Public Health Association of Australia:

Policy-at-a-glance – Gambling & Health Policy

This policy should be read in conjunction with existing PHAA Gambling Industry policy

Key message:
1. There are political, economic, and cultural obstacles to reducing the harms caused by gambling. In particular, state and territory governments in Australia derive approximately 11% of their taxation revenue from legalised gambling.

2. The effects of problem gambling are not confined to the individual. It has been estimated that one compulsive gambler affects on average 5-10 other people. Less severe problems also impact on family members through reduced household solvency. Problem gambling also impacts on the community, in terms of lost productivity, reduced circulation of money within communities (lower ‘multiplier effect’) increased pressures on financial, legal, and social services, and the costs of criminal behaviour.

3. Legislation is required to give effect to the 2011 recommendations of the Joint Select Committee on Gambling Reform, in order to minimise and prevent avoidable harm experienced by individuals, families and communities.

Summary: PHAA believes the Australian Government should play a lead role, in partnership with State and Territory Governments, in ensuring that population health and harm minimisation strategies are adopted, with specific focus on development of product safety guidelines and reviews, development and enforcement of responsible gambling practices, and comprehensive and continuing assessment of the costs and benefits of specific gambling modes and practices. A system that allows gamblers to set themselves enforceable limits would form part of this approach – in line with the 2011 recommendations of the Parliamentary Joint Select Committee on Gambling Reform.

Audience: Australian, State and Territory Governments, policy makers and program managers.

Responsibility: PHAA’s Primary Health Care Special Interest Group (SIG)

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GAMBLING AND HEALTH POLICY

The Public Health Association of Australia notes that:
1. From the early 1990s, there was a rapid increase in the availability of commercial gambling throughout Australia, accompanied by an increasing reliance by state governments on revenue derived from gambling taxes\(^1\). These increases have been particularly associated with the ready availability of electronic gaming machines (EGMs, or poker machines, or ‘pokies’) in social venues such as local clubs and hotels, in all Australian states and territories other than Western Australia. Between 1991-92 and 2008-09, annual gambling expenditure (player losses) rose from $7.3 billion to $19 billion in real terms\(^{1,2}\). Of this, expenditure on EGMs other than in casinos increased from $2.4 billion in 1991-92 to $10.45 billion in 2008-09, or an increase from 32.9% to 55% of total gambling expenditure over that period\(^{1,2}\). Recent gambling losses have fallen since 2008-2009, to 16.4 billion over the twelve month period from April 2013 to March 2014\(^3\).

2. Australian gambling expenditure rose from 1.8% of household disposable income in 1991-92 to 3.05% in 2004-05\(^2\). In 2008-09, Australian gambling revenue was 3.1% of household consumption\(^1\). A considerable proportion of EGM gambling revenue derives from people experiencing problems because of moderate-high risk gambling\(^3\). The Productivity Commission estimated in 2010 that approximately 40% of gaming machine expenditure came from people experiencing problem gambling. Some estimates put the proportion of expenditure derived from people experiencing problem gambling as high as 60%\(^1\).

3. Gambling provides a substantial stream of revenue to states and territories, and amounted to $5 billion (11% of all state revenue) in 2008-09\(^7\).

4. Gambling provides some employment, although within the Australian economy it probably provides few net employment opportunities\(^1\). According to the Productivity Commission\(^1\) at least 145,000 people are employed in the gambling industry. However, employment in other hotels and clubs has decreased or been restricted in growth by the introduction of EGMs in SA\(^4\), and this is likely to have occurred in other jurisdictions and other industries also.

5. Gambling products may be delivered for the purpose of providing leisure and recreational opportunities. However, they can restrict access to other leisure and recreational opportunities, for example live music in hotels.

6. There are concerns about the proliferation of promotion for gambling in traditional and online media\(^1\).
7. Gambling may cause harm, including economic losses, financial difficulties, stress, family conflict, and criminal behaviour\textsuperscript{1,5,6}.

8. Since the early 1990s in Australia, debates about gambling related ‘risk’ and ‘harm’ have focussed on ‘problem gamblers’, those individuals who experience mental, social, legal, and physical health problems as a consequence of their gambling\textsuperscript{6,1,8}. People with gambling problems can experience a wide range of ‘harm’ including mental and physical health problems, including suicide attempts, anxiety, depression, increased likelihood of dependence on alcohol and other drugs, relationships and marital breakdown, criminal activity and imprisonment, as well as severe financial difficulties\textsuperscript{1}. There is also some evidence to suggest that people experiencing gambling related difficulties also experience worse physical health than the general population, although there have been only limited studies focused on the association between gambling and physical health\textsuperscript{9}. According to current estimates over 2010/2011 with a national sample of 15,006 people and using the Problem Gambling Severity Index, a measure of gambling related risk and harm, 3.7% of the adult population have a gambling problem at a moderate level of risk of social and mental health difficulties\textsuperscript{10}.

9. The effects of gambling are not confined to causing problems for individuals; gambling also causes social harms. Gambling affects the community, in terms of decreased circulation of money, lost productivity, increased pressures on financial, legal, and social services, and the costs of criminal behaviour\textsuperscript{3}.

10. Gambling particularly affects vulnerable groups in the community such as people from low socioeconomic backgrounds\textsuperscript{5}.

11. There is increasing concern about underage gambling. Recent and continuing rapid changes in digital technologies have a major impact on young people’s engagement with gambling\textsuperscript{11}. There has been recent proliferation of advertising in relation to sports betting, increasing availability of mobile devices with internet access, and new interfaces that promote gambling such as social media sites and children’s video games\textsuperscript{11}. Consequently, gambling is more normalised and accessible to young people than it was to their parents. Young people are up to 5 times more likely than adults to experience difficulties with gambling and many adults with gambling difficulties began gambling as young people\textsuperscript{5,11}. It is estimated that 60-80% of Australian teenagers will have gambled at some stage in any given year. A 2003 study of gambling amongst South Australian adolescents (aged 15 to 17 years) revealed that more than 43% had used instant or scratch lottery products (5.1% using them regularly) and more than 12% had used EGMs\textsuperscript{9}. According to the Victorian Responsible Gambling Foundation\textsuperscript{11}, one in five young Australians is participating in sports betting, racing and EGMs.

12. The general response of industry and most state and territory regulators to concerns about the harmful effects of gambling has been a form of self-regulation focused on ‘responsible gambling’ and control of ‘problem gamblers’\textsuperscript{6,8}. All Australian states and territories now require gambling providers to adhere to responsible gambling codes of practice, but this approach has been subjected to criticism on the basis of its lack of specificity, its inherent bias towards the pathologisation of those with gambling problems, and its lack of attention to product safety and harm minimisation principles at a population health level\textsuperscript{6,8}. 
13. The State governments of Australia have contributed different levels of funding to service State-specific programs related to problem gambling. These have included one, more, or all of the following: counselling services, community education programs, and research programs investigating the social/economic impact of gambling. In general, there has been limited community input on the decision-making processes for allocations from these funds.

14. The emphasis on ‘responsible gambling’ and the ‘problem gambler’ as the source of risk and harm related to gambling normalises the current gambling industry in Australia and functions to remove the public health imperative for industry and government to actively manage gambling-related risk and harm from an upstream population health perspective.

15. Legislation is required to give effect to the recommendations of the Parliamentary Joint Select Committee on Gambling Reform, which seek to implement recent recommendations of the Productivity Commission, in order to minimise and prevent avoidable harm experienced by individuals, families and communities.

16. The evidence base and policy research in relation to gambling, health and harm is limited. There is a need for research about the effects of gambling on vulnerable population groups within Australian communities. Research is required about efficacious and effective population health approaches and interventions including harm minimisation, to manage gambling related harm in Australian communities.

17. Current Australian research initiatives are at least partially funded by the gambling industry. A recent study found that UK research was dependent on the gambling industry for both funding and access to data, and that this led to conservative findings that do not support major policy reforms, and it is likely that the dependence on industry funding has a similar effect in Australia. Research initiatives that are independently funded are required to establish independent and valid evidence, and promote debate within Australian communities.

18. Social research and community engagement are required independently from the gambling industry and the revenue based interests of State governments to promote the active involvement of local communities in decisions about gambling that will directly affect them.

The Public Health Association of Australia recognises that:

19. There is a need for independent public health and social research to address knowledge gaps about the effects of gambling on communities’ health. Well-funded research is required about efficacious and effective population health, harm minimisation and risk reduction strategies. Research about the effects of gambling for particular population groups including low SES, adolescents and culturally and linguistically diverse communities is needed. Research about gambling should be appropriately funded independently from the gambling industry. There are political, economic, and cultural obstacles to promoting responsible gambling, in that increased gambling facilities create more opportunities for problem gambling to occur. State and territory governments in Australia derive an average of 11% or more of their taxation revenue from legalised gambling.
The Public Health Association of Australia recommends that:

20. The PHAA and other professional bodies adopt a public health model for gambling, which emphasises the general protection and promotion of well-being in the community, and includes the central premises of population health and harm minimisation. This model would take into account the interaction of the individual, the gaming opportunity, the gaming environment and the wishes of the community. A population health approach requires Government to manage gambling and related harm from an upstream perspective. Harm minimisation allows for a range of interventions to be developed along a continuum of gambling activity and behaviours.

21. The Commonwealth government plays a lead role in partnership with state and territory governments, in ensuring that population health and harm minimisation strategies are adopted, with specific focus on active management of gambling, and development of product safety guidelines and reviews, development and enforcement of harm minimisation practices, and comprehensive and continuing assessment of the costs and benefits of specific gambling modes and practices.

22. Research should be supported through the auspices of the Australian Research Council and the National Health and Medical Research Council to explore the impact of gambling and increased gaming opportunities on the overall health of families and communities.

23. The gaming industry with funds derived from gaming revenue:

- Commit 20% per annum of their funds to provide direct support to those experiencing harm as a result of problem gambling.
- Provide support to welfare organizations to meet demands placed on their services due to problem gambling.
- Have their funds disbursed by independent boards, which include community representatives.
- Fund public health and social research, through independent boards.

24. The Australian Government implements a system that allows gamblers to set themselves enforceable limits for poker machines, including the introduction of low-impact poker machines, supported by a comprehensive package of complementary strategies and reform of gambling research funding – in line with the 2011 recommendations of the Parliamentary Joint Select Committee on Gambling Reform.

The Public Health Association of Australia resolves to:

25. Collaborate with other professional bodies in promoting the principles of population health and harm minimization to reduce the health, social and economic costs associated with commercial gambling.

26. Lobby for funding to be allocated specifically for the purposes of health research related into gambling, independent of industry.
27. Lobby government and gaming interests to develop a mutually agreed code of conduct for all gambling venues in Australia, including measures addressing media advertising, and to require state regulators to adopt uniform technical and other standards which emphasise product safety and consumer protection as priorities for regulatory activity.

28. Oppose further increases in gambling outlets or the installation of further EGMs until the extent of the harms generated from current gaming practices has been established.

29. Lobby government and gaming interests to develop a mutually agreed code of conduct for all gambling venues in Australia, and to require state regulators to adopt uniform technical and other standards which emphasise product safety and consumer protection as priorities for regulatory activity. Recognising the failure of self-regulatory advertising codes in this and other areas, lobby governments to introduce regulations on gambling advertising and promotion that are independent of the gambling industry.


The PHAA’s Gambling and Health policy was adopted as part of the 2008 policy review process and has been revised and re-endorsed in both 2011 and 2014

References