

ANGLICARE SA

**Submission to the Productivity Commission's Inquiry
into Australia's Gambling Industries**

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Introduction

Anglicare SA is a large not-for-profit community service organization which conducts a range of programs including community development, relationship education, emergency financial assistance, family preservation, and aged care.

The response we are making to this Inquiry is based on our experience as a provider of services as part of the BreakEven Counselling group which is funded by the South Australian Gamblers Rehabilitation Fund. Anglicare SA conducts programs in the northern metropolitan area. Our services are described in more detail in section 3.d below.

In the three years since our counselling program commenced, we have been contacted by approximately 1000 people affected by their own, or somebody else's, gambling.

Our presentation at the Inquiry will incorporate the experiences of those individuals.

Summary

Anglicare SA has serious concerns about the negative impact which gaming machines (pokies) have on our community and many of the individuals who use them.

Furthermore, we have serious concerns regarding the increasing use which governments make of revenue raised from gambling.

We recommend that the Inquiry read our Report, "Fair Game; Gambling in South Australia" prepared by our organization in May 1997. Copies of this Report have been sent to your Inquiry.

A summary of our concerns is given below, reflecting the terms of reference of the Inquiry.

3. a The nature and definition of gambling

The BreakEven gamblers' rehabilitation counselling program conducted by Anglicare SA is funded with revenue from gaming machines and they (pokies) are the code with which the majority of our clients have a problem (70% in May 1997, 73% in 1998.) We will therefore be confining our comments to the impact of poker machines.

In commenting on the situation of gaming machine users, we are focussing on a group which is increasingly becoming recognised in our community as being at risk. Amongst BreakEven agencies they form 68% of the clients. (Department of Human Services, Evaluation of the GRF, Final Report, p19.)

3.b. Participation profile

Providing details of all the people who gamble is impossible unless the data was collected at the point of use. To discern those with a gambling problem would be even more difficult.

Anglicare *is* able to provide data regarding those people (gamblers or those affected by the gambling problem of another person) who seek help from or contact, our BreakEven program. This data and a discussion of it is provided in the report "Fair Game."

Of those who seek help, general data is available regarding all, but at present in South Australia details can be made available only for those who have consented to have their individual details provided to the BreakEven Network's collated data base. This amalgamated data is recorded in the Evaluation of the GRF 1998 Report (which we recommend to the Inquiry.)

A point of frustration is the fact that only a minority (26% of all clients, 12% at our counselling program) give this consent, meaning that the more meaningful demographics (e.g. income) are not available for the total group. This raises questions and concerns, for example, what are the characteristics of the clients who do not give consent and do they have extra needs (e.g. for privacy or with anxiety) which the minority who give consent do not have?

Research is needed to examine this question.

The statistics available do draw attention to one group of individuals. The SA Gamblers Rehabilitation Fund report states that "sales and personal service" are the most commonly cited occupation type (18%). This is consistent with our organization having raised concern about this group who formed 24% of our clients in 1997. (Fair Game p32.) (The even higher "plant and machine operators" reflects the industrial nature of the suburbs near which our program is located.)

What does this say about poker machine users? Are women, or shift workers, particularly at risk?

Anglicare SA recommend that

1. resources be made available to research accurately the demographics of people with a gambling problem, (e.g. those employed in sales and service) and the implications of different groups needing help.
2. consistent with our organization's perception that gaming machines are creating an entirely new welfare group, (consisting of people who previously have not needed to seek help,) resources should be made available to enable long term monitoring of and research into the social impact on individuals, on families, and in particular on children whose parent or parents have a gambling problem.

3.c Economic Impact

This is not a topic which our organization has relevant experience to comment on.

We are aware, however, of the heated debate which exists in the community regarding the benefits, or otherwise, of the development of the gambling (gaming machine) industry in South Australia and we urge the Inquiry to commission further research into this emotive topic as anecdotal evidence suggests that other industries and thus some sections of business and the community, are suffering as a result.

3.d Social Impacts

Incidence of abuse

Anglicare does not have data to be able to comment on this.

The nature and cost of government and non government welfare services which are needed to address the social impact of gambling

In South Australia the hotel industry currently contributes \$1.5 m p.a. from its profits raised by gaming machines to the Gamblers' Rehabilitation Fund which is used to finance the BreakEven Counselling programs. Anglicare conducts one of these programs, receiving a grant of \$126,000.

The following comments are based on our experiences of doing so, and the expertise developed over three years.

BreakEven Anglicare SA

This program services the northern suburbs of Adelaide using a base at Salisbury and travelling throughout the area including to Gawler. Clients also come from and are seen in the Barossa Valley and beyond.

The area is characterised by families with young children, people born in Australia or the United Kingdom, people without tertiary qualifications, a high percentage of one parent families, high unemployment (40% amongst those 15 – 24 year olds) and low income. (ABS Adelaide..A Social Atlas 1996.)

The services we provide

Staffing consists of two full time social workers and one part-time financial counsellor.

Our services include the provision of information packs, community education, a half yearly newsletter, counselling (office based or by phone) services for individuals, (gamblers or affected others,) or families; financial counselling.

As our services have become more well known, and the period of time that poker machines have been in South Australia has lengthened, our staff have found that the demand for their counselling services has increased. In response, they have unfortunately needed to reduce the time available for community education.

Of the clients who attend Anglicare SA's BreakEven program, the majority are women. This has been an area of concern to us as we know that women were under-represented amongst gamblers until the introduction of poker machines in South Australia. In response to our desire to help these women, we established a group, called "Winning Women." This has demonstrated that, contrary to the popular belief that to do so is too difficult, it is possible to successfully conduct a group for people with a gambling problem.

This very successful intervention will be described in more detail in our presentation to the Inquiry, as will the difficulties faced by the women, and their insights regarding the way in which the community could respond if it was to make a positive difference to their lives.

3.e. Regulatory Structures

Anglicare SA is particularly concerned about two areas of regulation; self barring, and advertising. Our Report, Fair Game, details the concerns, a summary of which is as follows;

Barring individuals with a gambling problem from venues

When someone with a gambling problem continues to gamble, it does not have an obvious negative impact on other people at the gaming venue. There is no incentive therefore for the venue (which profits from the patron's spending) to support an individual's request to be barred. For a barring system to work, it must be supported by the hotel industry, legislation, and collaboration between all parties, so that the resolve of the vulnerable individual is reinforced.

Anglicare recommends that guidelines be developed (by other than just industry stakeholders) for the barring (including self barring) of people from using gaming machines.

Advertising of gambling especially gaming machines; creating informed consent

Anglicare SA believes that the gaming industry does not conduct its venues in a way which ensures that patrons are making a truly informed consent when they play. Advertisements are presented in a way which depict an unrealistic image of gambling outcomes, and this is reinforced by the actual gambling environments where time and effect are blurred and control of the experience is predominantly in the hands of the industry.

We recommend that the advertising content of the gambling industry be rigorously reviewed to ensure truth in advertising and to ensure a balanced depiction of outcomes.

3.f. New Technologies

Technology has removed the reality check or natural barrier which going to the races, or waiting for a croupier, imposes. It enables opportunities to participate uninterrupted in a way which presents a constant, irresistible, financially devastating lure to many. New technologies have impacted on the gambling industry in Australia in two major ways;

(1) *The tempo of gambling*, i.e. the pace at which an individual is able to invest and lose (however a small amount) is a major concern. Gaming machines offer their patrons a 3.5 second gaming cycle (turn-around time) and technology enables other codes to follow suit. (The TAB for example with Australia wide racing and phone betting.)

In respect to gaming machines, Anglicare SA recommends a number of measures aimed at slowing the pace, e.g. the gaming cycle be extended to 6 seconds, and requiring machines to automatically shut down for 20 seconds after a win of 250 times the original bet.

(2) *Interactive gambling*, i.e. the use of the Internet for participating in a range of gambling such as “virtual casinos,” sports betting and lotteries, is believed to have the potential to create enormous problems especially in Australia given our commitment to sport and television. We have particular concern because of the ability of patrons to participate in their own home, making those individuals at risk of developing a problem even more at risk.

Internet gambling is an issue which can not be addressed at an individual level, but will require all the resources a community can muster.

Anglicare SA recommends that the utmost efforts be made by the Federal and State governments working collaboratively, to address this difficult global challenge.

3.g. The Impact of gambling on Commonwealth, State or Territory Budgets

Anglicare’s key concern is that we perceive serious conflict of interest in governments’ financial dependence on gambling. Until this conflict of interest is resolved we remain pessimistic regarding the effective intervention into, and control of, gambling in Australia.

(1) *governments receiving revenue from gambling sources*. In South Australia for example, 12% of revenue - 1 in every 8 dollars – comes into the general budget from gambling.

(a) this sets up a situation in which there is a potential conflict of interest. While acknowledging that gambling can have a negative impact on individuals, and thus on the community, governments benefit when gambling rates increase. The government’s willingness to argue for what would enhance the common good (e.g. for the elimination of gaming machines) is obviously compromised when the government itself would lose revenue if the industry was restricted.

(b) there are moral and ethical concerns associated with a government accepting revenue from such a contentious source.

(2) governments funding, or controlling, gambling rehabilitation services. The dilemma here is that rehabilitation services exist for the welfare of individuals who have suffered as a result of gambling being available in the community. When funded by the government, such a service could experience a conflict of interest, its commitment to articulating to the community, the needs of its clients, being modified by its awareness that in criticising legislation etc, it is criticising its own funder.

An alternative to government funded rehabilitation services, would be the establishment of a separate discretionary trust with a small board of trustees (6 – 8) reflecting a range of expertise and interests. Ministerial approval would not be required for funding projects, so there would be more flexibility and efficiency in addressing issues around problem gambling. The Board, which could also engage in research, could also engage in or fund research, and advise government on legislation relating to gambling issues.

3.h. Australian Bureau of Statistics

We are unable to comment on this.

References;

Australian Bureau of Statistics Census 1996 Adelaide ... A Social Atlas catalogue no 2030.4

Department of Human Services Evaluation of the Gamblers Rehabilitation Fund Final Report Elliot Stanford & Associates October 1998

Fair Game Gambling in South Australia; A Report prepared by Anglican Community Services May 1997

