

# COMMUNITY LEGAL CENTRES TASMANIA

5 November 2021

To the President of the Legislative Council  
Parliament House  
Hobart 7000

via email: [craig.farrell@parliament.tas.gov.au](mailto:craig.farrell@parliament.tas.gov.au)

To the Honourable Craig Farrell,  
**Re: *Gaming Control Amendment (Future Gaming Market) Bill 2021***

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Community Legal Centres Tasmania (CLC Tas) welcomes the opportunity to provide comment on the *Gaming Control Amendment (Future Gaming Market) Bill 2021* ('the Bill').<sup>1</sup>

CLC Tas is the peak body representing the interests of nine community legal centres (CLCs) located throughout Tasmania. We are a member-based, independent, not-for-profit and incorporated organisation that advocates for law reform on a range of public interest matters aimed at improving access to justice, reducing discrimination and protecting and promoting human rights.

Over the years, our member centres have heard many tragic stories of the harms inflicted by problem gamblers including families forced on to welfare, women violently assaulted by a partner frustrated at their gambling losses and children not receiving child support because the money has been lost. We strongly believe that the significant harms caused by electronic gaming machines means that greater harm minimisation measures must be guaranteed in the Bill.

### **Problem Gambling and the Pokies**

It is estimated that there are around 1600-3200 people with a gambling problem in Tasmania.<sup>2</sup> According to the *Department of Communities* "electronic gaming machines (EGMs) are the major form of gambling causing problems" in Tasmania, with the prevalence of problem gambling in lower socio-economic communities, double that of the rest of Tasmania.<sup>3</sup> In 2010 the Productivity Commission found that people with gambling

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<sup>1</sup> CLC Tas would like to acknowledge those persons and organisations who gave freely of their time in assisting with our submission.

<sup>2</sup> Tasmanian Liquor and Gaming Commission, *Submission to the Joint Select Committee on Future Gaming Markets* (December 2016) at 1. As found at <https://www.parliament.tas.gov.au/ctee/joint/Submissions/ISC%20FGM/ISC%20FGM%20144%20Tasmanian%20Liquor%20and%20Gaming%20Commission.pdf> (Accessed 1 November 2021).

<sup>3</sup> Communities Tasmania, 'The prevalence of problem gambling in Tasmania'. As found at [https://www.communities.tas.gov.au/disability/gambling/information\\_for\\_health\\_professionals/the\\_prevalence\\_of\\_problem\\_gamblin\\_in\\_tasmania](https://www.communities.tas.gov.au/disability/gambling/information_for_health_professionals/the_prevalence_of_problem_gamblin_in_tasmania) (Accessed 1 November 2021).

problem accounted for around 40 per cent of all losses from electronic gaming machines<sup>4</sup> with the Tasmanian Liquor and Gaming Commission estimating that “over \$70m of annual player losses in Tasmania linked to problem gamblers”.<sup>5</sup>

More recent research has confirmed that there are significant social harms that arise from problem gambling including:<sup>6</sup>

- Family and relationship problems; and
- emotional and psychological issues; and
- financial harm; and
- lost productivity and other work-related costs; and
- criminal activity; and
- life course or intergenerational harms.

Finally, it must be acknowledged that problem gambling has ‘ripple effects’ on family members, friends and workplaces<sup>7</sup> with a 2016 report estimating that for every person with a gambling problem approximately six others are also negatively affected.<sup>8</sup>

With the evidence clearly demonstrating the significant harm caused by electronic gaming machines on problem gamblers, it is crucial that the Tasmanian Parliament enshrine harm minimisation measures in the Bill.

### **Electronic Gaming Machines and Harm Minimisation**

In an academic paper released in 2016 entitled *Key Issues in Product Based Harm Minimisation: Examining Theory, Evidence and Policy Issues in Great Britain*<sup>9</sup> the authors observe that there are a range of factors explaining why a large number of problem gamblers are attracted to electronic gambling machines including its fast, frequent and continuous nature:<sup>10</sup>

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<sup>4</sup> Productivity Commission, *Gambling Inquiry Report* (No. 50, February 2010) at 5.36. As found at <https://www.pc.gov.au/inquiries/completed/gambling-2010/report/gambling-report-volume1.pdf> (Accessed 1 November 2021).

<sup>5</sup> Tasmanian Liquor and Gaming Commission, *Submission to the Joint Select Committee on Future Gaming Markets* (December 2016) at 1.

<sup>6</sup> Matthew Browne, Nancy Greer, Tess Armstrong, Chris Doran, Irina Kinchin, Erika Langham, Matthew Rockloff, *The social cost of gambling to Victoria*, Victorian Responsible Gambling Foundation (2017: Melbourne). As found at <https://responsiblegambling.vic.gov.au/resources/publications/assessing-gambling-related-harm-in-victoria-a-public-health-perspective-69/> (Accessed 1 November 2021).

<sup>7</sup> Productivity Commission, *Gambling Inquiry Report* (No. 50, February 2010) at 16.

<sup>8</sup> Matthew Browne, Nancy Greer, Tess Armstrong, Chris Doran, Irina Kinchin, Erika Langham, Matthew Rockloff, *The social cost of gambling to Victoria*, Victorian Responsible Gambling Foundation (2017: Melbourne) at 26.

<sup>9</sup> Jonathan Parke, Adrian Parke and Alex Blaszczynski, *Key Issues in Product Based Harm Minimisation: Examining Theory, Evidence and Policy Issues in Great Britain* (2016). As found at [https://www.researchgate.net/publication/311497416\\_Key\\_Issues\\_in\\_Product\\_Based\\_Harm\\_Minimisation\\_Examining\\_theory\\_evidence\\_and\\_policy\\_issues\\_relevant\\_in\\_Great\\_Britain](https://www.researchgate.net/publication/311497416_Key_Issues_in_Product_Based_Harm_Minimisation_Examining_theory_evidence_and_policy_issues_relevant_in_Great_Britain) (Accessed 1 November 2021).

<sup>10</sup> Jonathan Parke, Adrian Parke and Alex Blaszczynski, *Key Issues in Product Based Harm Minimisation: Examining Theory, Evidence and Policy Issues in Great Britain* (2016) at 39-40.

*Gambling activities that can provide monetary reward in the immediate future are more attractive to problem gamblers than those where there is a delay between winning and receiving reward. Moreover, gambling activities that have a brief event duration are highly reinforcing to problem gamblers even if they delay the provision of monetary rewards, because the notification of the gambling outcome itself is also inherently rewarding. Therefore, in general, it is reasonable to conclude that gambling activities with high event frequency are more attractive to problem gamblers because reward (of some description) is delivered relatively quickly in contrast to other forms of gambling. Thus, such games are likely to encourage more problematic play because the behaviour has been strongly reinforced either through winning, or the rapid delivery of exciting feedback informing the player whether they have won or lost.*

The research clearly demonstrates that there are a disproportionate number of people with a gambling problem who use electronic gaming machines in Tasmania and that they are attracted to their fast, frequent and continuous nature. To minimise the harm, we should be targeting the availability of EGMs and the way in which they are used.

#### **What harm minimisation measures work?**

There are four harm minimisation measures that we strongly recommend are enshrined in the Bill:

- reduced hours and availability; and
- a maximum \$1 bet; and
- a minimum spin speed of six seconds; and
- a mandatory pre-commitment scheme.

#### **- *Reduced hours and availability***

In 1999 the Productivity Commission noted that New South Wales had the highest rate of problem gambling and Western Australia the lowest and that this was “probably reflecting the relative availability of gaming machines”.<sup>11</sup> Expressed in another way, reduced access to electronic gaming machines means less problem gambling.

We strongly support Anglicare Tasmania’s recommendation that the overall numbers of electronic gaming machines in the community should be reduced from the Bill’s proposed 2350 machines. We also support Anglicare Tasmania’s recommendation that “the legislation should allow for numbers to be capped according to the Index of Relative Socio-Economic Disadvantage”.<sup>12</sup>

We also strongly believe that the Bill should specify that gaming venues can only operate for a maximum of 12 hours per day. It is our understanding that some gaming venues are open up to 18 hours per day. Limiting the hours that a gaming venue may remain open to a maximum of 12 hours will ensure that problem gambling is reduced.

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<sup>11</sup> Productivity Commission, *Australia’s Gambling Industries* (No. 10, November 1999) at 22. As found at <https://www.pc.gov.au/inquiries/completed/gambling/report/summary.pdf> (Accessed 1 November 2021).

<sup>12</sup> Anglicare Tasmania, *Submission to the Future of Gaming in Tasmania* (August 2021). As found at <https://www.treasury.tas.gov.au/Documents/9%20-%20Anglicare%20Tasmania.pdf> (Accessed 1 November 2021).

- **Maximum \$1 bet**

Reducing maximum bets to \$1 per button push was recommended in 2010 by the Productivity Commission because it would “strongly target problem gamblers, with little disturbance for others”.<sup>13</sup> The Tasmanian Liquor and Gaming Commission has also recommended \$1 bet limits on the basis that is “a simple, cheap and effective way to reduce the amount that can be lost and therefore reduce harm to problem gamblers”.<sup>14</sup>

- **Minimum spin speed of six seconds**

The current spin rate of reels per bet in Tasmania is a minimum of 3 seconds.<sup>15</sup> Modelling carried out by the Tasmanian Liquor and Gaming Commission found that if the speed settings were slowed to six seconds, losses would be halved. The modelling also found that the slower 6 second speed combined with \$1 bet limits would be a “potent way in which gamblers would lose less at any one time”.<sup>16</sup>

- **Mandatory pre-commitment scheme**

In a recently released review of Melbourne’s Crown Casino, a binding and mandatory pre-commitment scheme was recommended because it would “significantly reduce the incidence of problem gambling”.<sup>17</sup> Under the proposed scheme, Australian residents using electronic gaming machines would be required to set limits on how long they gamble and how much they lose. People who had reached their limit would be locked out and unable to change their limits for 36 hours. As well, they would need to take 15-minute breaks every three hours, and use the machines for a maximum of 12 hours in a 24-hour period and 36 hours a week.<sup>18</sup> We strongly recommend that the Bill provide the Tasmanian Gaming and Liquor Commission with the power to look at effective mandatory pre commitment schemes including the proposed Victorian model.

We strongly recommend that these harm minimisation measures are enshrined in the Bill.

### **Referral to Committee**

In our opinion, the failure to appropriately address harm minimisation measures in the Bill is a significant weakness that will have long lasting detrimental impacts on problem gambling in Tasmania. We believe that the Legislative Council requires more time to consider best practice harm minimisation measures. We therefore strongly recommend that the Bill -and in particular the proposed harm minimisation measures- are referred to a committee of inquiry for review.

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<sup>13</sup> Productivity Commission, *Gambling Inquiry Report* (No. 50, February 2010) at 26 and 11.29 (Recommendation 11.1).

<sup>14</sup> Tasmanian Liquor and Gaming Commission, *Submission to the Joint Select Committee on Future Gaming Markets* (December 2016) at 3.

<sup>15</sup> Tasmanian Liquor and Gaming Commission, *Submission to the Joint Select Committee on Future Gaming Markets* (December 2016) at 3.

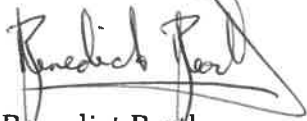
<sup>16</sup> Tasmanian Liquor and Gaming Commission, *Submission to the Joint Select Committee on Future Gaming Markets* (December 2016) at 3.

<sup>17</sup> Royal Commission into the Casino Operator and Licence, *The Report - Chapter 8: Responsible service of gambling* at 56 (October 2021). As found at <https://www.rccol.vic.gov.au/volume-2> (Accessed 1 November 2021).

<sup>18</sup> Royal Commission into the Casino Operator and Licence, *Chapter 1: Overview*. Recommendation 10 at 19-20. As found at <https://www.rccol.vic.gov.au/volume-1> (Accessed 1 November 2021).

If we can be of any further assistance, please do not hesitate to contact us.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Benedict Bartl". The signature is written in a cursive style with a large, sweeping flourish at the end.

Benedict Bartl  
Policy Officer

**Community Legal Centres Tasmania**

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