

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

Dear Committee Members

Pokies - The Insidious Scourge

I write to make a formal submission to the Committee's Inquiry into the prevention and treatment of problem gambling under (loosely) sections (e), (f), & (g) of the terms of reference. At the time of writing I have chosen to write anonymously as my situation is still quite raw for me and I do not want my 'outing' of myself as it were to impact adversely on, in particular, my close family members.

I want our politicians to sit up and take notice of: the insidious scourge of the pokies; and the detrimental impact to our society caused by the pokies. After reading this submission I urge you sit down with your family one evening and read the harrowing stories as posted on Gambler's Help Victoria Website <http://www.problemgambling.vic.gov.au/main/family-friends>. My story is not dissimilar to those posted therein. My problem gambling cost me my relationship and an awful lot of money. I understand that gambling is a part of our culture but it's the pokies that really plays on the vulnerable and those that can least afford the \$\$\$\$. One particular entry on the above link that struck a chord with me was "*Alan - December 17 2010*" please read it.

Several years ago I worked in the office of a hotel with a gaming room. I understand the maths and percentages behind the pokies. I saw what cut the venue received in commission and what cut the gaming commission received in taxes. It is absolutely appalling to do the maths. I would see the amount of commission the venue received (which from memory is approx 2.5% to 3%). – When I did the maths, I saw that in one moderately sized pokies venue the amount lost was some **\$200,000 DOLLARS PER MONTH**. (something like 91% of through put is returned to punters/paid out in winnings, leaving approx 9% in commissions. This 9% is represented by the \$200,000 mentioned above.) Multiply this across a region, across a state and across the country it is bordering on scandalous and is STAGGERING TO APPRECIATE THE VOLUME OF MONEY BEING GAMBLED ON POKIES ACROSS OUR COUNTRY.

DESPITE knowing the maths I was still drawn to the pokies. I regard myself as: well educated; insightful; aware of my emotions; for the most part compassionate and caring (I say 'for the most part' because if I were truly compassionate and caring I would have seen what it was doing to the people around me and addressed my gambling sooner); AND I am flawed in that I have had an underlying self-esteem issue that in part led me to the pokies. My flaw at first led me to not being completely honest with myself; then to not being completely honest with my partner, my family &

my friends; and then to lies that became bigger to the point where I felt the guilt and shame of my actions (as others on the link above) which made it all the more difficult to come clean about my gambling. Knowing full well that at some future point it would all come out but being in denial about my ability to control the situation. Now the pokies did not and do not cause my underlying problem but they are/were the biggest factor in exploiting it.

A common thread in the sad stories on the Gambler's help website is that many gamblers are able to keep gambling by keeping it secret. Presumably while ever it is secret a gambler's problems are not being addressed. The reason I am making this point is that I expect supporters of pokies might well argue that the statistics/research^A do not bear out the assertions that I (and presumably others) make. Why I'm making this point is to question the reliability of statistics given the secrecy by which many gamblers operate. Do statistics on problem gambling include all the gamblers who are lying about or hiding their situation?

What does it say about the emotional and psychological strength of our society when it appears to have, on a large scale, started 'using' or adopted the pokies as it's 'Soma' (Aldous Huxley 1932)

So I am herein doing what I as one voice in 23 million can do to urge you, the Committee, our political parties and governments to take significant and long term measures to reduce the detrimental social and financial impact of the pokies on our society.

I cannot help thinking of what a massive positive towards the productivity and output of our society it would be if the pokies industry were transformed (back?) into a food/hospitality/entertainment/tourisms/sport OR ANYTHING - ANY INDUSTRY that actually CONTRIBUTED to our society's general health and well-being, as opposed to sucking the soul out of it; taking from the poor and vulnerable in our society and giving to the club owners and the government. From my general reading/understanding of the cost of smoking to our society, the cost FAR outweighs the taxes the government gets from it. I would hazard a guess that if a full wholistic, economic analysis of the benefits versus the cost/detriments of the pokies were studied that the pokies would come out vastly high cost and vastly detrimental. ? Naïve??

The psychology around the pokies is also very interesting. Those that seek to profit from the pokies would have the resources to analyse what makes a gambler want to gamble more. The bells and whistles; the tunes; the images of happiness, wealth, and riches. The truth is SO far the other way. I would love to see for every spin loss an equivalent sound or display something like:

The television show 'Family Feud' Ba-Bom – I expect most of you know the one -where the square with a red cross flashes up on the screen;

Or perhaps a red flashing light with the word LOSER and a warning alarm like in a fire drill because THAT is much more the truth.

And then when a punter leaves a venue, to have broadcast over the PA system. *"Thanks for playing John. John has just lost most of his pay packet and won't be able to pay the rent for his family home. We hope you have a great week John. Oh and have a complimentary cheap coffee on your way out – it only costs us 25 cents per cup to provide it to you. We look forward to seeing you next Thursday, John, on pay day, bye for now"*.

For mine these are some powerful images. I can't see how clear thinkers couldn't see the barbarity of the pokies and question why we aren't doing more to reduce their detrimental impact to our society or ban them altogether.

I would also like to have the question asked of the pokies manufactures if the spins on a machine are in fact random. In Victoria I think they are required to return a minimum of 87% to the punter. That is 87% in the long run. Yet are they programmed to give higher spikes in returns in the short run so that the punter is, on a good day, falsely drawn in to subconsciously believing that the long run returns are greater than they in fact are? Are they also programmed to make the punter see an apparent near-miss on a jackpot or apparent near-miss free spins, again drawing in the punter into subconsciously believing that a jackpot or free spin is more common than it in fact is?

As with other industries where large scale change is involved (e.g.: logging; at times manufacturing) the cost of supporting the pokies industry to change might be a short term cost but I expect that the cost to all of us would be far less than leaving the industry in the status quo.

I would so love to see the likes of a Slater & Gordon take on a class action on behalf of gambling addicts for misleading & deceptive conduct apropos my discussion or the randomness of the pokies above (or whatever legal avenue they could apropos whatever aspect of the pokies that could be linked to same) against respondents like the venues & the governments. Just watch everyone run a mile from providing pokies if they were successful! (Some proceeds to go towards the victims of pokies; some towards re-inventing the industry?)

It may appear that I am seeking to blame the pokies for my situation, well at some level I am. In reality my vulnerability to the pokies was likely borne from my influences when growing up (still doing that) but I am in part every person, a mixture of positive and negative influences on my psyche. So if it can happen to me it can happen to many people.

I have had some willing debates with family, friends, and colleagues about the merits of state control/responsibility versus personal control/responsibility. One strident liberal minded colleague kept on asking me 'Where does it stop?'. Do we ban pokies, cigarettes, alcohol altogether. Do we limit every car to 60 km/h and have traffic lights at every intersection? If it's not pokies then it will be some other trigger that draws one into the depths of addiction of the likes of pokies. Well, I mulled this over for a while. I feel that the pokies ought to lie in our regulatory environment somewhere between cigarettes and illicit drugs, due to the wide detrimental impact it has on our society. Our governments have decided that for the betterment of our community that such as above need to be controlled. I think I have some of the tools to escape the void of the pokies, and feel I will beat it. Yet many, many do not until the ruin imposed by and on themselves and those close to them forces a change. The cost of the long journey from the depths of despair and addiction and the cost to our society that that involves is a cost that our community at large ought not to have to bear.

I liken the debate our community is having with regard to pokies to progress our society has made with regard to giving women and indigenous Australian's the vote and other issue where we have looked back at the decisions that were made to effect these changes and wonder how could we

have waited so long to make such changes. Will we look back in 10 or 20 years and say how could we have ever allowed the pokies to have had such a large unchecked detrimental impact on our society?

When will our government say enough to the taxes received from Pokies. I note in the media it is the clubs and pubs campaigning against pokies reform. I also note one Victorian AFL club has taken a principled stance in that the club has accepted a sponsor on the condition imposed by the sponsor that no revenue is derived from gaming. What an uplifting example of corporate responsibility. The players can play with more pride knowing that their remuneration is not harming their supporters. (Maybe I've just been sucked-in by this example. Do they just get a cut of the betting on football games instead?)

WHEN will governments take a commensurate responsibility and take a similar principled stance and decide to not receive taxes from pokies? (Hell freezing over??) It's a disgrace to see the taxes that governments get from pokies KNOWING FULL WELL that they are contributing to the misery that the pokies brings.

With the amount of community concern; the amount of media coverage; the amount of federal parliamentary to-ings & fro-ings around the detrimental effects of the pokies, a club owner or government would be hard pressed to argue that that they couldn't see the writing on the wall for their respective income streams from pokies. Knowing that the potential for significant and long term measures to reduce the detrimental impact of the pokies on such income streams were a potential eventuality, any half-smart club owner or government would or should be making plans to shift their business models away from pokies revenues. For those that didn't, it would show their own addiction to pokies and absolute lack of community concern that they claim to have.

I am on a path to reforming my ways and I understand that this path requires me to address my issues and for me to do what ever it takes. Arguably I might never have addressed my underlying issues had I not fallen into the void that is the pokies. But equally had I not, I would not have caused the harm to myself, my relationship my family & my friends. As I have embarked on this path and told my story to family & friends, I have received great support and understanding and some good strategies to follow. In one of my discussion a close friend made a salient remark. "There are professional card poker players; there are professional racing (horses & dogs) punters but there are NO professional pokies players". It says a lot, don't you think?

Lastly I refer back to "*Alan - December 17 2010*" wherein he refers to his son who has NO control over a family member's gambling. If the impact of problem gambling were not so far reaching then at some level I'm for letting people confront their issues themselves. But it is so far reaching. At the core life is about the people around us, learning & growing; and about what we do in difficult and adverse times. Getting over that hump can be the making of people but what can a child do when adversely impacted on by ----- **Pokies - The Insidious Scourge!??**

Please act to the best of your abilities to limit or end the detrimental impact to our society caused by the pokies as I am acting to the best of mine to see the same happen.

And in the words of the famous social activist the Reverend Desmond Tutu:
“HOW LONG MUST WE WAIT?”

Yours Sincerely

James

^AAfter writing above I started to research the stats available on the www. I looked at the Victorian Commission for Gambling and Liquor Regulation. It's all there plain to see. One of the stats that got me was the table below:

Population Stats – Victoria			
Adult population	4,322,850	Adults Per Venue	8,460
EGMs Per 1000 Adults	6.19	EXP Per Adult	\$613

So for every Victorian Adult \$613.00 per year is spent/LOST (am I reading this correctly). It could be argued that for a whole year one might have had \$613.00 worth of excitement and entertainment. But that assumes that every Victorian is average. Let's for argument's sake say that 25% of Victorians (it's probably less) gamble regularly on the pokies (*What IS the actual figure?*) and spend/LOOSE let's say 80% of the money (it's probably more) [I'm just clutching at what I guess is potentially the guts of it here – someone more qualified surely would be able to advise – but ball park it fleshes out the scenario]. That means each would spend/LOOSE approximately \$2000 per year!. I don't know what the strict definition of a problem gambler is, but if the average pokies punter is spending/LOOSING \$2000 per year then our society has a BIG PROBLEM!!!! Now of course many do gamble responsibly and would not spend near that amount so what are the others spending. I have spent a lot of time in pokies venues and I would hazard a guess that 90% of the people in there have to varying degrees a problem with it.

Go figure! Why why why why why are pokies legal to the extent that they are?