

SUBMISSION

TO: The Productivity Commission Public Hearings on Australian Gambling Industries

**FROM: The Commission on Social and Bioethical Questions,
Lutheran Church of Australia
and
The Lutheran Church, South Australia/Northern Territory**

We are pleased to make this submission on what has become a major cause for concern in Australia and to an increasing number of its people: the gambling epidemic. As a Church we speak out of genuine concern for our members, including many Aborigines, as well as for the good of our Australian society as a whole.

OUR CONCERNS

1. Gambling ¹ encourages greed in people which results in a hard-hearted spirit and lack of concern for other people. Gambling connects greed, self-focus and lack of concern for others — that is its nature. People's desire to "get-rich-quick" in an apparently enjoyable way takes little notice of the over-all loss to gamblers in their eagerness to gain materially.
2. With the advent especially in the last 30 years of legalised games of chance and methods of gambling (Keno, casinos, scratch tickets, and in particular poker machines which are so often in close proximity to the sale of alcohol) the situation has rapidly grown worse.
3. Should legislation allow at-home interactive television betting courtesy of the Internet and the advent of digital television and other technologies, we can expect an already serious situation to become much worse and affect the whole fabric of society. It will be very difficult to enforce any restrictions on minors and their access to gambling in the home.
4. It has been clearly documented in overseas studies and in Australia ² that those who can least afford financial loss are often the very people to whom popular methods of gambling (eg poker machines) are promoted.³ It is well-known among relief agencies, often church-based, that financial loss creates tremendous difficulties for many people, especially those on the lower economic level.

GAMBLING AS A SOURCE OF GOVERNMENT REVENUE

5. It is also well known that governments benefit greatly from gambling tax. This makes their in-put into decisions about the gambling industry and the forms it takes suspect of bias.⁴ It also is providing a poor example to Australians.
6. Considering the financial gain to governments, citizens cannot be sure that gambling issues will be legislated in a way that has their best interests at heart.

7. The gambling industry has a great deal to lose from government restrictions on gambling. It therefore uses the provision of revenue for governments and provision of employment opportunities to lobby governments to pass favourable legislation. This is in itself of great concern to us, as this industry represents very powerful and wealthy interests.
8. It is, then, hard to argue against those who criticise governments as having a gambling dependence that needs addressing. Lack of concern by legislators to restrict the advertising and availability of gambling opportunities leaves citizens open to being “owned” by and serving an alien power.⁵

GOVERNMENT REHABILITATION FUNDS

9. We applaud the establishment of funds like South Australia’s Gambler’s Rehabilitation Fund. However we are critical of the failure of governments to contribute generously from their huge gambling revenue while the industry itself is providing money.
10. The SA Gamblers Rehabilitation Fund report indicated that 7000 problem gamblers are receiving assistance. It is estimated that each problem gambler affects between five and ten people each. These are the notified problem gamblers in South Australia alone. The size of the problem nationally is obvious.
11. It is one thing to help problem gamblers. We believe such Funds should be spending money also on education to prevent involvement in gambling, for example through guidance in our schools, aged care agencies and the like.

FURTHER COMMENT

12. We have seen the disastrous effect of alcohol on the indigenous people of this country. Gambling in Aboriginal communities is quite common. In Central Australia our Church ministers to 6000 tribal Aborigines in over 60 communities. They have 18 Aboriginal pastors serving them. While low-level gambling occurs commonly in that area, every effort must be made to prevent an increase in gambling opportunities in or near Aboriginal communities.
Thankfully, on the far west coast of South Australia permission was not given to a tavern to install poker machines after strong opposition from the Yalata-Oak Valley Aboriginal leaders. These communities are also under the care of the Lutheran Church.
The danger of further gambling opportunities among Aboriginal people all over Australia must not be under-estimated.
13. A gambling addiction or spirit discourages people from commitment to productive labour, and thus society is deprived of its legitimate expectation: that citizens assume their social responsibilities rather than become dependent on others.⁶
14. The all-pervading presence of the gambling industry in Australia is having a tremendously negative effect in many ways, e.g. marriage and family breakdown, bankruptcies, white collar crime, racketeering, corruption, burglaries, child abuse,

domestic violence and suicide rates. It would not be difficult to demonstrate that the increasing incidence of this parallels to some degree the increased availability of gambling opportunities in Australia.

15. People have a right to leisure and amusements, and for many that is what gambling provides. However, whatever burdens or threatens to destroy the common life of society — gambling fits this category — ought to be of very serious concern for the makers of our public policies.
16. In short we believe that the gambling industry has got out of control in Australia and that this is resulting in grave problems for our society. We believe there is need for a far-reaching review of the gambling industry in Australia which is in the interests of the nation and its people. We also see a grave danger in the increasing use of technology to facilitate gambling opportunities.

We close with a quote from the first century AD, from St Paul, who was both a keen observer of human nature and society, and who never lost sight of true goodness for people:

“So be careful how you live. Don’t live like ignorant people, but like wise people. Make good use of every opportunity you have, because these are evil days. Don’t be foolish, then, but try to find out what the Lord wants you to do.”
(Ephesians 5:15-17)

While these words are obviously written to Christians, they remain relevant for society and its well-being today.

Respectfully submitted,

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ENDNOTES

- ¹ While the definition of *gambling* in different dictionaries and reference books is not exactly the same, the essence of the definition does not vary. According to the *Encyclopedia Britannica*, *gambling* may be defined as follows: “the betting or staking of something of value, with consciousness of risk and hope of gain, on the outcome of a game, a contest, or an uncertain event, the result of which may be determined by chance or accident or have an unexpected result by reason of the bettor’s miscalculation.” *Encyclopedia Britannica*, 1993 edition, 5:104. This makes gambling, by nature, an anti-social activity, and one which is not aimed at enhancing the human spirit.
- ² For example, *The Advertiser* 30/10/98 and 16/11/98 reports (pp9, and 1 and 2 respectively); Hill, J T. Chairman, *Inquiry into the Impact of Gaming Machines in Hotels and Clubs in South Australia*, SA Government, November 1995.
- ³ It comes as no surprise, then, that statistics will reveal that a majority of those taking up opportunities for gambling live in the poorer areas of Australian cities. Any proposal to place off-course betting into shopping centres and the situating of automatic teller machines in hotels where poker machines are popular, for example, gives further evidence of this targeting, in view of the fact that Australia’s wealthy folk or overseas tourists and the ‘high rollers’ do not seek out Australia in order to gamble in shopping centres and hotels.
- ⁴ An article in Adelaide’s *The Advertiser* (30/10/98, p9) indicated, on the basis of the South Australian Liquor and Gaming Commissioner’s annual report, that the South Australian government received \$160.7 million from the gambling industry in the last financial year. Rob Wootton records that the Victorian government collected in excess of \$1 billion in gambling taxes in the financial year 1994-95; this ranked gambling as “the third highest earner for the government behind payroll tax and stamp duty.” (Rob Wootton, “The State of Gambling in Victoria”, a paper from *High Stakes in the Nineties*, the Sixth National Conference of the National Association for Gambling Studies, Fremantle, WA, 28-30 September 1995, edited by John O’Connor. p65.)
- ⁵ Someone has called this situation “the mousetrap effect”, or, as Field and Toon report: “[O]ne casino boss put it (explaining why he encouraged people to come along and watch games even if they didn’t play), ‘We have a motto that today’s spectator is tomorrow’s gambler.’” (Field, D. and Peter Toon, *Real Questions*, Sutherland: Albatross Books. 1983. p40.)
- ⁶ In other areas of human life, a citizen’s obligation to another is even legally enforced as necessary; for example, to ensure that maintenance sums are paid in order to secure the welfare of children in the advent of marriage breakdown. Furthermore, even biology teaches truth for human reality, that we are never entirely independent and self-made. No person comes into existence without the nuclei of one sperm and one ova fusing. That is, community must occur for an individual to exist. The only responsible deduction to be made is that an individual is indebted to and to be concerned about the welfare of the community. Both the Theory of Evolution and Christianity express this thought in their obviously different ways and for different purposes.