

SUBMISSION TO THE FEDERAL PRODUCTIVITY COMMISSION GAMBLING INQUIRY

FROM: MAREA DONNELLY; 5/1/2010

While I congratulate the Federal Government on again putting the gambling industry under the microscope, please excuse my cynicism in expecting this scrutiny to shift the balance in favour of rational management of what is internationally recognised as an addictive pastime for some proportion of the population. (I submit that the exact proportion addicted to or likely to become addicted to gambling is irrelevant. Some people are, so therefore some protection/control against addiction should be mandatory).

It is now more than a decade since I, on behalf of my family, presented evidence to a Federal Productivity Commission inquiry into gambling. (Sydney, 16-17 November 1998)

Sadly, both from our experience with my relative, and repeated media coverage of the tragedy of people embezzling from employers to finance a gambling addiction, it seems neither a predilection to gambling addiction nor the mechanisms to manage addiction have progressed in this time. So far, only one Australian state, being South Australia, has moved to protect both gamblers and their families from the worst repercussions of gambling addiction.

This is despite mounting impartial evidence that a gambling addiction can be a consequence of such illnesses as early dementia (see neuro.psychiatryonline.org/cgi/content/full/16/1/117) or of treatment for Parkinson's Disease (www.news-medical.net/news/2005/05/09/9891.aspx). In both cases, an uncontrollable mental process caused people to behave less rationally than they once would have done. Sadly, the damage of gambling losses is often done before their illness can be diagnosed and managed.

For me, this means two things: Firstly, it suggests some form of brain disorder could be an underlying factor in gambling addiction, and secondly that our society condones greedy organisations effectively stealing from people who are in fact suffering a degenerative mental illness, as in most states, including my home state of NSW, it is impossible to force people who begin gambling extremely heavily and irrationally to undergo any form of medical examination.

A decade ago I was also swamped by the verbal sleight of hand and pseudo-scientific minutiae pedalled by licensed clubs and other gambling associations, often published by university gambling researchers who are themselves funded by research grants from gambling organisations (For example, the University of Sydney Gambling Research Unit at www.psych.usyd.edu.au/gambling/GIO_report, funded by an organisation representing the TAB, Star City, NSW Leagues Clubs and so on. Also see the unit's current projects).

Is research funded by cigarette companies accepted as an unbiased analysis of the likelihood, impacts or treatment processes of nicotine addiction?

Part of their argument revolved around a quaint concept of harm minimisation. I have yet to ascertain exactly what harm-minimisation means, aside from justifying the status quo.

With the clarity of distance, many of the arguments presented by the industry and its researchers are irrelevant and serve merely to preserve the generous cash-cow of gambling addiction for the richly indebted gambling industry, which has a multi-billion dollar interest to protect. Of course the gambling industry and its many individual beneficiaries do not want any serious controls to limit the uncontrolled expenditure of a gambling addict.

Logic suggests that if you accept gambling addiction exists, the solution is a legally enforceable public health treatment program, which would obviously include enforced (and not merely self-nominated) exclusion of addicts, or a severe gambling limitation processes.

Logic also suggests there is just one reason for avoiding such processes (and it has nothing to do with freedom of choice – addiction leaves no room for free choice). The club and hotel industry know how much of the money they rely on for generous salaries and extensive

building projects comes out of the pocket of problem gamblers, people who spend from 10am (or earlier, if well-meaning club staff allow regular addicts early entry) to 8pm or 9pm in front of a poker machine.

What industry is going to willingly give up the potential to turn-over more than \$24,000 from one customer in one day? (Doubt it? Multiply a \$10 reel-spin by five spins a minute for eight hours a day). Do it seven days a week, and drop \$168,000 down a poker machine slot. Even paying out 80 per cent of what comes in, clubs net \$33,600 a week. Just 10 compulsive or addicted gamblers can keep club books looking pretty healthy. So of course registered clubs don't want bans on problem gamblers.

The problem for the problem gamblers and their families is that they can lose at least \$33,000 a week at this rate, as all the payouts do not come back to problem gamblers. Everyone's heard about the jackpot payout on a \$5 pokie wager.

Essentially my submission is that if science has established some people can become seriously addicted compulsive gamblers, government as a responsible social caretaker charged with acting in the best interests of the entire population has an obligation to look after the interests of, and act to protect, gambling addicts from the destructive consequences of this addiction. Surely this is a health problem, not a licensing or club management issue.

Why would clubs or hotels, the beneficiaries of this addiction, act to support genuine efforts to deny problem gamblers access to poker machines?

South Australia has tackled this with problem gambling support orders, described as:

``Under the problem gambling family protection orders scheme, a person (for example: a spouse, domestic partner or child) who is affected by a family member's gambling problem can make a complaint to the Independent Gambling Authority about the family member's gambling problem. In certain circumstances, the Authority may receive a complaint on behalf of the family from a person who is not a family member.

The Authority has powers to make orders to address the person's problem gambling behaviour, which can include: barring from gaming venues, requirements to attend counselling, requirements about payment of wages, &c. The Authority will not usually make any orders until it has conducted a hearing into the complaint. (see www.iga.sa.gov.au/problem)

If such an intervention is possible in one state, then why not apply it nationally?

The same controls must extend to all other forms of gaming, such as online and TAB. My reference is to poker machines as I have first-hand knowledge of the destruction they cause and the impossibility of encouraging, cajoling or begging a seriously addicted person to get help. As it is, in NSW there is absolutely no mechanism to enforce a medical/psychiatric/psychological assessment of problem gamblers.

Stop playing with words. Gambling addiction exists. Voluntary treatment programs do not stop the most intractable gambling addicts. Develop a public health program that does. And it won't mean waiting for a compulsive gambler to decide they gamble too much.

Thank you for your time and look forward to your wise and courageous decision.

Yours Sincerely,

Marea Donnelly.