



BoysTown

From Start
New Hope

Submission to the Productivity Commission Inquiry into Gambling

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Executive Summary

This submission responds to two areas detailed within the Productivity Commission Issues Paper. These responses are drawn from almost five decades of running art unions for the provision of charitable services.

BoysTown in operating Charitable Art Unions endorses the need for and promotion of Responsible Gambling and Harm Minimisation measures. BoysTown, while absolutely committed to these measures, is not aware of any problem gaming in the Charitable Art Union sector. These products do not provide participants instant gratification or a form of entertainment, largely eliminating key behavioural drivers associated with problem gambling.

Recommendations:

That formal research be undertaken to assess the extent of foreign online gambling activity and any impact of this activity both financially and socially within Australia.

That gambling legislation be harmonised across states and territories for soft gaming products within the broader gambling industry i.e. art unions.

That categorisation of gaming products be considered in the formation of any new national legislation.

That a national code of practice regarding responsible gambling for the charitable/not for profit sector be established on a voluntary basis.

Introduction

BoysTown is predominantly a youth specialist agency, our mission is ***'to enable young people, especially those who are marginalised and without voice, to improve their quality of life'***.

BoysTown has delivered services to disadvantaged and 'at risk' young people, children and families for more than 48 years. We work with people who have been excluded from full participation in family life, community activity and the labour market due to family conflict, trauma, mental health and substance misuse issues, intergenerational unemployment and disrupted education.

BoysTown has operated Charitable Art Unions as its major source of fundraising since commencement of its charitable works in 1961. Nationally BoysTown conducts 10 major Art Unions per annum and actively engages 200,000 individuals in each Art Union. BoysTown Art Unions generate net income in excess of \$15 million per annum for the provision of charitable services.

These services include:

- Kids Helpline which provides a national 24/7 telephone and on-line counselling service for five to 25 year olds with special capacity for young people with mental health issues;
- Accommodation responses to homeless families and women and children seeking refuge from Domestic/Family Violence;
- Parenting Programs offering case work, individual and group work support and child development programs for young mothers and their children;
- Parentline, a telephone and on-line counselling service for parents and carers in Queensland and the Northern Territory;
- Paid employment for young people in supported enterprises as they transition to the mainstream workforce;
- Training and employment programs that skill young people allowing them to re-engage with education and/or employment; and
- Response to the needs of the peoples of the remote Indigenous communities of the Tjurabalan in Western Australia.

The Gambling Industries (page 11)

That formal research be undertaken to assess the extent of foreign online gambling activity and the subsequent impact both financial and socially.

The increased availability of foreign websites distributing gambling software to both fixed and mobile communication and computing devices located within Australia, providing instant entertainment 24 hours day presents the possibility of increasing social issues. The capability of these channels has matured significantly since 1999 and continues to show increased participation.

These foreign web based gambling platforms represent significant regulatory challenges. They provide for unfair competition against regulated Australian businesses operating in the domestic gaming sector.

In some instances State and Federal governments are unable to apply an effective taxation regime and as a result Australian communities have no direct funding stream available to them to help offset the financial cost of any negative social impacts.

Social benefits realised through local responsible gambling policy implementation may be compromised because problem gamblers can gain instant unrestricted access to foreign web based gambling platforms via the internet.

Subscription services and credit card based transaction channels provide for the potential exploitation of problem gamblers.

The attraction of younger demographics to computer style gambling and the possibility of unregulated foreign web based gambling platforms having the capability of engendering addiction-forming behaviours amongst younger users is a significant potential social cost for the future.

Study needs to be within the Australian context to assess the impact of technological advances in gambling; in particular foreign web based gambling platforms. Technology based gaming products that are deceptively cheap to play and simple to use with a quick result and requiring little thought processing pose a threat to existing problem gamblers and may encourage the creation of a new generation of problem gamblers.

Government Regulation (page 23)

That gambling legislation be harmonised across states and territories for soft gaming products within the broader gambling industry i.e. art unions.

That categorisation of gaming products be considered in the formation of any new legislation.

That a national code of practice regarding responsible gambling for the charitable/not for profit sector be established on a voluntary basis.

BoysTown is not aware of any significant harmonisation of gambling regulations across states and territories within the charity and not-for-profit sector. BoysTown as a national provider of charitable services must apply for permits in Queensland, New South Wales, Victoria and The Australian Capital Territory for the conduct of charitable art unions. Currently no harmonisation exists between any of these regulatory bodies resulting in increased costs and administrative duplication.

We believe that the nature of charitable art unions, being that they:

- Prohibit major cash prizes
- Have a cost to enter
- Have a legislative delivery method (tickets must be posted)
- Supporters have a long wait for result (no instant gratification)
- The purchase is refundable (prior to draw)
- There is no incentive/impetus to play
- Odds of winning are public
- Have limited retail venues
- Must comply with privacy and spam legislation

do not fall within the same realms of what are harder or venue based gaming products.

In 1999 the Queensland Office of Liquor, Gaming and Racing developed a Responsible Gambling Code of Practice and Resource Manual for charities and not-for-profits fundraising with gaming products within Queensland.

Provision is made for Category 3 gaming operators within the sector (including BoysTown) to develop their own **Responsible Gambling Policy** (including financial transaction policy, complaints handling procedures, advertising and promotions policy and potential risks associated with gambling) and **Player Information Guide** (including chances of winning, Gambling Help-Line number and complaints handling mechanism).

The guiding principle of the Queensland Responsible Gambling Code of Practice states: "The Queensland Responsible Gambling Code of Practice is based on shared commitment by gambling industry providers to the guiding principle of ethical and responsible behaviour. This principle recognises the importance of customers' well being with the focus on minimising the potential harm of gambling. In addition customers' rights to privacy are respected."

The benefit of this voluntary Code of Practice is it provides an effective "sector wide" way to ensure a satisfactory regime exists to assist individuals with a Gambling problem.

The voluntary code was developed by the Queensland Government in conjunction with the sector and provides a free resource manual to assist charities and not-for-profits with compliance. The cost of this regulatory measure has been low for BoysTown. Any codes developed should be mindful of the cost of implementation as charitable organisations should not incur additional overheads when funds are required for the delivery of services to the community.