

Relationships Australia

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

Introduction

This submission is written on behalf of the federation of Relationships Australia organisations. It represents our perspective on gambling reform, and particularly on a proposed pre-commitment scheme for use of Electronic Gaming Machines (EGMs) around Australia. Four of our member organisations, namely Queensland, South Australia, Victoria and Tasmania, provide specialist counselling and support for problem gamblers and their families. This submission takes into account their views in particular.

Each Relationships Australia organisation provides a range of services including relationship counselling, family support and family dispute resolution. Services are funded by the Commonwealth Departments of Attorney-General, and Families, Housing, Community Services and Indigenous Affairs, as well as State and Territory Governments. Gambling support programs in the above four jurisdictions are funded by their respective State Governments.

We are committed to social justice and inclusion, and respect the rights of all people, in all their diversity, to live with dignity and safety, and to enjoy healthy relationships.

Relationships Australia welcomed the release of the Productivity Commission's report into gambling in Australia in early 2010. We note that the pre-commitment scheme being considered by the Joint Select Committee aligns with recommendations made by that Commission. While we are interested in all facets of problem gambling and would welcome other opportunities to comment on various aspects of the issue, this submission focuses solely on pre-commitment schemes for EGMs.

We look forward to an opportunity to make oral submissions when the Committee visits Tasmania in February.

Submission

The Productivity Commission reported on the extent of gambling on EGMs in Australia. In 2008/09, more than \$10.5 billion was spent on EGM gambling. Around 80% of all problem gamblers use EGMs. Regular players are estimated to spend on average around \$7,000 - \$8,000 each year on EGMs – with many problem gamblers spending significantly more than that.

Problem gamblers, in Relationships Australia's experience, are drawn to EGMs for a number of reasons. It fulfils a need in some for a social outlet (often for those who are otherwise socially isolated), and is an effective occupier of time – EGMs can keep users fixated for many hours at a time in an elevated state of anticipation and hope. For others, it is an escape or distraction from feelings of grief and stress particularly at times of personal and relationship crisis. The problem itself can lead to relationship breakdown; and many gamble [and lose] against homes and other major assets. There are high levels of social stigma associated with problem gambling that result in it being kept secret (even from close family) in many cases. Some commit crimes to perpetuate the habit. There is no doubt that problem gambling has a major negative impact on the lives of many problem gamblers and their families, and has a significant ongoing financial and social cost in Australia.

In our view, the introduction of a pre-commitment scheme would have a number of significant benefits that include bringing problem gambling into the light in a way that allows those choosing to gamble to make conscious choices in full knowledge of the consequences prior to engaging in gambling activity, and with information about financial and personal assistance available, should they believe their practice is out of control. Set out below is a series of recommendations to the Committee relating to elements of a pre-commitment scheme.

Recommendation 1

In Australia, responsibility for regulating and licensing EGMs rests with the eight States and Territories. We recommend that, in order for the scheme to be successful, a national mandatory pre-commitment scheme be implemented, with uniform laws and standards in each jurisdiction and a coordinated approach to infrastructure, systems, procedures and consistent information for those using EGMs.

Recommendation 2

In order for a pre-commitment scheme to be equitable, non-transferable and fraud-resistant, a number of controls are required. We recommend that pre-commitment schemes be mandatory in all States and Territories, with all gamblers (regular and casual) being required to pre-register (using the 100-point identification system), that all registrants be given full information about their rights and responsibilities and services available to assist them, including information about how EGMs work and the risks and possible consequences if risks are not managed; and that registrants provide bank account details, in order that winnings over a pre-established limit (say, \$200) be paid into those accounts, rather than being available in immediate cash or credit to them. (An alternative to the last condition would be a cashless card system – see Recommendation 4 below.)

Recommendation 3

We recommend that biometrics of some type (for example facial recognition, fingerprinting or iris image) be recorded at the time of registration and that biometric readers be installed at each EGM in order that accurate tracking can occur of each person's gambling activities and to ensure that those who have reached their limit do not use others' cards or devices to continue betting. Proper registration would also reduce the numbers of minors gambling.

Recommendation 4

We recommend that consideration be given to a cashless card system for gamblers to use up to their maximum daily/weekly limit. Winnings could be paid onto the card's account, while limiting the user to their pre-set daily limits. This would provide further security against use of others' identifications, when gamblers have reached their daily limit.

Recommendation 5

Should a system based on cash be used, we recommend that gambling venues do not have ATMs located within them. Alternatively, should it be decided ATMs should be available, we recommend that a predetermined daily withdrawal limit per customer be imposed at each venue.

Recommendation 6

In terms of pre-set limits, we recommend that a request to reduce a daily limit be implemented immediately, that a request to increase the daily limit have a cooling-off period before it is implemented, and that an option to have no limit (effectively opting out of the system) be unavailable.

Recommendation 7

The current maximum bet per play is \$10, leading to a potential loss per hour of up to \$1,200. We recommend that the maximum bet per play be mandatorily reduced to \$1, with a potential hourly loss of \$120. Further we recommend that each machine provide clear information to players about potential hourly losses at various betting levels.

Recommendation 8

We recommend that at the point of initial registration and whenever increases to pre-set limits are sought, information about problem gambling help services be provided to registrants.

Recommendation 9

We recommend that all information about the pre-commitment system, information about gambling on EGMs and information about help services be available in a range of languages and formats, in order that those with literacy problems, those from culturally and linguistically diverse backgrounds, and those with intellectual disabilities all have an opportunity to understand the scheme, the financial implications of gambling, and support services available.

Recommendation 10

We recommend that sufficient resources be devoted to a national education program about a pre-commitment scheme well before its introduction in order that people using EGMs post-implementation do so with enough knowledge to make informed judgements.

Additionally, we support recommendations of the Productivity Commission in respect of allowing/encouraging players to see their transaction history and respecting/ensuring players' privacy.

While we have appreciated this opportunity to make submissions on reforms relating to use of EGMs, we would also welcome future opportunities to discuss harm minimisation reforms relating to other forms of gambling.

We recognise that regulation of on-line gambling is problematic in terms of jurisdiction because of its internet presence, but it is a mounting problem about which we are increasingly concerned.

Thank you for considering the issues raised in our submission.

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