



UNITING CHURCH IN AUSTRALIA

NSW Synod

BOARD FOR SOCIAL RESPONSIBILITY

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03 August 1999

The Manager
Gambling Enquiry
Productivity Commission
PO Box 80
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Dear Manager

I write to make a submission on behalf of the Board in regard to your *Draft Report on Australia's Gambling Industries*. I would like to compliment the Commission on the comprehensive nature of the Report, and to welcome the amount of research which has been undertaken in compiling the Report. Although, as a member of the NSW Community Benefit Fund I am aware of some of the research which had been undertaken previously, there is no national collection point for such research, and your Draft Report has presented an overview which was lacking.

The Draft Report, therefore, is clear evidence of the need for ongoing research on the industry and the benefits of a large amount of this being undertaken nationally. The NSW Community Benefit Fund has undertaken an amount of research as has also the Victorian Fund. However, a national research unit, funded by each of the States, or separately financed by the Commonwealth Government, would be a valuable result of your Report. Although there would continue to be some research which would be relevant to particular jurisdictions, a national unit would be very helpful to analyse broad national issues as well as to ensure the flow of information from one jurisdiction to another. I would hope that you would address this issue in your final Report. The final comments in the Draft Report indicate that you are looking for feedback on this and I believe that there is considerable merit in a national facility.

The issue of the placement of what you describe as "*the program administration function*" is also an important issue. I believe that you may have limited the role of this function too much. I would argue that a number of important functions need to be held together in the same "*independent board*" which you have proposed. These functions are:

- (1) research into the nature and impact of gambling

- (2) public awareness campaigns which inform the community about the dangers of gambling and point them to places where help can be found;
- (3) the funding of services which counsel and assist problem gamblers to deal with their problem
- (4) the funding of preventive programs and services.

It is not clear from your Report what scope and agenda you want to give the independent Board. For instance, you mention "*community awareness programs*" in the body of the paragraph on page 21.31 but in the bold type at the end you do not refer to such programs. Also, I have some concern with your comment that departments of health or human services could provide the secretariat. I believe that the independent body will work more effectively with specifically designated staff. This would be in line with your comments on page 16.51 where you propose an "*independent board established under the auspices of an independent gaming control authority*". I would urge a greater attention to this matter in your final Report. You specifically rule out a secretariat provided by a Department for the control function generally, but propose it as an alternative for the program administration function. Why would not the Control Authority, at the very least, be the employer of the staff of the program administration board?

Keeping those social impact issues together under the one administration is important. If they are separated and responsibility given to different arms of Government there is a strong likelihood that the issues will not be clearly seen in the public arena in the future. For instance, there it is important that the organisation of public awareness campaigns about gambling is closely connected with the support services that are available. Again, research into the incidence and effect of gambling is assisted by being linked with the body that funds support services.

I strongly support your suggestion that support services be funded by a body which is independent. However, this is even more important for the body undertaking public awareness campaigns. Such campaigns must be distanced from the industry itself, which is bound not to be pleased with them, and distanced also to some degree from the State Governments who are the recipients of funds from the industry.

I also support your recommendation at 19.1 that part of gambling revenue should be earmarked for "*problem gambling, harm minimisation and community awareness campaigns*". I note that in the same section 19 in your conclusions at 19.3 you also include research. I think your final recommendations need to be clear on this point and I urge you to continue to include research. However,

I would urge you also to consider further broadening the scope of such earmarked funds to include preventive programs and services. I support your recommendation at 16.44 that the funds for measures associated with problem gambling should be drawn from *"all gambling codes"* and further support your observation that *"this should not negate further government responsibilities in broader health area"*. In this regard it is worth quoting the figures on page 9 of the IPART Report to the effect that since the opening of the Sydney Casino \$650 million has been paid to the NSW Government, of which \$20 million has been allocated to the Benefit Fund. Such figures put the income of the Community Benefit Fund into proper perspective.

In NSW these issues of structure and agenda of the *"program administration function"* are current. The IPART made two recommendations with which I cannot agree in this area. First, it recommended that the Community Benefit Fund [the trustees have recently made a decision to not use the word 'casino' in relation to the Fund] be limited to *"provide funding only for support services for gambling related problems, responsible gaming practices and general research into gaming"*. This precludes the Fund being responsible for public awareness campaigns and also precludes the Fund dealing with preventive programs. At present the Fund may provide funding to projects which are entirely unrelated to gambling in any way, and although I have supported this provision, I would now argue that at the very least the Fund should be able to support preventive programs. The recent decision of the NSW Minister for Gaming and Racing to define the general projects in the next round to a specific list (alcohol abuse, drug abuse, child abuse, domestic violence, homelessness, and unemployment) recognises that all of these issues are often closely linked to gambling addiction. It would, in my view, be a backward step for the NSW Government to attempt to isolate problem gambling issues in a narrow way as if such persons were not affected by other social problems. Your Draft Report does not, in my view, see the benefit of all these matters coming under the same authority.

The second disagreement I have with the IPART recommendations is that they then place this reduced Community Benefit Fund within the enforcement function, using the same type of structure you have outlined in your Chapter 21. I presume from your comments in Chapter 16 that you would not support this and would want such a body to be part of the Control function. However, this is not altogether clear in Chapter 21 where in Box 21.1 you show an independent board at the bottom of the box, but not specifically connected to the Control Authority or another authority. I believe it is important for your final Report to address the issue of the location of the body which deals with problem gambling issues, to specifically outline its functions [which I would

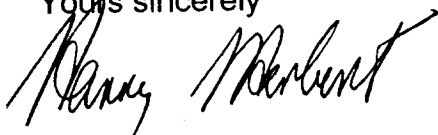
hope would be as broad as I have outlined above] and the manner of its funding. In regard to funding I would urge the current model, which is by way of a Government levy on operators.

Because these matters of structure are very current in NSW where the IPART Report is still under consideration by the Government, it would be helpful if they are carefully considered in your final Report. The Community Benefit Fund in NSW has not been as well understood in the community as it should have been. Although it has provided very valuable funding to organisations providing services to problem gamblers and has successfully organised the G Line Service for NSW, it has not yet adequately dealt with the issues of research and public awareness. Because I believe that the IPART recommendations are more likely to harm its future role rather than to help it, I am looking to the Productivity Commission to set down clear recommendations about the way in which such funds should operate in future, especially in regard to their place in the overall structure and the agenda that should be under their control.

Finally, a small point. I note that although the members of the Productivity Commission met with me in my office on 18 November, 1998 to seek my views, I am not listed as among those visited by the Commission in Appendix 'A' of the Report. Done

I look forward to an opportunity to put my views further at the public consultation on September 16 in Sydney.

Yours sincerely



REV. HARRY J. HERBERT
Executive Director