

WESLEY GAMBLING COUNSELLING SERVICE

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Gambling Inquiry
Productivity Commission
P.O. Box 80 BELCONNEN ACT. 2616

Dear Sir,

Re: Public Hearings.

Please find attached the submission on behalf of Wesley Gambling Counselling Services.

I would like to thank you for the opportunity to place the submission as well as give a verbal representation at the hearing.

Please note there are two submissions from Wesley Mission.

The first is from Wesley Gambling Counselling Services. By Acting Manager, Barbara Shelley.

The second is from Wesley Legal Services by Richard Brading and Janelle Ford.

We look forward to the hearing and the outcome and the possibility of bringing about some changes across Australia to improve and enhance the awareness of Problem Gambling and to provide sufficient information to the communities to seek further assistance.

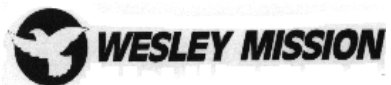
Yours in the interest of those in the community caught up in the cycle of Problem Gambling,

BARBARA V SHELLEY

M.A. Counselling (UWS). Post Grad. Counselling (ACAP)

Dip. Fr.Lnce.Jnlsm. (ACJ)

ACTING MANAGER. WESLEY GAMBLING COUNSELLING SERVICES.



***WESLEY GAMBLING
COUNSELLING SERVICE***

**SUBMISSION TO THE
PRODUCTIVITY COMMISSION**

November 1998

P.O. BOX K819 HAYMARKET. NSW 2001. PHONE: 9951 5566 FAX: 9951 5554 e-mail wesleygambling@wesleymission.org.au

VISION STATEMENT

- ⇒ **PROVISION** of a holistic counselling approach for problem gamblers (PG) and their families, which values the uniqueness of all individuals.

- ⇒ **EMPOWERING** clients to deal with the social and environmental factors which impact on their daily lives and thus rebuild self-esteem and self-confidence.

- ⇒ **ADVOCATE** for policy and political change, to enhance the consumer protection legislation for gamblers.

- ⇒ **PROMOTE** the concept of patron care for all gaming establishments.

- ⇒ **PROVIDE** professional training in Counselling the Problem Gambler, to other gambling counselling services.

OBJECTIVES

- ♣ **PROVIDE** free professional, confidential counselling for PGs and families experiencing financial, emotional, relationship or legal crisis as a result of PG.
- ♣ **PROVIDE** face-to-face- addiction and relationship counselling for individuals and families.
- ♣ **PROVIDE** face-to-face specialist financial counselling for individuals and families involved in criminal proceedings as a direct result of their gambling behaviour.
- ♣ **PROMOTE** the concept of responsible gambling and the issue of patron care to the gaming industry.
- ♣ **ADVOCATE** actively for legislative changes to the Bankruptcy Act, in relation to gambling debts and consumer protection.
- ♣ **PROVIDE** specialist family support to families experiencing emotional difficulties as a result of a family member's gambling behaviour.
- ♣ **PROVIDE** Group Counselling for Individuals, Families and Children of PGs.
- ♣ **PROVIDE** comprehensive training courses for professionals working with problem gamblers and their families through NSW.
- ♣ **CONDUCT** gambling awareness seminars throughout NSW.

INITIAL SERVICE PROVISION

Wesley Gambling Counselling Services (WGCS) provides counselling from:

1. 53 Regent Street, CHIPPENDALE
2. 2/23 Peachtree Road. PENRITH.

Both Centres offer a full range of services, including:

- ◆ Face-to-Face gambling (addiction) counselling
- ◆ Specialist Financial counselling.
- ◆ Family and Individual support
- ◆ Legal advice
- ◆ Group Counselling
- ◆ Training for other PG counselling agencies

Our integrated approach to gambling counselling, enhances the current level of activities across the Mission. It also provides specialist areas in the following:

- ◆ Future developments of gambling counselling, to be undertaken by WGCS.
- ◆ Media inquiries regarding gambling issues.
- ◆ Training and supervision of counselling agencies funded for working with problem gamblers.
- ◆ A Co-ordinated approach towards future funding applications to the CCBF from all Wesley Mission centres, thereby ensuring a considered and professional approach by the Mission for future involvement in gambling counselling.

SUBMISSION.

ANSWERS TO ISSUE PAPER QUESTIONS.

The nature and definition of gambling.

1. *What constitutes gambling?*

"... essential features are a chronic and progressive failure to resist impulses to gamble and gambling behaviour that comprises, disrupts, or damages personal, family or vocational pursuits. The gambling preoccupation, urge and activity increase during periods of stress.

Problems that arise as a result of the gambling lead to:

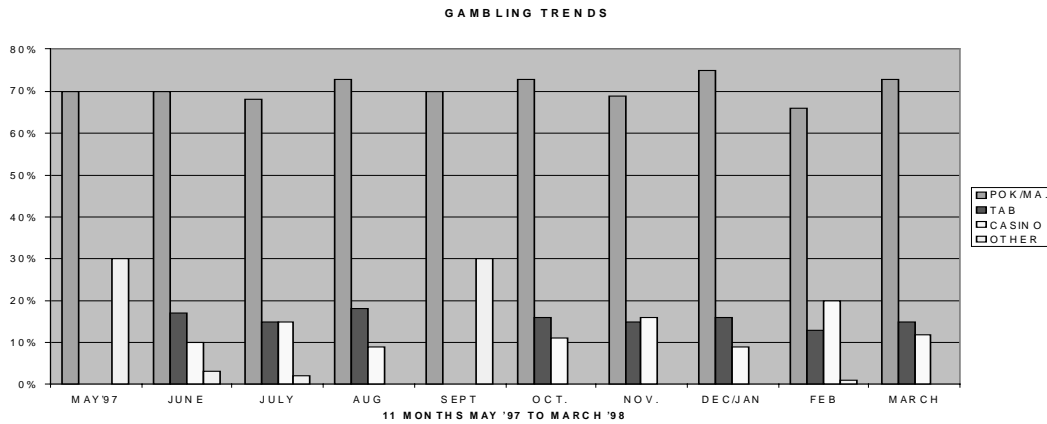
- an intensification of the gambling behaviour,
- loss of work due to absence in order gamble
- defaulting on debts and other financial responsibilities
- disrupted family relationships
- borrowing money from illegal sources
- forgery, fraud, theft, embezzlement and income tax evasion."
[DSM-III definition of problem gambling]

The three basic features of Problem Gambling which distinguish it from other forms of gambling are:

- Gambling to Excess - regularly gambling beyond what a person can reasonably afford and would ideally want to spend.
- Failure to Control - finding it difficult or impossible to stop gambling until all available funds have expired.
- Lifestyle Impacts - finding that gambling has a destructive effect on personal life, family relationships and work performance."

1. *What should the Commission include as gambling in its inquiry?*

Poker machines is the reported highest form of gambling within our service. Whilst there are multiple addictions within the gambling scenario, most clients report that 'eventually I ended up on the Poker Machines' as the one-year graph below will verify. All forms of gambling need to be addressed, including TAB, Casino, Keno, Lotto, Black Jack and others -including playing the stock market.



2. What are the characteristics of gambling that call for community or government action that is different to that for other activities?

- a) **Progression** (increasing preoccupation with gambling) leads to poor work performance and breakdown of the family. Effectively renders the PG unable to perform their duties, which in turn, leads to unemployment.
- b) **Tolerance** (increased time or money spent on gambling). Leads to further alienation from family and friends and finally the community. Rising debts and no one to borrow from, leads the PG to criminal activities which results in law enforcement, internment and bankruptcy.
- c) **Withdrawal** (insomnia, restlessness, irritability) can drive the PG to multiple addictions such as a drugs and alcohol.

- d) **Severe depression** can take over and eventually suicide is either contemplated or attempted.
- e) **Loss of control over gambling.** PG unable to focus on anything beside the gambling. Can lead to psychiatric disorders.
- f) **Financial bailouts** - from friends and family severs the relationships and again, as above, when refusal to loan any more monies, the PG often decides to turn to criminal activity.
- g) **Illegal acts.** Forgery, theft, embezzlement are all part of the PG scenario. This becomes costly to the government and community coffers and often the employer is left unable to receive back the monies that were stolen especially if the PG declares themselves bankrupt.
- g) **Concealed addiction** Unlike other addictions (drugs and alcohol), gambling is not detectable physically in the PG. Whilst alcohol features prominently in the life of the PG (especially if they are being offered free drinks in their gambling venue), Clients cite PG as their prime addiction. Alcohol is the next highest addiction and we have reported cases of drug abuse, resulting in a three-way (multiple) addiction.

Client 'A' sought assistance for his PG which, he stated, 'was out of control'. He had already gambled away the house and bank savings and had worn out his welcome with the credit agencies and friends. Counselling with Client 'A' and his wife, revealed a further alcohol addiction and episodes of domestic violence which increased when his debts through gambling rose. DV included physical, emotional and verbal and financial abuse.

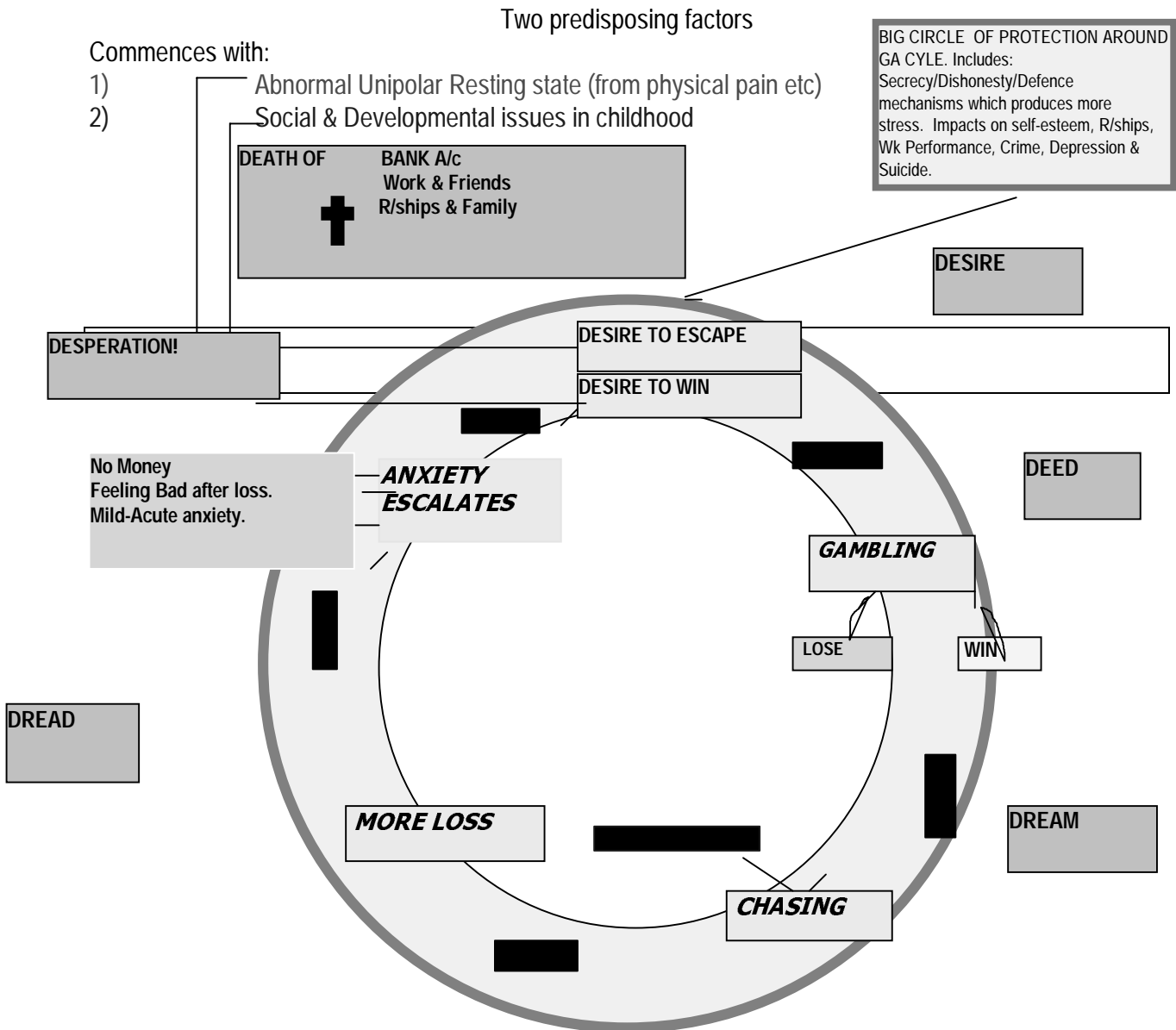
- h) **Suicide** Up to 60% of problem gamblers will experience some level of suicidal thought. This ranges from vague thoughts (often after major losses) to serious intent, with a clear plan. It is also not unusual for clients to have had one or more failed suicide attempts.
- h) **Effects on the Family = Disruption, Chaos And Breakup.** Families living on welfare assistance, are reluctant to reveal to the authorities the PG addiction in the home. They fear that if they disclose this, then the welfare may cease and this is the only means of survival for them.

Families caught up in the PG Cycle, are thrown into total chaos when the PG addiction is revealed. Not only are they handicapped financially, but emotionally and physically. The family's normal life ceases as the partner is forced into working two jobs to try and pay back monies owed to creditors, whilst the PG continues to gamble. Children are often left on their own. They miss out on quality family time and are subject to emotional disorders as they endeavour to survive in an environment that has no system, no togetherness and no quality family living.

The effects on the relationship include deceitful communication, which destroys the essential trust so necessary in a close relationship. Gambling by its very nature is

isolating from family and friends. This leads to loss of social skills. It is the isolation that allows the gambler to continue without interference. Family members are robbed of time, self-esteem, intimacy and motivation.

GAMBLING CYCLE OF ADDICTION

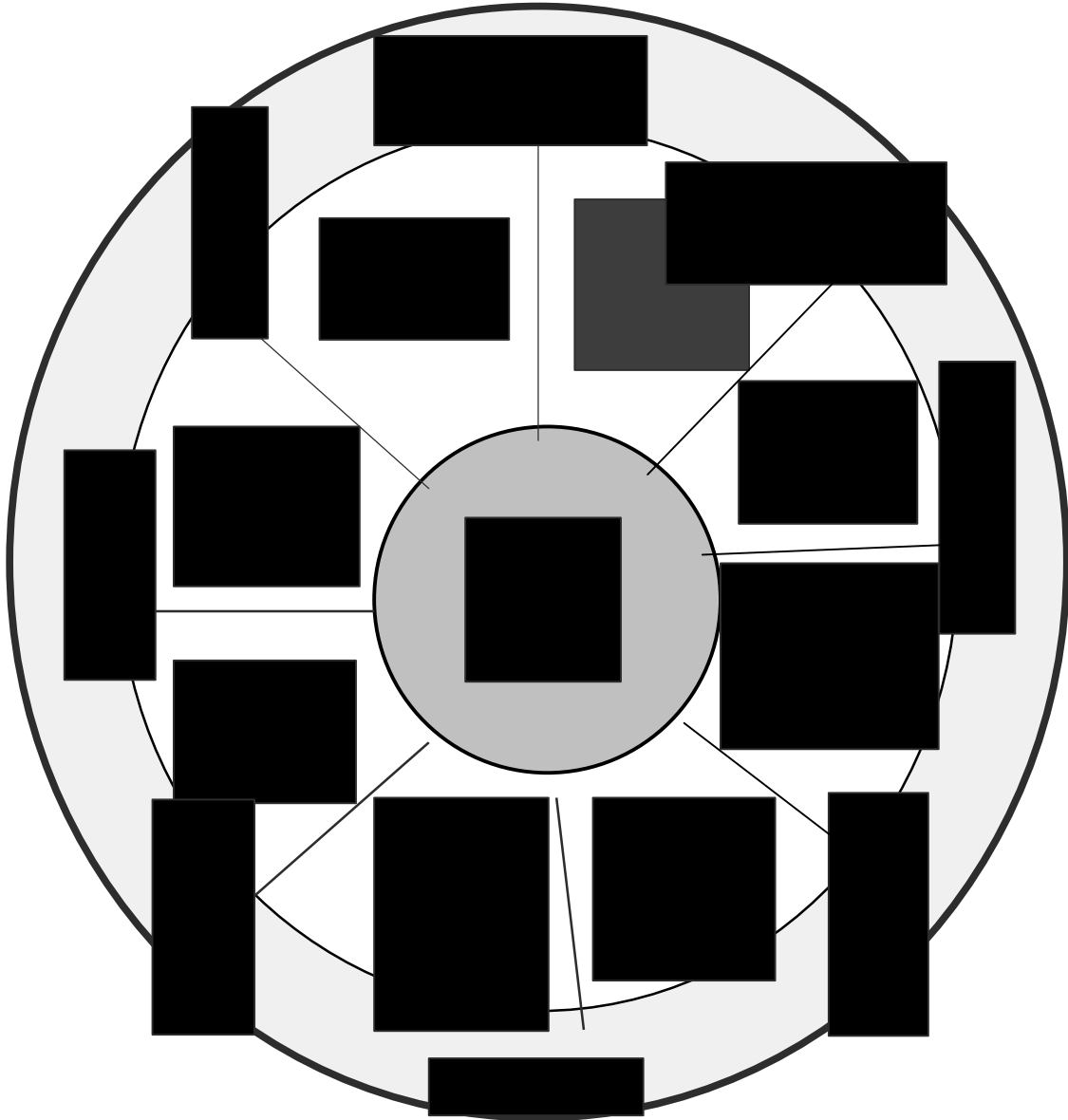


- a) **DOMESTIC VIOLENCE (DV)** This is another scenario within the PG cycle. DV can be experienced:
- As a result of individual's own gambling (when partner reacts violently)
 - OR as a result of PG with the partner or family member.
 - Sometimes individuals, who have lost everything through their partner's gambling, may retaliate violently.
 - A strong component of the DV scenario is Financial Abuse, where the partner deprives the other of any monies or does it out in bits. PG by its very nature of using up all the monies the family may have saved or

invested, as well as loss of wages to PG. This leaves family members in the situation of seeking welfare assistance to cope with ordinary every day-to-day living.

- Alternately, gambling can be a coping mechanism for women attempting to deal with DV.

DV POWER & CONTROL WHEEL



The impact of PG on children depends on a number of factors including:

- Age
- Gender
- Personality

- Other strengths and weaknesses within the family
- The children's wider social experiences.

Children living in PG situations often show markedly different emotional development and social skills to those who don't. Conduct, emotional problems and common behavioural are evidenced in:

- Increased levels of anxiety
- Psychosomatic illnesses, (headaches, stomach complaints, asthma, stuttering etc).
- Nervous and withdrawn
- Depressed
- Few interests, social activities and low school performance
- Understanding of social situations is markedly reduced, especially in their thoughts and feelings about the PG.
- Bedwetting
- Restlessness

SOME LEARNED COPING MECHANISMS FOR CHILDREN LIVING WITH PG

include:

- It's ok to lie and keep the family (PG) secret
- Not to acknowledge their fear or angry feelings.
- To be accommodating and co-operative to keep the peace during tense family times.
- To put off satisfying their own needs
- Taking responsibility on their shoulders beyond their years
- To identify with the PG
- To deny the reality of PG
-

"The effects of gambling on children are phenomenal. Although children may not be aware of parental gambling activity, they will notice the absence of a parent and will pick up on marital tensions. They may become victims of physical and/or emotional deprivation and may attempt to cope by early involvement in smoking, drinking and drug experimentation. They are four times more likely to become involved in gambling activities than the children of non-gamblers (Metro Toronto 1997).

<p>Case Study - a mother of four was evicted from her apartment because she was behind in her rent. She was subsequently placed in emergency accommodation.</p>
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Because of a gambling problem, she had no money and no food for the children. She kept her eldest son (aged 12) away from school to baby-sit while she was out of gambling.

Government services attempted to link the boy back into school because his schoolwork had been severely disrupted (and it was his third school in a short period). The boy had lost his individuality and motivation. It became easier for him to stay at home and he began to smoke marijuana. The woman would tell workers that she was going to counselling but she didn't go. Protective services were called in but she departed with the children and there has been no follow up with the agency." (Consumer Rights Journal- September/October 1998. P.11

Would there be gains from harmonising regulations across Australian jurisdictions or across different gambling types?

Consistency would be an advantage. It would make it easier to monitor gaming. Something needs to be done about the easy availability and increasing of poker machines, which clearly have been the downfall of the majority of PGs.

What is the appropriate role for government, if any, in the promotion and advertising of gambling?

The government needs to be seen as balanced. The present advertising and promotional aspect of gambling is very unbalanced. Enticements and inducements to gamble are all-positive and focus on the amount that can be won.

E.g.

- you could be the next millionaire
- don't forget to put that lotto ticket in before you go on holidays
- but your ticket to 'freedom'
- change your life - buy a lotto ticket

No mention is ever made of the harm involved to individuals, families and the community and workplace. Just as drugs, alcohol and cigarettes are today recognised as causing serious problems to the individual, so gambling Advertisements should contain a component on of the effects that PG carries as a warning to those individuals who may become addicted if they are unaware of the hidden harm. Enticement to gamble offer optimism and hope - the reality is, it's a dream, a fantasy and can demotivate the individual. Advertising plays a big part in informing players of the prospective jackpot without naming the odds. Addressing the imbalance is now imperative.

Membership to clubs is at very little cost. Further freebies are offered to encourage the patrons to gamble. Remaining open seven days a week is a

further inducement. ATM machines that have only one purpose - to supply funds to gamble. Where are the deposit machines to deposit winnings in?

Families and partners of PG constantly re-iterate how traumatic it is to be a 'assaulted' with inducements to gamble. In the home that is reeling from the emotional and financial effects of PG, the last thing they need is to be reminded constantly, on every avenue the media has at its disposal. They know only too well, from first-hand experience, that problem gambling is **not** about having a wonderful a time as the advertisements portray. These are families who have had to deal with and endeavour to survive:

- the loss of their home because the PG has forged their name on the mortgage
- the break-up of the relationship
- painful divorce, including loss of children, and incomes.
- the endless process of working two jobs in order to pay back massive debts that have been incurred by PG.
- losing precious parenting time in order to work harder and increase the family time. This effectively cuts out quality family time when the family is needing more than ever to cling together and rebuild relationships. How can children talk to mum or dad if they are out working, or gambling? What message is this giving to the children? [That they are not as important as work or pleasure]. These dysfunctional values, once adopted into the children's thinking system, will in turn be passed down to future generations unless the issues are addressed.

How effective are the administrative arrangements for regulation? Would there be gains from reducing the number of regulatory authorities? What sort of governance arrangements are most appropriate for regulators?

The most effective will be one that works! Appropriate Governance arrangements would need to include a measure whereby the government can be answerable for the actions taken such as an Independent Body that would look at complaints and follow them through with the authority behind them.

Is information disclosure adequate, and if not, what is the appropriate nature and extent of disclosure? Are regulatory decisions transparent and accountable?

Regulations at the present, are not visible enough. Perhaps if they were displayed in the club/hotel areas where the public had easy access to the information could help keep the regulatory bodies to be more accountable.

Information disclosure is inadequate. Clients that utilise our service are rarely informed in any way of the regulations. It would be appropriate to disclose information at a level where it can be understood by the average person, and provide the information.

How effective are regulatory controls and oversight mechanisms at dealing with these risks?

WGCS has noticed an increase of clients accessing the service who have engaged in criminal activity. Bank workers forging and embezzling funds. Workplace managers manipulating their financial system in order to gain funds to gamble. [Refer to the Wesley Legal Service's submission, where some of these cases are outlined in case studies].

TAXATION

To what extent are these or other arguments a valid basis for higher taxes on gambling? To what extent do the regulatory and taxation regimes interact (as in the provision of monopoly rights which are then taxed)?

Increasing taxes to help counteract the adverse social side effects of gambling, seems to be like the cycle of PG itself. If the government requires more tax to fund government projects, they are placed into the position of having to encourage gambling in order to obtain their tax revenue. Further, the recent decision made not to tax high rollers and the inducements that are offered to this segment of gamblers, seems to be unfair and is definitely viewed as an inducement to gamble so that government can benefit from the tax levies. However, being a high roller does not guarantee freedom from problem gambling. Whether gamblers spend \$100, \$1,000 or one million dollars, is not the issue. It is the principle of whether the gambling dollar should be taxed. The principle does not change by how much a person spends. High rollers could be seen as being discriminated against, in that they can afford to play and therefore it's a sure thing so we'll encourage them to gamble more in order to increase our revenue.

What is an appropriate way of determining the right level and form of gambling taxes.

1. Any gambling venue needs to be taxed (more than 2%) of the profits from gambling sources, to put back into the fast-growing and under-serviced counselling service industry and funding community awareness projects.
2. A further area that a higher tax could assist with, is in the area of PGs in crisis, who require mental health assistance and a period of stay in hospitals trained in coping with addictions. Beds are scarce or rarely available for clients in distress. They carry a high fee, which PGs cannot afford.

3. Training of key personnel and staff in counselling and community service agencies on the topic of PG awareness would ensure catching the numbers of PGs who slip through the welfare system. The raised gambling tax % from gambling revenue, would ensure that more training is available across-the-board for any counselling service to access.

If we assume that it is not 1% of gamblers who have a problem, but 5%, then in order to assist these very people who, through advertising have been enticed and created to become PGs, an equal 5% of the government revenue earned from gambling should be recycled to help these very people. It is common knowledge that each PG impacts on up to 10 other people not involved in gambling. These people still require counselling and support to deal with the financial, social and emotional devastation caused in the family and socio and economic environment, workplace.

Should different types of gambling providers be taxed differently, and if so, why?

NSW holds 10% of the world's total in poker machines. Poker machines are by far the highest of problems listed by our clientele. Whilst other forms of gambling are still addictive and have many PGs in their midst, if the highest reports are on one particular activity (poker machines) surely this imbalance could be addressed in part, with increased gambling levy for poker machine proprietors.

Whilst there are multiple addictions within the gambling scenario, most clients report that 'eventually I ended up on the Poker Machines'. Perhaps this could be an area the government needs to consider a higher levy on. This is an area that needs to be addressed and investigated more fully.

1. ***What are the characteristics of gambling that call for community or government action that is different to that for other activities?***

Features of Open Problem Gambling include:

1. Preoccupation with gambling, planning gambling and obtaining money with which to gamble.
- 2.

Client 'B' commenced gambling as a young teen. His preoccupation with gambling increased to the level that he became addicted and the majority of his worktime was spent in working out how to access enough dollars to feed his habit. This preoccupation, led him to utilise his skills acquired in his banking position and he embezzled over \$200,000.

Preoccupation characteristically engaged this client in more and more subterfuge. To the extent that:

- His work performance deteriorated.

- His ability to think clearly waned and indeed, led to his ultimate exposure as a PG.
- He conveniently forgot the vast amounts he had borrowed from family and friends and whilst noting the amounts he embezzled, there was no remorse or guilt. The desire to gamble was too strong.

Eventually the activities of Client 'B' were discovered at work . He was arrested, charged and interned.

Effects on community and government include:

- Benefits being paid to his wife and children.
- His creditors do not trust the wife even though she is innocent of the PG.
- Social alienation within their immediate community leading to isolation and eventually, hopelessness and depression.
- The effects on the children of Client 'B' who are now left without daddy at home and living with the consequences of the stress this has caused the family.
- The deterioration of health and mental states for the wife. The added costs this entails. And the consequences of these on the children.

PG impacts on several sections of the community. Its outreach is very wide. It requires a lot of 'social' dollars in order for the PG to access assistance and to rectify the areas they have affected, such as, the workplace, the home and their friendships.

The Federal Government and Productivity Commission is to be commended for its willingness to investigate the serious issue of PG.

What is the impact of gambling taxation on gamblers?

For the clients we attend to in the lower socio-economic bracket, this seems to be the impact.

POSITIVE clients are vastly relieved when they realise they are receiving free counselling from 'gambling revenue'. They have stated that "at least someone is doing something to help us - there should be much more of it available and everyone should know about it".

NEGATIVE By way of contrast to the above, it is a sad indictment to be funding PG services with the very revenue raised from it. It could be seen as double standards. [Yet it is the major source of funding available]. More recently the AMA has begun to take an active interest in understanding and treatment of PG. It would be fair to state that other sources of funding could be more helpful and suitable, e.g. Dept of Health. Or Education.

Contrary to the statement that gambling taxation is 'regressive' while we have large numbers of clients from the lower socio-economic bracket, we have a surprising number from the higher socio-economic bracket. Similarly, drugs, alcohol and cigarette addiction are also found across the entire socio-economic spectrum.

Should part of the revenue for gambling be earmarked for particular uses, and if so, for what uses?

Some particular uses we have earmarked are:

- Increased counselling services to deal with families and those effected by the PG. Funding needs to be regular and ongoing to these types of services as the time taken in yearly submissions and the angst of waiting to see if your submission is accepted is not a professional way of managing a counselling service. Staff need to have the assurity that their wages will not suddenly cease if the funding ceases. Ultimately the clients are advantaged when they are attended to by counsellors, who are not dealing with their own anxieties over whether revenue is coming in or not. We utilise other services for referral in the community, which includes, mental health, medical, psychiatric, multi-cultural and relationship.
- Perhaps sporting activities could be subsidised for those who are honestly and openly endeavouring to overcome their PG and enter into new interests and pursuits. We would include in this area, various creative activities which our groups already are engaged in at WGCS, including art and craft which is proving to be an excellent avenue of group therapy and teaching new skills to several PGs during one sessions time.
- Raising Community Awareness, dissemination of pertinent information accessible to all within the community needs to be addressed as an important issue to be earmarked for particular areas of funding.
- Crisis Accommodation - apart from two institutes who will take in PGs on a long-term treatment program there is insufficient provision of this kind at no cost. Gamblers who have 'spent their all' are also in an emotionally high risk area, and at times need specialised medical care and counselling. The government needs to address the issue of crisis accommodation grants to those institutions who do address addiction and have available a number of 'free beds' for specified periods for those who have no way of paying for this service.
- ***What is the effect of existing earmarking? Does it, in practice, result in additional funds or are core levels of public funding simply cut back to match the new source.***

The existing earmarking is very inadequate. Additional ongoing funds are not available without further submissions and then only when advertised. Existing funding has to be sought on a yearly basis with the ever-present fear that the next year might produce a "no". In NSW this year, for a period of 6 months a Top Up funding was offered by the

CCBF, which was then utilised. When it was pulled out after six months, clients were left stranded in many agencies and counsellors hired for this purpose were left with no income to continue to service these clients.

Therefore the so called 'additional' funding proved to be a painful way of having to going back to the numbers of clients we had been servicing. We are now operating on a 'waiting list' of two weeks which is not on when dealing with PG. During that waiting period, clients often go and gamble and fail to return. We are not aware of public funding being cut back to match problem gambling funding.

Is the current process of distributing earmarked funds appropriate and effective? Are the mechanisms suitably open, well-understood and subject to sufficient accountability requirements? Are they an improvement on normal government budget processes?

WGCS is funded by the CCBF, and a small amount from DOCS.

Current process of Distribution -

One mechanism, which pays for three staff members, is the Casino Community Benefit Fund (CCBF). It is not well-understood. When the yearly round of funding ends, our agency is required to 'wait until the next round of funding submissions is called for'. In our case, our first year of funding ended on May 1, 1998. There were no submissions being called for and we went through a long process of a few months of heavy negotiations to receive our recent interim funding until the announcements are made for the next year of funding rounding. These submissions were not called for until August and will leave agencies waiting until end-November to find out if they are successful.

We were fortunate to have our head office, Wesley Mission agree to see us through the deficit whilst we negotiated (successfully) for interim funding with the CCBF. This process is so time consuming and exhausting and it takes away from the very service we offer to the community that, is PG specialist counselling.

Reporting Procedure for CCBF funding requires Quarterly, Six monthly Progress and an annual report and adequately covers areas of accountability.

By comparison, the second source of funding (DOCS) has a measure of stability, in that it sends out yearly the required documentation to be completed. It is organised, regular and an ideal way of ongoing funding services such as ours. The negative here is that the amounts never change to cope with the increased demands of the service or wage increases. This area also needs to be addressed.

1. WHO GAMBLES AND WHY

What research and information in this area is most instructive?

University research is valuable and necessary. There is insufficient and inadequate research conducted at the grass-roots level, within the service agencies. The most instructive research would be in counselling services employing sufficient numbers of counsellors trained in research, to conduct the research within the counselling environment and then pass on the results to the professional researchers to compile. This would provide both qualitative and quantitative data much more useful to the issues being discussed at government level.

What additional research would be warranted?

Additional research needs to take place in the area of:

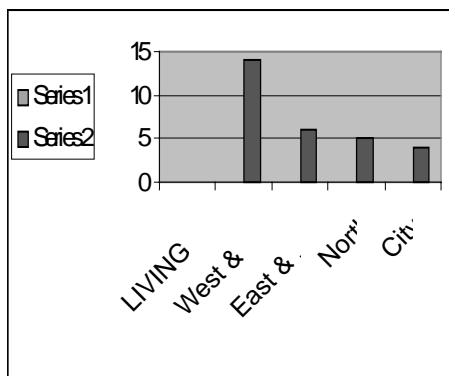
- The relationship between PG and suicide
- Effects on the family
- Amount of Domestic Violence within the PG scenario
- Effects of PG related crime on industry, workplace and government [for those involved in bankruptcy], and the cost of this to the community and government.
- Actual numbers of young people involved in PG. They are there, because we see them (or their parents) in our service.
- Research to determine if youth suicide is linked in with PG?
- Further research on the increase of women in playing Poker Machines.

Are there any additional factors that could assist our understanding of the participation profile of gamblers in Australia?

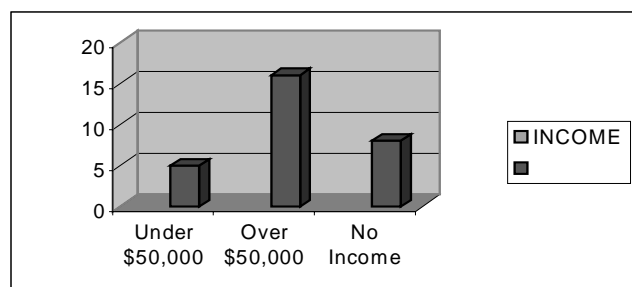
PLEASE REFER TO THE FOLLOWING CHARTS, WHICH WERE TAKEN FROM A RANDOM SELECTION OF 30 CLIENTS IN 1997 AT WGCS.

- **Who gambles (by age, gender, income level, location and ethnicity)**

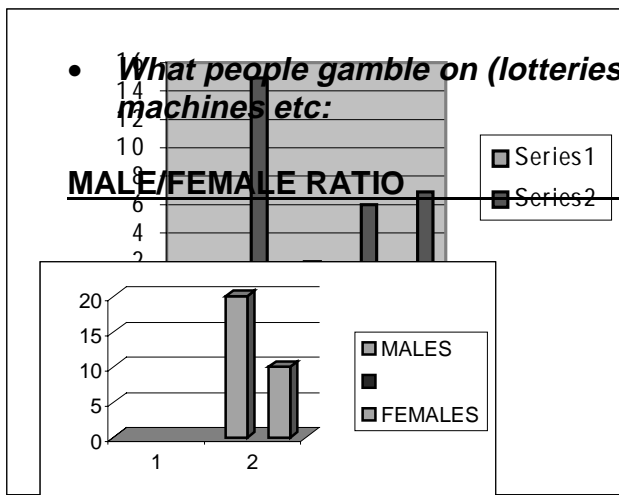
AREAS OF SYDNEY LIVED IN



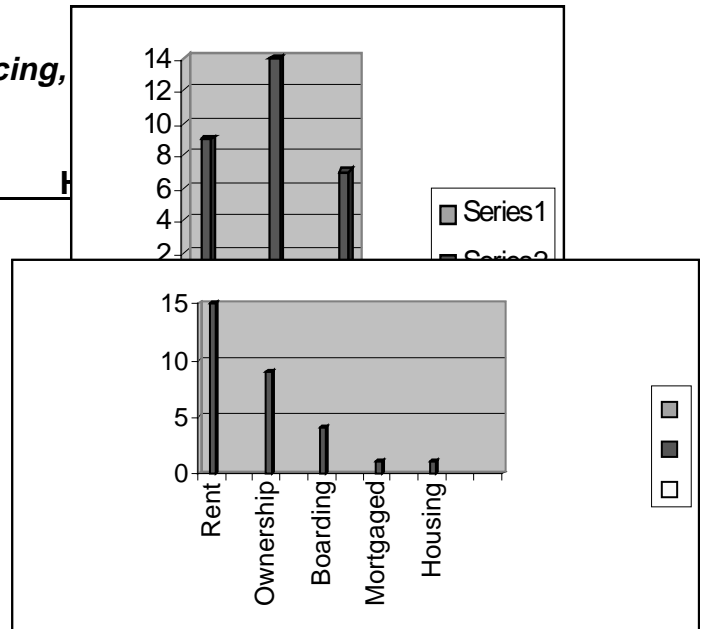
AVERAGE INCOME



ETHNICITY.



AGE



- **How much people spend and how frequently (Some studies suggest that a large proportion of the money spent on gambling comes from a minority of gamblers. Such information will be important in obtaining an accurate picture of the pattern of the economic and social impacts of gambling across the community. This includes the extent to which taxation of gambling falls disproportionately on different groups of people);**

Regardless of the amount of income, clients state they 'spend all, or almost all of their income on gambling". Therefore the smaller income earner group would to larger in number to meet the equivalent amounts of spending of the higher income group. Gambling Addiction, as any other addiction, breaks all social boundaries and the only difference is that the amounts gambled are higher or smaller. Social impacts would be revealed in the number of PGs accessing welfare assistance etc. The higher income earner would possibly go bankrupt first. There is a strong need for further research in this area.

How people fund their gambling

- Income (most of it, or all of it).
- Criminal activity, including embezzlement, fraud, theft, loans etc.

- Mortgaging the home
- Collecting store credit cards. Spending on large items and cashing them in at pawnbrokers.

Why people gamble (this tells us something about the benefits that gambling provides to consumers. At the same time, it may assist us in understanding why problem gambling occurs, and suggest ways in which this can be most appropriately handled by the industry, governments and the community).

The cycle of PG provides a basic understanding of the process by which PG operates and is maintained in the life of an individual. (refer to cycle of PG chart earlier in submission). The cycle consists of the following components[quote from a section of the WGCS Training Manual on PG].

Desire to Escape

From stress, anxiety, boredom, depression, loneliness and other painful emotional states. The activity of gambling can change the mood for a short time. It can energise individuals who feeling low or depressed and enable them to escape into a world of their own, withdrawn from stress and pressures. It can also provide an escape from chronic physical pain.

Desire to Win

The desire to win and the hope and belief in winning can be powerful forces in establishing and maintaining PG. The win is seen by many gamblers as a way of improving their life, proving their worth, solving their financial problems or raising their self esteem. The effect of these wins, particularly if large, is to reinforce this belief.

The Win

When a PG wins, their response is often "*If I've won this much I can win more*" or "*What I have won is not enough. I must try to win more.*" Either way they reinvest their winnings. Occasionally a larger than usual win may be used to pay debts in order to free up credit for more gambling.

Losing and chasing.

When PGs lose, they often experience a sense of panic and desperation and will chase their losses; i.e., gamble more in the hope of winning back what has been lost. This combines past experience of winning with the uncertainty of when the wins will occur and how large they will be creating a false expectation. While it seems like the only solution at that time, in reality the way they are trying to solve the problem is the way they created it in the first place. The strategy therefore is doomed to failure.

The Emotional Crisis

When the PG leaves the gambling venue, there is often a great sense of remorse and feelings of helplessness and hopelessness. This is often accompanied with promises

to self and others that 'it will never happen again'. The ultimate effect of this damage to self esteem is the creation of a greater need for a coping strategy such as gambling.

The Financial Crisis

When the PG loses a substantial amount (which can be a whole pay packet in one night), the resulting financial crisis forms part of a worsening financial situation that usually involves substantial debt. The solution is often seen to be further gambling which is perceived as a quick and instant way of winning large amounts and solving all financial problems.

Whether there are new groups of people gambling and if so, why are they now gambling.

There is a rising trend in gambling in the teen years. We have had parents who have informed us that their children, when at a birthday party, have been taken to a gaming venue by a parent for a treat and sat out in the car, whilst the adult invested their pocket money into machines and would return with the winnings if there were any. Our service has counselled youth in the 17-18 year bracket as well as parents of teenagers seeking assistance in helping their teens.

What research and information in this area is most instructive? What additional research would be warranted? Are there any additional factors that could assist our understanding of the participation profile of gamblers in Australia?

A question to research would be:

- how many youth suicides are gambling related?
- How much crime (juvenile and adult) is gambling related?
- How many divorce statistics are gambling related?
- How much hidden DV is within the gambling scenario?

There is a strong need for further research at the grass roots level of PG. Questionnaires, to individuals, couples, families, welfare groups, community clubs and sporting outlets. Schools, both primary and high school need to have assessments made on the numbers of PGs they are aware of in their particular area.

Some quotes taken from *THE AGE* Melbourne, Saturday 13 September 1998, include the following facts on the human cost of gambling.

"a pair of brothers, both with gambling problems, took their lives in August and December last year (1997) using carbon monoxide poisoning."

"a former top paint salesman, who lost his job for crashing a company car under the influence of alcohol. When he was billed \$23,000 for the car, he spent three days trying

to win it at Crown Casino. Instead he lost \$7,000. After heaving drinking, he hanged himself in the backyard of his suburban home".

"during 1995 a man shot himself in the head after getting into serious financial difficulties due to gambling and another man who hanged himself for the same reason."

The above studies are just a minute part of the bigger picture and require careful research.

ASSESSING THE COSTS AND BENEFITS

What tools are useful?

Face-to-face counselling of individuals, couples and families is very beneficial. It is a process of teaching the families skills of coping with the PG, as well as teaching how to communicate effectively during crisis times, by using the coping skills they have available within the family unit.

Groups such as GA and GAMANON.

Specialist groups such as art therapy and individual male and female groups.

Family groups or Couple groups are useful tools within the counselling arena. Not only is time saved by seeing more than one person, but the partner if present, can be included in the recovery program from the start. Often partners state they feel just as 'out of it' when the PG is undergoing counselling, as they did when the PG was gambling'.

Specialist Financial Counselling is an important part of the counselling process. This includes assistance with information on bankruptcy, and legal and community welfare information.

Legal assistance, information and assistance in understanding bankruptcy - this also includes court support.

Family and Relationships Counselling - is very successful. Inevitably, PGs state that often there were other big issues that they couldn't deal with, which led up to their becoming hooked on gambling. When these issues are addressed in the safety of the counselling environment, the relationship improves and as the trust re-develops, it is a pleasure to watch the focus leaving from the PG and this enables the PG to stop gambling much more easily.

Integrated Counselling Approach is necessary, adapting different methods to each individual case, from Psychodynamic, to Solution Focussed, Gestalt, Narrative therapy,

Transactional Analysis, to Family Systems counselling.

Taylor Johnson Temperament Analysis (TJTA) IS UTILISED REGULARLY IN OUR SERVICE. It provides a full profile of the client and their family members and is therefore useful for ongoing family and relationship issues. Its strength is in areas where it pin points the weaker areas of the PG's personality and this effectively helps the client see some of the underlying reasons for their gambling addiction. Feedback from clients indicates that this type of assessments helps them feel like part of the process of understanding their behaviour and implementing the changes they are wanting to make.

What are the advantages and disadvantages of different methodologies?

The advantages of different methodologies is that they provide a mechanism that can suit the individual needs of the PG and their family members. Counselling the PG requires a good deal of flexibility and the use of a broad range of techniques interwoven to make a safe and therapeutic counselling approach, unique to the needs of the individual client is important

Utilisation of only one method of counselling for the PG is very limiting and may in fact not be helpful for clients requiring different strategic approaches. Therefore, as each individual has their own personality and style, so the counselling approach must be suited to the client's personality.

How robust are different approaches?

Each counselling approach is unique and contains its own special strengths. When these approaches are combined they become a strong and effective tool for counselling the PG. Assessments, utilising the following question of "did it work?" and "how and why it worked" reveal that differing approaches are able to more effectively open up the client and meet them at their special level of need. Just as types of gambling and extent of addiction differ, so need the approaches of counselling, in order to be more effective.

1. BENEFITS AND COSTS TO INDIVIDUALS

The Commission is interested in information and views on the nature and extent of the benefits that individuals receive from gambling.

How do such benefits differ between different groups (for example, among people of different ages, gender, income and ethnicity)?

Perhaps the differences can be addressed by stating, that regardless of age, gender, income and ethnicity, gambling satisfies individuals across-the-board. Reasons for this include:

- Relief from boredom. Elderly, disabled or unemployed people, can find a measure of relief from the boredom and pain. As clients often state *"It's something to fill in the long hours"*.
- Loneliness - Housewives, left alone all day, children in school, often wander to the club where they are surrounded by people, sound and entertainment without having to commit to a relationship other than with the poker machine. Clients have stated *"It's like visiting a friend regularly. The machine listens, doesn't answer back and the pictures make me smile"*. 53% of gamblers dip into their household budgets to gamble.
- Escape from deep underlying issues or relationship difficulties. Gambling can be a distraction from nasty events that are clogging up people's lives. However, at the end of the day, when the PG goes home, the issue they left behind is still there. Now it is compounded by the guilt the PG feels at having 'lost everything'.
- No culture boundaries exist within PG. Ethnic clients state that they are able to enter the gambling arena, play, collect money and lose and leave without having to utter a single word. For the person who has come to a strange and new country and wishes to be a real part of this country, gambling can provide a way of socialising without having to speak the language.

Problem Gambling

What is problem gambling and how big a problem is it? How many Australians are problem gamblers? How enduring is the problem for an affected gambler? What are the cost and other impacts for the problem gambler?

When the PG recognises and owns their problem gambling, they are in a position to make the decision to stop gambling or cut down. This can last for as long as the PG **chooses** it to. Just as gambling was their choice, so is their decision to stop or reduce. It is up to them to make it last. It is **their choice**.

How many others are affected by problem gambling? What are the effects on the problem gambler's family or the community more generally? How should we go about measuring these costs in a meaningful way and are there useful existing estimates in Australia or overseas?

Family aspects already covered earlier.

Overseas - "Researchers call gambling the fastest growing teenage addiction, with the rate of pathological gambling among high school and college-aged youth about twice that of adults.According to Howard J Shaffer, director of the Harvard Medical School Centre for Addiction Studies, "Today there are more children experiencing adverse

symptoms from gambling than from drugs . . . and the problem is growing. Teenage gambling addiction has been inflamed by the expansion of legalized gambling..." [taken from Life in America magazine, 'Is there a cure for America's gambling addiction?' page 34-36. May 1997]

What are the appropriate methods for determining the numbers of problem gamblers, and their social impacts?

Encouraging all services dealing with PG, to collect data and statistical info. To be included in ongoing research projects.

Is the South Oaks Gambling Screen from the USA a useful instrument for identifying problem gambling in Australia?

At WGCS the South Oaks Gambling Screen is used in a modified version and has been a useful tool for gathering information. It could be utilised to identify PG in Australia, with modifications to suit the Australian culture and environment.

What is the nature of the problems affecting people at different points along this continuum?

- Physical and emotional problems
- Financial disaster
- Loss of Home and income
- Loss of spouse and family
- Loss of self-esteem
- Loss of will to live.
- Suicide thoughts or attempts.
- Increased crime activity.

What is the nature of people's transitions from one state of problem gambling to another? Is it possible to identify those on the path to chronic and severe problem gambling from those who are not?

In relation to the Cycle of PG, if PG seeks assistance before or during the *Chasing the losses* area there is a good chance of recovery. Further on it becomes more difficult, however, recovery depends entirely on the goal and expectation the client has in relation to their PG.

It is possible to identify those on the path to chronic and severe PG by

- provision of sufficient information to the general public
- placing PG awareness into the school curriculums next to drug and alcohol awareness.

- Being more open about the fact that PG can happen to anyone, if they are not open to the dangers of it.
- Advertising the downs of gambling, not just the ups.
- Training all community service providers, education outlets and health prevention areas to recognize problem gambling.
- Training of personnel in clubs and hotels in PG awareness and where to refer patrons in distress to.

By enhancing community awareness and practising safer advertising measures that the average person can understand, it is possible for individuals to identify themselves as PG and providing information on counselling assistance available, will assist the PG to seek help before it is too late. Prevention is better than cure!

What is the nature of each of these specific problems and how can they be measured? For example, what percentage of problem gamblers engage in criminal activity, and has criminal activity increased over time due to problem gambling?

Refer to Wesley Legal submission.

What are the behaviours of problem gamblers (in terms of frequency of play, typical expenditure, motivations, type of play, social interactions with others)?

- Preoccupation with gambling.
- Lack of self control (high impulsivity)
- Restless, irritable.
- Acting guilty, anxious and depressed.
- Lying to family members, counsellor and workmates.
- Committing illegal acts such as forgery, fraud theft, or embezzlement to finance gambling.
- Dependent on others for survival emotionally and physically.
- Socially ineffective. Prefer to be isolated and alone with their gambling.
- Typical expenditure - plays until there is no money. Wins are just replayed.

To what extent do people with a gambling problem suffer from deeper underlying problems, of which gambling is only a symptom?

A large percentage of PGs suffer from deeper underlying problems, such as: -

- Relationship difficulties, divorce, death

- Growing up in a dysfunctional family and unable to make decisions to exercise self-control.
- Feelings of low self worth.
- Loneliness, boredom.
- A way of reconciling inconsistencies in the values of today
- Status frustration and alienation in the workplace
- Escape from reality - Gambling provides an arena where the PG can appear to be the person that he/she secretly wishes he/she to be.
- Continuing poverty. Individual decides they are sick of it and try to do something about it by winning it in gambling.

To what extent is problem gambling associated with other problems (alcoholism, depressive disorders etc) and how are these linked?

Alcoholism plays a large part in the PG scenario. Clubs are happy to provide free drinks to players, which is an inducement to both drink and continue gambling. If the gambler goes to several venues in one evening, how can numbers of drinks be effectively monitored?

Depression is part and parcel of the PG scenario. The high expectations of the PG when they commence to play are very real. Gradually the anger over the losses begin to manifest and eventually the anger is turned inward at oneself and can be expressed outwardly through depression.

Unfortunately, just as the cycle of PG continues in a relentless circle unless addressed, so do the emotional problems that are caused by PG. This begins a further cycle the depression becomes deeper and finally culminates in either another 'hit' of gambling, thoughts of suicide or withdrawing from others and family members.

When the PG seeks Counselling and begins to make changes, unless the family enters in this process, the effects can be to create even more stress on that which is already existing. E.g. the PG, working on their issues, is needing support and a safe environment – which they are hardly going to find in a household that is reeling from the effects of the PG and its effects on them individually and as a family group.

Whilst working with many families as well as my individual clients and a women's group which comprises of both female PG and victims of gambling during 1997, we noted with interest, the similarities that emerged in the stories of the individuals. Further exploration indicated the following in relation to the correlation between DV and PG cycles.

DOMESTIC VIOLENCE ABUSE	PROBLEM GAMBLING ABUSE
<u>EMOTIONAL</u>	<u>EMOTIONAL</u>
<u>PHYSICAL</u>	<u>PHYSICAL</u>
<u>FINANCIAL</u>	FINANCIAL (significantly higher)
<u>SEXUAL</u>	<u>SEXUAL</u>
<u>PSYCHOLOGICAL/MENTAL</u> including: Isolation Brainwashing Severe Stress/Shock Low Self esteem/Confidence Imbalance of power	<u>PSYCHOLOGICAL/MENTAL</u> including: Isolation Brainwashing Severe Stress-Shock Low Self-Esteem/Confidence Imbalance of power.

How much of total expenditure on gambling is accounted for by people with gambling problems?

Up to three-quarters (76%) of our clients state they are gambling their total expenditure.

Does problem gambling affect some groups more than others? What is the evidence for this?

We have noted, that the group being affected the most, is the family group. This group in turn, impacts on the larger community and work group. Of clients who present for PG assistance to our service, the majority - when they discover they are able to receive relational and family support - decide to enter the program and state at the end of their counselling period that 'this had a lot to do with my giving up gambling'.

Is it more difficult to detect or treat problem gambling within particular groups(for example, by age, gender or ethnicity)?

The cultural factor is one area that can be difficult to detect PG in. Some cultures are strong in their belief not to share their difficulties or even show the emotion on their face. A gambling addiction could be well hidden in this kind of a scenario and the client would be reluctant to divulge the full extent of their gambling activity because of the 'shame' involved. It is important for professionals assisting the PG to be aware and practice the various approaches of counselling within the multi-cultural framework. PG

is a unique and difficult area to counsel in. It requires specialist training in order that clients might not be disadvantaged.

What implications would any differences between groups of problem gamblers have for the design or implementation of policies aimed at the prevention or management of problem gambling?

Recognition of the differing groups and their needs. E.g.

- Disabled individuals
- Youth
- Education groups to have a mandate to teach awareness in PG.

Bearing in mind the differences of personality and the different and unique ways each individual assimilates information, the process of policies for prevention or management of PG need to cover all area of information giving as well as ensure it is in the language of the person receiving the information, and in a way as not to be offensive or discriminatory.

Club and hotel proprietors need to be encouraged to have their staff/personnel trained in PG awareness in order to be alert to detect problems before they get out of hand.

What is the evidence that some forms of gambling are more addictive than others?

Statistics as above and client feedback.

Are there features of gambling technology which are designed specifically to encourage high levels of gambling?

Poker Machines is one form. Gambling is inherently a social event. It usually takes two people to wager. Or a person operating the tables, such as blackjack etc. However the Poker machine needs only one operator and one machine. This is NOT a social event, even though the gambler is in the company of other gamblers. When the gambler is engrossed in the poker machine activity, they can easily go above their limits as there is no other human nearby to alert them in any way.

OTHER COSTS TO INDIVIDUALS

Are there consumer issues – such as gamblers’ understanding of the odds they face, pressure selling, misleading advertising, or other practices – which may produce costs for individuals?

Rather than enticing the public with "you can't win if you don't play", it would better to state the chances with a big win with a single ticket is \$55 million or whatever it is, to one and appreciably better for 100 tickets. That's responsible gambling.

DEALING WITH PROBLEM GAMBLING (EFFECTIVENESS OF DIFFERENT APPROACHES)

How effective are current measures for identifying problem gamblers, and what improvements could be made?

Current measures are ineffective. Gambling, unlike other addictions, is not visible. Awareness of PG occurs only after severe loss or substantial health, financial, family and work loss.

How effective are mechanisms – such as education and information programs, venue exclusion arrangements, venue and machine redesign – which seek to minimise problem gambling?

Provision of machines which can be played just for fun - with not wins or losses - would do a good deal towards harm minimisation.

Self banning programs for PG need to be made available in all club/hotel venues. Information programs is a must for PG awareness. Utilisation of all aspects of the media to provide this information to the people in the communities would also do much to minimise the effects of PG.

How effective are different approaches to the rehabilitation of those who suffer from problem gambling (both in terms of favourable outcomes and cost effectiveness)?

Availability of emergency accommodation in hospitals would encourage a more effective outcome for those PGs in deep crisis.

Vast sums are provided to assist in rehabilitation of alcoholism and drug addiction. An important point to be made is, that **there are no government funded rehabilitation facilities for the treatment of gambling addiction in NSW.**

Because of the high cost in the above rehabilitative measures, it is impossible to address this issue until there is sufficient funding to implement the above. Surely it can

be argued that if the government is prepared to accept the revenue raised by gambling, must also accept some responsibility for the rehabilitation of those caught up in PG.

Is funding and co-ordination of existing services adequate?

No. WGCS (funded by CCBF), commenced lobbying for funding for a period of 7 years. It finally received its first funding in May of 1997. This was only for a year. At the beginning, there were 5 staff at WGCS. In the space of a year and a half, it grew to a staff of 13, full and part-time professionals indicating the strong demand for the service. Three of these staff are located in the Penrith. Despite this, at the end of the first year, the funding ceased and lobbying commenced again for bridging funding to continue the service. This was eventually successful. Submissions were called for in August (three months after May) and the outcome will not be announced until November. No ongoing service such as WGCS can exist without funding. We do not generate an income as our service is a charity and free to those seeking assistance. Whilst the above lobbying took place we were forced to continue on deficit. This is clearly not a feasible way for regular funding. When staff members are uncertain as to whether they will be employed after the twelve months, it is difficult to engage them in employment. The added stress of lobbying and waiting whilst continuing to service clients, is not conducive to the supporting service we offer to PGs.

What mechanisms should be used for funding these services?

A regular government department form of funding, similar to DOCS that is ongoing but with sufficient flexibility to adapt to the changing needs in the field of PG.

(Consumer Issues what is the appropriate role for advertising in the gambling industries?

To quote our clients "I feel helpless, angry and trapped whenever I see, hear or read another inducement to gamble." (Statement by Client "C" whose husband gambled away their savings plus signed away the mortgage (by forging her signature) and then left his wife in order to escape from the problem that he couldn't face any longer).

Whilst it is understandable that any business needs to advertise, we feel that just as cigarettes today, must carry a caution of the down side of smoking (e.g. lung cancer, heart disease etc) and alcohol is now openly acknowledged to cause liver problems on top of the countless deaths created by drunk driving, finally restrictions were brought in, in order to protect people in the community from the effects of drinking to excess and smoking. Both smoking and drinking are addictive - a proven point. Problem Gambling is also termed as 'compulsive gambling' or 'gambling addiction'. The fact that alcohol and cigarette/drug abuse is visible within the person addicted, gambling differs as there are no physical symptoms that accompany the addiction. Therefore the assumption is made that gambling is not addictive. We would argue against that and urge for appropriate and honest advertising of the true facts of Pg.

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