Submission to the IPART " Review of gambling harm minimization measures"(ref:03/308)

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Reframing "responsible gambling" as consumer protection.

New Evidence
New evidence from a study of over 200 regular pokies players (A final study in a sequence of projects involving separate samples totaling over 700 such players funded by the Casino Community Benefits Fund.) shows that:

♦ The experience of impaired control i.e. being unable to stick to limits of time and money spent gaming is very common among players who play pokies once per week or more often, and

♦ the main cause of this impaired control is the enjoyable strong emotion experienced during play (enhanced by more playing time and prior levels of mild negative mood). (Model based on initial regression analysis attached.)

In other words the commonly reported impaired control over cash and time budgets is not necessarily an indication of pathology but is a natural response to modern sophisticated and entertaining poker machines. Players who spend several hours per week playing come to experience strong enjoyable emotions during play and the loss of control over time and money expenditure is likely to be a result of this emotion, increased by how long is played and any negative emotions 'brought' to the venue. This seems so utterly common-sensical and far removed from problem/pathological gambling that it merits a close and careful examination.

What is the regular player actually doing during a session of gaming?
She/he is purchasing an entertainment product that is provided in an automated fashion. Tracking data shows that such players in *NSW play on average for 842 games in a session (range 14-2784): a typical rate of play would be of the order of 10 games per minute and the average cost/stake per game would be about 70 cents.*

In previous illustrations (Dickerson 2003) a random point in play, 35 minutes into a session was taken to illustrate what such a regular consumer of electronic gaming was coping with/enjoying*: the player has been offered and purchased a total of 350 games for each of which the possible outcomes ranged from a loss of $10 to a win of $100,000 for a linked machine ($10,000 for a stand-alone machine).*
The typical regular egm player in NSW makes   832 consecutive purchasing decisions in a session of play. During such a session 43.8% of regular players will report that they experience "an irresistible urge to continue" (O'Connor & Dickerson, 2001) i.e. an urge to continue purchasing more of the entertainment product …………..and the next game is being offered. It is still being offered to the player after 1, 2, or 10 hours of continuous play.

It appears that the research sequence at UWS has shown the obvious: when shorn of all words that speak of pathology it seems quite obvious that if the purchase point of an extremely attractive entertainment product is embedded in the same process of the player actually enjoying the emotional stimulation and pleasure that arises, why on earth would any person in their right mind expect them to continue to make rational, informed decisions i.e. to gamble responsibly? Impaired ability to control cash and time expenditure during gaming is not about pathology it is a typical human response that despite all the notices and warnings is commonly reported by almost every other regular player (Note: The research was conducted in venues where warning notices were on the machines, in the toilets, on the walls, pamphlets about problem gambling were available at the bar etc.)

If this is taken as a common sense starting point then the obvious question is whether these regular consumers of gaming are getting a fair go? If any other product than gaming were involved then the answer would clearly be "no". It would be entirely unacceptable for a product to be sold in an automated, emotionally distracting way that resulted in every other regular consumer buying more than they intended. Add the facts that the typical expenditure per annum of such players is over $10,000 and that 1 in 4 or 5 of them report harmful impacts arising from purchasing gambling then it is not surprising that recent legal opinion has supported the view that to market gaming to such regular players may be unconscionable conduct in terms of the Trade Practices Act (4 Corners ABC; 13/10/2003).

The crucial readjustment is that the issue needs to be considered not in terms of some individual difference(s) inherent in some players but that loss of control is the common and expected outcome of the interaction between human beings and contemporary forms of continuous gambling.

A fundamental re-examination of the foundations of responsible gambling in the light of this reframing or statement of the obvious permits important conclusions to be drawn with significant implications for policy goals and strategies.

Current responsible gambling strategies set out to:
1. detect, exclude, protect problem gamblers from further exposure to gambling
2. educate the community raising awareness of the harmful impacts of gambling and encouraging gamblers to make responsible decisions about their gambling, and
3. remove the 'addictive' components of poker machines.

There is general expert agreement that 1 cannot be achieved by operators and in the light of the current findings it is apparent that 2 and 3 above are misdirected and unlikely to succeed e.g. both seem to make impossible demands, either the player learns not to enjoy play or that the enjoyable, emotionally stimulating component of the machine somehow be removed.

Table 1 in the IPART discussion document illustrates how the lack of adequate evidence based principles to guide harm minimization results in a 'scatter-gun' approach with a diversity of possible measures, many based on false premises. The evaluation/enactment of these is almost impossible to achieve and a very popular entertainment activity is likely to be jeopardized in the process.

A simpler principle can be developed from the above explanation of the origins of impaired control resulting in a completely new vision of responsible gambling expressed as consumer protection for gamblers.

Protecting the regular player:
The origins of responsible gambling policy:
Although nowhere clearly articulated responsible gambling has its origins in public health policy relating to alcohol consumption. Both legally and morally the provider of alcohol bears some responsibility for some of the harms that arise from excessive alcohol consumption. The goals of responsible alcohol policy programmes have been to provide an environment that promotes the safe, healthy consumption of alcohol and prevents whenever possible excessive and potentially harmful levels of drinking.

The three main types of responsible gambling strategies listed above show a similar concern, to protect the individual from excessive or harmful levels of gambling consumption. However the new data indicate an important difference between alcohol and gambling that needs to be reflected in policy formulation.

In relation to alcohol, provided that the ordinary regular drinker is over 18years of age and is consuming alcohol in safe healthy quantities, perhaps in a licensed premise, the question of responsibility for harmful impacts does not arise.
In contrast in relation to regular gaming machine play (and probably all other continuous forms of gambling) the ordinary regular player may be consuming/using the gaming product in just the way in which the manufacturer, the venue operator and the regulatory body intended, and yet very likely be placed at immediate risk of harmful impacts because of the loss of control that at times is an integral part of his/her pleasurable gaming experience.

In brief the risk of the harmful impacts,
♦   for alcohol arise from *excess*
♦   for gambling/gaming arise from *regular usage*.

In developing responsible gambling policy this distinction needs to be born in mind: the goal of preventing excess, as in alcohol, can only be achieved by ensuring that the ordinary regular player's normal enjoyment *and* loss of control does not result in excessive expenditure of time and money.

As pointed out above the current strategy aimed at changing the machine **or** the player to not lose control is ill conceived and derived from the alcohol context. A more appropriate aim from a consumer protection perspective is to maintain the integrity of the gaming experience – it is clearly enjoyable and what the consumer wants – and yet to prevent the enjoyed loss of control resulting in excessive, and potentially harmful expenditure.

Policy driven by the principle of safe-guarding the right of gamblers to make rational decisions about expenditure limits.
As argued previously (Dickerson 2003) this could guide the future responsible provision of continuous forms of gambling by requiring that the purchase point be removed from the loss of control process inherent in the gambling sequence itself:

- to a point in *time* prior to the commencement of the session, and

- to a *place* away from the gaming room floor.

This argument reaffirms that rather than pre-commitment being just one of many possible consumer protection options (as listed by the Productivity Commission, 1999) it should be considered **the** protective measure preferred by regulatory bodies. Given the nature of the impaired control reported by regular players (includes difficulties in limiting the number of sessions per week as well as session length/spend) a player's decision to limit time and/or money expenditure to a particular amount would have to hold for a specified period with the minimum perhaps being for the next week i.e. a cooling off period.

In the context of the current trend toward cashless gambling/gaming there is now both the knowledge base and the technology to enable governments to develop a consumer protection environment that balances the individual freedom of the player with the opportunity for the community to prevent problem gambling and underage gambling 'at a stroke'. In contrast to the present burgeoning bureaucracy associated with responsible gambling a regulated consumer protection approach could be derived from the one principle of defending the ability of all gamblers to make rational, controlled choices (and could be applied to all new gambling products as they emerge) and could be fully automated and web based. At the same time providing for very effective methods for assisting existing problem players.

The current IPART review of harm minimization measures will find that despite the elapse of 4 years since the Productivity Commission (1999) confirmed that a third of the total expenditure on gambling came from gamblers who were experiencing significant harmful impacts arising from their gambling, we have no demonstrably successful ways of protecting such individuals. The community should be aware that we now have the opportunity to choose to make gambling as safe from harmful impacts as any other entertainment product.

Supporting documents attached:

Dickerson, M.G. (2003) Exploring the limits of 'responsible gambling': Harm minimization or consumer protection? *Gambling Research* (Journal of the National Association for Gambling Studies Australia), 15, 29-44

Dickerson, M.G. (2003) What if there were no problem gamblers?
Published at www.responsiblegamblingcouncil.org

Model of impaired control;
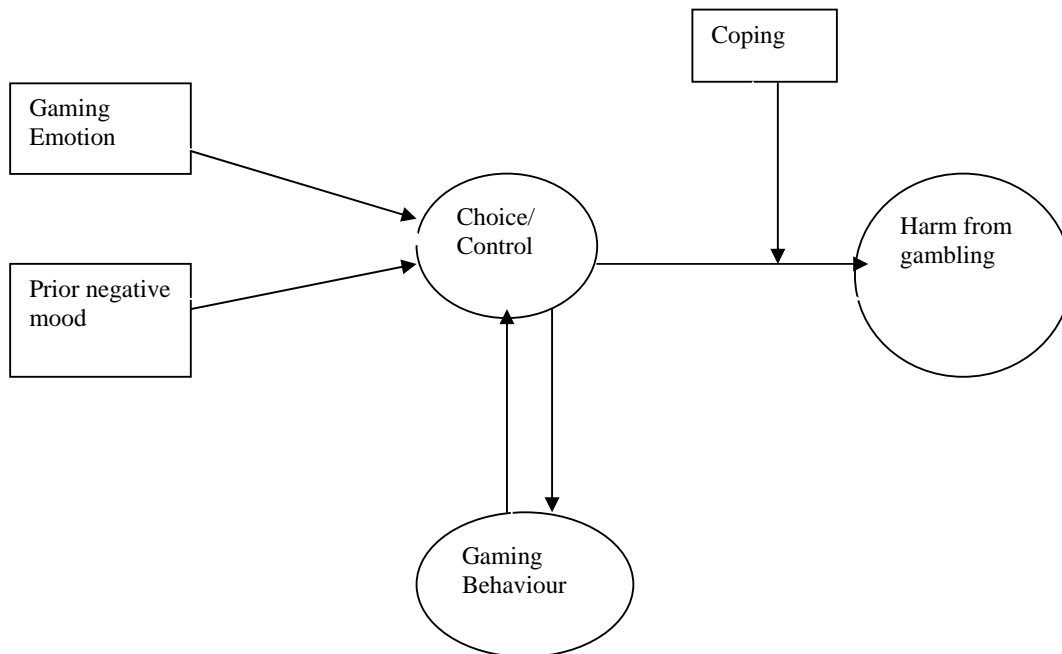
NOTES:

- ➢ **Gaming emotion**: positive valence and strength of feelings experienced during play
- ➢ **Prior negative mood**: mild, non-clinical levels of depression, anxiety or stress being experienced by the player in their life prior to starting a session of EGM play.
- ➢ **Choice/control**: the level of loss of control experienced by the player over session length and how often to have a session per week.
- ➢ **Gaming behaviour**: frequency times typical session length in minutes
- ➢ **Coping**: practical problem-solving approaches provide some protection to the player from the harmful impacts arising from the loss of control.
- ➢ **Harm from gambling**: as measured by the Victorian Gambling Screen or the SOGS