

INQUIRY INTO AUSTRALIA'S GAMBLING INDUSTRIES

ORAL SUBMISSION BY JOHN RIDLEY 8.12.98

Supplement to written Submission

My submission pointed out that the main beneficiaries from gambling, and gaming machines in particular, are:

1. the proprietors of the machines,
2. the Government,
3. organised crime.

I also said that the people who play the machines are victims not winners because gaming machines are fixed in favour of the proprietors. "The average return to SA poker machines is 87.8%" (Advertiser 27.7.96)

The following are my concerns:

1. I am concerned with the misinformation being presented by the gambling industry.

1.2 They claim playing pokies is entertainment not gambling. This is as untrue as saying smoking is not a health hazard.

1.3 The Hotel industry, quoted in the Advertiser on 24.7.96, claimed to employ 17,000 people, but failed to inform us that many of these jobs were part time and casual. The Small Retailers Association estimates its members have lost up to 15% of their turnover, and a survey they instituted shows that for every job gained by poker machines, two have been lost in small retailing alone.

1.4 They appear virtuous by contributing finance to counselling those with gambling addictions, but make sure they get their pound of flesh first, however much their patrons bleed.

Their self justifications have a hollow ring in view of the warning Mr. Ian Horne, Executive Director of the Australian Hotels Association gave in 1987 regarding the danger of installing poker machines in clubs. He wrote a letter to all members of the SA State Parliament in which he said,

"This form of impulse gambling will only result in even more competition for the already stretched leisure dollar..., There is little doubt that the poker machine issue will again be raised in...State Parliament by those seeking a privileged financial advantage in the community." He went on to explain the damage it would do to small businesses, and added, "under any scenario crime will increase."

It is the greatest tragedy for this State that the Government ignored his warning and succumbed to pressure to introduce the present legislation.

2. I am concerned with the losers from gambling.

2.1 I have cited several case histories of gambling addictions, contributed by two churches in the Christian Revival Crusade, but I wish to give one example from paragraph 7.1 of my Submission :

In June 1996 State Treasurer Dale Baker claimed poker machines would generate \$143.5 million in tax revenue in 1996/77. This prompted a scathing letter from Maureen Rance who had been sentenced to 15 years imprisonment for a series of armed robberies fueled by her \$500 a day addiction to Keno. She wrote, *“I hope that one day you and other Government members will get to see at first hand the shattered lives that helped you reach such a magnificent figure. I went from being a respected community member, who had never broken the law once in 43 years, to committing armed robberies with a toy gun to pay for my gambling debts. **This obscenity called gambling is an illness that takes over peoples’ lives. Maybe it’s time for the Government to take similar action against gambling as they have with the gun laws, then people will be made to stop gambling.**”*

2.2 I am concerned with the nearly 50 gambling related suicides in SA every year including the 3 attempted suicides for every one that took place. This represents an enormous tragedy in broken lives, anguish and pain in families and individuals.

2.3 I am concerned with Governments that continue to legalise gambling and derive income from it.

2.3.1 Mr. Stephen Richards, chief executive officer of the Adelaide Central Mission, said, (Advertiser 14.3.97)

The State Government wins each time a coin is pushed into a gaming machine. The Government is encouraging gambling by making it ever more accessible to SA men and women. The more pokie venues, the more people will gamble and more will become addicted. The Government could have introduced pokies to a few, limited sites - not make them accessible anywhere, 15 hours a day. That isn’t government having a tolerant approach, that is duplicity.

One message the Government is giving at the moment is that the world is changing; we have to earn our way; we have to work smarter if we’re not to be left behind. Yet they also push the message, you can get rich not by working but through gambling.”

Maureen Rance broke the law to support her gambling addiction, but I consider the government is equally to blame for enacting the law that has extended the gambling industry and exposed her to the temptation. **In my opinion it is the most unprincipled and immoral act for any government to profit from the character weaknesses of its people.** Law should be for the protection of society within the prescribed limits of approved behaviour. It should not legitimise what will have a corrupting effect on the people.

3. PRINCIPLES OF GOVERNMENT

Society creates laws for its benefit, e.g. reasonable people have no argument with keeping left when they drive on the highway. Those who consistently break that law will sooner or later have a serious accident. Laws should enshrine moral principles and governments should observe these principles when framing legislation. When these

principles are ignored society runs into trouble, and that is why this Inquiry into Australia's Gambling Industries has been set up.

I believe the Government should first look for the underlying principle regarding gambling and then apply it without being subject to public opinion or to vested interests. If civic leaders follow public opinion rather than observe an established principle they become followers not leaders.

e.g. In 1775 Edmund Burke was elected to the House of Commons as MP for Bristol. He told his electorate that he was their representative but not the mouthpiece of their opinions. He said in his inaugural speech, and I paraphrase his archaic language,

“Certainly gentlemen it should be the happiness and glory of a representative to live in close and open communication with his constituents. Their wishes ought to carry great weight with him, he should respect their opinions, and their business should have his unremitting attention. But he should not sacrifice to them or any man living, his mature judgement and his enlightened conscience. He does not derive his judgement and his conscience from their opinion, from the law or the Constitution, because they are a trust from Providence. If he abuses this trust he is answerable to God. Your representative owes you not only his hard work but also his judgement, and he would betray you instead of serving you if he sacrificed his conscience and his judgement to your opinion.”

The bible contains basic principles for the guidance of society and its governments that I would like to draw to your attention. For instance,

“Everyone must obey the governing authorities, because no authority exists without God's permission, and the existing authorities have been put there by God”. Romans 13.1

Advice to a King, “Speak up for people who cannot speak for themselves. Protect the rights of all who are helpless. Speak for them and be a righteous judge. Protect the rights of the poor and needy.” Proverbs 31 v.8-9.

“You must stop judging unjustly; you must no longer be partial to the wicked! Defend the rights of the poor and the orphans; be fair to the needy and the helpless. Rescue them from the power of evil men.” Psalm 82 v.2-4.

“Learn to do right. See that justice is done - help those who are oppressed, give orphans their rights and defend widows...If you are willing and obedient (i.e. enact laws according to these principles), you will enjoy the good things the land produces.” Isaiah 1 v.17,19

4. CONCLUSIONS

I recommend,

4.1 The Government should no longer encourage gambling by receiving income from the industry and exploiting the current craze through taxation.

4.2 Laws should be introduced to phase out poker machines in hotels over a five year period.

Elders of the Aboriginal people of the Maralinga Tjarutja lands recently won a fight to ban poker machines from a hotel near the Yalata community on the west coast. I suggest our 'elders' in government should have a similar concern to protect the people of Australia.

4.3 Consideration should be given to reimburse hotels for losses incurred when the above suggestion is adopted.

In 1807 William Wilberforce succeeded in persuading the English Parliament to pass legislation outlawing the Slave Trade. 20 million pounds was allocated from the Treasury at that time to recompense slave owners for the investment in slaves. This was an enormous amount, even by today's values.

When a nation upholds basic principles it will prosper. If it fails to do this its troubles will increase until it destroys itself. I pray that the Productivity Commission will make enlightened recommendations in the light of views that have been presented in the hearings.