

14 August 2019

Tony Ferrall
Secretary
Department of Treasury and Finance
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Email: secretary@treasury.tas.gov.au

Dear Mr Ferrall,

Thank you for the opportunity to comment on the terms of reference for the fifth Social and Economic Impact Study into Gambling in Tasmania (SEIS).

The SEIS is a valuable piece of research and evidence on which to base good public policy. TasCOSS' interest in the study is on what it tells us about the impact of gambling on people in vulnerable circumstances, as well as what it might tell us about the impact on Tasmania as a whole. At a time when we see increasing hardship across the state in terms of access to housing, employment and health, to name just a few, it is vitally important that we understand the elements that exacerbate or ameliorate these hardships. We are therefore pleased to see the terms of reference focus on key trends in gambling behaviour and prevalence as well as industry trends that can affect this.

TasCOSS' views on the impact of gambling in Tasmania is informed by its members, who provide counselling and financial advice for people harmed by gambling, people with lived experience as well as by research and the views and advice of experts in the field of gambling-related harm. TasCOSS is also informed by the views of Community Voice on Pokies Reform, a coalition of over 60 organisations and individuals who work to reduce the harm caused by poker machines in Tasmania.

TasCOSS believes that gambling is a public health issue. A public health perspective allows for an exploration of the individual biological and behavioural elements of problem gambling, but can also identify and ameliorate the social and economic determinants of gambling that causes harm; for example unemployment, poverty and the effects of co-morbid elements such as alcohol, drugs, family violence and smoking.¹ While state governments in Australia have tended to view problem gambling as an individual issue, international governments are adopting a public health approach to problem gambling which allows them to focus more upon population health, prevention, and early intervention in public policy development.²

/2...

¹ Shaffer, H 2003, "A Public Health Perspective on Gambling: the Four Principles", in *AGA Responsible Gaming Lecture Series*, Vol.2, No.1, February 25, 2003, pp.1-27.

² Messerlian, C & Devernsky, L 2005, "Youth Gambling: A Public Health Perspective", in *Journal of Gambling Issues*, Issue 14. http://www.camh.net/egambling/issue14/jgi_14_messerlian.html

In a 2010 report the Productivity Commission provides a useful discussion of the public health approach to gambling³ and finds that:

Public health and consumer policy frameworks provide *the best basis* for coherent and effective gambling policies, emphasising the importance of addressing the gambling environment as well as gamblers 'behaviour'.⁴

It is clear that the *prevention* of problem gambling behaviour must be given a high priority, in much the same way that hugely successful long-term public health campaigns have been run for cigarette smoking within the community.

In this context TasCOSS highlights the following areas of importance for your consideration regarding the prevalence study and its analysis:

1. Prevalence of community-level harms

A public health approach to harms produced by gambling requires an assessment of harms at community level. This is more than just assessing who else is affected by the harms caused by one person's gambling activity, such as family members or friends. It requires assessing what communities, and the state as a whole, loses as a result of gambling activity, especially at levels that cause harm.

While the 2017 SEIS study makes reference to a public health approach⁵ it does so mainly in the context of prevalence of gambling harms at population level or in specific jurisdictions, not the harms caused by gambling for communities as a whole. The previous SEIS reported expenditure on poker machines of \$49m.⁶ Even without investigating other costs and losses due to gambling, this figure alone suggests there is merit in exploring what it costs communities to have poker machines, in particular, easily accessible.

We believe that good public policy should rest on a sound understanding of the costs and benefits of policy alternatives. We therefore encourage this SEIS to develop a methodology for capturing the costs of gambling to local communities and the state as a whole.

2. The impact on children

Emerging research on the harms to children of gambling points to the need to include them in the SEIS study. In our submission to the 2017 SEIS TasCOSS referred to research conducted by Deakin University researcher Samantha Thomas and colleagues on children's experiences of gambling.

/3...

³ Productivity Commission, 2010, p 3.17

⁴ Productivity Commission, 2010, p 3.1 [Emphasis added]

⁵ SEIS, 2017 p 87 <https://www.treasury.tas.gov.au/Documents/Vol%202%20-%20SEIS%202017%20-%2022%20DECEMBER%202017%20-%20FINAL.pdf>

⁶ SEIS, 2017 p 39

Their findings suggest that early exposure to gambling can increase chances of participation in gambling as adults. We repeat those findings here:

- Despite policies that try to prevent children’s exposure to EGMs in venues, children recalled having seen EGMs in clubs, including where they were located, what they looked like and the sounds they made
- children also retained information about behaviours associated with gambling on EGMs, most prominently why adults gamble on these machines
- some older children’s attitudes were positively reinforced by the perception that profits from the machines went to local sporting teams
- some children expressed a desire to use EGMs when they were older.⁷

Our 2017 submission referred to another piece of research that investigated factors that influence children’s gambling intentions more broadly. Associate Professor Thomas and colleagues found that popularity of products, and early and repeat exposure to advertising, “has been shown to have a significant influence on children’s long-term, and risky consumption behaviours of harmful products such as alcohol and tobacco... there is no reason to expect that the consumption trajectory for the heavily advertised sports betting would be any different to products such as alcohol or tobacco”.⁸ (TasCOSS would add this also applies to EGMs.)

While the 2017 SEIS draws a distinction between ‘problem gambling’ and ‘harm’, it nevertheless notes:

The position taken here is that problem gambling severity and harm are closely coupled but conceptually distinct constructs, and harm that occurs below the problem gambling threshold is still relevant to policy (Productivity Commission, 2010). For these reasons, there is increasing consensus by experts in the field that there needs to be an effort to capture the differing degree of harm potentially experienced across the spectrum of gambling problems, including capturing harms among people with few or no symptoms of disordered gambling.⁹

We therefore recommend that current and potential harms to children through exposure to gambling, including EGMs and online sports betting, be included as an area of focus in the next SEIS.

3. Better understanding of harm reduction measures on gamblers’ behaviour

The effectiveness of harm reduction measures on gambling behaviour is not well understood.¹⁰ We believe that if the SEIS is to inform public policy on gambling in Tasmania, we need a better

/4...

7

A. Bestman, S. Thomas, M. Randle and H. Pitt, “Children’s attitudes towards Electronic Gambling Machines: an exploratory qualitative study of children who attend community clubs”, *Harm reduction journal*, vol. 14 (1) 2017

⁸ H. Pitt, SL Thomas, A. Bestman, M. Daube, J. Derevensky, Factors that influence children’s gambling attitudes and consumption intentions: lessons for gambling harm prevention research, policies and advocacy strategies, *Harm Reduction Journal*, vol. 14 (1) 2017

⁹ SEIS, 2017 p 86

¹⁰ Productivity Commission 2010, Vol. 2, 18.26

understanding of which measures do or could reduce the harm caused by gambling. For example, the SEIS could investigate whether:

- betting limits on poker machines reduce harmful levels of gambling
- bonus play, free play and other poker machine features contribute to harmful outcomes from gambling
- reducing spin speeds reduce losses.

4. Employment data

Under Tasmania's Responsible Gambling Mandatory Code of Practice, relevant staff are required to undertake training in the 'responsible conduct of gambling.'¹¹ These staff are required to be able to identify warning signs of people experiencing gambling-related harm, and to intervene where necessary. In order to have a full picture of harm reduction measures, therefore, we should have access to data on the numbers of trained staff in each venue.

It would also be useful to understand how effective these staff believe they are in their interventions. Anecdotally we have heard that some staff don't feel comfortable approaching an individual who they believe is showing signs of gambling-related harm. This data could therefore help us to assess whether current training and processes are effective and therefore whether changes are required, such as giving a legislative basis to staff interventions.

5. Assess community sentiment

With the government committing to introduce legislation to grant licences to pubs and clubs, it's an ideal time to test community sentiment about where they want poker machines to be located. We encourage the inclusion of community sentiment in this SEIS and for the government to delay introducing legislation into the Parliament until the results of the survey are available and made public.

We hope these comments and suggestions are useful and would welcome the opportunity to answer any questions you may have.

Yours sincerely,



Kym Goodes
CEO TasCOSS

11

<https://www.treasury.tas.gov.au/Documents/Responsible%20Gambling%20Mandatory%20Code%20of%20Practice%20for%20Tasmania.PDF>