



**SUBMISSION TO INDEPENDENT PRICING AND REGULATORY
TRIBUNAL REVIEW INTO GAMBLING HARM MINIMISATION MEASURES**

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What we do

Wesley Gambling Counselling Services was established in 1997 to provide a comprehensive treatment service for people with gambling problems and their families and to build upon existing gambling counselling services offered by Wesley Mission, which were established in 1987.

The current project description is 'to continue the provision of confidential and comprehensive telephone, face-to-face and group counselling for those who identify themselves as problem gamblers and those family members affected by another's gambling behaviour.

The City service is the cornerstone for Wesley Gambling Counselling Service as a whole. The Manager funded though this service, serves all the funded programs including Penrith, Sutherland, Training & Resourcing and the Korean Project. The administrative component in this project is therefore larger than others projects for this reason.

We greatly value the Casino Community Benefit Funds continued support of this project.

The Agency continues to provide a comprehensive service to the City area. As at the end of June 2003 a total of 240 new clients have attended for treatment. The majority of the clients report difficulties in stopping gambling

on gaming machines, in the majority of cases, clients experience difficulties relating to their family and relationships, financial and legal issues. It has been found that there is co-morbidity with depression, and many clients report being lonely and stressed.

Clients report that they have suffered severe grief and loss, some guilt and shame; others were unable to identify what they were feeling or experiencing. Through the counselling process, the gambling is initially brought under control, the client is then encouraged to work through their personal issues, referrals are made when necessary, clients have been referred to GP's for assessment on depression, to family support services and other support services when necessary.

Public Awareness

Wesley Gambling Counselling Services Manager Rev. Carter is frequently asked to comment on gambling related issues in the media.

In addition the Gambling and Financial Counselling staff are also regularly asked to provide community education to community and other groups to raise awareness and disseminate information related to gambling and financial counselling.

We take every opportunity to raise community awareness through media contact and involvement with other community organizations such as NCOSS, the National Association for Gambling Studies and the NSW Council on Problem Gambling.

We also do some consulting work with the gambling industry in the area of responsible gambling policy development. Rev. Carter has brought to Wesley Gambling Counselling Services great experience in community education and awareness. He is a member of the Gaming Industry Consultative Council (appointed by the Minister of Gambling and Racing) and continued in his role as President of the N.S.W. Council of Problem Gambling until October 2003. Both positions have given Wesley Gambling an in depth insight into gambling issues statewide.

Elizabeth Terry (Financial Counsellor, Wesley Gambling Counselling Services) is currently serving her second year as the President of the Financial Counsellors Association of N.S.W. This also provides the service a profile within the Financial Counselling sector.

Besides managing the largest gambling counselling service in NSW, Rev. Carter has been able to represent the Service not only throughout NSW but internationally too.

In May Chester was invited to speak at the 12th International Conference on Gambling and Risk taking in Vancouver BC, Canada.

The highlight of this was his meeting with Professor Durant F. Jacobs; Professor Jacobs was very supportive of the service we provide to people with gambling problems and their families. He commended Rev. Carter for his dedication and work in this area.

Rev. Carter was invited to speak in regional NSW at a series of mini-conferences organized by ClubsNSW. He spoke on the importance of “responsible gambling and harm minimisation”, with a special emphasis on self-exclusion.

The feedback from all those involved was very positive resulting in a better understanding of the counseling services role in Club’s compliance to the legislation.

Chester has also worked with the Department of Corrective Services to produce a video to be made available to prison inmates who feel they may have a gambling problem along with information about counselling services that they can access inside and outside prison.

Our Financial Counsellors continue to be in demand to provide Community Education and Awareness about financial counselling for people with gambling issues.

These Counsellors have spoken to a variety of groups including G Line counsellors, Cyrenian House, Kathleen York House, Detour House and Macarthur Women's Refuge.

Some of our counsellors were also involved in presenting at the 2003 Women and Gambling Conference on both gambling and financial counselling related issues.

Both of our financial counsellors attended the 2003 FCAN Conference at Morpeth.

In May 2003 Elizabeth Terry had the opportunity to address the Commonwealth Inquiry into Poverty to address financial counselling issues, and in June 2003 she had the opportunity to meet with the NSW Minister for Fair Trading to discuss issues relating to financial counselling.

COMMENTS ON LISTED HARM MINIMISATION MEASURES

All of the following comments in this section are in agreement and are part of Wesley Community Legal Services Submission to the IPART inquiry.

A. “CIRCUIT-BREAKERS”

1. Compulsory shut-down of gambling venues

There are reports of problem gamblers who gamble for lengthy periods, even days on end. In theory, the compulsory shutdown of gambling venues forces gamblers to go home in the early hours of the morning.

Our observations of gamblers in clubs, hotels and casinos in the early hours of the morning are that they are almost all regular gamblers. Often they congregate in a particular area of a larger gaming room, and we could sense that they had a group feeling. They knew each other, and they could identify with the others in the group as they all had gambling in common. Presumably they have adjusted their lives to accommodate the shutdown.

However, the compulsory shutdown does not directly address problem gambling. A problem gambler who has to go home in the early hours of the morning is still a problem gambler. He or she will return to gamble when the venue opens up again.

Also, the existence of the casino as a 24-hour a day venue means that problem gamblers in the metropolitan area who are desperate enough can simply get the Star City bus or a taxi to the casino when the shutdown takes effect.

2. Ban on smoking in gambling venues

Many observers have noted the high percentage of regular gamblers who smoke¹. Two points need to be made.

¹ Petry, N.M. & Oncken, C. (2002). *Cigarette smoking is associated with increased severity of gambling problems in treatment-seeking gamblers*. *Addiction*, 97, 745-753

Firstly, smoking kills a lot more gamblers than gambling does. The Productivity Commission estimated that between 35 and 60 persons commit gambling-related suicide in Australia each year. This is a very small figure by comparison with smoking-related death. Then there are the many other health costs of smoking, passive smoking, occupational health and safety and so on. So the primary reason for banning smoking in gambling venues should be the health benefits from less smoking.

Secondly, the ban on smoking forces smokers to have occasional breaks from gambling so that they can go to a smoking area for a cigarette. This may be outside where the air is cooler and the atmosphere more conducive to considering whether to continue or terminate a gambling session.

Figures from Victoria show a significant drop in gambling expenditure once the smoking ban came in and all sorts of creative attempts by industry to get around it. For example, glassed-in smoking rooms looking out over the gaming machine area.

3. Periodic shut-down of individual machines

This proposal should be considered in the light of Canadian research into video lottery terminals². Because of cultural differences, we feel that research should be undertaken into the effectiveness of the proposal, as the cost of redesigning machines to periodically shut-down would be significant. Also, it would be possible for a problem gambler to simply move on to another machine.

4. Periodic information messages to gamblers using gaming machines

We think that this proposal has merit. Perhaps something simple like “you have been playing this machine for XX minutes and have lost \$YY” should periodically pop up. See the Canadian research referred to above.

² Schellinck, T., & Schrans, T. (2002). *Atlantic Lottery Corporation Video Lottery Responsible Gaming Feature Research – Final Report*. Focal Research Consultants

5. Restrictions on alcohol consumption by gamblers

A significant number of problem gamblers also have problems with alcoholism³. The problem has diminished since free alcohol was banned, but it is still a matter of concern.

In particular, we feel that the provision of alcoholic drinks to gamblers at their machines should be banned. The gambler who has to get up and go to the bar to get a drink is given the opportunity to decide whether or not to continue a gambling session.

6. Performance of self exclusion schemes

Gamblers who self-exclude have more serious problems⁴.

There is a considerable range of effectiveness among self-exclusion schemes, depending on the location and enthusiasm of management.

Generally self-exclusion has proven highly effective in country areas where people are known and there are few accessible gambling venues.

The problem in cities is that there are too many venues and it becomes too difficult for staff to remember pictures and check on large numbers of patrons.

The Australian Hotels Association's self-exclusion scheme provides for a problem gambler to attend an interview with the AHA counsellor or a lawyer and to be able to self-exclude from a number of hotels at the same time. The main problem with the AHA self exclusion scheme is the delay from the point of crisis when a problem gambler wants to sign a self exclusion deed, and the actual signing of the deed at the counsellor's office some days later. During that delay, many problem gamblers will "cool off", and return to more gambling

³ Welte, J., Barnes, G., Weiczorek, W., Tidwell, M., & Parker, J. (2001) *Alcohol and gambling pathology among U.S. adults: prevalence, demographic patterns and comorbidity*, Journal of Studies on Alcohol, 62: 706-712

⁴ Ladouceur, R., Jacques, C., Giroux, I., Ferland, F., & Leblond, J. (2000) Analysis of a casino's self-exclusion program. Journal of Gambling Studies, 16(4), 453-460

losses. That results in a further, and more serious crisis, as the problem gambler's situation deteriorate. Another problem is that the AHA will only process self-exclusions from AHA member hotels, leaving the problem gambler to contact other hotels, clubs and the casino separately.

The ClubsNSW scheme permits a problem gambler to self-exclude at the venue at the time of crisis, but fails to permit the problem gambler from self-excluding from more than one venue at a time. The problem gambler must trek around from club to club with a fistful of photos and sign a form at each club. This would put off all but the most determined problem gambler.

The Star City scheme, like ClubsNSW only accepts self-exclusion from the casino.

The BetSafe scheme, is processed at the gambling venue immediately on request of the problem gambler, and will facilitate multiple exclusions. BetSafe clubs will also take a photo of the problem gambler, which saves a trip to a photo booth.

The effectiveness of self-exclusion is highly variable. Some venues require door and gaming staff to check self-exclusion photos at the beginning of each shift. Others fail to display photos or let staff illustrate the photos with moustaches and other scribblings.

We believe that self-exclusion is a highly effective means of assisting recovering problem gamblers and that there should be a standardized procedure covering all gambling venues enabling the problem gambler to self-exclude quickly from all nominated gambling venues.

The process of self-exclusion should also relate to the winning of prizes, so that a prizewinner must provide good identification. The law should require that an excluded gambler would forfeit any prize won.

Finally, the current law provides that problem gamblers must be given an opportunity to seek legal advice prior to signing a self-exclusion agreement. While no doubt inserted by some well-meaning lawyer, this provision has

resulted in many problem gamblers being discouraged from signing self-exclusion agreements. It is unnecessary as the only possible advice that should be given to a problem gambler is to sign the agreement.

B. INFORMATION FOR GAMBLERS

7. Requirements to display certain signage

We agree that gamblers need information about gambling, and warnings about the dangers of gambling, and information about help services. But the standard and effectiveness of signage in N.S.W. is not good and should be reviewed in a similar way to a recent review in Western Australia⁵.

Overseas studies indicate that warnings have little effect on consumption⁶.

8. Display of clocks in gaming machine areas

Because gamblers easily lose track of time and end up spending more than intended, the display of clocks is a cost effective reality check.

However, the placement of clocks in gaming rooms is not helpful. They are usually located high up or in corners and are hard to find even if you are looking for them.

We note that some gaming machine manufacturers are now incorporating clocks into the screens of gaming machines and we consider that this should become mandatory for all new models of gaming machine.

9. Information on brochures required in gaming venues

We support the provision of information about the risks of problem gambling and availability of counselling and other help services in brochures.

10. Information on betting tickets, lottery and keno entry forms

⁵ Western Australia Problem Gambling Support Services Committee *“Qualitative research to develop a communication strategy for problem gamblers 2003”*

⁶ McGowan, R.A. (2001) *Government and the Transformation of the Gaming Industry*. Northampton, MA Edward Elgar Publishing Inc

We support the inclusion of the G-line telephone number on tickets and entry forms.

11. Role of community services, including gambling counselling services

Information about the work of Wesley Community Legal Service is set out at the beginning of this submission.

There are some studies of overseas treatment programs⁷⁸⁹¹⁰.

12. Contact cards for counselling services

Contact cards are a very useful way for a problem gambler to have access to help when needed. It is very important to have assistance available at the time when the gambler is motivated to take some action to deal with the problem, usually after a major loss. We know of some problem gamblers who carried around contact cards for weeks or months before actually calling the number.

13. Compulsory display of payout ratios and probability of winning specific prizes

We support the provision of clear, simple information on gaming machines to enable gamblers to “shop around” between machines and venues. This has been the case for some years in the A.C.T¹¹.

While most gamblers are not going to be concerned about the average theoretical rate of return of a gaming machine, some will take the trouble to choose a machine with a higher rate of return.

⁷ Shaffer, H.J. LaBrie, R., LaPlante, D., Kidman, R., & Korn D.A. (2002) *Evaluating the Iowa Gambling Treatment Program*. Harvard Medical School, Division on Addictions.

⁸ Stinchfield, R., & Winters, K.C. (2001) Outcome of Minnesota’s gambling treatment programs. *Journal of Gambling Studies*, 17(3), 217-245.

⁹ Robson, E., Edwards, J. Smith, G., & Colman I (2002) Gambling Decisions: An early intervention program for problem gamblers. *Journal of Gambling Studies*, 18(3) 235-255

¹⁰ Hodgins, D.C. & Makarchuk, K. (1998) *Becoming a winner: defeating problem gambling*. Calgary, Alberta, Canada, University of Calgary Press

¹¹ Section 49 Gaming Machines Act, A.C.T.

While we support the provision of this information to facilitate consumer choice, we do not think it will have any impact on problem gambling.

14. General advertisements highlighting problem gambling

We refer you to the recent Western Australian report¹², which recommended television advertising using the Victorian model. We strongly support the use of such advertising in N.S.W.

15. Display of monetary value of credits, bets and wins

We consider that there is no rationale for displaying “credits” rather than dollars and cents on modern electronic gaming machines other than to remove the player from the realisation that real money is being lost. The cost of requiring all new machines to display money should be the same as the display of credits.

16. Information for individual players on their gambling session.

We believe that the best way to provide information on each gambling session is at the time the gambler receives a win or cashes out. So a screen would come up showing the time taken by the gambling session, the number of bets made, and the total spent. The information provided should be simple, and the most important fact is to tell people how much they have lost (or won) in a particular session.

We consider that the provision of this information on the screen in this way would help a lot of gamblers avoid problems.

C. LIQUIDITY CONTROLS

17. Requirement for large payouts not to be in cash

¹² Western Australia Problem Gambling Support Services Committee “Qualitative research to develop a communication strategy for problem gamblers 2003”

The \$1,000 cash limit has been in place for some time and we consider that it has helped many gamblers keep their wins rather than simply going back and losing it all. It doesn't really help those with a serious addiction, rather it helps those who have a mild problem or perhaps are a bit elated at having a big win.

18. Prohibition on providing credit for gambling

The prohibition on providing credit for gambling has greatly helped problem gamblers with serious addictions and should be continued.

19. Requirement to locate ATMs away from gambling areas

One common way a spouse or partner can find out if their nearest and dearest has a gambling problem is to check their bank statements. When a person has made multiple withdrawals of cash from an ATM at a gambling establishment on the same day, you can be pretty sure that they have a gambling problem.

We consider the requirement to locate ATMs away from gambling areas to be a bare minimum. In some venues, the ATM is located immediately outside the gaming room, and only a few metres from the nearest machine.

20. Restrictions on note acceptors

We were surprised by the findings of the University of Sydney researchers into the effect of removing note acceptors and wondered whether a universal ban on note acceptors would produce a different outcome than the research suggested.

We would prefer to see note acceptors used in conjunction with a card system whereby gamblers could electronically limit their gambling expenditure.

21. Lower limit on maximum bets on gaming machines

The University of Sydney found that a lowering of the maximum bet limit would assist some problem gamblers. We believe that the limit should be lowered.

22. “Pre-commitment” or “smart” cards that enable financial limits to be set

Most regular gamblers at clubs, hotels and the casino use “Club” or loyalty cards. We believe that these cards could easily be used to facilitate account-based gaming whereby each gambler can set a daily limit on expenditure. This would greatly reduce the many instances where gamblers spend more than they want.

23. Restrictions on daily cash limit in ATMs close to gambling venues

We support this proposal. ATMs make it too easy for gamblers to access further cash when chasing their losses.

24. Reducing the maximum permissible win

We support this proposal. Clearly, the amounts of a possible win effects the mind of those who gamble.

25. Further possible changes to affect the rate of loss of play per hour

We feel this needs more research, in particular comparing the effect of high intensity gaming machines used in N.S.W. and low intensity machines used in other parts of the world.

26. Forced payment of wins when certain level is reached and payment then to be only by cheque

We support this proposal. It is common sense that gamblers who continue to gamble after a certain win will simply gamble away their win to nothing.

D. RESTRICTED PROMOTION OF GAMBLING

27. Controls on advertising

We support the existing restrictions on advertising. A parallel can be drawn with tobacco advertising.

28. Controls on player reward schemes

We support the current restrictions on player reward schemes, particularly the prohibition on cash prizes.

29. Restrictions on promotions and other inducements to gamble

We support the current restrictions on promotions and other inducements to gamble.

30. Controls on gaming machine artwork

We doubt that gaming machine artwork has any effect on problem gambling.

31. Possible elimination of double up and other similar gamble features

We would like to see some research into these features.

32. Availability of alcohol and other refreshments to gamblers

There is no doubt that alcohol reduces inhibitions and results in some people gambling more than intended.

Recent research suggests a link between gambling-related problems and the heart's cardiac reactivity to alcohol¹³.

E. COMMUNITY/COUNSELLING SERVICES

33. Requirement for gambling operators to enter into agreement with counselling services

¹³ Brunelle, C., Assaad, J., Pihl, R., Tremblay R, & Vitaro F (2003) *Exaggerated Ethanol-Induced Cardiac Reactivity as an Indicator of Increased Risk for Gambling*. *Psychology of Addictive Behaviours*, 17(1), 83-86

We support this requirement.

34. Training of staff in gaming machine venues

We would like to see staff trained to carry out self-exclusions on the spot. We do not think the delay associated with many self-exclusion schemes is helpful.

F. TECHNICAL MEASURES

35. Slower reel speeds

We consider more research is needed into this.

36. Removal of visual and sound stimuli

There is research showing that various forms of gambling are associated with a perception that a “big win” is imminent¹⁴, and that the presentation of symbols on a machine affects gambling behaviour¹⁵.

37. Requirement for human intervention in large payouts

We support this requirement.

38. Requirement for natural light in gambling venues

We doubt that the availability of natural light has any impact on recreational or problem gambling.

39. Requirement for gambling patrons to be visible to people outside the gambling venue

We do not think this would have any effect on problem gambling.

40. The impact of music being played and display of lights when a win takes place

¹⁴ Wohl, M. & Enzel, M. (2003) *The effects of near wins and near losses on self-perceived personal luck and subsequent gambling behaviour*. Journal of Experimental Social Psychology 39, 184-191

¹⁵ Ladouceur, R., & Sevigny, S. (2002) *Symbols presentation modality as a determinant of gambling behaviour*. Journal of Psychology 136(4), 443-448

We consider that research should be undertaken into the effect of music and lights on the development of problem gambling before any possible elimination is imposed.

CASE STUDY

Recently, a club patron was referred to the service after telling a club manager that he had just lost a lot of money gambling, and that gambling had been causing some problems for him. The club manager saw that the patron was upset and angry, and suggested that he call the service and talk to someone.

The patron explained to the ClubSafe Wesley gambling counsellor that he had been gambling more and more over the last few months, and that it felt out of control. His wife had just found the bank statements he had been hiding, and saw the frequent withdrawals of cash at the club ATM. Her questions, his lies, the debts, and the panic - he'd gone back to the club that afternoon, and lost all the money left in his wallet.

The caller sounded very distressed, he spoke quietly in a very flat voice. When asked how he was feeling, he responded that he had been feeling depressed lately, hopeless, like he could never stop gambling - he'd tried before, but failed. The counsellor assessed the risk, asking the caller whether he had considered suicide. After a long pause, the client said quietly, "Yeah, I have". The counsellor proceeded with a suicide risk assessment, determining the client was at a high and immediate risk - he was holding a knife in his hand.

Meanwhile, the counsellor looked up face-to-face gambling counselling services and found none available in the caller's town, while he had no money to travel 30 minutes to the nearest service. Due to the crisis nature of the call, the counsellor sought local general counselling services, and located the local crisis mental health team.

The counsellor continued to talk with the client, stabilised his distress and brought him to a point where he was able to make a "contract" with the counsellor to not attempt suicide for 30 minutes, while she called the local crisis mental health team and organised intervention, to which he agreed. The counsellor then called the team and arranged an intervention. The counsellor called the client back, within 10 minutes of ending the first call, and found him still agitated but calmer - he had put the knife away and was waiting for her call. The counsellor explained that the team were on their way, and continued to talk with him until the team arrived (20 minutes later).

As a follow-up, the counsellor called the client back the next day. She arranged visits by a local support service, and organised an appointment with a local generalist counselling service. The counsellor provided these details to the client, along with the details of nearby gambling counselling services that the client could attend when he had the money to travel.

This caller was assisted through a crisis, enabled to receive counselling and later gambling counselling, all because the club manager took the patron's comments seriously by referring him to the Wesley Counselling Services ClubSafe 1800 number. This is an example of a crisis call received by the

service. While for many people gambling does not become a problem, for others it can be devastating, as in the case here. By taking a patron's concerns seriously, and offering them the counselling service, you might be saving a life - it is always better to over react than to under react.

**** This is an example case with the names and circumstances changed for reasons of confidentiality. All calls to the service are completely confidential within the limits of the law.***