

Productivity Commission
Inquiry into Australia's Gambling Industries

Submission From

Women's Electoral Lobby, Victoria
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Submission from the Women's Electoral Lobby (Vic) for the Productivity Commission Inquiry into Australia's Gambling Industries

The Women's Electoral Lobby, Victoria wishes to register its deep concern about the impact of gambling and, in particular, the proliferation of Electronic Gaming Machines (hereafter EGMs) on Victorian women, their families and the communities in which they live. While noting the Commission's interest in collecting data on the gender profile of gambling, it is important to consider women's experiences of gambling and problem gambling across a broad range of issues.

The aims of this submission are to:

1. Identify the key findings of recent research on women and gambling and draw the commission's attention to the need for future research;
2. Highlight the need for support services to assist women with gambling related problems., which are sensitive to gender and culture; and
3. Examine the regressive impact of current gambling taxes and the failure of the Community Support Fund (CSF) to contribute to the development of social capital and to support projects of direct assistance and value to Victorian women.

Gambling in Victoria – An overview

“Generally, there is a strong agreement that gambling problems are worsening, and that this is a serious social problem. There is also the belief that gambling is too widely accessible in Victoria and that the number of EGMs should be reduced.” (Victorian Casino and Gaming Authority (VCGA), 1997d)

WEL commends this statement. Despite growing community concern and a deepening anti-gaming sentiment, expenditure on gaming in Victoria continues to grow. Between 1991-92 and 1995-96 real per capita gaming expenditure grew by just over 30 per cent per year and government revenue by nearly 25 per cent per year. In the same period gaming expenditure as a proportion of household income rose from 0.64 per cent to 1.91 per cent (VCGA, 1997b, pp.10-11).

By far the most common form of gambling behaviour is the use of EGMs (80.8%). The rates of availability of EGMs per 1000 population in Department of Human Services Regions ranges from 4-4.5 in the Eastern, Hume and Loddon/Mallee regions to 8-9 in the Western and Gippsland regions. The correlation between the rate of EGMs and the rate of new presentations of clients with gambling problems is 0.62 (Jackson et al. 1997). Although correlation does not necessarily indicate causation, the strength of this association raises deep concerns about the skewed distribution of EGMs and problem

gamblers, and the well-being of individuals, families and communities within poorer socio-economic regions, both urban and rural in Victoria.

Prior to the introduction of EGMs, women barely figured in the statistics on problem gambling. This situation has changed dramatically. Between 1 July 1996 and 30 June 1997, 1817 new clients registered with Victoria's problem gambling services compared to 1324 in the previous year and problem gamblers were almost as likely to be women (46%) as to be men. The rate of growth in problem gambling is faster for females than for males. Among the women, nearly 70% were living with a partner with/out children and 10.2% were single parents (Jackson, 1997).

Despite these trends, little is known about women who gamble. Two new reports¹ are providing preliminary insights but much work needs to be done. In particular, detailed research is required to enhance our understanding of how, why and to what degree women are moving from being social gamblers to problem gamblers, and how this correlates with the rapid introduction of EGMs in Victoria².

The "Queen of Hearts" project, undertaken by the Financial and Consumer Rights Council, suggests that women experience gambling differently to men. Statistics from Victoria's gambling telephone counselling service, G-line, reveal boredom as the primary motivation for women callers to gamble, followed closely by loneliness, stress and anxiety (Brown, 1997, p.9). The report also emphasises that women's experience of gambling changes over time.

Initially the women reported gambling for social reasons and because of the sense of belonging, warmth and safety offered by gambling venues. However, with the passing of time, gambling became unsociable and associated with negative emotions, until eventually gambling became a 'habit' or 'addiction' (Brown, 1997, p.71). A greater understanding of why women become part of a gambling culture is a pre-requisite to the development of informed preventative strategies.

¹ We urge the commission to consult 1) Brown, S. and Coventry, L. (1997) *Queen of Hearts – The Needs of Women with Gambling Problems*, Financial and Consumer Rights Council: Melbourne, and 2) Women's Health West (1997) *Women and Gambling*, Melbourne.

² A 1997 Report produced by the Australian Institute for Gambling Research "*Definition and Incidence of Problem Gambling, Including the Socio-Economic Distribution of Gamblers*" supports the incorporation of the South Oaks Gambling Screen into future surveys of community gambling patterns. However, the report notes that the Screen fails to 1) accurately distinguish between regular gamblers and gamblers experiencing problems, and 2) is not sensitive to the different social and cultural contexts that determine whether a player's gambling has harmful impacts or not. WEL Victoria supports the Institute's recommendation that a new method for measuring problem gambling be developed and emphasises the need for this measure to be gender sensitive.

The impact of gambling: women, their families and communities

The consequences of problem gambling are significant and are borne by individuals, families and society. These consequences include financial difficulties, an increased incidence of health problems (including mental health and the social health of communities), loss of social networks and extended family support, family dysfunction, increased crime rates and reduced capacity to work. Women who have partners with gambling-related problems have reported rising levels of stress and illness, family breakdown, domestic violence, and neglect of children (VCGA, 1997c).

The financial difficulties associated with problem gambling include the alteration of family spending patterns to accommodate rising expenditure on gambling and, in severe cases, the loss of family savings and the family home. Eighty nine per cent of individuals interviewed for the report titled "*Impact of EGMs on Small Rural Communities*" said that household expenditure was being diverted away from essential items (VCGA, 1997c). Those surveyed also listed a number of negative social impacts associated with the proliferation of EGMs in their communities. These included the mundane nature of EGMs as a form of entertainment and the declining opportunities for social interaction. Women within these communities were finding it difficult to organise daytrips and were lamenting the loss of dances, bands and other live entertainment.

The extensiveness and pervasiveness of problems relating to gambling has been highlighted by Jackson (1997, p.28) Over 45 per cent of clients surveyed in the "Analysis of Clients Presenting to Problem Gambling Counselling Services" reported 7 or more maladaptive behaviours.

In this brief submission we can only touch on a small number of the harmful and complex problems that gaming has imposed on the community. WEL Victoria supports calls for:

- development of a comprehensive set of economic and social indicators which can be used to objectively determine the real effects of gambling on the people of Victoria. In developing these indicators it is important to move beyond the individual and to examine the social and cultural context in which problem gambling occurs.
- qualitative research on the effect upon families and communities – from the perspective of those who are not problem gamblers.

Support for women with gambling-related problems

Research on support services for women with gambling problems reveals endemic and serious problems. These include lack of knowledge of available services; insufficient staff and resources and an absence of cross-referencing between services; lack of facilities for women in non-metropolitan and regional communities, ethnic women, and women living with problem gamblers; and the strains placed on the non-government sector as demands for emergency relief increase. The following notes are taken from published research and highlight the extent of these problems:

- The VCGA (1997) surveys of inner city municipalities, non-metropolitan and small rural communities found a lack of knowledge of services for individuals with gambling problems. Between 80 and 85 per cent were unable to identify any services. Importantly, this ignorance was also apparent with those individuals who identified themselves as problem gamblers.
- Eighteen inner-city community agencies surveyed in the same series of reports felt that their services were inadequate for people with problems related to gambling because the specialist attention required fell outside current staff and resource allocations (1997b, p.149). The assistance available to women and children in families where the male breadwinner is gambling is extremely limited.
- The Association of Neighbourhood Houses and Learning Centres, in their submission to the People Together “*Social Justice Report Card – Women Acting Together*” noted that more women are being affected by problem gambling and that neighbourhood houses are being approached to provide counselling services for gambling that were previously provided by other community organisations and local councils.
- While the complexity of gambling problems and interrelationships with financial, family, health and legal difficulties suggest the need for long term assistance, more than half the clients surveyed in the “Analysis of Clients Presenting to Problem Gambling Counselling Services” were seen three times or less.
- The “*Queen of Hearts*” report (1997) highlights the lack of cross referrals between support services, particularly between problem gambling and financial counselling services.
- The same report found it was important for women to have access to female counsellors and that support services needed to be local or easily accessible. These needs were not being met, particularly for women living in poor areas in the outer suburbs of Melbourne and regional and rural Victoria. A statewide ‘phone-in’ conducted as part of the research received 144 calls from women with gambling-related problems. Twenty-one callers had attended the self-help group Gamblers Anonymous but most had found the experience unsatisfactory because men dominated the groups. Many callers explicitly identified the need for more female support and activity groups (1997, p.47). The most common source of support accessed by women callers was family and friends.

In making recommendations to the Commission with respect to support services, WEL Victoria wishes to give a voice to those women whose understanding of the problems is informed by personal experience. Callers to the “Queen of Hearts” phone-in were asked to make suggestions about what they perceived could make life better for women who gamble. The following suggestions were received:

“The most significant comment made by the women was that they wanted a reduction in the number, availability and accessibility of gaming facilities. Other significant suggestions made were that community education campaigns be conducted and specifically that support services be promoted more widely, that alternative entertainment options be created, that gambling advertisements be limited and more realistic, and that a range of improvements be made to venues, such as display of clocks, greater use of natural light, prompts to leave the venue and improved training of staff in recognising problem gambling behaviour” (1997, p.47).

WEL supports this statement. We also urge the Commission to recognise the role of welfare and charitable organisations in providing assistance to problem gamblers. We believe it is important to quantify the impact of gambling-related demands on the capacity of non-government organisations to provide other services. WEL Victoria believes that the increased demand for non-government social services requires a compensating increase in Government funding.

It is imperative that every Australian woman has access to female counsellors and support groups.

The needs of ethnic women

There is an urgent need for the provision of community education and support services to ethnic women that are delivered in a culturally and linguistically appropriate way. Different cultural groups have different attitudes to gambling that are likely to affect the rates at which problems are reported and assistance sought.

A submission to the People Together Gambling Hearing (1996) titled “*The Casino and Gambling Effects on the Indochinese Community in South Eastern Suburbs of Melbourne*” highlighted the impact of casino gambling (by males) on Vietnamese women. Many had been forced to separate from their husbands and seek the Sole Parent Pension in order to provide food and basic necessities for themselves and their children. The submission also noted: “Many Indochinese gave up their attempts to stop their husbands on their own, and yet coming to see a social worker, even if that person speaks your language, would be too shameful and difficult to do since it involves the family’s name and reputation.”

At the same hearing, a social worker from the Chinese community listed the impacts on Chinese women who were married to problem gamblers. These included physical and verbal violence, isolation, inability to seek help because of the shame that would bring on the family, inability to leave one’s partner due to the shame associated with being a divorced woman, lack of extended family support, and the loss of the family home and other assets

Along with the provision of specialised support services for ethnic women, WEL Victoria notes the need for alternative, safe and affordable entertainment options that do not demand proficiency in English.

Taxation issues

In the 1990s, the gambling dollar has made an increasing contribution to State Government revenue both in absolute terms and relative to other forms of taxation. In 1997-98 Victoria's gamblers contributed \$1.32 billion to state revenue, making taxes on gambling the state's third highest yielding tax. This was a 7.8 per cent increase on gambling revenue from 1996-97.

This trend is of enormous concern to WEL because gambling taxes are regressive in their impact and women are over-represented in low-income groups. Data from the ABS Household Expenditure Survey (HES) data shows that individuals and households at the bottom of the income distribution spend a greater proportion of their income on gambling and thus contribute proportionately more to gambling taxes. For example, in the five regions surveyed for the 1997 VCGA report on the *“Impact of Electronic Gaming Machines on Non-Metropolitan Communities”*, individuals with incomes of up to \$10 000 pa spent 1.92 per cent of their income on EGMs whereas those with incomes greater than \$60 000 spent only 0.03 per cent on EGMs (p.291).

WEL Victoria does not accept the argument that women choose to gamble as this implies that the continuation of addictive behaviours is at the discretion of the gambler, particularly given the limited publicity of where and how to access support services.

We would ask the commission to report on the distribution of gambling taxes. HES data could be used to identify the expenditure patterns of different gender and income groups. We would also like the Commission to provide detailed information on the impact of gambling on State finances. The investigation should quantify revenue lost through differential taxation treatment for gambling providers (including tax concessions offered to the Crown Casino), advertising and promotion costs, expenditure on gambling construction and planning, industry regulation, legal costs, and the cost of services provided to problem gamblers.

WEL Victoria believes that the moral and commercial support that the Victorian government provides to the gambling industry is entirely inappropriate. Equally abhorrent is the increasing reliance on a regressive tax levied on consumers while some gambling providers are provided with extensive tax concessions. It is important that information on the extent to which the Victorian tax burden has shifted - from the rich to the poor, and from business to consumers - is available in the public domain.

Community Support Fund

It is frequently argued that any regressive impact arising from the growth in gambling taxes as a proportion of State revenue is ameliorated by the provision of community services through the CSF. The CSF is funded by a 1.15 per cent levy placed on gaming turnover in hotel venues. WEL Victoria has serious concerns about whether disadvantaged groups, who make a disproportionate contribution to gambling revenue, reap compensating benefits courtesy of the CSF. We are particularly alarmed at the absence of projects offering specific benefits to women and catering for the needs of women living in poor socio-economic areas, regional and rural communities, and ethnic women.

The “*Fifth Community Gambling Patterns Survey combined with Second Positive and Negative Perceptions of Gambling Survey*” Report (VCGA, 1997d) found a low level of awareness amongst Victorian women (13%) of community projects funded by gambling revenue. Additionally, Victorian women do not generally believe that they have benefited from community projects funded by gambling revenue. Only six per cent of women surveyed felt they had derived any personal benefit. These views were replicated in VCGA studies of non-metropolitan and small rural communities. Similarly, the People Together Report “*Social Justice Report Card – Women Acting Together*” identifies the proliferation of EGMs in socio-economically disadvantaged areas is a key issue effecting the lives of Victorian women. The report notes that is difficult to identify CSF projects which directly benefit women from low-income areas, especially in the Arts, Tourism and Development Project categories.

There is some evidence that these ‘perceptions’ reflect reality. A number of projects funded are ‘major events’ under the auspices of Agenda 21. Funding for the Docklands Stadium, the Grand Prix and a contribution to prize money offered for the Australian Tennis Open are examples of projects offering large financial benefits to business and the tourism industry, but limited (if any) benefits to poor women in the outer suburbs and regional areas. For these women, their disproportionate contribution to capital works a long way from their homes would be better spent on social capital and infrastructure spending on schools, hospitals, childcare and social services. Dr David Hayward, in his submission to the People Together Inquiry, reported that of the \$150 m received by the between 1993 and 1996 only \$47m was used to support social and community services and only \$22m was devoted to helping problem gamblers.

It is entirely appropriate that CSF funds be used to fund the Problem Gambling Services Strategy which includes regionally based problem gambling counselling services, the establishment of G-line (a 24 hour telephone counselling and referral service) and a problem gambling research program. However, as noted earlier, these valuable programs need further resources under secure and long-term funding arrangements.

WEL Victoria notes that EGM usage patterns suggest that women make up half of EGM patrons. Fairness dictates that the CSF serves to finance some projects that have direct benefits for women. The CSF should direct funding to projects that provide safe and affordable entertainment options for women, female counsellors in support services, support services for women and children living with a problem gambler, community education, and culturally appropriate services for women gamblers from a non-English speaking background.

More broadly, there is a need to consider how the distribution priorities of the CSF should be determined and the way in which all members of the community, including those with gambling problems, can contribute to this process.

Recommendations

WEL Victoria offers the following recommendations:

- that the number of EGMs be reduced or that no more be introduced in Victoria given that increased gambling problems correlate with the accessibility of EGMs.
- that a method of measuring community gambling patterns be developed which distinguished between regular and problem gamblers and is sensitive to the different social, cultural and gender contexts that determine whether or not a player's gambling has harmful impacts or not;
- that a comprehensive set of economic and social indicators be developed which can be used objectively to determine the real effects of gambling on Australian society;
- that qualitative research be undertaken on the effects of gambling upon the families and communities of problem gamblers;
- that long term assistance be provided to problem gamblers and their families with financial, health and legal difficulties incurred as a result of gambling;
- that a register be established for problem gamblers to facilitate cross referrals between support services;
- that female counsellors be appointed to assist women with gambling related problems;
- that community education campaigns be conducted to advise people of the problems associated with gambling;

- that support services be more widely advertised;
- that alternative entertainment in local communities be provided and encouraged;
- that staff in gambling venues be trained to recognise problem gambling behaviour and act to prevent it; and
- that specific linguistically and culturally appropriate assistance be offered to ethnic women.

In conclusion

WEL Victoria welcomes the Productivity Commission's National Inquiry into Australia's Gambling Industries. We are deeply concerned about the negative personal, social, and financial impacts that the growth of gambling in this State has imposed on Victorian women. The Commission has a vital role to play not only in alerting the broader community to the harmful nature of these impacts but in drawing attention to the support and research required to address such complex and important problems.

Women are the 'new gamblers' and they are hurting. We urge you to include detailed responses to the recommendations contained in this submission in your final report.

Sally Cowling
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15th November 1998

References

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- (a) “Social and Economic Effects of Electronic Gaming Machines on Non-Metropolitan Communities”
- (b) “Impact of Gaming Venues on Inner-city Municipalities
- (c) “Impact of Electronic Gaming Machines on Small Rural Communities”
- (d) “Fifth Community Gambling Patterns Survey Combined With Second Positive and Negative Perceptions of Gambling Survey”