

15 October, 1999

Gambling Inquiry
Productivity Commission
PO Box 80
Belconnen ACT 2616

The Christian Democratic Party is primarily concerned about the impact of gambling upon individuals and families. Problem gambling impacts more on lower income families. Often targeting lower income communities. These people live on set incomes with less disposable income available in their family budget. Gambling preys upon their dream to win the big one.

Recommendations for the final report:

- 1. The Final Report should do greater justice to - and exhibit better understanding of - widely-held concerns over the ethical shortcomings of gambling. Throughout history, good ethics are associated with good productivity - and the reverse.**
- 2. The Final Report should avoid committing regulatory agencies to pursuing mutually-exclusive policy goals relating to gambling.**
- 3. The Final Report should give attention to the corrosive influence of the gambling mentality on the entrepreneurial spirit, by recommending strategies for assessing this impact on the viability of the business sector in Australia.**
- 4. The Final Report should suggest workable strategies - including the progressive phasing out of the most addictive forms of gambling such as electronic gaming machines and Internet gambling, and a ban on gambling advertising - that will curtail the growing incidence of problem gambling in Australia and the growing “gambling mindset” among young Australians.**
- 5. The Final Report should give greater attention to measures that will eliminate the negative impact of gambling on small rural communities already afflicted by the rural crisis.**
- 6. The Final Report should explain the disparity between the estimated costs associated with gambling in Australia and the USA and also suggest strategies for improving the accuracy of estimates of the impact of gambling on the incidence of bankruptcy.**

The Christian Democratic Party is concerned about the following key areas:

1. the location of ATM machines in or near gambling areas
2. the need to establish a self exclusion scheme
3. requiring the training in responsible service of gambling
4. requiring signage for counselling services
5. the lodging of complaints
6. advertising restrictions
7. appointment of an Ombudsman for gambling
8. banning of inducements
9. the drafting of an industry code of practice

ATM Machines

The location of ATM machines in or near gaming areas is not supported by the CDP. Their presence encourage gamblers to spend more on their gambling. Thus robbing the family budget of more money. The location of ATM's near a gambling venue should be regulated. ATM machines should not be within a certain distance of a gambling establishment.

Harm prevention/self exclusion zones

The CDP commends the Productivity Commission report in highlighting the need for a universal approach to consumer protection in gambling. There is a strong need to raise activities which prevent problem gambling and it's negative impact on society. Similar to the Sydney Star Casino a levy should be charged to all gambling operators to finance counselling programs and a Gambling Ombudsman. The establishment of self exclusion scheme with consumer protection and enforcement agencies being required to distribute information across gambling establishments. May require a central register to be established.

Require training in responsible service of gambling

All managers and employees of gambling establishments should be required to do training courses in the provision of responsible gambling. This should be an accredited program offering a curriculum and course that is required pre-requisite for new employees entering the gambling industry. Existing staff and managers to be required to take such a course.

Responsible Service of Gambling Training could be offered by TAFE and non government vocational training providers. Relevant industry training advisory bodies should be consulted along with relevant community and consumer groups in the development of the curriculum.

Signage for Counselling Services

Signage for counselling services should be clearly visible throughout all gambling venues. The signs should be large enough to read and clearly legible with advice on how to receive help for problem gambling.

Lodgement of Complaints

Consumers of gambling should have information regarding the grounds of complaints. Consumers should be confident that genuine redress will occur when they have grounds for their complaint.

The CDP supports the introduction of broad penalties and fines within a regulatory scheme. An independent Gambling Authority, the Gambling Industries Ombudsman and the role of the Department of Gaming and Racing should be clarified and given powers to impose wide sweeping penalties and fines. These penalties and fines should cover breaches of advertising laws and regulations and breaches of the codes of practice for gambling establishment. Guidelines should be established as to which body is responsible for enforcing the laws and regulations controlling the gambling industry.

Advertising

The CDP strongly opposes the use of advertising to promote gambling. The Productivity Commission report on page 15.33 shows just how hard it is to create regulations to control advertising. The CDP have introduced a legislation into the NSW Parliament called the Gambling (Anti-Greed) Advertising Prohibition Bill 1999. The intent of the Bill is to prohibit gambling advertising like tobacco products are prohibited from advertising. Gambling advertisements make it look like everyone is a winner. The Productivity Commission report has clearly shown that people who gamble don't win but lose.

Gambling Ombudsman

The CDP supports the concept of a Gambling Industries Ombudsman. The office of a Gambling Ombudsman could be financed by a percentage of a levy on gambling providers. This proposal would be a benefit to both consumers and gambling providers.

Inducements

The offering of inducements to get people into gambling venues should be banned. The offering of holidays, cars, goods and services like cheap food and drinks, gifts etc are all separate to the core product of gambling. Such inducements should be banned or controlled.

Industry Code of Practice

An industry Code of Practice should be developed to protect consumers. Industry codes of practice help to lift service to consumers and promote positive action toward preventing problem gambling. Codes of Practice will assist providers in knowing how to run their business and act as a safe guard in consumer protection.

National Gambling Impact Study Commission Report – USA (June 1999)

The Christian Democratic Party supports many of the recommendations made in the American *National Gambling Impact Study Commission Report* released in June 1999 (see attachment).

We are especially impressed with the recommendations for Problem and Pathological Gambling on page 4-19 to 4-20 of the report:

4.1 The Commission respectfully recommends that all relevant governmental gambling regulatory agencies require – as a condition of any gambling facility’s license to operate – that each applicant adhere to the following:

1. Adopt a clear mission statement as to applicant’s policy on problem and pathological gambling.
2. Appoint an executive of high rank to execute and provide ongoing oversight of the corporate mission statement on problem and pathological gambling.
3. Contract with a state-recognised gambling treatment professional to train management and staff to develop strategies for recognising and addressing customers whose gambling behaviour may strongly suggest they may be experiencing serious to severe difficulties.
4. Under a state “hold harmless” statute, refuse service to any customer whose gambling behaviour convincingly exhibits indications of problem or pathological gambling.
5. Under a state “hold harmless” statute, respectfully and confidentially provide the customer (as described above) with written information that includes a state-approved list of professional gambling treatment programs and state-recognised self-help groups.
6. Provide insurance that makes available medical treatment for problem and for pathological gambling facility employees.

4.2 The Commission recommends that each state enact, if it has not already done so, a Gambling Privilege Tax, assessment, or other contribution on all gambling operations within its boundaries, based upon the gambling revenues of each operation. A sufficient portion of such monies shall be used to create a dedicated fund for the development and ongoing support of problem gambling-specific research, prevention, education and treatment programs.

4.3 Despite the fact that pathological gambling is a recognised medical disorder most insurance companies and managed care providers do not reimburse for treatment. The Commission recommends to state that they mandate that private and public insurers and managed care providers identify successful treatment programs, educate participants about pathological gambling and treatment options, and cover the appropriate programs under their plans.

4.4 The Commission recommends that each gambling facility must implement procedures to allow for voluntary self-exclusion, enabling gamblers to ban themselves from a gambling establishment for a specified period of time.

4.5 The Commission recommends encouraging private volunteerism of groups and associations working across America to solve problem gambling, especially those involving practitioners who are trying to help people who are problem gamblers. This should include strategically pooling resources and networking, drawing on the lists of recommendations these organisations have presented to the Commission, and working to develop uniform methods of diagnosis.

4.6 The Commission recommends that each state-run or approved gambling operation be required to conspicuously post and disseminate the telephone numbers of at least two state-approved providers of problem-gambling information, treatment, and referral support services.

Conclusion

The Christian Democratic Party appreciated the opportunity to provide this submission and comments regarding the Productivity Commissions Draft Report on Australia's Gambling Industries. We believe that Australia's gambling industry can be greatly improved by the introduction of regulatory and consumer protection reforms to prevent further negative social impacts and problem gambling in on our communities.

Yours sincerely

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Parliamentary Leader of the Christian Democratic Party