

## SUBMISSION TO THE PERTH CASINO ROYAL COMMISSION

1. I appreciate the opportunity to make a submission to the Royal Commission.
2. This submission is made in a personal capacity. I have no conflicting interests. I am involved in some research on gambling issues, primarily in relation to gambling and young people with colleagues at Deakin University, some of which is cited below. This includes research grants relating to gambling from the Australian Research Council Discovery Grant Scheme and the Victorian Responsible Gambling Foundation.
3. This submission will not directly address issues concerning the suitability of the Crown Casino Perth to hold a casino gaming licence. The intent is rather to address issues arising from Terms of Reference 8 – 11, and to propose that the Commission might wish to make some recommendations to ensure both a better regulatory framework and better supporting mechanisms to minimise concerns relating to gambling and its harms in Western Australia.
4. The harms cause by gambling in Australia have been well documented [e.g. Armstrong and Carroll, 2017 <https://apo.org.au/sites/default/files/resource-files/2017-11/apo-nid120736.pdf>]. The extent of the problem and the nature and role of the gambling industry have also been well summarised by the Editor of the Lancet, Dr. Richard Horton who wrote, “Such is the growing awareness of this emerging public health threat that gambling has now been classified as a behavioural addiction.....There is a wide understanding of the epidemiology, pathophysiology, genetics, neurobiology, diagnosis, screening, prevention, and management of gambling. But there are also vast gaps in our knowledge. The result is that millions of people are undiagnosed and untreated. Worse, the landscape of gambling behaviour is not static. The advent of internet gambling has accelerated physical and mental harms.....”. Dr. Horton further referred to “the utter evil of an industry that does indeed prey on those facing social peril and financial precarity”. [https://www.thelancet.com/journals/lancet/article/PIIS0140-6736\(19\)33152-6/fulltext](https://www.thelancet.com/journals/lancet/article/PIIS0140-6736(19)33152-6/fulltext)
5. The gambling industry has only one role – to ensure as much profit as possible from present and future gamblers. As with some other harmful industries, there is a long history of inappropriate and predatory behaviour by the gambling industry. This includes extensive advertising and promotion directed to all sectors of the community. There is substantial exposure of this marketing to children and adolescents, complemented by lobbying and other activities aimed at ensuring minimal controls, and efforts to present the industry as responsible, for example through supporting some treatment and low-key educational activities, and charitable donations.
6. While recognising that there is a need for action on gambling at national as well as state level, this brief submission seeks primarily to address aspects of Terms of Reference 10 and 11, and to identify four areas in which regulation and action by state regulatory agencies have been weak and require strengthening.

## i) **ADVERTISING AND PROMOTION OF GAMBLING**

The Gaming and Wagering Commission appears to play no role in addressing the need for controls on advertising and promotion of gambling. There is close to saturation marketing of gambling on all media, complemented by further promotional activity ranging from sports sponsorship to social media promotion. Children, adolescents, those who have been affected by gambling problems and other vulnerable groups are exposed to and influenced by this marketing.

In 2020, the WHO-UNICEF-Lancet Commission stated that gambling is a “potentially large and unaddressed public health challenge for children”

[[https://www.thelancet.com/journals/lancet/article/PIIS0140-6736\(19\)32540-1/fulltext](https://www.thelancet.com/journals/lancet/article/PIIS0140-6736(19)32540-1/fulltext)]. There is compelling evidence from Australia to show that children and adolescents are aware of and influenced by this marketing, and that it normalises gambling for them. Research led by Dr Hannah Pitt in Victoria found that children as young as 8 years old found the content of gambling ads appealing, had high brand awareness (for example being able to recall the specific brand colours associated with different gambling companies), and had detailed recall of the content of gambling ads [Pitt et al., 2017 <https://doi.org/10.1111/1753-6405.12728>]. The research also demonstrated the role of marketing in creating a perception that gambling was an ‘easy’ and risk free activity – for example:

*Then he's got his phone and then he like says 'You should bet now it's really easy' and then he switches his phone a bit and then he gets it up and pretends to click the team. (13-year-old boy)*

A recent study published this year in the Australian and New Zealand Journal of Public Health found that young people are aware of gambling and the marketing of gambling, and perceive that gambling is becoming more socially accepted and normalised [Nyemcsok et al., 2021 <https://doi.org/10.1111/1753-6405.13063>]. While the study found that these perceptions appeared to be influenced by a range of factors, including marketing and the alignment of gambling with sport, the study also found that young people also have strong opinions about the need to place strong curbs on marketing, with one 14 year old commenting:

*It shouldn't really be there, it's just too persuasive and convincing, I don't think it should be there. [It has a] very negative influence. It's something that kids shouldn't be able to experience at a young age. They start young and it's an addiction. – 14-year-old boy*

Controls on marketing of gambling are minimal. ACMA (the Australian Communications and Media Authority) oversees some rules relating to gambling advertising. The advertising industry's “Ad Standards” organisation has also developed and oversees various codes, some directly relevant (e.g. “Wagering”), and some broadly relevant (e.g. “Ethics”). While they may be well intentioned, and may have had some impact, these controls are very limited, and do not prevent substantial exposure to children and adolescents. Further, owing to time differences, some of the supposed constraints do not apply to Western

Australia [Nyemcsok et al., 2021 <https://doi.org/10.1111/1753-6405.13063>; Australian Communications & Media Authority. *Odds and Betting Ads in Live Sport*. 2018].

As with other areas of public health, the gambling industry has also promoted “self-regulation” codes as a solution to concerns about gambling advertising. In 2016, the Australian Association of National Advertisers (AANA), self-described as “the peak national body championing the interests of Australia’s advertisers” released a Wagering Advertising Code. [<https://aana.com.au/self-regulation/codes-guidelines/wagering-code/>]

There is widespread experience in relation to unhealthy and harmful products such as tobacco, alcohol and junk food that voluntary industry codes of this nature are ineffective. This code is yet further limited, and “does not apply to apply to advertising and marketing communication in relation to gaming, such as casino games or electronic gaming machines, lotto and lottery products and trade promotions”.

As noted above, the Gaming and Wagering Commission appears to play no role and to have shown little or no interest in protecting the Western Australian community, and children and young people in particular, from predatory gambling marketing. I could find no reference to this issue in the Commission’s 2018-19 or 2019-20 Annual Reports. There is also a long history demonstrating that advertising industry bodies will not support strong controls in areas such as this, and in the absence of governmental action will rather seek to promote largely ineffective voluntary codes.

It is therefore proposed that:

- \* Legislation protecting children and adolescents from gambling marketing be identified as a high priority for the WA government
- \* This issue be reviewed, with appropriate recommendations to follow, by a committee completely independent of direct or indirect gambling industry participation.

## ii) **PUBLIC EDUCATION ON GAMBLING**

Public education on gambling is at best minimal.

While the gambling industry and governments purport to undertake “responsible gambling” education activities, these are generally low-key, minimal, ineffective, and possibly counter-productive. There does not appear to be any evidence base or formal evaluation that is publicly available about the impacts and outcomes of these campaigns. Some gambling advertisements include brief messages at the end such as “gamble responsibly” – there is again no evidence base for these, no information as to what “responsible gambling” might entail and no evaluation; and the take-home message is far from advice to avoid gambling, but rather that gambling is both acceptable and to be encouraged.

Some existing campaigns (such as the New South Wales Government’s “Betiquette Campaign”) have overwhelmingly focused on the individual behaviours of young males who engage in sports betting with messages largely aimed at personal control. Similarly the WA

“GambleAware” website is almost exclusively focused on personal control and responsibility. [<https://www.gambleaware.com.au/take-control-of-your-gambling>]

While there is an increasing recognition that gambling is becoming increasingly normalised for women, there are no campaigns to warn women of the risks or harms associated with gambling products [McCarthy et al., 2020 <https://onlinelibrary.wiley.com/doi/10.1111/1753-6405.13024> ].

A few studies have explored the impacts of the current types of campaigns both from the perspectives of those who have experienced gambling harm, and through the eyes of young people. Such studies have demonstrated that a focus on “responsible gambling” messaging can have significant negative consequences for some individuals. In a study which examined recommendations for policy and practice from people who had experienced gambling harm, a key theme was the need to shift industry and government rhetoric away from ‘problem people’ and towards ‘problem products’ [Miller et al., 2018 <https://doi.org/10.1186/s12954-018-0220-3>]:

*The industry really coined that phrase 'problem gamblers', like they [gamblers] are the problem, the machine isn't, when they know full well that it was designed to addict people. (Female, PGSI 5).*

Based on participants’ narratives, the authors summarised the key differences between industry and government approaches to gambling, and recommendations for reframing this approach from the perspectives of those who had experienced gambling harm:

Government and industry perspectives	Participants' perspectives
Gaming machines as: <ul style="list-style-type: none"> <li>• Safe</li> <li>• Entertaining</li> <li>• Beneficial to the community</li> </ul>	Gaming machines as: <ul style="list-style-type: none"> <li>• Risky</li> <li>• Designed to addict</li> <li>• Harmful for the community</li> </ul>
Problems from gambling as: <ul style="list-style-type: none"> <li>• Rare</li> <li>• Based in gambler behaviour</li> <li>• Caused by 'problem gambling' and 'problem gamblers'</li> </ul>	Problems from gambling as: <ul style="list-style-type: none"> <li>• Common in people who use EGMs regularly</li> <li>• Due to the addictive nature of machines</li> <li>• Caused by 'gambling addiction'</li> <li>• Happening to 'people with gambling problems'</li> </ul>
Solutions for problem gambling: <ul style="list-style-type: none"> <li>• Based on the personal responsibility of gamblers</li> </ul>	Solutions for problem gambling: <ul style="list-style-type: none"> <li>• Based on public health</li> <li>• Require changes to government and industry behaviours</li> </ul>
Policy responses: <ul style="list-style-type: none"> <li>• Focus on treatment</li> <li>• Focus on individual behaviour</li> </ul>	Policy responses: <ul style="list-style-type: none"> <li>• Reducing accessibility to EGMs</li> <li>• Making products and venue environments safer</li> <li>• Educating the community about harm</li> </ul>
Implications for gamblers: <ul style="list-style-type: none"> <li>• Stigma</li> <li>• Blame</li> </ul>	Implications for gamblers: <ul style="list-style-type: none"> <li>• Reduced stigma and blame</li> <li>• Reduced harm</li> </ul>

In a study of older women who gambled on poker machines, McCarthy and colleagues [2021]

<https://www.tandfonline.com/doi/abs/10.1080/16066359.2021.1906864?src=&journalCode=iart20> found that while women were aware of responsible gambling messages, these messages created a perception that EGM gambling was harmless and could be controlled. When they developed problems with their gambling, these messages made it more difficult to seek help, with one participant describing that these types of messages exacerbated the harm she experienced:

*“I came out hating myself. And thinking it was all my fault. If I had just been more responsible. Because the sign said it. ‘Responsible gambling; set a limit and stick to it’. I hated all those phrases. They made it worse. They made it my fault. They made it impossible for me to ask for help.” – Patricia: 70 years old*

## **PUBLIC EDUCATION ON GAMBLING – a personal perspective**

These comments will clearly reflect personal views and perceptions, albeit based on almost fifty years of experience in public education on a wide range of health and social issues.

Public and community education on gambling from governments is decidedly limited. There is some very limited advertising, with no available research base, and no available evaluation.

A recent review by the Victorian Auditor General’s Office of the Victorian Responsible Gambling Foundation was devastatingly clear in its conclusions on this and related issues. <https://www.audit.vic.gov.au/report/reducing-harm-caused-gambling?section#33777--3-preventing-gambling-harm>

“The Foundation has developed a range of programs and pilot initiatives that aim to prevent gambling harm. However, the Foundation does not know if it is preventing gambling harm, as its program evaluations focus on outputs rather than on outcomes and impacts. This makes it difficult for the Foundation to understand what makes a program effective and to identify which pilot initiatives to scale up.

In addition, the Foundation does not have an overarching prevention strategy to guide its work and measure its impact.”

While there were further criticisms of the Foundation’s failures in this area, it should in fairness be noted that the VRGF has at least made some serious efforts to embark on prevention programs (albeit with questionable impact) and to establish a research program, in marked contrast to the WA Gaming and Wagering Commission.

The impression this observer has gained is that the Gaming and Wagering Commission’s efforts have been at what might best be described as the Mickey Mouse level – soft, minimally funded, no apparent research base or proper evaluation, ineffective, and in some aspects close to promoting gambling.

A “Responsible Gambling Awareness Week” may generate a few media releases, but achieves nothing in isolation – other perhaps than promoting the notion of “responsible gambling”. Similarly, in the absence of compelling research evidence, it is hard to take advertisements such as the “Show Gambling Who’s Boss” series seriously as a significant effort to reduce gambling and its harms.

The “responsible gambling” theme is regularly used in both promotion of gambling and government materials. There is no good evidence of which I am aware in support of its use,

or impact through advertising – whether when it is quietly gabbled at the end of a TV or radio commercial, sonorously spoken as an afterthought, or used as an overarching slogan. Indeed, far from discouraging, it may even be seen as encouraging gambling.

There can be little doubt that the “responsible gambling” term is used by the commercial gambling industry to promote its image as respectable and responsible. Ironically, this seems to be assisted by governmental promotional material for people in need of help and support with gambling problems. Remarkably, the “gambling help online” service and website (<https://www.gamblinghelponline.org.au/services-in-your-state/western-australia>), for which the Problem Gambling Support Services Committee is cited as a funding organisation, specifically appear to refer those with concerns to commercial gambling industry sites such as “Crown Perth's Responsible Gambling Programmes and Information”, “Responsible Wagering at RWWA” and “Responsible Wagering at TAB Ozbet”.

It is inappropriate for companies in the gambling industry to play any role in providing advice and support to people with concerns about gambling or with gambling problems.

There is a pressing need for independent research and advice on the best messages that will discourage inappropriate gambling behaviours as part of a comprehensive approach to reducing gambling harms.

#### **iv) PROBLEM GAMBLING SUPPORT SERVICES COMMITTEE**

The Gaming and Wagering Commission Annual Report section on the Problem Gambling Support Services Committee (PGSSC) notes that:

“The Committee’s mission is to educate the community of Western Australia on the impact and consequences of problem gambling and to facilitate and promote the help services available for those people affected by gambling related harm”.

[https://www.dlgsc.wa.gov.au/docs/default-source/the-department-document/gaming-and-wagering-commission-2019-20-annual-report.pdf?sfvrsn=a00458b2\\_1](https://www.dlgsc.wa.gov.au/docs/default-source/the-department-document/gaming-and-wagering-commission-2019-20-annual-report.pdf?sfvrsn=a00458b2_1) – from p24]

Membership listed in the 2018-19 and 2019-20 reports comprised a chairperson from the Dept of Local Government, Sport and Cultural Industries (Michael Connolly), representatives from three commercial gambling organisations (Crown Perth, Racing and Wagering Western Australia, WA Bookmakers Association), Lotterywest<sup>1</sup> and Department of Communities.

It is inconceivable that a committee with three out of six members from commercial gambling organisations would develop and run effective gambling education programs that would be completely contrary to the gambling industry’s interests. One can only imagine the public reaction if, for example, committees overseeing tobacco education programs included three representatives from the tobacco industry.

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<sup>1</sup> I have referred here specifically to commercial gambling interests, as I believe that Lotterywest, with which I have had a range of interactions over time, should be seen in a different context, and indeed may well have a very positive role to play.

In preparing this submission I have sought to obtain information about the committee and processes, all of which should be readily accessible – but none of this information has been forthcoming (see attached emails). The only new information is that in recent months the Committee’s membership seems to have been expanded to include two further government agency members – but the commercial gambling interests remain.

I believe that there are legitimate concerns about transparency, process, the apparent lack of interest in research, evidence or evaluation, and the absence of any apparent concern about the involvement of the commercial gambling industry in public policy and educational programs relating to public information and education.

In this context, I also suggest that it is in the public interest for the information I have sought in my letter to the Department of Local Government, Sport and Cultural Industries to be made available.

I also note that the Gaming and Wagering Commission Annual report advises that, “The PGSSC also funds research...”, but this appears to relate solely to some funding provided to the national Gambling Research Australia organisation. It is difficult to offer any comment on this, as on the basis of a brief check, the Gambling Research Australia website appears to list only three areas of “research in progress” (Interactive Gambling Study, Voluntary Opt-out Pre-commitment Trial, and Consistent Gambling Messaging Trial – all at the Central Queensland University), and the latest publications listed are from 2015 and 2016 [<https://www.gamblingresearch.org.au/>].

## **RECOMMENDATIONS**

1. Protection of children and young people from gambling marketing be identified as a high priority for the WA government
2. This issue be reviewed, with appropriate recommendations to follow, by a committee completely independent of direct or indirect gambling industry participation.
3. There be a commitment to adequately funded, evidence-based public education and information on gambling harms
4. Education and information programs on gambling be reviewed by an expert committee completely independent of commercial gambling or advertising industry participation or those associated with the commercial gambling industry.
5. There should specifically be independent research on “responsible gambling” terminology, and the appropriateness or otherwise of its use in both gambling industry promotional activity and government communications.
6. Research activities and treatment and support services be similarly reviewed.
7. All oversight of government activities relating to gambling should be completely independent of any direct or indirect commercial gambling interests.
8. Responses be sought to the questions in my email of May 19<sup>th</sup> to the Department of Local Government, Sport and Cultural Industries.

9. The Problem Gambling Support Services Committee be replaced with an adequately funded body completely independent of any direct or indirect commercial gambling interests.

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May 31<sup>st</sup>, 2021