



AND



*Evaluation of 2004 Legislative
Amendments to Reduce EGMs*

RESEARCH REPORT

Prepared for: Independent Gambling Authority

Principal Consultants: Frances Eltridge, Harrison Research
Paul Del Fabbro, University of Adelaide

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1. INTRODUCTION



1.1 Project Background

Ever since electronic gaming machines (EGMs) or poker machines were introduced to South Australia in July 1994, there has been considerable concern about the impacts of this form of gambling on the community. Although it is recognized that the introduction of EGMs have had a number of important benefits to the hospitality industry and the local economy in the form of employment growth, the expansion of dining and entertainment facilities, as well as retention of gaming revenue that might otherwise have flowed interstate, EGMs have also been identified as the principal cause of gambling-related problems in South Australia. Of over 20,000 people estimated to have gambling-related problems in South Australia, it has been found that at least 70% of these people experience difficulties with gaming machines (Delfabbro, 2005; Delfabbro & Winefield, 1996; SA Department of Human Services, 2001; Independent Gambling Authority, 2003; Productivity Commission, 1999). Similar figures have been reported in submissions by welfare agencies who have reported very substantial increases in the number of clients seeking help for gambling-related problems since EGMs were introduced. Many of those clients seeking help (most notably women) report having rarely gambled prior to EGMs being made available in South Australia, so that there is little evidence to suggest that current problem gambling rates reflect merely a switch from older, more traditional forms of gambling, to newer forms.

In response to concerns of this nature, as well as a broader need to maintain greater scrutiny and regulation of the gambling industry, the State Government established the Independent Gambling Authority (IGA) as the principal regulator of commercial forms of gambling in South Australia. Established as a statutory body under the Independent Gambling Authority Act of 1995, the IGA was required to have several functions, of which some were directed specifically to the issue of problem gambling. Specifically, under the Act, the Authority was (is) required “to develop and promote strategies for reducing the incidence of problem gambling and for preventing or minimizing the harm caused by gambling” (Sec. 11 (1) (aa); and, “to undertake, assist in co-ordinate ongoing research into matters relevant to the Authority’s functions” (Sec 11 (1) (aab). This latter subsection includes a mandate to conduct research that examines the social costs or benefits of gambling to the community, as well as the extent to which various strategies are successful in reducing problem gambling and its associated harms.

Several recent strategies designed to address community concerns about problem gambling, which has fallen under the aegis of the Authority’s role, have been various policies introduced by the State Government to limit the accessibility of gaming machines in South Australia. The first of these was the decision by the South Australian Parliament to impose a freeze on the number and location of gaming machines in South Australia in 2000. Coming into force on the 7th of December 2000 as a result of the addition of Section 14A into the Gaming Machines Act 1992, this amendment prevented venues from applying for new gaming machine licences beyond this date and until May 2003. Although this did not prevent a flurry of applications being lodged prior to December 2000 and which subsequently came into operation after this deadline, the legislation ultimately served to limit the growth of gaming machine numbers, so that the total number of gaming machine figures in the State would reach a potential upper maximum based only on the number of licenses approved at the time.



In June 2002, and approximately 12 months prior to the expiration of the 2000 legislative amendment, the Minister for Gambling directed the Authority to conduct an inquiry into the management of gaming machine numbers. The inquiry required that the Authority consider relevant policies for the management of EGM numbers in other States and Territories and in New Zealand, consider national competition laws, as well as invite public submissions from Government, industry, welfare and community stakeholders. The inquiry was conducted largely through public hearing held in 2003, and involved the review of detailed written submissions as well as commissioned research into the possible links between EGM accessibility and the prevalence of problem gambling. The inquiry led to the development of a final report in which the Authority recommended an appropriate strategy to Parliament for the reduction of gaming machine numbers.

The Authority's final recommendations were that 3000 machines be removed from South Australian gaming venues (a 20% reduction). The reduction would be based on a formula such that venues with 28 or more machines would lose eight machine entitlements and those with between 21 and 27 would lose 1-7 machines and end up with 20 machines per venue. The Authority's intention was that the reduction would occur over approximately 18 months, and be subject to supervised trading rounds, such that venues would be allowed to sell their gaming machines entitlements to other venues who were willing to purchase them. In this way, it would be possible for less profitable venues to exit the industry by selling their machines to more profitable venues. The aim was to reduce the number of venues containing gaming machines, while also enhancing the competitiveness and status of the not-for-profit sector of the industry (mostly licensed clubs) that had typically been less successful in attracting the same gaming revenue as hotels. It was also hoped that, with fewer gaming venues, people would have greater opportunities to visit venues without the temptation of gambling, and that this would be starting point for reducing the accessibility of gambling opportunities in local areas (IGA, 2003).

However, the legislation passed in 2004 (the 2004 Amendments to the Gaming Machines Act 1992) differed from the Authority's recommendations in that venues with a not-for-profit status (licensed clubs and some hotels) were exempted from the reduction. As a consequence, the reduction formula was only applied to for-profit venues, with the result that fewer than 3000 machines could be removed using a direct removal of machines. The official reduction of gaming machine numbers occurred in July 2005, although a number of venues had commenced the process of removing and/or selling their machines prior to this. This process led to the removal of 2168 machines.

To remove further machines and reach the required reduction quota of 3000, the legislation also provides for trading rounds in which venues give up their entitlements for sale. A certain proportion (usually 25%) of these entitlements are withdrawn and therefore removed from the system, and then the remainder are sold to applicants based on a priority system. The proceeds from sale are then returned to venues who sold their machines based on a formula that takes into account the number of machines withdrawn from the sale pool (Office of the Liquor and Gambling Commissioner, 2005). So far two trading rounds for machine licenses were held: first in July 2005 and the second in September 2005. Future trading rounds are planned to enable the Government to work towards its statutory target of 3000 machines removed from South Australian venues.



1.2 Terms of the Reference for Current Research Project

Having made these recommendations in 2003, the Authority was strongly of the view that “a structured review of the outcomes of the process should be undertaken...[and that] the Authority [would] conduct research into the impact of changes to the arrangements for the management of gaming machine numbers so as to inform a further review.” (IGA, p.3). This view was further underscored by Section 89(1) (b) of the Gaming Machines Act, which required that the Authority provide to the Minister for Gambling a report on the effects of the “2004 amendments” on gaming in South Australia in 2006, in particular “whether they had been effective in reducing the incidence of problem gambling and the extent of any such reduction”.

To address this issue, the IGA commissioned the following research project which was undertaken through consultancy services (literature review, secondary data analysis and analytical and policy advice) received from the University of Adelaide, as well as primary empirical research, analysis and reporting undertaken by Harrison Health Research, South Australia. The terms of reference for the research were: “to provide guidance to the Authority in its evaluation of the 2004 Amendments through the analysis of existing data sources” as well as “new data gathering approaches which could yield useful results in the required timeframe” (IGA Tender brief, 2006).

1.3 Research Approach

As indicated in the Terms of reference, the project was conducted using two principal strategies. The first part of the analyses involved analysis of archival data obtained from previously conducted research projects or maintained by the State Government through the Office of the Liquor and Gambling Commissioner.

The data obtained from the OLGC were examined to determine whether there was any evidence for a change in people’s gambling expenditure before and after the implementation of the amendments. Several hypotheses were investigated. The first was that people’s expenditure on EGMs would decrease because it may have become more difficult to gamble because it may have been more difficult to find a free machine at some venues because the reduction in machine numbers. A second, but competing prediction was that there would be little in EGM expenditure for one of three possible reasons:

- (a) People have a fixed budget to spend on gambling and would tend to spread this out over fewer machines.
- (b) Venues only removed their less popular and unprofitable machines so that players would still be able to play their favourite machines.
- (c) The EGM market is already saturated. Many machines are often utilized anyway, so that removing the unused proportion would not influence participation rates.

To investigate these possibilities, trends in net gambling expenditure were examined in relation to venues that lost varying numbers of machines, with venues that lost no machines (small hotels and clubs) used as natural comparison groups. If the removal of EGMs reduces expenditure (the first hypothesis), one should therefore observe a general decline in total Net Gaming Revenue (NGR) at venues that lost a greater number of machines and no obvious increase in NGR per machine (i.e. people are not maintaining the same volume of expenditure despite the reduced number of machines available).



The empirical research involved a combination of both qualitative and quantitative analysis of the perceived effectiveness of the Amendments and their effects on gambling behaviour. The qualitative research utilised a focus group methodology and involved groups of problem gamblers who were asked to comment on their awareness of the Amendments and their perceived effects on gambling behaviour. The quantitative research involved in-venue interviews with regular EGM players (problem gamblers and non-problem gamblers) at venues which had lost varying numbers of machines: eight machines, 1-7 and clubs and hotels that had lost no machines. The survey assessed players' level of involvement in gambling in terms of their frequency of participation, assessed their problem gambler status and asked them about their awareness of the amendments and their perceived effectiveness. In particular, gamblers were asked to indicate to what extent the changes had influenced their general gambling behaviour on EGMs, as well as the extent to which they had been able to maintain control over their behaviour within venues.

1.4 Structure of the report

- Chapter 2 provides an executive summary of the key outcomes.
- Chapter 3 provides a brief literature review of EGM gambling in South Australia to place the topic into context. Included in this section are discussions of problem gambling and its causes, as well as research which has examined the relationship between the accessibility of gambling, gambling expenditure and problem gambling.
- Chapter 4 provides a summary of the analysis of archival data outlined in Section 1.3.
- Chapter 5 provides a summary of the focus groups (methodology and findings).
- Chapter 6 provides a detailed summary of the methodology and results for the in-venue survey.
- Chapter 7 provides a discussion of the overall findings and conclusions.



2. EXECUTIVE ASSESSMENT & POLICY IMPLICATIONS



2.1 Overview

- In 2004, the South Australian Parliament passed the Gaming Machines (Miscellaneous) Amendment Bill. As a result, the 1992 Gaming Machines Act was amended to give effect to the recommendations of the Independent Gambling Authority to reduce the number of gaming machines in South Australian gaming venues.
- The Act resulted in an initial removal of 2,168 gaming machines from for-profit gaming venues in South Australia by 1 July 2005, with further provision for the removal of additional machines (to achieve a total of 3000) via the operation of subsequent trading rounds.
- For-profit venues generally lost between 1-8 machine entitlements; however, no machine entitlements were lost from not-for-profit venues, or from for-profit venues with 20 or fewer machines.
- The purpose of this research was to evaluate the effectiveness of these measures in terms of their impacts on gambling behaviour, expenditure on electronic gaming machine (EGMs) and problem gambling in the State.
- The research was conducted using a combination of secondary data analysis and primary empirical research.
- The secondary data analysis included an examination of EGM expenditure levels in venues that lost varying numbers of machines.
- The empirical research included focus groups with problem gamblers and also interviews with 400 regular EGM players drawn from venues that lost varying numbers of machines.

2.2 Effects on EGM expenditure

- Analysis of data from the Office of the Liquor and Gambling Commissioner showed that the rate of growth in EGM net revenue has been declining over the last five years from over 11% per annum to almost 0% in the most recent final year.
- The most recent financial year (2005-2006) encompasses the period during which the 2004 Amendments came into effect. Although this sudden decrease in the growth of EGM expenditure coincides with the implementation of the 2004 Amendments, it is not possible (given the pre-existing downward trend in expenditure over the last few years) to infer that the Amendment was the sole cause of this decrease.
- There was some evidence that larger venues with 40 EGMs that lost no machines experienced greater growth in revenue than venues that lost machines, but little evidence of any decline in revenue for venues that lost machines.
- On the whole, for-profit venues did not experience a decrease in their net EGM revenue. Net revenue per EGM in these venues in fact was found to be higher once the machines were removed (i.e. patrons appeared to spend the same amount on 32 machines as they did on 40).
- The removal of machines and subsequent trading rounds have led to only a 3% decrease in the number of venues in South Australia.



2.3 Focus Groups

- A series of small focus groups was conducted with problem gamblers to gauge their perceptions of the 2004 Amendments.
- Problem gamblers were generally aware of the changes, but did not believe that removing a relatively small proportion of machines had influenced their behaviour, or had any meaningful impact on problem gambling.
- However, respondents endorsed the view that fewer venues would be a more effective harm minimisation strategy because it would reduce the number of gambling opportunities in the community and the number of visual triggers to gamble.

2.4 Results from the Survey of Regular Patrons

- 400 regular EGM gamblers (who played EGMs fortnightly or more often) were surveyed in gaming venues. Gamblers were sampled from both for-profit venues that had lost varying number of machines as well as not-for-profit venues which had lost no machines.
- Gamblers were asked a series of questions concerning their gambling habits; a standardised assessment of their problem gambling (the Canadian Problem Gambling Index or CPGI); a series of questions about their awareness and perceptions of the 2004 Amendments; questions about their ability to control their gambling within venues, and general demographics.
- 11% of the sample were classified as problem gamblers, 28% moderately at risk, 26% had a low risk, and 36% had no problems at all.
- Two-thirds of gamblers indicated that the proximity of venues to their home was the most decisive factor in selecting EGM venues. 90% of daily/most days gamblers indicated that they travelled less than 4 kilometres from their home or walked to their preferred venue.
- Most gamblers were found to be aware of the Amendments, with this effect found to be strongest for those who had visited the same venue for a longer time.
- Very few gamblers believed that the removal of machines had influenced the amount of time and money spent gambling on EGMs, or their ability to control their gambling.
- Eighty-percent of respondents indicated that the legislation had not reduced problem gambling.
- The reasons for this perceived failure was that problem gamblers would continue to gamble anyway because they were “addicted” or because they would find a machine anyway.

2.5 Conclusions

- The 2004 Amendments have not reduced overall net EGM revenue in South Australia, but there has been a substantial reduction in the rate of EGM revenue growth which may be at least partially attributable to this legislation.



- The vast majority of regular gamblers and problem gamblers did not believe that the amendments had very much influence on problem gambling or their own behaviour.
- Most respondents nonetheless indicated that geographical accessibility was a major factor in venue selection.



3. HISTORICAL CONTEXT & LITERATURE REVIEW



3.1 EGM gambling in SA prior to 2004 Amendments

3.1.1 Recent trends in EGM and EGM venue numbers

A number of the analyses described in subsequent chapters involve comparisons of gambling data conducted between 2001 to 2005 (the period up until when the 2004 Amendments legally came into force). Thus, in order to provide an appropriate context for this material, most data analysis in this section is confined to the period extending from 1 July 2001 to 30 June 2005 (Table 1) wherever full information was available, although 2005-2006 venue data have been added to Table 1 for reference because this became available to the research team during the completion of this report.

As indicated in Table 1, the number of venues has remained relatively stable over time, with only a modest increase in the number of machines. Net expenditure has steadily increased, but there has been a clear decrease in the rate of growth from over 11% per annum down to less than 3.5% by 2004 and 2005 (when one includes a small correction for the effects of inflation and/or increases in real income levels), and down to only 0.23% after machines were removed in 2005.

In other words, the revenue figures suggest that the removal of machines has (for the first time) led to, or coincided with, almost a zero-level annual growth in EGM revenue. Whether this was partially or entirely due to the removal of machines remains unclear, because Table 1 also indicates a 5-year downward trend in EGM revenue growth that has occurred irrespective of the reduction in EGM numbers.

Table.1: EGM gambling in SA (source: Office of the Liquor and Gambling Commissioner)

Year	Total number of gaming venues*	Number of machines*	Total net expenditure (\$m)	% increase in expenditure
2000-2001	587	14,096	543.47	-
2001-2002	592	14,647	606.81	11.65
2002-2003	596	14,841	669.08	10.26
2003-2004	593	14,799	723.60	8.15
2004-2005	585	14,062	749.28	3.54
2005-2006	578	12,598	751.00	0.23

* These figures represent the total numbers at the end of the financial year

3.1.2 EGM participation rates

In terms of the number of people gambling on EGMs, previous analyses by Delfabbro (2005) for the Department of Family and Community Services showed relatively little change from 2001 (the time of the last prevalence survey) to Health Monitor data collected in 2004 (Figure 1). Participation rates generally remained very stable over time (around 36-38%) of the total population gambled on EGMs at least once annually, with the 2001 survey having shown that around 5% of the total population gambled at least weekly on EGMs. The results also showed that there were no gender differences in overall EGM participation, but that there were significant differences due to age. Over 50% of people in the age range 18-24 tend to gamble on EGMs compared with less than 30% of those in the 75+ age group. People in the middle age ranges 25-74 tend to have participation rates closer to the overall average, although these rates decrease gradually as age increases.



EGM PARTICIPATION RATES IN SOUTH AUSTRALIA

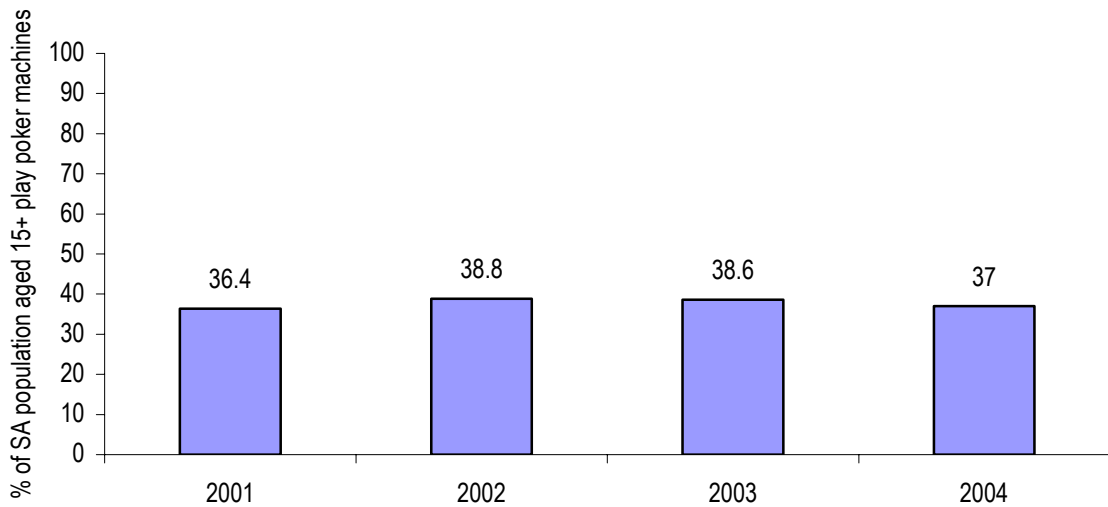


Figure 1. Annual participation rates for gaming machines (from Delfabbro, 2005)

3.2 Problem gambling and its conceptual framework

In Australia, the most recent national definition of problem gambling is that it involves “difficulties in limiting money and/or time spent on gambling which leads to adverse consequences for the gambler, others, or for the community” (Neal, Delfabbro, & O’Neil, 2005). According to this definition, problem gambling is defined both in terms of its active characteristics (i.e. what people do when they gamble), and also and in also terms of the harmful consequences that might arise. Problematic behaviours indicative of problem gambling include an inability to control one’s urge to gamble or to stop gambling (impaired control), an excessive preoccupation with gambling to the exclusion of other activities, and a tendency to spend much of one’s time trying to find time and money to gamble. Some of the harms found to arise from problem gambling include poorer psychological and physical health, disruption to personal relationships, poorer work and study performance, significant financial hardship, and legal difficulties (Productivity Commission, 1999).

The harm component of the definition is often considered the most important in that gambling behaviour alone cannot be considered problematic unless it leads to negative consequences either for the gambler, those around them or the general community. For example, there may be people who gamble excessively and uncontrollably without any significant hardship. At the same time, as researchers such as Blaszczynski have pointed out at a number of conferences, harm alone is not sufficient because relatively small expenditures can sometimes lead to harm (e.g. if a person’s partner significantly objected to any minor form of gambling, or if a young person spent a very small amount of money on a form of gambling not legally available to minors, and was caught).



The current definition has sometimes been criticized for placing too much emphasis on individual behaviour or pathology and therefore understating the importance of broader contextual factors that might contribute to problem gambling. In fact, neither of these views is true. Difficulties in limiting time and money on gambling could arise from a number of factors, none of which imply the presence of a medical/ physiological pathology or mental illness. For example, people may gamble excessively because they have false beliefs about the probability of winning, because they are constantly exposed to gambling opportunities because of social interactions or cultural traditions, or their behaviour may have become conditioned to the subtle pattern of reinforcements provided by gaming machines, or other forms of gambling (Delfabbro & LeCouteur, 2005). The current national definition only refers to what problem gambling is (a pattern of activity with associated harms), and this is not inconsistent with widely accepted epidemiological frameworks that have attributed problem gambling to a number of possible causes, of which individual psychological or physiological predispositions represent only one cluster of factors.

Indeed, as indicated by the Productivity Commission (1999) and McMillen, Marshall, and Murphy (2004), the prevalence of problem gambling is likely to be influenced by many other factors apart from just the characteristics of gamblers, but also people's understanding of gambling, the type of gambling that is made legally available by governments, the nature of the gambling activity itself (e.g. game features), how accessible or affordable the gamble is to players, the characteristics of venues (e.g. whether they are easily accessible), the behaviour or the industry, (e.g. whether it does anything to encourage people to gamble responsibly), and also the availability and promotion of help services. This list does not indicate the relative importance of specific factors, so that it may be that there are certain specific factors which are more important than all the others combined. Moreover, it is important not to underestimate the importance of individual factors such as accessibility and game design merely because problem gambling is known to be influenced by a number of factors. Indeed, as pointed out by the Ontario Responsible Gambling Council, it may well be that smaller, subtle changes to policies, venue design, gambling products, and changes in the gamblers themselves over time contribute to more responsible gambling in much the same way that reductions in road accident rates have been brought about by smaller incremental modifications to attitudes, enforcement, and road and car design.

3.3 Problem gambling in SA and links with EGMs

Prior to the 2004 Amendments, it has been estimated that around 2% of the South Australian population experience significant gambling-related problems (around 22,000 people) (S.A. Department for Human Services, 2001). Problem gambling rates have tended to be higher in younger people, males, and in those with poorer economic circumstances, e.g. living in housing trust accommodation, or with less secure employment arrangements. In terms of the type of gambling involved, the results of South Australian prevalence research shows that problem gamblers tended to gamble on many different activities, and generally on a wider range of activities than other players. For example, in the 2001 survey, 90% gambled on poker machines, 43% gambled on racing, and 85% on lotteries. However, in analysis of subsequent Health Monitor data collected by the S.A. Department of Health over the subsequent years, Delfabbro (2005) found that there had been a narrowing of gambling preference amongst those suspected of being problem gamblers. Problem gamblers appeared to have maintained their participation in EGM gambling, but had become less likely to gamble on lotteries and casino games.



Recent evidence supporting the link between EGMs and a higher prevalence of problem gambling is widely available from interstate studies, although as Delfabbro and LeCouteur (2005) found in a recent review of Australian and New Zealand research, the evidence base for this connection is more limited in South Australia. For example, the 2001 prevalence survey in South Australia showed that 90% of problem gamblers gambled on EGMs, but did not ask gamblers if EGMs were the cause of their problems. Secondary analysis of both the 2001 prevalence data as well as subsequent Health Monitor data did, however, show that around 66-71% of problem gambling amongst significant others was attributed to EGM gambling. These figures are relatively similar to the figure of 74% obtained for South Australia by the Productivity Commission in its national survey of clients in treatment services.

3.4 The issue of accessibility: National research findings

One of the factors identified by the Productivity Commission as a potential cause of problem gambling is the accessibility of gambling opportunities. This issue is central to the development of the 2004 Amendments and an ongoing issue of concern for regulators in every Australian State. Although there is little question that the expansion of gambling opportunities during the last decade has led to a significant increase in gaming revenue and gambling participation (both social and problematic), the exact definition of accessibility remains subject to varying interpretations. As the Productivity Commission (1999), Delfabbro and LeCouteur (2005) and Marshall et al (2004) have pointed out, this is a complex issue in that the term “accessibility” is likely to be a multidimensional construct, comprised of a number of different economic, geographic, sociological and cultural factors. For example, accessibility could be influenced by:

- The location of venues (e.g. their geographic accessibility to potential gamblers)
- Social accessibility (e.g. whether gambling is available and accepted by different people based on their age, gender, culture or religious beliefs)
- Initial outlay or cost (how much it costs to gamble)
- Ease of use (how much knowledge is required to gamble)

The Commission argues that EGMs are generally considered highly accessible for almost all of these reasons. However, a more contentious issue is whether there is a clear statistical relationship between variations in accessibility (e.g. the number of gambling opportunities) and the consumption of gambling or the rate of problem gambling.

The Commission conducted several analyses to examine these relationships using State-level EGM density and expenditure data as well as data drawn from its own national gambling survey. In one analysis (described in Section 8.9 of the Commission’s report), the problem gambling prevalence rate (SOGS 5+) for different Australian States was plotted against the number of gaming machines per 1000 adults in each State. In another analysis, the number of EGMs per 1000 adults was plotted against the estimated amount spent per capita on EGMs. Both analyses showed clear positive relationships suggesting that (at a State level) a greater density of EGMs per capita was associated with both higher per capita expenditure and higher problem gambling prevalence rates. A third, secondary data analysis examined the relationship between the demand for counselling services and EGM densities per 1000 people using data maintained by the Victorian Department of Human Services for counselling services in different parts of Victoria.



The results showed that there was a greater demand for problem gambling counselling services in areas with a higher density of EGMs. Although this finding was consistent with the view that greater accessibility is associated with greater problem gambling, the causality of the relationship remains unclear, in that it may also be that counselling services are more strongly promoted in areas where there are more machines (Productivity Commission, 1999). Nevertheless, based on these findings, the Commission concluded that “there was sufficient evidence from many different sources to suggest a significant connection between greater accessibility- particularly to gaming machines- and the greater prevalence of problem gambling”. In support of this view, a number of more recent studies conducted since the Productivity Commission’s report have generally found positive associations between the availability of EGMs in local areas and the level of gambling consumption. For example, Livingstone (2001), analysed EGMs data obtained from Victorian Local Government Areas (LGAs) and found net expenditure levels to be very strongly correlated with the density of EGMs per 1000 adults (0.86 including the Melbourne CBD and 0.80 excluding it). However, Livingstone found no significant correlation between the density of EGMs and the amount lost per person. Taken together, these findings suggested that adding more machines led to smaller amounts being spent on individual machines, but greater expenditure overall. Very similar findings were obtained in Victoria in a series of analyses conducted by Marshall and Baker (2001a, b; 2003), although these authors argued that the relationship between density and expenditure is not entirely linear and that more accurate equations can be developed by the inclusion of a small quadratic component in regression equations.

Similar issues were examined in a study conducted by Delfabbro (2002) in metropolitan Adelaide for the Independent Gambling Authority as part of the original Inquiry into the management of gaming machine numbers. In this study, more refined Statistical Local Area (SLA)-level were used, and consistent with all the studies above, EGM densities and EGM expenditure were found to be highly correlated (0.92). In addition, there were very high correlations between net expenditure and the number of venues per 1000 people in each SLA (0.98), and between net revenue and venue numbers per adult capita (0.86).

Using data drawn from six successive years (1996-2002), the study showed that growth in net gambling revenue was occurring most strongly in areas with lower EGM densities, but that growth was still occurring very strongly even if areas that were already highly saturated with machines. The South Australian study also showed that problem gambling clients seeking help from Break Even services in Adelaide tend to come from areas where there is a higher density of gaming machines. The number of problem gambling clients per 1000 people in SLA and the EGM densities were moderately correlated (0.49), and subsequent analyses conducted at a LGA level found a very strong relationship (0.78). These correlations suggest that a substantial proportion of problem gamblers appear to gamble very close to where they live, so that (all things being equal) areas with a higher concentration of EGMs will tend provide greater opportunities for people to gamble, and gamble to excess.

Similar results were reported in submissions by the Adelaide Central Commission and Relationships Australia (SA) in the Independent Gambling Authority’s inquiry into the management of gaming machine numbers in 2003 (Independent Gambling Authority of South Australia, 2003). Both studies showed that problem gambling clients tended to gamble within five kilometres of where they lived. Similarly, in a study of broader gambling patterns, both KPMG in Victoria in 1999 and Marshall (2000, cited by Marshall et al., 2004) in New South Wales showed that the proximity of gambling opportunities appeared to be very important. In the KPMG study, it was found that Victorians typically only travel 2.5 kilometres to gamble on EGMs, whereas Marshall (2002, cited by Marshall et al., 2002) found that people living within 500 metres of a club were more likely to have gambled than those living further away.



Much of this research has also examined the relationship between the distribution of EGMs and various measures of socio-economic disadvantage. In Livingston's (2001) study, net expenditure and EGM densities were found to be significantly and negatively correlated with indices of social disadvantage developed by the Australian Bureau of Statistics (SEIFA index, or Socio-Economic Indicators For Areas). A similar, although less refined analysis, was conducted by Marshall (1999) using EGM expenditure data pooled across clusters of postcode areas in metropolitan Adelaide. Once again, it was found that those areas with a higher density of EGMs and greater net expenditure per capita on EGMs were more likely to score lower on indices of social disadvantage. Much the same conclusion was reached by Delfabbro (2002) in analyses examining the relationship between specific demographic characteristics and EGM densities and expenditure. EGM expenditures and problem gambling rates were higher in areas with more housing trust housing, where there was a greater proportion of indigenous people, and where people were more likely to be separated or divorced. However, the relationship between EGM densities and demographics was not nearly as convincing.

Marshall and Baker (2002) have used these data to propose that the relationships form one of the principal cornerstones of the social economy of EGMs. They argue that because EGMs tend to be attractive to people from lower socio-economic areas, the distribution of machines will tend over time to reflect the socio-economic profile of wider regional areas. Machines will, in effect, migrate from less profitable areas (presumably higher SES areas) to lower economic areas over time, or grow more numerous in the latter because they are more likely to be profitable in those locations. In support of this view, the authors present regression equations expressing the relationship between the level of social disadvantage in areas and their EGM densities (1993 to 1998). The results show that the relationship becomes increasingly stronger over time and that social disadvantage becomes an increasingly important and reliable predictor of EGM densities.

From this, it was implied that the gambling industry may be deliberately locating machines in areas where they are most profitable and, in so doing, drawing an increasing proportion of its revenue from less advantaged quarters of the community. However, this view fails to take into account the fact that the location of gaming machines is also heavily influenced by the historical location of gaming venues. In South Australia, for example, gaming machines have typically been located in established hotels and clubs so that the potential location was already established even before EGM gambling was introduced. As a result, the fact that machines tend to be more concentrated in areas with greater social disadvantage is only because this is where one tends to find greater concentrations of hotels. In other words, it may also be that the sorts of people who like to play poker machines tend to live in areas where there are more hotels or clubs (Delfabbro & LeCouteur, 2005).

Apart from issues of causality, another common criticism directed at many previous geographical studies of gambling patterns is that they were based on aggregate data mapped to specific statistical areas (LGAs or SLAs). As Marshall, McMillen, Niemeyer and Doran (2004) point out, a weakness of this method is that it assumes that the catchment areas of venues contained within standardised geographical areas do not exactly coincide with these areas. For example, a venue located in one SLA might receive many patrons from a neighbouring SLA, and this in turn might receive patrons from the first area, or many others.



In order to overcome this problem, the authors undertook a very detailed study of the gambling patterns of people living in the Canberra suburb of Tuggeranong. A total of 2447 residents were interviewed using a door-knock methodology and asked to describe their gambling habits (frequency, typical expenditure) and at which clubs they gambled. Individual houses were located very precisely using geographical mapping software and then patron catchment areas were determined for all the principal clubs in the area. Each catchment area appeared as an area extending around each venue which contained all the residents that indicated that they patronised that club.

The results showed that some clubs had very regular catchment areas that did not extend very far from the club, whereas at least one club had a much less regular area and that it drew in patrons from a variety of areas. The study also confirmed the findings described above, namely, that those who lived closer to venues (<3.54 kms) tended to spend more on gambling than those living further away, but without any measure of problem gambling in the survey, it was not possible to determine whether problem gamblers were more likely to live closer to venues than other gamblers. Another limitation of the Tuggeranong study was that the magnitude of the venues was not considered, so that it was not possible to say anything about different variations in gambling density, or whether larger venues would exert a greater influence on local residents than smaller venues (Delfabbro & LeCouteur, 2005).

The principal regulatory implication of this type of research is that it implies that reductions in the density or numbers of EGMs may be a useful way in which to reduce gambling expenditure and also problem gambling. In Australia, regulators have produced three principal regulatory responses to achieve these objectives. One is the introduction of legislation to freeze the number of gaming machine as undertaken by the S.A. Parliament in 2000; a second is the imposition of regional or State-wide caps, and a third is an absolute cut in the number of machines (the process undertaken in S.A. as a result of the 2004 Amendments). As described previously, a freeze policy means that no more gaming licenses would be issued after a specified date (as was undertaken in South Australia in December 2000), whereas a cap usually refers to limits placed on the number of gaming machines that can exist in a specified area (usually expressed in terms of the number of machines per 1000 adults) (Victoria recently applied this strategy in certain local Government areas).

Not surprisingly, the Victorian capping scheme has been subject to considerable criticism because of the relatively small number of machines removed (Marshall, 2003). Analyses of net expenditure figures for the capped regions in Victoria indicates that there has been little decline net expenditure since the cap was introduced and, on this basis it has been concluded that caps are not an effective harm minimisation method, a view also articulated by the Productivity Commission (1999). However, it remains unclear whether such pessimism should be applied to capping schemes in general or just the very minimal reduction in machine numbers undertaken by the Victorian Government. As suggested by the IGA in its 2003 Inquiry report, more substantial reductions in machine numbers (if combined with the ability for venues to trade machines) may lead to some smaller venues selling all of their machines, so that there may be a genuine reduction in the number of venues with gaming machines.



3.5 Conclusions

Both the Productivity Commission report as well as a number of recent Australian studies have confirmed that there is reasonable evidence for an association between the availability of EGMs in local areas and the level of gambling consumption and problem gambling.¹ Although these studies are not without limitations, the findings indicate that local accessibility appears to have some association with the level of gambling consumption as well as problem gambling rates, probably because many gamblers tend to gamble relatively close to where they live. These findings provided some evidence to support the logic of the IGA's recommendations in the 2003 Inquiry and the 2004 Amendments. However, such findings alone do not provide any guidance as to what effects a 20% reduction or removal of 3000 machines would have on problem gambling rates in South Australia, or other aspects of gambling behaviour. The following chapters summarise the findings obtained from focus groups of problem gamblers, and a detailed survey of regular EGM players.

¹ A fallacious view previously expressed in relation to these findings at the 2003 Inquiry was that they were without value because they are not based on double-blind randomised controlled trials and therefore do not meet the highest standards of scientific rigour: the so-called "gold standard". In response to such arguments, it should be pointed out that the well accepted association between lung cancer and cigarette-smoking could also be criticised on the same grounds because no-one has ever conducted a controlled experiment where groups of participants were randomly allocated to groups to determine whether the "smoking group" was more likely to develop cancer than "non-smoking" controls. Many of the findings are largely correlational or based on ad-hoc comparisons of smokers and non-smokers.



4. ANALYSIS OF ARCHIVAL DATA SOURCES



4.1 Overview

The purpose of this chapter is to summarise the results of analyses based on secondary or archival data sources available to the researchers. Although these data were not specifically collected for the purpose of informing this current evaluation, they are presented so as to provide some broader contextual information that allows one to examine how gambling involvement and expenditure patterns have varied before and after the formal implementation of the Amendments in 2005. Some caution must be applied when attempting to infer the effects of the Amendments from these data because it is possible that any changes observed could be attributable to a number of different factors, and not just the 2004 Amendments. For example, as pointed out in Chapter 1, there have been a number of responsible gambling initiatives put in place by the Authority, the S.A. Department of families, as well as the industry itself over the last 4-5 years. These have included new responsible gambling policies and practices relating to the advertising of gambling products, the provision of gambling products within venues, as well as a highly visible public education campaign conducted by television commercials and a Gambling Awareness Week.

This chapter examines how expenditure on EGMs changed during 2005 as a result of the removal of varying numbers of gambling machines from venues.

4.2 Patterns of machine removals

4.2.1 Data received from the Office of the Liquor and Gambling Commissioner

The researchers were provided with a de-identified listing of all South Australian EGM venues with operational machines in January 2005. For each venue, the following data were obtained:

- Number of machines in operation per venue for each month between January 2005 and December 2005
- Number of venues who chose to relinquish their machines prior to the mandatory removal in July 2005
- The number of new entitlements purchased by each venue in the trading rounds held in 2005
- Total net gambling revenue per venue for each month in 2005
- Net revenue per machine / month for each venue for each month in 2005



4.2.2 Venue and machine numbers (2005 Changes)

Data were obtained for 594 EGM venues. 496 (or 83.5%) were for-profit venues (hotels) and 98 were not-for-profit (16.5%; mostly licensed clubs, or, hotels with a special license). Table 2 summarises the composition of these two groups in January 2005 and December 2005. As indicated, almost half of the for-profit (FP) venues commenced with a full complement of 40 machines, compared with only around a quarter for the not-for-profit sector (NFP).

Following the implementation of the 2004 Amendments, there was a loss of 12 for-profit venues ($12 / 496 = 2.4\%$ reduction) and 6 NFP venues ($6 / 98 = 6.1\%$ reduction) (overall reduction = $18 / 594 = 3.0\%$). Before the 2004 Amendments, for profit venues had a significantly greater number of machines per venue than the NFP sector, but this difference has disappeared by the end of 2005.

Table.2: Pre- and post-removal machine numbers in for-profit and not-for-profit EGM venues

Machines	For-profit hotels		Not-for profit venues	
	PRE <i>N</i> = 496 <i>N</i> (%)	POST <i>N</i> = 484 <i>N</i> (%)	PRE <i>N</i> = 98 <i>N</i> (%)	POST <i>N</i> = 92 <i>N</i> (%)
1-10	134 (27.0)	133 (27.5)	32 (32.7)	28 (30.4)
11-20	84 (16.9)	104 (21.5)	28 (28.6)	26 (28.3)
21-30	41 (8.3)	30 (6.2)	8 (8.2)	9 (9.8)
31-39	19 (3.8)	217 (44.8)	7 (7.1)	5 (5.4)
40	218 (44.0)	0 (0.0)	23 (23.5)	24 (26.1)
Mean <i>N</i> (SD)	25.7 (14.3)	21.7 (11.0)	21.1 (13.0)	21.7 (13.1)

4.2.3 Revenue effects of the Amendments

In order to obtain a clearer insight into the changing revenue patterns associated with the Amendments, analyses of expenditure patterns were confined only those venues that lost machines in July. Any venues that gave up their machines prior to this were not included in this analysis, so as to be able to highlight whether there was any systematic change in revenue before July and thereafter. Venues were classified into six different groups based on their status as at 30 June 2005.

1. For-profit (FP) venues with 40 machines that lost 6-8
2. For-profit (FP) venues with 26-39 machines that lost 6-8
3. For-profit (FP) venues with 21-25 machines that lost 1-5
4. For-profit (FP) venues with 20 or few machines, who lost no machines
5. Not-for-profit (NFP) venues with 40 machines
6. Not-for-profit (NFP) venues with < 40 machines

A first analysis examined changes in net gambling revenue (NGR) for the 12 months of 2005. Net gambling revenue refers to the amount of money earned by the venue prior to tax after taking into account wins and losses. These data are plotted in Figure 2. If the removal of machines in July had led to a change in expenditure, this should be discernable as dip in expenditure, or flattening in growth at the point (if revenue had otherwise been rising on a monthly basis).



As Figure 2 indicates, there appears to be little evidence that net expenditure was substantially influenced by the removal of machines. The pattern of growth was relatively similar for venues that lost the greatest number of machines as compared with those that lost no machines at all, although there was some weak evidence that smaller hotels that lost no machines showed a small upward trend in revenue as compared with the other venue groups.

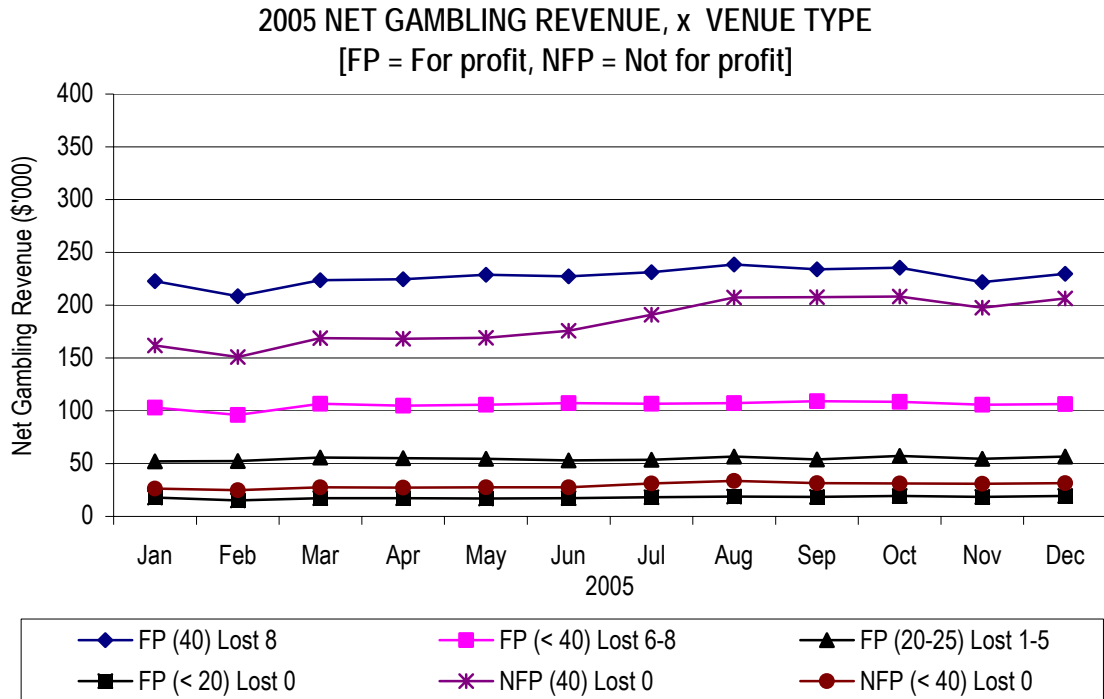


Figure 2. Net gambling revenue patterns for 2005 in venues that lost varying numbers of EGMs

A second analysis was conducted to examine whether there had been any changes in the amount spent per machine (NGR / Number of machines per venue) before and after the Amendments were formally implemented in July 2005. The results in Figure 3 (overleaf) show that revenue per machine generally increased in most of the venue groups and in particular in those that lost the greater number of machines. On the whole, these results are consistent with Figure 2, in that they show that net gambling revenue levels were generally maintained despite the fact that many venues had fewer machines.

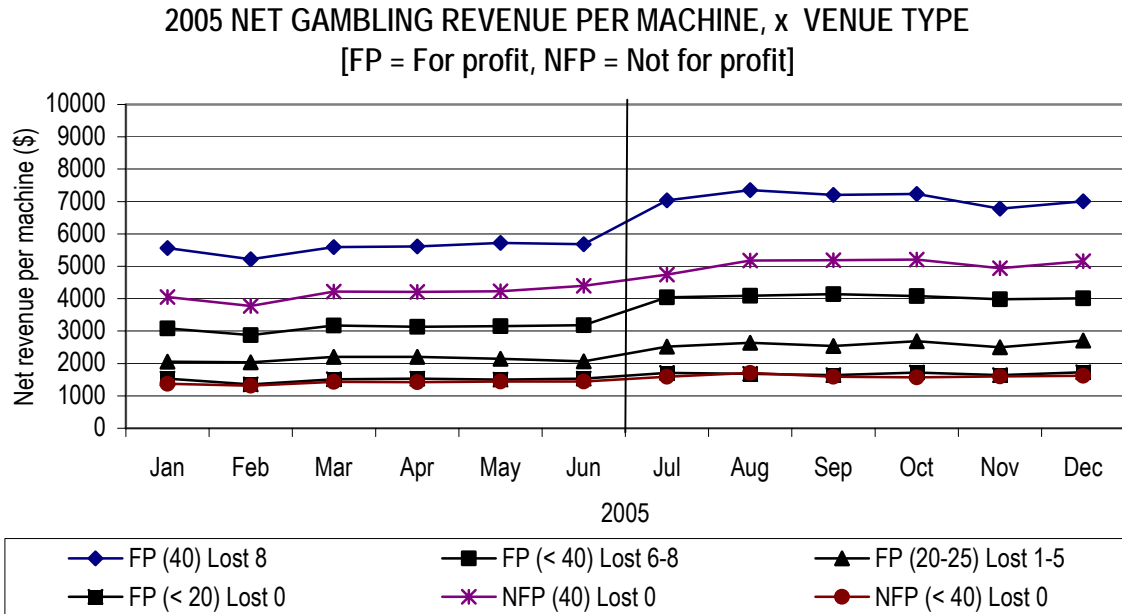


Figure 3. Revenue per machine in relation to venues that lost varying numbers of EGMs.

Such findings are consistent with the hypothesis that people continued to spend a similar amount of money on EGMs as before, but that this expenditure (from a whole of venue perspective) was now being spread out over a smaller number of machines. It was also consistent with the view that venues very likely removed those machines that were less profitable or popular, or which typically attracted a lower level of NGR. Thus, the noticeable increase in NGR after June 2005 may only reflect the effect of the selective removal of certain machines whose NGR was below the average as compared with other machines that remained in the venue after June 2005.

Personal communication with staff from the OLGC suggested that this second hypothesis was very likely to be correct. However, it was also felt that the increase in revenue per machine observed in larger venues was attributable to the more mundane explanation that people had maintained their usual expenditure levels despite the machine removals, and so that the change in NGR per machine (Total NGR/ machines per venue) merely reflected the effect of similar numerator values being divided by smaller denominators for each venue.

4.3 Conclusions

All of these explanations need to be treated with caution because there may be other uncontrolled or unspecified factors that might explain the various patterns of growth described above. However, it is reasonable to draw several conclusions:

- The first is that the 2004 Amendments led to only a relatively small decrease in venue numbers in 2005 so that EGMs still remain highly accessible in the South Australian community.
- The second is that the removal of a relatively small number of EGMs (in this case, up to 8 from venues) and allowing venues to choose which machines to remove, does not appear to have led to a decrease in gambling expenditure.



- On the contrary, expenditure levels appear to have been maintained very likely because venues only removed the less profitable machines and people continue to be willing to spend the same amounts when they visit the venues, even though they had fewer choices of machine on which to gamble.

On the other hand, in defence of the 2004 Amendments, it is important to point out that, despite no obvious decreases in overall expenditure, these findings do not rule out the possibility of the Amendments having reduced the rate of growth of gambling expenditure in South Australia. Inspection of Figure 2 showed that the largest hotels experienced on average a 3.1% increase in monthly net revenue from January 2005 to December 2005, whereas the largest NFP venues experienced a 27% increase during the same period. In other words, the Amendments may have played a stronger role in curbing the growth of the EGM industry rather than reducing overall expenditure.





5. FOCUS GROUPS WITH PROBLEM GAMBLERS



5.1 Context and structure

Two focus groups were conducted with known problem gamblers, who were recruited for previous groups conducted by Harrison Research. The previous groups had explored the effectiveness of advertising for the Gambling Helpline, as well as discussing respondents' gambling behaviour.

The participants from these previous groups, who were known from a 2005 Prevalence Study conducted for the S.A. Department for Families and Communities and the IGA to be regular EGM players, were recontacted and asked if they would participate in another group discussion, this time specifically about poker machines.

This qualitative analysis incorporates findings from both the groups conducted specifically for IGA, as well as drawing on relevant findings from the earlier groups conducted for Health Promotions SA, a division of the South Australian Department of Health.

5.2 Gambling behaviour - focus on playing pokies

All participants in this qualitative stage of the research said they had become regular EGM players with the introduction of these machines into hotels and clubs. Prior to this, most were not regular EGM players (however most had previously been involved, to varying extents, in other forms of gambling), and saw activities such as going to the (then) Adelaide Casino as a "real night out".

"We would get dressed up, go for a real night out."

"We used to just go on the bus tours, you know to Wentworth, places like that."

When asked what had triggered their regular gambling activity, most reported that they first started playing with friends or their partner, as a social activity. However, while their friends did not continue gambling, the participants in this research said they continued on for reasons such as:

- Not winning enough with small amounts of money, so began to gamble in greater amounts.
- Enjoying the thrill of winning:
"I like the entertainment I get out of it."
- Boredom, not much else to do, especially in country towns.

Interestingly, only one participant really felt that they were a 'pokie addict', with the remaining participants claiming they could stop if they wanted to, or can resist the urge to gamble if they cannot afford to.

"I have to have at least \$40; it needs to be "spare" money."

The frequency with which participants gambled varied considerably. For some, there was no regular pattern to their gambling, thus they were unable to give a number of times per week or month; yet others could identify a pattern in their gambling.

"Now, about 4 times a week. It used to be every day."

For those who could quantify the frequency with which they gamble, the most common answer was once or twice a week, and this activity generally seemed to coincide with socialising at hotels or clubs.



The length of time for which participants said they gamble varied, depending on a number of factors. If a machine is regularly paying out, participants reported staying longer at venues, yet they said it was difficult to say in minutes or hours how long they would stay at a venue.

"When you're in front, you tend not to worry about leaving."

"No prediction about how long you're going to be there."

A few of the participants said that they stay longer in the evening when they have fewer commitments, such as their family or work.

Interestingly, all participants said they rarely have problems leaving venues, and the problem for them was instead sticking to their financial limit. The placement of ATMs in venues had made this more difficult, with several participants mentioning that they had used these facilities at least once in the recent past.

If participants find themselves in a situation where they have to leave, but still have money in the machine, there were mixed findings regarding what they do with this money. A few reported betting more per spin in order to use up the money, whilst a similar number said they plan their gambling so they will not run out of time with the money they have. All participants were aware that they can retrieve money from a machine, yet this did not change their decision to bet more per spin to get rid of the money faster. Some participants reported feeling bothered if they retrieve money from machines, and are constantly aware that they have money in their wallets that they could have put into EGMs.

5.3 Impacts since reduction of EGMs

The reduction in the number of EGMs at venues had no reported impact on the gambling behaviour of the problem gamblers taking part in these discussions. Participants felt that the objective of reducing problem gambling had not been achieved by reducing the number of machines because venues were now able to open longer, and also because there are so many venues to choose from.

From all participants the message was clear - the incidence of problem gambling will not be reduced by limiting the number of machines in SA; rather, it is the number of venues that are the problem.

"You just can't avoid them."

"They're just everywhere."

Drawing on findings from the groups conducted for Health Promotions SA, one woman, who also attended the groups conducted for the IGA, could name three venues within 10 minutes walk of her home. All participants considered this to be a primary contributor to the issue of problem gambling - that accessing a venue was so easy, it made it difficult for problem gamblers to avoid machines if they wanted to stop gambling.

The gamblers reasoned that, if fewer venues were situated around SA, playing the pokies would revert to what it was prior to their introduction into hotels and clubs - a 'night out' to somewhere special, like the Casino.

"So you make a special effort to go, rather than seeing one on each block."



In addition to this, few participants reported going to venues and finding all the machines in use, even with the reduction in the number of machines since 2004. In terms of waiting for a machine, the longest some participants had waited for a machine was only the length of time it took them to have a drink with friends or a cup of coffee - in other words, not long enough to deter them from gambling.

5.4 Perceptions of change to EGMs since 2004

Participants were also asked what changes they had noticed in the EGMs they played on in the past year (i.e. since the Amendments came into force). At this point it is worthwhile mentioning that all participants were aware of the Amendment to reduce the number of machines, therefore were all able to comment on any changes they had noticed.

As discussed above, no participants reported that the reduction in machines had had any impact on their gambling. They had noticed however, several changes related to the amendments, which they thought didn't necessarily help problem gamblers.

The first change noted was that many of the 'cheaper' machines (such as 1 and 2 cent machines) had been removed, but had been replaced with machines that require a higher investment (such as \$1 machines). They saw this as being counter-productive because, although there are fewer machines, players are spending more per session on more expensive machines than they would on cheaper ones.

In a similar vein, some participants had observed that older machines, which were generally 1 and 2 cent machines, had been removed, but later replaced with newer machines which required either a higher bet (e.g. \$1 machines), or did not provide incentives such as free games, which some of the older machines had done.

Generally, these sentiments tied in with a high level of scepticism regarding the Government's handling of gambling and problem gamblers, which was strongly evident in the groups conducted for Health Promotions SA. In these groups, there was a strong perception that the Government was reluctant to tackle problem gambling, as EGMs generate considerable profits for the Government.

"They [the Government] don't want to do anything about it."

A similar opinion was held of hoteliers and club owners, with participants reporting that publicans and club owners do little to help problem gamblers who frequent their venues (for example: by providing as much change as possible in dollar coins; providing free coffee and drinks; etc).

5.5 Factors in choosing an EGM

Bearing in mind that the people we spoke with were regular poker machine players, they all had quite strong feelings regarding the machines they like to play, and the venues they enjoy visiting.

Looking firstly at features of the machines participants play, a number of particular machines were mentioned:

- Queen of the Nile.
- Treasure Chest.
- Dolphin Treasure.
- Orient-themed machines.
- Fairytale-themed machines.
- *"The one with horses on it."*



There was almost a level of sentimentality attached to these machines for some participants, and generally this tied in with a big win on these machines. Some, however, just liked the themes because they appealed to their interests. For example, one participant had grown up with horses (which is how she had been introduced to gambling), thus enjoyed playing machines with a 'horse' theme.

It was noted that some of these machines, such as Queen of the Nile and Treasure Chest, had been around since the introduction of EGMs to hotels and clubs, which may explain why some participants held them in fond regard - they were the first machines they played on.

Cheaper machines, which allow 1 and 2 cent bets, were notably more popular than the more expensive machines, which require \$1 per bet. Similarly, machines that offer the chance to win free games were favoured, seemingly because they have the potential to extend the entertainment value of the machine.

"I like the ones where you have to get 3 pictures to get a free game. It's different to just trying to win money all the time."

The noise and level of lighting activity of some machines drew mixed responses. Some participants did not like noisy machines (such as Firecracker) because they draw the attention of other gamblers. Comparatively, some participants enjoyed a moderate level of light and noise, seeing this as contributing to the thrill of playing EGMs. Following on from this, all watched the symbols and the lines generated with each press of the button, and gained a level of excitement from watching these features.

Looking at features of the venues frequented by participants, there was unanimous dislike of venues that are dirty and busy. Participants tried to avoid venues where cleanliness was an issue, such as those with dirty coin trays, empty glasses and other rubbish strewn about.

They also disliked busy venues, where some participants had felt pressured from other gamblers wanting to get on their machines, thinking it is about to pay out. There was a perception that if a venue is busy, there is no chance of a machine paying out. Interestingly, however, venues where participants had to wait for a machine were not seen as problematic; participants mentioned that if in the unlikely event all machines were in use, they were quite happy to have a cup of coffee and wait, and would not bother going to another venue.

Smoky venues were also unpopular, and participants preferred venues that were well presented and offered facilities such as free tea and coffee. One participant commented that while she preferred to play in attractive, newly-renovated venues, she surmised that it would have cost a lot of money to renovate the venue.

"Probably with my money!"

Participants also had a number of psychological strategies for selecting a machine. For instance, one tried to seek out machines where she had seen a previous gambler leave with an empty coin cup. Another, who frequents one venue quite regularly, had identified machines which he had never seen other people win on, therefore he never played on these machines.

For some participants, it was a type of 'battle' with the machine, with players staying on a machine that had not payed out for some time, sensing that it has to pay out eventually.

"You've got to pay out or give me free games at some stage!"



Others, however, just saw the machine they select, and whether they win or lose, as sheer luck. Although they had their favourite machines, they felt there was little skill in choosing a machine that will pay out.

"You have to be lucky to get the right machine."

5.6 Suggested ways to reduce problem gambling

Participants also discussed strategies that they felt would reduce the incidence of problem gambling. Although points such as making venues smoke-free were mentioned by a few participants, the overwhelming response was to reduce the number of *venues*, rather than the number of machines. Currently, participants see it as being too easy to find a venue, which does not help problem gamblers who are trying to stop gambling. Some participants took this view even further and said that EGMs should be restricted to SKYCITY Casino, and not be allowed in hotels and clubs.

Participants claimed that, if venues were less accessible, they probably would cut back on their gambling, but probably would not stop altogether. One participant commented that he would probably spend more at another venue instead. Having said this, most participants did not believe the Government and hoteliers would action these changes, simply because - in their opinions – EGMs generate considerable profits for these groups.

Discussion spontaneously returned to scepticism of the Government's attempts to thwart problem gambling, with one participant bringing in some promotional material he had received from the Government - a stress ball and rubber wrist band with the 'Think Of What You're Really Gambling With' slogan. As a problem gambler, he observed, this does nothing to stop him from walking into a venue, and felt that this initiative was a waste of time - particularly as the wrist band was too small to fit over his (normal male sized) hand. In his opinion, the money could be better spent on more practical efforts to combat problem gambling. Unfortunately, none of the participants considered that this would ever happen.



6. SURVEY OF REGULAR EGM PLAYERS



6.1 *Players' profiles*

6.1.1 *Problem gambling incidence*

In order to assess the impacts of EGMs in the State, it is necessary to gain an understanding of the incidence of problem gambling in South Australia. The Canadian Problem Gambling Index (CPGI) has been, and continues to be the preferred measure of the incidence of problem gambling in South Australia. The CPGI consists of nine questions that are indexed to measure a respondents' level of gambling risk, with respondents assigned to one of four risk levels.

The nine questions used to identify the incidence and frequency of engaging in the gambling related behaviours that constitute the 'problem gamblers' construct are listed below. Each question begins with "In the last 12 months, how often have you..." and finishes with "Would you say never, rarely, sometimes, often or always?"

- "In the last 12 months, how often have you...
 -bet more than you could really afford to lose. Would you say never, rarely, sometimes, often or always?"
 -needed to gamble with larger amounts of money to get the same feeling of excitement. Would you say ..."
 -when you gambled, did you go back another day to try to win back the money you lost. Would you say ..."
 -borrowed money or sold anything to get money to gamble. Would you say ..."
 -felt that you might have a problem with gambling. Would you say ..."
 -has gambling caused you any health problems, including stress or anxiety. Would you say ..."
 -have people criticised your betting or told you that you had a gambling problem, regardless of whether or not you thought it was true. Would you say ..."
 -has your gambling caused any financial problems for you or your household. Would you say ..."
 -have you felt guilty about the way you gamble or what happens when you gamble. Would you say ..."

The response code frame also includes a 'don't know/can't remember' code. The scoring system then applied to each question, with points allocated to each response is as follows.

Table.3: CPGI scoring system

Response	Score
Don't know/ can't remember/ refused	0
Never	
Rarely	1
Sometimes	
Often	2
Always	3



The scores for each of the 9 questions are aggregated to give a total score between 0 and 27 for each respondent. Respondents are then categorised into one of four risk levels for problem gambling, namely:

- score of 0 = non-problem gambler.
- score of 1-2 = low-risk gambler.
- score of 3-7 = moderate-risk gambler.
- score of 8-27 = problem gambler.

Using these calculations, 11% of the total sample of 400 regular EGM players were categorised as problem gamblers. A further 28% were classified as low-risk gamblers, 26% were considered at moderate risk of becoming problem gamblers, whilst 35% were non-problem gamblers.

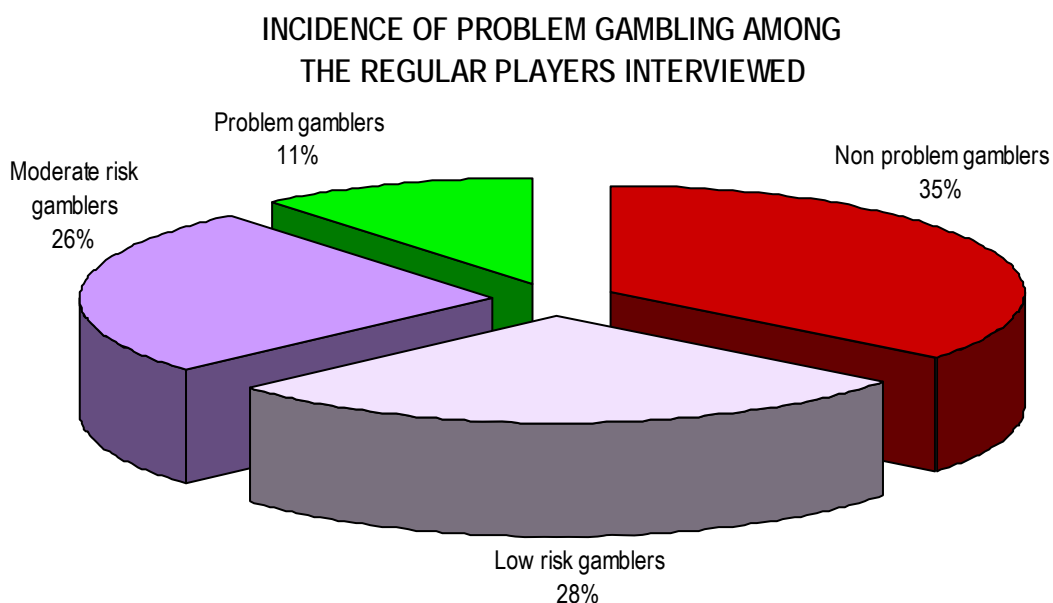


Figure 4. Incidence of problem gambling among regular players interviewed.

Several statistically significant variations in incidence were noted by several behavioural and demographic variables.

There was a notably higher incidence of problem gambling among respondents who played EGMs daily, with 19% of daily or almost daily players categorised as problem gamblers, compared to 11% in the total sample and in particular, 8% of those who play 2-3 times a month. Comparatively, 44% of respondents who play EGMs once a week at the most were non-problem gamblers, compared to 35% in the total sample and 19% of daily or almost daily EGM players.

The incidence of problem gambling was also notably higher among respondents who reported an increase in their gambling behaviour in the past 12 months, with 26% of those reporting an increase being classified as a problem gambler (vs 6% of respondents whose gambling habits had stayed the same). Comparatively, 41% of respondents with stable gambling behaviour were non-problem gamblers (vs 21% of respondents reporting an increase and 24% who reported a decrease).



An inverse relationship with age was also evident, with the incidence of problem gambling decreasing as age increases. Approximately 27% of 18-24 year olds fit the criteria for problem gambling, a figure that is significantly higher than that recorded in all other age groups. The next highest proportion of problem gamblers was 16% among 35-44 year olds. Problem gambling was very low among people aged 65 or over, with just 1% of these respondents scoring high enough on the CPGI to be classified as a problem gambler.

A similar, yet weaker trend was observed for moderate risk gambling, which hovered around the 30% level for respondents aged between 18 and 64, before dropping dramatically to 15% among 65+ year olds.

Also of note was the significantly higher proportion (54%) of non problem gamblers amongst those regular EGM players aged 65+ year old regular EGM.

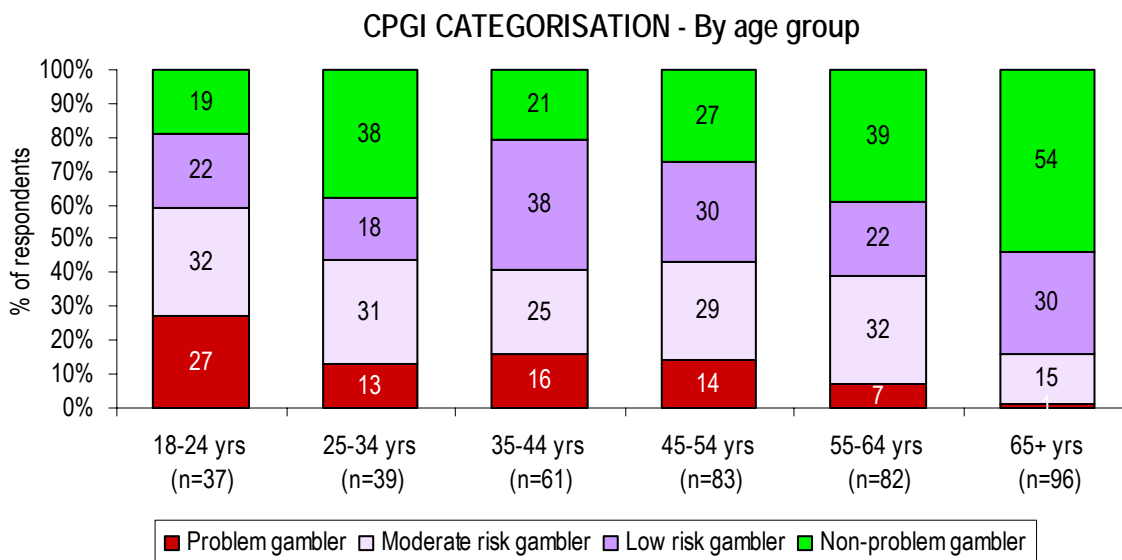


Figure 5. CPGI categorisation, by age group.

A notably higher proportion of married respondents were non-problem gamblers (43%) when compared to those who were not married (27%). By contrast, a significantly higher proportion of unmarried respondents were moderate risk gamblers (31%) compared to married respondents (21%).

There was also a higher incidence of problem gamblers among respondents who do not own their own home and rent either privately or from the Housing Trust, with 18% of these respondents classified as problem gamblers (vs 7% of those who own their own home).

6.1.2 Demography

The following section profiles the four segments of respondents defined by the CPGI - problem gamblers, moderate risk gamblers, low risk gamblers and non-problem gamblers.

Problem gamblers

Among the 44 problem gamblers who were interviewed, the gender distribution was even.

Table.4: Gender distribution among problem gamblers



Gender	# of problem gamblers interviewed (n=44)
Male	23
Female	21
Total	44

Looking at the age breakdown of these respondents, half were aged between 35 and 54 (n=22), constituting the largest proportion of problem gamblers. A further 10 problem gamblers were aged between 18-24, and 5 between 25-34. Just 6 problem gamblers were aged between 55-64, and one 65 or older.

Table.5: Age distribution among problem gamblers

Age groups	# of problem gamblers interviewed (n=44)
18-24 years old	10
25-34 years old	5
35-44 years old	10
45-54 years old	12
55-64 years old	6
65+ years old	1
Total	44

24 of the 44 problem gamblers were single, with 14 having never married, 8 divorced and 2 separated. Among the 19 remaining respondents 9 were married and 10 lived with a partner.

Table.6: Marital status among problem gamblers

Marital status	# of problem gamblers interviewed (n=44)
Married	9
Living with a partner	10
TOTAL -Married/de-facto relationship	19
Separated	2
Divorced	8
Widowed	0
Never married	14
TOTAL - Not married/ not in de-facto relationship	24
Refused	1
Total	44



26 of the problem gamblers were employed, whilst 15 were not; 3 declined to comment on their employment status. Of the 26 who were employed, 15 were engaged in full-time work, and 11 were working part-time.

Almost half (7 of 15) of the respondents who were not engaged in work were unemployed, whilst 4 were unable to work due to a disability, or were, at the time of interviewing, off work on WorkCover. 2 were students, 1 engaged in home duties and 1 was a retiree.

Table.7: Employment status among problem gamblers.

Employment status	# of problem gamblers interviewed (n=44)
Full-time employed	15
Part-time employed	11
TOTAL - Employed	26
Unemployed	7
Home duties	1
Retired	1
Student	2
Unable to work - disability, WorkCover etc	4
TOTAL - Not employed	15
Refused	3
Total	44

11 of the 15 respondents who were not employed at the time of the research received benefits of some description, the most common of which was for unemployment (5 respondents).

Table.8: Receipt of pensions and benefits, problem gamblers.

Incidence of receiving pensions or benefits	# of problem gamblers not employed (n=15)
Aged/ widow's pension	2
Service or defence, War widow's, repatriation pensions	0
Invalid/ Disability pension	3
Unemployment benefits	5
Sickness benefit	0
Supporting parents benefit	1
AUSTUDY/ student allowance	0
TOTAL - Receive benefits	11
None	4
TOTAL - Do not receive benefits	4
Refused	2
Total	17



With the exception of managerial, intermediate production and transport roles, most Australian Standard Classification of Occupation (ASCO) groups were reasonably well represented. 5 problem gamblers were tradespeople, a further 5 were employed in elementary clerical, sales or service positions and an additional 5 were labourers.

Table.9: Occupation, problem gamblers.

Occupations (ASCO categories)	# of problem gamblers employed (n=26)
Managers & administrators	0
Professionals	2
Associate professionals	3
Tradespersons & related workers	5
Advanced clerical & service workers	3
Intermediate clerical, sales and service workers	2
Intermediate production & transport workers	0
Elementary clerical, sales and service workers	5
Labourer & related workers	5
Refused/ not stated	1
Total	26

8 of the 44 problem gamblers had a gross annual income of less than \$12,000, constituting the largest segment of income categorisations among these respondents. 10 problem gamblers had a household income in excess of \$60,000, with moderate numbers in the middle-income brackets.

Table.10: Household income, problem gamblers.

Gross annual household income	# of problem gamblers interviewed (n=44)
Up to \$12,000	8
\$12,000-\$20,000	4
\$20,001-\$30,000	4
\$30,001-\$40,000	4
\$40,001-\$50,000	4
\$50,001-\$60,000	3
\$60,001-\$80,000	5
More than \$80,000	5
Refused/Don't know	7
Total	44



20 of the 44 problem gamblers owned their own home, or were currently purchasing it, whilst 18 rented privately and 4 rented from the Housing Trust.

Table.11: Tenancy status, problem gamblers.

Tenancy status	# of problem gamblers interviewed (n=44)
Owned or being purchased	20
Rented from Housing Trust	4
Rented privately	18
Retirement village	0
Refused	2
Total	44

The majority of problem gamblers were born in Australia (34 of 44), with minimal numbers coming from outside the continent; 2 were from New Zealand, 2 were from the United Kingdom, and 3 from each of continental Europe and Asia and Africa. Of the 34 Australian-born respondents, only 2 described themselves as Aboriginal or Torres Strait Islander. For 40 of the 44 respondents, English was their main language spoken at home; 2 respondents nominated Greek, 1 Chinese and another Persian.

Table.12: Country of birth, problem gamblers.

Country of birth	# of problem gamblers interviewed (n=44)
Australia	34
New Zealand	2
United Kingdom & Ireland	2
Continental Europe	3
Asia & Africa	3
Total	44

16 of the problem gamblers left school after the age of 15, and did not report receiving any further qualifications, whilst 10 held a certificate or diploma. 6 left school at the age of 15 or younger, 5 held a trade or apprenticeship qualification, a further 5 a bachelor degree or higher, whilst 2 left school after the age of 15 but are still studying.

Table.13: Education level, problem gamblers

Educational level, problem gamblers	# of Australian problem gamblers (n=34)
Left school at 15 years or less	6
Left school after age 15	16
Left school after age 15 but still studying	2
Trade/ apprenticeship	5
Certificate/Diploma	10
Bachelor degree or higher	5
Refused	0
Total	34



Moderate risk gamblers

59% of the 103 moderate risk gamblers interviewed were male, and 41% female.

GENDER - Moderate risk gamblers

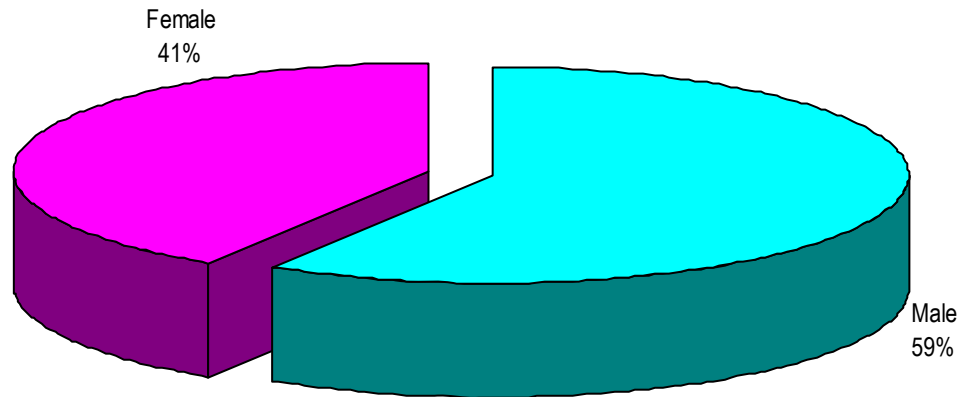


Figure 6. Gender, moderate risk gamblers.

Just under half (47%) of the moderate risk gamblers were aged between 45 and 64, whilst 15% were 35-44. 18-24 year olds and 25-34 year olds constituted smaller proportions of the total moderate risk sample (12% each).

AGE - Moderate risk gamblers

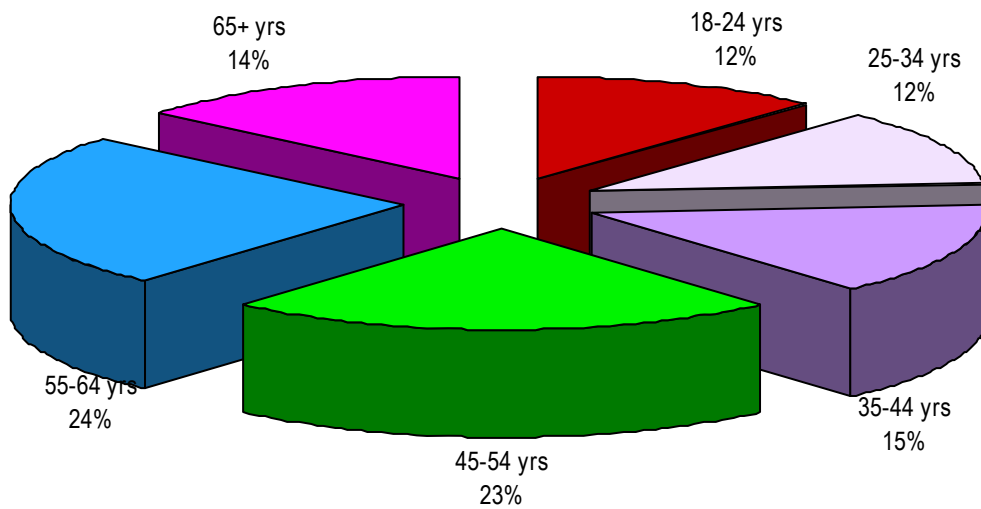


Figure 7. Age, moderate risk gamblers.

29% of moderate risk gamblers were married, and 13% lived with a partner. Over half (58%) of the sample were not in a relationship, with 24% having never been married, 17% being divorcees, 10% widowed and 7% separated.



MARITAL STATUS - Moderate risk gamblers

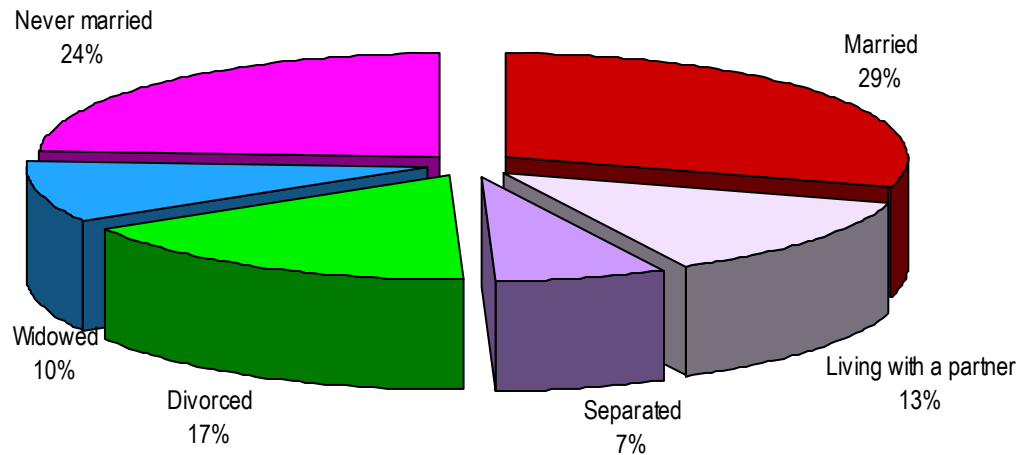


Figure 8. Marital status, moderate risk gamblers.

42% of moderate risk gamblers were employed full-time, and 21% part-time, thus employed respondents made up just over half (53%) of the moderate risk segment. 17% were retired, 7% were unable to work because of disability or were on WorkCover, whilst those engaged in home duties and the unemployed each constituted 6% of the segment.

EMPLOYMENT STATUS - Moderate risk gamblers

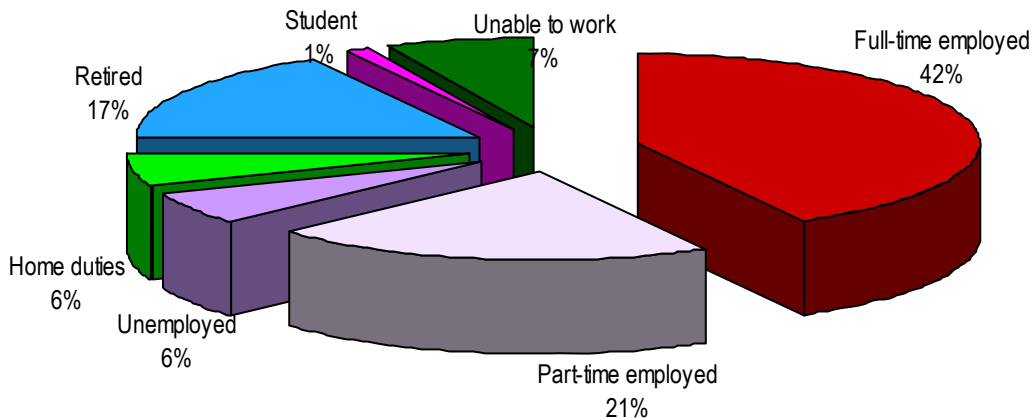


Figure 9. Employment status, moderate risk gamblers.

One third of moderate risk gamblers not in the paid workforce received an aged or widow's pension. One quarter did not receive an invalid or disability pension and 11% unemployment benefits. 24% did not receive any benefits.



RECEIPT OF PENSIONS AND/OR BENEFITS - Moderate risk gamblers

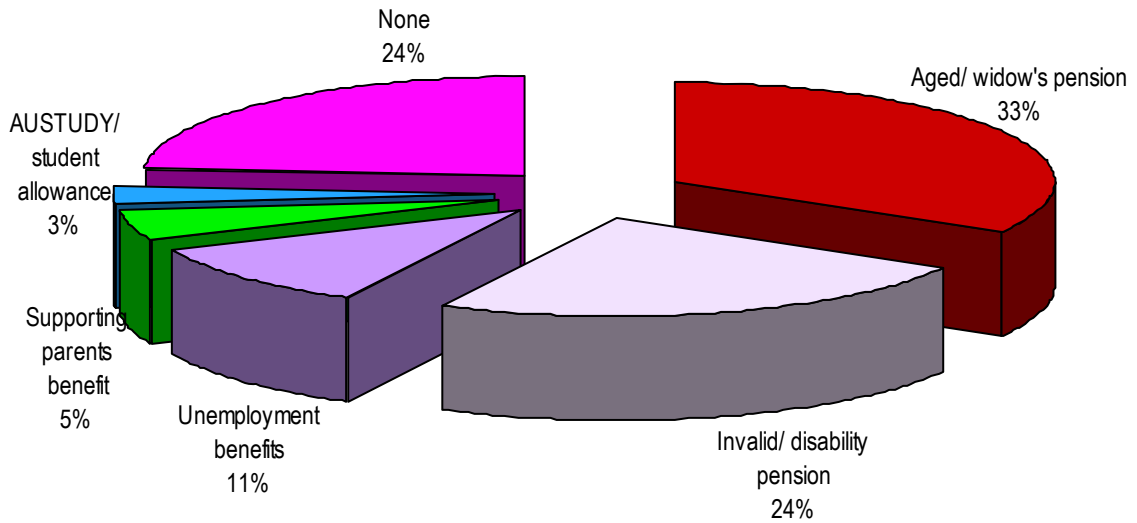


Figure 10. Receipt of pensions or benefits, moderate risk gamblers (n=48).

The most common occupation groups in the moderate risk segment were tradespeople (24%) and professionals (17%). Elementary clerical, sales and service workers, and labourers, each contribute 12% to the total moderate risk sample, whilst 11% are associate professionals.

ASCO JOB DESCRIPTIONS - Moderate risk gamblers

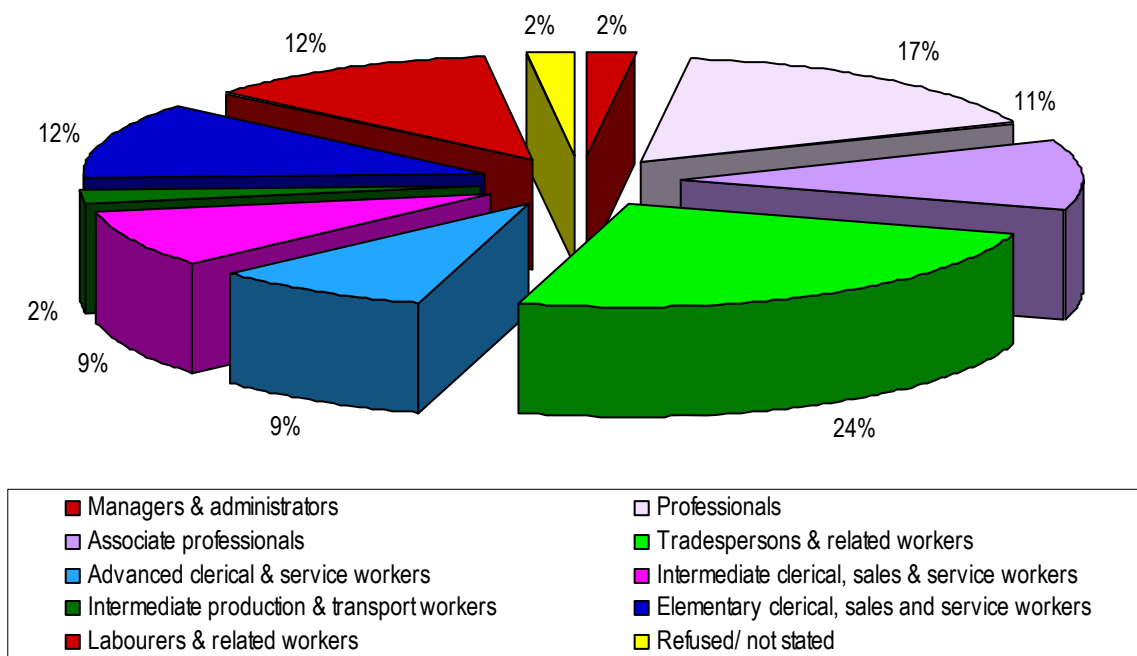


Figure 11. Occupations, moderate risk gamblers.

There was a relatively even spread of household income groups among the moderate risk segment. 23% had a household income of less than \$20,000 and 22% had a household income of more than \$80,000. Noteworthy proportions in other income categories were also observed (for example, approximately 19% earned between \$40,001-\$60,000, and 17% earned between \$20,001 to \$40,000).



GROSS HOUSEHOLD INCOME - Moderate risk gamblers

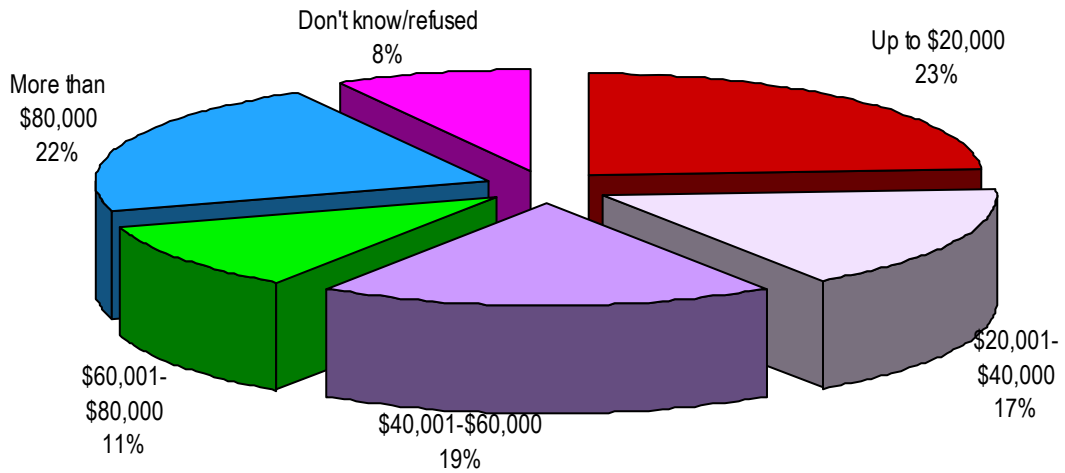


Figure 12. Gross household income, moderate risk gamblers.

Two thirds of moderate risk gamblers owned their own home, or were purchasing it, 29% rented privately and just 5% rented through the Housing Trust.

HOUSING - Moderate risk gamblers

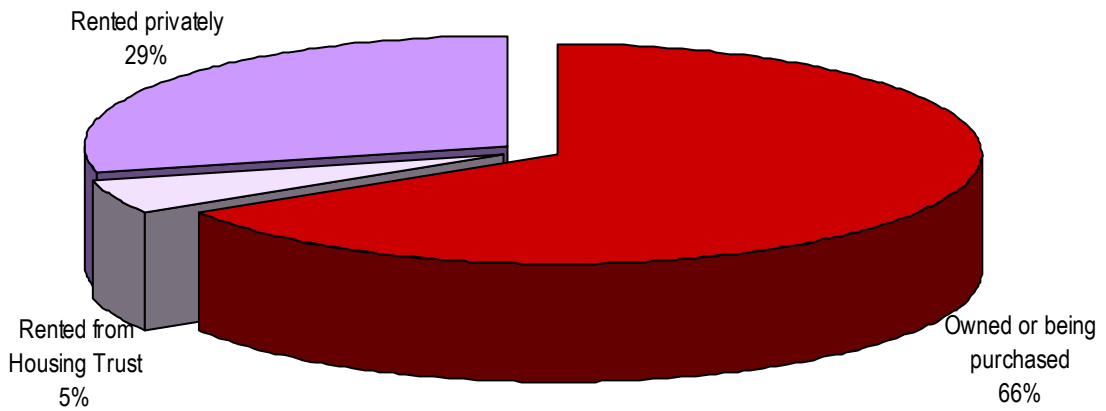


Figure 13. Housing, moderate risk gamblers.

The majority (73%) of moderate risk respondents were born in either Australia or New Zealand, 17% came from the UK or Ireland, 5% from continental Europe, and minimal proportions from Asia and Africa (3%), and North and South America (2%).



COUNTRY OF BIRTH - Moderate risk gamblers

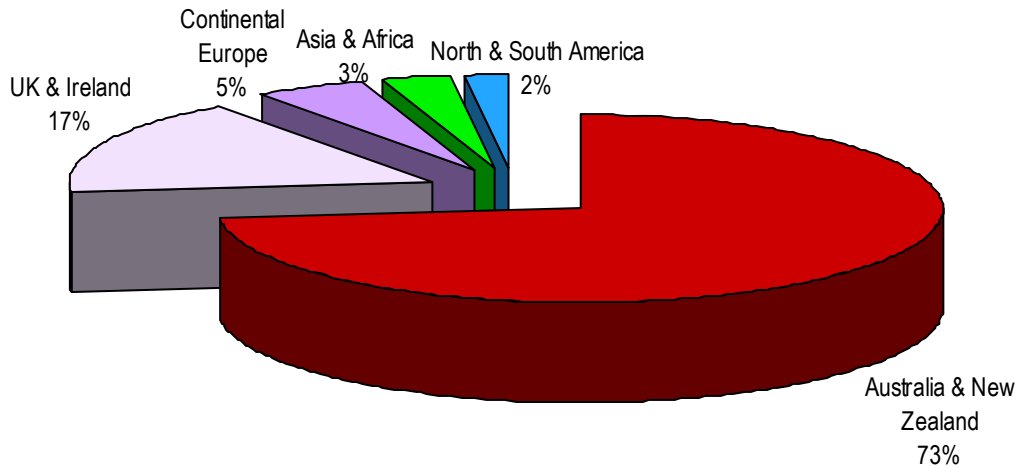


Figure 14. Country of birth, moderate risk gamblers.

Of the 75 Australian-born respondents, only 3% were of Aboriginal or Torres Strait Islander descent. For the majority (98%) of moderate risk gamblers, English was their main language. Filipino and Italian were the two other languages spoken.

Just over one third (34%) of moderate risk gamblers left school after the age of 15, but have no further qualifications, whilst one quarter hold a certificate or diploma. University educated respondents, and those in possession of a trade or apprenticeship, both contribute 15% of respondents to the moderate risk segment, whilst 9% were educated at school up to the age of 15.

EDUCATIONAL LEVEL - Moderate risk gamblers

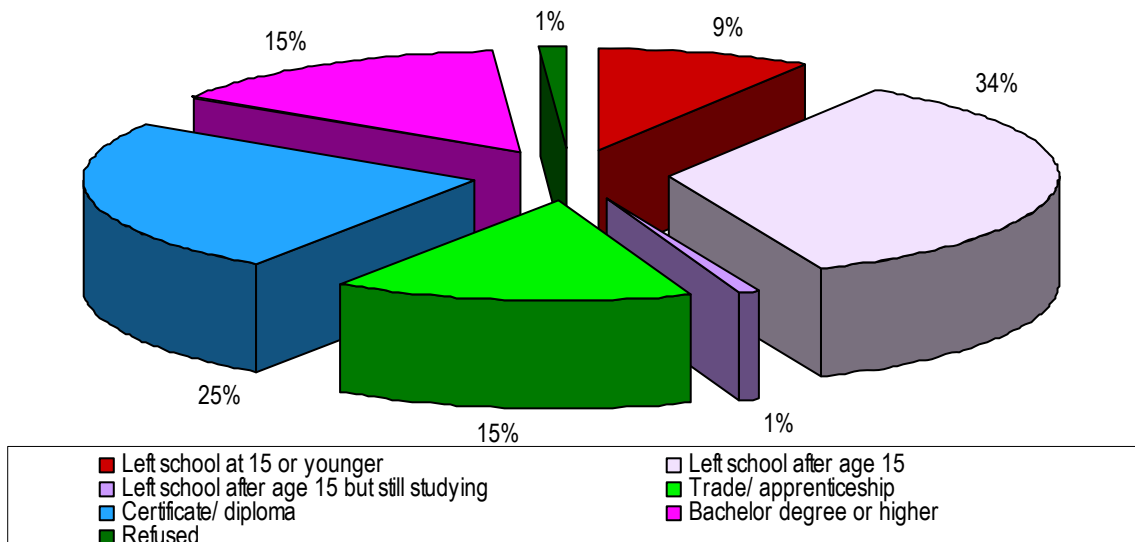


Figure 15. Educational level, moderate risk gamblers.



Low risk gamblers

59% of low risk gamblers were female, and 41% male.

GENDER - Low risk gamblers

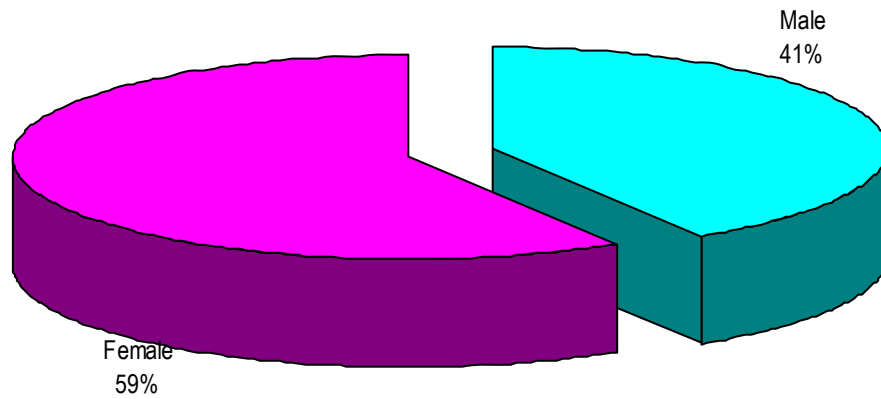


Figure 16. Gender, low risk gamblers.

Three older age groups constituted the majority of the low risk gamblers segment - 65+ year olds (27%), 45-54 year olds (23%) and 35-44 year olds (21%). 16% of these gamblers were aged 55-64, whilst 18-34 year olds constituted just 15% of the low risk segment when combined.

AGE - Low risk gamblers

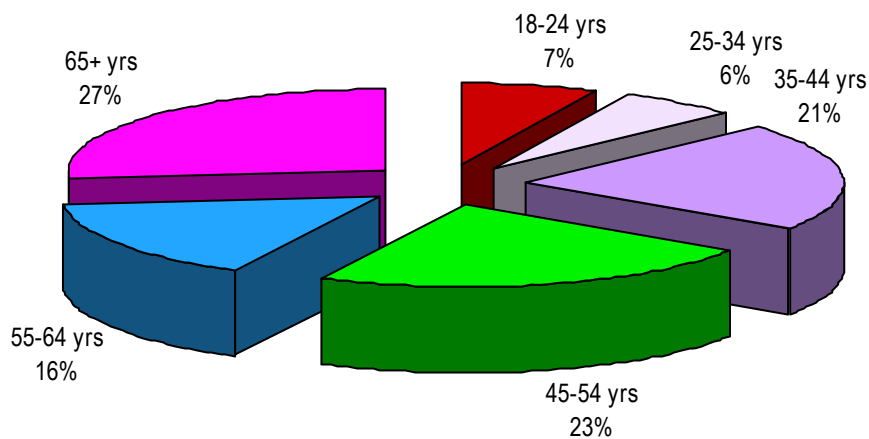


Figure 17. Age, low risk gamblers.

Half of the low risk gamblers were either married or living with a partner. Divorcees and those who were separated constituted 21% of the low risk segment, 10% were widowed, whilst 18% had never married.



MARITAL STATUS - Low risk gamblers

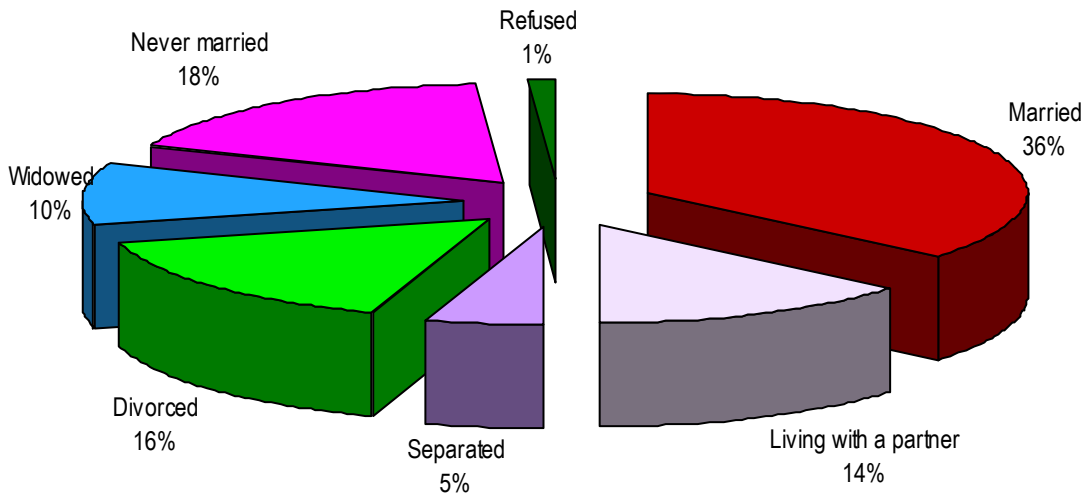


Figure 18. Marital status, low risk gamblers.

59% of low risk gamblers were employed at the time of the research, with 34% doing so full-time, and 25% part-time. 26% were retirees, with the remaining groups contributing relatively small proportions to the total low risk group.

WORK STATUS- Low risk gamblers

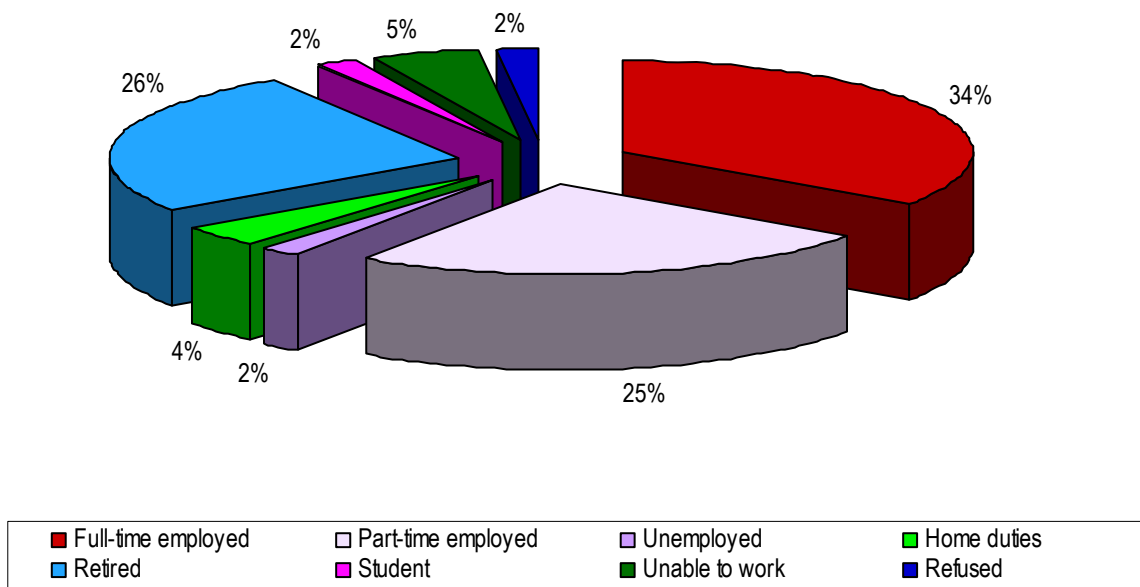


Figure 19. Employment status, low risk gamblers.

Approximately half (52%) of the low risk gamblers received an aged or widow's pension, 9% an invalid or disability pension and 5% a supporting parents benefit. 20% received no pensions or benefits.



RECEIPT OF PENSIONS/BENEFITS - Low risk gamblers

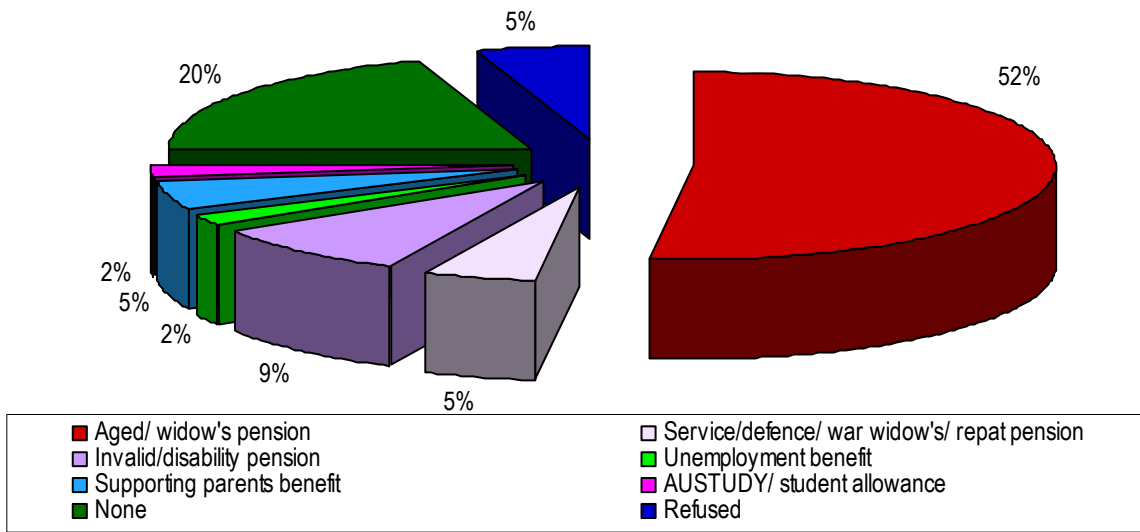


Figure 20. Receipt of pensions or benefits, low risk gamblers (n=46).

Labourers, and intermediate clerical, sales and service workers, each contributed 19% of respondents to the low risk segment. 12% were tradespeople, and the same proportion elementary clerical, sales and service workers; 10% were advanced clerical and service workers and the same proportion professionals.

ASCO JOB DESCRIPTIONS - Low risk gamblers

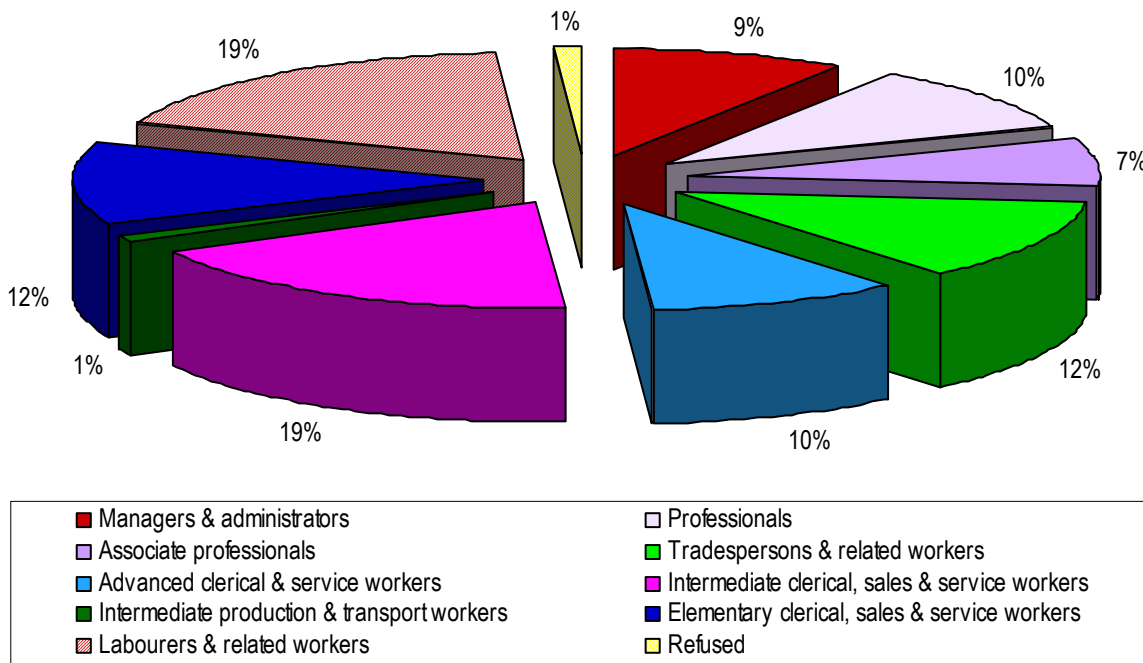


Figure 21. Occupations, low risk gamblers (n=65).



44% of low risk gamblers had a household income of \$40,000 or less, constituting the largest proportion in this segment. 17% had a household income in excess of \$80,000, with the remaining 28% on a mid-range household income of \$40,001-\$80,000.

GROSS HOUSEHOLD INCOME - Low risk gamblers

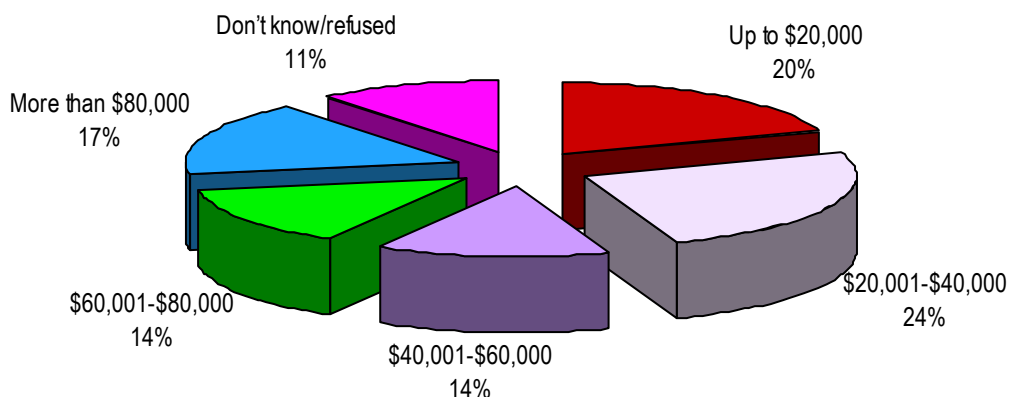


Figure 22. Gross annual household income, low risk gamblers.

Three-quarters of low risk gamblers owned their own home at the time of the research, or were purchasing it, whilst 16% rented privately. A small number rented from the Housing Trust (5%), whilst 1% lives in a retirement village.

HOUSING - Low risk gamblers

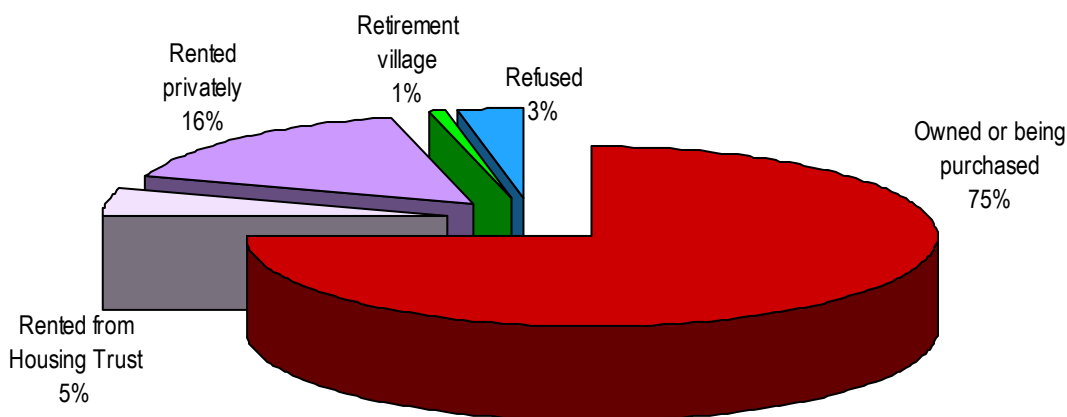


Figure 23. Tenancy status, low risk gamblers.

65% of low risk gamblers were born in Australia or New Zealand, whilst just under one quarter (24%) were born in the UK or Ireland. Minimal proportions came from continental Europe (6%), Asia and Africa (4%) and the Americas (1%).

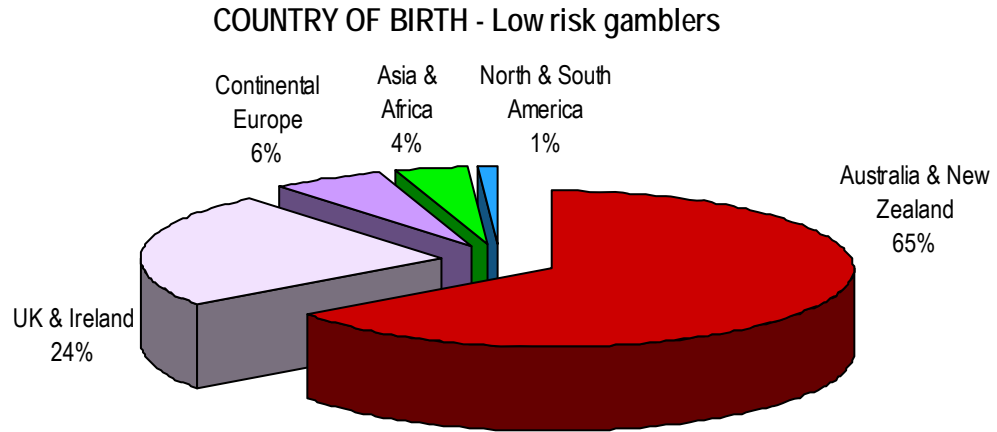


Figure 24. Country of birth, low risk gamblers.

Of the 68 low risk gamblers who were born in Australia, 99% were not of Aboriginal or Torres Strait islander descent. 95% spoke English as their first language, with Cantonese (2%), Chinese (2%) and Italian (1%) the other languages mentioned.

31% of low risk gamblers left school after the age of 15, whilst 29% had received further qualifications, in the form of a certificate or diploma. 14% left school at 15 or a younger age, and 13% were in possession of a trade or apprenticeship. University-educated respondents constituted 9% of the low risk segment and 4% are still studying.

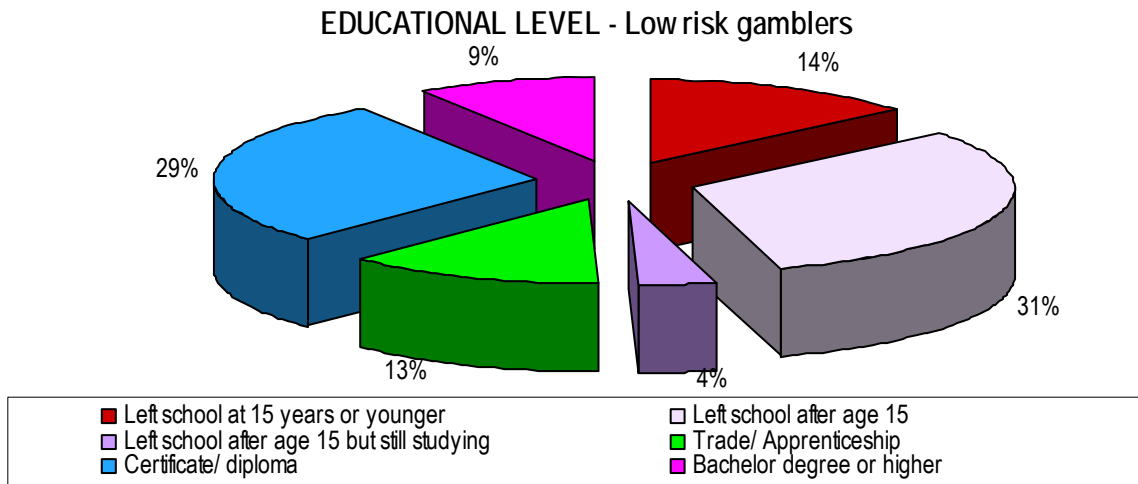


Figure 25. Educational level, low risk gamblers



Non-problem gamblers

56% of the 142 non-problem gamblers were female, and 44% male.

GENDER - Non-problem gamblers

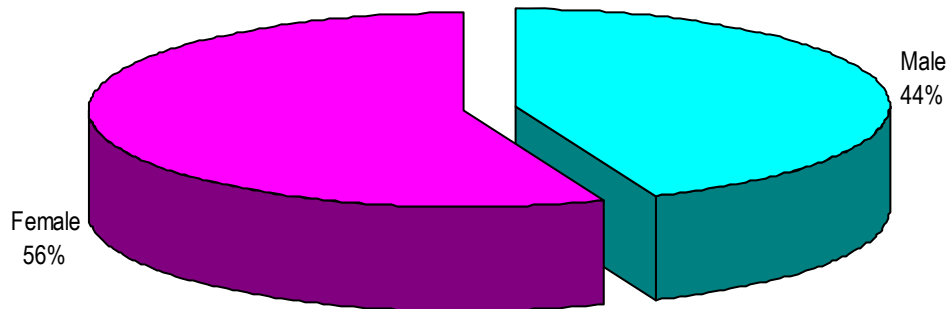


Figure 26. Gender, non-problem gamblers.

Approximately 37% of non-problem gamblers were aged 65 years or older, and 23% were aged 55-64, consistent with the finding that this group is dominated by older EGM players. Just 5% were aged 18-24, and 11% 25-34, illustrating that younger age groups are not as well-represented among non-problem gamblers.

AGE - Non-problem gamblers

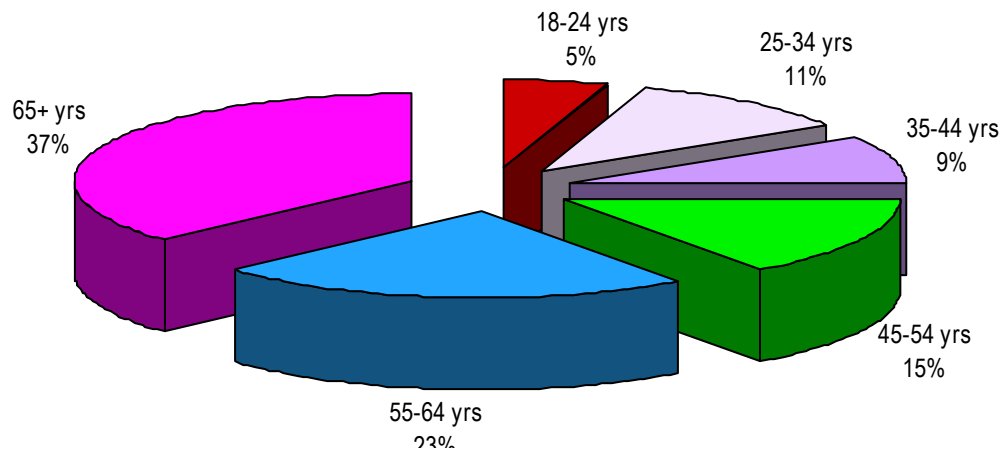


Figure 27. Age, non-problem gamblers.

Just over half (53%) of all non-problem gamblers were married and 11% lived with a partner, making respondents who are in a relationship the dominant group among non-problem gamblers (64% married or de facto 36% not married or de facto).



MARITAL STATUS - Non-problem gamblers

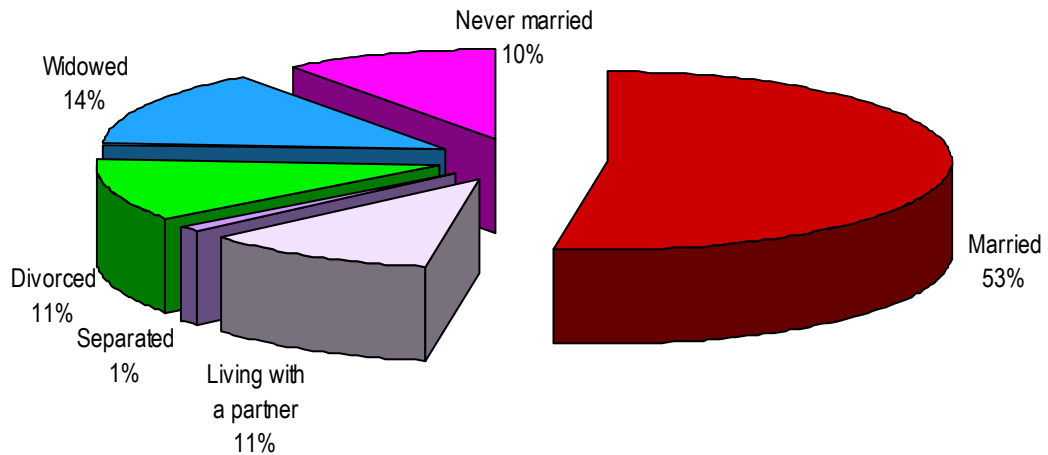


Figure 28. Marital status, non-problem gamblers.

42% of non-problem gamblers were retired, consistent with the older profile identified earlier within this section. A further 35% were full-time employed, and 13% part-time employed, with minimal proportions of other employment categories represented among these respondents.

WORK STATUS - Non-problem gamblers

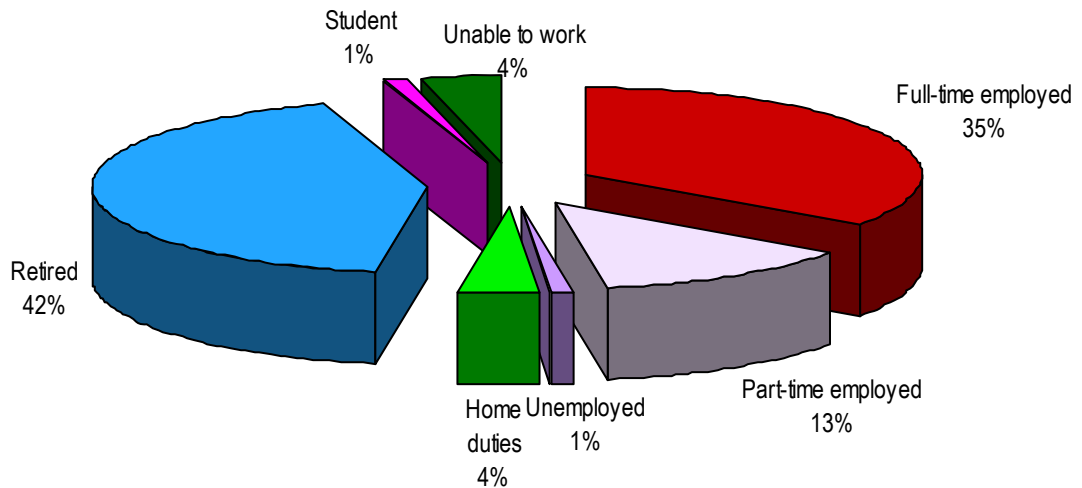


Figure 29. Employment status, non-problem gamblers.

44% of non-problem gamblers not in employment received an aged or widow's pension and 13% a service or defence pension, again correlating with the high proportion of older respondents in this segment. 22% of non-problem gamblers, who did not work, receive no benefits.



RECEIPT OF PENSIONS & BENEFITS - Non-problem gamblers

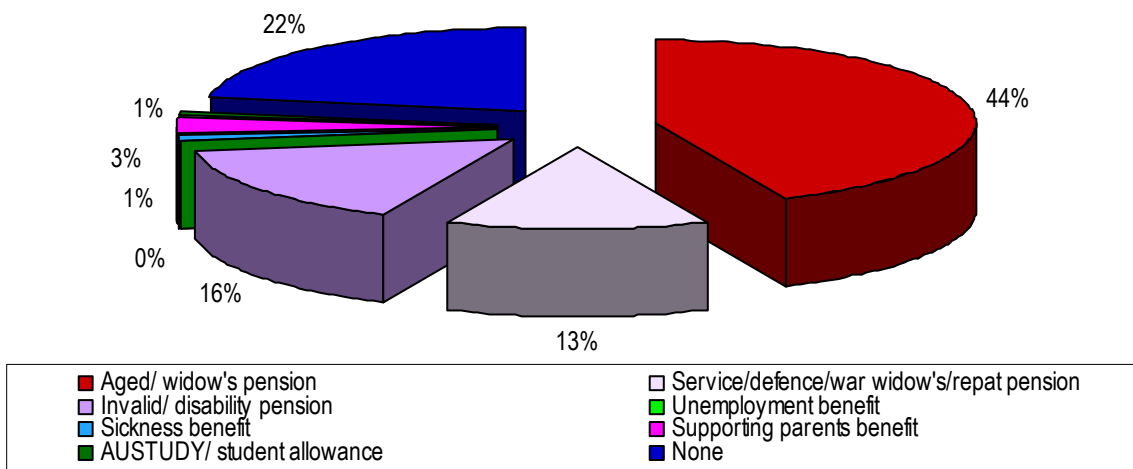


Figure 30. Receipt of pensions or benefits, non-problem gamblers (n=74).

20% of non-problem gamblers were employed in a professional capacity, 16% as intermediate clerical, sales and service workers, and 15% as labourers, constituting the largest proportion of non-problem gamblers. The remaining positions held by non-problem gamblers were varied.

ASCO JOB DESCRIPTIONS - Non-problem gamblers

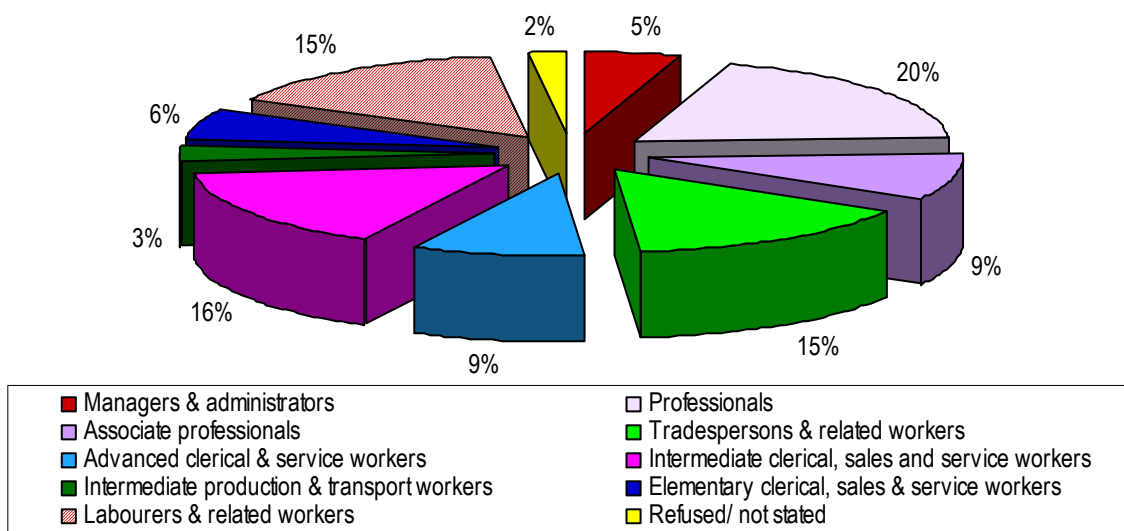


Figure 31. Occupations, non-problem gamblers (n=68).

Half of the non-problem gamblers had a household income of \$40,000 or less per year. 10% earned between \$40,000-\$60,000, 16% between \$60,001-\$80,000, whilst 17% fell within the highest household income bracket, earning more than \$80,000.



GROSS HOUSEHOLD INCOME - Non-problem gamblers

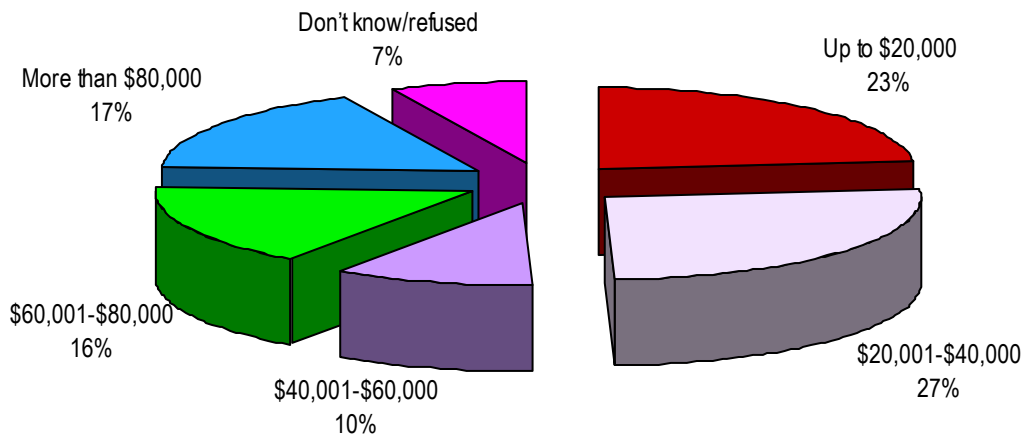


Figure 32. Gross annual household income, non-problem gamblers.

70% of non-problem gamblers owned their own home, whilst 18% rented privately.

HOUSING - Non-problem gamblers

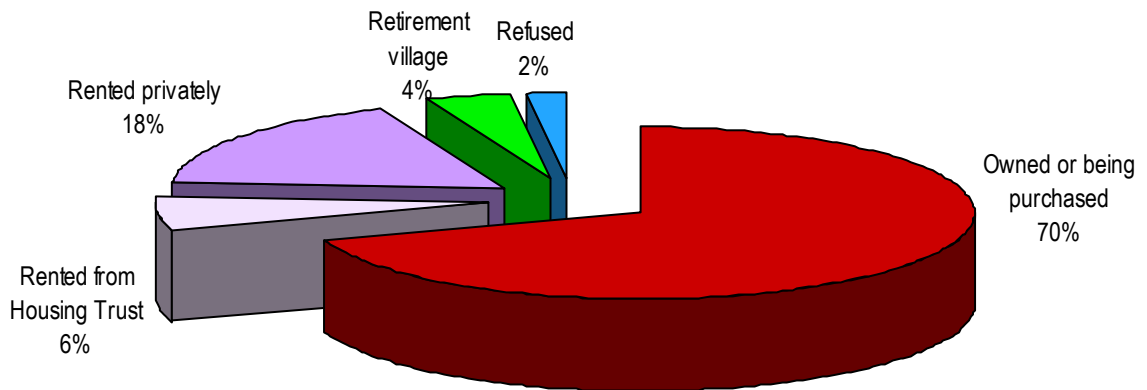


Figure 33. Tenancy status, non-problem gamblers.

69% of all non-problem gamblers were born in Australia or New Zealand, a further 20% came from the UK or Ireland, 6% from continental Europe, 3% from the Americas and a minimal 2% from Asia and Africa.



COUNTRY OF BIRTH - Non-problem gamblers

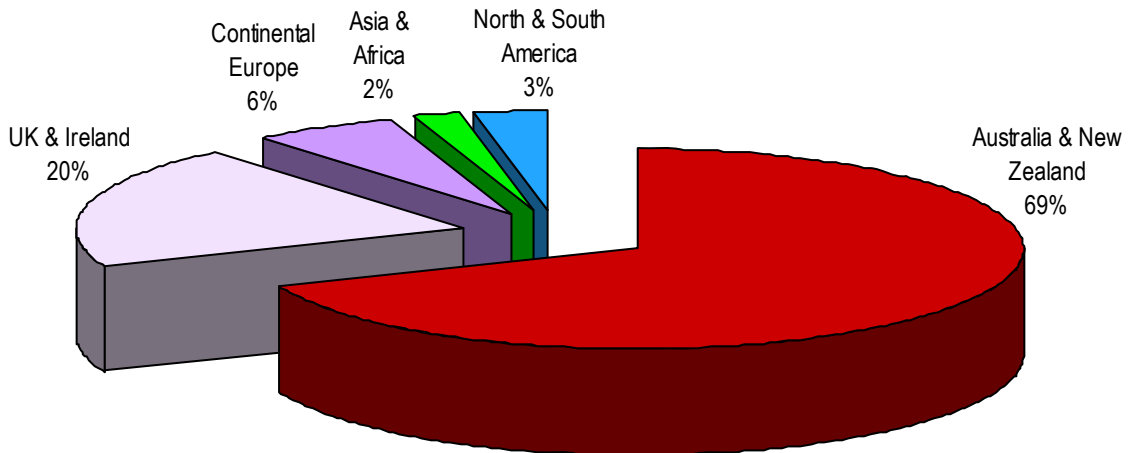


Figure 34. Country of birth, non-problem gamblers.

99% of Australian-born non-problem gamblers were not Aboriginal or Torres Strait Islander.

95% considered English their first language, with Cambodian, Cantonese, Greek, Italian and Yugoslavian each spoken by 1% of the remaining sample.

40% of respondents left school after the age of 15, and received no further qualifications. 21% held a certificate or diploma whilst 16% left school before the age of 15. Approximately one in ten non-problem gamblers has been trained in a trade or completed an apprenticeship (11%), and a similar proportion is university educated (10%).

EDUCATIONAL LEVEL - Non-problem gamblers

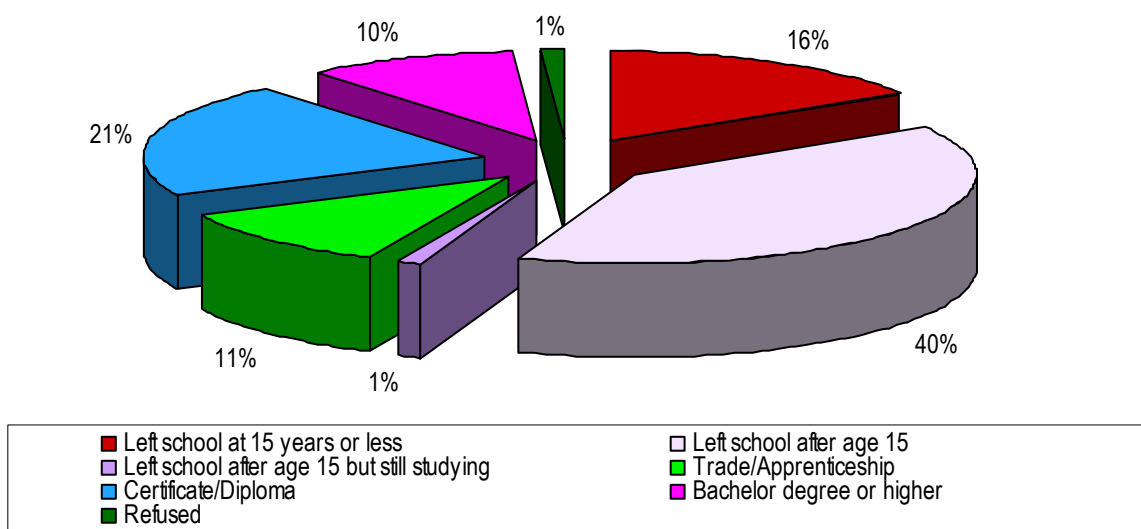


Figure 35. Educational level, non-problem gamblers.



6.1.3 Comparing the four groups of the CPGI

The following section highlights some relevant and critical differences in the profiles of the four groups of the CPGI - problem gamblers, moderate and low risk gamblers, and non-problem gamblers.

Looking firstly at gender, a notably higher proportion of moderate risk gamblers and problem gamblers are male (59% and 52% respectively) in comparison to low risk (41%) and non-problem gamblers (44%).

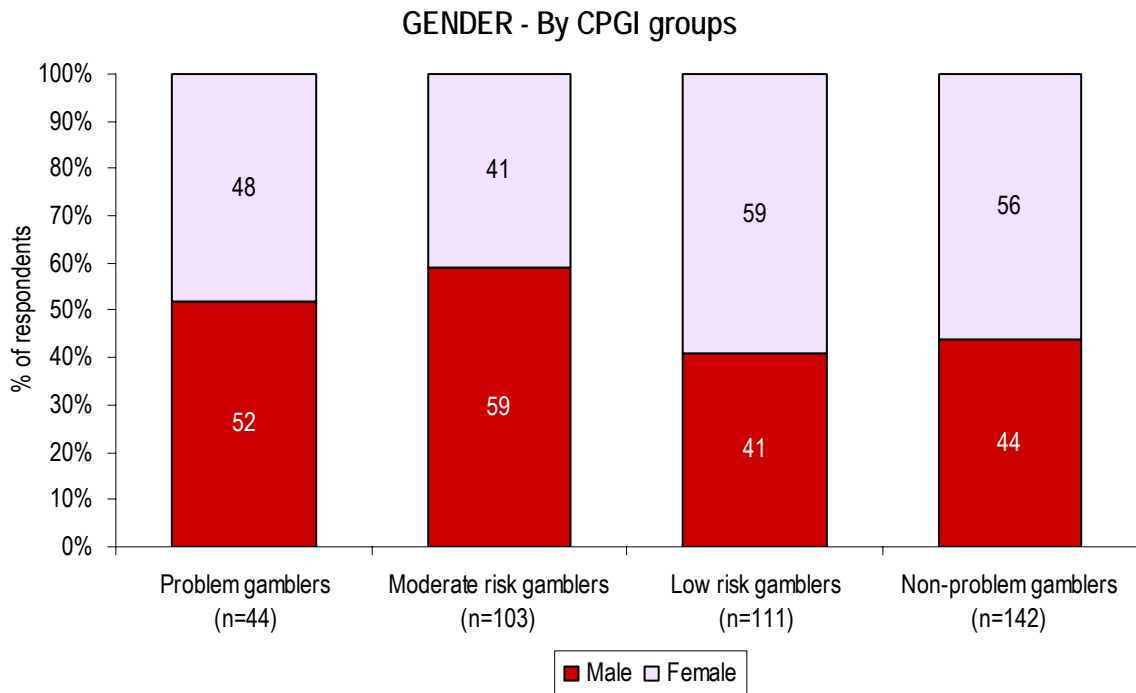


Figure 36. Gender, by CPGI groups.

There was a clear pattern regarding age between the four CPGI groups, with problem gambling decreasing with age. More specifically, as the CPGI categories move from problem gambling down to non-problem gambling, the proportion of younger respondents (aged 18-24) decreases, and the proportion of older respondents increase. In other words, there are notably higher proportions of younger respondents (23% of 18-24 year olds) in the problem gambling segment when compared to 65+ year olds, who constitute just 2% of the problem gamblers segment. Comparatively, 18-24 year olds contribute 5% of respondents to the non-problem gamblers group, compared to 37% of 65+ year olds.

Although it should be borne in mind that this survey sampled only regular EGM players, not the broader general public, this pattern towards a higher incidence of problem gambling among younger people is consistent with both South Australian prevalence studies and other findings recorded by Delfabbro (2005).

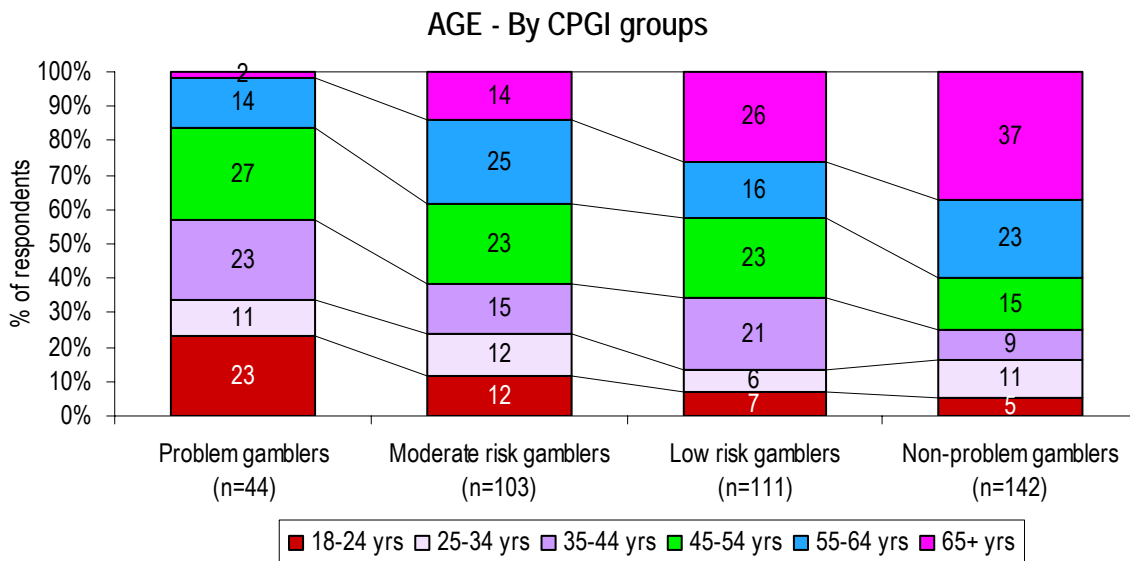


Figure 37. Age, by CPGI groups.

There was a greater likelihood among non-problem gamblers to be married or in a de facto relationship, with 63% of these respondents categorised this way, compared to 43% of moderate risk gamblers, and 44% of problem gamblers.

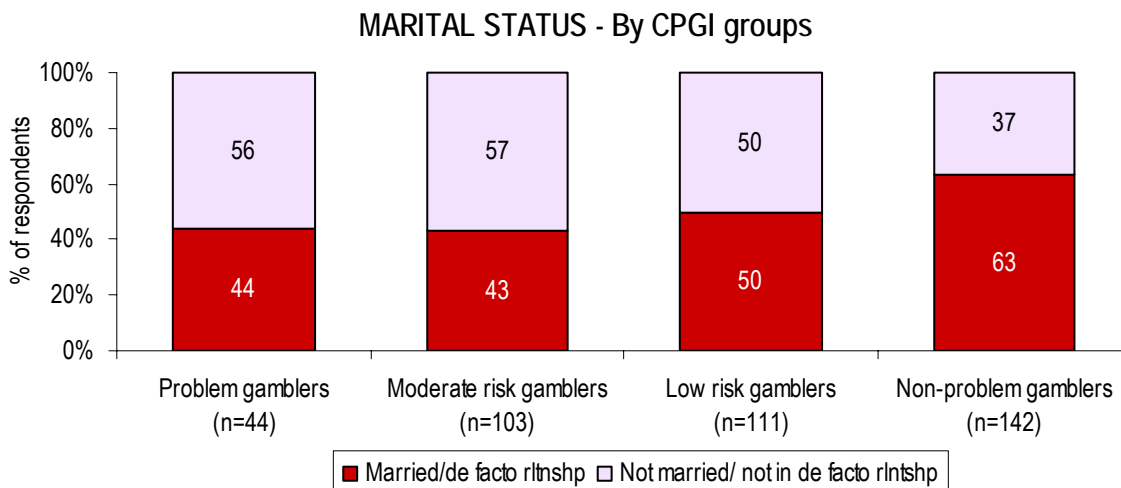


Figure 38. Marital status, by CPGI groups.

Looking at differences relating to work and sources of income, the non-problem gambling segment is characterised by the following discerning features:

- A notably higher proportion were retirees (43%) compared to 2% of problem gamblers, and 27% total sample.
- A notably higher proportion of respondents were on pensions for the aged, servicemen, or widows of servicemen (56%) compared to 47% total sample.

Interestingly, a notably higher proportion of problem gamblers had a disposable income of than \$12,000 (18%) in comparison to 6% of the total sample. Also of note, yet not suggesting any particular pattern, was the observation that a notably higher proportion of moderate risk gamblers had a household income ranging between \$50,000-\$60,000 (11% vs 6% total sample).



Problem gamblers were significantly less likely to own their own home, or be purchasing it (7%) in comparison to 75% of low risk gamblers, and 70% of non-problem gamblers. Comparatively, they were more likely to be renting privately (41% vs 16% low risk gamblers).

6.2 *Playing behaviours*

6.2.1 *Frequency of playing*

All respondents were asked upfront how often they gamble on EGMs. As this study was specifically seeking to speak with regular players, those who played less often than twice a month were thanked and the interview did not proceed. These results, therefore, reflect the playing behaviour of regular players, not the total population.

At the total sample level, 14% of respondents indicated that they gamble everyday, or almost every day. 41% do so 2-3 times a week, and this was the most common level of frequency of gambling on EGMs. One quarter gamble weekly, whilst one fifth do so less often- about 2-3 times a month.

As illustrated in the graph below, the proportion who gamble daily or most days was significantly higher among males (21%) in comparison to females (8%). Females, subsequently, were more likely to gamble once a week or less often (51% vs 37% of males).

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Figure 39. Frequency of gambling on EGMs, by gender.

The proportion of respondents who play EGMs daily or most days was also notably higher among respondents with a trade qualification (24% vs 11% of school-educated respondents).

Some interesting patterns were observed regarding frequency of playing EGMs when results were analysed by the days of the week on which interviewing was conducted. A significantly higher proportion of gamblers who gamble at least 2-3 times a week were interviewed on Mondays and Tuesdays (18% of daily gamblers and 68% of 2-3 times a week gamblers), whereas a notably higher proportion of less frequent gamblers were interviewed on weekends (54% of gamblers who gamble once a week or less often were interviewed on a Saturday or Sunday vs 14% of daily gamblers).

Not unexpectedly, problem gamblers were more likely to gamble daily or most days (25%) in comparison to just 8% of those not considered problem gamblers. For non-problem gamblers, a notably higher proportion play EGMs about once a week (32%) compared to 16% of problem gamblers.

In addition to the screening question, which determined how often respondents play EGMs, respondents were also asked how many times per week, or per month, they gamble on EGMs. This enabled the collection of more specific data regarding the frequency with which respondents play EGMs.

Almost half (46%) of all respondents play EGMs one to two times a week, whilst 31% do so 3-5 times a week. These are generally comparable with figures obtained during the screening process, however these calculations allow the discovery of the exact number of times per week respondents are gambling.



FREQUENCY OF PLAYING EGMS

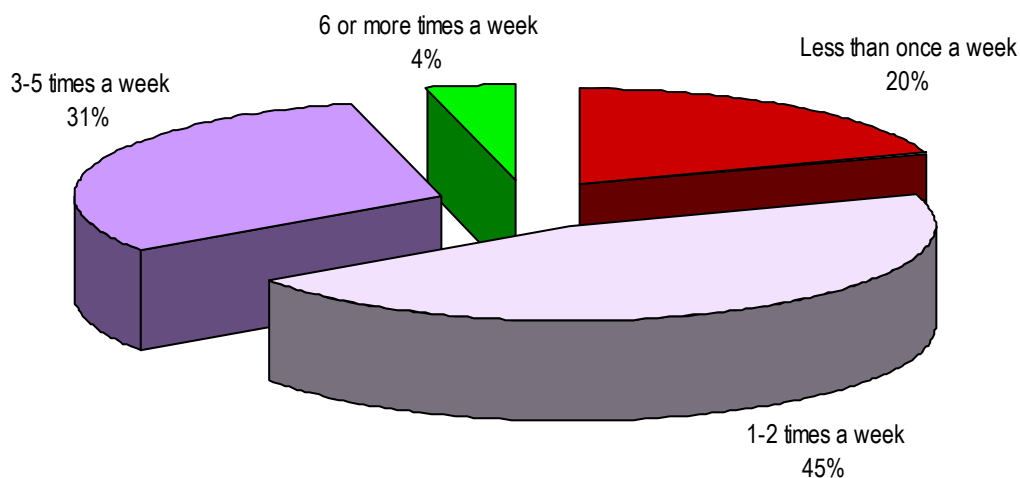


Figure 40. Frequency of playing EGMS.

The mean number of times per week respondents gamble is 2.1, and the median is close to this figure at 2.0 times per week.

On average, males reported playing EGMS significantly more often in a 7-day week (2.5) compared to females (1.7); the median number of times per week also differed significantly between these two segments, with the median for males being 2.0, and 1.0 for females.

Interestingly, although the greatest difference in mean scores between the six age groups was only .4, the median scores for these groups varied considerably, and interesting findings were observed within several age groups.

25-34 year olds recorded the lowest median rate (1.3), compared to 2.0 among 18-24 year olds and 35-54 year olds. Although the *mean* frequency among 25-34 year olds was comparable to other age groups, the low *median* suggests respondents of this age group were more likely to specify lesser frequencies of playing EGMS per week, with a few specifying notably high rates, which has increased the mean frequency of playing for this age group.

Mean and median results by gender and age are shown graphically overleaf.

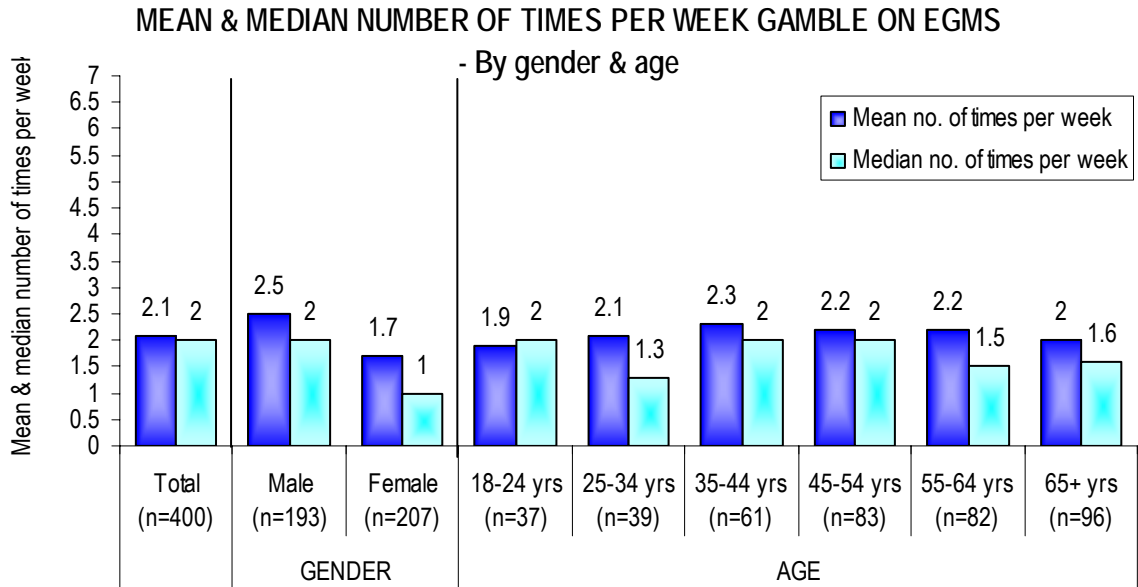


Figure 41. Mean & median number of times per week gamble

Most respondents (about 7 in 10) reported no change to the frequency with which they play EGMS within the last 12 months. The proportion reporting a decrease, either by a little or a lot, in their EGM playing was 16%; however, this is balanced by a further 16% reporting an increase, again by either a little or a lot, in their EGM activity. Looked at solely from this aspect, it appears the 2004 Amendments to reduce the number of machines available have had little impact on EGM playing activity in South Australia.

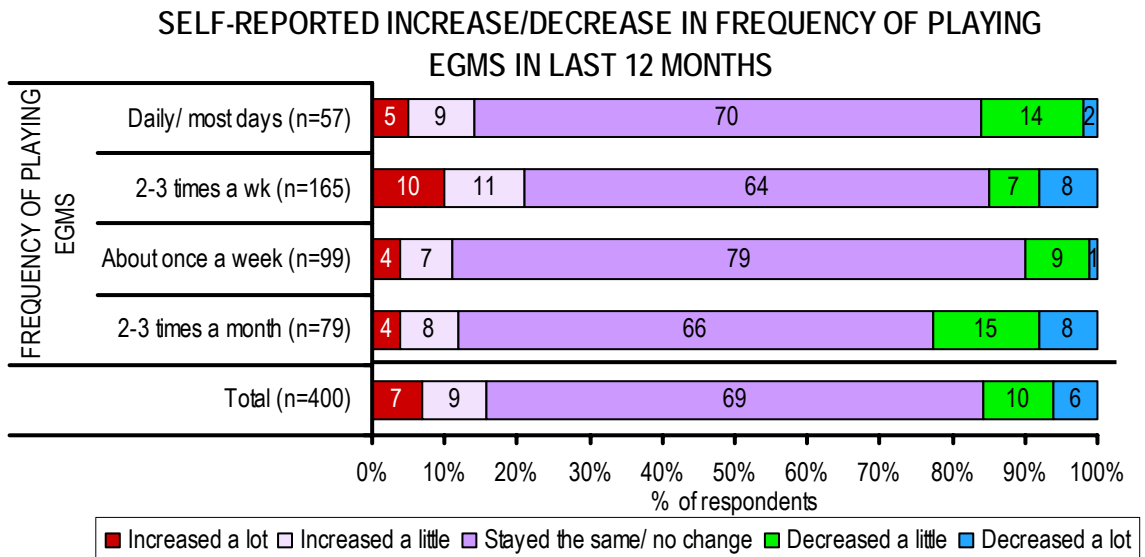


Figure 42. Self-reported change in EGM playing frequency last 12mths, by playing frequency.

Of note is the 21% of respondents who play EGMS 2-3 times a week reporting an increase in their playing of EGMS in the last 12 months. This is notably higher than among those who play less often (11% of those who play once a week or 2-3 times a month) as well as more frequent players (14% of daily EGM players).



Problem gamblers were significantly more likely to report that their gambling on EGMs has increased a lot (30% vs 2% non-problem gamblers). Self-reported gambling levels among both low to moderate risk gamblers, and non-problem gamblers were most likely to have remained the same over the past 12 months (80% of non-problem gamblers reporting no change in their level, and 67% of low-moderate risk gamblers reporting this), compared to 39% of problem gamblers.

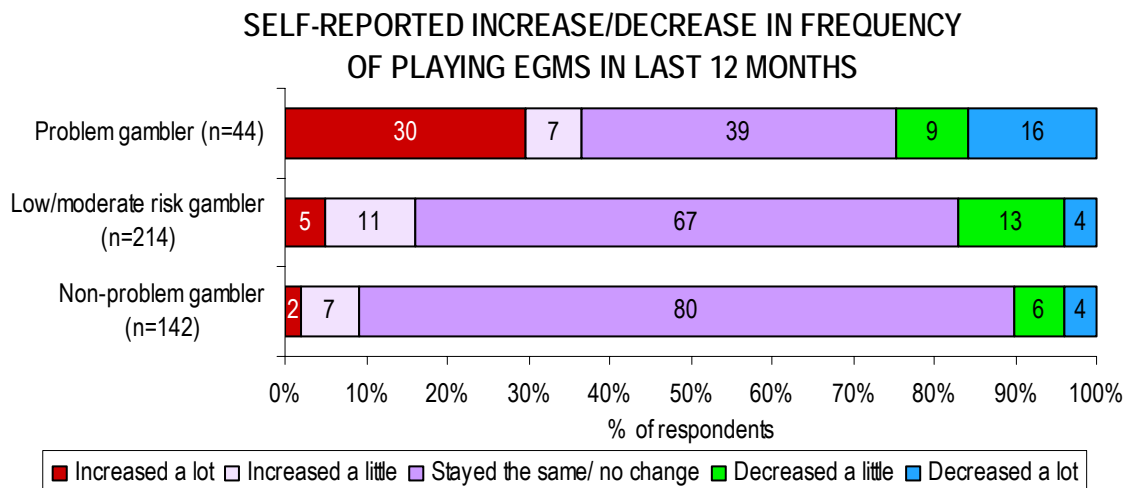


Figure 43. Self-reported change in EGM playing frequency last 12 mths, by CPGI classification.

Interestingly, notably more females (21%) than males (11%) reported an increase, in their EGM gambling. Males were more likely to report no change in their gambling behaviour (73% vs 65% of females). However, it should be borne in mind that as discussed above, males were more likely to be daily EGM players (21% vs 8% of females).

6.2.2 Types of gambling

In keeping with the screening boundaries imposed in the research, all respondents reported playing EGMs.

Lotto was the next most common gambling activity, with 64% of the total sample taking their chances on this activity. Following this, somewhat distantly, were Instant Scratchies, which 4 in 10 respondents (40%) had purchased in the past 12 months, Keno (37%) and betting on horses or greyhound races (36%). Other forms of gambling, such as table games at casinos (15%), betting on sporting events (14%), playing cards or mah-jongg for money (12%) and bingo (6%) were less popular.

Some interesting variations were observed between males and females, as well as between the age groups represented in the research.

Firstly looking at gender differences, four gambling activities were quite clearly more popular with males when compared to females. These activities were:

- Betting on horse or greyhound races (49% vs 24% of females).
- Playing Keno (45% vs 30% of females).
- Playing table games such as those at casinos (25% vs 5% of females).
- Betting on sporting events such as football, cricket or tennis (22% vs 7% of females).

Comparatively, females were more likely to play bingo (9%) in comparison to males (3%).

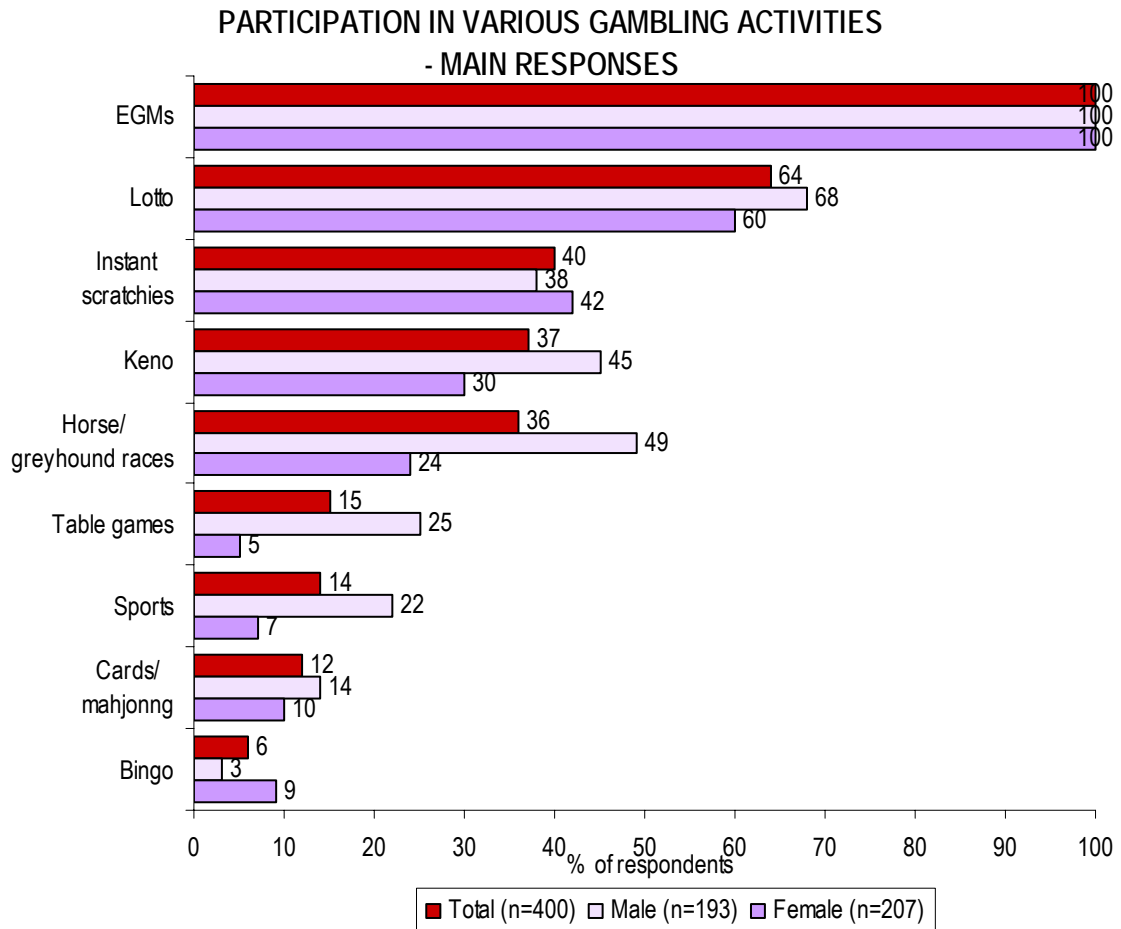


Figure 44. Participation in various gambling activities, by gender.

Turning now to results based on the age groups involved in the research, four forms of gambling were notably more popular among younger respondents. As the graph below illustrates, the popularity of gambling on Instant Scratchies, table games, sporting events and playing games like cards or mah-jongg was notably higher among 18-24 year olds, with popularity decreasing as age increases. In contrast, there was a notably higher incidence of playing Lotto among respondents aged 35 and older.

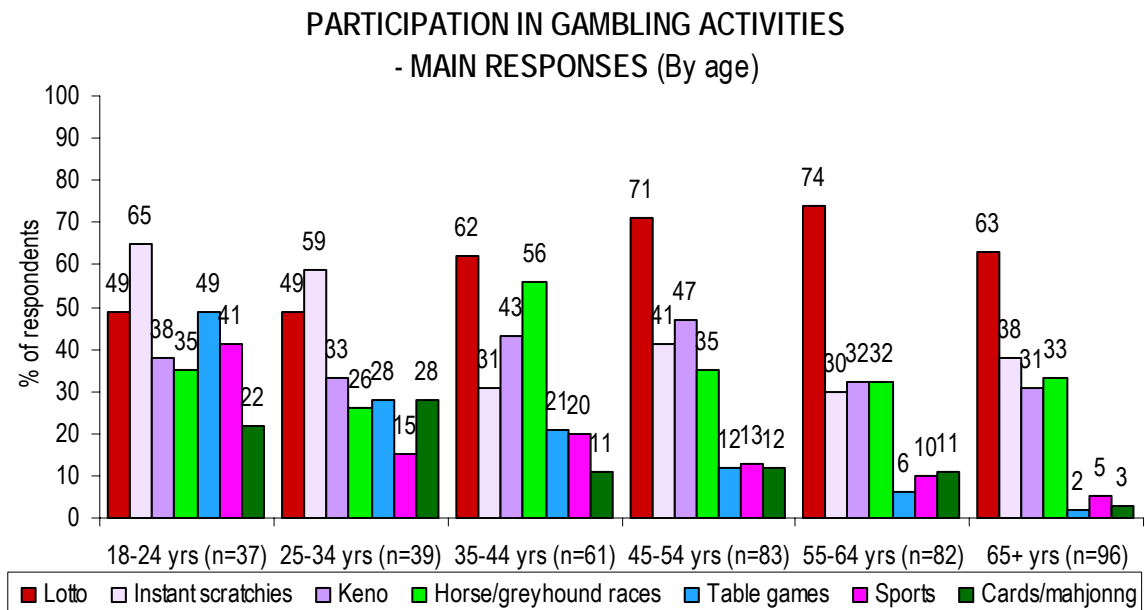


Figure 45. Participation in gambling activities, by age.



Another interesting finding regarding age, which didn't fit the observed pattern discussed above, was that significantly more respondents aged 35-44 bet on horses or greyhounds (56%) in comparison to the total sample (36%). These respondents do not appear to be heavier gamblers in other respects than other respondents.

Problem gamblers (defined by the CPGI), were significantly more likely to also participate in table games at a casino (30%) in comparison to 17% of low-moderate risk gamblers, and 6% of non-problem gamblers. These respondents also recorded higher, although not significantly so, incidences of participation in the following activities:

- Instant Scratchies (48% of problem gamblers vs 39% of low-moderate-risk and non-problem gamblers).
- Keno (48%, vs 38% of low-moderate risk gamblers and 32% of non-problem gamblers).
- Betting on sporting events (20%, vs 15% of low-moderate risk gamblers and 11% non-problem gamblers).

However, problem gamblers recorded lower participation rates in two gambling activities when compared to the remaining EGM players (i.e. low-risk, moderate-risk and non-problem gamblers). Namely, Lotto (55% vs 65% of other gamblers), and betting on horses or greyhound races (30% vs 36% other gamblers).

Participation in Lotto was more common among respondents who were married or in a de facto relationship (70%) compared to those who do not have a partner (58%), whilst those without a partner recorded slightly higher participation rates in most other forms of gambling compared to partnered respondents.

Interestingly, employed respondents were more likely to play Keno (43% vs 28% unemployed respondents) as well as table games (22% vs 4% unemployed respondents).

Most of the EGM players we spoke to do not limit their gambling activity to EGMs only, with just 15% of respondents reporting EGMs are the only thing they gamble on. Most respondents listed at least one other gambling activity they participate in.

Exclusive playing of EGMs was notably more common among women (19%) compared to men (11%), which ties in with the notably higher proportions of males engaging in the four gambling behaviours listed above. Exclusive playing of EGMs was also more common among part-time workers (18% vs 8% of full-time workers), as well as those earning \$20,000 or less (20%) compared to those earning between \$40,000 and \$60,000 (4%).

6.2.3 *Venue types*

The majority (96%) of respondents play EGMs at hotels or pubs, 37% frequent SKYCITY casino to play EGMs and 33% play at clubs.

Results were largely consistent between segments, however 18-24 year olds were notably more likely to play EGMs at SKYCITY Casino (62% vs 37% total sample) and at clubs (49% vs 33% total sample).

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Figure 46. Venues play EGMs at in South Australia, total sample.

As the next graph shows, 37% of those who play EGMs at hotels and pubs also play at the Casino and 30% do so at Clubs. 88% of those who play at Clubs also play EGMs at hotels/pubs.

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Figure 47. Crossover between playing at different venue types

Respondents were then asked, in terms of how often they play there, what percentage of their EGM playing is at each venue type they named. The median percentage recorded for hotels or pubs (97.5%) was clearly higher than that observed for other venues, such as 50% for SKYCITY, 10% for clubs and the same value for other locations.

Similarly, the most common allocation of percentage points in hotels or pubs was 100, indicating that for a majority of EGM players, these places are their primary gambling venue.

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Figure 48. Mean percentage of time spent at venues, total sample.

6.3 Choosing a venue

6.3.1 Factors which influence venue choice

The overwhelmingly common response given by respondents as a reason for choosing a gaming venue was closeness, or convenience to their home (62%). Following this, just under one quarter (23%) appreciated the pleasant staff at the venue and 19% felt the venue they frequented had a good atmosphere.

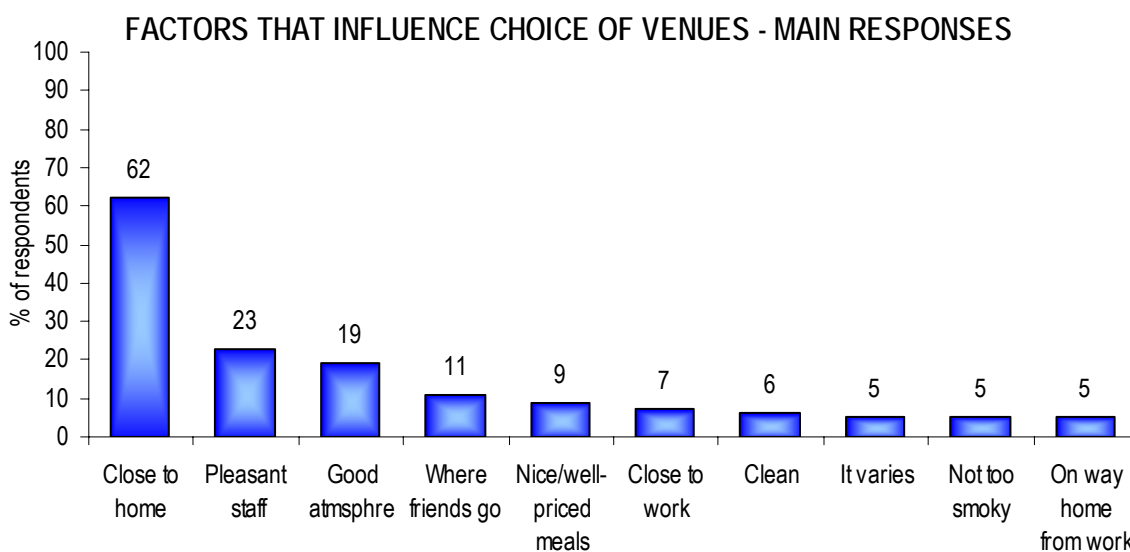


Figure 49. Factors that influence choice of venues, total sample.

The factors cited by respondents varied considerably between segments. Venues that are close to respondents' homes were most popular among players who played EGMs daily or most days (81% vs 62% total sample), as well as those earning between \$60,000 and \$80,000 (78% again compared to 62% total sample).

Pleasant staff was important to a notably higher proportion of respondents who play 2-3 times a week (28% vs 14% of daily players and 23% total sample).

A good atmosphere was most important to players in the following segments:

- Those who had been frequenting the venue at which they were interviewed for less than 12 months (37% vs 16% of players who had gambled for 2 years or more at the venue).



- Females (23%) in comparison to 15% of males.

Interestingly, a notably higher proportion of respondents interviewed on Thursdays (22%), Saturdays (25%) and Sundays (26%) mentioned that they choose a venue for its atmosphere, whereas just 6% of gamblers interviewed on a Wednesday said this. This could suggest that those who gamble mid-week are less interested in the atmosphere of the venue, but no clear reason for this difference is evident in this research.

Socialising was cited as a reason by notably more unmarried respondents (15%) in comparison to married respondents or those in a de-facto relationship (6%). Comparatively, the availability of nice meals was important to notably more married respondents (13%) in comparison to those who were unmarried (5%).

Problem gamblers did not appear to have any strong preferences regarding features of the venues they visit to play EGMs. Whereas non-problem gamblers were notably more likely to say they look for a venue with good atmosphere (25%), this was not as much of an issue for problem gamblers (9%). Problem gamblers were slightly more likely to nominate features such as incentive schemes and free beverages (14% vs 6% other gamblers), however not significantly so. The difference observed between problem and non-problem gamblers does not conclusively determine that problem gamblers will frequent venues with these features more so than others.

Limiting smoking at hotels and clubs appears to have had little impact on patrons' decisions regarding venues for playing EGMs. Just 5% nominated this as a factor in their decision, with this proportion notably higher among 65+ year olds (11%).

It was the older members of the sample who enjoyed going to venues that provide nice meals at a low price (12% of 55+ year olds), whereas this was not as important for younger respondents (for example, this reason was not mentioned by any 35-44 year olds, and just 5% of 25-39 year olds).

As illustrated in the graph below, the factors behind respondents' decisions to gamble at the venue at which they were interviewed were similar to those given for decisions about venues in general. Closeness to home was most often given (67%), followed by pleasant staff (39%), a good atmosphere (24%) and having friends that go there (20%). Likewise, similar patterns to those seen in the previous question were observed with regard to particular likes and dislikes in segments of the sample.

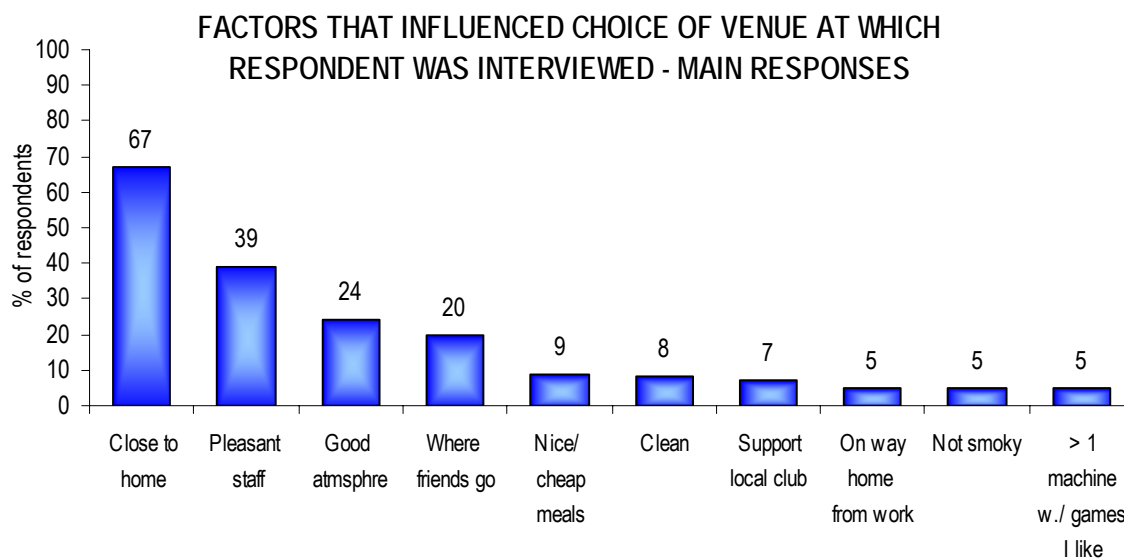


Figure 50. Factors influenced choice of venue where interviewed, total sample.



Additional findings which were observed with regard to respondents' reasons for choosing the venue at which they were interviewed included:

- A notably higher proportion of females (44%) than males (34%) citing pleasant staff as a reason for gambling at the venue they were interviewed at.
- A notably higher proportion of unmarried respondents choosing the venue because it is close to their home (73%) compared to 62% of married respondents.
- A significantly higher proportion of 65+ year olds (48%) choosing the venue because the staff are pleasant (vs 39% total sample).

6.3.2 Distances travelled

At the total sample level, about 6 in 10 respondents travel 4 kilometres or less to get to EGM venues, whilst 18% travel between 5 and 9 kilometres. Relatively few (11%) travel 10 kilometres or more to get to a gaming venue, whilst 8% don't need to travel from their home to play.

These findings confirm those discussed above regarding the factors that come into play when choosing an EGM venue - previously it was observed that proximity to one's home was the most commonly-mentioned factor in choosing both a gaming venue in general, as well as being the most common reason behind choosing the venue at which respondents were interviewed.

This behaviour is particularly pronounced among daily, or almost daily EGM players, of whom 74% play EGMs at venues within 4 kilometres of their home. Also of note among these respondents was the 16% who do not need to travel from their home to play, suggesting that they frequent venues that may be near their place of work or study, or nearby to another location which they visit regularly.

Respondents who were interviewed at clubs were also more likely to frequent venues that are within 4 kilometres of their home (77% vs 63% total sample), illustrating the 'local' characteristic of these venues.

Interestingly, a notably higher proportion of unmarried respondents reported travelling 4 kilometres or less to gaming venues (69% vs 57% married respondents), whereas married respondents were notably more likely to travel 5-9 kilometres (21% vs 14% of unmarried respondents). It is unclear why this pattern emerged, given there were no significant differences in the frequency with which these two segments play EGMs, and no major differences in their preferences regarding venues.

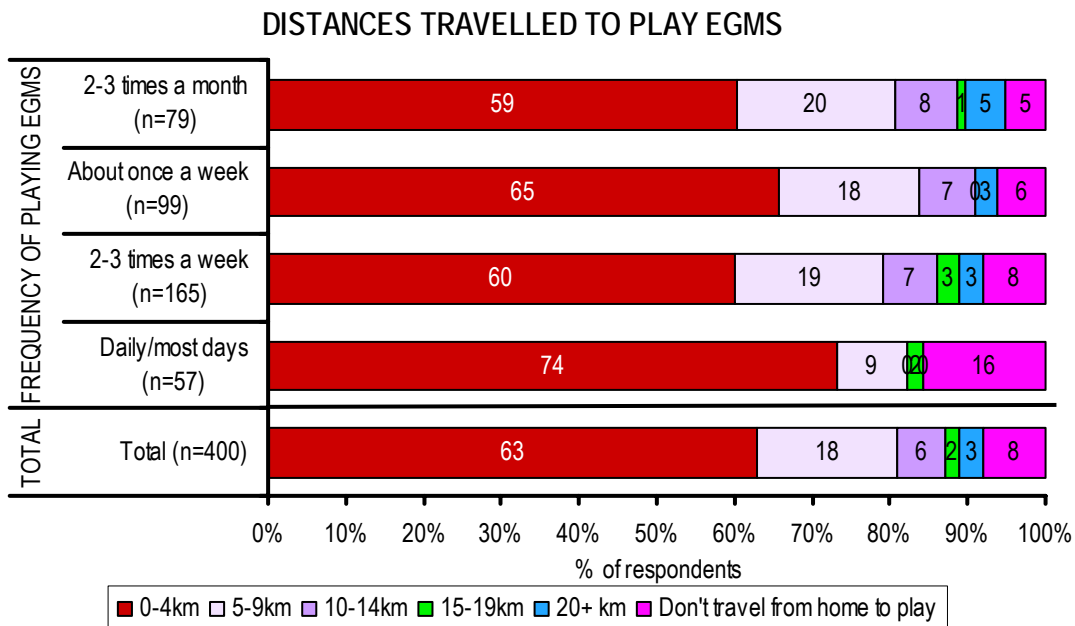


Figure 51. Distances travelled to play EGMs, by frequency of playing EGMs.

Respondents employed in elementary clerical, sales or service positions, and labourers, were significantly more likely to mention that they do not travel from home to play EGMs (17%) in comparison to the total sample average (8%). This may tie in with the discussion above, that some respondents travel to EGM venues from their place of work. It may also suggest that the respondents we spoke to, who were included in this category, are employed in environments where EGMs are present (the hospitality industry for example), thus EGMs are available during breaks or at the ends of shifts.

6.4 Awareness of changes

6.4.1 Spontaneous awareness

The majority (90%) of respondents had been gambling at the venue at which they were interviewed for one year or more; 65% for more than 2 years. A pattern, which is partly to be expected, was observed between the six age segments involved in the research. As age increases, the length of time for which respondents had been playing EGMs at the venue tended to increase. For example, notably more 65+ year olds had been playing EGMs at the venue for more than 2 years (78%) compared to 35% of 18-24 year olds. Of course, a possible explanation for this is that the 18-24 year old segment no doubt includes a number of respondents who have just turned 18, therefore they have only been able to enter gaming venues for a few months.

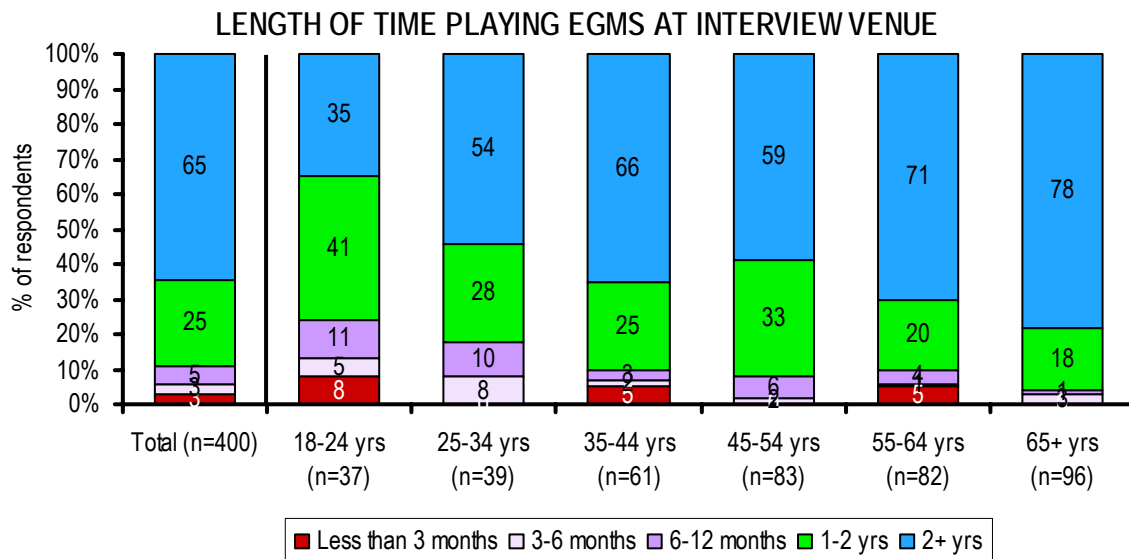


Figure 52. Length of time playing EGMs at interview venue, by age group.

Also of note was the finding that those earning up to \$20,000 were notably more likely to have gambled at the venue they were interviewed at for more than 2 years (73%) when compared to those earning between \$60,000 and \$80,000 (49%). Respondents interviewed during the day were also more likely to have gambled at the venue for more than 2 years (72%) in comparison to those interviewed at night (62%).

Approximately two-thirds of all respondents had noticed some change in the number of EGMs at the venue at which they were interviewed in the past 12 to 18 months. For most of these respondents, it was an observation that there were now fewer machines at venues (42%), whilst 15% believed there were fewer machines due to changes to legislation. 10% had seen older machines taken out and replaced with newer ones, whilst smaller mentions were made of the following observations:

- Extra machines added (4%).
- Less 1 cent machines, more expensive ones (2%).

One third of respondents (34%) had not noticed any change in the number of EGMs at the venue at which they were interviewed in the past 12 to 18 months.



INCIDENCE OF NOTICING CHANGES IN NUMBER OF EGMS AT INTERVIEW VENUE - MAIN RESPONSES

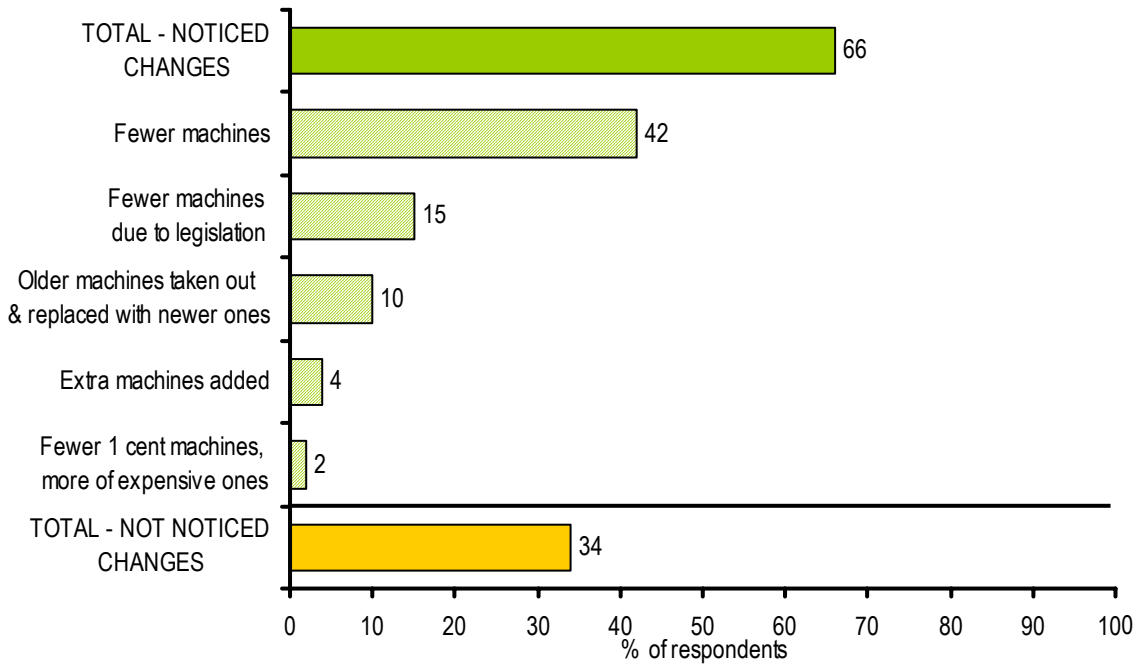


Figure 53. Incidence of noticing changes in number of EGMS at interview venue.

Perceptions regarding the number of EGMS in venues varied considerably between segments.

Firstly, several findings were observed that one would reasonably assume to occur. That being that respondents who had been playing EGMS at the venue they were interviewed at for more than 2 years were more likely to have noticed changes (78%) when compared to those who had been playing at the venue for less than 12 months (12%).

Furthermore, those who reported being aware of the legislative amendments were more likely to have noticed changes to the number of machines in venues (76%) compared to 56% of respondents who were not aware of the law changes.

INCIDENCE OF NOTICING CHANGES IN NUMBER OF EGMS (By time played at venue & awareness of law change)

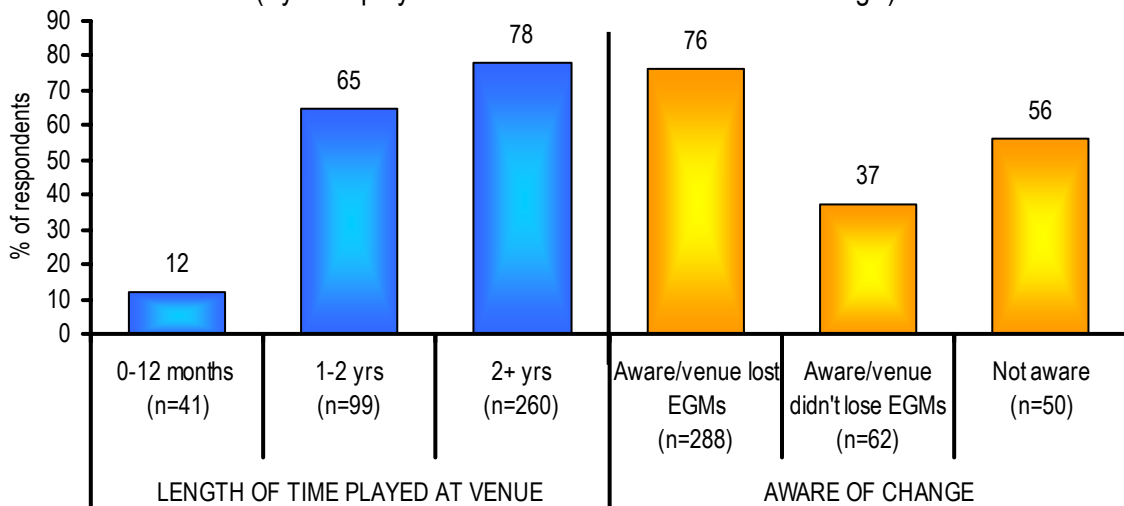


Figure 54. Incidence of noticing changes, by time played there and awareness of law change.



In addition, respondents interviewed at hotels that lost 8 machines, the greatest number of machines possible, were also more likely to have noticed changes (74%), primarily in the way of fewer machines (49%), compared to 43% of respondents interviewed at clubs. Conversely, almost 6 in 10 (59%) of all respondents interviewed at clubs had not noticed any changes to the number of EGMs at the clubs where they were interviewed.

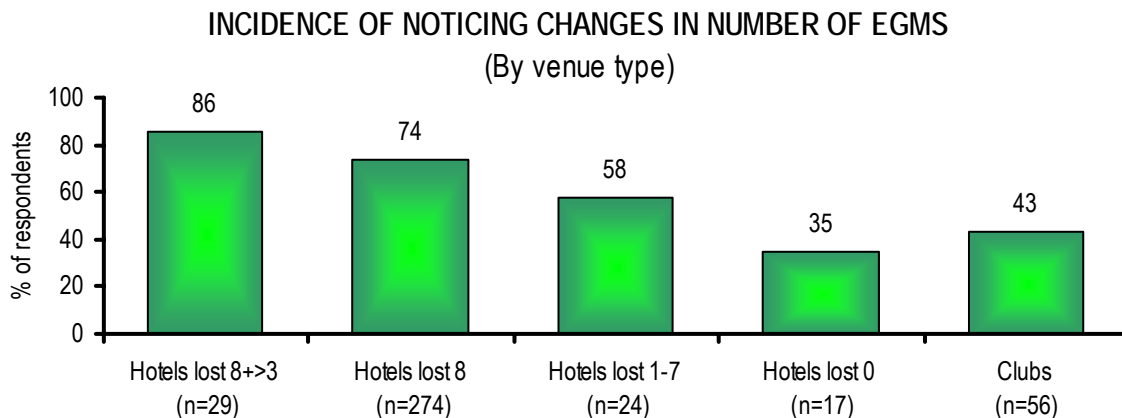


Figure 55. Incidence of noticing changes, by venue type.

Interestingly, the younger respondents of the sample (those aged 18-24) were less likely to have noticed changes in the number of EGMs in venues, with 49% reporting to have seen changes, compared to 77% of 65+ year olds. This may tie in with the finding that older respondents were more likely to have played at venues for longer periods of time than younger respondents, hence have had more opportunity to observed changes, yet it is still worth mentioning as there may be a relationship between younger gamblers and awareness of legislative changes.

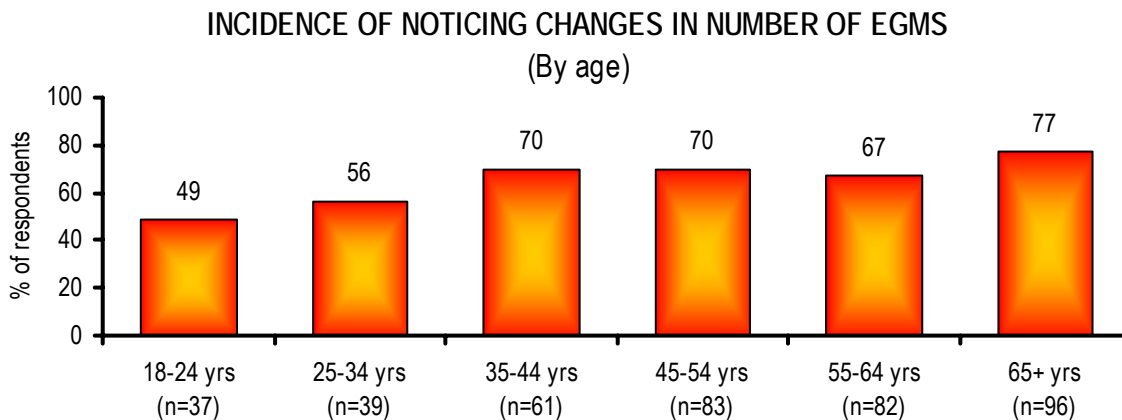


Figure 56. Incidence of noticing changes, by age group.



6.4.2 Prompted awareness

The majority (88%) of respondents were aware of the law changes to remove gaming machines in South Australia.

This finding was fairly consistent between most segments, however once again variations were observed between age groups, which reflected those observed for unprompted awareness of the law changes. A notably lower proportion of 18-24 year olds were aware of the law change to reduce the number of EGMs in the State (65%) when compared to 65+ year olds, of whom almost all (94%) were aware of the law changes. As illustrated in the graph below, awareness of the law changes increases in a reasonably linear manner as age increases.

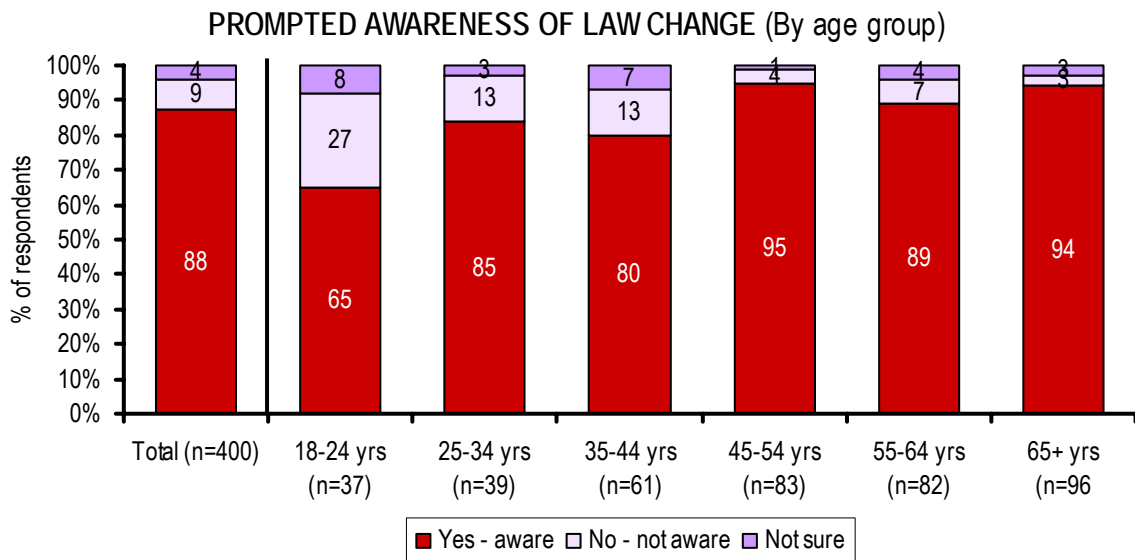


Figure 57. Prompted awareness of law change, by age group.

Interestingly, among the four classification groups of the CPGI, it was problem gamblers who recorded the lowest level of awareness of the law change (80%) in comparison to 90% of low-moderate risk gamblers, and 87% of non-problem gamblers. This may be related to the relatively high proportion of young people among the problem gamblers segments - they may have been less or not involved in playing EGMs at the time the changes were announced.

6.4.3 Understanding of changes

Perceptions regarding the changes to EGM numbers varied. 29% indicated the legislative change affected all hotels, 22% that the maximum number of machines dropped from 40 to 32, and 20% believed that the laws only affected some hotels. 10% believed that the number of machines in venues (not differentiating between hotels and clubs) were reduced by a certain percentage, however were not sure what this percentage value was.

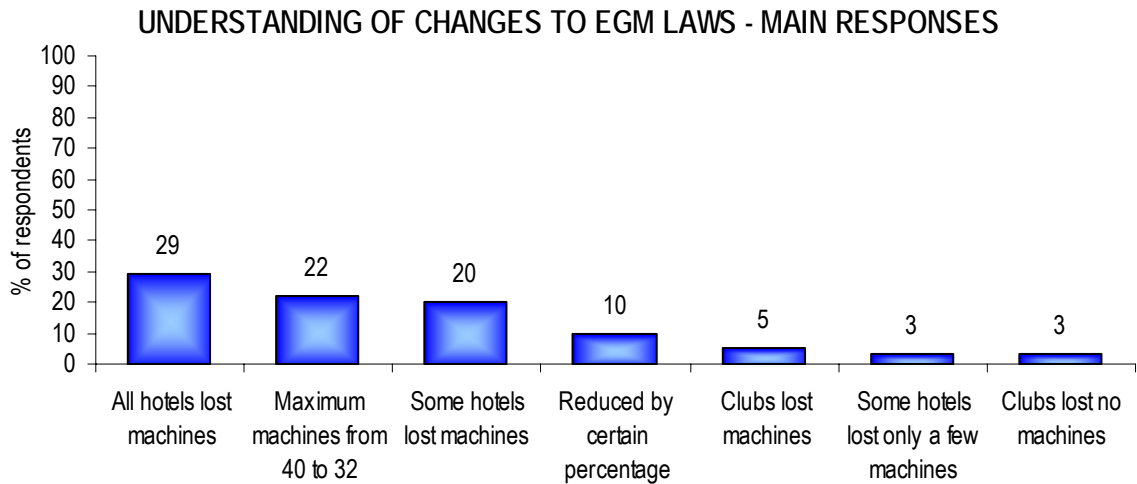


Figure 58. Understanding of changes to EGM laws.

Findings of note between segments included a notably higher proportion of 65+ year olds claiming that the change was to do with the maximum number of machines in venues (from 40 to 32), with 31% of these respondents giving this response, compared to 14% of 45-54 year olds, and 22% of the total sample. Comparatively, 41% of 45-54 year olds thought the change had seen all hotels lose machines (vs 26% of 65+ year olds and 29% total sample).

Respondents who were aware of the changes to the laws, and were interviewed at venues that had lost machines, were naturally more inclined to believe that all hotels had lost machines (33% vs 11% of those aware of the change, but the venue they were at had not lost machines). Comparatively, those who were interviewed at venues that had not lost machines, and were aware of the law changes, were more likely to claim that only some hotels had had machines removed (35% vs 17% of those aware of changes and gambling at venues that had lost machines).

The majority of respondents (82%) reported that venues at which they gamble had lost machines. This finding was highly consistent across segments of the sample, however respondents who were interviewed at clubs were significantly less likely to report a reduction in machines at venues they frequent (70% vs 85% of respondents at hotels who lost 8 machines and 82% total sample).

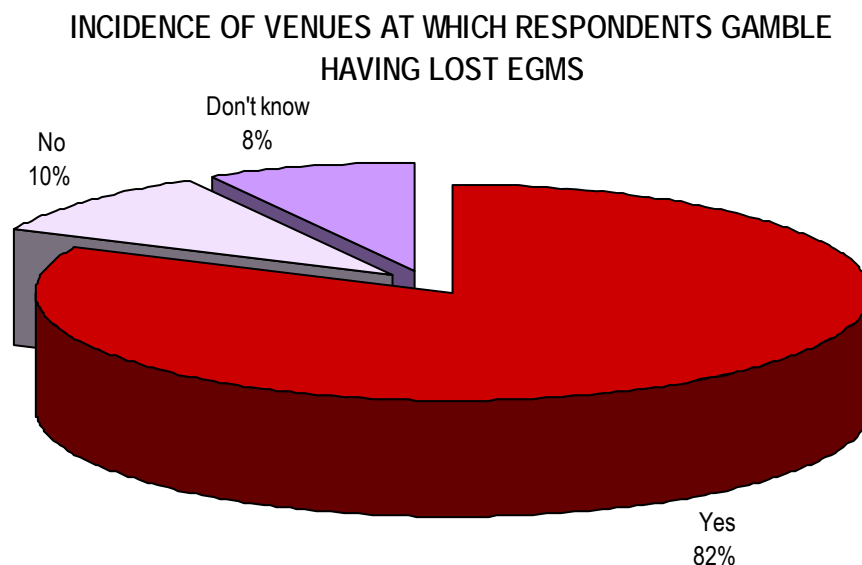


Figure 59. Incidence of venues at which respondents gamble losing EGMS.



The majority (81%) of respondents who were aware of the law change to reduce the number of EGMs in the State, and reported venues they frequent had lost machines, said that this was the case at the venue at which they were interviewed.

When analysed by venue type, results largely confirmed the classifications assigned by Harrison Research (i.e. most respondents interviewed at venues that lost machines reported seeing less machines at the venue), however an interesting 31% of respondents interviewed at venues that lost no machines also reported that the venue had lost machines. The observation of venues losing machines was notably lower among respondents interviewed at clubs (51%).

Results were otherwise comparable between segments.

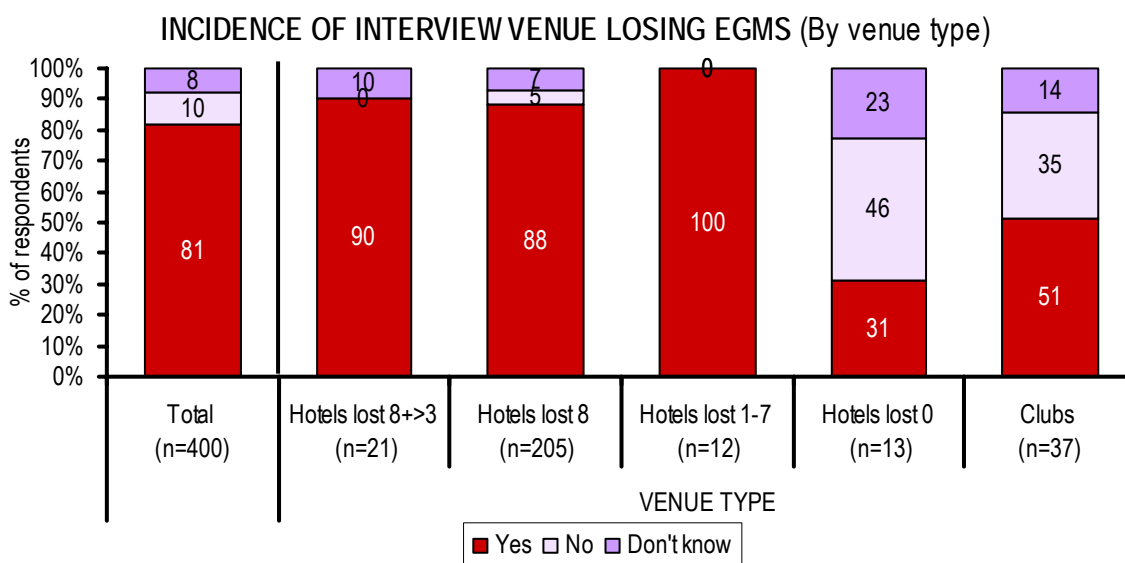


Figure 60. Incidence of interview venue losing EGMs, by venue type.

6.5 Perceived impacts of EGM reductions

6.5.1 Impacts on frequency

Of the 30 respondents who reported that the removal of machines in venues they frequent had changed their gambling behaviour, 18 said this had led to a slight decrease in the frequency of their gambling, whilst 6 recorded a large decrease. Only one respondent reported an increase in their gambling behaviour.

Given the small sample size obtained for the two questions focusing on the impacts on gambling frequency, it is difficult to draw any statistically valid conclusions from these results, however, it appears that the reported effects of removal of machines in general are similar to those that relate specifically to the venue at which respondents were interviewed. Most respondents reported a decrease of some degree (mostly a slight decrease), with few reporting an increase (1 respondent when looking at frequency impacts in general, 2 when focusing on the venue at which the interview was conducted).

Table 14: Perceived impact on playing frequency

Perceived impact of reduction in EGM numbers on playing frequency	Numbers of respondents (out of n=30)	
	Effect of removal of machines in general	Effect of removal of machines at interview venue



Large decrease	6	7
Slight decrease	18	10
No change	3	9
Slight increase	0	1
Large increase	1	1
Can't say/ not sure	2	2

6.5.2 Impacts on time and money spent

Of those reporting a change in their gambling behaviour since the reduction in EGMs, over a third had not noticed any changes with regard to the amount of time and money they spend at a venue when gambling (12 of 30 noticed no change with regard to time spent, and 14 of 30 noticed no change with regard to the amount of money spent when gambling).

Among those who had noticed a change, findings were reasonably positive, with 14 of 30 reporting a decrease in the time they spend at the venue, and 13 of 30 a decrease in the amount of money they spend at the venue.



Table.15: Perceived impact on gambling time and spending

Perceived impact of reduction in EGM numbers on gambling time & spending	Numbers of respondents (out of n=30)	
	Impact on time spent gambling when visiting a venue	Impact on money spent on gambling when visiting a venue
Large decrease	7	7
Slight decrease	7	6
No change	12	14
Slight increase	1	0
Large increase	1	1
Can't say/ not sure	2	2

Of the 198 respondents who had found it harder to find a machine, 75% said that this had not helped them control their spending on EGMs at all. Given that only people aware that their venue had lost machines were asked this question, the sub-sample of problem gamblers answering this question is too small to enable reliable analysis of their responses.

In total, 22% of the respondents to this question reported that the reduction in the number of machines had helped them to some degree (17% said it had helped a bit, 5% quite a lot).

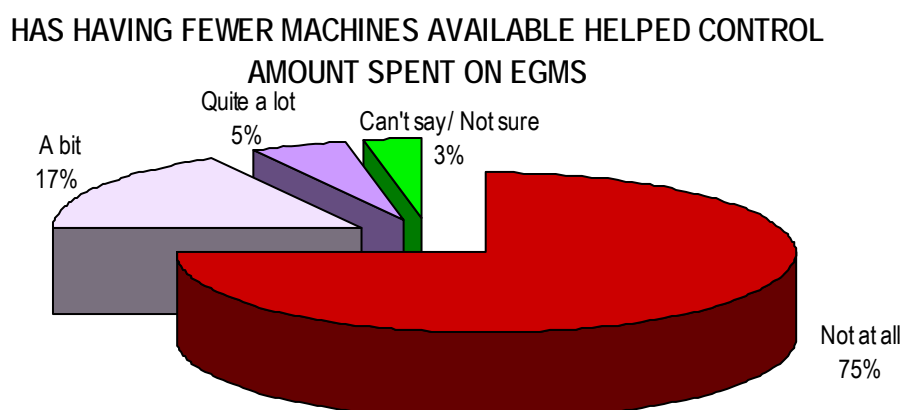


Figure 61. Perceptions on whether fewer machines has helped control spending

No clear patterns emerged between segments of the sample, however the following segments recorded responses that varied significantly to the total sample average:

- A notably higher proportion of 55-64 year olds reported that fewer machines had not helped them at all with regard to spending on EGMs (88% vs 75% total sample).
- A notably higher proportion of respondents who own their home reported that fewer machines had not helped them at all with their spending on EGMs (80% vs 75% total sample).

6.5.3 Impacts on resistance

For the most part, having fewer machines in venues was not perceived to have helped the respondents interviewed, with 67% saying that this never helps them in resisting the urge to gamble. This was particularly evident among 55-64 year olds (79% vs 67% total sample), however results were otherwise comparable between segments.



IMPACT OF FEWER MACHINES IN RESISTING THE URGE TO GAMBLE

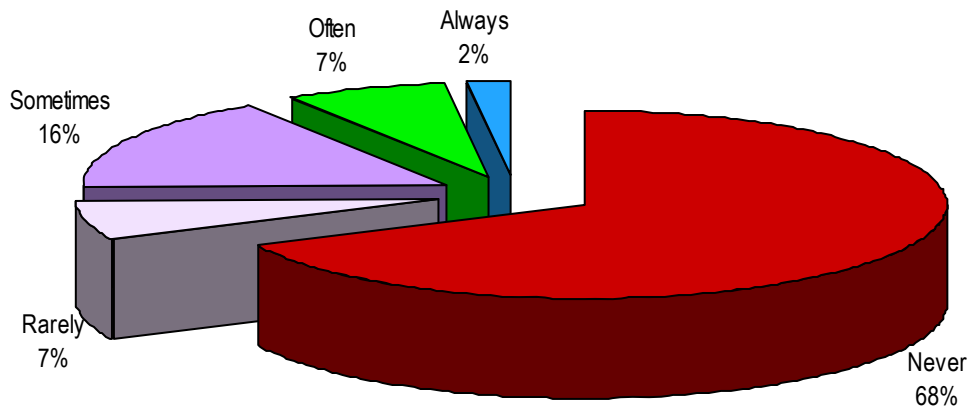


Figure 62. Impact of fewer machines in resisting the urge to gamble.

If all the machines in a venue are occupied, most respondents do not head to another venue (82% never or rarely doing this), whilst 8% will do so often or always if the machines are all taken.

The incidence of going to another venue if all the machines are taken was notably higher among respondents who reported an increase in their gambling behaviour in the past 12 months (20% often or always going to another venue if machines are all taken), and naturally, lower among respondents who reported a decrease in their gambling activity (3% often doing this, none always doing this).

INCIDENCE OF GOING TO ANOTHER VENUE IF ALL MACHINES TAKEN

(By self-reported increase/decrease in playing EGMs in past 12 months)

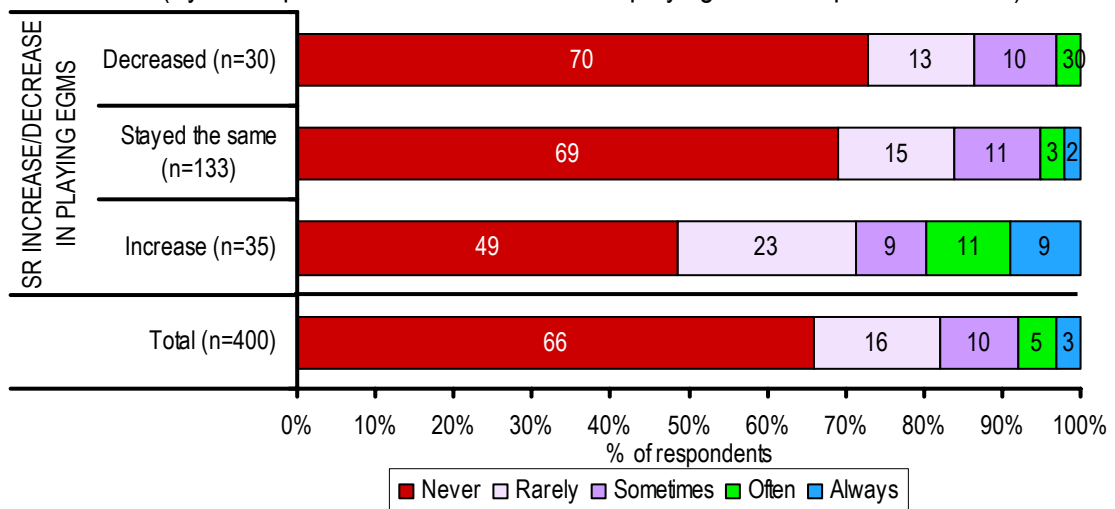


Figure 63. Incidence of venue change if all EGMs taken, by self-reported change in playing.

Results were otherwise comparable between segments.



6.5.4 Impacts on opportunities

Approximately half (49%) of the total sample had never, or rarely, had difficulty finding a machine that isn't taken in the past 12 months, whilst 32% had sometimes experienced trouble with this, and 18% had often or always encountered this.

The reduction in the number of EGMs appears to have affected weekend players more so than weekday players, with 25% of respondents interviewed on a Saturday or Sunday reporting they often or always have difficulty finding a machine (vs 15% of mid-week gamblers, and 18% of Monday or Tuesday gamblers).

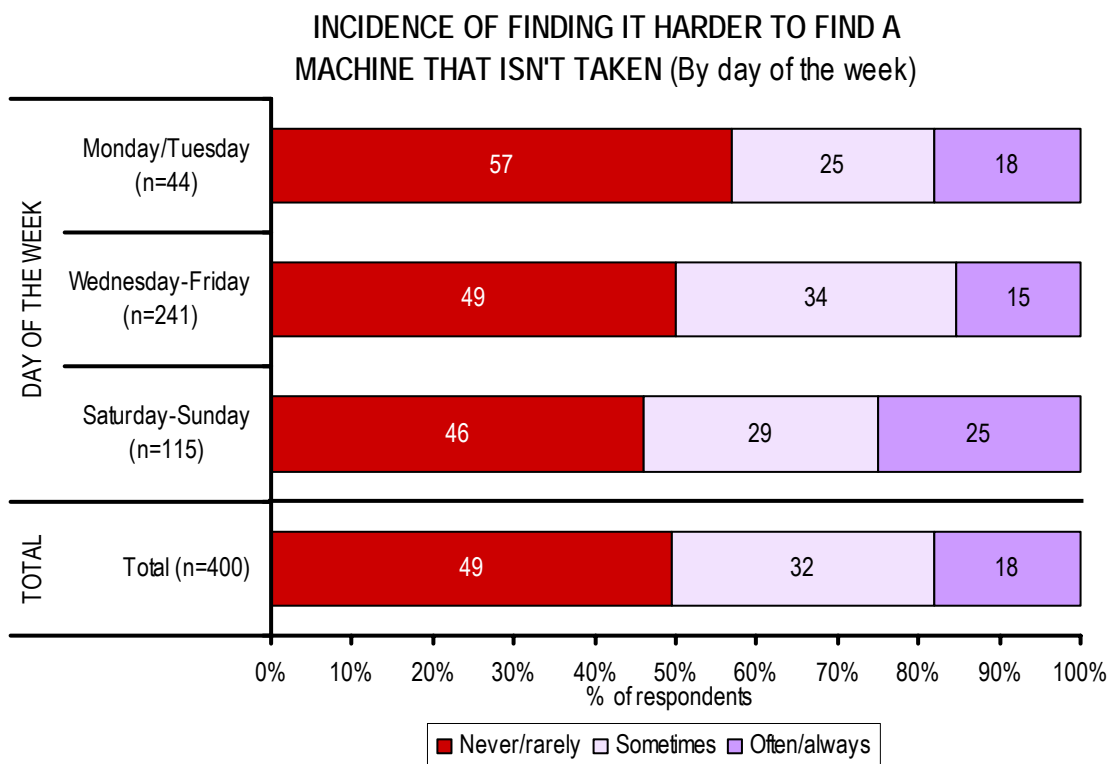


Figure 64. Incidence of finding it harder to find a vacant machine, by day of the week.

Full-time workers also seem to have been affected by the reduction in the number of machines, with a notably higher proportion of these respondents reporting they often or always have trouble finding a machine that is not taken (24%) in comparison to just 10% of part-time workers. Possibly, part-time workers are able to frequent venues during the days of the week that are less busy, namely weekdays, rather than weekends, which is most likely the times when full-time workers are looking to play EGMs.

Interestingly, males appear to have had less trouble finding a machine than females, with a notably higher proportion of males reporting they never have trouble finding a machine (30%) in comparison to 21% of females. Comparatively, 20% of females say they *often* have trouble finding a machine, whereas just 13% of men said this.

Just over half (53%) of the 198 respondents who reported a loss of machines at venues they frequent said that the loss of machines had never provided them with fewer opportunities to gamble, whilst 10% said that this rarely happens. One quarter however, did say that sometimes, having fewer machines has provided fewer opportunities for them to gamble, and 12% that this has often or always helped them. Where segmentation was statistically reliable ('n' equal to or greater than 30), results were comparable between segments.



INCIDENCE OF FEWER MACHINES PROVIDING FEWER OPPORTUNITIES TO GAMBLE

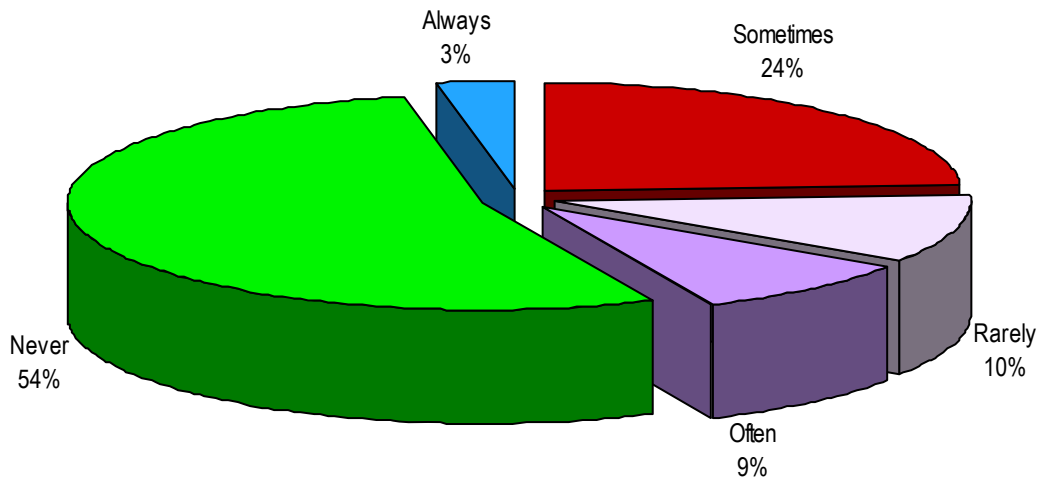


Figure 65. Incidence of fewer machines providing fewer opportunities to gamble.

Approximately 41% of those reporting a loss of machines from venues that they frequent, believe that the less popular machines were taken out of venues, and more popular ones remained in venues.

A notably higher proportion of respondents with a household income of \$20,000 or less believe that less popular machines were removed (51%) in comparison to those earning \$20,001 to \$60,000 (32%).

PERCEPTION THAT VENUES TOOK OUT LESS POPULAR MACHINES

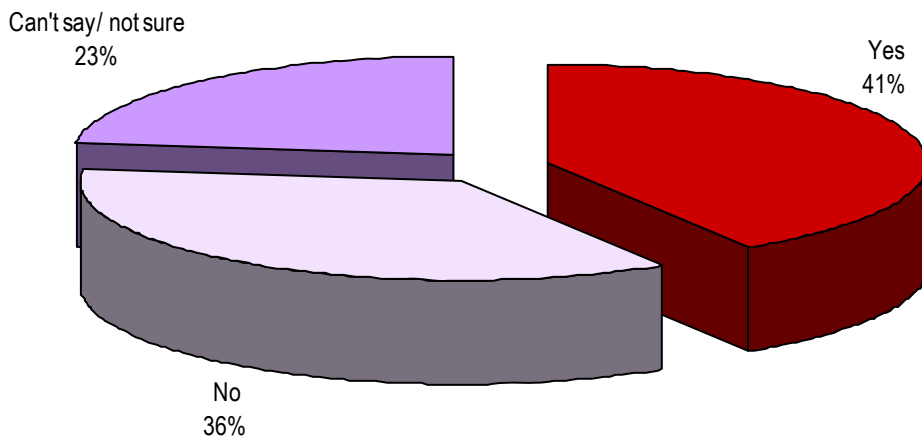


Figure 66. Proportion perceiving that venues took out less popular machines.



6.5.5 Overall perceptions of EGM reduction

Three-quarters of all respondents do not believe that reducing the number of EGMs has helped problem gamblers. A further 14% said it may have helped a bit, 6% said it had helped quite a lot and 5% were unsure.

Results varied considerably between the demographic segments explored.

Firstly, as age increases, the tendency to believe that reducing the number of EGMs has not helped also increases, as illustrated in the graph below. More specifically, 43% of 18-24 year olds believe that reducing the number of machines has helped problem gamblers 'a bit', whereas a lesser proportion (35%) believe it has not helped at all. Comparatively, from the next oldest age bracket onwards, the proportion believing that the reduction has not helped at all jumps significantly, peaking at 85% amongst those aged 55 to 64 years.

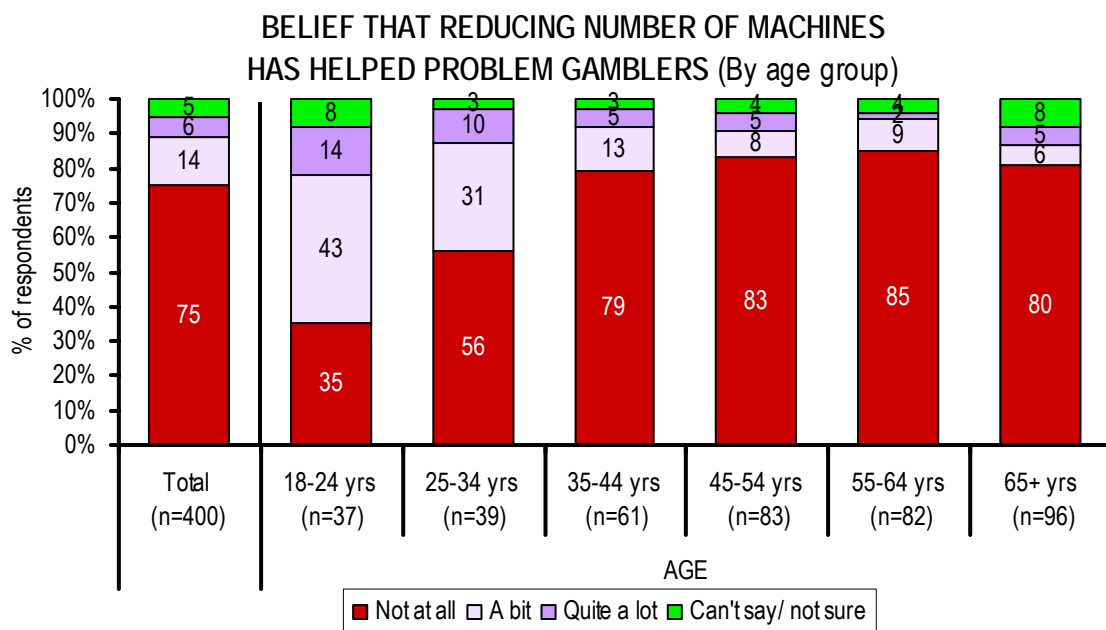


Figure 67. Perception that reduction has helped problem gamblers, by age.

The perceived impact of reducing EGM numbers also varied based on respondents' self reported change in EGM usage. Respondents who reported a decrease in their own playing of EGMs were notably more likely to feel that the reductions had helped a bit (22%) in comparison to 13% of those who reported an increase in their own playing, and 12% whose playing had stayed the same.

Further to this, 27% of respondents who had played for less than 12 months at the venue where they were interviewed believed that the reductions had helped a bit, a significantly higher proportion than those who had played at the venue for more than 12 months (13%).

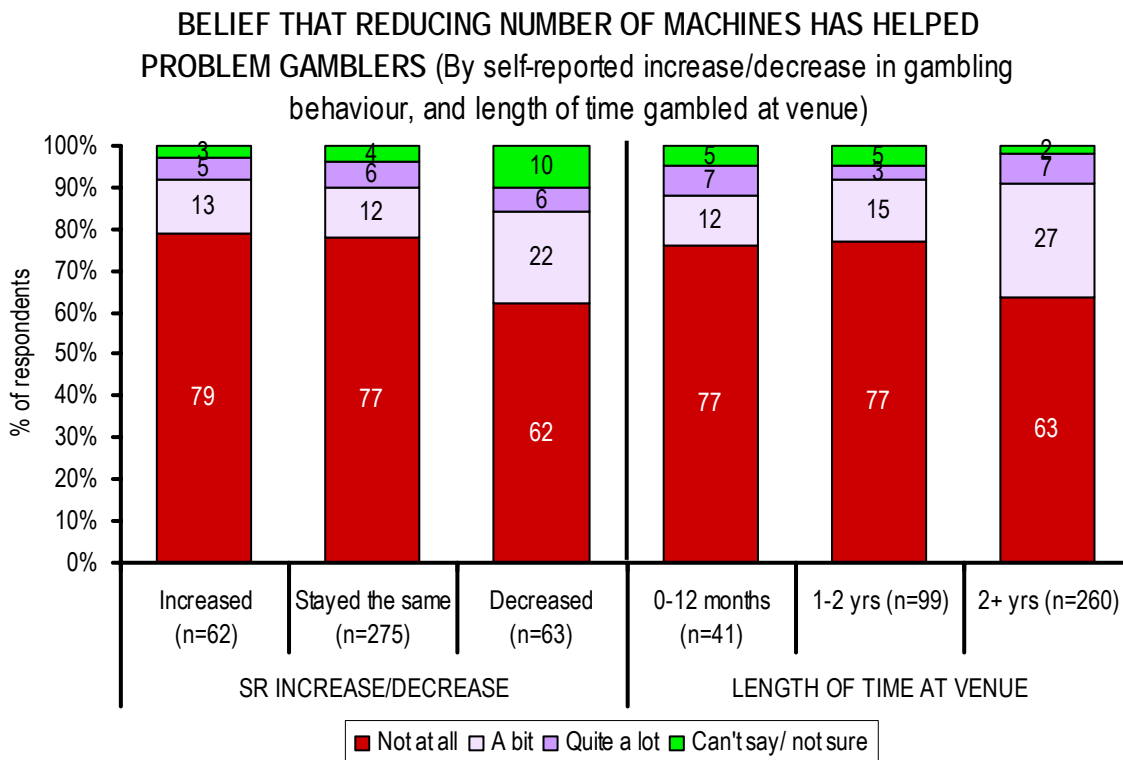


Figure 68. Perception that reduction has helped problem gamblers, by self-reported change in gambling behaviour and length of time gambled at venue.

Interestingly, respondents who were aware of the relevant law changes and gambled at venues that lost EGMs, were notably more likely to report that the reduction in machines had not helped problem gamblers at all (80% vs. 54% of respondents who were unaware of the changes). Conversely, respondents unaware of the changes were more likely to think the reductions had helped quite a lot (12% vs 3% those aware and gambling at venues that lost machines).

Mid-week gamblers (Wednesday-Friday) were also more likely to believe the reductions had not helped problem gamblers at all (81% vs 57% of Sunday gamblers).

The majority (81%) of respondents perceiving that the reduction has not helped provided reasons to justify their belief. The most common reason was the belief that some people are addicted to gambling, and regardless of what action is taken by venue owners, the Government or other bodies involved in gambling, nothing can help EGM addicts (52%). Another common reason was that EGM players who find all the machines in a venue are occupied will just go somewhere else to play (31%), or will wait for a machine to be free at the venue they first go to (18%). A number of other reasons were given by smaller, yet noteworthy proportions of the sample; including:

- If they want to gamble they'll find a machine (12%).
- There is always at least one machine free (9%).
- Problem gamblers will put more money into higher value machines, or spend more money on one machine once they can get access to it (8%).

Among the 15% of respondents who saw the EGM reduction as a helpful initiative, 11% reasoned that if there are fewer machines available, potential gamblers will be less likely to play if there are no free machines, and a smaller 2% thought that any reduction in the number of EGMs had to be a good thing.

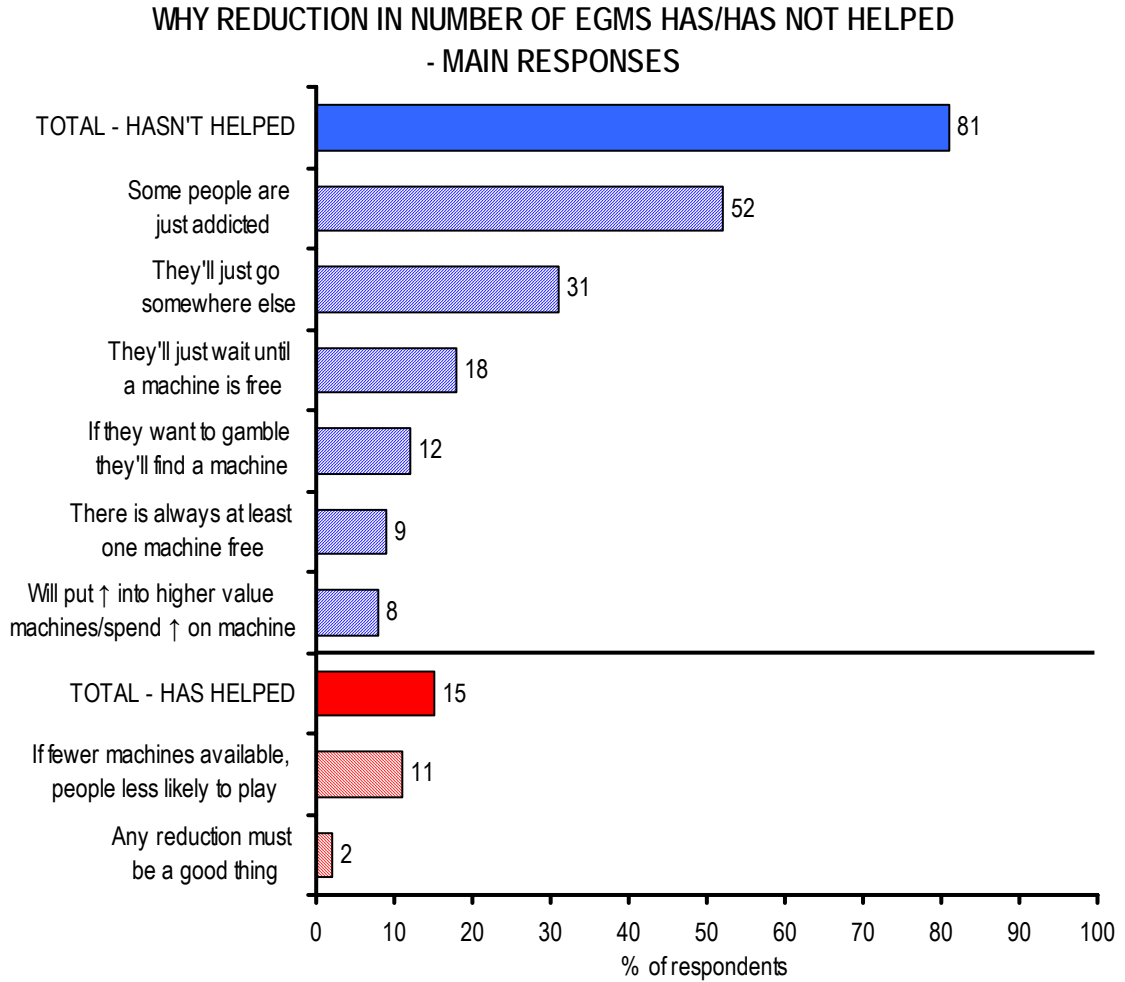


Figure 69. Why reduction in number of EGMs has/has not helped.



7. DISCUSSION



7.1 Self-reported changes relating to 2004 Amendments

The results of this evaluation suggest that the removal of just over 2000 machines during 2005 has had generally very little impact on problem gambling in South Australia. Although most regular gamblers who were interviewed as part of this project were aware of the 2004 Amendments and had noticed the changes within venues, the vast majority did not believe that the removal of machines had influenced their gambling, or was a particularly effective way of reducing problem gambling in others. Around 50% of players indicated that they had experienced difficulties obtaining a machine on which to play, but (for the most players) the reduction had not affected the frequency with which they gambled, how much time and effort they expended, or their ability to control their gambling. These views were obtained both from the focus group investigations involving problem gamblers as well as in the interviews conducted with regular EGM players.

Instead, focus group respondents indicated that a more critical factor was the availability and accessibility of venues rather than the number of machines within each venue. It was argued that a reduction in the number of venues would be potentially a more useful harm minimisation strategy because it was still currently very difficult to find places in Adelaide where there was no poker machine venue very close by. It was suggested that a smaller number of destination-style venues would be more helpful to reduce problem gambling than the continued existence of very large numbers of gaming venues in almost every area.

7.2 Geographical Accessibility and Gambling

In a sense, these views expressed by problem gamblers are generally consistent with the views of the Independent Gambling Authority in its 2003 Inquiry report into the management of machine numbers. As the Authority pointed out: the expressed intention of the reduction in gaming machine numbers and the introduction of trading rounds was to achieve a reduction in the number of venues. However, it is clear from the responses of gamblers that the current reduction was considered insufficient. The number of venues has decreased by only 3% in South Australia, so that the vast majority of areas have approximately the same number of gambling venues as before.

The survey of regular gamblers supported the view that there continues to be a connection between the geographical accessibility of gaming machines and gambling behaviour. Consistent with the previous findings of Delfabbro (2003) and other studies (e.g., Marshall & Baker, 2002) that have found a significant association between EGM expenditure and the prevalence of EGMs, most gamblers (6 in 10) reported that they gambled within 4 kilometres of where they lived, with an additional 8% not even having to drive at all. Moreover, when gamblers were asked why they chose particular venues, the location in relation to their home was the most strongly endorsed response (two-thirds of respondents), and this percentage was highest of all amongst those who gambled on EGMs on a daily/most days basis. 90% of daily/most days gamblers reported travelling less than 4 kilometres or that they usually walked to their preferred EGM venue.



7.3 *Effects of Machine Reductions within Venues*

As reported by a number of gamblers both within the focus groups and in the intercept interviews, the removal of machines has not had a substantial effect on the behaviour of gamblers because there are still many machines still available in venues. Since many machines were not fully utilised anyway at most times in the day, the removal of a few machines was not sufficient to reduce people's opportunity to gamble. Some respondents also indicated that older machines (often 1¢ machines) had been removed, often to be replaced with \$1 machines on which gamblers had the potential to spend even larger amounts of money in a shorter time. In support of these perceptions, our analysis of venue EGM data, showed that venues that had lost machines had not shown any obvious loss of revenue. On the whole, patrons appeared to be spending approximately the same amount of money, but on fewer machines, so that the average net expenditure per machine had increased in many venues. Nevertheless, a comparison of clubs with a full complement of 40 machines and hotels that had lost 8 of their 40 machines showed that the rate of growth in gambling expenditure was smaller than for hotels, suggesting that the removal of machines had possibly curtailed the rate of growth in expenditure, even if it had not reduced the overall, or absolute level of expenditure.

7.4 *Changes in EGM Expenditure*

After a period of steady growth over the first 12 years of their introduction, the rate of growth in EGM revenue has generally been decreasing over the last 3-4 years from 11% in 2000-2001 down to 3.5% in 2004-2005. Whether a similar decrease in this rate would have occurred despite the removal of over 2000 machines in 2005 remains unknown, but it is clear that the growth of expenditure (for whatever reason) has reached an almost asymptotic level (almost 0%) by the end of the 2005 financial year.



APPENDIX 1: PRIMARY RESEARCH METHODOLOGY



A1.1 Focus groups

A recent 2005 Prevalence Study conducted by Harrison Health Research for the S.A. Department for Families and Communities and the Independent Gambling Authority had identified a number of problem gamblers and they had been asked if they could be contacted for follow-up research. Those who had given permission were subsequently invited to participate in one of several group discussions on the topic of advertising designed to assist problem gambling to seek help. These discussions were conducted by Harrison Health Research on behalf of Health Promotions SA.

While the main topic was advertising, the gamblers had volunteered considerable information about their gambling habits and the drivers and barriers to gambling and/or stopping/reducing their gambling. With permission from Health Promotions SA, the recordings of these groups were reviewed for this study, with the objective of drawing out any information relevant to the 2004 Amendment.

The gamblers taking part in those groups who were regular EGM players were subsequently invited to take part in new discussions, specifically for this project. Two discussions were held, at Harrison's premises at Kent Town, in early June 2006.

Section 5 of this report combines the results of the review of the initial discussions with the results of the subsequent, more targeted groups.

A copy of the moderator's guide is provided in Appendix 2.

A1.2 Quantitative survey

In July 2006, a face-to-face survey was conducted with 400 regular EGM players, at venues distributed across metropolitan Adelaide and near urban areas, such as Mt Barker and Victor Harbor.

With the assistance of the Australian Hotels Association and Clubs SA, who each advised their members about the study and encouraged them to participate, a range of for-profit and not-for-profit venues were approached by Harrison Health Research, with a view to gaining permission for Harrison's personnel to interview regular EGM players as they left the gaming area.

The venues participating included not-for-profit venues (which lost no machines) and for-profit venues, including a range of those which had lost 8 machines, 1-7 machines and 0 machines. Harrison Research would like to thank those venues that took part for their cooperation and assistance in this task.

Players leaving the EGM area were approached for interview and screened to ensure only those who played regularly (defined for this study as at least fortnightly) were included in the sample. The interviews took 20 minutes on average and respondents received an incentive in the form of a \$30 Coles-Myer voucher for their participation.

A copy of the survey instrument is provided in Appendix 2.



APPENDIX 2: RESEARCH INSTRUMENTS



A2.1 Qualitative focus groups discussion guide

Background: "In these groups we will be talking about poker machines, venues and whether any changes that venues may have made in recent times have had any impact on your playing."

-
- Firstly, go around the table and get everyone to introduce themselves...
 - first name
 - occupation.

We covered some of this last time you were here, but I'd like to get a better understanding of how people gamble on the pokies.

- How long have they been playing pokies?
- What made them start? What was the situation - do they remember what first made them want to try it?
- Where does pokie playing fit with other types of gambling - what started first, which takes precedence in their playing?
- Describe changes in gambling behaviour since they started playing pokies.
- How quickly did playing increase? Do they recall what influenced them to gamble more?
- How often do they play pokies in a typical week? How often do they gamble on other things?
- Describe the venues they visit - hotels/clubs? Large/small? Do they mainly play at one venue or at multiples?
- What triggers the choice of a venue?
- What changes have they noticed at the venues they visit over the past couple of years? Changes in machine numbers? Changes in machine types?
- If changes noticed: what triggered the changes?
- Are they aware of changes to the law governing the numbers of machines? What do they know about them?
- Explain changes if necessary.
- Did this happen at any of the hotels at which they usually gamble? What was their reaction to this?
- Do they think that the reduction has changed the way they gamble? For example, has it made it harder to find a machine? Do they gamble differently when they go out? Do they spend as much each visit? Overall spending changed?
- Do they think that reducing machines has or would influence how problem gamblers might gamble?
- If so, in what ways? For example, has/would it influence how often people gamble on poker machines or how much they spend?
- Specifically: Did the removal of machines influence their decision to gamble at particular venues?



- Would they go elsewhere to play if it was hard to get a machine? Or a particular type of machine?
- What types do they like/dislike?
- Is there anything that would have prevented the increase over time in playing pokies? Why do they say that?
- Apart from removing pokies completely, what would most influence them to reduce their gambling on pokies?

A2.2 Questionnaire

(see overleaf)

**IGA INTERCEPT SURVEY ~ JUNE 2006 p/n - 7511**

Good morning/afternoon/evening, my name is ... from Harrison Research. We are conducting a study on behalf of the Independent Gambling Authority (the IGA), about playing poker machines.

SCREEN 1: Is this a regular pokie venue for you? _ IF NO, THANK & TERMINATE. IF YES, CONTINUE_

SCREEN 2: Would you say you play pokies here less than half the time, or half the time or more? _IF LESS THAN HALF THE TIME, THANK AND TERMINATE. OTHERWISE CONTINUE_

SCREEN 3: How often do you play poker machines?

- 1 Daily/most days
- 2 2-3 times a week
- 3 About once a week
- 4 2-3 times a month
- 5 No more than once a month _THANK, TERMINATE & KEEP TALLY_

The survey will take about 20 minutes to go through. As a thank you for taking part, you will receive a \$30 Coles Myer gift card.

IF THEY'RE HESITATING BECAUSE OF TIME We do need to get opinions from as wide a cross-section as possible, and would really appreciate it if you could spare us some time.

Thank you.

1. Firstly, which of the following types of gambling have you taken part in over the past 12 months? _SHOW CARD 1 AND READ OUT - MULTIPLE RESPONSE_
 - 01 Played poker machines or electronic gaming machines
 - 02 Bet on horse or greyhound races, excluding sweeps
 - 03 Played instant scratch tickets
 - 04 Played Lotto or any other lottery game like Powerball, Pools, Super 66, or Lottery
 - 05 Played Keno
 - 06 Played table games at a Casino such as Blackjack or Roulette
 - 07 Played bingo at a club or hall
 - 08 Bet on a sporting event like football, cricket or tennis
 - 09 Played games like cards or mah-jongg, privately for money, at home or any other place
 - 10 Gambled on the Internet
 - 11 Gambled via Pay TV
 - 12 Played any other gambling activity, excluding raffles or sweeps

2. You said earlier that you play pokies at least once a fortnight. How many times a week or month do you play poker machines?
 - 1 Enter number of times per week ...
 - 2 Enter number of times per month ...



3. **What factors influence where you choose to play poker machines?** *_UNPROMPTED, MULTIPLE_*
- 01 Close/convenient to home
 - 02 Close/convenient to work
 - 03 Close/convenient to ... *SPECIFY*
 - 04 On way home from work
 - 05 Lots of machines so no queuing
 - 06 Lots of machines so I can vary playing
 - 07 Not too many machines so venue less crowded/popular
 - 08 Has more than one machine with the game(s) I like
 - 09 Clean
 - 10 Not too smoky
 - 11 Pleasant staff
 - 12 My friends go there
 - 13 Other - *SPECIFY*
 - 14 It varies
 - 15 Can't say
4. **Why do you choose this particular venue?** *_UNPROMPTED, MULTIPLE_*
- 16 Close/convenient to home
 - 17 Close/convenient to work
 - 18 Close/convenient to ... *SPECIFY*
 - 19 On way home from work
 - 20 Lots of machines so no queuing
 - 21 Lots of machines so I can vary playing
 - 22 Not too many machines so venue less crowded/popular
 - 23 Has more than one machine with the game(s) I like
 - 24 Clean
 - 25 Not too smoky
 - 26 Pleasant staff
 - 27 My friends go there
 - 28 Other - *SPECIFY*
 - 29 It varies
 - 30 Can't say
5. **How far from your home do you normally travel to play poker machines?**
- 1 0-4km
 - 2 5-9 km
 - 3 10-14 km
 - 4 15-19 km
 - 5 20+ km
 - 6 Don't travel from home to play
 - 7 Not sure/don't know
 - 8 Refused
6. **At which of these venues do you play poker machines in South Australia?** *_SHOW CARD 2 & READ OUT 1-4, MULTIPLE RESPONSE_*
- 1 Hotels or pubs
 - 2 Clubs
 - 3 Sky City Casino
 - 4 Elsewhere - *SPECIFY*



- 5 Don't know
6 Refused
7. *FOR EACH VENUE IN Q6:* Based on how often you play at each venue, what percentage of your pokie playing is at:
..... % at Hotels or pubs
..... % at Clubs
..... % at Sky City Casino
..... % at elsewhere
8. Over the last 12 months, has the number of times you play pokies increased, decreased or stayed the same? Has it.....? READ OUT
1 Increased a lot
2 Increased a little
3 Stayed the same / no change - *GO TO Q10*
4 Decreased a little
5 Decreased a lot
9. *IF INCREASED/DECREASED:* Why is that? *_UNPROMPTED, MULTIPLE RESPONSES_*
01 Fewer machines available
02 Gaming rooms more crowded
03 Can't get my favourite machines
04 Fewer convenient venues
05 Made conscious effort to reduce play
06 Other - SPECIFY
07 Can't say
10. How long have you been playing poker machines at this venue?
1 2+ years
2 1-2 years
3 6-12 months
4 3-6 months
5 Less than 3 months
11. Have you noticed any changes to the number of poker machines at this venue (*IF PLAYED THERE 1+ YRS:* over the past 12 to 18 months)? *_UNPROMPTED, MULTIPLE RESPONSES_*
1 Fewer machines due to legislation
2 Fewer machines (other reason given) - SPECIFY
3 Fewer machines
4 Older machines taken out & replaced with newer ones
5 Extra machines added
6 Other - SPECIFY
7 Not noticed any changes
12. Were you were aware before now of a change to the law which removed some gaming machines from some venues in South Australia?
1 Yes - aware
2 No - not aware - *GO TO Q21*
3 Not sure - *GO TO Q21*



13. Can you tell me what the changes were? *_UNPROMPTED, MULTIPLE RESPONSES_*
- 01 Maximum machines from 40 to 32
 - 02 Some hotels lost only a few machines
 - 03 Some hotels lost none
 - 04 Clubs lost no machines
 - 05 Some hotels lost machines
 - 06 All hotels lost machines
 - 07 Other - SPECIFY
 - 08 Don't know
14. Did any venues at which you gamble lose poker machines?
- 1 Yes
 - 2 No *GO TO Q21*
 - 3 Don't know *GO TO Q21*
15. Did this venue lose any poker machines under these changes?
- 1 Yes
 - 2 No
 - 3 Don't know
16. Thinking about venues at which machines were removed, has this changed how often you gamble?
- 1 Yes
 - 1 No *GO TO Q21*
 - 2 Don't know *GO TO Q21*
17. What effect, if any, has the removal of the machines had on how often you gamble on poker machines? *_READ OUT 1-5_*
- 1 Large decrease
 - 2 Slight decrease
 - 3 No change
 - 4 Slight increase
 - 5 Large increase
 - 6 Can't say/ Not sure
18. What effect, if any, has the removal of the machines had on how often you gamble on poker machines at this venue? *_READ OUT 1-5_*
- 1 Large decrease
 - 2 Slight decrease
 - 3 No change
 - 4 Slight increase
 - 5 Large increase
 - 6 Can't say/ Not sure
19. What effect, if any, has the removal of the machines had on how much time you spend gambling on poker machines when you visit a venue? *_READ OUT 1-5_*
- 1 Large decrease
 - 2 Slight decrease
 - 3 No change
 - 4 Slight increase
 - 5 Large increase



- 6 Can't say/ Not sure
20. What effect, if any, has the removal of the machines had on how much money you spend gambling on poker machines at a venue? *_READ OUT 1-5_*
- 1 Large decrease
 - 2 Slight decrease
 - 3 No change
 - 4 Slight increase
 - 5 Large increase
 - 6 Can't say/ Not sure
21. Over the last 12 months have you found it harder to find a machine that isn't taken? *_READ OUT 1-5_ _SHOW CARD 3_*
- 7 Never *[GO TO Q27]*
 - 8 Rarely *[GO TO Q27]*
 - 9 Sometimes
 - 10 Often
 - 11 Always
 - 12 Can't say/ Not sure *[GO TO Q27]*
22. Has having fewer machines helped you resist the urge to gamble? *_READ OUT 1-5_ _SHOW CARD 3_*
- 1 Never
 - 2 Rarely
 - 3 Sometimes
 - 4 Often
 - 5 Always
 - 6 Can't say/ Not sure
23. Has having fewer machines provided fewer opportunities for you to gamble? *_READ OUT 1-5_ _SHOW CARD 3_*
- 1 Never
 - 2 Rarely
 - 3 Sometimes
 - 4 Often
 - 5 Always
 - 6 Can't say/ Not sure
24. How often do you go to another venue if all machines are taken at this venue? *_READ OUT 1-5_ _SHOW CARD 3_*
- 1 Never
 - 2 Rarely
 - 3 Sometimes
 - 4 Often
 - 5 Always
 - 6 The machines are never all taken
 - 7 Can't say/ Not sure
25. Do you believe that having fewer machines has helped you control how much you spend on poker machines? *_READ OUT 1-3_*
- 1 Not at all
 - 2 A bit



- 3 Quite a lot
4 Can't say/ Not sure
26. Do you think that venues only took out less popular machines?
1 Yes
2 No
3 Can't say/ Not sure
27. ASK ALL To what extent, if any, do you think that removing machines has helped people who might be experiencing problems with their gambling? READ OUT 1-3
1 Not at all
2 A bit
3 Quite a lot
4 Can't say/ Not sure
28. Why do you think it has helped/not helped?
RECORD VERBATIM
29. Do you take breaks from gambling for any of the following reasons? READ OUT 1-5, MULTIPLE RESPONSE
1 Eat
2 Drink
3 Smoke
4 Toilet
5 Talk with friends
6 Other - *SPECIFY*
7 Don't know/can't remember
8 Refused
30. In the last 12 months, how often have you used plastic cards at hotels or gambling venues to withdraw money from savings or cheque accounts for gambling? READ OUT 1-5, SHOW CARD 3
1 Never
2 Rarely
3 Sometimes
4 Often
5 Always
6 Refused
31. When you gamble, do you withdraw money before you gamble? READ OUT 1-5, SHOW CARD 3
1 Never
2 Rarely
3 Sometimes
4 Often
5 Always
6 Don't know
7 Refused



32. When you gamble, do you withdraw money at the ATM at the venue? *_READ OUT 1-5_*
SHOW CARD 3
- 1 Never
 - 2 Rarely
 - 3 Sometimes
 - 4 Often
 - 5 Always
 - 6 Don't know
 - 7 Refused
33. When you gamble, do you withdraw money at the cashier? *_READ OUT 1-5_* *_SHOW CARD 3_*
- 1 Never
 - 2 Rarely
 - 3 Sometimes
 - 4 Often
 - 5 Always
 - 6 Don't know
 - 7 Refused
34. When you gamble, do you withdraw money using your credit card? *_READ OUT 1-5_*
SHOW CARD 3
- 1 Never
 - 2 Rarely
 - 3 Sometimes
 - 4 Often
 - 5 Always
 - 6 Don't know
 - 7 Refused
35. The next few questions ask about your personal experiences with gambling. Please give me an answer using the following scale: *SHOW CARD 3*
- 1 Never
 - 2 Rarely
 - 3 Sometimes
 - 4 Often
 - 5 Always
 - 6 Don't know/ can't remember/ refused

How often...

...in the last 12 months, have you bet more than you could really afford to lose?

...in the last 12 months, have you needed to gamble with larger amounts of money to get the same feeling of excitement?

...in the last 12 months, when you gambled, did you go back another day to try to win back the money you lost?

...in the last 12 months, have you borrowed money or sold anything to get money to gamble?

...in the last 12 months, have you felt that you might have a problem with gambling?

...in the last 12 months, has gambling caused you any health problems, including stress or anxiety?



...in the last 12 months, have people criticised your betting or told you that you had a gambling problem, regardless of whether or not you thought it was true?

...in the last 12 months, has your gambling caused any financial problems for you or your household?

...in the last 12 months, have you felt guilty about the way you gamble or what happens when you gamble?

36. Now on a scale of 1 to 10, where 1 means you feel your gambling is not a problem and 10 means you feel your gambling is a serious problem, how would you rate your gambling right now? *_RECORD AS NUMBER 1-10, D FOR DON'T KNOW, R FOR REFUSED_*

DEMOGRAPHICS

Lastly some demographic questions so we can classify our results.

37. *_RECORD GENDER_*

- 1 Male
- 2 Female

38. What year were you born? *_RECORD AS NUMBER (e.g. 1945, 1980 etc), D FOR DON'T KNOW, R FOR REFUSED)*

39. What is your marital status? *_READ OUT 1-6_*

- 1 Married
- 2 Living with a partner
- 3 Separated
- 4 Divorced
- 5 Widowed
- 6 Never married
- 7 Refused

40. What is your work status? *_READ OUT 1-7 IF NECESSARY_ _SELF-EMPLOYED IS EITHER FULL OR PART TIME_*

- 1 Full time employed *[GO Q42]*
- 2 Part time employed *[GO Q42]*
- 3 Unemployed
- 4 Home duties
- 5 Retired
- 6 Student
- 7 Unable to work because of disability/ WorkCover/invalid
- 8 Other (specify)
- 9 Refused

41. Do you receive any of the following pension benefits? *_READ OUT 1-7, MULTIPLE RESPONSE_*

- 1 Aged/ widow's pension
- 2 Service or defence/ War widow's/Repatriation pension
- 3 Invalid/Disability pension
- 4 Unemployment benefit
- 5 Sickness benefit
- 6 Supporting parents benefit



- 7 AUSTUDY/student allowance]
- 8 Other (specify)
- 9 None
- 10 Refused

GO TO Q43

42. I would now like to ask you about your main job, that is, the one in which you usually work the most hours. What kind of work do you do?

43. The next question is about housing. Is your dwelling *_READ OUT 1-4_*

- 1 Owned or being purchased
- 2 Rented from the Housing Trust
- 3 Rented privately
- 4 Retirement village
- 5 Other (specify)
- 6 Refused

44. What is your country of birth?

- | | |
|--------------------------------|---|
| 01 Australia [<i>GO Q46</i>] | 20 Malaysia |
| 7 Austria | 21 New Zealand |
| 8 Bosnia-Herzegovina | 22 Philippines |
| 9 Canada | 23 Poland |
| 10 China | 24 Slovenia |
| 11 Croatia | 25 Spain |
| 12 France | 26 U.K. and Ireland |
| 13 Germany | 27 USA |
| 14 Greece | 28 Vietnam |
| 15 Holland / Netherlands | 29 Former Yugoslav Republic of Macedonia |
| 16 Hong Kong | 30 Former Yugoslav Republics of Serbia and Montenegro |
| 17 Iran | 31 Other country (specify) |
| 18 Italy | |
| 19 Japan | |

45. What year did you arrive in Australia? *_RECORD AS NUMBER (E.G. 1969, 1999, 2003, D FOR DON'T KNOW, R FOR REFUSED)_*

46. Do you consider yourself an Aboriginal / Torres Strait Islander?

- 1 Yes
- 2 No
- 3 Refused

47. What is the main language you speak at home?

- | | |
|--------------|--------------------|
| 01 English | 09 Greek |
| 02 Cambodian | 10 Italian |
| 03 Cantonese | 11 Polish |
| 04 Chinese | 12 Serbian |
| 05 Croatian | 13 Spanish |
| 06 Dutch | 14 Vietnamese |
| 07 Filipino | 15 Other (specify) |
| 08 German | |



48. Which best describes the highest educational qualification you have obtained? *_READ OUT 1-7_*
- 1 Still at school
 - 2 Left school at 15 years or less
 - 3 Left school after age 15
 - 4 Left school after age 15 but still studying
 - 5 Trade/Apprenticeship
 - 6 Certificate/Diploma
 - 7 Bachelor degree or higher
 - 8 Refused
49. Can you tell me the approximate annual gross income of your household? That is, for all people in the household before tax is taken out. I'll read out some categories and could you please tell me into which one your household's income falls? *_SHOW CARD 4_*
- | | |
|------------------------|------------------------|
| 01 Up to \$12,000 | 06 \$50,001 - \$60,000 |
| 02 \$12,001 - \$20,000 | 07 \$60,001 - \$80,000 |
| 03 \$20,001 - \$30,000 | 08 More than \$80,000 |
| 04 \$30,001 - \$40,000 | 09 Not stated/refused |
| 05 \$40,001 - \$50,000 | 10 Don't know |
50. All responses in this survey are strictly confidential. We often run focus groups and internet surveys at Harrison Research that you can be reimbursed for. Would you like to be included on our panel of participants to be contacted in the event that a focus group or internet survey takes place in the future?
- 1 Yes *_RECORD NAME AND PHONE NUMBER_*
 - 2 No

As some of the questions we have asked may have been distressing or caused some concern for some people, I would like to offer you a telephone number if you feel that you need to discuss some of these concerns with a qualified professional.

[Gambling Help Line 1-800-060-757]

[Adult Mental Health Services - 24 hour crisis and emergency assistance - 131-465]

That concludes the survey. For quality control purposes, my supervisor checks 10% of all my work. May I have your first name and a phone number, to be used just for that purpose?

On behalf of the IGA and Harrison Research, thank you very much for taking part in this survey.

GIVE THE RESPONDENT ONE \$30 COLES MYER GIFT CARD. COMPLETE THE FOLLOWING SECTION ONCE THEY HAVE LEFT, SO THEY ARE NOT KEPT WAITING

51. *_CODE HOTEL/LOCATION*

52. *_DATE OF INTERVIEW_*

- 1 Tuesday
- 2 Wednesday
- 3 Thursday
- 4 Friday
- 5 Saturday
- 6 Sunday
- 7 Monday

53. *_TIME OF INTERVIEW_*

- 1 11:00am - 4:00pm
- 2 4:01pm-9:00pm



APPENDIX 3: REFERENCES



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