The Royal Australian & New Zealand College of Psychiatrists
Tu Te Akaaka Roa
New Zealand National Office

Your Health in Mind
Hauora hinengaro Manatuhia

Department of Internal Affairs
Reducing Pokies Harm
May 2022

Continue to lead within the mental health sector and influence the ongoing development of policy, practice and standards

PO Box 10669 Wellington 6143 New Zealand
T +64 (0)4 472 7247 F +64 (0)4 472 7246
ranzcp@ranzcp.org www.ranzcp.org
ABN 68 000 439 047

Royal Australian and New Zealand College of Psychiatrists submission

Reducing Pokies Harm

About the Royal Australian and New Zealand College of Psychiatrists

The Royal Australian and New Zealand College of Psychiatrists (RANZCP) is a membership organisation that prepares doctors to be medical specialists in the field of psychiatry, supports and enhances clinical practice, advocates for people affected by mental illness and advises governments on mental health care.

The RANZCP has more than 7400 members, including around 4900 fully qualified psychiatrists and over 1500 doctors training in the field of psychiatry. Of those, there are over 900 New Zealand members, including 240 doctors training in the field of psychiatry.

Background

In Aotearoa New Zealand, the National Committee, Tu Te Akaaka Roa, represents the RANZCP by advocating and working to improve the mental health of our community, and collaborating with stakeholders – government agencies, NGOs, tāngata whai ora, and other health organisations – to support the delivery of high-quality psychiatric care in New Zealand. The RANZCP values the consumer perspective when developing relevant policies and position statements, and ensures the lived experience is incorporated in our documents. We view our role as a partnership with tāngata whai ora, guiding them through their journey to recovery. Psychiatry is a diverse discipline addressing the needs of people and their whānau/families from childhood and adolescence into adulthood and old age.

Contributions to this submission were received from RANZCP Committees including Tu Te Akaaka Roa, Te Kaunihera – the Māori mental health Committee, and the bi-national and New Zealand committees of the Faculty of Addiction Psychiatry. The RANZCP committee members include psychiatrists and other people with lived experience of acute/chronic mental health conditions. The four Tu Te Akaaka Roa policy platforms were used to guide this submission.

Our main comment in response to the Reducing Pokies Harm discussion document is that harm reduction activity concerning Class 4 venues need be a mandatory requirement for licencing of venues. Licencing requirements would assign the responsibility for harm reductions activities to the managers and owners of Class 4 venues.

The policy platforms

Tu Te Akaaka Roa have developed four key policy platforms that place people and whānau at the centre of mental health and addiction services in Aotearoa. To actualise this aspiration, people, whānau and community need be involved in planning services and policy. We believe partnering with tāngata whai ora is a key tenet to realising the vision of health equity for New Zealanders.

1. Don’t Forget the Five Percent

People living with serious mental illness are a priority and need to receive integrated, wrap-around care. The Mental Health and Addiction Inquiry report, *He Ara Oranga*, focused on funding and expanding mental health support to the 20% of the population with mild to moderate illness. The five percent with serious mental illness should not be left behind and must receive the expert care they need.

2. Let’s Work Together

Our focus is on connecting care and expertise across the sector by facilitating co-design, working with primary care, strengthening the NGO sector, maintaining and improving secondary care, and developing national strategies and services. Alliances forged across the social services sector, primary care,

specialist services and national services will help people living with mental illness to access care when they need it and support their journey to wellness.

3. Look at the Evidence

We advocate for the greater sharing of evidence and knowledge regarding translation of evidence into practice, across the sector to reduce the likelihood of "reinventing the wheel". Evidence is derived from two sources – that which is derived from the scientific method, and that which is derived from established bodies of cultural wisdom, such as mātauranga Māori.

4. Get the right people in the right places

Developing a strong workforce is paramount to achieving equity of health outcomes for tāngata whai ora. Building workforce capacity across the entire sector (both mental health and the health sector) is a priority. Within the mental health and addiction sector we need more psychiatrists, clinical psychologists, Alcohol and Drug clinicians, peer workers, mental health nurses and people versed in kaupapa Māori services. Given the key role of primary care in supporting people with mild to moderately severe need, a thriving capable primary care workforce is also critical.

Introduction

Problem gambling is a well-recognised mental health issue[1] and the opportunity to create new regulations in harm reduction concerning Class 4 is welcomed by the RANZCP. We know there is a body of evidence demonstrating correlation between the deleterious impact of problem gambling and the demographic variables of socio-economic deprivation.[2] Low socio-economic circumstance is a risk factor for population groups as they are more likely to have poor health outcomes.[3] Problem gamblers are disproportionately Māori and Pacific peoples [4]due to socio historical factors.

The RANZCP are aware that electronic gambling through Class 4 venues disproportionately affects the poor by extracting their cash which is money they can little afford. In return, there is agreement to levy a small portion of Electron Gambling Machine (EGM) earnings via charitable trusts and distribute that money to community activities. Essentially Class 4 gambling extracts money from communities that can least afford it. Compensation to communities for the harm done is then paid via proportionally small grants from the profit earned.

The proportion of distributed funding that directly focus on the issue of problem gambling prevention and amelioration of harm is not known to us. We suggest it is likely disproportionately less than other charitable support via Class 4 Trusts. The fact remains that problem gambling disproportionately effects people with scarce money.

Many folks visit a Class 4 venue. They are places of community gathering and are attractive options for food, alcohol and entertainment strategically located at sites accessible to local people. In some communities, Class 4 venues are the only pub in town.

The RANZCP published a position statement in 2017 about problem gambling which summaries key factors concerning the addictive behaviour. It presents evidence of risk and comorbidity and makes recommendations regarding assessment, screening and treatments including pharmacological and psychological intervention. A recommendation for a gambling sector with a regulatory framework that reduces harm is also included.

The RANZCP membership structure includes two Addiction Committees, one bi-national with mostly Australian members and one made up of New Zealand psychiatrists. There is considerable specialist

knowledge amongst these psychiatrists concerning the condition of problem gambling and therapeutic interventions for problem gamblers.

Some comments in this submission convey that the harm reduction options suggested by the Department of Internal Affairs (DIA) in the online survey could have set a higher expectation for the magnitude of regulatory change that could occur. For example, the suggested penalties for noncompliance are well below penalties covering comparable industry's such as alcohol licencing. Judge led commentary to that effect has been made regarding penalty options for prosecution of non-compliant Class 4 gambling operators.[5] We also wonder if the limits placed in the survey instrument regarding the number of free text characters will deter respondents from making substantive comments.

The body of the RANZCP response is ordered in accordance with the open-ended question presented in the discussion document. The RANZCP contribution to the discussion of Class 4 gambling focuses on the three areas the DIA has guided respondents to consider as mechanisms by which harm reduction could occur. The policy platforms of Tu Te Akaaka Roa, don't forget the 5%, let's work together, look at the evidence and get the right people in the right places are frequently represented through our response.

Part 1: Reducing harm in venues (identifying and responding to signs of harmful gambling, and better staff training)

• What changes are necessary to identify and stop harmful gambling in pubs and clubs?

Regulations for a harm reduction environment

It is a well-established finding from gambling research that the environs in which Electronic Gambling Machines (EGMs) are located are designed to encourage patrons to extend the activity of their gambling.[6] The absence of natural light, clocks and the inclusion of iconography associated with concepts of luck are some factors found to aid in persuading the gambler to keep gambling. Automatic Teller Machines (ATMs) located near gambling patrons are another factor providing readily accessible opportunities to commit cash to operating an EGM.

If the goal is harm reduction the environment in which EGMs are located needs to comply with the intent of the goal. The requirement to have an environment free of gambling persuasive design could be included in the licencing arrangements to operate a Class 4 venue. Automatic Teller Machine proximity could be a quantified as a standardised distance from the Class 4 venue where that distance deters gambling patrons from seeking additional funds to extend their gambling activities. That regulatory change would require a co-ordinated response across local government authorities and require a considerable amount of central government resources. The RANZCP do not support licencing arrangements that allow for ATMs to be in the venue where the Class 4 gambling occurs.

Other considerations for future licencing requirements are venue floor plans which locate staff with visual sight of the gambling machines and gamblers. The location of venue staff in this spatial arrangement would help facilitate host responsibility requirements concerning monitoring for problem gamblers. For example, staff with visual sight of gambling machines would have the opportunity of noticing patrons who appear to be continuously replenishing their spending money and lengthening the period of their betting. Staff observations would then be applied to knowledge of problem gambling and the responsibility to engage the patron to support a mental health response and raise the patron's awareness of options available to seek help. A visual line of sight between staff and gambling patrons is preferable to the current requirement of regular sweeps of areas where gamblers are separated at some distance from staff and patrons.

Venue staff are trained in first approach techniques

The RANZCP support the suggestion that accreditation as a responsible host includes the requirement of the host to train and monitor staff for the task of identifying patrons who show signs of problem gambling. Staff ought also to be trained to communicate with patrons if staff conclude there is problem gambling behaviour. That engagement includes sharing of information regarding therapeutic support. Support information would include the contact details of health providers, who can assess, diagnose, and provide therapeutic treatment to improve the condition of gambling addiction.

We note that DIA have a current template of questions that can be used by gambling inspectors when they visit Class 4 gambling venues to conduct compliance checks. The template includes detailed comprehensive enquiries to ask of staff and hosts regarding harm minimisation activities. It covers factors regarding training, distribution of information and intervention techniques for patrons with problem gambling behaviour. Gambling inspectors are under no obligation to ask the questions and are guided to self-assess how much information is necessary to make their compliance related decisions.

It would be a more robust and reliable process if all questions required testimony and other evidence of compliance. If the training used a standardised accredited programme of learning and was made compulsory gambling inspectors could use the accreditation data as a performance indicator. They would also cross reference training data with payroll records which verify individual staff. The record would show when each staffer completed the training as part of their responsibility towards harm minimisation of Class 4 gambling. Interview questions for gambling inspectors to ask the venue operators and managers would be adjusted to a discussion of their record of compliance.

Support information to include clinical services

People with problem gambling conditions need access to clinical experts if they are to be guided to the best opportunities to change their gambling addicted behaviour. An assessment, diagnostic and treatment process is required if the condition is to be appropriately addressed. There is evidence that people with a problem gambling condition are likely to have high rates of co-morbid mental health issues. An appropriate clinical assessment would include screening for that possibility.[7] The Class 4 gambling venue is a good place to raise awareness in this regard. Accreditation by the venue owner as a responsible gambling host would require for problem gambling support information to be available and for that information to include contacts for clinical mental health service providers.

What further tools do staff need to help them identify harmful gambling?

The RANZCP suggest that staff, mangers and operators of a Class 4 venue are required to complete a high quality, standardised, evidence-based problem gambling training programme. The programme would be informed by gambling addiction experts including clinicians to target a lay audience. The training would meet requirements for training as per all job descriptions. Staff will be trained in areas of responsibility to reduce problem gambling which would include the monitoring of gambling patrons to identify problem gambling, communicating concerns to patrons and sharing information regarding pathways for problem gamblers and affected whānau to seek mental health support.

Information sharing requirements of staff would include identifying pathways for the treatment of problem gambling through services that meet the needs of Māori and Pacific peoples. New Zealand gambling research has highlighted over many years the disproportionate impact EGMs have on problem gambling

rates amongst these populations. It is important that there is sufficient funding to provide problem gambling services that can successfully deliver mental health treatments for Māori and Pacific peoples.

The RANZCP position statements Partnering with people with a lived experience, Partnering with carers in mental healthcare, Whānau Ora and a guideline for involving families and whānau provide a comprehensive repository of information about mental health support services design. We endorse a regulatory requirement that would commit venue managers and operators to advertise services that deliver clinical health treatments for problem gambling using culturally appropriate therapeutic frameworks.

How could self-exclusion be used more effectively as a tool to prevent harmful gambling?

The RANZCP suggest that the self-exclusion process can be amplified through a host responsibility section of the regulatory framework. Operators of Class 4 gambling venues would require an accreditation to achieve the status of responsible host to conduct business through machine gambling. Topics of learning towards accreditation would include ways to guide problem gamblers to mental health support and how to support the process of self-exclusion.

We also support the idea that the host (manager and operator) need to be willing and able to engage with whānau and other people who want to promote harm reduction activities, including self-exclusion and actions to support problem gamblers. We do not support the idea that the host would have the authority to exclude a person from a venue based on the host’s assessment that the individual is a problem gambler. Arguably a host’s ability to assess and exclude a patron cannot be viewed a therapeutic approach. Gambling addiction is a specialist area of clinical knowledge covering diagnosis and treatment that uses a person-centred approach. Problem gamblers must be supported by interventions that facilitate therapeutic approaches to improve the mental health of the gambler. Intervention would necessarily include screening for mental health co-morbidities which are likely present if problem gambling is evident.

How could training of staff be improved?

Staff training must be compulsory and linked to the ability of licence holders to operate their Class 4 gambling venue. Accreditation as a responsible host is thus dependent on evidence that staff have undertaken high quality, standardised and evidence-based problem gambling training.

Part 2: Reducing harm from pokie machines (changes to machine features that could make them safer)

Could changes to the features of a pokie machine help reduce harmful gambling? If so, what changes would be most effective?

One harm reduction mechanism to consider is the attachment of an electronic card reader to each machine. That would result in a bank transaction that would be traced to the Class 4 gambling venue. This could be helpful for gambling patrons to identify where they spent money and how much. If the electronic card readers were installed correspondingly banks could trace where money from stolen cards had been spent. The difficulty with that arrangement is that banks would have some recourse related

negotiation with the Class 4 venue owners. To enable Class 4 transactions to be linked to banks there would need to be changes to the Gambling Act 2003.

Electronic gambling machines must be calibrated to a set standard of actions that reduce the machine responses which currently facilitate problem gambling. Machine responses to include in calibration standards are the opportunities of ‘free spins’, size of maximum bet, duration of play, sound, and information pop ups encouraging the patron to gamble further. Importantly this includes the jackpot messaging and repetition of other information that can trigger the gambler to use faulty computation regarding the odds of winning. True losses of money would be reported as stand-alone information. Wins reporting would only identify money returned to the player. Limits on multirow betting via machine calibration would also reduce the impact of problem gambling through the use of EGMs.

The licence holder of the venue would be responsible for maintaining the set calibration standards and demonstrating compliance with the regulations governing that activity as a condition of their licence. Compliance checks and audits of the calibration standards would be carried out by DIA gambling inspectors at appropriate intervals of time. Other entities could identify their role in monitoring and reporting compliance and have a mechanism of contributing that information to DIA. Their findings would be included in an annual pokies harm reduction assessment completed by the Gambling Compliance Unit of DIA.

What changes could be made to prevent harm from jackpots?

The RANZCP support reducing the maximum size of a jackpot. We are of the view that people who gamble using EGMs are more likely to do so where there is advertising of a large jackpot. We support regulatory requirements that ban the advertising of jackpots on EGMs. We encourage regulators to require displays of information in the Class 4 gambling venue which inform the gambler of how much of any stake is being used for jackpots.

Part 3: Reducing harm through stronger compliance (penalties and enforcement)

What infringement offences and penalties could support new and existing regulations?

The RANZCP observe that the amount set for penalties presented by DIA in the online survey are a suggested minimum amount. Offences, penalties, and limits alongside minimum fine should be aligned to a comparable regulatory framework such as that used for liquor licencing. The RANZP oppose any gambling advertising by sporting clubs.

What should venue managers / venue operators / societies be accountable for?

Venue managers, venue operators and Class 4 Trusts are dependent on each other for the profitable operations of Class 4 gambling machines. The implementation of a pokies harm reduction strategy must necessarily apply the accountability for harm reduction activities to the group. The regulatory framework should be changed to create an offence for venue operators and managers of

- failing to meet requirements for monitoring, recording and activities of harm reduction.
- failing to meet requirements regarding harm minimisation machine features.

.

References

[1] Calado F, Griffiths MD. Problem gambling worldwide: An update and systematic review of empirical research (2000-2015). J Behav Addict. 2016;5(4):592-613.

[2] Holdsworth, L; Nuske, E; Hing, Nerilee (2013): The relationship between gambling, significant life events, co-morbidity and associated social factors. CQUniversity, Australia.

[3] Nuske EM, Holdsworth L, Breen H. Significant life events and social connectedness in Australian women's gambling experiences. Nordic Studies on Alcohol and Drugs. 2016;33(1):7-26.

[4] Impact of Gambling on Māori Health, Problem Gambling Foundation, NZ, source accessed May 2022.
https://www.pgf.nz/downloads/assets/13506/1/fs_08%20impact%20of%20gambling%20harm%20on%20m%c4%81ori%20health%20september%202020.pdf
Impact of Gambling on Pacific Health, Problem Gambling Foundation, NZ, source accessed May 2022.
https://www.pgf.nz/downloads/assets/13507/1/fs_09%20gambling%20and%20pasifika%20in%20new%20zealand%20august%202020.pdf

[5] Hay D R. Response to Pokies Regulations Review. Feed Families Not Pokies Inc; April 2022.

[6] Thomas J, Mora K, River G. An Investigation of the Influence of Gambling Venue Characteristics on Gamblers' Behaviour. Lower Hutt, NZ: Opus International Consultants Limited; 2012.
https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fwww.health.govt.nz%2Fsystem%2Ffiles%2Fdocuments%2Fpublications%2Finfluence-gambling-venue-characteristics.doc&wdOrigin=BROWSELINK

[7] Royal Australian and New Zealand College of Psychiatrists. Position Statement 45: Problem Gambling. 2017.
https://www.ranzcp.org/news-policy/policy-and-advocacy/position-statements/problem-gambling