

Feedback to the Productivity Commission Inquiry Australian Gambling Industries Draft Report with special focus on Volume 2: Appendices E – Problem Gambling in Indigenous Communities.

Introduction

This written submission concerns itself mainly with the content of the draft chapter "Problem Gambling in Indigenous Communities". This submission also tenders some additional information to that submitted in the first round of consultation. This is to substantiate issues raised in this submission and broaden the scope of the chapter. This submission includes some information on tribal gambling enterprises overseas. While it is acknowledged that at this point in time such enterprises to our knowledge do not exist in Australia, the inclusion of this information is to assist in broadening the focus away from solely focusing on problem gambling. It also offers some information on gambling industries being utilised by Indigenous peoples to assist with community re-empowerment. This written submission will be followed by attendance at the public hearing in Adelaide, Monday 13th September 1999.

Some Feedback on Content of Draft Report

Our first point concerns the title of the draft chapter. We believe while not intended, the title in binding an Indigenous perspective with problem gambling constrains the focus of the content of the chapter, locates the problem within Indigenous community members and can inadvertently imply an inherent connection between Indigenous populations and problem gambling. One suggestion is to omit "problem" from the title.

The draft chapter begins with recognition of the inappropriateness of unilaterally applying mainstream paradigms to analyse gambling and the consequent impacts experienced by Indigenous people. We support this judgment. We stress however that the paradigm quandary that renders information vacuous should not be allowed to remain. It is hoped that our participation in the inquiry process via the Productivity Commission will result in recommendations that advocate for greater emphasis in research in this area, coupled with effective culturally appropriate programs to curtail and retard problems emanating from gambling whatever their manifestation.

The draft chapter seems to imply Indigenous community values emphasising reciprocal social responsibility serve to buffer individuals from the negative impacts of gambling to the point the impact is almost rendered void. This analysis does not give regard to the substantial cost borne by the group / family. This situation seems to suggest in that socially absorbed impacts are not as troublesome as those experienced at the individual level. It is for this reason that we assess that the draft report understates the impacts of gambling industries upon Indigenous Australians.

While not disputing the past conclusions of the authors Hunter (1993), Hunter & Spargo (1988) and others¹, it should be clear that these reports seem relevant to a particular gambling context (card playing amongst peers). The analysis seems to overstate the protective function of gambling with peers. It is critical to state that the "no impact" of community gambling is not universal to all communities. The emphasis on card playing also can lead to a diminishing of concern. A worrisome finding in a gambling study in Canada (n=1,821), stated that some probable pathological

gamblers were found to have played cards or board games for money with family or friends as their first experience².

The claim of a lack of subjective distress stemming from “indebtedness”³ is not always true, and even less the case when resulting from industrialised gambling. We would argue that given gambling within Australia has made significant changes since the time these observations were made, caution needs to be placed in accepting these conclusions in a contemporary sense. We would further argue that the increased proliferation of modern industry based forms of gambling has shifted the context of Indigenous gambling radically and this fact is not clearly highlighted enough in the chapter.

It is not the experience of this service that “there is no shame to being unsuccessful or losing when gambling” which then creates “no need to cover up one’s gambling behaviour”⁴. It is our experience that shame and embarrassment about gambling does exist in the community. We would add that this real sense of shame is very pronounced when people are experiencing problem gambling and are engaged in the process of negotiating access to support services. It is not uncommon for people seeking assistance from this service to be highly secretive about themselves and their circumstances.

Some Personal Observations

The following observations were made by Allan Randall who works within the Gambling Intervention program operating from Nunkuwarrin Yunti of SA Inc. Allan has worked extensively within a range of contexts in the Aboriginal community throughout Australia. The following observations while of a personal nature, are regarded as worthy of inclusion.

Card games do have many serious ramifications as they replace many cultural activities such as hunting, teaching young people to make traditional artefacts etc. The same can be said for alcohol when it is readily available to communities. Card games have been enshrined as part of Aboriginal community life.

There are a number of Aboriginal communities where cards are no longer the principle form of gambling activity. TAB and Pokies have impacted on drawing people away from communities to participate in these alternative forms of gambling. This has proved to have far more serious implications on individuals and families especially when people leave communities to travel miles to be close to the gambling venue, be it a pub or casino.

Observations have occurred around the casino in Darwin where large numbers of Aboriginal people gamble. A large proportion of these people come from outlying communities.

When people leave communities with the intentions of “winning big bucks” at the Casino they have no realistic ideas of their chances of doing so. They believe that they are going to be lucky so they would have saved big money or collected money from relatives with the aim of making more money, which they intend or have promised to distribute amongst the investors. Once in town the enticement and entrapment of the gambling venue eventually drains all of the individuals financial resources. The individual is then stranded in town with no money to get back home. This person will then have to rely on extended family or friends to put them up until

family back home can organise to get them home. If the person does not have family or friends to support them while in town they are very vulnerable. This can lead on to all kinds of problems or trauma.

Foote (1996) has confirmed that ATSI women tend to be far more frequent users of poker machines in the Darwin casino than men are.

The other obvious negative affects of poker machines on Aboriginal people and the community is that it alleviates the social interaction of card games and the money gambled has left the community and reaped by the gambling institution.

"TAB gambling has been very popular and continues to be popular with ATSI men" (Nunkuwarnin Yunti, sub. 106, p. 8). Throughout the Northern Territory, many Aboriginal men have had some affiliation with horses. Either themselves or some family member has been involved in mustering camps or horse breaking. Horseracing is readily accepted as a "mans" sport. The venues where Tabs are also provide a masculine atmosphere.

Men who start having problems with gambling on horses have more than likely taken on the activity of chasing loses.

Traditionally men were the providers for their families. Over the years the displacement of men from their traditional role has made many men very vulnerable to social illnesses and habits. Gambling is one of the habits that men may readily accept as an activity. Initially it may start off as a social gathering at the pub with some mates having a few beers and a few bets and then lead on to a career in betting on the horses.

In traditional society the art of hunting always had an element of luck along with skill attached to it. The opportunity for a man as a good hunter to provide meat for the family and others had high status attached to it.

Gambling in many cases could be seen as providing a challenge to the individual male. Whether it is the persons knowledge of horses, their gut feeling or just a lucky punt it provides a challenge. A big win will enable the man to provide a feast and gifts for family and friends, thus the status is there, even for only a short time.

The reality again is that the odds are stacked against the punter so any long term gambling activity will have serious repercussions.

These observations are tendered to supplement the chapter and hopefully can be integrated into the main body of the report.

Socioeconomic Inequalities – Are They Relevant?

The previous submission made reference to more vulnerability to gambling related harm as a direct consequence of existing socioeconomic inequalities experienced by Indigenous Australians. This view is consistent with accepted knowledge that economic disadvantage correlates with a higher risk of ill health and reduced wellbeing. Health is regarded as *"not just meaning the physical wellbeing of the individual but refers to the social, emotional, spiritual and cultural well-being of the whole community."*⁵ The Royal Australasian College of Physicians in its Darwin Declaration (1997) supports this view

“...the health of Aboriginal and Torres Strait Islander Australians is disastrously poor compared with other Australians, and the fundamental cause is disempowerment, due to various factors including continued dispossession from land, cultural dislocation, poverty, poor education and unemployment”⁶

A lower general health status has been found to be significant in probable pathological gamblers in the 1998 Canadian study (n=1,821)⁷. Substantial risk issues included

- Being generally unhappy / dissatisfied with ones life
- Feeling anxious, worried , upset or depressed almost always or most of the time in the past twelve months
- Being a heavy drinker

A study of Canadian Aboriginal gamblers (n=149) selected by their communities as being “heavily involved” in gambling found that 29% of the sample reported “gambling to be alone” was a motivation to gamble⁸.

The Canadian study suggests that probable problem gamblers were

“more likely to be male, be single, be under 30 years of age, have an income less than \$20,000/year, be Aboriginal in ethnic origin, live with another person under 18 years, be Catholic, unemployed and have lower education level attainment”⁹

These findings if relevant to the Australian context, they suggest indigenous Australians are at a higher than average risk in being adversely affected by gambling.

Australian Social Statistics

Issue	Indigenous	Non-Indigenous
0-14 years ¹⁰	40%	21.4%
Median Age (years) ¹¹	20	34
15 year olds in full time education ¹²	73.7%	91.5%
Post School Education ¹³	12%	31%
Unemployment Male ¹⁴	25%	10%
Unemployment Female ¹⁵	20%	8%
Median Weekly Income (Males) ¹⁶	\$189	\$415
Median Weekly Income (Females) ¹⁷	\$190	\$224
Home ownership/purchasing ¹⁸	31%	71%

55% of Indigenous people stated government payments were their main source of income¹⁹.

Alcohol & Gambling

Another issue not discussed in the draft chapter is the significance of gambling being increasingly co-located within venues in which alcohol consumption is primary to business operations. Alcohol related problems are reported by the indigenous community to be significant. 58% of Indigenous people aged over 13 years of age nominated alcohol as a major health problem in their local area²⁰.

While indigenous Australians are less likely to consume alcohol in comparison to non-indigenous Australians, consumption levels in harmful quantities are statistically higher than that of non-indigenous Australians. 79% of indigenous Australians who drink at least weekly were found to be consuming alcohol at harmful levels in comparison to 12% in the general community who consume alcohol at least weekly²¹.

Our previous submission stated that

“The enmeshment of alcohol and gambling opportunities under the same roof seems to be a trend far more common today than ever before. PUB/TABS are far more common than stand alone agencies in South Australia. Gaming machine licences are always linked to licensed premises, preventing the setting up of alcohol free venues. Any steps to minimise the opportunity to consume alcohol and gambling in the same venue is supported as a step to minimise associated harm.”²²

The Canadian study shows that pathological gambling is “often accompanied by heavy use of alcohol, tobacco and, to a lesser extent, other drugs for some individuals”²³. A study of Alberton Aboriginal people found that 60% of the sample were recovered alcohol or drug abusers²⁴.

Some reference to the relationship between alcohol consumption and gambling was made in the historic decision to refuse the licensing application for gaming machines at the Nundroo roadhouse in South Australia.

We believe the significance of the Nundroo Licensing application and ensuing vexatious legal processes to attempt to win their licence (akin to a gambler chasing losses) should be included within the report. A possible location within your report would be the section “Preying on Disadvantaged Regions”

Again we recommended that the process of licensing application in these situations should be required to consult local ATSI councils before lodgement to minimise drawn out expensive legal processes. We again recommend a review of process that enable rather than obstruct local self-determination. If found lacking, then adequate alternation of process needs to be enacted. We believe this point is substantial and should be documented.

Some Overseas Insights

Comparative average monthly expenditure in Aboriginal study group and general problem & pathological gamblers in Alberta population²⁵.

	Aboriginal	General	Ratio
Survey Sample	N=149	N=153	
Horse Racing	\$336	\$31	>10:1
Bingo	\$272	\$37	> 7:1
Video Lottery Terminals or Video Slot Machines	\$182	\$28	> 6:1
Local Casinos	\$55	\$12	> 4:1

Break Opens, Pull-Tabs, Nevada Tickets	\$34	\$10	> 3:1
Lotto Type Games	\$32	\$11	3:1
Card Games with Friends or Family for Money	\$30	\$8	> 3:1
Instant or scratch Tickets	\$26	\$10	> 2:1
Raffles or Fund-Raising Tickets	\$15	\$6	> 2:1

(Note sample of Aboriginal Study Group were selected by their communities due to being "heavily involved" in gambling)

This study revealed Alberta Aboriginal problem and pathological gamblers spent on average \$639 / month compared with \$236 (problem and pathological gamblers) in the general Alberta study²⁶.

Borrowing practices in Alberta Aboriginal Study Group ²⁷

	Total Group	No Problem	Problem	Pathologica I Moderate	Pathologica I Severe
Borrowed from Spouse	44%	11%	31%	50%	90%
Borrowed from relative	43%	17%	22%	52%	83%
Used Social Assistance or Family Allowance	38%	6%	41%	44%	62%
Borrowed from Household	37%	6%	16%	40%	93%
Pawned Personal or Family Property	28%	6%	13%	29%	72%
Borrowed on Credit Cards	22%	11%	19%	15%	48%
Borrowed and not paid back	17%	0%	3%	15%	55%
Passed Bad Cheques	11%	0%	3%	12%	31%
Cashed Savings or Pension Fund	9%	3%	0%	8%	31%
Borrowed from Bank	5%	0%	0%	0%	28%
Borrowed from Loan Shark	1%	0%	0%	4%	0%

Tribal Gambling Operations Overseas

As previously stated this submission includes some information on tribal gambling enterprises overseas. While it is acknowledged that at this point in time such enterprises to our knowledge do not exist in Australia, the inclusion of this information is to assist in broadening the focus away from solely focusing on problem gambling. It also offers some information on gambling industries being utilised by Indigenous peoples to assist with community re-empowerment.

We recognise that the issue of Tribal management of gambling enterprises is divisive and regarded as inappropriate by some tribal groups overseas. We believe the situation of the existence of diverse opinion would be the same in Australia. We wish to steer clear of potential controversy so the following section does not provide any personal or organisational opinion by us. The section seeks to detail information we were able to find and report the opinion as described in our reading.

Under the Indian Gaming Regulatory Act (IGRA) tribal governments, not individuals are only permitted to run gambling businesses. The IGRA stipulates that revenues from gaming operations be “solely used for government or charitable purposes”. “in contrast to opulent expenditure on yachts and jets by commercial casino operators...Indian Tribes are using gaming revenue to build houses, schools, roads and sewer and water systems; to fund the health care and education of their people: and to develop a strong, diverse economic base for the future”²⁸.

Reviewing statistics and utility of gambling enterprises by some First Nation Tribes in American reveals that gaming is being progressed by some tribes as a means of generating wealth for social benefit²⁹.

Wisconsin Tribes³⁰

- 15 Class III gaming facilities – total payroll just over \$68million
- 4,500 people directly employed – (2,500 Indigenous)
- 50% of 4,500 previously unemployed – 20% previously welfare recipients
- Current levels of employment saving State unemployment fund estimated \$27 million
- 17% of visitors of casino are from outside the State
- Additional 53% come from outside immediate Casino area

Minnesota Tribes³¹

- 17 Class III tribal casinos – generated revenue of \$390 million (1992) – payroll \$117 million
- 37,575 jobs
- Welfare payments in counties with Casino's dropped 14% between 1987 – 1991
- Saved State estimated \$7million in welfare payments
- Nearly 20% visitors come from other states

Michigan Tribes³²

- 8 Class III gaming operations – payroll \$13.5 million
- Nearly 2000 employees
- Prior to casino jobs 37% tribal gaming employees were receiving state or federal welfare assistance and an additional 31 receiving state or federal unemployment insurance
- On average 58,000 customers visit casinos each week. 27% from out of State and an additional 36% from Canada and other foreign countries

Washington Tribes³³

- Unemployment on the Tulalips Reservation reduced from 65% to under 10% since the tribe opened its gaming operation in 1991
- Proceeds have been used to build an elder care centre, establish a chemical dependency treatment program and establish an industrial park to diversify the tribes economic base
- Reduction of 26% in felony crimes on the reservation in contrast to an overall statewide increase of felony rates.

Concluding Remarks

A question we will leave the Inquiry is : Has the inquiry described the “cost and nature of welfare support services of government and non-government organisations

necessary to address social impacts of gambling” – specific to indigenous communities? Our reading of the findings to date leaves us curious on this outcome being written into the final document. We understand that it's a big ask- but we hope the inquiry process does not replicate previous processes of tells us what's wrong or “what might be wrong”, we will listen and may get back to you some day.

Again we assert that localised ATSI community involvement in both the determination and implementation of strategies to reverse the current trend is seen as essential to ensure efficient and effective gains.

References

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- ²¹ ABS. 1997. Cat No 4704.0 Health and Welfare of Aboriginal and Torres Strait Islander Peoples. Page 32
- ²² Nunkuwarrin Yunti (1998) – Submission to the Productivity Inquiry – Australian Gambling Industries
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