

WesleyVoice

Play the Card

Background

Electronic Gaming Machines, better known as “pokies” were introduced into South Australia on 27th July 1994. Since that time, there has been a dramatic increase in the level of gambling in South Australia with a tragic and commensurate increase in the number of people with major gambling problems.

The growth of pokies is demonstrated by graph 1, which shows annual turnover from 1990, for the 4 main elements of gambling activity in South Australia.



Graph 1, Source Australian Gambling Statistics, Queensland Government.

Within a couple of years of the introduction of poker machines, there was growing concern from the community about their adverse impact. Nick Xenophon was appointed as a “No Pokies” Independent to the South Australian Legislative Council in 1997. In 1998 the South Australian Parliament, through the Social Development Committee, conducted an inquiry and nationally the Productivity Commission was given the task of conducting a comprehensive Inquiry into the economic and social impacts of Australia’s gaming industries. In 1999 the Anglican Synod in South Australia voted unanimously to ask the Heads of Christian Churches to establish a Gambling Taskforce, which commenced operation early in 2000.

Impacts of Poker Machines

Churches and community organisations, including UnitingCare Wesley, have been deeply concerned at the harm that problem gambling causes for some people. In 1999, the Productivity Commission suggested that about 2.1% of the adult population could be regarded as having a gambling problem (as measured by a score of 10 or more using the South Oaks Gambling Screen), which equates to about 24,000 adults in South Australia at the moment. Recent attempts to quantify the prevalence of problem gambling have produced estimates both above and below this point estimate.

Problem gambling numbers increased about tenfold in the eight years from the introduction of poker machines in South Australia, with estimates suggesting that between five to ten other people are adversely affected for every person with a gambling problem, and at least one child is disadvantaged for every person with a gambling problem.

The impacts for individuals with gambling problems are significant, with financial and relationship stress major concerns, while depression and anxiety disorders are much more common among people with gambling problems. Particularly alarming is that about one in five people who present to gambling help services have contemplated or attempted suicide.

Problem gambling has dire consequences for individuals and families but it also has broader community impacts. For example, about 70% of people with gambling problems admit to stealing money. Money spent on poker machines has eroded the life savings for many households and has hurt many small businesses through lost sales.

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How UnitingCare Wesley Helps

UnitingCare Wesley Adelaide, as the Adelaide Central Mission, established the first gambling help service in South Australia, as a result of a steady number of calls for help with gambling coming to Lifeline during the early 1990s.

Since the development of the Gamblers Rehabilitation Fund to provide funding for services, a Gambling Help Service (previously known as 'Break Even') has been provided by UCW Adelaide. This service offers personal and financial counselling to people who are affected by gambling. Individual advocacy is also provided. There is a focus on work with both gamblers and those affected by someone else's gambling. The service also provides community education/information and focuses on the southern metropolitan and Fleurieu Peninsula area of Adelaide.

People with gambling problems are often dealing with other issues as well so UnitingCare Wesley Adelaide's financial counselling and relationship counselling services are used by households that include people with gambling problems. Lifeline, Byron Place Community Centre, Kupto drug and alcohol rehabilitation services and mental health services also assist people who are sometimes wrestling with gambling on top of other more immediate problems in their lives.

Central to UnitingCare Wesley's approach to gambling has been to focus on 'harm minimisation'. We also work closely with the gaming industry, currently providing responsible gambling training for all SA Lotteries agents, TAB and Casino staff through Wesley 4 Training.

UCW Adelaide has also been a strong advocate for legislative and regulatory change to encourage gaming industries to reduce gambling harm. As such, the organisation has been instrumental in the establishment of the Independent Gambling Authority and has presented numerous submissions on gambling issues. Manager of Advocacy and Communications, Mark Henley, is a member of the SA Gambling Minister's Responsible Gambling Working Party.



Former SA Minister for Gambling, Hon Paul Caica with Mark Henley

Responses

Gambling has been almost exclusively a State responsibility since Federation, with State and Territory governments generally introducing additional gambling activities when budgets were tight.

Over the last decade, a range of measures have been introduced to reduce gambling harm. Significant developments have included:

- **1998** the Social Development Committee of the South Australian Parliament made a series of proposals, including capping the number of machines at 12,000.
- **1999** Productivity Commission report released, one of the most comprehensive gambling studies ever undertaken.
- **2000** December, the SA Parliament voted to freeze the number of poker machine licences for six months.
- **2001** the Gaming Machine Review Committee, recommended the maintenance of the cap, at 15,100 machine entitlements, and recommended the establishment of the Independent Gambling Authority whose role includes developing measures to reduce gambling harm.



From UCW Port Pirie 2008 gambling harm Art Exhibition

Why Do People Gamble?

The question of why people gamble has been the subject of intense research over recent years. For many people gambling is a recreational activity, but 15 to 25% of regular poker machine players have a gambling problem or are at risk of developing a problem. For many regular gamblers, gambling provides an escape from the difficult parts of their lives. The faster the gambling activity the more addictive it is, so poker machine design, with a new game every 2½ seconds, is an important factor in keeping people gambling, as is venue layout.

"I remember one client who would go to the venue at 9 o'clock every morning. Every morning at 9 o'clock staff would have his machine ready for him, some beautiful homemade cake, and the venue staff would get his coffee. His wife had died and this replaced that communication with somebody and he felt important, he felt pampered, and why wouldn't he? It made him feel good. Then he started to realise, it's costing him \$250 a day to feel good, and that can't be right." BreakEven Counsellor.

to Gambling Concerns

- **2004** April, the first Codes of Practice, which were binding on all gambling providers, were gazetted. Measures included limits on advertising and promotion of gambling, as well as requiring venues to implement a range of responsible gambling measures.
- **2004** December, after a year of intense debate, the South Australian Parliament voted to reduce the number of poker machines by 20%, to a statewide total of 12,000 machines. Measures strongly supported by UCW Adelaide and others, including establishing regional caps and fixed terms for poker machine licences, were voted out.
- **2005** July, the mechanism approved for removing poker machines resulted in 2,229 machine entitlements being withdrawn from venues, from 15086 entitlements in March 2005. The number of poker machine venues declined from 608 in June 2005 to 578 venues in June 2006.
- **2006** The Independent Gambling Authority's first biennial review of the Code of Practice led to proposals for tightening venue responsibilities.
- **2006** Gambling Minister, Paul Caica established a Responsible Gambling Working Party to concentrate on assisting gamblers with pre-commitment.



- **2007** Smoking bans introduced in gaming rooms with initial drop in poker machine turnover. (Amount gambled expected to return to pre-smoking ban levels within 12 -18 months).
- **2007** minimum age for purchase of all gambling products increased to 18 years.

Taking Action! In-Venue Identification

With pokies legalised, it is widely recognised that there is no single measure that will dramatically reduce gambling harm. However, there are two recent developments which suggest ways forward for effective measures to further reduce gambling harm.

Professor Paul Del Fabbro of the University of Adelaide who has challenged the previous attitude, being that problem gambling behaviour could not be readily identified in gambling venues, has recently undertaken a significant research project. He found that there are behaviours that are much more common amongst people with gambling problems than 'recreational' gamblers, and significantly he has identified combinations of observable behaviours that are highly likely to be associated with a person with a gambling problem.

For example, a woman in a poker machine venue, who has kicked a poker machine, and is 'edgy' and has lost track of time and has visited an ATM on two occasions or more has about 95% chance of having a gambling problem. For males, playing poker machines for more than three hours and also sweating and playing at closing time is a combination of observable behaviours with a high likelihood of being associated with problem gambling.

These findings suggest that venues are able to take greater responsibility in identifying at least some people at risk of gambling problems, and to develop appropriate ways of approaching these customers and assisting them in gaining help.

Play the Card

Over recent years there has been growing interest in the potential of card based gambling to be an effective tool in assisting gamblers to preset a range of gambling limits, particularly on money and time spent in a session, over a week or any other time period. The Canadian jurisdictions of Nova Scotia and Saskatchewan are at the forefront of trialling card based pre-commitment schemes, but governments in Queensland, Victoria and South Australia are also taking leadership in investigating the potential for card based systems to reduce gambling harm.

In South Australia, Gambling Minister Paul Caica announced on 23rd of July 2008, that the company operating the "J card" loyalty program was going to trial a pre-commitment "venue card", in four venues.

UCW Adelaide supports this trial, and will continue to advocate for outcomes likely to lead to a next generation of measures that will be significant in further reducing gambling harm.

State of Play in SA	
Pokies Net Gambling Revenue, 2006-07 <i>(NGR = amount gambled less return to player)</i>	\$792.62 million
Pokies Tax revenue, 2006-07	\$313.85 million
Aggregate Return to Venues, 2006-07	\$478.77 million
Number of Pokies, March 2008	12,649
Number of Venues, March 2008	566
Number of people with gambling problems	18,000 - 24,000

Emerging Concerns

Although poker machine gambling in hotels and clubs has accounted for 80% - 85% of problem gambling in South Australia, UCW Adelaide, and other groups concerned about gambling harm, are aware that there are new and emerging forms of gambling which can also cause considerable harm, these include:

- Poker, and in particular Texas Hold 'em Poker is a very popular, informal and, therefore, unregulated form of gambling, particularly amongst young males.
- Internet gambling, including Betting Exchanges. Betting Exchanges provide the opportunity for a gambler to lodge a bet on anything they like, through a website, quoting the odds they want to give and the dollar value of the wager. The betting exchange takes a fee and lists the wager. Anyone can accept the original wager. Betting exchanges are very common in the United Kingdom where Internet based gambling accounts for over 25% of problem gambling dealt with by GamCare, a major British gambling help service.
- Interactive television / mobile phone gambling. New technologies are providing potential for new forms of gambling which are instantaneous, home-based and unregulated. This combination of factors signal significant risk.
- Each of these forms of gambling are likely to be readily accessible to young people, well under 18 years of age, gambling at home.

UnitingCare Wesley continues to advocate strongly for bans on any new forms of gambling.

Latest Developments

The Federal Minister for Gambling, Hon Jenny Macklin, announced in July 2008 that a second Inquiry into Australia's gambling industries has been requested from the Productivity Commission. It is highly likely that this Inquiry will generate further information about the extent of gambling in Australia and the effectiveness of harm reducing measures. The Inquiry will provide an opportunity for community concern about gambling to be given voice and provide direction about further action.

The Gambling Ministers Council meeting on July 25th also agreed to establish a national gambling help website and a single national gambling helpline number, along with other measures. These developments are significant, as they suggest a more national approach to reducing gambling harm, which hopefully will support individual State and Territory measures.

In South Australia, along with supporting the significant trial of a venue card to enable pre-commitment, the State government has also announced that it will table amendments to the *Gaming Machines Act 1992* that will enable:

- The removal of the fixed price of \$50,000 to purchase a gaming machine entitlement. As our trading system involves the removal from the market of one in every four licences sold, this measure is designed to boost the trading of licences in order to reduce overall numbers and more readily achieve the target agreed by State Parliament;
- Strengthening the mechanisms for assessing the social impact on communities of any proposals to open new venues;
- Extra responsibilities for late trading gaming venues;
- Prohibition on outdoor gaming areas;
- Extending responsible gambling provisions to airport gaming;
- Strengthening compliance and enforcement efforts undertaken by the Liquor and Gambling Commissioner.

Further Action

Each of these measures, coupled with the establishment of the Productivity Commission Inquiry, mean that public debate about further measures to reduce gambling harm will be prominent over the next couple of years, community action will be vital! UCW Adelaide suggests that the highest priorities to further reduce gambling harm are:

1. to act on the widespread introduction of a 'venue card' to enable gamblers to pre-commit their money and time spending - public policy needs to 'play the (venue) card'.
2. reduce the number of venues, the proposed amendments to the *Gaming Machines Act 1992* is a step in this direction
3. reduce venue hours from 18 hours per day to fixed times of 10.00am to midnight
4. Extend the current (limited) ban on Internet gambling and ensure that no new forms of gambling enter Australia
5. Remove ATM's from gambling areas
6. Develop a gambler help system that takes a 'public health' approach, ie implement measures to help individuals, families and communities, rather than just concentrating on treatment of people with dire gambling problems.

Further Reading

SA Centre of Economic Studies: www.adelaide.edu.au/saces/ (click on "Publications" then, "Consultancy Reports"
The Impact of Gaming Machines on Small Regional Economies is a significant study)

Gambling research Australia: www.gamblingresearch.org.au In particular "Identifying Problem Gambling in Gambling Venues" - Dr Paul del Fabbro

SA responsible Gambling Working Party, Progress Reports
www.treasury.sa.gov.au/responsiblegambling

Independent Gambling Authority: www.iga.sa.gov.au (click on "Publications" then "Other Publications")