

AUSTRALIAN HOTELS ASSOCIATION

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

e-mail: gamblingreform@aph.gov.au

Dear Ms Beverley

Inquiry into the prevention and treatment of problem gambling

Introduction

The Australian Hotels Association (AHA) represents the interests of hotels throughout Australia. AHA members include small country pubs, urban hotels, four and five-star accommodation hotels and resorts. In excess of 70% of hotels in Australia are financial members of the AHA.

According to the 2009 PricewaterhouseCoopers report into the industry, hotels make a significant contribution to the Australian economy and Australian society.

Key findings of the report are:

- Hotels in Australia employ 188,862 people
- Hotels support the community to the extent of \$75 million each year
- Hotels spend \$72 million each year training staff
- In the absence of the hotel sector, Australian household consumption would contract by an estimated \$3.5 billion

In terms of responsible gambling, the Australian hotel industry has grown considerably since 1999. During this period many improvements have been made & we now operate in a highly regulated environment with an emphasis on harm minimisation.

The rate of problem gambling is now at record low levels in every State and Territory.

Since 2003/04 there has been 6 follow up surveys conducted across Australia. The rate of problem gambling has fallen in every survey.

Problem Gambling

Today the rate of problem gambling is at record low levels.

	Problem Gambling	Survey	
State	Rate	Size	Year
NSW	0.40%	10,000	2010
Queensland	0.37%	15,000	2008
South Australia	0.40%	17,000	2005
Tasmania	0.54%	4,051	2007
Northern			
Territory	0.64%	1,873	2005
Victoria	0.70%	15,000	2008

Note: Canadian Problem Gambling Index used - scores of 8+ indicate problem gamblers

The AHA believes prevention is better than a cure. We need to educate from a young age to ensure all Australians are able to make informed gambling decisions. We also need to build on our impressive track record of assisting those with a problem. Hotel gambling help programs have assisted thousands regain control of their lives over the past decade.

For those who slip through the prevention safety net free treatment has proven to be extremely effective. A 2008 survey of gambling counselling clients by the NSW Government found:

- 1 month after counselling 84.3% are better able to manage their gambling
- 3 months after counselling 92.7% are better able to manage their gambling
- 6 months after counselling 90% are better able to manage their gambling

The challenge now is to encourage all those who need help to obtain help.

The Consumer: protection and informed choice

Gambling is a recreational and entertainment activity enjoyed by millions of Australians. The overwhelming majority who gamble derive enjoyment from it.

Unfortunately for less than 1% of the adult population, gambling does create problems and the AHA supports targeted initiatives aimed at protecting and helping these Australians.

Recent research suggests the 18-30 age group are most at risk of developing problems with gambling. It is an unfortunate reality that many young people do not understand the odds when gambling and overestimate their chance of success.

¹ AC Nielsen (2006), Prevalence of Gambling and Problem Gambling in NSW – A community survey 2006, p44

The AHA believes there is a real need to include in the Australian school curriculum an education program delivering factual information on all forms of gambling to students before they reach legal age.

There is considerable research supporting this approach:

"interventions designed to inform new gamblers about the true odds and risks need to be targeted at young people before they can legally leave school (perhaps around 12-14 years of age), and be supplemented by information concerning irrational beliefs and fallacies associated with gambling."²

"It is expected that, once students have adequate awareness about the risks of gambling they will be able to determine whether they need to avoid the activity completely, know how to be careful if they elect to experiment with gambling, and make the decision to get help for any problems." 3

There have been some recent examples of State Government's taking the lead in this area.

In South Australia the 'Dicey Dealings' program was developed to allow school students to consider and understand potential consequences of gambling related choices. Evaluation of the program by the Department of Education and Children's Services was positive

"the education campaign had improved students' knowledge of the odds of gambling, given them a greater understanding of the randomness and chance, and enhanced student awareness of the risks of gambling, as compared with a group of control schools that had not been exposed to the curriculum materials."

In Victoria the 'You figure it out – Know the odds' program and in Queensland the "The Responsible Gambling Curriculum' program have both been promoted to school students.

Every effort needs to be made to ensure players are aware of their chances of success & are as informed as possible.

At present, schools throughout Australia teach students about safe sex, the dangers of smoking and drugs and the responsible consumption of alcohol. However, to adequately prepare students for life after school, gambling education needs to be included in the national school curriculum.

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² Delfabbro (2007). Australasian Gambling Review p36

³ Monaghan. S, The University of Sydney (2008). Role of Education in the Prevention of Youth Gambling Problems

⁴ South Australian Department of Education and Children's Services (2005). Quoted in Delfabbro (2008). Australasian Gambling Review p159

The AHA strongly believes the Commonwealth Government has an important role to play in the co-ordination and implementation of a national approach to gambling education.

Prevention - ATM Self-exclusion

The AHA with support of self-excluded problem gamblers and Australia's ATM Industry Reference Group⁵ have developed a simple, effective and practical solution to prevent problem gamblers withdrawing cash from ATMs.

Under the proposed ATM self-exclusion scheme, all gamblers, including problem gamblers will be able to set a daily ATM withdrawal limit or make changes to their accounts prohibiting the use of their debit card in ATMs located in licensed venues.

To assess the effectiveness of this scheme, the AHA sought the views of problem gamblers. Sweeney Research was engaged to undertake a phone survey of 1,713 problem gamblers who had self-excluded themselves from NSW hotels through GameCare. 6 The research methodology used was assessed and endorsed by an independent arbiter.

Sweeney Research has extensive experience in conducting gaming research, including over 10 years of involvement with problem gambling research for the Victorian Government.

An impressive response rate of 422 or 24.6% of self-excluded problem gamblers completed the survey.

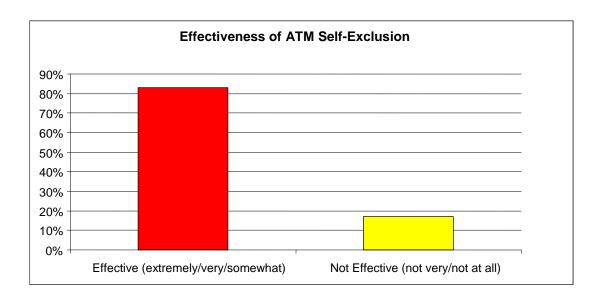
The problem gamblers were asked the following questions:

- 1. How effective or otherwise do you think an ATM self-exclusion scheme would be in helping problem gamblers control their gambling?
- 2. How likely or unlikely would you be to participate in an ATM self-exclusion scheme?

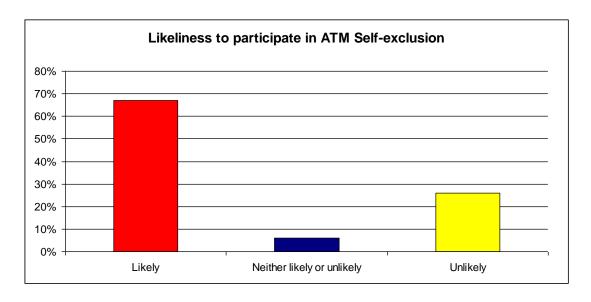
In summary, as shown in the tables below, problem gamblers overwhelmingly supported the proposed ATM self-exclusion scheme. Most believed the scheme would be 'extremely effective' in helping problem gamblers control their gambling.

⁵ Note: The ATM Industry Reference Group is made up off the four largest independent ATM providers in Australia who own & operate nearly 99 per cent of ATMs in pubs and clubs.(Glen, D. Chair ATM Industry Reference Group. Senate Standing Committee on Community Affairs. 12 September 2008)

⁶ Sweeney Research (2009) NSW Self-excluded problem gambler survey



When questioned whether they would participate in an ATM self-exclusion scheme that allowed them to limit their ATM withdrawals, problem gamblers were again overwhelmingly positive.



The principle of ATM self exclusion is supported by NSW IPART⁷:

"gamblers should be encouraged to better manage their expenditure on gaming machines by setting lower limits on their electronic cash withdrawal cards."

IPART also recommend the financial sector take action to establish such a scheme

"Consultation should be held with the financial sector to ascertain whether consumers can request lower withdrawal limits from gaming venues only. If this is possible, gamblers should be encouraged to use this

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⁷ IPART NSW (2004): Gambling – Promoting a culture of responsibility, p 103

facility as a tool to gamble more responsibly. If this is not possible, the financial sector should be encouraged to make this facility available."

Recognising the significance of the Sweeney Research into ATM Self-Exclusion, the Productivity Commission recommended:

"Were governments to introduce bans or withdrawal limits on ATMs, they could consider exempting venues with self-regulatory mechanisms that restrict ATM access — such as proposed by the ATM Industry Reference Group/Australian Hotels Association (NSW) and the RSL of Australia (Victorian Branch) — where they are proven to be effective in addressing gambling harms."

The AHA strongly believes the proposed ATM self-exclusion scheme is a sensible and practical solution to dealing with the issue of access to cash by problems gamblers in licensed venues.

The scheme is designed to meet the objectives of government, the general public, problem gamblers, the concerned sector and also industry. These objectives are:

- 1. to prevent problem gamblers withdrawing cash to play gaming machines
- 2. to not inconvenience 99% of the population who don't have a problem with gaming machines & use hotel ATMs to access cash for food, beverages or other items

Prohibitions on inducements & incentives to gamble

Since 1999 State & Territory Governments and industry have introduced a wide range of harm minimisation measures.

The Productivity Commission recognised the impressive list of responsible gambling initiatives introduced throughout Australia in its 30 page, 2008 document 'A National Snapshot of Harm Minimisation Strategies'.

These responsible gambling initiatives include the following highlights:

- A ban on accessing credit to gamble
- A ban of 24 hour gaming in hotels
- Staff are trained in responsible gambling
- ATMs and EFTPOS facilities are not permitted in gaming areas
- Caps on gaming machines
- Display of odds to players
- Warnings on machines
- Compulsory self- exclusion schemes
- Well funded treatment services
- Display of clocks

⁸ Productivity Commission, Inquiry Report: Gambling (2010) p 13.36

- Social Impact Assessment for gaming machine increases to gauge the impact of increased gaming activity on a local community
- Gambling awareness week
- 24/7 online counselling
- A national 1800 helpline

casino operator.

Currently there are a wide range of gaming restrictions in place across Australia⁹

Advertising restrictions ACT A mandatory Code of Practice restricts and governs advertising by all gambling licensees. NSW All off-premises gaming machine advertising, and gaming machine advertising outside venues is banned. NT Advertising must comply with the Advertising Code of Ethics as adopted by the Australian Association of National Advertises or the Advertising Federation of Australia. TV advertising must comply with the Federation of Commercial Television Stations (FACTS) Code of Practice. QLD Industry advertising is bound by the voluntary Responsible Gambling Advertising and **Promotions Guideline** SA A mandatory Code of Practice restricts and governs advertising. TAS A mandatory Code of Practice restricts and governs advertising VIC There is a ban on the publishing of any gaming machine advertising outside the gaming machine area of an approved venue or the boundaries of a casino. WA Gaming and Wagering Commission Regulations 1988 govern advertising for the

	Ban on inducements
ACT	No specific ban however the mandatory Code of Practice places restrictions on inducements
	including a prohibition on offering free or discounted alcohol.
NSW	Legislation bans gambling-related inducements offered by clubs, hotels and casino.
	Inducements cannot include free or discounted liquor or offer free credits to players.
NT	Bans on gambling related inducements.
QLD	No other legislated bans on gambling inducements however the voluntary QLD Responsible
	Gambling Code of Practice provides that gambling providers are to develop and implement
	strategies to ensure advertising and promotions do not involve any irresponsible trading
	practices by the gambling provider.
SA	The mandatory Code of Practice outlines a strict ban on all inducements.
TAS	Restricted by the mandatory Code of Practice.
VIC	No ban on inducements however provisions under the mandatory Responsible Gambling
	Codes of Conduct govern the activities of the gaming provider
WA	Gaming and Wagering Commission Regulations 1988 govern the activities of the casino.

ACT	Governed by the mandatory Code of Practice
NSW	Cash cannot be offered as a prize and the maximum value of prizes limited to \$1,000.
	Player activity statements must also be made available to participants.
NT	No specific provisions

 $^{^9}$ Australasian Gaming Council, 2012 & http://www.fahcsia.gov.au/sa/gamblingdrugs/pubs/NationalSnapshotHarmMinimisation/Pages/awarene ss_programs.aspx#3

SA	Governed by the mandatory Code of Practice
TAS	Governed by the mandatory Code of Practice
VIC	Loyalty programs must enable participants to set net time and loss limits and must
	provide participants with annual player activity statements.
WA	No specific provisions

Evidenced based Policy

Good policy is supported by clear and credible evidence.

In 2004, the NSW IPART recognised the importance of evidenced based decisions

"measures should be repealed or introduced only where there is clear evidence or broad stakeholder consensus that the measure is respectively ineffective of effective in achieving its objectives." ¹⁰

The history of gambling regulation in Australia is littered with 'knee jerk' decisions designed to deliver Government a political quick fix or appease a hostile anti gambling spokesperson.

This phenomenon is not new, with IPART acknowledging in 2004

"there is widespread stakeholder concern that many of these measures were introduced without any credible evidence of their effectiveness, and that their objectives and the process for evaluating them are not clear." ¹¹

Unfortunately it is evident little progress has been made over the past decade. Clearly it is now time to take stock and undertake a comprehensive evaluation of the many harm minimum measures implemented over the past decade.

A commitment to evidenced based policy making is long overdue. Now is certainly not the time to continue blindly down the path of announcing unproven harm minimisation measures. This type of on-the-run policy places at risk the sustainability of industry and the employment of thousands.

Treatment & self-exclusion

92.7% of problem gamblers said they were better able to manage their gambling habits after three months of counselling. 12

The above statistic produced by the NSW Government's Responsible Gambling Fund (RGF) clearly shows the effectiveness of treatment.

Today all gamblers have access to free and confidential help or advice where and when they need it.

¹⁰ IPART NSW (2004): Gambling – Promoting a culture of responsibility, p 6

¹¹ IPART NSW (2004): Gambling – Promoting a culture of responsibility, p 23

¹² NSW Responsible Gambling Fund (2 March 2009)

In NSW alone, the NSW Government has allocated more than \$100 million through their responsible Gambling Fund (RGF) since 1995 to help people with gambling problems. This funding has supported quality counselling services, research, education and other community projects.

This comprehensive support is mirrored in all other Australian States & Territories and pleasingly, research has shown these services are having a positive impact.

In NSW the RGF undertakes client follow-up research into the effectiveness of their counselling services. The most recent survey was conducted in December 2008 to assess the impact of counselling upon those with gambling problems.

Respondents were asked how they felt their ability to manage their gambling habits had changed 1, 3 and 6 months after attending counselling. Further questioning asked about changes in the amount of gambling undertaken, the amount of time spent gambling, and changes in their motivation to gamble.

Respondents to the initial survey 1 month after counselling were contacted again 3 months after counselling, with the respondents to the 3 month survey contacted again after 6 months. ¹³

As can be seen in the table below, these gambling help services are achieving extremely positive outcomes with 90% of clients reporting being "better able to manage their gambling" 6 months after attending counselling. Importantly, many of these people will have stopped gambling entirely.¹⁴

1 MONTH (total respondents = 191)								
Better Able to Manage = 84.3%		No Change / Unsure = 14	1.7%	Losing Ability to Manage = 1%				
	Decreased	No change	U	nsure	Increased			
Amount	161	19		3	8			
Time	167	16		3	5			
Motivation	150	23		4	14			
3 MONTHS	(total respondents	= 55)						
Better Able to Manage = <u>92.7%</u>		No Change / Unsure = 7	No Change / Unsure = 7.3%		Losing Ability to Manage = 0%			
	Decreased	No change	Unsure		Increased			
Amount	52	3	0		0			
Time	52	2	0		1			
Motivation	52	3	0		0			
6 MONTHS	(total respondents	= 20)						
Better Able to Manage = 90%		No Change / Unsure =	5%	Losing Ability to Manage = 5%				
	Decreased	No change	U	nsure	Increased			
Amount	19	0	0		1			
Time	19	0		0 1				
Motivation	19	1	0		0			

¹³ NSW Responsible Gambling Fund (2 March 2009)

¹⁴ NSW Office of Liquor, Gaming & Racing. March 2009

It is clear treatment is effective for those problem gamblers who receive counselling.

However, research suggests far too few problem gamblers currently seek help, with only around 10% seeking formal assistance in a given 12-month period.¹⁵

There is an urgent need to rectify this situation. Industry & Government now spend millions of dollars on gambling counselling and treatment services. However it is apparent our immediate focus needs to shift towards encouraging those with a problem to seek help.

The AHA recommends the Commonwealth Government, through the Ministerial Council on Gambling create a government, industry & community sector working party to urgently develop a national strategy focused on ensuring more problem gamblers seek help.

Gaming Care case study - South Australia

In South Australia Gaming Care is the Hotel Industry's Early Intervention Agency. The hotel industry has developed this significant initiative aimed at reducing the level of problem gambling in the community.

Gaming Care currently employs 8 full time officers and administrators to support the Hotel management and staff in identifying and supporting problem gamblers.

Gaming Care's core business can be summarised as follows:

- Assist gaming venue owners, licensees, managers and gaming room staff in the early identification of, and support for patrons who may be at risk of or experiencing difficulties with their gambling behaviour
- Facilitate open lines of communication with gaming machine venues and gambling help services at the local level
- Assist in developing and promoting initiatives, programs and venue policies designed to address problem gambling
- Provide practical assistance to gaming licensees and managers in relation to compliance with regulatory Responsible Gambling and Advertising Codes of Practice
- Undertake audits to assist gaming venues comply with the regulatory codes of practice with a particular focus on patron intervention

In essence, Gaming Care's core business is to support the Hotel industry and individual venues, their management and staff, to identify problem gamblers and facilitate early access to gambling support services by those gamblers i.e. early intervention.

In 2006, South Australia's Independent Gambling Authority (IGA) in its "2004 amendments inquiry", acknowledged the significant commitment made by the Industry through the Gaming Care initiative and announced publicly that;

¹⁵ Delfabbro, P. (2007). Australasian Gambling Review p175

"If it were not for the emergency of Gaming Care and Club Safe... the Authority would now be recommending further serious machine number reductions directed at achieving a 30% reduction in the number of premises with gaming..."

Gaming Care is an integral part of the South Australian Industry's response to the issue of minimising harm and as a result ensuring the sector is maintained as a socially responsible and economically viable industry.

Gaming Care together with the key initiatives being undertaken by Industry through the Responsible Gambling Working Party and tasks such as the AHA-SA Paul Delfabbro research project would suggest that the level of cooperation, mutual respect and sensible exchange that occurs in this jurisdiction is unique and worth emulating.

GameCare case study – AHA(NSW) long-term commitment to responsible gambling In December 1999, the NSW Branch of the Australian Hotels Association appointed a specialist gambling counsellor as part of our on-going commitment to the responsible service of gambling. This appointment was the first of its kind in Australia.

In February 2002 the AHA (NSW) began operating a self exclusion program as a voluntary initiative - two years prior to the introduction of mandatory self exclusion.

Over recent years, GameCare has formed strategic partnerships with CatholicCare and the Multi-cultural Problem Gambling Service to enhance the service provided to problem gamblers. Recently the AHA funded the production and distribution to all member hotels of a poster providing gambling help and treatment information in 20 different languages. (below)

If gambling is causing problems in your life you can get help

phone: 1800 856 800 www.dhi.gov.au/mpgs



Multicultural Problem Gambling Service is a joint initiative of the Community Relations Commission for a multicultural NSW and Sydney West Area Health Service. Financial assistance for MPGS is provided by the New South Woldes Government from the Responsible Gambling Fund (RGF). The views expressed in this publication however, are solely those of the authors.

For assistance outside Multicultural Problem Gambling Service, please contact the G-Line problem gambling information, counselling and referral help line on 1800 858 858 which operates 24 hours, seven days a week.

Since its inception GameCare has assisted more than 3,400 people with Harvard University's Centre for Addictions Associate Director of Research Richard LaBrie recently describing GameCare as a world leader in the provision of industry assistance for problem gamblers¹⁶.

A strength of GameCare is a that it is a state-wide program where a problem gambler can self-ban from the gaming areas of the hotel(s) in their district, no matter where they live, irrespective of the cost — which is borne by the AHA. This removes the need for the client to visit each venue as this is recognised as a disincentive for participation.

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¹⁶ R. LaBrie. Ass. Dir. Division on Addictions, Harvard Medical School, June 2005.

Anybody wishing to ban themselves from using gaming machines can contact the AHA via a toll-free number and forfeit their right to be in any area of the hotel set aside for gaming purposes.

Macquarie University Assessment of NSW GameCare

In 2003, the AHA (NSW) submitted GameCare to Macquarie University for independent performance assessment. Macquarie University found GameCare services are profoundly valuable in assisting problem gamblers. Some of the specific findings are:

- 88% of surveyed participants found the self-exclusion program to be satisfactory for their needs;
- 76% of surveyed participants found themselves financially better off after participating in the self exclusion program;
- 65% cited significant improvement in their personal relationships as a result of participating in the program;
- More than 70% reported significant reductions in the money spent on gambling as a result of participating in the program;
- Of those participants who breached their self exclusion agreement, 63% received direct intervention from the hotel staff.

Self Exclusion – the ideal model

In 2009, the AHA engaged the services of Sweeney Research to obtain the views of problem gamblers on the ideal self exclusion model.

More than 400 GameCare clients, all of whom have experienced self-exclusion as a recovery tool, answered a series of questions related to self exclusion programs.

The survey of problem gamblers found:

- To be able to self-exclude from a multitude of locations in just the one meeting is a service that 92% of those surveyed consider important or very important.
- 85% consider being able to apply for self-exclusion somewhere confidential and private is seen as important or very important.
- 84% consider being able to self-exclude at a location close to home/work as important or very important.
- 73% consider being able to apply for the scheme outside of normal working hours as important or very important.
- Self-excluding at a place away from the gambling venue is something that 74% of respondents believe important or very important.
- 84% of those who've experienced self-exclusion considered that being attended to by a professional who understands their problem is a factor that is important if not very important.
- 86% consider it to be important or very important that they can arrange their self-exclusion at short notice.

Different self exclusion schemes have been operating throughout Australia for the past decade, with independent research finding they have been extremely effective. The AHA believes it is now time for the Ministerial Council on Gambling to assess the strengths and weaknesses of each scheme, to allow for the development of the most effective national self exclusion model.

Yours sincerely

John Whelan Director of Responsible Gambling