

Submission to the consultation on the

# Gaming Control (Community Support Fund) Regulations 2022

July 2022



*Working for a just Tasmania*

# Contents

<b>1</b>	<b>Introduction</b> .....	<b>4</b>
<b>2</b>	<b>Context and purpose of the regulations</b> .....	<b>4</b>
<b>3</b>	<b>The draft regulations</b> .....	<b>2</b>
3.1	Distribution of Community Support Fund .....	2
3.2	Criteria in consideration of allocation .....	3
3.3	Accountability and transparency .....	3
<b>4</b>	<b>Conclusion and recommendations</b> .....	<b>4</b>
<b>5</b>	<b>References</b> .....	<b>0</b>

# Executive summary

Anglicare Tasmania welcomes the opportunity to comment on the draft Gaming Control (Community Support Fund) Regulations 2022.

Anglicare's recommendations are informed by:

- Anglicare's values
- the voices of people with relevant lived experience
- contemporary research
- the economic and social impact of the regulations proposed.

All allocations of money from the Community Support Fund should be for the purpose of reducing and preventing the harm that results from gambling and be evidence-based.

The benefits of expenditure from the Community Support Fund should return to the Tasmanians who have contributed to gambling revenue.

The administration of the Community Support Fund must be accountable and transparent.

## Recommendations

1. That 100% of the Community Support Fund should be allocated for the purpose of minimising gambling harm, preventing gambling harm or both. This should be a requirement in the Gaming Control Act 1993.
2. Amend regulation 4 to require all allocations to be for the purpose of gambling harm prevention, gambling harm minimisation, or both. Subject to meeting this requirement, allocations may be for activities described in 4(b), 4(c) or 4(d).
3. Criterion 6(a) should be replaced with a stand-alone provision that any allocation from the Community Support Fund must satisfy the following criteria:
  - a. There is a link between the location of gambling losses and the location of the benefits *resulting from* the expenditure.

AND

  - b. The proposed activity to prevent and/or minimise gambling harm is evidence-based.

4. In addition, all allocations of money from the Community Support Fund should satisfy one or more of 6(b), 6(c), 6(d), 6(e), 6(f) and 6(g).
5. The Tasmanian Liquor and Gaming Commission should administer the Community Support Fund and provide advice to the Minister on its allocation. This should be specified in the regulations.
6. The regulations should require that the Minister only approve an allocation from the Community Support Fund after considering the advice of the Tasmanian Liquor and Gaming Commission.
7. Allocation of funding from the Community Support Fund should be reported annually.
8. Activities funded from the Community Support Fund should provide annual action plans to the Tasmanian Liquor and Gaming Commission. The outcomes and performance against Key Performance Indicators in the action plans should be reviewed annually and made publicly available as part of the Commission's annual reporting.

# About Anglicare Tasmania

Anglicare Tasmania is a large community service organisation in Tasmania with offices in Hobart, Glenorchy, Launceston, St Helens, Devonport, Burnie, Sorell and Zeehan and a range of programs in rural areas. Anglicare Tasmania's services include: crisis, short-term and long-term accommodation support; NDIS disability and mental health support services; support services following a motor vehicle accident; aged and home care services; alcohol and other drug services; financial and gambling counselling; and family support. In addition, Anglicare Tasmania's Social Action and Research Centre conducts research, policy and advocacy work with a focus on issues affecting Tasmanians on low incomes.

Anglicare Tasmania is committed to achieving social justice for all Tasmanians. It is our mission to speak out against poverty and injustice and offer decision-makers alternative solutions to help build a more just society. We provide opportunities for people in need to reach their full potential through our services, research and advocacy.

Anglicare Tasmania's work is guided by a set of values which includes these beliefs:

- that each person is valuable and deserves to be treated with respect and dignity;
- that each person has the capacity to make and to bear the responsibility for choices and decisions about their life;
- that support should be available to all who need it; and
- that every person can live life abundantly.

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# 1 Introduction

Anglicare Tasmania notes the anticipated significant increase in Community Support Levy funding available for distribution from 1 July 2023. This review provides a valuable opportunity to improve the capacity of the Community Support Fund to reduce gambling harm and deliver significant benefits for all Tasmanians, particularly those who are affected by gambling harm.

## 2 Context and purpose of the regulations

The Fifth Social and Economic Impact Study of Gambling in Tasmania (O'Neil et al. 2021) identified a range of harms resulting from gambling, reproduced in Table 1 overleaf.

Anglicare Tasmania believes that reducing or preventing gambling harm should be a stated objective of the *Gaming Control Act 1993* and it should be the specific, primary objective of any project, program or initiative supported by the Community Support Fund.

There are a number of reasons justifying government intervention in the market for gambling products:

- Imperfect information and/or information imbalance - the gambling operator has vastly more information about the odds and fairness of a gambling product than the person gambling.
- Negative externalities - these are the harm and costs to dependents, family, friends and the broader community, including those listed in column 2 of Table 1.
- It cannot be assumed that all decisions to gamble are rational due to the potentially addictive qualities of the product and the vulnerability of some people to gambling harm.

The Community Support Fund (CSF) has an important role in addressing the negative externalities of gambling and it should be allocated to address the significant harm that results from gambling. The authors of the SEIS note that the harmful impacts of gambling are not fully quantified and the cost is likely to be underestimated (O'Neil et al. 2021, p.107). The SEIS also reported that the impact of gambling may impose a net cost on the Tasmanian community and economy.

It is not possible to prevent all harm from gambling permitted under the *Gaming Control Act 1993*. However, the allocation of the CSF should aim to prevent and minimise gambling harm. It should also seek to prevent a net redistribution of wealth as a result of gambling - both geographically and away from the disadvantaged and vulnerable.

Table 1 Forms of harm from gambling (adapted from O'Neil et al. 2021)

Impacts on person gambling	Impacts on others
<b>Financial impacts</b>	
Reduced savings/assets	Reduced household savings/assets
Reduced spending on other goods and services	Reduced household spending on other goods and services
Increased debt	Increased household debt
Bankruptcy	Bankruptcy of family members; potential impact for joint assets
<b>Social and psychological impacts</b>	
Obsessive thoughts/feelings	Lack of engagement from significant other/parent/child
Lack of engagement with others	Lost time to spend with significant other/family member/friends/community
Lost time to spend with significant other/family members/friends/community	Impacts on dependent children from lack of parental engagement
Divorce (financial and emotional costs)	Neglect/abuse of dependent children
Stress/anxiety/depression	Divorce (financial and emotional costs)
Suicidal ideation	Treatment costs
Suicide/self-harm	Impacts of suicidal ideation on family and friends
	Emotional impacts of suicide/self-harm of family and friends
	Financial impacts of suicide/self-harm on family and friends
	Financial impacts of suicide/self-harm on community
<b>Impacts on physical health</b>	
Increase in sedentary behaviour due to time spent gambling	Increase in current health system costs
Reduced level of self-care	Long-term increase in health system costs
Increased health risks from co-morbid behaviours such as smoking and drinking	
Increased physical health risks from poor mental health	
Physical impacts of self-harm	Physical impacts of intimate partner violence
Physical impacts of intimate partner violence	Societal costs of premature impairment and mortality due to reduced health
Premature impairment and mortality due to reduced health	
<b>Reduced productivity at work or study</b>	
Lost time spent at work	Extra work to cover absences by work colleagues
Lost productivity at work	Reduced productivity of work colleagues
Lost employment/employment opportunities	Transaction costs of dismissal and finding new employee
Financial impacts of unemployment	Financial impacts of unemployment on household
Reduction in lifetime earnings	Increased social security costs
Impacts of unemployment on mental and physical wellbeing	Reduction in overall economic activity
	Impacts of family member's unemployment on mental and physical wellbeing
	Increased healthcare costs due to reduction in wellbeing caused by unemployment
<b>Cultural harm</b>	
Reduced engagement in cultural rituals	Reduced contribution to community
Culturally based shame in relation to inability to meet cultural roles and expectations	
Reduced connection to community	

Impacts on person gambling	Impacts on others
<b>Crime and justice system costs</b>	
Financial crime	Financial cost to business owner Impact on workplace colleagues Cost of police investigation
Legal defence costs	Prosecution costs Court costs
Imprisonment	Lost access to significant other/family member/friend due to incarceration
Reduced lifetime income due to imprisonment	Cost to community of detention
<b>Treatment and community support costs</b>	
	Cost of gambler help services Cost of self-exclusion services

## 3 The draft regulations

### 3.1 Distribution of Community Support Fund

The regulations as drafted permit funds to be distributed to ‘community capacity building and community development projects, programs or initiatives’ that may be unrelated to gambling harm prevention or harm minimisation. The purposes in regulation 4 should be clarified to separate objectives from activities.

All allocations from the Community Support Fund should be for the purpose of gambling harm prevention, gambling harm minimisation, or both.

The types of activities that are funded should be limited to research, evidence-based preventive programs or initiatives, and evidence-based support programs or initiatives. These could include evidence-based community capacity building or community development programs, provided they demonstrate that have a primary purpose of gambling harm prevention, gambling harm minimisation, or both.

#### Recommendations

1. That 100% of the Community Support Fund should be allocated for the purpose of minimising gambling harm, preventing gambling harm or both. This should be required in the *Gaming Control Act 1993*.
2. Amend regulation 4 to require all allocations to be for the purpose of gambling harm prevention, gambling harm minimisation, or both. Subject to meeting this requirement, allocations may be for activities described in 4(b), 4(c) or 4(d).

### 3.2 Criteria in consideration of allocation

As stated in Section 2, all allocations should seek to prevent a net redistribution of wealth as a result of gambling both geographically and away from the disadvantaged and vulnerable.

#### Recommendations

3. Criterion 6(a) should be replaced with a stand-alone provision that any allocation from the Community Support Fund must satisfy the following criteria:
  - a. There is a link between the location of gambling losses and the location of the benefits *resulting from* the expenditure.

AND

  - b. The proposed activity to prevent and/or minimise gambling harm is evidence-based.
4. In addition, all allocations of money from the Community Support Fund should satisfy one or more of 6(b), 6(c), 6(d), 6(e), 6(f) and 6(g).

### 3.3 Accountability and transparency

The Community Support Fund must be subject to independent oversight and appropriate accountability to ensure that the Fund:

- maintains a clear focus on the prevention and minimisation of gambling harm
- benefits all Tasmanians
- meets the needs of the community.

#### Recommendations

5. The Tasmanian Liquor and Gaming Commission should administer the Community Support Fund and provide advice to the Minister on its allocation. This should be specified in the regulations.

6. The regulations should require that the Minister only approve an allocation from the Community Support Fund after considering the advice of the Tasmanian Liquor and Gaming Commission.
7. Allocation of funding from the Community Support Fund should be reported annually.
8. Activities funded from the Community Support Fund should provide annual action plans to the Tasmanian Liquor and Gaming Commission. The outcomes and performance against Key Performance Indicators in the action plans should be reviewed annually and made publicly available as part of the Commission's annual reporting.

## 4 Conclusion and recommendations

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The benefits of expenditure from the Community Support Fund should return to the Tasmanians who have contributed to gambling revenue.

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## 5 References

O'Neil, M, Whetton, S, Kosturjak, A, Hancock, J, Dey, T, Delfabbro, P, Sproston, K, Wittwer, G & Eslake, S 2021, *Fifth social and economic impact study of gambling in Tasmania*, report commissioned by Tasmanian Department of Treasury and Finance, South Australian Centre for Economic Studies (SACES), Adelaide.