

BREAKEVEN-EASTERN PROBLEM GAMBLING SERVICE

RESPONSE TO

**THE PRODUCTIVITY COMMISSIONS ISSUES PAPER ON AUSTRALIA'S
GAMBLING INDUSTRIES.**

INTRODUCTION.

The BreakEven-Eastern Problem Gambling Service is pleased to be given the opportunity to respond to the Productivity Commissions Issues Paper, "Australia's Gambling Industries". We did not respond to the sections covering the institutional context or the implications of new technologies as we consider these issues to be outside of our area of expertise. Our response is based on statewide statistics from BreakEven Services and our own BreakEven-Eastern Regional Data.

BREAKEVEN-EASTERN PROBLEM GAMBLING SERVICES.

When the Victorian Government, via the Department of Human Services, called for tenders to provide services to problem gamblers in the Eastern Metropolitan Region of Melbourne, the Maroondah Social and Community Health Centre located in East Ringwood, was the successful applicant. BreakEven-Eastern opened its doors for business in March 1995. The services which BreakEven provide form a major component of the Victorian Government's Problem Gambling Strategy. These services include the following:

- Individual & group counselling for the gambler and anyone adversely effected by the gamblers behaviour.
- Education and professional development for the general public and all services.
- Liaison with, and training for, the Gambling Industry.

The service is confidential, non-judgmental and free.

Philosophically BreakEven services acknowledge that as a nation, Australians love to gamble. For some people though gambling becomes problematic when it causes harm to themselves and to those closest to them. For this reason BreakEven services promote responsible gambling which can be achieved by working within a harm minimisation framework. Realistically, for some people who are gambling out of control, cutting out completely may be necessary.

In 1995 the BreakEven-Eastern service was staffed by three psychologists who divided their time between problem gambling counselling and community education. Today the service employs 11 people comprising 7 counsellors, 1.3 EFT community educators, 2 financial counsellors and a program developer. The service has a multicultural focus with counsellors from Greek, Italian, South African and Chinese backgrounds. We also have a Koori project worker who is employed for three months.

BreakEven has 14 outreach sites throughout the Eastern Region with locations at: Knox, Rowville, Ferntree Gully, Yarra Junction, Healesville, Lilydale, Camberwell, Ashburton, Oakleigh, Waverley, Doncaster, Forest Hill, Box Hill and Ringwood.

THE EASTERN METROPOLITAN REGION OF MELBOURNE.

The population of the Eastern Metropolitan Region of Melbourne is approximately 1 million people. The region comprises the Local Government areas of:

- Shire of Yarra Ranges
- City of Knox
- City of Whitehorse
- City of Monash
- City of Manningham
- City of Boroondara
- City of Maroondah.

Both densely populated suburbs and small rural communities may be found in the Eastern Region. Industries include manufacturing, information services and agriculture. The Eastern Region is regarded as being more economically affluent than the other metropolitan regions of Melbourne; however it does contain areas of high unemployment and low incomes. Some communities are well established with aging populations while others, like Rowville in the City of Knox, are still developing, have very limited services, and consist primarily of young families. Access to public transport and recreational services also differs from area to area. The Shire of Yarra Ranges, for example, has limited public transport in populated areas and none in some outlying communities. The Eastern Region is made up of a vast multicultural mix of people with the Greek, Italians, Malaysian, Scotch and people from the former Yugoslavia comprising the largest groups.

THE GAMBLING INDUSTRY WITHIN THE REGION.

Legal gambling within the Eastern Region, for the purpose of this study, takes the form of TAB Agencies, Tattslotto Agencies, Bingo, Electronic Gaming Machines (E.G.M's), Horse and Dog Racing. There are two racetracks, one dog track, one trotting track, numerous Tattslotto and TAB Agencies and Bingo outlets in the region. There are 4013 E.G.M's (Victorian Casino & Gaming Authority, 1997, here after V.C.G.A) located within the 63 licensed venues in the region. The breakdown of E.G.M's per Local Government area is as follows:

- | | |
|-------------------------|-----|
| • City of Knox | 844 |
| • City of Whitehorse | 611 |
| • City of Boroondara | 266 |
| • City of Manningham | 538 |
| • City of Maroondah | 477 |
| • City of Monash | 964 |
| • Shire of Yarra Ranges | 313 |

BreakEven-Eastern is unable to release its Regional Statistics because the data is the property of the Department of Human Services. However we are able to provide the Productivity Commission with information taken from the BreakEven Statewide Datum "Analysis of Clients Presenting to Problem Gambling Counselling Services" (For the year 1/7/96-30/6/97). This Statewide Datum can also be seen to be reflected at the local level as you will notice from our case study of Lilydale.

CASE STUDY OF LILYDALE.

- In Lilydale problem gamblers who attend for counselling comprise approximately equal split by gender.
- STATEWIDE 46% female, 54% male.

- In Lilydale preferred gambling activity is predominantly E.G.M's.
- STATEWIDE 81% of problem gamblers prefer E.G.M's.

- In Lilydale the majority of problem gamblers who present for counselling are on low incomes.
- STATEWIDE 48% earn \$20,000 or less, a further 30% earn between \$20-40,000.

- In Lilydale problem gamblers who present for counselling are, on average, middle aged.
- STATEWIDE the average age is 38 years.

- In Lilydale many problem gamblers who present for counselling are unemployed.
- STATEWIDE 52% are employed.

- In Lilydale a very common reason given for gambling out of control is boredom and wanting to escape stresses in one's life.
- STATEWIDE 77% gambled as a form of escapism.

WHO GAMBLES?

From the Statewide Datum:

- 54% men
- 46% women
- Average age 38 years
- 23% born overseas
- 48% had incomes below \$20,000
- 37.5% on fixed incomes such as pensions & benefits
- 30% had incomes between \$20,000-\$40,000.

Statewide and Eastern Regional Datum indicate that people from all socio-economic groups, ages, abilities and ethnic backgrounds, gamble. One group that we know very

little about, locally, is youth. International Research indicates that some young people, in secondary schools, are showing signs of becoming problem gamblers. The findings from limited Domestic Research supports overseas studies. We recommend that there be more research into youth gambling.

WHAT PEOPLE GAMBLE ON.

Statewide statistics indicate that 81% of problem gamblers who presented to BreakEven counselling services (1/7/96-30/6/97) were accessing E.G.M's for gambling activities. This is also reflected within the Eastern Region with counsellors indicating that the majority of people who present for counselling services are using E.G.M's.

HOW MUCH PEOPLE SPEND AND HOW FREQUENTLY?

According to Statewide Datum problem gamblers gamble on average 2 days per week for 3 hours.

The amount that people spend varies but is usually relative to their income initially. Financial and problem gambling counsellors at BreakEven Eastern indicated that by the time people present for counselling they are usually in debt. The size of the debt can vary between being manageable and not.

The V.C.G.A found in its, "Impact of the Expansion in Gaming on the Victorian Retail Sector", 1997, that people are using their savings in order to gamble.

WHY PEOPLE GAMBLE.

Many clients who attend BreakEven-Eastern services have identified, with their counsellors, the reasons why they gamble. Although not extensive the most common reasons appear to be the following:

1. Boredom, to fill in time.
2. Control, to implement a betting system.
3. Desperation, to escape financial problems.
4. Entrenchment, to keep up the habit.
5. Friendship, to socialise and keep up with friends.
6. Good feelings, to lift one's mood.
7. Self-harm, to punish or harm oneself.
8. Negative life script, to prove one's worth.
9. Mischief, to be rebellious.
10. Numbness, to block out bad feelings.
11. Oasis, to escape to a safe environment.
12. Prophecy, to predict winning outcomes.
13. Relaxation, to unwind & relax.

14. Shyness, to be around people.
15. Transition, to deal with a difficult time.
16. Uninformed, to pay bills, to increase profit and income.
17. Winner life script, to prove to self & others that one is a winner.

ASSESSING THE COSTS AND BENEFITS FOR THE INDIVIDUAL.

Positive Effects.

- Gaming is considered as a socially acceptable form of recreation for women, particularly older socially isolated women.
- Increased employment opportunities, via the expanding industry. Many positions are casual and part-time.
- Gambling offers the opportunity to win money.
- Gambling is often viewed as social and recreational.
- Gambling offers enjoyment.
- Gambling may be seen to be fashionable.

Negative Effects.

- Criminal activity. Statewide statistics indicate that **one third** of problem gamblers admitted to committing some type of criminal activity to subsidise their gambling. Some women are finding themselves committing crimes and either going to goal or are placed on Community Orders. This can impact seriously on families.
- While there are some employment gains, some problem gamblers lose their jobs because of becoming unreliable or committing criminal activity. This was born out in the recently screened A.B.C series "The Gamblers"
- Accessibility of E.G.M's can contribute to the development of problem gambling. This is well documented in both International and Australian research.
- All types of gambling have the potential to develop into addictive behaviours.

- People are using their savings in order to gamble.(V.C.G.A research “Impact of the Expansion in Gaming on the Victorian Retail Sector” 1997, “The increases in expenditure were largely funded out of household savings.”)
- People may lose money, incur debt and slide into poverty.
- People may lose their traditional coping strategies.
- Self esteem may be reduced.
- Relationship breakdown.
- Divorce.
- Domestic violence.
- Reduced physical and emotional state of health. Recently the Australian Medical Association developed a kit to address the issue of Problem Gambling for their consumers. Doctors highlighted medical symptoms such as increased heart rate, increased temperature, anxiety and depression which can have an association with problem gambling activity. BreakEven counselors statewide have seen problem gamblers present with low self-esteem and depression. Dr.Alex Blaszczyński, considered expert in the field of Problem Gambling, places the attempted suicide rate in problem gamblers at **22%**.

BENEFITS AND COSTS FOR LOCAL COMMUNITIES.

Benefits.

- Providing an opportunity for organisations, such as sporting groups to raise funds and increase membership.
- Improve club facilities for members.
- Increased revenue to clubs etc. can benefit general community through donations and other forms of community fund raising.

Costs.

- Reduced money available in the local economy, retail sector suffers.
- Non gambling venues lose out to licensed gambling venues. Loss of income and some job loss.
- Increased work load for welfare agencies.

- Loss of jobs in some retail outlets.
- Social fabric altered in some communities.

BREAKEVEN DEFINITION OF PROBLEM GAMBLING.

“Refers to the situation when a person’s gambling activity gives rise to harm to the individual player, and/or to his or her family, and may extend into the community,”

WHAT IS THE NUMBER OF PROBLEM GAMBLERS?

Because there is so much stigma attached to problem gambling many people are reluctant to seek help. Some ethnic groups do not seek assistance because culturally it is inappropriate to do so. To some cultures the concept of counselling is unknown. There are a range of opinions on the percentage of problem gamblers within any community at any given time. Statistics given are generally in the range of 0.5%-3%. It is also widely recognised that between 7-10 people are affected by the gambler’s behaviour.

HOW TO MEASURE THE COSTS.

BreakEven-Eastern believes that problem gambling should be recognised as a public health issue for the purpose of being able to measure actual economic costs which are taken from the public purse. For example, costs to the legal system, public psychiatric and general hospitals, could actually be costed, and budgeted for, by State Governments, if gambling related expenses were known. In order for this to happen records would have to be kept which indicate what hospital admissions were directly related to gambling, what court cases were heard because of gambling behaviour.

DEALING WITH PROBLEM GAMBLING.

Education and information programs, which are designed to minimise problem gambling, have been implemented under the Victorian Government’s Problem Gambling Strategy. The media campaign which ran for a short time on radio and television did generate quite a large number of referrals. Once the campaign finished the referrals cut back considerably. Unfortunately there has not been a lot of statewide media advertising. Various community education campaigns, conducted at the regional level, have been successful. Targeting “at risk groups” for education purposes is another strategy used by BreakEven Services. At the present time there is no education on problem gambling running in schools. If the Victorian Government agreed to it, this would be a very effective way of educating youth.

Self-exclusion Orders offer some measure of protection for the problem gambler; however for this to occur the self-exclusion order must be known to the gambler.

Unfortunately this is not always the case as many venues do not advertise their availability. Some self-excluded consumers “test” the system by wearing disguises!

HOW EFFECTIVE ARE INDUSTRY CODES OF PRACTICE IN ADDRESSING INSTANCES OF PROBLEM GAMBLING?

BreakEven Services statewide recently responded to the evaluation of the Industry Codes Of Practice for the Victorian Gambling Industry. We congratulate the Industry on taking this initiative however are disappointed that it is a voluntary code only and not all the Industry participated. Our findings include the following:

- The objectives are not measurable therefore reducing their credibility.
- Members of the public, generally do not know about the Codes, therefore they are unaware of their rights to lodge a complaint.
- Not all licensed gaming venues adhere to the section of the Codes that states that BreakEven information products should be displayed.
- No definition of “Responsible gaming” or the “Responsible delivery of gaming” is given therefore reducing credibility.

CONCLUSION.

BreakEven-Eastern would like to take this opportunity to thank the Productivity Commission for giving us the opportunity to participate in this discussion on Australia’s Gambling Industries. We hope the information that we have provided will be useful to your findings and recommendations.