

Wesley Mission's 2023-27 NSW Gambling Reform Platform to Protect our Communities

March 2023

Wesley Mission began Australia's first Gambling Counselling initiative in the late 1980s and continues to advocate for gambling reform and harm prevention measures to protect the safety and wellbeing of the community. Through our gambling and financial counselling services, and more than 120 programs delivering care and support, we understand the impact gambling has on individuals and the community.

Wesley Mission's 2023-27 NSW Gambling Reform Platform **Goals to Protect our Communities**

NSW is home to just under half of Australia's 200,000 poker machines. They are profitable, accessible and deeply harmful. Dotted in pubs and clubs across the state - they are dangerous and designed to addict. In no other place on earth is gambling so ubiquitous. But it doesn't have to be this way. Together, we can act to prevent and reduce gambling harm.

Wesley Mission is committed to achieving significant gambling reform, however long that takes. Using the recommendations of the Productivity Commission and subsequent research as guides, we are committed to see a NSW where the following is true:

- a universal identity-linked cashless payment system with harm minimisation measures is independently administered
- poker machines are turned off from midnight to 10 am
- NSW Clubs have a limit on the number of poker machines they have
- councils have the right to be consulted about poker machines in their local government area; and
- an end to gambling advertising.

Gambling reform platform goals

We will campaign for some of these goals outright and for others, take a step-by-step approach - based on our analysis of the political landscape at the time.

1. Implement universal cashless gambling with harm reduction measures built-in

NSW has been rocked by the uncovering of one of its dirtiest secrets - poker machines across the state are used by organised criminals to launder money. This is the moment when gambling reformers and law enforcement can work together to use one initiative to address two major problems. Removing the ability to put cash into poker machines will stop money laundering in its tracks. To do that requires every poker machine in the state to be modified to only accept a card or a digital wallet as the payment. Those payment systems must be linked to bank accounts or debit cards, which themselves are linked to a proven identity. This puts the power to manage gambling time and spending back into the hands of customers. A card or digital wallet can require people to set sensible loss limits - with the default being the Tasmanian model of \$100 a day, \$500 a week, \$5,000 a year. People could choose to set their limit at \$0 if they want.

People can also set their time limits so that machines will stop working after a set time, and the person cannot just move to the next machine. If they are still within their limit but need to top up funds, the card/wallet cannot be used for 30 minutes to encourage people to take a break. Improved activity statements can be generated, and winnings quarantined. If someone has selfexcluded, their card or wallet will not work.

Read our more detailed discussion paper here.

We're calling for NSW to follow and improve on the Tasmanian Government's introduction of universal cashless and harm reduction payment systems for gambling.

2. Power-down poker machines after midnight

The evidence is clear, gambling after midnight is a significant risk factor for harm. As far back as 2010, the Productivity Commission recommended the earlier closure of suburban poker machine venues in recognition of the increased risk of harm during late-night gambling.

Successive reports, including the NSW Government's own research, demonstrate that people already significantly harmed are over-represented in pubs and clubs after midnight. 123

There is no reason for suburban pubs and clubs to continue operating poker machines in the early hours of the morning when we know people are at their most vulnerable. It is abundantly clear that a simple measure can prevent and minimise harm from late-night gambling. It is also clear that most NSW residents support this measure.

We're calling for all poker machines in pubs and clubs to be turned off between midnight and 10 am.

3. Fund an independent State-wide Self-exclusion register

The system of self-exclusion is fundamentally broken in NSW. Self-exclusion is a valuable tool to empower people to take control of their gambling. While every venue in the state is required to offer self-exclusion, they are under no legal obligation to honour or enforce such requests and are not penalised in any way if a self-excluded person gambles at their venue.

The current patchwork system is ineffective at providing support to the people who need it most. A range of hurdles, from limits on the number of venues from which a person can selfexclude to a cumbersome application process, renders the current system deeply flawed.⁴ People who are experiencing gambling harm must be supported with effective tools to take control of their gambling, and venues must be supported to uphold their community obligations. The solution is to adopt a single, state-wide system akin to the federal online wagering model.

We're calling for the establishment of a single, state-wide self-exclusion register funded by gambling taxation revenue, managed independently from the gambling industry, and overseen by an appropriate independent statutory body.

4. Let communities have a say

Councils are the level of government closest to people's daily lives. They are the principal planning authority, deciding on the mix and nature of businesses that best suit their community. However, an unusual exemption exists within the Gaming Machine Act that allows poker machines to be excluded from the standard planning system. There is no other planning carveout of this kind. Unlike their Victorian counterparts, NSW Councils are not automatically consulted when a venue applies to increase poker machine numbers and have no right to appeal a decision made by the Independent Liquor & Gaming Authority except in rare circumstances.5

Councils are well-placed to act on behalf of their communities. They hold planning, economic, and social data that creates a more complete picture of community composition and should be considered in the determination of poker machine applications. They are also responsible for providing education, social protection and services to vulnerable community members and other public amenities. These services are affected by the harm gambling causes to the community. They must be given the right to comment on and appeal poker machine applications within their municipality, as is currently the case for alcohol.

"From a grassroots community perspective, Local Government should have a lot more involvement in reducing the ever-increasing harm caused by poker machines. State Governments now need to take urgent action to make this happen."

Pat Daley OAM, former Northern Beaches Liberal Councillor and Police Crime **Prevention Officer**

We're calling for Councils to have a statutory right to be able to make submissions on every poker machine application in their community, regardless of Local Impact

Assessment (LIA) status, and appeal any decision made by the Independent Liquor & Gaming Authority.

5. Greater transparency in NSW - publish venue data

Transparency and accountability are central to a strong democracy. To effectively prevent and reduce gambling harm, we must first understand where that harm occurs. Although poker machine losses are an imperfect proxy for gambling harm, they are embedded in the formula which ranks communities at risk. The formula uses socio-economic indexes, the number of machines per capita, and machine loss rankings to rate an area. This determines whether a venue is in an area that is more impacted by gambling. The community has a right to also access this data.

Currently, the Department of Liquor & Gaming only publishes the losses for an entire local government area (LGA). In many cases, when there are small numbers of gambling venues in an LGA, neighbouring LGA data is combined. This means it is impossible to determine the losses at any meaningful, granular level. The data is published half-yearly, and files are separated by venue type and released in overlapping cycles, making it difficult to analyse.

"The Australian Productivity Commission in its report on gambling argued that there is a strong case for improving the transparency of data on gambling. The ability of researchers to measure the harm caused by electronic gaming machines, and the effectiveness of measures to reduce that harm, is constrained by the difficulty (and in some cases, the impossibility) of obtaining access to data on gambling. This is a particular problem in relation to data on electronic gaming machines (EGMs). The ideal arrangement would be one in which, every six months, each gambling venue published weekly data on the number of EGMs, gross profit, and average expenditure per customer."

Professor Don Weatherburn PSM Ph.D. FASSA, National Drug and Alcohol Research Centre

We're calling for all NSW poker machine data to be transparently published by venue at least every six months.

How will we achieve reform?

- 1. **Elevate gambling harm** by sharing real stories of people from all walks of life and straightforward solutions to reduce the harms they face, we'll empower communities to take a stand and push politicians to enact much-needed reforms.
- 2. **Build a coalition** by building a coalition who represent a broad constituency and can speak directly to the community touchpoints of gambling harm, we'll highlight the scale and generate impetus for our elected leaders to act.
- 3. **Mobilise community support** by mobilising everyday people who care about gambling harm and highlighting the power of collective action, we'll demonstrate that we are part of a united community, and together we will hold decision-makers to account.
- 4. **Seek broad endorsement** by advocating for evidence-based and achievable policy solutions and engaging all sides of the political spectrum, we'll build a constituency of elected members ready to act in the interests of their communities.

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ENDNOTES

¹ ILGA Guideline 16 Late-night gaming applications: https://www.liquorandgaming.nsw.gov.au/ data/assets/file/0010/936271/gl4026-ilga-guideline-16-12-May-2021.pdf

² NSW Government commissioned research into post-midnight gambling: Research into the late-night usage of electronic gaming machines - Liquor & Gaming NSW

³ Shutdown periods for electronic gaming machines, RGF, 2019: Shutdown periods for electronic gaming machines (nsw.gov.au)

⁴ ABC investigation showing venues not stopping self-excluded gamblers from entering and losing thousands of dollars: Problem gamblers say pokies venues aren't stopping self-excluded gamblers from losing thousands - ABC News

⁵ Community consultation process under LIA system: <u>Preparing an LIA - Liquor & Gaming NSW</u>



Get involved

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