

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

Level 11, 257 Collins Street
Melbourne VIC 3000
PO Box 38
Flinders Lane VIC 8009
T: (03) 8662 3300
F: (03) 9663 6177
www.psychology.org.au

13 November 2012

To whom it may concern,

RE: National Gambling Reform Bill 2012 and other related Bills.

The Australian Psychological Society (APS) welcomes the opportunity to make a submission into the Senate Inquiry into the National Gambling Reform Bill 2012 and other related Bills.

The APS is the premier professional association for psychologists in Australia, representing more than 20,000 members. Psychology is a discipline that systematically addresses the many facets of human experience and functioning at individual, family and societal levels. Psychology covers many highly specialised areas, but all psychologists share foundational training in human development and the constructs of healthy functioning.

Our submission is based on our Review Paper [The Psychology of Gambling](#) and Position Statement [Gambling-related Harm: A Position Statement prepared for the Australian Psychological Society](#). These papers draw on the available evidence to provide recommendations for public policy and psychological practice with the aim of enhancing individual and community-wide mental health and wellbeing and reducing gambling-related harm.

We understand the purpose of the National Gambling Reform Bill 2012 is to 'reduce the harm caused by gaming machines to problem gamblers, and those at risk of experiencing that harm and to the families and communities of problem gamblers, and those at risk of experiencing that harm'. This will include requiring that:

- new machines manufactured or imported from end of 2013 be capable of supporting pre-commitment;
- all gaming machines are part of a state-wide pre-commitment system, and display electronic warnings, by 2016, with longer implementation timelines for small venues;
- a \$250 a day ATM withdrawal limit be set for gaming venues (other than casinos);
- the Productivity Commission undertake two independent inquiries. One in relation to any trial of mandatory pre-commitment systems, and a second inquiry into the progress that is being made by the industry in complying with the pre-commitment system and dynamic warning requirements and ATM withdrawal limits; and
- an Australian Gambling Research Centre be established within the Australian Institute of Family Studies.

EGMs and gambling harm

The APS is concerned that gambling has become increasingly accessible in the Australian community, with the proliferation of online gambling and the expansion of Electronic Gaming Machines (EGMs). While we recognise that there are many causes and consequences of gambling-related harm, gambling harm is a significant individual, community and public health issue, and effective interventions are needed to both reduce the potential for harm to the individual and his or her family, and address broader social, community, political and economic factors.

The APS recognises the differential levels of risk associated with different types of gambling or product, and acknowledges the overwhelming evidence indicating that most harm is associated with EGMs. While psychological treatment approaches and interventions for people who have developed problem gambling are essential, the APS considers that there are also significant structural causes of gambling-related harm that must be more effectively addressed. These arise from unsafe gaming products with intrinsic design features that have been associated with uncontrolled problematic consumption and impaired decision-making.

Given that most gambling-related harm is associated with EGMs, the APS has recommended that the Government focus attention on interventions aimed at protecting those most vulnerable from the harm they can cause. The APS Gambling Review Paper (2010) notes that the potentially most effective interventions involve changes to the gambling environment and gaming machines, for example, introducing mandatory pre-commitment, slowing down the machines, limiting bet amounts per spin, and reducing hours of operation.

APS Response to the National Gambling Reform Bill 2012

The APS supports the intent of the proposed National Gambling Reform Bill and related Bills to establish the infrastructure and mechanisms to introduce pre-commitment as a way of reducing gambling related harm.

In particular, we endorse the Bill's aims to:

- ensure that pre-commitment systems apply across all EGMs within the State or Territory in which the limit has been set;
- establish a limit period (of at least 24 hours) which will allow gamblers a worthwhile break from gambling upon reaching a limit; and
- impose a delay when someone wants to increase the amount they can lose or decrease their limit period, but enable them to decrease the amount they are willing to lose or increase their limit period as soon as practicable.

The APS also believes the Bill could be strengthened, in order to reduce the amount of gambling harm experienced by gamblers, their families and communities, by ensuring that:

- the pre-commitment system is mandatory, rather than voluntary, and operates independently of any venue loyalty scheme (as loyalty systems aim to encourage further gambling); and
- measures are introduced which protect the privacy of those who participate (register) in the pre-commitment system. Gambling venues, for example, should be prohibited from requiring people to allow the EGM industry access to their gambling history as part of their participation in the pre-commitment scheme.

The APS welcomes the proposed trial of mandatory pre-commitment and acknowledges that this Bill enables the establishment of the infrastructure for a pre-commitment system that would enable a player to set enforceable limits on how much they will spend or how long they will play – before they start gambling. However, we also believe that in the absence of a comprehensive evidence base regarding the effectiveness of such an innovation, governments have a social responsibility to protect the public from exposure to gambling products that are known to cause harm, that is, to apply the precautionary principle in regulating the operation of such products. The introduction of mandatory pre-commitment represents a socially responsible approach to the reduction of gambling related harm. The APS therefore believes that the introduction of voluntary pre-commitment should be just the first step in moving towards an effective mandatory pre-commitment scheme as a matter of urgency.

The APS also welcomes the introduction of an enforceable limit to the amount people can withdraw from ATMs at EGM venues. The ability to readily access cash at gambling venues has been linked to problematic gambling and gambling harm. We believe that the bill could be strengthened if this limit was lower than the proposed \$250 (evidence cited within the Productivity Commission 2010 report suggests a \$100 limit would be more effective in limiting harm among those with gambling problems). The APS further urges the government to consider the removal of ATMs altogether from EGM venues, where the removal will not cause

significant inconvenience to the local community due to a lack of alternative ATM or EFTPOS services, as suggested by the Australian Churches Gambling Taskforce's submission to the current inquiry.

The APS strongly supports the establishment of an Australian Gambling Research Centre. In particular, we support a centre that:

- is completely independent from the gambling industry, including that no research is funded directly by the industry;
- is adequately resourced to undertake the required research and the capacity to inform decision-making in relation to gambling-related policy;
- considers both the impacts and treatment interventions for individuals and their families, and the systemic and structural factors and solutions, in keeping with the WHO's Social Determinants of Health Framework that has been endorsed by the Australian Government;
- prioritises research to understand the impact of emerging forms of gambling, such as the interactive and online gambling including saturated, integrated and impulse gambling marketing strategies in sporting matches and particularly with regard to the influence on children and young people;
- works collaboratively with the Problem Gambling Research and Treatment Centre to further research for screening, assessment and treatment of problem gambling; and
- conducts rigorous evaluations of current interventions and treatment services and undertakes independent evaluation and research into the impact of policies designed to reduce gambling related harm.

The APS therefore expresses qualified support for the proposed National Gambling Reform Bill as part of a range of measures designed to prevent gambling-related harm. We also recommend the introduction of other interventions that involve changes to the gambling environment and gaming machines, such as reducing hours of operation, limiting the maximum payouts from EGMs, and introducing minimum bet sizes (\$1 limits). We also recommend that consideration be given to developing limits (caps) for the number of EGMs per community or location, particularly given the concentration and unequal spread of EGMs and consequent burden of harm within socioeconomically disadvantaged communities. This may also mean reducing the number of EGMs and venues in some communities.

The APS has no interests or affiliations relating to the subject of the consultation and the representations submitted, other than our concern that the Australian Government be well-informed and effective in its strategies.

Yours sincerely,

Heather Gridley
Manager, Public Interest
Australian Psychological Society