

Department of Communities Tasmania

GPO Box 65, HOBART TAS 7001
Web: www.communities.tas.gov.au



Contact Officer: Ben Fowler
Phone: 03 6166 3590
Email: ben.fowler@communities.tas.gov.au
Our Reference: D22/13614

Melissa Ford
Assistant Director
Liquor and Gaming Branch
Department of Treasury and Finance
GPO Box 1374
HOBART TAS 7001

Dear Ms Ford

Subject: Response to the Second Review of the Responsible Gambling Mandatory Code of Practice for Tasmania Stakeholder Consultation Paper

Thank you for your invitation to provide a submission in response to the Second Review of the *Responsible Gambling Mandatory Code of Practice for Tasmania (The Code)* Stakeholder Consultation Paper.

The Department of Communities Tasmania (Communities Tasmania) is responsible for delivering the Government's gambling harm prevention and minimisation response through the Gambling Support Program (GSP).

Communities Tasmania notes the *Responsible gambling codes and harm minimisation policies of Australian jurisdictions Desktop Review 2021* by Stenning and Associates (Stenning Report) found the Tasmanian Code "continues to compare favourably with the harm minimisation and responsible gambling controls in other Australian jurisdictions". However, this should not reduce the aim of further strengthening the Code and enhancing its ability to prevent gambling harm.

The Stenning Report also notes that the impending implementation of a distributed electronic gaming machine (EGM) licencing model may generate some risk of increasing EGM gambling as hotels and clubs compete to attract gambling customers. Communities Tasmania welcomes the Review's corresponding focus on advertising and inducement activities and player loyalty programs and supports those proposals which have the greatest potential to reduce gambling harm.

Advertising

In relation to limiting advertising of gaming machines on external signage/displays, Communities Tasmania supports Option 1: Ban all signage/displays advertising or promoting gaming machines.

As indicated by the research cited in the Stakeholder Consultation Paper, gambling advertising poses a risk of triggering more intensive gambling or urges to gamble for people that may have issues with their gambling.

In addition to the research cited in the Stakeholder Consultation Paper, 2014 Australian Gambling Research Centre research [Sports Betting and Advertising](#) noted that

“compared to other gamblers, problem gamblers report gambling advertisements as being a greater stimulation to gamble, a larger influence on spending more than intended, and an encouragement to them to think they can win. Problem gamblers also report that gambling advertisements can remind them about gambling, trigger gambling urges, provide inducements to gamble, further increase gambling involvement and undermine attempts to moderate their gambling.”

The 2015 Gambling Research Australia [Marketing of Sports Betting and Racing Report](#) found that the group most impacted by this wagering marketing comprises people with existing gambling problems and the 2019 Australian Institute of Family Studies research [The impact of exposure to wagering advertisements and inducements on intended and actual betting expenditure](#) found that for regular sports and race bettors “exposure to advertising and inducements is reliably linked to a greater likelihood of betting, higher intended and actual betting expenditure, and spending more than intended.”

Reducing exposure to gambling advertising for children is also important. In addition to the research cited in the Stakeholder Consultation Paper, the [NSW Youth Gambling Study 2020](#) found that “exposure to gambling advertising in both traditional and digital media and thinking more positively about gambling due to seeing gambling advertisements, were associated with gambling participation, intentions and problems.”

While the option to restricting signage to avoid places where children frequently gather is well-intentioned, any advertising would likely still result in negative impacts for those adults already or previously experiencing gambling harm. In addition, children would still be exposed to gaming signage for any venues in a high traffic area.

Strong restrictions on advertising would likely have little impact for occasional gamblers and people who are not impacted by gambling harm.

Inducements

In relation to mitigating the potential for increased gambling from inducements, Communities Tasmania supports a variation of Option 2: Prohibit venue operators from offering free vouchers for any purpose.

Communities Tasmania does not support the availability of free vouchers “earned” through the accumulation of gambling losses or other gambling activity. Similarly, Communities Tasmania does not support the use of venue-issued free vouchers for gambling activity. This includes free vouchers issued through participation in loyalty programs as well as “one off” vouchers.

Free vouchers available through gambling activity likely incentivise more frequent participation and higher loss levels on order to reach rewards, regardless of whether those rewards include gambling vouchers. Free vouchers that can be spent on gambling likely encourage gambling activity that may not be otherwise undertaken. Both cases are covered by the current Code which does not allow licence holders to provide inducements that would “[persuade] people to gamble when they wouldn’t gamble normally or gamble outside of their normal gambling patterns.”

Player Loyalty Programs

In relation to reviewing player loyalty programs, Communities Tasmania supports strong restrictions on such programs.

Similarly to free vouchers, the 2014 Gambling Research Australia report [The Role of Loyalty Programs in Gambling](#) found that loyalty programs were likely to result in increased money and time spent gambling as well as increased gambling frequency and increased risk of problem gambling.

Again, rewards based on accumulation of gambling losses, regardless of whether the rewards can be used for further gambling, provide an incentive to gamble more often and more heavily. Rewards that can be used for gambling may also encourage gambling activity that may not otherwise be undertaken.

While Communities Tasmania does not support player loyalty programs in general, the Code provides a robust framework to administer such programs. Measures around player activity statements, provision of gambling support service information, restrictions on advertising and restrictions on contact with members have sound harm minimisation bases.

To strengthen loyalty programs, Communities Tasmania supports:

- increasing the frequency of player activity statements to quarterly (3.1)
- providing self-exclusion, signs of gambling harm and support service contact information at least twice a year (3.5)
- removing all gambling activities from program point accrual (3.9)
- removing rewards that can be used for gambling purposes (3.13)
- Providing an option for members to opt out of program advertising messaging
- Providing an option for members to pause their program membership as a form of soft self-exclusion.

Further Considerations – Children’s Exposure to Gambling in Non-Gambling Areas

As part of the Review’s focus on gambling activity advertising, the Review may consider children’s exposure to gambling in non-gambling areas of venues. Family dining areas in some venues include screens displaying Keno draws while Keno entry forms, pencils and odds information are provided on tables. While children are not legally allowed to place bets, they are exposed to gambling through the screens and materials as well as the gambling attitudes and behaviours of adults in their group.

Similarly, while EGM areas must be clearly separated from other venue areas and entry to EGM areas is restricted to adults, children may still be exposed to EGM auditory cues as well as the gambling behaviours of adults.

Research around [children’s attitudes to EGMs in community clubs](#) has found that “children recall the visual (flashing lights) and auditory (winning sounds) aspects of EGMs in [community] venues [and these] stimuli may contribute to positive perceptions amongst some children about EGMs.”

The same research notes that “audio cues associated with EGMs promote gambling as a fun activity, suggest the likelihood of big wins, and promote winning as significantly more likely than losing” and “audio cues specifically related to winning have a significant impact on reinforcing adult gambling behaviours.” The research recommends that consideration should be given to measures that ensure children are not exposed to such auditory stimuli.

Exposure to gambling activities increases the risk of normalising gambling for children. [Recent research](#) has found that young Australians believe that “reducing the accessibility and availability of gambling product” and “restrictions on advertising” are two key strategies to counter the normalisation of gambling and prevent gambling harm. Either as part of this Review or through ongoing engagement, Communities Tasmania supports an exploration of measures to reduce children’s exposure to gambling in non-gambling areas of venues.

Thank you again for the opportunity to provide feedback regarding the Review and please contact the Gambling Support Program if you have any questions, concerns or clarifications regarding this submission.

Yours sincerely



Michael Pervan
Secretary

30 June 2022

Attachments:

1. Research references

Attachment I: Research References

Advertising

Hing, N. (2014). *Sports betting and advertising* (ARGC Discussion Paper No. 4). Australian Gambling Research Centre. <https://aifs.gov.au/agrc/publications/sports-betting-and-advertising>

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Browne, M., Hing, N., Russell, A., Thomas, A. & Jenkinson, R. (2019). The impact of exposure to wagering advertisements and inducements on intended and actual betting expenditure: An ecological momentary assessment study. *Journal of Behavioural Addictions*, Vol 8, Issue 1.

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Hing, N., Russell, A., King, D., Rockloff, M., Browne, M., Greer, N., Newall, P., Sproston, K., Chen, L. & Coughlin, S. (2020). *NSW Youth Gambling Study 2020*. NSW Responsible Gambling Fund.

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Player Loyalty Programs

Van Dyke, N, Jenner, D. & Maddern, C. (2016). *The role of loyalty programs in gambling: final report of findings from audit of electronic gaming machine gambling venues, literature review, online discussion boards and longitudinal telephone survey*. Gambling Research Australia.

<https://www.gamblingresearch.org.au/publications/role-loyalty-programs-gambling>

Further Considerations

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Pitt, H., Thomas, S., Randle, M., Cowlshaw, S., Arnot, G, Kairouz, S. & Daube, M. (2022) Young people in Australia discuss strategies for preventing the normalisation of gambling and reducing gambling harm. *BMC Public Health* Volume 22, Article 956. <https://doi.org/10.1186/s12889-022-13201-0>