

Anglicare Tasmania

Policy Position for the 2018
Tasmanian State Election

Removing poker machines from our communities

Poker machines are designed to addict, easily accessible and targeted at low socio-economic areas. Poker machines are currently available in 100 venues (including the two casinos) located in all but five Local Government Areas. According to the Tasmanian Liquor and Gaming Commission, approximately 6,000 to 10,000 Tasmanians are harmed by their gambling, the vast majority of them being harmed by poker machines (TLGC 2016). Current harm minimisation measures allow individuals to lose nearly half their weekly income in an hour (TLGC 2016; ABS 2017). The Tasmanian community want change and see the expiration of the current license as providing our best opportunity.

We believe

- Poker machines are designed to addict and targeted at low socio-economic areas.
- Poker machines are easily accessible for the majority of the population and harm minimisation has not worked.
- Removing poker machines from our communities will effectively reduce harm.
- The Tasmanian public wants change.

Current harm minimisation measures allow individuals to lose nearly half their weekly income in an hour.

Anglicare policy recommendation:

Poker machines are removed from Tasmanian hotels and clubs at the end of the current licence period.

Rationale for change

1. Poker machines are not ordinary consumer products.
2. Harm minimisation measures for poker machines are not effective.
3. The Tasmanian community supports change that genuinely reduces harm.
4. Removing poker machines would successfully reduce the negative impacts of gambling.
5. Removing poker machines aligns with and supports a range of other policy initiatives.
6. Poker machines damage the State's economy.
7. There is a clear opportunity for change with no sovereign risk for the State.

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Anglicare's experience

Anglicare has twenty years' experience in providing services to people in Tasmania who experience harm from gambling. In collaboration with Relationships Australia, Anglicare is funded to provide the Gamblers Help program that offers counselling for individuals and their families, as well as exclusions from gambling, group support, community education, community development and professional support to venues. We also provide financial counselling funded by the Federal Government.

Our workers frequently report their frustrations in trying to provide support to people in a gambling regulatory environment that fails to provide adequate protection to its consumers. They are told by clients that the gambling environment, including advertising, inducements, player loyalty schemes and venue inducements (gambling and non-gambling), encourages them to gamble. We see family relationships suffer, people unable to afford to eat and people unable to afford to heat their homes because their family is harmed by gambling.

Anglicare's research has looked at the impacts for low-income Tasmanians who have been harmed by their own or a family member's gambling (Law 2005, Law 2010, Anglicare 2014, Maheswaran 2014). Research participants have told us they initially used gambling for a social outing, to alleviate stress or boredom, escape worries, to avoid relationships or to try to get money. However, research participants as well as our clients describe how their problems escalate as their gambling increases:

"You don't realise you have a problem [with gambling] until it hits you. It can happen to anyone" (Anglicare 2014).

Our Values

- Compassion
- Hope
- Respect
- Justice

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Rationale for change

1. Poker machines are not ordinary consumer products.

One in 6 people who regularly uses a poker machine are likely to develop a problem with gambling (Productivity Commission 2010, p. 5.25).

Poker machines are concentrated in areas that have low socio-economic status (The Allen Consulting Group 2011, vol. 2, p .5) and gambling losses and levels of harm in these areas are significantly higher than areas with higher socio-economic status (The Allen Consulting Group 2011, vol. 2, p. 118).

The harmful impacts of gambling are widespread. They affect an individual's health, family, relationships and work, which in turn impacts on government-funded health care and the State's economic productivity. For every person who is harmed by their own gambling, seven other people are affected (Productivity Commission 1999, p. 7.1).

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2. Harm minimisation measures for poker machines are not effective.

People who are harmed by poker machines say that existing Government-endorsed 'harm minimisation' measures are not effective. They say that counselling and self-exclusion are important but only reach a small proportion of people harmed by gambling and only after people have suffered significant and often lifelong harm.

Effective harm minimisation measures need to reduce expenditure (Productivity Commission 2010, vol. 1, p. 3). The only time expenditure on poker machines dropped significantly in Tasmania was following the introduction of the smoking ban. However, this measure was not about reducing harm caused by poker machines and expenditure soon bounced back to pre-ban levels (TLGC 2005, 2006, 2007). At current bet limits and spin speeds, someone earning the average weekly wage in Tasmania can lose nearly half their weekly wage in an hour of poker machine use (TLGC 2016; ABS 2017).

Tasmanians lose more per capita from non-casino venues than people in the United Kingdom, New Zealand and Finland because we have higher bet limits and maximum payouts. Some US states permit poker machines only in casinos while eight states and two of Canada's 13 provinces do not permit poker machines anywhere (Gaming Technologies Association 2016, pp. 22-24).

Other international gambling policy approaches include restricting bet limits and payouts for machines located in communities. For example, machines permitted in hotels and clubs in the United Kingdom have a maximum £1 bet (AUD\$1.70) and maximum £100 payout (AUD\$170) (Gaming Technologies Association 2016, pp. 32-34). These are significantly lower than the rates permitted by the Tasmanian Government.

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3. The Tasmanian community support change that genuinely reduces harm.

All publicly released polls have consistently shown the community does not believe we benefit from having poker machines in hotels and clubs and wants them reduced in number or completely removed from communities (SACES 2008; EMRS 2009; Anglicare Tasmania 2015).

Community Voice on Pokies Reform, of which Anglicare is a founding member, continues to grow. Starting with 15 member organisations, it has now reached 58 members.

4. Removing poker machines would successfully reduce the negative impacts of gambling.

Poker machines are designed to help people 'zone out' so they can 'escape'; people easily lose track of time and the money they have spent (Productivity Commission 2010, p. 11.16). Vulnerable Tasmanians have easy access to poker machines because the machines are concentrated in lower socio-economic areas (The Allen Consulting Group 2011, vol. 2, p. 5).

Western Australia is the only Australian State that restricts poker machines to its casino.

Although Tasmanians and Western Australians spend approximately the same amount of money on gaming per capita, at around \$700 annually (Queensland Government's Statistician's Office 2016, p. 5), the prevalence of gambling harm is lower in Western Australia than in Tasmania (Productivity Commission 2010). This is because about a third of what Western Australians spend on gambling "present few direct problems" such as Lotto, Instant Lottery and Minor Gaming (Productivity Commission 1999, p. 6.52). In contrast,

Vulnerable Tasmanians have easy access to poker machines because the machines are concentrated in lower socio-economic areas.

the majority of money spent on gaming in Tasmania is lost to poker machines, which are acknowledged as being a more harmful mode of gambling, with just ten per cent being spent on the more benign forms of gambling (Anglicare Tasmania 2017).

The most effective way to reduce harm caused to Tasmanians by poker machines would be to limit access to the machines by only having them in the casinos and by requiring the machines in casinos to have strong consumer protections applied to them.

5. Removing poker machines aligns with and supports a range of other policy initiatives.

All three State political parties support a preventative health approach. For example, in 2015, the ALP wrote in their submission to the Delivering Safe and Sustainable Clinical Services Green Paper that “it is clear that a [health] prevention agenda requires cross sectoral, multilevel interventions” to support the “many positive changes that individuals and families can make, but if the environment in which they exist – where they work, live and play, interact and experience life – is not conducive to good health, the impact of individual behaviours may be severely limited” (ALP 2015, p. 5). Anglicare argues that the easy accessibility of poker machines in communities is creating environments that are not conducive to good health.

Tasmania has the second highest rate of suicide in Australia, with about 70 people per year taking their own lives, twice the State’s annual road toll (Tasmanian Liberals 2015). The Tasmanian Liberal Government has placed suicide prevention as one of its priority areas in its “change for a brighter future” manifesto, recognising that every life lost to suicide comes at a huge personal cost to families, friends and communities (Tasmanian Liberals 2015). The Government’s aim is to fund targeted and proactive suicide

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prevention strategies.

Studies have found that the rate of suicide ideation is higher among people harmed by gambling than the broader community, with almost one in three people harmed by gambling having considered suicide (DoJ Victoria 2009).

Anglicare believes the impact that gambling has on suicide ideation should be an important element of strategies for suicide prevention.

All Tasmanian parties also support supportive community places. For example, the Liberal Government sees men's sheds as providing a safe and supportive environment to "get men talking and improve their wellbeing, health, and mental health" and neighbourhood houses as providing localised support to those who need it (Tasmanian Liberals 2015) and the Tasmanian Greens increased support to the houses when they had ministerial responsibility for them.

However, the Tasmanian Audit Office noted the limited opening hours offered by these facilities, particularly compared to poker machine venues, which restricts their value as a safe 'third place'¹ (Tasmanian Audit Office 2017, p. 33).

6. Poker machines damage the State's economy.

The harm caused by poker machines costs individuals, their families, communities, businesses and the State Government millions of dollars every year² (The Allen Consulting Group 2011, vol. 1, p 136).

Only a very small select group of businesses has benefitted, with the wealth they enjoy coming at the expense of harm caused to others. Seventy-five businesses from around the State recently called for the removal of poker machines from their local communities.

¹ A 'third place' is somewhere other than a person's home or place of employment.

² Between \$50 and \$144 million (at a moderate application of gambling problem prevalence rates).

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Removing poker machines from hotels and clubs is likely to provide increases in Gross State Product and employment across the Tasmanian economy (Mangan 2017).

According to the ex-chair of the Gaming Commission, Peter Hoult, “I think it is unfortunate that EGMs exist in Tasmania. The benefits... largely fall to the people who own them and not to the Tasmanian community. I think the tax revenues raised are actually non-events [and] is within Treasury’s daily estimate range of getting it right or wrong... I think if we went back in history and knew what we know now, we would not do it [introduce poker machines to hotels and clubs]” (Hansard 11 August 2017, Peter Hoult, p. 5).

7. There is a clear opportunity for change with no sovereign risk for the State.

The expiration of the Deed between the State of Tasmania and Federal Hotels on 30 June 2018 with optional rolling terms to 30 June 2023 provides an opportunity for this policy to be implemented without breaching any license agreement.

Seventy-five businesses from around the State recently called for the removal of poker machines from their local communities.

These principles guide our policy recommendation

COST EFFECTIVE

Removing poker machines from our communities will be beneficial for small businesses and reduce costs incurred by Government services.

BROAD REACHING

Removing poker machines from our communities will boost individual and community wellbeing across the State.

MEASURABLE

The impact of removing machines from communities will be easily identified by the decrease in annual losses to poker machines.

ACHIEVABLE

The expiry of the Deed between the State of Tasmania and Federal Hotels provides the opportunity to take strong action without fear of compensation or loss of business confidence.

LIKELY TO SUCCEED

The majority of Tasmanians from all regions of the State, from all ages and all political parties want change.

CONSISTENT WITH GOOD PUBLIC POLICY

Removing poker machines from our communities will support the policies of all three political parties in improving the health and wellbeing of Tasmanians and our communities.

Evidence from other jurisdictions and research studies supports the recommendation.

SARC research on the impacts of poker machines

Policy submissions

Anglicare Tasmania 2017, *Supplementary Submission to the Joint Select Committee on Future Gaming Markets*, Anglicare Tasmania, Hobart.

Anglicare's supplementary submission compares Tasmania to other states and countries and shows that Tasmania is not a world leader on harm minimisation.

Anglicare Tasmania 2016, *Programmed to addict: why poker machines should be removed from our communities*, Submission to the Joint Select Committee on Future Gaming Markets, Anglicare Tasmania, Hobart.

Anglicare's submission to the inquiry on future gaming markets provides a history of poker machines in Tasmania and why the machines should now be removed from communities.

Anglicare Tasmania 2014, *It's the light, the music, the jingles, the free drinks et cetera: Submission to the Third Social and Economic Impact Study of Gambling in Tasmania*, Anglicare Tasmania, Hobart.

This submission includes the voices of 52 people who have been harmed by gambling. Research participants describe how they thought their early gambling was helping them relieve their problems, but that they came to realise gambling had created a new problem for them when they felt unable to control the time and money spent gambling.

Research reports

Maheswaran, D 2014, 'The relationship between gambling and family breakdown', in *Law Letter*, The Law Society of Tasmania, no. 122, pp. 22-24.

This article looks at the way the Family Law Court treats cases where a family member has a serious gambling problem.

Law 2010, *Nothing left to lose: Problem gambling and crime*, Anglicare Tasmania, Hobart.

This report examines all cases heard in the Tasmanian Supreme Court over a six year period where the judge made comments on the link between gambling and the crime. The report shows gambling problems can lead ordinary people to do things they would not ordinarily do including committing significant crimes.

Law 2005, *House of cards: problem gambling and low income earners in Tasmania*, Anglicare Tasmania, Hobart.

This research sought to map the experiences of people harmed by gambling who are living on low incomes in Tasmania. Participants reported relationship stress and breakdown, food insecurity, physical and mental health problems, extreme levels of debt and, in a few instances, attempting suicide or breaking the law due to their gambling.

Polling

Anglicare Tasmania 2016, *Community Views on Poker Machines 2016*, poll conducted by EMRS, Anglicare Tasmania, Hobart.

This EMRS poll found that a third of participants knew someone who had been harmed by gambling on poker machines.

Anglicare Tasmania 2015, *Community Views on Poker Machines 2015*, poll conducted by EMRS, Anglicare Tasmania, Hobart.

This EMRS poll demonstrates widespread support for a reduction in the number or complete removal of poker machines from hotels and clubs.

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EMRS 2009, *Our island, our voices: State issues*, EMRS, Moonah.

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SACES – see South Australian Centre for Economic Studies

South Australian Centre for Economic Studies 2008, *Social and economic study into gambling in Tasmania*, SACES, Adelaide.

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Tasmanian Liberals 2015, *A long-term plan for mental health*, Tasmanian Liberals, Hobart.

TLGC – see Tasmanian Liquor and Gaming Commission

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