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**National, State and Territory Councils of Social Service  
(COSS) Submission to the Productivity Commission  
Review into Gambling in Australia**

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*Report prepared by*



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# The National, State and Territory Councils of Social Service (COSS) submission into the Productivity Commission review into Gambling in Australia

April 2009

## Scope of Interest

The Council of Social Service (COSS) network is an association of peak bodies for the community and welfare sector in each state and territory of Australia. Collectively, within this submission, we represent the national voice for the needs of people affected by poverty, disadvantage and inequality.

This submission has been informed by targeted consultations with our members and stakeholders, as well as many years of experience advocating on behalf of those most affected by problem gambling. Our members work closely with individuals, families and communities affected by problem gambling and are at the forefront of efforts to address gambling related harm around the country.

## The position of the COSS network

The COSS network broadly recognises that gambling is a legal and legitimate leisure pursuit in Australia and that the gaming industry is a sector that contributes to the community and the economy through the success of their products and services. However, there is a growing social, emotional, psychological and financial impact of problem gambling for individuals, families and communities that must be addressed by both industry and governments.

The COSS network and COSS members are noticing increases in;

- the numbers of problem gamblers
- referral rates for problem gamblers seeking help from gambling help services
- the numbers of gaming venues
- clusters of gaming venues in low socio-economic areas
- technological and design changes that increase the likelihood of problem gambling behaviours developing
- technological advances such as the internet, mobile phones and the imminent rollout of digital television technology that will enable more people than ever to access gambling products and services.

The COSS network urges government to more closely regulate the numbers and proximity of gaming venues in the community, particularly within vulnerable and disadvantaged communities, while also regulating Electronic Gaming Machine (EGM) distribution. The COSS network also advocates for more research and attention into gambling related harm that is caused by other gambling opportunities such as the TAB and the renewing interest by young people in horse racing. Further, with the impacts of new and emerging forms of gambling such as internet, mobile phone and digital television gambling not fully known, governments must act now to mitigate potential problem gambling increases as access to gambling to a greater number of people will be opened up exponentially.

# 1. New groups of problem gamblers

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## ***The Homeless population***

Significant attention must be paid to addressing problem gambling among the homeless. Feedback from services suggests many homeless people, of both sexes, identify as problem gamblers. In fact, social research suggests that problem gambling is one of the primary causes for homelessness in 15 to 20 per cent of all cases (Hoare, 2008). Addressing problem gambling in the rough sleeping population will be an important task for governments in working towards the targets laid out by the recent Whitepaper on homelessness. Research in this regard should also explore the nexus between wagering services such as the TAB and people experiencing homelessness.

Tertiary prevention programs and support workers that target these groups require significant investment.

## ***Prison populations***

In 2003 a South Australian research report (Marshall & Marshall, 2003) found that;

- 1.3% of all cases heard within the District and Supreme Courts from 2000 onwards were gambling related;
- 4.0% of Adelaide Magistrates Court files finalised in 2002 involving fraud offences were gambling related and;
- 1.2% of Adelaide Magistrates Court files finalised in 2002 involving larceny offences were gambling related.

Further, anecdotal reports suggest that 10% to 70% of individuals accessing gambling help services are engaging in self – disclosed gambling related crimes. The report also found that in 2003, 33% of South Australian prisoners were assessed as exhibiting problem gambling behaviours (Marshall & Marshall, 2003).

The COSS network suggest that with the correlation between problem gambling and the commission of crime being identified, more research into the prevalence of problem gambling and treatment options for prisons is warranted. This is particularly important in view of the considerable money such programs have been shown to save in the medium and long term (QCOSS, 2007). Consultation with members who work closely with prisoners suggest there is considerable scope to address and treat problem gambling among those in prison and therefore also reduce the rates of recidivism for non-gambling related crimes. The development of such programs will save considerable money in the long term and work simultaneously to reduce problem gambling among groups with high rates of imprisonment including low income earners, Indigenous communities and the homeless.

## ***New and emerging communities***

A number of community organisations with a multicultural focus have begun identifying new and emerging communities as at risk of problem gambling. These communities face additional problems accessing help with limited English language skills and an alarming lack of resources available in culturally appropriate forms.

There is considerable anecdotal evidence that Vietnamese people appear to be particularly attracted to gambling venues in Australia. According to Delfabbro (2007), in 1997, the Victorian Casino and Gaming Authority found that (based upon casino staff) people of 'South-East Asian appearance' comprised 25–31% of the total number of patrons who entered Crown Casino in Melbourne. Blaszczynski, Huynh, Dumlao, and Farrell (1998, cited

in Delfabbro, 2007) found similar results for the Chinese community in NSW. Two groups of Chinese people are thought to be of particular risk in developing problem gambling behaviours and they are shift workers and students.

Researchers have explained that Asian people may be more attracted to gaming and casino's as it offers them a social environment where their level of proficiency in English does not prevent them from engaging in the social aspects of gambling (Delfabbro, 2007).

The COSS Network is concerned that new and emerging communities are being overlooked by the research. In some cases, new and emerging communities may need to be provided responsible gambling material in alternative forms to printed media, for example, information may be delivered in information sessions, in CD's and through other audio visual modes of delivery.

All mainstream harm minimisation measures need to be accessible by culturally and linguistically diverse groups. For example, information in gaming venues advertising help services needs to be provided in community languages. Awareness campaigns including information about the chances of winning also need to be provided for CALD communities. The national gambling help website must incorporate information and support in CALD languages including those used by new and emerging communities. The South Australian gambling website is a useful model in this regard. A national strategy needs to be developed that addresses the disparity for new and emerging communities.

There has also been the suggestion by members of the notion of creating 'community leaders' within vulnerable communities to provide culturally appropriate information and education to creating connections and information networks to assist in protecting vulnerable communities from gambling harm.

## 2. New technologies, increasing accessibility and other trends

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### ***The Issue of Accessibility***

According to the 1999 Productivity Commission paper into Australia's gambling industries (1999), evidence suggested that EGM venues had been consistently clustered within geographical areas characterised by low incomes and intense EGM usage. The paper suggested that this was a way that the industry could target a particular demographic. To support this assertion, figures released by the South Australian Office for the Liquor and Gaming Commissioner (2007) from the 2006/07 financial year regarding gaming machine statistics, suggest that gaming machines are clustered within several disadvantaged communities across South Australia. The highest concentrations of machines and venues across the metropolitan area are situated within the Port Adelaide/Enfield, Playford, Onkaparinga and Salisbury local council areas (Office for the Liquor and Gambling Commissioner 2007). These areas have high concentrations of low incomes and disadvantage. In addition, Stubbs and Storer (2003) studied the relationship between gaming machine density and per capita expenditure. Their study found that there was indeed a correlation between gaming machine density and increased expenditure. The researchers found that higher intakes were found in machines that were located in areas characterised by a high SEIFA index while machines were more likely to be found in areas with a low SEIFA index.

So what is the correlation between venue clustering and problem gambling behaviours? Unfortunately there is a dearth of studies that explore this issue in Australia. While spatial variation<sup>1</sup> is used to great success in identifying what geographical areas or population

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<sup>1</sup> 'Spatial variation' refers to the changes in conditions that occur within a particular location.

groups to target within government health promotion (such as exploring the link between availability and fast food and alcohol consumption), the same tools have not been widely utilised to identify and treat problem gambling within the population. This is despite its emergence as a significant epidemiological health concern (Rush, Veldhuizen & Adlaf, 2007).

However, a Canadian study (Rush, et al, 2007) which looked into mapping the association between problem gambling and the proximity of venues, found a modest yet significant correlation between the proximity and availability of venues and an increase in problem gambling behaviour.

### ***New technological platforms for gambling and their impacts***

Notwithstanding the potential for increasing access to and use of EGMs has on problem gambling, what is now causing consternation for the gambling help sector is the introduction of new technologies that is making accessibility to gambling easier than ever before. With the introduction of internet gambling, m-gambling (mobile phone gambling) and the imminent introduction of digital television gambling, more and more people will be introduced and exposed to gambling within their own homes.

Interestingly, state and federal laws have made it illegal for Australian gambling companies to provide online casino style gambling to Australian residents but there are no legislative protections for the same residents accessing international internet gambling sites. Sports betting can also be accessed via the internet and mobile phones (Passmore, 2006).

M-gambling, or mobile phone gambling is becoming increasingly more widespread internationally and is beginning to take hold here in Australia. In the US, m-gambling has been wholeheartedly embraced by both industry and the public with consumer expenditure expected to top US\$19.3 billion in 2009 (Hutchinson, 2006).

Moreover, a Commonwealth Parliamentary Library research paper released in October of 2006 warned of the potential dangers of the increasing viability and capability of high speed data transfers due to the implementation and expansion of the on the 3G (multimedia) mobile phone network. With the inception of the 3G network in Australia on 2003-04 the ability for mobile phones to be utilised for high speed data transfer increased exponentially. This opened up the ability for mobile phone users to access full video, have internet access, access to high speed file transfers and the ability to participate in gambling (James, 2005).

Contention may ensue in how government is able to regulate the plethora of content that mobile phone users are able to access. The paper went on to say that industry slang suggests that '3G' also means 'Girls, Gambling and Games', which raises concerns over the increasing availability and access of both gambling and pornography products particularly when mobile phones are so popular amongst young people (James, 2005). The growing use of internet and mobile phone gaming exposes many more people within the community to gambling and as such also has the very real potential to increase gambling harm.

There is also concern at the renewed popularity of poker games, particularly with young people. This popularity has been assisted by television shows that feature celebrities glamourising competing in large scale poker games. This has lead to a renewed form of gambling being opened up to a whole new generation.

The COSS network argues for a strengthening of bans for internet gambling and gambling via mobile phones. These bans will assist in protecting young people in particular but will broadly stop 'casino style' gambling from being accessed outside of gaming venues.

## ***Gambling and Sport***

The COSS Network is concerned regarding the relationships between gambling establishments and sporting bodies, particularly at the elite level. These connections have the possibility of exacerbating problem gambling behaviours amongst the public (particularly by exposing people to gambling at an early age) and threaten the integrity of sporting codes.

### ***The impact of the smoking ban***

The disparity in smoking amongst problem gamblers and people who gamble in general against the general population is quite alarming. There have been a number of studies undertaken to determine the rate of co-morbidity of smoking and gambling. For example, The South Australian Department of Human Services prevalence study undertaken in 2001 (South Australian Department of Human Services, 2001, cited in Delfabbro, 2008), showed that the rate of smoking amongst regular and problem gamblers was significantly higher than those individuals who did not gamble. In 2001 there was a smoking rate of 22% (AIHW, 1999, cited in Delfabbro, 2008) for the general population compared to a smoking rate of 33% for regular gamblers and 60% of problem gamblers in South Australia (Delfabbro, 2008).

Although smoking bans in venues have been introduced to address broader public health concerns (passive smoking) it has been considered based upon the link between smoking and gambling that the bans could be a way to reduce problem gambling. This can occur by providing a break in play while smokers leave the gaming area to smoke; thereby allowing gamblers time to more fully consider the option to continue gambling. In Victoria, smoking bans were introduced in 2002 and instantly lead to a 9% drop in gaming revenue. However it was found that by late 2003 the levels of revenue for hotel and casino gaming had increased close to the levels of revenue before the ban. In South Australia, the ban on smoking saw the greatest drop in revenue since the introduction of EGMs in 1994. Figures from the Office of the Liquor and Gambling Commission demonstrated that gaming revenue dropped from \$217.22 million in the first quarter of 2007/08 to \$190.76 million in the December quarter. The \$26 million decline had a significant impact upon the industry and government revenue (Vaughan, 2008). Revenue from the South Australian hotels, clubs and the casino are expected to recover over time in a similar way to the Victorian gaming industry.

While bans on smoking in gaming venues and hotels in general has had a deleterious effect on the industry, at least in the short term, pubs, clubs and hotels are adapting to this drop in revenue to ensure continuity in play. Many venues are creating exterior gaming rooms or building outside smoking rooms next to gaming rooms. There have also been reports from members that some venues have been giving inducements to (smoking) players to continue playing like handing out nicotine patches and 'Chupa Chups' (lollypops) to prevent breaks in play.

## **3. Impacts of Gambling**

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### ***Low income households are most affected by problem gambling***

As stated earlier, Electronic Gaming Machines (EGMs) are often concentrated in disadvantaged areas where the communities are least able to afford the social and economic costs of problem gambling. For low income households the impacts on family relationships and wellbeing is magnified. Services often find problem gambling to be a major factor in the incidence of domestic violence in disadvantaged households where the added strain of gambling losses can rapidly deteriorate relationships and lead to increases in physical abuse.



In regards to gambler characteristics, research in the ACT found that problem gamblers accounted for some 37% of total gambling expenditure in the ACT, and over 48% of expenditure on gaming machines. Between 26-36% of problem gamblers were aged under 25 years. Between 70–74% were wage and salary earners, their average income was \$30,050 and 75% earned less than \$35,000. Around 15% earned less than \$10,000. Around the same proportion were receiving some form of Government benefit. This research demonstrated that ACT problem gamblers represent a highly vulnerable group in terms of their age, income, and proportion of their income directed to gambling and more broadly speaks of the vulnerability and disadvantage which characterises many people with problem gambling issues (Australian Institute for Gambling Research 2001).

### ***Problem gambling in remote and Indigenous communities***

This remains one of the most under researched and under resourced areas of problem gambling in spite of continued higher rates of incidence among Indigenous populations. In particular the impacts of card skills and unregulated gambling need greater attention. Consultation with members working closely with communities in these areas suggests the impacts of these card games can be mixed. In some communities these games can build social capital through providing an affordable networking experience and building community capacity. NTCOSS supports this notion by suggesting that in their work with Indigenous groups in the Northern Territory, gambling is seen as a way to connect and to socialise with the wider community. Further, gambling is not usually linked to co-morbidities such as drug and alcohol abuse in these communities.

However, the impacts of gambling vary widely between Indigenous communities and make it difficult to generalise. Problems can arise when extended periods of game playing can lead to child neglect and when the winnings quickly leave the community via regulated gaming venues.

In all cases the community sector continues to advocate for a community development approach to addressing problem gambling in Indigenous communities. Reports from our members who work in this area indicate that collectivist values in Indigenous communities can often lead to difficulty identifying problem gambling in the first instance. An individuals' gambling may be quite severe before it is recognised owing to the relatively common practice of couch surfing and sharing resources; exacerbated by a lack of knowledge and understanding of problem gambling. Community development models should build on existing services to ensure problem gambling is screened for in all health and mental health services and that health and community practitioners *based in the community* are up-skilled to deliver problem gambling treatments.<sup>2</sup> Resources must also be developed in local Indigenous languages to aid identification of problem gambling. Important work has been done in this regard by Lifeline Cairns with themes that include how to identify 'good borrowing' and 'bad borrowing'.

As with the general population, co-morbidities play an important role in the treatment of problem gambling for Indigenous communities. Problem gambling behaviour can develop from individuals using gambling as a form of self medication. Often gamblers will gamble to mitigate the effects of mental health issues, including depression and these factors can also be inextricably linked to problems with drugs and alcohol. With Indigenous communities representing some of the most disadvantaged communities in Australia, gambling problems create considerable tensions in personal relationships, and frequently lead to relationship breakups and domestic violence. Given the advances in our understanding of problem gambling and its impacts on the health of individuals since 1999, problem gambling needs to

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<sup>2</sup> For example, the work of the Wellbeing Centers operated by the Royal Flying Doctors in Cape York is generally regarded as a best practice model in delivering in-situ gambling counseling and support services.

be recognised an essential part of holistic efforts to 'Close the Gap' in Indigenous health outcomes.

## 4. Cost to the Community

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### ***What are the impacts of gambling on social capital?***

Gambling reduces social capital in a number of ways. Firstly, it takes time from other activities that people might choose to engage in that would build social capital and a sense of community well being. Secondly, gambling by nature is designed to reduce the material funds of a community that would otherwise be available for activities that would build social capital. Finally, many forms of gambling, including EGMs and TAB services erode social capital through isolating individuals from their communities while they engage in gambling.

Furthermore a recent study found casino based gambling and associated factors exacerbate declines in social capital in communities that are within 24 kilometres from a casino (Griswold & Nichols, 2006). This is a significant concern based upon the number of gaming venues in many communities with particular regard to already disadvantaged and excluded communities.

## 5. Taxation and regulatory arrangements

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Through the taxation of gambling, governments across Australia have been reaping the benefits of the relatively sudden increase in gambling venues, modes of gambling and associated changes in gambling behaviour (delivered through technological developments and increased ease of access). This virtual flood of revenue has become increasingly important for governments' and is relied upon within state budgets each year. However, alongside this marked increase in government revenue has been growing concern over the sociological effects of greater access to gambling products and services, particularly on the vulnerable and disadvantaged.

In Western Australia, Lotterywest is the State Lottery and operates on a not-for-profit basis. In 2007/08 nearly 30% of sales income was directed into the community. This equated to \$190.8 million dollars, including funding to health services (\$92m), funding to the arts (\$12m), funding to sporting services (\$12m) and community grants (\$74.8m) (Lotterywest Annual Report, 2007).

The COSS network advocate for governments to become less reliant upon this revenue and direct a greater proportion of gaming taxation towards gambling help services and prevention and early intervention strategies.

### ***Regulation for TAB services***

Regulation must not lose sight of gambling related harm resulting from forms of gambling other than electronic gaming machines. There is growing concern within the COSS Network about the harm that takes place in TAB services. These services are subject to less regulation than poker machines in spite of feedback from community organisations that many problem gamblers congregate at these sites. A number of harm minimisation strategies currently in place for poker machines, such as regular public health messages on screens and promotion of self exclusion programs could be readily adapted to these environments.

## 6. Consumer protection measures

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### ***Should governments make an industry code of practice mandatory?***

The COSS Network supports the development of a National Mandatory Code of Practice that builds on the strength of each jurisdiction's experience as a matter of priority. A universal code would enhance consumer protection, particularly in light of continually evolving technological advances and gambling opportunities being opened up to greater numbers of people.

A mandatory and universal code would also minimise competitive advantages between jurisdictions as governments would no longer have to choose between protecting consumers and losing revenue to other states and territories.

In the ACT, the introduction of a mandatory code of practice for gaming machine venues was a positive step. The ACT code was then considered to be amongst the most progressive in the country because of its emphasis on pro-active identification of potential problem gamblers by gaming machine venues. What is not clear at this stage, however, is the extent to which the code has been pro-actively implemented by ACT gaming machine venues.

### ***Key features of a mandatory code should include:***

- National design standards for gaming machines
- National design standards for other gaming products and services
- A venue level code of practice
- A requirement that venues undertake harm minimisation measures
- A total smoking ban in all gaming venues
- A ban on eating in gaming areas
- A ban on gambling related inducements
- Mandatory staff training in responsible gambling, including in duty of care, early intervention and administration of exclusion programs
- Clocks displayed both in gaming areas and on EGMs
- Limits on cash payouts and bans on venues cashing winning cheques
- Requirements for proper lighting
- Advertising restrictions on all gambling products, including during prime TV time for children
- Limits to \$20 on note acceptors (in those jurisdictions who currently use them)
- Public health warnings on EGMs and in smoking areas, bathrooms and at bars.
- Restrictions on player loyalty programs

We would suggest that penalties for not adhering to the code should be proportional to the potential risk to the public that gambling products present. Venues that fail to comply with or show commitment to the code of practice should lose their licences permanently in recognition of the considerable risk to public health that they present.

### ***Duty of care provisions***

Venues should also face heavier fines, including the loss of their license if they are found to be breaching duty of care by allowing intoxicated people to continue gambling. Counselling services consistently report cases of people with impaired decision making ability being allowed to continue gambling. The Gaming Industry needs to be proactive in issues of duty of care in such cases. Our position is that if a patron is allowed to keep gambling when a reasonable person should have realised they were suffering impairment in decision-making ability, then there is a very clear breach of duty of care. This may require considerable staff

development for gaming venues and the establishment of more stringent staff supervision of gaming rooms.

### ***Self-exclusion programs***

The COSS Network believes that the promotion of self-exclusion programs is primarily the responsibility of each venue. Codes of Practice should ensure gaming venue staff are trained in the active promotion and administration of self-exclusion programs. It is also technically feasible to program EGMs to scroll advertisements for self exclusion programs. These should be installed in all machines as a condition of licensing and similar provisions for TAB screens should be developed and introduced as a matter of priority.

Self exclusion processes should be reviewed to identify strategies for making the regimes more 'user friendly'. The success of these programs in Aboriginal and Torres Strait Islander communities, as well as CALD communities should also be explored. Registries should be centralised to facilitate region-based exclusions and overcome the disparities faced by problem gamblers in regions with a high concentrations of venues. For example, under the current Queensland program, cumbersome forms and photos required by each venue for self exclusion makes self-exclusion virtually unachievable in areas such as Brisbane and the Gold Coast where there is a high concentration of gaming venues in a small geographic area. Bio-technologies, such as the use of fingerprints to register excluded gamblers, hold some promise in this regard.

### ***Have there been any studies showing what impact regulating access to gaming machines has had on problem gambling or on the broader social impacts?***

Several governments in Australia have sought to regulate access to EGM's by way of instituting sales caps or trading systems. For example in South Australia a trading system which requires one machine license to be removed from the system for every four licenses sold (until only 3000 machines remain state-wide) has had only limited effect in reducing the amount of machines or access to gambling since the trading rounds have been in operation. The Joint Submission from Gambling Harm Elimination Agencies (2004) submitted to the Independent Gambling Authorities' 2004 Amendments Inquiry, states that while the current (sales cap) system is the most appropriate facility to remove the required 3000 machines from the South Australian marketplace they had found that the system had not been as successful as it could have been for the following reasons:

- The legislation has included a 'set' price rather than raising the price to a more realistic level or allowing the marketplace to determine the value of each machine (supply and demand).
- The rate of reduction of machines should be greater than one license being withheld for every four entitlements sold.
- There was not a concrete timeline to achieve the target of 3000 machines.
- Through the aforementioned elements of the current system there may not be enough incentives for license holders to trade.

In Victoria, a state-wide cap was introduced in 1995 that limited the amount of machines available to 27, 500 in hotels and clubs. Gaming machine expenditure grew strongly despite this cap but fell sharply in 2002-03 with the introduction of a smoking ban. It would seem from the statistics demonstrated in this study that the implementation of a smoking ban may have had a greater instant effect on gaming machine expenditure than a cap on machine numbers (SA Centre for Economic Studies, 2005).

Western Australia is in a unique position in comparison to other Australian states. The restrictions placed on pokies in particular, which are limited to a single metropolitan location (Burswood Casino), have shielded WA from the extent of problem gambling seen in other states. In WA there were 306 gambling businesses operating in 2004/05 which collected

\$746.6 million in net takings, 4.8% of national gambling takings. This equates to \$490 spent per person, an amount which is well below the national average of \$996 and indeed is the lowest in the country (ABS, 2004).

Accessibility to electronic gaming machines (EGMs) continues to be a major factor contributing to problem gambling, with EGMs accounting for 80 per cent of those presenting at Gambling Help Services (Department of Justice, 2005). Put simply, the continued proliferation of poker machines will continue to raise the costs to families and the wider community. The Queensland Office of Gaming Regulation's website data on metered wins reveals that in the Gold Coast City Council area, for example, losses by patrons to EGMs in hotels and clubs rose from \$122 million in the financial year 1999-2000 to \$284 million in 2005-06. This represents a 133 per cent increase in losses in just six years.

Furthermore, growth in machine numbers since 1999 has not been evenly spread across communities, for example, the Moreton Statistical Division (in Queensland) has an average of 17 EGMs per thousand adults, a number that far exceeds the accepted range of between 7 and 10 that has been determined as relatively safe by research (Delfabbro, 2002).<sup>3</sup> This is a particular and ongoing concern in view of the finding in 1999 that the costs of problem gambling are likely to be greater for communities with a higher concentration of EGMs.

### ***What changes to access should be introduced?***

Bans on 24 hour gaming should be instituted in all gaming venues. The COSS Network believes applications for the extension of trading hours for gaming venues should be refused and all gaming venues should have their current hours reviewed and curtailed where independent community consultation reveals this to be in the public interest. Moreover licenses should be reclaimed from venues in areas where the concentration of poker machines exceeds more than 10 per 1000 adult population.

### ***Should greater attention be given to educating young people about gambling, particularly in relation to financial literacy?***

With the aforementioned technological advances and increasing opportunities for young people to access gambling products and services, prevention and early intervention education is vital in order for young people not to develop problem gambling behaviours. These services must also be targeted to disadvantaged young people and young people not engaged in mainstream education and employment. Mainstream efforts in this regard must be sustained and reinforced over time, provide clear and honest information and build on the strengths of existing resources such as the teaching kits currently available in Queensland and education initiatives trialled in South Australia. Targeted programs for groups of young people at risk include:

- Young people with a disability
- Young people from CALD communities
- Young people from Aboriginal and Torres Strait Islander communities
- Young people who are disengaged from mainstream education and employment
- Young people who have a parent or caregiver who is a problem gambler.

### ***The effectiveness of harm minimisation measures***

There is little in the way of concrete research evidence that throws any light on the effectiveness of harm minimisation measures. Gambling counsellors report that their clients

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<sup>3</sup> This report mentioned a figure of 10 egm/thousand. However, other research in Scandinavian countries has placed an upper limit of 7 per thousand.

have given a mixed response the value of different measures. Individual clients have commented that they would respond better to a variety of measures and some are more effective for individual clients than others. However, there is a fairly consistent view that self-imposed pre-commitment to maximum daily amounts of money, at an early stage of their exposure to gaming machines, would in many cases have prevented individuals from becoming problem gamblers.

The COSS Network members argue that the onus and responsibility for harm minimisation measures falls on the venues. This responsibility needs to be regulated strictly within a strong, national mandatory code of practice.

## 7. Technology and its potential to enhance harm minimisation

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### ***What new technologies might enhance or support harm minimisation measures?***

The gambling industry argues that the introduction of a mandatory card based monitoring system will be detrimental to the industry and will lead to significant economic losses. The rationale behind this objection is that if all gamblers are required to enter into a smartcard based system they may be less inclined to partake in gambling related products. The industry would prefer a voluntary card based system that can be utilised by people wanting to regulate their spending while not penalising the majority who do not exhibit problem gambling behaviours. However, the COSS Network would argue that for a card based system to actually reach those who are exhibiting problem gambling behaviours and those who have the potential to become problem gamblers the card system would have to be mandatory. Unfortunately it is the absence of large scale studies into the use of smartcard based pre-commitment strategies that may be fuelling some reservations regarding this measure. While research such as a study conducted in Nova Scotia (Omnifacts Bristol Research, 2007) has demonstrated a positive correlation between people utilising a card based pre-commitment system and reductions in problem gambling behaviours, the study also concludes by recommending further testing needs to occur to ensure that instituting a monitoring system such as this does not contribute negatively to gambling harm and further impact upon the lives of problem gamblers and their families.

A second smartcard trial will be conducted in South Australia in April 2009 (the first occurred in October 2008 – January 2009) using a major venue based card system that will enable gamblers to pre-commit to a sum of money before play and limit their spending. The trial is voluntary and all participants have self-elected to participate in response to promotional information posted in the selected venues.

## 8. Gambling as a public health issue

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The COSS Network is advocating for government to start viewing gambling as a public health issue. While state governments in Australia have tended to view problem gambling as an individual issue, international governments have been adopting a public health approach to problem gambling which allows them to focus more upon population health, prevention and early intervention in public policy development (Wynn 1997, cited in Messerlian and Deverensky 2005). Much of the early work on the public health model in regards to problem gambling came from the work of Korn and Shaffer. Korn and Shaffer argued that if governments' examined gambling from a population health and health promotion perspective then this would provide the necessary data and knowledge to strengthen gambling harm related policy, research and practice (Messerlian and Deverensky 2005).

The public health perspective allows for an exploration of the individual biological and behavioural elements of problem gambling (the current approach), but can also identify and ameliorate the social and economic determinants of problem gambling behaviour; for example unemployment, poverty and the effects of co-morbid elements, such as alcohol, drugs and cigarette smoking (Shaffer 2003).

The public health model for problem gambling has been adapted to great effect in New Zealand and also in Canada and the US. An evaluation of the Oregon gambling help service (informed and guided by the public health model) took place in 2002 (Oregon Department of Human Services 2002). The evaluation found that enrolments in gambling help services increased 40% during the reporting period demonstrating the importance of health promotion campaigns within problem gambling responses.

The COSS network suggest that the prevention of problem gambling behaviour must be given a high priority, in much the same way that hugely successful long-term public health campaigns have been for cigarette smoking within the community.

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