
SUBMISSION TO PRODUCTIVITY COMMISSION

FROM BREAK-EVEN SERVICES IN VICTORIA

(as presented at hearing in Melbourne – August 1999)

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BREAK-EVEN SECRETARIAT REPRESENTATIVES:

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1. INTRODUCTION

BreakEven services, established in 1995 in each DHS region and funded through the Community Support Fund which is derived from a % of gaming revenue in hotels.

Victoria recognised the potential need for services in 1992 when the original legislation to establish a temporary casino contained funding provision for problem gambling services.

The services focus on counselling for problem gamblers but this also extends to partners and others. Community education has been recognised as an essential component of the service and this has increased over the time we've been operating.

The Department of Human Service receives data from BreakEven Services. This is analysed by Melbourne University and publicly available. In the year ending June 1998 more than 3000 clients were seen through BreakEven services over a total of more than 15,000 counselling sessions.

The Secretariat is comprised of representatives of all Department of Human Services funded counselling services.

It's mission statement is:

The BreakEven-Secretariat represents and advances the interests, experience and expertise of BreakEven problem gambling services and their workers in the state of Victoria. It aims to promote the continuous development of high quality, innovative service delivery.

It's goals include:

- Minimising the risk and incidence of problem gambling
- Promoting awareness of social economic and personal impacts of gambling, and
- Developing strategies to reduce the harmful impacts of gambling

It is in this context that we address the Commission on harm minimisation and prevention.

2. COMMENTS ON DRAFT REPORT

Acknowledge the breadth, depth and process of the inquiry. The language is understandable. The thorny issues well researched, alluded to. (eg. debate over use of SOGS, assessment tool).

Recent conference in Auckland, New Zealand, where findings of draft report were presented by assistant commissioner Lattimore and very well received. The press has also reported a great many positive endorsements for many sections of the draft report.

Problem gambling seen as a continuum. In understanding our work, we view this similarly. From non-gambling to regular gambling, to serious or heavy gambling, to problematic gambling.

Effects of problem gambling, are not just stated in economic terms, but as affecting from 7-10 others.

Acknowledging accessibility issues and importance of breaks in play for problem gamblers and in consideration for prevention.

BreakEven services in Victoria are nearly five years old. From early days we supported harm minimisation strategies in our approach to our practice (not for all clients presenting) and for community education programs. The CEGFLO's also have had worked with gambling industry representatives in endeavouring to agree on prevention strategies and an industry code of practice that would work.

The model of service delivery developed by many programs throughout the state indicate an understanding that for most people gambling is not a problem, but many factors make gambling for an increasing number, a potentially risky activity. Minimising the risks must be the goal of all the "players" in this field.

We have a good track record of creating community awareness campaigns and tips for "responsible gambling", but our efforts will be bolstered by the development of a number of strategies described in the Report.

Accessibility (of numbers of venues, numbers of machines, numbers of different gambling opportunities, times of play, ease of laying hands on more money) is a huge, complex, and multi-dimensional issue.

The data on the Victorian BreakEven Services covers only three years to date, and yet a whole new group of gamblers, women are experiencing electronic gaming machines as

local, open most hours of the day and night, easy to use as entertainment for some, but for others used as stress relieving and anaesthetising.

3. COMMENTS ON INDUSTRY SUBMISSION

The various ACIL submissions to the inquiry in part seek to comment on the costs associated with problem gambling and the provision of publicly funded problem gambling services. The BreakEven services are concerned that these submissions significantly distort the issues they purport to clarify, through the application of an ideological filter which seeks to eliminate anything other than an economic consideration of gambling activity.

The rationale used is that only economic models can accurately and objectively capture the costs and benefits associated with gambling. All other information is subjective and should be excluded from consideration. Problem gambling is said not to be objectively defined, and cause and effect with regard to gambling problems and other associated negative life events has not been demonstrated. Measurement tools are flawed, and may be misapplied.

References are made to insanity, mental disorders, addiction, personality types and other categories, in the submissions' wide ranging attack on the basis of problem gambling and the need to provide publicly funded support services.

We disagree with these views. Had the gaming industry and their consultants conducted a wider ranging and more thorough analysis of the literature, they would have been unable to avoid the conclusion that all psychological disorders are socially constructed. This does not prevent meaningful discussion about problem gambling or any other psychological problem, since those literate in the field recognise the variables involved and are comfortable with the understanding that human emotional life is an ambiguous state.

Thus, there is broad general agreement across the helping professions and the community about many psychological and social problems, although there are no absolutes. Problem gambling is no different. What it shares with other problems is a widespread agreement that it does exist as a phenomenon.

Improved diagnostic methods and aetiological schema are required and are being developed. However, enough is already known about problem gambling to make informed diagnostic and treatment decisions which produce significant improvement for people with gambling problems and others affected by problem gambling. We also know enough to talk meaningfully about risk factors, prevention and harm minimisation as the Commission has recognised.

An economic cost does need to be established as a basis for government policy decisions about gambling regulation and human services provision, but a purely

economic view of psychological problems represents a gross distortion of what it means to be a human being living in a society.

The gaming industry submits that that any 'addiction' to gaming products is rational, and the private costs of gambling to the individual are fully taken into account by players. Experience with our clients suggests exactly the opposite. It is extremely common, if not ubiquitous, for our clients to finish a gambling session with the belated, shocked recognition of what they have just done.

Clients constantly berate themselves for gambling in a fashion they regret (as the ACIL submission itself acknowledges), expressing great distress that they felt out of control, did not pre-commit a rational amount of money or were unable to stick to it, got carried away, chased losses even when they knew rationally that the strategy would not work, gambled because they were unhappy and not thinking straight, and so on. Our clients display a litany of irrational behaviours that simply do not accord with taking the costs into account or a rational model of addiction.

Further, impacts mentioned in the ACIL submission such as divorce, health effects and employment difficulties are often completely disregarded by problem gamblers until they reach crisis point. Clearly this is neither rational nor is it fully accounted for at the time. In general, people with gambling difficulties are not as cold and calculating as the rational addiction model implies.

Tattersall's, in its own submission to the Commission, acknowledged that in fact all gambling is irrational behaviour. After all, rational decision making would preclude risking money on an uncertain event when the money could be invested with greater surety of return in a bank or other institution, real estate etc.

That all gambling is irrational to an extent draws attention to the main focus of our presentation, which concerns harm minimisation and problem prevention. Irrational gambling behaviours do exist amongst all gamblers, and we would suggest that problem gamblers are not a qualitatively different group of people from the general population of gamblers. People who later develop a problem typically commence gambling as recreational gamblers well in control of their behaviour. It is acknowledged that in addition to problem gamblers, there are significant numbers of patrons who display sub clinical symptom levels. Combined with the general concept of gambling as an irrational behaviour, we believe all patrons must be regarded as potentially at risk and need to know about the means to minimise and prevent gambling related harm.

The gaming industry's views as expressed in the ACIL submission reflect economic rationalist arguments that the free market is the best protection for consumers. Though the gambling industry suggests that individual contracts between suppliers and consumers will redress most negative impacts associated with gambling, the history of industries protecting their customers is generally extremely poor. It usually takes legislative sanction to ensure adequate levels of protection. Gambling is no different, and there is scant evidence that the industry has rushed to provide world class protection for its' customers.

The assertion by the gaming industry that government funded problem gambling services represent a merit good does not withstand even superficial scrutiny. The Victorian BreakEven services were established with initially minimal publicity and in the expectation that family members would be the main group seeking help. Client numbers have grossly exceeded expectations despite no mass media promotion of the existence of BreakEven in Victoria (government advertising promotes G-Line, and in fact the most recent mass media campaign included no help service information). The services have been expanded considerably, for instance the southern region program being tripled in size to meet demand. Further, clients are largely problem gamblers who attend voluntarily as the result of a self identified problem.

The government and problem gambling services are not manufacturing demand; the demand exists in and of itself. Rather than problem gambling services being promoted by those who think gamblers don't know what's good for them, services are running to play catch up with the needs that gamblers and significant others have identified for themselves. This indicates what the ACIL submission deemed market failure in our view.

The related idea that governments should not nurture disappointed individuals, particularly since this may encourage further problem behaviour, again highlights

the gaming industry and its consultants' total failure to understand the nature of psychological problems and their treatment. To suggest problem gambling is really about disgruntled or disappointed gamblers with personality disorders (ie losers) is facile, erroneous and highly pejorative. With regard to treatment, evidence regarding the effectiveness of counselling for problem gambling and other psychological problems indicates high success rates rather than exacerbation of the problem. It is disappointing to the Victorian BreakEven services that the gaming industry has met with us for four years, allowing only limited gains yet now feels the need to attack our existence without good evidence. Rather than approaching us for further input on effective customer protection, the industry is choosing to distance itself from the help services to the detriment of their patrons.

4. BREAKS IN PLAY

It is the continuous nature of play, coupled with a friendly, warm environment that often leads people to gamble with more money and for longer periods than they intended at the start of the session. Time and time again in our practice we hear clients say they only intended to spend \$20, or more likely \$50 – \$100 if one has a problem with gambling, but that they ended up spending a great deal more.

The importance of the need for breaks in play must be emphasised (Report 6.51). It is hoped that recommendations for implementing breaks in play be part of the final report of the Productivity Commission's Inquiry and should include the following:

- On screen displays and/or use of smatcards to prompt game players to regularly have an opportunity to make a number of choices and to review their length of play, etc.
- A moratorium on further increases in availability of gambling opportunities pending a wide-ranging research program being implemented. These could include caps on machines, caps on venues, regulating opening times and preventing 24 hour gambling – the ultimate in continuous play.

Additional harm minimisation strategies strongly recommended, include removal of any possible credit gambling, making EFTPOS/ATM machines less easily accessible, and issuing cheque payouts for wins over \$250.

5. SMART CARDS

The Victorian BreakEven network is in favour of the introduction of smart cards linked to enhanced technology for all gambling consumers, particularly those who participate in more continuous forms of gambling such as EGM's.

It is our contention that all players should be required to consciously choose to participate in gambling activities through a smart card and be able to receive a number of harm minimisation and consumer protection measures by this means. We are in agreement with the gambling industry that gambling participation should be a free choice. However, we believe unlike the industry that at present gambling

participation is not a sufficiently informed choice and lacks adequate consumer protection measures.

It is our belief that the obligation to obtain a personal smart card in order to gamble will not prove a disincentive for non-problem consumers. It is principally a one off requirement in line with procedures consumers are required to undergo across a range of activities and services in order to gain access to them. Many gaming patrons already have loyalty cards, or have used card based EGM's such as those introduced by TABCORP when gaming was legalised in Victoria.

The gambling industry would no doubt protest the cost of introducing the required technology, however they might charge an establishment fee for the card to assist in recouping the expenses incurred.

Further, technology is becoming increasingly sophisticated across the gambling industry, more readily allowing for the inclusion of player protection provisions. This relates not only to EGM's, but also table game player tracking systems, TAB facilities etc. As noted before, elements of the required technology already exists in loyalty program cards, player tracking systems and card based EGM play.

The requirement for a smart card with PIN number and allied changes to EGM's and/or the provision of card readers would potentially allow for a number of positive outcomes, including:

1. Player transaction could be tracked, allowing customers to check expenditure and win/loss data. This would provide a concrete reality check for both problem and non-problem players, encouraging reflection on the advisability of continuing play. One of the difficulties clients report is losing track of the time and money they have spent gambling, only realising after the fact what they have done. The system could further be programmed to provide regular expenditure updates, perhaps even current versus previous spending trends in the manner of utility bills. Predictions of likely playing time available for the amount tendered could also be provided.
2. Players would be able to pre commit, setting a budget that could not be exceeded at the time. This would serve as a harm minimisation strategy, available as a potential benefit to all players. It is known that players without a diagnosed gambling problem may chase their losses, a decision they later regret. The ability to pre-program losses reinforces player decisions to gamble within an affordable limit. For problem players, this facility allows play to continue in a manner that is less deleterious than their usual pattern, perhaps even a non-problematical pattern. The card might also have the facility to pre commit permanently, in much the way that credit cards have a ceiling limit.
3. Players could configure EGM play temporarily or permanently to their requirements. A variation on pre commitment, again allowing customer tailoring

of machine plays in a manner much more flexible than currently allowed. This might include time limits, line limits, maximum bet exclusions, bet limits etc.

4. Players could self-exclude via the card for varying periods of time. This option allows for simple, non-identifying exclusion processes that require no gambling industry monitoring or sanctions. Of course, players may obtain more than one card, borrow someone else's etc. However, voluntary and involuntary exclusion in any form is not foolproof, and the card option allows another avenue for people with gambling problems to manage their own difficulties. It also allows for an instantaneous and more flexible exclusion system than currently exists, in that exclusions tend to be for particular set time periods, and follow a protocol that can be delayed in country areas due to lack of available staff to process the exclusion.
5. Assuming the information could be stored and separated from identifiers, it would be highly valuable as a source of data for research and policy development initiatives

6. MACHINE MODIFICATIONS

A number of studies have emphasised the importance of breaks in play for problem gamblers. Professor Mark Dickerson in a recent paper on prevalence of problem gambling observed that one of the distinguishing characteristics of problem plays in duration of session. The study he was commenting on, from Nova Scotia, reported problem players average sessions was 189 minutes compared with 85 minutes for 'frequent' players, and 55 minutes for recreational players.*

Problem players commonly report they have lost track of time or have entered into a trance like state. From a counselling perspective, it is crucial that plays regain the ability to limit their session in order to achieve a controlled level of play.

It is logical then that we look to the operation of the machines and consider ways of achieving control. There are a number of recommendations in the ????. Another characteristic noted in the Nova Scotia study is that problem gamblers play with much higher stakes. The disassociation of money from 'credits' in machine design lends itself to a loss of reality. It adds to the nature of the game, that you are playing with 'credits' not money, and people tend to be more reckless in game playing than real life. BreakEven therefore recommends that the machines display the actual money, being stoked, won and lost. While it is a game, it does have very real consequences.

The Jellinek Consultancy in Amsterdam November 1997 recommended a number of ways in which play can be broken in their report to the Nijpels Committee on Economic and Social Impacts of Gambling in Europe.*

These include recommendations that credits be stored in a win bank instead of within the current credit meter. It would not be possible for patrons to unconsciously spend their winnings on a progressive basis. They need to be withdrawn, becoming cash in hand, before being re-staked. A conscious decision is required. The trance is broken.

A further recommendation on automatic payout is also endorsed. Once the win bank has reached a certain level, say \$200, the machine pays out. A reality check. They're dealing with money again.

A brief waiting period, of 15 or 20 seconds, after payout is also recommended. Other recommendations of the Jellish, Consultancy can we believe be achieved by the 'Smart Card' already referred to. These include the need to consciously start a game after on screen consumer information on the nature of the game be displayed.

* (Dickerson, M, 'Contemporary Research into Gambling: Implications for Counsellors working with Problem Gamblers' app.1)

* (Fourteen points of the Nijpels Committee: (Breaks to Play) app. 2)

Further, we recommend that on screen information be displayed for 20 seconds after each win, as well as at half hourly intervals. The information would be duration of play, money staked, won and lost in each episode.

7. OTHER MEASURES

The Victorian BreakEven network believes further research into appropriate harm minimisation measures is required. There is a dearth of good quality research in Australia and overseas which can adequately inform the debate over appropriate assistance measures. Ideology, anecdotes, folklore, urban myth, 'facts' borrowed from the drug and alcohol field and common sense seem to be combined or thrown into combat in attempts to capture the 'truth' about problem gambling.

Independently conducted and publicly available gambling research will move the debate onto a much more sophisticated plain, and focus all participants more directly on key issues.

We would also like to endorse the Victorian Premier's suggestions that the appropriateness of current advertising be investigated, particularly in light of the current lack of a suitable advertising complaints mechanism, and that the availability of ATM's and EFTPOS facilities in gambling venues be reviewed.

The Victorian BreakEven services are not trying to empire build, nor are we attempting to maintain jobs for ourselves because we would be incapable of gaining employment in another field, despite implicit assumptions to the contrary. The simple fact is that demand for our services continues to expand, as more people realise we exist.

8. INTERNET GAMBLING

The Commissioner requested comments on the effects of Internet Gambling. After consultation with BreakEven Agencies statewide it must be stated that very few presentations to the services have related to internet gambling. However, the BreakEven Eastern service had compiled some comments on the issue for a recent senate enquiry. These are attached for the perusal of the Commissioners, although they do not necessarily represent the views of all BreakEven services. (app 3 Response to Committee's inquiry into online gambling attached).

Contemporary Research into Gambling: Implications for Counsellors Working with Problem Gamblers

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ABSTRACT

This paper briefly considers the relative explosion of research world-wide into the harmful impacts of gambling that impinges on the player and his or her family. The different theoretical assumptions that underpin some of the surveys completed in the United States, Canada and here in Australia, in New South Wales, are examined to illustrate the different types of information that each approach may contribute to the development of counselling services. Regardless of whether the assumptions underlying a typical prevalence study are based on the concept of mental disorder or are focussed on problems arising from gambling, the information generated by the research tends to be less obviously useful to counsellors than descriptive information that details the actual player behaviours, attitudes and beliefs. The recent study of Video Lottery Terminal (VLT) players in Nova Scotia (Schellinck, & Schrans, 1998) is considered in some detail as an excellent example of a research survey that generated information that has the potential to inform the methods and approaches adopted by counsellors in working with problem gamblers.

In Australia as the different States and Territories have developed policies that have lead to the setting up of services for problem gamblers and their families research information has been used to support and develop these initiatives. The most common sequence of events has been the conduct of a prevalence study sampling the general population in order to establish the extent to which the negative impacts of gambling exist and with a view to estimating the need for services for individuals so affected. In a recent review of such studies Shaffer, Hall & Vander Bilt (1997) question the value of such surveys from a social policy perspective but it is also valuable to consider the extent to which that kind of research makes a contribution to the counsellor at the 'coal face' who is actually working with problem gamblers.

One way of thinking about the work of a counsellor is that the goal of counselling may be framed as 'enabling the client to make informed decisions about their gambling behaviour'. The commonest generic approach taken to this task within the Break Even services within Australia is best described as cognitive-behavioural. Therefore the research information that may assist counsellors may well be that which clarifies constructs such as readiness for change, cue exposure, beliefs and expectations as well as the impacts of depressed mood and concurrent alcohol use.

The primary goal of this paper is to draw out the extent to which different approaches to research in gambling do or do not provide this sort of information.

In terms of prevalence studies there is much activity around the world. In the US, for the first time since 1976 there is a federal study of the economic and social impacts of gambling. The most recent prevalence study completed as a part of this programme of research will be considered in more detail later in this paper. In the UK the first national study of gambling related problems is in the planning stage whereas in New Zealand there is to be a replication of their first national study completed in 1991–92 (Abbott & Volberg 1991,1992).

In Australia individual States continue to evaluate the impact of gambling e.g. Victoria, the VCGA latest survey of community gambling patterns and perceptions was released at the end of April 1999 (VCGA 1999), but also for the first time there is currently a federal inquiry into gambling. This is being conducted by the Productivity Commission and includes a population survey that will assess the extent of gambling related problems.

Three examples from this contemporary research will illustrate how the task of building bridges from the data sets to the task of the counsellor varies greatly from project to project.

- ◆ The most recent study in the US completed by the National Opinion Research Centre at the University of Chicago for the National Gambling Impact Study Commission was based on a measure derived from the mental disorder conceptualisation of problem gambling (i.e. the DSM IV; APA 1994). (This will be referred to as the NORC report.)
- ◆ In Australia in NSW a repeat of an earlier study that set out to detect and estimate the extent, degree and costs of gambling related problems provides a contrasting approach. In this study (NSW Study 2 Repeat 1998) the preference was to avoid the language and assumptions of mental disorder giving priority to describing and quantifying the negative impacts.
- ◆ In Nova Scotia (Schellinck & Schrans 1998) one of the first published studies that deliberately rejected existing measures of prevalence such as the South Oaks Gambling Screen (SOGS, Lesieur & Blume 1987) provides one of the most interesting comparisons with the more traditional approaches.(Hereafter referred to as the VLT study)

The NORC report.

As one major aspect of the research funded by the National Gambling Impact Study Commission the national prevalence study conducted by the National Opinion Research Centre at the University of Chicago in collaboration with several other research consultants the NORC report was expected to be setting benchmarks for the quality of the methods adopted. The final report released on March 8th 1999 (<http://www.norc.uchicago.edu>) remains something of an enigma. The measure adopted for use in evaluating the level of Pathological Gambling in the general population was based on the DSM IV (APA 1994) diagnostic criteria. Although the construct validity was therefore high with reference to mental disorder the accuracy of the scale remains unknown and therefore the prevalence rates are unfortunately of unknown validity.

The prevalence rates given in the report are 1.5 % for problem gamblers and a further 1.2 % for Pathological Gamblers. The correlates of these categories were

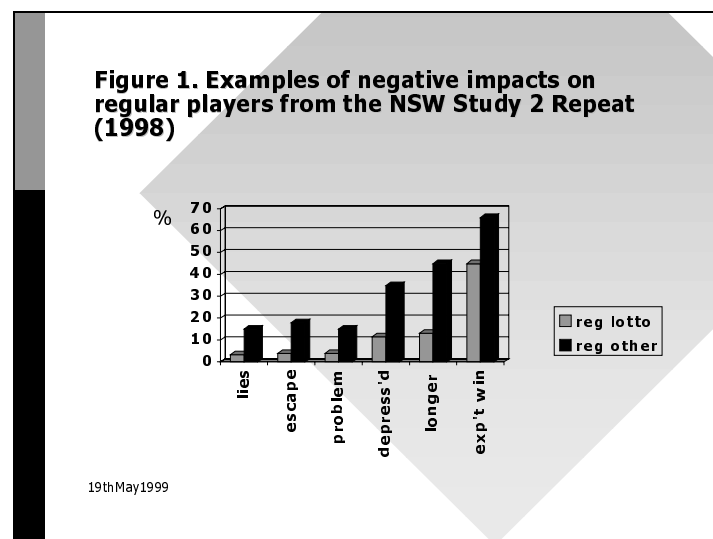
increased rates of alcohol/drug dependence, manic symptoms and depressive episode.

NSW Study 2 Repeat (1998)

The objective of this study was to replicate the earlier assessment of the extent of problem gambling in NSW with a view to tracking changes since the introduction of the casino. The measure used was the SOGS (Lesieur & Blume 1998) in association with many other detailed questions about gambling behaviours, beliefs and the positive and negative impacts of gambling on the individual. The results were given both as a descriptive picture of regular players as well as in terms of the proportion of the population who were considered to be at risk of gambling related problems.

The results found that the at risk population (scoring 5 or more on the SOGS) had risen from 2.59 to 2.89 % of the general population from 1995 to 1997 (the years of actual data collection). The change could not be attributed to the introduction of the casino given the significant changes elsewhere in the gambling mix available in NSW. For example there was a 15 % increase in the total number of gaming machines with significant changes within the hotel venues in particular. There were also notable developments in the type of lottery products being marketed during the same period. The results suggested that the increase in the population at risk was more likely to be associated with these latter two changes than the introduction of the casino.

The descriptive information is of relevance to the present discussion and some of the kinds of data that the report produced for regular players are illustrated at Figure 1 below.



Note; reg lotto refers to respondents who weekly or more frequently played lotto but did not use any other gambling product with such regularity. Other refers to players who weekly or more frequently used a continuous form of gambling such as casino table games, betting or gaming machines.

"lies" = I have told lies about my gambling. *"escape"* = When I felt depressed I used gambling to escape. *"problem"* = I have felt that my gambling was a problem. *"depress'd"* = After losing heavily I have felt depressed. *"longer"* = When I've gambled I've gone on for longer than planned. *"exp't win"* = Each time I gambled I expected to win.

Making linkages to counselling from the NORC report and the NSW Study

2 Repeat surveys:

In the planning of the development of services for problem gamblers and their families the kinds of data provided by the NORC report has its place. It is clearly of value to be aware that the population being served may also have specific additional needs that can be described as co-occurring mental disorders such as substance dependence and depressive episodes. This may impact usefully at the counsellor level by for example influencing the range and type of screening/ assessment procedures used with new clients.

The descriptive data from the NSW study has more detail than the typical prevalence study conducted in the US. This may permit the counsellor to develop an understanding of the types of behaviours and beliefs that are especially associated with being at risk and also to appreciate that for most regular players of continuous forms of gambling, control or self-regulation of expenditure and duration of sessions of play is difficult to maintain at all times. This 'normalising' of the gambling experiences can be especially helpful to counsellors who have no personal experience of gambling regularly. The limitations of the data are that the questions are closed and refer to all types of gambling rather than building a unique picture of the player at risk in one particular gambling venue. This is often the very detail required by the counsellor in working effectively with a client problem gambler.

THE NOVA SCOTIA VLT PLAYER STUDY

This study set out with the main objective:

"to identify distinctive characteristics and behaviours of the Regular VL Players who are experiencing difficulties with video lottery gambling, in order to gauge and evaluate the nature and causes of problem play."(Page 3-1)

The sampling method used was very strong as it used two independently generated random population samples. One was N=400 as a survey of the general population to establish the frequency of different levels of involvement in VLT play and the other, N=11,691 households, to locate regular VLT players, from whom they sampled 711 at random. The agreement between the two resulting distributions of players was very high. The duration of the interviews completed with the players by telephone ranged upwards to over one hour, with a very high level of completion as often the respondent had advised the survey team of the most convenient time for interview.

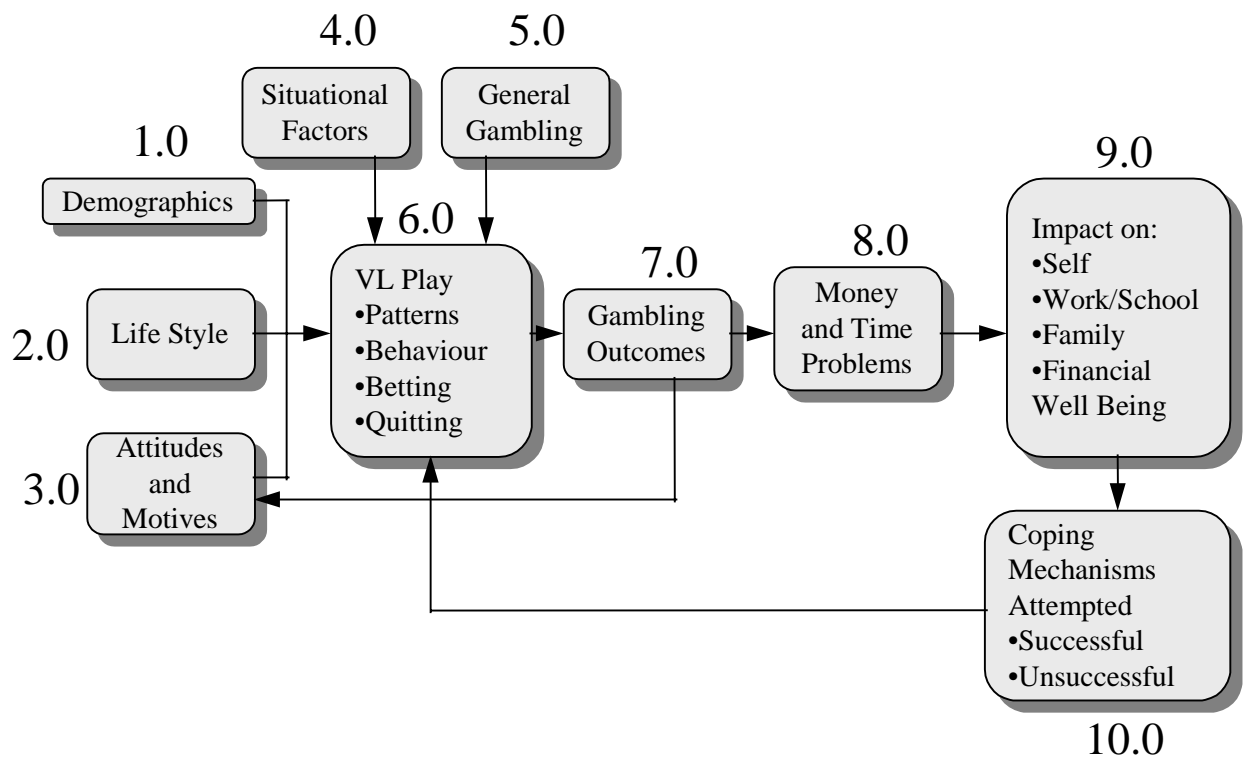
The sample of regular VLT players was grouped as follows:

1. *Infrequent* VL players (N=327; 46% of regular players) They played 3 times per month or less; average 1.6 per month.
2. *Frequent* VL players (N=267; 38% of regular players) They played 4 or more times per month; on average 7.2 per month.
3. *Problem* VL players (117; 16% of regular players) They played on average 8.0 per month and satisfied at least two of the following criteria:-

- i. 16+ on an attitude scale of 6 key statements (eg. "I sometimes feel guilty about how much time I spend playing VL games.")
- ii. A rating of 5 or higher on a 10 point scale where 1 =VL play not considered to be at all a problem and 10= my play is a serious problem.
- iii. Respondent indicates that over spending of time and or money remains an unresolved problem.

The extensive nature of the survey is best illustrated by the author's model (page 3-10) given in full below as Figure 2.

Model of VL Problem Play

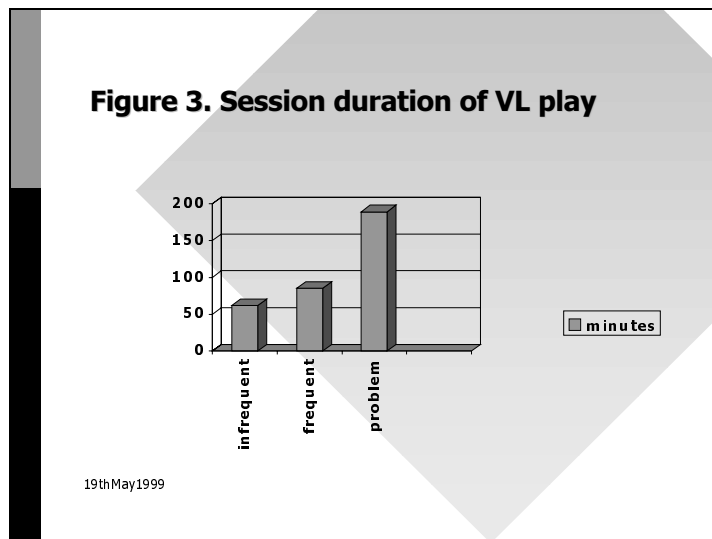


"The model starts with the underlying characteristics hypothesised to influence VL playing and potentially problem play, and moves through to an analysis of successful and unsuccessful coping mechanisms."

In this paper there is only the opportunity to illustrate how this wealth of detail about all the aspects of a problem regular player can contribute to the development of a range of themes in ways that may enrich the counselling process, especially if the approach taken is cognitive-behavioural. If this paper succeeds in demonstrating that this is the case then the VLT report may find its way on to many consulting room shelves.

Selected examples of relevant findings:

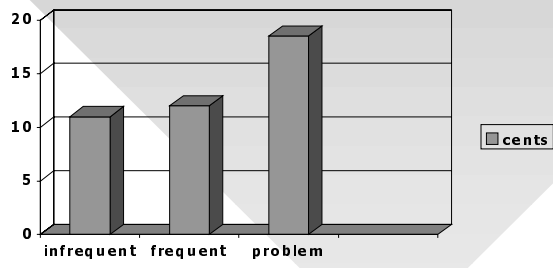
One of the strongest findings arose from the basic frequency and duration data from each of the three groups of players. Despite the very similar frequency of sessions for both frequent and problem players the duration data shows a very significant difference between the groups as shown in Figure 3 below.



The average reported session duration of Problem players was 189 minutes compared with 85 minutes of the frequent players. From the counsellor perspective these findings on their own spell out the issues should a client seek to achieve a controlled level of play; the crucial issue is how they may regain the ability to limit the length of any one session. This question is returned to later in considering some of the coping strategies that players did or did not find helpful in resolving their problem play.

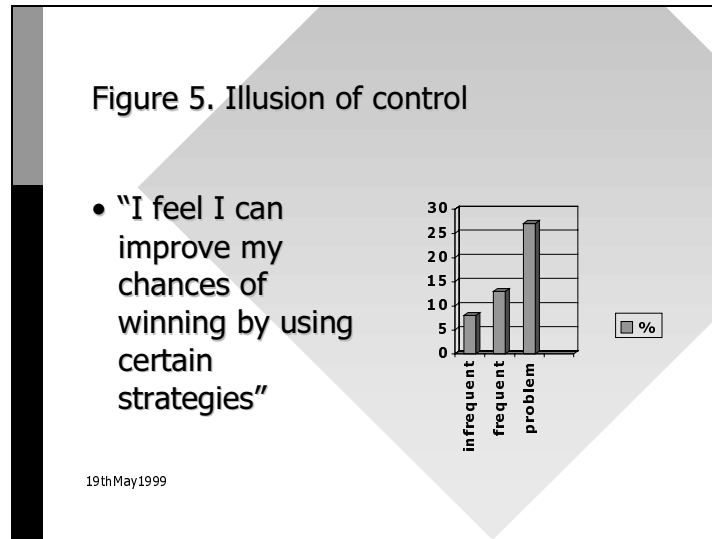
Figure 4 illustrates how session duration may be compounded by the fact that Problem players tend on average to use significantly higher stakes for every game played. The higher expenditure and losses that are associated with players who play longer and more frequently form a multiplicative relationship that results in such players, who may comprise 25% of the total number of players, contributing 95% of the revenue from VLT play. In the Nova Scotia study it was estimated that 55% of this regular player revenue came from the Problem players.

Figure 4. Average credit level per spin



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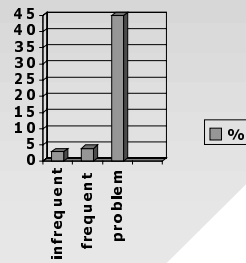
Two striking illustrations of cognitive variables are to be found in the results and these are illustrated at Figure 5 & 6 below. The use of the terms “illusion of control” seems entirely appropriate for the context of a player using a machine whose outcomes are designed to be randomly determined, and even quality controlled in manufacture, to ensure that this is the case, and yet the player believes that their on behaviour can influence the results of play. It seems that as human beings we are simply unable in the main to just accept a sequence of events that we witness or are involved in without imposing some pattern or personally relevant structure upon those events.



In addition to such erroneous beliefs about their power to influence the machine results problem players have disastrously faulty expectations about the likelihood of winning, so much so that for the Problem player play a VLT may become to be perceived as the opportunity to “pay off bills”! This is very far removed from the responsible gambling money management recommendation that only discretionary monies be used for gambling ie gamble only with money that can be lost without jeopardising other budgets.

Figure 6. Unrealistic expectations

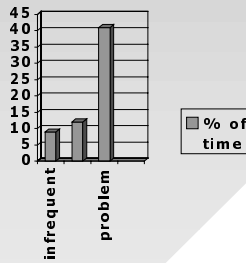
- "I sometimes play VL games with the hope of paying off bills"



19thMay1999

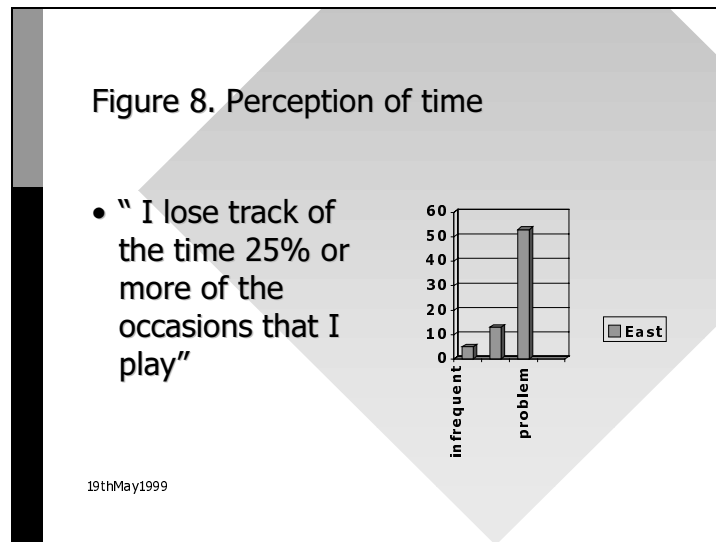
Figure 7. Social aspects of play

- "I am uncomfortable when others watch me play"

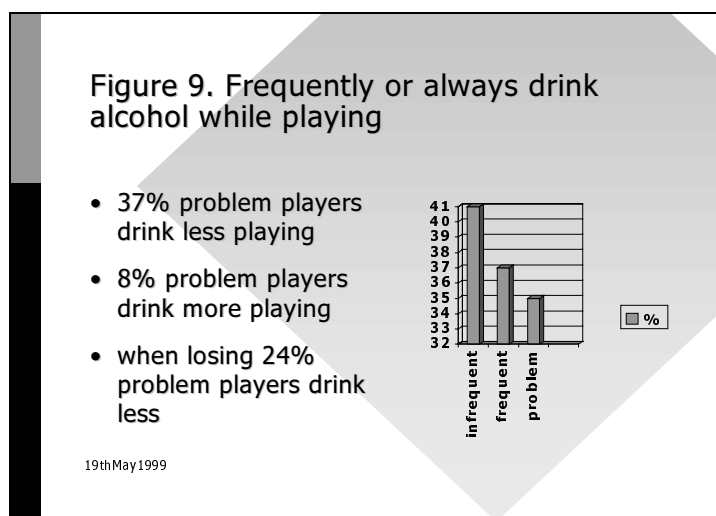


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Figures 7 & 8 illustrate two themes that have not been so clearly identified previously as part of the picture of the Problem player. Although for many people the playing of gaming machines in an attractive venue may be considered to be a social occasion it has long been known that problem gamblers regardless of their preferred form of gambling, prefer to be alone when gambling. This can now be seen as including a component of self-consciousness, a preferring of not just being alone but not wanting to be observed by others.

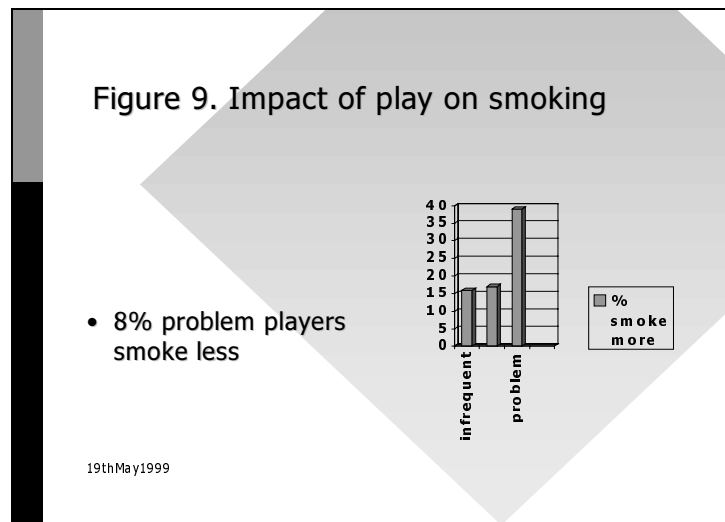


Although there have been anecdotal and clinical case reports of gamblers losing the sense of time passing, the VLT study for the first time provides some parameters to this for the regular players. Firstly although experienced significantly more often by the Problem players the losing track of time is reported by all levels of players at least by some, some of the time. It is therefore a normal experience of a person enjoying a leisure activity, perhaps in their free time when there is an escape from fixed schedules and time pressure; it is perhaps just part of relaxing. The fact that it is a regular aspect of play for just over half the Problem players merits further research. It may be simply a function of the much longer sessions of play (189 minutes on average) of the Problem players. Perhaps a similar proportion of all players after such a period of play would also experience a sense of losing track of time or perhaps it is a result of a particular way of playing by the Problem player eg playing to escape/avoid emotional stressors.



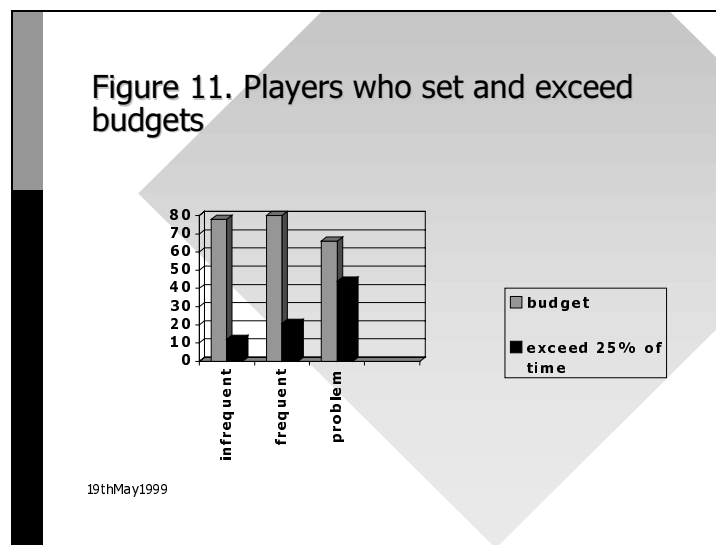
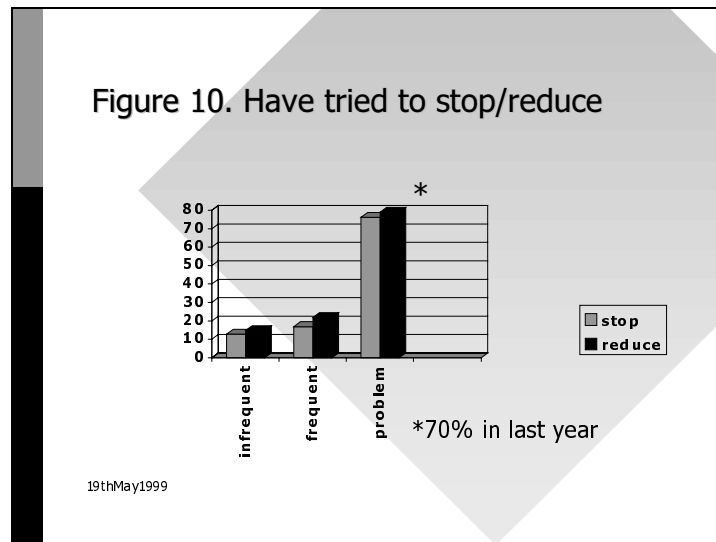
Figures 8 & 9 are included here partly because they contribute to the slowly growing literature about the association between problem gambling and other addictive behaviours. It must be remembered that these data are self-report and may

therefore not truly reflect the interaction of gambling with drinking alcohol and smoking. None the less they are strikingly different; Problem VLT play being associated with a *fall* in alcohol consumption and an *increase* in smoking. There are additional qualifying data in the report suggesting that most problem players have played while intoxicated at some time or other. In addition there are some gaps in the information; no information about how much alcohol is drunk *prior* to play and influences the *decision* to start to play.



Readiness for Change

In any therapeutic relationship one issue that has come increasingly to the fore relates to the client's preparedness to involve themselves whole-heartedly in resolving the problems they bring to the counselling session. Perhaps the most valuable way of conceptualising this is in terms of "readiness for change" (Prochaska, DiClemente & Norcross 1992), an atheoretical model that specifies the different stages in which a person may be during any process of behaviour change. Within the frame of this model one issue for the counsellor in planning an intervention is whether the client is at the appropriate stage to respond positively. Figure 10 below shows that for the regular VLT players who were classified as problem players 70% had actively tried to resolve their problem during the last 12 months. Figure 11 confirms this theme that problem players continue to be engaged in attempts to limit their involvement in gambling even if strategies such as budgeting may often fail to achieve the desired goal.



These details of the Nova Scotia study suggest that problem players are in the action stage of readiness, or at the very least recycle rapidly between contemplation and action. It may therefore be very appropriate to offer such players should they present as clients, cognitive-behavioural strategies as the first step in developing a therapeutic alliance.

These glimpses of the data from the VLT study in no way exhaust the possible implications for the counselling process. One set of questions examines in detail the strategies used by players to resolve problems and which were successful and which were not. The overall picture from these particular items is that successful resolution involves significant effort from the player and that for example avoidance of the venue may not be a successful strategy. Whether this suggests that cue exposure is therefore a potentially valid component of resolving problem play on gaming machines merits further research.

Conclusion

The above comment on contemporary research findings from population surveys has emphasised that to neglect the existing measures and definitions of problem and pathological gambling may result in a rich vein of data of particular relevance to the counselling process. In addition the study by Schellinck & Schrans (1998) demonstrates how almost every aspect of VLT play, and therefore probably EGM play generally, shows a continuum of experience across all regular players. All aspects of play and related experiences except the harmful impacts are reported to a greater or lesser extent by all three groups of players. This illustration of the normality of most gambling related experiences amongst regular players whether they are 'problem' players or not confirms that much of the essential story of how regular gambling may be difficult for *any* player to control will be lost if the research focus is only "pathological gamblers".

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Fourteen points of the Nijpels Committee:
(Breaks to play)

- I. Breaking through the process of automatically playing on
 - 1 Every game should be started consciously. Gambling machines should have the facility of not being able to play a new game until the starter has been let loose and pressed again.
 2. All credit points are stored into a win-bank instead of the current credit meter. Betting from the win-bank is impossible.
 3. Automatic pay-out
 - with the amount of Dfl 50 in the win-bank
 - if during the game an amount equal to the maximum prize of 200 credit points (Dfl 50) is reached.
 4. After every automatic pay-out there should be a waiting period of 15 seconds, in which the machine cannot be played and in which no money can be inserted.
 - 5 . The obligation of a limit to playing of Dfl 50 at most, in combination with an information system on playing the game. This system is activated
 - when the limit has been reached
 - at the player's request
 - at pay-out of a prize
 - at quitting the game.
- II. Breaking through prolonged playing
 6. Restriction of saving constructions. A gambling machine cannot save more than 200 credit points (valued according to

statistical methods) at the end of a game, and then carry them down to the next game. In the case of exceeding this number, automatic pay-out takes place.

7. An act of the player may lead to a maximum of Dfl 50.

III. Restriction of the attractiveness of the game

8. Extension of the minimum average playing time from three to four seconds, with a minimum value of 3.5 seconds.

9. Restriction of the bets in the repeat game.

IV. Restriction of the recruiting character of gambling machines

10. Static lighting when the machine is not being played

11. Sound limitation with pay-outs

V. Flanking measures

12. No exchanging devices on the machine itself.

13. Mention of the incidental character on the machine.

14. Quicker adjustment of the rules.

The nature, extent and impact of online gambling in Australia:

BreakEven Eastern knows little about the nature of online gambling in Australia from a service provision perspective as we have only had one person present for counselling who are using online gambling.

What we can say, is that many people are ashamed and embarrassed about their gambling behaviour, and as a result, many problem gamblers tend to be secretive about their actions and attempt to conceal their behaviour, and as such are reluctant to disclose their behaviour.

Clearly, online gambling is a mode of gambling that can be undertaken in a clandestine fashion. It is an activity that enters the home and workplace and allows the gambler to access virtual casino's from all over the globe.

All gambling is primarily a solitary activity, although with Bingo, race betting (excluding phone betting), poker machine playing and casino activities there is some element of social interaction. Online gambling is likely to be almost entirely a solitary activity, performed either at work or at home at all hours of the day. This aspect of the nature of online gambling clearly enables the problem gambler to conceal their activities and is conducive to the maintenance of a secretive behaviour which the person is embarrassed about.

The extent of online gambling has grown exponentially at what some may say is an alarming rate. There are currently approximately 280 gambling sites on the web as opposed to 15 sites two years ago. Some U.S. govt officials estimate that online gambling generated \$60 million dollars in 1996 and \$600 million dollars in 1997. This figure was reported in the New York Times in May of 1998 and appeared in the "Daily Californian" March 18 1999.

Lasseters online based in the Northern Territory, placed more than A\$1,000,000 worth of wagers in it's first six weeks. An expert gaming analyst, Ms Lily Kwong of the Deutsche Bank, estimates that the current market is approximately US\$500 million (A\$769 million) and growing quickly. Ms Kwong estimated that total demand for internet gambling by 2001 would be about US\$7 Billion, of which Australia may capture \$US1.16 Billion. Ms Kwong stated that if Australia legalised internet gambling (which it appears to have done), it's market share could double to US\$2.33 Billion.

The number of households in Australia connected to the internet as at August 1998 was more than 1.25 million, or 18% of all households. That was a 28% rise in three months, and this agency is certain that the number has risen again. Access to gambling is an important issue. Clearly, more people have more access more of the time, and internet gambling is perhaps the ultimate convenience.

Technology with the internet and gaming is also of concern. The internet gaming site eBet has a feature that allows gamblers to make 100 bets with a single click of the mouse. eBet is the online racing and sports betting agent for New Zealand .

The impact of online gambling is obviously an area of speculation. GalaxiWorld internet casino announced on 12/1/99 that their site received 3,242,00 hits in the month of December 1998, with a total of US\$3,135,000 being wagered. The site registered 1241 members and 428,000 games were played.

This service has some concerns regarding the aged, disabled, people from culturally and linguistically diverse backgrounds and others with special needs who may access internet gaming as a regular activity.

For example, disabled people may not access gaming venues due to difficulties involved and the cost of transport, but they can obviously access the internet from home. Culturally and linguistically diverse people who currently do not access casino's and gaming venues due to language difficulties and fear of "being seen" may access online gambling, particularly since many online gaming sites have the option of users choosing the language.

Whilst it may be difficult to speculate on the turnover from Australian gamblers on internet sites, it is fair to say that we have a high level of access to the internet either via work or home, we have embraced new gambling technologies in the past, particularly with electronic gaming machines, online gambling is a solitary activity and there appears to be unlimited growth in gaming activity.

The feasibility of controlling access to online gambling, especially by minors:

Controlling access is an issue, not only for minors, but also for problem gamblers and those at risk. From this agencies perspective, there may be a simple solution: digital cameras at either end of the gaming activity. The gambler has a digital camera which identifies him/her as does the site. In this event, minors can be excluded, as can individuals who are distressed about gambling losses. Digital cameras may also ensure that gambling at work is minimised, and also facilitate self exclusion for those that consider their gambling out of control.

Time magazine commissioned a telephone poll of 409 American teenagers in April of 1999, and 62% of respondents stated that their parents knew little or nothing about the web sites they visited. Forty three percent of respondents also stated that their parents don't have any rules about the internet.

This however is balanced by the rapid growth of net filters. In 1996, there were two internet filters on the market. The number of Net safety tools available today is 120. (Source: Time Magazine May 10 1999 p49)

The online gambling industry will no doubt balk at the suggestion of digital cameras, but the reality remains that harm minimisation must be the aim of all involved in gambling, and online gambling must have its own safety processes.

The Adequacy of State and Territory regulations in relation to online gambling:

This agency knows little about the adequacy of state and territory regulations in relation to online gambling and is therefore unable to provide the committee with an informed view.

The need for federal legislation:

Historically, telecommunications and postage have come under the ambit of federal legislation. It would be the view of this service that data transfer and online communication requires the consistency of approach and direction that federal legislation provides.

Some of the literature in relation to the U.S. experience suggests that should the U.S. prohibit online gambling, then Australia has a distinct market advantage as we have the reputation of being respected for our high probity requirements, leading edge technology and a clear structured regulatory framework. Ms Lily Kwong, internationally respected gaming analyst stated that:

"Brand name is important and Australia is in the forefront of gambling regulation. Being one of the first reputable countries to legalise internet gambling will give Australia a window of opportunity before others catch up".

(Australian Financial Review 4/5/99)

Tom W. Bell, director of communications and technology studies at the Cato Institute said at the National Gambling Impact Study Commission in Chicago in May of 1998 that "Internet technology renders prohibition futile". He also said that "Consumer demand for Internet gambling and the state's demand for tax revenue will create enormous political pressure for legalisation".

Federal legislation would ensure a consistency of approach and safety measures that this agency would view as desirable.

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