entices all – especially the most vulnerable in the community -- to see gambling as a way of life, and from our experience with the most vulnerable, to regard it as excluding other forms of employment.
- We are also concerned that promotions such as “Everyone’s a winner” target those who do not understand concepts such as probability. We believe it is essential that in gambling advertising, truth in advertising is upheld.
- Again, in the context of SA, community funds such as ParentingSA are reliant on gambling revenue. The programmes and resources paid for by ParentingSA should be recognised as vitally important – and non-reliant on gambling.

- We believe that substantial funding should be available to give alternative choices to gambling. Perhaps more funding could be allocated to our own ABC to produce better quality programmes.

5. Concern with the concept of ‘problem gamblers’ and the distribution of resources

- The labelling of “problem” or “at risk” gamblers does not take into account that, according to Korn (2000), *all* gamblers are at risk due to the design of poker machines.
- Rather than focus on diagnosing “problem gamblers”, we recognise that all gamblers are at risk, and because of “grooming” and the designs of machines and environments, the whole population is at risk.
- Education needs to be for the whole population, while still providing therapeutic services for those caught in addictions.
- Our focus should be on preventive measures which encourage people to live full lives without their reliance on potentially addictive stimulants.

A review of gambling could include consideration of frameworks such as the Ottawa Charter for Health Promotion Objectives which are

Build Healthy Public Policy

Create Supportive Environments

Strengthen Community Action

Develop Personal Skills

Reorient Health Services

References:

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