



29 April 2021

Committee Secretary
Senate Standing Committees on Environment and Communications
PO Box 6100
Parliament House
Canberra ACT 2600

Sent via email: ec.sen@aph.gov.au

Dear Committee,

Submission to Interactive Gambling Amendment (Prohibition on Credit Card Use) Bill 2020

We write to provide comment to the *Interactive Gambling Amendment (Prohibition on Credit Card Use) Bill 2020* consultation.

Suicide Prevention Australia is the national peak body for suicide prevention, we have over 300 members including the largest, and many of the smallest, suicide prevention and mental health organisations across Australia.

We welcome the opportunity to submit to consultation on the amendment and commend the Commonwealth Government for recognising the need for legislative reform in problem gambling to enhance protections of the health and wellbeing of Australians who gamble.

As detailed below problem gambling is a risk factor for suicide, we therefore strongly support the amendment which will implement a ban on the use of credit cards for online betting through certain regulated interactive gambling services, create a criminal offence and civil penalty provision for a person who accepts, facilitates, or promotes credit card payments for interactive gambling services, and provides for the Australian Communications and Media Authority to enforce and review the new requirements.

Links between gambling and suicide

Currently the evidence on the relationship between gambling and suicide is not comprehensive. However, we do know that gambling leads to financial distress, unemployment, and relationship breakdown: all established risk factors for distress and, sadly, suicide.

The 2015 HILDA Survey found that of the 6.8 million regular gamblers (39% of Australian adults) who lost an estimated \$8.6 billion, people experiencing gambling-related problems accounted for almost half (42% or \$3.63b) of the total expenditure that year¹.

Key risk factors for suicide such as financial distress and unemployment were found to be overrepresented sociodemographic characteristics among people who experience problems with their gambling i.e. had low incomes, unemployed, and live in low socioeconomic areas².

¹ Armstrong, A., & Carroll, M. (2017). *Gambling activity in Australia: Findings from wave 15 of the Household, Income and Labour Dynamics in Australia (HILDA) Survey*. Australian Government, Australian Institute of Family Studies, Australian Gambling Research Centre.

² Ibid.



Protective factors for suicide such as social support and connectedness in stable relationships, physical health, and employment³ are compromised by the financial harms associated with problem gambling (e.g. bankruptcy, inability to afford life essentials such as food, either losing or selling off assets to cover gambling debts or continue gambling, and job loss)⁴ leaving people vulnerable to risk factors of suicide. Of the population in Australia who are homeless, research indicates that between 15-20% are homeless due to a gambling addiction⁵.

Research has further found almost 1 in 5 people presenting with suicidality also experience problems with their gambling⁶. These include 76% experiencing depression and anxiety, 57% with alcohol problems, and 24% with substance use problems⁷.

Paul was a 32-year-old tradie, who prior to losing his job he was a responsible gambler. Once he lost his job, he spent his entire Newstart payments on gambling. He asked for financial counselling services. The bank repossessed his home without notifying his financial counsellor, and he suicided. People in trouble can't always get out of deep depression.*

Reported by frontline worker at Suicide Prevention Australia's Policy Roundtable on Problem Gambling & Suicide held 20 October 2020.

**Name changed to protect privacy*

Further action is needed

While we welcome the reforms in this amendment, we believe the Commonwealth Government should go further in reducing potential harms to the lives of Australians who engage in interactive gambling.

On 20 October 2020 we, in partnership with Financial Counselling Australia, held a policy roundtable on problem gambling and suicide which aimed to identify the key issues in gambling and suicide, and workshop pathways for reform. The roundtable was attended by 49 representatives from the gambling industry, government, banks, financial counsellors, therapeutic gambling counsellors, policy makers, coroner's courts, the suicide prevention sector, and people with lived experience.

Our brief submission will highlight recommendations from our policy roundtable along with relevant evidence for your consideration.

The need for stronger regulation of the gambling industry

Our roundtable identified the need for greater regulation of the gambling industry across jurisdictions in Australia. In particular, the need for restrictions on gambling companies use of personal information to target gamblers by offering incentives to gamble.

³ Life in Mind. (2020). Risk and protective factors for suicide, *Everymind*, available at: <https://lifeinmind.org.au/about-suicide/suicide-across-the-lifespan/risk-and-protective-factors>.

⁴ Browne, M., Rockloff, M., Hing, N., Russell, A., Murray Boyle, C. & Rawat, V. (2019). NSW Gambling Survey 2019, *NSW Government, NSW Responsible Gambling Fund*, available at: https://www.responsiblegambling.nsw.gov.au/_data/assets/pdf_file/0007/280537/NSW-Gambling-Survey-2019-report-FINAL-AMENDED-Mar-2020.pdf.

⁵ Ibid.

⁶ De Castella, A., Bolding, P., Lee, A., Cosic, S., & Kulkarni, J. (2011). *Problem gambling in people presenting to a public mental health service: Final report*. Melbourne: State Government of Victoria, Monash University.

⁷ Ibid.

Financial Counselling Australia's report into the impact of uncontrolled sports betting identified betting companies share client data among each other⁸. For example, when a client ceases gambling with one company, the company trades client lists with another company who then offers targeted incentives or enticements to the person so they begin gambling again with a new company⁹.

One participant at our roundtable was asked whether he would ever recover from his experiences with problem gambling, he responded:

There is no regulation it's as if they've opened up a highway and said gamble as much as you want and no one stops me. My first bet might be \$100 and my next one might be \$30,000 and no one says that should be an issue.

I seek a lot of help every day, it's very difficult when I still get calls from VIP managers asking if I would like to open an account. It's beyond me that I still get that.

The issue of data sharing and incentives has a significant impact on Australians who gamble as problem gamblers are being actively incentivised to resume their problematic behaviours, which can extend to resuming other forms of gambling e.g. electronic gaming machines.

Gambling companies are further not required to conduct financial risk assessments on clients prior to opening an account with the company. One participant at our roundtable shared how he would take out multiple credit cards and gamble 100% of the credit on each card, resulting in insurmountable debt.

While we welcome the new reforms targeting gambling providers, the prohibition of the use of credit cards will only apply to certain regulated interactive gambling services, we believe the Commonwealth Government can go further in regulating the gambling industry to protect Australians.

The need for a ban on gambling advertising

Of key concern among participants at our policy roundtable is the normalisation of gambling in Australian society due to gambling advertisements. This concern was mirrored by almost half of participants in the Australian Gambling Research Centre study into gambling behaviour during the COVID-19 pandemic who stated the change they most want to see is a reduction in 'gambling promotion and advertisements – especially related to sports betting advertising'¹⁰.

A study commissioned by the Victorian Responsible Gambling Foundation on young men and their gambling behaviours found on average participants had 4 separate accounts with online betting companies, and that gambling uptake was driven by promotions from betting companies¹¹. Australia needs national bans on gambling advertisements and inducements to gamble to reduce the harms of gambling.

⁸ Financial Counselling Australia. (2015). A report: Duds, Mugs and the A-list – The impact of uncontrolled sports betting, *Financial Counselling Australia*.

⁹ Ibid.

¹⁰ Jenkinson, R., Sakata, K., Khokhar, T., Tajin, R., & Jatkar, U. (2020). *Gambling in Australia during COVID-19*. Australian Government, Australian Gambling Research Centre.

¹¹ Jenkinson, R., de Lacy-Vawdon, C., & Carroll, M. (2018). *Weighing up the odds: young men, sports and betting*. Victorian Responsible Gambling Foundation

Conclusion

Relying on corporate social responsibility in circumstances where financial incentive exists for operators to not intervene is ineffective and unconscionable. Without stronger industry regulation, harm minimisation strategies are weakened in their ability to reduce harm among people who are either current problem gamblers or are at risk of becoming a problem gambler.

Recommendations

- **Strengthen privacy regulations for people who gamble to prohibit companies from sharing or selling client contact data among the industry.**
- **Require gambling company operators to conduct financial risk assessments.**
- **Ban all gambling advertisements and inducements to gamble in Australia.**

Once again, we commend legislative reform at the federal level to reduce harm and enhance protections of the health and wellbeing of people who gamble.

Yours sincerely

Nieves Murray
Chief Executive Officer
Suicide Prevention Australia