



National Office
4 Campion Street
Deakin ACT 2600

W acl.org.au

ABN 40 075 120 517

30th March 2012

Committee Secretary
Joint Select Committee on Gambling Reform
PO Box 6100
Parliament House
Canberra ACT 2600

Re: Inquiry into the Prevention and Treatment of Problem Gambling

The Australian Christian Lobby (ACL) welcomes this opportunity to provide a submission to the Inquiry on the Prevention and Treatment of Problem Gambling.

The Australian Christian Lobby is a member of the Stop the Loss Coalition and supports measures to reduce the prevalence of problem gambling in Australia.

The ACL acknowledges that gambling is a pastime for many Australian adults. However, we are concerned about the rising incidence of problem gambling, which is harmful to Australia's families and taking a particular toll on the poor.

The Productivity Commission Inquiry Report on Gambling estimated an existing 115,000 problem gamblers in Australia, with a further 280,000 at "moderate risk" of developing gambling problems.¹ Also, the Government's website on problem gambling reports 500,000 at risk of becoming, or are, problem gamblers.² According to the *First Report* of the Parliamentary Joint Select Committee on Gambling Reform, poker machines account for as many as 95,000 problem gamblers, who together lose about \$5 billion per year.³

¹ Productivity Commission (2010), *Gambling*, p. 2, <http://www.pc.gov.au/projects/inquiry/gambling-2009/report>

² Commonwealth of Australia (2012), "The Facts", <http://www.problemgambling.gov.au/facts/>

³ Parliamentary Joint Select Committee on Gambling Reform (2011), *First Report*, p. ix, http://www.aph.gov.au/Parliamentary_Business/Committees/Senate_Committees?url=gamblingreform_ctte/precommitment_scheme/report/report.pdf

The Productivity Commission Inquiry Report on Gambling indicates that high intensity gaming on poker machines can easily bring losses of \$1,500 per hour, with a gross gaming loss of just over \$19 billion in 2008-2009.⁴

In light of the inquiry into the Prevention and Treatment of Problem Gambling, the ACL has prepared the following submission.

Online gambling

Online gambling is a growing market in Australia that has become increasingly difficult to monitor. ACL is concerned that online gambling introduces several vulnerabilities to both children and adults, including:

- Ease of access,
- Social isolation,
- Decreased monitoring capability,
- Use of credit cards,
- Dishonest advertising, and
- Risk to young people.

a) Ease of access

Online gambling removes geographic and temporal boundaries since the internet is sufficient for access; this can easily be done at home. Gambling facilities, even if close, have entering and exiting boundaries, allowing an individual to walk away from the machine. Computers on the other hand are difficult to escape and increase the likelihood of problem gambling. One study shows that 16.4 per cent of online gamblers had moderate to severe gambling problems while only 5.7 per cent of those who had never gambled online had moderate to severe problems. Another study also concluded that people who had ever gambled online were ten times more likely to be problem gamblers than those who had never gambled online: 5 per cent compared to 0.5 per cent.⁵ With the exception of 24-hour casinos, online gambling is also unique in that it is accessible 24 hours a day, 7 days a week. The internet never closes.

b) Social isolation

Online gambling increases the gambler's odds of becoming socially isolated, which removes boundaries of social accountability and allows for the gambler to become consumed more easily. This is of grave concern for problem gamblers since this isolation increases their potential to accrue large debts through credit card use. The ACL would support a study conducted on the effects of social withdrawal and online gambling to ascertain not only the monetary but social risks to those who become problem gamblers online.

⁴ Productivity Commission (2010), *Gambling*, p. 2

⁵ Productivity Commission (2010), *Gambling*, p. 15.12

c) Decreased monitoring capability

Online gambling poses several difficulties to monitoring customer activity, save for the use of credit cards. This use of credit cards could be easily employed to the gambler's advantage by monitoring accounts for potential reckless activity, and providers may also be "better equipped to monitor spending patterns than venue based gambling, due to the predominance of account based betting".⁶

d) Use of credit cards

The use of credit cards, while allowing the gambler to see a record of his or her losses or gains, also inhibits the gambler from making wise decisions in the moment because it involves a click of the mouse rather than the insertion of physical money. Large credit card debts have the potential to build, which can be detrimental to adults providing for themselves and their children.

e) Dishonest advertising

Online gambling sites have been reported to lure in gamblers under the guise of money-making, rather than advertising gambling. These advertisements are misleading and ought to be prohibited. The Joint Select Committee Report recalls a young man who clicked on one of these links advertised on a social media site and, "lost money through unauthorised transactions . . . he has gone through serious financial and personal difficulties while attempting to resolve the issue of unauthorised transactions through a less responsive overseas regulator."⁷ This deception cannot be tolerated in the gaming industry and is potentially harmful to an innocent audience.

f) Risk to young people

The internet is more difficult to regulate than physical gambling locations, which are easily restricted to adults, but gambling is increasingly being put before the eyes of children as a vogue pastime through pervasive advertising campaigns, including online gambling advertisements. Although credit cards are one way of implementing age restrictions, children can use their parents' cards easily. We must implement strict and effective age requirements designed and enforced to protect young people from potential harm.

⁶ Productivity Commission (2010), *Gambling*, p. 15.8

⁷ Parliamentary Joint Select Committee on Gambling Reform (2011), *Second Report*, p. xv, http://www.aph.gov.au/Parliamentary_Business/Committees/Senate_Committees?url=gamblingreform_ctte/interactive_online_gambling_advertising/report/report.pdf

Treatment for problem gambling

a) Staff members

The ACL acknowledges that staff members of gaming venues and casinos are the first line of defence for problem gamblers. We support training staff members to recognise traits of problem gambling and to provide problem gamblers with outlets for counselling.

b) Counsellors

Counsellors onsite at gaming venues can be of immense assistance to those who are addicted to gambling. Since it is difficult for people in addictions to sustain a decision to stop their addiction, help must be readily available. Counsellors at gaming venues are immediate and available resources of help to those who make that decision.

c) Publicly posted advertisements

Publicly posted advertisements concerning counselling services and the risks of problem gambling could be a preventative measure for those at moderate risk of problem gambling and could be an informative, non-confrontational means of helping those who are problem gamblers.

d) Online advertisements

Online advertisements on gaming sites should include similar information to the publicly posted advertisements in gaming venues mentioned above, only these should also target problems of social isolation and credit card debt.

Other issues

a) State and Territory laws

The ACL applauds Territory and State efforts to assuage problem gambling, but with 115,000 problem gamblers and 280,000 at “moderate risk” of developing gambling problems, State and Territory programs have limited effectiveness. The ACL proposes that the federal government asks the states to adopt a unified, country-wide approach to effectively prevent and help those bound by problem gambling.

b) Voluntary pre-commitment

Voluntary pre-commitment technology may help some gamblers, but many problem gamblers would not volunteer to use such a system since they suffer from psychological addictions and cannot break their habits despite a desire to do so. If pre-commitment is voluntary, those who need it most are simply not likely to opt in.

c) Social impact

We share the concerns published by the Commonwealth concerning the high divorce rates and high risk of substance abuse of problem gamblers and the influence of parental problem gambling on children, and we recognise that problem gambling is part of the larger picture of social problems.⁸

Recommendations

In light of the issues identified about, ACL recommends the following:

1. A unified approach

ACL proposes that the federal government asks the states to adopt a unified, country-wide approach to effectively help and prevent problem gambling.

2. Online gambling

The ACL does not support the liberalisation of online gambling and urges an effective online age verification system be implemented in order to protect the young from becoming victims of gambling addiction.

3. External measures to prevent problem gambling

The ACL supports early intervention strategies by staff members and counsellors in on-site gambling facilities, and the implementation of account monitoring in online gambling venues.

4. Internal measures to prevent problem gambling

The ACL recommends either non-voluntary pre-commitment technology on poker machines, requiring gamblers to designate how much they are willing to lose in advance, or \$1 bet maximum on push buttons by 2016.

5. The use, access and effectiveness of other information on risky or problem gambling, including campaigns

The ACL recommends on-demand access for gambling patrons, including regular information about the dangers of problem gambling to patrons through the post and publicly posted risks of problem gambling at gambling venues.

⁸ Commonwealth of Australia (2012), The Facts

6. *The ease of access to assistance for problem gambling*

In light of the fact that only 15% of problem gamblers ever seek help, the ACL supports the training of counsellors and implementation of counselling services on-site for those in the grips of, or concerned about, problem gambling. As for online gamblers, the ACL recommends counselling advertisements on gambling websites.⁹

7. *Marketing strategies which encourage risky behaviour*

The ACL implores the Committee to ban the display of gambling odds during sports broadcasts and live at events, which ought to be family-friendly.

8. *Cash machines*

The ACL recommends that cash machines and ATMs at casinos limit withdrawals to \$250 per customer per day in order to discourage excessive gambling.

9. *Data collection and policy evaluation*

The ACL supports a national study to assess the reaches and impact of problem gambling on individual Australians and Australian families.

Yours sincerely,

Lyle Shelton
Chief of Staff

⁹ Commonwealth of Australia (2012), The Facts