

REPORT TO THE
TASMANIAN GOVERNMENT DEPARTMENT OF TREASURY AND FINANCE

NOVEMBER 2015

THIRD SOCIAL AND ECONOMIC IMPACT STUDY OF GAMBLING IN TASMANIA

SUMMARY REPORT



THE UNIVERSITY OF
MELBOURNE

The Problem Gambling Research and Treatment Centre



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Note to readers

The charts in this report are not reducible to grey-scale. It is recommended that the report be read onscreen, or as a colour print out.

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Abbreviations

ATM	Automated Teller Machine
CATI	Computer Assisted Telephone Interviewing
CSL	Community Support Levy
DHHS	Department of Health and Human Services
DTF	Department of Treasury and Finance
EGM	Electronic gaming machine
GDP	Gross Domestic Product
GSP	Gambling Support Program
GST	Goods and Services Tax
LGA	Local Government Area
NGR	National Gambling Reform
PGRTC	Problem Gambling Research and Treatment Centre
PGSI	Problem Gambling Severity Index
SEIS	Social and Economic Impact Study
SES	Socio-Economic Status
SRC	Social Research Centre
TGC	Tasmanian Gaming Commission

Key findings

The Tasmanian gambling industry

Gambling in Tasmania is undertaken in numerous outlets and venues across the State. As at December 2013, 3,526 electronic gaming machines (EGMs) were available in 102 hotels, clubs and casinos. Other gambling forms include Keno, race wagering, lotteries, and casino table games.

In 2012-13, total real gambling expenditure in 2011-12 prices was \$310 million, equating to \$789 per adult, with expenditure focussed on EGMs in hotels, clubs and the two casinos. The Tasmanian Government received \$91.3 million (real, 2011-12 prices) in gambling taxes and licence fees in 2012-13.

Gambling participation

In 2013, 61.2 per cent of the Tasmanian adult population reported gambling in the previous 12 months (excluding day trading), falling from 64.8 per cent in 2011. The most common gambling activity was playing lotteries (43.0% of adults), followed by Keno (26.0% of adults).

Just under one-third (31.5%) of Tasmanian adults who reported gambling in the past year also reported gambling weekly, and a further quarter (24.3%) monthly. Lotteries were the most common form of weekly gambling. Tasmanian adults gambled an average of 24.0 times per year in 2013.

Problem gambling

In 2013, using the Problem Gambling Severity Index (PGSI: Ferris & Wynne 2001), an estimated 0.5 per cent of Tasmanian adults were classified as problem gamblers, 1.8 per cent as moderate risk gamblers, 3.9 per cent as low risk gamblers, 54.9 per cent as non-problem gamblers and the remaining 38.8 per cent as non-gamblers.

Across Tasmania, moderate risk or problem gamblers account for 20.5 per cent of total gambling expenditure, and low risk gamblers account for a further 20.5 per cent respectively.

Gambling and the Tasmanian economy

In 2013, there were approximately 4,061 people employed in Tasmania's gambling industry, with the majority (94%) employed in gaming, casinos and race wagering.

Economic modelling was used to estimate the contribution of gambling to the Tasmanian economy. This analysis found that diverting all Tasmanian gambling expenditure 'offshore' would see reductions of 1.10 and 1.26 per cent in real GDP and employment respectively.

Assessing gambling harm minimisation measures

In March 2009, the Tasmanian Government announced measures aimed at reducing the harms caused by problem gambling. These measures affected advertising, inducements, and the payment of winnings, to name a few.

Assessment of the harm minimisation measures found that most gamblers (62.8-98.8%) were aware of at least one measure. In an assessment of the perceived impact of the measures, a significant proportion of at-risk gamblers (6.0-57.9%) reported a decrease in expenditure on their gambling as a result of at least one measure, but only a relatively small proportion of non-problem gamblers (0-9.5%) reported a decrease in their enjoyment on gambling as a result of at least one measure.

The overall finding of the assessment was that the suites of harm minimisation measures for gambling activities, such as EGMs, terrestrial wagering, online wagering, Keno, and casino table gaming, were generally found to be effective in reducing the expenditure of at-risk gamblers while not affecting the enjoyment of large numbers of non-problem gamblers. There was, however, little support for the effectiveness of the harm minimisation measures for lotteries.

1 Background to study

1.1 Objectives

A consortium comprising ACIL Allen Consulting, the Problem Gambling Research and Treatment Centre (PGRTC) and the Social Research Centre (SRC) was engaged by the Tasmanian Government, Department of Treasury and Finance to undertake the third Social and Economic Impact Study of Gambling (SEIS) in Tasmania. A SEIS of gambling in Tasmania is required every three years under the *Gaming Control Act 1993* (the Act).

The same consortium undertook both the second SEIS in 2011, and the third SEIS which is the focus of this report. Volumes 1 and 2 of the third SEIS closely mirror the second SEIS, providing an update of:

- key industry trends and comparisons with other states and territories
- Tasmanian gambling prevalence
- the impacts of gambling in the eight focus Local Government Areas (LGAs) featured in the 2011 SEIS – low socio-economic status (Brighton, Break O’Day, Glenorchy and Devonport), and comparison LGAs (Sorell, Circular Head, Launceston and Clarence).

Volume 3 of the third SEIS reviewed the suite of harm minimisation measures implemented by the Tasmanian Government following the first SEIS.

1.2 Methods

A multi-methods approach was used to undertake the third SEIS, including:

- analysis of gambling-related statistics from the Tasmanian Government, Department of Treasury and Finance (DTF), and the Australian Gambling Statistics prepared by the Queensland Government Statistician’s Office.
- the 2013 Tasmanian Gambling Prevalence Survey, which collected data on gambling participation, frequency of play, expenditure and other factors.
- Waves 1 to 3 of the Tasmanian Longitudinal Gambling Study, which followed up a sub-group of participants from the gambling prevalence survey undertaken as part of the second SEIS.
- survey of gaming venues in the eight focus LGAs.
- stakeholder consultation and public submissions, including representatives from local and state government, the gambling industry and support services.
- longitudinal qualitative interviewing study of EGM gamblers across two phases.

2 The Tasmanian gambling industry

2.1 Industry size and characteristics

Gambling in Tasmania comprises gaming and wagering in various forms, outlets and venues. Table 1 provides a broad overview of the industry. The Act limits the total number of EGMs in Tasmanian casinos, clubs and hotels to 3,680. Within this broad cap, a total of 2,500 EGMs are permitted within clubs and hotels. Within venues, EGM numbers are capped at 40 in clubs and 30 in hotels.

Table 1 **Gambling products and outlets in Tasmania (2014)**

Activity	Venue type	Venue/Outlets	Number ^a
EGMs	Casinos	2	1,173
	Clubs	10	173
	Hotels	90	2,180
	Spirit of Tasmania ships	2	46
	Total	104	3,572
Casino: table games	Wrest Point Hotel Casino	-	27
	Country Club Casino	-	18
	Total	-	45
Lottery outlets	Intralot	14	-
	Golden Casket	2	-
	Golden Casket and Tatts	71	-
	Intralot, Golden Casket and Tatts	16	-
	Total	103	-
Keno	Casinos	2	-
	Clubs	28	-
	Hotels	138	-
	Total	168	-
Race wagering	TOTE Tasmania outlets	129	-
	Bookmakers (2012-13)	10	-
	Total	139	-
Minor gaming	Permits issued at June 2013	-	364
	Total	-	364

^a Number of EGMs, table games, or minor gaming permits.

Table 2 shows the number of EGMs per 1,000 adults in Tasmania and Australia (2012-13). Tasmania has a lower number of EGMs per 1,000 adults compared with Australia as a whole, particularly when Western Australian figures are excluded. However, the number of casino EGMs per 1,000 adults is considerably higher, reflecting the presence of two casinos in a relatively small population.

Table 2 **EGMs in casinos, hotels and clubs (Tasmania and Australia) 2012-13**

		Casinos	Hotels	Clubs	Total
Tasmania	Number of EGMs	1,173	2,180	173	3,526
	Per 1,000 adults	3.0	5.5	0.4	8.9
Australia	Number of EGMs	12,978	70,218	114,392	197,588
	Per 1,000 adults	0.7	4.0	6.5	11.1
Australia less WA *	Number of EGMs	10,978	70,218	114,392	195,588
	Per 1,000 adults	0.7	4.4	7.2	12.4

Note: * Western Australia only permits EGMs within Crown Perth casino, an arrangement unique among Australian states and territories. Consequently, including Western Australia EGM numbers skews Australian summary figures.

2.2 Industry structure

Tasmania's gambling industry is dominated by three suppliers — Federal Group, TOTE Tasmania and Betfair. There are also a number of smaller industry players, such as bookmakers. A number of other businesses in the hotel and racing sectors earn revenue from gambling activities in Tasmania. In particular, a number of operator groups (including Woolworths and ALH Group, together with Vantage Hotel Group) operate hotels offering EGMs. Tasmanian clubs also earn revenue from gambling (mostly Keno), but to a lesser degree than in most other states.

Significant changes to the industry structure since the second SEIS include the sale of TOTE Tasmania to Tatts Group in March 2012 and the announcement in August 2014 that Crown Resorts had purchased the remaining 50 per cent of Betfair Australasia.

Federal Group is a wholly owned subsidiary of Mulawa Holdings Pty Ltd, a private company. The Group's portfolio includes a number of gaming businesses — Wrest Point Hotel Casino, Country Club Casino, Network Gaming and Vantage Hotel Group — as well as a number of hospitality, tourism and liquor businesses.

TOTE Tasmania was previously a state-owned company. However, in December 2011 TOTE Tasmania was sold to Tatts Group for approximately \$103 million. The sale was finalised in March 2012. The acquisition of TOTE Tasmania has provided Tatts Group with exclusive access for 15 years to the Tasmanian racing and sports wagering market. Since the release of the Volume 1 report, TOTE Tasmania has rebranded itself as UBet.

Finally, Betfair offers fixed odds wagering products via a betting exchange platform, where customers can wager against one another on a fixed odds basis. Betfair also provided race wagering and sports betting fixed odds products on Australian sporting and racing events. Although since the release of the Volume 1 report, Betfair has ceased to offer these products. Betfair is currently the only betting exchange operating in Australia.

Consolidation of the industry

There has been a small reduction in the number of gaming venues in Tasmania from 2011 to 2014 and small changes in the composition of gaming options on offer. Table 3 shows Tasmanian gambling venues by venue type and gambling options on offer for 2011 and 2014.

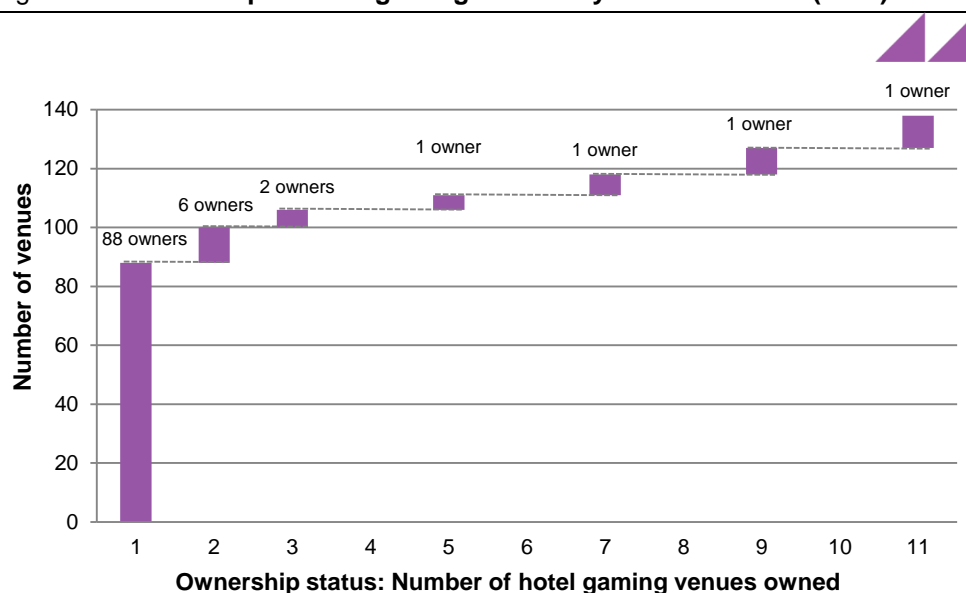
The total number of venues has fallen from 192 in 2011 to 189 in 2014. The composition of venues offering EGMs, Keno and TOTE has remained broadly consistent with the number of Keno only venues falling from 37 to 33, the number of EGM and Keno venues falling from 34 to 25, and the number of venues offering all three increasing from 68 to 75.

Table 3 **Gambling venues by type and offerings (2011 and 2014)**

	2011	2014
Venues by type		
Hotel	141	139
Club	28	28
Totalizator Agent	19	18
Casino	2	2
Ferry	2	2
Total	192	189
Venues by gambling offering		
Number of Keno only venues	37	33
Number of TOTE only venues	20	19
Number of EGM only venues	2	2
EGM and Keno	34	25
EGM and TOTE	0	0
Keno and TOTE	31	35
All three	68	75

Note: The totals include gambling on board the Spirit of Tasmania ships

The majority of owners of hotels offering gaming control a single venue; however, there are a number of owners who control many venues, such that overall there are 100 individual owners of 138 hotels. Figure 1 plots the number of gaming hotel owners by the number of hotels offering gaming they own in 2014. In 2014 there were 88 gaming hotel owners who owned one venue, accounting for 88 per cent of owners. In 2014, there was one provider each with 11, 9, 7, and 5 hotels respectively. The largest owner (of 11 venues) thus accounted for 8 per cent of gaming hotel venues.

Figure 1 **Ownership of hotel gaming venues by number owned (2014)**

3 Gambling activity and behaviours

A feature of the third SEIS was the 2013 Tasmanian Gambling Prevalence Survey. With a larger sample than the second SEIS, at 5,000 respondents, the 2013 survey also adopted a dual-frame survey design including residents only contactable via a mobile phone.

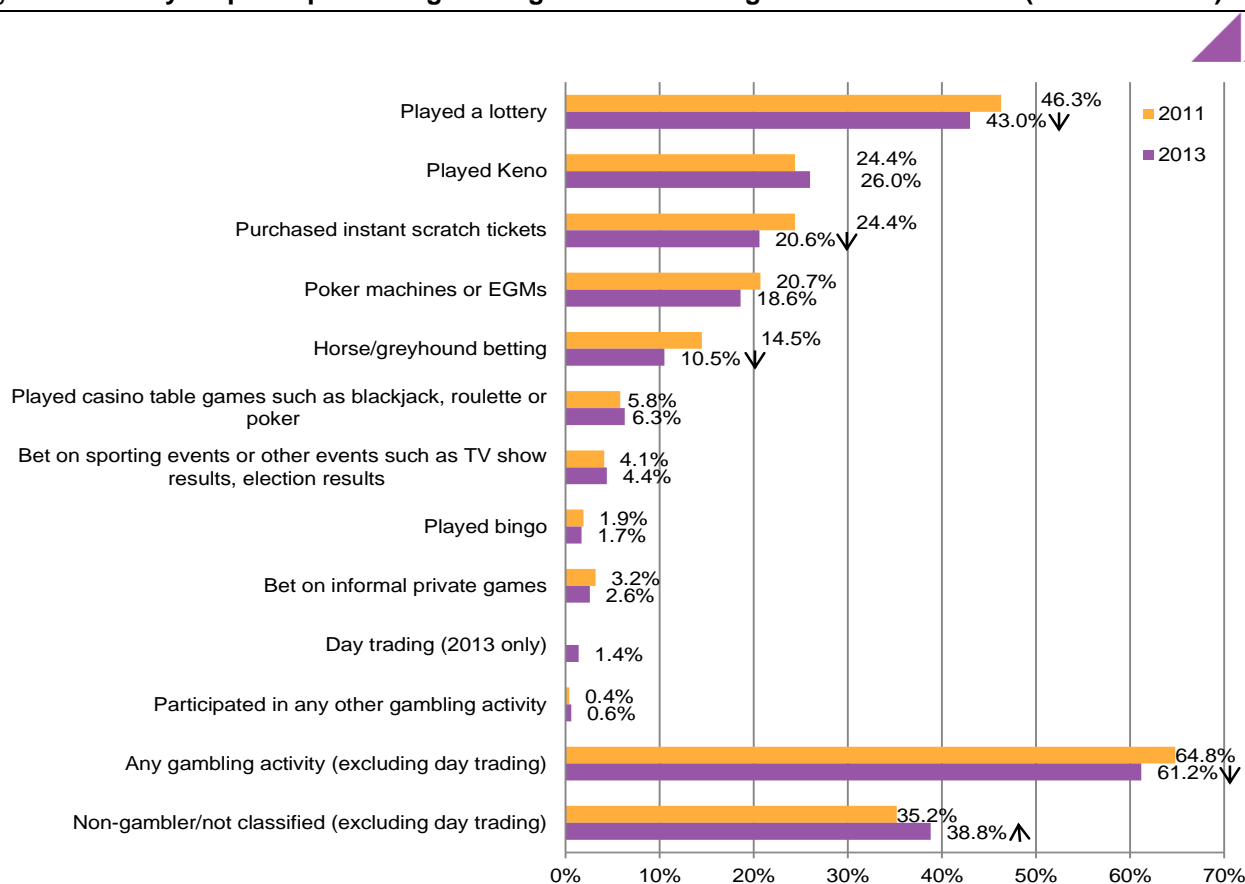
3.1 Participation

Gambling participation in the previous 12 months

The gambling participation estimates presented in Figure 2 document the percentage of the Tasmanian adult population that gambled in the previous 12 months, showing that:

- participation in any kind of gambling activity (excluding day trading) in the previous 12 months among the total Tasmanian adult population in 2013 was 61.2 per cent; this estimate had significantly declined since the 2011 value of 64.8 per cent
- lotteries were the most commonly reported gambling activity (43.0%)
- about one quarter (26.0%) of Tasmanian adults had played Keno in the past year, which was the second most commonly reported gambling activity.

Figure 2 Past year participation in gambling activities amongst Tasmanian adults (2011 and 2013)



Note: Arrows show results that are significantly higher (↑) or lower (↓) than those obtained in 2011 ($p < 0.05$).

Keno encompasses both TasKeno (typically played in hotels, clubs and casinos), as well as Lucky Keno (offered by Intralot), which is a lottery product typically sold in newsagents and lottery outlets.

Characteristics of electronic gaming machine gamblers

Focussing on EGM gamblers, EGM play was significantly higher amongst females (20.2%); 18 to 24 year olds (32.7%); single parents with children still living at home (27.7%); those in part-time employment (23.2%); those with relatively low annual personal incomes of \$25,000 to \$39,999 (24.7%); those with no post-secondary educational qualifications (22.8% and 24.6%); and people born in Australia (19.8%).

To a considerable degree, significantly lower levels of participation in EGM play mirrored the above; that is, it was evident amongst males (16.9%); 35 to 44 year olds (12.6%); those living as a couple with children at home (16.1%); those looking for work (8.4%); university graduates (12.2%); those with higher personal incomes of \$80,000 to \$129,999 per annum (13.6%); and those born overseas (English speaking background [10.7%]; non-English speaking background [10.6%]).

Gambling participation over time

Table 4 presents a comparison of data obtained from the 2005, 2008, 2011 and 2013 Tasmanian gambling surveys. From 2011 to 2013, there was a significant decline in overall gambling activity from 64.8 per cent to 61.2 per cent, as well as in betting on horse or greyhound racing from 14.5 per cent to 10.5 per cent, purchase of instant scratch tickets from 24.4 per cent to 20.6 per cent and of lotteries from 46.3 per cent to 43.0 per cent. Since 2008, there has also been an ongoing decline in the prevalence of EGM play, betting on horse or greyhound racing and the purchase of instant scratch and lottery tickets.

Table 4 **Past year participation in different gambling activities amongst Tasmanian adults (2005, 2008, 2011 and 2013)**

Gambling activity	2005	2008	2011	2013
EGMs	na	28.5	20.7	18.6
Horse or greyhound races	na	16.8	14.5	10.5↓
Instant scratch tickets	31.8	31.3	24.4	20.6↓
Lotteries	52.3	51.3	46.3	43.0↓
Keno	na	25.9	24.4	26.0
Casino table games	5.2	7.0	5.8	6.3
Bingo	2.2	1.8	1.9	1.7
Sporting or other event	3.5	3.9	4.1	4.4
Informal private games	4.6	5.3	3.2	2.6
Day trading	na	na	na	1.4
Any other gambling activity	na	1.4	0.4↑	0.6
Net: Any of the above gambling activities (excl. day trading)	na	71.7	64.8	61.2↓

Note: Arrows show results that are significantly higher (↑) or lower (↓) than in 2011 ($p < 0.05$).

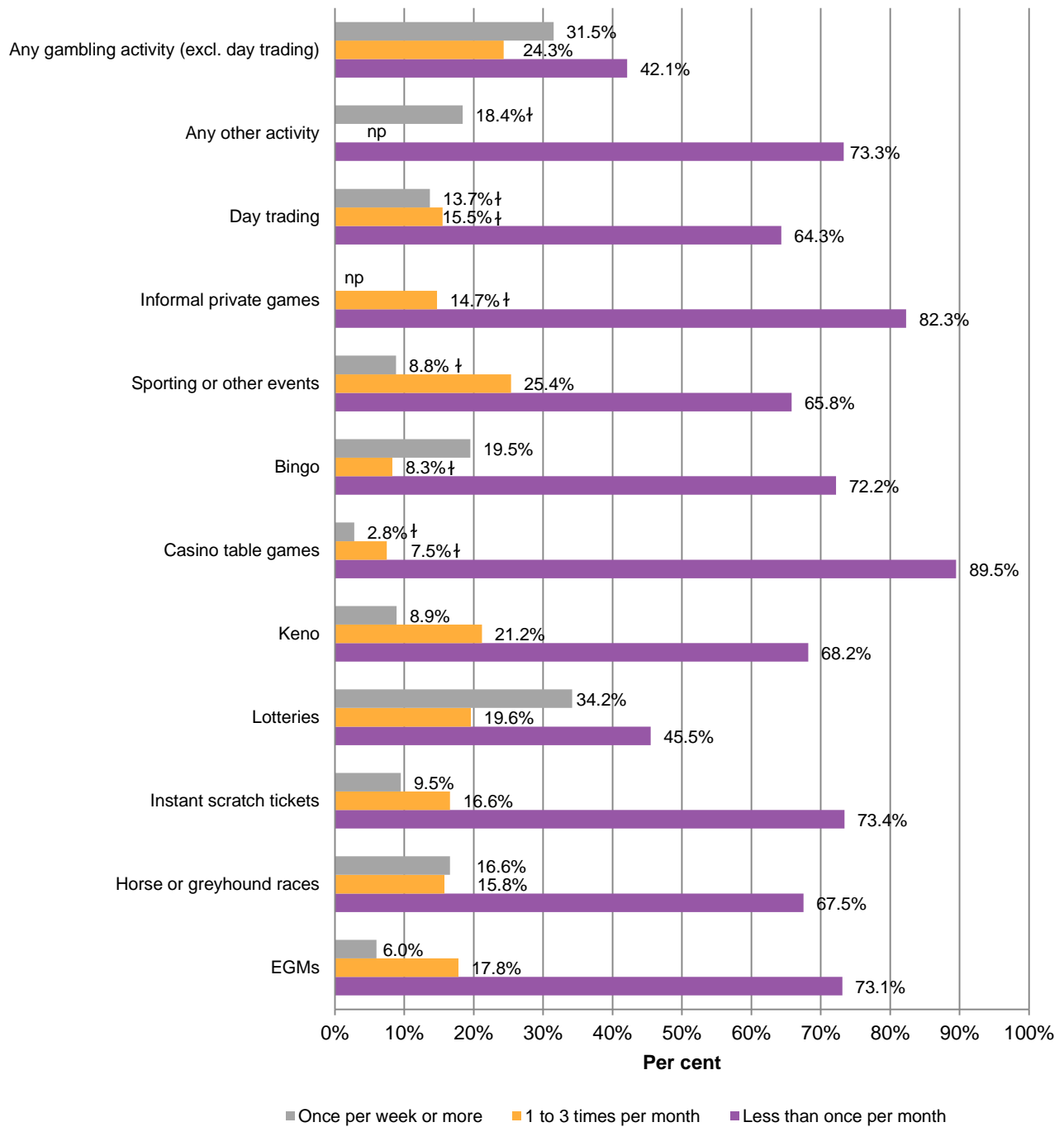
3.2 Frequency

Gambling frequency represents the average number of times a person gambles on a particular activity over a certain period. Figure 3 shows the frequency (as a percentage of all Tasmanian gamblers) of gambling by activity in the previous 12 months.

Almost one third (31.5%) of all gamblers reported weekly activity in at least one form of gambling and almost another quarter (24.3%) reported monthly participation.

Weekly gambling activity was most common for lotteries (34.2%), bingo (19.5%), any other activity (18.4%) and betting on horse or greyhound racing (16.6%). Monthly activity was most common for betting on sporting or other events (25.4%), Keno (21.2%), lotteries (19.6%) and EGMs (17.8%).

Figure 3 Past year frequency of gambling activity all Tasmanian gamblers (2013)



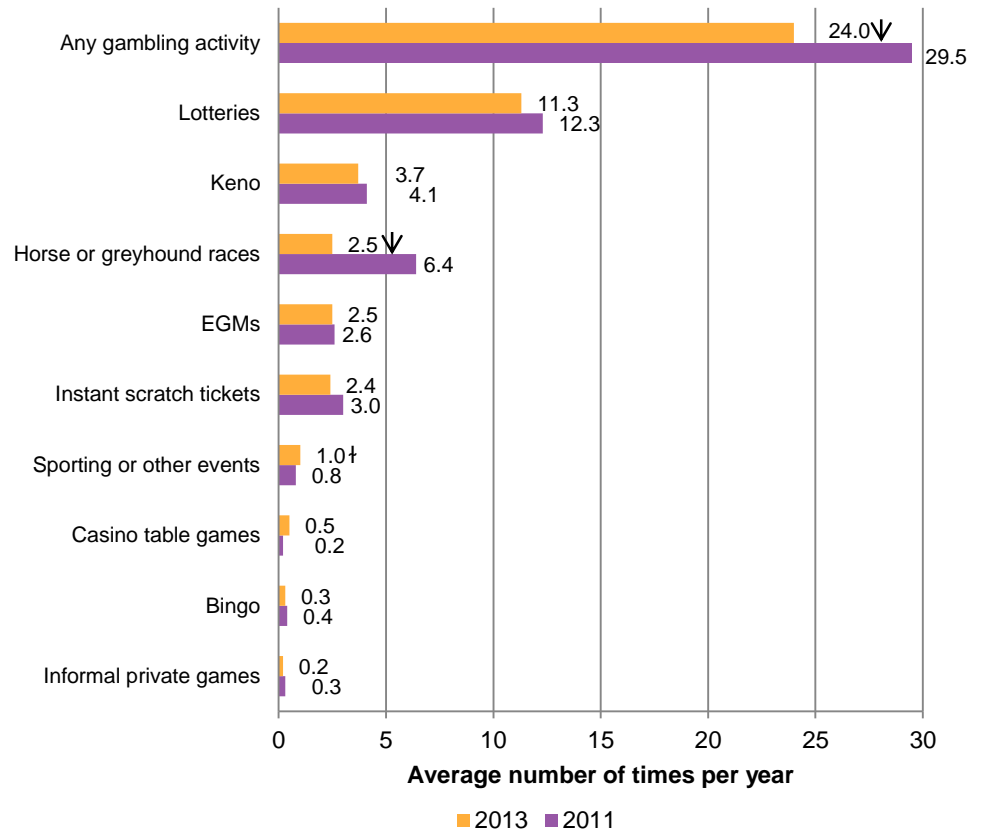
Note: np Data not available for publication due to insufficient responses or breaching Relative Standard Error criteria but included in totals where applicable.

† RSE between 30% and 50%.

Rows in the above table do not add to 100% as there are small numbers of participants for whom a frequency could not be calculated.

The mean number of gambling sessions among Tasmanian adults also declined significantly from 29.5 per year in 2011 to 24.0 per year in 2013 (see Figure 4). This reduction was most pronounced among lotteries (down from 12.3 to 11.3 times per year), and in wagering on horse or greyhound races (down from 6.4 to 2.5 time per year).

Figure 4 Mean gambling frequency in the past year (2011 and 2013)



Note: Arrows show results that are significantly higher or lower than those obtained in 2011 (p<0.05).
 † RSE between 30% and 50%.

4 Social impacts of gambling

4.1 Problem gambling

Prevalence using the Problem Gambling Severity Index

Estimates of low risk, moderate risk, and problem gambling were identified using the Problem Gambling Severity Index (PGSI) of the Canadian Problem Gambling Index (CPGI) (Ferris & Wynne, 2001). Individuals were classified into one of four gambling categories based on their responses to a set of questions: Problem gamblers, Moderate risk gamblers, Low risk gamblers and Non-problem gamblers. Identical questions were asked in the 2011 survey. The PGSI was administered to all gamblers and employed the original scoring, as outlined by Ferris and Wynne (2001).

Figure 5 shows the proportion of survey participants by gambling severity category for 2011 and 2013. In 2013, 0.5 per cent of Tasmanian adults were classified as problem gamblers, 1.8 per cent as moderate risk gamblers, 3.9 per cent as low risk gamblers, 54.9 per cent as non-problem gamblers and the remaining 38.8 per cent as non-gamblers. During both 2011 and 2013, 2.4 per cent of respondents were classified as moderate risk or problem gamblers.

Figure 5 **Gambling severity amongst Tasmanian adults as measured by PGSI categories (2011 and 2013)**

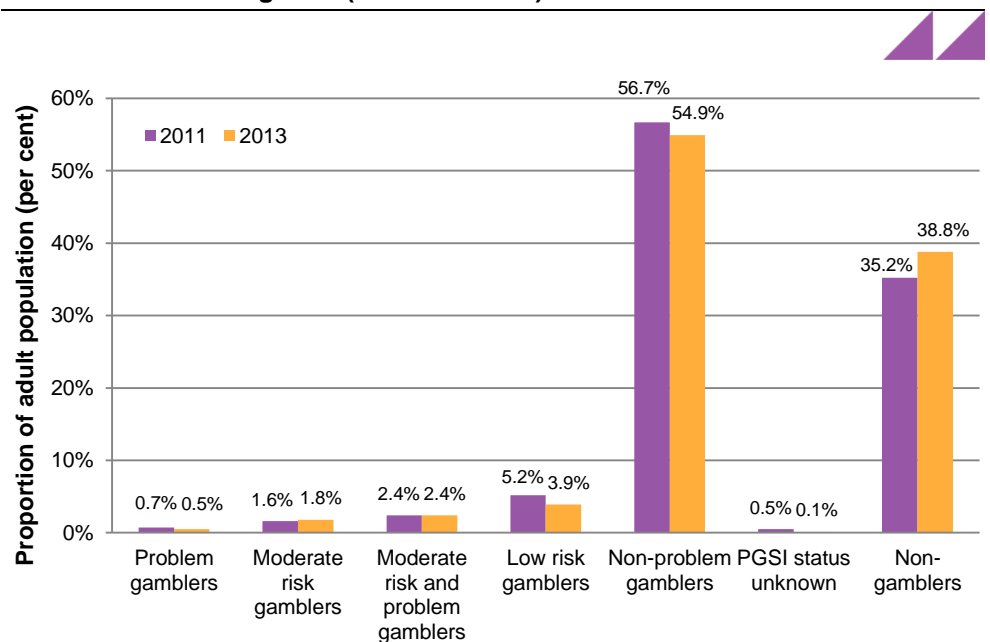
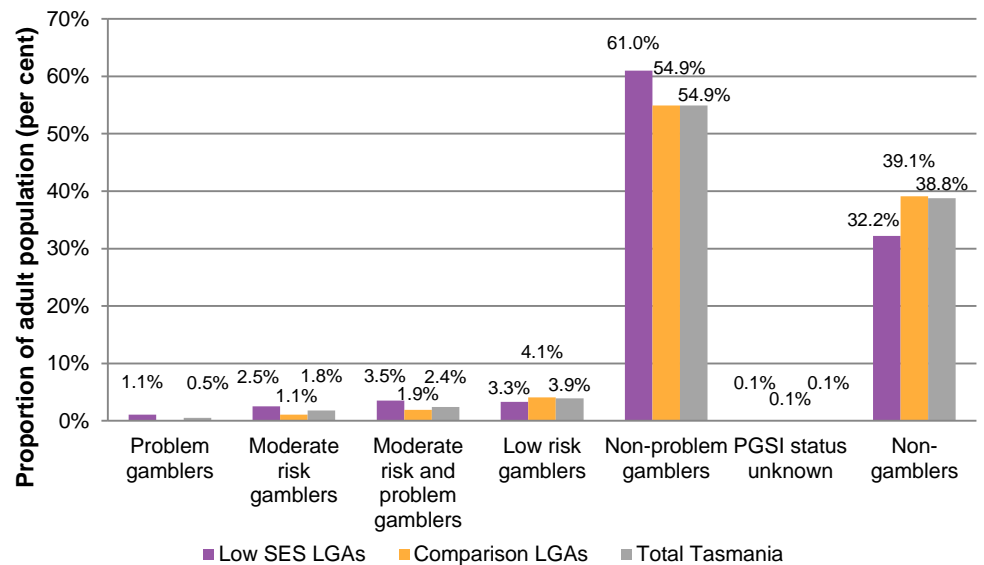


Figure 6 shows gambling severity among low SES LGAs, comparison LGAs, and all of Tasmania. In the low SES LGAs, 1.1 per cent of participants were classified as problem gamblers, 2.5 per cent as moderate risk gamblers and 3.3 per cent low risk gamblers. The proportion of non-gamblers was significantly lower in the low SES LGAs (32.2%) than among the comparison LGAs (39.1%) and Tasmanian adults overall (38.8%).

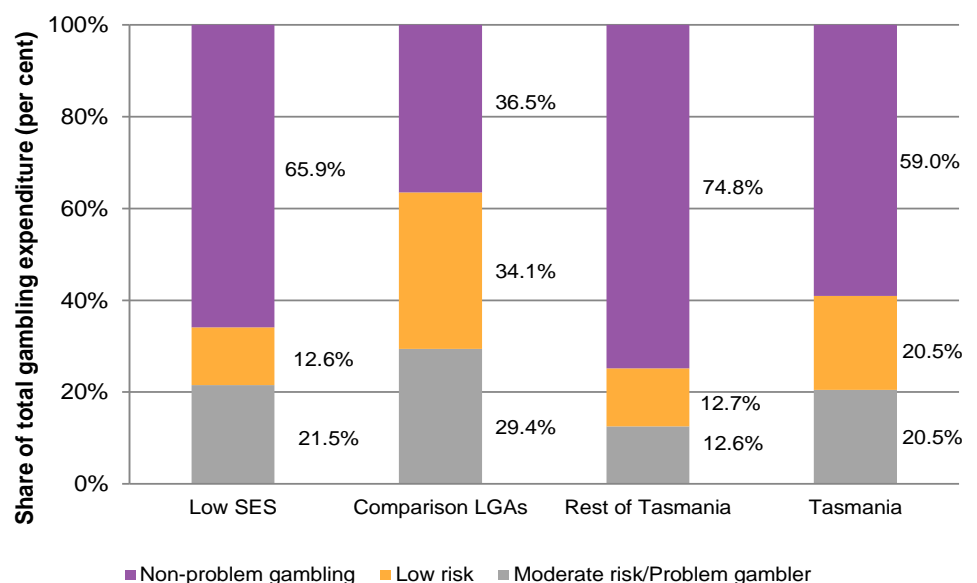
Figure 6 PGSI category by LGA groupings (2013)



Gambling expenditure by PGSI categories

Estimates were developed of self-reported gambling expenditure across gambling severity categories, finding that individuals identified as moderate risk or problem gamblers by the PGSI account for 20.5 per cent of total gambling expenditure, and that low risk gamblers account for a further 20.5 per cent respectively (see Figure 7). These shares vary between focus LGA categories – within the low SES LGAs, moderate risk or problem gamblers are estimated to account for 21.5 per cent of total gambling expenditure, whereas this share is 29.4 per cent within the comparison LGAs.

Figure 7 Proportion of total gambling expenditure by PGSI category by LGA groups (2013)



4.2 Social costs and benefits of gambling

Social costs of gambling

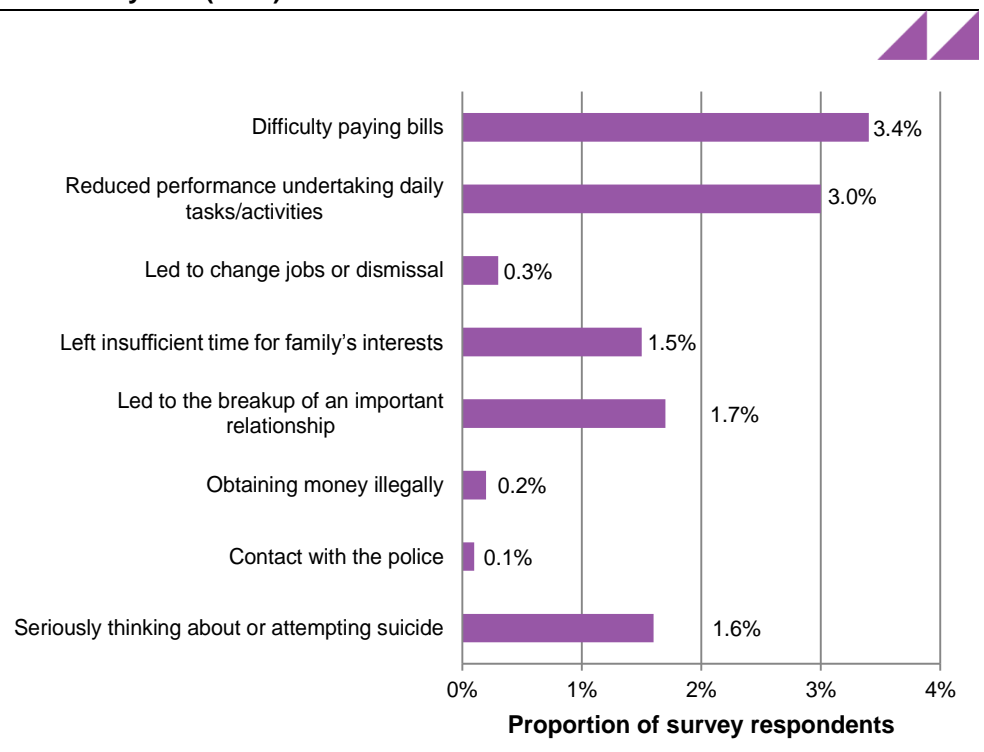
The social costs associated with gambling are all related to when individuals experience problems with their gambling, which harm themselves or their family, friends and other members of the community, and include:

- Work and study – job loss, absenteeism and poor performance
- Personal – stress, depression, suicide and poor health
- Financial – debt, asset losses and bankruptcy
- Legal – theft and imprisonment
- Interpersonal – relationship breakdown and family neglect
- Communities – loads on charities and the public purse.

Self-reported harms

A subset of gamblers participating in the 2013 Tasmanian Gambling Prevalence Survey were asked questions about their experience of gambling related harms. As a result of their gambling, 3.4 per cent reported difficulty paying bills, repaying debt or meeting other expenses; 3.0 per cent experienced reduced performance in undertaking daily tasks and activities; 1.7 per cent had experienced the break-up of an important relationship in their lives; 1.6 per cent had attempted or seriously thought about attempting suicide; and 1.5 per cent felt their gambling had left insufficient time to look after their family (see Figure 8).

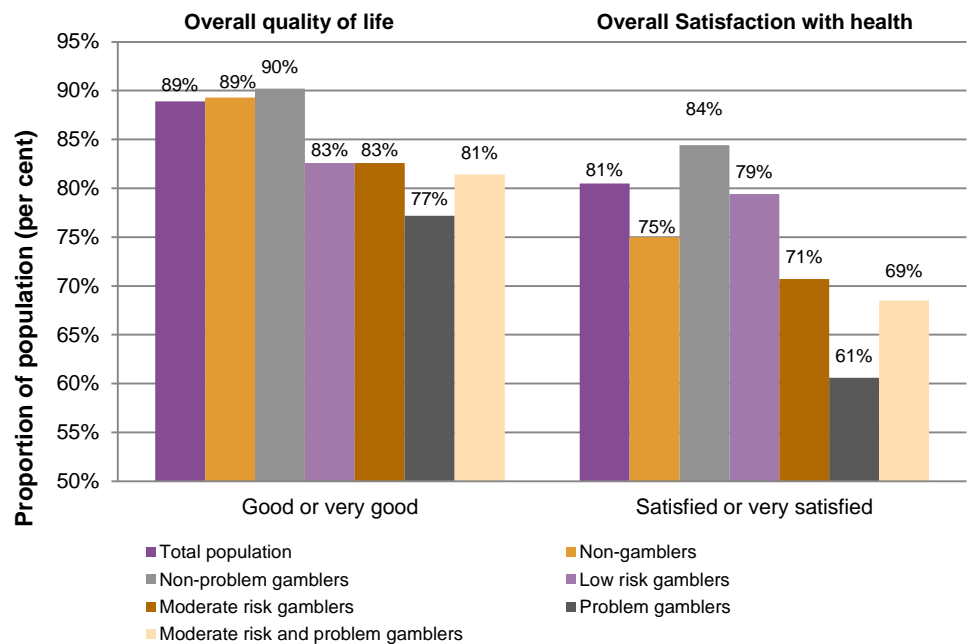
Figure 8 **Personal experience of gambling related harms in the past three years (2013)**



Quality of life

The 2013 Tasmanian Gambling Prevalence Survey asked questions relating to overall quality of life and satisfaction with health. Figure 9 shows individuals self-reported overall quality of life and satisfaction with health by PGSI category, suggesting that the higher the PGSI category, the lower the reported overall quality of life, or satisfaction with health.

Figure 9 Overall quality of life and satisfaction with health by PGSI category



Overall quality of life was rated as either 'good' or 'very good' by 90.2 per cent of non-problem gamblers; by 82.6 per cent of low risk and of moderate risk gamblers; and by 77.2 per cent of problem gamblers. Similarly, satisfaction with health was either 'satisfied' or 'very satisfied' for 84.1 per cent of non-problem gamblers, 75.0 per cent of non-gamblers and 68.5 per cent of moderate risk or problem gamblers.

Family level costs

Family members of those with a gambling problem are increasingly seeking assistance from gambling support services, reflected in a 10 percentage point increase in the proportion of non-gamblers accessing gambling support services between 2010-11 and 2012-13. The literature and feedback from stakeholders suggests that family members frequently seek support as a result of family breakdown that has been caused by gambling.

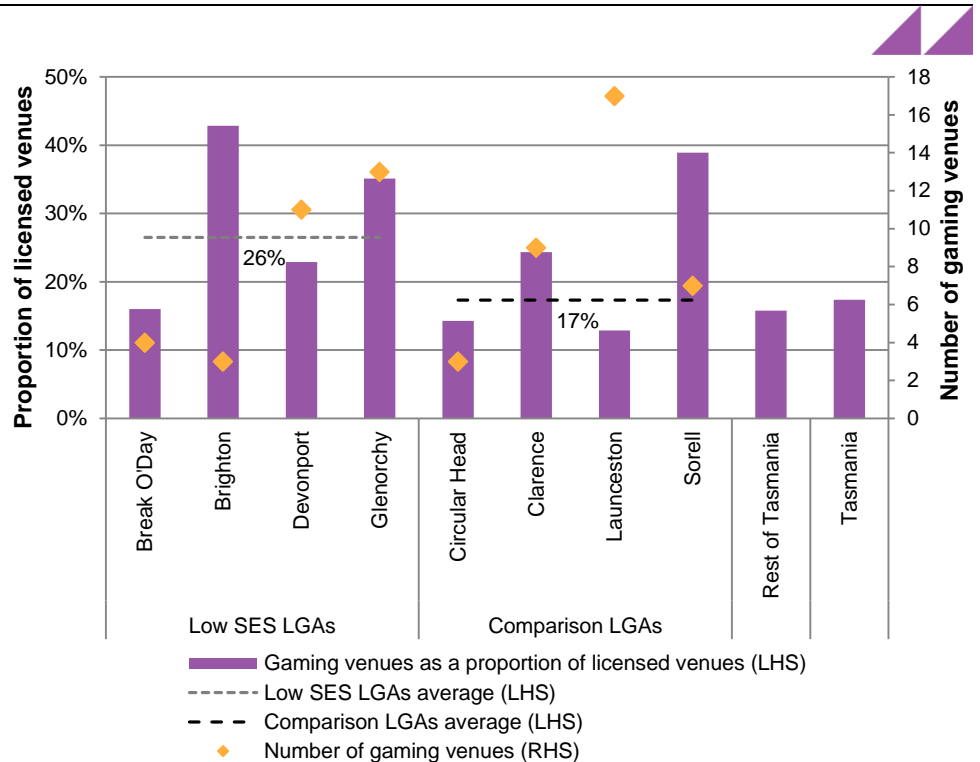
Community level costs

Feedback on the social costs of gambling was concentrated on individuals and families. However, community representatives suggested that wide access to gambling normalises problem gambling behaviour. Although stakeholders generally agreed that gambling provides employment for the local area, many believed that employment opportunities would be created without the presence of gambling.

Licensed and gaming venues

Local government and support service providers frequently expressed concern about the number of entertainment venues with gaming, arguing that it can be difficult for families to go out for a meal without being exposed to gambling. In response, the study undertook analysis of the proportion of licensed venues in Tasmania with gaming (see Figure 10).

Figure 10 Proportion of licensed venues with gaming by LGA



The analysis considered low SES LGAs, comparison LGAs, and across Tasmania. The average proportion of licensed venues with gaming is higher in low SES LGAs (26%), compared to the comparison LGAs (17%). Among the 8 focus LGAs, Brighton had the highest proportion at 43 per cent, and Launceston had the lowest at 13 per cent. This finding suggests that when visiting a licensed venue, residents of low SES LGAs are more likely to be exposed to gaming.

Social benefits of gambling: entertainment and enjoyment

Gambling is a form of entertainment providing enjoyment to a wide range of people in the community. It is also viewed as a convenient way to socialise with family and friends.

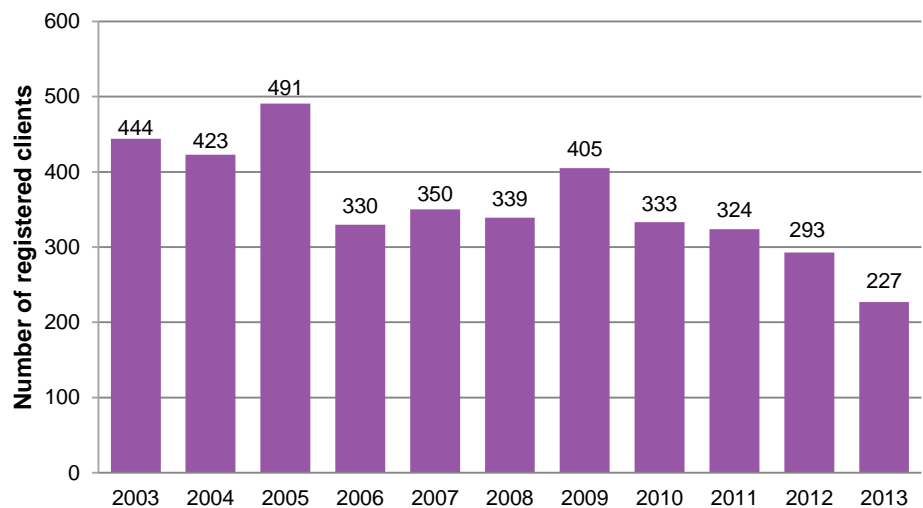
Similar to the 2011 SEIS report, it was clear from stakeholder consultations that communities rely on gaming venues to socialise. This is despite the fact that only 17 per cent of all licensed venues in Tasmania are gaming venues. Venue operators argued that this was particularly the case for the older population who often live alone and view gaming venues as a ‘nice, safe warm place to go’ to either gamble on their own or with friends.

4.3 Provision of gambling support services

A range of support services are available to Tasmanians with a gambling problem, as well as their family and friends, with the Tasmanian Government, Department of Health and Human Services (DHHS) providing the Gambling Support Program (GSP). Funded through the Community Support Levy (CSL), the GSP delivers and supports campaigns, programs and activities to the general public including the youth sector, schools and health providers.

Between 2003 and 2013, a total of 3,959 clients (both new and existing) registered for Gamblers Help support services (see Figure 11). There is some variability in uptake across the years, with a general decline in registrations; specifically from 444 in 2003 to 227 in 2013. Using results from the 2013 Tasmanian Gambling Prevalence Survey, this suggests that approximately 3 per cent of moderate risk or problem gamblers seek help.

Figure 11 **State-wide registrations for Gamblers Help support services (2003-2013)**



5 Economic impacts of gambling

5.1 Expenditure on gambling activities

Total gambling expenditure

Gambling expenditure represents the amount gambled (turnover) less the amount won by players (winnings). Figure 12 depicts the composition of Tasmania's gambling expenditure over the period 1990-91 to 2012-13. At the beginning of the period, Tasmania's gambling industry comprised three key activities — race wagering, lotteries and casino gaming. Modern-style EGMs were introduced to casinos in 1993-94, Keno and sports betting were introduced in 1994-95, followed closely by EGMs in hotels and clubs in 1996-97.

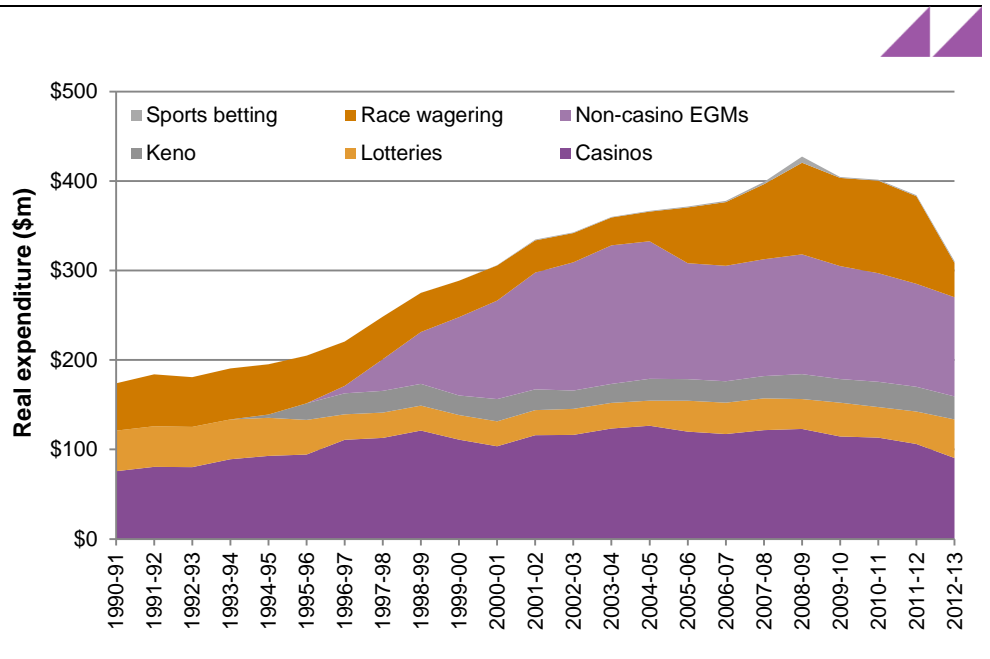
The introduction of EGMs resulted in a major increase in gambling expenditure from the mid-1990s. EGMs appear mostly to have attracted additional expenditure to the gambling industry; one exception is race wagering, which declined following the introduction of EGMs.

During the period 1990-91 to 2012-13, real expenditure grew from \$174 million in 1990-91 to peak at \$427 million in 2008-09 (in 2011-12 prices). From 2008-09 total real gambling expenditure fell 27 per cent from \$427 million to \$310 million in 2012-13. Real gambling expenditure increased sharply from 2006-07 to 2008-09. This appears to have been mainly driven by increased expenditure on race wagering, largely by non-Tasmanians.

In particular, the spike in real gambling expenditure in 2008-09, was likely triggered by the Federal Government's stimulus package, which was delivered between March and May 2009. This spike in expenditure appears to have manifested across all gambling types other than lotteries, which fell slightly in 2008-09. In 2009-10, expenditure returned to a level above that recorded for 2007-08 (the year before the stimulus package) for all gambling activities other than casinos and EGMs.

A final observation is the decline in total real gambling expenditure since 2008-09. There are two potential reasons for this decline. Firstly, Tasmania has suffered from a poor economic climate in recent years which has been reflected in higher unemployment rates compared to the mainland. Secondly, in discussions with key stakeholders it is clear that there has been significant growth in online gambling in recent years which is not captured in expenditure figures.

Figure 12 Real expenditure in the Tasmanian gambling industry by gambling activity (1990-91 to 2012-13)



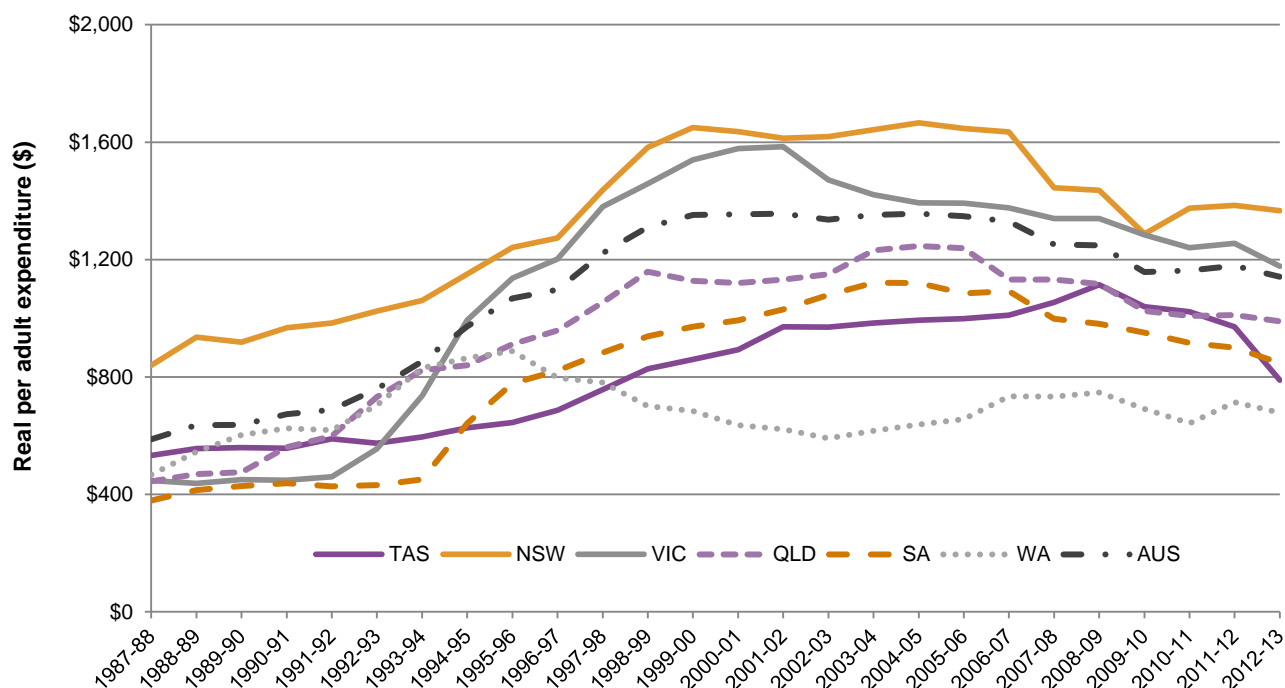
Note: Lotteries includes: lotteries, lotto, instant lottery, and pools.

Per adult gambling expenditure

Real annual per adult expenditure on gambling in Tasmania increased from \$532 in 1987-88 to \$789 in 2012-13 (see Figure 13). Tasmania's per adult expenditure has been consistently lower than the national average. There has been a decline in Tasmania's per adult expenditure since 2008-09, falling considerably from \$1,113 in 2008-09 to \$789 in 2012-13.

As discussed above there are two potential reasons for this decline, Tasmania's poor economic climate in recent years and the growth in online gambling not captured in expenditure data.

Figure 13 Real per adult expenditure on gambling by jurisdiction (1987-88 to 2012-13)



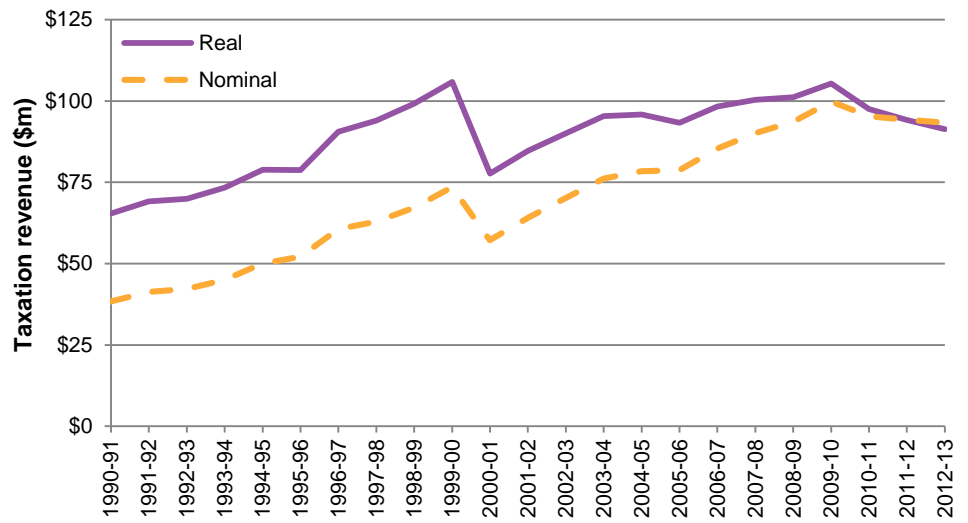
Note: Real expenditure is expressed in 2011-12 prices. The NT and ACT have been excluded from the analysis due to structural characteristics of their respective gambling industries that either skew results or are not of relevance to discussion. Data in this figure contains limited interactive gaming data.

Tasmania's real per adult expenditure on gambling was high relative to most other jurisdictions prior to 1990-91, but high relative growth in all other jurisdictions resulted in Tasmania becoming the lowest a decade later in 1995-96 — and remained amongst the lowest for the remainder of the period. This shift came about due to the introduction of EGMs into hotels and clubs in most other jurisdictions during the early 1990s. Once EGMs were introduced to clubs and hotels in Tasmania in 1996-97, real per adult expenditure increased steadily before plateauing in the early 2000s.

5.2 Government revenues from gambling

In 1990-91, real gambling revenue to the Tasmanian Government was around \$65 million, with revenue subsequently increasing in line with expenditure to reach \$91 million in 2012-13 (see Figure 14). Lower tax rates on gambling activities were applied in 2000-01 due to the introduction of the Goods and Services Tax (GST), causing the State's gambling revenues to decline sharply. Real gambling revenues have not recovered from this decline; however they came close in 2009-10 when they reached \$105.4 million, a level close to the 1999-2000 peak (\$105.9 million). From 1 July 2013, a single flat tax rate of 25.88 per cent on EGM gross profit was introduced for Tasmanian hotels, clubs and casinos.

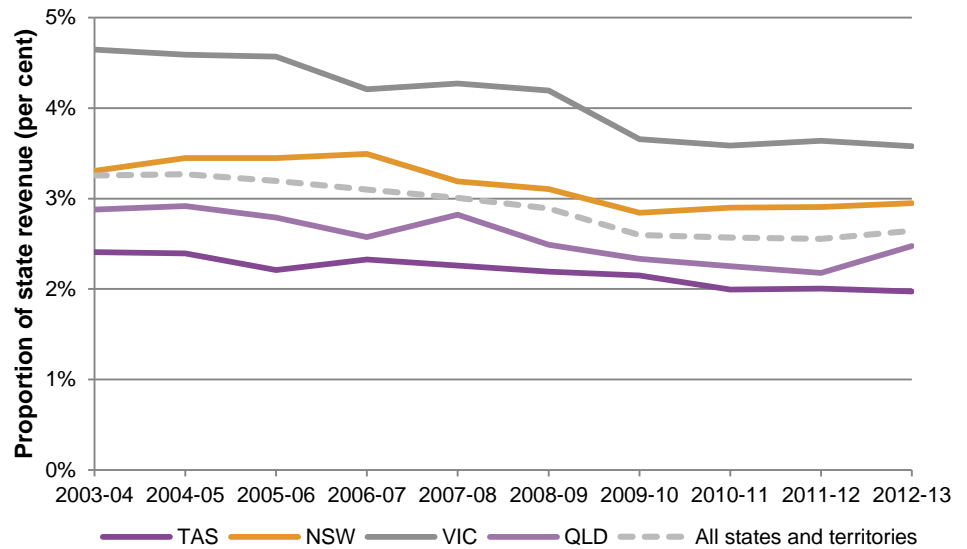
Figure 14 Tasmanian Government gambling revenue (1990-91 to 2012-13)



Note: Real figures are expressed in 2011-12 prices.

Figure 15 shows state gambling taxation revenue as a proportion of total state revenue from 2003-04 to 2012-13. Tasmanian gambling taxation revenue as a proportion of total state revenue fell slightly from 2.4 per cent in 2003-04 to 2.0 per cent in 2012-13, coinciding with declines in other states and territories.

Figure 15 Gambling taxation as a proportion of total state revenue by jurisdiction over time



Note: Tasmanian race betting taxes are not included.

5.3 Gambling-related employment and other economic impacts

Employment

Estimates suggest there were approximately 4,061 people employed in Tasmania's gambling industry in 2013 (noting that a subset of these employees have duties that extend beyond gambling, such as bar tending). The majority (94%) are employed in the gaming, casino and race wagering industries. The remainder are employed by Betfair or in businesses selling lottery products. Based on this estimate, Tasmania's gambling industry employs about two per cent of total Tasmanian workers.

Tourism

The nature of Federal Group as a monopoly provider of casino games and EGMs in Tasmania, and its contribution and involvement in the State's tourism industry, means that Tasmania's gambling industry has an important role in promoting tourism in Tasmania.

Relationship between PGSI category and labour force participation

Statistical analysis examining the relationship between PGSI category and labour force participation was undertaken in two phases. Phase one (reported in Volume 1) made use of data collected in the 2013 Tasmanian Gambling Prevalence Survey. This analysis identified that the higher the PGSI category, the greater the probability of labour force participation.

Building upon the Phase one analysis, Phase two (reported in Volume 3), involved several activities. Firstly, analysis was undertaken to validate the results of the 2013 analysis, by using the 2011 Tasmanian Gambling Prevalence Survey dataset. This analysis also found a positive relationship between problem gambling and labour force participation. However, this relationship was not as strong as that found using the 2013 data. To better understand this finding, analysis was undertaken using the 2011 dataset to identify those factors contributing to PGSI level; and further examine the relationships between labour force participation and income on problem gambling. This additional analysis found:

- Labour force participation was not found to be an important driver of problem gambling status for men or women.
- Income was jointly significant for males, but not for females. Specifically, the analysis indicates that individuals with incomes between \$25,000 and \$65,000 were more likely to exhibit problem gambling behaviour than individuals with lower incomes, but this difference decreased for higher incomes.

An explanation for this relationship could be that employment income is needed by problem gamblers to support their habit, such that gamblers are more likely to be in the labour force.

Finally, the last activity in Phase two used three waves of the longitudinal dataset to examine whether individual characteristics have an impact on the relationship between problem gambling and labour force participation. This analysis found that approximately 78 per cent of the variation in the residuals can be attributed to the individual effects within the male regression, increasing to 85 per cent for females. Problem gambling was not found to explain labour force participation, however there was a weak positive relationship, suggesting problem gambling is linked to a higher labour force participation rate.

5.4 Gambling's contribution to Tasmania's economy

Economic modelling was undertaken by Victoria University to estimate the contribution of the gambling sector to the Tasmanian economy, as well as the eight focus LGAs. Three different scenarios were examined – under all three scenarios, even modest reductions in gambling see a reduction in Tasmanian gross domestic product (GDP) and employment.

Scenario 1, which assumes all gambling expenditure within Tasmania is diverted to 'offshore' gambling, has the biggest negative impact upon the Tasmanian economy, with a reduction in real GDP of 1.10 per cent relative to the base case. There is also a reduction in employment of 1.26 per cent relative to the base case.

Scenario 2, comprising expenditure on gambling being diverted to alternative expenditures, sees a reduction in real GDP of 0.66 per cent relative to the base case, and a reduction of 0.73 per cent in employment.

The final scenario involved the hypothetical situation of problem gambling being halved, resulting in a modest impact upon the Tasmanian economy. This sees a reduction in real GDP of 0.07 per cent, and 0.10 per cent in employment. This finding indicates that halving problem gambling, with expenditure diverted to other activities, would have a modest impact on the overall macro-economy. And this does not consider the value of non-market benefits to society of halving problem gambling, which is not captured in this economic modelling.

The impact of these scenarios on the focus LGAs varies significantly. This arises from differences in regional economic composition in terms of industry structure.

6 Government responses to gambling

There has been limited movement in national gambling policy since the second SEIS in 2011. Although significant change was afoot with the previous Federal Government introducing the *National Gambling Reform Act 2012 (Aust.)* (NGR Act), the current Federal Government rescinded many aspects of this legislation. This included rescinding the introduction of a trial of mandatory pre-commitment in the ACT, and the inclusion of electronic warnings on EGMs. In place of the NGR Act the most significant reform announced by the current Federal Government is the introduction of a voluntary pre-commitment scheme.

Over the previous three years, the only other notable state and territory gambling policy development has been reforms associated with 'red tape reduction' in Queensland. This has had the effect of loosening harm minimisation measures, such as raising the cap on EGM numbers within clubs, and raising the maximum cash payout to \$5,000.

Within Tasmania, the most significant policy change has been the introduction of the Responsible Gambling Mandatory Code of Practice for Tasmania in 2012 (see section 7.1).

7 Assessment of gambling harm minimisation measures

7.1 Responsible Gambling Mandatory Code of Practice for Tasmania

A challenge facing all Australian governments is seeking a balance between minimising the harm from gambling, particularly for people with gambling problems, while minimising the impact on enjoyment for recreational gamblers. In response to the first SEIS in Tasmania, in March 2009 the Tasmanian Government announced measures aimed at reducing the harms caused by problem gambling. These included directing the Tasmanian Gaming Commission (TGC) to establish a new Responsible Gambling Mandatory Code of Practice for Tasmania. In November 2009, changes were made to the *Gaming Control Act 1993* to implement these measures, with the Code fully phased in by 1 September 2012. The Code aims to:

- contribute to minimising the harm from gambling and promote responsible gambling practices in Tasmania.
- provide gambling environments that are safer, and present gambling products in a responsible manner.
- ensure the public and the gambling industry has an understanding of their rights and responsibilities in relation to the matters covered by the Code.
- assist people to make informed decisions about their gambling practices.
- ensure that gambling staff have the opportunity to develop additional skills to assist them to engage with people who may be displaying problem gambling behaviours.

The Code applies to multiple forms of gambling (EGMs, terrestrial wagering, online wagering, lotteries, Keno and casino table gaming) according to the level of likely harm associated with each gambling activity. The Code will be reviewed at least every five years with the first review due in 2017.

7.2 Assessment of harm minimisation measures

Harm minimisation measures considered in assessment

The third SEIS included an assessment of the suite of harm minimisation measures implemented by the Tasmanian Government post 2008 following the first SEIS, with specific reference to the Responsible Gambling Mandatory Code of Practice for Tasmania. These measures are summarised in Table 5.

Assessment method

Assessing multiple harm minimisation measures across six different gambling activities over several years poses significant challenges. Given that an experimental research design was not possible, a multi-method data collection approach was undertaken. These included a brief update of the literature, stakeholder consultations, public submissions, a longitudinal Computer Assisted Telephone Interview (CATI) survey across three waves, the 2013 Tasmanian Gambling Prevalence Survey, and a longitudinal qualitative interviewing study of

EGM gamblers across two waves. In this assessment, non-problem gamblers (i.e., PGSI scores of 0) were compared to at-risk gamblers (PGSI scores ≥ 1).

Each of these methodologies has its own set of strengths and weaknesses. Given these design limitations, the results of this report can only be suggestive in terms of the impact of the harm minimisation measures on the incidence of problem gambling. *We therefore encourage the reader to appraise the findings in the context of an analysis of consumer and stakeholder opinions and their subjective response to the harm minimisation measures in the Code, rather than an evaluation of the effectiveness or impact of harm minimisation measures, per se.*

Finally, the assessment also considered other impacts associated with the harm minimisation measures. These included the impact of measures on individual freedoms and an economic evaluation examining the cost-effectiveness of the measures.

Table 5 **Harm minimisation measures within scope**

Classification	Measures
Advertising	Advertising of gambling must be socially responsible, and take into account the adverse impacts of gambling Radio and television advertising is not to be shown at peak children's viewing and listening times
Inducements	Limiting free vouchers for gambling to less than \$10 Not requiring an individual to gamble more than \$10, to receive an inducement, obtain a prize or enter a prize draw Not requiring an entrant in a promotional prize draw to attend the draw when the prize is worth more than \$1,000
Player loyalty programs (currently only applicable in casinos)	Player loyalty programs must provide player activity statements and responsible gambling information, and be operated in a socially responsible manner Rewards to player loyalty programs members for use in gambling must not exceed \$10
Access to cash	Ban on having ATMs in venues operating EGMs, Keno or totalizator wagering (with the exception of the two casinos) No more than one cheque per day, with a maximum amount of \$200, is able to be cashed for gambling purposes Cash advances from credit accounts are not permitted in casinos The amount able to be withdrawn from venue EFTPOS facilities, casino ATMs, and cheque cashing facilities is reduced (\$400 in casino ATMs, \$200 for EFTPOS withdrawal for gambling purposes in all venues)
Gaming venue features	Minimum lighting requirements and improved signage standards must be met in EGM areas Food or alcohol is not to be served to people playing or seated at EGMs between 6pm and the close of the gambling day Clocks are required to be clearly visible to persons participating in venue-based gambling, with analogue clocks in gambling areas
Information to players	Information must be provided to players about responsible gambling, help for gambling problems, exclusion from gambling and chances of winning
Electronic gaming machine operational features	Reduced bet limits per spin on EGMs, with maximum bet limit of \$5 per spin across all venues The number of maximum lines played on EGMs is reduced from 50 to 30 lines Reduced cash input limits on EGMs, from \$9,899 to \$500
Payment of winnings	Restricting the amount of cash for EGM and Keno payouts to \$1,000 Cheques for the payment of winnings must not be cashed on the same trading day they are issued
Enhanced staff training	Enhanced Responsible Conduct of Gambling training of gaming staff (with a specific focus on problem gambler identification and appropriate intervention by venue staff) Requiring at least one person who has completed the Enhanced Responsible Conduct of Gambling training to be on duty at all times in areas where EGMs operate
Gambling exclusion scheme	Strengthening the gambling exclusion scheme

Assessment findings

A summary of the findings for the assessment of the harm minimisation measures are displayed in Table 6.

Changes in gambling behaviour over time

Classification in PGSI categories, expenditure categories, and frequency categories was not highly stable across the three waves of the Tasmanian Longitudinal Gambling Study. There was a tendency for relatively strong stability of classification for non-problem gamblers, low spend gamblers and low frequency gamblers. However, approximately half of the low risk (53.3%) and moderate risk/problem (45.0%) gamblers in Wave 1 were identified as non-problem gamblers by Wave 3. Similarly, approximately one-third of medium frequency gamblers (33.7%) in Wave 1 were classified in the low frequency category by Wave 3.

Awareness of harm minimisation measures across gambling activities

Most gamblers (62.8-98.8%) across all gambling activities were aware of at least one of the harm minimisation measures for that gambling activity. There were no significant differences between at-risk gamblers and non-problem gamblers in their awareness of online wagering, lotteries, and casino table gaming. In contrast, at-risk gamblers were as, or more, likely to be aware of the harm minimisation measures than non-problem gamblers for EGMs, terrestrial wagering, and Keno gambling. There was also evidence from the longitudinal data that awareness about the introduction of harm minimisation measures increased over time.

The only characteristic of gamblers that was consistently and positively associated with awareness of the harm minimisation measures across different gambling activities was classification in a PGSI risk category. These findings imply that campaigns designed to educate gambling consumers on the introduction of harm minimisation strategies should be targeted at different subgroups of gamblers according to the gambling activity in question.

Impact of the harm minimisation measures across gambling activities

The evidence identified in the brief literature update supported the conclusion they “appear to have at best a modest evidence base demonstrating their efficacy” (Livingstone, Rintoul, & Francis, 2014, p. 17). This is, however, a result of a lack of research that evaluates the actual effectiveness of harm minimisation measures in preventing and reducing harm, rather than the availability of evidence that such measures are ineffective.

There were mixed views among stakeholders about the overall effectiveness of the introduced harm minimisation measures. Support service and local government stakeholders tended to support the introduction of these measures, but expressed concern that they have not been effective enough. While most industry stakeholders were supportive of the Code, some argued that the impacts have included negative impacts on patronage, patron experience, patron feedback, revenue, employment levels, and reduced gambling taxes, without delivering any additional harm minimisation or player protection.

Survey data revealed that a significant proportion of at-risk gamblers (6.0-57.9%) on all gambling activities (except lottery) reported a decrease in their expenditure on these activities as a result of at least one of the harm minimisation measures, but only a relatively small proportion of non-problem gamblers (0-9.5%) reported a decrease in their enjoyment on gambling as a result of at least one of the measures. These findings suggest that EGM gamblers, terrestrial wagerers, online wagerers, Keno gamblers, and casino table gamblers, but not lottery gamblers, perceive that the suites of harm minimisation measures have been effective in reducing their expenditure without unduly affecting their enjoyment.

Table 6 Awareness and perceived impact of harm minimisation measures across different gambling activities

Item	EGMs	Terrestrial wagering	Online wagering	Lotteries	Keno	Casino table
Proportion of gamblers on a particular gambling activity who were <u>aware</u> of any harm minimisation measure on that activity	86.2-98.8%	84.7-88.3%	62.8-90.4%	72.0-73.1%	83.7-88.9%	91.2-91.4%
Proportion of at-risk gamblers reporting <u>decreased expenditure</u> due to any harm minimisation measure on the gambling activity	11.8-34.0%	6.0-27.2%	13.2-37.6%	0.2-5.3%	15.4-30.7%	20.6-57.9%
Proportion of non-problem gamblers reporting <u>decreased enjoyment</u> due to any harm minimisation measure on the gambling activity	7.5-7.8%	0-1.9%	0-9.5%	2.4-3.6%	1.7-3.7%	0%
Gamblers who were aware of any of the harm minimisation measures on that gambling form were <u>more likely</u> to:	<ul style="list-style-type: none"> ▪ be female ▪ be classified as a low risk, moderate risk, or problem gambler on the PGSI ▪ gamble to make money or for the chance of winning big money ▪ gamble in response to negative reinforcement triggers (e.g., difficulties with others, worries about debt, unpleasant feelings, testing gambling control and gambling temptations) ▪ seek moral support, understanding or sympathy to cope with a stressor ▪ cope by dealing with distressful emotions rather than the stressor itself ▪ display high levels of interpersonal and social skills ▪ be attracted to the location features of EGM venues (such as venue accessibility and opening hours) 	<ul style="list-style-type: none"> ▪ use drugs ▪ report generalised anxiety symptoms ▪ report higher quality of life ▪ cope by thinking about how best to cope with a stressor ▪ seek moral support, understanding or sympathy to cope with a stressor 	<ul style="list-style-type: none"> ▪ none identified 	<ul style="list-style-type: none"> ▪ be classified as a low risk, moderate risk or problem gambler on the PGSI 		
Gamblers who were aware of any of the harm minimisation measures on that gambling form were <u>less likely</u> to:	<ul style="list-style-type: none"> ▪ be unemployed ▪ be retired ▪ gamble to fill time, as a hobby or pastime, and for fun and relaxation ▪ cope by taking active steps to eliminate a stress ▪ cope with a stressor by turning to religion ▪ seek tangible support to cope with a stressor, such as advice, information or assistance 	<ul style="list-style-type: none"> ▪ be classified as hazardous drinkers ▪ be classified as daily smokers ▪ cope by dealing with distressful emotions rather than the stressor itself ▪ cope by diverting their attention and mind from a 	<ul style="list-style-type: none"> ▪ none identified 	<ul style="list-style-type: none"> ▪ a higher level of control in their own lives 		

Item	EGMs	Terrestrial wagering	Online wagering	Lotteries	Keno	Casino table
	<ul style="list-style-type: none"> be attracted to the internal features of EGM venues (such as easy access to ATMs [in casinos], adequate gambling facilities, ability to gamble privately) avoid taking breaks from EGM gambling 	stressor through other activities				
Gamblers who reported a decrease in expenditure due to any of the harm minimisation measures on that gambling form were <u>more likely</u> to:	<ul style="list-style-type: none"> be older be classified as a low risk, moderate risk, or problem gambler on the PGSI gamble for the challenge, to compete against others, for a sense of achievement, and for the excitement gamble in response to negative reinforcement triggers (e.g., difficulties with others, worries about debt, unpleasant feelings, testing gambling control and gambling temptations) report illusion of control gambling cognitions be classified as daily smokers be attracted to the hospitality features of EGM venues (e.g., not being interrupted while gambling) drink alcohol while playing EGMs withdraw extra money for gambling from venue ATM/EFTPOS facility during EGM gambling 					
Gamblers who reported a decrease in expenditure due to any of the harm minimisation measures on that gambling form were <u>less likely</u> to:	<ul style="list-style-type: none"> be female gamble in response to positive reinforcement triggers (e.g., social pressure, confidence about skills, winning, pleasant feelings, and need for excitement) report generalised anxiety symptoms display high levels of interpersonal and social skills drink alcohol after playing EGMs avoid taking breaks from EGM gambling 					
Gamblers who reported a decrease in enjoyment due to any of the harm minimisation measures on that gambling form were <u>more likely</u> to:	<ul style="list-style-type: none"> be older be classified as a moderate risk or problem gambler on the PGSI gamble for the challenge, to compete against others, for a sense of achievement, and for the excitement gamble in response to negative reinforcement triggers (e.g., difficulties with others, worries about debt, unpleasant feelings, testing gambling control and gambling temptations) be classified as daily smokers be attracted to the hospitality features of EGM venues (e.g., not being interrupted while gambling) 					

Item	EGMs	Terrestrial wagering	Online wagering	Lotteries	Keno	Casino table
Gamblers who reported a decrease in enjoyment due to any of the harm minimisation measures on that gambling form were <u>less likely</u> to:	<ul style="list-style-type: none"> gamble in response to positive reinforcement triggers (e.g., social pressure, confidence about skills, winning, pleasant feelings, and need for excitement) 					
Proportion of gamblers who transitioned from negative endorsement in Wave 2 to positive endorsement in Wave 3 of:						
<ul style="list-style-type: none"> Awareness 	51.6%	70.5%		57.1%	65.2%	
<ul style="list-style-type: none"> Perceived decreased expenditure 	6.5%	2.5%		2.4%	13.5%	
<ul style="list-style-type: none"> Perceived decreased enjoyment 	7.4%	2.1%		5.2%	12.6%	

The analyses of the longitudinal data provided some support for the effectiveness of the suites of EGM and Keno harm minimisation measures. Some EGM (6.5-13.5%) and Keno (7.4-12.6%) gamblers who did not report decreased expenditure or enjoyment in Wave 2 did so one year later in Wave 3. Moreover, EGM and Keno harm minimisation measures were most effective over time for gamblers with higher initial gambling behaviour. There was, however, little support for the effectiveness of the terrestrial wagering and lottery harm minimisation measures using the longitudinal data. Unfortunately, the effectiveness of the online wagering and casino table gaming harm minimisation measures using the longitudinal data could not be determined due to small sample sizes for these gambling activities.

Interestingly, there were some similarities in the characteristics of gamblers who were most likely to find the EGM harm minimisation measures effective in reducing their EGM expenditure and those gamblers who were most likely to report that the measures had decreased their enjoyment of EGM gambling. These findings imply that the EGM harm minimisation measures are effectively targeting the expenditure of a particular subgroup of at-risk EGM gamblers without influencing the enjoyment of other EGM gamblers.

Awareness and perceived impact of individual harm minimisation measures

Advertising

Allowing only socially responsible advertising of gambling was evaluated across all six gambling activities (EGMs, terrestrial wagering, online wagering, lotteries, Keno, and casino table gaming). Awareness of this measure was relatively high across the activities. The measure reduced perceived expenditure of at-risk gamblers without reducing perceived enjoyment by non-problem gamblers for EGMs, terrestrial wagering, and Keno; and it was consistently ranked highly by gamblers across all the activities (ranked 2-4). There was relatively strong support for this measure by stakeholders and some indirect evidence for the measure in the research literature. It was concluded that there is moderate, but mostly circumstantial, support for this measure, particularly for EGMs, terrestrial wagering, and Keno.

Inducements

Limiting free vouchers that can be used for gambling and banning free or discounted alcohol for consumption in gaming/betting venues was evaluated across four gambling activities (EGMs, terrestrial wagering, Keno, and casino table gaming). Awareness of this measure was relatively low across all these activities. The measure reduced perceived expenditure of at-risk gamblers without reducing perceived enjoyment by non-problem gamblers for EGMs and terrestrial wagering. The measure was also supported by some stakeholders. However, few gamblers ranked it as the most effective measure (ranked 3-9), some industry stakeholders argued that it had resulted in a significant demonstrated cost to their businesses, and few empirical studies exploring the actual effectiveness of this measure were available. It was concluded that there is relatively good, but mostly circumstantial, support for this measure, particularly for EGMs and terrestrial wagering.

Player loyalty programs

Casino player loyalty programs providing player activity statements, responsible gambling information and limited rewards that can be used for gambling was evaluated across three gambling activities (EGMs, Keno, and casino table gaming). The awareness of this measure was moderate across these activities. The measure reduced perceived expenditure of at-risk gamblers without reducing perceived enjoyment by non-problem gamblers for EGMs

and casino table gaming; and many stakeholders supported the measure. However, few gamblers ranked this measure as the most effective (ranked 5-11), some industry stakeholders strenuously objected to it, and the research evidence is limited. It was concluded that there is some largely circumstantial support for this measure, particularly for EGMs and casino table gaming.

Access to cash

The ban on having ATMs in hotels and clubs with EGMs, race, sports or other event betting or Keno was evaluated across three gambling activities (EGMs, terrestrial wagering, and Keno). The awareness of this measure was relatively high across these activities. The measure reduced perceived expenditure of at-risk gamblers without reducing perceived enjoyment by non-problem gamblers, particularly for EGMs and terrestrial wagering. It was consistently ranked highly by gamblers across the activities (ranked 2-4) and there was general stakeholder and empirical support for the measure. It was concluded that there is moderate support for this measure, particularly for EGMs and terrestrial wagering.

Reducing the amount you can withdraw from venue EFTPOS facilities, casino ATMs, and cheque cashing facilities was evaluated across four gambling activities (EGMs, terrestrial wagering, Keno, and casino table gaming). The awareness of this measure was high across all activities. The measure reduced perceived expenditure of at-risk gamblers without reducing perceived enjoyment by non-problem gamblers for EGMs, terrestrial wagering, and casino table gaming; and it was consistently ranked highly by gamblers across each activity (ranked 1-3). There were, however, mixed views from stakeholders. It was concluded that there is moderate support for this measure, particularly for EGMs, terrestrial wagering, and casino table gaming.

Payment of winnings

Restricting the amount of cash for EGM or Keno payouts to \$1,000 was evaluated across two gambling activities (EGMs and Keno). Awareness of this measure was relatively high. The measure did not affect the perceived enjoyment of many non-problem gamblers on either activity, despite the concern regarding patron distress from some industry stakeholders. Other stakeholders viewed the measure as relatively effective. The measure did not, however, affect the perceived expenditure of many at-risk gamblers on either gambling activity; and was not ranked highly by gamblers on either activity (ranked 5-8). It was concluded that there is less support for the effectiveness of this measure than other harm minimisation measures.

Gaming venue features

Providing adequate lighting in EGM or table areas was evaluated across two gambling activities (EGMs and casino table gaming). The awareness of this measure was higher for EGMs than casino table gaming. Although the measure did not affect the perceived enjoyment of many non-problem gamblers on either gambling activity, it did not affect the perceived expenditure of any at-risk gamblers on either gambling activity. It was also not ranked highly by gamblers on either activities (ranked 5-12); and there is little reliable research support. It was concluded that there is only limited support for this measure.

Not serving food or alcohol to people playing or seated at EGMs after 6pm was evaluated for EGMs only. The awareness of this measure was moderate. The measure reduced perceived expenditure of at-risk gamblers without reducing the enjoyment of non-problem gamblers; and it has a relatively strong research evidence base. This measure was, however, rarely ranked as the most effective measure by EGM gamblers (ranked 10); and

the views of stakeholders were mixed. It was concluded that there is relatively limited support for this measure.

Locating highly visible clocks on the walls of EGM, betting, or table game areas was evaluated for four gambling activities (EGMs, terrestrial wagering, keno, and casino table gaming). The awareness of this measure was relatively low. Although the measure did not impact on the perceived enjoyment of any non-problem gamblers across the activities, it was only effective in reducing perceived expenditure for at risk gamblers for EGMs and terrestrial wagering. It was also not often ranked as the most effective measure by gamblers across the four activities (ranked 5-7); and there is little reliable research evidence. It was concluded that there is only limited support for this measure, in particular for EGMs and terrestrial wagering.

Information to players

Providing information about responsible gambling, help for gambling problems, exclusion from gambling and chances of winning was evaluated across all six gambling activities. The awareness of this measure was very high. The measure reduced perceived expenditure of at-risk gamblers without reducing perceived enjoyment by non-problem gamblers for all gambling activities except lotteries. It was also consistently ranked highly by gamblers across all activities (ranked 1-5), but particularly for terrestrial wagering, online wagering, and lotteries (ranked 1). The measure was supported by most stakeholders, but there is no evaluation of its effectiveness in the literature. It was concluded that there is relatively good support for this measure.

Electronic gaming machine operational features

The awareness of the *reduction of the maximum bet per spin on EGMs* was high. The measure reduced perceived expenditure of at-risk gamblers without reducing perceived enjoyment by non-problem gamblers; but was only moderately ranked by EGM gamblers (ranked 6). The literature review provides circumstantial evidence for this measure. It was concluded that there is relatively good evidence for this EGM harm minimisation measure.

The awareness of the *reduction in the number of lines on EGMs* was moderate. The measure reduced perceived expenditure of at-risk gamblers without reducing perceived enjoyment of non-problem gamblers; but it was rarely ranked as the most effective measure (ranked 12). Moreover, there was some research evidence that the measure increased time spent gambling. It was concluded that there is currently poor support for this EGM harm minimisation measure.

The awareness of the *reduction in the amount of cash you can insert into the note acceptors of EGMs located in casinos* was relatively high. The measure reduced perceived expenditure of at-risk gamblers without reducing perceived enjoyment of non-problem gamblers; and it was ranked as the most effective measure by many EGM gamblers (ranked 3). There is relatively strong support from gamblers and the available evidence base. It was concluded that there is moderate, but mostly circumstantial, support for this EGM harm minimisation measure.

Enhanced staff training

Training to spot and offer support for people with gambling problems was rated as highly recommended or desirable for most gambling activities by gambling stakeholders in the literature update. However, the research literature and stakeholder consultations indicated that venue staff are poor at identifying potential problem gamblers and reluctant to approach

them. There is also some evidence that staff training may improve knowledge of responsible gambling concepts, but does not correct mistaken beliefs about responsible gambling. It was concluded that there is generally poor evidence for this measure.

Self-exclusion

Awareness of the self-exclusion component of the Tasmanian Gambling Exclusion Scheme by EGM gamblers was very high. Venue and third party exclusion, which are also components of the Tasmanian Gambling Exclusion Scheme, were not evaluated in this study. Although self-exclusion is a highly specialised measure that will only ever suit a minority of problem gamblers, it may still result in improvements in gambling and psychological outcomes and it has significant stakeholder support. It was concluded these findings provide relatively good support for strengthening of the Tasmanian Gambling Exclusion Scheme as a harm minimisation measure for EGMs.

Alternative harm minimisation measures

Between 20 and 30 per cent of gamblers indicated that they did not know what the Tasmanian Government could realistically do to reduce excessive gambling in the community. Despite respondents not being prompted in relation to any particular gambling activity, the most popular measures to reduce excessive gambling in the community identified in open-ended questions by gamblers related to the removal of EGMs (14.3 – 15.4%). These findings may suggest that some in the community identify the harm resulting from EGMs and their pragmatism regarding the regulation of the technology itself, rather than the suites of harm minimisation measures that have been introduced by the Tasmanian government.

Responsible gambling practices

The majority of gamblers reported 'always' employing harm reduction strategies (behaviours individuals used to limit money or time associated with gambling behaviour) when they gambled, but were much less likely to employ avoidance strategies (steps taken to avoid gambling venues or situations) when they gambled.

The most common harm reduction strategies were avoiding borrowing money to gamble (77.4%), controlling the size of bets (73.6%), keeping track of the amount of money spent while gambling (72.7%), leaving the gambling venue before running out of money (70.4%), and setting a spend limit (70.1%). The most common avoidance strategy was, by far, limiting the number of days gambled per week (55.3%).

There were few significant differences in strategies between gamblers classified in different PGSI categories; and responsible gambling practices did not predict PGSI category. It was therefore concluded that the difficulties experienced by problem gamblers are not due to their individual behaviours.

Impact of harm minimisation measures on individual freedoms

Analysis of the impact of gambling harm minimisation measures on individual freedoms found that the majority of gamblers consider that the various gambling harm minimisation measures have had no impact upon their individual freedoms. Among those individuals who do consider that the gambling measures have had an impact on individual freedom, this impact is typically less than that of non-gambling regulatory measures also focussed on reducing harm. Non-gambling regulatory measures used as comparators included being required to wear car seat belts and cigarette advertising bans.

Only a small proportion of individuals consider that the gambling harm minimisation measures have had a higher impact on their individual freedoms than the comparator non-gambling measures.

There were some differences in responses on the basis of regular gambler status, or the classification of gamblers using the PGSI. The results show that in general, regular gamblers were more likely to indicate that the measures had a greater impact when compared to non-regular gamblers. This finding is potentially explained by regular gamblers having a far greater exposure to the gambling harm minimisation measures.

Economic evaluation of harm minimisation measures

A cost-effectiveness analysis method was used to assess the costs associated with the harm minimisation methods, alongside the effectiveness of these measures in reducing the number of at-risk gamblers.

This analysis found that the total financial costs of the harm minimisation measures comprised between \$36 and \$45 million (2013-14 dollars). These costs are over the period 2010-11 to 2013-14. Costs included in the analysis comprise industry profits, and those incurred by the Tasmanian Government in implementing the harm minimisation measures. The majority of these costs are associated with a reduction in player gambling expenditure, as well as food and beverage sales in the two Tasmanian casinos.

These costs equate to between \$2,346 and \$8,684 per at-risk gambler per year. The number of at-risk gamblers in this analysis is limited to the reduction in at-risk gamblers considered attributable to the harm minimisation measures.

Overall evaluation of harm minimisation measures

The harm minimisation measures currently in place were generally found to be effective in reducing the expenditure of at-risk gamblers while not affecting the enjoyment of large numbers of non-problem gamblers.

The assessment of the harm minimisation measures found that most gamblers (62.8-98.8%) were aware of at least one measure. In an assessment of the perceived impact of the measures, a significant proportion of at-risk gamblers (6.0-57.9%) reported a decrease in expenditure on their gambling as a result of at least one measure, but only a relatively small proportion of non-problem gamblers (0-9.5%) reported a decrease in their enjoyment on gambling as a result of at least one measure.

The overall finding of the assessment was that the suites of harm minimisation measures for gambling activities, such as EGMs, terrestrial wagering, online wagering, Keno, and casino table gaming, were generally found to be effective in reducing the expenditure of at-risk gamblers while not affecting the enjoyment of large numbers of non-problem gamblers. There was, however, little support for the effectiveness of the harm minimisation measures for lotteries.