

# Waiting for the wins

Australians spend nearly \$20 billion each year on gambling and most is poured into the country's 200,000 poker machines.

With growing concerns about the damage done to individuals and families, a parliamentary committee is looking for remedies to problem gambling.

STORY: GEOFFREY MASLEN



A blurred, low-angle shot of a casino floor. The scene is filled with bright, colorful lights, likely from slot machines or other gaming equipment. A person's hand is visible in the foreground, reaching towards the machines. The overall atmosphere is one of a busy, brightly lit gambling environment.

**For each addicted gambler  
up to 10 more people are  
seriously affected**



**T**he first time Tom Cummings played the pokies he won. It turned out to be the worst luck he could have had.

“I started playing poker machines socially but I very quickly developed a problem which I concealed for several years. I played and lost in the vicinity of \$100,000 in three years, all the while concealing that from the people around me,” Mr Cummings says.

“The biggest problem was that the first time I played I won a \$100 jackpot. That was huge; that was brilliant. But it set me up to think the next time I played this was going to be easy. And I was nowhere close...”

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## Problem gambling is not confined to poker machines

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A self-confessed former pokies addict, Mr Cummings gave an insight into his former life at a public hearing by the Joint Select Committee on Gambling Reform. The committee is inquiring into the prevention and treatment of problem gambling, mainly focused on prevention strategies, intervention and treatment programs, as well as marketing strategies and inducements that might result in more problem gambling.

The inquiry builds on earlier reviews of proposed mandatory pre-commitment schemes and gambling advertising. As well as holding a number of public hearings, the committee has received 55 submissions from individuals and expert groups, most of whom are working to tackle the impact gambling is having on Australians and their families.

That impact is huge: the Productivity Commission estimates that 600,000 Australians play the pokies at least weekly and up to 170,000 adults face significant problems due to their gambling, with as many as 350,000 gamblers vulnerable. The commission says for each addicted gambler up to 10 more people are seriously affected, including families, friends and employers.

If that isn't enough of a concern, the commission warns 60 per cent of problem gamblers who have sought counselling spoke of killing themselves. And 400 suicides each year could be attributed to addictive gambling.

The Royal Australian and New Zealand College of Psychiatrists tells the committee in its submission that problem gambling often coexists with psychological problems of anxiety and depression. Gambling could be a way of dealing with pre-existing anxiety or depression and both conditions require appropriate treatment.

Discussing his addiction to poker machines, Mr Cummings gives an insider's view on the feelings of problem gamblers.

“Once I started playing, everything else would go away. I could stop worrying about the money I owed, the hours I was losing from work or the fights that I was having with my partner,” he says.

“When I was playing, that was all there was: it was just the screen, the reels and waiting for the wins. If the win came up, it was great. I would take that and just keep playing. If I lost, I would just hit it again. It becomes your world when you are playing a poker machine because it is so constant, so quick and so repetitive.”



Although he no longer plays the pokies, Mr Cummings says he regularly dropped into gaming venues to “take a look around”, to study the machines, watch the patrons and the staff, and check the signs on the walls and attached to the machines. He soon realised nothing had changed in the decade since he had started playing and thought it was time he did something about it. So he began researching gambling, especially the problems caused by addiction to poker machines, and writing about his findings, including setting up his own blog.

Among the dozens of recommendations made to the committee by psychiatrists, psychologists, gambling counsellors and others who study problem gambling, several call for staff in gaming venues to be trained to recognise potential problem gamblers and take action. But Mr Cummings says he has never seen a staff member in any of the venues he has visited approach a gambler about their playing behaviour.

“It never happened to me. And I know from speaking to staff after hours that their training is regarded as a necessary evil, something they have to do to keep their jobs. Given that many staff are casual employees, often university students, it is a bit much to expect they would have the inclination or the presence of mind to approach and speak to someone suspected of having a gambling problem.”

In June the clubs industry mailed a policy paper to all federal politicians saying staff in poker machine venues would be required to approach problem gamblers and discuss with them how to overcome addiction, including self-exclusion. The paper was prepared by Clubs Australia which represents more than 600 non-profit clubs and was the organisation that headed the nation-wide campaign last year against the Gillard government's planned mandatory pre-commitment scheme to limit gamblers' losses.



THINKSTOCK

**FINANCIAL HEADACHE:**  
Some gamblers are struggling  
to make ends meet

“It becomes your world when you are playing a poker machine because it is so constant, so quick and so repetitive.”

## OUR NATIONAL HABIT

- Nearly two in every three adult Australians, about 11 million people, participated in some form of gambling last year among whom 1.1 million gambled 10 per cent or more of their annual income.
- The proportion of Australians who gamble has fallen from 76 per cent 10 years ago, a significant decline that has occurred in almost every state and territory.
- Australians spent \$18.1 billion on gambling in 2011 with \$10.9 billion or 60 per cent going into poker machines (down from \$14 billion 10 years ago).
- The average Australian spends \$1,641 a year on gambling while the average poker machine player spends \$2,407 a year.
- At risk or problem gamblers spend an average of \$11,500 each a year and several hours a day on poker machines; they tend to be older, living alone and retired, to be in the lower socio-economic group and with poorer education.
- More than one in four adult Australians played poker machines in 2011 and more than half bought lottery tickets or ‘scratchies’.
- All forms of gambling are trending down except for racing and sports betting where spending increased to \$3.6 billion in 2011: \$2.6 billion on racing and \$1 billion on sports betting.
- Gambling rates vary considerably from state to state: Western Australia has the highest gambling rate despite a ban on poker machines but lotteries there are highly popular. Queensland has the next highest participation rate – particularly in rural areas that have many league clubs while Victoria has the lowest.
- Older Australians gamble more than younger: while 63 per cent of the adult population gamble, only 44 per cent of 18 to 24-year-olds do.

*Source: Members of Roy Morgan Research presented these findings, based on interviews with a randomly-selected 21,000 Australians, to the Gambling Reform Committee at a hearing in Canberra.*

The paper says prevalence rates and estimated social costs related to problem gambling are much lower than other public health issues such as problem drinking, illegal drug use, mental illness, obesity and smoking. Therefore, “a more measured [government] policy is required”.

Similar arguments are set out in submissions to the committee from the Australian Hotels Association and the Australasian Gaming Council, the members of which include hotels and casinos, licensed gambling operators and gaming machine manufacturers. The submissions indicate that the billions spent on gambling contribute 10 per cent of all state and territory taxation revenues, that the gambling industries are significant employers and that they are also major contributors to tourism, hospitality and funding for local communities.

The lobby groups argue that the majority of Australians gamble responsibly and within their means, and that only a relatively small proportion of the population “experience





## The use of self-exclusion from gaming venues is futile

problems associated with gambling”. They also point out that problem gambling is not confined to poker machines and preventative measures should not be restricted to them alone.

This was a topic raised with the committee by Christopher Hunt, a psychologist who heads a gambling treatment clinic at the University of Sydney. His main concerns include live announcing of available odds during sporting broadcasts, the practice of using inducements in marketing such gambling, the use of language to create or strengthen the link between gambling and winning, and the failure of marketing strategies to properly explain why gamblers should expect to lose in the long run.

“We note with concern the practice of inducements involving free bets or bonus credits that are routinely offered to [gamblers attracted to] sports betting websites,” Mr Hunt’s submission states “Clients of the treatment centre report that such inducements encourage them to think they have nothing to lose by betting, or that betting offers them easy money or free money. Such offers are highly appealing, and make it difficult for them to ignore, cut back or stop gambling.

“Clients at the clinic report considerably more gambling arising from this style of free bet inducements than those offered at land-based gambling operators such as reward points or cheap meals. It is likely the gambling industry sees it as an essential marketing strategy to promote gambling by associating it with knowledge, skills, success, winning and long-term wealth. This is because such associations are explicitly encouraged in most if not all forms of gambling advertising.”

Chair of the Australian Churches Gambling Taskforce, Reverend Tim Costello, says sports betting and betting online, which were not covered by the Interactive Gaming Act, have “exploded” and need regulation.

“The public has been quite shocked by the wave of sports betting. They were not asked for their views on allowing it

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[and] it has saturated sporting events,” Mr Costello says. “It has started to shape the culture, with children often now thinking of sport in terms of the odds – even under-10 cricket and football games with odds on who is 11th man or who is on the bench.”

The Northern Territory-based online betting company, Sportsbet, added to the growing concern among politicians and experts in June when it offered bets on whether Melbourne’s trains would meet Metro’s service targets by running on time that month. But a public outcry followed and the company was forced to withdraw its offer, although not its other so-called novelty bets including odds on which party will win the next election, who will lead Labor, and which country will be the first to leave the Eurozone market.

When the head of the school of psychology at the University of Sydney, Professor Alex Blaszczynski, appeared before the committee, he predicted that within 20 years there would be an increase in social media gambling based on iPads and smart phones.

“I think the cohort coming through will certainly bring in an entirely new technology based form of gambling,”

BAGGING A FORTUNE:  
*Australians gambled nearly  
 \$20 billion in 2010/11*

## DEALING WITH PROBLEM GAMBLING

- Problem gambling messages and campaigns should be promoted in gambling venues and via a variety of social media platforms.
- Increased funding be given for more effective advertising and information campaigns to highlight problem gambling and assistance to problem gamblers.
- Advertisements for betting and gambling companies during commercial breaks be restricted to a set number of times per hour and twice should be the maximum.
- All jurisdictions should work together to develop guidelines and legislation that address the challenges of the growing online betting market.
- Invest in the training of gambling venue staff to recognise problem gamblers and give them appropriate advice.
- Better awareness of problem gambling as a medical disorder by health funders.
- Money raised from gambling should be distributed among disadvantaged communities where gambling venues are preferentially located and hence are significantly more affected by problems associated with gambling.
- Stricter regulations on the issuing of gambling licences.

*Source: The Royal Australian and New Zealand College of Psychiatrists*

Professor Blaszczynski says. “I think the electronic gaming machines will tend to remain but not be as popular as they are currently.”

In their submission, the psychologists at Sydney’s Gambling Treatment Clinic say they have researched different forms of treating problem gamblers, including cognitive

therapy, cognitive behavioural therapy, multimodal therapy and supportive counselling. They believe “pure cognitive therapy” represents the best treatment because it is based on the idea that persistence at gambling was motivated by the gambler’s misguided understanding of the probabilities of winning.

“In other words, it assumes that problem gamblers make poorly informed decisions about gambling and are unaware of their own erroneous thinking,” their submission states. “Data collected at the clinic clearly indicated that changes in an individual’s beliefs and knowledge about gambling are one of the key predictors of reduced gambling behaviour... with minimal rates of relapse over the longer term.”

In reviewing other options, the psychologists note research which shows that Gamblers Anonymous – widely cited as a ‘help-seeking option’ for problem gamblers – has much poorer results compared with professional treatment. Likewise, they say the use of self-exclusion from gaming venues is futile because of the sheer number of gaming venues that allowed gamblers easy access to alternative venues.

Submissions from other groups echo the psychologists’ call for more research into problem gambling and treatment methods, as well as into early intervention, developmental pathways of problem gambling, the effects of self-exclusion in areas of high, medium and low density gambling, and public education and awareness campaigns.

But Mr Cummings criticises the emphasis on treating problem gambling rather than on prevention.

“Treatment is something we have been focusing on for decades while we have ignored prevention for far too long,” he says. “The truth is that regarding poker machines none of the [treatment] initiatives has had any impact on the experience of actually playing a poker machine. That has remained essentially unchanged for over 20 years, save for changes implemented by the industry that are designed to increase revenue, not reduce problem gambling.”

The one single measure that has had a significant impact on poker machine revenue was the introduction of smoking bans. Except, that is, in New South Wales, which allows ‘al fresco’ gaming where patrons are able to smoke at their poker machines in gaming areas technically classified as outdoor areas.

“What this highlights is a refusal on the part of state governments and the industry to act on the gambling product itself, and instead focus on the trappings,” Mr Cummings says.

“The two preventative measures that have attracted the most discussion in recent times, being mandatory pre-commitment and maximum \$1 bets for poker machines, both had the potential to change the actual playing experience for gamblers.

“And this was among the reasons why the measures were so strongly opposed by the gambling industry while others had been strongly supported.” •

**FOR MORE INFORMATION** on the inquiry into the prevention and treatment of problem gambling, visit [www.aph.gov.au/gamblingreform](http://www.aph.gov.au/gamblingreform) or email [gamblingreform@aph.gov.au](mailto:gamblingreform@aph.gov.au) or phone (02) 6277 3433.