



Proposals Summary

The following is a consolidated list of specific proposals that are given in the main body of this submission.

Proposal 1: Secondary level intervention programs should be adequately funded, specifically focusing on people with gambling problems who are not yet highly motivated to change their gambling behaviours.

Proposal 2: Evaluation processes must publish data at least annually, both to show what Break Even (and any other) services are achieving and to recommend or suggest improvements for service delivery. Evaluation of inputs, processes and outcomes is required to do this.

Proposal 3: a process be developed, with service providers, to accredit all funded problem gambling services and individual practitioners. This would include development of industry standards for service delivery and competency based training with monitoring of achievement of these industry standards

Proposal 4: An independent evaluation of program outcomes should be undertaken promptly and repeated in five years. The evaluation should include a survey of longitudinal data on client outcomes after one year and three years.

Proposal 5: A process should be initiated to accredit all funded problem gambling services and individual practitioners.

Proposal 6: The IGA should convene a stakeholders reference group that will provide a forum wherein a range of gambling program and regulation directions would be discussed and agreed upon, including utilizing rehabilitation experience in industry and regulatory practice.

Proposal 7: We propose that gambling rehabilitation service providers are supported by a paid development officer who would be located with SACOSS.

Proposal 8: We propose that the agency employing the person elected as chair of the Break Even network (or similar) should be provided with funding to ensure that the position does not result in diminution of service delivery.

This submission is structured to respond to topics given in the IGA's "Guide for Making Submissions and addresses the topics in the order listed in the guide

Terms of reference

The terms of reference for this inquiry are.

1. General Scope

1.1 The Authority must report on the effectiveness of each gambling rehabilitation program conducted or funded (wholly or partly) by the Government of South Australia.

1.2 In designing its process and its reporting for this inquiry, the Authority must take into account that a purpose in commissioning this inquiry is to enable the Minister to comply with section 91 of the Gaming Machines Act 1992.

4.1 Submitter profile

Background to the Taskforce

In 1998, the Anglican Synod in South Australian passed a resolution requesting the SA Heads of Christian Churches to act on behalf of Christian Churches about the growing concern associated with problem gambling.

The SA Heads of Christian Churches agreed that problem gambling was a significant social concern and that there was a pastoral concern emanating from churches, which required a clear and compassionate response.

The SA Heads of Christian Churches Interchurch Gambling Taskforce (GTF) was established in 1999 with each denomination able to nominate representatives. The current GTF includes representatives from Catholic, Anglican, Lutheran, Baptist and Uniting churches and the Salvation Army. The Chair is Mark Henley, and the spokesperson is Helen Carrig.

Taskforce Activities

Since establishment, the Taskforce has played a significant role in implementing a range of public education and policy initiatives, which include:

- assisting parishioners to respond to problem gambling circumstances that they encounter.
- recommending a coordinated government response to problem gambling focusing on harm minimization.
- active support for the establishment of an Independent Gambling Authority.
- submissions to a number of codes of practice inquiries.
- preparation of submissions and the presenting of evidence to inquiries associated with gaming machine numbers in South Australian.
- establishing a website that assists churches and the general public in staying in touch with current gaming issues and problem gambling issues.
- active media presence to raise concerns and to recommend constructive responses.
- submissions to Commonwealth Government inquiries related to problem gambling.(eg: review of the Internet gambling arrangements)
- extensive bilateral and multilateral negotiations with gambling industry sectors.

The Taskforce is not a service provider, although some members of the Taskforce work or have worked for agencies that to provide services. However the Taskforce has very constructive working relationship with a number of Break Even services, and is represented on the Gamblers Rehabilitation Fund (GRF) by Mark Henley.

Although the Taskforce is not responding to all questions posed by the IGA in this inquiry, we feel we have a significant contribution to make in regard to some key topics.

4.2 What submissions might address

4.2.1 Generally

Submissions might address the following.

- (1) what you or your organisation think makes an .effective. program;*

For the purposes of this inquiry, the Taskforce states its understanding of the following key terms as follows:

Program: this refers to a suite of services provided through an identified funding allocation program with the intended outcomes being the reduction of problem gambling. We understand that there are four programs funded to reduce problem gambling in South Australia, all of which are funded through the gamblers rehabilitation fund, before programs are:

Primary Intervention programs:

- Public education programs

Secondary Intervention Programs

- Gambling Helpline
- Community education

Tertiary Intervention programs

- Break Even services

An effective program is one in which primary, secondary and tertiary interventions are provided and supported by interagency or wider resources, (eg Gambling Helpline underpins tertiary services.)

A particular issue rests with the categorization of Break Even services as a tertiary intervention. Research from Nova Scotia indicates that most problem gamblers who succeed in regaining control of their gambling or stop gambling altogether do so with the primary support of their family members. In other words, most problem gamblers will never access a tertiary program. Indeed, of the estimated 25000 people in SA significantly affected by problem gambling each year, only 3000 access Break Even Services and most of these are repeat visitors. Hence, less than 10% of problem gamblers seek formal help. The implication of this is that secondary intervention programs, which target and cater to family and friends of problem gamblers, should be strongly resourced; this funding should not be strictly reserved for tertiary intervention services.

Currently, tertiary and primary services are the programs with the majority of resources. By catering to the family members and friends of those with gambling problems, appropriate secondary intervention services engage and empower those who are most impacted by problem gamblers and who are, simultaneously, most able to affect change. At the least, such secondary intervention programs should receive equal amounts of funding as tertiary intervention programs, which instead focus on problem gamblers who are not yet highly motivated to change.

Proposal 1: Secondary level intervention programs should be adequately funded, specifically focusing on people with gambling problems who are not yet highly motivated to change their gambling behaviours.

Service: this refers to a set of specific activities undertaken by an individual agency that receives funding from a (funding) program, most commonly the Gambler's Rehabilitation Fund.

Consideration of effectiveness criteria needs to occur at two levels: the funding program and the individual service. We will focus on the overall funding program.

The overarching criteria for program effectiveness are that it meets established outcomes. In the instance of gambling rehabilitation programs, an effective program is one where the harm related to (problem) gambling is minimised. This would be indicated by factors such as:

- Reduced levels of gambling spending by problem gamblers receiving counseling.
- Population health strategies to increase awareness of the risks of gambling in the community.
- Better enforcement of regulation of the gambling industry to prevent the incidence of problem gambling.
- coordination of tertiary services to help problem gamblers.
- orientation of services to populations of significant risk (eg young people, cultural communities).
- reduced turnover related to problem gamblers.
- better regulation of types of gambling so that gambling products such as gaming machines are carefully regulated.
- removal of decision making about gambling behaviour from the act of gambling to the point of sale where more rational thinking about gambling is still intact.
- regulation of factors that contribute to problem gambling behaviour (eg accessibility to gambling products, accessibility to money, advertising, alcohol and cigarettes).

Criteria for an effective program include:

- clear understanding about intended outcomes, which are clearly articulated.
- realistic and achievable outcomes.
- a documented and understood plan developed by all stakeholders that shows how the outcomes will be achieved.
- regular and respectful dialogue between funders and service providers.
- adequate resourcing that would allow intended outcomes to be achieved.
- certainty of funding over reasonable timelines.
- services are accessible to all people who may want to utilize the services.
- range of services in the overall program mix.
- a well-trained, skilled and committed workforce.
- good-quality data that is timely, accurate and which can be collected efficiently.

- clear and transparent link between public policy, legislation and regulation, and service delivery.

(2) how program effectiveness might best be measured;

Program effectiveness is best measured by determining the extent to which program outcomes are achieved. In the instance of Break Even programs, for example, this would mean determining the extent to which people with gambling related problems who have accessed the program leave the program with those problems eliminated, substantially diminished or appropriately addressed.

Outcomes need to take into account the fact that family members are also entitled to access Break Even services. While the person with the gambling problem may not change their behaviour, the Break Even client may have been helped to deal with their circumstances. To measure outcomes, research must be undertaken using appropriate instruments and methodology before, during and after the intervention. Such instruments including SOGs and measures of motivation to change are already used.¹

A longitudinal evaluation would also be helpful. That is, follow up of participants one year and three years (we suggest) after leaving a rehabilitation program delivered by a service.

We believe that evaluation would be best achieved through an independent evaluator appointed to monitor and audit evaluation processes in funded services. Clients would need to be advised of this possibility while in the program and would need to be willing to participate. We recognize that there is an important trade-off with evaluation processes. The cost of evaluation should not outweigh the benefits. This is especially true where evaluation is not being used for continuous improvement, but is instead focused on compliance or political agendas. In such a case money would be better allocated to service provision and easier, less costly proxies would be used to monitor effectiveness.

Outputs and process measures can be used as proxies for determining service effectiveness. Such measures would include:

Output measures

- numbers of clients seen / calls received
- number of clients who engage with the service. (Eg. a large number of single interviews may be an indicator of failure of the service to win games with clients.

¹ See evaluation process employed in Breaking Even gambling rehabilitation Program for Correctional Settings (relationships Australia SA Inc 2005)

- the use of standard screens, eg SOGS, Kessler 10, suicide ideation.
- Client satisfaction surveys
- Advertising campaign recognition
- recording of money and time spent on gambling at entry and at exit

Process Measures

- Financial accountability
- Benchmarking between services
- Hours spent in various activities e.g. counselling, public education, early intervention etc.

Problems with current evaluation processes in the Break Even services include the lack of timely publication of data, particularly that related to outcomes. This information ought to be both available and thoroughly utilized in order to improve services.

Proposal 2: Evaluation processes must publish data at least annually, both to show what Break Even (and any other) services are achieving and to recommend or suggest improvements for service delivery. Evaluation of inputs, processes and outcomes is required to do this.

Another issue is the variability in the training and experience of practitioners in Break Even services. The field of gambling counselling requires specialised skills and practice knowledge because of the multi-dimensional nature of gambling problems and the environmental context in which they occur. Unfortunately because of this variability there is little way of evaluating the quality of services being delivered.

Proposal 3: a process be developed, with service providers, to accredit all funded problem gambling services and individual practitioners. This would include development of industry standards for service delivery and competency based training with monitoring of achievement of these industry standards

Proposal 4: An independent evaluation of program outcomes should be undertaken promptly and repeated in five years. The evaluation should include a survey of longitudinal data on client outcomes after one year and three years.

Proposal 5: A process should be initiated to accredit all funded problem gambling services and individual practitioners.

(3) whether programs are currently measured for effectiveness, and if so, how;

It is our observation that services are not currently measured for effectiveness. This is, in part, because the process is difficult and costly. Services are also sometimes unwilling to look critically at their own

performance. A number of effectiveness issues would be worth investigating including:

- number of 'no-shows'
- early drop out from tertiary programs and
- reasons for dropping out
- surveying clients with 'positive outcomes' about what helped the most

We believe that some of the satisfaction measures and client follow-up used by individual services, suggest that there is a reasonable degree of effectiveness for existing services in responding to the needs of the client base seen. As previously mentioned however only a small percentage (~10%) of problem gamblers will ever access a tertiary intervention program.

Secondary interventions, specifically the Gambling Helpline, community education and advertising campaigns also need to be measured for effectiveness against outcome measures agreed upon with stakeholders. We suggest that there has been a tendency by the funder to confuse community education with advertising programs.

We believe that program effectiveness of measurement, to date, has focused on the administration and Departmental checking on process compliance of individual services. We do not believe that there has been a good program-wide review of effectiveness. In particular, we do not think that effectiveness and appropriateness of management and administration of the program has been evaluated. For example:

- only one-year funding has been allocated for seven of the ten years of the Break Even service with only one three-year funding period. This is despite widespread agreement between Government and service providers that longer funding periods are desirable.
- there is a lack of (real) strategic planning involving service providers
- there is continued frustration, on all sides, with data collection and reporting
- human resource management for services is inadequate
- consolidated training provision for service staff is needed (we understand that a Break Even Service training tender is currently being finalized to take effect during 2005)

Program effectiveness measures need to include:

- effectiveness and adequacy of data collection
- measures of staff development and in-service training across the program
- reporting of evaluations and strategic planning for continuous improvement
- service satisfaction surveys relating to management of the program

(4) whether current measures of program effectiveness are adequate and explaining why;

Current measures of program effectiveness are inadequate in several important areas, including in:

- their capacity to identify areas of under servicing or over servicing
- their capacity to link rehabilitation service experience with the broader State (and National) gambling public policy
- the absence of data as a basis for areas in which services can improve

The SERCIS survey of 2001 showed that about 10% of people with gambling problems seek help from rehabilitation and associated services.

We understand that this finding is comparable with other surveys interstate and overseas, and it suggests that about 90% of people with gambling problems do not seek help through formal, tertiary, rehabilitation services.

Current measures of program effectiveness are unable to provide insight in to the source of services needed, if any, by those people with gambling problems who do not present to services. Neither do they identify the barriers to accessing those services.

The GTF Taskforce is also concerned that there appears to be limited linkage between the lessons and observations of service delivery and public policy on gambling issues as manifest in legislation and regulation. For example, a high proportion of Break Even service clients, as surveyed by Relationships Australia and Uniting *Care* Wesley, feel that easy access to cash through ATMs encourages them to gamble longer than they would otherwise. Even so, there has been no discernible attempt to implement the 2001 legislation establishing a daily withdrawal limit of \$200 for any person withdrawing cash from an ATM in a gambling venue.

In addition, Break Even services are given limited resources and opportunities to comment on the public policy debate around gambling (eg codes of practice) when these services are, in fact, best placed to hear and represent the needs and views of their clients on such matters.

South Australian government gambling policy and programs continue to be spread across (at least) four departments with apparently limited links between them. Clearly, better communication between Break Even services and compliance officers of the Office of the Commissioner of Liquor and Gambling would more readily identify venues that are operating outside of codes of practice and regulation. The administration

and management should be consolidated with the gambling services and functions in order to maximise outcomes.

(5) thinking about the programs available in South Australia as a whole, and within the context of partly or wholly government funded, whether the breadth of the funded programs is effective within the context of (and please explain your answer).

. the funding provided;

. the needs of the target group;

. clinical approaches/treatment modalities available;

. all (including non-government funded) gambling rehabilitation programs available in South Australia;

(6) with regard to the preceding point (5), if you say that the program provision is ineffective in any way, identify what gaps there are and what is needed to provide an effective program.

In responding to these question, the Taskforce notes the additional context of current strategic planning for the 2006 to 2009 gamblers rehabilitation funding allocation. For this reason some of the thinking that follows considers possible circumstances through to the end of the 2008/2009 financial year, the end point for the next GRF funding triennium

We consider a response to this question in four parts:

- (1) Projections of problem gambling levels to 2009
- (2) Expanding current service levels
- (3) Focussing on existing and emerging gaps in service delivery
- (4) responding to emerging and new forms of gambling

Projections of problem gambling levels to 2009

The Taskforce infers that rehabilitation services will need to deal with an increase in problem gambling levels, over the next funding triennium, with up to 30,000 people with problem gambling behaviour by 2008/9 and a State NGR of \$965 million. The process for making these inferences are given in appendix 1.

This suggests to us that funding rehabilitation services will need to continue to grow in order to maintain current levels of coverage. This also suggests that funding allocations from the 2006/7 financial year will need to be indexed, at least to CPI. (We note that there is funding growth announced for the current year and for 2005/6).

Funding needs to be provided at a level where appropriately qualified staff can be employed and their remuneration be competitive with other service areas. Funding should also anticipate increases in remuneration over time. This will encourage staff to remain in the service area rather than moving to other agencies and service sectors

Expanding current service levels

The Taskforce is concerned that there appears to be significant groups of people with gambling problems who are not seeking assistance from existing, tertiary rehabilitation services. This is not to criticise current services which we believe work hard to meet the current demand; instead it seems there has been limited opportunity for them to develop or trial additional strategies to broaden the use of rehabilitation services.

This review provides a timely opportunity to consider strategies that will expand coverage of services to people with gambling problems by considering primary and secondary approaches as well as tertiary level service provision.

We assume that a majority of people seeking counselling services are receiving those services and are generally satisfied with those services.

We also assume that a significant percentage of people with gambling problems are able to respond to their problems with support from family and friends. Accordingly, the main supports required are self-help guides and information for family members and friends assisting people with gaming problems. We understand that these resources currently exist and therefore undertaking some basic promotion about the availability of these guides may be all that is needed.

However, we also believe that the current services, and certain types of assistance are simply not physically accessible to some people.

Focussing on existing and emerging gaps in service delivery

We respond to this question by considering three different types of gaps in the gambling rehabilitation service provision in South Australia:

- links between services and policy
- development of services capacity
- gaps in the provision of services across the program

Links between services and policy

The Taskforce continues to be concerned at the number of government departments that have some responsibility associated with gambling. We

perceive that there has been a lack of coordination across these sections of government.

Of direct relevance to this inquiry is the apparent lack of input from the experience of service providers to inform policy-making and regulation setting in particular.

For example when the IGA listed relationships between rehabilitation services and gaming venues for consideration as part of Gambling Codes of Practice, (round 2,) almost all members of the GRF were unaware of these deliberations. This suggests paucity of communication between these two arms of gambling policy and program.

We believe that a broad structural response should be developed in South Australia to bring together stakeholders and to utilise their experiences to inform the development of gambling policy programs and practice. We suggest the stakeholder forum be established either as a ministerial advisory body or as a reference group to the IGA. This reference group would look at a range of current and emerging gambling issues and provide advice. With regard to gambling rehabilitation programs, a reference group would be able to exchange experiences of gambling relocation services with both industry and regulators.

The advisory body / reference group would need to be kept to manageable numbers but would need to include representatives of key industry sectors, rehabilitation service providers, public health expertise and regulators.

Proposal 6: The IGA should convene a stakeholders reference group that will provide a forum wherein a range of gambling program and regulation directions would be discussed and agreed upon, including utilizing rehabilitation experience in industry and regulatory practice.

The Taskforce believes that the people who are best placed to be able to identify gaps and respond to them are the staff of service providers (no independent evaluator). However we observe that these people are generally short of time. They are obligated to keep counselling appointments at demand levels at or greater than organisational capacity. This has limited the ability of the Break Even service staff to adequately reflect on their experiences and to develop responses to gaps and emerging needs.

We also observe that Break Even staff have not been encouraged, in practice, to be strategic in responding to gaps due to short-term funding arrangements. There is also an apparent unwillingness from the Department of Human services (to July 2004) to engage with service providers in a proactive and collegiate manner.

The Taskforce believes that the staff of the Break Even network are highly skilled and experienced professionals whose opinions should be sought out. The Network ought to be able to consider and discuss issues of service gaps and responses without being perceived by the Department as self-seeking or empire-building. Over a number of years we have noted concerns (expressed to Taskforce members by staff in service agencies) about apparent hostility demonstrated by some senior people within the Department to service providers.

We suggest that the network of rehabilitation service providers be encouraged and supported in their reflections and suggestions regarding gaps in service provision. They ought to, in addition, proactively develop proposals for alleviating such gaps. The network should be supported so that it can effectively impact the broader gambling policy debate, including reviews of codes of practice and implementation of regulation and codes. This should also be linked to staff training and professional development activities.

There should also be some allocation of funds to enable the backfilling of the work of the Chair of the Break Even network. This role is a leadership position and should be acknowledged as such. The chair should not have to squeeze the tasks associated with the role into an already crowded working day, as this would be to the detriment of direct service delivery.

A paid staff member who is independent of the government and any service provider should support the work of the Chair. We believe the best option would be include allocation of funding for a second development officer for gambling relocation service providers. This person would ideally be based with SACOSS. Or perhaps an independent evaluator, located at a university, for example) would strengthen links between gambling rehabilitation services and other community services.

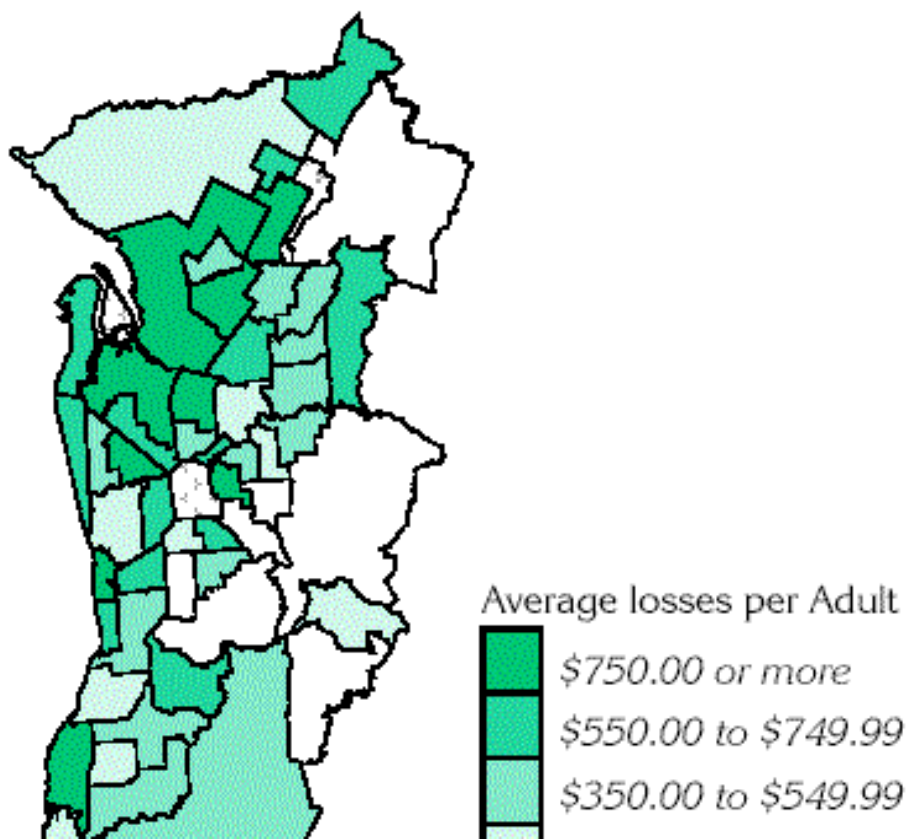
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Geographic Gaps

The following chart is taken from “Inequality in South Australia – key determinants of wellbeing, vol 1, 2004” and shows the gambling losses per adult from electronic gaming machines for the greater Adelaide area.

Map 19: Gambling losses per adult from electronic gaming machines, Adelaide, 2002



This map indicates that the highest concentrations of gambling loss are in the western suburbs Adelaide, northern suburbs Adelaide and some parts of southern Adelaide. These areas are also lower socioeconomic areas as indicated in the following table that has been compiled by the South Australian centre of economic studies. This table provides estimates for levels of problem gambling for selected postcodes, along with the SEIFA index.

Table 1
Disadvantage: The Highs and Lows

	SEIFA Index	Families/ Children <16 (%)	Lowest F/T Sec. School Participation Rates (%)	LF Part. Rate (%)	U/E Rate (%)
High Scores					
Burnside – SW	1,122		91.1	80+	3.1
Adelaide Hills (Ranges)	1,120	< 30	90.2	80+	3.0
Adelaide Hills (Central)	1,118			80+	3.0
Burnside – NE	1,117		90.8	80+	3.0
Mitcham – NE	1,116		91.1	80+	2.8

Low Scores						
Playford – West Central	762	73.6	62.1	60.0	17.3	
Pt Adelaide-Enfield (Port)	799	73.4		61.6	14.3	
Playford-Elizabeth	807	77.2	60.6	60.4	21.1	
Pt Adelaide-Enfield (Inner)	886	70.2		61.0		
Salisbury (Inner North)	891	-	71.6		20.1	
Salisbury (Central)	897		72.6			

Table 2
Disadvantage: Who Has Got What (2002-03)

	Venues	Machine Numbers	NGR (\$ million)	Tax (\$ million)	Per Machine (\$)
High Scores					
Burnside – SW	1	24	0.2	0.05	9,516
Adelaide Hills (Ranges)	2	50	0.3	0.06	6,164
Adelaide Hills (Central)	4	122	2.5	0.80	20,568
Burnside – NE	1	40	3.1	1.30	77,349
Mitcham – NE	2	76	4.4	1.60	57,329
Total (5)	10	312	10.5	3.80	
Low Scores					
Playford – West Central	2	80	7.3	3.10	91,518
Pt Adelaide-Enfield (Port)	23	603	20.8	7.1	34,462
Playford-Elizabeth	7	219	17.8	7.20	81,534
Pt Adelaide-Enfield (Inner)	7	246	16.1	6.30	65,523
Salisbury (Inner North)	2	80	8.14	3.30	101,771
Salisbury (Central)	8	229	29.96	8.77	91,545
Total (6)	49	1,457	91.1	35.8	

Source, SA Centre Economic Studies

Appendix 2 shows that gambling losses are higher for lower income households

We infer from this information that there is likely to be significant gaps in service delivery due to higher need in western Adelaide and northern Adelaide in particular. Some additional funds need to be allocated to extend services to these geographic areas.

Funding by area of residence of people with gambling problems must also take into account the fact that a high proportion of people worked elsewhere and may want to access services outside the area they live in. Given the particularly centralised form of public transport in Adelaide, steps are needed to ensure that there are sufficient services in the city. Current levels of service provision in the city may be adequate, but the taskforce will not want to see cuts in funding to city services to fund expansion in outer metropolitan areas.

Whilst we have less data as evidence, we also believe that geographic areas of population growth and lower SEIFA index are also likely to need greater rehabilitation service presents than currently exists, for example:

- Mt Barker
- Murray Bridge\
- Parafield Gardens
- Yorke Peninsula

While other geographic areas that we suspect are under-served, but which have better SIEFA indexes include:

- Marion
- McLaren Vale / Willunga
- Tea Tree Gully / Modbury

Population Groups

The taskforce continues to be particularly concerned about the well-being of indigenous people; in this instance we are apprehensive about the lack of services for indigenous people with gambling issues. The current specialist indigenous service provided by Nunkuwarrin Yunti does well for the resources available, but cannot reasonably service the needs of indigenous people across the State as well as in high need areas including Ceduna, Port Augusta and Berri.

Services for other cultural groups also continue to be important including Asian communities.

High Need Groups

Further gaps in service provision occur for people in high need categories particularly:

- people who are in prison where gambling is widespread but rehabilitation services are limited
- people with mental health needs, arguably the area of greatest need for gambling rehabilitation services as well as other public health and support services
- people who are homeless or at risk of homelessness

Another service gap is the availability of counselling outside normal office hours. Out of hours services need to be provided in high need areas and must be provided in a manner that is safe for both worker and client.

Financial Counselling.

This area of gambling service is high need both because it is often an entry point into services and because people with gambling problems need high-quality financial counselling assistance. Financial counselling services currently exist but we believe there is an under provision. We understand that there is a high need for financial counselling services in rural locations, perhaps some exploration of teleconferencing links with financial counselling services based centrally and in regional centres would be worth exploring.

Community Education

Community education programs are a very important component of a program intended to reduce gambling harm. We suggest that a public health approach be applied to teaching these education and information strategies. Strategies need to be developed independent from the gambling industry to ensure that proactive, and not just reactive, approaches are taken.

Community education approaches need to include the provision of information to community and professional groups who are likely to see people with problem gambling and may be limited in their capacity to recognise such problems. Information should also be provided to those who may not know where to refer people whom request assistance. The following professional groups and networks would all be appropriate targets for specific information about identifying possible gambling harm:

- mental health services
- community and neighbourhood houses
- accountants
- lawyers
- banks and other financial institutions
- general practitioners

Promotional and advertising campaigns could move towards highlighting problem gambling behaviours as well as pointing to sources of help including self-help guides.

Noting the importance of families and friends in helping people with gambling problems, community education programs need to be developed to target these people for information and support.

Responding to emerging and new forms of gambling

The Taskforce continues to be opposed to the introduction of any new forms of gambling in Australia and remains very concerned about the negative potential of betting exchanges, in particular, and expanded interactive and Internet sports betting. These threaten to become widespread in the same society over the next five years. We will resist, as best we can, any new forms of gambling.

However, we note the importance of regulators and gambler help services, which need to be proactive in their awareness of any potential for new gambling forms. They must be vigilant in minimizing harm before any new forms of gambling are introduced to the community.

By providing well-developed community education programs, public health advertising strategies and direct service provision, gambler help services can help reduce problem gambling before these new forms of gambling take hold.

Conclusion

4.2.2 Specifics of gambling rehabilitation programs

Some stakeholders might also, in their submissions, be able to assist the Authority to understand the nature of gambling rehabilitation programs in South Australia, by briefly describing such programs both specifically and within an overall structural perspective.

Specific program descriptions would be helpful if an identification of clinical style or treatment modality is included.

We refer the IGA to submissions by service delivery agencies

4.2.3 Available research and reports

The Authority wishes to be advised of any reviews, studies or research conducted which might be relevant to the terms of reference. Such material might be integral to a stakeholder.s submission and should therefore be included. However, it also

might not be, in which case stakeholders are asked to list the material and provide a reference, if known.

The Taskforce will advise the IGA of any relevant reports that we identify, at the hearings

Appendix 1

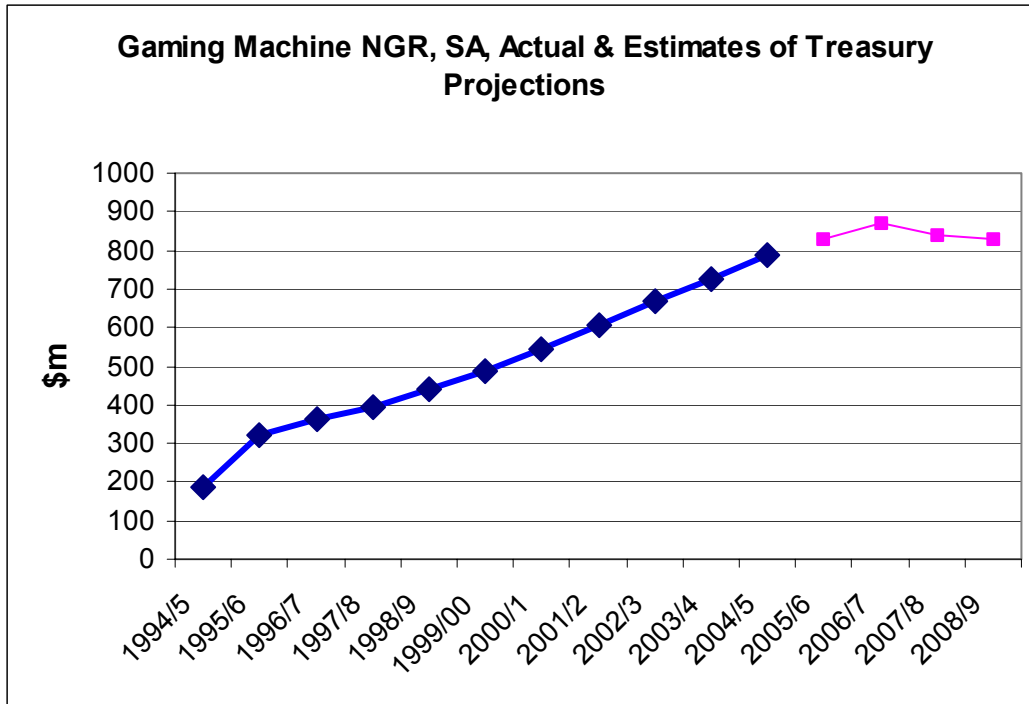
In order to plan for future services, it is helpful to project or estimate possible future need. The following provides some different options in projecting aggregate levels of gambling activity, particularly for the three years of the next funding triennium, 1/7/06 – 30/6/09.

We note with quite a degree of frustration that the task of considering likely future gambling activity levels and gaps in gambling services was a task that was identified by the appointed members of the GRF in February 2004. The GRF asked for an external consultant to do the job but was subsequently advised that the department was better placed to do the work. In the absence of any better data, the Taskforce has considered two approaches to estimating gambling activity for the period to 2009, the end of the next GRF funding period. We have estimated future NGR using our estimates from public comments, Treasury forward estimates and inferential statistics based on Trendlines. We recognise that there are limitations to any estimate of future activity, but considering that planning for public policy and service provision needs a basis for decision-making and that establishing a range of values likely to contain the actual future result is an important part of planning, we have used net gambling revenue (NGR) as the best proxy for gambling activity. There is a direct correlation between levels of problem gambling and levels of gambling loss (which we also define as NGR). Net Gambling Revenue is simply turnover less prizes/payouts to gamblers. We note that NGR is comprised of two main components, taxation and venue share. For the 2003/4 financial year NGR was \$723 million, with tax being \$283 million and venue share \$440 million. The NGR figure used for 2004/5 is the actual first quarter result, the latest available, multiplied by four.

The following graph shows gaming NGR for the period since poker machines were introduced in South Australia, and GTF best estimates of Treasury forward projections, namely 5% NGR per annum growth until smoking bans are implemented.

We believe that this approach is likely to underestimate future NGR for two main reasons:

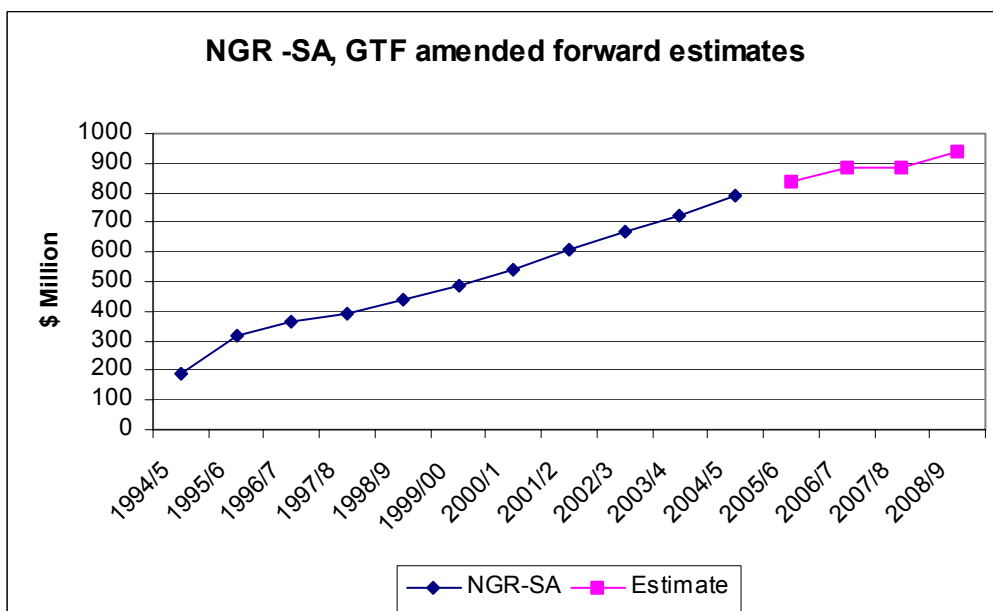
- Treasury forward estimates have consistently underestimated gambling expenditure over the past decade, as they should in order to develop conservatively realistic taxation estimates.
- The smoking bans that are effective from 2007, will have less impact in SA than in Victoria, because the industry has time to plan for measures likely to reduce the impacts, for them, of the smoking ban. So the estimate of 15% reduction for smoking ban introduction, we believe is more likely to be in the 5 –7% range.



Source: Office of the Liquor and Gambling Commissioner

The dip in the forward estimates is due to expectations of a 10% to 15% drop in NGR when smoking bans are in place from the 2007/8 year. Other forward estimates are based on an annualised growth rate of about 5%.

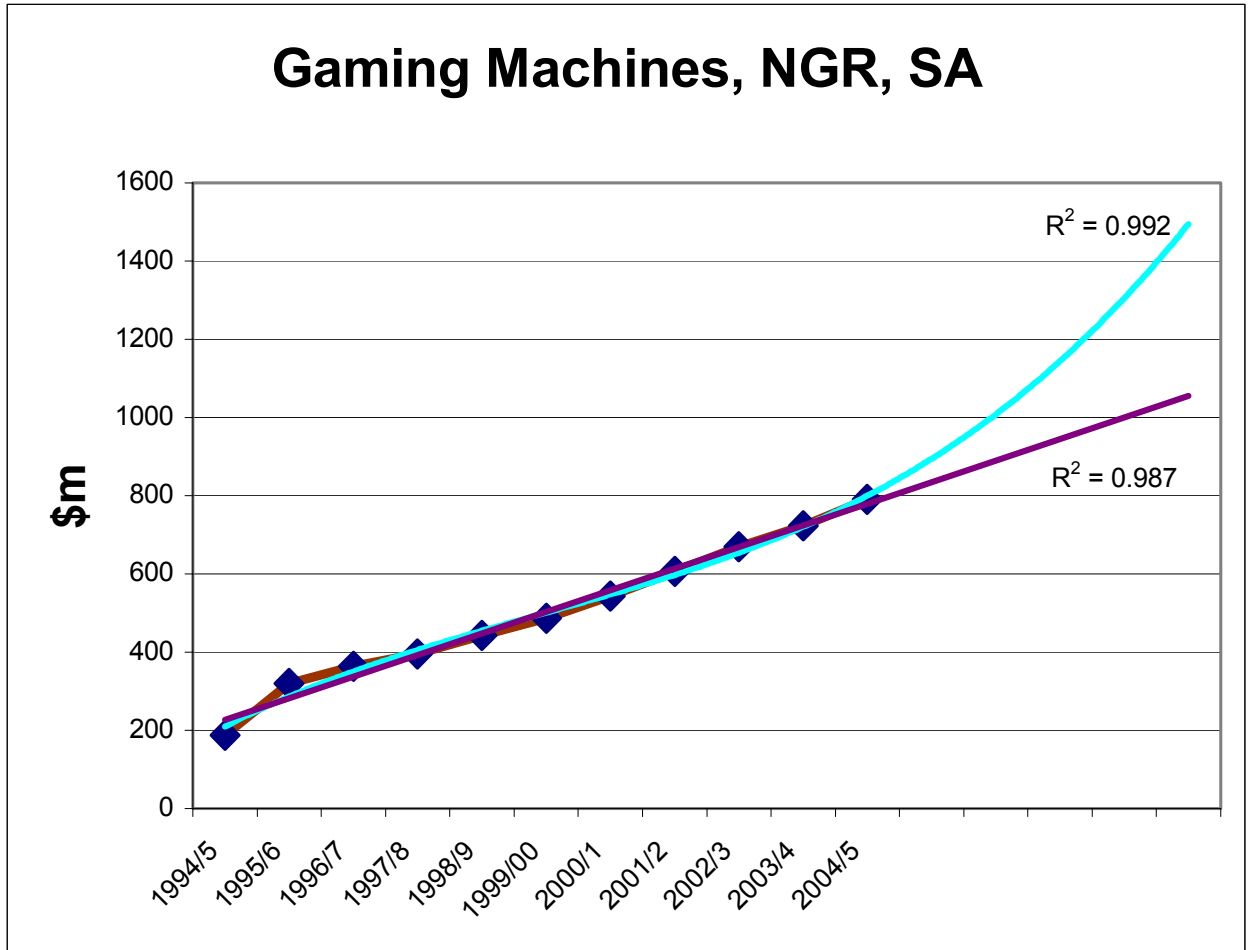
However, these forward projections can be regarded as the most conservative of forward projections and, as such, set a minimum for the range of likely outcomes. We have revised forward estimates in graph 2, based on 6% real growth per year (about half of recent growth rates in response to a reduction in machine numbers, and a one-off 6% reduction in NGR when the smoking ban in implemented).



Graph 2

This projection, still conservative, would give an NGR in 2008/9, of \$941 million.

The following approach includes two projections based on data to date.



Graph 3

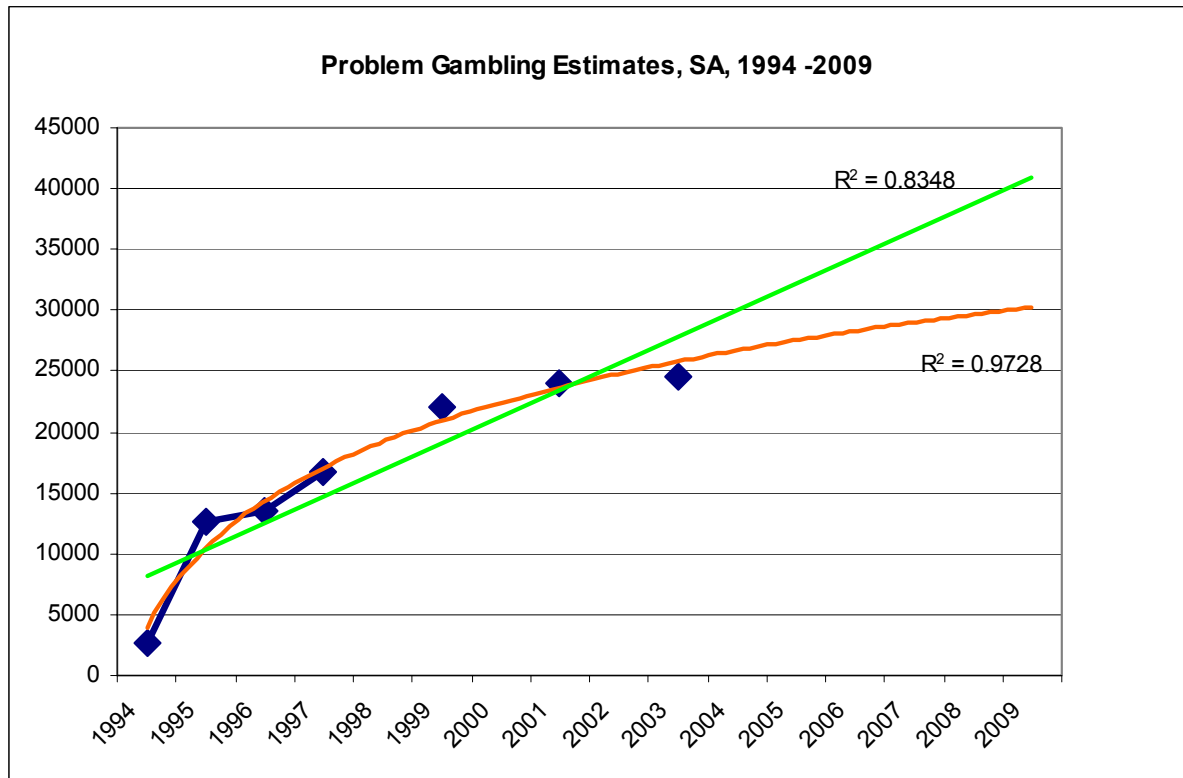
Note: the R squared figure refers to the goodness of fit of the trendline to the actual data. An R squared off 1 means 'perfect fit'.

The trendline going to larger values and with the better fit, is an exponential trendline, order three, while the other trendline is a simple linear function. Note that both trendlines suggest significant increases in the net gambling revenue for the projected future. The higher of the projections suggests an NGR of over \$1.2 billion by the end of the 2008/9 year. The linear trend projection suggests an NGR of about \$965 million by the end of the 2008/9 year.

Both of these projections suggest that there will continue to be growth in gambling turnover and therefore growth in problem gambling behaviour, the aggregated growth to be in the range of 25% to 50% on current (2004/5) levels.

We suggest that the actual level of NGR for 2008/9 will be between \$941 million and \$1.2 billion, and further suggest that a point value of \$965 million is a reasonable estimate of NGR in 2008/9, an appreciable increase on current levels and indicating an increase in problem gambling on current levels.

We have applied the same techniques to statistically inferring levels of problem gambling, to yield the figures in graph 4.



Graph 4

Due to the diminishing utility of gambling over time and measures implemented through the IGA in recent years to reduce problem gambling, the Taskforce does not consider a linear estimate to be the appropriate trend for future levels in problem gambling, however, the logarithmic (curved) trend is more likely to suggest the likely trends.

At current levels of population change in SA, this extrapolation suggests a level of problem gambling of up to 30,000 people by 2008/9.

In summary, the Taskforce suggests that rehabilitation services will need to deal with an increase in problem gambling levels over the next funding triennium, as there may be up to 30,000 people with problem gambling behaviour by 2008/9 and a State NGR of \$965m.

Appendix 2

This graph is taken from “Inequalities in South Australia”, published by the SA Dept of Health in 2004. The graph demonstrates that gambling losses in South Australia are higher for lower income people.

Figure 29: Gambling losses per adult from electronic gaming machines, Adelaide, 2002

