

Chapter 2

The personal stories

2.1 This chapter summarises the powerful personal stories courageously shared with the committee by individuals who have had or continue to have a gambling problem with poker machines. The committee is most grateful to these witnesses for sharing their at times distressing stories, and offers its most sincere thanks to them and their families. The committee considers that the evidence provided by this small number of individuals is representative of many others who have experienced or are experiencing gambling problems. The courage of these witnesses in assisting the committee to come to a better understanding of gambling addiction is to be commended. These personal stories have been critical to ensuring the human costs of problem gambling are paramount when considering the issues pre-commitment has raised. Their assistance also enabled the committee to more fully explore the design of a pre-commitment system and examine what features may have assisted them when their gambling was out of control. The following boxes give a very brief overview of their individual gambling stories. This is followed by an exploration of the dimensions of their addiction and their views on pre-commitment design features.

Sue

Sue Pinkerton is a Registered Nurse with 36 years of nursing practice. In 1995, after half a lifetime of “gambling responsibly”, Sue came into contact with (and fell victim to) the most pernicious of all gambling products ever developed – the poker machine. By 1999, Sue had spent an estimated \$65,000 on poker machines – all that she earned in that time, plus some of her husband's income. In the depths of her addiction, Sue spent up to 6 hours a day, 5 days a week gambling on poker machines.¹

Julia

My name is Julia Karpathakis and I manage and co-ordinate Pokies Anonymous. I run this service because of my personal experience with pokie addiction. I played the pokies from 1994 to 2004. Being given free rein to the pokies is the reason I became addicted. During my addiction my life became so horrific that I ended up losing precious time with my children, as well as my money and our home. I myself have not played for six years. Personally I never want to play on the pokies again; they make me sick and I know that others feel the same way.²

1 Ms Sue Pinkerton, *Submission 25*, p. 1.

2 Ms Julia Karpathakis, Pokies Anonymous, *Submission 34*, p. 1.

Ralph

My form of gambling was mainly wagering at racetracks. I virtually lived there. I worked in the industry at one stage as a judge for greyhounds. Then I took on poker machines. I was wagering through the day and playing poker machines of a night. I lost considerable sums of money, which naturally affected my two marriages and relationships. I stopped gambling for a couple of months on my own on one occasion and then slowly got back into it. That happened several times.³

Stephen

I'm nearly 48 years old and have been addicted to gambling since I was about 15. My gambling transcended from use to abuse then addiction very quickly. I've gambled with poker machines, horses, dogs, trots, sports, Keno, scratchies (a couple of hundred at a time) and in earlier years, in NSW the 20 cent card machines (draw poker) they used to and still do have. I've gambled in casinos, in my lounge room, 'round the corner and just down the road since poker machines became more geographically prolific.⁴

Gabriela

For four years I fought the battle of a severe gambling addiction. I spent hours/months/years in intense conversations (counselling, psychotherapy, and hypnotherapy) to find out "why" I did what I did. I re-lived childhood experiences, analysed feelings towards my parents and discovered hidden self-esteem problems. You name it and we discussed it. Did I stop gambling? No, but I was able to collect a few excuses as to why I couldn't.

I also went to a few "Gambling Anonymous" meetings. I've met a lot of people who, on a sliding scale of misery, surpassed me by miles. In the end I personally just could not accept the philosophy "Once a gambler – Always a gambler" and continued to look for a way to change my addiction to poker machines. I was certain that I was dealing with a behavioural problem and not a genetic identity mix-up. While I was desperate to find a solution I still managed to push our family savings through a slot, I almost lost my marriage, two jobs and more than once I contemplated suicide.⁵

3 Mr Ralph Bristow, *Committee Hansard*, 4 February 2011, p. 80.

4 Mr Stephen Menadue, *Submission 95*, p. 1.

5 Sourced from: www.freeyourself.com.au, (accessed 20 April 2011).

Tom

My name is Thomas Cummings, and I am a former problem gambler. I became addicted to poker machines in 1995, a few years after they were introduced to my home state of Victoria, and over a three year period I lost an estimated \$100,000. I spent my salary, the savings that my partner and I had accumulated, and then worked my way through several credit cards and a personal loan.⁶

Who is a problem gambler?

2.2 Evidence provided by witnesses and those who spoke from personal experience indicated that there is no 'typical' or 'average' problem gambler. Ms Julia Karpathakis from Pokies Anonymous described the variety of people her group tries to help:

There is a huge variety of ages. It does not say, 'I'm going to pick this person,' or 'I'm going to pick that person.' It is anyone and everyone. There are old Greek ladies who could be my aunties going in there until 2 o'clock in the morning. They would never even go into a pub but they are going in now. I think the poker machines are very addictive and people who are vulnerable or who have problems go to places with poker machines to escape. There are people who come to my group who have gone in there after work, played \$5 with their friends and left. They have gone again the next Friday and then found themselves on their own in there. So the pokies must be quite addictive. And these people come from 'normal' families, whatever that is.⁷

2.3 Mr Tom Cummings spoke about his background:

Prior to developing my addiction, I was firmly outside the commonly-accepted demographic for problem gamblers. I had a private school education, a university degree in Applied Science (Information Management) and a well-paid job in IT. However, when it came to poker machines none of this counted for anything.⁸

Problem gambling does not just affect the problem gambler

2.4 A key consideration for the committee is that it is not just the problem gambler who is affected by a gambling problem as the following exchange shows:

CHAIR—There are lots of stories that go around.

Ms Karpathakis—Yes, lots of stories.

CHAIR—Are they true? Do people go hungry? Do children go hungry?

6 Mr Tom Cummings, *Submission 113*, p. 1.

7 Ms Julia Karpathakis, *Proof Committee Hansard*, 1 February 2011, pp 2–3.

8 Mr Tom Cummings, *Submission 113*, p. 1.

Ms Karpathakis—They do. Mine did.

CHAIR—Do people lose their house?

Ms Karpathakis—Yes. I did.

CHAIR—And then they are on a waiting list for public housing or whatever?

Ms Karpathakis—Yes. There is a ripple effect. It causes a lot of problems along the way—the problem gambler does.⁹

2.5 Ms Pinkerton listed the people affected by her gambling problem:

My three children, my ex-husband—there are four people who were harmed by my gambling. They were significantly harmed.¹⁰

2.6 Mr Menadue told the committee:

The first consideration must be for the people who suffer at the hands of the problem gambler—not so much the problem gambler themselves because you can help them. But the people who are suffering the most—I hate saying this over and over—the families who do not have dinner and the kid who did not get a Christmas present.¹¹

How does a gambling problem start?

2.7 Individuals described to the committee their experience of becoming addicted to playing poker machines. Ms Karpathakis told the committee:

I remember going into the pokies with a cousin of mine and I became like that lady who went in once and twice and then just was hooked.¹²

2.8 Ms Pinkerton described her experience:

If you have enough time, the money and the access to a gaming machine in a short period of time—say, over eight weeks, as I did—you will become hooked. I was not working. At the time I was married to a gentleman in the Air Force and we were staying in a hotel next to Panthers. We were on a \$150 allowance per day while we were in the hotel. I had money, I had time and I had access to the machines, and I became hooked.¹³

2.9 Ms Pinkerton provided more context for the committee:

Within weeks of beginning to play them, I was hooked. Like many people I have spoken to since, it took just eight weeks for the pokies habit to firmly establish itself in my psyche and for the downslide into pokies hell to begin.

9 Mr Andrew Wilkie MP and Ms Julia Karpathakis, *Committee Hansard*, 1 February 2011, p. 16.

10 Ms Sue Pinkerton, *Committee Hansard*, 1 February 2011, p. 64.

11 Mr Stephen Menadue, *Proof Committee Hansard*, 18 February 2011, pp 53–54.

12 Ms Julia Karpathakis, *Committee Hansard*, 1 February 2011, p. 5.

13 Ms Sue Pinkerton, *Committee Hansard*, 1 February 2011, p. 64.

I went in eight weeks from being a happy-go-lucky, socially active mother and friend to a restless, isolated, depressed and suicidal woman. I went in eight weeks from being rational and organised to unreasoned and distracted, in eight weeks from being a loving, kind and caring mum to an apathetic, irritable and terminally distracted bitch, in eight weeks from being a financially stable money manager to being a financially self-sabotaging fool. The last time I played a gaming machine I intend to play for one hour and spend no more than \$50. I blew \$500 in six hours that day, my entire weekly pay. It happened despite my knowing the odds of winning a large payout where (sic) minuscule and it happened despite my very best intentions and determination to stick to a spending limit that I could afford on that day.¹⁴

2.10 Mr Cummings described his experience:

Before 1995, my only involvement in gambling was a weekly Powerball ticket. I honestly had no interest in gambling in general, or poker machines in particular. I first played a poker machine after going out to dinner with my partner and her family; they decided to play, so I tagged along. I didn't spend much and I had fun. The following week, I was walking past a venue in Melbourne on my lunch break and decided to have another go. I lost \$200 that day, and didn't tell anyone about it. That was all it took. I went back the next day, and the next.¹⁵

2.11 Mr Menadue told the committee how and why he started playing poker machines:

In the beginning I think there was a different reason as to how and why I became interested and therefore addicted to them, as opposed to how and why I remain addicted to them or interested in them as a preference of gambling. I would say the reason in the beginning was obviously the money—the fact that you can win money from them and I was at such an impressionable age...I guess it was a combination of sight, sound and the excitement of winning.¹⁶

Describing the addiction

2.12 Individuals described their addiction to playing poker machines. Ms Karpathakis explained:

It was always about waiting to get the five in a row, and putting the coins in, the sounds—also, how it looks like they are all going to line up and they do not.¹⁷

14 Ms Sue Pinkerton, *Committee Hansard*, 1 February 2011, p. 55.

15 Mr Tom Cummings, *Submission 113*, p. 1.

16 Mr Stephen Menadue, *Proof Committee Hansard*, 18 February 2011, pp 44–45.

17 Ms Julia Karpathakis, *Committee Hansard*, 1 February 2011, p. 14.

2.13 She went on to describe the particular aspects of poker machines that were attractive to her:

There is a lot of trickery. That is what it looks like now. But back then it had a romantic feel about it. The imagery is very romantic; I would play Sweethearts, Cleopatra, Jewel of the Nile and all of those kinds of machines. I hated Shogun—I was never attracted to the look of that one. So it was a bit romantic, not in a romantic-romantic way but dreamy, if you know what I mean.¹⁸

2.14 Ms Pinkerton said losing of control is a major issue for problem gamblers:

Like some 90 per cent of people seeking help because of their gambling problems, my problem was and still is with controlling what I do once I start playing a poker machine...¹⁹

2.15 Ms Pinkerton described what it was about the machines that limited her capacity to walk away:

There is always an inner tension when you go to a machine. The inner tension is: 'I want to be here for an hour or two and then I want to go home. I also only want to spend X amount of dollars.' If I set a limit of, say, \$50 and I want to stay there for two hours, what do I do if the money goes in 10 minutes? I do not really want to go home yet so I would say, 'I'll just put in another \$50 and I'll be right.' At the end of that \$50 it would be a case of: 'My God, I've spent 100 bucks on this machine and it still hasn't paid me anything decent. I'll just put another \$50 in,' and so on. You would just continue on, 'Oh my God, look how much I've spent; I need a chance to win it back.' If the \$50 lasted the two to three hours, I was obviously having a good night. I had obviously won well and so I could afford to keep playing. So you kind of have this time limit constraint on yourself plus the money spent constraint. One would counterbalance the other.²⁰

2.16 Following is a description from a Pokies Anonymous member about why they kept going back to the machines:

There seemed to be some driving force pushing me to play. Perhaps it was the shame of losing so much money and the need to win it back. The hotel staff were very friendly and made me feel welcome. The music when someone had won sent a thrill of excitement up my spine. The reels kept rolling over and seemed to hesitate just ever so slightly on the big one and just rolling off the big jackpot. I would say to myself 'keep going, that was so close, you just missed the jackpot'.²¹

18 Ms Julia Karpathakis, *Committee Hansard*, 1 February 2011, p. 15.

19 Ms Sue Pinkerton, *Committee Hansard*, 1 February 2011, p. 56.

20 Ms Sue Pinkerton, *Committee Hansard*, 1 February 2011, pp 59–60.

21 Pokies Anonymous, *Submission 34*, p. 1.

2.17 Mr Menadue told the story of his addiction, explaining that his rational mind was overruled by the need to play:

Most people learn after their first mistake or maybe after a couple of occasions; I had an insanity that would allow me to go and gamble even though my intelligent mind knew the probability of winning – low. The probability of very hard times and repercussions – high. Knowing these things, then with that same intelligent mind, justifying them out of existence (temporarily), and losing all my money was an act, that after a while not only caused me to ask why I was doing it, but why I was doing it knowing the bad outcome. This confusion only added to the grief of all the lies and consequences from those lies that I had to tell to my parents, family, friends, real-estate agents...etc.²²

2.18 Mr Menadue told the committee of his beliefs at the time:

I used to fantasise about five days before pay day—four days, three days with pay day coming up and how I would be able to go and play the poker machines and win, and this time I really would win, and I believed it. I believed it more than my own existence at that time. It was an absolute fantasy. It is so delusional.²³

2.19 Ms Gabriela Byrne provided a vivid description of her addiction to poker machines:

I often compare it to the Jekyll and Hyde syndrome. I was still a responsible mother, wife, work colleague and friend when I was not gambling. The minute the urge hit me I switched and I became a person that had no values and no responsibilities and all I wanted was to feed the beast. In the time that I was a responsible mother, work colleague and friend, and whatever goes with that, I was able to make rational decisions and I looked for help. I was desperate for some kind of measure that would stop me from continuing the destructive behaviour.²⁴

The consequences

2.20 The tragic consequences of developing a gambling problem with poker machines was clearly conveyed to the committee by those who had experienced them. Ms Karpathakis outlined the consequences for her:

I had a pokie addiction for 10 years from 1994 to 2004 and basically lost a lot of my time and my home. I wish that I had not. It has been a nightmare recovering from that. I have not been able to recover from those 10 years of losing everything. I had a house that was mine and it is gone now. I cannot recover the time I lost with my children, either.²⁵

22 Mr Stephen Menadue, *Submission 95*, pp 1–2.

23 Mr Stephen Menadue, *Proof Committee Hansard*, 18 February 2011, p. 52.

24 Ms Gabriela Byrne, *Proof Committee Hansard*, 2 February 2011, p. 17.

25 Ms Julia Karpathakis, *Committee Hansard*, 1 February 2011, p. 2.

2.21 Initially Ms Karpathakis would take the money she won but this stopped when she began the cycle of chasing her losses:

I used to initially. I used to take the money and think, 'Gee, I'm lucky,' and leave. Towards the end I never took anything. I played until it was gone and that was the worst, because I would start in the morning. I even lied to my brother and asked him to send me \$500 for a bill I had to pay. That was almost the last straw, because I thought I would go into the Earl of Leicester and play that \$500 and send him back the \$500 and have a great day in there, but it was gone in five minutes because I played the maximum.²⁶

2.22 Ms Karpathakis told the committee of some consequences for the people she is trying to help through Pokies Anonymous:

One member lost her hairdressing salon because of her pokie addiction. Her father and mother used to go from venue to venue trying to find her. Even when she barred herself she used to wear wigs so that she could continue to play. After she lost her salon she managed to rent a space in a new salon. However this salon was located two doors down from a pub with pokies. She got into deep trouble again. One time her father found her playing the pokies and got extremely upset. He started throwing the furniture around and the police had to be called. This shows how addiction doesn't just affect the addict but everyone the addict is involved with.²⁷

2.23 Mr Cummings told the committee of the consequences for him:

Over the next three years I lied, I cheated and I played the pokies every chance I could. I literally could not stop. Matters came to a head in an argument with my partner over money, and my problem was revealed. I subsequently went through a number of relapses, broken promises and painful confrontations before finally kicking the habit for good; by then, I had lost everything including my relationship and many friends.²⁸

2.24 Mr Menadue told the committee of his circumstances:

...I had been mentally, spiritually, physically beaten up over years... I lost my son 24 years ago because of gambling. Any negative side-effect you can think of, I have had as a result of my gambling addiction.²⁹

It is difficult for a problem gambler to seek help

2.25 Individuals told the committee that they were in denial about their gambling problem and were too embarrassed to seek help. This was clearly described by Ms Karpathakis:

26 Ms Julia Karpathakis, *Committee Hansard*, 1 February 2011, p. 11.

27 Pokies Anonymous, *Submission 34*, p. 2.

28 Mr Tom Cummings, *Submission 113*, p. 1.

29 Mr Stephen Menadue, *Proof Committee Hansard*, 18 February 2011, p. 46.

I was too embarrassed. It was bad enough knowing I had a problem. I would go into a venue and hope they would not recognise me. I would look around, scan, to make sure that there was no-one there, hopefully, that knew me, because I felt so bad.³⁰

2.26 Ms Pinkerton told the committee about being in denial of her gambling problem:

You will deny it too. You will deny it to anybody, even though you know yourself that you have the problem. When it comes to somebody saying, 'Gee, I saw you down at the pokies three times last week.' You go, 'Yeah, you know, I had a bit of extra cash this week.' You will minimise the impact that it has on you. You are deeply ashamed of what you do and you will try anything to hide it.³¹

What stopped them?

2.27 Witnesses such as Mr Bristow mentioned 'hitting rock bottom' several times as a result of his gambling³² and described his long road to recovery:

It has taken me nine years. Recovery is not all that easy. It would be the same for alcohol, drugs or cigarettes. I have been to three agencies for one-on-one counselling. I also belong to a self-help group. That is for all types of addiction. I find that balance between the personal, one-on-one counselling and the group therapy side of it a big advantage.³³

2.28 Mr Menadue stated:

If we do not get a system in place that works from the premise of care and prevention, rather than cure and containment, all we will have achieved is the ransom of the many personal hours and years that individuals have put into thinking about and acting on this problem.³⁴

Limitations of self-exclusion

2.29 Self-exclusion from a venue is one option open to problem gamblers. Witnesses described the difficulties they faced in trying to self-exclude from venues. Ms Pinkerton explained why she didn't try to self-exclude:

30 Ms Julia Karpathakis, *Committee Hansard*, 1 February 2011, p. 7.

31 Ms Sue Pinkerton, *Proof Committee Hansard*, 1 February 2011, p. 59. See also Ms Jo Flanagan, Social Action and Research Centre, Anglicare Tasmania, *Proof Committee Hansard*, 18 February 2011, p. 2.

32 Mr Ralph Bristow, *Proof Committee Hansard*, 4 February 2011, p. 80. See also Professor Malcolm Battersby, Director of the Statewide Gambling Therapy Service, SA, *Committee Hansard*, 14 February 2011, p. 61.

33 Mr Ralph Bristow, *Committee Hansard*, 4 February 2011, p. 81.

34 Mr Stephen Menadue, *Proof Committee Hansard*, 18 February 2011, p. 54.

I never tried it. When I first recognised that I had a problem I was aware of the self-exclusion issue. But I also went to the venue that I played in, which happened to be Panthers in New South Wales, to meet friends for dinner at five o'clock on a Friday evening. There were some 1,500 people in the foyer. We had enough trouble finding our friends, people we knew well. I figured that, if I was going to be a self-excluded person and I walked into the venue, they were not going to recognise me in a fit, so I did not even bother to try.³⁵

2.30 Ms Pinkerton described the shortcomings of the current self-exclusion system:

When it succeeds, it is usually the case that the individual is terrified of being stopped at the door. It is a social stigma to be stopped at the door and told: 'Hey, you're an excluded gambler. You have to leave.' That is what they fear, so they do not go. However, for the people who do go, people who go to a different venue where they are not recognised, then the system just does not work. It all falls down in a huge heap.³⁶

2.31 Problem gamblers recommended that the pre-commitment system be linked to self-exclusion. Ms Pinkerton elaborated on her suggestions:

Upon application for self-exclusion, the applicant must be rendered incapable of activating a machine for a period of not less than 12 months. Lifetime exclusion should also be available. Should a self-excluded player request to return to playing poker machines after the period of exclusion, a mandatory six-month probationary period could be required or perhaps a maximum percentage of their income could be set and made available. This could be done in conjunction with problem gambling health services.³⁷

Views on pre-commitment and necessary features

2.32 The committee commends the individuals who spoke to the committee about their gambling problems. Their courage to appear before a parliamentary committee and share their personal stories is motivated by the desire to help others in the same situation. Ms Karpathakis explained:

I am concerned for up-and-coming addicts. I am concerned for people who are still out there playing. It is scary to know that people are killing themselves over these pokies. I run four groups now. I have not played for six years and I run four groups. It started off with one group. Then there were two and it built up to four by the end of last year...But there are people who are really worried; they come to the meetings but they just cannot stop. No matter what I offer them—I have offered them Statewide gambling therapy and I have offered them barring—it does not work. They wear wigs

35 Ms Sue Pinkerton, *Committee Hansard*, 1 February 2011, p. 58.

36 Ms Sue Pinkerton, *Committee Hansard*, 1 February 2011, p. 58.

37 Ms Sue Pinkerton, *Committee Hansard*, 1 February 2011, p. 57.

and go in. They are just so hooked that something else needs to be done. It is really horrible.³⁸

2.33 Mr Menadue told the committee that he is looking forward to 'being part of this solution instead of part of this problem'.³⁹

2.34 The committee asked the individuals who have experienced gambling problems with poker machines whether they thought a pre-commitment system would have helped them had it been available when their gambling was out of control. As this chapter focuses on the views of these individuals, these issues are further explored along with other evidence in chapters five and six.

Would pre-commitment have helped?

2.35 When asked whether pre-commitment would have helped her, Ms Karpathakis responded:

If there had been another option, there is no way I would have been an addict. If there had been a precommitment card or an opt-out card there is no way I would be an addict. You get your pension and you know you have three kids and rent to pay, but you look at that money and it is not even real—it is just something to play with. That is free rein. Your brain does not think properly, but if there were a block there I would not think like that.⁴⁰

2.36 In her submission Ms Karpathakis outlined that she believed a pre-commitment system would have the potential to prevent people becoming addicted and would limit the damage done by those already addicted:

I believe that pre-commitment has the potential to help people, especially the ones who can't seem to stop. At least they will be able to curb their addiction or at least not cause such extreme damage. I believe that if we had had a pre-commitment scheme when I began to play I would have been a recreational gambler and not an addict. A pre-commitment scheme, including pre-commitment cards and the opt-out system, could result in many benefits. These could include preventing new people from becoming addicted, reducing the incidence of child neglect, as well as a reduction in crime. I find the idea of preventing future pokie addicts with the help of the pre-commitment scheme exciting.⁴¹

2.37 Responding to a question on whether, even in the midst of her addiction, mandatory pre-commitment would have made a difference on how much she was spending daily, Ms Pinkerton replied that it would.⁴² She offered the following view:

38 Ms Julia Karpathakis, *Committee Hansard*, 1 February 2011, p. 2.

39 Mr Stephen Menadue, *Submission 95*, p. 2.

40 Ms Julia Karpathakis, *Committee Hansard*, 1 February 2011, p. 11.

41 Pokies Anonymous, *Submission 34*, p. 3.

42 Ms Sue Pinkerton, *Committee Hansard*, 1 February 2011, p. 66.

Had there been a precommitment system in place when I first began playing the pokies, I sincerely believe I would not have become a pokies addict. Before that habituation process took hold, spending \$20 in one night while playing the machines seemed excessive, almost decadent. Always when entering a gaming room, even at the height of my addiction, I had the very best of intentions to stay for an only an hour or two and to spend \$50, \$100 or maybe even \$200, before going home. By the end of my pokies playing career, spending \$200 in a few hours did not seem an unreasonable thing and leaving the venue with cash in my purse almost never happened.

In the first few weeks of playing the pokies, had I been unable to continue gambling once I had spent my \$20 I would have gone home or found other activities within the venue to amuse myself with.⁴³

2.38 Mr Bristow acknowledged that a problem gambler is likely to find the system frustrating:

As to precommitment, something tells me that not everybody would be happy with that. I do not think that I would have been when I was gambling. I would have found that hard to do because I denied that I had a problem. All of that comes into it.⁴⁴

2.39 However, Mr Bristow also acknowledged that if there was no other option then he would have participated:

Once this precommitment comes in, the counselling agencies will probably bring that up. Had that been suggested to me, I would have gone along with it. At that time, I was committed in my mind to giving up the gambling. It has to come from within the person. I would have baulked at it, but I would have seen the sense of it in the finish.⁴⁵

2.40 Ms Byrne also supported a pre-commitment system that would assist people when they are in the midst of the urge to gamble:

When I blew a certain amount of money that I set as a maximum that I could afford to lose, the urge to gamble ceased after 24 hours and the next limit I would set would be just the same or less. This was because I felt that if I wanted to spend more — it is hard to explain. When you want to continue to gamble in the moment the urge is so strong that you would give anything to continue. If you stopped to do so and then you walked out and had time to cool off you realise that a measure like this is probably protecting you from losing a lot more. I think it is a worthwhile thing.⁴⁶

2.41 Ms Byrne added that she felt a pre-commitment system would have stopped her losing so much money and all the negative consequences that flowed from that:

43 Ms Sue Pinkerton, *Committee Hansard*, 1 February 2011, p. 56.

44 Mr Ralph Bristow, *Committee Hansard*, 4 February 2011, p. 80.

45 Mr Ralph Bristow, *Committee Hansard*, 4 February 2011, p. 82.

46 Ms Gabriela Byrne, *Proof Committee Hansard*, 2 February 2011, pp 16–17.

I think I would have lost a lot less money if that had been in place. And I probably would have saved my family and myself a lot more of the other consequences that go with the loss of money, the loss of confidence, the loss of relationships.⁴⁷

2.42 Ms Byrne also mentioned that a pre-commitment system would have provided her with more time to work on recovery as:

When you are chasing the money that you lost the day before, you are in this mode where nothing is more important than feeding the beast but if you had 24 hours where you could sit back and say 'How much money can I afford to lose?', it would have limited the losses. To give you some anecdotal evidence, I saw a woman about three months ago, a single mum, who lost \$7,000 in 45 minutes on a 1c machine. I just think that is criminal. I would not call that entertainment.⁴⁸

A mandatory system is required

2.43 Witnesses who experienced problem gambling with poker machines unanimously told the committee that the system had to be mandatory rather than voluntary. Ms Karpathakis stated:

I favour the mandatory one because if you left me on the voluntary one I would have spent the same amount; it would not have made any difference.⁴⁹

2.44 Ms Pinkerton expanded on the value of a mandatory system and who it would be likely to help:

In my opinion, the value of a mandatory registration and precommitment permanent lockout system lies primarily in its ability to prevent new gaming machine users from becoming addicted to and comfortable with losing large amounts of money. It will significantly reduce the likelihood that new users will descend into the 'lose control, overspend, feel ashamed, chase losses' cycle that is so predominant in gaming machine addiction. I believe that over a period of five years there will be fewer new gaming machine addicts created to take the place of those people who already have a problem, who will ultimately reach bottom and quit.⁵⁰

2.45 Ms Pinkerton summarised her views:

The introduction of a mandatory precommitment system, electronically monitored and managed by an independent authority, is likely, in my considered opinion, to be an effective method of early intervention and

47 Ms Gabriela Byrne, *Proof Committee Hansard*, 2 February 2011, p. 17.

48 Ms Gabriela Byrne, *Proof Committee Hansard*, 2 February 2011, pp 23–24.

49 Ms Julia Karpathakis, *Committee Hansard*, 1 February 2011, p. 21.

50 Ms Sue Pinkerton, *Committee Hansard*, 1 February 2011, p. 57.

prevention of the harms associated with excessive access to gaming machines...⁵¹

Can a precommitment smart card system reduce the number of problem gamblers in Australia? I do believe it can, but it will do this by assisting new and regular non-problem gamblers sticking to their predetermined spend limits.⁵²

2.46 Mr Cummings also supported a mandatory system:

...I support the concept of mandatory pre-commitment technology for poker machines. I believe, based on my personal experiences, that a means of ensuring that people set their spending limits while they are not in a venue, and adhere to those pre-committed limits, would have a significant impact not only on problem gambling behaviours, but on the development of problem gambling behaviours.⁵³

2.47 Mr Menadue explained his reasons for supporting a mandatory system:

I fully believe that a precommitment system, carefully thought about and tweaked if necessary while in operation, must be a mandatory system. Only the smallest percentage of problem gamblers get so much reciprocal heartache from their loved ones that they elect to make representation at venues or enter the self-exclusion system.⁵⁴

Limit setting

2.48 The committee sought advice on the options around limit setting. Ms Karpathakis suggested people be able to set weekly, monthly and annual limits.⁵⁵ She added that the limit should be up to the individual.⁵⁶

2.49 Ms Pinkerton suggested that all players be required to set a daily spend limit before they play a machine but that the amount should be voluntary. However, she added that she would support a mandatory annual limit because:

As a former problem gambler, I would say, 'Okay, I'll set a daily limit of \$200 but, jeppers, I wouldn't want to be spending \$10,000 a year. That would be way too much.' Anybody who can do a little bit of quick mental maths would know that, if I am spending \$200 to \$300 a day, I am going to spend a heck of a lot more than \$10,000 in a year.⁵⁷

51 Ms Sue Pinkerton, *Committee Hansard*, 1 February 2011, p. 58.

52 Ms Sue Pinkerton, *Committee Hansard*, 1 February 2011, p. 57.

53 Mr Tom Cummings, *Submission 113*, p. 2.

54 Mr Stephen Menadue, *Proof Committee Hansard*, 18 February 2011, p. 54.

55 Ms Julia Karpathakis, *Committee Hansard*, 1 February 2011, p. 14.

56 Ms Julia Karpathakis, *Committee Hansard*, 1 February 2011, p. 9.

57 Ms Sue Pinkerton, *Committee Hansard*, 1 February 2011, p. 57.

2.50 Regarding the ability to change limits Ms Pinkerton recommended that if you set a daily limit for example then there should be an equivalent period to change it. However, if a person wants to reduce their limit that should have immediate effect.⁵⁸ She added that only one deposit on to a card or device should be allowed in a 24 hour period.⁵⁹

2.51 Individuals, including Ms Pinkerton, expressed concern about problem gamblers being able to set limits too high.⁶⁰ Mr Ralph Bristow, Gambling Impact Society (NSW):

I am a problem gambler. As for how I would handle having to put a limit on it, I would definitely make it a high amount. As the professor said, I am the sort of person who would go in, I would have a plan—'I am only going to use so much today or gamble so much'—and within no time at all I would be out of control. That is how I got in the finish. I hit rock bottom several times. That was a blessing in disguise. I tried to give away gambling on my own and in the finish I phoned up G-line nine years ago and here I am now...But I feel there will be some people who will handle the limit but there will be others who probably will not. It is a good concept particularly with other strategies.⁶¹

2.52 Ms Byrne, provided her view:

...if I had had the option while I was in the midst of my gambling problem to limit the amount of money that I could lose, I would have taken that opportunity and it would have saved my family a lot of money.⁶²

When to set limits

2.53 Ms Pinkerton recommended that the limit should be set before getting to the venue as:

At that point, I would be thinking that we need to spend so much on food and so much on the bills and I have to pick up the lay-by, and so I would work out that I could only spend \$50, as that all the spare cash that I have.⁶³

2.54 Ms Pinkerton's position was reaffirmed in this exchange:

CHAIR—If someone had put something in your hand and said, 'Enter into this machine how much you are prepared to lose,' would that have been a rational decision at that point?

58 Ms Sue Pinkerton, *Committee Hansard*, 1 February 2011, p. 62.

59 Ms Sue Pinkerton, *Committee Hansard*, 1 February 2011, p. 57.

60 Ms Sue Pinkerton, *Committee Hansard*, 1 February 2011, p. 66.

61 Mr Ralph Bristow, *Committee Hansard*, 4 February 2011, p. 76.

62 Ms Gabriela Byrne, *Proof Committee Hansard*, 2 February 2011, p. 23.

63 Ms Sue Pinkerton, *Committee Hansard*, 1 February 2011, p. 62.

Ms Pinkerton—Yes.

CHAIR—And then when you went out you started to become increasingly irrational, you started to get into the zone?

Ms Pinkerton—Yes.⁶⁴

Include messages and reminders

2.55 Witnesses suggested that some form of sophisticated messaging should be included which would let people know when their limits were approaching and this could be targeted and personalised. Ms Pinkerton also suggested the following:

There should also be a mandatory on-screen display of a gambler's monthly gambling activity prior to the commencement of their gambling on any given day. This is a no-brainer too. This would be a pop-up which, for example, would say: 'In the last month you have spent X amount of dollars; in the last year you have spent this much; in the last session you spent that much. Do you wish to continue? Yes/No.' It is easy to do. It can happen from a USB stick, a smart card or stored data. Further, any machine idle for longer than three minutes must shut down. This is so that people who leave their cards behind in the machine do not have their machine taken over by somebody who has exceeded their limit.⁶⁵

Conclusion

2.56 Again the committee expresses its gratitude to the individuals who shared their personal gambling stories with the committee to assist others. Their practical advice and ideas on design features of a mandatory pre-commitment system that would have helped them is particularly useful input for the committee's consideration. Chapter six covers a more detailed discussion of design features.

2.57 The advice that a problem gambler can be anyone and everyone and the common thread of denial has important implications for the development of a pre-commitment scheme. The committee has no wish to stigmatise or single out problem gamblers. Evidence to the committee discussed in the following chapters is clear that it is difficult, if not impossible, for venue staff to know who is a problem gambler. The common thread of denial even to themselves increases the difficulty to provide assistance. Evidence referred to a 'gambling continuum of risk'⁶⁶ where people can quickly move from low, to at risk and into problem gambling and back again. Given

64 Mr Andrew Wilkie MP and Ms Sue Pinkerton, *Committee Hansard*, 1 February 2011, pp 65–66.

65 Ms Sue Pinkerton, *Committee Hansard*, 1 February 2011, p. 57.

66 Mr Mark Henley, Uniting Care Wesley Adelaide, *Proof Committee Hansard*, 1 February 2011, p. 44, p. 48; Associate Professor Linda Hancock, *Submission 64*, p. 10; Dr Jennifer Borrell, *Submission 109*, Attachment 1, p. 3; Productivity Commission, *Australia's Gambling Industries*, vol. 1, Commonwealth of Australia, Canberra, 1999, p. 19, 6.18; Associate Professor Linda Hancock, *Proof Committee Hansard*, 2 February 2011, p. 10.

this evidence the committee believes that pre-commitment should be seen as a management tool for all gamblers. For those not at risk it is a management tool to make choices and support those choices. For those at risk or with a gambling problem it is a tool for change and learning new gambling behaviours.

2.58 The committee was concerned to hear from individuals mentioned in this chapter and from others about problem gamblers hitting rock bottom before seeking or accepting help. This 'ambulance at the bottom of a cliff' approach is clearly not working for individuals, families or the broader community and the committee supports the view offered by Ms Kate Roberts, Chairperson, Gambling Impact Society (NSW):

I think it is really important that we do not get fixed on the idea that hitting rock bottom is the only way out. With a well-informed community and families that are strengthened and people with an understanding of this issue, we are not going to need people to hit rock bottom before they start reaching out for a variety of kinds of supports to assist them. It is rather an old model that says you have to wait for someone to hit bottom before they will change. In fact there is plenty of evidence that you do not.⁶⁷

2.59 Ms Byrne agreed that there is a duty of care that should start well before a person hits rock bottom financially and emotionally.⁶⁸ The committee believes that a well designed pre-commitment system is a key tool to protect, minimise harm and intervene to stop individuals and their families from reaching desperate circumstances.

67 Ms Kate Roberts, *Committee Hansard*, 4 February 2011, p. 80.

68 Ms Gabriela Byrne, *Proof Committee Hansard*, 2 February 2011, p. 19.

