



Public Health Association of Australia (Victorian Branch) and Australian Health Promotion Association (Victorian Branch) joint submission to the Gaming Machine Arrangements Review

About us

Public Health Association of Australia (PHAA) - Victorian Branch

The Public Health Association of Australia (PHAA) is a national organization comprising around 1900 individual members and representing over 40 professional groups. Core to our work is an evidence base drawn from a wide range of members working in public health practice, research, administration and related fields that volunteer their time to inform policy, support advocacy and assist in capacity building within the sector. The PHAA (Victorian Branch) has 500 members and works with the National Office to provide policy advice, organise seminars and mentor public health professionals.

Australian Health Promotion Association (AHPA) - Victorian Branch

The Australian Health Promotion Association (AHPA) Victorian Branch, is committed to supporting health promotion professionals, building the profession and providing opportunities for members to achieve professional excellence and enjoy career success. The AHPA Victorian Branch has over 300 members and aims to assist members to be connected, supported, engaged and enabled to reach high professional standards.

This submission

We note the Terms of Reference for the Gaming Machine Arrangements Review (the Review) relate to current and future regulatory arrangements and that 'responsible gambling and problem gambling policies' will not be explicitly considered within the Review. Instead, the Victorian Government will consider the appropriateness of harm minimisation measures alongside the Review.

However, within the context of a robust public health approach, legislation and regulation is an upstream approach that can actively mitigate risk and harm from gambling across the Victorian population^{1,2}. Indeed, the Productivity Commission has stated that 'the aims of any package of regulatory reforms should be to reduce the harms associated with gambling, while preserving its

¹ PHAA. 2014. *Gambling and Health Policy*. Available at: phaa.net.au/documents/item/249

² Victorian Responsible Gambling Foundation. *Background paper: Using a public health approach in the prevention of gambling-related harm*, May 2015

entertainment value'³. As such, we are making this submission to highlight the public health implications of the Victorian gaming regulations and urge the Government to consider the ways in which harms can be avoided or mitigated with any regulatory changes.

This submission is aligned with the PHAA policy on gambling and health¹ and drawn from this, and the broader literature in this area.

The PHAA (Victorian Branch) and AHPA (Victorian Branch) affirm the following principles in relation to gambling and health:

1. There are significant harms from gambling (and gaming, in particular) that affect individuals, their families and Victorian communities^{1,2}. The detrimental effects of gambling to individuals and families include financial harm, relationship conflict, disruption or breakdown, emotional or psychological distress, decrements to health, cultural harm, reduced work or study performance, criminal activity and life course and intergenerational harms⁴. Gambling also causes social harms, with effects on the community related to decreased circulation of money, lost productivity, increased pressures on financial, legal, and social services, and the costs of criminal behaviour¹.
2. Gambling disproportionately affects vulnerable groups within the Victorian community. Gambling losses are higher in areas of relative socio-economic disadvantage, with these losses borne by communities with low levels of resilience to be able to cope or recover. In this way, gambling can be a driver of further disadvantage in already vulnerable groups⁵.
3. The emphasis on 'responsible gambling' and the 'problem gambler' as the source of risk and harm related to gambling normalises the current gambling industry in Australia and functions to remove the public health imperative for industry and government to actively manage gambling, related risk and harm from an upstream population health perspective¹.
4. We endorse a public health model for gambling, which emphasises the general protection and promotion of well-being in the community, and includes the central premises of population health and harm minimisation¹. Such a model would take into account the interaction of the individual, the gaming opportunity, the gaming environment and the wishes of the community. Implicit in a population health approach is that Government must manage gambling and related harm from an upstream perspective¹. We note a public health approach to gambling is recommended by the Productivity Commission, the Australian Parliamentary Joint Select Committee on Gambling Reform and the Victorian Responsible Gambling Foundation.

³ Productivity Commission 2010, *Gambling, Report no. 50*, Canberra.

⁴ Langham et al. 2016. *BMC Public Health* 16:80

⁵ Rintoul, A et al. 2013. *Addiction Research and Theory*, 21: 329-338

**The PHAA (Victorian Branch) and AHPA (Victorian Branch)
make the following recommendations regarding the**

Gaming Machine Arrangements Review:

Do you think the current distribution limits are appropriate? If not, what changes would you suggest and why? You can comment on any or all of the distribution limits identified.

We do not support any increase in the cap or limits regarding gaming machine entitlements. Gaming machines are the most harmful form of gambling, and any increase in the access to gaming would also increase the likelihood of harms.

In addition, we do not believe the current distribution limits (in terms of metropolitan versus regional, number of machines per venue, etc.) are evidence based. These limits still allow for venues with gaming machines to be clustered in geographical areas that expose some communities to much greater gambling related harm than others.

We believe there is an opportunity, and indeed a need, to design a more nuanced system of entitlement distribution that places a limit on the number of gaming machines per population area and explicitly considers markers of a community's vulnerability to gambling harms. For example, limits could be set for particularly vulnerable communities (using the Australian Bureau of Statistics' Socio-Economic Indexes for Areas (SEIFA), as a marker of vulnerability). Because socio-economic status can vary markedly within a Local Government Area (LGA), this assessment should be undertaken at the suburb, or street level, rather than the LGA level. Other appropriate considerations would be the proximity of venues with gaming machines to children (i.e. not in the vicinity of schools and community facilities).

Should changes be made to the way clubs are required to demonstrate their community benefit?

We believe the items that can be claimed by clubs as a direct or indirect community benefit for tax purposes would benefit from significant revision. These community benefits should more explicitly address, alleviate or mitigate gambling harms, as opposed to the current rules, which allow clubs to upgrade their own premises or pay for staff costs.

This is consistent with the Productivity Commission report, which recommended, 'the large tax concessions on gaming revenue enjoyed by clubs in some jurisdictions (...) cannot be justified on the basis of realised community benefits. There are strong grounds for these concessions to be significantly reduced'³.

We support the following revisions to the tax concessions that can be claimed by clubs as a community benefit:

- A cap on the amount that can be claimed per club
- A more transparent process, whereby all items claimed must be declared
- More limited definition of what constitutes a community benefit, such as:
 - Support to those experiencing harm as a result of gambling
 - Support to welfare organizations to meet demands due to gambling
 - Funding public health and social research (via independent organisations, such as the Victorian Responsible Gambling Foundation)

Do you have any suggestions to improve the regulatory framework for gaming machines?

We note another Productivity Commission recommendation that ‘given the potential for adverse social impacts and costs to business, governments should routinely undertake regulatory impact assessments for all major regulatory proposals for gambling, and make them publicly available at the time policy decisions are announced’. We would strongly support a publically available social impact assessment, in addition to the community consultation, before any change in entitlements is enacted.

Summary of recommendations

We make the following specific recommendations with regards to the Review:

- We do not support any increase in the cap or limits regarding gaming machine entitlements
- We call for a more nuanced system of entitlement distribution that places a limit on the number of gaming machines per population area and explicitly considers markers of a community’s vulnerability to gambling harms
- We support significant revisions to the community benefit tax breaks, including:
 - A cap on the amount that can be claimed per club
 - A more transparent process
 - More limited definition of what constitutes a community benefit, such as support to individuals experiencing gambling harm or the organisations helping these people, and public health and social research
- We strongly support a publically available social impact assessment, before any change to gaming entitlements is enacted.

To conclude, we strongly recommend there be no changes to the distribution of gaming machine entitlements in a way that will increase the harm of gambling in vulnerable populations. The Victorian Government has a duty to protect its communities from harm and carefully considered regulatory reform can do this.

The PHAA (Victorian Branch) and AHPA (Victorian Branch) appreciate the opportunity to make this submission. We look forward to the outcomes of the Review.



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