

**How perceptions of the relative
social and economic benefits of
EGMs influence licensing decisions:**
a qualitative study of stakeholders in Victoria, Australia.

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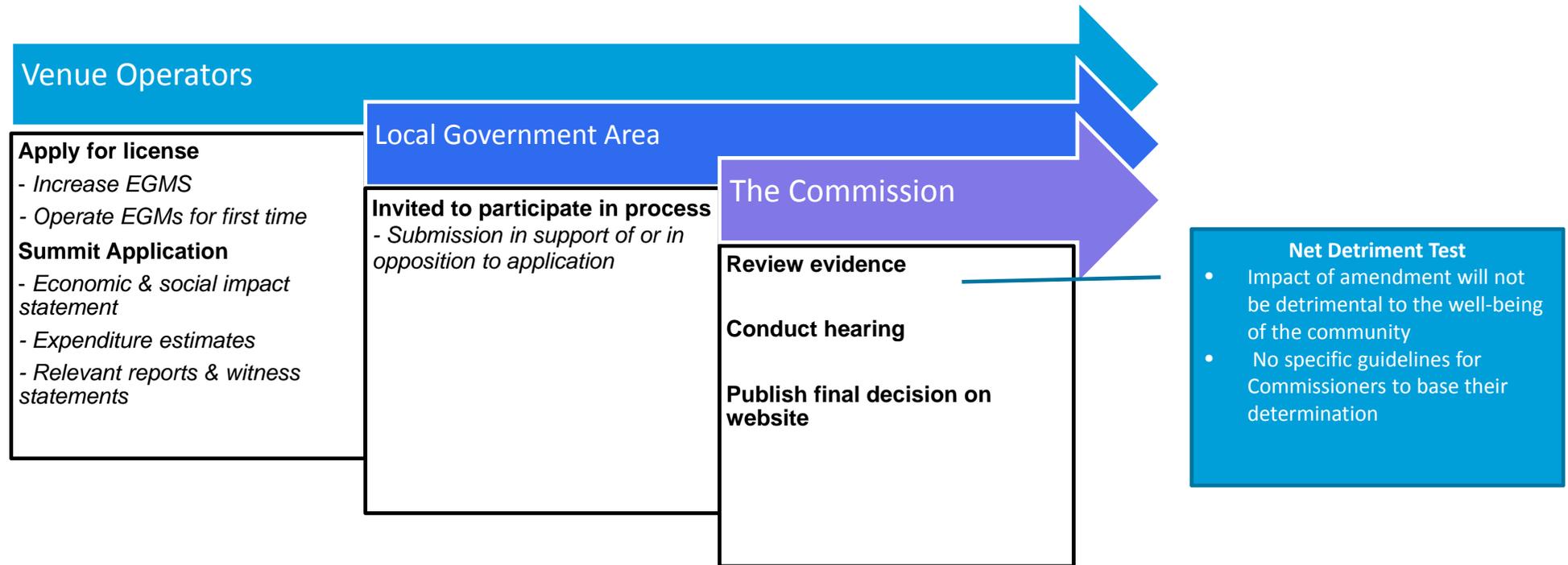


Gambling Discourse: Responsible Gambling versus Public Health Approach

- *'Public Health largely has been absent from social and economic policy decisions surrounding the legislation and expansion of gambling'* - Korn & Shaffer, 1999¹
- 20 years on the dominant gambling harm paradigm remains
 - Focus on the individual (self responsibility)
 - Problem gambling paradigm enshrined in regulation and legislation
 - “Harm minimisation” usually drawn from responsible gambling interventions (many with limited efficacy²)
- Browne et al., identified a need for regulators and policy makers to widen focus beyond ‘problem gambling’ prevention³

Discourse constructs reality: When the paradigm adopted is ‘self responsibility’ and ‘responsible gambling’ then responses to how we address harm will be influenced by that model

The Victorian Regulatory Process: EGM Licenses



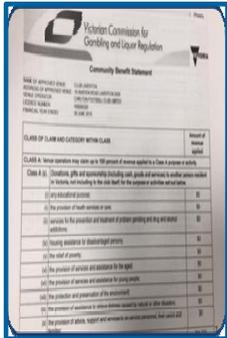
Research projects



EGM LICENSING DECISIONS

154 license decisions by Victorian regulator (VCGLR)
96% approved between July 2007 and June 2014
16 factors cited supporting applications / 6 detrimental factors

Evidence of the effects of policy and legislation on the licensing decision



COMMUNITY DONATIONS

Audited Community Benefit Statements of licensed clubs
Data: 2013/2014/2015 (~n= 250 statements annually)

>70% of claims for venue operational costs
Minimal direct donations to community causes

Evidence of the actual effect/purpose of the 'alibi' of supporting good causes (Kingma, 2004)

Research projects



Victorian Commission for
Gambling and Liquor Regulation

EGM LICENSING DECISIONS



COMMUNITY DONATIONS



STAKEHOLDER VIEWS

Interviews exploring attitudes and perceptions of key stakeholders towards the social and economic value of EGMs

To determine which benefits and harms should be given consideration in the development of EGM policy

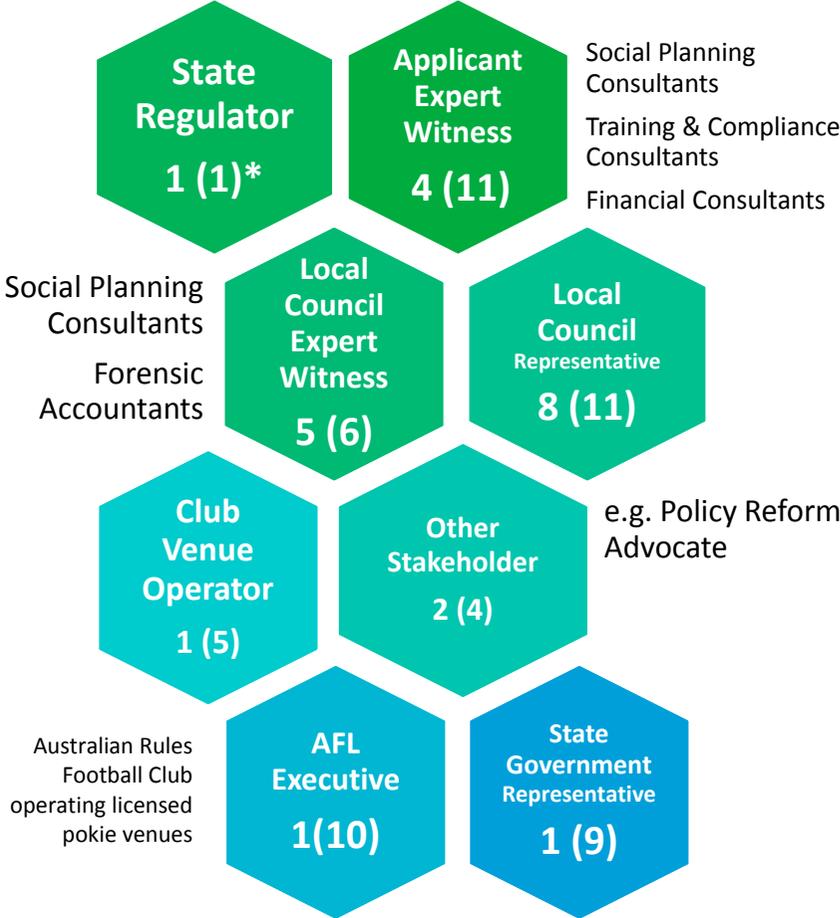
Stakeholder Interviews: Methods

- Non-probabilistic, purposive sampling strategy
 - interviewees selected based knowledge and experience in the EGM license application process
- Reviewed license decision documents to identify research participants e.g. expert witnesses
- Explanatory statement and consent form emailed to prospective participants - consent and participation voluntary
- Face to face interviews conducted between November 2015 and April 2016
- Audio taped (30 to 45 minutes duration) and professionally transcribed - interviewees emailed transcript to review and approve
- Transcripts uploaded into NVivo 11™ software for analysis

Assessed by the Monash University Human
Research Ethics Committee (MUHREC)
– approved as a low risk project involving
humans CF15/1171-2015000551

Research Participants

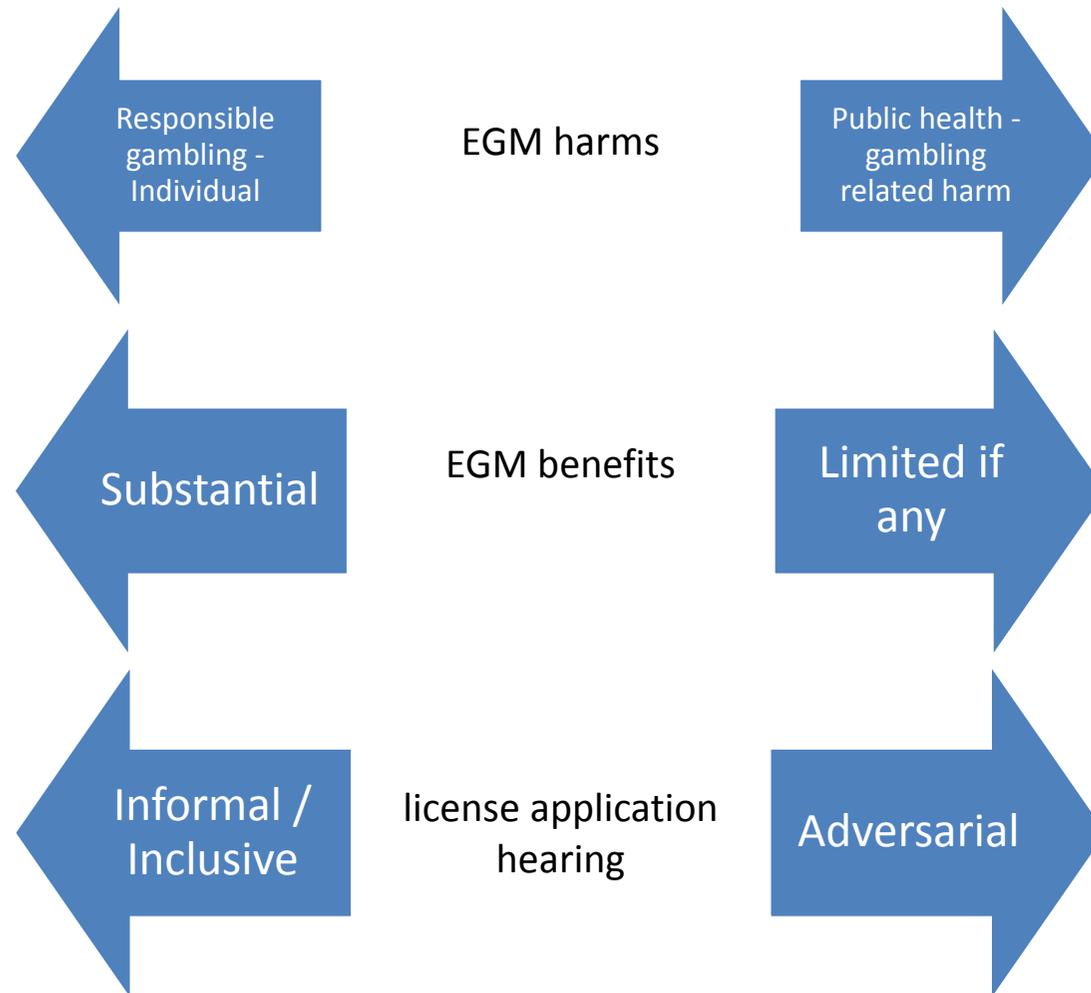
Invited Participants	57
Accepted Invitation	23
Declined (<i>no response</i>)	34 (22)
Interviewed	22
Transcript approved	18



maintaining confidentiality & privacy was a concern

- applicant expert witnesses
- council expert witnesses
- venue operators

Results & Discussion: Interviewee Perceptions



Interviewees concerned from a public good perspective: e.g., local council expert witness or other representative

- critical/negative community impact
- financial difficulty, stress, and family breakdowns
- multilevel harms driven by social and environmental factors
- harm extending beyond the individual gambler
- impact on the ‘social fabric’ of affected communities

..the biggest harm I see is the kind of impoverishment of whole communities. So over and above the individual harms that are experienced by people who get sucked into using these addictive products there's the harm that community experiences when so much money is drained out of communities that essentially aren't very wealthy quite often and that may already be at risk of particular harms or vulnerable to particular harms.

Council Expert Witness

Interviewees with a vested interest in the licensing process: e.g., applicant expert witness, venue operator

- low prevalence rates of problem gambling
- need for individuals to manage their spending
- low to moderate risk gamblers not a issue
- systems in place countering harm

The harm of having gaming machines – I think we're down to 0.9% of people with a gambling problem. The harm is really about people understanding how much they can spend in any given timeframe. We've got some really good systems in place such as a voluntary pre-commitment. So that's a great measure and there's plenty of other measures that the government have put in that we do. Harm to many is minimal but the harm to a few of having Pokie machines could be great to them if they can't control their spending.

Club Venue Operator

- wide range of upmarket facilities
- subsidized entertainment food and alcohol
- funding source community causes
- 'family friendly'
- 'safe and secure' environment
- revenue stream: governments and businesses
- economic stimulus
- supported/promoting tourism
- tax benefit for licensed club venues

Perceptions:
Contrasting views on how these 'benefits' were perceived

How do you trade off cheaper food and drink and a community centre in a culturally fragmented community with a product that sustains it that's effectively, as we keep saying, the crack cocaine of gambling. We wouldn't discover that selling ice or cigarettes can actually be acceptable to build community centres with lower food, drink and a few music bands.

Council Expert Witness

All these sorts of enhanced facilities but I do believe and I see it like on a personal level for myself but also you know, you see communities benefit from having quality places to go and I think that there is merit in saying that a pub that was tired and had relatively a poor range of facilities, probably not a very good chef, so not great meals but that if someone goes and injects five million dollars into that venue and you know, renovates it and enhances it and you know, is able to fund you know, a whole range of improvements, there is an inherent benefit that comes from people who go to that venue from having it.

Applicant Expert Witness

- easier to quantify non-social aspects of gambling
- social impacts of problem gambling should be weighted much heavier
- difficult to develop a 'formula' around the social harm at a local level
- social harm at a local level needs to be comprehended differently
- access to local data is critical
- local gambling help agencies not supporting access to information

Perceptions: Acceptance of Evidence

- Little account of significant harms
- Accept statements regarding benefits – rarely challenged

approach is failing is that they are too quick to accept flimsy, fairly insignificant benefits that can be pointed to or attempt to be pointed to by the applicants, and they place far too minor influence on the clearly documented significant harm, significant dis benefits that can be established, has been established that it's associated with problem gambling which is present in any place where pokie machines exist.

Local Council Representative

Well if somebody gives evidence 50 times for instance there is an element of complacency there so that – Rich is before us again, Hello Richard – Hi, this is what the Geotech model says. Okay, thanks for coming. On a – cynical point of view – one way you could perceive it. Whereas looking at it on an individual basis you must say if 50 cases are brought up on any sort of financial model there must be some in there that's got it completely wrong or – so there's 50 times – I just going – you can't just go – well because it's had this 50 times and we'll just rubber stamp it and accept it.

Council Expert Witness

The employment of gambling, straight gambling, is usually less than people would claim. But you know, so you have to distinguish between the two. So if there's capital involved and new jobs and employment, it's all pretty clear, or it's able to be – that's why you have your model. So that side is – those indicators I love, it's usually money, it's dollars, its employment, it's judgement. I mean it's really relying I suppose on accepted knowledge of either confirmation endorsed by a productivity commission that, you know, here's the stimulus to this.

The Regulator

Benefits are
clearly measurable

Harms not
presented in same
way

If you had a model that – the equivalent of a model of the estimate. Then the two parties can both challenge each other of the veracity of the model. At the moment councils and people are paying to challenge the PVS model to say they're right. Over here there's nothing. I mean we had a situation over in Braybrook which we knocked back and Charles Livingstone, was a witness and he at least put some arguments up and they knocked it back. But he put some argument based on his views. Now if you have arguments you can at least then have those tested, but there is no equivalent analysis or modelling on the negative public health.

The Regulator

Local council expert witnesses & other representatives

- adversarial process
- 'scary'
- 'quite upsetting'
- 'litigious'
- 'a kangaroo court'

...at the moment my experience of being there it's not about going in to assess the argument, it's about going in to win, to almost destroy the opponent and then let's look at the argument. So that sort of – it's that combative process rather than – I can't say they're not trying to seek truth but it's more around trying to destroy your argument rather than trying to find the true situation if you like.

Council Expert Witness

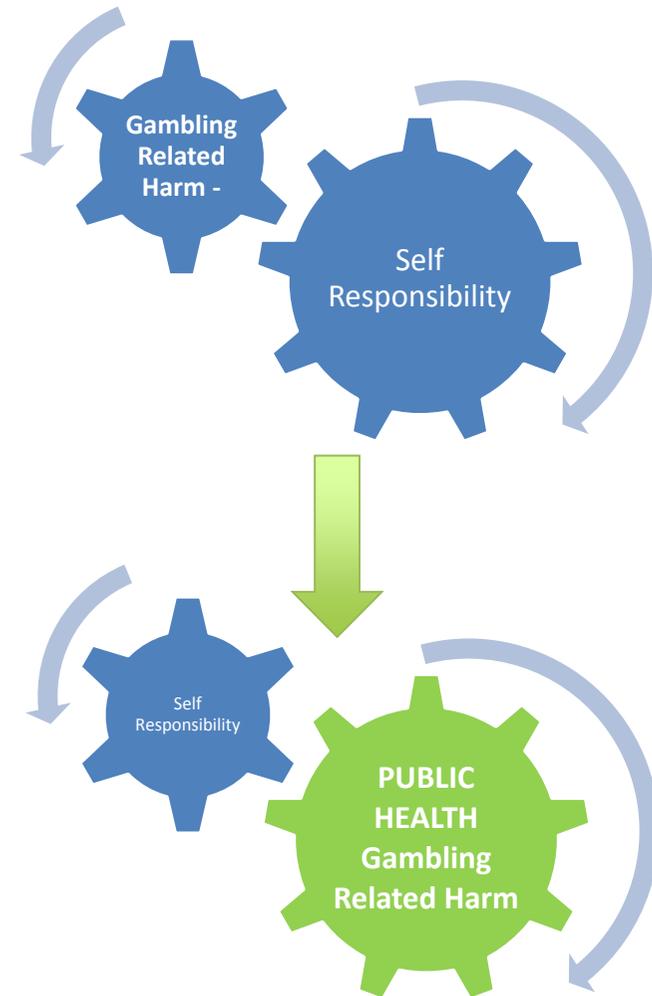
The Regulator

- informal process
- everyone 'encouraged to have their say'

... I think sometimes people say, 'We challenge some of the expert witnesses.' You know, pretty aggressively. And we do that because I think that once you do that you've got to be very sure of what's written is what actually happens. It's important, you know, they're experts. So you've got to test them and test them out.

Regulator

- Develop a robust response to the economic models that address gambling harm
 - Local level data is needed
- Clearly articulate the evidence of harms to decision makers
- Change the paradigm - Legislation Shift
 - from Responsible Gambling paradigm to Public Health focus
 - legislation that removes problem gambling and self responsibility as the bases for its conceptualisation of harms (and how it responds to harm)



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We don't say oh because air quality in the west is particularly bad only those petrol stations have to reduce their benzene. I mean we just say actually it's always bad and in some areas it's really bad and in some areas it's just bad. So there is a state wide policy or a national policy which just says yes it's legal but we're still going to regulate it to reduce the amount of harm it causes. So I guess that's where it sort of feels like a nonsense because there's a lot of other kind of legal activities that have some negative impacts that can be minimised and are minimised through regulation that's consistent across the board state
Other stakeholder