

IPS ROUNDTABLE ON “RESPONSIBLE GAMING”

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Responsible Gambling in Australia: Towards Policy Reform

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Gambling in Australia: Current Trends

- Gambling liberalised and grew rapidly during 1990s.
- But now a more mature industry, with spending flattening.
- In 2008-09, Australians spent >\$19 billion on gambling or AU\$1,500 per adult who gambled.
- = 3% of household consumption expenditure.
- Growing illegal internet gambling (4% expenditure).



A continued love affair with gaming machines...



- 198,000 gaming machines
- 5,700 pubs & clubs with gaming machines
- 13 casinos
- 4,500 off-course betting outlets + racetracks
- 4,700 lottery outlets
- Online sportsbetting
- Highly accessible
- Tax revenue = \$5 billion
= 10% of all state tax
(policy implications)



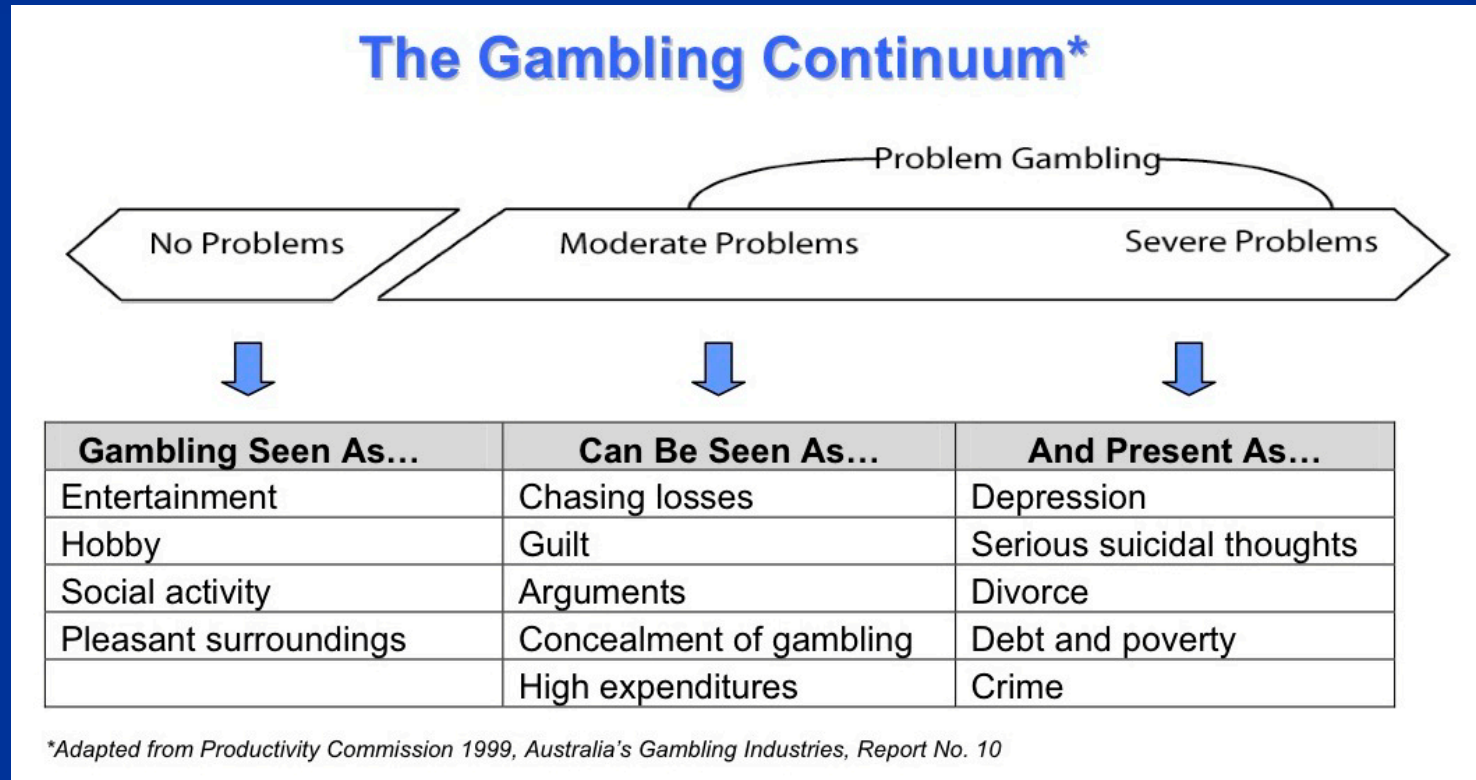
Problem gambling



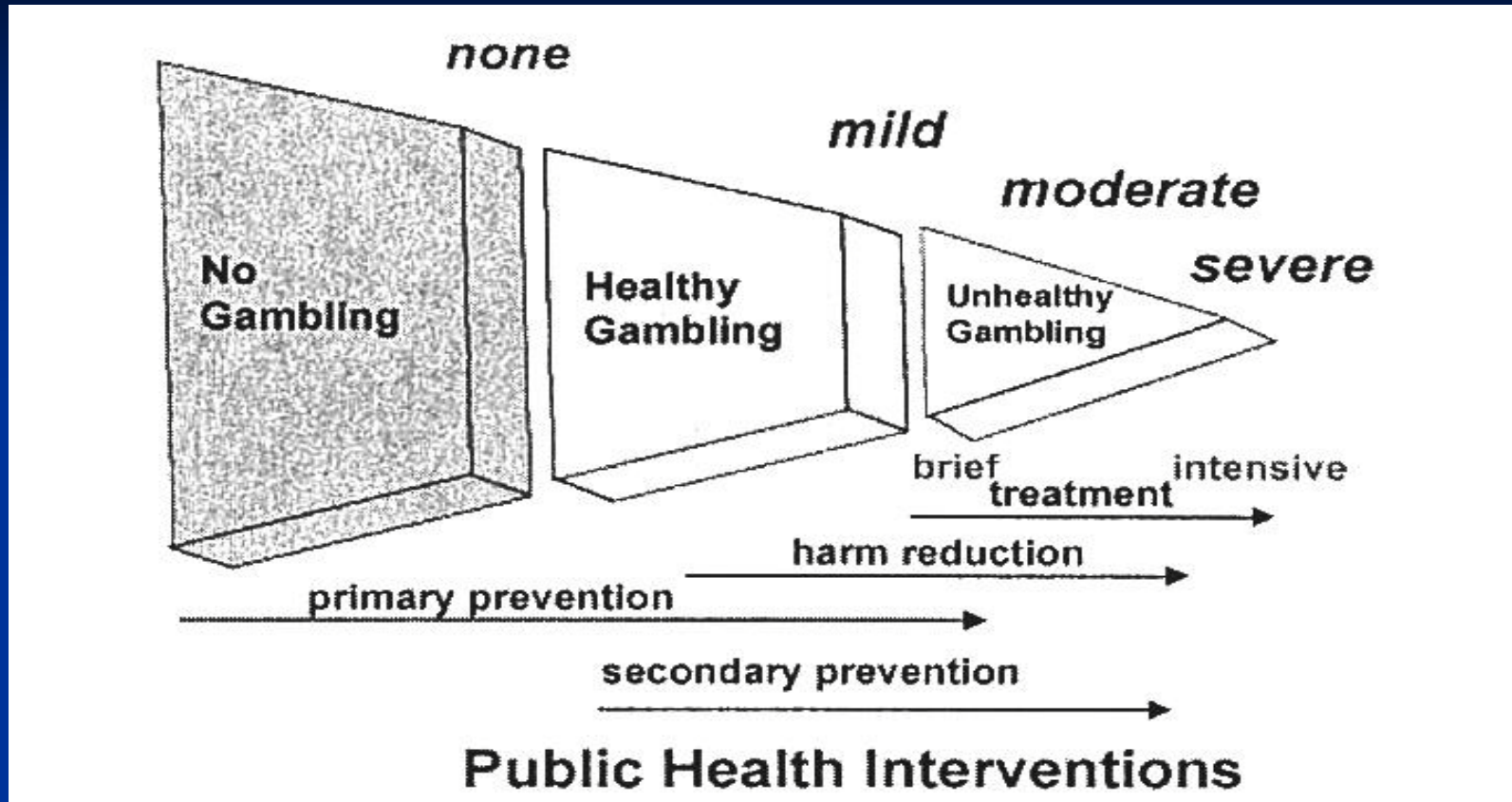
- 0.5 – 1.0% of adults have significant gambling problem, another 1.4 – 2.1% with moderate gambling risks.
- Social cost of problem gambling about AU\$4.7 billion per year.
- Most problem gambling associated with gaming machine play.
- About 41% of gaming machine revenue from problem gamblers, while up to 75% from problem & moderate risk gamblers.
- 15% of regular gaming machine players are problem gamblers, another 15% are moderate risk gamblers.
- Thus, most policy interest on regular gaming machine players.

Problem gambling

- Overall problem gambling prevalence probably declined.
- But no evidence of decline in problem gambling rates amongst regular gaming machine players.
- Strong evidence that gambling can have adverse health, emotional & financial impacts on many more people than just 'problem gamblers'.



Policy response: public health approach



Shaffer & Korn 2002:173

Public health approach - not just about treating problem gamblers, but also about preventing and reducing harm for those with problems or at-risk.



Policy response: Brief history

- Problem gambling not acknowledged as a social issue until 1990s, despite long history of gambling in Australia.
- But gambling expansion, intense competition, predatory industry practices fuelled concerns for social impacts of gambling.
- Late 1990s, various govt inquiries led to regulatory requirements and codes of practice in responsible gambling, with harm minimisation and consumer protection elevated.
- Govts fund telephone, online and face-to-face counselling services, public awareness and education, research.
- Industry requirements for safer gambling environments, limits on financial transactions (e.g. ATM placement, cheque cashing), & advertising/promotion, self-exclusion, in-venue warnings & info, staff training.

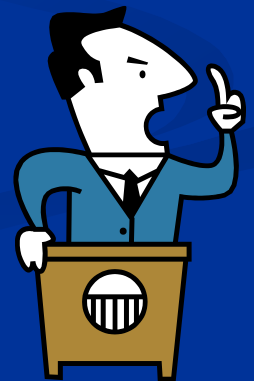


Stages of corporate citizenship in responsible gambling

	Stage 1: Elementary	Stage 2: Engaged	Stage 3: Innovative	Stage 4: Integrated	Stage 5: Transforming
Strategic intent	Legal compliance	Protect reputation	Licence to operate	Business case, harm minimization	Harm prevention
Leadership	Uninterested or defensive	Resistance to change	Begrudging acceptance	Acceptance & stewardship	Visionary
Stakeholder relationships	No or minimal engagement	Only as necessary	Increased interaction	Mutual influence	Partnerships & multi-organization alliances
Issues management	Rejection or indifference	Reactive	Responsive, mainly policies	Responsive, mainly programs	Proactive
Structure	No specified responsible gambling functions	Some centralised interest, little diffusion through organization	Functional ownership of responsible gambling	Dedicated departments & positions, coordination of responsible gambling across the organization	Mainstream, permeates organization
Policy & practice	Undeveloped	Minimal, passive, symbolic	New policies & practices	Expanded policies & practices	Effective policies & practices
Transparency & accountability	Minimal	Public relations	Public reporting	Assurance	Full disclosure

What is driving this transformation?

- 2nd Productivity Commission Inquiry 2010 (1st in 1999)
- Agenda of one Independent MP with balance of power and one anti-gambling Senator
- Australian Federal Government gambling reforms
- And the continued visibility and concern about gambling and gambling problems



Productivity Commission findings 2010: Counselling & treatment services

- 15% or fewer problem gamblers seek professional help, and only when they hit rock bottom.
- Shame, stigma, denial or belief they can resolve problem themselves are main reasons.
- Most clients benefit from professional help, irrespective of type of treatment.
- Many problem gamblers have co-morbidities.
- Self-help & self-recovery may be significant.



Productivity Commission Recommendations: Counselling & Treatment Services



- Stronger formal links between gambling counselling services & other health & community services.
- Promote self-help and brief treatment options to achieve self-recovery.
- Minimum training standards for gambling counsellors.
- Better evaluation of effectiveness and improved datasets.
- More funding from gambling providers known to be linked to harm (gaming machines).
- Greater emphasis on other interventions that 1) dispel gambling myths 2) tell people how to gamble safely 3) highlight potential future consequences 4) make community aware of problem gambling behaviours to encourage earlier help-seeking or interventions by family & friends.



Productivity Commission Findings 2010: Harm Minimisation

- Numerous harm minimisation measures introduced in last decade.
- Some effective, some not, some unnecessary costs to industry, not well targeted.
- Examples:
 - Venue shutdown periods to remove 24hr gambling = “largely ineffectual”.
 - Value of notes accepted reduced, but can still insert notes repeatedly = “ineffective”.
 - Reduction in machine numbers (SA) = “ineffective”.
 - Limits on venue ATM withdrawal amounts, but can make repeated withdrawals = “ineffective”.
 - Lowering maximum bet from \$10 to \$5 reduced expected losses from \$1,200 to \$600 per hour = “still very high”.
 - National ban on internet gaming = “ineffectual”.



Productivity Commission: Key Recommendations

- Pre-commitment system for all gaming machines
- Better warning signs and other venue information.
- \$250 daily withdrawal limit from venue ATMs.
- \$1 bet limits on gaming machines (currently \$10).
- \$20 limits on cash inserts into machines (currently \$10,000).
- Longer venue shutdown periods (currently 3-6 hrs).
- Cheque payment of winnings.
- Better self-exclusion, e.g. single application to exclude from multiple venues, don't need to go to venue to exclude, linked to counselling.
- Better complaints handling systems regarding irresponsible venues.
- Better staff training, e.g. enhance problem gambler identification & intervention guidelines.
- Managed liberalisation of online gaming, starting with poker, with high probity and harm minimisation standards.
- Better regulation that emphasises public interest, consumer protection & harm minimisation.



Government response to date

Australian Govt agreement with Tasmanian Independent MP to examine some gaming machine reforms:

- By 2014, a full pre-commitment system for gaming machines that allows gamblers to set binding limits on their losses and applies to all gaming machines in a jurisdiction (smart cards).
- Dynamic warnings on gaming machines.
- \$250 daily withdrawal limits from ATMs in pubs and clubs.
- Consideration of “low intensity” gaming machines.

New policy framework – collaboration with States & Territories:

- Select Council on Gambling Reform (members of all govts)
- Joint Parliamentary Cttee on Gambling Reform (House of Reps, Senate)
- Ministerial Expert Advisory Group (stakeholders).



Sports betting

Rising concerns about:

- Match-fixing, especially due to “exotic bets”.
- Sponsorship of sport by gambling operators.
- Advertising and promotion of sports betting.
- In-match commentary of gambling odds.



Ban on commentators spruiking betting odds (28 May 2011)

Agreed to yesterday in Canberra was a plan to end the promotion of "live odds" in sports coverage on all broadcasts and in sports arenas. Communications Minister Stephen Conroy said advertising in-game betting sent the wrong messages.

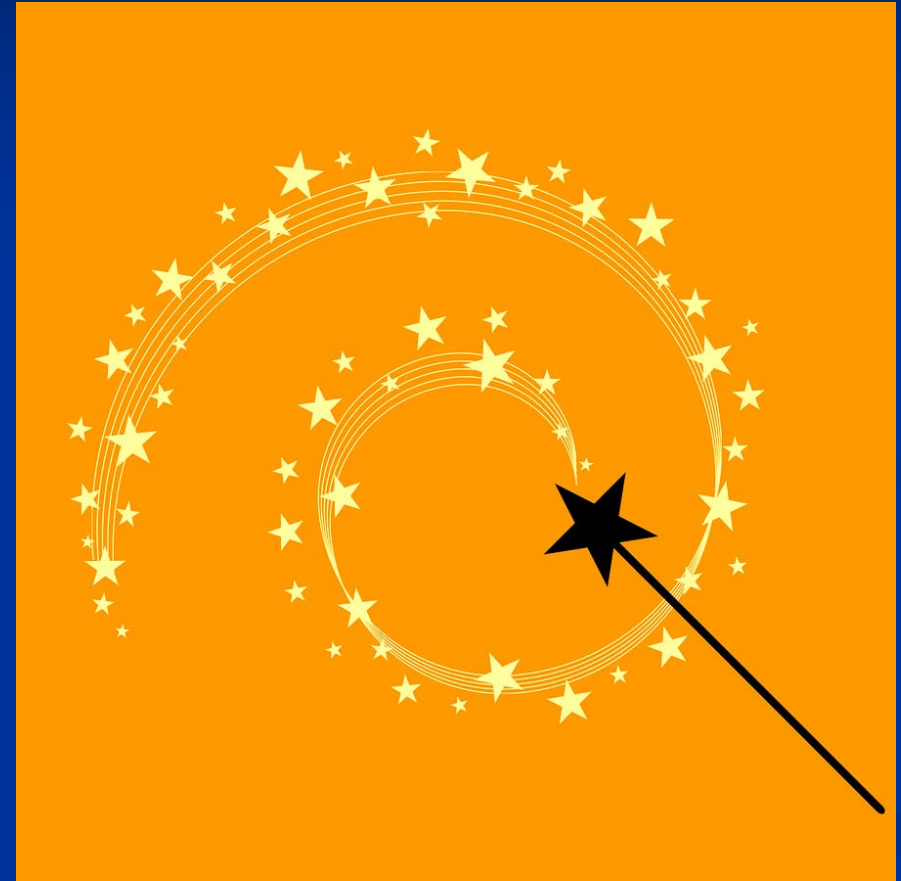
"There's a very insidious culture that is starting to develop that is targeting the vulnerable and the young as they're attending sporting events, as they're watching television sporting events, and all ministers thought that this was a very necessary step for the Commonwealth to take," he said.

"The particular concern of all the ministers was the practice by commentators reading out odds and encouraging people to get on," which was "normalising a culture for some of the more vulnerable ." Existing contracts with betting companies will be allowed to run on for 12 months but no new contracts will be allowed and "in-game" promotion will cease 12 months from now.



Trends in HM measures in Australia

- More proactive
- More interventionist
- Better targeted at problem & at-risk gamblers
- Better targeted at most harmful types of gambling
- Product alterations
- Technology-assisted
- Increased monitoring
- Increased avenues for complaints & redress
- More effective?



Gambling research arrangements in Australia

Funding bodies:

- Gambling Research Australia
- State Government gambling research programs
- Federal Government (non-gambling specific)
- Industry funded research (consultancies)

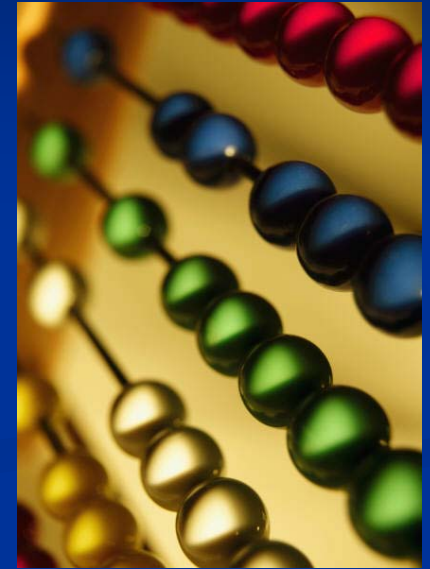
Researchers:

- University research centres
- Non-aligned university academics
- Consultants



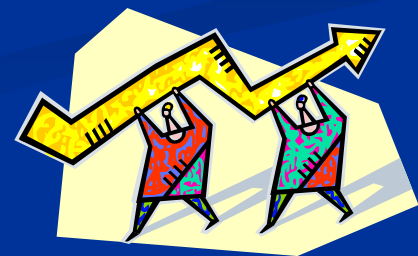
What are the strengths & weaknesses?

- Reasonable quantity of gambling research funded.
- But quality compromised by:
 - Small budgets
 - Short time frames
 - Small pool of researchers
 - Researcher availability/short notice
 - Limited access to some data, gamblers, venues
 - Inability to study gamblers in situ
- Other issues:
 - Duplication, inconsistencies across jurisdictions
 - Few truly national studies
 - Very few longitudinal and prospective studies
 - Focused almost entirely on problem gambling; many gaps
 - Addresses only issues of current policy relevance to particular governments
 - Questionable whether research influences policy effectively



PC recommendations for research

- Improve usefulness & transparency of gambling survey evidence (consistent measures, datasets publicly available).
- Govts to provide timely data on gambling expenditure, tax, numbers of machines and venues, self-exclusion information).
- Establish a national centre for gambling policy research funded by Australian Govt to:
 - Oversee, initiate & conduct research of direct policy relevance.
 - Advised by representatives from community, industry, experts, all govts.
 - Coordinate national evaluations, reviews, surveys.
 - Broaden expertise & disciplines by collaborating with drug, alcohol & other public health research units.
 - Establish guidelines, methods & processes for research & evaluations undertaken by govts.



Towards more effective gambling research

- Approach from a public health perspective
- Expand focus beyond problem gamblers
- Conduct longitudinal, prospective studies
- Secure ongoing funding for programs of research
- Conduct larger and more thorough studies
- Utilise industry, govt, community services data
- Include studies on vulnerable sub-populations and regions
- Include studies on new gambling technologies
- Focus on policy evaluation
- Nurture a pool of research expertise



Current & recent funded CGER research

Gambling Research Australia:

- Interactive gambling
- Gamblers at risk and their help-seeking behaviours
- Gambling and co-morbid disorders
- Influence of venue characteristics on decision to attend a gambling venue
- Exploring Indigenous gambling

Australian Research Council:

- Gambling problems, risks and consequences in Indigenous Australian communities
- Geo-spatial analysis of gaming venues, communities & harm

Various State Governments:

- Assisting problem gamblers in the gaming venue (QLD & SA)
- Pseudo underage gambling project
- Gambling and problem gambling amongst gaming venue staff
- Links between accessibility to gambling and problem gambling
- Gambling and problem gambling in an Indigenous community



Projects in early development

- Sports sponsorship by gambling companies
- Gaming venue employee stress, commitment, job satisfaction & turnover
- Measuring the recreational benefits of gambling
- Influence of life stages on female gambling & problem gambling
- Links between homelessness and gambling
- Professional gamblers vs problem gamblers
- The attraction of poker tournaments
- Gambling problems amongst elite footballer players
- Experiences of partners of problem gamblers



Questions?



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