BREAK EVEN

SOUTHERN

Submission to the Productivity Commission Inquiry

Australia's Gambling Industries

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Introduction:

Scope

This submission to the inquiry does not seek to provide a comprehensive overview of problem gambling issues in Victoria. BreakEven Southern is aware that a range of Victorian BreakEven services are submitting to the inquiry, and to provide a general paper would be to duplicate what has already been well stated by other programs.

BreakEven Southern seeks to highlight four key areas of interest. These areas are: BreakEven Southern clients, gambling and the state, the gambling industry and the need for research.

BreakEven Southern

BreakEven Southern gambling support service is one of the programs funded through the Victorian Government's Community Support Fund to address problem gambling issues within the Victorian community. The program services the Department of Human Services Southern Region, which has a catchment of approximately one million adults. BreakEven Southern officially commenced operations in February 1995, as did the other Victorian programs.

A holistic perspective is used, in which the individual, family, cultural and social issues are seen to be interrelated. Prevention, education and treatment strategies are all considered important in addressing problem gambling. Harm minimisation principles and practices are considered particularly relevant, with their emphasis on reducing negative consequences or limiting risks for individuals and the community. A harm minimisation approach was endorsed in the VCGA report on the Definition and Incidence of Problem Gambling (VCGA, 1997a).

BreakEven Southern Clients

The majority of BreakEven Southern clients experience difficulties with Electronic Gaming Machine (EGM) play, and their gambling problems are of recent onset. Had the EGM's not been introduced, it seems problem gambling would have remained what it previously was: an obscure disorder principally experienced by a few men and even fewer women who primarily punted on horses. A disorder creating little interest within the Victorian public, professional or academic communities.

Our experience has been that people with gambling difficulties present with multiple problems, often of a long term and/or serious nature. Psychiatric and intellectual disability

appear to be over-represented, financial problems abound, increasingly there is pending legal action, a plethora of psychological problems have been noted, and reports from interstate and overseas of elevated suicide risk are also borne out in Victoria. The range of presenting issues faced by BreakEven Southern clients is reflected in the University of Melbourne analysis of BreakEven clients from across Victoria (Jackson, Thomason and Ryan, 1997; Jackson, Thomas, Crisp, Smith, Ho and Borrell 1997).

The range and nature of client issues raise serious concerns about the ability of communities to sustain their members. That gaming venues are used by women as safe and socially acceptable entertainment vehicles in preference to other options is also of concern. Equally, for clients to use gambling as a means of addressing their life problems is both inappropriate and merits consideration of the individual and social barriers to more effective solutions.

In terms of treatment, the program offers individual, couple, family and group services. Individual appointments continue to be by far the most common treatment modality.

A two-stage process in counselling is typical. The initial treatment stage encompasses behavioural and cognitive behavioural interventions to address gambling itself, and is frequently revisited during treatment. Treatment in middle and late stages typically incorporates a range of techniques to address relapse prevention and interventions for other life issues faced by clients. These issues precipitate, maintain, exacerbate or result from the problematic gambling behaviour.

Initial data from the agency's own surveys of client outcomes suggest that counselling is an effective option to assist clients in resolving their gambling and other life problems. This is felt to particularly hold true where clients engage well and address their broader life issues.

BreakEven Southern has five staff with community languages to assist in accessing culturally and linguistically diverse communities. Since inception, over 40 different cultural groups have accessed the program. The overall percentage of people from a non-English speaking background is in line with the Victorian population. The overriding impression is of great diversity in cultures represented.

Many issues in working with this client group remain unresolved, and the multicultural area seems to be particularly laden with anecdotal information. Opinions vary about the cultural appropriateness of counselling for various groups, their willingness to accept outside assistance and the extent of problems within particular cultures.

There are also differing views on whether the provision of services through ethno specific organisations attracts clients through linguistic and cultural appropriateness or repels them for fear of identification within their own community. There rarely seems to be a consistent picture for any cultural group, signalling the need for research into community characteristics and needs.

Gambling and the State

As states across Australia are under high pressure to raise their own revenue, it is no surprise that gaming has spread across most of the country. Gaming has proven extremely popular wherever it has been introduced, with Victoria being no exception.

Within the debate on gambling it is easy for problem gambling services, welfare and religious groups to forget the clear indications that the Victorian public want to gamble. Both the VCGA surveys indicating that the majority of Victorians gamble (eg VCGA, 1997b) and the rapid increase in gaming industry turnover illustrate this fact. Amongst many others, Michael Walker has also expressed the belief that Australians want to gamble (see Walker, 1992).

Many parties on the community side of the gambling debate argue for an interventionist, if not at times paternalistic, position. However, these groups must consider broad community response to such a position. Clearly, many in powerful positions within the community, gaming industry and government value freedom of choice, autonomy and self determination. Current voting patterns reflect that large proportions of the population support this view. Ultimately, only accurate and independent research or other hard evidence will provide answers to many of the issues under debate.

Michael Scriven (1995) analyses the pragmatic rationale typically used to justify gambling, including factors such as economic and hedonistic beliefs, the negative consequences of prohibition, the impossibility of policing or regulating an illegal industry, and rejection of moral arguments as flawed. Scriven (1995) concludes that we should fundamentally be concerned with where to set the goalposts in a society that will permit gambling.

In an analysis of gambling and the state, Hughes (1996) posits that contemporary western society encompasses a diverse range of "cultural and moral traditions that are intrinsically incommensurable" (p37). This variety of moral commitments cannot be rationally arbitrated, and any attempt should be abandoned. Hughes suggests we adopt a set of non - instrumental rules that allow peaceful co - existence.

Given the difficulties inherent in setting the parameters for regulating the gambling industry, the Victorian experience of combined government and self regulation provides some insights about which system seems to function more effectively.

The Gambling Industry

As stated above, in Victoria the gambling industry is managed through a combination of government regulations and self regulation. With regard to compliance with government regulations, BreakEven Southern is not in a position to comment definitively on overall

adherence. However, information gathered through experience in working directly with the gaming industry suggests a comparatively small degree of non-compliance within a greater context of compliance. It appears that the impact of government regulation on the gambling industry has been positive and effective in overall terms. Many would argue, however, that regulation needs to be extended to areas that are currently not covered.

The Victorian Gaming Machine Industry Codes of Practice provide information on the relative efficacy of gambling industry self regulation.

The Codes were introduced in February 1997, and cover Crown Casino, TABCORP, Tattersalls, the Australian Hotels & Hospitality Association and the Licensed Clubs Association of Victoria. Despite the title of the Codes, no manufacturers, suppliers or other gaming industry services. are included.

The Codes are a welcome step in addressing community concerns about gambling. They have led to greater venue contact with Break Even Southern and a more positive attitude toward us. The Self Exclusion process has assisted some customers to come to terms with their gambling problems. The adoption of the Codes has also allowed some venue managers to more readily acknowledge the existence of gambling related harm and the need to take appropriate measures.

The gaming industry asserts that the Codes are far broader than 'just' problem gambling. This position demonstrates a poor understanding of harm minimisation. Further work is also needed on the gaming industry's definition of responsible gaming; at present the term is poorly defined and operationalised.

Several sections of the Codes were implemented in a way that many community groups consider less than optimal; bare minimum or patchy compliance has been noticed in a number of instances. Effective enforcement of compliance has also been questioned, even where the operators of gaming have stressed the need for compliance. Adequate regulation of advertising and compliance with Codes advertising provisions has been particularly concerning.

Finally, the Victorian Codes only apply to the gaming industry. Adoption of similar measures for other gambling forms is not only required but also long overdue. Self regulation as a model for the gambling industry accordingly requires close scrutiny to ensure it is able to deliver the desired outcomes; on the basis of experience to date it cannot be said to have conclusively done so to expected community standards.

Underlying Assumptions

Interaction with the gaming industry in Victoria inevitably leads to questions about the assumptions underlying industry thinking in respect of problem gambling and 'responsible gambling'. The industry advocates a low percentage prevalence figure, and talks about

this 'very small' group of people in pathological terms. This stance tends to marginalise and stereotype people with gambling problems.

Further confounding the debate is a tendency for the gaming industry to confuse population prevalence estimates of problem gambling with the presence of problematic gambling behaviours within a gaming room.

Mark Dickerson (1996) has addressed this issue by examining the characteristics of players and the likelihood that they will be 'at risk' or 'cases'. His analysis suggests 1 in 20 patrons are 'cases', and 1 in 5 are 'at risk' using standard diagnostic tools. These figures are considerably higher than population prevalence figures, and indicate the issue of gambling related harm within venues is significant.

There is limited acceptance of the need to educate other patrons, or to promote broad based harm minimisation. We would argue that distinctions between normal and problem patrons are blurred and flexible. Clear cut differentiation does not always exist. All patrons are potentially at risk given the wrong combination of circumstances, and non - problem gamblers may still display problem behaviours.

On this basis, all patrons need to know the potential risks associated with gambling and the means to minimise or prevent gambling related harm in their own context. This is seen as far too negative and pervasive to be readily accepted by the gaming industry.

A visit to America by BreakEven Southern's Coordinator indicated a range of casinos has:
- publicly available mission statements which include commitment to address problem gambling
- senior management public commitment to address the negative consequences of gambling
- training programs for staff, including patron interventions
- in house problem gambling committees
- in some cases staff positions assigned to this area
- permanent public signage in gaming areas including help line phone numbers
- closed circuit television messages
- employee assistance schemes for problem gambling
- policies for the direct provision of problem gambling information to hotel guests
- underage gambling prevention and detection programs

Whilst the gaming industry in Victoria has adopted some of the above elements to varying degrees, they have not emulated the best practices of their international colleagues. Other gambling providers have done less than the gaming industry.

If the information in this section may seem somewhat damning of the Victorian industry, on balance it should be stated that the gaming industry is taking some action. There is considerably more information available to patrons than was the case three years ago, and training of varying standards is being provided to industry employees. Policy matters are

starting to be addressed. The question is whether more needs to be done, and the answer is 'yes'.

The Need for Research

The VCGA is an important source of information on gambling in Victoria, and the Department of Human Services has also commissioned some small scale research studies about problem gambling impacts. The research efforts of the stalwarts of gambling academia such as Professors Jan McMillen, Mark Dickerson and Michael Walker amongst others are to be admired, and have contributed to our understanding of gambling issues. It is to be hoped that such quality research will not only continue, but also increase substantially.

Though this research is useful in its' own right, the information appears not to have transferred to increased community knowledge or behaviour change at this time. At present, the most accessible and publicly acknowledged information on gambling in Victoria tends to originate from groups with a particular agenda and a media keen for compelling news stories.

There is insufficient good quality, meaningful problem gambling research both from this country and overseas. The quality research that exists is not well enough known in the community. Anecdotes, folklore, urban myth, 'facts' borrowed from the drug and alcohol field and common sense seem to be combined in an admixture which is purported to be the 'truth' about gambling.

It is little wonder that sectors of the gambling industry and community continue to misunderstand and stereotype gamblers generally and people with gambling problems in particular. It is also of concern that the prevention and harm minimisation strategies provided to the community are, as a result, neither sophisticated nor adequately founded in research.

All parties to the debate need to acknowledge the primary requirement for more extensive, detailed and definitive research into the effects of gambling. Whilst individual researchers have undertaken excellent work, all would agree much more needs to be done.

Government funding bodies, helping services and the gambling industry need more solid foundations for the undoubtedly sincere and potentially effective harm minimisation initiatives being conducted. The research needs to be carried out by independent organisations with no vested interest in the outcomes, and in the Australian context.

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