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Hand Delivered and By Email

Mr Robert Chappell
Executive Director
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Level 4, 45 Grenfell Street
ADELAIDE SA 5000

Dear Sir,

**Re: Submission to the Inquiry into Effectiveness of Gambling
Rehabilitation Programs**

I set out my submission in relation to the above Inquiry, and I would also be grateful if I could have an opportunity to make an oral presentation to the Authority based on this submission, and to make myself available for any questions that the Authority may have in relation to this submission.

1. Introduction

- 1.1 At the outset I wish to reiterate my primary position that the introduction of poker machines into South Australia has led to a massive increase in problem gambling, and that I subscribe to the philosophy that it is much better to have a fence at the top of a cliff, rather than the best equipped ambulance at its base. I maintain my position that the removal of all poker machines from South Australia is the preferred option, but short of that, competent and effective treatments are vital to deal with the many thousands of South Australians whose lives have been affected adversely by the introduction of poker machines in this state.
- 1.2 I welcome this Inquiry as playing a key role in identifying ways to improve current treatment services and to deliver better outcomes for those affected. The Inquiry is particularly timely given the recent significant increase in funding to the Gamblers Rehabilitation Fund.

2. Funding and Administrative Structure of GRF

- 2.1 The Gamblers Rehabilitation Fund was a measure introduced by the Brown Liberal Government and is funded by Government and the gambling industry.
- 2.2 The Fund commenced with \$1.5 million in 1994, including \$800 000 of Government funding. In 1994 Net Gambling Revenue ('NGR') on poker machines in South Australia was \$186.98 million, with Government taxes totalling \$62.518 million. The level of GRF funding has not increased in line with the increases in NGR and government revenue. In 2004, GRF funding was set at \$3.3 million (inclusive of all industry and Government funding). NGR on poker machines for the last financial year was \$723 million. The amount set aside for gambling treatment programs is a fraction of the huge revenue going to the industry and the Government.
- 2.3 Given findings that there are over 23,000 problem gamblers in South Australia due to poker machines and the Productivity Commission's finding that for every problem gambler the lives of at least 7 others are adversely affected, the need for widely available and effective treatment programs is critical.
- 2.4 I note that the further increase in taxpayer funding of \$2 million has been promised as a result of amendments moved during the *Gaming Machines (Miscellaneous) Amendment Bill 2004* – however despite promises to the contrary this amount is yet to be realised and distributed.¹ The lack of funding has created a great deal of uncertainty within the Breakeven Network and has put a further strain on what is already a service that is pushed to and beyond its limits. This highlights the need for greater certainty for rehabilitation services and a more transparent system.
- 2.5 To ostensibly reflect the co-contribution of funding towards the GRF, there has always been a strong industry presence on the GRF Committee. I consider this to be inappropriate, and akin to the tobacco industry directly funding lung cancer research and having a direct say in the scope and direction of that research. I am aware of an instance several years ago when a gambling counsellor received in effect threats from industry over the funding for the service he worked at because of public statements he made on the impact of gambling.

¹ See Premier's Media Release, *Poker Machine Roll Back Laws Start*, 1 February 2005, at <http://www.ministers.sa.gov.au/Minister/MediaFrame.asp?premier=y&article=4030&MinisterID=2>
Also, see Appendix A, containing questions I asked in Parliament regarding the allocation of the extra funding, and the response of Minister Weatherill to a question asked by Mr Robert Brokenshire about the funding.

- 2.6 I refer to the recent intervention scheme launched by the Australian Hotels Association as an example. Placing counsellors who are employed by the very people operating poker machines in venues poses a clear conflict of interest and could potentially hinder their independence and authority to act. At the time of the last State Budget when the Government announced that it had set aside \$350 000 to assist in funding the early intervention program, I asked a number of questions in Parliament expressing my concern about the level of training for the counsellors and criteria and triggers for intervention. I do not believe these matters have been adequately addressed to date.
- 2.7 Further to 2.6, I am also concerned that such on site counsellors employed by the AHA may not be in a position to contact authorities when presented with evidence of breaches of legislation or Codes of Practice. I recently attended a forum in Port Pirie where Ms Rhonda Turley, the Responsible Gambling Officer for the AHA, admitted that if she received evidence of such breaches she would attempt to sort it out with the venue first, rather than report the matter to the authorities.
- 2.8 I do not believe that the recent "*Think of what you're really gambling with*" advertising campaign was followed with enough resources for treatment programs and the Gambling Helpline to deal with the consequential increase in calls and requests for help. A number of gambling counsellors have expressed the concern that there are people in the community who are in need of assistance, but if they advertise their services in order to reach these people, the agencies will not have the resources to meet the additional need. This is clearly an absurd situation given almost \$1 million per day the Government obtains in poker machines taxes alone.

3. **Response to Currently Funded Programs in SA**

- 3.1 Programs such as the Flinders Medical Centre's Intensive Treatment Program run through the Centre for Anxiety and Related Disorders has been very successful. I have been contacted by a number of constituents who have been waiting for up to 2 months to get into a treatment program such as Flinders. There is currently no other intensive treatment program of its kind, and it has been praised widely for its effectiveness. Indeed, when I recently visited Port Pirie for a community forum there were two individuals that approached me that told me that their lives had been turned around by the Flinders Program – they were both in-patients. Both were suicidal and both found the Flinders Program helped them control their gambling problems. However, they raised issues as to the difficulty in accessing the program, being away from their families and support groups whilst being in-patients at Flinders. Both individuals raised the importance of

having similar facilities in country areas more accessible for those living in regional South Australia.

- 3.2 In November 2004 I visited Coober Pedy at the invitation of a number of community members who were very concerned about the impact of poker machines on the Coober Pedy community. Reports included residents who have to seek emergency assistance for food after losing financial benefits within days of receiving such benefits on poker machines. This not only has an impact on the problem gambler but on their families, and especially children who are tragically the innocent victims of such an addiction. The residents also expressed concern about the link between petty crime and gambling in that area.
- 3.3 In addition, members of the indigenous community expressed their concern to me about the stress and dislocation in the community, especially amongst indigenous women due to poker machine addiction. I was advised that there were no longer any face-to-face gambling counselling services in Coober Pedy and that there had been an occasional service operating from Whyalla – however this was discontinued in 1999.
- 3.4 I have been contacted more recently by community representatives in Port Augusta and Port Pirie expressing similar concerns. Given the great need for gambling support in the area, there is a real need for better funding and resources for these areas. Telephone counselling is no substitute for face-to-face counselling and the intensive help that is vital if these problems are to be addressed.

4. **Different Approaches to Treatment Programs**

- 4.1 I have been impressed by the approach in New Zealand to the provision of problem gambling services, both in terms of the structure for the provision of funding of the programs, as well as with the programs themselves. I believe much could be gained in South Australian context by examining the system in place in New Zealand.
- 4.2 Mr Gary Clifford is the Chief Executive of the New Zealand Gambling Help Line. He made presentations in the course of a Problem Gambling Think Tank and a Problem Gambling Conference that I attended in New Zealand last May. The Think Tank and Conference were organised by the Gambling Research Centre at the Auckland University of Technology and Gambling Problem Helpline. Material was presented by researchers, academics and industry representatives from around the world and many presenters outlined various approaches to treatment

programs and their effectiveness.² Mr Clifford was one such presenter, as was Mr John Hannifin from the Problem Gambling Purchasing Agency, whose initiatives are discussed at 4.6. Mr Clifford discussed the nature of help lines, and how general practitioners are part of the first contact services. He made the point that help lines are not just about referring people to contact services but also motivating people to get help.

- 4.3 The Help Line works on the basis of an integrated care system – people in therapy are referred back to the help line, as people are often embarrassed to go back for help, and that level of intervention is of significance to help problem gamblers. The help line is treated as both a first contact and a last contact for people in the course of their treatment. There is a need to interact and collaborate with agencies that help problem gamblers, not simply at the point where the problem gambler first seeks help, but on an ongoing basis.
- 4.4 This program used to be funded by the Problem Gambling Committee consisting of members of the NZ Gambling Industry and members from the Helpline. This funding structure has been changed since the New Zealand *Gambling Act 2003* was passed. Funding for the program now comes solely through the New Zealand Department of Health.³ I submit that South Australia should consider a similar approach to the structure of the Gamblers Rehabilitation Fund, ensuring the independence from industry influence of strategies to combat problem gambling, and to avoid any conflict of interest.
- 4.5 Other positive initiatives currently operated by the Gambling Problem Helpline include:
 - Confidential gambling problem ongoing motivational support over the phone
 - Community-focused and specialist services targeted at particular cultural groups and a specific service for youth.
 - Gambling problem crisis support and intervention.
 - Gambling debt support and programs.
 - Gambling self-help tools and other literature.
 - Referrals to local, where available, face-to-face counselling and Gamblers Anonymous services.
 - Regular call backs for ongoing support.

² A summary of the presentations and an outline of the focus of the Think Tank can be found at: <http://www.ecommunity-journal.com/proc02/index.php>

³ Further information on further research undertaken by Mr Clifford on the NZ Helpline can be found at <http://www.pasinfo.net/thinktank/newsletter02.php>.

- An integrated care program for extra support.⁴

The main focus here seems to be on a follow up system which should be considered in programs here in South Australia.

4.6 The Problem Gambling Purchasing Agency in New Zealand has a number of initiatives and attitudes to the way treatment programs are run. These include:

- Creating access to new clients - those who have never accessed service before - and in particular those with severe problems. A database is required to ensure that these are totally new clients – and not seen by other agencies. Any advertising campaign about new services should have this focus.
- Further education of the public regarding the odds of gambling.
- Treatment should be accompanied by information from family and friends.
- Having created access to services and engaged clients, the focus needs to be on long term outcomes, with a sense that gains during treatment are not as important as maintaining those gains and recovery.
- Following up clients at six month intervals for at least 18 months and assess them against three dimensions, money lost, the South Oaks Gambling Screen (SOGS), and self-rated control. Research has been set up to refine these instruments, with a view to making the inquiry more precise.
- A unified system whereby different treatment agencies can share and achieve critical mass for quality initiatives and to offer better treatment choice to clients.
- Targets for the 6 month follow up in terms of results and certain funding to programs withheld until these were achieved.

4.7 Current Programs in SA would benefit from this more coordinated and long term outcome focussed approach. The follow up procedures for clients is vital. There has not been a comprehensive review and evaluation of Government funded treatment programs since 1998. It can only be beneficial to share resources and for the rehabilitation programs to have a coordinated effort in targeting those with a gambling problem. Gambling programs should be sophisticated enough to refer problem gamblers with specific problems to specific treatment and assistance programs. For instance, in some cases, a referral may be needed to a financial counsellor. In other more severe cases, referral should be given, as a priority, for in-patient treatment or

⁴ Details regarding the NZ Helpline can be found at: www.gamblingproblem.co.nz.

even drug therapy (Naltrexone is said to have promise in treating severe cases of problem gambling).

- 4.8 Client follow-up and evaluation of programs should occur at least annually, if not more often, and should be a coordinated effort. I am not suggesting that current programs are inadequately run - on the contrary, I applaud the quality of service and dedication of staff that operate with limited resources. However, much can be gained if a unified approach is adopted.
- 4.9 There needs to be a wide variety of treatment programs suited to different needs, including abstinence based programs, Naltrexone drug trials, group sessions, as well as individual intensive treatment. These different programs and methods need to be monitored on an regular basis and annual reports provided on their effectiveness and the types of treatment involved and how progress is measured. There needs to be a coordinated and multi-faceted approach which is well publicised and resourced to have the greatest impact on problem gambling.
- 4.10 All of the above should be conducted independently of industry control (or subtle direction from the industry) if it is to be effective and impartial and have the full confidence of problem gamblers using the system, and also to allow those working on the programs to carry out their duties.
- 4.11 Intervention Programs are a key part of ensuring effectiveness of problem gambling programs, in ensuring that gambling problems are not exacerbated or even triggered in the first place. There has been some discussion that the Australian Hotels Association's moves in this regard were made with a view to ensure that there is appropriate intervention at venues. I believe the Authority has a very powerful role to play in ensuring clear guidelines for intervention (for instance, triggers such as a player indicating distress, indicating that they have spent money set aside for food on gambling, indicating that they would be in trouble at home because of the time and money that they have spent, etc) and ensuring that venues act appropriately. Just as the Department of Health ensures enforcement with tobacco legislation with respect to the sale of tobacco products to minors approaching tobacco sellers to see if they can obtain cigarettes,(and the prosecutions that follow), there ought to be a similar approach of ensuring compliance with regulatory requirements of the Codes of Practice. It would veneer the existence of such a program, which would target venues on a regular basis. It would have the effect of ensuring all venues are 'kept on their toes' to ensure compliance with Codes of Practice, particularly with respect to early intervention, the service of alcohol, and misleading information being imparted by venues. I believe that such an approach would be entirely consistent with enhancing the effectiveness of gambling rehabilitation programs in this state – particularly if it

means a greater degree of propriety in the codes, which will have a positive impact in reducing the number of problem gamblers so that existing resources can be better targeted and distributed.

5. Multicultural and Indigenous Needs

- 5.1 There is also a need for programs to specifically address the needs of problem gamblers from a non-English speaking background.
- 5.2 The Cultural Partners Australia Consortium reported on the reason members of the community like to gamble (and these reasons were quite telling), and emphasised the need for different responses from different communities.⁵ The 'one size fits all' approach that some people think may be appropriate for gambling rehabilitation in the general community is clearly not appropriate within communities with a non-English speaking background, and within those communities different approaches again are needed.
- 5.3 The figures as to problem gambling levels in the Greek and Arabic, Chinese and Vietnamese are bad enough, but for indigenous Australians the story is even more disturbing. A 1996 study carried out by Professor Mark Dickerson showed a rate of problem gambling in a sample of urban Aboriginals and Torres Strait Islanders of fifteen times greater of that than the general population.⁶
- 5.4 A pilot study prepared by The University of Queensland for the Queensland Government entitled *Problem Gambling within non-English Speaking Background (NESB) Communities in Queensland: A Pilot Study, 2003*, outlined many reasons why there should be more culturally appropriate services.
- 5.5 The report states that the use of bilingual and bicultural workers or counsellors is the best way to make current services more culturally appropriate. Such professionals are well placed to provide both a counselling service and undertake relevant community education work, which is particularly important during the early stages of a service. Services around Australia already using this type of service are now reporting increased client numbers, after two or three years in existence. In addition to using bilingual/bicultural counsellors, services need to place greater emphasis on trust, show greater flexibility in terms of location of counselling sessions.

⁵ Cultural Partners Australia Consortium, *The Impact of Gaming on Specific Cultural Group*, Victorian Casino and Gaming Authority, Melbourne, 2000.

⁶ Dickerson, M, Baron, E Hong S and Cottrell, D. *Estimating the extent and degree of gambling related problems in the Australian population: a national survey*. Journal of Gambling Studies 12 (1996), 161 – 178.

5.6 The Queensland Report also made a number of specific recommendations that should be used as a benchmark nationally.

These include:

- More effort must be made to recruit a culturally and linguistically diverse workforce.
- Current bilingual staff should be accredited to ensure quality of service to NESB clients.
- Train mainstream counsellors to work with interpreters.
- Make provisions to allow clients to nominate a preferred interpreter.
- Promote the availability of practical assistance such as financial counselling.
- Treatment methods should be adapted to ensure their appropriateness for NESB clients.
- Confidentiality needs to be emphasised in all service promotion material.
- Services need to provide flexible locations for the provision of counselling.
- Telephone counselling in relevant languages should be made available to NESB clients.
- Explore the use of existing Gambling Help Line to provide recorded information in different languages.

5.7 Here in South Australia a report by Ania Zysk of the Department of Social Administration and Social Work at Flinders University in a research project supervised by Dr Paul Delfabbro from the Department of Psychology, University of Adelaide mirrored the interstate reports.⁷ Most recently, the Australia National University Centre for Gambling Research has also completed a report focussing on cultural and gender groups and their particular experience with problem gambling.⁸

6. Exclusion Programs

6.1 Current exclusion programs either through venue based barring, voluntary barring or barring under the Problem Gambling Family Protection Orders ought to be considered in the context of any inquiry into the effectiveness of gambling rehabilitation programs. They should be an integral part of such programs, and I am concerned as to the current low rates of utilisation of such programs.

⁷ Zysk, A, *Gambling in a Multicultural Society: A Study of Vietnamese Australians in South Australia*. <http://in.ddhs.sa.gov.au/pubs-other-index.asp#Gambling>

⁸ Australian National University Centre for Gambling Research, *Help-Seeking By Problem Gamblers, Friends and Families: A Focus on Gender and Cultural Groups*, October 2004.

- 6.2 I refer to the report prepared by the South Australian Centre for Economic Studies for the Victorian Gambling Research Panel, which highlighted the lack of effectiveness of the current self-exclusion programs in the Victorian context, which appears to be almost identical in its methods of identification and enforcement as the South Australian system.⁹ The Victorian report found that the utilisation rate of self exclusion programs in South Australia is approximately three per cent of problem gamblers. Further, the report found that breaches of these self-exclusion programs were commonplace and went largely undetected. In view of these findings the report recommended:

‘That self exclusion be broadened to encompass a range of behaviours including other voluntary measures such as pre-commitment betting limits. That the Victorian Government and the industry co-operate to develop cost-effective, technology-based capability for pre-commitment betting limits’.

- 6.3 In the absence of Smartcard technology being introduced with a view to significantly reducing levels of problem gambling, current exclusion programs need to be made more effective in terms of using available technologies (such as recognition technology) at venues.

7. Education Programs

- 7.1 Effective community and school education programs are an integral part of any gambling rehabilitation program – however I consider from a budgetary point of view, any school-based programs ought to be part of the Education Department’s budget so as not to whittle away current limited resources under the Gamblers Rehabilitation Fund.
- 7.2 These programs should be noted for their effectiveness with transparent benchmarks in terms of young students being made fully aware of the dangers and risks of gambling (not simply ‘knowing the odds’), but also aware of the devastation that problem gambling can cause to individuals and families, including the risk of family break-up, gambling related crime and the risk of self-harm.

8. Monitoring Effectiveness

I refer to what appears to be a more complex system of following up problem gamblers in the New Zealand system. Any program in South Australia should include the regular monitoring of the effectiveness of programs using standard and transparent benchmarks as to levels of

⁹ Gambling Research Panel Report No. 2, *Evaluation of Self Exclusion Programs*, February 2003. The report is available on the Panel’s website at www.grp.vic.gov.au

problem gambling in the community generally and also include an audit of all treatment and rehabilitation programs in terms of their short, medium and long term effectiveness. The reasons for problem gamblers relapsing following treatment programs should be carefully monitored and evaluated.

I look forward to hearing from the Authority in relation to answering any questions with respect to this Submission or assisting in any other way with respect to the Inquiry that is being undertaken by you.

Yours sincerely

NICK XENOPHON