



Second Review of the *Responsible Gambling Mandatory Code of Practice for Tasmania*

June 2022

For more information, please contact:

Major Paul Hateley
Head of Government Relations
The Salvation Army Australia

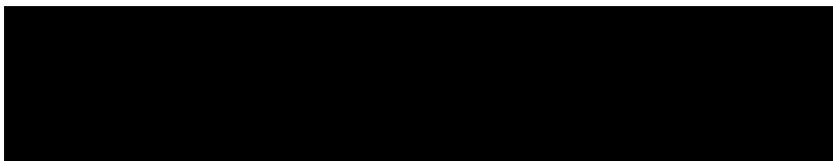




Table of contents

Our commitment to inclusion	3
Introduction.....	4
Responses to specific questions raised under the Second Review of the Responsible Gambling Mandatory Code of Practice for Tasmania stakeholder consultation paper	6
Options to limit advertising of gaming machines on external signage/displays	6
Inducements and Player Loyalty Programs	8
Conclusion	10
About The Salvation Army	11
Further Information.....	11





Our commitment to inclusion

The Salvation Army Australia acknowledges the Traditional Owners of the land on which we meet and work and pay our respect to Elders, past, present and future.

We value people of all cultures, languages, capacities, sexual orientations, gender identities and/or expressions. We are committed to providing programs that are fully inclusive. We are committed to the safety and wellbeing of people of all ages, particularly children.

Our values are:

- Integrity
- Compassion
- Respect
- Diversity
- Collaboration

Learn more about our commitment to inclusion:

salvationarmy.org.au/about-us

The Salvation Army is an international movement and our mission is to preach the gospel of Jesus Christ and to meet human needs in his name without discrimination.





Introduction

The Salvation Army thanks the Tasmanian Government for the opportunity to comment on the second review of the *Responsible Gambling Mandatory Code of Practice for Tasmania*. We appreciate the steps the Tasmanian government is taking toward best practice approaches to gambling regulation and minimising harm for people affected by gambling issues in Tasmania.

The Salvation Army is an international Christian movement with a strong presence in Tasmania and throughout Australia. Our vision is to confront hardship and injustice by living, loving and fighting alongside others to transform Australia one life at a time, with the love of Jesus.

The Salvation Army is opposed to gambling. We hold the view that gambling is an exploitative practice that should not be a means of income generation or economic development, whether by government agencies, charitable organisations, churches or commercial interests.¹ Gambling is not merely a harmless activity but can become a compulsive dependency, often preying on the most vulnerable people.² We strongly believe that much more can be done to reduce harm from gambling in Tasmanian communities.

We see the impact of gambling across our services including our family and domestic violence services, homelessness support services, emergency relief and Moneycare (The Salvation Army's financial counselling and financial literacy and capability service).

In responding to the proposed amendments in the *Responsible Gambling Mandatory Code of Practice for Tasmania* policy, this submission is informed by our experience assisting people, including their family and friends, who have experienced financial hardship, stress and other harms to their wellbeing as a result of gambling.

As such, this document focuses on the social impact of gambling based on the experience of people affected by gambling issues, and the need for gambling to be understood and treated within wider public health and consumer protection frameworks.

The Salvation Army has contributed to numerous inquiries and consultations related to gambling harm including submissions to the Tasmanian Government on:

- Consultation on the *Future Gaming Market Bill in Tasmania* (August 2021); and
- Consultation on facial recognition and player card gaming technologies to minimise gambling harm (April 2022).

¹ The Salvation Army International Positional Statement (2012). *Gambling*. https://s3.amazonaws.com/cache.salvationarmy.org/e9ce2248-e635-4490-967e-f8b0a821c391_English+Gambling+IPS.pdf.

² Ibid.





Consistent with our positions in the above submissions and Tasmania's *Gambling Support Program Strategic Framework 2019-2023*, we support an approach to gambling harm that emphasises 'a holistic method that shares the responsibility for improved health and wellbeing across individuals and community groups, businesses and government'.³

Our experience assisting people experiencing gambling harm shows that when the impulse to gamble is strong, there needs to be as many protections as possible to reduce the risk of significant financial harm to individuals. This approach to gambling market reform enables key stakeholders to concentrate on building well-functioning communities (rather than focus only on the individuals who experience harm), and to prevent harms associated with gambling from occurring (rather than focus only on treating individuals when the harm has already occurred).

³ Department of Communities Tasmania. (2019, 19 December). *Gambling Support Program Strategic Framework 2019-2023*. https://www.premier.tas.gov.au/releases/new_framework_to_address_gambling_harm.





Responses to specific questions raised under the Second Review of the Responsible Gambling Mandatory Code of Practice for Tasmania stakeholder consultation paper

The Salvation Army offers the following responses to assist the Commission in completing its assessment of the Code of Practice and in determining the harm minimisation enhancements necessary prior to the implementation of the new reforms from July 2023.

Options to limit advertising of gaming machines on external signage/displays

What are the benefits or harms caused by allowing venue operators to advertise gaming machines external to the premises? Are children and other vulnerable persons appropriately protected from the potential harms?

The stakeholder consultation paper highlights the 'responsibility of licence holders to ensure that gambling advertising is conducted in a manner that takes account of the potential adverse impact that it can have on minors, people at risk of gambling harm or experiencing gambling problems, and the community'.⁴ The Salvation Army shares the Commission's concern that as the future reforms move from a single gaming operator to multiple licensed venues, an increased competitive environment among licence holders could result in increased advertising and other inducements that could increase the risks of gambling harm.

According to the 2021 Fifth Social and Economic Impact Study of Gambling in Tasmania, the vast majority of electronic gaming machines are located in hotels and clubs throughout the community,⁵ including some of the most disadvantaged areas such as Burnie, Devonport and greater Hobart.⁶ Despite a decrease in the state-wide cap for electronic gaming machines (EGMs) in hotels and clubs resulting in fewer EGMs in these venues over time,⁷ total expenditure (or net losses) on EGMs in Tasmania at April 2022 was \$15,454,912, a figure consistent with pre-COVID-19 lockdown losses.

⁴ Tasmanian Liquor and Gaming Commission. (2020, May). *Second Review of the Responsible Gambling Mandatory Code of Practice for Tasmania - Stakeholder Consultation Paper*. <https://www.treasury.tas.gov.au/liquor-and-gaming/community-interest/public-consultation/mandatory-code-review-2022>.

⁵ South Australian Centre for Economic Studies, University of Adelaide. (2020). *Fifth Social and Economic Impact Study of Gambling in Tasmania: Discussion Paper*. [https://search.adelaide.edu.au/s/cache?collection=uoa-web&url=https%3A%2F%2Fwww.adelaide.edu.au%2Fsaces%2Findependent-gambling-research-consortium%2Fpublications&profile=_default&hl=\(%3Fi\)%5Cbeconomics%5Cb%7C%5Cbtasmanias%5Cb%7C%5Cbeconomic%5Cb%7C%5Cbgambling%5Cb%7C%5Cbtasmania%5Cb%7C%5Cbimpacts%5Cb%7C%5Cbsocials%5Cb%7C%5Cbsociaux%5Cb%7C%5Cbstudies%5Cb%7C%5Cbffifths%5Cb%7C%5Cbimpact%5Cb%7C%5Cbsocial%5Cb%7C%5Cbstudys%5Cb%7C%5Cbffifth%5Cb%7C%5Cbstudy%5Cb](https://search.adelaide.edu.au/s/cache?collection=uoa-web&url=https%3A%2F%2Fwww.adelaide.edu.au%2Fsaces%2Findependent-gambling-research-consortium%2Fpublications&profile=_default&hl=(%3Fi)%5Cbeconomics%5Cb%7C%5Cbtasmanias%5Cb%7C%5Cbeconomic%5Cb%7C%5Cbgambling%5Cb%7C%5Cbtasmania%5Cb%7C%5Cbimpacts%5Cb%7C%5Cbsocials%5Cb%7C%5Cbsociaux%5Cb%7C%5Cbstudies%5Cb%7C%5Cbffifths%5Cb%7C%5Cbimpact%5Cb%7C%5Cbsocial%5Cb%7C%5Cbstudys%5Cb%7C%5Cbffifth%5Cb%7C%5Cbstudy%5Cb).

⁶ Jesuit Social Services. (2021). *Dropping Off the Edge 2021: Persistent and multilayered disadvantage in Australia*. <https://jss.org.au/research-and-advocacy/dropping-off-the-edge-2021/>.

⁷ At April 2022, there were 93 venues operating a total of 3,349 EGMs in Tasmania. Tasmanian Department of Treasury and Finance. (2022, 27 May). *Electronic Gaming Machine Expenditure by Financial Year*. <https://www.treasury.tas.gov.au/liquor-and-gaming/publications-and-research/gambling-industry-data/electronic-gaming-machine-expenditure-by-financial-year>.





The Salvation Army supports the Commission's option to ban all outdoor signage/displays advertising or promoting gaming machines, particularly as outdoor signage is often located at busy public spaces including 'shopping centres, transport hubs and on public transport itself'.⁸ We encourage the Tasmanian Government to consider adopting more stringent advertising bans on gaming advertising in line with some other jurisdictions. For example, in Victoria, bans on betting advertising on roads and public transport, and within 150 metres of public schools, have been in place since September 2017. The laws apply to all static advertising, including on billboards and infrastructure like stations and bridges. Mass media pokies advertising is also banned in Victoria.⁹

More generally, we commend the Commission's signaling its consideration of a broader review of the Gambling Product Advertising Standards, in line with evolving public expectations around the responsibility of licensees to prevent gambling harm, especially for vulnerable or disadvantaged groups and children.

While the current Advertising Standards require a responsible gambling message (and the name and telephone number for the Gambling Helpline) to be included when an advertisement features gambling products, service or information,¹⁰ we remain concerned that messaging such as 'gamble responsibly' and 'problem gambling' does not reflect the Commission's commitment to a public health approach to gambling harm and prevention.

Should the Commission review the Gambling Product Advertising Standards in the future, we recommend that all gambling advertising standards, and all relevant regulations, shift conceptions of gambling harm away from individual responsibility to 'stay in control', 'play responsibly' and 'gamble responsibly' towards a more accurate recognition of the mix of environmental, social, technological and commercial influences that contribute to gambling harm. Revised messaging consistent with a public health framework would more accurately reflect the risks and harms of gambling beyond the financial losses incurred. According to the Fifth Social and Economic Impact Study of Gambling in Tasmania 2021, these losses include most significantly the estimated cost of relationship breakdown followed by psychological distress of people experiencing gambling harm and their immediate family.¹¹

⁸ Victorian Responsible Gambling Foundation. (2018, August). *Effects of wagering marketing on vulnerable adults*. <https://responsiblegambling.vic.gov.au/resources/publications/effects-of-wagering-marketing-on-vulnerable-adults-408/>.

⁹ Victorian Responsible Gaming Foundation. (2022). *Gambling Advertising*. <https://responsiblegambling.vic.gov.au/resources/gambling-victoria/gambling-advertising/>.

¹⁰ Tasmanian Liquor and Gaming Commission (2017, 1 November). *Gambling Product Advertising Standards (TGCAS001) Fact Sheet*. <https://www.treasury.tas.gov.au/liquor-and-gaming/gambling/regulatory-requirements/standards>.

¹¹ The South Australian Centre for Economic Studies (2021). *Fifth Social and Economic Impact Study of Gambling in Tasmania 2021*. <https://www.treasury.tas.gov.au/Documents/Fifth%20SEIS%20Volume%202%20-%20Prevalence%20Survey.PDF>. [https://search.adelaide.edu.au/s/cache?collection=uoa-web&url=https%3A%2F%2Fwww.adelaide.edu.au%2Fsaces%2F-independent-gambling-research-consortium%2Fpublications&profile=_default&hl=\(%3Fi\)%5Cbeconomics%5Cb%7C%5Cbtasmanias%5Cb%7C%5Cbeconomic%5Cb%7C%5Cbgambling%5Cb%7C%5Cbtasmania%5Cb%7C%5Cbimpacts%5Cb%7C%5Cbsocials%5Cb%7C%5Cbsociaux%5Cb%7C%5Cbstudies%5Cb%7C%5Cbffifths%5Cb%7C%5Cbimpact%5Cb%7C%5Cbsocial%5Cb%7C%5Cbstudys%5Cb%7C%5Cbffifths%5Cb%7C%5Cbstudy%5Cb](https://search.adelaide.edu.au/s/cache?collection=uoa-web&url=https%3A%2F%2Fwww.adelaide.edu.au%2Fsaces%2F-independent-gambling-research-consortium%2Fpublications&profile=_default&hl=(%3Fi)%5Cbeconomics%5Cb%7C%5Cbtasmanias%5Cb%7C%5Cbeconomic%5Cb%7C%5Cbgambling%5Cb%7C%5Cbtasmania%5Cb%7C%5Cbimpacts%5Cb%7C%5Cbsocials%5Cb%7C%5Cbsociaux%5Cb%7C%5Cbstudies%5Cb%7C%5Cbffifths%5Cb%7C%5Cbimpact%5Cb%7C%5Cbsocial%5Cb%7C%5Cbstudys%5Cb%7C%5Cbffifths%5Cb%7C%5Cbstudy%5Cb).





Inducements and Player Loyalty Programs

What are the benefits or harms of promotional offers like free vouchers? Are there different considerations for player loyalty programs?

Our experience delivering gambling support services in Victoria shows that when the impulse to gamble is strong, having as many protections as possible to reduce the risk of significant financial harm to individuals is imperative. We have seen examples of clients experiencing extreme financial hardship who have been exposed to cash loans, short-term credit and other predatory lending practices, after having gambled with their income and who can no longer cover basic needs such as food, housing and transportation. In previous instances, we have expressed our deep concern about the impact of these practices and the impact on those who are experiencing financial disadvantage. As such, our experience informs us that there is no net benefit to consumers from promotional offers like free vouchers and player loyalty programs. Given the significant gambling harms mentioned above, it is important to ensure however that any inducements or loyalty programs allowed under the Code of Practice do not exacerbate this harm or risk of harm.

We support the Commission's intention to review inducements and the player loyalty program framework in the state, noting that there are no player loyalty programs currently operating in hotels and clubs. Research in this area suggests that exposure to wagering inducements can have 'negative effects on all gambler groups (as identified in the Problem Gambling Severity Index), and promotes riskier betting and increased betting expenditure amongst all groups. These effects may be elevated for vulnerable adults.'¹²

Inducements such as vouchers, tokens and discounts (eg. for food and beverages) are designed to reward patronage within a particular venue, or to encourage further gambling at that venue. We are therefore concerned that the effect of loyalty programs is associated with rewarding behaviour that increases the likelihood of a greater amount of time spent at gambling venues, and therefore the risk of gambling loss. While inducements may be considered one-off benefits including free meals, gifts and account credits, they may encourage further gambling purchases or be perceived as a 'safer' betting strategy. To illustrate this scenario, one of our Salvation Army staff members recounts the story of a man named Martin* who, at one stage in his life inherited \$25,000 from his parents' estate and spent the entire amount on the pokies. Martin told the story of how one day the machines were not working so the staff provided him with free sandwiches and coffee as an inducement to keep him at the venue until they fixed the machines and he could keep gambling.

We are concerned that player loyalty programs have similar negative impacts to inducements but can be more insidious due to their associations with increased incentives to gamble which reward past gambling behaviour and increases in gambling frequency. We are also concerned that consumers can be enticed into signing-up to player loyalty programs without the necessary information being provided or understood about the details of the program.

*name has been changed.

¹² Victorian Responsible Gambling Foundation. (2018, August). *Effects of wagering marketing on vulnerable adults*. <https://responsiblegambling.vic.gov.au/resources/publications/effects-of-wagering-marketing-on-vulnerable-adults-408/>.





To this end, we also reassert our view that, consistent with best practice consumer protection approaches, any loyalty program should not be offered without sufficient consumer safeguards in place. Considerations should include:

- Trained gaming venue staff should support customers to understand the details of the loyalty program before signing-up to the program.
- Information provided to customers about the loyalty program should be objective and accurate, and explain in clear and simple language the risks and benefits of the program, and the rights and responsibilities of the player under the loyalty program (including the right to easily exit the program without penalty, and how loyalty program holder information will be stored, accessed and used).
- Gambling harm material should be provided to potential members as part of the sign-up process.
- Loyalty programs should not offer inducements to make it easier for a player to spend more than the player had originally intended.
- Loyalty program promotional material should be controlled and not mislead patrons with inducements that suggest program membership will reduce the risk of gambling loss.



Conclusion

The Salvation Army reiterates our support for any measure that reduces the harms caused by gambling as part of broader public health and consumer protection approaches. From our perspective, the most important focus for the proposed options in the Second Review of the *Responsible Gambling Mandatory Code of Practice for Tasmania* Stakeholder Consultation Paper must be to prevent harm from gambling. The Salvation Army strongly believes that much more can be done to reduce harm from gambling in Tasmanian communities.

It is critical that gambling harm is addressed using a holistic approach. A public health approach towards harm from gambling would enable key stakeholders to concentrate on building well- functioning communities (rather than focusing only on the individuals who experience harm), and to prevent harms associated with gambling from occurring (rather than focus only on treating individuals experiencing gambling harm when the harm has occurred).

The Salvation Army would welcome the opportunity to discuss the content of this submission should any further information be of assistance. Further information can be sought from Major Paul Hateley, Head of Government Relations, at government.relations@salvationarmy.org.au or on 0413 830 201.

Yours sincerely

Paul Hateley, Major
Head of Government Relations
The Salvation Army Australia

23 June 2022

The Salvation Army acknowledges the Traditional Owners of the lands and waters throughout Australia. We pay our respect to Elders and acknowledge their continuing relationship to this land and the ongoing living cultures of Aboriginal and Torres Strait Islander peoples across Australia.

We also acknowledge future aspirations of all First Nations peoples. Through respectful relationships we will work for the mutual flourishing of Aboriginal and Torres Strait Islander Australians and non-Indigenous Australians.

We commit ourselves in prayer and practice to this land of Australia and its people, seeking reconciliation, unity and equity.





About The Salvation Army

The Salvation Army is an international Christian movement with a presence in 130 countries. Operating in Australia since 1880, The Salvation Army is one of the largest providers of social services and programs for people experiencing hardship, injustice and social exclusion.

The Salvation Army Australia provides more than 1,000 social programs and activities through networks of social support services, community centres and churches across the country.

Programs include:

- Financial inclusion, including emergency relief
- Homelessness services
- Youth services
- Family and domestic violence services
- Alcohol, drugs and other addictions
- Chaplaincy
- Emergency and disaster response
- Aged care
- Employment services

As a mission-driven organisation, The Salvation Army seeks to reduce social disadvantage and create a fair and harmonious society through holistic and person-centred approaches that reflect our mission to share the love of Jesus by:

- Caring for people
- Creating faith pathways
- Building healthy communities
- Working for justice

We commit ourselves in prayer and practice to this land of Australia and its people, seeking reconciliation, unity and equity.

Further Information

The Salvation Army would welcome the opportunity to discuss the content of this submission should any further information be of assistance. Further information can be sought from Major Paul Hateley, National Head of Government Relations, at government.relations@salvationarmy.org.au or on 0413 830 201.

