



# Know the Odds

## A discussion starter about the impacts of gambling?

- 40-60% of gambling profits comes from people who gamble problematically<sup>1</sup>
- 80% of those in treatment for gambling problems are addicted to poker machines<sup>2</sup>
- The NSW Health Study of 2007, found over 10% of families have experienced a gambling problem<sup>3</sup>
- Unlike drug and alcohol addiction where the impacts are obvious gambling addiction is usually hidden
- Young men (18 -24) are the highest risk group<sup>4</sup>

### Individual Impacts

The average person with a gambling problem loses \$12,000 a year and often much more.<sup>2</sup> The most sacrificed item to pay for gambling is groceries<sup>4</sup>. Other household expenses follow, children's school expenses, credit card debt, ... the list is endless.

Relationships with family, friends and at work suffer. Shame is common as is stress, feelings of low self-worth and a sense of being out of control and unable to get back into control.

Depression and anxiety are common impacts on health. Around 20% of suicide attempts are related to gambling problems<sup>5</sup>. It can be so overwhelming that it is hard to see that the gambling behaviour is the problem.

### Focus

*Have you ever played the pokies?*

*If so, how would you describe your gambling?*

*Ever spent more time or money than you intended, or suffered problems from gambling?*

### Family Impacts

For every person gambling problematically 5-10 other people are negatively affected.<sup>1</sup> Financial impacts on families hit hard, bills mount up, legal issues arise and there never seems to be enough money to go round. Stealing to pay for gambling is widespread and often the family bears the costs.

Family assets are sacrificed, houses and superannuation can all be lost when a family member's gambling gets out of control.

Partners may take on extra work to make up the debts, and accept more responsibilities. Emotional bonds suffer.

Around 85% of spouses of those gambling problematically suffer emotional illness such as anxiety and depression<sup>6</sup>.

Children also suffer stress related health problems such as asthma, anxiety and depression. They are more at risk of developing a gambling problem later in life.

At work, on-line gambling is an increasing problem. Loss of time from work because of gambling is an issue along with loss of employment.

### Focus

*What personal experience do you have of the impacts of gambling on families?*



## Community impacts

There are 180,000 poker machines in Australia and over 98,000 in NSW. In 2008 \$4.2 billion in gaming machine profits were made in NSW<sup>7</sup>.

Community impacts are widespread but not even throughout the community. Lower socio-economic areas are affected much more than higher areas. For example there are few pokies in Chatswood compared to the South West suburbs of Sydney.

Gambling is a highly taxed activity so while government coffers swell, the local community suffers (money going into pokies means less money staying in the community) – less money going into local shops, cafe's &/ (or) other local businesses. Despite popular perceptions, gambling venue cash contributions to communities is minimal. NSW Clubs after taking into account their tax rebates, contribute less than 1% of their total gaming profits<sup>8</sup> and there are no mandatory requirements on other gambling venues to provide community funding.

Many gambling venues, such as Clubs, pay minimal tax due to their non-profit status and other government tax concessions. As a result they can subsidise their services and activities from gaming machine profits and offer cheap meals, drinks, free community rooms and other facilities.

This impacts on other businesses who can't compete with these arrangements. The gambling industry claims it creates jobs but research shows that gambling venues take work from other businesses<sup>9</sup>.

One poker machine averages \$42,000 profit a year to a venue this is why other forms of entertainment such as bands, performing arts etc are on the decrease.

State governments gain 10 -12 % of their taxes from gambling but only 2% of the Casino Tax in NSW goes back into treatment services for problem gambling (about \$12 million), no other gambling provider contributes.

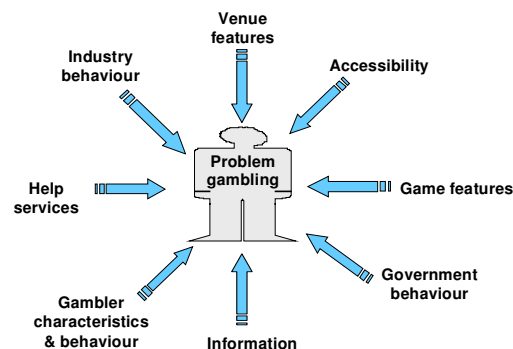
This industry relies on people who are addicted to an unsafe product to supply the majority of their profits. The gambling industry is hurting our community.

## Focus

*What do you think of the ethics of this business practice? How would you like to see things change?*

## Change is needed

The Federal Productivity Commission released its latest report into gambling on 23/6/10.<sup>1</sup> This recommends a number of important reforms including the adoption of a public health approach, which recognises that harm is spread throughout the community, rather than a treatment approach, which focuses on individuals.



## A Public Health Approach to Problem Gambling<sup>1</sup>



Proposed reforms include improved consumer information and protection, increased prevention and early intervention and better support for those who get into difficulties and their families.

Important poker machine product safety recommendations include:

- A pre-commitment system to enable gamblers to set limits on time & money before starting.
- Lowering the potential cost of play per hour from \$1,200 to an average of \$120 by cutting the maximum bet from \$10 to \$1 per button press.
- Reducing high intensity gambling by limiting cash inputs by note acceptor to \$20 with no further cash able to be inserted until the credit falls below this limit.
- Research shows recreational gamblers will not be hindered by these changes.<sup>1</sup>

### Focus

*The gambling industry opposes these reforms. If you want to **support these reforms** write to your local State & Federal MPs. Talk with friends, family, workmates and **get involved**. Contact the Gambling Impact Society (NSW) [www.gisnsw.org.au](http://www.gisnsw.org.au) to support a National campaign.*

You can view the Productivity Commission's report at <http://www.pc.gov.au/projects/inquiry/gambling-2009/report>

## TAKING ACTION ON PROBLEM GAMBLING – IT'S IN YOUR HANDS

### References:

<sup>1</sup><http://www.pc.gov.au/projects/inquiry/gambling-2009/report>

<sup>2</sup>Productivity Commission Report, 1999.  
*Australia's Gambling Industries*, Vol. 1 & 2, November.

<sup>3</sup>Source: New South Wales Population Health Survey 2007 (HOIST). Centre for Epidemiology and Research, NSW Department of Health.  
[www.health.nsw.gov.au/publichealth/surveys/hsa/07/toc/2\\_beh14\\_gamblingasp](http://www.health.nsw.gov.au/publichealth/surveys/hsa/07/toc/2_beh14_gamblingasp)

<sup>4</sup>AC Nielson (2007), Prevalence of Gambling and Problem Gambling in NSW – A Community Survey, 2006. NSW Office of Liquor Gaming and Racing

<sup>5</sup>Gambling linked to one in five suicidal patients. The Age, Kate Hagan, *April 21, 2010*

<sup>6</sup>Lorenz, V.C. and Yaffee, R.A. 1988. 'Pathological gambling: Psychosomatic, emotional and marital difficulties as reported by the spouse', *Journal of Gambling Behavior*, 4(1),.

<sup>7</sup>Office of Liquor, Gaming & Racing - Fast Facts July 2008 [www.olgr.nsw.gov.au](http://www.olgr.nsw.gov.au)

<sup>8</sup>Con Walker, B., 2009. *Casino Clubs NSW: Profits, Tax, Sport and Politics*, Sydney University Press

<sup>9</sup>The South Australian Gambling Industry, 2006, SA Centre for Economic Studies

