Gambling Impact Society (NSW) Inc.
Response to the review of the Gaming Machines Act 2001
Discussion Paper

The Gambling Impact Society (GIS) acknowledges the Gaming Machines Act 2001 introduced a series of reforms to "address the community concerns about the increase of gaming machines in the community and introduced further control to reduce harm associated with problem gambling". We welcome the opportunity to contribute the to this discussion paper in light of continuing community concerns about gambling, particularly in regards the harm caused by the plethora of gaming machines in the NSW community.

At outset we acknowledge that this bill forms part of a number of measures to address problem gambling. **However, we are also aware of feedback from GIS consultations with the community sector at the Responsible Gambling Awareness Week (RGAW) seminar in Sydney May 7th (see RGAW Vision Workshop Feedback, Appendix 1) of a number of significant concerns with the current approach to problem gambling.** Issues raised relate particularly in relation to governance, lack of strategic alliances, social marketing & planning and the absence of an integrated approach to gambling risk and gambling harm.

It is apparent, that there is particular concern about the inability of the current policy with it's focus mainly upon tertiary treatment for problem gambling, failing to address harm along the full continuum from those "at risk" (level 1) to more serious levels of problem gambling (see Productivity Commission , 1999, fig 1) and consequently a lack of specific models of health promotion or early intervention to address this.

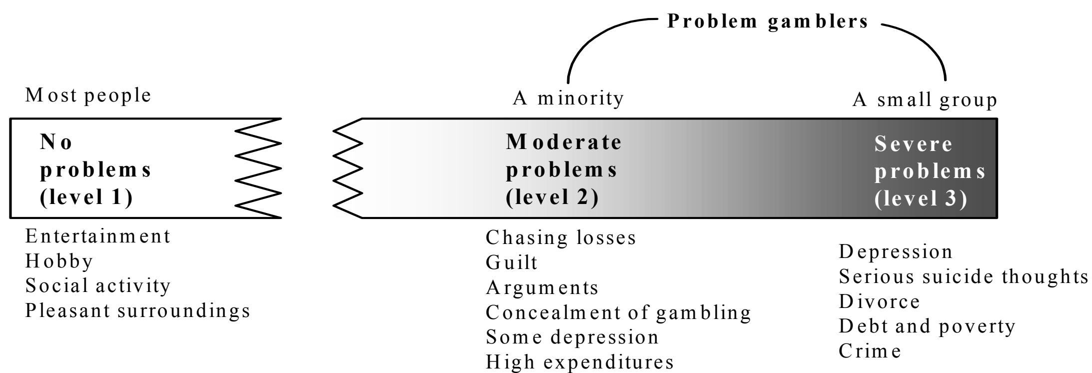


Fig. 1 (Productivity Commission,1999)

In effect this approach "closes the door after the horse has bolted' and places emphasis upon a medicalised model of approaching problem gambling from an individually focused pathology. This is in direct contrast to current international trends in approaches to problem gambling, Australian approaches such as those applied to drug and alcohol problems and contrary to Australian gambling academic researchers. To quote professor Jan McMillen, Director, Centre For

Gambling Research, ANU (presentation given to RGAW seminar 2006), "Gambling lies on a continuum of problems (*there are*) no psychiatric or psychological predictors, anyone can develop a gambling problem .Problem gambling affects individuals, families & community".

The perpetual reliance upon this traditional treatment model in NSW fails to take account of research, which since 1992, has identified the approach as a model whereby *"individuals are identified and treated for their gambling problem, often through government funded treatment programs, and are held accountable for their health. The weakness of such an approach is that it is temporary, palliative and fails to alter the underlying causes of the problem* (Rose, 1992 as cited in Messerlian et al, 2004).

The GIS is therefore concerned that this Gaming Machine Act is once again being reviewed in isolation from other strategies and without the benefit of an overarching epidemiological/public health approach to the issue to guide legislation, policy and practice.

Public health approaches including health promotion, have a strong evidence base and have been widely adopted with other population health issues such as drug, alcohol and tobacco use along with pandemics such as AIDS. More recently several international researchers have identified this approach as having likely benefits for gambling and its social health problems (Korn & Shaffer, 1999; Shaffer & Korn, 2002; Korn, Gibbons, & Azmeier, 2003; Messerlain et al, 2004). It is suggested that unlike substance abuse, problem gambling is not a discreet disorder but may involve a range of accepted behaviours occurring within a subculture":

> "*I see pathological gambling as probably non-existent as a discrete entity. Evidence ... suggests that people who gamble may at times exceed certain arbitrarily defined limits... They may reflect little excesses, large excesses, episodic behaviour, frequent behaviour, accepted behaviour in a sub-culture, not accepted behaviour in a family culture*" (Allcock 1995, p. 114).

One of the fundamental recommendations of the 1999 Productivity Commission's report into gambling in Australia was the adoption of an epidemiological /population /public health approach to gambling as illustrated by the model *Fig.2.*

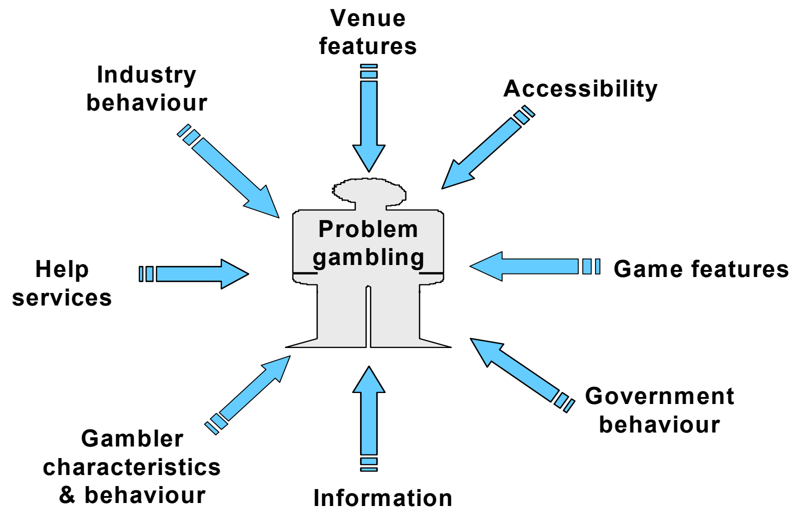


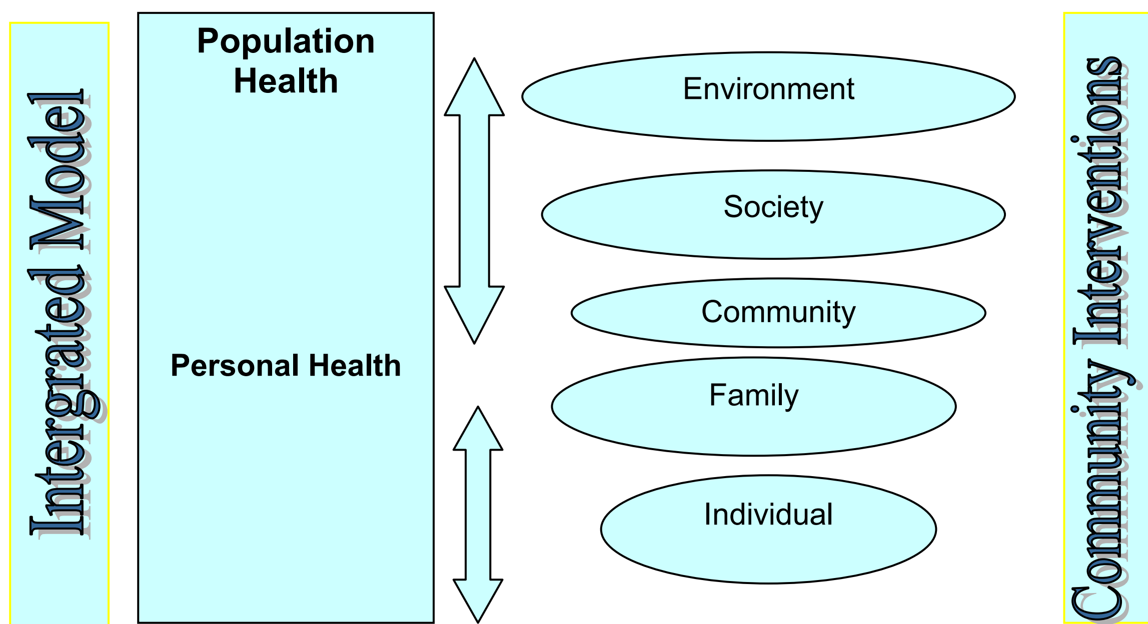
Fig2: Problem Gambling Epidemiological Framework (Productivity Commission, 1999)

A public health approach to problem gambling promotes a sociological understanding of behaviour accepting the likely influences on individual behaviours from a range of social, cultural, political, institutional and environmental factors and places the problem clearly within an epidemiological framework (see Fig. 2, Productivity Commission, 1999). This shift in thinking goes beyond the more traditional medical model of problem gambling with its emphasis on "treating" individual behaviour, defining the more extreme levels of gambling behaviour (pathological gambling) within a mental health framework (American Psychiatric Association, 1994).

This shift in paradigm underlies many of the recommendations of the 1999 Productivity Inquiry. The operationalisation of this paradigm requires a change in approach from an individual treatment/behavioural focus to a more inter – sectoral community response to problem gambling at an individual, social, political, environmental and cultural level. For instance, there is a current preference in the industry to focus upon only those who gamble with regards informed consent and target only those who gamble as the primary audience for "responsible gambling measures" as proposed by the "Reno Model".

In contrast a public health approach to gambling (Fig 3) would consider the total population, to be potentially at some level of risk and therefore benefiting from education, awareness programs and then targeted prevention programs to particular sub-groups as opposed to just those who are currently gambling.

Fig 3. A Public Health Approach (De Silva,2007)



In 2003 our neighbours in New Zealand enshrined this approach (Fig.3) in their Gambling Act (Health Sponsorship Council Report, 2006) and since that time have developed a range of comprehensive, innovative and effective health promotion & harm reduction strategies.

Key Features of an Integrated Health Promotion Model:

- Develop a mix of interventions (individual and population strategies)
- Build capacity for internal and external workforce by delivering workforce development training
- Develop Leadership skills
- Effective partnerships –inter and intra agency partnerships
- Involvement of broad range of sectors (non-governmental, governmental, PHC, schools, workplaces)
- Support organisational development
- Strengthen systems
- Build sustainable models

(De Silva, 2007)

It is time our community gained an equal legislative & policy framework for those detrimentally affected by gambling problems.

In NSW this is 5% of the NSW (AC Neilsen, 2006) adult population at some level of risk, and for every one person gambling problematically, 5- 10 others (Productivity Commission, 1999) making a staggering number of NSW constituents waiting for their issues to be seriously addressed.

In addition we would suggest that the current focus upon informed consent within the current Responsible Gambling policy direction has significant limitations when considered within the context of psychological interactions between EGM's and those who gamble on them. This is evidenced by Mark Dickerson in his 2003 report which states that "*in the case of regular gamblers the issue not one of pathology but that strong emotional/psychological responses during a session of play is a natural human experiences.* ***The expectation that the player will be able to continue to make controlled, informed, rational decisions during such a session of continuous gambling is unfounded***" (Dickerson, 2003).

In light of such evidence and in accordance with IPART 2005 requirement of evidence based practice to guide policy, we consider a more appropriate policy would include effective consumer protection measures within a Public Health Approach to gambling.

There has been over time sustained evidence produced to identify EGM's as the main cause of gambling harm in the community (AC Neilsen 2006, Productivity Commission 1999, Annual Reports from OLGR of those seeking treatment for gambling problems). It is therefore paramount that issues of product safety and guides for safe practice must be considered a priority in any legislative review of these forms of gambling. The ongoing marketing and community use of these devices without such measures would appear unethical, irresponsible, and indeed possibly constitute unconscionable conduct and breaches of duty of care.

The advancement of computer technology has been a major bonus to the gambling industry within the context of gambling technology, rate of play, financial transactions and product development. We believe that such advances could equally be brought to the benefit the consumer, with consumer protection measures to reduce harm and enable early intervention through identification (by player tracking) of those who may be developing problems with gambling. This is currently possible through existing playing tracking mechanisms and consumer protection devices available through smart technology. We understand such models have already been trialed in Nova Scotia, Canada and indeed USB type devices with personal identifiers (finger print) are already available in Australia (Council of Gamblers Help Services Conference, June, 2007).

We therefore suggest that along with this discussion paper there should be significant consideration of the benefits of these approaches to limiting harm. Continued development of the gambling industry in Australia and gaming machines in NSW should not be supported without such consumer protections in place.

It is stated that in 2006 the NSW Government asked IPART to identify areas of regulation imposing a significant unnecessary regulatory burden on business and the community with the suggestion that any excess regulation may be reduced. The GIS does not seek to impose any such unnecessary burden but would consider that the current regulatory framework does not go far enough in addressing the real issue of problem gambling, and that without a significant change in product safety, consumer protection and a comprehensive public health approach to gambling within NSW, there should be no lessening of regulations. Current policy seems to indicate the proof of harm lies with the community as opposed to the onus of proof of product safety lying with the manufacturers, industry and licensing bodies (NSW Govt.) which applies to any other product brought into the market place. The NSW Govt., manufactures and the Industry have let this "genie out of the bottle" it is not up to the community to have to prove why such a product requires more control. In the words of McMullen, 2005***, "Responsible gambling entails consumer protection. Until the latter is ensured, the former is empty rhetoric".***

The GIS and in accordance with many of the issues raised at the RGAW seminar, consider the needs of problem gamblers, their families and those at risk of problem gambling are best served through a public health approach to gambling. We believe that the development of such a policy is unlikely whilst all gambling policy remains within the NSW Office of Liquor Gaming & Racing (OLGR), a regulatory body for the gambling industry. Whilst we acknowledge areas of common interest, it is unlikely that significant strategies for gambling harm reduction or indeed elimination will occur whilst policy direction remains within this department. We believe there is an inherent conflict of interest in the current situation. The development of harm reduction policies, human service programs such as problem gambling treatment, early interventions, health promotion and community education would be more appropriately placed within the NSW Department of Health.

Whilst we accept the need for congruence between proposed public health policy developments, industry licensing and legislative regulation, we do not believe the interest of all stakeholders are best served in the current arrangements. Precedents already exist for similar public health issues such as alcohol related harm and problem drinking. **The OLGR, whilst the licensing and regulatory body for the industry and legislator for Responsible Service of Alcohol, does not hold the responsibility for the development of policy or delivery of health promotion, community education, early intervention or treatment services for problem drinking. These are clearly located within the NSW Dept. Health and the NGO sector through the NSW Health NGO grants program. Such precedents should provide a model for gambling.**

The benefit of such a model, clearly underpinned by human service philosophies, practice skills and experiences and existing accreditation processes would have

significant benefits to developing an integrated approach across the State and reduce existing duplications and unnecessary expenditure. As an example, one questions the amount of public funds already dedicated to the development of Quality Management Systems (QMS) for gambling treatment services, accreditation for services, qualification mapping for counsellors, Recognition of Prior Learning (RPL) programs and Ethics & Complaints bodies. The NSW Health Department already has such service standards in place and appropriate registration bodies for professional counsellors. Why are we reinventing wheels?

In addition, the current provision of treatment services by some Non Government Organisations (NGO's) has led to minimal qualification standards for staff in this area of counselling. Problem Gambling Counselling often involves working with significant co-morbidities such as depression, anxiety, other addictions and mental health disorders. Counsellors with Social Welfare/TAFE vocational qualifications are not trained in these areas and this leads to an unsatisfactory standard of service for clients at their most vulnerable. The delivery of such service through the public health system would ensure quality standards and professional counselling qualifications at the most appropriate minimal skill level for this client group (psychologist/social worker/degree qualified counselling) with additional specialist training in problem gambling made available, as in other areas of health specialties. Those affected by problem gambling would be assured of a quality service something which they have significant concerns about at present.

The current arrangement has allowed a significant number of unqualified staff to be employed as problem gambling counsellors, often with minimal skills or experience and lowly paid. The many NGO's who have employed staff on minimal wages have failed to attract more qualified staff as a result. For example, in our own area, the recent closure of the Illawarra Health Service Problem Gambling Service, after 8 yrs of service, has meant that consumers in the Shoalhaven no longer have access to professionally qualified staff. The NGO which subsequently received the reallocated funds (same amount of funds) has advertised for staff with lesser qualifications and proposes to employ staff on workplace agreements with substantially lower salaries. This is despite receiving the equal amount of funds from the Responsible Gambling Fund (RGF) which had formerly employed senior psychologists and social workers under the Community Health auspice. The South East Sydney & Illawarra Health Service chose to no longer provide the service as it was not considered "health core business". In the absence of a central NSW Health Department commitment to problem gambling as a public health issue and in the absence of mainstream funding there was little incentive to maintain the service within a restructuring Area Health Service. Once again those affected by problem gambling are marginalized.

These arrangements result in inequitable services for clients and a lack of confidence in service competencies. Concern is raised about potential risks for

both inexperienced staff and vulnerable clients. There is no accountability in the current OLGR/RGF system to employ appropriately qualified staff and the proposed minimal qualification problem gambling diploma (non-professional, lower tertiary, welfare equivalent) is far too low. In addition, the 3 year RGF competetive tendering process, undermines job security for staff and inhibits close working relationships between counselling services (see feedback from RGAW Vision Workshop : Appendix 1). Employing bodies often have minimal skills in managing professional counselling staff or providing adequate support or supervision. Consequently, the problem gambling counselling sector suffers from high levels of staff turnover, fails to attract senior professional graduate counsellors with a broad skills base and experiences and potentially leads to a poor standard of client services.

We are fully aware that the Independent and Regulatory Tribunal (IPART) 2004 recommendations for the OLGR were to either hand over treatment services to the NSW Health Department or develop a relationship with the department. We understand that the OLGR opted for the latter with the formation of a Advisory Committee to PG treatment services to have representation from the NSW Health Department to be organized through David McGrath - Director of Drug & Alcohol Service, NSW Dept. Health. However, to date we believe this committee has never met. We do not believe the NSW Dept. Health has the political will without the RGF funding and the ability to mainstream problem gambling into its core business. Nor do we believe that the OLGR has the organizational culture, skills or experience to deliver a comprehensive Public Health approach to gambling.

We are therefore strongly of the opinion that the funds for Problem Gambling, research, education, and treatment should be redirected to the NSW Department of Health. In addition there should be a legislative mandate for the NSW Department of Health to develop a comprehensive Public Health Approach to gambling similar to models currently employed in relation, to other health issues such as Drugs, Alcohol, & Tobacco. Such an approach would require additional funds to be sourced from gambling revenue and be made available to support, health promotion, early intervention. We believe these additional funds could be source from: the increase in poker machine taxes (dedicated to the public health system); an increase in the Casino tax; a review of the CDSE scheme to include contributions to this approach; and dedicated contributions from Hotel poker machine profits.

Having stated the above, we now refer to the various sections of the discussion paper for review:

Responsible Conduct of Gambling

Policy Objectives “ the primary objects if the Act seek to ensure that all functions under the Act are carried out with due regards to the need for harm minimisation and the fostering of responsible conduct of gambling”. This statement begs clarification of what actually constitutes "responsible gambling"? When for instance unlike alcohol, we have no specific guidelines for levels of “safe/responsible gambling activity”. In Dr Kawhsi De Silva (Director Public Health, Problem Gambling Foundation New Zealand) address to the May 7th seminar specifically raised the complexity of the cause and effect relationship between environment and behavioural psychology when involved with EGM’s. She maintains the dose relationship is unknown and the threshold for acceptable gambling behaviour is equally unknown.

The lack of such core data whilst maintaining the supply of a product in the full knowledge of harm (the National Coroners Information Service Report cited in Doughney, 2007 states between 2001 – 2005 in Victoria alone, “68 of the 70 recorded gambling-related suicides were by EGM users or their partners”) not only specifically challenges the Responsible Gambling/harm minimization model but is also ethically unacceptable. Similar ethical transgressions by the Tobacco industry have more recently been brought to legal account. The gambling Industry and its licensing body (government) is open to such public scrutiny (James Doughney, 2007) and should be taking active steps to reduce liability by implementing appropriate consumer protection measures.

Limits on the Growth of Poker machines

The Act seeks to reverse the growth in poker machines and has focused on venue limits as it main thrust. We believe this should be strengthened by further reducing the cap (as in South Australia) and developing regional caps (as in Victoria). This is in response to research which suggest there are disproportionately high numbers machines in areas of low socio - demographic populations. Regional limits and the likely ensuing movement of machines across areas should be considered a responsibility of local government and legislatively mandated as such. Gambling and EGM’s access should be included in social planning and all social impacts should be considered in consultation with the local community.

In addition, these measures should strengthen the ability of communities to direct gambling developments and indeed choose to have lower numbers of EGM’s than the caps if they so chose. In Victoria some Council’s have agreed to restrict any additional pokies in their local policy in consultation with their communities. However, they have recently been placed under pressure with State LGA

capping to take more machines from other LGA's attempting to transfer them. In attempting to stand by their policies of no expansion, they are forced under current licensing regulations to meet the social impact criteria of the impacts of individual machines on individual venues and their immediate populations. The evidence of well documented research on impacts of EGM's on other communities, is regarded as inadmissible. This generally makes a mockery of the process and denies c Council's and their constituents any opportunity to direct development in their own community, despite an existing Council policy.

We firmly believe that local communities and their councils should have the right to be consulted and considered partners in the decision making process for the planning of all levels of poker machine licensing including fewer than 10 machines (Social Impact Class 1).

Transfer of Entitlements

The current venue only limitation on machines has led to the transportation of EGM's from lesser profitable areas in the country to more profitable locations such as metropolitan areas and yet no consultation with their communities. In addition, we are aware of a local venue who had chosen to remain Pokie Free but have subsequently been pressurized to take action to procure a license as under hardship allowances for small clubs they need to be engaged in trying to "do everything possible "to maintain sustainability. Their perception is that gaining a license would be considered favourably by the hardship provisions, despite an earlier commitment to the community to remain EGM free. The possibility of on selling licenses being also attractive in such situations.

Clubs/Pubs need to be given incentives to reduce their reliance on gambling profits and not encouraged to see this as an expedient way to resolve financial pressures. The NSW Government should implement specific buy back arrangements.

In the particular community cited, the Golf club is the only pokie free venue. We are aware that may people with gambling problems frequent that club as a safe place to entertain visiting guests, family and themselves, away from the environment of EGM's. Those who have self excluded from the only two other venues in the village have this venue as the only option and as in many of the Shoalhaven's 49 villages, the lack of public transport makes choosing other venues outside the village more difficult.

The introduction of 10 machines to this small club (no bigger than a mobile home) would have significant impact on these patrons and indeed the local community as a whole as there would be no other social club nearby without EGMS. The fact that this club has applied for 10 machines with no consultation or consideration of the impact on the local community and without any consultation with that small community is a good example of why the social

impact assessments should be considered just as relevant for 10 machines as for larger numbers.

Social Impact Studies

The above cited case, high lights the inadequacies in the current policy with regards social impact assessments. The policy objective states that "the primary intention of provisions is to ensure gaming machines are not moved into areas where there may be potential for them to cause problems for those who have difficulty controlling their gambling" this statement appears to be based upon an erroneous belief that there are some communities which have more "difficulties in controlling their gambling" than others. This is in total contrast to the research evidence as report by Mark Dickerson's 2003 study which clearly evidences that any person who gambles regularly on an EGM will develop some loss of control and that loss of control should considered a normal response when interacting with an EGM (hence the need for consumer protection). In fact the only risk for developing a problem with gambling is to gamble regularly on an EGM.

Such a policy objective statement once again pathologises the concept of problem gambling with the onus of individual difficulty as opposed to product safety. We do however, acknowledge that there is evidence to suggest that populations of lower social economic demographics are more susceptible to the negative impacts of gambling harm faster than others due to less "disposable" income.

In addition to points already made above, we believe the current social impact assessment process is inadequate due to its lack of real community consultation and lack of local government involvement. As stated, the Social Impact Class 1 fails to consider any issues for the local community beyond location in relation to schools, hospitals, conduct of codes and venue size. Social Impact Class 2 are meant to include consultations with PG counselling services, health services and local government, but in reality this often means the applicant employing consultants who develop a report with minimal consultation. This may be circulated for comment but more often that not fails to take any real consultation into account. In the Shoalhaven, our Local Government has taken a neutral stance and fails to get actively involved due to lack of power and a perception that this is a State issue. Health services also refuse to comment and PG services are usually directed not to get involved by their employers. The majority really do not have the resources to fully establish social impacts.

The process is therefore arbitrary, insufficiently resourced, undemocratic and potentially biased. As stated above, we believe there should be considerably more local government involvement in the process and that with a regional capping environment all major stakeholders within the community should be actively consulted and included in the decision-making processes.

Consideration should be given to not just the potential for individual harm but (as within a public health approach) all aspects of community harm including: escape spending, regressive taxation, impact on local business, social dislocation, community fragmentation, impacts on rural areas, sub-groups and poverty.

A recent report commissioned by the Independent Gaming Authority in South Australia examining the cost vs. benefits of gambling within South Australia and states**, "Despite the scale of the benefits consumers enjoy from having access to EGM's for the State as a whole. The range of net benefits for EGM's is estimated to extend from: - $582 million to - $56 million. Even taking the lower estimate of costs and the highest estimate of benefit the net benefit is still negative**" *(The South Australian Gambling Industry, Final Report, SA Centre for Economic Studies, June 2006)*. We firmly believe that the current concept of informed consent and the need for consumer protection applies to communities as well as individuals

Mandatory Shutting Down of Gaming Machines

We acknowledge that the OLGR is commissioning a study into shutdown periods and therefore comment on anecdotal information given to us by those affected by problem gambling and PG counselling services.

In general we consider the opportunity for patrons to have a beak from continuous gambling important and believe that no establishment should offer 24 hr gambling. We believe this particular strategy to have had limited impact on reducing harm. It has been suggested that this is due mainly to the hours of shut down tending to be periods of low activity for gamblers (although there is some anecdotal information which suggests it n may have benefit for shift workers). We do support the concept of a shutdown period to prevent 24hr gambling per say complimented by product safety strategies such as smart technology for pre-commitment and player tracking devices combined with early intervention programs.

Current Issues with Smoking Ban

It has recently been drawn to our attention that the introduction of full smoking bans in NSW has led to some hotels/clubs moving EGM's to outdoor smoking areas. This is a direct strategy to recoup potential losses of gambling profits from those who now need to go outside to smoke. We believe this is highly unethical behaviour and goes completely against the harm reduction spirit of the smoking legislation and actively encourages continuous gambling a major cause of problem gambling. Neither is it in the spirit of NSW Government policy of "promoting a culture of Responsible Gambling" We call for the NSW Government to take immediate action to this to stop this rort.

General Harm Minimisation Measures

All current measures are supported with refinements as recommended by IPART 2004 and these additional comments:

The current legislation which states that venue should form "a relationship with an approved gambling counselling service" in some instances has undermined local PG counselling services from forming effective relationships with local venues and in some cases has led to outright competition between counselling services to become the "recognized counselling relationship". In one instance a local service was told they could not promote their PG counselling service at a venue because they had a "legal arrangement" with another PG counselling service. This misinformation, which was clarified, none the less created barriers for clients and confusion for venue staff. In addition ClubsNSW has set up a "relationship" with Wesley Gambling Counselling Service in Sydney (a specific funded counsellor position) which is promoted to the venues to then promote to their patrons. This can have the effect of undermining local counselling services and the client and venue benefits of establishing relationship with local services. Meanwhile the venues can effectively "tick the box" for its mandatory requirement but has failed to act in the best interests of clients.

We believe the ACT should be reworded to ensure that venues develop relationships with all relevant counselling/support services in their locality for the benefit of the gambling patrons. In addition the concept of an "approved" counselling service should be withdrawn, as not even the RGF Problem Gambling Counselling Services have any "approval system "in place. Community Health services are accredited counselling services and there are many effective private practitioners accredited by professional counselling bodies who are now more accessible to the public through the mental health access programs instigated by Medicare and GP's. In remote and rural areas there are significant limitations upon choice and all professional counselling services may need to be considered as options – not just gambling specific.

In regard to self exclusion the GIS reiterates its submission to the IPART inquiry 2005, that a one stop shop facility such as the AHA program should be expanded to include Clubs. The current arrangement is creating barriers, particularly in rural areas where travel to each separate clubs to conduct the process is both time demanding and requires considerable expense in both time and money for travel arrangements. People with special needs may need additional support and an independent consumer advocate to assist the process could be advisable for many situations, particularly in the absence of/or client preference for, not involving family/friends.

Additional measures – we believe there are considerable gaps in public awareness, public education and knowledge about gambling and gambling risks

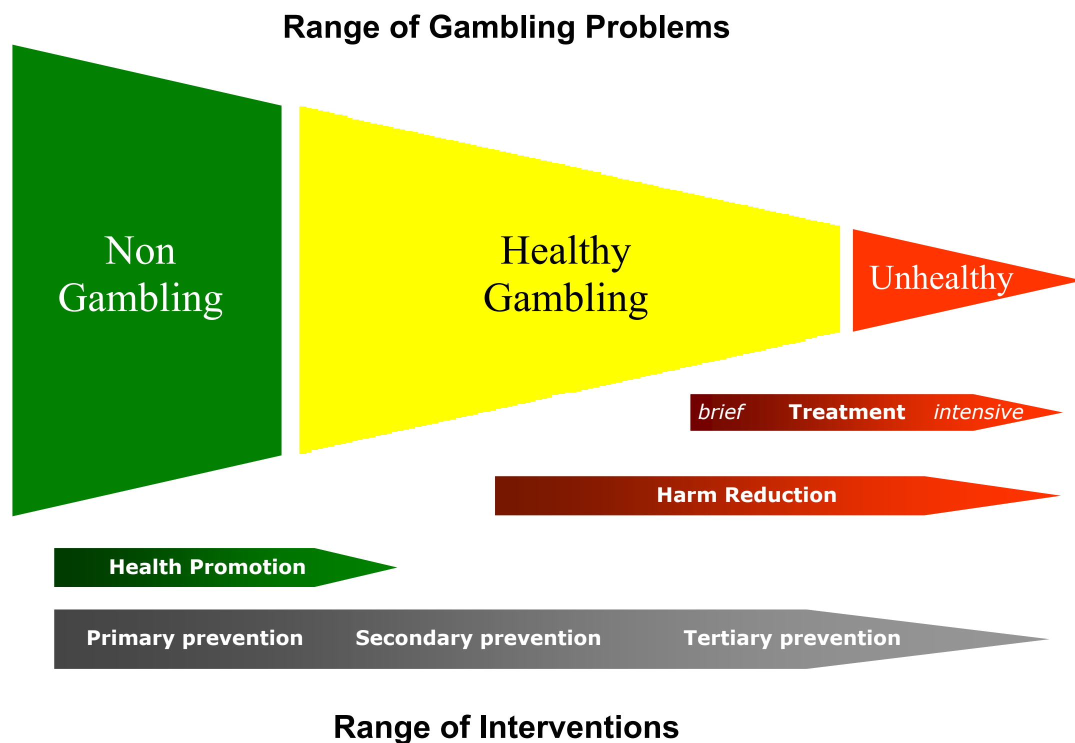
generally. Of particular concern is the high number of youth problems as evidenced in the latest NSW prevalence report (AC Neilsen, 2006).

It is particularly pertinent to consider the stigma involved in problem gambling which means that only 7% (NAGS Conference, 2005) of those affected ever seek formal treatment services. Most struggle alone or turn to family/friends who are equally under-resourced with information or ideas on how to help.

These issues combined with the lack of consumer protection, early intervention and health promotion approaches, means there is still a major gap in the education about harm.

As stated we believe a comprehensive Public Health Approach to gambling and all stages along the continuum of gambling harm (as suggested by Korn, 2003 (*Fig.4*) would address this issue. Without such an integrated approach, individuals, families and communities will continue to suffer significant negative impacts from gambling.

***Fig. 4*: Framework for Public Health Action (Korn, 2003)**



Specific Provisions relating to minors

Whilst the legal age for gambling is 18, we are aware that many teenagers have begun gambling on EGMs prior to this age. A case study includes a problem gambling counselling client of 24 who had started gambling problematically on EGM;s whilst attending a well regarded private school in Sydney. From about yr 10 every lunchtime was spent with his peer group engaged in EGM gambling at a local Hotel.

A consumer protection model whereby EGM's could only be accessed with a USB type smart technology with personal identifiers (finger print) would entirely eliminate access by minors.

Retail Shopping Centres

<u>Iemma sneaks pokies into shopping malls</u> *The State Government will allow clubs with poker machines to operate in shopping centres - a practice it previously labelled "distasteful and inappropriate".*

Sydney Morning Herald 30/12/06

We strongly object to the weakening of any planning or gambling regulations which would allow gambling opportunities to be expanded into shopping centres and draw you attention to the AC Neilsen, NSW Gambling Prevalence study 2006 which notes that the most commonly sacrificed item for gambling was money for groceries.

We also strongly oppose the suggestion that Clubs/property developers will be allowed to develop aged care facilities with attached gambling facilities and draw your attention to the recent Australian Gaming Council's Data base 2007 which specifically details the increasing ageing population and progression of the "baby boomers" into their senior years which will lead to an increased gambling market in the older population. We strongly object to alignment of gambling facilities with aged care developments on the same basis as a restriction on access in "at risk" population groupings.

The 1999 Productivity Commission inquiry specifically linked access to EGM's as a primary causal link to problem gambling. The possibility of increasing access in either retail shopping centres or aged care facilities particularly in the absence pf a comprehensive public health approach to gambling would appear contrary to developing a "culture of responsibility" on the part of government, property developers and gambling operators.

Linked Jackpots and their Audio Promotion

The NSW Prevalence study of 2006 provides evidence that linked jackpots are linked to problem gambling and in the absence of a consumer protection policy these additional incentives to gamble should be removed.

In addition the continual announcements of such jackpots “going off” throughout the venue whether or not the winning machine is even within that particular venue is yet another inducement to gamble. These audio prompts have been specifically raised as creating problems for those who have gambled problematically and are trying to maintain control. For example, one gambling counselling client specifically recalled the regular announcements within the club venue of “yet another jackpot winner, could that winner be you?” as further encouragement to gamble.

ATMS In Venues

Once again research has evidenced that the primary uses of ATMS within venues are those who gamble problematically (AC Nielsen, 2006). Whist the removal of ATM’s from venues may be a minor inconvenience for non-gambling patrons the GIS maintains there is substantial evidence to suggest that their removal would give significant effect to reducing problem gambling bahaviour and limit the direct impact on third parties such as families , employers etc. We understand the state of Victoria has already undertaken such measures and that the National Australia Bank in has already removed all ATM's facilities from gambling venues in NSW in appreciation of their significant contribution to problem gambling.

EGM”S as Recreation

The gambling industry perpetuates a myth that “playing” a gaming machine is effectively another form of recreation. Indeed, Mr. Ross Ferrar of the Australian Gaming Machines Manufactures Association at his presentation at 2004 National Association Gambling Studies Conference, specifically drew a comparison between “playing the pokies’ and purchasing a ticket to enjoy a movie, both being, in his opinion, forms of purchasing entertainment.

However, one involves a fixed price known to the consumer, for the other (EGM”s) the contract is highly obscured by incentives to keep gambling, such as free spins, near misses, and the potential loss of control described by Mark Dickerson (previously cited). In addition the potential to lose major financial resources through this activity is certainly not made clear in the ”contract”. As stated by *A/Prof. Linda Hancock Deakin University, Melbourne, Australia,2000-2004 Chair, Independent Gambling Research Panel: “**You can bet up to $12,000 per hour on Victorian EGMs”.*** EGM’s in NSW are no less greedy**.**

Notions of informed consent imply full disclosure of how the product works, and yet when AGMMA representatives were confronted at the NAGS conference by the suggestion that EGM's could involve losses of over $1,000 per hour, this was completely denied.

The GIS believes that full product disclosure of the potential for such losses should be made widely known, and that technical changes to the machines should disallow this level of investment.

Why do we need a product in the community that can absorb this level of funds? If this, as industry maintains, is " just a recreational activity" why does it cost so much to play?

Approval of Gaming Machines – Policy Objectives – it is stated "that gaming machines installed in venues operate in a fair and responsible manner, and players be confident that the gaming machine operates in an appropriate manner".

The GIS believes that, the current approval of gaming machines cannot possible meet these stated objectives of the operations on EGM's as being "fair, reasonable or appropriate'. Full product disclosure, appropriate safe practice information, smart technology consumer protection measures, supported by risk management information made fully available through public awareness campaigns, health promotion initiatives and a comprehensive public health strategy for gambling would need to be in place to meet such criteria. Clearly this is not the case.

Nor do we believe the Australian general public has confidence that gaming machines operate in an "appropriate manner" when the Victorian Longitudinal study into a Community Attitudes Toward Gambling found 85% of Victorians believed gambling is a serious social problem and that poker machines in clubs and hotels did more harm than good (Dept. Justice Report, 2003). Interestingly despite the larger number of gaming machines (a cap of 104,000 NSW compared to a cap of 30,000 in Victoria) there is no such similar community attitudinal study to draw upon in NSW.

Five Measures Which Could M*ake a Difference Tomorrow:*

As *recommended by A/Prof. Linda Hancock Deakin University, Melbourne, Australia,2000-2004 Chair, Independent Gambling Research Panel*

- Ban note acceptors
- Ban ATMs in gaming venues
- Review venue hours (8 hour break)
- Introduce compulsory smart cards (*or smart technology, GIS amendment*)
- Slow down the machines

A Different Model: The Way Forward

The GIS recommends the contributions of A/Professor Linda Handcock who made the following suggestions in a recent presentation:

The current Industry regulation model is based upon 3 basic tenets:

Individuals '*choose*' to gamble
Individual pathology model of the PG
Gambling is entertainment

A Public health/Consumer Protection Model is based upon:

Scrutinizing consumer *protection*
Is the product safe?
Social determinants, monitoring, evaluation,

A Public health & Consumer Protection Model considers:

- Gambling & social harms: cost-benefit
- Whole of system focus including: product, individual, community, industry, and govt.

Within this model the focus of Responsible Regulation includes:

- Upstream *and* downstream measures
- Protection of consumers from social and economic harms
- Draws upon current international research such as Nova Scotia research on machine based RGFs (Schellinck & Schrans 2002; IPART 2003,2004; Dickerson 2003, NSW IPART Inquiry)

A/ Professor Hancock goes on to say:

"How a public policy issue is framed to a large extent determines the policy emphasis, the regulatory framework, the reform agenda and the preferred evidence base." She raises the question:

"**Taking the policy tripod of efficiency, effectiveness and equity, how effective is the current 'industry regulation model' against an emerging international focus on a 'public health/consumer protection model' ??."**

The Gambling Impact Society (NSW) is firmly committed to a comprehensive public health /consumer protection approach to gambling in NSW and Australia and will continue to work, along with other stakeholders, towards seeing this incorporated into a policy framework for gambling in NSW.

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APPENDIX 1: Shifting Paradigms: Vision Workshop Summary

As part of the May 7th, 2007 GIS hosted Responsible Gambling Awareness Week seminar, Shifting Paradigms:Towards A Public Health Approach to Gambling a vision workshop was facilitated with 60 participants (PG counsellors, community services, consumers, OLG/RGF staff etc) to consider the strengths and weakness of the current approach to problem gambling in NSW and develop some proposals/suggestions for the future direction of policy developments and help services in the field. A full report from this activity along with presentations form the seminar will be made available online at www.gisnsw.org.au. GIS Chairperson Kate Roberts has summarised some of the main issues raised through this exercise and has collated the main comments/suggestions for future direction under relevant health promotion headings.

This exercise facilitated by John Stansfield, CEO of the Problem Gambling Foundation of New Zealand, gave participants an opportunity to consider perceptions of the problem, and both the strength and weaknesses of the current situation with regards gambling and problem gambling in NSW. Participants were asked a series of questions and came up with ideas primarily focused on the following areas, summarised under thematic headings which emerged in collating the material.

Governance

There were many issues raised which related to the governance of problem gambling issues within NSW. Many participants felt that there was a direct conflict of interest between the government department with the responsibility for gambling and treatment services for problem gambling (Office of Liquor Gaming - OLGR) and the fact that this office is primarily responsible for regulation of the gambling industry. Comments such as, "there are vested interests within RGF", "There is a conflict of interest – govt, industry and help services".

There was a general perception that gambling harm was being minimised by vested interest "Not really acknowledging the harm done – minimising the problem" and a sense that government dependence on gambling revenue was restricting appropriate policy development. There was a generals feeling of lack of transparency in governance, "Government is dependent on taxes and gambling revenue", Government is not being transparent in its disbursements". Money is flowing but not transparent, therefore hard to get individual information and not allowing public to access".

In addition there was a general sense of weakness in the government's ability to respond appropriately to problem gambling issues from this particular office " OLGR capacity to respond is limited both by policy and the organisational culture". "OLGR as the primary agency – has an industry regulatory focus, this causes potential conflict of interest, and doesn't have a cultural fit with human service models", "OLGR organisational structure creates barriers".

Additionally, there was a belief that government and the gambling industry were I trying to shift blame for gambling problems "There is an abdication of responsibility for problem gambling by gov't and the gambling industry – often shifting blame to individuals and help services"

Current Policy Direction & Funding

Whist it was acknowledged that current NSW government policy was focusing on treatment for individuals and therefore developing services accordingly, it was felt that a significant weakness in this focus was to ignore those at risk of gambling problems and to pathologise the problem 'Not looking at problem as a community issue only as an individual issue". "Funding body restricts directly & indirectly the way we approach PG i.e. keeping it seen as an individual problem."
It was held that this approach severely limited the effectiveness of service in building community capacity on this issues and restricted services, within in a competitive tendering environment, to work in isolation from each other and without regional strategies, "PG service working in "silos" (isolation from each other) as opposed to integrated across regions.", " Trying to work differently appears to be in conflict of the interests of the funding body and/or employer.." "Vested interests in maintaining the status quo". As a result, there was a perceived lack of coordination in:

- Funding
- Central vision
- Continuity
- Resources – skills & knowledge

There was a general perception that the current model was limiting, "the limits of focussing on traditional treatment model because it's easily measured", "model excludes a large number of clients" and "the current approach excludes other major stakeholders e.g. local govt, counselling service, mental health services, community health, GIS, consumers etc.

Lack of Community Awareness

The participants raised concern about the general lack of community awareness about problem gambling and frustration in trying to get messages out to the broader der community "How do we get the knowledge of gambling harm out into the public arena? Along with its causal associations" "The issue of shame, secrecy and need for client confidentiality maintains the inability of people to be self advocates". "This tension also affects PG services - it may be a strength for PG services to be low profile but remaining low profile we don't' empower or advocate on behalf of our clients. This links strongly to gambling itself – winners & losers" " Lack of understanding of the extent of harm, perspective of harm being only to the individual".

Suggested Solutions/Strategies (Macro)

Build Healthy Public Policy

Commit to a public health model & get problem gambling out of OLGR and into NSW Health Dept.
Independent body to manage funding
Eliminate conflict of interest.
Develop openness and transparency
Review legislation/regulations & technical standards with a focus on product safety
Delegation/action plan with accountability to individuals
Transparency with where money goes.
Develop an Integrated targeted approach to the distribution of funding
Manage funding issues
More money to community projects/initiatives

Reorient Health Services

Develop a shared theory/vision
People developing big picture approach to PG – looking outside the square.
Develop a multifaceted PG sector including: treatment, early intervention, prevention, community capacity building etc
Put down barriers between organisations
Develop a holistic approach to PG
Develop a new policy framework which incorporates this multi focus

Strengthen Community Action

Build community capacity
Better awareness strategies
Integration of gambling services creates higher profile for PG and promotes community involvement
Increase community participation and empowerment
Develop advocacy and build strategies alliances
Increased dialogue between government and community/PGg sector, consumers and other stakeholders.

Create Supportive Environments

Raise community awareness:
Educate all stakeholders including Govt & industry
Newsletter

Develop a product safety & safe gambling practices focus:
Consider technical changes needed for EGM product safety and safe practices
Consider Smartcard technology

Receipt /invoice provided to gamblers
Promote non – gambling revenue streams in venues,
reward those venues who do this
Smoking policies

Develop Personal Skills
Build skills in health promotion, community advocacy & capacity building
Train counsellors, consumers, community members

Suggested Solutions/Strategies (Micro)

Reorient Health Services

Develop a unified approach which includes partnerships and a sense of joint ownership.

Counsellors/helpers need to consider new roles e.g. public speaking, community action, coaching to clients etc

Attending forums/workshops/meetings

Strengthen Community Action

School education
Public address to existing community groups/churches neighbourhood centre, sporting clubs etc
Find a celebrity gambler who can tell story with a public health/harm prevention focus

Facilitate problem gamblers and their families (clients) to develop activist skills
Motive PG to empower themselves to become part of the reconstruction of their services.

Very important to empower problem gamblers sand their families. A very important model fro advocacy. The difficultly is it is
incremental.
Lobbying
Become a squeaky wheel
Writing letters to MP
Radio coverage with "plants" (ask other to call in and comment)

Networking and developing a united front
Lobby Gov't to be more transparent
Develop more political clout
Seek whistle blowers

Create Supportive Environments

Raise community awareness:

Actual problem gamblers telling their stories not just individually but on social network.
Consistent dissemination of information
Newsletter

Develop Personal Skills

Better quality support groups linked to PG services for:
Stress
Anger
Relaxation
Encourages strategies & coping skills, opens people up to services. Gives a break from gambling. Also for family/support people.

Coordination of alternative activities for those affected:
Social activities
Outlets for emotional expression

Discussing Centrelink with community programs

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