

**SUBMISSION**

**TO THE PRODUCTIVITY COMMISSION'S ENQUIRY**

**INTO**

**AUSTRALIA'S GAMBLING INDUSTRIES**

**from**

**The Mental Health Foundation of Australia**

## EXECUTIVE SUMMARY

1. The critical need in the area of gambling and problem gambling is community-wide information, education, and mental health promotion to help ensure that *all* gamblers behave responsibly, and that those at risk do not go on to develop problem gambling habits. The Mental Health Foundation of Australia is best placed to develop, implement, and evaluate such an information and promotional strategy, given its record and experience in mental health education and promotion (see Section 12 following).
2. The Mental Health Foundation of Australia is of the opinion that further controls over gambling venues are needed, to limit gamblers' access to ATMs and the location of gaming venues in the community.
3. Further research is needed to determine which groups in the community are at greatest risk of becoming irresponsible gamblers and the pathways by which problem gambling can occur.
4. Irresponsible gambling is related to mental health problems, particularly depression and anxiety disorders. Further research is needed to establish causality and the relative effectiveness of alternative treatment approaches.
5. Problem gambling treatment services are readily available in the community and readily accessible to those with gambling problems. The focus of attention needs to be directed to public information and education, to ensure that all gamblers act responsibly and do not develop problem gambling behaviours.

## Introduction

### **The Mental Health Foundation of Australia and its role in community education about gambling and problem gambling**

The Mental Health Foundation of Australia has national and international recognition as the pre-eminent provider of mental health research, education, and promotion within the Australian community. Together with mental health research and education, the role of the Foundation is to act as an advocate on behalf of the mentally ill, to educate the community to de-stigmatise mental illness, to promote community awareness of good mental health practice and prevention of mental health problems. It is a leader in community-based support networks for sufferers of various mental illnesses and carers.

The Foundation recently published a resource book on gambling education and promotion of responsible gambling under the title: *Your Guide to Responsible Gambling*. The book was officially launched on 27 September 1998 by the Hon Dr Michael Wooldridge, Federal Minister for Health and Family Services.

The authors of this submission are:

*Graham D. Burrows AO, KSJ, FRANZCP*, Professor of Psychiatry, University of Melbourne. He is Chairman of the Mental Health Foundation of Australia and was a member of the Board of Directors of the Addiction Research Institute at the time that G-Line, Australia's 24-hr telephone counselling line for problem gamblers was established.

*Greg J. Coman MSc*, a psychologist with specialist expertise in counselling for problem gamblers. He was Co-Manager of G-Line between October 1994 and April 1997, and he was instrumental in setting up G-Line.

*Barry J. Evans PhD*, Department of Psychiatry, University of Melbourne. He is currently Director of the Options Project, a community-based mental health research, education, and promotion campaign auspiced in part by the Mental Health Foundation of Australia.

Between them, these authors have numerous publications on gambling, problem gambling, and treatment for problem gambling.

This submission addresses topics raised in the Issues Paper produced in September 1998.

## **1. The Definition of Gambling (Issues Section 2, page 9)**

This submission adopts a definition of gambling consistent with that articulated in the Issues Paper, viz. any behaviours involving staking money on uncertain events driven by chance, involving a high degree of risk, and for the purposes of entertainment. While this definition typically *includes* gaming venue activity, betting and wagering on racing or sporting events, and lotteries, it typically *excludes* investing on the stock market.

We argue that the primary determinants of whether something should be termed "gambling" is the necessity for there to be the opportunity to win a return for one's investment, on an activity in which there is a disproportionately large element of chance.

## **2. The institutional context for gambling (Issues Section 3, pages 9-11)**

### *The institutional context -- regulation*

The Mental Health Foundation is of the opinion that electronic gaming machine venues should not be permitted in shopping centres. In Victoria, two such venues were opened in enclosed suburban shopping centres despite significant public outcry. The outcry was such that further applications for the opening of gaming venues in similar locations have been rejected. However, the two original venues remain open and remain a constant source of temptation for people who may experience gambling difficulties. The Foundation applauds the Victorian Government for its decision not to allow further venues to open in shopping centres but believes the existing venues should be closed or relocated.

### *The institutional context -- taxation*

Revenue from gambling should be earmarked for particular uses. The Foundation endorses the practice adopted by the Victorian and New South Wales Governments, wherein a specified portion of gambling revenue is channelled directly to fund services that assist problem gamblers. In Victoria, the Break Even and G-Line problem gambling counselling services were introduced with specific allocations from the Community Support Fund, and did not exist prior to the Fund being established by Government.

The Mental Health Foundation of Australia financed the initial development of G-Line in Victoria, prior to government funding becoming available. The Community Support Fund has since provided additional funds for problem gambling counselling services, which fell far short of requirements prior to the commencement of the Fund.

## **3. Gambling Frequency (Issues Section 4, page 13)**

The available research and our clinical experience shows that gambling behaviours are widely distributed across the community. Studies in Australia, the US, and the UK suggest that up to 90% of people say they "gamble occasionally." Between 24% and 39% of people "gamble regularly." These figures reflect differences in the way researchers have defined "occasionally" and "regularly." There is a clear need for researchers to establish parameters for defining frequency of gambling.

Research has also sought to clarify the relative usage of different forms of gambling. Table 1 shows a summary of international and Australian research studies.

**Table 1:** Relative usage of gambling forms and reasons people give for gambling

FORMS OF GAMBLING	PERCENTAGE	WHY?
		---- Lotto games 68%
		Reasons for gambling
		regardless of type:
Scratch tickets	38%	
Poker machines	38%	
Horse racing	21%	
Tabaret	16%	To make money: 24%
Card games	8%	Because bored: 46%
Casinos	7%	To relieve stress: 51%

In our book *Your Guide to Responsible Gambling*, we define what we see as different types of gamblers.

#### 4. Types of Gamblers (Issues Section 4, page 13)

We use the term "normal" to define gambling behaviour *over which the individual has control* -- that is, the person knows when to stop, having set pre-determined loss limits or having other work, family, or social commitments to attend to. On the other hand, we define "problem gambling" as gambling behaviour *over which the person does NOT have control or which the person finds very hard to control and which contributes to personal, economic and social problems for the individual and family.*

Within the scope of the term "normal" gambling, it can be useful to discriminate between "recreational (or social)" gamblers and "professional" gamblers. A recreational gambler is one who reports intermittent but regular or irregular participation in gambling activities. The person may gamble alone or may share the experience with friends (social gambling). We say that a recreational or social gambler is one who bets a limited amount which the person has decided in advance. When this limit is reached or if the person goes over this limit, the person reacts by stopping gambling and not returning for some time. This type of gambling behaviour is that included in the percentage figures we included above -- between 24% and 39% of the Australian adult population report that they engage in recreational or social gambling.

Some people in the community engage in what we call "professional" gambling. These people do not participate in activities where there is a high element of chance, but choose games where their skill and knowledge are very useful, such as card games and betting on horse races. Again, the person bets with firm control over their gambling behaviour.

What defines normal gambling is the idea that the person has *control* over the behaviour -- he or she knows *when to stop*, to ensure they don't over-spend and do not let their gambling enjoyment affect their work, family, and social life in any negative way.

Unlike recreational or professional gamblers, those with a gambling problem are characterised by the fact that they *don't know when to stop* or feel they *cannot stop* gambling. Even when they do, the person may then feel anxious, irritable, or have compulsive thoughts about renewed gambling.

## **5. Why do people gamble? (Issues Section 4, page 13)**

People say they gamble for many reasons. But, overall, gambling seems to be a very satisfying emotional experience.

It can be a form of pleasant escapism, in which the person hopes to win something for nothing and, in the process, escape from the difficulties of working for a living and meeting one's familial and personal needs, without worrying about where the money will come from.

Gambling can be exciting and socially engaging. It can entail taking risks and stimulating challenges -- a world away from the pressures and drudgery of one's daily routine. It can provide an opportunity for people to interact and socialise, or, in the case of poker machine playing, to become deeply absorbed in the activity.

People may gamble because they enjoy the activity of estimating potential wins and losses, carefully assessing a horse's or sportsperson's potential to win. Thus, there may be a perceived element of skill in assessing potential winners and determining the best rate of return.

Overall, people gamble for one or more primary reasons. Some gamble for the simple enjoyment of the activity itself; for others, the defining pleasure is the "thrill of the chase;" and, for still others, the interest is in the ever-potential for (in the words of the TV commercial), "one's numbers to come up!"

## **6. Why do people choose particular forms of gambling? (Issues Section 4)**

There are varying reasons for people choosing particular forms of gambling. The most important may be the person's way of life. For example, work hours, availability of transport, and available of gambling venues may be the factors which lead to you choose one form of gambling over another. For example, shift workers may play poker machines, rather than betting on horse racing, as TAB offices may be open only during normal business hours.

One's individual personality characteristics and mood may be important determinants of particular gambling activities. People who enjoy socialising might choose card games and horse racing. Those who gamble to lift their mood might choose games of skill, which require their concentration and attention. Those who feel stressed and anxious may prefer low skill games, such as poker machine playing. As one becomes absorbed in the machine, without being required to think hard about the task, feelings of stress and anxiety lessen.

We strongly hold to the philosophy that gambling is *not intrinsically evil*. It is a form of

recreation that provides many people with pleasurable enjoyment. Thus, there is nothing wrong with gambling in itself -- it is when the activity becomes irresponsible and takes over the person's life and negative outcomes result, that we argue gambling is a problem.

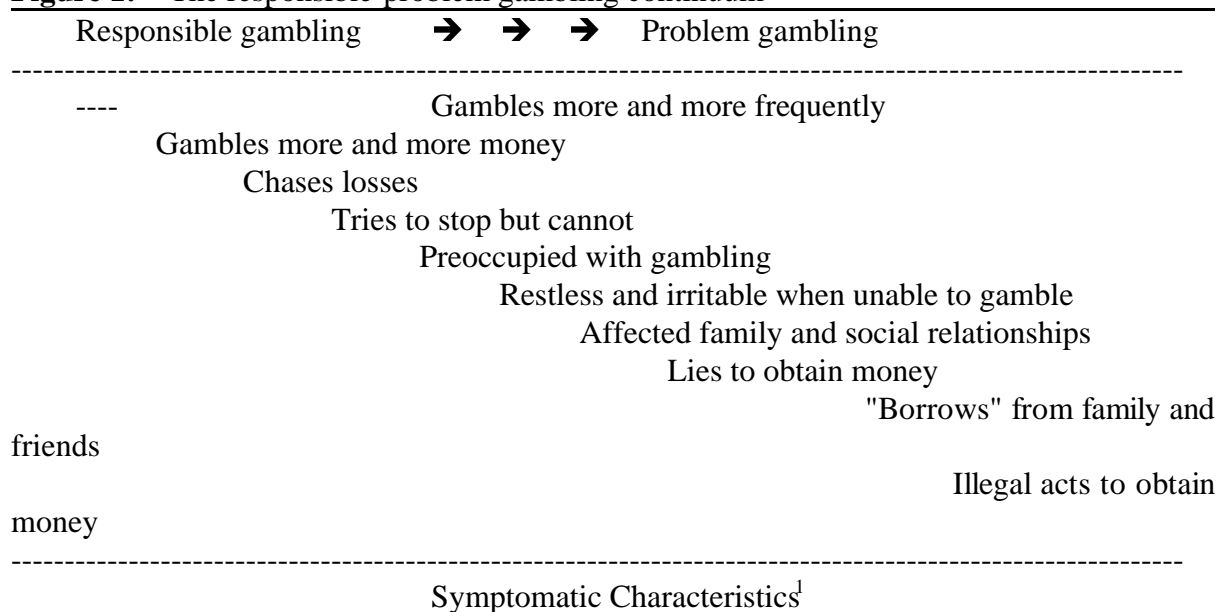
### 7. Problem Gambling (Issues Section 6, page 15)

We argued above that problem gambling is characterised by the individual's inability to control their gambling behaviour. Should the individual be able to stop gambling for any given period, this may be accompanied by a range of negative psychological, emotional, or social outcomes.

We believe that the term "problem gambling" best describes *any* gambling behaviour which is outside the control of the individual and which causes personal, economic, and social problems for the person, his family, and friends. The problem may get *more serious* in the sense that the person may start illegal activities to get money, or gambling behaviour may get more frequent and more intrusive. But what is most important is the notion that gambling becomes a problem when the person *feels that he or she has a problem* and that the gambling is now *out of the person's control*. The approach we take to defining problem gambling is best illustrated with the following figure (Figure 1).

For some reason, the person moves from recreational gambling to problem gambling. This can occur very suddenly or over a period of time. The person can move from controlled to out-of-control gambling for some specific reason, such as becoming unemployed or ill, or it may happen for no obvious reason. As the gambling behaviour becomes problematic, the number of symptoms may increase or become more persistent and intrusive. The longer the situation goes on, the harder it becomes to deal with effectively.

**Figure 1:** The responsible-problem gambling continuum



<sup>1</sup> Symptoms do not develop in any particular pattern.

We argue there are several "pathways" from responsible to problem gambling. These are described below.

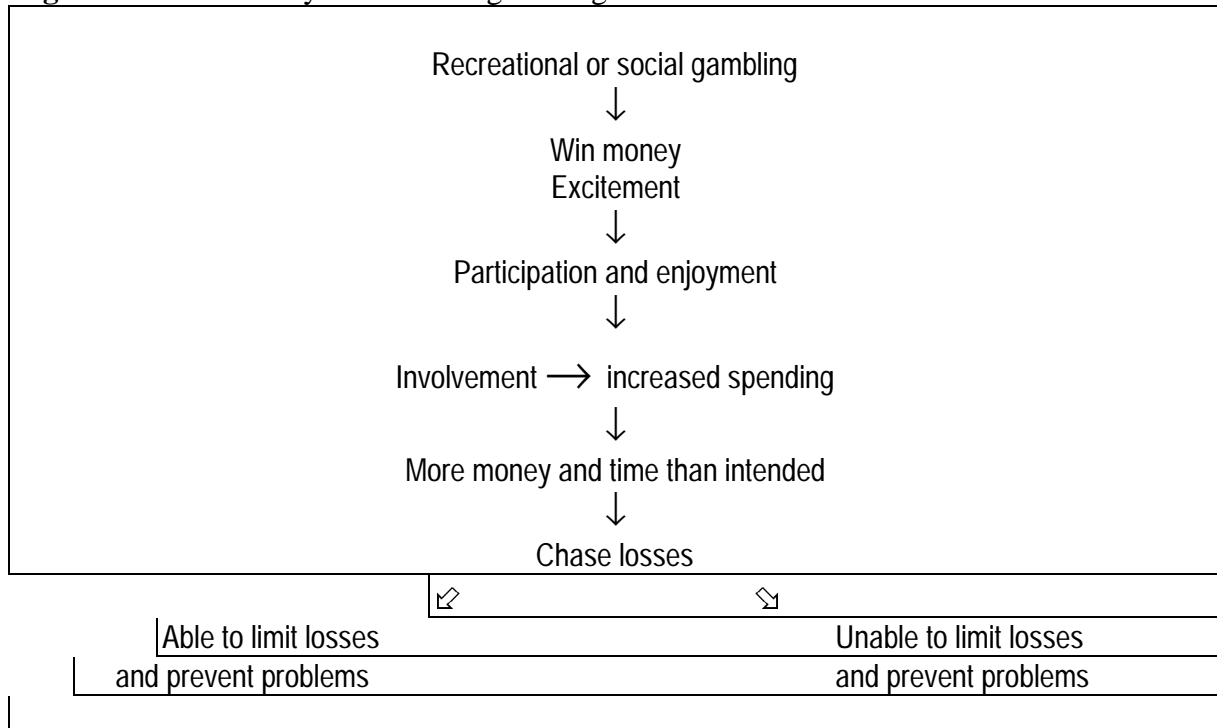




## 8. Pathways from responsible to problem gambling (Issues Section 6)

*The "slowly-drifted-into-gambling" model*

**Figure 2:** The "slowly-drifted-into-gambling model"

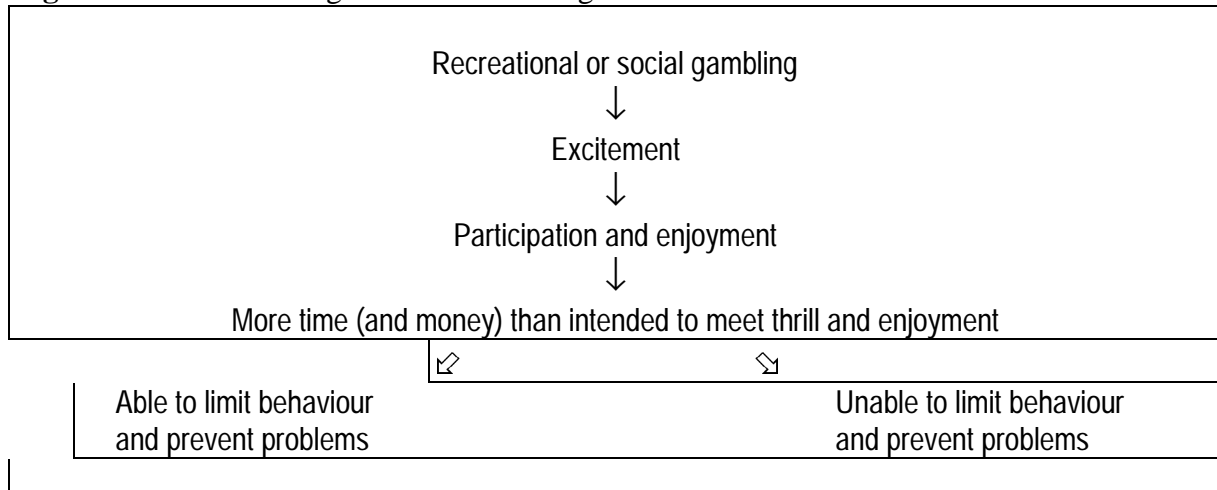


Typically, the individual's enjoyment and satisfaction with gambling activity leads to greater involvement -- both time and money. Although some people are lucky enough to get a big win, we know that, for a significant majority, the more time spent gambling the greater the financial loss. So, the person starts to chase his or her losses. At this point, the person is either able to take stock and say: "I cannot recover what I've lost, so I have to cut my losses and stop now," or is unable to stop, continues to invest money and falls into problem gambling.

*The "its-too-great-a-thrill" or "I-gamble-because-I'm-bored / stressed" model*

Another process by which people can move from being recreational or social gamblers to irresponsible gamblers is described in Figure 3.

**Figure 3:** The "its-too-great-a-thrill" or "I-gamble-because-I'm-bored/stressed" model.



This process is different to that in Figure 2, in that here the focus of the problem is the extent of enjoyment and thrill the person gets out of gambling, not necessarily the amount of money wagered (although, of course, that may be an associated problem). Here, the person is so involved in gambling behaviour that it starts to occupy all their thinking. All they think about is gambling, to the exclusion of everything else -- work, family, social activities, etc. Other areas of the person's life are neglected because all the person thinks about is gambling -- so that everything and everyone associated with the gambler suffers.

The process also describes those people who gamble because they are bored or lonely -- and gambling provides excitement and temporary happiness. They find they can escape from their mundane and depressing lives into a world of fantasy and lights, where there is the possibility of escape by winning "the big one."

People who gamble to relieve stress, anxiety, or depression also fit this model. Again, they achieve temporary happiness through gambling and, over time, have to spend more time gambling to achieve the same levels of excitement and relief. If this process explains your gambling pattern, or irresponsible gambling, you need to find new activities to replace your gambling behaviours -- activities which will give you equally satisfying feelings at less cost than gambling.

*The "stressful-event" model*

For a few people, the onset of problem gambling can follow the experience of a very stressful event -- which could have been either negative or positive. We can detail numerous case histories of such people. For some reason, the gambling pursuit is seen by the person as the best way they have for coping with the stressful event. There have even been cases when people who did not previously gamble, or who gambled in a very controlled way, started very irresponsible gambling after experiencing a stressful event.

*The "addictive-behaviour" model*

There is evidence to suggest that some people become "hooked" on gambling the very first time they take part. These we say are addicted to gambling and probably cannot enjoy controlled gambling.

There is current pharmacological evidence to suggest that at least for some problem gamblers their behaviour has a compulsivity dimension similar to that in obsessive-compulsive mental disorders. Problem gambling also shares some characteristics of addictive disorders, although this is not commonly held, in that addictive disorders involve physiological processes that are not always present in cases of excessive gambling.

## **9. Epidemiology of problem gambling (Issues Section 6)**

Establishing prevalence rates for problem gambling is difficult, given differences in terminology. Estimates from international and Australian research vary widely, but we gauge that around 2% of the Australian adult population show the characteristics of severe problem gamblers (called pathological gambling by the American Psychiatric Association). We estimate another 5% probably meet the criteria for problem gambling.

Two out of every three problem gamblers are male, who typically start gambling in adolescence and who show gambling problems by age 30. Typically, he is unmarried and less educated, and gambles on horse racing, poker machines, and at casinos. On the other hand, female problem gamblers commence in the mid 20s to 30s, with problems occurring after age 30. She prefers poker machine venues (Coman & Burrows, 1998).

It is not yet clearly established what percentage of gamblers display what we term "irresponsible gambling," gambling excessively on occasions or displaying some gambling characteristics associated with problem gambling (see Figure 1 above).

The greatest deficit in current research activities is our inability to predict with any degree of accuracy which individuals are likely to move from responsible to irresponsible gambling.

## **10. Comorbidity of Gambling Activity and Psychiatric/Emotional Disorder (Issues Section 6)**

The research cited in our recent paper in the journal *Stress Medicine* (Coman, Burrows, & Evans, 1997) clearly shows that irresponsible gambling is clearly related to anxiety and depressive disorders. It is estimated that up to 75% of gamblers seeking help for the disorder have symptoms of depression, with up to 61% reporting suicidal ideation. Over 22% have made actual suicide attempts.

Little is currently known about the relative contribution of mental concerns to the likelihood of problem gambling developing, or whether depression and anxiety disorders follow from, or cause, problem gambling. It is clear from clinical evidence that transient emotional states can directly cause gambling bouts, so it is possible to speculate on the nature of these relationships. Funding to conduct appropriate studies is urgently required from government.

## **11. Relative "addictiveness" of different forms of gambling (Issues Section 6,**

There is anecdotal clinical evidence that some forms of gambling are more addictive than others. Many clients of mental health practitioners associated with the Mental Health Foundation of Australia report that the majority of their problem gambling clients present with electronic gaming machine addiction compared to other forms of gambling. The rapid rate of play available on these machines, coupled with their wide accessibility within the community, and their programming based on the psychological concept of intermittent reinforcement, appear to make them the easiest for people to develop difficulties.

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

Many clients of our Foundation's mental health practitioners report that the introduction of note acceptance facilities on some electronic gaming machines have significantly increased their ability to gamble more money in shorter periods of time. Such technology removes the requirement for gamblers to break their gambling session to obtain change to continue gambling, thus removing opportunities to reflect on the gambling activity and the amounts which are being gambled.

Similarly, the provision of roaming change vendors in some larger venues is an process which many problem gambling clients criticise as contributing to their gambling difficulties, by removing the opportunity to take a break from the activity and reflect on what they are doing.

The Foundation is also of the opinion that the location of automatic teller machines within gaming premises contributes significantly to difficulties which people experience from gambling. While ATMs are not located within gaming rooms, they are generally located within close proximity, somewhere else within the venue premises (e.g., foyer or bistro). While venues argue that the provision of ATMs are a service to their patrons and enable the purchase of many products other than gaming, (e.g., alcohol and food), it is, nevertheless, a fact that many problem gambling clients report such ready access to cash via these machines is a contributing factor to the financial difficulties in which they find themselves through problem gambling.

## **12. Dealing with Problem Gambling (Issues Section 6, page 17)**

*Effectiveness of current problem gambling counselling services*

In Victoria at least there is an extensive network of problem gambling counselling services, through G-Line and Break Even agencies. Their effectiveness is restricted in that individual gamblers must seek out such services; have contact initiated through a concerned family member; or be referred following some legal problem. However, is it clear that the significant investments in these services made by government has meant that services for those who have developed gambling problems are widely available and readily accessible.

### *Effectiveness of education and information programmes*

On the other hand, little if no attention has been given to community-based and community-wide education and promotion campaigns addressing the information needs of all gamblers, helping them avoid becoming irresponsible gamblers. The media advertisements produced at the time of the introduction of G-Line focused on the typical behaviours of pathological gamblers (stealing money from a son's moneybox) -- behaviours not typical of the majority of responsible gamblers.

The role of problem gambling counselling services becomes critical only when people have developed a gambling concern. Much more effective and cost-efficient is the provision of community-based education and promotion programmes which help gamblers avoid problem gambling, viz. remain responsible gamblers. It is clear that it is far better to develop a "cure," by providing accessible and useful educational material to all gamblers, rather than simply waiting to treat the "disease" once it develops. The requirement is for appropriate funding for research, education, and promotion to ensure that all gamblers behave responsibly.

The Mental Health Foundation of Australia can demonstrate the effectiveness of such community-based programmes, by reference to its very successful Depression Awareness Campaign (1996) and work in helping schools develop anti-bullying and healthy behaviours programmes (1997). Both have demonstrated that primary interventions from the school environment, to the community in general, can delay the development of mental health problems. The Foundation is currently developing an interactive online education and promotion campaign for responsible gambling, which will target poker machine players. Kiosks will be located in gaming venues and community health centres (and be available by email, voice mail, and call centre), to provide interactive means of self-assessment of at-risk gambling behaviours and how to address any problems.

We articulated above the range of mechanisms by which responsible gambling can become irresponsible -- in any given case, this is not assessed until the individual presents for primary care or counselling. What is needed is current, readily available, and accessible information about gambling, and how to avoid falling into the trap of irresponsible. We believe the release of the book *Your Guide to Responsible Gambling* largely meets this need. The book provides a wealth of information about the nature and types of gambling and, most importantly, how easily gambling can become irresponsible. It provides a series of interactive question-and-answer sequences which enable the reader to assess his/her own gambling behaviour and motivation and the warning signs that gambling may become irresponsible. The book then provides a series of strategies designed to help people return to responsible gambling.

Like any community issue and mental health concern, gambling can become a problem if individuals do not understand why they gamble and how to ensure their behaviour does not become irresponsible. While governmental regulation is needed to ensure adequate control over gambling, it is, ultimately, the responsibility of the individual to control their own behaviour. This is best achieved through research, education, and promotion. For those who still develop problems, the current gambling counselling services provide an excellent resource.



## References

- Burrows, G.D., Coman, G.J., & Evans, B.J. (in press). *Problem Gambling*. London: Martin Dunitz.
- Coman, G.J., & Burrows, G.D. (1998). *Your Guide to Responsible Gambling*. Richmond: Mental Health Foundation of Australia.
- Coman, G.J., Burrows, G.D., & Evans, B.J. (1997). Stress and anxiety as factors in the onset of problem gambling: Implications for treatment. *Stress Medicine, 13*, 235-244.
- Coman, G.J., Evans, B.J., & Burrows, G.D. (1996). Problem gambling: Treatment strategies and rationale for the use of hypnosis as a treatment adjunct. *Australian Journal of Clinical and Experimental Hypnosis, 24*, 73-91.
- Coman, G.J., Singer, G., Burrows, G.D., & Singer, L. (1996). *A Self-Help Guide for Problem Gamblers*. South Melbourne: Addiction Research Institute.
- Evans, B.J., Burrows, G.D., & Goldberg, A. (1996). *Promoting Personal Wellbeing and Human Rights in Schools: The Options Report*. The Options Project: Heidelberg.
- The Options Project (1996). *Stop Bullying!* Heidelberg.
- The Options Project (1996). *Healthy Relationships: Healthy Schools*. Heidelberg.

