

Introduction

Thank you commissioners for the opportunity to respond to the Productivity Commission Draft Report – October 2009 – and for the opportunity to present at the Public Hearing in Brisbane on Monday 14 December.

This response includes the report provided at the Public Hearing, plus some supplementary comments and information, especially on matters that were discussed following the formal presentations at that Public Hearing from Leagues Clubs Australia, the National Rugby League and the Redcliffe Leagues Club (Dolphins). The Redcliffe Leagues Club submission has been provided directly to the Commission.

Leagues Clubs Australia is an association representing some 82 leagues and sporting clubs (occupying 114 premises by way of amalgamations) that provide significant financial and in kind support for the sport of rugby league in New South Wales and Queensland – a sport that is played at a number of levels – embracing NRL, senior & junior rugby league competitions. It is the most popular sport along the east coast of Australia - a sport that proudly boasts massive television ratings, especially during state of origin and finals series. Across the nation there are approximately - 450,000 participants and 75,000 volunteers.

In 2009, the nine (9) NRL Licensed Leagues Clubs provided a total of \$27 million in direct financial grants to their respective NRL Clubs, and without that financial support there would be grave doubts about their future viability.

Our member clubs also provide substantial support for a wide range of other sporting activities – cricket, hockey, netball, swimming, athletics, cycling, tennis, ice skating and more. This financial support and the provision of facilities enables everyday Australians, whether they are senior citizens, adults or children, with affordable and accessible sporting options, thereby contributing significantly to the overall fitness, well being and good health of our nation.

The first licensed leagues clubs in NSW commenced operations in the mid 1950's with a charter to "propagate the game of rugby league at senior and junior levels and to support the community". On that basis leagues clubs were granted licences to operate gaming machines and sell liquor by the licensing court.

Of the 264 original submissions to the productivity commission, 14 were from our association and our member clubs – which equates to over 5% of the total submissions. It is the belief of those member clubs, and our wider association, that the draft report largely ignored the content of their submissions in relation to the following -

1. Firstly, the content of their submissions relating to term 3 and term 5 of the terms of reference
2. Secondly there was no clear recognition of the community gaming model versus "for profit" gaming
3. Finally there was no clear recognition of the club gaming environment, where there has been a strong commitment to a policy of responsible gambling.

The presentation by Redcliffe Leagues Club (Dolphins) provided at the public hearing reinforced the typical economic impact of one of our member clubs in their community, and the contribution of gambling revenue on community development, employment and the sport of rugby league, especially at the grass roots level. It also outlined the benefits of a community gaming model, and detailed their pro-active approach in providing a safe, secure and responsible gaming environment.

The economic and community benefits flowing from the club industry was embraced in the 2008 Independent Regulatory and Pricing Tribunal review of the NSW registered clubs industry. IPART concluded "that the registered clubs industry's net social contribution is positive. On this basis, IPART considers it appropriate for the NSW government to provide support to the industry, to help ensure the industry's financial viability so that clubs can continue to contribute to positive social outcomes in the state." The report went on to say "IPART's view is that, on balance, clubs make a positive contribution to the community that is sufficient to justify the level of support the industry receives from government." IPART's estimate of the value of clubs' direct social contributions in 2007 was \$811 million.

It is disappointing that the Productivity Commission draft report did not attempt to provide a similar evaluation.

Summary

Leagues Clubs Australia is extremely concerned that this Draft Report focuses predominantly on gaming machines, and largely ignores other forms of gambling that would, according to quoted figures in the report, contribute to 20-25% of problem gamblers. The Commission has disregarded Term of Reference 1.

The Association is also concerned that the Commission also disregarded Term of Reference 3 and Term of Reference 5 in not providing an assessment of the positive impacts of the Club Industry, and through the club gaming model, the economic benefit flowing back into the community.

Leagues Clubs Australia has concluded that should all of the recommendations in the Draft Report be fully implemented, the club industry as we know it today will be decimated, and the impact will reverberate throughout the whole community. Jobs will be lost, sporting and social amenities would be diminished, direct community funding would be severely affected, and in terms of rugby league both senior and junior rugby league competitions would be impacted. At the NRL level only 5 or 6 privately owned teams may survive – all of these impacts with no real guarantee or proof that there will be a reduction in the incidence of problem gambling.

The extent of some of the recommendations surprised many because the draft report conceded a number of positives:

“The spectacular growth of gambling in the 1990’s – associated with the sudden liberalisation of gaming machines – has subsided, and there is reduced participation across the industry as a whole. Gambling is now a mature industry, growing at a rate similar to most others.”

“Gambling ..made up a smaller percentage of household consumption expenditure in 2006-2007 than in 1998-1999.”

Draft finding 4.6 – “While far from certain, problem gambling prevalence rates appear to have fallen somewhat. It is unclear how much this reflects natural adaptation or the impact of government policy, though both are likely to have contributed.”

“Help services for problem gamblers are well-funded and largely successful in resolving people’s difficulties (though there is still room for improvement).”

“The majority of problem gamblers satisfactorily manage their gambling following counselling/treatment”

“Most problem gamblers do not need prolonged treatment.”

Such positive traction since the 1999 Productivity Commission Report indicates that the industry stakeholders and governments are moving in the right direction. Further indication of this is provided in the latest results from the Queensland Household Gambling Survey 2008-2009, which found the problem gambling rate had dropped to 0.37% of the adult population, down from 0.83% in 2001.

Leagues Clubs Australia endorses recommendations which improve the quality and availability of counselling and treatment support services for problem gamblers - there should be a commitment for those measures to be expedited. As well our Association sees as a priority the establishment of a National Gambling Research Centre. The role of this centre should be to commission credible evidence-based research which will provide accurate data and information covering all of the 10 terms of reference of this Productivity Commission Report.

As your draft report states: "Evidence is essential to good public policy." May we suggest that a large number of the commission's findings have been concluded off the back of research data that has no industry-wide stakeholder confidence? The use of words in the findings such as – "assumptions", "estimated", "may", "imprecise", "around", "appear", and so on clearly does not imply accurate and well founded conclusions.

From a scientific point of view, recommendations being formulated off the back of such imprecise data surely do not create the justification for their implementation. On that basis Leagues Clubs Australia calls for the suspension of all recommendations relating to the operation of gaming machines and ATM's until appropriate research is commissioned by the National Gambling Research Centre to evaluate their true effectiveness in reducing problem gambling.

PERSONAL RESPONSIBILITY

The freedom of choice for an individual to spend his or her money as he or she sees fit is a fundamental right in Australian society.

Where that individual chooses to gamble, that right still applies, no matter what form of gambling – wagering, lotto, scratch lotteries, sports betting, poker machines.

Where an individual experiences a problem with gambling, the Government and Industry stakeholders have to have a range of regulations and measures in place that are effective in dealing with the problem that the individual is experiencing. However, there must be an onus of personal responsibility on those individuals experiencing problems to take control of their lives and seek assistance. This onus of personal responsibility has been embraced in two recent Court cases:

The Australian 10 November:

THE High Court has dramatically shifted the responsibility for drunken actions on to the individual, ruling that the nation's publicans have no general duty of care to protect patrons from the consequences of getting drunk.

Hailed as a victory for common sense, the country's highest court yesterday tilted responsibility for the safety of drunken patrons towards "the drinker, rather than the seller of drink".

Without dissent, five judges overturned a decision of the full bench of Tasmania's Supreme Court that found a publican who returned motorcycle keys to a drunken patron, who then died in a crash, had failed in a duty of care.

Three of the judges opted to make a more detailed explanation of their decision to "avoid repetition" of such cases and to warn against "interfering paternalism".

They ruled that outside exceptional cases, hotel owners and licensees "owe no general duty of care at common law to customers ... (requiring) them to monitor and minimise the service of alcohol or to protect customers from the consequences of the alcohol they choose to consume".

The Australian 8 December

A pathological gambler has failed in his bid to sue Melbourne's Crown Casino for millions of dollars he lost there.

Gold Coast property developer Harry Kakavas lost \$30 million during the 15 month, \$1.5 billion gambling spree in 2005-2006.

Mr Kakavas sued Crown in the Victorian Supreme Court, arguing the casino preyed on his gambling addictions.

Justice David Harper ruled today that the casino did not prey on Mr Kakavas.

He said while the casino provided Mr Kakavas with inducements, it was not outside the grounds of what is acceptable.

Justice Harper ordered Mr Kakavas pay Crown \$1 million which he borrowed from the casino during his time gambling there.

Regulations and measures that restrict the freedoms of the greater majority of responsible gamblers amount to a diminution of their rights. The available evidence all points to problem gambling afflicting a very small, and possibly declining, proportion of the population.

Therefore, good policy embracing effective harm minimisation measures targeting problem gamblers should be the priority.

As mentioned in our summary, Leagues Clubs Australia endorses recommendations which improve the quality and availability of counselling and treatment support services for problem gamblers - there should be a commitment for those measures to be expedited.

State Governments and the Industry have made significant improvements to counselling and treatment support for problem gamblers:

"Help services for problem gamblers are well-funded and largely successful in resolving people's difficulties (though there is still room for improvement)."

"The majority of problem gamblers satisfactorily manage their gambling following counselling/treatment"

"Most problem gamblers do not need prolonged treatment."

"People experiencing problems with gambling can recover without professional help."

Our Association concurs with Clubs Australia:

"Targeted responses to assist problem gamblers are available, effective, affordable and supported. Clubs Australia believes options which target problem gamblers should be given preference over measures which affect everyone."

We endorse the following measures:

- Develop and promote self-help solutions
- Because of the high correlation of co-morbidities among problem gamblers, counsellors providing gambling help services should have a minimum level of training.
- Co-ordination with other health services
- Through the National Gambling Research Centre build a better evidence base.

GAMBLING INFORMATION AND EDUCATION

At the Public Hearing the LCA questioned the commission's reluctance to pursue school-based gaming educational programs. This issue needs to be reviewed as a matter of urgency, especially with the reliance of today's youth on the internet, and their potential exposure to overseas gaming sites. Virtually every google search on anything relating to gaming or gambling has sponsored links to overseas gambling sites such as playpokiesforfree.com. Serious consideration should be given for the provision of school based educational programs and be based on the successful drug and alcohol awareness programs currently being conducted.

PRE-COMMITMENT AND SELF EXCLUSION

The Productivity Commission Draft Report set the criteria for pre-commitment:

“Whether pre-commitment measures are appropriate in practice depends on:

- the likely effectiveness of the measures
- the monetary and non-monetary costs of any proposals for venues and gamblers, including inconvenience and any erosion of people’s freedom
- privacy concerns and the receptiveness of gamblers to the options for control.”

It is hoped that the Commission are cognisant of these criteria in assessing the written submissions and written responses on pre-commitment, and that they are seriously considered prior to the final recommendations.

Our concerns with the introduction of a universal pre-commitment system for gaming machines by 2016 are:

- The massive technological infrastructure costs.
- The suggestion that the gambler “pays” for the system by reduced “return to player” percentage
- The huge disincentive for “recreational gamblers”.
- The issue of privacy.
- The issue of civil liberty in having your gaming activity tracked – would a non-gaming machine gambler like the amount of money spent on lotto, horse racing, lotteries monitored?
- A measure that is being implemented for the small minority, but one that problem gamblers can maneuver around – multiple cards, multiple identities.
- No empirical evidence as to the likely effectiveness of the measure.

ATM’s/EFTPOS – LIMIT OF \$200 A DAY

Every bank consumer has the ability to limit their access to cash on a daily basis. Imposing a \$200 limit on ATM’s and EFTPOS is another recommendation designed to cause the greatest inconvenience to not only recreational gamblers, but the wider public who may be just visiting venues for catering, entertainment, sporting or social reasons. Access to cash has become the public expectation, and withdrawals at Clubs increasingly popular because of their safe environment. As well, the withdrawals at Clubs may not necessarily be for the intention of spending the money at the Club, but may be for reasons subsequent to leaving the Club.

For instance, the cost of attending an NRL fixture at the adjacent ground for a family, including beverage and catering costs, plus before and after game activities would easily surpass \$200.

There is no doubt that the problem gambler can also maneuver around this measure with multiple cards and/or the problem gambler taking large amounts of cash to the venue, thereby rendering this measure as being totally ineffectual.

PROVISION OF CHEQUE FOR PRIZES ABOVE \$250

We object to this recommendation as it presents a logistical nightmare. One of our large Member Clubs anticipates that in peak trading periods they will not be able to keep pace with the administration of this requirement.

As well, this measure may have the opposite effect on its intention – problem gamblers will have the incentive to continue playing credits on their machine until the claimed amount is below \$250, thereby allowing them cash access to their winnings.

EXTENDED GAMING MACHINE SHUTDOWN

In today's society, particularly in large cities, people demand flexibility of operating hours from hospitality venues. This is especially true for the many shift workers, or people working flexi hours, as well as younger patrons, who tend to begin their nights out late in the evenings. It is definitely a supply and demand situation, and while the demand is present, Clubs should have the flexibility to operate.

This recommendation's effectiveness as a harm minimisation measure is seriously questioned, especially in the large metropolitan cities that have Casinos operating. As is the existing case in Sydney, gamblers have free transport options to Star City from many suburbs, no matter what hour of the day. When existing shutdown hours are implemented the gambler has ready access to a far wider range of gambling options.

Finally, should online gaming provisions be endorsed, the problem gambler can simply return home to log on and continue to gamble in an unprotected environment.

MAXIMUM BET LIMIT – ONE DOLLAR

The recommendation for the maximum limit of one dollar takes away the right for the greater majority of responsible gamblers for freedom of choice, and completely disregards

their financial capacity to bet a higher stake. As acknowledged earlier, this Draft Report ignores 20-25% of problem gamblers that have a problem with forms of gambling other than gaming machines – wagering, lotto, lotteries, sports betting etc. Are limits in place for these gambling options? Do we limit what everyone can spend on a Melbourne Cup bet? Can gamblers “up their stake” for a \$80 million Lotto draw?

This recommendation illustrates the vendetta against gaming machines throughout the whole draft report, and I suggest is designed to remove any “thrill” for responsible gamblers.

What the Commission is suggesting is that anyone currently betting above \$1 is a problem gambler.

MAXIMUM CASH INPUT OF \$20.

At the Public Hearing in Brisbane, Doug Flockart, CEO of Clubs Queensland reported on the Queensland Government’s 2001 policy of introducing a maximum cash input limit of \$20. The original policy was reversed within 5 days of implementation when it became clear it was unworkable. The industry suffered a dramatic down turn of 37% in the first week of December 2001 and within days the Queensland Government decided to increase the credit limit to \$100.

The maximum cash input of \$20 recommended in the Productivity Commission Draft Report is exactly the same as the 2001 policy, where in actual operation a maximum credit of \$39.99 would be possible with insertion of a \$20 note.

Clearly this recommendation provides a significant barrier for the recreational gambler, while at the same time has no conclusive benefit for the problem gambler.

ONLINE GAMING

The recommendation for the liberalisation of online gaming, which the draft report acknowledges “has grown significantly in the 2000’s, and could be worth 4 per cent of

gambling expenditure", coupled with the use of credit card betting, flies in the face of a common sense approach to this potentially damaging form of gambling.

It is the view of the Association that should be no consideration of this recommendation until it is referred to the National Gambling Research Centre. As a relatively new gaming medium, there needs to be some collation and review of the research already conducted, as well as further research commissioned to ensure "good public policy".

In response to questions fielded at the Public Hearing in Brisbane, two reports by Sally Monaghan are submitted as part of the LCA response to clarify a number of key issues relating to online gaming:

- Access
- Player protection
- Underage access and usage
- Credit cards and other forms of payment security
- Potential for problem gambling

Sally Monaghan presented a session at the Leagues Clubs Australia Gaming Conference in May, 2009, and a significant amount of that presentation is embraced in these 2 reports.

As well, there is a summary of the most recent British Gambling Prevalence Survey, research that was led by Dr Mark Griffiths, Professor of Gambling Studies at Nottingham Trent University. The study **showed that the level of problem gambling among those who had used the internet to gamble (5%) was ten times higher than those who did not.**

Sally Monaghan

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Introduction

The beginning of public and commercial use of the Internet in the early and mid 1990s introduced the possibility of online gambling which first occurred in 1995 (Romney, 1995). Rapid expansion followed with yearly increases in the number of online gambling sites, types of gambling available and jurisdictions granting licences to allow internet gambling. Revenues similarly increased from approximately US\$2.2 billion in 2000 to US\$15.2 billion in 2006 (Christian Capitol Advisors, 2005; 2007). **In January 2008 there were 2,132 Internet gambling web sites owned by 477 companies from 49 different jurisdictions as listed at www.online.casinocity.com.** The majority of these companies are privately owned and the online sites consist of 786 online casinos, 517 poker rooms, 408 sports and racebooks, 289 online bingos, 53 skill game sites, 43 lottery sites, 21 betting exchanges, and 15 backgammon sites (Casino City, 2008). Sports and horse race betting, online casinos and poker rooms are estimated to account for 95% of the total market share and estimates suggest that the United States and Asia Pacific region are the largest markets, followed by Europe (RSeConsulting, 2006).

Online Gambling Behaviour

The majority of online gamblers appear to gamble from a computer within their own home (86.6%) and only 4.3% report gambling online primarily from their workplace (Wood & Williams, 2007). However, 16.3% of this sample reported they occasionally gambled online from their workplace (Wood & Williams, 2007). Similar patterns of play were found by eCOGRA (2007) with 90% of online gamblers surveyed reported playing primarily at home, with the most popular time of day being in the evening (72%) followed by late night (53%). The most popular forms of online gambling amongst this sample were slot machines (40.9%), cards (mostly blackjack; 33.3%), keno/bingo (14.4%), sports betting (6.2%) and dice (2.7%). Similar results were found by the American Gaming Association (2006) where respondents indicated the casino games they most often played online were blackjack (78%), video poker (65%), slot machines (60%), roulette (37%), craps (29%), pai gow poker (24%) and baccarat (18%). Texas Hold'em was the most popular type of poker game.

Fair Play and Player Protection

Given the nature of online gambling as a largely unregulated industry fair play practices are difficult to monitor as there is less evidence of the authenticity and fairness of gambling outcomes. There are high levels of mistrust and cynicism amongst consumers regarding online gambling, with security concerns and legitimacy cited as the main reasons for not playing online in a survey of U.S. poker players (Ipsos Reid, 2005). Similar concerns are cited by Internet gamblers with 55% of a sample of online gamblers stating they believe that online casinos cheat players (American Gaming Association, 2006). **In a large scale survey of international Internet gamblers, over one-third of respondents claimed to have had a dispute at some point with an operator, with less than half of these saying it had been resolved (eCOGRA, 2007).**

Youth

Underage gambling is of particular concern and research from Canada, the U.S., U.K., and Australia shows that 4-7% of adolescents exhibit serious patterns of pathological gambling, with 10-15% at risk for either developing or returning to a serious gambling problem (Delfabbro & Thrupp, 2003; Derevensky & Gupta, 2004; National Research Council, 1999). The involvement of youth in online gaming appears to be increasing with recent prevalence studies reporting 6% of high school students in New York State having gambled online in the past year (Rainone & Gallati, 2007) and 9% of Canadian high-school students reporting having gambled for money on the Internet; an increase from 3.6% in 2005 with over half of those surveyed reporting play on 'practice' sites (MacKay, 2005; McBride, 2006). **Adolescents who bet online are more likely to be problem gamblers, have lower grades, engage in delinquent activities, abuse alcohol and illicit drugs and take medication for depression and anxiety (MacKay, 2005).**

Although most online sites ban individuals younger than 18, their ability to effectively accomplish this appears to be questionable. **In addition to reports of the prevalence of youth gambling, a study conducted in the U.K. found that a 16 year old was able to place bets online on 30 out of 37 sites tested and a European survey found 17% of visitors to online gambling sites were under the age of 18 (NCH, 2004; NetValue, 2002). The problem of youth gambling online is of significant concern and should be addressed by key stakeholders including industry, government, and the community.**

In addition to the apparent increase in adolescents gambling online for money, the high use of practice sites is of considerable concern as, relative to money sites, these have an over-inflated pay-out rate (Griffiths & Parke, 2004; Sevigny, Cloutier, Pelletier, & Ladouceur, 2005), which may lead youth, accustomed to winning to switch to the money sites, where they do not experience the same success. There is evidence to suggest that the possibility to play without money makes games more attractive, reduces barriers to play, and may undermine attempts to quit (Blaszczynski, Sharpe, & Walker, 2001). Furthermore, free gambling sites have been identified as fostering future gambling problems and are frequently accessed by adolescents identified as at-risk for gambling problems or already experiencing gambling problems (Derevensky, 2005).

Problem Gambling

Research has suggested that certain features of Internet gambling may result in this form of gambling leading to problem gambling behaviour for some individuals (Griffiths, 1999; 2003; Griffiths & Parke, 2002; Griffiths & Wood, 2000; LaRose, Mastro & Eastin, 2001). These aspects include the greater availability, convenience and ease of play, greater anonymity, the solitary nature of play, immersive nature of the Internet, the use of electronic payment and the ability of players to gamble while under the influence of drugs or alcohol (Wood & Williams, 2007). It has been suggested that Internet gambling may attract individuals who would not play at land-based venues, which may lead to an increase in the prevalence of problem gambling (Wood et al., 2007).

These suggestions are supported by findings that the prevalence of problem gambling is higher amongst samples of Internet gamblers than land-based gamblers. Among an online sample of 1,920 Internet gamblers a substantial proportion were classified as moderate (22.6%) or severe (20.1%) problem gamblers (Wood et al., 2007). Similar levels of problem gambling have been found amongst university students who gamble online (Griffiths & Barnes, 2007; Griffiths, Wood, & Parke, 2006; Ladd & Petry, 2002). When compared to national prevalence surveys from a range of countries finding that 1.1% to 5.4% of the population have gambling problems (Alberta Gaming Research Institute, 2007) it appears that Internet gambling may lead to higher rates of problem gambling.

However, despite the apparent relationship between online gambling and problem gambling, a causal connection has not been established. While it has also been suggested that problem gamblers are more likely than non-problem gamblers to prefer Internet gambling, it is also possible that although many problem gamblers may prefer land-based venues, they may utilise Internet gambling sites when land-based ones are unavailable (Wood et al., 2007).

Sally Monaghan

March 2009

THE PROVISION OF CREDIT FOR INTERNET GAMBLING

Although the vast majority of players use Visa or MasterCard at Internet gambling sites, there are approximately 150 different online payment methods currently used to finance online gambling (Wood & Williams, 2009). The widespread use of credit cards for Internet gambling is potentially problematic given the possibility for players to gamble money they do not have, resulting in debt and high interest charges. Other popular payment methods include Neteller, Bank Wire Transfers, Moneybookers and personal cheques. The appearance of so many non-credit card financial intermediaries may be in part due to the prohibition of Internet gambling in certain countries and lack of trust of online gambling sites. Due to the anonymity of the Internet and difficulty locating and prosecuting clients who default on gambling debts, the majority of gambling sites require upfront deposits before play. However, in the highly competitive market, 'no deposit' sites and bonuses are marketed to attract new players who are cautious about depositing money with an unknown entity and in a less scrupulous manner, appealing to gamblers who do not currently have the means to place bets.

No deposit sites offer bonuses of free credit to new customers to allow players to bet without having to risk their own money. These offers are usually dependent on a new account being created, which requires the provision of identification to ensure customers are of legal age and can only register for free chips once. However, before these credits can be cashed out players must meet playthrough and withdrawal requirements. This refers to the number of times the no deposit bonus has been rolled over before it can be cashed out. For example, a \$10 no deposit bonus with a x15 playthrough requirement necessitates \$150 worth of bets to be made before the money can be withdrawn. There may also be limits on the amount that can be cashed out based on no deposit bonuses, i.e. maximum win values. These conditions essentially require a player to invest their own money in addition to the no deposit bonus before they can withdraw any winnings. This marketing promotion is designed to increase the customer base and gather contact information so future promotional material can be sent to the clients.

Along with the exponential increase in Internet gambling sites is a rise in the number of sites offering reviews and comparisons to assist players in findings sites offering the best features and bonuses. Amongst these reviews are sites advertising cash advances and payday loan advances. Importantly, these are generally not Internet gambling sites, but money lending sites who advertise their services to Internet gamblers. Credit cards have also been created by third parties to be used exclusively for Internet gambling (e.g. The Gaming Card offering high daily spend limits, fast payouts and credit). Like traditional money lenders, these sites are potentially dangerous as they enable players to gamble money they do not have with the risk of creating greater debts with high interest rates.

Professor Mark Griffiths – Nottingham Trent University

Problem gambling is much more prevalent among those who gamble online compared to those who only gamble offline, according to research presented today at the *British Psychological Society's Social Psychology Conference*. Using data from the most recent British Gambling Prevalence Survey, the research led by Dr Mark Griffiths, Professor of Gambling Studies at Nottingham Trent University, **showed that the level of problem gambling among those who had used the internet to gamble (5%) was ten times higher than those who did not.**

Other findings to come out of the study, *Internet gambling: A secondary analysis of findings from the 2007 British Gambling Prevalence Survey*, showed a number of significant socio-demographic differences between internet gamblers and non-internet gamblers. Internet gamblers were more likely than non-internet gamblers to be male, relatively young adults, single, well educated, and in professional/managerial employment. Results also showed that internet and non-Internet gamblers were more likely to smoke (nicotine) and drink (alcohol).

The study provided the first ever analysis of a representative national sample of internet gamblers. Using participant data from the survey (n = 9003 adults aged 16 years and over) all participants who had gambled online, bet online, and/or who had used a betting exchange in the last 12 months (n = 476) were compared with all other gamblers who had not gambled via the Internet. The research was done in collaboration with *NatCen* (the National Centre for Social Research) and Professor Jim Orford (University of Birmingham) and funded by the *Gambling Commission*.

Professor Griffiths, based in Nottingham Trent University's School of Social Sciences, said: "This study's findings suggest that the medium of the internet may be more likely to contribute to problem gambling than gambling in offline environments. It is clear that gaming companies need to acknowledge they will need to provide even better social responsibility infrastructures online than offline to minimise the harm to problem gamblers."

He added: "There is also the issue of how internet problem gamblers can be helped. Recent research suggests that online problem gamblers appear to prefer to seek help online therefore online help, guidance and treatment may be a potential way forward to help those who may feel too stigmatised to seek traditional face-to-face help for their gambling problems."

The paper, part of a symposium convened by Professor Griffiths on psychosocial factors in online gambling and video gaming, is one of many papers at the conference showcasing the research done at Nottingham Trent University that underpins its new Masters degree in Cyberpsychology.

Let me finish by thanking you for the opportunity to present at the Public Hearing in Brisbane, as well as provide our written comments. We request that you consider a balanced common sense approach for government and industry stakeholders to reduce problem gambling, but at the same time still allow our mature and responsible club industry to maintain its vital contribution to the community.

Peter Turnbull

Chief Executive Officer

Leagues Clubs Australia