

# **Community Sector Position Statement** **Regarding Queensland's Responsible Gambling Strategy**

September 2009

The issues change from time to time. As some are addressed, others emerge. We welcome the update of the Productivity Commission's 1999 report, due to be released in February 2010. Our current concerns and recommendations fall in to the following categories:

1. ACCESS
2. THE CODE OF PRACTICE
3. HARM MINIMISATION
4. NEW TECHNOLOGIES
5. RESEARCH & RESOURCING

## **1. ACCESS**

Research indicates that gambling problems are directly linked to accessibility of gambling opportunities, the Productivity Commission's 1999 inquiry found accessibility to be a major factor contributing to problem gambling.

### ***Future proliferation of Electronic Gaming Machines***

We applaud the Queensland Government's leadership in placing a moratorium on the growth of machine numbers; however we are concerned about future proliferation of Electronic Gaming Machines (EGMs).

- 1.1 We recommend the forthcoming Productivity Commission report form the foundation of future policy concerning machine numbers and that the moratorium stay in place until further relevant and independent research on the addictive effect of Electronic Gaming Machines (EGMs) and other areas of concern is done.
- 1.2 We support a review of the *Gaming Machine Act 1991*. This is a piece of legislation drawn up before the explosion in machine numbers across Queensland, and must be reviewed following the Productivity Commission's current study.
- 1.3 Guidelines for issuance of new venue licences and increases in EGMs in existing venues should be made more stringent. Applicants should have to demonstrate a real public demand and need for more machines or new establishments before these are approved. The present system seems to rely on lack of public outcry in order to approve, whereas population surveys consistently and unequivocally demonstrate that most people think poker machines do more harm than good and that their numbers should either be curbed or at least not be increased.<sup>1</sup> Furthermore, all applications to increase EGM numbers from areas with more than 10 EGMs per thousand adults should be denied due to EGM concentrations already associated with increased harm (see next point).

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<sup>1</sup> For an example of such a survey please see: Victorian Casino and Gaming Authority, 2001, *Social and Economic Impacts of Gaming*, The Social and Economic Research Centre, University of Queensland, pp. 93-4.

### ***Communities with unsafe numbers of EGMs***

We continue to express concern for those communities with dangerously high concentrations of poker machines, and particularly those areas that are also lower socio-economic areas and remote Indigenous communities. There is currently no regime in place to protect regions from developing unsafe concentrations of EGMs in spite of the 1999 Productivity Commission report finding a direct link between the incidence of problem gambling and access to opportunities to gamble.<sup>2</sup>

More recent Australian based research has determined that a 'safe' ratio of poker machine to adults is 7-10 per 1000 adults.<sup>3</sup> Higher ratios are associated with an increased prevalence of problem gambling. For example, Mt Isa has one of highest concentrations of EGMs in Queensland with 18 or more machines per thousand adults, and also has the highest rate of problem gambling in Queensland at 1.3%, which is significantly higher than the 0.47% Queensland total.<sup>4</sup> The Office of Liquor, Gaming and Racing map on the following page clearly shows at least 38 Local government areas in Queensland that have more than 10 poker machines per 1000 adults.

**1.4** In view of this evidence, we call on the Queensland Government to address the high concentration of poker machines in lower socio-economic areas and other areas with 'unsafe' levels of EGMs proactively through the introduction of regional caps, and to prioritise action in those areas identified with 18 or more machines per 1000 adults.

### ***Applications to extend venue trading hours***

The Community Sector welcomes the recent announcement of the moratorium on applications to extend trading hours for pubs and clubs. There is an ongoing concern that trading hours may be extended for gaming licenses as establishments extend their opening hours.

**1.5** The community sector not only believes applications for extending trading hours for gaming licenses should be refused, but that current hours for gaming areas in pubs and clubs should be curtailed, especially where venue trading hours are extended.

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<sup>2</sup> In his submission to the current Productivity Commission Inquiry, Professor Charles Livingstone of Monash University, arguably Australia's leading scholar in this area states:

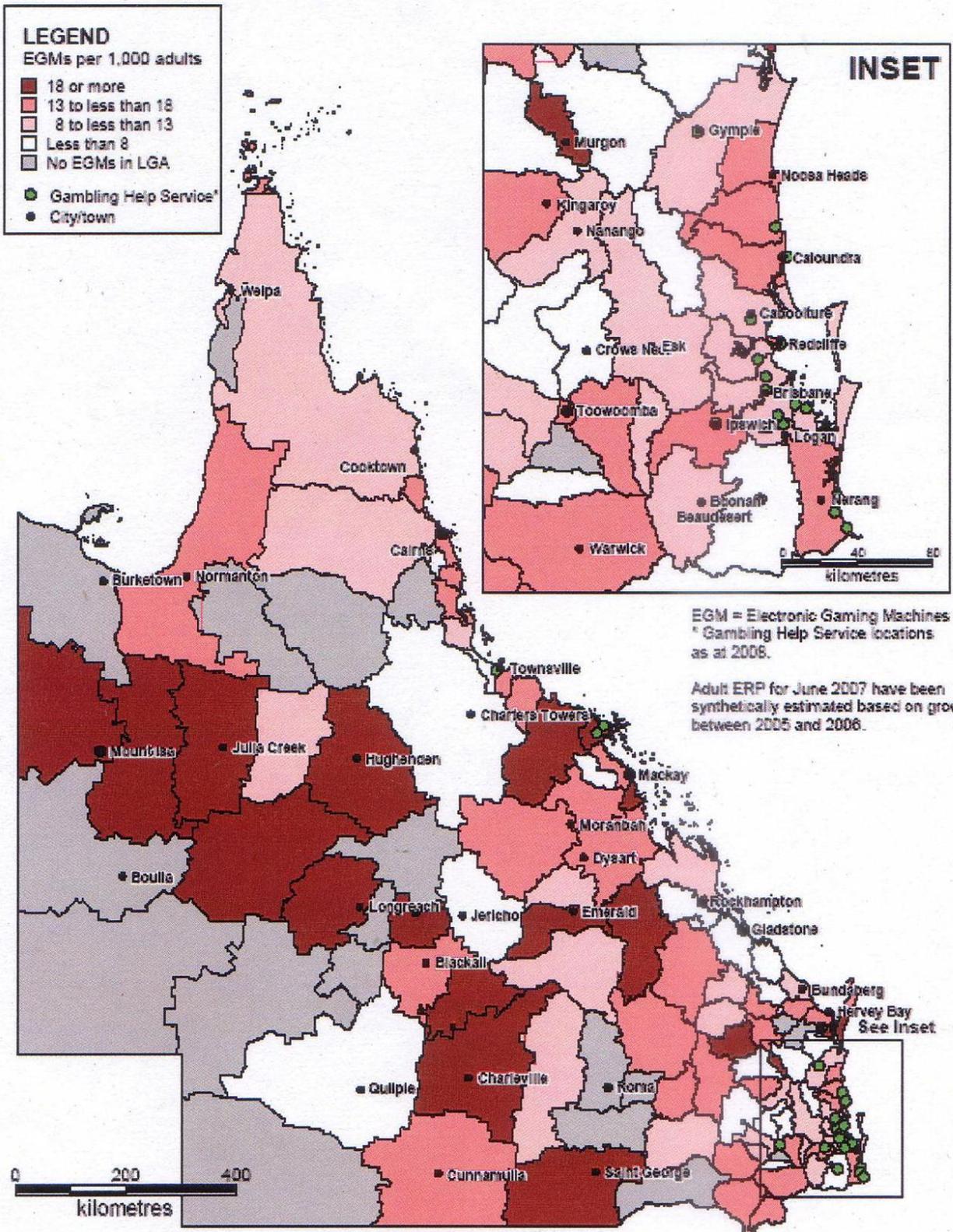
*"[T]he Commission is well aware that EGMs continue to be concentrated in areas of relative disadvantage and to reap substantial and disproportionate revenue from socially disadvantaged communities. That this has been acknowledged by regulators (for example, in Victoria, where a system of regional caps has been introduced) makes the situation even more deplorable, given the inadequacy of measures to protect such communities from the entirely avoidable harms associated with EGMs".*

The Community Representatives understand that Industry caps do exist in Queensland, but these are driven from the viewpoint of protecting industry establishments from bigger establishments in other regions buying out all the available licenses. Not from the viewpoint of minimising harm to the community.

<sup>3</sup> Australian Institute for Primary Care (AIPC), *The Changing Electronic Gaming Machine (EGM) Industry and Technology*, La Trobe University.

<sup>4</sup> Queensland Household Gambling Survey 2006-7.

# Number of EGMs per 1,000 persons aged 18 years and over by LGA, June 2007



Data based on ASGC 2001  
Source: Queensland Treasury, Office of Liquor, Gaming and Racing

## 2 THE CODE OF PRACTICE

The Community Sector acknowledges the significant commitment of the gaming industry to implement responsible gambling practices under the Code of Practice, and looks forward to the development and implementation of a National Code.

### ***Monitoring & Compliance***

We are concerned that compliance to the Code of Practice is not currently monitored systematically and that information pertaining to breaches is not collected centrally nor disseminated in a way that could enhance state wide harm minimisation and prevention strategies. The current management of data pertaining to breaches is decided at a regional level, and relies on regional compliance officers to address through regional mechanisms. Data need not identify particular venues, but should be capable of tracking state-wide trends in breaches to inform future strategy.

- 2.1 We recommend that data pertaining to the frequency and type of breaches of the Code of Practice is collated centrally and publicised at regular intervals.
- 2.2 Based on recorded breaches, reasonable opportunities should be taken to cancel or reclaim licenses where venues fail to comply with, apply or show commitment to the Code of Practice.

### ***Inducements to Gamble***

Inducements to gamble are explicitly banned under the Code of Practice yet persist in many venues. It is our belief that the aggressive promotion of poker machines within the venues in Queensland is one of the largest contributing factors to continued problem gambling in our community. We do not accept that it is a responsible practice for venues to be offering prizes and inducements such as ‘free spins’ to people in order to persuade them to prolong or extend their playing.

- 2.3 Serving free beverages directly to players at EGMs as is currently allowed for in Queensland discourages breaks in play, recognised widely by industry as the most effective strategy in reducing gambling related harm. Staff promotions to give away the most free drinks to EGM players clearly contradict the spirit of the Code of Practice, and should be banned explicitly as a matter of priority.
- 2.4 In many venues, the “pokies promotion” hour is the gaming equivalent to the promotion of binge drinking and should be banned in the interest of public health. There are a number of variations, but in each of them, patrons are encouraged to continue to play in order to qualify for prizes. People who are attempting to control their gambling find it very hard to resist these invitations to “increase their luck,” and often stay much longer at the machines than they intended, potentially with quite negative consequences. We maintain that promotions of this nature are in breach of the spirit of the Code of Practice and should be legislated against.
- 2.5 Player loyalty programs (PLPs) should incorporate measures to enable harm minimisation. There is great potential for PLPs to incorporate harm minimisation measures such as enforced ‘break in play’.

### ***Interstate gambling providers***

We are extremely concerned about recent developments that have allowed for interstate gaming providers such as Sportsbet to advertise their services in Queensland. The latest Queensland Household gambling survey has shown that a significant proportion of problem gamblers are punters, that is people that regularly use wagering services. The aggressive promotion of these services during televised football and other sporting competitions is laudable, relentlessly targeting an audience of young men typified by their risk taking behaviour. Such advertising contradicts the public health approach to gambling adopted by the Queensland government in the development of its new Responsible Gambling Strategy.

**2.6** We call for a ban on promoting wagering and related information during televised events in Queensland as a matter of priority. We urge Queensland Government leadership in ensuring that gambling providers operating or advertising in Queensland are subject to the same Code of Practice that governs local gambling providers and in addressing this problem at a national level.

### ***Duty of care***

Counselling services consistently report cases of people with impaired decision-making ability being allowed to continue gambling. The Gaming Industry should be more proactive in issues of duty of care in such cases. Our belief is that if a patron is allowed to keep gambling when a reasonable person should have realised they were suffering impairment in decision-making ability, then there is a very clear breach of duty of care.

## **3 HARM MINIMISATION**

### ***Technical features of EGMs***

We welcome the recent Bligh Government decision to put any future decisions regarding technical or other EGM rules through Cabinet. Many decisions relating to the technical features of EGMs, such as player controls are also well established matters of harm minimisation.

**3.1** We support a move to compulsory pre-commitment card based gaming for all EGMs and gaming venues in Queensland. Successful trials have led to the introduction of a state based system based on the ability of venues to opt in. We contend this should be a compulsory system that builds on the experience of the compulsory system currently being implemented in Victoria under the *Gambling Regulation Amendment Act 2009*.

Pre-commitment allows people to stay in control of their gambling and make informed decisions about their play. Players should be able to set time and loss limits prior to commencing play on an EGM. Other features such as minimum breaks in play and interaction with self-exclusion regimes should be decided in close consultation with the community sector.

**3.2** All players of EGMs should be provided with the opportunity to control machine variables in ways that facilitate harm minimisation. Examples include the ability to mute sounds.

**3.3** EGMs should be programmed to provide the Gambling Helpline phone number as part of their player information displays. It is also technically feasible to program an EGM to scroll messages to advertise the possibility of self-exclusion. We recommend this be installed as a matter of urgency in all new machines.

**3.4** We recommend machine programming be changed so that machines operate at a maximum of 6 cycles per minute. This has already been identified as an effective harm minimisation measure.<sup>5</sup> In view of the Industry assertion that EGMs are for entertainment, this is a reasonable measure to protect consumers and their families from the sudden, rapid and devastating losses currently impacting on Queensland communities.

**3.5** The maximum bet for each EGM game should be reduced to \$1 per button push. There needs to be a reasonable upper limit placed on the maximum amount that can be lost per button press and this limit has wide support from the community.

### ***Automated Teller Machines***

This year, the Victorian Government committed to removing ATMs from Victorian gaming venues by 2012 as part of progressive new legislation to encourage responsible gambling across the state. Data collected by Queensland's Help Services indicates that problem gamblers almost universally access their funds via ATM's. Counsellors regularly report cases of clients who have spent their entire pay or benefit in a single session, aided by easy access to the ATM.<sup>6</sup>

**3.6** In recognition of research that shows the majority of ATM users in gaming venues are problem gamblers, we urge the Queensland government to take strong action on this issue and commit to remove ATMs from all gaming venues by 2012. The community sector acknowledges that there are communities across Queensland where access to financial services may be limited and seeks commitment from government to ensure suitable and convenient alternatives are sought for these communities.

### ***Self-Exclusion***

We look forward to the release of the review of the self-exclusion programme, commenced in June 2008. Under the present regime patrons have to fill out a cumbersome form for each venue and then deliver this form with a photograph to each venue they need to be excluded from.

**3.7** The self-exclusion process needs to be more 'user friendly'. We recommend using new technologies and online capabilities to make accessing and submitting the necessary forms simple and expedient. There is no reason why patrons should not be able to select the type of venues they wish to exclude from, e.g. TABs, Clubs, Pubs or Casinos, upload their photo and enter the postcodes they wish to be excluded from in one simple online exclusion site. Such a site should compliment on site self exclusion processes currently in place.

**3.8** We urge the government to play a more active role in promoting self-exclusion programs. Such information could be easily incorporated in to existing and planned public health

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<sup>5</sup> Livingstone, C. and Woolley, R. (2007), Risky Business: A few provocations on the regulation of electronic gaming machines, *International Gambling Studies*, vol. 7, no. 3, pp. 361-76.

<sup>6</sup> A KPMG study into ATM use and gambling conducted on behalf of the NSW Department of Family and Community Services in 2002 showed the majority of users were problem gamblers. Industry claims that the removal of ATM's would inconvenience recreational gamblers and non – gamblers are therefore not supported. KPMG, 2002, *Problem Gambling, ATM | EFTPOS Functions and Capabilities*, NSW Department of Family and Community Services.

campaigns, maximising settings based outside gambling venues, e.g. Television and buses. It is technically feasible to program EGMs to scroll messages advertising self-exclusion. We recommend this be installed as a matter of urgency in all new machines.

## 4 NEW TECHNOLOGIES

### *New Technologies*

At present there are deep concerns for the implications of new technologies. Gambling is no longer limited to traditional sites, where environments can be regulated to minimise harm. Internet gambling is increasingly popular, not least because of the current popularity of poker games, and the ability to bet on sporting events worldwide. The emergence of mobile gaming is a concern, given the widespread usage of mobile phones and other wireless devices. The prospect of television as a gaming device in every lounge room represents one of the biggest challenges yet faced by those concerned with regulation and treatment of gambling issues in Queensland - but it is a challenge already confronting three other Australian states.

4.1 We urge government to ban Foxtel and other gambling products offered and delivered directly via television. Such gambling has no social value and does not take place in a regulated environment committed to responsible gambling.

## 5 RESEARCH AND RESOURCING

### *A paradigm shift*

Emphasis should shift from the current need for opponents of gaming expansion to prove their assertions by research, to the industry and operators needing to prove that their proposal will not result in a negative public outcome. Too often in the past the Community Sector has been told to provide research to back up their objections to increased gaming availability.

5.1 We recommend the onus of proof should lie with the Gaming Industry and Government to provide substantive and independent research showing that proposals to expand gaming services are in the public interest.

### *Developing Culturally Appropriate Strategies*

Material appropriate for Aboriginal and Torres Strait Islanders is a serious gap, given this group is overrepresented in problem gambling statistics. Responsible gambling materials should be produced in a variety of languages in a culturally sensitive manner for use by venues and Gambling Help Services.

5.2 Problem gambling in this context should be treated holistically from a community development approach that builds skills for budgeting and planning in to remote communities.

5.3 Existing gambling and mainstream community services should be supported to become more culturally competent. Specific funding is needed in both mainstream and specialist services for community educators to work with both culturally and linguistically diverse (CALD) and Indigenous populations in order to raise awareness of problem gambling.

**5.4** Government should support partnerships between local community organisations and local gambling providers to improve the cultural competence of gaming industry staff.

### ***Conflict of Interest***

We contend the Government has a conflict of interest in regard to the provision of gaming in Queensland. It is the regulator, the recipient of very substantial and increasing tax revenue, and the only practical source of research funding. It is also the funder of the only major public awareness campaigns, and controller of the Gambling Help Services funding and their contracts. Moreover, the research commissioned and relied upon by the OLGR is vetted by the Government and only released with the consent of the Minister. There is a need for more reliance on research that is independent of any arm of Government.

**5.5** As a first step toward redressing this conflict, we continue to advocate for a rigorous, forward planned research agenda, developed in collaboration with the community sector and targeting areas most likely to contribute to effective harm minimisation in Queensland.

**5.6** We call for a new special levy on all gaming and gambling revenues derived by the operators to increase funding of public awareness campaigns (including campaigns specifically targeting CALD, Indigenous and youth populations), research projects into problem gambling and associated issues, and aiding the resourcing of the Gambling Help Services.

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### **Who are the authors of this document on behalf of the Community Sector and how can they be contacted?**

Jill Lang, Director, Queensland Council of Social Services (QCROSS),  
[jill.lang@qcross.org.au](mailto:jill.lang@qcross.org.au)

Rev Dr Noel Preston, representative of the Heads of Churches,  
[N.Preston@griffith.edu.au](mailto:N.Preston@griffith.edu.au)

Nick Xynias, representing the Ethnic Communities Council,  
[xynias@eccq.com.au](mailto:xynias@eccq.com.au)

Barry Sheehan, Executive Director, Centacare Toowoomba,  
[bsheehan@tmba.centacare.org.au](mailto:bsheehan@tmba.centacare.org.au)

Serge Voloschenko, Chairman, Ethnic Communities Council of Queensland,  
[svoloschenko@ozemail.com.au](mailto:svoloschenko@ozemail.com.au)

Robert Leach, Chairperson, St. Vincent de Paul Social Justice Committee  
[social.justice@svdp.org.au](mailto:social.justice@svdp.org.au)