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

**Submission to the Joint Select Committee on Gambling Reform Inquiry into the Prevalence
of Interactive and Online Gambling in Australia and Gambling Advertising**

Submitted by:

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Our Interest in Gambling:

The University of Sydney Gambling Treatment Clinic (GTC) is a free, confidential, face-to-face counselling service operating within the School of Psychology. The clinic provides a service to individuals who have difficulty with gambling and their affected family and friends. Services are offered at a range of locations throughout Sydney, including at Darlington in the inner-city, and at Campbelltown, Narellen, Tahmoor, Parramatta and Lidcombe in the southern and western suburbs.

The GTC was founded in 1999 by Associate Professor Michael Walker, a recognised international expert in the field of problem gambling. Associate Professor Walker wrote one of the seminal texts on the psychology of gambling¹. In 2010, Professor Alex Blaszczynski assumed the Directorship of the GTC.

¹Walker, M.B. (1992) *The Psychology of Gambling: International Series in Experimental Social Psychology*. Elmsford, NY, US: Pergamon Press.



Submission:

In the past five years, as regulation around sports betting has been loosened, there has been an increase in the number of clients presenting to the clinic with problematic sports betting. Indeed, from representing less than 5% of our clients in the 2006-2007 financial year, problem gamblers with sports betting problems now represent 15-20% of new clients in the current financial year. Thus, whilst still representing a minority, reported problems with sports betting are rising, and rising rapidly.

Contrary to some of the myths surrounding online gambling, very few of our clients who utilise online forms of gambling report that they doing so via illegal or off-shore gaming sites. The vast majority of our sports betting clients are primarily gambling on Australian-based, legal sports betting operators. Whilst we would not want to dismiss the existence nor seriousness of illegal activity in either local or overseas sports betting markets, this issue does not appear to be a major contributing factor in the stories of the majority of our clients.

Harm related to gambling

Most of our clients who experience harm related to sport betting report that their gambling has adversely and significantly impacted on many areas of their lives. They typically reports struggling with gambling-related debts, sometimes ranging up to hundreds of thousands dollars, marital and other relationship problems, job loss or employment difficulties. A significant minority of these clients have felt so overwhelmed by their problems that they have become hopeless about their future. When questioned, these clients report experiencing suicidal thoughts, and in a very small percentage of these cases, suicidal behaviours and attempts.

The family members of gamblers can also experience significant harms. These harms can follow from the family being placed in a dire financial situation as a result of a gambler's losses, which may lead to family members having to do without or cut back on things that they sorely need. In other cases, family members experience harms as a result of the low or depressed mood that the problem gambler is experiencing. Such harms can include, but are not limited to, neglect of children, breakdown of relationships, restrictions on activities, and the experience of significance frustration, anger or anxiety.

Availability, access and the development of problem gambling

The ubiquity of the availability and promotion of online gambling has been a rising area of concern amongst the therapists who work at the GTC. Whilst the easy availability of electronic gaming machines (EGMs or "pokies") contributed to their adoption as the preferred form of gambling for many individuals, online betting has the potential to become a much greater problem in the future, given that it is able to be accessed at all times and at all locations. At this point the



majority of clients report accessing online betting sites from their home or work computers, on their phones, or through university/ educational facilities or other public computers. Many clients report gambling sessions that last for long hours as they bet on a range of sports and events. As they are able to bet freely on events from anywhere in the world, they often spend many hours betting on things such as Australian sports during daylight hours and sports in U.S.A or in Europe through the night. Sports betting clients attending the GTC report a wide range and variable rate of betting; like other problem gambling clients, the amount they wager tends to fluctuate markedly and largely depends on funds available, confidence in the bet and the extent of recent wins and losses. In contrast to most other gambling clients however, including those players who gamble excessively on Electronic Gaming Machines (EGM), online sports betting clients do not typically report that the extent of their betting or gambling sessions depends on the time that they have available. Instead, they report that the accessibility of online betting enables them to attend work, spend time at home and socialise. They do, however, typically report that dividing their attention between these tasks and monitoring gambling sites greatly detracts from their productivity and quality of life.

Our clients consistently report that the promotion of sports betting has contributed to the onset and maintenance of their gambling problems. Firstly, almost all sports betting clients report they began by gambling on sports that they had previously followed or had participated in. By watching sports on television, or checking scores through other media outlets, they report that they were frequently exposed to promotion of betting and prices that outlets were giving for various betting combinations. Many of our clients reported that they observed advertisements encouraging them to bet and portraying sports gamblers winners who were able to have a better time with friends, and that promoted the idea that they may actually become a deeper supporter of the sport through wagering. Advertisements of this ilk appeared to have lead many of our clients to believe that they could turn their knowledge and interest in their favourite sports into a supplementary income source. This idea, that one can use knowledge and interest to wager successfully, is also widely promoted in media reports on betting on non-sporting events (e.g. elections, reality television contests). Major media outlets frequently run stories on the betting markets in non-sporting areas, which emphasise the (false) belief, central to the development of gambling problems, that there is easy money to be made if you know something about an upcoming event. Invariably though, they begin to lose more money than they win, and turn to other sports to try to recoup the money that they lost during their initial betting outlays.

Secondly, the constant promotion of gambling that is tied to sports broadcasting and reporting also becomes problematic when gamblers try to cut back on or stop their betting. They report that they are unable to watch previously enjoyed sports without being inundated with prices and odds, which again encourages them to think about winning and activates their hope that they could win

back some of their losses. Over time, sports gamblers report that they no longer enjoy watching or reading about sports, because the focus of their attention is no longer about the different aspects of the sport, but rather almost exclusively on the outcome of their bet.

Finally, the promotion of more “exotic” spot-betting has also been reported as problematic by our clients. These bet types, often promising a very large return on modest outlays, are very tempting for a gambler who is attempting to recoup money that had been lost previously.

The extent of the problem

Operators have argued that it is impossible to accurately state the extent of the problems related to sports betting because this form of gambling often occurs outside of a gambling venue. Clinicians at the GTC however propose that close to the opposite is true: if problem gambling is defined as gambling with more money and time than the individual or group can afford, then operators who have perfect access to data on money spent by and returned to gamblers are potentially one of the sources to most reliably identify problem gamblers. By contrast, staff in traditional gambling venues do not typically have access to gamblers’ accounts to observe patterns of wagering and monitor the extent of losses, and gamblers in these venues frequently use cash payments, obscuring the true level of their betting. We would therefore argue that staff in traditional venues are in a less than ideal position to comment on the affordability of a customer’s gambling. Thus, betting sites operating within and out of Australia, in our opinion, are not only well able to identify potential problem gamblers, but in a unique position to help them limit their losses and refer them to appropriate treatment programmes, which would typically involve therapy or counselling with trained mental health professionals.

Recommendations

Based on these observations, we would strongly support any of the following proposals to help deal with problem gambling related to online sports betting:

- A banning of, or at least much tighter regulation of, the promotion of online gambling in sports broadcasting, either directly through advertisement and sponsorship, or indirectly through well placed media stories and commentator’s remarks;
- Further examination of the potential impacts of banning of spot-betting, with a view to eliminating more exotic bet types; and
- Greater onus to be placed on operators to identify potential problem gamblers, and assist them to not only limit their gambling expenditure but to ensure they are referred to established and efficacious treatment services.



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