



# EVALUATION OF THE 6 HOUR SHUTDOWN OF ELECTRONIC GAMING MACHINES IN NSW

## A MULTI-METHOD RESEARCH REPORT

Prepared for the NSW Office of Liquor, Gaming and Racing

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# 1 EXECUTIVE SUMMARY

## 1.1 Background

In NSW, there are many types of gambling activities which are currently legally available. These include racing and sports betting; various lottery products including scratch tickets, pools and major lottery draws; gaming machines (EGMs); Casino games; keno; and other minor forms of gambling.

In NSW, EGMs are permitted in registered clubs, hotels and the Casino. Licensing laws restrict the maximum number of EGMs in hotels to 30 per venue and a maximum of 450 in some registered clubs. The Casino operates 1500 EGMs.

In the last decade gambling expenditure (net loss) has increased in NSW, this is largely as a result of the introduction of gaming machines to hotels and the introduction of Star City Casino in Sydney. In 2005-06, net expenditure on all forms of gambling in NSW was \$7 billion; approximately 71% of this expenditure related to EGMs (excluding those in the Casino).

Recent research for the Office of Liquor, Gaming and Racing investigated the prevalence of gambling and problem gambling in NSW using the Canadian Problem Gambling Index (CPGI).<sup>1</sup> The study found that Sixty-nine percent (69%) of the NSW adult population gambled at least once during the 12 months prior to the survey being conducted. Using the CPGI, the survey found that 0.8% of the NSW adult population falls in the problem gambling group. A further 1.6% were considered moderate risk gamblers.

The concept of problem gambling is multifaceted and continues to evolve and in an effort to standardise the concept nationally the most recent Australian research into defining problem gambling endorses the following definition "*Problem gambling is characterised by difficulties in limiting money and/or time spent on gambling which leads to adverse consequences for the gambler, others, or for the community.*"<sup>2</sup>

In July 2001, the NSW Government announced a gaming reform package, and announced a wide range of harm minimisation/consumer protection measures, including the need to restrict access by shutting gaming machines down for at least some time each day. The legislation allowed for a phasing in period; for the twelve months from 2 April 2002 venues were required to shut down from 6am to 9am,

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<sup>1</sup> Prevalence of Gambling and Problem Gambling in NSW – A Community Survey 2006. AC Neilson (March 2007)

<sup>2</sup> Problem Gambling and Harm: Towards a National Definition. Gambling Research Australia, November 2005.



since after 30 April 2003 the shutdown period has been for 6 hours, from 4am until 10am. There are some exceptions possible for certain days of the week and for those venues with a history of 'early opening'.

The current research was commissioned to evaluate the effectiveness of the 6 hour shutdown period in minimising the harm caused by problem gambling.

## 1.2 Research Approach

To inform the evaluation Blue Moon undertook two broad activities; desk research (including a literature review, consideration of publicly available social statistics and venue profit and loss data), and empirical research (using both qualitative and quantitative techniques among venues, patrons and the community).

### Methodological framework

Of the numerous interested parties within the gaming industries four main audiences were identified and targeted in this evaluation:

- Gamblers
- Venues
- Wider Stakeholders
- Wider Community

In order to access these groups effectively Blue Moon undertook a variety of research methods. Each method of data collection was used to contribute an understanding and response to one or more of the evaluation objectives. Figure 1 describes the overall methodological framework.

Figure 1.2.1 Methodological framework

Target Group	Method and sample	Technique
Gamblers	270 Face to face interviews with gamblers	Empirical – Quantitative
	5 Case studies with Problem Gamblers	Empirical – Qualitative
Venues	100 Telephone interviews with Club and Hotel Managers	Empirical – Quantitative
	5 In-depth interviews with Club and Hotel Managers	Empirical – Qualitative
	Analyse venue profit data	Desk Research – Quantitative
Wider Industry	5 In-depth interviews with gambling support agency staff	Empirical – Qualitative
	5 In-depth interviews with industry stakeholders	Empirical – Qualitative
Wider Community	Literature review	Desk Research – Qualitative
	Trends in relevant social statistics	Desk Research – Quantitative
	2 Mini group discussions with family members of Problem Gamblers	Empirical – Qualitative

### 1.3 Literature Review

A limited literature review was conducted to explore existing knowledge and data that was expected to be of assistance in answering the evaluation questions. The review was limited in focus, as there were constraints due to available time and budget. Rather than attempting a full academic exploration of all issues, the review sought to identify key themes, insights, information gaps and hypotheses that could be tested in the subsequent data collection phases.

Specific objectives were to identify from the literature reviewed:

- key themes and insights regarding mandatory EGM shutdowns;
- information gaps and hypotheses for further testing; and
- Background information on the wider harm minimisation and problem gambling issues.

The review uncovered very limited research regarding mandatory EGM shutdowns. The most relevant information regarding mandatory shutdowns was garnered from the previous shutdown evaluation by AC Nielson in 2003.<sup>3</sup>

The research concluded that the 3 hour shutdown had a minimal impact on minimising problem gambling. The research suggested that this was due mainly to the time the shutdown operated (6am to 9am) as it is the least popular time to gamble. The authors noted that “it is commonly believed the shutdown would be more effective if it was at a more popular gambling time and if it applied to all gaming venues (including the Casino) and at the same time (without varied shutdown hours)”.

Other articles considered in the literature review provided background information regarding problem gambling, harm minimisation strategies and prevalence of gambling problems.

## 1.4 Defining Problem Gamblers

### Identifying problem gamblers

Problem Gambling has been identified as a major contributor to social harm and family unit disintegration. The IPART report advocated the use of a combination of primary prevention and harm minimisation measures to curb the impact EGMs have on problem gambling rates in NSW.

Part of the issue with reducing problem gambling is separating ‘problem’ gamblers from recreational gamblers without a gambling addiction. A number of studies have looked at identifying and characterising problem gamblers both directly through assessment and indirectly in venues (see Delfabro et al. 2007).<sup>4</sup> The current study used the nine questions of the CPGI during each face-to-face interview with gamblers inside venues to assess, post hoc, the individuals gambling character.

### Using the CPGI

The CPGI categorises gamblers into four categories; no problem, low risk, moderate risk and problem gamblers. Of the 272 face to face interviews conducted in venues with gamblers using EGMs, 79 were classified by the CPGI as being problem gamblers. This represents 29% of the entire sample. A further 27% of gamblers

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<sup>3</sup> Brockelsby, A L; Gabay, K (2003) Evaluation of the 3 shutdown

<sup>4</sup> Delfabro, P, Osborn, A, Nevile, M, Skelt, L & McMillen, J (2007) Identifying problem gamblers in gaming venues

were assessed as at moderate risk of gambling problems, and 21% were considered at low risk. Some 23% were classified as having no problem.

Interviews were conducted during three different time periods:

- Morning (10am to 1pm);
- Early Evening (6pm to 9pm); and
- Late Night (from 12am to 4am or 6am dependent on venue closing hours).

Incidence of the different 'types' of problem gamblers varied by venue and the time of day they were interviewed. The results suggest that 'types' of gamblers will differ by location and time of day. Morning interviews yielded more "no problem" (31%) and "moderate risk" gamblers (29%), than "low risk" (17%) and problem gamblers (23%). Early evening interviews contained a larger proportion of problem gamblers (35%) than other groups (26% no problem, 24% low risk, and 15% of moderate risk gamblers). Proportionately, more problem gamblers (30%) and moderate risk gamblers (30%) were found during the late night interviews than the other categories of no problem (17%) and low risk (23%). It therefore stands to reason that preventative measures and interventions, such as a mandatory shutdown period, will vary in the impact made on reducing harm to problem gamblers by the time of day employed.

### Frequency of gambling

A common correlate in the literature on gambling is high frequency of gambling activity and being a problem gambler. As expected both the qualitative and quantitative research found that those defined as problem gamblers were more likely to be high frequency gamblers. Problem gamblers were significantly more likely than any other category to gamble on EGMs daily (21% compared to 4% of moderate risk, 0% of low risk and 5% of gamblers without a problem).

### Demographic profile

The face to face interviews conducted with gamblers produced a sample skewed toward young males, making it consistent with the demographics commonly reported on gamblers. That is, young males (18-30 years old) gamble more frequently than females and have a higher incidence of associated problems.<sup>5</sup>

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<sup>5</sup> Brockelsby, AL & Kenrick, M (AC Neilson) (2007) Prevalence of Gambling and Problem Gambling in NSW – A community Survey 2006

The qualitative research among support agencies and problem gamblers had a heavier focus on a slightly older demographic. It was explained by support agencies that many of their clients tend to be aged in their thirties and above as it was not until a person had been gambling for some time that they may admit they have a problem and seek support or assistance. Agencies commented that this meant that a lot of clients had reached a financial or emotional crisis point, or had hit 'rock bottom' where they had suffered financial and/or personal loss before seeking help.

### **Motivations for problem gamblers to play EGMs**

There appears to be little debate that when people first start to play EGMs the primary motivation is one of entertainment, whether it be as part of social outing with friends or whether to unwind after work. This is agreed as a key motivator for people to initially play EGMs by all respondents in the qualitative research – venues, support agencies, stakeholders and respondents in the case studies.

However, the respondents in the case studies illustrate that the primary motivator of entertainment can quickly change. Support agencies were able to provide some indication of what drives a problem gambler to continue playing EGMs despite suffering adversely financially or in their personal relationships. While not claiming these characteristics as applicable to all problem gamblers that play EGMs, support agencies were of the opinion that many problems gamblers were using EGMs as a means to escape from:

- emotions such as loneliness and boredom;
- mental health issues such as depression or anxiety
- difficult situations or circumstances; and/or
- Trauma.

Support agencies identify that at the same time, problem gamblers have a need to "*chase the money*" they have lost. Problem gamblers will often describe this overwhelming need to win back money as what drives them to keep playing the EGMs, despite also displaying very rational attitudes as to the chances of actually doing so. Often, this need combines with the feelings of depression, anxiety, guilt and shame to create a cycle that gambler find difficult to escape without some intervention.



## 1.5 The Effect of Shutdown on Problem Gamblers

The six hour shutdown of electronic gaming machines is one of a raft of harm minimisation measures within the NSW government objective of promoting a 'culture of responsible gambling'. As a harm minimisation measure it has the aims of discouraging risky behaviours and reducing the prevalence and negative consequences of problem gambling.

Gambling support agencies, and some stakeholders, perceive the shutdown as having the specific dual aims of:

- providing a mandatory 'break in play' that directly impacts gamblers; and
- being a broader public 'health' initiative

### Break in play

The first of these, the mandatory 'break in play', is based on the motivating factors for gamblers to play EGMs as a means of escape. EGMs allow gamblers who are seeking escape to enter into a mental state during EGM play which is divorced from more rational influence and thought. The repetitive nature of EGM play is also considered to encourage this, as the act of play becomes easily automatic. This mental state is described by support agencies as:

*"Trance like"*

*"Are in a zone"*

*"In a fantasy land"*

*"In a different world than reality"*

Or as described by a problem gambler,

*"I mean look the poker machine puts you into a world of fantasy. It's like it's another world, like how the other half lives you know, and it's a non-sense of reality that you know you're going to have all this money and it's a utopia sort of life."*

By introducing a 'break in play' the gambler is able to once more be influenced by the more rational thoughts in regards to the activity they are undertaking.



The concept of a harm minimisation measure designed to provide a 'break in play' is strongly endorsed by support agencies. It is seen as an important element of encouraging gamblers to think about their behaviour and allow them to make a more conscious decision to discontinue gambling or not.

*"It at least gives them time to think rather than just keep playing...doing the same action over and over again, not really even knowing what they are doing"* (Support Agency)

*"The machines are designed that way... they are designed by psychologists to make people feel that they are in another world...and to keep them in that other world....the normal person doesn't really stand a chance against that"* (Support Agency)

*"I've seen people sit for days...known them to wear incontinence pads so they don't; have to leave the slots"* (Casino representative).

However they readily concede that the mandatory shutdown times of 4am to 10am may not reach as many problem gamblers as would be ideal. Support agencies recognise that not all problem or at risk gamblers play until this time of the morning. Some believed that the measure is not reaching very many problem or at risk gamblers at all during that time.

### **A public 'health' initiative**

Support agencies and some stakeholders also suggested that the six hour shutdown fulfilled an important role for public health. This was based on the opinion that it was not good for any community, socially or from a mental and physical health perspective, to have broad access to gambling 24 hours a day. This view was likened to the social safeguards placed on the public sale of alcohol, that is there is a limited number of places where this is allowed to occur.

However, support agencies and stakeholders believed that there needed to be tighter restrictions on 24 hour access to gambling than alcohol. These agencies and stakeholders argued that venues have restrictions on their licence to sell alcohol that ensures they do this responsibly. They are also not allowed to sell alcohol to intoxicated people in order to protect the individuals and the broader public from harm. As intoxication is generally what happens after people have been drinking for any length of time there is therefore a natural duration to alcohol consumption.



Yet, venues do not have restrictions on their licence in regards to who and how long they let people play EGMs and there are no physical symptoms of problem gambling (like there is with alcohol intoxication). The same 'natural' duration of availability as occur with alcohol, does not apply with access to EGM gambling. Support agencies and some stakeholders are of the opinion that it is therefore important from a public health perspective to force a restriction on access, and ensure that the public does not have access 24 hours a day.

*"We don't let people drink 24 hours a day,...why should they be able to gamble? It does just as much harm to people and their families"* (support Agency)

*"(The shutdown) is a matter of public health...of putting regulations and limits on activities that cause mental and physical damage"* (Stakeholders)

Venues and venue stakeholders are of the opinion that this is not a valid argument for a number of reasons. Firstly, it is generally argued that people will access the Casino for 24 hour gambling if they want to. Secondly, some simply do not accept that EGM play (even if excessive) can be likened to alcohol consumption. They do not perceive it as causing the same mental or physical harms. Thirdly, this argument is based on the assumption that EGMs are inherently harmful and that there are 'harms' to the public that need to be minimised.

*"I don't agree with whole harm minimisation idea...its looking at the issue in the wrong way. It says that 'gaming machines are definitely harmful'"* (Stakeholder)

And lastly, venues believe their obligation to their patrons to provide a place for entertainment and recreation out weighs the need to restrict access to EGMs for the broader public from a public health perspective.

*"We have an obligation to our members. They pay fees and they should be able to play the pokies when we are open..."* (Venue)

### **Gambler behaviour**

To understand the intentions and actions of all gamblers (including problem gamblers) at and around the shutdown period Blue Moon interviewed a sample of gamblers in venues while they were playing an EGM.



## Behavioural intentions at EGM shutdown

As mentioned, the research was designed to capture the intentions of gamblers at the time the shutdown is enforced. Half of the overall sample was recruited just prior to the venue's closing time to determine the intended behaviour once machines were turned off. According to the data in Table 1.5.1 below more than two in three (71%) of those interviewed at EGM shutdown time indicated they would go home when the machines were shutdown. A further 13% said they would stay at the venue while, overall, fewer than one in ten (9%) said they would go elsewhere with the purpose of continuing to gamble.

Table 1.5.1 Behaviour at EGM shutdown

Filter: Late Night interviews	Total	No problem	Low risk	Moderate risk	Problem gambler
<b>Q9/10.INTENTION WHEN STILL PLAYING &amp; POKER MACHINES ARE SHUT DOWN</b>					
<i>Sample</i>	136	23	31	41	41
Stay here	13%	26%	10%	15%	7%
Go to the Casino	2%	-	-	2%	5%
Go to another club	4%	4%	3%	2%	7%
Go to another hotel	3%			5%	5%
Go home	71%	57%	87%	71%	68%
Don't know	5%	13%	-	5%	5%

Base: Late night sample (just prior to shutdown) (n=136)

Over two in three (68%) problem gamblers state they will go home when the machines are shutdown. The shutdown does force a break in play and for most, even problem gamblers, this means they leave the venue and go home – only a relatively small proportion seek out other venues to continue gambling.

## Impact of shutdown on gaming behaviour

One of the concerns about the mandatory shutdown period for EGMs is that gamblers will be adversely affected by the time it operates and will be put in a position where they are not able to play when they want to. The research sought to understand the impact the shutdown has had on gambler's choice of playing times. When all gamblers were asked if the shutdown had impacted on their choice of playing time only two percent of gamblers with no problem said that it had and eight percent of problem gamblers said the shutdown had prevented them playing EGMs when they wanted to.



Overall a small proportion (6%) of gamblers say they play EGMs less as a result of the shutdown – only one respondent claimed to be playing EGMs more as a result of the shutdown. The large majority of those that were aware of the shutdown said there was no change in the time they spent playing EGMs.

Very few also report changing venues as a result of the shutdown (3% overall). All of those that say they have changed report going to additional venues as well as their usual ones, not one respondent said they had changed venues altogether as a result of the shutdown.

### **Attitudes toward shutdown**

When asked how they felt about the impending shutdown one in four expressed displeasure (27% said they were unhappy that the machines would be shutdown) while the majority were relatively indifferent (56% neither happy nor unhappy). Problem gamblers were the most likely to be unhappy that the machines were shutting down followed by those at risk of developing a problem – those without a problem or safe recreational gamblers were the least likely to be unhappy (9%).

Gamblers hold varying opinions about the shutdown, the effectiveness of the measure and whether it can (and should) be improved. The research sought to understand the support, within the gambling community, of the 6 hour shutdown regulation. The following table (Table 1.5.2) indicates over two in three (68%) of gamblers support the mandatory shutdown – just over two in five (43%) strongly support the measure. Interestingly it is problem gamblers that are most likely to support the mandatory shutdown (78% support the shutdown compared to 56% of non problem gamblers). In many cases problem gamblers are aware they have an issue and would like some measures to help minimise the effect of their gambling addiction.



Table 1.5.2 Support for the mandatory 6 hour shutdown

	Total	No problem	Low risk	Moderate risk	Problem gambler
<b>Q27.SUPPORT OR OPPOSE THE SHUTDOWN</b>					
<i>Sample</i>	272	63	57	74	78
Strongly support the shutdown	43%	38%	40%	36%	54% <sup>++</sup>
Support the shutdown	25%	17%	30%	28%	24%
Neither support nor oppose	22%	32% <sup>++</sup>	21%	27%	12% <sup>--</sup>
Oppose shutdown	7%	13%	9%	3%	6%
Strongly oppose the shutdown	2%			3%	4%
Don't know/ can't say	1%			3%	
Nett Support	68%	56%	70%	65%	78% <sup>++</sup>
Nett Oppose	9%	13%	9%	5%	10%

Base: Total sample (n=272)

Gamblers were asked whether in addition to the current shutdown the EGMs should be shutdown at other times. Again problem gamblers were significantly more likely to react positively to the mandatory regulation. Problem gamblers were the only group in which more believed the EGMs should be shutdown at other times of day also (51% 'Yes' compared to 42% 'No'). Overall one in two (50%) were of the opinion the mandatory shutdown of EGMs should not be extended to other times of day.

Evidence from the qualitative research suggests that many problem gamblers feel helpless to break their play of their own volition and welcome measures that assist them to do so.

Gambler's opinions were also sought in relation to the length of the current shutdown period (6 hours). Around one in two (47%) believed that the mandatory shutdown should remain as is with one in three (34%) suggesting the mandatory shutdown period of 6 hours should be increased, only one in ten (11%) were in favour of reducing the shutdown period.

Consistent with the above findings regarding increasing the shutdown regulation, problem gamblers were significantly more likely than non problem gamblers to believe the shutdown period should be increased (44% compared to 22%).

The qualitative research among gambling support agencies suggests that while there is support for implementing more frequent 'breaks in play' of less duration throughout other times of the day in order to reach greater numbers of people, the duration of six hours provides extra advantages. Firstly, it is an extended period where problem gamblers cannot access EGMs, thus minimising the financial and social harm they would otherwise be experiencing from playing for this time period. Secondly, it is long enough to allow the possibility that problem gamblers may do other activities such as spend time with their family or sleep. Both of these are considered important in minimising the social and personal harms experienced from problem gambling.

*"Well at least they're home...they might have sleep. At least then they might think about what they are doing a bit more clearly instead of just reacting to what comes next" (Support Agency).*

*"At least they can take the kids to school (if they are a shiftworker). That means at least they are seeing their family" (Stakeholder).*

#### **From the venues perspective**

The evaluation of the 6 hour shutdown policy involved information being gathered from multiple sources and sought to provide a balanced approach to understanding the impact the regulation has made on all stakeholders. Venue managers were surveyed in order to develop an understanding of the impact the regulation has made on their businesses. In addition venue manager's opinion was sought with regards to the effectiveness of the policy in achieving the objective of minimising harm caused to problem gamblers.

Overall slightly fewer venue managers believed the shutdown to be effective than those that believed it to be ineffective (34% compared to 41%). Over one in four (29%) felt that the shutdown was 'very ineffective' at minimising harm for problem gamblers. Among those venues that claim to have been negatively affected by the shutdown the proportion saying it was 'very ineffective' rose to one in two (53%).

The perception that the shutdown does not affect problem gamblers is based on two beliefs commonly held by venues:

- That only a small number of the population are problem gamblers; it was not actually effective in reaching them. Its impact is more on recreational gamblers.



*"1-2 % of people have a problem, so it really just screws the other 98-99% of people who want to gamble."*

*"But less than 1% of the population are problem gamblers...."*

- that problem gamblers either went on to another venue that was still open, either the Casino or another venue with a variation, after the venue closed anyway or simply went to the Casino in the first place as they knew it would not close.

*"They just go on to Star City, so Star City makes the money instead of us".*

Based on these beliefs, venues and relevant industry stakeholders felt that there were more effective ways of targeting problem gamblers that may not have as much impact on their business and other patrons. Their preference was for:

*"Targeted measures rather than a scattergun approach that affects all people".*

*"It's broad-brush in the hope it gets someone, rather than really trying to get the people that need it"*

The perceived effectiveness of the six hour shutdown in targeting problem gamblers may be re-evaluated by venues once they are aware that nearly one-third of the gamblers in venues at the time of the shutdown are able to be categorised as 'problem gamblers' and almost another third are categorised as 'at moderate risk'.

## 1.6 The Effect of shutdown on Recreational Gamblers

### Who is a recreational gambler?

A recreational gambler can be defined as a gambler that does not suffer from any of the 'symptoms' faced by problem gamblers or for that matter characteristics of those at risk of developing a gambling problem. There is no clear point at which a recreational gambler becomes a problem gambler, there is also no definitive set of circumstances that lead a recreational gambler to developing a problem – it is a behavioural continuum that increases in severity, prompted by a myriad of intrinsic tendencies and extrinsic influences. Understanding the process of developing a



gambling problem is outside the scope of this study but is dealt with in detail by a number of authors (see Delfabro et al. 2007).<sup>6</sup>

For the purposes of this study we have considered those with no problem or at 'low risk', identified through the CPGI, as recreational gamblers. The current study investigated the views of recreational gamblers through the face to face interviews with gamblers in venues. Some consideration was given to recreational gamblers through the venue manager's survey also.

The 'no problem' and 'low risk' categories showed a tendency toward older age (19% of no problem and 12% of low risk were over 65 compared to just 4% of moderate risk and 1% of problem gamblers), being married or living with a partner (54% of no problem and 56% compared to 36% of moderate risk and 38% of problem gamblers) and were more likely to have children than the higher risk and problem gamblers (65% of no problem and 63% of low risk compared to 49% of moderate risk and 45% of problem gamblers). In addition the gamblers without a problem or at low risk were more likely to be retired and female than the higher risk groups.

### **Effect of shutdown on recreational gamblers**

Applying the question "does the shutdown disproportionately effect recreational gamblers or those not at risk?" to the data collected in this study it would seem that relatively speaking the answer is no. The shutdown impacts everyone in the venue at the time, but the majority of those were found to be at risk or have a problem, particularly late at night (12am to 6am).

Further those not at risk 'recreational gamblers' displayed a far lower level of dissatisfaction when the machines were shutdown than those with a problem (9% of those with no risk said they would be "unhappy" when the machines shutdown compared to 44% of problem gamblers that felt the same).

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<sup>6</sup> Delfabro, P; Osborn, A; Nevile, M; Skelt, L; McMillen, J. (2007) Identifying problem gamblers in gambling venues.

## Venues perspective

The venue managers have had an opportunity to observe the behaviour and reactions of their customers in relation to the shutdown since the policy was introduced. The research therefore sought to understand the perspective of venues with regards to which gamblers are most affected and what they do when the shutdown is enforced.

Venue Managers were asked their opinion on who they thought had been most affected by the mandatory shutdown. Overall the most common responses were "Don't know" (mentioned by 29%), "shift workers or hospitality workers" (mentioned by 28%) and "Hasn't really affected anyone" (mentioned by 24%). However, a slightly different profile existed for clubs compared to hotels. Hotels were more likely to say that shift workers are affected (36% compared to 20%), people out partying (12% compared to 0%) and least likely to say older people (4% compared to 12%) and "hasn't really affected anyone" (18% compared to 30%). These differences most likely reflect the broad customer bases of hotels compared to clubs.

When specifically probed as to the type of customer most commonly affected by the mandatory shutdown, on balance, venue managers are more likely to believe the shutdown affects recreational gamblers more than others. Table 1.6.1 below shows that two in five (41%) venues believe that recreational gamblers are more likely to be affected by the shutdown whereas just over half that many (23%) believe that the affect is greater for problem gamblers. The view that it is recreational gamblers that are most affected by the shutdown is held far more widely among those venue managers that also said their venue has been negatively affected financially by the shutdown (74% believe the customers most likely to be affected by the shutdown are recreational gamblers as opposed to 11% that believe it is problem gamblers).

Table 1.6.1 Type of customer affected by shutdown

	Venue type			Shutdown hours		Affect of shutdown on total business	
Q35.TYPE OF CUSTOMER AFFECTED BY SHUTDOWN							
	Total	Clubs	Hotels	No variation	Variation	Negative affect	No affect
Sample	100	50	50	58	38	19	77
More likely to be recreational gamblers	41%	40%	42%	40%	42%	74%	35%
More likely to be problem gamblers	23%	16%	30%	24%	24%	11%	25%
Both equally	14%	16%	12%	17%	8%	5%	17%
Don't know/ can't say	22%	28%	16%	19%	26%	11%	23%

Base: Total sample (n=100)

Venue managers were also asked what customers do when the machines are shutdown for the evening. In contrast to the findings above there are no significant differences in the responses from venues that have been affected financially and those that have not in regards to their customers behaviour. Overall most venues (66%) say their customers go elsewhere.

When asked to surmise where their customers go once they leave their venue, venue managers suggested multiple destinations, however the majority (63%) of venue managers recognised that 'home' was a likely destination for customers when the machines are shutdown.

During the qualitative research, industry stakeholders and venue mangers strongly held the opinion that the shut down tended to impact more on shiftworkers who may want to gamble recreationally during the early morning hours than it did on problem gamblers. This was the key concern mentioned by venues after revenue, and was the primary concern of industry stakeholders. Venues and stakeholders saw it as unfairly placing a restriction on the entertainment options of people who worked outside normal business hours.

*"Not everyone works 9-5. People should have the option of playing the machines if they want at that time (Stakeholder)*

*"...opposition is access for shiftworkers. Clubs have a 24 hour trading licence and we have an obligation to cater for our members....they (shiftworkers) should have access to entertainment and relaxation just like other members." (Stakeholders)*





It was accepted by gambling support agencies and related stakeholders that the shutdown had some impact on shiftworkers who may want to gamble for recreation at that time. However, they felt that the impact on problem gamblers far out weighed any negative consequences for the recreational gamblers

## 1.7 The Effect of Shutdown on Venues

The research was designed to consider the impact the shutdown has had on venues from both a social/regulatory point of view and economically. This was achieved using both direct questioning and indirect analysis.

### **Proportion of venues potentially affected by the shutdown**

The extent to which each venue's business has been affected by the regulation will vary from venue to venue; naturally there will be a proportion of venues that will not have been impacted at all. Unaffected venues are most likely to be those that have no EGMs, have never opened during the mandatory shutdown period of 4am to 10am or previously closed their gaming operations over the 4am to 10am period. This study only included venues if they had potentially been affected by the shutdown. That is, venues had to have at least one operational EGM and have been previously, or planned to be, open at least one day per week between the hours of 4am and 10am.

One in three clubs (35%) randomly sampled fitted the above criteria, meaning they had at least one EGM and were either open between 4am and 10am or have considered opening during this time at least one day per week. Similarly, slightly fewer than one in three hotels licensed for 24 hour trading (31%) randomly sampled were eligible to complete the survey. This 31% equates to around 19% of all hotels in NSW (31% of sample frame eligible for survey x 60% of all hotels included in frame have 24 hour licence = 18.6% of total hotels in NSW). The overall achieved sample for both clubs and hotels discussed in this paper represents a minority of the overall club and hotel population.

## **Affected venue operations**

Despite all venues surveyed having 24 hour licences, the large majority of venues surveyed did not open 24 hours a day, 7 days per week prior to the mandatory shutdown. Overall only 5% said they had 24 hour trading all week before the shutdown. Slightly more venues said they were open for 24 hour trading at least one day per week before the shutdown became mandatory (12%). Trading 24 hours at least one day per week was more likely among those believing the shutdown had a negative effect on their business than no effect (32% compared to 6%).

The most common venue type to be included in our sample of 'potentially affected venues' was those that previously opened before 10am or 'early openers'. While only a relatively small number of venues operated 24 hours on any day prior to the shutdown (12%), the majority did open before 10am (68%) and thus have had to implement changes to their gaming operations for this reason. Managers of clubs are more likely to say they operated before 10am than hotel managers (80% compared to 56%, respectively).

Overall it seems that the largest impact on venue opening times is a result of the shutdown operating until 10am as opposed to starting at 4am.

## **Impact on affected venue business practices**

A major concern for venues and their industry bodies is the impact the mandatory shutdown has on how venues run their businesses. The qualitative and quantitative research conducted with venues (and related stakeholders) sought to understand the extent to which venues potentially affected by the mandatory regulations felt their business had actually been affected.

The qualitative research among stakeholders and venue managers/ owners indicated that the shutdown had direct and indirect impacts on venue business practices. This impact was perceived to have impacted greatest on those who had been open for 24 hours prior to the shutdown, although it also had an impact on 'early openers'.

First and foremost the shutdown was perceived to have a direct effect on venues by eliminating the revenue that could be generated by the operation of EGMs between 4am and 10am. As a business operator, managers and owners have the role of trying to maximise the revenues and profits of the business, and the shutdown was identified as a barrier to this.

*“From a business perspective, you are charged with the objective of maximising revenue...by not having the machines on, you are not doing so.” (Venue)*

*“Six hours is one quarter of the day..., that’s one quarter of revenue missing...” (Hotel)*

### **Affect on total business**

Venue managers were asked overall if their business had been affected. 19% of our ‘potentially affected’ venue sample reported a negative affect on their total business. Affected venues did not vary by venue type (club versus hotels), whether or not the venue is operating under a variation, or the size of the venues gaming area (number of EGMs). The strongest differentiator was opening times prior to the shutdown being introduced.

This result can be back calculated to a proportion of all NSW hotels and clubs (using an approximation) – in this case approximately 6% of all clubs in NSW could be expected to have been negatively affected and approximately 4% of all hotels in NSW could be expected to have been negatively affected by the shutdown if all venues were included in the sample frame.<sup>7</sup>

### **Aspects of business affected**

When prompted, one in four or fewer said they experienced each of the potential impacts mentioned. In each case the large majority of venues surveyed said they had not experienced that aspect of business. One in four (25%) said they had experienced a reduction in gaming revenue, while just under one in four (22%) said they had experienced a reduction in total revenue. Similar proportions said that due to the shutdown they were less able to donate to charities or the community (24%),

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<sup>7</sup> For clubs 18% of the sample were negatively affected, this multiplied by the 35% of clubs represented by the survey equals 6.3% of all clubs, assuming those clubs not in the sample frame would not have been affected by the shutdown. For hotels 20% of the sample were negatively affected, this multiplied by the 18.6% of clubs represented by the survey equals 3.72% of all hotels, assuming those hotels not in the sample frame would not have been affected by the shutdown.

have had to close their venue completely during the shutdown hours (23%) and have had a reduction or loss of customers (22%).

Around one in seven (15%) venues have changed their hours of operation as a result of the 6 hour shutdown. Those venues saying the shutdown has had a negative effect on their business (47%) are the most likely to have changed their venue's opening hours as a result of the shutdown.

Analysis of the combined profit data for venues in the LGAs where interviews occurred do not suggest an impact on hotel and club revenue, with the exception of those in the Sydney LGA where some decline in revenue has been noted in 2007. Figure 9.4.2 indicates a slow upward trend for profits made by clubs over the period from May 2001 to August 2007 in most of the LGAs considered. The notable exception is the Sydney LGA where profits appear to be in decline, with a sharp decline occurring in 2006-07. However, it is unlikely that this is a result of the 6 hour shutdown as there has been no change to the regulation between 2003 and 2007. This data also indicates that while there may have been some impact on the profit growth for hotels in the Sydney LGA when the six hour shutdown was first introduced, this has long since recovered (from 2004).

In effect, the shutdown does not appear to have impacted negatively on the combined revenue generated by hotels and clubs in the LGAs under consideration since its introduction (Sydney, Parramatta, Bankstown, Canterbury, Fairfield, Wollongong, Newcastle and Lake Macquarie).

### **Events unrelated to the shutdown impacting on venues economically**

Venues can be affected economically by any number of events ranging from those within their control to those outside of their control. Events often cited by venue managers as having the greatest impact on their business are changes to the regulatory environment in which they operate.

Around two in three (65%) venue managers said that the smoking ban has had a negative impact on business. The second most common response was the increase in gaming machine taxation, mentioned by one in seven (14%) overall but over one in four club managers (28%). Nearly all other 'events' were mentioned by only a handful of venue managers.

These results contrast significantly with the proportion of venues that claim they have been negatively affected by the shutdown (19% negatively affected by shutdown compared to 65% negatively affected by the indoor smoking ban).

### **Attitudes toward the shutdown policy**

Venue managers were asked directly their level of support or opposition to the mandatory 6 hour shutdown. One in two (49%) venue managers support the current 6 hour mandatory shutdown regulation with approximately half that number (28%) opposed to the regulation, the remaining one in four (22%) neither support nor oppose to the regulation. Further, nearly one in three (31%) venue managers actually support an extension to the current 6 hour shutdown period.

When asked a series of attitudinal statements in regards to the impact of the shutdown, it could be seen that opposition to the shutdown from venues is strongly based on the perceived loss of revenue due to the thought that gamblers are going elsewhere to gamble:

- 71% of venues agreed that the shutdown is only effective if all gaming venues shutdown and do so at the same time;
- 70% felt there should be more flexibility in the times venues have to shutdown their machines;
- 69% felt that the shutdown resulted in gamblers going elsewhere to gamble through those hours; and
- 65% believed that the shutdown resulted in people gambling on other activities.

## **1.8 Generates Unintended Consequences**

The investigation of unintended or perverse consequences of introducing a shutdown period is somewhat problematic as the shutdown was first implemented in 2002 and then extended to 6 hours in 2003. Should there have been any unintended consequences they would have been most apparent around that time and by now integrated into the venue's business routine or patron's lives. Nonetheless there has been some consideration of unintended consequences in this research.



A search for relevant social statistics indicating differences in crime rates specifically relating to gambling over the period uncovered no valuable information. Similarly the literature review uncovered only limited research focusing on mandatory shutdowns of EGMs and therefore little was gained here also. The main sources of information in this regard are the opinions offered from gamblers and venue managers through the qualitative and quantitative research methods used in this study.

### **Gamblers and families experiences**

Two of the five problem gamblers interviewed for the case studies would regularly play until the time of shutdown. While both endorsed the shut down from the perspective that it was one of the few things that could prevent them from EGM play, they did claim that the thought of the close tended to increase the amounts they were betting.

These gamblers claimed that once staff called that the machines would soon close (the shoulder period) they tended to bet more money on each play in the hope of getting a final big win. It was hoped that this would either maximise their wins for the night, or minimise the losses they had incurred.

The experiences related by some family members also indicated that some gamblers displayed anger when being asked to cease gambling due to the shutdown. As stated by one family member...

*"My brother has punched the machine before...he's been in fights with staff, he screams at them, tellin' them to XXX off and ...he's just a bastard".*

However, it must be noted that physical violence such as this was reported by one family member only and by none of the problem gamblers interviewed for case studies. It is highly likely that while physical violence may occur when gamblers are asked to cease playing, it is very rare.

When asked about any negative consequences to the six hour shutdown in its current format, some support agencies related a similar opinion to that expressed by problem gamblers – while they highly endorsed it, some of their clients did tend to bet larger amounts of money in the shoulder period. However, rather than see this as a consequence of the shut down, support agencies were more likely to attribute this behaviour to the method of collection required. In their opinion, it was obvious

that gamblers were more likely to play out whatever credits they had rather than queue at a counter.

### **Industry experience**

Venue managers were asked if they were feeling as though there was a variation in gaming machine activity surrounding the shutdown period. Relatively few venues (11%) reported the experience of such an effect.

The previous research evaluating the 3 hour shutdown in NSW by AC Nielson found that 75% of venues potentially impacted by the shutdown had experienced a shoulder period around the shutdown. The previous research used different sample techniques and had a different composition meaning the current findings are not strictly comparable. Nonetheless, there is a marked contrast in the 75% experiencing a shoulder period found previously to the 11% now. This comparison suggests that customers have adjusted to the shutdown concept since the introduction of the first 3 hour mandatory shutdown period.

Venue managers were also asked if they felt their customers had now become accustomed to the mandatory shutdown. Nearly nine in ten (88%) of venue managers thought that their customers had now adjusted to the shutdown period.

During the qualitative research with stakeholders and venues, it was also identified that the shutdown had had some negative consequences for the broader community that were likely to have been unintentional. The first of these, reducing staff, was claimed to occur where venues had started to close as a result of the shutdown rather than stay open 24 hours a day. This was later confirmed in the quantitative research with 17% of venues agreeing that they have had to lay off staff as a result of the shutdown.

The second negative consequence noted in the qualitative research was the impact that a reduction in the profit of clubs had for their local communities. During the following quantitative research, it was found that some 29% of venues agreed that the shutdown had meant that they could not donate as much to charities or the community.



## 1.9 Impact of Shutdown on Clubs Versus Hotels

Clubs and hotels are different businesses, they serve different purposes, have different organisational aspirations, structures and concerns. While it is true that each and every venue differs in the aforementioned ways clubs can be grouped broadly as not for profit organisations designed to benefit their members and local community, whereas hotels are commercial businesses. It stands to reason that the differences that define clubs and hotels would also result in different experiences of the shutdown regulations.

### **From the venues perspective**

One of the key differences between the impact of the shutdown on clubs and hotels found in the qualitative research was that it reduces the profits that clubs have to fund sporting and other activities within their local communities. Although the quantitative research indicated that this was an impact shared by hotels also, it was not mentioned as a particular impact during the qualitative research with hotel stakeholders and venue operators.

However, it does stand to reason that the extent of funds given to the local community by clubs is likely to be significantly more than hotels due to their status as not for profit organisations. Therefore the impact of the shutdown on community funding provided by clubs will likely be significantly more in terms of actual dollar value, than hotels.

During the qualitative research, it was consistently mentioned by venues and stakeholders that clubs have an obligation to their members to provide entertainment and recreational activities.

By not being able to provide access to the EGMs between the hours of 4am and 10am, clubs claim that this means they are not doing all they can to fulfil the obligation they have to their members. The situation is made worse, from their perspective, in that they also often have to cease trading altogether as it is not economically viable to keep the club open for other activities.

### **From the players perspective**

There was little mentioned specifically about the shutdown with regards to the differences between clubs and hotels from the perspective of problem gamblers. While it was noticeable that all the problem gamblers included in the case studies





tended to play at clubs more so than hotels, this is more likely to be a feature of the demographics of the gamblers that were willing to participate in the research than any indication as to the incidence of problem gamblers at the two types of venues.

The quantitative research with gamblers at venues showed a few significant differences between EGM players at clubs and hotels. The differences were predominately demographic rather than attitudinal. In particular gamblers in hotels were significantly more likely to be categorised as a problem gambler (35% compared to 23% in clubs). As the sample predominately included gamblers at or around the shutdown period it would indicate that a larger (relative) impact on problem gambling is being made by the shutdown in hotels. In addition:

- Gamblers in hotels were more likely than those interviewed in clubs to say they also bet on the TAB (44% v 22%) and at the track (22% v 8%).
- Those interviewed in hotels were more likely to gamble at later times than those interviewed in clubs such as midnight to 4am (33% v18%).
- Gamblers interviewed in clubs were less likely to have ever played EGMs between 4am and 10am (never 25% v 41%)
- Gamblers at hotels were more likely to say the shutdown should be increased (41% v 28%). However, they were no more or less likely to support the shutdown generally.
- Gamblers at hotels were more likely to be younger (under 34) single with no children and those at clubs were more likely to be older (55-64), married or living with a partner and have children. (This reflects the demographic characteristics of problem gamblers more closely).

### Venue managers

As mentioned above, operationally clubs and hotels can be expected to be quite different and thus would be impacted by the shutdown in different ways. The venue manager's survey revealed some of these broad differences.

Operationally, the most significant differences between clubs and hotels were as follows:

- Clubs were slightly more likely to open 24 hours prior to the shutdown than hotels in our sample, and more likely to have opened before 10am than hotels in our sample (80% v 56%);



- Similarly, clubs are more likely to have had to change their opening hours due to the shutdown (22% v 8%).

With regards to venue managers impressions of the type of gambler affected by the shutdown hotels were slightly different, most likely as a result of the difference in types of customer each experience late at night.

- Hotels were more likely to say people out partying late were affected by the shutdown than clubs (12% v 0%); and
- Hotels were more likely than clubs to say that the customers most affected by the shutdown were problem gamblers as opposed to recreational gamblers (30% v 16%). Although they were equally likely to say that recreational gamblers are most affected (clubs 40% hotels 42%), clubs were more likely to say they didn't know who were affected.

Affect on customer base and business:

- Hotels were more likely to believe their customers had started going to other venues because of the shutdown than clubs (40% v 24%);
- When asked where customers go when the EGMs are shutdown, of the venue managers that could say where their customers went, hotel managers were more likely to say their customers were going to another venue (74% v 33%);
- Similarly hotel managers were more likely than club managers to agree with the attitudinal statement "the shutdown means people go elsewhere to gamble during those hours" (82% v 56%);
- Clubs were more likely to mention increased EGM taxes as having affected their business since 2003 than hotels (28% v 0%); yet
- Hotels are more likely to agree that the shutdown has made it difficult for their venue to maintain its services (38% v 20%).

Hotel managers were also more likely to call for increased flexibility in the shutdown hours:

- Hotels were more likely than clubs to support the idea that venues should be able to choose the period they shut their EGMs for 6 hours (80% v 62%); and



- Hotels were more likely to agree that there should be more flexibility in the times venues have to shutdown their machines (86% v 54%).

### 1.10 Wider Social Impacts from the shutdown

Families had a lot of difficulty identifying specific social impacts from the shutdown. For family members, the shutdown was seen as simply too late at night even at the current times to really improve the situation for the family.

Among the in-depth interviews with venues, the concern of the shutdown causing the venue to close and the possibility of danger with all patrons leaving the venue at once was raised. It was believed that if the shutdown did not prompt the venue to close, then patrons would be leaving gradually rather than altogether. No other research activities provided any feedback on this issue.

### 1.11 Effectiveness of the Shutdown Around the Casino

There is concern that the shutdown may be less effective in minimising harm to problem gamblers from venues in close proximity to the Casino. It is thought that when venues close to the Casino have to shutdown their EGMs gamblers would move on to the Casino which is exempt from the shutdown regulation.

The in-situ interviews indicated that intentions among gamblers in the Sydney LGA prior to the shutdown being enforced are slightly different to those of the rest of metro Sydney and other parts of NSW surveyed. Despite the small sample size of gamblers in the Sydney LGA significantly fewer than in the rest of metropolitan Sydney said they intended to go home when the machines are shutdown (50% compared to 78%). Instead gamblers were more likely to say they didn't know what they would do. There was no difference however in the proportion that said they would go to the Casino.

As the survey did not include interviews of gamblers at the Casino or arriving at the Casino no inference can be made about gamblers choosing the Casino, or not, over other venues due to knowledge of the shutdown. This survey found little evidence of gamblers moving from their venue specifically intending on going to the Casino when the EGMs were shutdown.



The representative from the Casino that participated within the stakeholder component of the research could not comment on whether there was an influx of problem gamblers arriving after other venues had closed for the night.

### 1.12 The Rolling Shutdown Effect

The rolling shutdown effect refers to the possibility of gamblers moving from venue to venue as they shut their EGMs in order to keep gambling. This practice is only possible in areas where all venues do not shut their machines down over the same time period, that is in areas containing venues that operate approved 'variations' to the standard 6 hours (4am to 10am).

While this was assumed to be a key factor contributing to the ineffectiveness of the shutdown in both the qualitative and quantitative research among venue operators (69% of venues operators thought gamblers just go to another venue to continue gambling), this was not found to be occurring to any great extent in either the qualitative or quantitative research among gamblers.

None of the problem gamblers interviewed for case studies claimed to regularly swap venues as a result of venues closing. Instead they would have preferred venues in a relatively close geographic area to their homes.

Interviews with gambling support agencies and family members also indicated that problem gamblers tend to be relatively static in their behaviour in that they often had a preferred venue where they played. It was believed that gamblers would choose a venue that suited their preferred times of play, and that if they were late night players, then they would choose a venue that remained open until the mandatory shutdown times as their preferred place.

From the group discussions with family members, there is some evidence of a very localised roll on effect however overall, this was not common nor did it tend to occur beyond the immediate geographic area of the problem gambler's home.

#### **Quantitative roll on evidence**

The sample frame used for the quantitative face to face interviews with gamblers was designed to include venues in the 8 LGAs in NSW with the highest number of variations to the 6 hour shutdown. By conducting interviews with gamblers at

venues within these areas, where several venues operate under variations to the shutdown, movement of gamblers from venue to venue could be assessed.

More than two in three (71%) of those interviewed at EGM shutdown time indicated they would go home when the machines were shutdown. A further 13% said they would stay at the venue while, overall, fewer than one in ten (9%) said they would go elsewhere with the purpose of continuing to gamble. This indicates that only a small proportion of gamblers create a roll on to other venues – the majority go home when the machines are shutdown.

Overall there appears to be a small proportion of gamblers that seek out another venue to continue gambling when the EGM shutdown is enforced. It would seem that these gamblers may more often be moderate risk or problem gamblers; however the large majority of gamblers go home or even stay at the venue they are in when the EGMs are shutdown. This is also the case for problem gamblers where 68% say they intend to go home when the EGMs shutdown.

### 1.13 Optimal Time span for Shutdown

#### **Cost/Benefit of the three hour compared to the six hour shutdown**

The research was primarily designed to consider the impact of the six hour shutdown on both venues and gamblers. In-depth interviews with support agencies indicated that the six hour shutdown had two broad factors underpinning its effectiveness:

- Forcing a break in play; and
- The length of time the machines are not operational.

The break in play created by a mandatory shutdown has the effect of breaking the gambling cycle and allowing gamblers to re-evaluate their actions and position and consider their options. This action would be similar regardless of the length of time, within reason, the shutdown was mandatory. However, support agencies suggest that the length of time the machines are unavailable has a significant impact on the behaviour of the gamblers after the shutdown commences.

Support agencies suggest that when gamblers are faced with a wait for the machines to come on of six hours they are most likely to go home (which was



corroborated by the face to face interviews with gamblers). The 6 hour break ensures gamblers enough time to go home get some rest and recuperation – a crucial step in breaking the addiction like ‘fix’ problem gamblers experience.

### The Shutdown being more effective during particular hours

As the shutdown is mandatory for all machines in the venue (and for all venues in the state excepting the Casino) all gamblers playing EGMs at the time of the shutdown are forced to stop playing, and subsequently any gamblers intending on playing EGMs during the shutdown period are prevented from playing. The shutdown would then be most effective at reducing harm during the times when the largest number of problem gamblers and at risk gamblers play the machines as more gamblers with problems would be exposed to the break in play. It is also highly likely that this time will prevent significantly more recreational gamblers from playing machines than the current time period.

The following table shows the times of day gamblers included in this study say they usually play the machines. It can be seen that although the current sample was mainly made up of gamblers in venues just before or just after the shutdown period, the majority still claim to usually play the EGMs between 6pm and 12pm (56%).

Table 1.13.1 Times when usually play EGMs

Q4i TIMES OF DAY WHEN USUALLY PLAY POKER MACHINES					
	Total	No problem	Low risk	Moderate risk	Problem gambler
<i>Sample</i>	272	63	57	74	78
6pm to 9pm	34%	27%	40%	35%	33%
9pm to midnight	22%	19%	23%	24%	23%
Midnight to 4am	6%		5%	8%	9%
4am to 7am	1%		2%	1%	1%
7am to 10am	2%	2%		4%	1%
10am to midday	15%	22%	11%	12%	14%
Midday to 3pm	10%	14%	7%	12%	8%
3pm to 6pm	9%	14%	12%	3%	8%
Don't know/ can't say	1%	2%			3%

Base: Total sample (n=272)

Using the data from the above table without considering the potential costs to venues and non problem gamblers it would seem the shutdown would be most effective between 6pm and 12pm. This outcome has not been ‘tested’ as part of the current evaluation.



Support agencies were of the opinion that if the times were moved to early evening, for example 6pm to 9pm, then more gamblers would experienced a mandatory break in play than those that currently are affected at 4am to 10am in the morning. Even if the break in play was of shorter length, the benefit of reaching more gamblers would outweigh the benefits achieved of the extended six hour period reaching fewer problem gamblers.

While it is difficult to say which has the most benefit in terms of the overall harm minimisation to problem gamblers, the venues would identify that the first assumption has the least resulting cost if they were given the option between the two. Given the fewer people playing between 4am and 10am in the morning, the times chosen for the mandatory shutdown have the least financial and business impact on venues

*"I have to say, that if they've got to do it, it's at the least busiest times."*(Stakeholder)

*"It would be much worse if it was at different times of the day."*  
(Venues)

### **Different areas and time span**

Underlying this research objective is the question as to whether all geographic areas needed the same shutdown times if it is to be effective. For example, could the CBD have a different shutdown time than industrial areas? While the research for this project suggests that problem gambling is a relatively localised behaviour and there is little evidence of a roll on effect across broad geographic areas, this is not to say that this would not change if there were different mandatory shut times in different areas. Currently, the only option for gamblers outside the mandatory times is the Casino. Applying different shut down times to different areas will increase the options.

### **Effectiveness and the same shutdown hours**

One of the key benefits of the mandatory shutdown is that all venues must cease operating their EGMs at the same time, forcing a break in play for a duration of time that allows the problem gambler no access to EGMs. The greater this time the more likely gamblers are to do other activities than gamble. There is no doubt that if all venues have the same time span it completely negates the possibility of a roll on

effect, and the greater the time span this is applied for, the more effective this will be in encouraging gamblers to go home or do other activities than gambling.

However, as the data shows nearly three in four gamblers (71%) that are gambling just before the shutdown period intend to go home when the machines shutdown, thus limiting their play for the day. This suggests that even though all venues do not have the same shutdown periods (the areas where the research was undertaken have the most variations) that the time span is still effective.

#### 1.14 **Ensuring Flexibility for Venues**

Flexibility in implementing the shutdown creates a situation where some venues are able to have their EGMs operational while others have them turned off. As discussed previously this creates the opportunity for gamblers to move from venue to venue in order to continue to play EGMs at venues that have not shutdown their machines

The current regulatory environment allows venues to apply on an individual basis for a variation on the 6 hour shutdown. A range of variations to the shutdown are in operation including reduced hours (3 hours) and different shutdown periods to 4am to 10am.

Almost all venue managers (97%) are aware of the shutdown legislation and similarly the large majority of venue managers aware of the shutdown are also aware that they can apply to have a variation to their shutdown requirement (95%). Of those aware that venues could apply for a variation on the standard 6 hour shutdown period, just under one in two (42%) had done so.

More than two in three (70%) venue managers still believe that there should be increased flexibility for venues regarding the 6 hour shutdown. The key issue surrounding flexibility found in the qualitative research was where a venue may not be an early opener on a regular basis; they have difficulty in obtaining a variation for the times that they feel it is required. The interviews with venue operators and related stakeholders indicated that often these were smaller sporting clubs such as bowling clubs and golf clubs. In instances where these sporting clubs were opening regularly at 7am or 8am in the morning, they were likely to have applied for a variation and the impact of the shutdown was not as great. However, when the opening hours of the club varied, and their early openings were irregular, they are





unlikely to have received a variation. This was seen to often be the case with the smaller sporting clubs who may open early on a less regular basis for tournaments or other special one off activities. Overall, it was thought that these clubs were then put at a disadvantage, and illustrated the area where greater flexibility could be introduced into the variations.

However, this argument does need to be balanced with the potential impact it could have on prompting any roll on effect and providing access to EGM play almost 24 hours a day in a localised area.

While a 'break in play' would be provided for gamblers in most cases, the length of it would be minimal – only 2 hours – if different variations applied at neighbouring venues. This would eliminate the advantage of the extended length of time of the shutdown prompting gamblers to go home and do other activities. This may already be the case in some areas where early openers have applied for and been successful in obtaining a variation as they open early on a regular basis.

In effect, while there is a real case for these smaller clubs to be allowed early opener variations for activities that occur on an infrequent basis, the use of the 3 hour variation in the same locality and on the same day would provide access to gambling for almost 24 hours a day. This undermines the intention of the mandatory shut down time in prompting both a break in play, and promoting responsible gaming among EGM players through limiting access for a period of time that allows gamblers to do other things.

Therefore the trade off required in order to maintain a time period that may prompt gamblers to go home and do other activities, such as sleep or spend time with their families, would require that all venues shut down earlier than 6am. Even if the shut down time was 4am, and then early openers offered EGM play at 8am, this would provide a 4 hour window, rather than 2 hours as would be the case if they shut at 6am.

#### 1.15 **Substitutes or Complementary Measures for the 6 Hour Shutdown**

In evaluating whether the shutdown has any substitutes, the question needs to be asked as to whether any other measure is able to provide a break in play, is a public health initiative as it operates to protect people from over consumption by limiting access (public health initiative) and restricts access to EGMs for a time period that



acts as disincentive to want to continue playing (that is, its too long to wait out). There were no practical suggestions of other measures among the literature, or from other respondents, that would substitute for all of these. For example, while other measures may introduce a break in play, they may not operate from a public health perspective in ensuring that people cannot keep playing for days on end.

The only substitute that was suggested that would fulfil these criteria was to move the hours of the shutdown or make it longer in order to reach problem gamblers. This was strongly supported by gambling support agencies, families and even gamblers themselves

In the survey conducted with venue managers, they were asked what alternatives to the shutdown they felt may be effective. While many felt that existing measure such as self-exclusion were enough, there were a number who advocated an increase in broad community awareness measure such as increased communication and information campaigns on issues related to all types of gambling. Many also commented on the possibility of limiting betting amounts (in lines bet and amount of money played), multiple venue self exclusion, break times, earlier shut down times, and use of smart card type technology to target venues.

While it might not have any substitutes, the shutdown will only be effective if accompanied by complimentary measures. That is, its effectiveness as a measure to minimise harm from problem gambling will only be maximised if it is supported by other primary and secondary strategies that aim at harm minimisation.

## 1.16 Conclusions

### 1 Effect of the Shutdown on Problem Gamblers

The mandatory six hour shutdown is effective in reaching the problem gamblers that are playing at that time of the shutdown. Using the CPGI it was identified that 29% of EGM players at venues in the times surrounding the shutdown were problem gamblers. Another 27% were categorised as moderate risk using the CPGI.

Feedback from these players indicated 68% of problem gamblers and 71% of moderate risk gamblers intended to go home if they were still playing when the EGMs were shutdown. Some 12% and 7% of problem and moderate risk gamblers respectively stated that they intended to go on to a another club or hotel, and 5%



and 2% respectively stated that they intended to go on to the Casino (see Table 7.2.1). This illustrates that while there is some roll on effect of problem and moderate risk gamblers due to the mandatory shutdown of EGMs, this is minimal. The mandatory shutdown operates to encourage the majority of problem and moderate risk gamblers to go home.

Further to this, problem gamblers were more likely to report past experiences of playing EGMs at shutdown time than other gamblers – some 63% compared to 41% of those at moderate risk, 32% of those at low risk and 16% of those with no problem (see Table 7.2.2). This indicates that while there are fewer gamblers using EGMs at shutdown time those that are may be more likely to be at risk of developing a gambling problem or already a problem gambler.

This data indicates that the shutdown achieves its objective of providing a break in play for problem gamblers playing at the time and encouraging them to go home.

## **2 Effect on Problem Gamblers from Venues Perspective**

Both the qualitative research with venues and related stakeholders and subsequent quantitative research indicated that venues were generally of the opinion that the shutdown had little impact on problem gamblers and more of an impact on recreational gamblers. It was common for venues and related stakeholder to quote the statistic that only 0.8% of the NSW population were problem gamblers.

While this may be the prevalence of problem gamblers within the population, it should not be confused with the prevalence of problem gamblers playing EGMs at venues at the time of the shutdown. As discussed above, the research from this evaluation has indicated that 29% of people playing EGMs at venues in the times surrounding the shutdown are problem gamblers, and another 27% are at moderate risk of becoming gamblers (as categorised by the CPGI).

Similarly, venues are concerned that the shutdown impacts unfairly on recreational gamblers. The quantitative research with venues indicated that 76% of venues agreed that the shutdown is designed to assist a small number of problem gamblers, but penalises a large number of gamblers who don't have a problem (Figure 9.6.6).

It should also be noted that the qualitative research among support agencies suggested that they believe that shiftworkers are susceptible to developing

difficulties with EGM gambling as there are limited entertainment options for them at the time. The in situ interviews indicated an over representation of shift workers among the gambling population compared to the NSW populations (26% of those participating in the workforce in the sample compared to 14% of the NSW participating workforce). While this is expected given the time of day that the majority of the fieldwork was conducted (late night – between 12am and 6am), it should also be noted that nearly one quarter (24%) of problem gamblers identified by the in situ interviews were shiftworkers.

In light of this, it should be recognised that shiftworkers and problem gamblers are not mutually exclusive audiences and that while the mandatory shutdown may impact on recreational gamblers who are shiftworkers, it also impacts on problem gamblers that are shiftworkers.

There was also some support for the shutdown from venues (49%) (Table 9.6.1). While not all this support can be directly related to the effect the shutdown has on problem gamblers, it should be noted that 35% of venues agreed that the shutdown has helped reduce harm caused by poker machines (Figure 9.6.6.).

### **3 Effective in Reaching all Problem Gamblers**

Another concern of venues in regards to the effectiveness of the shutdown is that it does not reach all problem gamblers.

This research indicates that the shutdown does not reach all problem gamblers. Both in situ interviews with gamblers and the case highlighted that problem gamblers can play at any time of the day. Even the problem gamblers that were playing in the times surrounding the shutdown indicated that they commonly played earlier in the evening as well, with the majority claiming to usually play the EGMs between 6pm and 12pm (56%) (Table 15.2.1).

However, while the mandatory shutdown does not reach all problem gamblers, it does reach many. For this group it provides the necessary impetus to discontinue EGM play. The case studies illustrate that for those still playing at the time of shutdown, it is the only factor contributing to them discontinuing play.

Reaching more problem gamblers with a measure that replicates the extended break in play that is provided by the mandatory six hour shutdown would require similar measures to also be applied at other times of the day.



#### 4 Effect on Venues

The effect of the shutdown on problem gamblers needs to be balanced against the impact that the shutdown has had on venues. Some 19% of venues that were in scope for the research (that is, those with at least one EGM and were either open between 4am and 10am or have considered opening during this time at least one day per week), claimed that the shutdown had resulted in a negative impact on their business. When asked a series of attitudinal statements in regards to the impact of the shutdown, it could be seen that opposition to the shutdown from venues is strongly based on the perceived loss of revenue due to the thought that gamblers are going elsewhere to gamble.

This perception of gamblers going elsewhere is not true for the majority. As shown in Table 7.2.1, only 9% of the total sample of late night EGM players interviewed just prior to the shutdown intended to go to the Casino (2%), another club (4%) or another hotel (3%). When divided into the different gambler categories as defined by the CPGI:

- only 4% of gamblers with no problem stated they intended to go elsewhere, 26% would stay at the venue, and 57% intended to go home;
- only 3% of gamblers at low risk stated they intended to go elsewhere, 10% would stay at the venue, and 87% intended to go home;
- this increased to 9% of gamblers at moderate risk stating that they intended to go elsewhere, with 15% staying at the venue, and 71% intending to go home; and
- 17% of problem gamblers stating they intended to go elsewhere (5% to the Casino), with 7% staying at the venue, and 68% intending to go home.

While these statistics indicate that venues are correct to some extent in the assumption that moderate and problem gamblers may go to another venue (where gaming may be available), three quarters will either stay where they are or go home. This illustrates that venues are only losing minimal revenue to other places due to their venues closing. This amount needs to be balanced against the effectiveness of the shutdown encouraging 68% of problem gamblers to go home.

Additionally, analysis of the combined profit data for venues in the LGAs where interviews occurred do not suggest an impact on hotel and club revenue, with the

exception of those in the Sydney LGA where some decline in revenue has been noted in 2007. Figure 9.4.2 indicates a slow upward trend for profits made by clubs over the period from May 2001 to August 2007 in most of the LGAs considered. The notable exception is the Sydney LGA where profits appear to be in decline, with a sharp decline occurring in 2006-07. However, it is unlikely that this is a result of the 6 hour shutdown as there has been no change to the regulation between 2003 and 2007. Figure 9.5.4 indicates that while there may have been some impact on the profit growth for hotels in the Sydney LGA when the six hour shutdown was first introduced, this has long since recovered (from 2004).

In effect, the shutdown does not appear to have impacted negatively on the combined revenue generated by hotels and clubs in the LGAs under consideration since its introduction.

## 5 Flexibility for Venues

There is some basis for the claim for increased flexibility for venues in the hours of the shutdown, particularly from the perspective of early openers that may do so on an irregular basis. For example, sporting clubs who may need an early opening time on an irregular basis for tournaments or others that may only open early for a special event such as ANZAC day. For these clubs, particularly the smaller sporting clubs, they are not able to receive an early opening variation as they may only hold a tournament or an event on an irregular basis. Therefore, these clubs are left not being able to turn on EGMs on these days despite selling alcohol and being able to offer other gambling activities such as Keno. These clubs would consider this unfair to their members and a limitation on their business due to lost revenue.

This claim needs to be balanced with the need to prevent any roll on effects occurring in individual areas. In areas where a cluster of venues are based, and a number of variations are in play, it is possible for EGM players to play until 6am, and then to wait until the next venue nearby opens at 8am – a period of two hours which may seem less of a disincentive to not play EGMs locally than 3 or 6 hours as would exist with current variations. This may already occur in places where there are a high number of early openers and those places with three hour variations.

In these instances, where there are already a number of early openers in a location, it would appear to disadvantage those that want to do open an irregular basis for a specific reason if they are unable to do so. However, this should be continued to be judged on a case by case basis in order to prevent any possible roll on effect



developing in location where a number of early openers are combined with venues with three hour variations.

## 6 Length of Shutdown

Among support agencies and problem gamblers themselves, there is a strong call for the effect of the mandatory shutdown to be maximised by moving it to other times of the day when more gamblers are playing. It is thought that this way it would be likely to provide a break in play for more problem or at risk gamblers, such as those that are playing between 6pm and midnight. If this was to occur, support agencies and problem gamblers would endorse a shorter period of time for the mandatory shutdown. It was believed that the impact of providing a break in play for a greater number of problem gamblers (perceived to be playing in the early evening) outweighs the need to make the shutdown an extended period of time to reach those who are playing early at 4am. Even venues agree with this, with 48% of venues stating that the shutdown would be more at a more popular gambling times (Figure 9.6.6).

However, changing the times of the shutdown may not be considered economically feasible by venues. The qualitative research indicated that although venues would prefer the mandatory shutdown to not exist, the current time period from 4am to 10am in the morning had the least impact on them economically. Changing the time period to other more popular gambling times would likely have greater economic impact, even if it was shorter.

Currently the period of six hours at the time it applies – from 4am to 10am – is considered by support agencies and problem gamblers to fulfil both an individual and a public health harm minimisation role. For individual gamblers, it encourages them to go home and to undertake other activities. At best, these may involve spending time with their families in the early morning (seen as important for both shiftworkers and problem gamblers), and at worst, it may provide the opportunity for the individual to sleep. Encouraging gamblers to sleep is considered a means of minimising the mental and physical harm that can occur from long hours of continuous EGM play. It also allows some respite from the emotions that may be motivating problem gamblers to play.

From a broader public health perspective, the length of time of six hours ensures a period of time that the community does not have access to gambling. This is considered to be important from the perspective of support agencies, in that they

consider it not 'healthy' to allow people access to gambling on wide scale 24 hours a day.

The shutdown is also considered necessary in a culture of responsible gambling to ensure that people cannot gamble continuously. Support agencies see this as necessary for EGM play, as they feel there is no other way of reaching those who may be partial to do so. For example, while licensed venues have responsible service of alcohol laws which govern the sale of alcohol to people they identify as intoxicated people, there is no similar means of identifying problem gamblers who cannot stop themselves playing. Ensuring an extended period of time where EGM play is inaccessible by the community fulfils this role.

## **7 Substitute or Complementary Measures**

The mandatory six hour shutdown of EGMs is one of a raft strategies designed to minimise harm that may occur from the play of EGMs and should not be considered in isolation of other strategies. It can be classed as a secondary prevention measure as it is designed to minimise the harm to people who are already playing EGMs. In terms of providing an extended break in play for problem gamblers, and fulfilling the role of limiting access to gambling activity from a broader public health perspective there is not a direct substitute.

The research indicated support from all research groups – venues, stakeholders, support agencies, gamblers and family members – for increased primary prevention measure and more targeted secondary measures in order to complement those already existing such as the mandatory shutdown. While support agencies, gamblers and family members suggested that there needs to be greater community awareness about the dangers of too much EGM play and what support options are available, venues were more likely to advocate greater awareness of support options only. Despite this difference in aim, the use of a broad community education campaign on the availability of assistance for those with problem gamblers was endorsed by all respondents as a way of helping problem gamblers.

A number of other secondary measures that are more targeted to minimise harm to problem gamblers were also considered. Primary of which was the use of a 'smart card' that interfaced with each EGM a gambler used to automatically provide a break in play (or at least an option for whether the player wanted to continue) after a period of time. Others felt that this smartcard could be used for the gambler to allocate a specified dollar amount that they could 'play' with in a 24 hour period.





Another option was seen as programming all EGMs to 'break play' automatically after a specified time, such as an hour.

While some of these, particularly the last, would have a direct effect on recreational gamblers, there is some potential for smartcard technology to be used to provide targeted strategies and further investigation into the feasibility of these should be pursued. Although many venues felt that the various self-exclusion programs were sufficient as targeted measure, some did endorse that other strategies such as those mentioned.

While the majority of venues are not in favour of increases in staff responsibility in identification and approaching problem gamblers, it should be noted that support agencies felt that a precedent for these types of activities has been set in other jurisdictions. It is very strongly believed by support agencies, gamblers and family members that the venues have a responsibility to take further measures in assisting people who are, or are at risk of being problem gamblers. Placing some responsibility on venues was thought to be a way in which more targeted measures could be introduced.

## 2 BACKGROUND

### 2.1 Gambling in NSW

In NSW, there are many types of gambling activities which are currently legally available. These include racing and sports betting; various lottery products including scratch tickets, pools and major lottery draws; gaming machines (EGMs); Casino games; keno; and other minor forms of gambling. Nearly all of these forms of gambling are available in every other Australian state and territory also. Each state and territory operates under a different regulatory system and as such various gambling activities are more prominent in different states and territories across Australia. For example, Western Australia (WA) does not have gaming machines located outside its main Casino, and the Australian Capital Territory (ACT) does not permit Canberra Casino to operate EGMs.

In NSW, EGMs are permitted in registered clubs, hotels and the Casino. Licensing laws restrict the maximum number of EGMs in hotels to 30 per venue and a maximum of 450 in some registered clubs. The Casino operates 1500 EGMs.

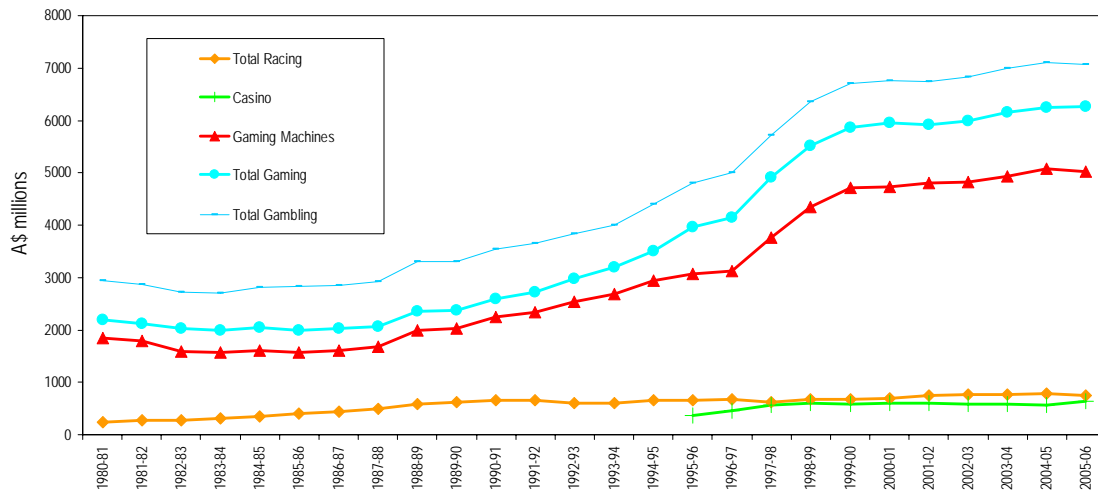
### 2.2 Gambling expenditure

In the last decade gambling expenditure (net loss) has increased in NSW, this is largely as a result of the introduction of gaming machines to hotels and the introduction of Star City Casino in Sydney (Figure 2.2.1). In 2005-06, net expenditure on all forms of gambling in NSW was \$7 billion; approximately 71% of this expenditure related to EGMs (excluding those in the Casino), 9% was attributable to the Casino (including their EGMs), 7% to lotteries, and 11% to racing activities (Figure 2.3.2). Since 1995-96, real per capita expenditure on gambling has increased from \$1,043.46 to \$1,357.12 in 2005-06, representing an average annual increase of over 3%.<sup>8</sup>

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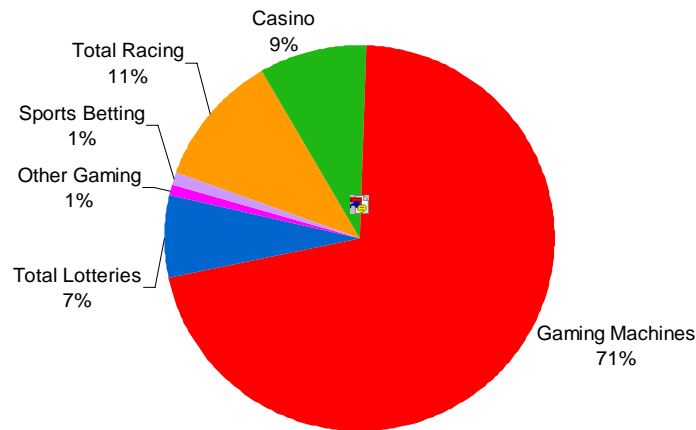
<sup>8</sup> 'Real' expenditure is adjusted for the effects of inflation over time. Per capita expenditure refers to people over 18 years. The amount gambled by individual gamblers is likely to be higher because not every adult over the age of 18 gambles.

Figure 2.3.1. Real total gambling expenditure in NSW, 1980-81 to 2005-06



Source: Office of Economic and Statistical Research, 2007.

Figure 2.3.2. Gambling expenditure by gambling activity in NSW, 2005-06



Source: Office of Economic and Statistical Research, 2007.

Note: 'Lottery products' include lotteries, lotto, pools and instant scratch-its. 'Gaming machines' refers to machines in clubs and hotels, but not in Casinos. 'Casino gaming' includes wagers on table games, gaming machines and keno systems in the Casino. 'Other' includes keno, interactive and minor gaming.



As a proportion of gambling expenditure EGMs dominate the market in NSW (Figure 2.3.2), with more than two thirds (71%) of gambling expenditure derived from EGMs. EGMs also dominate the market in most other states in Australia with the notable exceptions of WA, where expenditure is spread more evenly across the other main forms of gambling available, and NT, where Casino and racing expenditure dominate (see Table 2.3.3).

**Table 2.3.3. Per capita gambling expenditure (nett loss) in Australia by state, 2005-6**

	Total Racing	Casino	Gaming Machines	Lotteries Nett	Other Nett	Total Sports Betting	Total All Gambling
ACT	107.44	75.24	763.68	72.38	2.81	-	1,021.55
NSW	143.50	122.43	963.97	101.05	16.10	10.07	1,357.12
NT	629.04	677.87	390.99	110.23	101.49	287.08	2,196.70
QLD	101.84	190.71	585.45	119.58	28.36	3.12	1,029.07
SA	88.05	104.06	624.23	82.60	20.25	2.42	921.61
TAS	74.90	269.56	295.49	78.79	54.99	2.09	775.84
VIC	156.64	263.65	634.65	99.95	1.63	13.66	1,170.18
WA	153.32	223.11	-	156.57	13.75	4.85	551.60
<b>Australia</b>	<b>137.70</b>	<b>187.17</b>	<b>663.16</b>	<b>107.50</b>	<b>16.46</b>	<b>10.74</b>	<b>1,122.73</b>

Source: Office of Economic and Statistical Research, 2007.

Note: 'Lottery products' include lotteries, lotto, pools and instant scratch-its. 'Gaming machines' refers to machines in clubs and hotels, but not in Casinos. 'Casino gaming' includes wagers on table games, gaming machines and keno systems in the Casino. 'Other' includes keno, interactive and minor gaming.

In 2005-06 NSW recorded the highest level of per capita gambling (\$1,357.12), with the exception of NT (\$2,196.70) where a significant proportion of gambling expenditure is known to come from interstate and international gamblers. VIC (\$1,170.18), QLD (\$1,029.07) and ACT (\$1,021.55) recorded similar per capita expenditure on gambling, whereas WA (\$551.60) where EGMs are restricted to the one licensed Casino recorded the lowest per capita expenditure on gambling.

## 2.3 Defining Problem Gamblers

Problem gambling is a relatively difficult concept to both define and consequently measure due to the subjective nature of assessing what constitutes a 'problem' based on individual circumstances and consequences. It has been argued that

individuals experience gambling problems when they exceed their personal thresholds for discretionary disposable income and leisure time.<sup>9</sup> However, this definition fails to adequately encapsulate the impact problem gambling has on those affected. The concept is multifaceted and continues to evolve and in an effort to standardise the concept nationally the most recent Australian research into defining problem gambling endorses the following definition *"Problem gambling is characterised by difficulties in limiting money and/or time spent on gambling which leads to adverse consequences for the gambler, others, or for the community."*<sup>10</sup>

For the purposes of this study the above approach to defining problem gambling will be used. This definition has been operationalised through the development of a standardised gambling index – the Canadian Problem Gambling Index (CPGI). This tool has been developed specifically for use in social "population" surveys and is considered more reliable than previous scales such as the South Oaks Gambling Screen (SOGS).

Recent research by AC Neilson monitoring the prevalence of gambling and problem gambling in NSW used the CPGI and indicated that sixty-nine percent (69%) of adults in NSW gamble at least once a year and that 0.8% are considered problem gamblers with a further 1.6% considered moderate risk gamblers<sup>11</sup>.

While the incidence of problem gambling or even those 'at risk' may seem relatively low the harm that is caused through problem gambling can be devastating and not only affects the individual but their family, friends and the wider community. So that while those with a problem only make up a tiny proportion of the wider gambling community they account for a substantial proportion of the losses.

Problem gambling has been most strongly associated with electronic gaming machines, with problem gamblers (95% of whom) and moderate risk gamblers (87% of whom) are significantly more likely to use pokies/gaming machines than non-problem gamblers<sup>12</sup>. In part this is due to their widespread availability, their continuous nature and the intermittent reinforcement offered by the random schedule of 'wins' (behavioural theory).

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<sup>9</sup> Blaszczynski, A., Hill, S. and Pritchard, M., 'Gambling: Clarifying Concepts in Pathological and Problem Gambling', Proceedings – 12th Annual National Association for Gambling Studies Conference, Melbourne 21-23 November 2002, p 72. Cited in 'Gambling: Creating a culture of responsibility.' IPART Report June 2004

<sup>10</sup> Problem Gambling and Harm: Towards a National Definition. Gambling Research Australia, November 2005.

<sup>11</sup> Prevalence of Gambling and Problem Gambling in NSW – A Community Survey 2006. AC Neilson (March 2007)

<sup>12</sup> Prevalence of Gambling and Problem Gambling in NSW – A Community Survey 2006. AC Neilson (March 2007)



## 2.4 Industry Reviews

Not surprisingly, problem gambling has been at the centre of gambling research, policy decisions and harm minimisation strategies for some time.

In 1999 the Productivity Commission undertook a major review of the gambling industry and gambling behaviour and found that Australians are amongst the biggest gamblers in the world, with recent increases in gambling activity linked to the introduction of electronic gaming machines into hotels and clubs<sup>13</sup>. The Commission strongly supported the adoption of harm minimisation strategies that “seek to meet the recreational demand for gambling, while reducing the social costs associated with each unit thereof.”

The rising availability of gambling facilities has increased the potential for problem gambling, and the Commission found that the costs of problem gambling tended to be greater for gaming machines than for other forms of gambling. This issue is of particular relevance for NSW, given the dominance that gaming machines have in this market; 52% of Australia's gaming machines are in NSW.<sup>14</sup>

In July 2001, the NSW Government announced a gaming reform package, and announced a wide range of harm minimisation/consumer protection measures, including the need to restrict access by shutting gaming machines down for at least some time each day. The legislation allowed for a phasing in period; for the twelve months from 2 April 2002 venues were required to shut down from 6am to 9am, since after 30 April 2003 the shutdown period has been for 6 hours, from 4am until 10am. There are some exceptions possible for certain days of the week and for those venues with a history of 'early opening'.

After the introduction of the measures the NSW Government initiated a major inquiry into harm minimisation measures for gamblers (in July 2003). The review was conducted by the Independent Pricing and Regulatory Tribunal (IPART) and made a number of recommendations regarding harm minimisation and measures to encourage responsible gambling. The IPART review endorsed the view that a 'responsible gambling' framework should be used for policy direction as opposed to singularly focussing on harm minimisation. Responsible gambling encourages consumers to make informed and educated choices, and involves initiatives that contribute to improving the wellbeing of people who may be adversely affected by

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13 Productivity Commission. (1999). Australia's Gambling Industries, Report No. 10, AusInfo, Canberra.

14 Banks, G. (2002). The Productivity Commission's Gambling Inquiry: Three Years On. Productivity Commission

their gambling behaviours.<sup>15</sup> It promotes the idea that responsible gambling involves shared responsibility by individuals, communities, the gambling industry and government. There are three facets involved in promoting a culture of gambling responsibility as endorsed by IPART:

1. Promoting informed choice.
2. Protecting gamblers by discouraging risky behaviours and reducing the prevalence and negative consequences of problem gambling.
3. Providing counselling services to problem gamblers and their families and friends to reduce the negative impacts of their gambling behaviour.

The IPART report identified the six hour shutdown as a measure currently in place that is primarily designed as a protection measure. IPART understands protection measures to generally aim to discourage risky behaviours and to reduce the prevalence of problem gambling and the negative consequences associated with it.

IPART makes recommendations based on evidence of effectiveness and/or stakeholder consensus. In the case of the six hour shutdown the tribunal considered there was insufficient evidence or stakeholder consensus to understand the effectiveness of the measure, or to support and/or understand the likely impacts of amending the six hour shutdown at the time of the report.

At the time of the IPART report it was noted that there was little evidence surrounding the introduction of the six hour shutdown. In addition the IPART report noted stakeholders disagree about the effectiveness and value of the measure. The IPART report therefore recommended that the existing six hour shutdown measure be subject to evaluation. Subsequently this recommendation was endorsed by the NSW Government and the current research was commissioned.

## 2.5 The Shutdown Policy

The operation of electronic gaming machines in NSW is subject to a number of conditions, policy and legislation requirements. As the regulatory body for the gambling industry in NSW the OLGR is responsible for developing, monitoring and enforcing all gaming machine policy implications.

In an effort to minimise the harm caused by problem gambling the OLGR (and its predecessor the Department of Gaming and Racing) have been responsible for a

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<sup>15</sup> Australian Casino Association submission, 2003, p 2. IPART Promoting a Culture of Responsibility. June 2004

large number of initiatives pursued in NSW, one of which is the mandatory shutdown period for gaming machines. As mentioned above, since 1 May 2003 all electronic gaming machines, known colloquially as poker machines or pokies, in hotels and clubs have been required to be shutdown for a period of six hours. The standard hours for the shutdown are from 4am to 10am each day of the week. There are, however, a number of venues (less than one in four) operating variations in times and length of shutdown period, these variations must be applied for and approved by the Liquor Administration Board and are granted on a case by case basis according to Ministerial guidelines. Most commonly the variations result in a reduction of the shutdown period from 6 to 3 hours.

One other outcome of the study was the recommendation that the, now mandatory, six hour shutdown of gaming machines be evaluated for its effectiveness in minimising the harm caused by problem gambling. Such an evaluation is the subject of this report.



### 3 OBJECTIVES

#### 3.1 Objectives

The principal objective of the study is to provide the OLGR with an evaluation of the six hour electronic gaming machine shutdown in NSW in order to determine the degree to which it is contributing towards harm minimisation for problem gambling.

Specifically, the objectives of the study are as follows (as set out in the tender document):

- (a) Determine the extent to which the shutdown:
  - (i) reduces the harms associated with problem gambling, including for 'at risk' communities
  - (ii) affects recreational gamblers
  - (iii) economically affects the relevant industry sectors, and
  - (iv) generates any unintended or perverse consequences
- (b) Determine the differences in the impact of the shutdown on clubs versus hotels (for both the venue and the players)
- (c) Establish the effectiveness of the shutdown in areas close to the Sydney Casino by:
  - (i) investigating evidence of gamblers travelling from hotels and clubs to the Casino on or before the shutdown
  - (ii) Determining if gamblers choose to frequent the Casino instead of hotels and clubs because of the shutdown
- (d) Establish whether variations in shutdown times result in a rolling shutdown effect i.e. are patrons moving from one venue to the next?
- (e) Establish the cost/benefit of the three hour shutdown compared to the six hour shutdown
  - (i) Does the effectiveness of the time span (three hours/six hours) differ depending on which hours it operates, both from a harm minimisation perspective and how it impacts on venues?



- (f) Determine the optimal time span for the shutdown in terms of:
- (i) The need to be six hours or would it still be effective if it were shorter?
  - (ii) The shutdown being more effective during particular hours
  - (iii) All areas needing the same time span, e.g. should the same requirements apply to the CBD/industrial centres – could they have a different shutdown?
  - (iv) Is the time span only effective where all venues have the same shutdown hours?
- (g) Investigate the options for ensuring flexibility for venues:
- (i) The effect flexibility has on the effectiveness of the shutdown?
  - (ii) Should the criteria for flexibility be reviewed? What should the criteria for flexibility be?
  - (iii) Should there be a trade-off for increased flexibility?
  - (iv) Do the benefits of flexibility in the shutdown hours outweigh the benefits to gamblers in harm reduction?
- (h) Establish whether the shutdown measure has close substitutes or complementary measures.
- (i) Investigate any noticeable wider social impacts on the community, including, for example, in relation to criminal activity (such as robberies associated with many venues now closing during the shutdown period); or in terms of lifestyle changes associated with patrons who may have formerly attended venues during the shutdown period but who no longer do so.

## 4 RESEARCH DESIGN

### 4.1 Introduction

To inform the evaluation Blue Moon undertook two broad activities; desk research (including a literature review, consideration of publicly available social statistics and venue profit and loss data), and empirical research (using both qualitative and quantitative techniques among venues, patrons and the community).

The literature review was to be informed by information drawn from the academic or research literature and industry sources. Specific elements required for the report included:

- A review of current Australian research literature relating specifically to the effectiveness of mandatory shutdown periods for EGMs;
- A review of Australian literature to inform the research activities regarding harm minimisation measures and prevention strategies to assist problem gamblers;

The desk research component also included consideration of relevant and publicly available social statistics, such as related crime statistics. The final component of the desk research was quarterly profit and loss data provided by the NSW Office of Liquor, Gaming and Racing for the period 2001 to 2007. This data was analysed at the LGA level for significant differences in revenue over the period the shutdown regulation was introduced.

The second component of the project, namely the empirical research, was expected to involve the development of an appropriate methodology to evaluate the impact the 6 hour shutdown. The research was considered appropriate if it was valid (capable of measuring what it was supposed to measure), reliable (capable of being replicated with the same results), representative (capable of being generalized across the maximum number of people in the general population of gamblers), and had adequate legitimacy or transparency (face validity). In other words, the outcomes of the research would appear to be meaningful, practical and informative for the policy review to be conducted by the NSW Office of Liquor, Gaming and Racing.

## 4.2 Methodological Framework

Of the numerous interested parties within the gaming industries four main audiences were identified and targeted in this evaluation:

- Gamblers
- Venues
- Wider Stakeholders
- Wider Community

In order to access these groups effectively Blue Moon undertook a variety of research methods. Each method of data collection was used to contribute an understanding and response to one or more of the evaluation objectives. Figure 1 describes the overall methodological framework.

Figure 4.2.1 Methodological framework

Target Group	Method and sample	Technique
Gamblers	270 Face to face interviews with gamblers	Empirical – Quantitative
	5 Case studies with Problem Gamblers	Empirical – Qualitative
Venues	100 Telephone interviews with Club and Hotel Managers	Empirical – Quantitative
	5 In-depth interviews with Club and Hotel Managers	Empirical – Qualitative
	Analyse venue profit data	Desk Research – Quantitative
Wider Industry	5 In-depth interviews with gambling support agency staff	Empirical – Qualitative
	5 In-depth interviews with industry stakeholders	Empirical – Qualitative
Wider Community	Literature review	Desk Research – Qualitative
	Trends in relevant social statistics	Desk Research – Quantitative
	2 Mini group discussions with family members of Problem Gamblers	Empirical – Qualitative

### 4.3 Individual Methodologies

The following subsections provide an overview of each research method used to inform the evaluation, how the data was collected and the main rationale for its inclusion.

### 4.4 Literature Review and Desk Research

A limited literature review was conducted to explore existing knowledge and data that was expected to be of assistance in answering the evaluation questions. The review was limited in focus, as there were constraints due to available time and budget. Rather than attempting a full academic exploration of all issues, the review sought to identify key themes, insights, information gaps and hypotheses that could be tested in the subsequent data collection phases.

Specific objectives were to identify from the literature reviewed:

- key themes and insights regarding mandatory EGM shutdowns;
- information gaps and hypotheses for further testing; and
- Background information on the wider harm minimisation and problem gambling issues.

#### Approach to sourcing data

Blue Moon conducted a short search using the internet and computerised bibliographic databases but found only a limited number of articles concerning mandatory shutdowns of EGMs that were relevant to the study. All searches focused on data on EGMs and shutdown periods, problem gambling and harm minimisation approaches.

The databases searched were: Medline; CiNAHL; PsychInfo; and APAIS. The search terms used were: Poker machines or electronic gaming machines or EGM; mandatory shutdown; harm minimisation or problem gambling; and Australia.

Online searches were conducted using [www.google.com.au](http://www.google.com.au) and [www.anzwers.com.au](http://www.anzwers.com.au) and specifically the Gambling Research Australia gambling research database ([www.gamblingresearch.org.au](http://www.gamblingresearch.org.au)).



## Social statistics

Blue Moon also conducted a short search for relevant social data relating to gambling and the shutdown. In the case of relevant social statistics no supporting statistics relevant to the 6 hour shutdown were found. Data sources searched included the Australian Bureau of Statistics, NSW Bureau of Crime Statistics and Research and Gambling Research Australia.

## Venue profit data

Quarterly profit and loss data for clubs and hotels was provided by the NSW Office of Liquor, Gaming and Racing for the period 2001 to 2007. This data was analysed at the LGA level for significant differences in revenue over the period the 6 our shutdown regulation was introduced. 8 LGAs were specifically analysed: Sydney, Bankstown, Canterbury, Fairfield, Parramatta, Wollongong, Newcastle, and Lake Macquarie.

### 4.5 Face to Face interviews

Gamblers were recruited in-situ at gaming venues (excluding the Sydney Casino), and interviewed using a structured survey instrument (see Appendix D). The venues sampled were based on the following broad sample frame:

Table 4.5.1 Sample frame for face to face interviews with gamblers

Local Government Area	Clubs	Hotels	Interview quota n=
Sydney			
Near the Casino	2	4	30
Relatively far from the Casino	2	4	30
Newcastle	3	3	30
Wollongong	3	3	30
Lake Macquarie	3	3	30
Parramatta	3	3	30
Blacktown	3	3	30
Fairfield	3	3	30
Canterbury	3	3	30
<b>Total</b>	<b>25</b>	<b>29</b>	<b>N=270</b>

It should be noted that the research design was not intended to include a state wide representative sample of gamblers, but rather the best possible mix of gamblers that were likely to be affected by the shutdown given the available time and budget.

In order to interview gamblers within the venue settings a sample of venues that operated EGMs and were potentially affected by the shutdown was required. The OLGR provided Blue Moon with a list of all clubs and hotels in NSW. The list distinguished those hotels with 24 hour licences, as all club venues are entitled to trade 24 hours there was no such distinction made for clubs.

Blue Moon then selected potential venues within the 8 LGAs of interest to ensure a mix of venue type, trading hours and approved variation to the 6 hour shutdown. Venues were sampled as randomly as possible within those constraints.

The OLGR sent a letter to the two industry bodies, the AHA (Australian Hotels Association) and ClubsNSW, informing them about the research and seeking their support in the evaluation.

Blue Moon then contacted the venues to seek permission for our interviewers to recruit and interview a small selection of gamblers at their venue. Blue Moon sub contracted the fieldwork data collection and processing to Ekas Research. Seven venues either refuse to participate or did not respond to our initial approach, these venues were replaced in the sample by randomly selected venues with in the same LGA. A further two venues were replaced during the fieldwork period as they presented safety concerns for the interviewing staff at the time interviewing was scheduled.

Interviews were conducted face to face by experienced, trained, interviewers from ekas using a pen and paper questionnaire. Interviews were conducted 'in-situ' with respondents recruited 'on the fly'. This allowed a deeper and more accurate behavioural assessment to be undertaken.

Interviews were conducted during 3 shift times; early morning/very late evening, mid-morning/mid day and, evening/night. The three shift times were intended to capture audiences potentially affected by the shutdown period as well as recreational gamblers. As such, shift times varied from venue to venue taking into account any variations to the six hour shutdown they may be operating under. An example of the shift times that operated for a typical venue would be as follows:



- Shift 1 10:00am – 1:00pm
- Shift 2 6:00pm – 9:00pm
- Shift 3 1:00am – 4:00am

Interviewers were provided with a pre-defined list of hotels and clubs within an LGA they then recruited and interviewed respondents using gaming machines. Interviews were spread across clubs and hotels with both standard 6 hour shutdown period and variations on the shutdown.

The questionnaire broadly covered three distinct themes:

- Immediate gambling intentions
- Effect of the shutdown on behaviour
- Patterns of gambling behaviour

As the accepted and preferred tool for problem gambling population-level research in Australia the 9 questions of the Canadian Problem Gambling Index (CPGI) were included. The CPGI can be used to identify 'low risk', 'moderate risk' and 'problem gamblers'.

#### 4.6 Case Studies with Problem Gamblers

Blue Moon conducted 5 in-depth, qualitative case studies with people recognised as having a gambling problem<sup>16</sup>. Interviewees were recruited using a contact within Gamblers Anonymous (GA) and a specialist recruitment research partner that Blue Moon regularly works with. The key criteria for recruitment was persons whose lives had been adversely affected, either financially or personally due to gambling on EGMs.

On analysis of the transcriptions, it was found that one of the case studies has little relevance to this project as the interviewee's gambling problem was with the horse racing rather than the use of EGMs. While this interviewee was able to shed light on the issues under discussion due to his active role in Gamblers Anonymous (GA), his responses were based on his perceptions of other people's experiences rather than his own. It was decided that this interview would not be appropriate for use as a case study.

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<sup>16</sup> All identifying details of case study participants have been altered to protect the privacy and confidentiality of respondents.



We do not believe the exclusion of this interview has any impact on the research as the role of the case studies is to highlight the issues under discussion from the perspective of the problem gambler. The remaining four case studies are with people for whom EGMs were the specific gambling activity that had caused either financial or personal difficulties. We believe these cover the key issues.

Each interview was conducted at location of the respondent's choice and was of approximately 1 hour duration. Interviews were conducted according to a broad topic guide.

#### 4.7 Telephone Interviews with Venue Managers

Blue Moon undertook 100 telephone interviews with venue managers or, if appropriate, gaming managers from hotels and clubs with electronic gaming machines and operating under a 24 hour licence at least one day per week. Interviews were conducted by expert telephone interviewers from ekas using a Computer Assisted Telephone Interviewing (CATI) approach. Interviews were conducted during standard business hours.

The questionnaire captured the impressions of venue managers regarding the shutdown and the impact it makes on both patrons and ultimately the operation of their venue such as the impact on gaming revenues, staff levels, venue operations, effects on patrons and perceived changes in the industry as a result.

Respondents were recruited from a list of venues with 24 hour licences provided by the OLGR, with venues involved in the in-depth interviews were excluded from the sample frame.

The sample frame was designed to include those venues that had potentially been affected by the 6 hour shutdown. The questionnaire included screening questions to filter out venues that either did not have any electronic gaming machines or did not or had not opened between 4:00am and 10:00am prior to or since the introduction of the six hour shutdown period.

#### 4.8 In-depth Interviews with Venue Managers

In-depth interviews were conducted with venue owners and managers. These were recruited with the assistance of Clubs NSW and the Australian Hotel Association (AHA). The sample was comprised of:

- one metropolitan sporting club that has early opening hours (before 10am);
- One metropolitan club that could operate 24 hours a least a few days per week.

This venue was in an area with a high proportion of shiftworkers;

- one large semi-regional club that could open 24 hours more days per week due to demand;
- an inner Sydney city hotel where the emphasis is on early openings. This respondent was also able to provide insight from the perspective of an inner city hotel opened 24 hours based on his past experience; and
- The owner of a 24 hour hotel in western suburbs of Sydney. This respondent was also a stakeholder interviewed and his views as an owner were discussed at the time.

The interviews with venue managers and owners had the aim of providing more detailed insight into the areas of specific concern for venues. The information collected was initially used to inform the quantitative questionnaire with venues, and has been used where also relevant in the discussion of issues.

Each interview was conducted at a time and location of respondent's convenience. Where possible this was done face-to-face at the venue under discussion. However, phone interviews had to be completed on two occasions due to the venue's location and the research timing. Each was of 40-60 minutes duration.

Interviews were conducted using a semi-structured discussion guide.

#### 4.9 In-depth Interviews with Industry Stakeholders

In-depth interviews with industry stakeholders were the first research activity undertaken. The purpose of this research activity was to ensure that Blue Moon was aware of all the issues of specific relevance to the evaluation from the



perspective of industry stakeholders. This research activity also allowed industry stakeholders to comment on the planned research activities and to identify where they may be able to provide assistance. The information from these interviews was used to develop research instruments for all subsequent research activities, and to inform a number of areas of reporting.

The industry stakeholders included in the research included:

- Clubs NSW;
- Australian Hotel Association (AHA);
- The Sydney Casino; and the
- Gambling Impact Society.

The Council of Social Service of NSW (NCOSS) was also approached to participate in the industry stakeholder sample. This invitation was declined at the time, as it was thought that the other stakeholders would provide more detailed information. One of the representatives from the AHA also provided the perspective of a venue owner. Relevant findings have been included as part of the in-depth interviews with venue managers and owners research activity.

Each interview was done at a time and place of the representative's choosing. One was undertaken by phone, with the remainder conducted face-to-face. Each was of approximately 50 minutes duration.

Interviews were conducted using a topic guide.

#### 4.10 In-depth Interviews with Gambling Support Agency Counsellors

In-depth interviews were conducted with representatives from four gambling support agencies. In many cases these interviews involved both representatives from the agency's management and the counsellors themselves. A further 'mini-group' discussion was conducted via teleconference with six counsellor representatives from a number of offices run by one agency. This involved both regional and metropolitan offices. The support agencies included within the research were:

- G-Line;



- Multicultural Problem Gambling Service;
- Wesley Mission;
- Hunter Gambling Counselling Service; and
- Mission Australia (mini-group discussion conducted via teleconference).

Each interview/ group discussion was of approximately 1 hour in length. As stated the mini group discussion with Mission Australia offices was conducted via teleconference. Another two interviews were also conducted by phone due to the location of the respondents. Two interviews were conducted face-to-face.

Interviews were conducted using a semi-structured discussion guide.

#### 4.11 Mini-group Discussions with Family Members of Problem Gamblers

Two mini-group discussions were conducted with family members of problem gamblers. Parramatta was chosen as the central location for the groups to be held. Each group comprised 5-6 respondents and involved family members of a gambler whose life had been adversely affected financially or in their relationships due to gambling on EGMs.

The familial relationships of respondents to problem gamblers included mainly spouses, siblings, and parents, with the exception of a mother speaking about her adult child. Each group was approximately 1 ¾ hours in length and was conducted using a semi-structured discussion guide. Respondents were recruited using the services of a specialist recruitment agency, J and S Research, which Blue Moon regularly partners with.

#### 4.12 Notes on Qualitative Research

Qualitative research was conducted to allow for the in-depth exploration of motivations, attitudes, feelings and behaviour. The findings were interpretive in nature, and analysis was based on the researchers' experience and expertise of this type of research. As with all qualitative research, the findings are likely to be broadly representative of the population at large. However, it should be noted that the questioning style and sample size for each sub-population were not appropriate for statistical analysis.



Blue Moon's approach to qualitative analysis is in keeping with international market research industry<sup>17</sup> and social research<sup>18</sup> standards. All depth interviews and group discussions were conducted by experienced qualitative research moderators and were audio recorded. Quotations from the discussions are provided throughout this report.

Interviewers reviewed tapes or transcripts of the sessions they conducted and analysed the data for key themes and patterns. Ideas and hypotheses were then tabled and debated by the evaluation project team from Blue Moon.

#### 4.13 Note on Quantitative Research

Even though quantitative research typically deals with larger numbers of respondents, users of survey results should be conscious of the limitations of all sample survey techniques.

Sampling techniques, the level of refusals, and problems with non-contacts all impact on the statistical reliability that can be attached to results. These all contribute to the design effects for individual surveys. It is beyond the scope of this report to estimate the design effects for the standard errors, which would recognise that the sample was a clustered design which over sampled gamblers at particular times of day. However, errors based on a simple random sample are provided as a guideline, but the actual standard errors will be higher than those based on simple random samples. The following provide examples of margins of error for different sample sizes under simple random sample designs.

While the majority of the quantitative results are expressed as percentages, if the base size is very small they are shown as raw scores (i.e. number of respondents) and this is shown as 'n=';

The 'base' or sample size for the various sub groups of respondents varies from group to group and may vary between questions. The sample sizes for each data set are displayed at the top of the column in italics.

Columns in tables or bars in graphs may not sum exactly to 100% due to rounding;

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*Qualitative Market Research. A Comprehensive Guide*, Sage, London pp. 255-6

<sup>17</sup> Donovan, R & Henley (2003) *Social Marketing Principles & Practice*, IP Communications Melbourne p. 122

Hawe, P, Degelig D & Hall, J (2004) *Evaluating Health Promotion*, MacLennan+Petty, Sydney pp. 148-150



Some of the questions invite a multiple response and so the total responses sum to more than 100%;

While the majority of questions are unprompted, some are prompted where a list of possible answers are read, or respondents are prompted on issues and asked if they agree, or have experienced the issue etc, and these questions are always identified as being prompted (it should be noted that prompted questions typically yield higher responses than unprompted questions);

All mean scores exclude 'don't know' and 'refused' responses, unless otherwise specified;

If a result is based on a small base size ( $n < 20$ ), this is indicated by an asterisk (\*) and these results are indicative only;

Statistical analysis has been undertaken using tests of significance between sub-groups to identify statistically significant differences. Results significantly greater than the remaining nett total result have been identified in tables with a double plus symbol (++) and results significantly less than the remaining nett total result have been identified in tables with a double minus symbol (--). In this report, differences between groups reported as 'significant' mean that a statistically significant difference has been identified at a 95% confidence level.

The maximum margins of error at the 95% confidence level for the quantitative samples are outlined below:

for the  $n=270$  gamblers, it is  $\pm 6\%$ ;

for the  $n=100$  venue managers, it is around  $\pm 10\%$ .

Please note that when comparing the result between two sub-groups within a sample or between two samples (eg between hotels and clubs within the venue managers sample or between problem gamblers and at risk gamblers), the margin of error increases. The smaller the base sizes, the larger the error - which means we need a larger difference in the percentages for it to be significant). While the actual margin of error depends on the subgroup bases and the percentages being compared, an example is provided below.

For example, the error for comparing hotels and clubs is between  $\pm 9\%$  and  $\pm 16\%$  - which means when comparing a result for hotels vs clubs at around the 50% response, the difference must be greater than  $\pm 16\%$  to be significant.

## 5 LITERATURE REVIEW

### 5.1 Overview

A search of publicly available research uncovered little research specifically focussing on mandatory shutdowns of EGMs. Much of the research considered harm minimisation and problem gambling. The most relevant articles have been summarised below and used throughout the report where applicable.

#### Shutdowns

Evaluation of the 3 shutdown (2003) Brockelsby, A L; Gabay, K.

AC Nielson conducted an evaluation shortly after the introduction of mandatory shutdowns in NSW. The researchers were asked to evaluate the impact the shutdown had had on four key audiences; problem gamblers, recreational gamblers, the industry and the wider community. The research concluded that the 3 hour shutdown had a minimal impact on minimising problem gambling. The research suggested that this was due mainly to the time the shutdown operated (6am to 9am) as it is the least popular time to gamble. The authors noted that "it is commonly believed the shutdown would be more effective if it was at a more popular gambling time and if it applied to all gaming venues (including the Casino) and at the same time (without varied shutdown hours)"

Australian Gambling Review (2005) Delfabro, P; LeCouteur, A.

The Australian Gambling Review sought to review the available literature in Australia regarding all aspects of gambling research. The review covered all aspects of gambling yet had little to report on shutdowns. Specifically the review noted that "There is currently little evidence available to support the effectiveness of this strategy".

The review also mentioned a project conducted by the Independent Gambling Authority of South Australia by Delfabro and Panozzo (2004) which found that problem gamblers were generally sceptical about the value of machine shutdowns unless they were of a sufficiently long duration. It was felt by problem gamblers that if machines only stopped for five to ten minutes, this would not be enough time to encourage them to stop gambling for the occasion, whereas a 25–30 minute

shutdown would be more effective in persuading them to leave the venue and perhaps reconsider whether they wanted to continue gambling.

### **Problem gambling**

Identifying problem gamblers in gambling venues (2007) Delfabro, P; Osborn, A; Nevile, M; Skelt, L; McMillen, J.

The research incorporated a review of the literature relating to problem gambling and as such was able to make comment on trends in problem gambling and problem gamblers. Delfabro et al. found the prevalence of problem gambling tends to be higher amongst younger age groups (18-30 year olds), amongst males, and amongst those with poorer employment prospects and housing status. It was also found that among most of the reviewed surveys the principal source of the gambling problems show that a high proportion of problem gamblers play EGMs: South Australia (60-70%, S.A. Department of Human Services, 2001), the ACT (76%, McMillen et al., 2001b), Tasmania (31%, Roy Morgan Research, 2005), Victoria (84%, McMillen et al., 2004) and Queensland (95%, Queensland Government, 2004). It was found that "rather than just a problem of individual pathology or psychological disorder, the prevailing view in Australia is that problem gambling can emerge from a combination of factors related to the individual gambler and the wider gambling and social environment".

Prevalence of gambling and problem gambling in NSW – a community survey 2006 (2007) Brockelsby, A L; Kenrick, M.

The survey was conducted among the NSW adult population to assess the prevalence of gambling and problem gambling in NSW. The research investigated the prevalence of gambling and problem gambling in NSW using the CPGI. In addition to understanding gambling participation the research sought to understand correlates and associated characteristics of problem gamblers in more detail.

The study found that Sixty-nine percent (69%) of the NSW adult population gambled at least once during the 12 months prior to the survey being conducted. Using the Canadian Problem Gambling Index (CPGI), the survey has found that 0.8% of the NSW adult population falls in the problem gambling group. A further 1.6% are considered moderate risk gamblers and 2.1% low risk gamblers, equating to less than 5% of the population with some level of gambling risk.





## 6 DEFINING PROBLEM GAMBLERS

In order to evaluate any intervention designed to minimise harm with problem gamblers, there is a need to first understand the demographics and motivations of problem gamblers. This section discusses these elements.

### 6.1 Official Definition

Problem Gambling not only has an impact on the individual concerned but extends to their family, friends and wider community. In this sense problem gambling contributes to social harm and in some cases family unit disintegration. As discussed previously problem gambling is itself a complex concept to define and measure, the current accepted definition is *"Problem gambling is characterised by difficulties in limiting money and/or time spent on gambling which leads to adverse consequences for the gambler, others, or for the community."*<sup>19</sup>

Part of the issue with reducing problem gambling is separating 'problem' gamblers from recreational gamblers without a gambling addiction. A number of studies have looked at identifying and characterising problem gamblers both in directly through assessment and indirectly in venues.<sup>20</sup> The current study used the nine questions of the CPGI during each face-to-face interview with a gambler inside venues to assess, post hoc, the individuals gambling character.

As mentioned previously, the CPGI is the now accepted standard for identification of problem gambling within social/population research in Australia. The CPGI uses 9 questions that relate specifically to gambling behaviour and outcomes that form an "index" of gambling behaviour. The CPGI was validated with a general population sample, unlike other instruments (e.g. SOGS and DSM-IV) that were constructed using clinical samples of problem gamblers. As a result, the CPGI provides greater distinction among gambling sub-types, and contributes to our understanding of the distribution from low-risk to problem gambling.<sup>21</sup>

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<sup>19</sup> Problem Gambling and Harm: Towards a National Definition. Gambling Research Australia, November 2005.

<sup>20</sup> Delfabro, P, Osborn, A, Nevile, M, Skelt, L & McMillen, J (2007) Identifying problem gamblers in gaming venues

<sup>21</sup> McCready, J & Adlaf, E (2006) Performance and Enhancement of the Canadian Problem Gambling Index (CPGI): Report and Recommendations



## 6.2 Using the CPGI

The CPGI categorises gamblers into four categories; no problem, low risk, moderate risk and problem gamblers. Of the 272 face to face interviews conducted in venues with gamblers using EGMs, 79 were classified by the CPGI as being problem gamblers. This represents 29% of the entire sample. A further 27% of gamblers were assessed as at moderate risk of gambling problems, and 21% were considered at low risk. Some 23% were classified as having no problem.

Interviews were conducted during three different time periods:

- Morning (10am to 1pm);
- Early Evening (6pm to 9pm); and
- Late Night (from 1am to 4am or 6am dependent on venue closing hours).

As can be seen in table 6.2.1 below incidence of the different 'types' of problem gamblers varied by venue and the time of day they were interviewed. The results suggest that 'types' of gamblers will differ by location and time of day. Morning interviews yielded more no problem (31%) and moderate risk gamblers (29%), than low risk (17%) and problem gamblers (23%). Early evening interviews contained a larger proportion of problem gamblers (35%) than other groups (26% no problem, 24% low risk, and 15% of moderate risk gamblers). Proportionately, more problem gamblers (30%) and moderate risk gamblers (30%) were found during the late night interviews than the other categories of no problem (17%) and low risk (23%). It therefore stands to reason that preventative measures and interventions, such as a mandatory shutdown period, will vary in the impact made on reducing harm to problem gamblers by the time of day employed. This specific issue is dealt with in more detail in section 15.

Noticeably, there were significantly more problem gamblers surveyed in hotels than clubs (35% compared to 23%) across the total sample.

**Table 6.2.1 Incidence of problem gambling by venue type and time of day**

	Total	Venue Type		Time of Day		
		Club	Hotel	Morning	Early evening	Late Night
<i>Sample</i>	272	137	135	90	46	136
No problem	23%	25%	21%	31%	26%	17%
Low risk	21%	25%	17%	17%	24%	23%
Moderate risk	27%	28%	27%	29%	15%	30%
Problem gambler	29%	23%	35%	23%	35%	30%

Base: Total Sample (n=272)

### 6.3 Frequency of Gambling

A common correlate in the literature on gambling is high frequency of gambling activity and being a problem gambler. As expected both the qualitative and quantitative research found that those defined as problem gamblers were more likely to be high frequency gamblers. As seen in table 6.3.1 below, problem gamblers were significantly more likely than any other category to gamble on EGMs daily (21% compared to 4% of moderate risk, 0% of low risk and 5% of gamblers without a problem). Similarly only 1% of problem gamblers interviewed played EGMs less often than every couple of months where as significantly more that had no problem claimed this (21%).

**Table 6.3.1 Gambling frequency by CPGI category**

Q3.FREQUENCY OF PLAYING POKER MACHINES					
	Total	No problem	Low risk	Moderate risk	Problem gambler
<i>Sample</i>	272	63	57	74	78
Daily	8%	5%	--	4%	21% <sup>++</sup>
Once or twice a week	57%	46% <sup>--</sup>	61%	57%	64%
Once or twice a month	24%	22%	32%	31%	12% <sup>--</sup>
Every couple of months	4%	6%	4%	4%	3%
Less often than every couple of months	7%	21% <sup>++</sup>	4%	4%	1% <sup>--</sup>

Base: Total Sample (n=272)

Similarly, problem gamblers tend to gamble at a larger variety of times than those without problems. From table 6.3.2 it can be seen that generally the higher level of risk as categorised by the CPGI the larger variety of times the gamblers will play



EGMs. Of specific interest is the significant trend of game play between midnight and 4am; 8% of those with no problem gamble at that time, 16% at low risk gamble, 27% at moderate risk and 45% of problem gamblers play EGMs between midnight and 4am.

Table 6.3.2 Times of day gamblers play

Q4.TIMES OF DAY WHEN PLAY POKER MACHINES					
	Total	No problem	Low risk	Moderate risk	Problem gambler
<i>Sample</i>	272	63	57	74	78
6pm to 9pm	59%	52%	63%	57%	63%
9pm to midnight	53%	38% --	53%	58%	62%
Midnight to 4am	25%	8% --	16%	27%	45% ++
4am to 7am	6%	2%	9%	3%	10%
7am to 10am	4%	3%	2%	5%	6%
10am to midday	25%	38% ++	14%	19%	28%
Midday to 3pm	28%	33%	19%	28%	29%
3pm to 6pm	26%	27%	21%	20%	35% ++
Don't know	1%				3%

Base: Total Sample (n=272)

This indicates that the current shutdown time of 4am is having a greater impact on problem gamblers than others who do not gamble as much during the late night hours. However, it should be noted that problem gamblers are gambling at all hours.

#### 6.4 Demographic Profile

The following tables (Tables 6.4.1 to 6.4.5) illustrate the demographic characteristics of the gamblers in our sample using the CPGI categorisation.



## Age and gender

Table 6.4.1 Gambling categorisation by age

Q43. AGE					
	Total	No problem	Low risk	Moderate risk	Problem gambler
<i>Sample</i>	272	63	57	74	78
Under 25	17%	10%	14%	22%	19%
25-34	18%	10% <sup>--</sup>	21%	18%	24%
35-44	18%	14%	19%	18%	22%
45-54	20%	22%	18%	19%	22%
55-64	18%	24%	16%	20%	12%
65 and over	8%	19% <sup>++</sup>	12%	4%	1% <sup>--</sup>

Base: Total Sample (n=272)

Table 6.4.2 Gambling categorisation by gender

Q51.GENDER					
	Total	No problem	Low risk	Moderate risk	Problem gambler
<i>Sample</i>	272	63	57	74	78
Male	63%	57%	53%	69%	68%
Female	38%	43%	47%	31%	32%

Base: Total Sample (n=272)

Table 6.4.3 Gambling categorisation by language

Q44. ENGLISH MAIN LANGUAGE IN HOUSEHOLD					
	Total	No problem	Low risk	Moderate risk	Problem gambler
<i>Sample</i>	272	63	57	74	78
Yes	89%	90%	82%	93%	88%
No	11%	10%	18%	7%	12%

Base: Total Gambling Sample (n=272)

Table 6.4.4 Gambling categorisation by marital status

Q46.CURRENT MARITAL STATUS					
	Total	No problem	Low risk	Moderate risk	Problem gambler
<i>Sample</i>	272	63	57	74	78
Married or living with a partner	45%	54%	56%	36%	38%
Separated or divorced	13%	13%	9%	14%	14%
Widowed	4%	6%	4%	7%	1%
Single	38%	27% <sup>--</sup>	30%	43%	46%

Base: Total Sample (n=272)

Table 6.4.5 Gambling categorisation by children in household

Q47.NUMBER OF CHILDREN					
	Total	No problem	Low risk	Moderate risk	Problem gambler
<i>Sample</i>	272	63	57	74	78
None	46%	35%	37%	51%	55% <sup>++</sup>
One	11%	11%	7%	7%	17% <sup>++</sup>
Two	25%	35% <sup>++</sup>	28%	23%	18%
Three or more	18%	19%	26%	19%	10% <sup>--</sup>

Base: Total Sample (n=272)

The demographic profile is representative of gamblers playing EGMs in the venues sampled randomly from the 8 LGAs of interest. The profile indicates that EGMs are played by a fairly wide cross-section of people that are fairly reflective of the NSW adult population for age. However, the sample is skewed toward young males, making it consistent with the demographics commonly reported on gamblers. That is, young males (18-30 years old) gamble more frequently than females and have a higher incidence of associated problems.<sup>22</sup>

The main differences between respondents at different risk levels can be seen between those either with no risk or low risk and those at moderate risk or already a problem gambler. When grouped together those at moderate risk or a problem gambler are significantly more likely to be younger (only 3% over 65 compared to 16%), male (68% compared to 55%), single (45% compared to 28%), and have no children (53% compared to 36%) than those at no or low risk.

Information drawn from the five in-depth interviews with gambling support agencies and the four case studies appears to contradict this data on face value. Three from the four reported case studies are with women all of whom are aged 40 years and over. The remaining one is with a male in his 30s. While attempts were made to recruit respondents from lower age groups, and to have a more even representation of both genders, these were unsuccessful. It is likely that while young males may gamble more frequently than females (and older age groups), it is not until gamblers are older that they acknowledge a negative impact on their lives financially or personally of the activity. That is, it is not until gamblers reach their 30s and 40s that they may admit to having a problem. Hence the skew toward women and older age bands in the case studies as older gamblers are more likely to self-report or admit to gambling having had some negative impact on their live financially or personally.

<sup>22</sup> Brockelsby, AL & Kenrick, M (AC Neilson) (2007) Prevalence of Gambling and Problem Gambling in NSW – A community Survey 2006

Information from gambling support agencies supports this. All services reported that many of their clients tend to be aged in their thirties and above as it was not until a person had been gambling for some time that they may admit they have a problem and seek support or assistance. Agencies commented that this meant that a lot of clients had reached a financial or emotional crisis point, or had hit 'rock bottom' where they had suffered financial and/or personal loss before seeking help.

*"We only ever really see them when they've reached the end...when things are so bad that they have no other real option than to call us."*

### Occupation and work status

While people with a gambling problem come from all walks of life, support agencies were of the opinion that there is a skew towards those of lower socio-economic status particularly among those that play EGMs:

*"If you don't have much money or a lot of hope of getting some, the thought of winning thousands from the pokies can mean a lot financially but also does a lot for the self esteem." (Support Agency)*

*"People from the lower SES have less of an ability to overcome financial stresses...they go for the win." (Support Agency)*

*"People on a low fixed income have little ability to change their financial status...they have a fixed income and they have fixed expenses. Playing the poker machines is seen as one way to out of this." (Support Agency)*

Despite this, many representatives of support agencies pointed out that they had provided counselling for problem gamblers who played EGMs who had professional occupations and high incomes as well as those from lower socio economic status. Banking and financial services was mentioned as an industry in which a notable proportion of problem gamblers are employed, however it was also stated that these gamblers are more likely to prefer other gaming activities, such as the horse racing, than EGMs. In contrast, according to support agencies, people of lower socio economic status are more likely to choose EGMs as their choice of gambling than other activities.

The quantitative research among gamblers did not identify specific occupations. Further, there were no specific differences among the different 'types' of gamblers

categorised by the CPGI in terms of working status, that is fulltime, part time, home duties, student and retired. However, the research did indicate an 'over representation' of shift workers compared to the NSW population – 26% of those considered 'participating' in the workforce (employed or actively seeking employment) in this study were shift workers, this compares to 14% of the NSW workforce (ABS, November 2003).<sup>23</sup> It must be recognised that this demographic skew will reflect the time of day the majority of fieldwork was conducted (late night – between 12am and 6am).

**Table 6.4.6 Gambling Categorisation by Work Status**

Q48.CURRENT WORK STATUS					
	Total	No problem	Low risk	Moderate risk	Problem gambler
Sample	272	63	57	74	78
Working full-time	50%	40%	54%	53%	53%
Working part-time	15%	11%	21%	12%	18%
Home duties	6%	5%	7%	4%	8%
Student	3%	2%	2%	7% <sup>++</sup>	
Retired (self supporting, in receipt of super)	7%	17% <sup>++</sup>	7%	3%	3%
Pensioner	13%	21% <sup>++</sup>	9%	15%	9%
Unemployed (or looking for work)	6%	5%		7%	10%

Base: Total Sample (n=272)

**Table 6.4.7 Gambling Categorisation by Shiftwork Status**

Q49.USUALLY DO SHIFT WORK					
	Total	No problem	Low risk	Moderate risk	Problem gambler
Sample	272	63	57	74	78
Yes	19%	14%	18%	18%	24%
No	46%	37%	58%	46%	46%
Not currently working	35%	49%	25%	35%	29%

Base: Total Sample (n=272)

Interviews with support agencies indicated a general perception that shiftworkers, such as taxi drivers, cleaners and hospitality workers, are believed to make up a higher proportion of problem gamblers than may be expected given their representation in the population. It is thought that people in these occupations have less of a choice for leisure and entertainment after work than those that employed

<sup>23</sup> ABS catalogue 6342.0 Working Arrangements, Australia. November 2003.



within normal business hours. Often venues such as clubs and hotels are considered as an option of a place to unwind and relax after work when shiftworkers finish late at night or in the early morning. This then leads to greater exposure to EGMs as a recreational activity. Two of the gamblers involved in the case studies directly attribute their gambling behaviour to a habit developed when they were doing shiftwork of some kind.

#### CASE STUDY 1 - JANICE

Janice is in her early 40s. She has lived with her parents for the past 4 years after breaking up with her partner of 9 years. Janice is currently on a disability support pension for depression. She has gambled on horses and table games at the Casino occasionally, but identifies EGMs as her "vice".

*"Mainly poker machines. I have gambled on horses, Casino, roulette and all that sort of stuff, but my vice is poker machines mainly."*

About 8 years ago, she got a new job that involved shiftwork. Janice would finish work early in the morning (2am-4am) and then go to the club to wind down. She would have a drink and play EGMs. Janice's new job was well paid but she realizes now that she spent most of it at the club in the EGMs. She believes that at the time she was thinking that the more money she put into the machines, the bigger the win will be.

*"Yes, I have had problems with gambling, very much so. I was a shiftworker, earning good money, probably around \$1,500 a week, and the problem was, you know, when I would knock off work, like 2 o'clock in the morning, or 4 o'clock in the morning or something like that, I'd go to the club or the pub and wind down for, you know I'd say I would go for an hour so I can go home, before I go home I wind down you know. Sit down and have a couple of drinks and maybe put down \$20 on the poker machines. But unfortunately I was putting a lot more than that, sometimes I would walk out of the place with no money on me and that was my whole wages."*



## CASE STUDY 2 – JOAN

Joan is in her late 40s. She lives with her 23 year old daughter in a house that is rented through housing commission. She also has a son in his early 30s and was widowed eight years ago. She is on a disability support pension but also does some admin work for a friend's small business on a part time basis.

Joan readily admits that she has a serious gambling problem specifically with the poker machines and has previously been in rehabilitation for her problem. In mid last year, she self-excluded herself from her local club of which she was a lifetime member. Although she is a member of other clubs, this particular one was the place which she most often played the machines.

Joan first started playing poker machines when she was 20. At the time it was the old style handle machines. When she met her children's father they were both working shift work and they would regularly go to the club to play poker machines after work.

*"We worked together in pastry shops so we normally didn't finish till, you know, midnight and that, so my lifestyle mainly was night work. I used to work in garages and that type of thing so I always picked the night shift which suited me 'cos I developed a really bad sleeping pattern, probably from years of doing night shift and that type of thing. I have been gambling for years and years and years and years. I've been into rehab programs approximately, oh how long ago was it, '92, '93, I went into St Edmunds at Eastwood for 21 days."*

However, this does not suggest that all problems gamblers who play EGMs are shiftworkers. It is well recognised by support agencies and venues alike that it is impossible to define a problem gambler by the time of day that they play EGMs or by their occupation.

The other reported case studies highlight that problem gamblers do not always play at night. Neither Helen (Case Study 3) nor John (Case Study 4) were shiftworkers and neither played EGMs until they closed. Both owned their own businesses and were attempting to ensure they continued to maintain their businesses.

### CASE STUDY 3 – HELEN 24

Helen is 64 years old and lives alone after a divorce last year. She has three children and 2 grandchildren. She owns her own cleaning business. Aside from the EGMs, Helen does not gamble except for the occasional scratchie and lotto ticket.

Helen first started playing EGMs 4 years ago. She was on one of her first lunches out with her friends at the club after being ill for some time. A lunch at the club with friends was an activity she had frequently enjoyed on a number of previous occasions. Over the years, she claims that she may have put \$5 into a poker machine one or two times when one her friends did so, but it was not the main purpose of the going to the club and was not a regular occurrence. Nor had she ever played the EGMs by herself at all.

Now Helen plays EGMs on her own nearly everyday of the week. The only place Helen plays is at the one club of which she is a member. Because she owns her own cleaning business, Helen typically takes time off between jobs during the day to play the machines. Each time, she will use whatever cash money she has to hand, and claims to never go to the ATM machine to 'top up' the funds she takes with her.

She will usually stay until the money she has on her has run out. At times when she has been winning, Helen has cancelled her next cleaning job to stay playing the machines for longer. When this becomes too frequent, Helen admits to having to battle with herself at times to make herself leave a 'winning' streak to go to her next cleaning appointment.

While Helen sometimes plays EGMs in the early evening, she does not play late into the night.

At the time of the interview, Helen was clearly distressed about her gambling problem. She was aware that it had begun to seriously affect her business, and therefore her financial situation. However, the main cause of distress was the shame she felt from lying about unexplained absences during the day and why her business was suffering to her family and friends. She had also begun to borrow money from these people to pay rent and bills and felt shame due to the lies she was telling to do so.

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<sup>24</sup> Please note: Helen requested for the interview to not be recorded. While notes were taken throughout the interview, quotations have not been supplied as no transcript is available

#### CASE STUDY 4 - JOHN

John is 36 year old and now lives in the same house as his mother after a divorce 10 years ago. He owns his own panel beating business. He mainly plays EGMs but will also play table games at the Casino if he visits it with friends.

John claims to play EGMs in a number of different circumstances. He will play socially with work colleagues if they go to a club for lunch and of an evening with mates at any one of the local RSLs or sports clubs. About once a month he goes to the Casino with mates on a Saturday night after they go into the city to eat and go to nightclub. On these nights they might stay all through the night playing EGMs and table games.

John does not seem to play during work hours unless it is with his staff while at lunch at a club. However, he will often play EGMs at night through the week at one of the many local clubs of which he is a member. Some times this is initiated by having drinks and dinner with friends and sometimes this is alone. If with friends, he will go to the club in the early evening (7pm-8pm) and stay for a couple of hours. Usually he and his friends will stay if they are winning until a particular time.

*"...stay there for about two hours or something, or three, it depends, how long we go, you know how we, if we're winning or on a good run or, you know, if my mate's winning, I'm watching him or he's watching, you know."*

However, John likes to also play regularly alone so that he does not have to stay or leave at the same time as his mates. He will regularly go to either one or two clubs of which he is a member and on the odd occasion will take himself to the Casino, although he claims that he will never stay out late by himself at any venue.

John feels that as he has a business to run it would be irresponsible to stay late through the working week, and claims the longest he has stayed playing the machines is usually 5 or 6 hours (either alone or with friends). Despite this, one of the key factors that seems to prevent John staying out late at any venue by himself is what his mother would say if she found out. On a weeknight he has usually left the club by midnight at the latest. The longest he claims to have played the machines was from about 8pm to 2am. This was also the latest he claims he has played poker machines

*"No, no, never stayed overnight. After about 6 hours I go home because if I stay overnight and I'm not speaking to my Mum, then she'll think 'Where is this guy?' You know what am I going to say to her? Like if I was with this person, this person, and she says to me, 'Give me his number, let me call him, or let me call her or whatever', you know? ... I'll make it smart, I'll stay out as late as I can, but I'll make sure that I come home."*



## 6.5 Motivations for Problem Gamblers to play EGMs

There is no debate that when people first start to play EGMs the primary motivation is one of entertainment, whether it be as part of social outing with friends or whether to unwind after work. This is agreed as a key motivator for people to initially play EGMs by all respondents in the qualitative research – venues, support agencies, stakeholders and respondents in the case studies.

*"Its entertainment. People want to have a couple of drinks, meet with friends and play on the machines...its fun, its entertainment."*  
(Venue)

*"There's not doubt that it starts of as entertainment. For some people it can stay that way, but for others it doesn't."* (Support Agency)

Among the respondents in the case studies, both Helen and John claimed to have initially began playing EGMs for entertainment on social occasions. As shown above, for John the entertainment element of playing is still an important part for playing socially with his friends. Entertainment was also a key motivator initially for both Joan and Janice. As shown in the excerpts above, it became a normal way to unwind after the shift work they were employed in.

However, the respondents in the case studies illustrate that the primary motivator of entertainment can quickly change. Support agencies were able to provide some indication of what drives a problem gambler to continue playing EGMs despite suffering adversely financially or in their personal relationships. While not claiming these characteristics as applicable to all problem gamblers that play EGMs, support agencies were of the opinion that many problems gamblers were using EGMs as a means to escape from:

- emotions such as loneliness and boredom;
- mental health issues such as depression or anxiety
- difficult situations or circumstances; and/or
- trauma.

In the case studies, Helen, John and Joan all claimed that playing EGMs was a means of overcoming feelings of loneliness and boredom.

### CASE STUDY 3 – HELEN

Helen now thinks that she may have been experiencing some loneliness at the time she began to play EGMs. She had been isolated for some time from friends with her illness, and she claims that her marriage was already starting to deteriorate. Aside from this, Helen had difficulty in understanding why she had begun to gamble on the poker machines on a regular basis.

### CASE STUDY 4 – JOHN

John claims to play the machines out of boredom sometimes. He also recognises that he is driven to play more frequently due to chasing money that he has lost.

"But I just like it because it's just fun you know, something to do and I'm bored sometimes and there's nothing else I can do you know."

*"I like playing because you know you get bored sometimes at home, you know there's nothing to do and I'll go down there you know and play the poker machines and like I've had bad runs with the pokies. Like you might win once or twice but you end up putting double your money back, do you know what I mean, like you don't realise that you do. See one day you might have, you might get the link, the links about nineteen grand or something. I've got it twice now, but the money I've put in is like heaps more than what I've won you know".*

Joan is able to articulate her motivations for gambling in more detail than either Helen or John. She has previously sought assistance from counsellors and support agencies and is more aware of what she calls her 'triggers' for gambling. These seem to encompass boredom, loneliness along with a degree of depression and anxiety.

## CASE STUDY 2 – JOAN

Joan is able to articulate her motivations for gambling in more detail than either Helen or John. She has previously sought assistance from counsellors and support agencies and is more aware of what she calls her 'triggers' for gambling. These seem to encompass boredom, loneliness along with a degree of depression and anxiety.

(her triggers) *"Boredom, loneliness. I'd have an argument like with my kids, I'd be watching TV and I'd see something that reminded me of my husband, or something.....Yeah and then sometimes it would be, as I said, Oh great, I'm feeling really good, I'm going to go down to the club and I'm going to win. And then some days I would down and ... on myself. You know, I'm not good enough, and like not thinking that, but I can look at it now and think why I did it – Well I'm not good enough, nobody's going to love me, Oh well stuff it, I'll go down and I'll destroy myself. And the best way to destroy yourself is to lose money. You know I've got a girlfriend who's a shopaholic. How can you go and sit in front of the poker machines and play poker machines and blah, blah, blah?"*

The case studies also indicate that when gamblers win on EGMs they experience a euphoria that allows them to forget what they may otherwise be feeling. However, winning is not a necessary part of the escape, as just playing the machines provides the escape. Janice was able to describe the feeling escaping to another world.

Rather than a fantasy world, Joan identifies that she goes to her local club to play as it is where she feels 'safe'.

#### CASE STUDY ONE - JANICE

For Janice, part of the appeal of EGMs is the fantasy world that she was able to live in while playing. She feels that this is common among those that play the machines. When questioned as to what that fantasy world provides people, she responded by saying that the experience provides an escape from the real world where money is probably tight and life just seems harder. She believes that playing the machines gives gamblers a chance to feel free of their financial problems for a small amount of time, even though what it does is make them worse. "

*'I mean look the poker machine puts you into a world of fantasy. It's like it's another world, like how the other half lives you know, and it's a non-sense of reality that you know you're going to have all this money and it's a utopia sort of life. Do you understand what I'm saying? It's not natural and the government needs to stop allowing people to have that, and get them back to reality so that they can support the family 'cos there's too many families and that are suffering as well. People can't pay the bills, support their kids. I mean I'm just blessed that I don't have children that I was supporting. But God help them, I mean you know my parents probably would have taken them at times through my gambling and said (Janice) you can't, you know, you can't look after them. You can't feed yourself and pay your own bills, how are you going to do it for these ones. ... I think my Mum and Dad were accepting.'*

*"Well I think everybody likes to think you know that they can have money to burn and you know, and just have money to do what makes them feel good."*



## CASE STUDY 2 – JOAN

Joan recognizes that the club of which she is a lifetime member is a 'safety spot' for her, in that she feels at home there. Yet it was never the people at the club that provided her with comfort, for her it was the machines that were her friend.

When her husband was alive, Joan would regularly gamble after they had had an argument in order to escape the loneliness and depression. After his death, she feels that her gambling got worse as she sought out comfort in the 'safe' place of her local club

*"Well when I used to go down there I felt safe, you know, I knew the people around. I didn't go down to meet people in the club. I used to just go down and play the poker machines and if people talked to me, Oh yeah, yeah, right, whatever. So I didn't want to talk to anyone 'cos that poker machine was my friend. As I said I have gone through many rehab, from counselling. Stopped it for a while and then started it again. I actually barred myself from XXXX Leagues Club in July this year because it was just so easy: like I'd wake up at one or two o'clock in the morning and go 'Oh yeah, XXXX Leagues is open', and I'd go down at 2 o'clock in the morning till it closed. I still gamble at other clubs."*

Support agencies identify that at the same time, problem gamblers have a need to "chase the money" they have lost. Problem gamblers will often describe this overwhelming need to win back money as what drives them to keep playing the EGMs, despite also displaying very rational attitudes to as to the chances of actually doing so. Often, this need combines with the feelings depression, anxiety, guilt and shame to create a cycle that gambler find difficult to escape without some intervention. Janice and Helen articulated this cycle of chasing money coupled with experiencing guilt, shame and depression.



## CASE STUDY 1 – JANICE

Janice believes that while her initial drive to gamble was most likely entertainment, it quickly became a need to win money back or at least to recoup some of what she had put into the poker machines over time.

She now finds it difficult to identify why she is still driven to play poker machines, and can only put it down to an "addiction".

*"I don't know, I think maybe, like, I really don't know. It may be like I was hoping to get a jackpot, you know, hoping against hope you were going to get good money. You know I think that's what the drive is, but then, when I sat down and looked at it logically I thought, you know, even if I did get a jackpot, for what I'm putting in it's not worth it. Like you know what I mean, but you still go and do it, I don't know what the addiction is. It's just an addiction like, I suppose like cigarettes or alcohol or anything else. I don't know what drives me to do it. Maybe it's entertainment at first. It might start out as entertainment – Oh yeah, I'll go in and I'll have lunch and I'll sit down and I'll put \$10 or \$20 in and that's it, or \$50 max, and then I'll walk out the door. But I never do, very rarely do I. You know, I'll sit there and then I'll think Oh you know, maybe it'll pay, or maybe this machine's not paying so I'll go to another one. So you go to another one, and another one. Before you know it, within 15 or 20 minutes you've done maybe two hundred, two hundred and fifty bucks. And then you're strapped. And then you think, oh what have I done? And then you're forced to go because you've got no money. And then you're suffering for another week if you're getting paid weekly, or fortnightly if you're getting paid fortnightly."*

*"Well just a form of entertainment I suppose, you know. You think to yourself Oh well you're here with a friend, so, and you know, it's exciting, you think Oh you know, you're going to play the machine and you know, it's fun. But you think to yourself, you know, like I might win or I might not, but you're not thinking of much harm that putting the \$20 in or something. At that time it's fun. Right. But when you lose that and then you go to something else it becomes stress. And then from stress, you know, then when you lose everything it's depression. So it starts off as a little bit of fun and ends up a nightmare."*



bluemoon

### CASE STUDY 3 –HELEN

As described above, Helen has often cancelled her next cleaning job when she has been at the club and winning.

She claims to know after each time she stays instead of going to her next cleaning job that her chance of continuing to win is minimal, however at the time she is playing this though is easily suppressed. Often in these circumstances she is driven by trying to recuperate what she has lost or at least the money that will not be made by cancelling her cleaning job.

Helen admits that while playing poker machines, she goes into another world and feels some escape from the emotions she is experiencing in the 'real' world. While once this was loneliness, it is now becoming feelings of guilt and shame that she is escaping from as the financial difficulty she is experiencing is becoming more and more difficult to hide from her family.

Helen claimed that she felt it was these feelings and the action of borrowing money from family and friends that was driving her to spend more time playing the machines. When she was playing, she was able to escape the feelings of guilt and shame she was experiencing, and in the times she was winning she was filled with the hope that she could pay back the money she had lied to borrow.



## 7 EFFECT OF SHUTDOWN ON PROBLEM GAMBLERS

### 7.1 Objectives of the 6 hour Shutdown

The six hour shutdown of electronic gaming machines is one of a raft of harm minimisation measures within the NSW government objective of promoting a 'culture of responsible gambling'. As a harm minimisation measure it has the aims of discouraging risky behaviours and reducing the prevalence and negative consequences of problem gambling. However, as one of a series of measures, it should be recognised that the six hour shutdown is not designed to achieve these aims alone. This needs to be taken into consideration when discussing the effectiveness of the six hour shutdown on problem gamblers.

The qualitative research among gambling support agencies, venues and stakeholders provide some indication as the expectations of what the six hour shutdown as a specific measure is designed to achieve.

Gambling support agencies, and some stakeholders, perceive the shutdown as having the specific dual aims of:

- providing a mandatory 'break in play' that directly impacts gamblers; and
- Being a broader public 'health' initiative.

Each of these is discussed below.

#### Break in play

The first of these, the mandatory 'break in play', is based on the motivating factors of gamblers of play EGMs as a means of escape. EGMs allow gamblers who are seeking escape to enter into a mental state during EGM play which is divorced from more rational influence and thought. The repetitive nature of the EGM play also considered to encourage this, as the act of play becomes easily automatic. This mental state is described by support agencies as:

*"Trance like"*

*"Are in a zone"*

*"In a fantasy land"*



*"In a different world than reality"*

*Or as described in the previous section by a problem gambler,*

*"I mean look the poker machine puts you into a world of fantasy. It's like it's another world, like how the other half lives you know, and it's a non-sense of reality that you know you're going to have all this money and it's a utopia sort of life."*

By introducing a 'break in play' the gambler is able to once more be influenced by the more rational thoughts in regards to the activity they are undertaking.

The concept of a harm minimisation measure designed to provide a 'break in play' is strongly endorsed by support agencies. It is seen as an important element of encouraging gamblers to think about their behaviour and allow them to make a more conscious decision to discontinue gambling or not.

*"It at least gives them time to think rather than just keep playing...doing the same action over and over again, not really even knowing what they are doing." (Support Agency)*

*"The machines are designed that way... they are designed by psychologists to make people feel that they are in another world...and to keep them in that other world....the normal person doesn't really stand a chance against that." (Support Agency)*

*"I've seen people sit for days...known them to wear incontinence pad so they don't; have to leave the slots." (Casino representative)*

However they readily concede that the mandatory shutdown times of 4am to 10am may not reach as many problem gamblers as would be ideal. Support agencies recognise that not all problem or at risk gamblers play until this time of the morning. Some even believed that the measure is not reaching very many problem or at risk gamblers at all during that time.

*"... (Shutdown) is better then nothing, but the hours are currently only effective against a very small portion of problem gamblers." (Support Agency)*

It was suggested by support agencies that to be more effective, in terms of reaching greater numbers of problem gamblers, the hours of the shutdown should be moved to late afternoon or early evening, so more problem or at risk gamblers are forced to have a break in play<sup>25</sup>. Or another alternative measure suggested by support agencies was the introduction of a 'time out' or reminder programmed into each EGM that suspends play after a period of one or two hours continuous play.

*"It would be better if they had something that popped up every hour and said 'you have been playing for 60 minutes, please press such and such if you'd like to keep playing....play will resume in 60 seconds.'" (Support Agency)*

Some support agencies suggested that the introduction of NSW Government legislation banning smoking inside clubs and hotels last year has helped to introduce a break in play for many gamblers at all times of the day. As gamblers have to leave play at the EGM, and walk to an outside area, they are experiencing time to consider their gambling activities. Although the evidence is only anecdotal, this was considered to be positive in encouraging problem or at risk gamblers to cease playing EGMs to some extent.

*"Yeah...there have been a few less calls since July...maybe it is the no smoking laws." (Support Agency)*

Three from the four reported case studies highlight the concept of a break in play providing problem gamblers with a time to think about their actions. Two of these spoke directly about the impact of the no smoking laws on their or others' behaviour.

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<sup>25</sup> The methodology for this evaluation did not collect data on gamblers at all times of day so is unable to comment on the proportion of problem gamblers playing at other times than evening (6pm-9pm), just before the shutdown (12am-4am) and morning (10am – 1pm).

### CASE STUDY 1 – JANICE

Janice believes that the change in smoking laws has had some impact on people playing EGMs. As people have to go away from the machines to have a cigarette, they break the cycle of play and have the opportunity to think about what they are doing. Janice had even talked about the impact of smoking on playing the machines with others.

*"... Since they stopped the smoking it's a good thing 'cos not many people, I don't find there's as many people out there now playing them... Even my cousin. He said he had a problem with pokies and he got himself in quite a bit of crap financially a few times, but he said to me that since they've stopped smoking, he said 'I don't find I go out and gamble as much, I couldn't be bothered 'cos I've got to go and walk out and leave a machine to go and have a cigarette and by that time you've had time to think different and you don't want to go back'. You've had enough, do you know what I mean? It changes your way of thinking."*

### CASE STUDY 2– JOAN

It was not until Joan had to leave the club after losing all her money or at closing time that she would often think about the extent of her gambling problem. Interestingly, she claims to endorse the government legislation of no smoking inside pubs and clubs, despite her being a smoker. She feels that as she is forced to leave the machines to have a cigarette, she has a break in play that actually allows her to consider what she is doing. She feels that this has assisted in cutting back her gambling.

*"The best thing the government did was bring in the No Smoking because it has really cut my gambling down. I don't feel as relaxed when I go down because I'm not smoking. You've got to go out and then that means you've got to leave the machine and break the cycle of actually just sitting there and playing it."*

### CASE STUDY 3 – HELEN

Helen claimed that she reached a crisis point about her gambling every time she left the club. She felt that the moment she walked out the doors and into the fresh air, she felt she was returning to reality and began to think about the money she had just lost. She admits that her good intentions of trying to get her business back on track to pay back the money she had borrowed, or at least to stop borrowing money in order to pay rent and bills, seemed to dissipate the next time a cleaning job paid her in cash. At this point, she would go back to the club.



Most venues and their stakeholder representatives that participated in the qualitative research responded to the concept of a break in play by questioning its effectiveness of stopping problem gamblers. The perspective of many of the venues and industry stakeholders was that a problem gambler will not respond to a forced break in play, regardless of when it is introduced. That is, they would simply find somewhere else to continue play if they wanted to when a break in play is forced. This would be achieved by moving on to the next venue that is open (a roll on effect to venues with a variation) or go to the Casino. Either of these was considered to be unfair to the venue that is forced to close due to the mandatory shutdown hours.

*"If they've got a gambling problem, there's not much you can do. They've got to stop themselves. Shutting down some places, and not others doesn't help...they just go there instead."* (Venue operator).

However, to accept that the concept of a break may work, it is also necessary to accept that EGMs do induce some people into the "trance like state" or "fantasy land". This is something that venues and relevant stakeholder representatives may well not agree with.

#### **A public 'health' initiative**

Support agencies and some stakeholders also suggested that six hour shutdown fulfilled an important role for public health. This was based on the opinion that it was not good for any community, socially or from a mental and physical health perspective, to have broad access to gambling 24 hours a day. This view was likened to the social safeguards placed on the public sale of alcohol, that is there is a limited number of places where this is allowed to occur.

However, support agencies and stakeholders believed that there needed to be tighter restrictions on 24 hour access to gambling than alcohol. These agencies and stakeholders argued that venues have restrictions on their licence to sell alcohol that ensures they do this responsibly. They are also not allowed to sell alcohol to intoxicated people in order to protect the individuals and the broader public from harm. As intoxication is generally what happens after people have been drinking for any length of time there is therefore a natural duration to alcohol consumption.





Yet, venues do not have restrictions on their licence in regards to who and how long they let people play EGMs and there are no physical symptoms of problem gambling (like there is with alcohol intoxication). The same 'natural' duration of availability as occur with alcohol, does not apply with access to EGM gambling. Support agencies and some stakeholders are of the opinion that it is therefore important from a public health perspective to force a restriction on access, and ensure that the public does not have access 24 hours a day.

*"We don't let people drink 24 hours a day,...why should they be able to gamble? It does just as much harm to people and their families."* (Support Agency)

*"(Shutdown) is a matter of public health...of putting regulations and limits on activities that cause mental and physical damage."* (Stakeholders)

Venues and venue stakeholders are of the opinion that this is not a valid argument for a number of reasons. Firstly, it is generally argued that people will access the Casino for 24 hour gambling if they want to. Secondly, some simply do not accept that EGM play (even if excessive) can be likened to alcohol consumption. They do not perceive it as causing the same mental or physical harms. Thirdly, this argument is based on the assumption that EGMs are inherently harmful and that there are 'harms' to the public that need to be minimised.

*"I don't agree with whole harm minimisation idea...its looking at the issue in the wrong way. It says that 'gaming machines are definitely harmful.'" (Stakeholder)*

And lastly, venues believe their obligation to their patrons to provide a place for entertainment and recreation out weighs the need to restrict access to EGMs for the broader public from a public health perspective. That is, limiting access prevents their patrons who may wish to play EGMs for recreation from doing so, and breaks the obligation they have of being a place for entertainment and leisure. This is particularly so of clubs who feel that they have an obligation to their members.

*"We have an obligation to our members. They pay fees and they should be able to play the pokies when we are open..." (Venue)*



Based on these two aims of the six hour shutdown – a break in play and an issue for public health – it was decided that one of key measures in evaluating the effectiveness of the shutdown would be to understand gambler behaviour and attitudes specifically as a result of the shutdown.

In terms of behaviour it was seen as necessary to understand:

- the composition of gamblers playing at the time of the shutdown (recreational, at risk or problem gamblers);
- the reaction of gamblers to the shutdown; and
- Where all gamblers were choosing to go after wards (that is, remain at the venue, to another venue or elsewhere).

In terms of attitude it was important to understand:

- what level of support or opposition there was for the shutdown; and
- Perceptions regarding if and how it should be modified.

## 7.2 **Gambler Behaviour**

To understand the intentions and actions of all gamblers (including problem gamblers) at and around the shutdown period Blue Moon interviewed a sample of gamblers in venues while they were playing an EGM. This method was favoured above others for a number of reasons:

- It was key for this research to capture the behaviour and intentions of problem gamblers while all the influences of the gaming venue were in place. This ensured that respondents did not have to 'post rationalise' their behavioural choices as would be the case when using other methods.
- As understanding gambler behaviour was a primary objective of the evaluation, with attitudes secondary, this is best captured at the time the behaviour occurs to reduce the error associated with memory decay and inference on the part of the respondent. Therefore interviews were conducted at and around the time the venues were to shutdown their EGMs.



## Behavioural intentions at EGM shutdown

As mentioned, the research was designed to capture the intentions of gamblers at the time the shutdown is enforced. Half of the overall sample was recruited just prior to the venue's closing time to determine the intended behaviour once machines were turned off. According to the data in Table 7.2.1 below more than two in three (71%) of those interviewed at EGM shutdown time indicated they would go home when the machines were shutdown. A further 13% said they would stay at the venue while, overall, fewer than one in ten (9%) said they would go elsewhere with the purpose of continuing to gamble.

Table 7.2.1 Behaviour at EGM shutdown

O9/10.INTENTION WHEN STILL PLAYING & POKER MACHINES ARE SHUT DOWN					
Filter: Late Night interviews	Total	No problem	Low risk	Moderate risk	Problem gambler
Sample	136	23	31	41	41
Stay here	13%	26%	10%	15%	7%
Go to the Casino	2%	-	-	2%	5%
Go to another club	4%	4%	3%	2%	7%
Go to another hotel	3%			5%	5%
Go home	71%	57%	87%	71%	68%
Don't know	5%	13%	-	5%	5%

Base: Late night sample (just prior to shutdown) (n=136)

Although not statistically significant there were some indicative differences between the groups of gamblers, as identified by the CPGI, particularly when comparing gamblers at either end of the scale (no problem to those with a problem). Gamblers with no problem were more likely to say they would simply stay at the venue and continue with other activities (26% compared to 7% of problem gamblers) whereas problem gamblers, and low and moderate risk gamblers, were most likely to say they would go home (68% compared to 57%). In this sense the shutdown is effective in prompting those most at risk or identified as having a problem to stop gambling and thus minimise the potential harm on the occasion of interest. It is also likely that gamblers not at risk of developing a problem are less likely to be at a venue with the express purpose of gambling whereas those with, or developing, a gambling problem are more likely to be at venues expressly to gamble.

Over two in three (68%) problem gamblers go home when the machines are shutdown. The shutdown does force a break in play and for most, even problem gamblers, this means they leave the venue and go home – only a relatively small proportion seek out other venues to continue gambling.

### Previous experience of EGM shutdown

In addition, the entire sample (interviewed at all times of day) were asked to recall the last time they were playing machines and they were shutdown, whether this was due to the mandatory shutdown requirements or simply the venue closing trade for the evening. This was considered a secondary method for understanding behaviour of gamblers that had been subjected to an EGM shutdown; nonetheless a significant proportion of gamblers included in this study had experienced a shutdown previously.

As can be seen from table 7.2.2 below, two in five (39%) had previously experienced the EGMs being shutdown while they were still playing. Problem gamblers were far more likely than any other group (63% compared to 41% of those at moderate risk, 32% of those at low risk and 16% of those with no problem) to have been in the situation previously where they had to stop playing due to the venue shutting down their EGMs. These results indicate a pattern of increased risk associated with gambling at the time of venue or EGM shutdowns. Those without a gambling problem are least likely to have ever been gambling at the time the machines are shutdown, this would indicate that while there are fewer gamblers using the machines at shutdown time those that are may be more likely to be at risk of developing a gambling problem or already a problem gambler.

Table 7.2.2 Ever played EGMs when they are shutdown

Q22.EVER BEEN PLAYING POKER MACHINES AT THE TIME WHEN THE VENUE SHUTS DOWN THE OPERATION OF ITS POKER MACHINES					
	Total	No problem	Low risk	Moderate risk	Problem gambler
Sample	272	63	57	74	78
Yes	39%	16% <sup>--</sup>	32%	41%	63% <sup>++</sup>
No	60%	83% <sup>++</sup>	68%	59%	37% <sup>--</sup>
Don't know	-	2%			

Base: Total sample (n=272)



Gamblers that had experienced having the EGMs shutdown while they were still playing indicated, by and large, that this corresponded with the entire venue closing down (see table 7.2.3 below). There were no significant differences in this experience across the different gamblers.

**Table 7.2.3 Extent to which venue shutdown at EGM shutdown**

Q23.ENTIRE VENUE OR JUST GAMING AREA CLOSED DOWN					
Filter: Q22 At venue when EGMs shutdown	Total	No problem	Low risk	Moderate risk	Problem gambler
<i>Sample</i>	107	10	18	30	49
Whole venue closed	69%	60%	67%	77%	67%
Just the gaming area closed	28%	40%	33%	20%	29%
Don't know/ can't say	3%			3%	4%

Base: Experienced the shutdown (n=107)

#### Previous behaviour when EGMs are shutdown

Of the gamblers interviewed that had experienced the EGMs being shutdown while they were still playing the majority (70%) report they went home as a result. Table 7.2.4 below shows that when the EGMs at a venue are shutdown the gamblers with no problem or at low risk do not tend to move on to another venue i.e. there is no evidence of a roll on effect for recreational gamblers – they either stay at the venue and continue other activities or go home (most likely because the entire venue closes). However, moderate risk and problem gamblers are more likely to seek out another venue where they can continue to play (10% of moderate risk gamblers and 16% of problem gamblers report moving to another venue once the EGMs are shutdown).

**Table 7.2.4 Behaviour at previous EGM shutdown**

Q25.WHERE WENT WHEN POKER MACHINES WERE SHUT DOWN					
Filter: Q22 At venue when EGMs shutdown	Total	No problem*	Low risk*	Moderate risk	Problem gambler
<i>Sample</i>	107	10	18	30	49
Stayed at venue	18%	20%	17%	17%	18%
To the Casino	2%			3%	2%
To another club	5%			7%	6%
To another hotel	4%				8% **
Home	70%	80%	83%	73%	61%
To work	1%				2%
Don't know	1%				2%

Base: Experienced the shutdown (n=107)



While problem gamblers are more likely to move on to another venue than lower risk groups it remains that the shutdown of machines at their original venue prompts the majority to go home or to work (63%) while a further 18% choose to stay at their original venue.

Table 7.2.5 shows that all gamblers that reported moving on to a new venue once the EGMs are shutdown (n=11) also report continuing to play EGMs at that new venue.

**Table 7.2.5 Continue to play EGMs at new venue**

<b>Q26.CONTINUE TO PLAY POKER MACHINES AT THE CASINO/CLUB/HOTEL</b>					
<b>Filter: Q25 Went to another venue when EGMs shutdown</b>	<b>Total</b>	<b>No problem</b>	<b>Low risk</b>	<b>Moderate risk</b>	<b>Problem gambler</b>
<i>Sample</i>	<i>11</i>	<i>0</i>	<i>0</i>	<i>3</i>	<i>8</i>
Yes	100%	-	-	100%	100%
No	-	-	-	-	-

Base: Previously went to another venue at shutdown (n=11)

The mandatory shutdown has the effect of breaking the play for all gamblers in the venue at the time of the shutdown. This research shows (see table 6.2.1) 29% of gamblers interviewed in this research had a problem with gambling, and 27% more were at a moderate risk of developing a problem with gambling. The break in play created by the 6 hour shutdown is effective in breaking the gambling pattern and thus directly reducing the harm caused on an individual basis for the majority of gamblers (late at night). In addition the length of the shutdown and the inconvenience of finding another venue prompts most gamblers to return to their homes. Only a very small proportion, all of whom in this research were at moderate risk or had a gambling problem, moved to another venue to continue gambling on EGMs.

### **Impact of shutdown on gaming behaviour**

One of the concerns about the mandatory shutdown period for EGMs is that gamblers will be adversely affected by the time it operates and will be put in a position where they are not able to play when they want to. The research sought to understand the impact the shutdown has had on gambler's choice of playing times. When all gamblers were asked if the shutdown had impacted on their choice of playing time only two percent of gamblers with no problem said that it had, eight



percent of problem gamblers said the shutdown had prevented them playing EGMs when they wanted to – an indicative but not statistically significant difference at the P<.05 level (see Table 7.2.6). Overall however this remains a very small proportion of gamblers in this study – over 80% (n=226) of whom were interviewed around the shutdown period (either before the shutdown (n=136) commenced or at venue opening times (n=90)).

**Table 7.2.6 Impact of shutdown on desired EGM playing time**

<b>Q17.SHUTDOWN PREVENTED YOU FROM PLAYING POKER MACHINES WHEN YOU WANTED TO</b>					
	<b>Total</b>	<b>No problem</b>	<b>Low risk</b>	<b>Moderate risk</b>	<b>Problem gambler</b>
<i>Sample</i>	272	63	57	74	78
Yes	4%	2%	4%	3%	8%
No	52%	46%	51%	51%	58%
Not aware of the shutdown	44%	52%	46%	46%	35%

Base: Total sample (n=272)

A relatively small proportion of gamblers interviewed claimed that the shutdown had prevented them from playing EGMs when they wanted to. As can be seen in table 7.2.7 below a similar proportion also said they had changed the times they play EGMs as a result of the shutdown. Problem gamblers were the most likely group to say they had changed the times they play. Shift workers were slightly more likely than non shift workers to claim they had changed the times they played (8% compared to 2%) although the difference was not statistically significant.

**Table 7.2.7 Change times when play EGMs**

<b>Q18.CHANGED TIMES OF PLAYING POKER MACHINES AS A RESULT OF THE SHUTDOWN</b>					
	<b>Total</b>	<b>No problem</b>	<b>Low risk</b>	<b>Moderate risk</b>	<b>Problem gambler</b>
<i>Sample</i>	272	63	57	74	78
Yes	4%	3%			10% **
No	52%	44%	53%	54%	55%
Don't know	-		2%		
Not aware of the shutdown	44%	52%	46%	46%	35%

Base: Total sample (n=272)

As can be seen in table 7.2.8, overall a small proportion of gamblers say they play EGMs less as a result of the shutdown – only one respondent claimed to be playing



EGMs more as a result of the shutdown. The large majority of those that were aware of the shutdown said there was no change in the time they spent playing EGMs. The remainder, who were not aware, of the shutdown were not asked the question as it is assumed that not knowing a shutdown existed meant the shutdown has not made any impact on their playing habits.

**Table 7.2.8 Time spent playing machines as a result of the shutdown**

Q20.TEND TO SPEND MORE OR LESS TIME PLAYING POKER MACHINES AS A RESULT OF THE SHUTDOWN					
	Total	No problem	Low risk	Moderate risk	Problem gambler
<i>Sample</i>	272	63	57	74	78
More time	-	-	-	-	1%
Less time	6%	6%	4%	4%	8%
No change	49%	41%	49%	49%	55%
Don't know/ can't say	1%		2%	1%	1%
Not aware of the shutdown	44%	52%	46%	46%	35%

Base: Total sample (n=272)

Very few also report changing venues as a result of the shutdown (3% overall). All of those that say they have changed report going to additional venues as well as their usual ones, not one respondent said they had changed venues altogether as a result of the shutdown. Problem gamblers were slightly (but not statistically significantly at the P<.05 level) more likely than others to say they now also go to other venues as a result of the shutdown.

**Table 7.2.9 Venue choice as a result of the shutdown**

Q21.CHANGED VENUES FOR PLAYING POKER MACHINES BECAUSE OF SHUTDOWN					
	Total	No problem	Low risk	Moderate risk	Problem gambler
<i>Sample</i>	272	63	57	74	78
No change	53%	46%	53%	51%	59%
Yes, started to go to other venues as well as usual ones	3%	2%		3%	6%
Don't know/ can't say	-		2%		
Not aware of the shutdown	44%	52%	46%	46%	35%

Base: Total sample (n=272)





From this research there appears to be little evidence of gamblers changing venues or significantly adjusting the times they choose to play EGMs due to the shutdown from 4am to 10am. Nearly one in two (44%) were not even aware of the regulation despite gambling at times close to the shutdown period.

### **Findings from case studies**

For two of the four respondents in the case studies, the shut down was often an essential component of the cessation of play. Both Janice and Joan claimed that the majority of the time, they only stopped playing EGMs by being forced to due to lack of money and of the venue closing. Neither of the two women tended to move on to another venue at closing time, and both were highly unlikely to move far out of the geographic locale if their chosen venue was closed.



## CASE STUDY 1 – JANICE

Janice is aware that venues have a period of time that they close poker machines as her normal habit was to play until the venue closed or she ran out of money, whichever came first. While she feels that people will find a place to gamble if they want to, in her experience, there have been times when the venues in her local area have been closed and she has chosen to go home instead of trying to find somewhere else to go.

Janice feels that at times when venues have been closed, it has prevented her from gambling, leaving her with money to pay household bills. She feels that when gamblers are unable to access poker machines, it provides a time for gamblers to think about their other responsibilities. While at the time she may not have been pleased that the venue was shut, Janice recalls that at least she would wake up in the morning and feel positive as she was able to pay her bills rather than have spent her wages playing the poker machines.

*“Like until they’re saying Get out, you’ll stay. Until you’ve put that last dollar in your pocket in, do you know what I mean, whether you’re winning or losing you’re there until they say Out you go. Normally, you know. Unless you’ve had too much to drink or something and you go I’ve got to go home now. But yeah, you just sit there for hours and hours and for what, I don’t know. I’ve tried to work it out myself.”*

*“Yes and no ‘cos if you’re a solid gambler you’re gonna go and find somewhere to gamble, but I suppose if it’s closed down you can’t. I think it would be a safety net for shiftworkers if they did. There are some plus sides but there’s also, if you’re a solid gambler, if you can’t go between those hours you’ll go in other hours perhaps. You know what I mean? But I suppose for those that are really addicted having that time close-down it’s saving them money and giving them space to think. Like I’ve worked say on a Sunday and that finished at 12 o’clock at night and then I’ve gone ‘Oh I’ll go to the club or the pub’, but it’s not open now. So I think ‘Oh well I can’t’, so I would go home. And then I’ve got my wages and I’ve come home and paid my bills come Tuesday morning, or Monday morning, sorry. I’ve gone and paid my bills and stuff so yeah, it has saved me from blowing the money at the time sometimes, yes.”*

*“No, no, but you know if it’s not open, nine times out of ten it’s deterred me not to gamble and I’ve gone home and the next morning I’ve thought ‘Yeah, well probably it’s a good thing’, and I’ve been responsible and paid the bills and stuff.”*

Janice did not have a particular place that she favoured although she did tend to stay local. Occasionally she would go to the Casino because it was “better odds”, or she would go to a club outside of her local area because she had heard that someone had a big win there. She also reports going on to the Casino one or two times when venues had closed, however this was usually when she was with a group of friends rather than by herself. In these instances, it was more to keep the night going socially rather than to ensure they could keep gambling.

*“Yes, once or twice, once or twice I think, you know. When I was out with some friends and like, you know, it was on a special occasion and we’d been drinking and stuff and we didn’t want to stop. But when you’re drinking and gambling that’s a really bad combination. So there has been once or twice I have gone on to the Casino, yes.”*



bluemoon

## CASE STUDY 2– JOAN

Joan admits that if she did not run out of money she would play until forced off the poker machines, and has often been in the club at closing time playing.

“Oh God, when I had the money. So if five nights in a row I had the money then I would, you know, I would stop until 4 o'clock in the morning, or six o'clock in the morning

Joan claimed that she had never gone on to other venues to play after close of her preferred 'safe' club since she was much younger. While she might attend other venues socially with friends, she did not tend to play the machines as she did not feel comfortable elsewhere than her 'safe' club. This is why she chose to self-exclude from that particular place.

*“As I said, I've got some very good friends through work and I've told them and like, you know, they'll, we'll go to the club for lunch and they'll go and play the pokies and I just stand there because when we went to those clubs that wasn't my pokie one. You know, they weren't my pokie ones; I went from that club to the XXXX Leagues. You know, like some nights I might finish ... you know, 9 o'clock, and being at the club, working, you know, because some of the work with my friends is like going into clubs and that. And I would leave that club, I'd say the XXXX RSL, I would leave the XXXX RSL and I would drive to XXXX Leagues Club 'cos that was my safety zone”.*

Since she has self-excluded from her 'safe' club, Joan has continued to gamble at other places, still within a close geographic proximity of her home. However, they do not seem to fulfil the same need as the club of which she was a lifetime member. She claims that she was quite uncomfortable, particularly at one of the hotels she tried. However when challenged as to why she left the pub, Joan admits it was due to running out of money. She feels she would have stayed until close if she had not run out of money, despite her discomforts.

*“No I stayed there until my money ran out.... Yes I would probably, yeah, (would have stayed until close) and that's a late opener. They do need to put a time limit on people so they're not gambling.”*

### 7.3 Attitudes Toward Shutdown

When asked how they felt about the impending shutdown one in two expressed displeasure (27% said they were unhappy that the machines would be shutdown) while the majority were relatively indifferent (56% neither happy nor unhappy). As can be seen in table 7.3.1 below problem gamblers were the most likely to be unhappy that the machines were shutting down followed by those at risk of developing a problem – those without a problem or safe recreational gamblers were the least likely to be unhappy (9%).



Table 7.3.1 Emotional reaction to impending shutdown

Q14.LEVEL OF HAPPINESS/UNHAPPINESS IF MACHINES ARE SHUT DOWN BEFORE YOU'VE FINISHED PLAYING					
	Total	No problem	Low risk	Moderate risk	Problem gambler
<i>Sample</i>	136	23	31	41	41
Very happy	4%	4%	3%	2%	7%
Happy	8%	13%	3%	10%	7%
Neither happy nor unhappy	56%	74%	61%	61%	37% -
Unhappy	20%		26%	15%	32% ++
Very unhappy	7%	9%	3%	5%	12%
Don't know/ can't say	4%	-	3%	7%	5%
Nett happy	13%	17%	6%	12%	15%
Nett unhappy	27%	9%	29%	20%	44% ++

Base: Late night interviews (n=136)

Gamblers hold varying opinions about the shutdown, the effectiveness of the measure and whether it can (and should) be improved. The research sought to understand the support within the gambling community of the 6 hour shutdown regulation. The following table (Table 7.3.2) indicates over two in three (68%) of gamblers support the mandatory shutdown – just over two in five (43%) strongly support the measure. Interestingly it is problem gamblers that are most likely to support the mandatory shutdown (78% support the shutdown compared to 56% of non problem gamblers). In many cases problem gamblers are aware they have an issue and would like some measures to help minimise the effect of their gambling addiction.

As can be seen from the below data only one in ten gamblers oppose the mandatory shutdown – even as many of these players were aware that their current gambling session was likely to be interrupted by the regulation.

Table 7.3.2 Support for the mandatory 6 hour shutdown

Q27.SUPPORT OR OPPOSE THE SHUTDOWN					
	Total	No problem	Low risk	Moderate risk	Problem gambler
Sample	272	63	57	74	78
Strongly support the shutdown	43%	38%	40%	36%	54% ++
Support the shutdown	25%	17%	30%	28%	24%
Neither support nor oppose	22%	32% ++	21%	27%	12% --
Oppose shutdown	7%	13%	9%	3%	6%
Strongly oppose the shutdown	2%			3%	4%
Don't know/ can't say	1%			3%	
Nett Support	68%	56% --	70%	65%	78% ++
Nett Oppose	9%	13%	9%	5%	10%

Base: Total sample (n=272)

Only one of the respondents in the case studies recalled feeling strongly negative about the shutdown at any times. She recognised that this was commonly when she was on a winning streak at shutdown time and did not want to discontinue playing (see excerpt below). She claims that at times when this occurred, she would play 'big' in the hope of getting 'winning big' before having to take the money out of the machine.

#### CASE STUDY 2- JOAN

Joan admits that if she did not run out of money she would play until forced off the poker machines, and has often been in the club at the time of shutdown. While she may not always be in favour of the shutdown at specific closing times, especially if she is winning or has a small amount left to gamble, she recognises that it does make her go home when otherwise she wouldn't. If the shutdown did not occur, she would stay until she had gambled all the money she had.

*"Yes, and I'd get the shits when they'd say (they were closing), you know I might have had \$50 or \$60 up on the machine and I'd think 'Bloody hell, you know, like, and then I'd start playing big so I didn't have to take it out of the machines.' So what they've done wrong, I believe, is the way they've changed out, the payouts. Like you used to be able to empty the coins out and get coins out of the machine, whereas now you get a receipt. So if you've got \$20 left stuck on the machine, you're more than likely, and a lot of people have sort of said it, you know, in the gambling scene that I've been in, 'Oh we don't bother taking that out, we just play big and hit it'. And then, because otherwise you've got to take it out of the machine and walk over, queue up, get your money.....So they are really taking advantage of people."*

Gamblers were asked whether in addition to the current shutdown the EGMs should be shutdown at other times. Again problem gamblers were significantly more likely to react positively to the mandatory regulation. From table 7.3.3 problem gamblers were the only group in which more believed the EGMs should be shutdown at other times of day also (51% 'Yes' compared to 42% 'No'). Overall one in two (50%) were of the opinion the mandatory shutdown of EGMs should not be extended to other times of day.

**Table 7.3.3 Believe the shutdown should also operate at other times**

Q28.BELIEVE POKER MACHINES SHOULD ALSO BE SHUTDOWN AT OTHER TIMES					
	Total	No problem	Low risk	Moderate risk	Problem gambler
<i>Sample</i>	272	63	57	74	78
Yes	37%	32%	35%	27% <sup>--</sup>	51% <sup>++</sup>
No	50%	49%	54%	57%	42%
Don't know	13%	19%	11%	16%	6% <sup>--</sup>

Base: Total sample (n=272)

When asked to speculate on the effectiveness of the shutdown at different times of day, to the current mandatory period, it can be seen in table 7.3.4 an increased proportion to those that believe it *should* operate at those times agreed it would be more effective at other times (53% agreed it would be more effective, while only 37% believed it should operate at other times). There were no significant differences between the groups with regards to their inferences about the effectiveness of a mandatory shutdown at more popular gambling times.

**Table 7.3.4 Believe the shutdown would be more effective at other times**

Q29.BELIEVE THE SHUTDOWN WOULD BE MORE EFFECTIVE IF AT A MORE POPULAR GAMBLING TIME					
	Total	No problem	Low risk	Moderate risk	Problem gambler
<i>Sample</i>	272	63	57	74	78
Yes	53%	46%	53%	54%	58%
No	35%	37%	37%	30%	38%
Don't know	12%	17%	11%	16%	4% <sup>--</sup>

Base: Total sample (n=272)

Evidence from the qualitative research suggests that many problem gamblers feel helpless to break their play of their own volition and welcome measures that assist



them to do so. While neither John nor Helen played EGMs until the shutdown time, when made aware of the regulation, they both commented that it would be better to have it at different times. That is, at the times they were playing. This indicates that they would welcome the idea that their access to EGMs was limited as a means of minimising the difficulties they were experiencing in their lives.

#### CASE STUDY 4 – JOHN

John was not spontaneously aware of the shutdown as he claimed to have never been at a pub or club playing until 4am. He believed that clubs and pubs just turned off poker machines when they closed, and if they were open 24 hours the poker machines were available to play 24 hours.

When it was explained to him, he endorsed the idea of the law. He also felt that it might be beneficial if time of shut down was before 4am, so that people were able to at least maintain other responsibilities. He felt that as he currently had only ever played until 2am at the latest, he was maintaining a sense of responsibility to his business.

*"No I think it's a good law because at least it gives the people, you know, if they've been there for so many long hours they've got to know that they have to be out by that time. Because some people just, you know, they sell their house and they sell their cars and where does it end up going? It all goes into the pokies. Some people just go overboard with their gambling, do you know what I mean? You know some people have got massive problems you know, because they don't know when to stop."*

*"I think it's too late, I reckon they should close at midnight, 12 o'clock.... because people work the next day and people really stay there, they leave at 4 o'clock and they go home and go straight to work sometimes."*

#### CASE STUDY 3 – HELEN

Helen was not aware of the six hour shutdown before it was explained to her. As an elderly lady who had only recently started playing the poker machines she was rarely out at the club past the early hours of the evening.

Once it was explained to her, Helen endorsed the shutdown. However, she felt that it should be done at busier times such as the afternoons when she commonly plays. She thought it would be more likely to reach more people at this time.

Gambler's opinions were also sought in relation to the length of the current shutdown period (6 hours). Around one in two (47%) believed that the mandatory shutdown should remain as is with one in three (34%) suggesting the mandatory shutdown period of 6 hours should be increased, only one in ten (11%) were in favour of reducing the shutdown period (see Table 7.3.5). Consistent with the above



findings regarding increasing the shutdown regulation, problem gamblers were significantly more likely than non problem gamblers to believe the shutdown period should be increased (44% compared to 22%).

Table 7.3.5 Changes to the length of the current shutdown period

Q30.BELIEVE THE AMOUNT OF TIME MACHINES ARE SHUTDOWN SHOULD BE DECREASED / INCREASED					
	Total	No problem	Low risk	Moderate risk	Problem gambler
Sample	272	63	57	74	78
Decreased	11%	14%	7%	8%	13%
Stay the same	47%	49%	42%	54%	41%
Increased	34%	22% <sup>-</sup>	46% <sup>++</sup>	26%	44% <sup>++</sup>
Don't know	8%	14%	5%	12%	3% <sup>-</sup>

Base: Total sample (n=272)

The qualitative research among gambling support agencies suggests that while there is support for implementing more frequent 'breaks in play' of less duration throughout other times of the day in order to reach greater numbers of people, the duration of six hours provides extra advantages. Firstly, it is an extended period where problem gamblers cannot access EGMs, thus minimising the financial and social harm they would otherwise be experiencing from playing for this time period. Secondly, it is long enough to allow the possibility that problem gamblers may do other activities such as spend time with their family or sleep. Both of these are considered important in minimising the social and personal harms experienced from problem gambling.

*"Well at least they're home...they might have sleep. At least then they might think about what they are doing a bit more clearly instead of just reacting to what comes next."* (Support Agency)

*"At least they can take the kids to school (if they are a shiftworker). That means at least they are seeing their family."* (Stakeholder)

Gamblers that have become problem gamblers are, by definition, dealing with a socially and financially debilitating addiction, in many cases the gambler is acutely aware that they are facing social isolation and financial hardship but it is the nature of addiction that prevents them from easily breaking free from their predicament. There is some indication that the gamblers identified, through the CPGI, as problem gamblers in this study are looking to harm minimisation measures such as the





mandatory shutdown period to help them break the addictive cycle they are in. While not all of the gamblers identified as problem gamblers in this study were of the same opinion regarding increasing the length and time of day the shutdown operates there were significantly more than other categories of gambler such as 'no risk'.

Overall there is a large majority support for the mandatory 6 hour shutdown, both among those gamblers that were previously aware of it and those that were made aware through the research. While exploring the relative support for this harm minimisation measure compared to other alternatives is outside the scope of this study there has been consideration of alternatives and complementary measures in section 17.

#### 7.4 From the Venues Perspective

The evaluation of the 6 hour shutdown policy involved information being gathered from multiple sources and sought to provide a balanced approach to understanding the impact the regulation has made on all stakeholders. Venue managers were surveyed in order to develop an understanding of the impact the regulation has made on their businesses. In addition venue manager's opinions were sought with regards to the effectiveness of the policy in achieving the objective of minimising harm caused to problem gamblers.

Table 7.3.6 below shows the balance of opinion among venue managers regarding the effectiveness of the 6 hour shutdown as a harm minimisation measure for problem gamblers. Overall slightly fewer venue managers believed the shutdown to be effective than those that believed it to be ineffective (34% compared to 41%). Over one in four (29%) felt that the shutdown was very ineffective at minimising harm for problem gamblers. Among those venues that claim to have been negatively affected by the shutdown the proportion saying it was 'very ineffective' rose to one in two (53%).

Table 7.3.6 Effectiveness of shutdown for problem gamblers

Q40.LEVEL OF EFFECTIVENESS OF SHUTDOWN AS A HARM MINIMISATION MEASURE FOR PROBLEM GAMBLERS							
	Total	Venue type		Shutdown hours		Affect of shutdown on total business	
		Clubs	Hotels	No variation	Variation	Negative affect	No affect
Sample	100	50	50	58	38	19	77
Very effective	10%	12%	8%	10%	11%		12%
Somewhat effective	24%	22%	26%	24%	21%	21%	26%
Neither effective nor ineffective	19%	22%	16%	16%	21%	16%	19%
Somewhat ineffective	12%	12%	12%	16%	8%	5%	14%
Very ineffective	29%	24%	34%	29%	32%	53%	23%
Don't know	6%	8%	4%	5%	8%	5%	5%
Nett effective	34%	34%	34%	34%	32%	21%	38%
Nett ineffective	41%	36%	46%	45%	39%	58%	38%

Base: Total sample (n=100)

Those venue managers that believed the mandatory shutdown was an ineffective harm minimisation measure were asked how it could be improved. Responses fell into 3 categories: it can't be improved because it doesn't target problem gamblers; extend the hours and ensure all venues shutdown together (including Casino); and individual, targeted measures should be employed. The full list of suggestions from venue managers in the quantitative research is included in Appendix B.

From the in-depth interviews conducted with venue managers it was apparent that there was some support for the shutdown measure, particularly from a social perspective. One venue manager commented that he felt that at least the shutdown forced people away from the club generally as well as the machines, as he felt that many of his patrons should possibly be spending more time doing other activities:

*"It probably does give people some times away form the machines and the Club...there are people that treat this place like a second home and they need to leave sometime. They come here for cheap food, cheap alcohol, and plasma TVs...at least when we shut the pokies we close that door and it makes them leave".*

However, when the same manager responded *“wearing his hat as a manager with a business to run”* he felt that the loss of revenue that the club suffered from by closing its doors during the shutdown also had some serious social consequences.

*“Our revenue base is being eroded, which means that the money we give to the sporting clubs, schools, and other clubs in the community is not as much”.*

The venues interviewed in the qualitative research tended to measure effectiveness of the shutdown by comparing the impact on revenue compared with the number of problem gamblers they perceive the six hour shutdown as having any impact on. In short, the measure was considered to be extreme and had consequences on venues that far outweighed the impact it had on problem gamblers. Therefore it was largely perceived as lacking in effectiveness.

The perception that the shutdown does not affect problem gamblers is based on two beliefs commonly held by venues:

- That only a small number of the population are problem gamblers; it was not actually effective in reaching them. Its impact is more on recreational gamblers.

*“1-2 % of people have a problem, so it really just screws the other 98-99% of people who want to gamble.”*

*“But less than 1% of the population are problem gamblers....”*

- that problem gamblers either went on to another venue that was still open, either the Casino or another venue with a variation, after the venue closed anyway or simply went to the Casino in the first place as they knew it would not close.

*“They just go on to Star City, so Star City makes the money instead of us.”*

Based on these beliefs, venues and relevant industry stakeholders felt that there were more effective ways of targeting problem gamblers that may not have as much an impact on their business and other patrons. Their preference was for:

*“Targeted measures rather than a scattergun approach that affects all people.”*



*"It's broad-brush in the hope it gets someone, rather than really trying to get the people that need it."*

The perceived effectiveness of the six hour shutdown in targeting problem gamblers may be re-evaluated by venues once they are aware that nearly one-third of the gamblers in venues at the time are able to be categorised as 'problem gamblers' and almost another third are categorised as 'at moderate risk'.



## 8 EFFECT ON RECREATIONAL GAMBLERS

### 8.1 Who is a Recreational Gambler?

A recreational gambler can be defined as a gambler that does not suffer from any of the 'symptoms' faced by problem gamblers or for that matter characteristics of those at risk of developing a gambling problem. There is no clear point at which a recreational gambler becomes a problem gambler, there is also no definitive set of circumstances that lead a recreational gambler to developing a problem – it is a behavioural continuum that increases in severity, prompted by a myriad of intrinsic tendencies and extrinsic influences. Understanding the process of developing a gambling problem is outside the scope of this study but is dealt with in detail by a number of authors.<sup>26</sup>

The current study investigated the views of recreational gamblers through the face to face interviews with gamblers in venues. Some consideration was given to recreational gamblers through the venue manager's survey also. For the purposes of this study we have considered those with no problem or at 'low risk', identified through the CPGI, as recreational gamblers. Section 6.4 gives a demographic breakdown of the different CPGI gambler categories found in this study.

The no problem and low risk categories showed a tendency toward older age (19% of no problem and 12% of low risk were over 65 compared to just 4% of moderate risk and 1% of problem gamblers), being married or living with a partner (54% of no problem and 56% compared to 36% of moderate risk and 38% of problem gamblers) and were more likely to have children than the higher risk and problem gamblers (65% of no problem and 63% of low risk compared to 49% of moderate risk and 45% of problem gamblers). In addition the gamblers without a problem or at low risk were more likely to be retired and female than the higher risk groups.

As mentioned in section 6.1 the demographic profile of respondents will be in part reflective of the times of day and night interviews took place as well as general characteristics of the gambling population. Table 8.1.1 below indicates demographic differences by time of day were found within this sample of gamblers. There were more gamblers in our sample identified as not having a problem during the morning shift compared to the night shift (just before closing time). This in part explains the age skews and employment skews of the profile.

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<sup>26</sup> Delfabro, P; Osborn, A; Nevile, M; Skelt, L; McMillen, J. (2007) Identifying problem gamblers in gambling venues.

Table 8.1.1 CPGI categorisation by time of day interview took place

CPGI categories	Total	Morning	Early evening	Night
<i>Sample</i>	272	90	46	136
No problem	23%	31% ++	26%	17% --
Low risk	21%	17%	24%	23%
Moderate risk	27%	29%	15% --	30%
Problem gambler	29%	23%	35%	30%

Base: Total sample (n=272)

## 8.2 Effect of shutdown on recreational gamblers

Applying the question “does the shutdown disproportionately effect recreational gamblers or those not at risk?” to the above data it would seem that relatively speaking the answer is no. The shutdown impacts everyone in the venue at the time, but the majority of those were found to be at risk or have a problem. Further those not at risk ‘recreational gamblers’ displayed a far lower level of dissatisfaction when the machines were shutdown than those with a problem (9% of those with no risk said they would be “unhappy” when the machines shutdown compared to 44% of problem gamblers that felt the same).

Despite the lack of negative feelings toward the EGM shutdown at the time it is enforced, the data displayed in section 6.2 suggested that gamblers with no problem or risk of developing a problem with gambling were the least likely to call for an extension to the shutdown hours and support the shutdown generally.

## 8.3 Venues perspective

The venue managers have had an opportunity to observe the behaviour and reactions of their customers in relation to the shutdown since the policy was introduced. The research therefore sought to understand the perspective of venues with regards to which gamblers are most affected and what they do when the shutdown is enforced.

Venue Managers were asked their opinion on who they thought had been most affected by the mandatory shutdown (see Table 8.3.1). Overall the most common responses were “Don’t know” (mentioned by 29%), “shift workers or hospitality



workers” (mentioned by 28%) and “Hasn’t really affected anyone” (mentioned by 24%). However, a slightly different profile existed for clubs compared to hotels. Hotels were more likely to say that shift workers are affected (36% compared to 20%), people out partying (12% compared to 0%) and least likely to say older people (4% compared to 12%) and “hasn’t really affected anyone” (18% compared to 30%). These differences most likely reflect the broad customer bases of hotels compared to clubs. Those that report the shutdown has had a negative effect on their business were more likely to mention all types of customers than those that have not been affected.

**Table 8.3.1 Customers affected by the 6 hour shutdown**

Q33. TYPES OF CUSTOMER AFFECTED BY SHUTDOWN							
	Total	Venue type		Shutdown hours		Affect of shutdown on total business	
		Clubs	Hotels	No variation	Variation	Negative affect	No affect
<i>Sample</i>	100	50	50	58	38	19	77
Shift workers/hospitality workers	28%	20%	36%	28%	32%	53%	18%
Younger people	5%	2%	8%	5%	5%	16%	3%
People out partying late	6%		12% **	7%	5%	11%	4%
Older people	8%	12%	4%	14% **	-	32%	3%
Problem gamblers	5%	6%	4%	3%	3%		6%
Tourists/backpackers	1%	2%		2%		5%	
All different types of people (NFI)	11%	10%	12%	12%	11%	47%	1%
Asians	2%	2%	2%	3%			3%
Other ethnic groups ^T9	1%		2%		3%	5%	
Hasn't really affected anyone	24%	30%	18%	22%	26%		31%
Other	9%	14%	4%	9%	11%	26%	4%
Don't know/ can't say	29%	26%	32%	29%	29%		38%

Base: Total sample (n=100)

As can be seen in Table 8.3.2 the majority of venue managers either didn't know (43%) or thought the shutdown hadn't really affected anyone (28%) when asked how they thought the shutdown had affected customers. Those venues that feel negatively affected themselves were more likely to respond, their responses tended to emphasis the impact in a recreational context (have no where to go at that time (32%) and can't socialise or meet friends at this time (26%)).



Table 8.3.2 How the shutdown affects customers

Q34.HOW SHUTDOWN HAS AFFECTED CUSTOMERS							
	Venue type			Shutdown hours		Affect of shutdown on total business	
	Total	Clubs	Hotels	No variation	Variation	Negative affect	No affect
<i>Sample</i>	100	50	50	58	38	19	77
Have nowhere to go now during these hours	9%	8%	10%	9%	11%	32%	4%
Have to go home	3%	4%	2%	2%	5%	11%	1%
Can't socialise/meet friends at this time	6%	2%	10%	5%	8%	26%	1%
Spend more time/money at venue	1%		2%	2%			1%
Frustrated/annoyed someone telling them what to do	1%		2%	2%			1%
Just go elsewhere to gamble/to the Casino/internet gambling etc	9%	10%	8%	9%	11%	26%	5%
Safety risk having to leave in early hours	1%		2%	2%			1%
Gamble less	7%	6%	8%	7%	8%	16%	5%
Drink less	1%		2%	2%			1%
Hasn't really affected anyone	28%	36%	20%	28%	26%		36%
Other	4%	6%	2%	5%	3%	16%	1%
Don't know / can't say	43%	34%	52%	43%	42%	5%	49%

Base: Total sample (n=100)

When specifically probed as to the type of customer most commonly affected by the mandatory shutdown, on balance, venue managers are more likely to believe the shutdown affects recreational gamblers more than others. Table 8.3.3 below shows that two in five venues believe that recreational gamblers are more likely to be affected by the shutdown whereas just over half that many believe that the affect is greater for problem gamblers. The view that it is recreational gamblers that are most affected by the shutdown is held far more widely among those venue managers that also said their venue has been negatively affected financially by the shutdown (74% believe the customers most likely to be affected by the shutdown are recreational gamblers as opposed to 11% that believe it is problem gamblers).



Table 8.3.3 Type of customer affected by shutdown

Q35. TYPE OF CUSTOMER AFFECTED BY SHUTDOWN							
	Venue type			Shutdown hours		Affect of shutdown on total business	
	Total	Clubs	Hotels	No variation	Variation	Negative affect	No affect
<i>Sample</i>	100	50	50	58	38	19	77
More likely to be recreational gamblers	41%	40%	42%	40%	42%	74%	35%
More likely to be problem gamblers	23%	16%	30%	24%	24%	11%	25%
Both equally	14%	16%	12%	17%	8%	5%	17%
Don't know/ can't say	22%	28%	16%	19%	26%	11%	23%

Base: Total sample (n=100)

The majority of venues (61%) have seen no change in their customer base. Hotels are more likely than clubs to report that some of their customers have started going to other venues as well as theirs (Table 8.3.4). The biggest discrepancies occur between those venues that have had a negative financial impact resulting from the shutdown. The majority of negatively affected venues (58%) say their customers are now going to other venues as well as their own, with a further 37% saying customers have switched venues all together as a result of the shutdown. Only 1% of venues that say there has been no affect on their business say that customers have switched from their venue altogether.

Table 8.3.4 Change in customer base as a result of shutdown

Q36. CUSTOMERS HAVE CHANGED VENUE BECAUSE OF SHUTDOWN							
	Venue type			Shutdown hours		Affect of shutdown on total business	
	Total	Clubs	Hotels	No variation	Variation	Negative affect	No affect
<i>Sample</i>	100	50	50	58	38	19	77
Yes, have switched from my venue all together because of the shutdown	8%	8%	8%	10%	5%	37%	1%
Yes, started to go to other venues as well as mine because of the shutdown	24%	16%	32%	24%	24%	58%	17%
No change	61%	72% <sup>++</sup>	50% <sup>--</sup>	55%	68%	21%	73%
Don't know/ can't say	15%	12%	18%	21%	8%	21%	10%

Base: Total sample (n=100)



Venue managers were also asked what customers do when the machines are shutdown for the evening. As can be seen in table 8.3.5 and somewhat in contrast to the findings above there are no significant differences in the responses from venues that have been affected financially and those that have not in regards to their customers behaviour. Overall most venues (66%) say their customers go elsewhere.

**Table 8.3.5 What customers do when EGMs are shutdown**

Q37.CUSTOMERS LEAVE VENUE WHEN POKER MACHINES ARE SHUTDOWN							
	Venue type			Shutdown hours		Affect of shutdown on total business	
	Total	Clubs	Hotels	No variation	Variation	Negative affect	No affect
<i>Sample</i>	100	50	50	58	38	19	77
Stay at hotel/club	13%	16%	10%	9%	16%	16%	13%
Go elsewhere	66%	54% <sup>-</sup>	78% <sup>++</sup>	69%	68%	58%	66%
Some stay/some go elsewhere	6%	6%	6%	7%	5%	5%	6%
Don't know	15%	24% <sup>++</sup>	6% <sup>-</sup>	16%	11%	21%	14%

Base: Total sample (n=100)

When asked to surmise where their customers go once they leave their venue, venue managers suggested multiple destinations, however the majority (63%) of venue managers recognised that 'home' was a likely destination for customers when the machines are shutdown.

**Table 8.3.6 Where venue managers think customers go after the shutdown.**

Q38.PLACES CUSTOMERS GO FROM VENUE WHEN POKER MACHINES ARE SHUTDOWN							
Filter: Q37 customers 'go elsewhere' after shutdown	Venue type			Shutdown hours		Affect of shutdown on total business	
	Total	Clubs	Hotels	No variation	Variation	Negative affect	No affect
<i>Sample</i>	72	30	42	44	28	12	56
To the Casino	25%	17%	31%	25%	25%	33%	21%
To another club	40%	23%	52%	39%	43%	67%	36%
To another hotel	29%	17%	38%	27%	32%	42%	29%
Home	63%	73%	55%	57%	71%	50%	64%
To work	11%	7%	14%	9%	14%		14%
Or somewhere else	3%	7%		2%	4%	8%	
Don't know	10%	10%	10%	11%	7%	8%	9%

Base: Venues whose customers 'go elsewhere' at shutdown (n=72)



Overall the large majority (88%) of venue managers believe that their customers have adjusted to the shutdown since it has been in place (from table 8.3.7 below). Again it is the venues that have been affected financially that are more likely to believe that customers have not yet adjusted to the shutdown (16% compared to 1% of venues not affected).

Table 8.3.7 Customer adjustment to the 6 hour shutdown

Q39.CUSTOMERS HAVE ADJUSTED TO SHUTDOWN							
	Venue type			Shutdown hours		Affect of shutdown on total business	
	Total	Clubs	Hotels	No variation	Variation	Negative affect	No affect
Sample	100	50	50	58	38	19	77
Yes	88%	84%	92%	88%	92%	79%	90%
No	4%	6%	2%	5%		16%	1%
Don't know	8%	10%	6%	7%	8%	5%	9%

Base: Total sample (n=100)

During the qualitative research, industry stakeholders and venue managers strongly held the opinion that the shut down tended to impact more on shiftworkers who may want to gamble recreationally during the early morning hours than it did on problem gamblers. This was the key concern mentioned by venues after revenue, and was the primary concern of industry stakeholders. Venues and stakeholders saw it as unfairly placing a restriction on the entertainment options of people who worked outside normal business hours.

*"Not everyone works 9-5. People should have the option of playing the machines if they want at that time." (Stakeholder)*

*"...opposition is access for shiftworkers. Clubs have a 24 hour trading licence and we have an obligation to cater for our members....they (shiftworkers) should have access to entertainment and relaxation just like other members." (Stakeholders)*

It was generally thought by venues and stakeholders that the limitation on revenue imposed by the EGMs being shutdown meant that it was not financially viable for many venues to be open during that time. It was claimed that most venues could not cost justify keeping the doors open for shiftworkers for other activities outside of EGM play, therefore depriving shiftworkers of other leisure and entertainment options within clubs and hotels after work.



It was accepted by gambling support agencies and related stakeholders that the shutdown had some impact on shiftworkers who may want to gamble for recreation at that time. However, they felt that the impact on problem gamblers far out weighed any negative consequences for the recreational gamblers. Some also expressed doubt as to the accuracy of the claim that the cost of keeping the venue open for other activities without the EGMs being open could not be justified.

*"I would guess that it might have some effect on shift workers, but that needs to be balanced with what its doing for problem gamblers and as a public health measure for the rest of the community."*  
(Stakeholder)

*"... given the money they get from gambling during the rest of the day, they (venues) could stay open if they really wanted to. I find it hard to believe that they couldn't..."* (Support Agency)

*"...besides, who says that shiftworkers can't be problem gamblers?"*  
(Support Agency)

Joan and Janice (Case studies) both commented on the impact of the shutdown on shiftworkers. As each of these women had once been shiftworkers and had also once regularly played EGMs until close of the venue, they were able to provide a perspective from both sides of the issue. While they were sympathetic to shiftworkers, they questioned the perspective of the venue's that there were more recreational gamblers than problem gamblers playing at the time of the shutdown, or at least felt that this was not the case at the venues in which they played. One also raised the possibility that shiftworkers may be better off in the long run by choosing other options as a way to unwind after work.

## CASE STUDY 2 – JOAN

While Joan feels that shiftworkers may be affected by the shut down - "where else do you go to unwind at 2 or 3 in the morning?" – She believes that most of the people playing at closing time are likely to have a gambling problem.

*"Oh yeah. You'd see the same faces and you'd think – and it used to be funny 'cos my girlfriend that I used to gamble with, she's moved down to Cootamundra now, she goes 'Look at that person, they're here again, Look at that person'. I've said 'Yeah, and look at us, we're here again'. And she goes 'Oh yeah', and I said 'I bet they're saying the same thing – where do we get the money from to gamble, where do they get the money from to gamble'? You know, and it would be 'Oh good-day Mary, hello, hi Gail, hi Tony, or Nick, whatever, hi, hi, hi'."*

*"Of course they have, of course they have (gambling problems). You see them there every time I'm there. How often are they there when I'm not there and how often am I there when they're not there?"*

## CASE STUDY 1 – JANICE

Janice was able to provide some insight into the impact of the shutdown on shiftworkers. When prompted that the venues feel that the shutdown has an unfair impact on shiftworkers, she feels that the benefit of the shutdown in stopping problem gamblers from continuing outweighs any impact on shiftworkers, as often it has only been the club closing that has made her leave.

Also based on her experience, she questions whether it would not be a better for shiftworkers to not have the clubs as an option to unwind. For her, the excuse of going to the unwinding after work was what had resulted in gambling problems.

(On discussion that the shutdown mainly impacts on shiftworkers)

*"I'd have to go on experience, because problem gamblers will be there at that time. I mean you can go, I must admit I've gone out just for a night of gambling and I've got to the club at say 7 or 8 o'clock in the night and still not walked out until, you know, 4 or 5 in the morning, when they're saying 'OK, we're closing the club in 15 minutes. Please collect or whatever', you know. So that's not true what they're saying ((that the measure does not reach problem gamblers). And even so, even if they've just got shift-workers in there at that hour, shouldn't the shift-workers have a right 'cos their shift-workers, they're tired. They think they're only going there to unwind, you know before they go home, but you know should going somewhere to unwind cost you your wage? If they didn't have the doors open to them they'd have to go home and unwind in front of the TV and a beer and not gamble. Or get on the internet and have a little flutter on there for free, you know, something like that. So I think that they're just saying that because they're greedy."*



Aside from shiftworkers the main recreational gambler that the shutdown is perceived to impact on are those who may go to sporting clubs, such as bowling clubs and golf clubs, to play early in the morning. Sporting clubs who may open early also felt it impacted unfairly on those who may look forward to playing the machines briefly before or after they finish their game. While these customers could access the bar and even other gambling options such as Keno before 10am, they could not play EGMs for recreation. This is discussed in more detail in Section 16 (flexibility of hours section).



## 9 EFFECT OF SHUTDOWN ON VENUES

### 9.1 Overview

The research was designed to consider the impact the shutdown has had on venues from both a social/regulatory point of view and economically. This was achieved using both direct questioning and indirect analysis, including:

- In-depth interviews with venue managers to explore the impact from their perspective and understand the circumstances which may impact on the business operations;
- Telephone interviews with a larger sample of venue managers to determine the extent of impact on the gaming industry;
- In depth interviews with key industry stakeholders;
- Analysis of profit and loss data in the 8 main LGAs considered in this research; and
- Use of supporting research from the wider literature.

### 9.2 Proportion of Venues Potentially Affected by the Shutdown

The extent to which each venue's business has been affected by the regulation will vary from venue to venue; naturally there will be a proportion of venues that will not have been impacted at all. Unaffected venues are most likely to be those that have no EGMs, have never opened during the mandatory shutdown period of 4am to 10am or previously closed their gaming operations over the 4am to 10am period. This study only included venues if they had potentially been affected by the shutdown. That is, venues had to have at least one operational EGM and have been previously, or planned to be, open at least one day per week between the hours of 4am and 10am. This was ensured through two phases, firstly only including venues licensed to operate 24 hours, and then pre-screening the venues to ensure they met the above mentioned criteria.

## 24 hour licensing

All clubs are in effect licensed to operate 24 hours and do not have to apply to the OLGR for a variation on their liquor license. The OLGR therefore has no accurate data on clubs that do or have opened for 24 hour trading so all clubs may theoretically be impacted by the regulation and were included in the sample frame.

Hotels on the other hand must apply for 24 hour trading licences and only those with a 24 hour licence are likely to be affected by the shutdown. The OLGR provided Blue moon with a list of 1,252 hotels that have been approved for 24 hour trading in NSW. This represents 60% of the 2,072 licensed hotels in NSW.

## Eligibility for impact of 6 hour shutdown

As mentioned above not all venues included in the sample frame are likely to be affected so two screening questions were used to ensure eligibility. Table 9.2.1 below indicates the proportion of clubs and hotels included in the frame that may have been affected by the introduction of the 6 hour shutdown.

**Table 9.2.1 Screening criteria for overall venue managers sample**

	Clubs	Hotels	Total
<i>Total sample of venues</i>	141	162	303
S1 – No EGMs	5%	1%	3%
S2 - Not open 4am-10am or considered opening 4am-10am	60%	68%	64%
Eligible and completed survey	35%	31%	33%
Total Sample	100%	100%	100%

Base: Total contacted venues (before screening) (n=303)

As can be seen above one in three clubs (35%) randomly sampled were eligible to complete the survey, meaning they had at least one EGM and were either open between 4am and 10am or have considered opening during this time at least one day per week. Similarly, slightly fewer than one in three hotels licensed for 24 hour trading (31%) randomly sampled were eligible to complete the survey. This 31% equates to around 19% of all hotels in NSW (31% of sample frame eligible for survey x 60% of all hotels included in frame have 24 hour licence = 18.6% of total hotels in NSW).

This process of back calculations is an approximation only and should be interpreted as such. Nonetheless it should be noted that the overall achieved sample for both clubs and hotels discussed in this paper represent a minority of the overall club and hotel population.





As the survey data represents 19% of hotels and 35% of clubs we are able to approximate the results of certain questions back to a NSW proportional basis using a similar method described above. We can convert single, overall results found in the survey to a NSW venue representative proportion by calculating the relative survey proportions as follows:

Hotels – X% of survey sample responded in a certain way multiplied by the 18.6% of the hotel population represented by the ‘in-scope’ sample = Y% of all hotels in NSW.

Clubs – X% of survey sample responded in a certain way multiplied by the 35% of the club population represented by the ‘in-scope’ sample = Y% of all clubs in NSW.

This back calculation assumes that all venues not considered ‘in-scope’ for this study (i.e. either don’t have EGMs, or never opened or have considered opening between 4am and 10am) have not been affected by the shutdown policy. This calculation can only be used as an approximation for variables relating to direct impact of shutdown on venue. This approximation technique is not valid for use on any attitudinal variables.

Such approximations are subject to error and are made for illustrative purposes. Wherever NSW proportional estimations are made they have been clearly labelled as such including a footnote reference of the calculation.

### 9.3 Affected Venue operations

Despite all venues surveyed having 24 hour licences, the large majority of venues surveyed did not open 24 hours a day, 7 days per week prior to the mandatory shutdown. As can be seen in table 9.3.1 below, overall only 5% said they had 24 hour trading all week before the shutdown. Trading all available hours prior to the shutdown was more likely among those now having a variation (11%), and those that believe the shutdown has had a negative effect on their business (16% compared to 1% of unaffected venues).

Table 9.3.1 Venue open 24 hours prior to the shutdown

Q8.VENUE OPEN 24/7 PRIOR TO SHUTDOWN							
	Total	Venue type		Shutdown hours		Affect of shutdown on total business	
		Clubs	Hotels	No variation	Variation	Negative affect	No affect
Sample	100	50	50	58	38	19	77
Yes	5%	8%	2%	2%	11% ++	16%	1%
No	93%	92%	94%	98% ++	84% --	84%	97%
Don't know	2%		4%		5%		1%

Base: Total sample (n=100)

Table 9.3.2 below shows that slightly more venues said they were open for 24 hour trading at least one day per week before the shutdown became mandatory as opposed to always open 24 hours (12% compared to 5%, respectively). Similarly though, trading 24 hours at least one day per week was more likely among those believing the shutdown had a negative effect on their business than no effect (32% compared to 6%).

Table 9.3.2 Venues open 24 hours on at least one day per week

Q9.VENUE OPEN 24 HOURS ANY DAY PRIOR TO SHUTDOWN							
	Total	Venue type		Shutdown hours		Affect of shutdown on total business	
		Clubs	Hotels	No variation	Variation	Negative affect	No affect
Sample	100	50	50	58	38	19	77
Yes	12%	8%	16%	12%	13%	32%	6%
No	85%	92% ++	78% --	86%	82%	68%	91%
Don't know/ can't say	3%		6%	2%	5%		3%

Base: Total sample (n=100)

Venue managers were then asked whether their venue was open later than 4am any day prior to the introduction of the shutdown. It can be seen in table 9.3.3 a relatively small proportion (16%) said they were open later than 4 am previously – only slightly more than said they were open 24 hours previously (12% from table 9.3.2 above). Again it is hotels, rather than clubs, that are more likely to be open this late. Similarly, opening later than 4am at least one day per week was more likely among those believing the shutdown had a negative effect on their business than no effect (42% compared to 9%).

Table 9.3.3 Venue open later than 4am prior to shutdown

Q12a.VENUE OPEN LATER THAN 4AM ON ANY DAY PRIOR TO SHUTDOWN							
	Venue type			Shutdown hours		Affect of shutdown on total business	
	Total	Clubs	Hotels	No variation	Variation	Negative affect	No affect
Sample	100	50	50	58	38	19	77
Yes	16%	10%	22%	14%	18%	42%	9%
No	83%	90%	76%	86%	79%	58%	91%
Don't know/ can't say	1%		2%		3%		

Base: Total sample (n=100)

The most common venue type to be included in our sample of 'potentially affected venues' was those that previously opened before 10am or 'early openers'. While only a relatively small number of venues operated 24 hours on any day prior to the shutdown (12%), the majority did open before 10am (68%) and thus have had to implement changes to their gaming operations for this reason. Many of these venues are now however operating under a variation. For nearly one in two (32 out of the 68 venues that previously opened early) the change has been to apply for a variation.

As can be seen in table 9.3.4, managers of clubs are more likely to say they operated before 10am than hotel managers (80% compared to 56%, respectively). Those with a variation are also more likely than their counterparts to have had early opening hours. There is no significant difference between those venues that have been negatively affected and those that have not with regards to early opener status.

Table 9.3.4 Venue open before 10am prior to shutdown

Q11a.VENUE OPEN BEFORE 10AM ON ANY DAY PRIOR TO SHUTDOWN							
	Venue type			Shutdown hours		Affect of shutdown on total business	
	Total	Clubs	Hotels	No variation	Variation	Negative affect	No affect
Sample	100	50	50	58	38	19	77
Yes	68%	80% **	56% -	60%	84% **	74%	68%
No	29%	18% -	40% **	38% **	11% -	16%	32%
Don't know/ can't say	3%	2%	4%	2%	5%	11%	

Base: Total sample (n=100)



Overall it seems that the largest impact on venue opening times is a result of the shutdown operating until 10am as opposed to starting at 4am.

These findings were consistent with the earlier qualitative research undertaken with venues and related industry stakeholders. Whereas it was claimed that the hotels most affected by the shutdown were those who wanted to remain open late for 24 hours a day, for clubs it was primarily the impact on the 'early openers' that was of key concern.

*"...it's the sporting clubs that want to open early that suffer...they can open the bar but they can't turn on the machines."*

*"I shut at 8pm some nights...that's not what I'm worried about it. I just can't turn my machines on when I open early on tournaments days. The bar is taking money from 8am but I can't put the machines on until 10. That's two hours of revenue I lose, not to mention how it looks to the customers." (Sporting Club)*

However it was also suggested that city hotels may also be affected by the shutdown. Not being able to turn on the EGMs meant that it was not cost efficient to open until 10am, meaning they missed out on potential trade prior to business hours starting in the city.

*"We miss out on the early morning trade...people on their way to work." (Venue)*

#### 9.4 Impact on Affected Venue Business Practices

##### Overview

A major concern for venues and their industry bodies is the impact the mandatory shutdown has on how venues run their businesses. The qualitative and quantitative research conducted with venues (and related stakeholders) sought to understand the extent to which venues potentially affected by the mandatory regulations felt their business had actually been affected.

The qualitative research among stakeholders and venue managers/ owners indicated that the shutdown had direct and indirect impacts on venue business practices. This impact was perceived to have impacted greatest on those who had



been open for 24 hours prior to the shutdown, although it also had impact on 'early openers'. This research was undertaken prior to the survey among venues and helped to inform the questionnaire. Many of these issues were subsequently quantified and have been discussed in relation to the tables in this section.

First and foremost, as discussed above, the shutdown was perceived to have a direct effect on venues by eliminating the revenue that could be generated by the operation of EGMs between 4am and 10am. As a business operator, managers and owners have the role of trying to maximise the revenues and profits of the business, and the shutdown was identified as a barrier to this.

*"From a business perspective, you are charged with the objective of maximising revenue...by not having the machines on, you are not doing so." (Venue)*

*"Six hours is one quarter of the day..., that's one quarter of revenue missing..." (Hotel)*

Venue operators that had established businesses based on them being able to trade 24 hours a day, including revenue generated through EGMs, were of the opinion that the introduction of the shutdown had undermined part of their projected business plans. This appeared to be of greater concern for hotels that had established 24 hour trading or made business plans at the time that hotels were first allowed to obtain EGM licences, and before the introduction of the 3 hour and 6 hour shutdown legislation.

It was not only that the direct revenue from the EGMs that these hotels felt that they had lost, but also revenue from customers choosing to go to the hotel due to their being open 24 hours. Being open 24 hours had been a point of differentiation for these hotels within their local area and was seen to impact on their customers' choice. Rather than go to a hotel that would close at some point in the morning, it was thought that some customers would choose places that were open 24 hours so they would not have to find somewhere else to go after closing. For these hotels, closing the EGMs meant that not enough revenue was being generated by other activities to pay for staff costs and overheads, so they had ceased to trade on a 24 hour basis. Thus taking away their point of difference and the revenue that may have been created from customers making the choice of going to a 24 hour hotel.

*“At...(hotel where previously worked) we lost about a third of the revenue overnight (when the shutdown was brought in)...it was less money from the machines, but it was also due to us losing our point of difference by no longer being open 24 hours.” (Hotel)*

A similar indirect impact was also mentioned by a club manager in the qualitative research who was in an area with a high number of shiftworkers. Prior to the introduction of the shutdown, the shiftworkers would stop in on their way home *“for a drink and a little flutter”* even though there were hotels closer to their work as they preferred the club environment and it was on the route home anyway. With the introduction of the shutdown, the machines were no longer open by the time they got to the club, or would not be open much longer, so the workers were instead making the choice to go to the hotels close to their work directly after their shift.

Based on these findings, and in regards to other feedback provided by stakeholders and OLGR the quantitative questionnaire was designed to ensure that venue managers were asked:

- If their total business had been affected;
- The aspects of their business which have been affected;
- Changes to the EGM operations; and
- The ramifications of the impact to their business.

#### **Affect on total business**

Simply looking at the prior operating hours of the venues and the proportion that needed to adjust their operations due to the mandatory shutdown regulation only considers part of the impact on venues. Venue managers were asked overall if their business had been affected, and as can be seen in table 9.4.1 below 19% of our ‘potentially affected’ venue sample report a negative affect on their total business. Affected venues did not vary by venue type (club versus hotels), whether or not the venue is operating under a variation, or the size of the venues gaming area (number of EGMs). The strongest differentiator was opening times prior to the shutdown being introduced (see table 9.4.2 below).



This result can be back calculated to a proportion of all NSW hotels and clubs (using the procedure described in section 9.2) – in this case approximately 6% of all clubs in NSW could be expected to have been negatively affected and approximately 4% of all hotels in NSW could be expected to have been negatively affected by the shutdown if all venues were included in the sample frame.<sup>27</sup>

**Table 9.4.1 Stated Affect of shutdown on total business by venue type**

Q21.AFFECT OF SHUTDOWN ON TOTAL BUSINESS									
	Total	Venue type		Shutdown hours		No. of EGMs in Club		No. of EGMs in Hotel	
		Clubs	Hotels	No variation	Variation	Under 50	Over 50	1-20	21-30
<i>Sample</i>	100	50	50	58	38	26	24	28	22
A very negative affect	2%		4%		5%			7%	
A quite negative affect	17%	18%	16%	21%	13%	15%	21%	11%	23%
No affect	77%	80%	74%	76%	76%	85%	75%	82%	64%
A quite positive affect	1%		2%	2%					5%
A very positive affect									
Don't know	3%	2%	4%	2%	5%		4%		9%
Negative affect (nett)	19%	18%	20%	21%	18%	15%	21%	18%	23%
Positive affect (nett)	1%		2%	2%					5%

Base: Total sample (n=100)

Table 9.4.2 shows a breakdown of whether venues have been negatively affected by their previous opening hours. The results indicate the following substantial differences in reported negative affects for prior venue opening time (despite the very small sample sizes):

- Those venues that were open 24 hours prior to the shutdown were more likely than their counterparts to say there has been a negative affect on their business (60% compared to 17%).

<sup>27</sup> For clubs 18% of the sample were negatively affected, this multiplied by the 35% of clubs represented by the survey equals 6.3% of all clubs, assuming those clubs not in the sample frame would not have been affected by the shutdown. For hotels 20% of the sample were negatively affected, this multiplied by the 18.6% of clubs represented by the survey equals 3.72% of all hotels, assuming those hotels not in the sample frame would not have been affected by the shutdown.



- Similarly those venues that reported being open later than 4am prior to the shutdown were more likely than their counterparts to also report negative affects on their business (50% compared to 13%).
- However, the differences for venues opening earlier than 10am prior to the shutdown were not significant at the P<.05 level.

Table 9.4.2 Stated Affect of shutdown on total business by venue opening hours

Q21.AFFECT OF SHUTDOWN ON TOTAL BUSINESS									
	Total	Venue open 24/7 prior to shutdown		Venue open 24 hours any day prior to shutdown		Venue open before 10am prior to shutdown		Venue open later than 4am prior to shutdown	
		Yes	No	Yes	No	Yes	No	Yes	No
<i>Sample</i>	100	5*	93	12*	85	68	29	16*	83
A very negative affect	2%		2%	8%	1%	3%		6%	1%
A quite negative affect	17%	60%	15%	42%	14%	18%	10%	44%	12%
No affect	77%	20%	81%	42%	82%	76%	86%	44%	84%
A quite positive affect	1%		1%		1%		3%		1%
A very positive affect									
Don't know	3%	20%	1%	8%	1%	3%		6%	1%
Negative affect (nett)	19%	60%	17%	50%	15%	21%	10%	50%	13%
Positive affect (nett)	1%		1%		1%		3%		1%

Base: Total sample (n=100)

Overall it would seem the most influential factor in whether venues have experienced an affect on their business is their opening hours prior to the introduction of the shutdown. The small proportion of venues open 24 hours prior to the shutdown are the most likely to report a negative affect on their overall business resulting from the shutdown.

Those that reported their business had been affected by the shutdown were asked how they were affected. The few responses were captured verbatim and have been included in Appendix B. Overall they relate to changing hours of operation that restricts their customer base, not being open for shift working customers and simply having the machines shutdown reduces the overall revenue from gaming.





### Aspects of business affected

All venue managers were asked if they had experienced each of the potential impacts in table 9.4.3 below. When prompted, One in four or fewer said they experienced each of the potential impacts mentioned. In each case the large majority of venues surveyed said they had not experienced that aspect of business. One in four (25%) said they had experienced a reduction in gaming revenue, while just under one in four (22%) said they had experienced a reduction in total revenue. Similar proportions said that due to the shutdown they were less able to donate to charities or the community (24%), have had to close their venue completely during the shutdown hours (23%) and have had a reduction or loss of customers (22%).

Some positive impacts were also mentioned by a minority of venues as resulting from the shutdown including; more efficient staff rostering (mentioned by 17%) and a reduction in overall cost (mentioned by 10%).

**Table 9.4.3 Impacts experienced by the venues due to the shutdown**

Q25.IMPACTS EXPERIENCED BY VENUE DUE TO SHUTDOWN			
	Total	Clubs	Hotels
Sample	100	50	50
a Reduction or loss in gaming revenue	25%	22%	28%
Being less able to donate to charities or the community	24%	22%	26%
Having to close venue completely during poker machine shutdown hours	23%	28%	18%
a Reduction or loss in total revenue	22%	16%	28%
a Reduction or loss of customers	22%	20%	24%
a Reduction or loss in non-gaming revenue	17%	14%	20%
More efficient staff rostering	17%	10%	24%
a Reduction in number of staff or reduced hours for staff	16%	12%	20%
Having to close down other areas during the poker machine shutdown	16%	14%	18%
a Higher security risk/ More risk of robbery	11%	4% -	18% ++
a Reduction in overall costs	10%	8%	12%
Having to postpone or cancel implementation of new facilities, programs or entertainment	9%	6%	12%
Having to postpone or cancel building renovations	6%	6%	6%



## Impact on EGM operating hours

Venues were asked about the hours their EGMs were operational prior to the shutdown. It can be seen in table 9.4.4 overall the large majority (82%) had their gaming machines operating at all times the venue was open prior to the introduction of the 6 hour shutdown. There were no significant differences across the venue types.

Table 9.4.4 Operation of poker machines while venue is open

Q13.POKER MACHINES OPERATING WHENEVER VENUE OPEN PRIOR TO SHUTDOWN							
	Total	Venue type		Shutdown hours		Affect of shutdown on total business	
		Clubs	Hotels	No variation	Variation	Negative affect	No affect
<i>Sample</i>	100	50	50	58	38	19	77
Yes	82%	84%	80%	79%	89%	89%	81%
No	16%	16%	16%	19%	8%	11%	17%
Don't know /can't say	2%		4%	2%	3%		3%

Base Total sample (n=100)

The small proportion of venues that claim to have shutdown their EGMs while their venue remained opened prior to the mandatory shutdown (16% or n=16) were asked for how many hours per week this occurred. The mean time for venues having their EGMs non operational while still open was 9 hours per week.

According to table 9.4.5 below around one in seven (15%) venues have changed their hours of operation as a result of the 6 hour shutdown. Those venues saying the shutdown has had a negative effect on their business (47%) are the most likely to have changed their venue's opening hours as a result of the shutdown. Clubs are also significantly more likely than hotels to have changed their opening hours due to the shutdown.

Table 9.4.5 Changed opening hours of venue due to shutdown

Q15.CHANGED OPENING HOURS OF VENUE DUE TO SHUTDOWN							
	Total	Venue type		Shutdown hours		Affect of shutdown on total business	
		Clubs	Hotels	No variation	Variation	Negative affect	No affect
Sample	100	50	50	58	38	19	77
Yes	15%	22% ++	8% --	14%	18%	47%	5%
No	85%	78% --	92% ++	86%	82%	53%	95%

Base: Total sample (n=100)

Table 9.4.6 below indicates the proportion of venues that operate during the shutdown hours. The majority of venues (64%) are closed completely during the shutdown time while just over one in three (36%) stay open at least some days per week while their machines are non operational. Venues that have been negatively affected by the shutdown are more likely to be remaining open at least some days per week than those that have not been affected (63% compared to 30%).

Table 9.4.6 Other areas of venue operating during shutdown

Q16.CLOSE OTHER AREAS OF VENUE DURING SHUTDOWN PERIOD							
	Total	Venue type		Shutdown hours		Affect of shutdown on total business	
		Clubs	Hotels	No variation	Variation	Negative affect	No affect
Sample	100	50	50	58	38	19	77
Other areas / sections stay open	28%	26%	30%	28%	32%	42%	25%
Close completely	64%	66%	62%	66%	58%	37%	70%
Stay open some days / close others	8%	8%	8%	7%	11%	21%	5%

Base: Total sample (n=100)

Table 9.4.7 shows that a small proportion (9%) of venues say they have reduced the hours their poker machines are in operation beyond the mandatory six hours since the introduction of the policy. Surprisingly, it is those that say the shutdown has had a negative impact on their business that are more likely to say that they have shutdown the machines beyond the mandatory 6 hours.

Table 9.4.7 Reduced EGM hours beyond 6 hour shutdown

Q17.REDUCED POKER MACHINE HOURS BEYOND 6 HOURS DUE TO SHUTDOWN							
	Total	Venue type		Shutdown hours		Affect of shutdown on total business	
		Clubs	Hotels	No variation	Variation	Negative affect	No affect
Sample	100	50	50	58	38	19	77
Yes	9%	6%	12%	10%	8%	21%	5%
No	91%	94%	88%	90%	92%	79%	95%

Base: Total sample (n=100)

## 9.5 Economic Impact on Affected Venues

### Overview

There is concern among the industry bodies and a number of vocal individual venues that the mandatory shutdown has a negative effect on venue profit. The research sought to understand the extent to which venues have been affected economically by the shutdown regulation. This was done using several techniques. Venue managers were asked directly whether they had experienced a reduction in revenue (both gaming and total business) in both the qualitative depth interviews and in the quantitative telephone survey. In addition collective gaming revenue data was considered from 8 LGAs containing higher proportions of shutdown variation applications. The 8 LGAs were chosen due to the suggestion that there had been a greater impact in these areas.

### Venue reported economic impact

Venue managers were asked whether their venue had experienced any of a range of impacts as a result of the introduction of the mandatory shutdown. Overall, three quarters of the 'potentially affected' venues included in the sample did not experience a reduction in revenue and were unaffected economically. As seen earlier in table 9.4.3 just on one in six (16%) 'potentially affected' club venue managers and just over one in four (28%) hotel managers surveyed believe the shutdown has had a negative impact on their total revenue. While slightly more (25%) said they had experienced a reduction in gaming revenue. When considered with regards to all venues across NSW, not just those 'potentially affected' and in-scope for this study, the proportions affected are reduced.

We can be back calculate to a proportion of all NSW hotels and clubs (using the procedure described in section 9.2) – in this case approximately 6% of all clubs in NSW could be expected to claim to have experienced a reduction in revenue and approximately 5% of all hotels in NSW could be expected to claim to have experienced a reduction in revenue as a result of the shutdown if all venues in NSW were included.<sup>28</sup>

### **Events unrelated to the shutdown impacting on venues economically**

Venues can be affected economically by any number of events ranging from those within their control to those outside of their control. Events often cited by venue managers as having the greatest impact on their business are changes to the regulatory environment in which they operate. Venue managers were asked if there were any events since the shutdown that have had an economic impact on their business. Not surprisingly the most common responses were of a regulatory nature.

Table 9.5.1 below outlines the responses of venue managers surveyed. As can be seen, by far the most commonly mentioned event was not directly related to EGMs but rather the indoor smoking ban.

Around two in three (65%) venue managers said that the smoking ban has had a negative impact on business. The second most common response was the increase in gaming machine taxation, mentioned by one in seven (14%) overall but over one in four club managers (28%). Nearly all other 'events' were mentioned by only a handful of venue managers.

These results contrast significantly with the proportion of venues that claim they have been negatively affected by the shutdown (19% negatively affected by shutdown compared to 65% negatively affected by the indoor smoking ban). While not statistically significant, slightly more clubs claim that the increased in EGM taxes have negatively affected their business than claim the shutdown has negatively affected their business (28% compared to 18%).

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<sup>28</sup> For clubs 16% of the sample had a reduction in revenue, this multiplied by the 35% of clubs represented by the survey equals 5.6% of all clubs, assuming those clubs not in the sample frame would not have been affected by the shutdown. For hotels 28% of the sample had a reduction in revenue, this multiplied by the 18.6% of clubs represented by the survey equals 5.208% of all hotels, assuming those hotels not in the sample frame would not have been affected by the shutdown.



Table 9.5.1 Events other than the shutdown that have had a negative impact on business

Q50. OTHER EVENTS HAD NEGATIVE IMPACT ON BUSINESS SINCE 2003							
	Venue type			Shutdown hours		Affect of shutdown on total business	
	Sample	Clubs	Hotels	No variation	Variation	Negative affect	No affect
Sample	100	50	50	58	38	19	77
Ban on advertising/ signage	3%	4%	2%	3%	3%	5%	1%
Restrictions on gaming machine promotions	1%	2%			3%		
Restrictions on payment of cash prizes/iff more than \$2000 have to pay by cheque	2%	2%	2%	2%	3%		1%
Renovations/ refurbishments	1%	2%		2%			1%
Competition from other gaming venues	4%	4%	4%	5%	3%	16%	1%
Local crime rates	2%		4%		5%		3%
Responsible service of alcohol/ breath testing, etc.	5%	6%	4%	3%	8%		6%
Negative publicity/media about gambling/poker machines	4%	4%	4%	3%	5%	5%	4%
Negative publicity/media about alcohol-related crime/drink spiking	4%	2%	6%	3%	5%	11%	3%
Indoor smoking ban	65%	60%	70%	66%	71%	74%	62%
Increased gaming taxes	14%	28% **	--	12%	16%	21%	12%
Drought	6%	6%	6%	9%	3%	5%	6%
Petrol prices	2%	4%		2%	3%	5%	1%
Increased price of drinks/CPI increase	3%	2%	4%	3%	3%	5%	3%
Gaming laws/poker machine laws	2%	4%		2%	3%		3%
Nothing	13%	16%	10%	10%	13%	11%	13%
Other	14%	12%	18%	17%	11%	21%	14%
Don't know/ can't say	5%	6%	4%	7%		5%	5%

Base: Total sample (n=100)

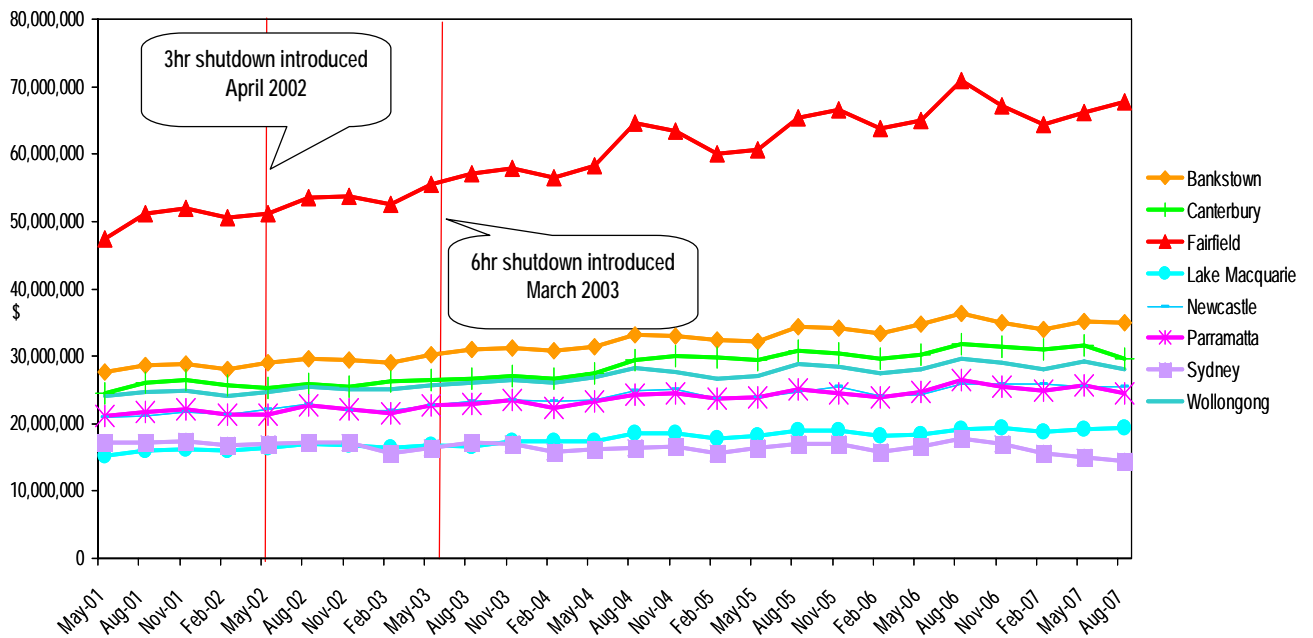
When comparing the above data to the proportion negatively affected by the shutdown it would seem that other events such as the smoking ban, and for clubs the increase in EGM taxes, have had a more wide spread effect on business than the mandatory 6 shutdown of EGMs.

## Combined profit data

The NSW OLGR provided Blue Moon with combined profit data (where profit is defined as turnover minus winnings) for venues in NSW. Data was provided for hotels and clubs separately. The profit data was combined into LGA sets and not provided on a venue by venue basis.

The data was analysed at the LGA level for year on year trends in profit before and after the introduction of the mandatory shutdown periods. The following time series graph (Figure 9.5.2) shows the quarterly profit data for all clubs combined within 8 LGAs; Bankstown, Canterbury, Fairfield, Lake Macquarie, Newcastle, Parramatta, Sydney and Wollongong. Each of these LGAs were considered due to the high proportion of variations to the shutdown operating in these areas and therefore the increased likelihood that venues will have been affected by the shutdown policy.

Figure 9.5.2 Combined quarterly profit data, clubs by LGA



Source: Office of Liquor, Gaming and Racing, 2007.



As can be seen from figure 9.5.2 quarterly profit for clubs fluctuates suggesting a somewhat seasonal aspect to clubs business. Nonetheless there is a slow upward trend for profits made by clubs over the period from May 2001 to August 2007 in most of the LGAs considered. The notable exception is the Sydney LGA where profits appear to have declined significantly in 2007.

The vertical red lines indicate the introduction of the mandatory shutdown in 2002 and the extension in 2003. The above graph shows virtually no impact to profit growth in the quarters immediately following the introductions at a 'global' level.

Table 9.5.3 below provides the year on year profit comparisons for clubs in each of the 8 LGAs. August was chosen as the closest full quarter result recorded after the introduction of the 6 hour shutdown (May 2003). The key comparisons are therefore the 2001 to 2004 results, where 2001 there was no mandatory shutdown, 2002 saw the introduction of the 3 hour shutdown in April and 2003 saw the introduction of the 6 hour shutdown in May, while 2004 represents over one full year of trading under the 6 hour regulations.

The profit for all clubs combined within in each of the 8 LGAs, except Sydney, increased over the period 2001 to 2004. For most LGAs the biggest increase in profit occurred in 2004 after a year of operating the 6 hour shutdown. Conversely 2004 saw a significant drop in profit for all clubs combined in the Sydney LGA. It would appear from the profit growth seen across the 2001 to 2004 period the introduction of the 6 hour shutdown has either had little or no impact on total profit made by clubs in 7 of the 8 LGAs investigated. The Sydney LGA is the exception as all clubs combined in Sydney have seen no real growth from 2001 to 2006. It is however, difficult to interpret the extent to which this may have been the result of the shutdown being introduced.

The relatively large declines in profit seen in 2007 are unlikely any result of the 6 hour shutdown as there has been no change to the regulation between 2003 and 2007.

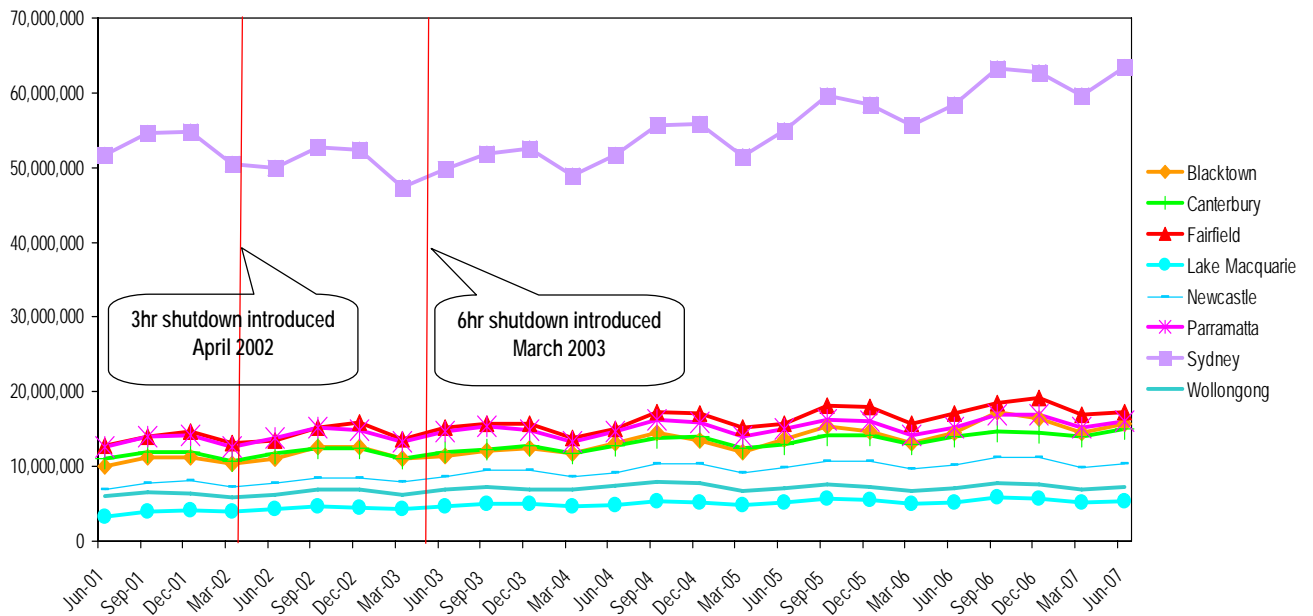


Table 9.5.3 Year on year combined club profit comparison

LGA	Actual profit (\$)	% change on previous year profit	LGA	Actual profit (\$)	% change on previous year profit
<b>Bankstown</b>			<b>Newcastle</b>		
Aug-01	28,604,681		Aug-01	21,089,451	
Aug-02	29,602,303	3.4%	Aug-02	22,957,111	8.1%
Aug-03	30,964,205	4.4%	Aug-03	23,311,553	1.5%
Aug-04	33,126,217	6.5%	Aug-04	24,902,811	6.4%
Aug-05	34,353,516	3.6%	Aug-05	24,724,263	-0.7%
Aug-06	36,254,609	5.2%	Aug-06	25,885,892	4.5%
Aug-07	34,888,684	-3.9%	Aug-07	25,491,134	-1.5%
<b>Canterbury</b>			<b>Parramatta</b>		
Aug-01	26,162,357		Aug-01	21,795,997	
Aug-02	25,921,216	-0.9%	Aug-02	22,752,413	4.2%
Aug-03	26,718,880	3.0%	Aug-03	22,941,127	0.8%
Aug-04	29,342,899	8.9%	Aug-04	24,394,176	6.0%
Aug-05	30,744,034	4.6%	Aug-05	25,043,803	2.6%
Aug-06	31,899,673	3.6%	Aug-06	26,491,126	5.5%
Aug-07	29,721,634	-7.3%	Aug-07	24,525,291	-8.0%
<b>Fairfield</b>			<b>Sydney</b>		
Aug-01	51,113,444		Aug-01	17,259,490	
Aug-02	53,564,844	4.6%	Aug-02	17,173,227	-0.5%
Aug-03	57,017,125	6.1%	Aug-03	17,205,327	0.2%
Aug-04	64,689,173	11.9%	Aug-04	16,451,079	-4.6%
Aug-05	65,444,786	1.2%	Aug-05	17,084,538	3.7%
Aug-06	70,846,784	7.6%	Aug-06	17,766,448	3.8%
Aug-07	67,764,561	-4.5%	Aug-07	14,500,776	-22.5%
<b>Lake Macquarie</b>			<b>Wollongong</b>		
Aug-01	15,912,098		Aug-01	24,762,505	
Aug-02	16,948,659	6.1%	Aug-02	25,564,873	3.1%
Aug-03	16,646,748	-1.8%	Aug-03	26,164,051	2.3%
Aug-04	18,494,881	10.0%	Aug-04	28,338,645	7.7%
Aug-05	19,033,304	2.8%	Aug-05	28,852,483	1.8%
Aug-06	19,226,850	1.0%	Aug-06	29,596,327	2.5%
Aug-07	19,307,617	0.4%	Aug-07	27,953,986	-5.9%

The following time series graph (Figure 9.5.4) shows the quarterly profit data for all hotels combined within the same 8 LGAs; Bankstown, Canterbury, Fairfield, Lake Macquarie, Newcastle, Parramatta, Sydney and Wollongong.

Figure 9.5.4 Combined quarterly profit data, hotels by LGA



Source: Office of Liquor, Gaming and Racing, 2007.

As can be seen from figure 9.5.4 quarterly profit for hotels fluctuates even more so than club profit from quarter to quarter suggesting a seasonal aspect to hotel trade. Again it a slow upward trend for profits made by hotels over the period from June 2001 to June 2007 in most of the LGAs considered can be seen. Again the exception is the Sydney LGA, however in this case profits declined over the period of the shutdown introduction and began to climb after 2004. The above graph would then suggest the shutdown had some impact on profit growth for hotels in Sydney initially which has now recovered.

Table 9.5.5 below provides the year on year profit comparisons for hotels in each of the 8 LGAs. June was chosen as the closest quarter result recorded after the introduction of the 6 hour shutdown (May 2003). The key comparisons are therefore the 2001 to 2004 results, where 2001 there was no mandatory shutdown, 2002 saw the introduction of the 3 hour shutdown in April and 2003 saw the introduction of the 6 hour shutdown in May, while 2004 represents over one full year of trading under the 6 hour regulations.

The profit for all hotels combined increased within in 6 of the 8 LGAs. Sydney and Fairfield were the only areas to record a decline in year on year profit for any period from June 2001 to June 2004, although Fairfield did record one of the largest year on year profit increase from 2002 to 2003 (11.2%).

With the exception of Fairfield most LGAs the saw significant increase in profit from 2003 to 2004 – the first full year after the introduction of the 6 hour shutdown.

It would appear from the profit growth seen across the 2001 to 2004 period the introduction of the 6 hour shutdown has either had little or no impact on total profit made by hotels in 7 of the 8 LGAs investigated. In a similar result seen for clubs the Sydney LGA is the exception with profit declines across 2002 and 2003. However hotels in Sydney have seen steady profit increases from 2004 through 2007.

Table 9.5.5 Year on Year combined hotel profit

LGA	Actual profit (\$)	% change on previous year profit	LGA	Actual profit (\$)	% change on previous year profit
<b>Blacktown</b>			<b>Newcastle</b>		
Jun-01	10,034,386		Jun-01	6,902,339	
Jun-02	11,068,295	9.3%	Jun-02	7,829,533	11.8%
Jun-03	11,336,823	2.4%	Jun-03	8,727,111	10.3%
Jun-04	13,076,066	13.3%	Jun-04	9,232,695	5.5%
Jun-05	13,709,649	4.6%	Jun-05	9,929,627	7.0%
Jun-06	14,506,955	5.5%	Jun-06	10,268,715	3.3%
Jun-07	15,662,798	7.4%	Jun-07	10,334,652	0.6%
<b>Canterbury</b>			<b>Parramatta</b>		
Jun-01	11,005,945		Jun-01	12,670,826	
Jun-02	11,751,847	6.3%	Jun-02	13,899,537	8.8%
Jun-03	11,996,042	2.0%	Jun-03	14,691,690	5.4%
Jun-04	12,868,915	6.8%	Jun-04	14,716,601	0.2%
Jun-05	12,941,792	0.6%	Jun-05	15,029,320	2.1%
Jun-06	13,957,294	7.3%	Jun-06	15,154,727	0.8%
Jun-07	15,022,824	7.1%	Jun-07	16,033,630	5.5%
<b>Fairfield</b>			<b>Sydney</b>		
Jun-01	12,784,762		Jun-01	51,671,327	
Jun-02	13,480,196	5.2%	Jun-02	49,939,872	-3.5%
Jun-03	15,184,443	11.2%	Jun-03	49,794,952	-0.3%
Jun-04	14,962,054	-1.5%	Jun-04	51,613,993	3.5%
Jun-05	15,703,886	4.7%	Jun-05	55,020,920	6.2%
Jun-06	17,088,791	8.1%	Jun-06	58,423,761	5.8%
Jun-07	17,271,842	1.1%	Jun-07	63,464,898	7.9%
<b>Lake Macquarie</b>			<b>Wollongong</b>		
Jun-01	3,338,511		Jun-01	6,074,711	
Jun-02	4,290,374	22.2%	Jun-02	6,253,152	2.9%
Jun-03	4,654,034	7.8%	Jun-03	6,912,898	9.5%
Jun-04	4,907,888	5.2%	Jun-04	7,437,024	7.0%
Jun-05	5,256,077	6.6%	Jun-05	7,082,363	-5.0%
Jun-06	5,174,888	-1.6%	Jun-06	7,047,028	-0.5%
Jun-07	5,321,211	2.7%	Jun-07	7,196,644	2.1%

Overall there appears to be little evidence of the shutdown impacting the club and hotel industries in terms of profit growth outside of the Sydney LGA. Profits in the Sydney LGA declined for both hotels and clubs over the period the shutdowns were introduced, however hotels profit increases seem to have recovered since 2004. While clubs profits have declined in Sydney it appears as though there are other business factors in play as the shutdown regulations have not changed in the recent past yet club profit has declined significantly over 2006/07.

## 9.6 Attitudes toward the shutdown policy

The general attitude and opinion of the shutdown from venue managers perspective was sought through both the qualitative and quantitative research.

Venue managers were asked directly their level of support or opposition to the mandatory 6 hour shutdown. As seen in table 9.6.1 below, one in two (49%) venue managers support the current 6 hour mandatory shutdown regulation with approximately half that number (28%) opposed to the regulation, the remaining one in four (22%) feel neither support nor oppose to the regulation.

The level of support for the shutdown is relatively consistent across clubs and hotels and those that do or do not have a variation, however those that feel their club has been negatively affected by the shutdown are far more likely to oppose the regulation than support it by seven to one (74% oppose compared to 11% support).

**Table 9.6.1 Level of support for the shutdown among venue managers**

Q43.LEVEL OF SUPPORT/OPPOSITION TO SHUTDOWN							
	Total	Venue type		Shutdown hours		Affect of shutdown on total business	
		Clubs	Hotels	No variation	Variation	Negative affect	No affect
<i>Sample</i>	100	50	50	58	38	19	77
Strongly support	15%	20%	10%	16%	16%		19%
Support	34%	34%	34%	29%	37%	11%	39%
Neither support nor oppose	22%	16%	28%	24%	18%	16%	23%
Oppose	15%	22% <sup>++</sup>	8% <sup>--</sup>	14%	18%	32%	10%
Strongly oppose	13%	8%	18%	16%	11%	42%	6%
Don't know	1%		2%	2%			1%
Nett support	49%	54%	44%	45%	53%	11%	58%
Nett oppose	28%	30%	26%	29%	29%	74%	17%

Base: Total sample (n=100)



As can be seen in table 9.6.2 below, nearly one in three (31%) venue managers actually support an extension to the current 6 hour shutdown period.

The venue managers interviewed were more likely to oppose an extension to the 6 hour shutdown than support it (51% compared to 31%). Not surprisingly venue managers from venues that had already been negatively affected by the shutdown were more likely to be opposed to an extension than those that had not previously been affected (68% compared to 47%). Those venues were also far more likely to strongly oppose the extension than any other group (63% strongly oppose the 6 hour mandatory shutdown).

**Table 9.6.2 Support for an extension of the 6 hour shutdown among venue managers**

Q44.LEVEL OF SUPPORT/OPPOSITION TO EXTENSION TO MANDATORY SHUTDOWN PERIOD							
	Total	Venue type		Shutdown hours		Affect of shutdown on total business	
		Clubs	Hotels	No variation	Variation	Negative affect	No affect
<i>Sample</i>	100	50	50	58	38	19	77
Strongly support	13%	14%	12%	19% ++	5%	11%	13%
Support	18%	12%	24%	17%	21%	11%	19%
Neither support nor oppose	15%	26% ++	4% --	21%	5% --	11%	17%
Oppose	21%	20%	22%	14% --	32% ++	5%	23%
Strongly oppose	30%	22%	38%	29%	34%	63%	23%
Don't know/ can't say	3%	6%			3%		4%
Nett support	31%	26%	36%	36%	26%	21%	32%
Nett oppose	51%	42%	60%	43%	66% ++	68%	47%

Base: Total sample (n=100)

In addition venue managers were asked their opinion on changes to the mandatory shutdown hours. Again, not surprisingly a similar proportion of venues that oppose the regulation generally (51%) support a reduction in the number of hours it is enforced (49%). This increases to 84% of venue managers of negatively affected venues supporting a reduction in the period of the mandatory shutdown.



Overall a substantial minority (30%) are opposed to any reduction in the period of the shutdown. There is no difference between the proportions of club or hotel managers that oppose the reduction of the shutdown period.

**Table 9.6.3 Support for a reduction in the mandatory shutdown among venue managers**

Q45.LEVEL OF SUPPORT/OPPOSITION TO REDUCTION IN MANDATORY SHUTDOWN PERIOD							
	Total	Venue type		Shutdown hours		Affect of shutdown on total business	
		Clubs	Hotels	No variation	Variation	Negative affect	No affect
<i>Sample</i>	100	50	50	58	38	19	77
Strongly support	21%	14%	28%	29% ++	11% --	53%	14%
Support	28%	26%	30%	26%	32%	32%	26%
Neither support nor oppose	18%	26%++	10% --	14%	21%	5%	22%
Oppose	19%	22%	16%	17%	21%	5%	23%
Strongly oppose	11%	10%	12%	12%	11%		12%
Don't know	3%	2%	4%	2%	5%	5%	3%
Nett support	49%	40%	58%	55%	42%	84%	40%
Nett oppose	30%	32%	28%	29%	32%	5%	35%

Base: Total sample (n=100)

Venues were then asked their level of support for the idea they could choose the period each day they shutdown their EGMs for 6 hours. As can be seen in table 9.6.4 below just fewer than three in four (71%) supported the idea that venues should choose the 6 hour period they shutdown their EGMs. Hotels were significantly more likely to support this approach to the 6 hour shutdown than clubs (80% compared to 62%). Such a change to the flexibility of the 6 hour shutdown is discussed in more detail in section 16.

Table 9.6.4 Support for the choice of time venues shutdown their EGMs

	Venue type			Shutdown hours		Affect of shutdown on total business	
Q46.LEVEL OF SUPPORT/OPPOSITION TO ALLOWING VENUES TO CHOOSE THE PERIOD EACH DAY THEY SHUTDOWN POKER MACHINES FOR 6 HOURS							
	Total	Clubs	Hotels	No variation	Variation	Negative affect	No affect
Sample	100	50	50	58	38	19	77
Strongly support	41%	34%	48%	47%	37%	47%	39%
Support	30%	28%	32%	17% --	42% ++	16%	35%
Neither support nor oppose	10%	16%++	4% --	14%	5%	11%	9%
Oppose	10%	16%++	4% --	14%	5%		13%
Strongly oppose	8%	6%	10%	9%	8%	21%	4%
Don't know	1%		2%		3%	5%	
Nett support	71%	62% --	80% ++	64%	79%	63%	74%
Nett oppose	18%	22%	14%	22%	13%	21%	17%

Base: Total sample (n=100)

### Attitudes toward the shutdown

Venues were read a list of statements about the shutdown, which were derived mainly from the previous evaluation conducted on the 3 hour shutdown, and asked the extent to which they agreed or disagreed with each. The results for each statement are included in the following graph (figure 9.6.5).

As found in the previous research venues are most likely to believe the shutdown penalises recreational gamblers, although it is designed to assist just a small number of problem gamblers, with 76% of venues agreeing with this. The following table 9.6.6 shows that this level of agreement is consistent across hotel and club managers.

There is a similar level of agreement that the shutdown will only be effective if all venues shutdown at the same time (71%). This finding is somewhat in contrast with the 70% that agree there should be more flexibility in the times venues have to shut their machines.

Around two in three (69%) venue managers agree that the shutdown just means gamblers go and play machines at another venue. A similar proportion (65%) agreed that gamblers will just gamble on something else other than EGMs.



Nearly one in two venue managers agree that the shutdown would be more effective at more popular gambling times.

Overall there was less agreement with the statements relating to the effectiveness of the shutdown with only around one in three agreeing that:

- The shutdown has influenced some people to reduce the amount of time they gamble (38% nett agree);
- The shutdown has helped reduce harm caused by poker machines (35% nett agree);and
- (32%) actually felt the shutdown could create new problems for gamblers.

Less than one in five believed that the shutdown had actually stopped some people gambling altogether.

The majority of venues however, disagreed that:

- The shutdown has meant that customers have played poker machines less at our venue (57% nett disagree);
- The shutdown has made it difficult for our venue to maintain its services (63% nett disagree);
- The shutdown has meant that our venue cant donate as much to charities or the community (56% nett disagree); and
- The shutdown has meant our venue has had to lay off staff (75% nett disagree).



Figure 9.6.5 Venue managers attitudes toward the shutdown



Base: Total sample

Table 9.6.6 compares the level of agreement (nett) between clubs and hotels. Overall there are relatively few differences in the opinions of club and hotel managers.

Hotel managers were generally more likely to agree to a number of the statements than club managers however the only significant differences were:

- Hotels were more likely to agree that there should be more flexibility in the times venues have to shutdown their machines (86% compared to 54%)



- Hotels were more likely to agree that customers have played poker machines less at their venue (38% compared to 22%)
- Hotels were more likely to agree that the shutdown means people go elsewhere to gamble during those hours (82% compared to 56%)
- Hotels were more likely to agree that the shutdown has made it difficult for our venue to maintain its services (38% compared to 20%)
- But Hotels were also more likely to agree that the shutdown has helped reduce harm caused by poker machines (44% compared to 26%)

**Table 9.6.6 Attitudes to shutdown by venue type**

		VENUE TYPE		
		Sample	Clubs	Hotels
	<i>Sample</i>	100	50	50
The shutdown is designed to assist a small number of problem gamblers, but it penalises a large number of gamblers who don't have a problem	Agree (Nett)	76%	76%	76%
	Disagree (Nett)	18%	16%	20%
The shutdown will only be effective if all gaming venues shutdown and do so at the same time	Agree (Nett)	71%	70%	72%
	Disagree (Nett)	20%	16%	24%
There should be more flexibility in the times venues have to shutdown their machines	Agree (Nett)	70%	54% <sup>-</sup>	86% <sup>++</sup>
	Disagree (Nett)	19%	28% <sup>++</sup>	10% <sup>-</sup>
The shutdown means people go elsewhere to gamble during those hours	Agree (Nett)	69%	56% <sup>-</sup>	82% <sup>++</sup>
	Disagree (Nett)	25%	38% <sup>++</sup>	12% <sup>-</sup>
The shutdown just means people gamble on something else other than poker machines	Agree (Nett)	65%	64%	66%
	Disagree (Nett)	26%	28%	24%
The shutdown would be more effective if it was at a more popular gambling time	Agree (Nett)	48%	42%	54%
	Disagree (Nett)	32%	34%	30%
The shutdown has influenced some people to reduce the amount of time they gamble	Agree (Nett)	38%	32%	44%
	Disagree (Nett)	49%	54%	44%



		Sample	VENUE TYPE	
			Clubs	Hotels
	<i>Sample</i>	100	50	50
The shutdown has helped reduce harm caused by poker machines	Agree (Nett)	35%	26%	44%
	Disagree (Nett)	53%	62%	44%
The shutdown could create new problems for gamblers	Agree (Nett)	32%	28%	36%
	Disagree (Nett)	50%	54%	46%
The shutdown has meant our customers have played poker machines less at our venue	Agree (Nett)	30%	22%	38%
	Disagree (Nett)	57%	66%	48%
The shutdown has meant our venue can't donate as much to charities or the community	Agree (Nett)	29%	24%	34%
	Disagree (Nett)	56%	66% ++	46% --
The shutdown has made it difficult for our venue to maintain its services	Agree (Nett)	29%	20% -	38% ++
	Disagree (Nett)	63%	70%	56%
The shutdown has influenced some people to stop gambling all together	Agree (Nett)	18%	14%	22%
	Disagree (Nett)	72%	72%	72%
The shutdown has meant our venue has had to lay off staff	Agree (Nett)	17%	12%	22%
	Disagree (Nett)	75%	78%	72%

Base: Total sample (n=100)



## 10 GENERATES UNINTENDED CONSEQUENCES

### 10.1 Overview

The investigation of unintended or perverse consequences of introducing a shutdown period is somewhat problematic as the shutdown was first implemented in 2002 and then extended to 6 hours in 2003. Should there have been any unintended consequences they would have been most apparent around that time and by now integrated into the venue's business routine or patron's lives. Nonetheless there has been some consideration of unintended consequences in this research.

A search for relevant social statistics indicating differences in crime rates specifically relating to gambling over the period uncovered no valuable information. Similarly the literature review uncovered only limited research focusing on mandatory shutdowns of EGMs and therefore little was gained here also. The main sources of information in this regard are the opinions offered from gamblers and venue managers through the qualitative and quantitative research methods used in this study.

### 10.2 Gamblers Experiences

As discussed earlier, two of the problem gamblers interviewed for the case studies would regularly play until the time of shutdown. While both endorsed the shut down from the perspective that it was one of the few things that could prevent them from EGM play, they did claim that the thought of the close tended to increase the amounts they were betting.

These gamblers claimed that once staff called that the machines would soon close (the shoulder period) they tended to bet more money on each play in the hope of getting a final big win. It was hoped that this would either maximise their wins for the night, or minimise the losses they had incurred. Both gamblers also admitted to experiencing some anger towards have to cease play, particularly if they were winning on the machines at the time.

Similarly, the method of collection that most venues have in place seemed to encourage problem gamblers to play out the money they had on machines when it was nearing shutdown time as opposed to collecting whatever was left. For example, rather than take a collection slip to the cashier for \$100 the gambler would



prefer to take the remaining time in betting more lines (bigger bets) in the hope that the \$100 would increase before having to be paid out. This behaviour was exacerbated if the gambler had lost money through the evening, as they would try and recoup their losses until the last minute they possibly could. In this manner the shut down operates to increase the losses of the gambler in the immediate time preceding it. However, these findings do need to be balanced with the losses that the gambler may experience if they were allowed to continue play uninterrupted.

The following excerpt from the case study of Joan has already been provided in a previous section. However, it has direct relevance to findings presented above.

#### CASE STUDY 2- JOAN

Joan admits that if she did not run out of money she would play until forced off the poker machines, and has often been in the club at the time of shutdown. While she may not always be in favour of the shutdown at specific closing times, especially if she is winning or has a small amount left to gamble, she recognises that it does make her go home when otherwise she wouldn't. If the shutdown did not occur, she would stay until she had gambled all the money she had.

*"Yes, and I'd get the shits when they'd say (they were closing), you know I might have had \$50 or \$60 up on the machine and I'd think 'Bloody hell, you know, like, and then I'd start playing big so I didn't have to take it out of the machines.' So what they've done wrong, I believe, is the way they've changed out, the payouts. Like you used to be able to empty the coins out and get coins out of the machine, whereas now you get a receipt. So if you've got \$20 left stuck on the machine, you're more than likely, and a lot of people have sort of said it, you know, in the gambling scene that I've been in, 'Oh we don't bother taking that out, we just play big and hit it'. And then, because otherwise you've got to take it out of the machine and walk over, queue up, get your money.....So they are really taking advantage of people."*

### 10.3 Family Members and Support Agency Experiences

The experiences related by some family members also indicated that some gamblers displayed anger when being asked to cease gambling due to the shutdown. As stated by one family member...

*"My brother has punched the machine before...he's been in fights with staff, he screams at them, tellin' them to XXX off and ...he's just a bastard".*



However, it must be noted that physical violence such as this was reported by one family member only and by none of the problem gamblers interviewed for case studies. It is highly likely that while physical violence may occur when gamblers are asked to cease playing, it is very rare.

When asked about any negative consequences to the six hour shutdown in its current format, some support agencies related a similar opinion to that expressed by problem gamblers – while they highly endorsed it, some of their clients did tend to bet larger amounts of money in the shoulder period. However, rather than see this as a consequence of the shut down, support agencies were more likely to attribute this behaviour to the method of collection required. In their opinion, it was obvious that gamblers were more likely to play out whatever credits they had rather than queue at a counter.

#### 10.4 Industry Experience

A theme that has come up in previous research<sup>29</sup> has been the evidence of a ‘shoulder period’ where venue managers notice a drop off (or increase) in poker machine use in the hours just prior to or just after the shutdown period. Venue managers were asked if they were still feeling as though there was a variation in gaming machine activity surrounding the shutdown period. Table 10.4.1 shows that relatively few venues (11%) experience such an effect although those venues that say they have been negatively affected by the shutdown were significantly more likely than those that haven’t experienced any effects to say they experience a shoulder period (42% of affected venues compared to 4% of non affected venues).

Table 10.4.1 Experience of a ‘shoulder period’

Q30.VENUE EXPERIENCES SHOULDER PERIOD EITHER SIDE OF SHUTDOWN							
	Venue type			Shutdown hours		Affect of shutdown on total business	
	Total	Clubs	Hotels	No variation	Variation	Negative affect	No affect
<i>Sample</i>	100	50	50	58	38	19	77
Yes	11%	8%	14%	12%	8%	42%	4%
No	84%	84%	84%	84%	84%	42%	95%
Don't know / can't say	5%	8%	2%	3%	8%	16%	1%
Total	100%	100%	100%	100%	100%	100%	100%

Base: Total sample (n=100)

<sup>29</sup> AC Nielson (2003). Evaluation of the Impact of the 3 Hour Shutdown.



As can be seen in table 10.4.2, 10 out of 11 of those who claim the shutdown is having a negative effect on their business and who claimed they experience a shoulder period felt the shoulder period was an additional negative impact on their business. There was however one venue manager that claimed the shoulder they felt was a positive for their business.

**Table 10.4.2 Impact of the shoulder period**

Q30a.SHOULDER PERIOD HAS A POSITIVE OR NEGATIVE IMPACT							
Filter: Q30 Experience a shoulder period	Venue type			Shutdown hours		Affect of shutdown on total business	
	Sample	Clubs	Hotels	No variation	Variation	Negative affect	No affect
Sample	11	4	7	7	3	8	3
Positive	9%	25%					33%
Negative	91%	75%	100%	100%	100%	100%	67%
Total	100%	100%	100%	100%	100%	100%	100%

Base: Venues experiencing a shoulder period (n=11)

The previous research evaluating the 3 hour shutdown in NSW by AC Nielson found that 75% of venues potentially impacted by the shutdown had experienced a shoulder period around the shutdown. The previous research used different sample techniques and had a different composition meaning the current findings are not strictly comparable. Nonetheless there is a marked contrast in the 75% experiencing a shoulder period found previously to the 11% now. This comparison suggests that customers have adjusted to the shutdown concept since the introduction of the first 3 hour mandatory shutdown period.

Venue managers were also asked if they felt their customers had now become accustomed to the mandatory shutdown. Nearly nine in ten (88%) of venue managers thought that their customers had now adjusted to the shutdown period (see table 10.4.3).





Table 10.4.3 Customers adjusted to the 6 hour shutdown

Q39.CUSTOMERS HAVE ADJUSTED TO SHUTDOWN							
	Venue type			Shutdown hours		Affect of shutdown on total business	
	Total	Clubs	Hotels	No variation	Variation	Negative affect	No affect
<i>Sample</i>	100	50	50	58	38	19	77
Yes	88%	84%	92%	88%	92%	79%	90%
No	4%	6%	2%	5%		16%	1%
Don't know	8%	10%	6%	7%	8%	5%	9%
Total	100%	100%	100%	100%	100%	100%	100%

Base: Total sample (n=100)

During the qualitative research venues mentioned that some gamblers would be openly angry and negative towards staff members when asked to cease playing. As can be seen in table 10.4.4 this was only mentioned by 1% of venue managers when asked how the shutdown had affected their customers. Similarly, it was mentioned by a stakeholder and venue operator in the qualitative research that the shut down meant that larger numbers of people were leaving the premises at once (as the venues also closed), and this raised the possibility of physical and verbal violence. However, this was not mentioned by any venue managers in the quantitative research.

Table 10.4.4 Effect shutdown has had on customers

Q34.HOW SHUTDOWN HAS AFFECTED CUSTOMERS							
	Sample	Venue type		Shutdown hours		Affect of shutdown on total business	
		Clubs	Hotels	No variation	Variation	Negative affect (nett)	No affect
<i>Sample</i>	100	50	50	58	38	19	77
Have nowhere to go now during these hours	9%	8%	10%	9%	11%	32%	4%
Have to go home	3%	4%	2%	2%	5%	11%	1%
Can't socialise/meet friends at this time	6%	2%	10%	5%	8%	26%	1%
Spend more time/money at venue	1%		2%	2%			1%
Frustrated/annoyed someone telling them what to do	1%		2%	2%			1%
Just go elsewhere to gamble / to the Casino / internet gambling etc	9%	10%	8%	9%	11%	26%	5%
Safety risk having to leave in early hours	1%		2%	2%			1%
Gamble less	7%	6%	8%	7%	8%	16%	5%
Drink less	1%		2%	2%			1%
Hasn't really affected anyone	28%	36%	20%	28%	26%		36%
Other	4%	6%	2%	5%	3%	16%	1%
Don't know/can't say	43%	34%	52%	43%	42%	5%	49%

Base: Total sample (n=100)

During the qualitative research with stakeholders and venues, it was also identified that the shutdown had had some negative consequences for the broader community that were likely to have been unintentional. The first of these, reducing staff, was claimed to occur where venues had started to close as a result of the shutdown rather than stay open 24 hours a day. This was later confirmed in the quantitative research with 17% of venues agreeing that they have had to lay off staff as a result of the shutdown (see table 9.6.6 in previous section).

The second negative consequence noted in the qualitative research was the impact that a reduction in the profit of clubs had for their local communities. As a number of

clubs actively support local sporting and recreational groups with funding, a reduction in profits equated to a reduction in the funds available for support. For example, a large club in a regional area reported actively supporting 19 sporting clubs and 20 community groups in their local area in some capacity. The shutdown was perceived to have caused a 7-8% loss in revenue from the EGMs and other activities. This was claimed to approximately equal \$750,000 a year, which was profit that could no longer be used to support community clubs and activities.

During the following quantitative research, it was found that some 29% of venues agreed that the shutdown had meant that they could not donate as much to charities or the community (see table 9.6.6 in previous section). While during the qualitative research this issue had been raised specifically by clubs, the quantitative research indicates that it is an unintended consequence of the shutdown for both clubs (24%) and hotels (34%).



## 11 IMPACT OF SHUTDOWN ON CLUBS VERSUS HOTELS

### 11.1 Overview

Clubs and hotels are different businesses, they serve different purposes, have different organisational aspirations, structures and concerns. While it is true that each and every venue differs in the aforementioned ways clubs can be grouped broadly as not for profit organisations designed to benefit their members and local community, whereas hotels are commercial businesses. It stands to reason that the differences that define clubs and hotels would also result in different experiences of the shutdown regulations.

Throughout all aspects of the evaluation clubs and venues have been considered separately.

### 11.2 From the Venues Perspective

As mentioned above, one of the key differences between the impact of the shutdown on clubs and hotels found in the qualitative research was that it reduces the profits that clubs have to fund sporting and other activities within their local communities. Although the quantitative research indicated that this was an impact shared by hotels also, it was not mentioned as a particular impact during the qualitative research with hotel stakeholders and venue operators. This is not to say that hotels do not contribute to their local community, just that it was not raised as an important impact.

However, it does stand to reason that the extent of funds given to the local community by clubs is likely to be significantly more than hotels due to their status as not for profit organisations. Therefore the impact of the shutdown on community funding provided by clubs will likely be significantly more in terms of actual dollar value, than hotels.

During the qualitative research, it was consistently mentioned by venues and stakeholders that clubs have an obligation to their members to provide entertainment and recreational activities. If they do not do so, their members cease to pay their dues, and the club will cease to exist. By not being able to provide access to the EGMs between the hours of 4am and 10am, clubs claim that this



means they are not doing all they can to fulfil the obligation they have to their members. The situation is made worse, from their perspective, in that they also often have to cease trading altogether as it is not economically viable to keep the club open for other activities.

For sporting clubs, such as bowling and golf clubs, this situation is more difficult in the mornings. Whereas they may close relatively early in the evening, they are still unable to turn on their EGMs when they open in the early morning for their members to play their sport, particularly if they only do so on infrequent occasion such as when a tournament is on. Although they can provide access to alcohol and other gambling activities, such as Keno, they are not able to provide their members with the opportunity to play EGMs before 10am.

The qualitative research also found that clubs tended to believe they were in a stronger position for the execution of targeted strategies aimed at problem gamblers, such as self-exclusion, than hotels were. The club venues interviewed all claimed to know their regular patrons well, and the need for membership also allowed a control mechanism on entry. Should a patron choose to self-exclude themselves due to gambling, they had a great deal more control on entry to the venue than hotels did as members have to swipe or show membership cards.

There was some additional criticism related to the shut down legislation from clubs. While it only came from one venue in the qualitative research, it is worth noting as others may share the opinion. The venue operator claimed that the shutdown was nonsensical as it was aimed at forcing a break in play by limiting access to EGMs. However, the action was only undertaken after the government had allowed community access to EGMs to be increased considerably by providing hotels with EGM licences. Due to this action, clubs were then made to limit the access their members had to this entertainment option.

*"If they really wanted to limit access, why did they put an extra 30 of them on every street corner"?*

### 11.3 From the Players Perspective

There was little mentioned specifically about the shutdown in regards to the differences between clubs and hotels from the perspective of problem gamblers. While it was noticeable that all the problem gamblers included in the case studies



tended to play at clubs more so than hotels, this is more likely to be a feature of the demographics of the gamblers that were willing to participate in the research than any indication as to the incidence of problem gamblers at the two types of venues. As stated, it was extremely difficult to find younger males who were willing to participate in an hour long interview for a case study. This meant that there was some skew towards older women in the sample. It is highly likely that clubs tend to be a preferred venue for this demographic than hotels.

An example of this is given by Joan, who has self-excluded herself from her preferred club. She has gone to other clubs now she has self excluded along with hotels, and feels that the clubs provide her with a much more welcoming environment. However, this had no impact on the time she has spent playing EGMs at these venues, as despite her discomfort at the hotel she went to, she admits that she would have stayed playing until close if her money had not run out prior to that time.

#### CASE STUDY 2- JOAN

Since the self-exclusion Joan has continued to gamble at other places, still within a close geographic proximity. However, they do not seem to fulfil the same need as the club of which she was a lifetime member. She claims that the other clubs she has been to usually close early, at about 11pm and midnight. The one time she unsuccessfully tried to lift the self-exclusion at her 'safe' club because she wanted to gamble late at night, she went to a pub that was open until early in the morning instead. She claims to have been very uncomfortable, however when challenged as to why she left the pub, Joan admits it was due to running out of money. She feels she would have stayed until close if she had not run out of money, despite her discomforts.

*"The XXXX Club, which is associated with YYYY Workers' Club, or XXXXWorkers' it's called, but I think they close at 11 o'clock at night, you know. So I've been down at the pub, oh I forget what the pub is, but the pub, I don't know, just seems dirty and you have the young ones that are swearing their heads off and their pokies don't pay, and that's actually where I went after XXXXX Leagues said No. I went, I think I blew \$150 in about ten minutes at this."*

*"Yeah at the pub, and I thought OK, that's it, I'm not coming back here again. You know it's not a family, to me it's not a family atmosphere. At the club, well as I said XXXX RSL and XXX Workers', the staff are very nice – Hi how are you?, they greet you and talk to you. I suppose if I went down to the pub often enough I'd get to know the people and it's a different atmosphere but pubs, I'm not a pub person."*

*"No I stayed there until my money ran out.....Yes I would probably, yeah, (would have stayed until close) and that's a late opener. They do need to put a time limit on people so they're not gambling."*



bluemoon

In slight contrast to the qualitative research that did not identify any conclusive results in terms of differences between clubs and hotels from the gamblers perspective, the quantitative research with gamblers at venues showed a few significant differences between EGM players at clubs and hotels. The differences were predominately demographic rather than attitudinal. In particular gamblers in hotels were significantly more likely to be categorised as a problem gambler (35% compared to 23% in clubs). As the sample predominately included gamblers at or around the shutdown period it would indicate that a larger (relative) impact on problem gambling is being made by the shutdown in hotels. In addition:

- Gamblers in hotels were more likely than those interviewed in clubs to say they also bet on the TAB (44% v 22%) and at the track (22% v 8%).
- Those interviewed in hotels were more likely to gamble at later times than those interviewed in clubs such as midnight to 4am (33% v 18%).
- Gamblers interviewed in clubs were less likely to have ever played EGMs between 4am and 10am (never 25% v 41%)
- Gamblers at hotels were more likely to say the shutdown should be increased (41% v 28%). However, they were no more or less likely to support the shutdown generally.
- Gamblers at hotels were more likely to be younger (under 34) single with no children and those at clubs were more likely to be older (55-64), married or living with a partner and have children. (This reflects the demographic characteristics of problem gamblers more closely).

#### 11.4 Venue Managers

As mentioned above, operationally clubs and hotels can be expected to be quite different and thus would be impacted by the shutdown in different ways. The venue managers survey revealed some of these broad differences, most of which have been discussed in previous sections of this report.

Operationally, the most significant differences between clubs and hotels were as follows:

- Clubs were slightly more likely to open 24 hours prior to the shutdown than hotels in our sample, and more likely to have opened before 10am than hotels in our sample (80% v 56%);
- Similarly, clubs are more likely to have had to change their opening hours due to the shutdown (22% v 8%).

With regards to venue managers impressions of the type of gambler affected by the shutdown hotels were slightly different, most likely as a result of the difference in types of customer each experience late at night.

- Hotels were more likely to say people out partying late were affected by the shutdown than clubs (12% v 0%); and
- Hotels were more likely than clubs to say that the customers most affected by the shutdown were problem gamblers as opposed to recreational gamblers (30% v 16%). Although they were equally likely to say that recreational gamblers are most affected (clubs 40% hotels 42%), clubs were more likely to say they didn't know who were affected.

Affect on customer base and business:

- Hotels were more likely to believe their customers had started going to other venues because of the shutdown than clubs (40% v 24%);
- When asked where customers go when the EGMs are shutdown, of the venue managers that could say where their customers went, hotel managers were more likely to say their customers were going to another venue (74% v 33%);
- Similarly hotel managers were more likely than club managers to agree with the attitudinal statement "the shutdown means people go elsewhere to gamble during those hours" (82% v 56%);
- Clubs were more likely to mention increased EGM taxes as having affected their business since 2003 than hotels (28% v 0%); yet
- Hotels are more likely to agree that the shutdown has made it difficult for their venue to maintain its services (38% v 20%).





Hotel managers were also more likely to call for increased flexibility in the shutdown hours:

- Hotels were more likely than clubs to support the idea that venues should be able to choose the period they shut their EGMs for 6 hours (80% v 62%); and
- Hotels were more likely to agree that there should be more flexibility in the times venues have to shutdown their machines (86% v 54%).



## 12 WIDER SOCIAL IMPACTS FROM THE SHUTDOWN

Families had a lot of difficulty identifying specific social impacts from the shutdown. While some had family members that would have previously attended venues during the shutdown period prior to its introduction, their family members were still gambling up until the time of the shutdown anyway. For family members, the shutdown was seen as simply too late at night even at the current times to really improve the situation for the family.

However, one of the family members did comment that her husband worked shiftwork as a delivery driver throughout the early hours of the morning. While she could not be sure, she believed that he did used to gamble throughout his shift and with the shutdown this would prevent him from doing so. Currently, she is aware that he is trying to limit his gambling and believes that at least the shutdown would assist in this as he would be prevented from gambling during his hours of employment.

Among the in-depth interviews with venues, the concern of the shutdown causing the venue to close and the possibility of danger with all patrons leaving the venue at once was raised. It was believed that if the shutdown did not prompt the venue to close, then patrons would be leaving gradually rather than altogether. No other research activities provided any feedback on this issue.

Statistics on crime were to have contributed to this section; however, it was found that no statistics relating gambling to motivation of crime have been tracked over the period of introduction of the 6 hour shutdown. In Australia official crime statistics provide no indication of the extent of gambling related offences and no link is made of the relationship between problem gambling and crime.<sup>30</sup> As such no conclusion can be drawn as to the impact the shutdown may have made to gambling related crime.

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<sup>30</sup> Crofts, P (2003) Researching the link between gambling and crime.

## 13 EFFECTIVENESS OF THE SHUTDOWN AROUND THE CASINO

### Overview

There is concern that the shutdown may be less effective in minimising harm to problem gamblers from venues in close proximity to the Casino. It is thought that when venues close to the Casino have to shutdown their EGMs gamblers would move on to the Casino which is exempt from the shutdown regulation. In order to assess the prevalence of such behaviour the face to face survey with gamblers was undertaken at a number of venues with varying distances from the Casino.

In addition, the research sought evidence of players choosing the casino to play EGMs over other venues because of the shutdown.

### Behavioural intention at shutdown time

The face to face gambler survey sample was designed to consider gamblers at venues in different parts of Sydney and NSW. As part of the sample a small number of venues were sampled that were 'relatively' close to the Casino – these were venues from the inner city and Pyrmont area. Another small number of venues were sampled slightly further away from the Casino but still within the Sydney LGA. The remaining venues were spread across other metropolitan Sydney LGAs and LGAs outside of the Sydney metropolitan area.

Table 13.1.1 below allows us to look at the differences in behavioural intention for gamblers in different locations at shutdown time. The data indicates that intentions among gamblers in the Sydney LGA prior to the shutdown being enforced are slightly different to those of the rest of metro Sydney and other parts of NSW surveyed. Despite the small sample size of gamblers in the Sydney LGA significantly fewer than in the rest of metropolitan Sydney said they intended to go home when the machines are shutdown (50% compared to 78%). Instead Gamblers were more likely to say they didn't know what they would do. There was no difference however in the proportion that said they would go to the Casino.

Table 13.1.1 Behavioural intention of gamblers at EGM shutdown time by venue location

O9.INTENTION WHEN STILL PLAYING & POKER MACHINES ARE SHUT DOWN						
	Total	Sydney LGA (Nett)	Sydney LGA (close to Casino)	Sydney LGA (far from Casino)	Sydney metro	Other NSW
<i>Sample</i>	136	30	14	16	60	46
Stay here	13%	13%	7%	19%	10%	17%
To the Casino	2%	7%		13%	2%	
To another club	4%	7%		13%	3%	4%
To another hotel	3%	3%	7%		3%	2%
Home	71%	50% --	64%	38%	78%	76%
Don't know	6%	20% ++	21%	19%	4%	

Base: Late night sample (n=136)

This survey found little evidence of gamblers moving from their venue to the Casino when the EGMs are shutdown.

There was no evidence to suggest differently from this in the qualitative research among gamblers; however none of these gamblers had homes within inner metropolitan Sydney. They all tended to stay close to their home locations as a general rule, and would only frequent the Casino after their preferred venues had closed when on a social night out with friends, rather than the times they were gambling by themselves.

As stated previously, venue operators and related stakeholders commonly felt that the shutdown was limited in effectiveness as problem gamblers could simply go to the Casino after other venues closed. This was assumed regardless of how far the venue was away from the Casino, although it was admitted to be more likely to happen if gamblers were already at or near inner city Sydney. As the quantitative research has shown, this is not as common a behaviour as that assumed by venue operators and related stakeholders.

The representative from the Casino that participated within the stakeholder component of the research could not comment on whether there was an influx of problem gamblers arriving after other venues had closed for the night.

### Choosing the casino over other venues

The quantitative survey did not include interviews of gamblers at the Casino or arriving at the Casino, therefore only limited conclusions can be inferred about gamblers choosing the Casino, or not, over other venues due to knowledge of the shutdown.

As seen earlier (Table 7.2.9) only 3% of gamblers interviewed in clubs and hotels claim to now be going to additional venues as well as their regular ones as a result of the 6 hour shutdown. No gamblers reported changing venues altogether as a result of the shutdown. In addition, it is unlikely that all of these gamblers will have changed to the casino, but rather changed to a variety of venue types.

In the qualitative research the casino was seen as an alternative gambling venue that could be accessed on special occasions as opposed to a regular replacement. There was also little evidence to suggest that the choices were made due directly to the 6 hour shutdown.

An example of this is John who claimed that about once a month he goes to the Casino with mates on a Saturday night after they go into the city to eat and go to a nightclub. On these nights they might stay all through the night.

However, John also plays regularly alone so that he does not have to stay or leave at the same time as his mates. He will go to either one or two clubs of which he is a member and on the odd occasion will take himself to the Casino. However he rarely frequents the Casino alone or late at night for fear of what he will be required to do if his mother should she ask where he has been.

He claimed that when he and his mates knew they were "in for a big one" they would head into the city where the night usually ended up at the Casino.

Joan also mentioned continuous gambling at the Casino. Although Joan did not go to the Casino herself, she claimed that she knew people who had stayed 3 or 4 days playing EGMs at the Casino going without sleep.

The Casino representative spoken to did not feel that it was likely that problem gamblers would choose to go to the Casino instead of a venue that is local to them because of the shutdown on a regular basis.

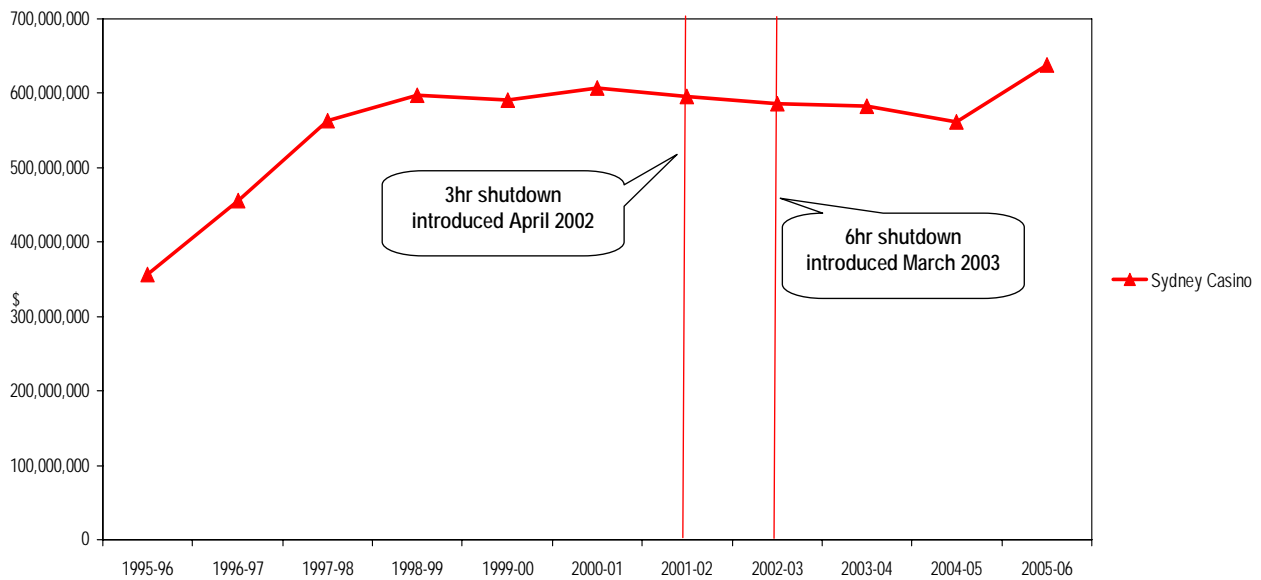
This being said, the Casino offers 24 hour gaming, which is well known, and gamblers looking to participate in such activity may very well choose this venue. This research however suggests that in many cases the casino is a special event venue.

### Casino profit data

The NSW OLGR provided Blue Moon with turnover and expenditure (profit) data for the Sydney Casino. Expenditure or profit is defined as turnover minus winnings. As the Sydney Casino is exempt from the six hour shutdown regulation there is 24 hour operation of EGMs at this venue.

The data was analysed for year on year trends in profit before and after the introduction of the mandatory shutdown periods for any indication that the shutdown of EGMs had caused an increase in profit for the Casino. The following time series graph (Figure 13.1.2) shows the annual profit data for the Sydney Casino.

Figure 13.1.2 Casino Annual Expenditure (profit data)



Source: NSW Office Liquor, Gaming and Racing, 2007

As can be seen from figure 13.1.2 the annual profit for the Sydney Casino actually declined for the two financial years after the introduction of the six hour shutdown of EGMs for hotels and clubs. This data suggests there was no major increase in profit for the Sydney Casino resulting from the shutdown regulation. Caution must be used when interpreting this information as there is no breakdown of profit by gaming activity within the Casino that can be used to understand the impact on EGM profit.

The vertical red lines indicate the introduction of the mandatory shutdown in 2002 and the extension in 2003.



## 14 THE ROLLING SHUTDOWN EFFECT

The rolling shutdown effect refers to the possibility of gamblers moving from venue to venue as they shut their EGMs in order to keep gambling. This practice is only possible in areas where all venues do not shut their machines down over the same time period i.e. in areas containing venues that operate approved 'variations' to the standard 6 hours (4am to 10am).

While this was assumed to be a key factor contributing to the ineffectiveness of the shutdown in both the qualitative and quantitative research among venue operators (see Table 9.6.6 where 69% of venues operators thought gamblers just go to another venue to continue gambling), this was not found to be occurring to any great extent in either the qualitative or quantitative research among gamblers. None of the problem gamblers interviewed for case studies claimed to regularly swap venues as a result of venues closing. Instead they would have preferred venues to go to in a relatively close geographic area to their homes.

Interviews with gambling support agencies and family members also indicated that problem gamblers tend to be relatively static in their behaviour in that they often had a preferred venue where they played. It was believed that gamblers would choose a venue that suited their preferred times of play, and that if they were late night players, then they would choose a venue that remained open until the mandatory shutdown times as their preferred place.

From the group discussions with family members, there is some evidence of a very localised roll on effect however overall, this was not common nor did it tend to occur beyond the immediate geographic area of the problem gambler's home. Only one of the family members from the group discussions claimed that their relative with a problem gambling habit would regularly move on to the next venue once one closed.

*"I've been with him playing at XXX until 4. And when that's shut we've gone to the XXX which shuts at 6. And we've stayed there playing until then...I think he probably does it a fair bit, but he probably also goes to XXX more anyway 'cause he knows its not going to shut till 6 (about a brother)"*

Both support agencies and family members, and the gamblers from the case studies, were of the opinion that problem gamblers mostly stay in a local area. It is generally perceived that problem gamblers may make the trip into the Casino or to



other venues that close later than the ones they may prefer occasionally, this seems to occur more often when they are on a binge or when in a more social situation with friends rather than alone. It is thought more likely the frequent, every day behaviour where gamblers play EGMs daily or once a twice at week (which 85% of problem gamblers claim to do), causes the financial and social harms that problem gamblers experience, rather than the 'special' event such as a binge or social outing. The qualitative research seems to indicate that this tends to take place in a very localised geographic area surrounding a gamblers home, if not in a specifically preferred venue. Given the frequency at which they play, problem gamblers are more than knowledgeable about which venues in their local area close at which time and seem to make their choices on where they play accordingly.

### **Quantitative roll on evidence**

The sample frame used for the quantitative face to face interviews with gamblers was designed to include venues in the 8 LGAs in NSW with the highest number of variations to the 6 hour shutdown. By conducting interviews with gamblers at venues within these areas, where several venues operate under variations to the shutdown, movement of gamblers from venue to venue could be assessed.

According to the data in Table 7.2.1 (section 7.2) more than two in three (71%) of those interviewed at EGM shutdown time indicated they would go home when the machines were shutdown. A further 13% said they would stay at the venue while, overall, fewer than one in ten (9%) said they would go elsewhere with the purpose of continuing to gamble. This indicates that only a small proportion of gamblers create a roll on to other venues – the majority go home when the machines are shutdown.

Although not statistically significant there were some indicative differences between the groups of gamblers, as identified by the CPGI, particularly when comparing gamblers at either end of the scale (no problem to those with a problem). Gamblers with no problem were more likely to say they would simply stay at the venue and continue with other activities (26% compared to 7% of problem gamblers) whereas problem gamblers, and low and moderate risk gamblers, were most likely to say they would go home (68% compared to 57%). However, problem gamblers and those at moderate risk were the most likely to say they would go to another venue (although again the difference was not significant at the  $P < 0.05$  level).



Overall there appears to be a small proportion of gamblers that seek out another venue to continue gambling when the EGM shutdown is enforced. It would seem that these gamblers may more often be moderate risk or problem gamblers, however the large majority of gamblers go home or even stay at the venue they are in when the EGMs are shutdown. This is also the case for problem gamblers where 68% say they intend to go home when the EGMs shutdown.



## 15 OPTIMAL TIMESPAN FOR SHUTDOWN

### 15.1 Cost/Benefit of the Three Hour Compared to the Six Hour Shutdown

The research was primarily designed to consider the impact of the six hour shutdown on both venues and gamblers. In-depth interviews with support agencies indicated that the six hour shutdown had two broad factors underpinning its effectiveness:

- Forcing a break in play; and
- The length of time the machines are not operational.

The break in play created by a mandatory shutdown has the effect of breaking the gambling cycle and allowing gamblers to re-evaluate their actions and position and consider their options. This action would be similar regardless of the length of time, within reason, the shutdown was mandatory. However, support agencies suggest that the length of time the machines are unavailable has a significant impact on the behaviour of the gamblers after the shutdown commences.

Support agencies suggest that when gamblers are faced with a wait for the machines to come on of six hours they are most likely to go home (see previous section 7 for details of gambler reactions to the 6 hour shutdown from the face to face interviews). The 6 hour break ensures gamblers enough time to go home get some rest and recuperation – a crucial step in breaking the addiction like ‘fix’ problem gamblers experience. It also provides a reasonable time for the emotions that have ‘triggered’ the gambler playing to subside. Support agencies suggest that the three hour shutdown does not hold the same influence as the six hour shutdown – it is more likely that gamblers will either decide to wait the three hours or take a short break from the venue and return in time for the machines to come back on.

However, support agencies also suggest that the above positives of the six hour shutdown over a shorter time period of three hours are only accurate for the current hours of the mandatory shutdown. There is no doubt that support agencies would be highly supportive of a 3 hour shutdown during other times of the day when more gamblers are playing in total, if it was possible to trade this for the current six hour time period of 4am to 10am. This is discussed in more detail in the next section. Despite this, at the current times of the 4am to 10am the length of the shutdown is



considered important as it serves to encourage gamblers to end their night and go home, as there is little point in staying for six hours with the express purpose of waiting to restart play on the EGMs.

## 15.2 The Shutdown Being more Effective during Particular Hours

As the shutdown is mandatory for all machines in the venue (and for all venues in the state excepting the Casino) all gamblers playing EGMs at the time of the shutdown are forced to stop playing, and subsequently any gamblers intending on playing EGMs during the shutdown period are prevented from playing. The shutdown would then be most effective at reducing harm during the times when the largest number of problem gamblers and at risk gamblers play the machines as more gamblers with problems would be exposed to the break in play. It is also highly likely that this time will prevent significantly more recreational gamblers from playing machines than the current time period.

The following table shows the times of day gamblers included in this study say they usually play the machines. It can be seen that although the current sample was mainly made up of gamblers in venues just before or just after the shutdown period, the majority still claim to usually play the EGMs between 6pm and 12pm (56%).

Table 15.2.1 Times when usually play EGMs

Q4i TIMES OF DAY WHEN USUALLY PLAY POKER MACHINES					
	Total	No problem	Low risk	Moderate risk	Problem gambler
<i>Sample</i>	272	63	57	74	78
6pm to 9pm	34%	27%	40%	35%	33%
9pm to midnight	22%	19%	23%	24%	23%
Midnight to 4am	6%	--	5%	8%	9%
4am to 7am	1%		2%	1%	1%
7am to 10am	2%	2%		4%	1%
10am to midday	15%	22%	11%	12%	14%
Midday to 3pm	10%	14%	7%	12%	8%
3pm to 6pm	9%	14%	12%	3%	8%
Don't know/ can't say	1%	2%			3%

Base: Total sample (n=272)

Using the data from the above table without considering the potential costs to venues and non problem gamblers it would seem the shutdown would be most effective between 6pm and 12pm. This outcome has not been 'tested' as part of the current evaluation.



Similarly, all support agencies were of the opinion that to make the mandatory shutdown period more effective, it should occur at other times of the day when more gamblers are playing. As shown in the case studies, not all problem gamblers play until close. Support agencies agreed with this finding and also claimed that more gamblers play in the afternoon and early evening. A move in the time of the shutdown would therefore reach a greater number of problem gamblers. Support agencies were of the opinion that if the times were moved to early evening, for example 6pm to 9pm, then more gamblers would experienced a mandatory break in play than those that currently are affected at 4am to 10am in the morning. Even if the break in play was of shorter length, the benefit of reaching more gamblers would outweigh the benefits achieved of the extended six hour period reaching fewer problem gamblers.

This assumption is based on the fact that the proportion of problem gamblers remains the same despite the time of day. Venues would be highly likely to challenge this, and the research for this project has no evidence to either prove or disprove that assumption. However, the research for this project with gamblers in venues at times surrounding the shutdown period indicated that 29% of gamblers playing could be classed as problem gamblers. Another 27% were of moderate risk. Based on this, one of two assumptions can be made, either:

- There is a disproportionate number of problem and moderate risk gamblers playing up until and at the current shutdown time of 4am, and therefore the mandatory shutdown period is being effective in breaking play for these people (most of whom intend to go home). An extended time period provides the extra chance of discouraging EGM play for longer and increases the possibility that gamblers will become involved in other activities or get necessary sleep; or
- The same proportion of problem (29%) and moderate risk (27%) gamblers could be found at other times of the day, and a mandatory shutdown may be more effective if done when more gamblers overall are playing. This way it would reach more problem gamblers in total. Even if the shutdown period was for a shorter time period, the nett effect would be of creating a break in play for more people.

While it is difficult to say which has the most benefit in terms of the overall harm minimisation to problem gamblers, the venues would identify that the first assumption has the least resulting cost if they were given the option between the two. Given the fewer people playing between 4am and 10am in the morning, the

times chosen for the mandatory shutdown have the least financial and business impact on venues (excluding early openers- these are discussed in the next section).

*"I have to say, that if they've got to do it, it's at the least busiest times."* (Stakeholder)

*"It would be much worse if it was at different times of the day."*  
(Venues)

Of course, venues would still prefer that a three hour time period would apply over a six hour one even at the current times of the mandatory shutdown. This minimises the cost of the shutdown to them further. In terms of differences in effectiveness of a three hour time period within the six hours between 4am and 10am, most venues would still maintain the times of 6am to 9am if given the options, as these have the least revenue and business costs associated with them. The exception to this would be the early openers, who may prefer the shutdown to end earlier.

### 15.3 Different Areas and Time Span

Underlying this research objective is the question as to whether all geographic areas needed the same shutdown times if it is to be effective. For example, could the CBD have a different shutdown time than industrial areas? While the research for this project suggests that problem gambling is a relatively localised behaviour and there is little evidence of a roll on effect across broad geographic areas, this is not to say that this would not change if there were different mandatory shut times in different areas. Currently, the only option for gamblers outside the mandatory times is the Casino. Applying different shut down times to different areas will increase the options.

Further, one of the key benefits of a mandatory shut down period for EGM play is the public health perspective. Support agencies and related stakeholders identified that a time period where the community does not have access to gambling provides some safeguards to the concept of responsible gambling. Within the gaming industry an across the board measure such as a mandatory shutdown period needs to be applied, as there are no easily identifiable physical symptoms of when a person has 'gambled too much' as there is when a person drinks to much alcohol. Having different shutdown times in different geographic areas would undermine this benefit.



Another argument for a mandatory shutdown period across all geographic areas is it negates the possibility of patrons being given complimentary transport to other venues that may not be operating under the same shutdown times. Venue operators and related stakeholders identified during the qualitative research that this is a practice that is used by the Casino. That is, buses are used to provide complimentary rides for club and hotel patrons to the Casino after the time of shutdown. Allowing different shutdown times to apply across different geographic areas provides opportunities for clubs and hotels to adopt a similar practice. While it could not be said from this research that patrons would or would not take up the offer of complimentary transport to different geographic areas, such a move would serve to increase access to EGMs for problem gamblers and encourage a roll effect.

#### 15.4 Effectiveness and the Same Shutdown Hours

One of the key benefits of the mandatory shutdown is that all venues must cease operating their EGMs at the same time, forcing a break in play for a duration of time that allows the problem gambler no access to EGMs. The greater this time the more likely gamblers are to do other activities than gamble. There is no doubt that if all venues have the same time span it completely negates the possibility of a roll on effect, and the greater the time span this is applied for, the more effective this will be in encouraging gamblers to go home or do other activities than gambling.

However, as the data in table 7.2.1 shows nearly three in four gamblers (71%) that are gambling just before the shutdown period intend to go home when the machines shutdown, thus limiting their play for the day. This suggests that even though all venues do not have the same shutdown periods (the areas where the research was undertaken have the most variations) that the time span is still effective.

## 16 ENSURING FLEXIBILITY FOR VENUES

### 16.1 The impact of flexibility on the shutdown effectiveness

Flexibility in implementing the shutdown creates a situation where some venues are able to have their EGMs operational while others have them turned off. As discussed previously this creates the opportunity for gamblers to move from venue to venue in order to continue to play EGMs at venues that have not shutdown their machines.

### 16.2 Current flexibility for venues

The current regulatory environment allows venues to apply on an individual basis for a variation on the 6 hour shutdown. A range of variations to the shutdown are in operation including reduced hours (3 hours) and different shutdown periods to 4am to 10am. Venue managers were asked about their awareness of the shutdown and the ability to apply for a variation. They were also asked about the impression of the process.

Almost all venue managers (97%) are aware of the shutdown legislation (see table 16.2.1). Unsurprisingly those few that are not aware of the shutdown also say there has been no effect on the venue and they support the shutdown policy generally.

Table 16.2.1 Awareness of the 6 hour shutdown legislation

Q1.AWARE OF 6 HOUR SHUTDOWN LEGISLATION										
	Total	Venue type		Shutdown hours		Affect of shutdown on total business		Support/opposition to shutdown		
		Clubs	Hotels	No variation	variation	Negative affect	No affect	Support	Neither	Oppose
Sample	100	50	50	58	38	19	77	49	22	28
Yes	97%	98%	96%	98%	95%	100%	96%	94%	100%	100%
No	3%	2%	4%	2%	5%		4%	6%		

Base: Total sample (n=100)

Similarly the large majority of venue managers aware of the shutdown (95%) are also aware that they can apply to have a variation to their shutdown requirement. Logically the small group that did not realise venues could apply for a variation to the shutdown hours did not themselves operate under a variation.

Table 16.2.2 Awareness of variations to the 6 hour shutdown

Q2. AWARE OF VARIATIONS TO THE 6 HOUR SHUTDOWN							
Filter: Q1 Aware of shutdown legislation	Venue type			Shutdown hours		Affect of shutdown on total business	
	Total	Clubs	Hotels	No variation	Variation	Negative affect	No affect
<i>Sample</i>	97	49	48	57	36	19	74
Yes	95%	94%	96%	91%	100%	100%	93%
No	5%	6%	4%	9%			7%

Base: Aware of the shutdown regulation (n=97)

Of those aware that venues could apply for a variation on the standard 6 hour shutdown period, just under one in two (42%) had done so (see Table 16.2.3). Managers of clubs were no more likely to have applied for a variation than their hotel manager counterparts. The key differences were among the venues that had been granted a variation. Of those venues aware they could apply for a variation but were operating under the standard 6-hour period one in ten (10%) had previously applied for a variation.

Table 16.2.3 Have applied for a variation to the 6 hour shutdown

Q3. APPLIED FOR A VARIATION							
Filter: Q2 Aware of variations to shutdown	Venue type			Shutdown hours		Affect of shutdown on total business	
	Total	Clubs	Hotels	No variation	Variation	Negative affect	No affect
<i>Sample</i>	92	46	46	52	36	19	69
Yes	42%	41%	43%	10% <sup>--</sup>	89% <sup>++</sup>	47%	41%
No	58%	59%	57%	90% <sup>++</sup>	11% <sup>--</sup>	53%	59%

Base: Aware of variations to shutdown (n=92)

Table 16.2.4 shows that among the venues surveyed the large majority of applications for a variation on the shutdown period are successful.



Table 16.2.4 Application for a variation on the shutdown successful

Q4.APPLICATION FOR VARIATION OF 6 HOUR SHUTDOWN SUCCESSFUL										
Filter: Q3 Applied for a variation	Venue type		Shutdown hours		Affect of shutdown on total business		Support/opposition to shutdown			
	Total	Clubs	Hotels	No variation	Variation	Negative affect	No affect	Support	Neither	Oppose
Sample	39	19	20	5	32	9	28	19	9	11
Yes	90%	84%	95%	40%	100%	78%	93%	89%	89%	91%
No	8%	16%		40%		11%	7%	11%	11%	
Outcome pending	3%		5%	20%		11%				9%

Base: Applied for a variation to shutdown (n=39)

While it would seem the majority of applications for variation are successful, there is a relatively large division in views of the difficulty involved in applying for a shutdown variation between those that either didn't have a variation or had never applied for one and those that had a variation or had applied for one. From table 16.2.5 it can be seen that those that have not applied for a variation are more likely to believe that the process is difficult (55%) compared to those that have gone through the process (26%). It would seem that actual experience of the process generally lowers the negative expectations venue managers may have regarding the application process.

Table 16.2.5 Difficulty in applying for a variation to the 6 hour shutdown

Q.5 DIFFICULTY IN APPLYING FOR A VARIATION ON THE 6 HOUR SHUTDOWN							
Filter: Q2 Aware of variations to shutdown	Venue type		Affect of shutdown on total business		Application for variation		
	Total	Clubs	Hotels	Negative affect	No affect	Applied	Not Applied
Sample	92	46	46	19	69	39	53
Very difficult	17%	17%	17%	26%	16%	5% <sup>-</sup>	26% <sup>++</sup>
Somewhat difficult	25%	24%	26%	32%	23%	21%	28%
Not very difficult	16%	15%	17%	5%	19%	23%	11%
Not at all difficult	12%	20%	4%		16%	21% <sup>++</sup>	6% <sup>-</sup>
Don't know	29%	24%	35%	37%	26%	31%	28%
Nett Difficult	42%	41%	43%	58%	39%	26% <sup>-</sup>	55% <sup>++</sup>
Nett Not difficult	28%	35%	22%	5%	35%	44% <sup>++</sup>	17% <sup>-</sup>

Base: Aware of variations to shutdown (n=92)



Venue managers were also asked how flexible they felt the rules were governing variations to the 6 hour shutdown. Table 16.2.6 below shows managers were fairly evenly split in their assessment of the flexibility the variation rules offer. One in three (32%) believe the rules are flexible, just over one in three (39%) believe they are inflexible while the remainder (29%) couldn't say or didn't know how flexible they are. Those currently without a variation and those that say their business has been negatively affected are the most likely to say the rules are not flexible (43% and 63% respectively).

**Table 16.2.6 Flexibility of rules in variation of the 6 hour shutdown**

Q6.FLEXIBILITY OF RULES IN VARIATION OF 6 HOUR SHUTDOWN							
Filter: Q2 Aware of variations to shutdown	Venue type			Shutdown hours		Affect of shutdown on total business	
	Total	Clubs	Hotels	No variation	Variation	Negative affect	No affect
<i>Sample</i>	92	46	46	52	36	19	69
Very flexible	4%	2%	7%		8%		6%
Somewhat flexible	27%	30%	24%	27%	31%	11%	32%
Not very flexible	27%	33%	22%	27%	28%	32%	26%
Not at all flexible	12%	7%	17%	19% <sup>++</sup>	3% <sup>--</sup>	32%	7%
Don't know	29%	28%	30%	27%	31%	26%	29%
Nett flexible	32%	33%	30%	27%	39%	11%	38%
Nett Not flexible	39%	39%	39%	46%	31%	63%	33%

Base: Aware of variations to shutdown (n=92)

While around one in three venue managers believe the current rules around variations offer flexibility a much higher proportion believe that there should be increased flexibility for venues. As can be seen in table 16.2.7 below over two in three (70%) venue managers agree that there should be more flexibility in the operating hours of the 6 hour shutdown. In this sense it could be expected that increasing the flexibility with regards to shutdown variations may encourage more venue managers than currently have an approved variation to apply for one.



Table 16.2.7 Agreement with statement: There should be more flexibility in shutdown

Q47. THERE SHOULD BE MORE FLEXIBILITY IN THE TIMES VENUES HAVE TO SHUTDOWN THEIR MACHINES							
	Total	Venue type		Shutdown hours		Affect of shutdown on total business	
		Clubs	Hotels	No variation	Variation	Negative affect	No affect
<i>Sample</i>	100	50	50	58	38	19	77
Strongly agree	41%	30% <sup>--</sup>	52% <sup>++</sup>	48%	34%	47%	42%
Slightly agree	29%	24%	34%	22%	39%	26%	27%
Neither agree nor disagree	9%	14%	4%	9%	8%	16%	8%
Slightly disagree	12%	16%	8%	10%	13%	5%	13%
Strongly disagree	7%	12%	2%	9%	5%		9%
Don't know	2%	4%		2%		5%	1%
Agree 'Nett	70%	54% <sup>--</sup>	86% <sup>++</sup>	71%	74%	74%	69%
Disagree 'Nett	19%	28% <sup>++</sup>	10% <sup>--</sup>	19%	18%	5%	22%

Base: Total sample (n=100)

Overall, the large majority of venue managers are aware that they can apply for a variation to the 6 hour shutdown with slightly fewer than one in two (42%) having actually done so. Those that have applied for a variation are less critical of the difficulty of the process and are also slightly more likely to believe that there is flexibility in the rules. Tellingly though over two in three (70%) still believe that there should be increased flexibility for venues regarding the 6 hour shutdown. This is not surprising when also considering one in two (49%) of venue managers support a reduction of the mandatory 6 hour shutdown period (see Table 9.6.1).

### 16.3 Early Openers

As discussed in Section 9, some 68% of venues interviewed in the venue survey did open before 10am on at least one day a week prior to the shutdown being introduced. The data also indicates that this was more likely to affect clubs than hotels (80% compared to 56%, respectively). It was also found however, that those with a variation are more likely than their counterparts to have had early opening hours indicating that where the shutdown had impacted on early openers, many had applied for and received a variation.

Table 16.3.1 Venue open before 10am prior to shutdown

Q11A.VENUE OPEN BEFORE 10AM ON ANY DAY PRIOR TO SHUTDOWN							
	Venue type			Shutdown hours		Affect of shutdown on total business	
	Total	Clubs	Hotels	No variation	Variation	Negative affect	No affect
<i>Sample</i>	100	50	50	58	38	19	77
Yes	68%	80% ++	56% --	60%	84% ++	74%	68%
No	29%	18% --	40% ++	38% ++	11% --	16%	32%
Don't know/ can't say	3%	2%	4%	2%	5%	11%	

Base: Total sample (n=100)

Overall, the qualitative research among venue operators and related stakeholders indicated that while there was strong support for increased flexibility in the hours of shutdown for individual venues, there were actually few criticisms about the process of the applying for variation. All but one of the venues interviewed in the qualitative research that had applied for a variation were successful in receiving what they had applied for.

The key issue surrounding flexibility found in the qualitative research was where a venue may not be an early opener on a regular basis; they have difficulty in obtaining a variation for the times that they feel it is required. The interviews with venue operators and related stakeholders indicated that often these were smaller sporting clubs such as bowling clubs and golf clubs. In instances where these sporting clubs were opening regularly at 7am or 8am in the morning, they were likely to have applied for a variation and the impact of the shutdown was not as great. However, when the opening hours of the club varied, and their early openings were irregular, they are unlikely to have received a variation. This was seen to often be the case with the smaller sporting clubs who may open early on a less regular basis for tournaments or other special one off activities. Overall, it was thought that these clubs were then put at a disadvantage, and illustrated the area where greater flexibility could be introduced into the variations.

An in-depth interview with a small metropolitan bowling club provided a small case study of inflexibility in variations. The bowling club is in a busy suburb of Sydney and is surrounded by a large clubs and hotels. The bowling club often closes relatively early, sometimes as early as 8pm, and is rarely open still at midnight. The club has a ladies day every Tuesday and opens early on this day on a regular basis. Due to this, they have been successful in applying for a variation to the EGM shutdown times for Tuesdays only, and they open all areas of the club including the EGMs at 8am.



However, the club has been unsuccessful at applying for an early opening variation for Saturdays and Sundays. This application has been rejected due to the irregularity of the early opening on these days, as it is only on tournament days and one off special occasions that the club would open at 8am on Saturday and Sunday. When there is no tournament or special occasion, the club does not open until 10am on these days as it would not be economically viable to do so. Records provided by the club indicated that tournament days were irregular. In some months a tournament had been held on two weekends in the month, often on one Saturday and one Sunday, and in other months, there had been no tournament and the club had not opened early.

The club manager was of the opinion that this lack of flexibility in the variation laws was putting him at a disadvantage. Revenue from the club's 10 EGMs were an important part of ensuring that the small club could continue to exist in a highly competitive environment. Not being able to turn them on until 10am on the tournament Saturday and Sunday was seen as limiting business. Whereas the club could sell alcohol from 8am and even let people play Keno from 9am, they could not allow EGM play despite having a number of patrons. Aside from revenue, the club also felt that they had an obligation to provide their members with all forms of entertainment available when they were open.

The above case suggests that there is an argument for increased flexibility among venues that have irregular events or activities for which they open early. Allowing small sporting clubs such as this to apply for special occasion variations would assist in ensuring these clubs continue to remain viable not only in terms of revenue, but also as an entity with a membership base to maintain.

However, this argument does need to be balanced with the potential impact it could have on prompting any roll on effect and providing access to EGM play almost 24 hours a day in localised area. As stated the bowling club in the example above is surrounded by other venues including a large club and a number of hotels. As there are a number of shiftworkers in the area, some of these venues have been successful in applying for a variation and were open until 6am on some mornings<sup>31</sup>. If, in this example, the bowling club were to open at 8am, this would allow access to EGM play 22 hours a day in a very localised area.

While a 'break in play' would be provided for gamblers, the length of it would be minimal – only 2 hours. This would eliminate the advantage of the extended length of time of the shutdown prompting gamblers to go home and do other activities, and

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<sup>31</sup> Information based on feedback provided in in-depth interviews with two venue operators from the area.

could possibly mean that gamblers will wait for the two hours to start gambling again. This may already be the case in some areas where early openers have applied for and been successful in obtaining a variation as they open early on a regular basis. In these instances, where there are already a number of early openers in a location, it would appear to disadvantage those that want to open on an irregular basis for a specific reason if they are unable to do so.

In effect, while there is a real case for these smaller clubs to be allowed early opener variations for activities that occur on an infrequent basis, the use of the 3 hour variation in the same locality and on the same day would provide access to gambling for almost 24 hours a day. This undermines the intention of the mandatory shut down time in prompting both a break in play, and promoting responsible gaming among EGM players through limiting access for a period of time that allows gamblers to do other things.

It is within this that the concept of a trade off for increased flexibility for variations should be considered. The key area where increased flexibility seems to be required is for early openers. Therefore the trade off required in order to maintain a time period that may prompt gamblers to go home and do other activities, such as sleep or spend time with their families, would require that all venues shut down earlier than 6am. Even if the shut down time was 4am, and then early openers offered EGM play at 8am, this would provide a 4 hour window, rather than 2 hours as would be the case if they shut at 6am.

The concept of maximising the time that venues are closed for to maximise the harm minimisation benefits is highlighted by an excerpt from Joan's case study. This highlights the need for a time period preventing access. Joan is relating a time from before the three hour shut down legislation was brought in. In this excerpt, Joan tells of how she had gambled throughout the night, then gone home about to sleep only to be asked by a friend to go out gambling again. She then did not sleep for nearly a 24 hour period. If the time period between leaving EGM play and being able to commence it again, had been longer, she may have slept and been able to overcome the urge that had triggered her extreme behaviour.

## CASE STUDY 2 – JOAN

*"It wasn't long after my husband died and he's been gone 8 years in June, 8 or 9 years in June. So, say 7-1/2, 8 years ago. And I walked in at 7 o'clock at night with \$125 and it didn't matter what machine I went for, I just won and won and won and won. Anyway I left there at about 9 o'clock in the morning and I had about \$1,500 on me. I came home, I got into bed, and I was just about to doze off when a friend of mine rang. 'Oh hi, what are you doing, I'm going to XXXX Leagues'. 'Oh yeah, I'll meet you in half an hour'. Had a shower and went back down there and played until 5 o'clock in the afternoon. You know, I was so, absolutely so exhausted, but with gambling...and you've probably heard it before but when you're an alcoholic you drink till you drop, when you're a drug addict you drug till you drop, then go to sleep. When you gamble, you gamble until you've got no money left, or that place is closed. And then if it does close and you go back the next day and you gamble – you know you can, I've known people that used to down to the Casino and they would gamble for three and four days and wouldn't sleep. You know gambling has got the highest rate of suicide. Of course drug addicts accidentally OD, alcoholics accidentally ..."*



## 17 SUBSTITUTES OR COMPLEMENTARY MEASURES FOR THE 6 HOUR SHUTDOWN

### 17.1 Overview

Early in this report we distinguished between primary, secondary and tertiary approaches to harm minimisation.

- Primary interventions are those designed to prevent the development of gambling problems.
- Secondary interventions assist gamblers once they are exposed to gambling (e.g., in venues).
- Tertiary interventions involve treating problem gamblers once they have been affected.

The mandatory shutdown in NSW falls under the scope of a secondary intervention. The Australasian Gambling Review (2005) considered the available literature regarding the various harm minimisation measures and assessed the usefulness in preventing harm caused by problem gambling. The executive summary of the review suggested that *"Most of these [Primary intervention] strategies were seen as useful preventative strategies, but unlikely to have a significant influence on problem gambling"*. The review was more positive toward secondary interventions in general, such as mandatory shutdowns. Secondary interventions include restricting the accessibility of gambling, strategies to encourage greater awareness of gambling expenditure, exclusion policies, modifications to gaming machines, and interventions involving assistance from staff at gambling venues. The review suggested that *"Most of these interventions were considered more promising ways to reduce problem gambling as well as protecting those at risk of developing problems."*

In evaluating whether the shutdown has any substitutes, the question needs to be asked as to whether any other measure is able to provide a break in play, is a public health initiative as it operates to protect people from over consumption by limiting access (public health initiative) and restricts access to EGMs for a time period that acts as disincentive to want to continue playing (that is, its too long to wait out). There were no practical suggestions of other measures among the literature, or from other respondents, that would substitute for all of these. For example, while other measures may introduce a break in play, they may not operate from a public health perspective in ensuring that people cannot keep playing for days on end.



The only substitute that was suggested that would fulfil these criteria was to move the hours of the shutdown or make it longer in order to reach problem gamblers. This was strongly supported by gambling support agencies, families and even gamblers themselves:

*"Changing the hours would be much better...four in the morning only gets so few people. Even if they made it from 2am to opening it would get more people and it would mean that more would go home to sleep, so they have a chance to think straighter the next day"* (Support Agency)

*"Oh midnight would be too early...can you imagine all the people on a Friday and Saturday being told to go home a midnight? There'd be trouble then, but 2am probably alright. Most people would have had enough by then anyway..."* (Family member)

*"They should do it when the most people are playing...who does it really get at four in the morning..."* (Family member)

In the survey conducted with venue managers, they were asked what alternatives to the shutdown they felt may be effective. While many felt that existing measure such as self-exclusion were enough, there were a number who advocated an increase in broad community awareness measure such as increased communication and information campaigns on issues related to all types of gambling. Many also commented on the possibility of limiting betting amounts (in lines bet and amount of money played), multiple venue self exclusion, break times, earlier shut down times, and use of smart card type technology to target venues. Some quotes of these are provided below with a full list of these verbatims provided in Appendix B.

*"I think there should be a shutdown at a more regular hour/ I don't believe they should be on till two three in the morning"*

*"Maybe lower the amount you could bet/slow rate of machine play/limit the amount you can put in the machines to \$20 or something like that"*

*"There needs to be more education for general public in regards to gambling"*

*"Time restrictions/break time on machines"*



*“Register/ if going to gamble you should be able to register/ see how much money you spent by using the machine/ receipts or card and they can use that and be given a statement to see how much money they see”*

While it might not have any substitutes, the shutdown will only be effective if accompanied by complimentary measures. That is, its effectiveness as a measure to minimise harm from problem gambling will only be maximised if it is supported by other primary and secondary strategies that aim at harm minimisation.

The lists below have been created from measures arising from the literature review. These have been divided into both primary and secondary interventions. Please note it is outside the scope of this evaluation to evaluate the effectiveness of these measures should they be introduced in NSW.

## 17.2 Additional primary and secondary measures

A number of complementary measures aimed at for harm minimisation were uncovered throughout the course of this study. Some of these have already been implemented in NSW and other states within Australia. The following list is by no means exhaustive but has been compiled from suggestions made from participants and uncovered through desk research:

Primary interventions to reduce gambling-related harm can include:

- School education programs;
- Public awareness campaigns / safe gambling messages;
- Providing information at venues;
- Providing details of expenditure;
- Removal of questionable advertising; and
- The role of inducements.

Secondary intervention strategies can include:

- Restricting access to money at venues;



- Reality checks: lighting and clocks in venues;
- Machine shut-downs;
- Modifications to gaming machines;
- Introducing forced breaks;
- Lights and sounds on machines;
- Tokenisation;
- Bonus jackpot features;
- Smart-card technology;
- Exclusion strategies; and
- Staff interventions and practice codes at venues.

The qualitative research provided feedback on a number of these, but not all as research participants were only asked about what they saw as substitutes or complementary measures. That is, they were not prompted to comment on the above list. As may be expected the different categories of research participants saw different measures as both practical and effective.

Venues were largely in favour of highly targeted measures that would act to assist the problem gambler without discouraging recreational gamblers from playing. To this end, venues and related stakeholders were of the opinion that they were achieving all they could do by the ClubSafe (operated by Clubs NSW), and GameCare (operated by AHA NSW) programs that allowed gamblers to self-exclude themselves from venues. During interviews, all venues commented on the counselling services or individual counsellors that they kept on staff or retainer to assist those that had self-excluded.

Gambling support agencies strongly endorsed more targeted approaches for gamblers, particularly those that would encourage a break in play regardless of the time of day. For example, the use of a smart card that must be placed in each EGM before it would allow play, and then would activate the EGM to ask gambler if they wanted to continue playing after every hour via an on screen message. This was seen as a means of breaking the repetitive action of the gambler. Some felt it should

suspend play for a short period of time, such as a minute, even if play was continued in order to force the gambler to consider their actions. Other support agencies felt that this should just be an inbuilt feature of all EGMs, that is, every hour play should be suspended for a short time and gamblers asked if they wanted to continue. However, it should be recognised that this is not as targeted as could be done with the use of a smartcard.

Another suggestion for a smart card was to provide financial limits on cards. For example, each gambler nominates the amount of money they are allowed to play with within a 24 hour period. Rather than be a break in play, it would serve to make the decision a conscious one by the gambler as to how much they could actually afford to play with. This would mean that if the gambler was to nominate \$40 as the amount they could play in a 24 hour period, they would only be allowed to play \$40 as their smartcard would have to be placed in each machine. Again, such an approach as this has negative implications for the recreational gambler who may nominate \$40 but occasionally want to exceed that amount.

Lastly, gambling support agencies felt that the venues themselves had a greater responsibility to endorse a culture of responsible gaming. It was mentioned that other jurisdictions, such as ACT, have a Code of Practice that has mandatory reporting within a venue. If it is brought to the attention of staff that someone has a problem with gambling, staff have a responsibility to approach the person in question and speak with the person.

On the other hand, venues strongly opposed this idea as it was considered risky for staff and also detrimental to the venues business by possibly offending patrons. As stated by one venue, *"we believe it is tricky to identify a problem gambler"*. That said, venues tend to believe that individuals only have a problem with gambling when they are gambling more money than they can afford. They were not asked as to whether they would endorse this more if the gambler was identified by a family member as having a problem. Joan provides some insight into this issue when she speaks about how she felt towards the staff of the venue once she had self excluded:

## CASE STUDY 2 – JOAN

Joan recalls that the staff were very supportive when she asked to self exclude, except she did question why staff couldn't suggest it to someone they felt must have had a problem. While she admits that if someone had approached her to ask if she needed any help she would not have been receptive, Joan also feels that gamblers are not helped when they should be.

*"... And when I did it they said, you know, like 'We're really proud of you that you can do this because we have a lot of problem gamblers and that'. And I said 'Well why don't you talk to them?' And they said 'Because we can't by law, the Privacy Act.' ... (If approached admits she would have said)... mind your own business. But it's a, I don't know. See I wanted to do it, I've been screaming for help for years."*

Gambling support agencies also strongly believed that more needed to be done in the area of primary prevention in the form of a communication campaign highlighting that gambling can become a problem for some people. As stated by one support agency:

*"we only see those that have hit rock bottom and need to stop... most are so ashamed at what they are doing they will not get help before its too late...when they've destroyed everything"* (Support Agency)

They felt that the broader community needed to be educated in greater detail to the fact that people can develop problems playing EGMs and that support or assistance is available before individual lives are destroyed financially and socially. To some extent, a broad community awareness approach such as this was seen as helping to remove some of the stigma, shame and guilt that people experience when they have difficulties with gambling and would assist in encouraging them to seek help.

Families strongly supported this approach as they saw it as a means of helping them be more aware of their family member's behaviour. A broad public communication campaign would also increase awareness among problem gamblers who may not be aware that support services exist, for example, for someone like Helen. She was experiencing extreme distress at the time of the interview and clearly was trying to keep her problems from her family. However, this left Helen without anyone to speak to.



### CASE STUDY 3- HELEN

Helen was not aware of any support services she could call to assist with her gambling problem. She had no support from family or friends as her problem was hidden from them. She was adamant that she had to stop as she could not handle the guilt and shame she was feeling towards her family and friends anymore, but admitted to having difficulty in doing so by herself.

On being made aware that support and counselling services for people with difficulties related to gambling were available, such as the G-line and Wesley Counselling Services, Helen was interested that these services exist. While she continued to claim that she was sure she could stop playing the poker machines herself, she admitted she had not devised any strategies through which she could achieve this. Helen was provided with the number of both g-line and the Wesley Counselling Services at the conclusion of the interview.

## 18 CONCLUSIONS

### 1 Effect of the Shutdown on Problem Gamblers

The mandatory six hour shutdown is effective in reaching the problem gamblers that are playing at that time of the shutdown. Using the CPGI it was identified that 29% of EGM players at venues in the times surrounding the shutdown were problem gamblers. Another 27% were categorised as moderate risk using the CPGI.

Feedback from these players indicated 68% of problem gamblers and 71% of moderate risk gamblers intended to go home if they were still playing when the EGMs were shutdown. Some 12% and 7% of problem and moderate risk gamblers respectively stated that they intended to go on to a another club or hotel, and 5% and 2% respectively stated that they intended to go on to the Casino (see Table 7.2.1). This illustrates that while there is some roll on effect of problem and moderate risk gamblers due to the mandatory shutdown of EGMs, this is minimal. The mandatory shutdown operates to encourage the majority of problem and moderate risk gamblers to go home.

Further to this, problem gamblers were more likely to report past experiences of playing EGMs at shutdown time than other gamblers – some 63% compared to 41% of those at moderate risk, 32% of those at low risk and 16% of those with no problem (see Table 7.2.2). This indicates that while there are fewer gamblers using EGMs at shutdown time those that are may be more likely to be at risk of developing a gambling problem or already a problem gambler.

This data indicates that the shutdown achieves its objective of providing a break in play for problem gamblers playing at the time and encouraging them to go home.

### 2 Effect on Problem Gamblers from Venues Perspective

Both the qualitative research with venues and related stakeholders and subsequent quantitative research indicated that venues were generally of the opinion that the shutdown had little impact on problem gamblers and more of an impact on recreational gamblers. It was common for venues and related stakeholder to quote the statistic that only 0.8% of the NSW population were problem gamblers.

While this may be the prevalence of problem gambler within the population, it should not be confused with the prevalence of problem gamblers playing EGMs at venues at the time of the shutdown. As discussed above, the research from this evaluation



has indicated that 29% of people playing EGMs at venues in the times surrounding the shutdown are problem gamblers, and another 27% are at moderate risk of becoming gamblers (as categorised by the CPGI).

Similarly, venues are concerned that the shutdown impacts unfairly on recreational gamblers. The quantitative research with venues indicated that 76% of venues agreed that the shutdown is designed to assist a small number of problem gamblers, but penalises a large number of gamblers who don't have a problem (Figure 9.6.6).

It should also be noted that the qualitative research among support agencies suggested that they believe that shiftworkers are susceptible to developing difficulties with EGM gambling as there are limited entertainment options for them at the time. The in situ interviews indicated an over representation of shift workers among the gambling population compared to the NSW populations (26% of those participating in the workforce in the sample compared to 14% of the NSW participating workforce). While this is expected given the time of day that the majority of the fieldwork was conducted (late night – between 12am and 6am), it should also be noted that nearly one quarter (24%) of problem gamblers identified by the in situ interviews were shiftworkers.

In light of this, it should be recognised that shiftworkers and problem gamblers are not mutually exclusive audiences and that while the mandatory shutdown may impact on recreational gamblers who are shiftworkers, it also impacts on problem gamblers that are shiftworkers.

There was also some support for the shutdown from venues (49%) (Table 9.6.1). While not all this support can be directly related to the effect the shutdown has on problem gamblers, it should be noted that 35% of venues agreed that the shutdown has helped reduce harm caused by poker machines (Figure 9.6.6.).

### **3 Effective in reaching all Problem Gamblers**

Another concern of venues in regards to the effectiveness of the shutdown is that it does not reach all problem gamblers.

This research indicates that the shutdown does not reach all problem gamblers. The case studies within this report highlight that not all problem gamblers play until shutdown, and the in-situ interviews with gamblers in venue indicated that the problem gamblers interviewed also commonly play at other times. Both in situ



interviews with gamblers and the case highlighted that problem gamblers can play at any time of the day. Even the problem gamblers that were playing in the times surrounding the shutdown indicated that they commonly played earlier in the evening as well, with the majority claiming to usually play the EGMs between 6pm and 12pm (56%) (Table 15.2.1).

However, while the mandatory shutdown does not reach all problem gamblers, it does reach many. For this group it provides the necessary impetus to discontinue EGM play. The case studies illustrate that for those still playing at the time of shutdown, it is the only factor contributing to them discontinuing play.

Reaching more problem gamblers with a measure that replicates the extended break in play that is provided by the mandatory six hour shutdown would require similar measures to also be applied at other times of the day.

#### 4 Effect on Venues

The effect of the shutdown on problem gamblers needs to be balanced against the impact that the shutdown has had on venues. Some 19% of venues that were in scope for the research (that is, those with at least one EGM and were either open between 4am and 10am or have considered opening during this time at least one day per week), claimed that the shutdown had resulted in a negative impact on their business. When asked a series of attitudinal statements in regards to the impact of the shutdown, it could be seen that opposition to the shutdown from venues is strongly based on the perceived loss of revenue due to the thought that gamblers are going elsewhere to gamble. As shown in Figure 9.6.6:

- 71% of venues agreed that the shutdown is only effective if all gaming venues shutdown and do so at the same time;
- 70% felt there should be more flexibility in the times venues have to shutdown their machines;
- 69% felt that the shutdown resulted in gamblers going elsewhere to gamble through those hours; and
- 65% believed that the shutdown resulted in people gambling on other activities.

As discussed above, this perception of gamblers going elsewhere is not true for the majority. As shown in Table 7.2.1, only 9% of the total sample of late night EGM



players interviewed just prior to the shutdown intended to go to the Casino (2%), another club (4%) or another hotel (3%). When divided into the different gambler categories as defined by the CPGI:

- only 4% of gamblers with no problem stated they intended to go elsewhere, 26% would stay at the venue, and 57% intended to go home;
- only 3% of gamblers at low risk stated they intended to go elsewhere, 10% would stay at the venue, and 87% intended to go home;
- this increased to 9% of gamblers at moderate risk stating that they intended to go elsewhere, with 15% staying at the venue, and 71% intending to go home; and
- 17% of problem gamblers stating they intended to go elsewhere (5% to the Casino), with 7% staying at the venue, and 68% intending to go home.

While these statistics indicate that venues are correct to some extent in the assumption that moderate and problem gamblers may go to another venue (where gaming may be available), three quarters will either stay where they are or go home. This illustrates that venues are only losing minimal revenue to other places due to their venues closing. This amount needs to be balanced against the effectiveness of the shutdown encouraging 68% of problem gamblers to go home.

Additionally, analysis of the combined profit data for venues in the LGAs where interviews occurred do not suggest an impact on hotel and club revenue, with the exception of those in the Sydney LGA where some decline in revenue has been noted in 2007. Figure 9.4.2 indicates a slow upward trend for profits made by clubs over the period from May 2001 to August 2007 in most of the LGAs considered. The notable exception is the Sydney LGA where profits appear to be in decline, with a sharp decline occurring in 2006-07. However, it is unlikely that this is a result of the 6 hour shutdown as there has been no change to the regulation between 2003 and 2007. Figure 9.5.4 indicates that while there may have been some impact on the profit growth for hotels in the Sydney LGA when the six hour shutdown was first introduced, this has long since recovered (from 2004).

In effect, the shutdown does not appear to have impacted negatively on the combined revenue generated by hotels and clubs in the LGAs under consideration since its introduction.

## 5 Flexibility for Venues

There is some basis for the claim for increased flexibility for venues in the hours of the shutdown, particularly from the perspective of early openers that may do so on an irregular basis. An example would be sporting clubs who may need an early opening time on an irregular basis for tournaments or others that may only open early for a special event such as ANZAC day. For these clubs, particularly the smaller sporting clubs, they are not able to receive an early opening variation as they may only hold a tournament or an event on an irregular basis. Therefore, these clubs are left not being able to turn on EGMs on these days despite selling alcohol and being able to offer other gambling activities such as Keno. These clubs would consider this unfair to their members and a limitation on their business due to lost revenue.

This claim needs to be balanced with the need to prevent any roll on effects occurring in individual areas. In areas where a cluster of venues are based, and a number of variations are in play, it is possible for EGM players to play until 6am, and then to wait until the next venue nearby opens at 8am – a period of two hours which may seem less of a disincentive to not play EGMs locally then 3 or 6 hours as would exist with current variations. This may already occur in places where there are a high number of early openers and those places with three hour variations.

In these instances, where there are already a number of early openers in a location, it would appear to disadvantage those that want to open on an irregular basis for specific reason if they are unable to do so. However, this should be continued to be judged on a case by case basis in order to prevent any possible roll on effect developing in location where a number of early openers are combined with venues with three hour variations.

## 6 Length of Shutdown

Among support agencies and problem gamblers themselves, there is a strong call for the effect of the mandatory shutdown to be maximised by moving it to other times of the day when more gamblers are playing. It is thought that this way it would be likely to provide a break in play for more problem or at risk gamblers, such as those that are playing between 6pm and midnight. If this was to occur, support agencies and problem gamblers would endorse a shorter period of time for the mandatory shutdown. It was believed that the impact of providing a break in play for a greater number of problem gamblers (perceived to be playing in the early evening)



outweighs the need to make the shutdown an extended period of time to reach those who are playing early at 4am. Even venues agree with this, with 48% of venues stating that the shutdown would be more at a more popular gambling times (Figure 9.6.6).

However, changing the times of the shutdown may not be considered economically feasible by venues. The qualitative research indicated that although venues would prefer the mandatory shutdown to not exist, the current time period from 4am to 10am in the morning had the least impact on them economically. Changing the time period to other more popular gambling times would likely have greater economic impact, even if it was shorter.

Currently the period of six hours at the time it applies – from 4am to 10am – is considered by support agencies and problem gamblers to fulfil both an individual and a public health harm minimisation role. For individual gamblers, it encourages them to go home and to undertake other activities. At best, these may involve spending time with their families in the early morning (seen as important for both shiftworkers and problem gamblers), and at worst, it may provide the opportunity for the individual to sleep. Encouraging gamblers to sleep is considered a means of minimising the mental and physical harm that can occur from long hours of continuous EGM play. It also allows some respite from the emotions that may be motivating problem gamblers to play.

From a broader public health perspective, the length of time of six hours ensures a period of time that the community does not have access to gambling. This is considered to be important from the perspective of support agencies, in that they consider it not 'healthy' to allow people access to gambling on wide scale 24 hours a day.

The shutdown is also considered necessary in a culture of responsible gambling in that it ensures that people cannot continue to gamble continuously. Support agencies see this as necessary for EGM play, as they feel there is no other way of reaching those who may be partial to do so. For example, while licensed venues have responsible service of alcohol laws which govern the sale of alcohol to people they identify as intoxicated people, there is no similar means of identifying problem gamblers who cannot stop themselves playing. Ensuring an extended period of time where EGM play is inaccessible by the community fulfils this role.

## 8 Substitute or Complementary Measures

The mandatory six hour shutdown of EGMs is one of a raft strategies designed to minimise harm that may occur from the play of EGMs and should not be considered in isolation of other strategies. It can be classed as a secondary prevention measure as it is designed to minimise the harm to people who are already playing EGMs. In terms of providing an extended break in play for problem gamblers, and fulfilling the role of limiting access to gambling activity from a broader public health perspective there is not a direct substitute.

The research indicated support from all research groups – venues, stakeholders, support agencies, gamblers and family members – for increased primary prevention measure and more targeted secondary measures in order to complement those already existing such as the mandatory shutdown. While support agencies, gamblers and family members suggested that there needs to be greater community awareness about the dangers of too much EGM play and what support options are available, venues were more likely to advocate greater awareness of support options only. Despite this difference in aim, the use of a broad community education campaign on the availability of assistance for those with problem gamblers was endorsed by all respondents as a way of helping problem gamblers.

A number of other secondary measures that are more targeted to minimise harm to problem gamblers were also considered. Primary of which was the use of a 'smart card' that interfaced with each EGM a gambler used to automatically provide a break in play (or at least an option for whether the player wanted to continue) after a period of time. Others felt that this smartcard could be used for the gambler to allocate a specified dollar amount that they could 'play' with in a 24 hour period. Another option was seen as programming all EGMs to 'break play' automatically after a specified time, such as an hour.

While some of these, particularly the last, would have a direct effect on recreational gamblers, there is some potential for smartcard technology to be used to provide targeted strategies and further investigation into the feasibility of these should be pursued. Although many venues felt that the various self-exclusion programs were sufficient as targeted measure, some did endorse that other strategies such as those mentioned.

While the majority of venues are not in favour of increases in staff responsibility in identification and approaching problem gamblers, it should be noted that support

agencies felt that a precedent for these types of activities has been set in other jurisdictions. It is very strongly believed by support agencies, gamblers and family members that the venues have a responsibility to take further measures in assisting people who are, or are at risk of being problem gamblers. Placing some responsibility on venues was thought to be a way in which more targeted measures could be introduced.

## APPENDICES LIST

- APPENDIX A – PROBLEM GAMBLER CASE STUDIES
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## APPENDIX A - PROBLEM GAMBLER CASE STUDIES



## CASE STUDY 1\_JANICE

### 1 Demographics

Janice is in her early 40s. She has lived with her parents for the past 4 years after breaking up with her partner of 9 years. Janice is currently on a disability support pension for depression.

She has gambled on horses and table games at the Casino occasionally, but identifies poker machines as her "vice".

*"Mainly poker machines. I have gambled on horses, Casino, roulette and all that sort of stuff, but my vice is poker machines mainly."*

### 2 First started playing

Janice first started playing poker machines in her mid 20s, when she would go to the local club with friends for a dinner and a dance. She admits that even then she would prefer playing poker machines to being with her friends.

*"Oh like just going to the club in general to have a meal, or you know, catch up with a friend. You might be heading there for a meal and then go to a band later, or something like that upstairs. Or a disco upstairs or something. But I'd get caught on the pokies. They'd be all upstairs there, several of them having a quiet drink, and I'd be down there pulling the handle and pressing the button, you know thinking."*

### 3 Typical playing behaviour

From this Janice's gambling problem increased. About 8 years ago, she got a new job that involved shiftwork. Janice would finish work early in the morning (2am-4am) and then go to the club to wind down. She would have a drink and play the poker machines. Janice's new job was well paid but she realizes now that she spent most of it at the club in the poker machines. She believes that at the time she was thinking that the more money she put into the machines, the bigger the win will be.

*"Yes, I have had problems with gambling, very much so. I was a shiftworker, earning good money, probably around \$1,500 a week, and the problem was, you know, when I would knock off work, like 2 o'clock in the morning, or 4 o'clock in the morning or something like that, I'd go to the club or the pub and wind down for, you know I'd say I would go for an hour so I can go home, before I go home I wind down you know. Sit down and have a couple of drinks and maybe put down \$20 on the poker machines. But unfortunately I was putting a lot more than that, sometimes I would walk out of the place with no money on me and that was my whole wages."*

*"Like probably about eight years ago, eight years ago when I came, when I was getting good money, you know. I was working, you know, like I said in this job I was the manageress and I was on shiftwork and had a lot of responsibility but my pay was good, and I suppose my lifestyle changed because I had big money, you know, and I thought, you know, I've got big money, I'll win big money if I go to the Casino or I go to the pubs and clubs. So I was playing more, gambling more, thinking I was going to win bigger, but I did money, lost bigger."*

#### 4 Time of playing and duration

After losing her job as a shiftworker, Janice kept gambling. She claims that there were times that she would go to the club in the early evening and stay through until close. Janice had one or two friends that she would gamble with on a regular basis, and other times she would simply gamble alone.

*"Like I've walked in the club at 8 o'clock at night and still not walked out till close. "*

*"Partners in crime, yes. I mean now I'd ring her up and say 'Oh you know I'm feeling a bit bored, you know, let's go and have a flutter. Now we'll just have something to eat and maybe, you know, chuck a few bucks in each. And we'd walk away doing like 800 bucks or something and then I'd come home, you know, get more money, go back down. And this would happen two or three times you know. So I was putting in two or three grand a night."*

As Janice is on a disability pension she no longer has the same money to gamble as she once did, however she does continue to do so a little bit.

*"I do gamble, I can't say I completely don't gamble, and I can't ever say it'll never happen again. I mean I wish I could but unfortunately it doesn't happen that way. I'd like to but now I just take control of my finances. I have to pay what I have to pay, I'm responsible for my bills and my living costs. Well I have to put them first."*

#### 5 What causes the gambler to stop playing

Janice admits that her normal habit when she begins playing the poker machines is to keep playing until she runs out of money or the club closes. This still remains the case at times now even though her income is more limited. These days, when she decides to gamble, she tends to run out of money much before closing time.

*"Like until they're saying Get out, you'll stay. Until you've put that last dollar in your pocket in, do you know what I mean, whether you're winning or losing you're there until they say Out you go. Normally, you know. Unless you've had too much to drink or something and you go I've got to go home now. But yeah, you just sit there for hours and hours and for what, I don't know. I've tried to work it out myself."*

(on when she was employed) *"Well I was playing on till close, I was playing on sometimes – like when I was going, you know, I'd stay on till close. They did have a close-down period I think, I was asked to leave a couple of times because they were closing. Before when it didn't close I think it would be running out of money that I left."*

#### 6 Places of play

Janice did not have a particular place that she favoured although she did tend to stay local. Occasionally she would go to the Casino because it was "better odds", or she would go to a club outside of her local area because she had heard that someone had a big win there. She also reports going on to the Casino one or two times when venues had closed, however this was usually when she was with a group of friends rather than by herself. In these instances, it was more to keep the night going socially rather than to ensure they could keep gambling.

*"Normally, well when I was working it would either be, like where I was working there was a pub on either corner, and two clubs across the road from the pubs. So it was either one of those places that was local, or sometimes I'd nick down to the Casino 'cos it was better odds, a better chance of winning. So yeah, you have your haunts you know....Or you've heard on the grapevine from a friend 'Oh such and such had a big win at so-and-so RSL so you'd go over there and check it out."*

*"Yes, once or twice, once or twice I think, you know. When I was out with some friends and like, you know, it was on a special occasion and we'd been drinking and stuff and we didn't want to stop. But when you're drinking and gambling that's a really bad combination. So there has been once or twice I have gone on to the Casino, yes.."*

## **7 Motivations for playing**

Janice believes that while her initial drive to gamble was most likely entertainment, it quickly became a need to win money back or at least to recoup some of what she had put into the poker machines over time.

She now finds it difficult to identify why she is still driven to play poker machines, and can only put it down to an "addiction".

*"I don't know, I think maybe, like, I really don't know. It may be like I was hoping to get a jackpot, you know, hoping against hope you were going to get good money. You know I think that's what the drive is, but then, when I sat down and looked at it logically I thought, you know, even if I did get a jackpot, for what I'm putting in it's not worth it. Like you know what I mean, but you still go and do it, I don't know what the addiction is. It's just an addiction like, I suppose like cigarettes or alcohol or anything else. I don't know what drives me to do it. Maybe it's entertainment at first. It might start out as entertainment – Oh yeah, I'll go in and I'll have lunch and I'll sit down and I'll put \$10 or \$20 in and that's it, or \$50 max, and then I'll walk out the door. But I never do, very rarely do I. You know, I'll sit there and then I'll think Oh you know, maybe it'll pay, or maybe this machine's not paying so I'll go to another one. So you go to another one, and another one. Before you know it, within 15 or 20 minutes you've done maybe two hundred, two hundred and fifty bucks. And then you're strapped. And then you think, oh what have I done? And then you're forced to go because you've got no money. And then you're suffering for another week if you're getting paid weekly or fortnightly if you're getting paid fortnightly."*

*"Well just a form of entertainment I suppose, you know. You think to yourself Oh well you're here with a friend, so, and you know, it's exciting, you think Oh you know, you're going to play the machine and you know, it's fun. But you think to yourself, you know, like I might win or I might not, but you're not thinking of much harm that putting the \$20 in or something. At that time it's fun. Right. But when you lose that and then you go to something else it becomes stress. And then from stress, you know, then when you lose everything it's depression. So it starts off as a little bit of fun and ends up a nightmare."*

For Janice, part of the appeal of poker machines is the fantasy world that she was able to live in while playing. She feels that this is common among those that play the machines. When questioned as to what that fantasy world provides people, she responded by saying that the experience provides an escape from the real world where money is probably tight. She believes that playing the machines gives gamblers a chance to feel free of their financial problems for a small amount of time, even though what it does is make them worse.

*'I mean look the poker machine puts you into a world of fantasy. It's like it's another world, like how the other half lives you know, and it's a non-sense of reality that you know you're going to have all this money and it's a utopia sort of life. Do you understand what I'm saying? It's not natural and the government needs to stop allowing people to have that, and get them back to reality so that they can support the family 'cos there's too many families and that are suffering as well. People can't pay the bills, support their kids. I mean I'm just blessed that I don't have children that I was supporting. But God help them, I mean you know my parents probably would have taken them at times through my gambling and said (Janice) you can't, you know, you can't look after them. You can't feed yourself and pay your own bills, how are you going to do it for these ones. ... I think my Mum and Dad were accepting.'*

*"Well I think everybody likes to think you know that they can have money to burn and you know, and just have money to do what makes them feel good."*

## **8 Consequences they report/ Feelings**

Over the years, there have been a number of areas of Janice's life that have been affected by her playing the poker machines.

She lost her job as she began to gamble more. She claims that her motivation at work suffered and she was laid off as a result.

*"Like probably about eight years ago, eight years ago when I came, when I was getting good money, you know. I was working, you know, like I said in this job I was the manageress and I was on shiftwork and had a lot of responsibility but my pay was good, and I suppose my lifestyle changed because I had big money, you know, and I thought, you know, I've got big money, I'll win big money if I go to the Casino or I go to the pubs and clubs. So I was playing more, gambling more, thinking I was going to win bigger, but I did money, lost bigger.... My motivation at work, yeah my enthusiasm for work just dropped. And they picked it up and I was put off."*

Janice also lost a long term relationship with a partner she had been living with for nine years. She initially started to use money that was for household bills to gamble with instead, and then began hock the household goods on the thought that she would win at the machines and be able to get the goods out again. Obviously, when she didn't win, the items stayed in hock.

The emotions that Janice was experiencing at the time also contributed to her relationship deteriorating. Janice claims that she experienced depression and self –recrimination after gambling that she would take out on her partner.

*"Again, you know, I put a lot of pressure on relationships, I lost relationships in my life through gambling because I've had to come home and say 'Oh you know, darlin' I couldn't pay such and such this week for you, the money you gave me to pay such and such I've actually, I went and spent it'. And then he'd chuck a spastic – 'I've gone to work, I've worked hard for that money and then you've gone down to the pub and blown it.' You know, and then it would cause arguments in the house and so forth and we ended up splitting up.*

*"(length of relationship)...Altogether nine years, you know, but when my gambling got really bad we split up. You know he couldn't take it any more, he felt like he was working for nothing. These issues, you know, like he'd come home but couldn't go anywhere or do anything because I was gambling. I mean there were stages there that I sold things in the house that I shouldn't have sold. You know like I didn't have a need to sell it but I'd sell it anyway. I got into the habit of hocking things and then couldn't get back out and I lost a lot of stuff through hock because I could never afford to get it back out again. And you know, it's been a constant abuse. I mean you know, all the money that I've put in poker machines...."*

*"Well I lost, come home, and be, you know, angry, depressed. You know I'd drink more, get abusive, that sort of thing. I took it out on him and that wasn't fair. Or you know, I'd be upset, crying and remorseful, you know, and I'd have to, you know, I would try and hide it from him, ring my parents maybe and ask if I can get a loan off them or my brother, and if I couldn't I'd have to go to him, you know, and he was just, he was fed up with it, couldn't handle it."*

Janice has also had a number of difficulties with her immediate family. Her parents are clearly aware of her gambling problem and have tried to help her with it, which has led to a lot of confrontation over time.

*"Oh yeah, always. I've had arguments with them. I mean there were times they'd want to throw me out of the house and you know, get the peace back. They couldn't handle the coming in and out and you know, and Mum just couldn't see the sense. You know like she said 'You're working for nothing, why do you go to work?', you know, 'It's just ridiculous. Like you gamble in one night more than someone would earn in three weeks'. You know, and she just, she, always putting stress on her and stress on Dad and stress on them because we were fighting, stress on the household."*

## **9 Where or when they consider their behaviour**

Janice admits that she would not often question her gambling until she had effectively 'run out of money'. During the height of her gambling problem, it was only at this time would start to question her actions.

*".... I would walk out of the place with no money on me and that was my whole wages. So, you know, it was a really sick feeling obviously, you know it made me physically sick you know, especially to have to come home and try to find a way to meet the bills and so forth".*

*She feels that the change in smoking laws has had some impact on people playing the machines. As people have to go away from the machines to have a cigarette, they break the cycle of play and have the opportunity to think about what they are doing. Janice had even talked about the impact of smoking on playing the machines with others.*

*".... Since they stopped the smoking it's a good thing 'cos not many people, I don't find there's as many people out there now playing them... Even my cousin. He said he had a problem with pokies and he got himself in quite a bit of crap financially a few times, but he said to me that since they've stopped smoking, he said I don't find I go out and gamble as much, I couldn't be*

*bothered 'cos I've got to go and walk out and leave a machine to go and have a cigarette and by that time you've had time to think different and you don't want to go back. You've had enough; do you know what I mean? It changes your way of thinking."*

## 10 Views on the Shutdown

Janice is aware that venues have a period of time that they close poker machines as her normal habit was to play until the venue closed or she ran out of money, whichever came first. While she feels that people will find a place to gamble if they want to, in her experience, there have been times when the venues in her local area have been closed and she has chosen to go home instead of trying to find somewhere else to go. As stated above, the Casino was not often a place she chose to go unless it was with friends. It was not a place she would choose to go and unwind by herself after work.

Janice feels that at times the venues being closed has prevented her from gambling, leaving her with money to pay household bills. She feels that when gamblers are unable to access poker machines, it provides a time for gamblers to think about their other responsibilities. While at the time she may not have been pleased that the venue was shut, Janice recalls that at least she would wake up in the morning and feel positive as she was able to pay her bills rather than have spent her wages playing the poker machines.

*"Well I was playing on till close, I was playing on sometimes – like when I was going, you know, I'd stay on till close. They did have a close-down period I think, I was asked to leave a couple of times because they were closing. Before when it didn't close I think it would be running out of money that I left."*

*"Yes and no 'cos if you're a solid gambler you're gonna go and find somewhere to gamble, but I suppose if it's closed down you can't. I think it would be a safety net for shiftworkers if they did. There's some plus sides but there's also, if you're a solid gambler, if you can't go between those hours you'll go in other hours perhaps. You know what I mean? But I suppose for those that are really addicted having that time close-down it's saving them money and giving them space to think. Like I've worked say on a Sunday and that finished at 12 o'clock at night and then I've gone 'Oh I'll go to the club or the pub', but it's not open now. So I think 'Oh well I can't', so I would go home. And then I've got my wages and I've come home and paid my bills come Tuesday morning, or Monday morning, sorry. I've gone and paid my bills and stuff so yeah, it has saved me from blowing the money at the time sometimes, yes."*

*"No, no, but you know if it's not open, nine times out of ten it's deterred me not to gamble and I've gone home and the next morning I've thought 'Yeah, well probably it's a good thing', and I've been responsible and paid the bills and stuff."*

Janice was able to provide some insight into the impact of the shutdown on shiftworkers. When prompted that the venues feel that the shutdown has an unfair impact on shiftworkers, she feels that the benefit of the shutdown in stopping problem gamblers from continuing outweighs any impact on shiftworkers, as often it has only been the club closing that has made her leave. She also feels that it is only problem gamblers playing the machines at that time, and that these may or may not be problem gamblers.

Also from her experience, she questions whether it would not be a better for shiftworkers to not have the clubs as an option to unwind. For her, the excuse of going to the unwinding after work was what had resulted in gambling problems.

(On discussion that the shutdown impacts on shiftworkers)

*"I'd have to go on experience, because problem gamblers will be there at that time. I mean you can go, I must admit I've gone out just for a night of gambling and I've got to the club at say 7 or 8 o'clock in the night and still not walked out until, you know, 4 or 5 in the morning, when they're saying 'OK, we're closing the club in 15 minutes. Please collect or whatever', you know. So that's not true what they're saying. And even so, even if they've just got shift-workers in there at that hour, shouldn't the shift-workers have a right 'cos their shift-workers, they're tired. They think they're only going there to unwind, you know before they go home, but you know should going somewhere to unwind cost you your wage? If they didn't have the doors open to them they'd have to go home and unwind in front of the TV and a beer and not gamble. Or get on the internet and have a little flutter on there for free, you know, something like that. So I think that they're just saying that because they're greedy."*

Janice feels that it limiting access that is key to assisting problem gamblers, whether this be time or the number of venues that have poker machines.

However, Janice also felt that a change in time of the shutdown would reach greater numbers of people as not all problem gamblers play at night. She felt that this was especially important to reach gamblers on low incomes who may be reliant on government benefits. Janice was of the opinion that if the poker machines were at least shutdown on the days people received their pension, then at least they would take the time to look after other financial responsibilities such as household bills before spending all their income on the poker machines.

*"... really, but I mean for a lot of problem gamblers that are on low incomes, like say the unemployed or disabled people and people that are on pensions or the age pension or whatever like that, most of them get their pensions on every second Wednesday or Thursday. It would be good if they could close them for that day or a couple of days in that time, do you know what I mean, and then people would be responsible to have to go and pay their bills. They'd pay their bills and that and then what they had left they could gamble. Something like that. But I mean, governments, they whinge about giving to charities and stuff like that yet they won't help the problems for the people that are going into gambling. That's why they've got the need to go to charity and say 'Look, I need help for food' or 'I need help for electricity', or help with things like that."*

*"They need to take – like I mean once upon a time there wasn't even like poker machines in pubs, things like that. There needs to get back to less. Like what the pubs are doing now is, like they might have a main, like a little drinking area here and a little eating area there, and the bulk of it is poker machines. And that's just rooting and proving, you know. Like I reckon, get rid of the bulk of it and have a little tiny area for gambling and the rest for family activities. Like you can go there with the kids on a Sunday afternoon in the beer garden and have a barbecue and you know, have a band there. You know what I'm saying; have a bit more entertainment than poker machines. But I suppose to them that's not cost effective. There's too much dollar, dollar, dollar today."*

## **11 Awareness of support options**

On the breakdown of her relationship, Janice sought help for her gambling problems from doctors (likely to be a psychiatrist) and from private counselling. While she had heard of organisation such as NA and organisations that specialise in gambling she had not experienced any of these.

She did not feel that the assistance she had sought had been successful.

*"Well I did get help, I went to the doctors and I got like, you know, I told him what was happening so they said they can put me on like a chemical, a chemical drug that puts chemicals back in your brain. So they reckoned it was a deficiency, a thing that comes from a deficiency. So I got some counselling and stuff like that but I mean, that never really sort of helped, I didn't find."*

## **12 Strategies they use to stop themselves gambling**

Over time Janice came to question the amount of money she had spent on gambling, particularly in regards to what she could have had instead. It was these thoughts, plus now being on a very limited income that has slowed her gambling considerably. Now when she gambles she gives her key cards to her mother, so that she is unable to come home and get more money. On the odd occasion though, her gambling still causes her problems.

*"Well I think it was because of the waste of money and I couldn't see it, like because my parents and other friends, you know, good friends and stuff have said to me, 'Like you know, like where do you want your life to be', you know, 'Do you want to blow your money or do you want to have a nest egg?', you know; 'Do you want to blow your money or do you want to own a car?'; 'Do you want to blow your money or do you want to go on a holiday?' 'Why give it to the proprietor and the government when you can be using it for something good for your life?' And I sat down and I thought about that and I thought about 'Well that's true, you know', and I can see more value in life now. And like since I'm not gambling as much I've gone and given more to, like I now donate to charity, I sponsor one of those, I sponsor a child. And when I go shopping and I buy the groceries I look at it and I think 'Well there's a hundred or something dollars worth of groceries'. Now when I went and spent \$600 on the poker machines I could have had six times that amount. I see the appreciation and I can understand the value of the dollar more now. And it's a waste of time to chase it, it's a waste of time to think that it's an outlet for me or like to me, it's just time out or recreation or something, or like, what's that word, like an interest, like a fun time or a pastime, like you're going to the movies or something."*

*"So I just sort of slowed down and, like I said, now 'cos I've given up work and I'm only on a benefit, there have been times when I have done some stuff with my benefit money and then I've had to go and borrow it from family. But I'm trying, I'm just trying not to do it any more. Like I said, trying to put strategies in place and that's sort of happened in the last year."*



## CASE STUDY 2\_Joan

### 1 Demographics

Joan is in her late 40s. She lives with her 23 year old daughter in a house that is rented through housing commission. She also has a son in his early 30s and was widowed eight years ago. She is on a disability support pension but also does some admin work for a friend's small business on a part time basis.

Joan readily admits that she has a serious gambling problem specifically with the poker machines and has previously been in rehabilitation for her problem. In mid last year, she self-excluded herself from her local club of which she was a lifetime member. Although she is a member of other clubs, this particular one was the place which she most often played the machines.

Although Joan has occasionally gambled on horse or greyhound racing, these activities do not provide her with the same sensation of immediate fulfilment as she gets when playing poker machines.

*"My husband, he used to play the horses and whenever we got our pizza shop it was always near a TAB. It was quite funny! I used to have a flutter on, you know, on you know the horses and the dogs occasionally, but it wasn't, it wasn't a quick hit. You had to wait for the horses to race, to run, and then you had to wait to collect your money. It wasn't a fast pace, whereas with poker machine, you just hit, hit, hit, you know. And it's just a quick, a quick fix."*

### 2 First started playing

Joan first started playing poker machines when she was 20. At the time it was the old style handle machines. When she met her children's father they were both working shift work and they would regularly go to the club to play poker machines after work.

*"I was probably about 20 and it was this little, I'd go to the pub with a friend, a male friend at the time, and then I met my daughter's father and then we used to go to the club and gamble. And I lied to him, you know (that she had never gambled before). I'd worked so I had my income and that and I used to go and gamble and, as I said, sometimes you won and sometimes you didn't. And in fact then it was the one coin, pull it back, the arm, and it was like harder back then, whereas now you just stick in a fifty and you can lose it in five hits, you know, you can bet \$5 a hit and whatever. I used to go and gamble at XXXX Leagues, that was my safety spot."*

*We worked together in pastry shops so we normally didn't finish till, you know, midnight and that, so my lifestyle mainly was night work. I used to work in garages and that type of thing so I always picked the night shift which suited me 'cos I developed a really bad sleeping pattern, probably from years of doing night shift and that type of thing. I have been gambling for years and years and years and years. I've been into rehab programs approximately, oh how long ago was it, '92, '93, I went into St Edmunds at Eastwood for 21 days."*

### 3 Typical behaviour, Motivations for play and time of play and duration

Joan did not have a typical time of playing the poker machines. However, as years of shift work has resulted in her being more of a late night person, it is more common for her to play late at night. She recognizes that the club of which she is a lifetime member is a 'safety spot' for her, in that she feels at home there. Yet it was never the people at the club that provided her with comfort, for her it was the machines that were her friend.

*"Well when I used to go down there I felt safe, you know, I knew the people around. I didn't go down to meet people in the club. I used to just go down and play the poker machines and if people talked to me, Oh yeah, yeah, right, whatever. So I didn't want to talk to anyone 'cos that poker machine was my friend. As I said I have gone through many rehab, from counselling. Stopped it for a while and then started it again. I actually barred myself from XXXX Leagues Club in July this year because it was just so easy: like I'd wake up at one or two o'clock in the morning and go 'Oh yeah, XXXX Leagues is open', and I'd go down at 2 o'clock in the morning till it closed. I still gamble at other clubs."*

When asked what she means when she says that poker machines provide a 'quick fix', Joan identifies that it is the adrenalin of playing that she is addicted to. Over the years, she has learnt that her need to gamble is triggered by various emotions that she feels, such as loneliness, anxiety and depression. Playing the poker machines provide her with adrenalin rush that enables her to forget these emotions.

When her husband was alive, Joan would regularly gamble after they had had an argument in order to escape the loneliness and depression. After his death, she feels that her gambling got worse as she sought out comfort in the 'safe' place of her local club.

*"Adrenalin. It's a drug. I always argue, I always argue this about the government. The government and like, as I said, I've been in rehab and I know what triggers you. The government will accept that an alcoholic has a problem, a drug addict has a problem, but a gambler doesn't."*

*(Her triggers) "Boredom, loneliness. I'd have an argument like with my kids, I'd be watching TV and I'd see something that reminded me of my husband, or something.... Yeah and then sometimes it would be, as I said, Oh great, I'm feeling really good, I'm going to go down to the club and I'm going to win. And then some days I would down and ... on myself. You know, I'm not good enough, and like not thinking that, but I can look at it now and think why I did it – Well I'm not good enough, nobody's going to love me, Oh well stuff it, I'll go down and I'll destroy myself. And the best way to destroy yourself is to lose money. You know I've got a girlfriend who's a shopaholic. How can you go and sit in front of the poker machines and play poker machines and blah, blah, blah?"*

Before she barred herself from the club in which she felt safe, Joan would sometimes go to the club in the afternoon if she was not working. She claims that she was often at home in the early evening to cook dinner for herself and her daughter (if her daughter was home), but would often then go to the club again at 10 or 11pm.

(When asked to describe a typical day)

*"OK, I'd get up, I'd have breakfast, sometimes and, as I said, I had a sleeping problem, I mightn't get out of bed until 9 or 10 o'clock in the morning, have breakfast, have a shower, if I had work on I'd go to work, come home, sometimes I'd cook tea, sometimes I wouldn't, depending if my daughter was home. If she was home I'd cook tea, if she wasn't some days I'd*

*just live on two slices of toast first thing in the morning. I would just, you know. I couldn't be bothered. Then maybe in the afternoon, depending on how I felt, I might go to the club or I might stay home, play on the computer - see I play Canasta and Euchre on the computer - and then maybe, maybe 9 or 10 o'clock at night I might run down to the club and if I had the money and I won I'd stay there till closing time for results, and I'd walk out."*

*"Yeah, normally, normally about 10, 11 o'clock. It depends, you know, sometimes I might have gone at 4 o'clock in the afternoon, or I might have gone at 11 o'clock. It was just how I felt. If I felt like I was going to win, well I'd go down at 11 o'clock."*

#### **4 What causes the gambler to stop playing?**

Joan claims that the only things that would stop her gambling were if she ran out of money or the club closed. If she had the money, she claims that she would gamble every day.

(From the quote above) *"...I might run down to the club and if I had the money and I won I'd stay there till closing time for results, and I'd walk out."*

*(When asked about closing time) "Well it used to be 4 o'clock; I don't know what it is now. Some days it was 6 o'clock. I think on a Friday night and a Saturday night they closed at 6. Tuesday (the next day) would be virtually the same, you know. That was it, you know if I had the money to gamble every single night I'd have to go and gamble."*

#### **5 Places of play**

Joan recognized that inherent in her gambling was the perception of 'safety' that she had with the club of which she was a lifetime member. While she might attend other venues socially with friends, she did not tend to play the machines as she did not feel comfortable elsewhere than her 'safe' club. This is why she chose to self-exclude from that particular place.

*"As I said, I've got some very good friends through work and I've told them and like, you know, they'll, we'll go to the club for lunch and they'll go and play the pokies and I just stand there because when we went to those clubs that wasn't my pokie one. You know, they weren't my pokie ones; I went from that club to the XXXX Leagues. You know, like some nights I might finish ... you know, 9 o'clock, and being at the club, working, you know, because some of the work with my friends is like going into clubs and that. And I would leave that club, I'd say the Castle Hill RSL, I would leave the Castle Hill RSL and I would drive to XXXX Leagues Club 'cos that was my safety zone".*

Since the self-exclusion Joan has continued to gamble at other places, still within a close geographic proximity. However, they do not seem to fulfil the same need as the club of which she was a lifetime member. She claims that the other club she has been to usually close early, at about 11pm and midnight. The one time she unsuccessfully tried to lift the self-exclusion at her 'safe' club because she wanted to gamble late at night, she went to a pub that was open until early in the morning instead. She claims to have been very uncomfortable, however when challenged as to why she left the pub, Joan admits it was due to running out of money. She feels she would have stayed until close if she had not run out of money, despite her discomforts.

*"The XXXX Club, which is associated with YYYY Workers' Club, or XXXXWorkers' it's called, but I think they close at 11 o'clock at night, you know. So I've been down at the pub, oh I forget what the pub is, but the pub, I don't know, just seems dirty and you have the young ones that*

*are swearing their heads off and their pokies don't pay, and that's actually where I went after XXXXX Leagues said No. I went, I think I blew \$150 in about ten minutes at this."*

*"Yeah at the pub, and I thought OK, that's it, I'm not coming back here again. You know it's not a family, to me it's not a family atmosphere. At the club, well as I said XXXX RSL and XXX Workers', the staff are very nice – Hi how are you? the greet you and talk to you. I suppose if I went down to the pub often enough I'd get to know the people and it's be a different atmosphere but pubs, I'm not a pub person."*

*"No I stayed there until my money ran out.... Yes I would probably, yeah, (would have stayed until close) and that's a late opener. They do need to put a time limit on people so they're not gambling."*

## **6 Consequences they report/ Feelings**

Joan claims that her children did not suffer for lack of food or from bills not being paid on time due to her gambling. She feels that while the money she was gambling could have been used for other things, they still were looked after materially. Her son even went to a private school for his secondary education with the assistance of Joan's parents.

However, she now thinks that they suffered emotionally throughout the years when her anger at herself for losing money was taken out on the children. She claims that the emotional reaction to losing money would also make her physically ill at times.

*"My kids didn't financially suffer in the sense that they never went without. I sent my son to Joeys over at Hunters Hill with the help of my parents, and the last year of his schooling was financed by the XXXXX Leagues Club when I won a \$26,000 jackpot. And you get that taste of the winnings and I've lost probably three homes in the period, I'm 49, so probably in the period of 29 years I've lost probably three homes."*

*"I've tried really hard because I've got also health problems, and I used to walk out of XXXX Leagues and I would throw up, physically throw up. I'd done \$1,000, \$1,500. I'd win and then I'd go back the next day and I'd lose the whole lot. I never had my electricity cut, I also never had my 'phone cut off; there was always food on the table for my children. But emotionally, which people don't realise, emotionally they were getting punched when they, going and gambling, because I'd move money and then they'd, you know, come home and say something to me and I'd snap and I'd think like Just leave me alone, you know. Both my children know I've got a problem, my family knows I've got a problem, and I'm quite open about talking to other people about gambling. You know, how it has destroyed my life, you know, as I said, I could have had three homes and, you know, been leading a life of luxury. This is, I'm in a Department of Housing."*

Joan feels that her gambling on the poker machines has gotten worse after her children have grown up and her husband has died. First she attributes this to loneliness, and more recently depression from a series of illnesses. It has only been since that time that Joan has had to rely on charities to cover her living expenses. She claims that at times she has gambled away all her money from a pay check or government benefit, and then gone to charities to ask for assistance with food and bills. She has also then used this money for the poker machines.

*(Why has her gambling got worse?)*

*"Probably just the depression, being sick, not knowing what was wrong with me. Like I got diagnosed, as I said, two years ago with basic, one doctor said it was bipolar, borderline personality disorder, and then last year I was also diagnosed with chronic and static leukaemia, and then in October I was diagnosed with ...myalgia. I think like prior, two years prior, it was just sheer loneliness. I didn't have any, there was no, like I had a friend but I only saw him once every couple of weeks, just sheer boredom. You know, I'd have a few drinks, play on the internet, and I'd think OH God, I feel really good tonight, I'm going to win on the pokies, let's go! Get there and I'd lose, and I'd think Oh well, OK."*

*"... And I used to gamble and go down to the Salvation Army saying I need my 'phone bill paid and I need food. Well I'd go there, get what I could out of them, and then go to the club and gamble 'cos I'd go OK, well I've got \$60, I can spend all that \$60, I can put it in the pokies, I've got \$30 worth of food, that's \$90 I can play with now, I can gamble with \$90 because they've helped me, they've given me the money. And I used to, and you know, it was only probably the last two years that, like when I had my kids I never, I hardly ever went to the charities for anything, and, as I said, over the last two years I was, you know, bang up, Oh now, OK, Salvation Army one lot, St Vincent de Paul the next."*

At extreme times, Joan has contemplated suicide as she get angry at herself for her gambling habit. At the worst of these times, she has put herself in rehab.

*"Yeah, but with gambling you get to the point, you get to the lowest point and you just go I can't take this any more. That happened to me last year. It's happened a couple of times over probably eight, no it would be four because then I put myself into rehab, probably over the last, what, 12 years I've got to the stage where I think you know, why am I living? All I do is work, go and play the pokies and come home and that's, that was my life. Last year I had, had some bills, I'd got behind in my bills. I'd get my mother to put it on her bankcard, then I'd have to sort of borrow from this person to pay the bankcard. And this particular night I'd gone to XXXX Leagues and I'd blown, I think it was \$1,000, and I went to work the next day and Deb said to me, you know, 'What's wrong?' And I walked in and I just broke down and I said 'I've got to stop working'. She said 'Why?' And I said because I work, I gamble, I've come home, you just hear the poker machines, noises in your head, I've started shaking, and I said 'And I owe my Mum money', I said, 'And I haven't got it'. I said I just can't do it any more. And that night, after I did come out from XXXX Leagues I just thought I'm going to kill myself. And then I thought, 'Hang on a second, I've got two kids that I've got to worry about. I'm not going to force my debts on their shoulders', because that's what happens."*

## **7 Where or when they consider their behaviour**

It was not until Joan had to leave the club after losing all her money or at closing time that she would often think about the extent of her gambling problem. Interestingly, she claims to endorse the government legislation of no smoking inside pubs and clubs, despite her being a smoker. She feels that as she is forced to leave the machines to have a cigarette, she has a break in play that actually allows her to consider what she is doing. She feels that this has assisted in cutting back her gambling.

*"The best thing the government did was bring in the No Smoking because it has really cut my gambling down. I don't feel as relaxed when I go down because I'm not smoking. You've got to go out and then that means you've got to leave the machine and break the cycle of actually just sitting there and playing it."*

## 8 Views on the Shutdown

While Joan feels that shiftworkers may be affected by the shut down - *"where else do you go to unwind at 2 or 3 in the morning?"* – She believes that most of the people playing at closing time are likely to have a gambling problem.

(Other people going to the club at 10 and staying until 4am?)

*"Oh yeah. You'd see the same faces and you'd think – and it used to be funny 'cos my girlfriend that I used to gamble with, she's moved down to Cootamundra now, she goes 'Look at that person, they're here again, Look at that person'. I've said 'Yeah, and look at us, we're here again'. And she goes 'Oh yeah', and I said 'I bet they're saying the same thing – where do we get the money from to gamble, where do they get the money from to gamble'? You know, and it would be 'Oh good-day Mary, hello, hi Gail, hi Tony, or Nick, whatever, hi, hi, hi'."*

*"Of course they have, of course they have (gambling problems). You see them there every time I'm there. How often are they there when I'm not there and how often am I there when they're not there?"*

Joan admits that if she did not run out of money she would play until forced off the poker machines, and has often been in the club at closing time playing. While she may not always be in favour of the shutdown at closing time, especially if she is winning or has a small amount left to gamble, she recognises that it does make her go home when otherwise she wouldn't. If the shutdown did not occur, she would stay until she had gambled all the money she had.

(In response to how often she would be there until close)

*"Oh God, when I had the money. So if five nights in a row I had the money then I would, you know, I would stop until 4 o'clock in the morning, or six o'clock in the morning."*

*"Yes, and I'd get the shits when they'd say (they were closing), you know I might have had \$50 or \$60 up on the machine and I'd think Bloody hell, you know, like, and then I'd start playing big so I didn't have to take it out of the machines. So what they've done wrong, I believe, is the way they've changed out, the payouts. Like you used to be able to empty the coins out and get coins out of the machine, whereas now you get a receipt. So if you've got \$20 left stuck on the machine, you're more than likely, and a lot of people have sort of said it, you know, in the gambling scene that I've been in, Oh we don't bother taking that out, we just play big and hit it. And then, because otherwise you've got to take it out of the machine and walk over, queue up, get your money..... So they are really taking advantage of people."*

## 9 Awareness of support options

Joan had a high awareness of support option compared to other gamblers interviewed for case studies. Since she had started gambling 29 years ago, she has been to rehabilitation counselling, GA and has now self-excluded herself from her local club in which she would spend the bulk of her time playing the poker machines.

When Joan has sought help in the past, it seems to have been due to the depression and shame she was feeling through losing money, and then lying to others to get more money. At the time, she claims she was contemplating suicide.

*"Because I got to the stage where I was going to kill myself and I knew I needed help and it was quite, quite, quite strange because I just, I hadn't long started going out with Nick at the time and we'd just, we'd had one pizza shop and then we were setting up another one (husband that has recently died) and I just went I'm going into rehab. And he went 'But we're going to set up a pizza shop'. I said 'I don't give a shit', I said, 'That's your business', I've got to go into rehab, and I went in there for 21 days. My daughter XXXX was what 12 at the time. Yeah, so ...I couldn't cope with my life. I could see what it was doing to the people around me. I constantly lied.... (I'd say) 'Oh I'm going down to the doctors', and I'd go to XXXXX Leagues Club, or I've got to here or I've got to go there, and I was, I was stealing the money from the business. You know, even though it was my business as well, I was still taking the money from the business and I thought 'This is, you know, I can't live my life like this any more....I rang and went up to St Edmund's and booked myself in"*

Joan claims that her current attempt at controlling her gambling, self-exclusion, appears to be helping her. While she may go to other clubs and pubs to gamble, the fact that she cannot go to her 'safe' club means she does gamble as habitually as she was doing.

On one occasion she tried to lift the self-exclusion due to an urge to gamble late at night. While she was not happy at being told no at the time, she was pleased the next morning.

*"Anyway a couple of weeks ago I was really, oh, nearly beside myself, and I rang up at night and I said to the duty manager, 'I want to come in and I want to gamble'. 'No you can't do that'. I said 'Listen, I feel bad and I should be able to unbar myself at any time'. And he said 'No you've got to ring this number and you've got to ring that number'. So I rang the numbers and they went 'Oh no we can't do anything because you've self-excluded. ... And I said 'how do I get back in XXXX Leagues'? You know then XXXXX Leagues ended up sending me a letter saying 'Oh you've got to do this and this and this', and I went 'Fuck you'. So I didn't pursue getting back into XXXX Leagues".*

*"Oh yeah, a good thing, yeah it's a good thing. As I said, like I used to be there and there five or six days a week. If I had the money – I have hocked so much jewellery and lost so much jewellery because I needed that \$50 to go down and gamble. You know I needed that \$20 to go and gamble".*

Joan recalls that the staff were very supportive when she asked to self exclude; except she did question why staff couldn't suggest it to someone they felt must have had a problem. While she admits that if someone had approached her to ask if she needed any help she would not have been receptive, Joan also feels that gamblers are not helped when they should be.

*".... And when I did it they said, you know, like 'We're really proud of you that you can do this because we have a lot of problem gamblers and that'. And I said 'Well why don't you talk to them?' And they said 'Because we can't by law, the Privacy Act.' ... (If approached admits she would have said)... mind your own business. But it's a, I don't know. See I wanted to do it, I've been screaming for help for years."*

Joan strongly feels that gambling addiction needs to be taken more seriously. While people with a drug or alcohol addiction are noticeable in that their addiction has physical effects, people with gambling addictions do not. Therefore gambling addicts are able to keep their addiction a 'secret' from others much longer, however they suffer the same financial and emotional trauma as those with substance abuse problems yet it goes unnoticed for longer as there are no direct physical effects.

*"Well I'm on a disability pension and when I went and said, you know, I have a gambling problem they went, that doesn't have any punch attached to it, but if you're a drug addict then you have points for disability. If you're an alcoholic. And I can walk down the street and nobody, nobody knows me as a gambler. And if I was a drug addict, and my sister is a drug addict so I know, or was on drugs, has been, you look at them and you go, you know, that's a junky, or you'd see them, you know, parked down there or parked over there, they're alcoholics. So unless I tell people I'm a normal person. You know, I'm healthy, I don't have, like I drink at home, I enjoy my drinks, I don't need to drink, I choose to drink. But when it came to gambling, like I didn't, I didn't, I'd just get in the car. But it got a lot worse after my husband died because I didn't have someone at home. Even though I lied to him when he was here .... I remember one night I worked for a friend and we used to come home in a train. And I had \$125 and I went down to the club at 7 o'clock at night and I walk in – this was when XXXX Leagues was open 24 hours...*

*It wasn't long after my husband died and he's been gone 8 years in June, 8 or 9 years in June. So, say 7-1/2, 8 years ago. And I walked in at 7 o'clock at night with \$125 and it didn't matter what machine I went for, I just won and won and won and won. Anyway I left there at about 9 o'clock in the morning and I had about \$1,500 on me. I came home, I got into bed, and I was just about to doze off when a friend of mine rang. 'Oh hi, what are you doing, I'm going to XXXX Leagues'. 'Oh yeah, I'll meet you in half an hour'. Had a shower and went back down there and played until 5 o'clock in the afternoon. You know, I was so, absolutely so exhausted, but with gambling....and you've probably heard it before but when you're an alcoholic you drink till you drop, when you're a drug addict you drug till you drop, then go to sleep. When you gamble, you gamble until you've got no money left, or that place is closed. And then if it does close and you go back the next day and you gamble – you know you can, I've known people that used to down to the Casino and they would gamble for three and four days and wouldn't sleep. You know gambling has got the highest rate of suicide. Of course drug addicts accidentally OD, alcoholics accidentally ..."*



### **CASE STUDY 3 Helen**

Please note: Helen requested for the interview to not be recorded. While notes were taken throughout the interview, quotations have not been supplied as no transcript is available.

#### **1 Demographics**

Helen is 64 years old and lives alone after a divorce last year. She has three children and 2 grandchildren. She owns her own cleaning business. Aside from the poker machines, Helen does not gamble except for the occasional scratchy and lotto ticket.

#### **2 First started playing**

Helen first started playing poker machines 4 years ago. She was on one of her first lunches out with her friends at the club after being ill for some time. A lunch at the club with friends was an activity she had frequently enjoyed on a number of previous occasions. Over the years, she claims that she may have put \$5 into a poker machine one or two times when one of her friends did so, but it was not the main purpose of going to the club and was not a regular occurrence. Nor had she ever played the poker machines by herself.

Helen now thinks that she may have been experiencing some loneliness at the time. She had been isolated for some time from friends with her illness, and she claims that her marriage was already starting to deteriorate. Aside from this, Helen had difficulty in understanding why she had begun to gamble on the poker machines on a regular basis.

#### **3 Typical Behaviour/ Time of playing and duration**

Helen only plays poker machines on her own now and does so nearly everyday of the week. The only place Helen plays is at the one club of which she is a member. Because she owns her own cleaning business, Helen typically takes time off between jobs during the day to play the machines. Each time, she will use whatever cash money she has to hand, and claims to never go to the ATM machine to 'top up' the funds she takes with her.

Helen sometimes plays poker machines in the early evening, however does not play late into the night.

#### **4 What causes the gambler to stop playing?**

She will usually stay until the money she has on her has run out. At times when she has been winning, Helen has cancelled her next cleaning job to stay playing the machines for longer. When this becomes too frequent, Helen admits to having to battle with herself at times to make herself leave a 'winning' streak to go to her next cleaning appointment. This battle is won and she goes on to the next cleaning job more often when money is very tight.

She claims to know after each time she stays that her chance of continuing to win is minimal, however at the time this does not enter her head. Often in these circumstances she is driven by trying to recuperate what she has lost or at least the money that will not be made by cancelling her cleaning job.

## **5 Places of play**

Helen is a member of one club and that is the only place that she claims to play poker machines.

## **6 Motivations for playing**

Helen admits that while playing poker machines, she goes into another world and feels some escape from the emotions she is experiencing in the 'real' world. While once this was loneliness, it is now becoming feelings of guilt and shame that she is escaping from as the financial difficulty she is experiencing is becoming more and more difficult to hide from her family.

## **7 Consequences they report / Feelings**

At the time of the interview, Helen was clearly distressed about her gambling problem. She was aware that it had begun to seriously affect her business, and therefore her financial situation. However, the main cause of distress was the shame she felt from lying about unexplained absences during the day and why her business was suffering to her family and friends. She had also begun to borrow money from these people to pay rent and bills and felt shame due to the lies she was telling to do so.

Helen had some difficulty in discussing whether her gambling had been the cause of her marriage breakdown. She tentatively admitted that it may have had some contribution to making the marriage dissolve faster than it otherwise might have, but feels that she and her husband were having a number of difficulties prior to her starting to play the poker machines.

In many ways it was these feelings and the action of borrowing money from family and friends that was driving Helen to spend more time playing the machines. When she was playing, she was able to escape the feelings of guilt and shame she was experiencing, and in the times she was winning she was filled with the hope that she could pay back the money she had lied to borrow.

## **8 Motivations for playing**

Helen claimed that she reached a crisis point about her gambling every time she left the club. She felt that the moment she walked out the doors and into the fresh air, she felt she was returning to reality and began to think about the money she had just lost. She admits that her good intentions of trying to get her business back on track to pay back the money she had borrowed, or at least to stop borrowing money in order to pay rent and bills, seemed to dissipate the next time a cleaning job paid her in cash.

## **9 Views on the Shutdown**

Helen was not aware of the six hour shutdown before it was explained to her. As an elderly lady who had only recently started playing the poker machines she was rarely out at the club past the early hours of the evening.

Once it was explained to her, Helen endorsed the shutdown. However, she felt that it should be done at busier times such as the afternoons when she commonly plays. She thought it would be more likely to reach more people at this time.

#### **10 Awareness of support options (and use where relevant)**

Helen was not aware of any support services she could call to assist with her gambling problem. She had no support from family or friends as her problem was hidden from them. She was adamant that she had to stop as she could not handle the guilt and shame she was feeling towards her family and friends anymore, but admitted to having difficulty in doing so by herself.

On being made aware that support and counselling services for people with difficulties related to gambling were available, such as the G-Line and Wesley Counselling Services, Helen was interested that these services exist. While she continued to claim that she was sure she could stop playing the poker machines herself, she admitted she had not devised any strategies through which she could achieve this. Helen was provided with the number of both G-Line and the Wesley Counselling Services at the conclusion of the interview.

## CASE STUDY 4: John

### 1 Demographics

John is 36 year old and now lives in the same house as his mother after a divorce 10 years ago. He owns his own panel beating business. He mainly plays the poker machines, but will also play table games at the Casino if he visits it with friends.

### 2 First started playing

John claims he first started playing EGMs 8 years ago (two years after his divorce). His first experience of playing was with a friend who showed him how to use the machines at a local sports club after his marriage ended, but sometime refers to instances where gambling caused problems in his marriage.

John initially played small amounts of money, usually \$5 or \$10 dollars and claims that he would win small amounts of \$50 or \$100. He believes he started to get greedy to try to win more, so increased his betting amounts with the end result being to lose more.

*"...and then I said to myself I want to try you know \$5, and I put in \$5 you know. I won \$50 I hope you know, I took it out you know, and then I started going and that and when I find out I win \$50, \$100, it's not enough, like you get greedy and it's not good, you know".*

*"Like you might win once or twice but you end up putting double your money back, do you know what I mean, like you don't realise that you do. See one day you might have, you might get the link, the links about nineteen grand or something. I've got it twice now, but the money I've put in is like heaps more than what I've won you know".*

### 3 Typical Behaviour

John claims to play the poker machines in a number of different circumstances. He will play socially with work colleagues if they go to a club for lunch and of an evening with mates at any one of the local RSLs or sports clubs. About once a month he goes to the Casino with mates on a Saturday night after they go into the city to eat and go to nightclub. On these nights they might stay all through the night.

However, John also plays regularly alone so that he does not have to stay or leave at the same time as his mates. He will go to either one or two clubs of which he is a member and on the odd occasion will take himself to the Casino. However he rarely frequents the Casino alone or late at night for fear of what he will be required to his mother should she ask where he has been.

John claims to play the machines out of boredom sometimes. He also recognises that he is driven to play more frequently due to chasing money that he has lost.

*"But I just like it because it's just fun you know, something to do and I'm bored sometimes and there's nothing else I can do you know."*

*"I like playing because you know you get bored sometimes at home, you know there's nothing to do and I'll go down there you know and play the poker machines and like I've had bad runs with the pokies. Like you might win once or twice but you end up putting double your money back, do you know what I mean, like you don't realise that you do. See one day you might have, you might get the link, the links about nineteen grand or something. I've got it twice now, but the money I've put in is like heaps more than what I've won you know".*

#### 4 Time of playing and duration

John does not seem to play during work hours unless it is with his staff while at lunch at a club. However, he will often play EGMs at night through the week at one of the many local clubs of which he is a member. Some times this is initiated by having drinks and dinner with friends and sometimes this is alone. If with friends, he will go to the club in the early evening (7pm-8pm) and stay for a couple of hours. Usually he and his friends will stay if they are winning until a particular time.

*"...stay there for about two hours or something, or three, it depends, how long we go, you know how we, if we're winning or on a good run or, you know, if my mate's winning, I'm watching him or he's watching, you know."*

*"But first, we don't go straight in and play pokies straight away. We go and have a few drinks and this and that, and then at the end we sit down you know, pick a machine and we'll sit next to each other and play it."*

John feels that as he has a business to run it would be irresponsible to stay late through the working week, and claims the longest he has stayed playing the machines is usually 5 or 6 hours (either alone or with friends). On a weeknight he has usually left the club by midnight at the latest. The longest he claims to have played the machines was from about 8pm to 2am. This was also the latest he claims he has played poker machines.

He also fears staying too long playing the machines because of what his mother might say; particularly if he is by himself for the evening, rather than being with friends.

*"No, no, never stayed overnight. After about 6 hours I go home because if I stay overnight and I'm not speaking to my Mum, then she'll think 'where is this guy?' You know what am I going to say to her? Like if I was with this person, this person, and she says to me, 'Give me his number, let me call him, or let me call her or whatever', you know? ... I'll make it smart, I'll stay out as late as I can, but I'll make sure that I come home."*

#### 5 What causes the gambler to stop playing?

If John is with friends he will play the machines until the groups decides that it is time to leave, especially if they all go in the same car. In these instances he will leave when the rest of the group does even if he still has money to spend.

*"So sometimes maybe if I've got \$300, \$400, I might only use \$150 of it but I still will have the rest in my pocket because we're all leaving at the same time, you know. Sometimes you walk with nothing, sometimes you walk out with half your money because you didn't have enough time to play and that, you know, so you've got money in your pocket."*

When John is by himself on the he will take a certain amount of cash with him. Sometimes when he loses the money is able to walk away from the machines when that amount is gone, but other times he feels forced to stay and chase the money. The urgency of chasing the money is always intensified if he has used money that was supposed to be for other things.

*"Oh if i won, if i won, you know, I'll pull it out and I'll walk out, do you know what i mean. But if i was losing that i would be trying to, like you try to chase it, that's the worst thing about it, like you try to chase your money, it's the worst thing to do you know, in gambling"*

*"And at the end of the day sometimes it puts you back you know when you've got bills and you end up spending the money and that you know, like it puts you a little back you know."*

## 6 Places of play

John is a member of a number of local clubs and does not appear to have a preference for one over the other. He does go to the Casino to play, usually with friends.

## 7 Motivations for playing

At the times that John plays the poker machines by himself, he claims he is doing so because he is bored.

## 8 Consequences that they report

It was unclear whether John felt that his marriage dissolved in part due to this playing of poker machines. Sometimes he alluded to his wife asking him about where money had disappeared to and other time, he claimed he did not start playing the machines until after the marriage ended.

Currently, he is at the point where he wants to stop playing the poker machines because he feels he is wasting money. He feels he works hard for his wages and he owns the business, yet says that he never has any money of his own because he puts it into machines. He wants to be able to help his mother out more as she ages and feels guilty in not already doing so. He also feels that he has missed out on buying a house and doing other things like taking nice holidays.

*"...And that's why this year I don't want to play and I want to quieten down and I just want to try to save my money and use it for other things... I want to just try to stop it, because the money, like I work so hard for my money you know, and at the end of the day it's all going to these pokies, what for you know, I could be doing something else with it. You know like I could be putting it towards a house and stuff like that, you know saving it up or giving it to my Mum, like giving my Mum each week certain money when I get wages you know and she can save it up and at the end of the day I've got something to show for it you know, because you work, you work, you work, and at the end of the day you've got nothing to really show you know."*

*"Why, because I've lost so much money down the track you know which I've added, like I've thought to myself how all this money I've put down in the pokies, I could have had something, you know I could have had a house paid off. So that's why I'm thinking now, you know, stop it now, settle down and that's it. Get over indulged – no more."*

## 9 Feelings

John does not articulate feeling any shame or guilt about his gambling, however he clearly hides it from others, such as his mother or his new girlfriend, indicating that he does feel these emotions. He sometimes resents playing the machines with his friends because he has to leave the venue at the same time as they do.

*"I've got a girlfriend and that, do you know what I mean, but sometimes you know if I go down to the pokies still I don't take her with me. I don't want her to see me like I'm playing poker machines or anything like that you know"*

*"... because at the end I didn't like it because when I went with my mates, when I went people used to notice that we, that you know, playing pokies and that. I used to go by myself because no-one's around me and no-one wants to, like when we were together, if one wins and that, he would say to the others 'Come on let's all go'".*

*About his mother "because i don't want to her to know, i don't want her to know that i gamble at all. I don't want her to have it on her mind. And then she would say 'what's the use of working' and this and that, 'if you're going to gamble well you might as well stay at home' and you know, oh mums are the worst. Because mums, believe it or not, they look after you, they worry about their kids more than a father. It's always the mum, the most, you know."*

He is also quite openly angry at himself for continuing to play the machines. He is aware that he will never make his money back, and is conscious that this does not always stop him.

*"Yeah like i said, it was like you can never win, you never win. Like i said because i win once, twice, and then i lose three, four, five times, and then what you're doing is you're trying to chase the money you lost, do you know what i mean? But you can never get it back and it's never happened to me since i've been going there. I can never get my money back. You can't, you know. So that's why i said i don't want to do anything where i don't want to put all this money back."*

## **10 Where or when they consider their behaviour**

Like all problem gamblers, John tends to evaluate his gambling when the money runs out. John 'crisis point' (when he seems to suffer from self-recrimination in regards to his gambling) seems to occur at the end of each week when his wages have gone. He may not run out of money on a daily basis, but does so frequently on each week. It is only at this time that he seems to have a break from the cycle of gambling activities he is in and evaluate his habit.

*"I know, when you're gambling too, when you've got money in your pocket, you know, you go to gamble, you walk out and you've got no money for a few days, you, I'll kill it, you know."*

## **11 Views on the Shutdown**

John was not spontaneously aware of the shutdown as he claimed to have never been at a pub or club playing until 4am. He believed that clubs and pubs just turned of poker machines when they closed, and if they were open 24 hours the poker machines were available to play 24 hours.

When it was explained to him, he endorsed the idea of the law. He also felt that it might be beneficial if time of shut down was before 4am, so that people were able to at least maintain other responsibilities. He felt that as he currently had only ever played until 2am at the latest, he was maintaining a sense of responsibility to his business.

*"No i think it's a good law because at least it gives the people, you know, if they've been there for so many long hours they've got to know that they have to be out by that time. Because some people just, you know, they sell their house and they sell their cars and where does it end up going. It all goes into the pokies. Some people just go overboard with their gambling, do you know what i mean. You know some people have got massive problems you know, because they don't know when to stop. Some might win twenty grand one night and then the next day they'll go back again. What for? You know when you win, come away, back off, you don't go there for two months or whatever, you know ... and then you know, come back."*

*"I think it's too late, i reckon they should close at midnight, 12 o'clock.... Because people work the next day and people really stay there, they leave at 4 o'clock and they go home and go straight to work sometimes."*

### **12 Awareness of support options**

On prompting, John was aware of support options like counselling although he was not able to name any. He felt that he would be capable of stopping his gambling on his own, and that it was only those that gambled very large sums of money that needed to use support options.

*"People, like you're saying, try hard and try to, they haven't given up generally because they've put so much money down and they've got no job.... Well like i said to you too, I'm not the type of bloke, like i said to you before, like I'm not the guy that spends five to ten grand a week or a month, or you know....but I'm only like a little, little gambler, nothing big or anything like that. But down the track if i added it all up, I've put a real lot of money in. If you added it all up, \$400 or \$500 dollars here and there, every two, twice a week or something you know, it's still a lot of money. It is a lot of money, it is you know. But i think i can handle it, i can stop it, there should be no dramas in there."*

### **13 Strategies they use to overcome the gambling habit**

John is using self-imposed methods to try and curb his gambling such as taking less money out with him. For example, if he is invited to dinner at the club with friends and has \$500 in his wallet, he takes \$100 out and leaves \$400 at home. He did not mention using ATM machines at all and did not comment on how he would curb using these to get more money.



## APPENDIX B - VERBATIMS FROM VENUE MANAGERS SURVEY

## Q23 - Ways shutdown has had negative affect on business

*"Because to you get the people that knock off from the morning shift and they go to the clubs to play/they have different legislation at the moment/less profit ad not being able to supply a venue that the locals can go to/no"*

*"Put back the opening hours"*

*"Just less turn over in the machines/no"*

*"I heard it has affected our opening time the decision made on open has been affected"*

*"I think because people cant come to the venue the times they were they would double think where they would go for the day so they may necessarily not come here due to knowing its going to be shut"*

*"Because i know some players that are here till 4 have to leave the premises and come back at 10am/ no//"*

*"We would have less trade on the pokies/6 hours less/it's going to affect the bottom line/no"*

*"Maintaining clientele in the hotel during our licenses opening hours/nothing"*

*"There's no flexibility/quite often we will close at ten an night and the machines are off for a twelve hour period, there's no flexibility on different days when running a sporting club for an event/for days a such as ANZAC DAY there's no flexibility again for the legislation/i think the hours should be made more flexible"*

*"Before the shut down we applied for a 24hrs license and the new restriction mean I have security guards so it's not worth it/ i would lose money/no"*

*"Percentage of growth/I've only been here five years/no"*

*"Sports bar/most of the international events are in the early hours of the morning and my customers like to play the machines while they are here and unable to now/the competition across the road only has a 3hr shut down and that takes some of my customers/if you have a late client base like i did that consisted of taxi drivers and track worker and I close earlier than we used to they now go to the club across the road cause they can stay for longer/no//"*

*"I don't know how to answer that/not being open early they just couldn't come in to play the machines/no"*

*"Gaming %of turnover is far lower than it used to be/as a result of the shut down we lose about 10%"*

*"Turnover is less/no"*

*"Pokie players play keno instead of pokies/we lose business to the club up the road because they open at 9am everyday/nothing"*

*"Just having to shut them while there are people in the people/loss of trade/that it/no"*

*"Because the poker machines don't work/we can't make money/no"*

*"Shift workers would normally come in to gamble but they don't come anymore and hence we lose money on drinks and pokies cause they get kicked off/we use our income to hire live bands and those kind of people get affected by the shutdown/a lot of shift cutdowns/we've been the longest running venue in Sydney 21 yrs/nothing"*

Responses on how the shutdown could be improved by those who thought it was ineffective n=41

#### **Q41 - How effectiveness of shutdown could be improved**

*"Have to be able to somehow identify problem gamblers and deny access/maybe more than just giving them a phone numbers"*

*"May be a limit of a machine/a metre to limit what a person may put in the machine/more advertising on the television or wherever about problem gambling"*

*"Teach staff to recognise and deal with them/handing them information to let them know about help avail"*

*"Make it mandatory including star city all across the state"*

*"Its in so i don't think extending it any further will help think there's better harm min programs in place to help/such as help lines etc./ self exclusion program/ going on the amount of activity we get through the AHA/ counselling and resources through that area/ RCG program"*

*"I think that they should look at the pubs that are opening 24 hours/they should look at the major Casinos they should maybe be closed during the day/that's all"*

*"Need to admit to them selves they have problem other wise it doesn't matter what we do there still going to gamble/no other ways"*

*"I think as a process it is ineffective so I don't think it can be improved as a way to combat problem gambling/By implementation of harm minimisation measures and I don't think it has had an effect on problem gamblers//no"*

*"I guess the only thing is longer hours but then you are going to get a different group of people so I don't know that's probably the only thing i can think of"*

*"Earlier closing time/that's it"*

*"I think you have to educate the youth if they do have a problem/trying to educate an adult is very difficult/if its alcohol gambling smoking etc/the warnings have to be implemented at a young age/they have to be told from the start that they have a problem/nothing"*

*"I don't think a shut down is going to make any difference/ there going to gamble if they want to gamble such as internet/ they will gamble anyway and lot of that is totally out of our control"*

*"I don't think the hours is an issue for problem gamblers"*

*"I don't think the shutdown has any relevance to problem gamblers/ the ones that are affected here aren't problem gamblers"*

*"Further shutdown/have something else to do/may be another sort of gambling"*

*"Problem gamblers need to be identified and helped/no shutdown is going to help a problem gambler especially by the govt/nothing"*

*"Just get rid of them all together/have no poker machines anywhere/that's it"*

*"I think if they want to sign a self exclusion scheme that it should operate for a region or an area/because from my experience they do work/but the problem is they will go elsewhere and it becomes ineffective/no"*

*"I don't think shutting down a venue will stop a problem gambler/no"*

*"Different hours/seems to be after work/changed the shut down hours to 5-10pm"*

*"Shutdown is not the answer/professional help/nothing"*

*"Longer shutdown hours/that's it/no"*

*"By putting the g line cards out to help them/provide them with self exclusion information and brochures"*

*"They'll find a way anyway to continue gambling"*

*"Problem gamblers are going to be around no matter what/shutdown is on when customers aren't around anyway/nothing"*

*"Very easy to access ATMs/very easy to gamblers to just go through there money"*

*"Up to the individual person/that's it/no"*

*"I think problem gamblers will just find somewhere else to go"*

*"Counselling/club safe/there is enough in place/no"*

*"People should be told off the machine after certain time period/no"*

*"Get rid of poker machines altogether"*

*"Self exclusion/not monitored enough/no"*

*"Longer hours of shutdown/get rid of poker machines all together/that's it"*

*"Interval breaks instead of set period shutdown/split shutdown"*

*"Extend the time limit/on all days/no"*

*"Have no gambling anywhere at all between certain hours/no"*

*"Extend the shutdown period/no"*

*"A longer period of shut down/that's it"*

*"Is to extend it/that's it/no"*

*"Shutdown won't have any effect on problem gamblers no matter what you change to it"*

*"Making it a even playing field for Casinos and registered pubs clubs and hotels"*

*"Increasing the shutdown period"*

*"More regulation when it comes to self regulation forms"*

*"Shutdown or similar measures that are evidence based from quality research/that sit/no"*

*"Self exclusion"*

#### **Q42 - Alternatives to shutdown that would be effective**

*"Slow play rate down on machines/limit maximum bets/limit payouts to less than they are now/these things have been tried and none of it seems to work"*

*"More advertising about problem gambling/more help centres/no"*

*"Restricted areas and the number of machines could be decreased/no"*

*"Cap on gaming machines expenditure/changing the machines to limit there appeal/no"*

*"You still have the Casinos/ what's the shut down going to do/ it just hurts the little people"*

*"As far as the harm minimisation, I believe counselling offered at the moment should be enough. It comes down to choice it is a small proportion of the community. Its up to an individual you can only help them if they want the help. The current services are sufficient."*

*"I'm not a professional but what i think would be effective: counselling and self exclusion is the most effective... "*

*"Education and information/"*

*"When problem gamblers have identified themselves through a program there should be a better recognition other then them sending us photos/ because then its up to us to recognise them/ I guess some more identifiable thing then just a tiny passport photo from our end"*

*"We are doing ever thing possible such as/they have got to be responsible for there own actions/that's it"*

*"Card based gaming/limits the customers spend per day/that's it/no"*

*"A limit on bets/no"*

*"I think education -education of staff, customers..."*

*"Like the smoking legislation for us/with particular gamblers not sure if this legislation has done anything"*

*"I do think there is an alternative perhaps more counselling facilities available/ greater publicity campaign not aimed just a poker machines/ such as lotteries and other gambling which don't get bad press"*

*"I think all harm min strategies are already in place/ such as help lines and self exclusions and counselling services/ problem gamblers are going to bet on anything it won't matter"*

*"Limitations of the value of the amount of money you can invest in any machine/no//*

*"I think there should be more a shutdown at a more regular hour/i don't believe they should be on till two three in the morning/no"*

*"More identifying those gamblers in the community/problem gamblers tend to move around if they have think they've been spotted/its hard for just one venue to identify those people/should be more media awareness for the help needed to help the problem gamblers/its not enough just advertising in the venue/nothing"*

*"Just not have them at all/they could have more games that include more than one person so that its no as anti social/that's it"*

*"They should have the shut down but to vary the hours/no"*

*"Maybe lower the amount you could bet/slow rate of machine play/limit the amount you can put in the machines to \$20 or something like that/no"*

*"There needs to be more education for general public in regards to gambling/no"*

*"More help lines/advertising campaigns for problem gamblers"*

*"Maybe having to collect coins and not going to the bar to get a payout/no"*

*"Better education/issues of gambling should be warned from a young age and expose the dangers of gambling to everyone"*

*"If they're going to gamble they will gamble signs don't make any difference/more counselling would be appropriate/would be good to have club counsellor/no"*

*"Very little/if you could get them to counselling"*

*"Counselling services/don't really have to shutdown to be effective/no"*

*"Some kind of pokie card like player tracking device/no"*

*"Register/ if going to gamble you should be able to register/ see how much money you spent by using the machine/ receipts or card and they can use that and given a statement each much to see how much money they see and anyone that's registered with the doll or anything can't access a card or people that are self excluded/ a big brother approach/ not just record what they won but what they just put in"*

*"Time restrictions/break time on machines/no"*

*"If it was possible to make multiple clubs self exclusion/no"*

*"Attack all gambling/not just pokie players/there's horse bets etc dog races lotto etc/attack all forms of gambling/if pokie shutdown has affected gamblers they can do scratch its tab lotto/internet poker"*

*"More information to help problem gamblers/that all really"*

*"Betting limits/capping the maximum bet/ reducing the cheque payout amount to a thousand dollars/that's it/no"*

*"Reduction of the value of the note that can be inserted/nothing"*

*"Reducing cash payouts to \$1000"*

*"If they gamble they gamble/they will find somewhere to go and gamble/that's all/no"*

*"More availability of council in the regional areas/like country areas/some changes to the self exclusion document/for example relation to third party application for self exclusion/not the problem gambler but the family of the problem gambler/that's it/no"*

*"Self exclusion is the only way I see it/no"*

## APPENDIX C – QUALITATIVE RESEARCH INSTRUMENTS



## OLGR\_STAKEHOLDERS TOPIC GUIDE

### 1. Introduction

- Blue Moon role in the research.
- Mention of other research activities which we will get their feedback on
- Ask about role in organisation, purpose of organisation

### General thoughts on Shutdown

- What are their general views on the 6 hour shutdown?
  - Impact on problem gambling?
  - Impact on venues?
- How do they determine these views?

### Specific Issues with the Shutdown

- Does the shutdown impact on other industry areas?
- What are the positives?
- What are the negatives?

NOTE –for mentions of economic impact? Prompt if not stated spontaneously.

- Has the shutdown achieved what it was supposed to do – i.e. harm minimisation for gamblers?
- Has it had any other consequences?
- Thoughts on the flexibility of the variations and the impact of these on venues/ gamblers
  - The 3 hour shutdown?
  - The ability to split the six hours?
  - Variation on timings?
- Do these impact on the effectiveness of the shutdown?
- Thoughts on the current criteria for flexibility/ variations in the shutdown..
  - Is it appropriate?
  - What changes should/could be made to the flexibility criteria to make it more suitable for venues? For harm minimisation among problem gamblers?
- Should there be some sort of trade –off for increased flexibility for venues?
  - What?
- Do the benefits of flexibility in the shutdown hours outweigh the benefits to gamblers in harm reduction?

### **Alternatives to the shutdown**

Thoughts on the alternatives to the intent of the shutdown?

(making gambler change from the repetitive behaviour)

- Are there any? How would they work?
- What would be the impact on venues? What would be the impact on gamblers?

### **Issues raised in reference to the 3 hour shutdown evaluation**

- The hours in question for the shutdown – stated that it has minimal impact?
- Thoughts?
- Criticised for an unreliable sample and difficulty in identifying problem gamblers
- Ideas? Thoughts?
- Question is how do you then measure the impact of the shutdown on problem gambling?
- Since any method appears to be criticised by stakeholders, what do they suggest?
- What would be acceptable?
- If not raised – it was criticised as it is a general belief that problem gamblers do not play during the shutdown hours? True?
- Has the shutdown impacted on the number of recreational gamblers frequenting the venues?
- How do they measure this?

### **Thoughts on our methodology**

- Assistance they could provide
- Eg. Endorsement among their members etc?
- Thoughts on it?

## OLGR SUPPORT AGENCY TOPIC GUIDE

### 1. Introduction

- Blue Moon role in the research.
- Mention of other research activities which we will get their feedback on
- Ask about role in organisation, purpose of organisation

### 2. Client Experience

- How does a client come to you?
  - Family concern?
  - Referral through other organisations/ venues?
  - Self-referral?
- What generally prompts the client to come to you?
  - Probe on circumstances – specific or gradual problems?

### 3. Type of gambling problems seen

- Are they usually specific with one type of gambling or do people tend to gamble through a variety of avenues?
- To what extent do you see people that have a problem with gaming machines?
  - Is there a typical type?
  - Any specific examples?
- Have there been any changes in the type of problems you see over the past 5 or 6 years?
  - Changes in types of referrals?
  - Clients 'types'?
  - Types of gambling problems habits? (i.e. what type of gambling is causing the problem?)
- In your view, are there certain communities that are more 'at risk' than others for problem gambling habits?
  - Who would they be?
  - What type of gambling?
  - What about for gaming machines? What types of communities/ people do you see are more at risk?

### 4. General thoughts on Shutdown

- Awareness of shutdown (i.e., from 4am to 10am?)
  - What do you think is its purpose?
- Is it effective in achieving this?

- How effective is it for minimising harm for problem gamblers?
  - Does it change behaviour in problem gamblers?
  - Why/ why not?
  - Does it impact on those more 'at risk' of developing a problem gambling habit with gaming machines?
- What other positive consequences do you see for the shutdown?
- Are there any negative or unintended consequences for the shutdown?

**If in Sydney – have clients that can access the Casino...**

- Does the Casino not being subject to the shutdown have any impact?
- What are your views on the thought that gamblers (in general – recreational or problem) go to the Casino instead of clubs or hotels due to the shutdown?
- Do you ever hear of any reports that gamblers (recreational or problem) travel from hotels and clubs to the Casino on or before the shutdown?
- What about problem gamblers? Does the fact that the Casino is still open have any impact on them?

**5. Hours of the Shutdown**

- Are you aware that some hotels have a variation to the shutdown hours - only have 3 hours instead of 6?
  - Do you think that this has any impact on the effectiveness of the shutdown?
- What about the hours of the shutdown? (i.e., from 4am to 10am?)
- Could three or six hours at different times of day change behaviour at all?
  - Probe on effectiveness from a harm minimisation perspective?
- What about across different areas?
- Should the shutdown be a uniform time across all different areas – eg. The CBD/ industrial centres?
- Could they have different times for the shutdown?
- To be more effective as a harm minimisation tool?
- To disadvantage venues and recreational gamblers less?
- If venues in different areas have different shutdown hours, would this impact on its effectiveness? (Probe fully)

## **6. Alternatives to the shutdown**

Thoughts on the alternatives to the intent of the shutdown?

(making gambler change from the repetitive behaviour)

- Are there any? How would they work?
- What would be the impact on venues? What would be the impact on gamblers?
- Is there anything that could be done in complement to the shutdown that would make it more effective?
- Would that impact on venues at all?

## **7. Wider social impacts**

- Does the shutdown have any positive or negative consequences for the broader community?
- Probe on violence/ robberies/ disruption when venues now closing due to the shutdown hours?
- Probe on differences to the lifestyle being experienced/ family experience of patrons who may have visited venues during the shutdown but now can't?

## **8. Possible assistance with other research activities...**

Specifically the case studies with problem gamblers and the family groups (Sydney region only)

Anything else you would like to add that you feel should be taken into account in the evaluation of the shutdown?

## OLGR\_VENUE TOPIC GUIDE

### 1. Introduction

- Blue Moon role in the research.
- Mention of other research activities which we will get their feedback on
- Ask about role in organisation, purpose of organisation

### 2. Venue gaming environment

In general about the role machines have in their business....

- How many machines?
- How long have they had them for?
- Who/ what type of patron uses them at what time of day?
- What would be a 'typical' interaction with the machines by these types of patrons?
  - Probe on whether the patron may do other things/ participate in other activities as well as the machines
- What has been the positive consequences of having the machines?
- What about in terms of revenue?
  - How have the gaming machines changed their revenue?
  - Probe on how critical the revenue is to their business?
- Have there been any negative consequences of having the machines? (apart from the shutdown measures?)

### 3. Impact of shutdown

- Overall what is the impact of the shutdown?
  - Probe on impact on recreational gamblers?
  - Revenue? (if not already raised)
- Any positives of the shutdown?
- Any negatives of the shutdown?
  - Probe on people all leaving at 4am when the machines shut?
- If not raised – it was criticised as it is a general belief that problem gamblers do not play during the shutdown hours? True?
- Has the shutdown impacted on the number of recreational gamblers frequenting the venues?
- How do they measure this?

For 24 hour venues

- Specifically how does it impact on patronage?
  - (listen for mention of Casino etc)
- What about on staffing levels?
- On business plans to be 24 hours (if not open now but could/ would like to be?)
- Were they ever open 24 hours with the machines accessible?
  - If so, what are the differences between then and now?
  - Can they give an indication in terms of revenue?
- What action did they take when the shutdown came in?
- What do they perceive have been the long term consequences of this action?

#### 4. Surrounding venues

- What other clubs/ hotels are around?
- Do they have 24 hours licences?
- Do/ did your patrons ever go there instead due to the shutdown? (will probably have been raised)

**If in Sydney – have clients that can access the Casino...**

- Does the Casino not being subject to the shutdown have any impact?
- What are your views on the thought that gamblers (in general – recreational or problem) go to the Casino instead of clubs or hotels due to the shutdown?
- Do you ever hear of any reports that gamblers (recreational or problem) travel from hotels and clubs to the Casino on or before the shutdown?
- What about problem gamblers? Does the fact that the Casino is still open have any impact on them?

#### 5. Variations

- What options are they aware of for giving flexibility in the shutdown hours?
- Do they/ have they ever applied for a variation to the shutdown hours?
  - If so, what was their experience?
  - What were the positives in terms of experience?
  - What were the negatives?
  - How could it have been done better?
  - If they haven't applied for a variation, why not?
- (If not covered) – What do they understand to be the criteria for getting flexibility in the shut down hours?
- What do they think the criteria should be?

- What should be the trade off for increased flexibility (i.e. what could the government do to ensure to minimise harm to gamblers?)

## 6. Thoughts on problem gambling

- To what extent do you see people that have a problem with gaming machines?
  - Is there a typical type?
  - Any specific examples?
- Have there been any changes in the type of problems you see over the past 5 or 6 years?
  - Changes in types of referrals?
  - Clients 'types'?
  - Types of gambling problems habits? (i.e. what type of gambling is causing the problem?)
- In your view, are there certain communities that are more 'at risk' than others for problem gambling habits?
  - Who would they be?
  - What type of gambling?
  - What about for gaming machines? What types of communities/ people do you see are more at risk?
  - What processes or procedures or policies do you have in place for problem gamblers?
  - Prompt on self exclusion?
  - Do you have many?
  - How would your staff typically deal with someone who has self –excluded?

## 7. Alternatives to the shutdown

Thoughts on the alternatives to the intent of the shutdown?

(Making gambler change from the repetitive behaviour)

- Are their any? How would they work?
- What would be the impact on venues? What would be the impact on gamblers?
- Is there anything that could be done in complement to the shutdown that would make it more effective?
- Would that impact on venues at all?



## 8. Wider social impacts

- Does the shutdown have any positive or negative consequences for the broader community?
- Probe on violence/ robberies/ disruption when venues now closing due to the shutdown hours?
- Probe on differences to the lifestyle being experienced/ family experience of patrons who may have visited venues during the shutdown but now can't?

## NSW OLGR DISCUSSION GUIDE

### FAMILY GROUP DISCUSSIONS

#### Introduction

- What the research is about;
  - all here for the same reason
- Name, family, occupation
- Live with
- 1. **Attitudes to:**
  - Divide into 2
  - Write down what comes to mind when you think of gambling: the negative
- 2. **Rank into types of gambling they think is better / worse? Why?**
  - What type of gambling is there (write down on white sheet)
  - Probe on specifics of each
  - Who plays / who knows someone who plays?
  - Where can you gamble? locations

#### Pokies

- Discuss pokies – thoughts and feelings on them, why?
- 3. **What is a problem gambler?**
  - How do you know if someone around you is gambling a lot?
  - How do you know if someone is starting to have problems with gambling?
    - What are the signs?
    - What are they doing?
    - What times are they playing?
- 4. **Harm minimisation measures?**
  - Are there any harm minimisation measures in place by the government?
    - Probe fully?
- 5. **The shutdown**
  - Explain what it is if not already mentioned
  - Awareness
  - What do you think is its purpose?

- Who might it affect?
    - What about shiftworkers?
    - What about the venues?
  - What impact do they think it might have?
  - Anyone have any personal experience of it?
    - Probe fully on those that do, especially for impact on the family of gamblers who may no longer stay at venues due to the shutdown.
  - It's purpose is (explain purpose)
  - What else could they do to achieve the same thing?
  - What else should be done in conjunction?
6. **Other support services**
- What types of support services are out there
  - Heard of? Used?
  - What are they like?
  - What are they good for?
  - How could they be improved?
7. **Summary**
- Anything they'd like to say about this shutdown
  - Ask if any would like to make a special comment

THANK AND CLOSE

## NSW OLGR \_TOPIC GUIDE FOR PROBLEM GAMBLERS

Interviews to form the basis of case studies were completed making use of a topic guide only. Gamblers were encouraged to speak openly about their experiences. While attempts were made to ensure that certain areas were covered, the structure of the conversation was not pre-determined.

- 1 Demographics
- 2 When first started playing the pokies and why
- 3 Typical Behaviour
- 4 Time of playing and duration
- 5 What causes them to stop?
- 6 Where they normally frequent
- 7 What they feel they get out of it
- 8 Consequences that they report
- 9 Feelings
- 10 Where or when they may evaluate or think about what they have done
- 11 Views on the Shutdown
- 12 Awareness of support options (and use where relevant)
- 13 Strategies they use to help themselves to stop gambling.

## APPENDIX D – QUANTITATIVE RESEARCH INSTRUMENTS

## IN SITU INTERVIEWS WITH EGM PLAYERS

OLGR – Face-to-face Questionnaire	Time	9.00am to 1.00pm	1
Club/Hotel _____		6.00pm to 9.00pm	2
Date _____		12.00pm to 4.00am (Late shift)	3

Hi my name is ..... from EKAS. We're doing a short survey with people who like to play poker machines on behalf of the NSW Office of Liquor, Gaming and Racing. It should only take around ten minutes of your time. Would you like to participate?

### *Gambling Behaviour*

**Q1. Apart from playing poker machines do you do any of these gambling activities...**

**Showcard**

Buy raffle tickets	1
Buy lottery or Powerball tickets.	2
Buy instant scratchies	3
Play Keno	4
Bet at the Tab on horses or dogs	5
Bet at the race track	6
Sports betting (eg Footytab/cricket/tennis)	7
Play bingo	8
Play table games at a Casino	9
Play games like cards privately for money at home or any other place	10
bet online	11
or any other gambling SPECIFY	98
No other gambling	99

**Q2. Where do you usually play poker machines – at a hotel, club or the Casino?**

**MULTIPLE RESPONSE Showcard**

Hotel .	1
Club	2
Casino	3
Other SPECIFY	4
Don't know/can't say	5

**Q3. And how often would you usually play poker machines? Showcard**

Daily	1
Once or twice a week	2
Once or twice a month	3
Every couple of months	4
Less often than every couple of months	5
Don't know/can't say	6

**Q4. What time of day do you usually play poker machines? Any other times? Showcard**

**MULTIPLE RESPONSE**

	Usually (SR)	Other times (MR)
6pm to 9pm	1	1
9pm to midnight	2	2
midnight to 4am	3	3
4am to 7am	4	4
7am to 10am	5	5
10am to midday	6	6
midday to 3pm	7	7
3pm to 6pm.	8	8
Don't know/can't say (DO NOT READ)	9	9

*Impact of the shutdown*

**Q5. Have you ever played poker machines between 4am and 10am?**

Yes	1 GO TO Q6
No	2 GO TO Q8
Don't know	3 GO TO Q8

**Q6. When was the last time you did this? Showcard**

Yesterday	1
Last week	2
Last month	3
3-6 months ago	4
6-12 months ago	5
Over 12 months ago	6
Don't know/cant remember	7

**Q7. Why did you play during those hours? What was the appeal of playing during those hours?**

PROBE: **Any other reasons? Showcard**

SINGLE RESPONSE / MULTIPLE RESPONSE	First Mention	Other mentions
Shift worker/finished work during/near those hours	1	1
Fitted it in before work	2	2
Was at the end of a night out	3	3
Usually started earlier and was still going	4	4
More private/less likely to be seen	5	5
Fitted it in around family commitments (eg when the family were asleep, so they were home in time to look after the kids, to get them to school etc)	6	6
Other SPECIFY	7	7
Other SPECIFY	8	8
Other SPECIFY	9	9
Don't know/can't say.	10	10

**Q8. How often would you like to play poker machines between 4am and 10am?**

**Showcard**

Never	1
Rarely	2
Sometimes	3
Often	4
Always	5
Don't know/can't say (DO NOT READ)	6

*Intended Behaviour*

ONLY ASK IF LATE SHIFT ( if not go to question 15)

**Q9. This hotel/club will be shutting their poker machines down in the next few hours. What will you do if you are still playing the poker machines at that time? Will you stay here or will you go somewhere else?**

Stay here	1 GO TO Q12
Go elsewhere	2 GO TO Q10
Don't know	3 GO TO Q12

ASK IF 'GO ELSEWHERE' IN Q10 (CODE 2), OTHERWISE GO TO Q12

**Q10. And where will you go, will you go...**

READ OUT

To the Casino	1
To another club	2
To another hotel	3
Home	4
To work.	5
Or somewhere else SPECIFY	6
Don't know/can't say (DO NOT READ)	7

ASK IF 1, 2 or 3 AT Q10, OTHERWISE GO TO Q12

**Q11. And will you play poker machines there?**

Yes	1
No	2
Don't know/can't say	3

**Q12. Will you try and gamble on something other than poker machines?**

Yes	1 GO TO Q13
No	2 GO TO Q14
Don't know	3 GO TO Q14

ASK IF 'YES' AT Q12

**Q13. What will you gamble on? Showcard**

Raffle tickets	1
Lotteries/lotto tickets/Powerball/other lottery tickets	2
Instant scratchies	3
Keno	4
Tab betting on horses or dogs	5
Sports betting (eg Footytab/cricket/tennis)	6
Bingo	7
Playing table games at a Casino	8
Playing games like cards privately for money at home or any other place	9
Internet gambling	10
Or somewhere else SPECIFY	11
Don't know/can't say (DO NOT READ)	12

**Q14. How happy or unhappy will you feel if the machines are shutdown before you are finished playing? Is that very happy/unhappy or just happy/unhappy? Showcard**

Very happy	1
Happy	2
Neither happy nor unhappy	3
Unhappy	4
Very unhappy	5
Don't know/cant say (DON'T READ)	6



*Awareness of Shutdown*

ASK ALL

**Q15. Since May 2003 hotels and clubs have had to close down poker machines for six hours a day. Most of them shutdown between 4am and 10am. Before I mentioned this today, had you heard about this shutdown?**

<u>Yes</u>	<u>1 GO TO Q16</u>
<u>No</u>	<u>2 GO TO Q22</u>
<u>Don't know</u>	<u>3 GO TO Q22</u>

ASK IF YES AT Q15, OTHERWISE GO TO Q22

**Q16. How often did you used to play poker machines during the hours of 4am and 10am before the shutdown came in (that is before 2003)? READ OUT**

<u>Never</u>	<u>1</u>
<u>Rarely</u>	<u>2</u>
<u>Sometimes</u>	<u>3</u>
<u>Often</u>	<u>4</u>
<u>Always ..</u>	<u>5</u>
<u>Don't know/can't say (DO NOT READ)</u>	<u>6</u>

**Q17. Has the shutdown prevented you from playing poker machines when you wanted to?**

<u>Yes</u>	<u>1</u>
<u>No</u>	<u>2</u>
<u>Don't know</u>	<u>3</u>

**Q18. Have you changed the times you play poker machines as a result of the shutdown?**

<u>Yes</u>	<u>1 GO TO Q19</u>
<u>No</u>	<u>2 GO TO Q20</u>
<u>Don't know</u>	<u>3 GO TO Q20</u>

ASK 19 if 'Yes' in Q18

**Q19. Do you now tend to play poker machines more in the hours before the shutdown or after the shutdown?**

<u>Hours before the shutdown</u>	<u>1</u>
<u>Hours after the shutdown</u>	<u>2</u>
<u>Don't know/can't say</u>	<u>3</u>

**Q20. As a result of the shutdown, do you now tend to spend more time or less time playing poker machines?**

<u>More time</u>	<u>1</u>
<u>Less time.</u>	<u>2</u>
<u>No change</u>	<u>3</u>
<u>Don't know/can't say</u>	<u>4</u>

**Q21. Have you changed the place or places where you play poker machines at all because of the shutdown?**

**IF YES: Have you switched venues all together, or just started to go to other venues as well as your usual one/s?**

<u>No change</u>	<u>1</u>
<u>Yes, have switched venues all together</u>	<u>2</u>
<u>Yes, started to go to other venues as well as usual one/s</u>	<u>3</u>
<u>Don't know/can't say</u>	<u>4</u>

ASK ALL

**Q22. Have you ever been playing poker machines at the time when the venue shuts down the operation of its poker machines?**

Yes	1 GO TO Q23
No	2 GO TO Q27
Don't know	3 GO TO Q27

ASK Q23 IF 'YES' AT Q22. OTHERWISE GO TO Q27.

**Q23. Did the whole venue close or was it just the gaming area while the rest of the venue stayed open?**

Whole venue closed	1 GO TO Q25
Just the gaming area closed	2 GO TO Q24
Don't know/can't say	3 GO TO Q24

ASK Q24 IF CODE 2 or 3 AT Q23, OTHERS GO TO Q25

**Q24. Thinking about the last time this happened, did you stay at the hotel or club, or did you go somewhere else?**

Stayed at hotel/club	1 GO TO Q27
Went elsewhere	2 GO TO Q25
Don't know/can't say	3 GO TO Q27

**Q25. And where did you go, did you go...**

READ OUT

To the Casino	1 GO TO 26
To another club	2 GO TO 26
To another hotel	3 GO TO 26
Home	4 GO TO 27
To work.	5 GO TO 27
Or somewhere else SPECIFY _____	6 GO TO 27
Don't know/can't say (DO NOT READ)	7 GO TO 27

ASK Q26 IF 'ANOTHER VENUE' AT Q19 (CODE 1,2,3). OTHERWISE GO TO Q21.

**Q26. And did you continue to play poker machines there?**

Yes	1
No	2
Don't know/can't say	3

*Attitudes towards the shutdown*

ASK ALL

**Q27. Overall, do you support or oppose the shutdown? Is that strongly support/oppose or just support/oppose the shutdown?**

Strongly support the shutdown	1
Support the shutdown	2
Neither support nor oppose	3
Oppose shutdown	4
Strongly oppose the shutdown.	5
Don't know/can't say (DON'T READ)	6

**Q28. Do you think the poker machines should also be shutdown at other times?**

Yes	1
No	2
Don't know/can't say	3

Q29. Do you think the shutdown would be more effective if it was at a more popular gambling time?

Yes	1
No	2
Don't know/can't say	3

Q30. Do you think the amount of time the machines are shutdown should be decreased, increased or stay the same as now?

Decreased	1
Stay the same	2
Increased	3
Don't know/can't say	4

*Gambling Problem*

Some of the next questions are about gambling in general and your situation. Some may not apply to you, but please try to be as accurate as possible. THINKING ABOUT THE LAST 12 MONTHS... Showcard

Q31. Have you bet more than you could really afford to lose? Would you say never, sometimes, most of the time, or almost always?

Never	1
Sometimes	2
Most of the time	3
Almost always	4
Don't know	5
Refused	6

Q32. Still thinking about the last 12 months, have you needed to gamble with larger amounts of money to get the same feeling of excitement?

Never	1
Sometimes	2
Most of the time	3
Almost always	4
Don't know	5
Refused	6

Q33. When you gambled, did you go back another day to try to win back the money you lost?

Never	1
Sometimes	2
Most of the time	3
Almost always	4
Don't know	5
Refused	6

Q34. Have you borrowed money or sold anything to get money to gamble?

Never	1
Sometimes	2
Most of the time	3
Almost always	4
Don't know	5
Refused	6

Q35. Have you felt that you might have a problem with gambling?

Never	1
Sometimes	2
Most of the time	3
Almost always	4
Don't know	5
Refused	6

Q36. Has gambling caused you any health problems, including stress or anxiety?

Never	1
Sometimes	2
Most of the time	3
Almost always	4
Don't know	5
Refused	6

Q37. Have people criticized your betting or told you that you had a gambling problem, regardless of whether or not you thought it was true?

Never	1
Sometimes	2
Most of the time	3
Almost always	4
Don't know	5
Refused	6

Q38. Has your gambling caused any financial problems for you or your household?

Never	1
Sometimes	2
Most of the time	3
Almost always	4
Don't know	5
Refused	6

Q39. Have you felt guilty about the way you gamble or what happens when you gamble?

Never	1
Sometimes	2
Most of the time	3
Almost always	4
Don't know	5
Refused	6

Q40. Have you lied to family members or others to hide your gambling?

Never	1
Sometimes	2
Most of the time	3
Almost always	4
Don't know	5
Refused	6

Q41. Have you bet or spent more money than you wanted to on gambling?

Never	1
Sometimes	2
Most of the time	3
Almost always	4
Don't know	5
Refused	6

Q42. Have you wanted to stop betting money or gambling, but didn't think you could?

Never	1
Sometimes	2
Most of the time	3
Almost always	4
Don't know	5
Refused	6

*Demographics*

Q43. Finally a few questions about yourself to ensure we have spoken to a good cross section of people. Which of the following age groups are you in? READOUT

under 25	1
25-34	2
35-44	3
45-54	4
55-64	5
65 and over	6
Refused DO NOT READ	7

Q44. Is English the main language spoken in your household?

Yes	1 GO TO Q46
No	2 GO TO Q 45

ASK IF 'NO' AT Q44

Q45. What is the main language spoken in your household?

Arabic	1
Cantonese Chinese	2
Chinese	3
Croatian	4
Dutch	5
Filipino	6
French	7
German	8
Greek	9
Indonesian	10
Italian	11
Korean	12
Macedonian	13
Malaysian	14
Mandarin Chinese	15
Polish	16
Portuguese	17
Russian	18
Spanish	19
Tagalog (Filipino)	20
Turkish	21
Vietnamese	22
Other SPECIFY	23
Don't know/can't say	24

Q46. What is your current marital status?

Married or living with a partner	1
Separated or divorced	2
Widowed	3
Single	4
Refused (DON'T READ)	5

Q47. How many children do you have?

None	1
One	2
Two	3
Three or more	4

Q48. Which of the following best describes your current work status? Showcard

Working full-time	1 GO TO Q48
Working part-time	2 GO TO Q48
Home duties	3 GO TO Q49
Student	4 GO TO Q49
Retired (self-supporting, in receipt of super)	5 GO TO Q49
Pensioner	6 GO TO Q49
Unemployed (or looking for work)	7 GO TO Q49
Other (DON'T READ)	8 GO TO Q49
Don't know/can't say (DON'T READ)	9 GO TO Q49

ASK Q49 IF 'WORKING' AT Q48 (CODE 1 or 2) OTHERWISE SKIP TO Q50.

Q49. Do you usually do shift work?

Yes	1
No	2
Don't know/can't say	3

Q50. What is your postcode?

Write in: \_\_\_\_\_

Q. RECORD GENDER

Male	1
Female	2

CLOSE: On behalf of the NSW Office of Liquor, Gaming & Racing, thank you for your time today.

We really appreciate you taking the time out of your day to provide this feedback.

Just in case you missed it, my name is.... and I'm from EKAS, the market research company. You may receive a short follow-up call from my supervisor to validate that this interview was correctly administered by me. This call is part of our quality control process and will only take a minute or so of your time. Only around 10% of interviews are validated.

RECORD NAME: \_\_\_\_\_

RECORD PHONE NUMBER: \_\_\_\_\_

I declare that the information obtained is true and correct and I have obeyed the ICC/ESOMAR Code of Marketing and Social Research Practice.

INTERVIEWER: \_\_\_\_\_

Start \_\_\_\_\_ Finish \_\_\_\_\_

Total Minutes \_\_\_\_\_

**VENUES - MAIN QUESTIONNAIRE**

Start time: \_\_\_\_\_

RECORD VENUE TYPE FROM SAMPLE

1. Hotel
2. Club

EXCLUDE THOSE WHO TOOK PART IN THE DEPTH INTERVIEWS OR REFUSED PARTICIPATION. WE CAN INCLUDE THOSE WHO AGREED TO ON-SITE RECRUITMENT. PLEASE BE AWARE WE MAY HAVE CONTACTED THESE PEOPLE ALREADY ABOUT ONE OF THE PREVIOUS STAGES.

Good morning/afternoon. My name is ... from Blue Moon Research. We are conducting research on behalf of the NSW Office of liquor, Gaming and Racing, can I please speak to the venue manager?  
IF RESPONDENT NOT AVAILABLE ARRANGE A TIME TO CALL BACK.

TO RESPONDENT: My name is ... from Blue Moon Research. We are conducting research on behalf of the NSW Office of liquor, Gaming and Racing regarding poker machines, gamblers and Government legislation.

IF THE VENUE MANAGER WANTS US TO TALK WITH THE GAMING MANAGER - THAT'S FINE

**S1 Firstly I need to check, does your venue have poker machines?**

1. Yes CONTINUE
2. No THANK AND TERMINATE. RECORD AS NO POKER MACHINES

**S2 Has your venue ever opened between 4am and 10am?**

1. Yes GO TO Q1
2. No GO TO S3

ASK S3 IF NO AT S2

**S3 Have you considered opening your venue at a time between 4am and 10am?**

1. Yes
2. No THANK AND TERMINATE. RECORD AS NOT AFFECTED.

NOTE: MOST VENUES HAVE TO SHUTDOWN BETWEEN 4AM AND 10AM, BUT SOME APPLIED FOR SPECIAL STATUS, AND THEY SHUTDOWN FOR A DIFFERENT PERIOD, EG 6AM-9AM, 1AM-6AM ETC.

The AHA and ClubsNSW are aware of the research and support venues' participation in it.

We would greatly appreciate your contribution to this study, so we can find out how poker machine legislation has affected your business and your customers.

**If you choose to participate**, the survey takes about 10-15 minutes, and the information and opinions you provide will be used only for research purposes and will be treated in the strictest confidence. Your name or identity will not be given to anyone.

Is now a convenient time or would you like me to call you back?

ARRANGE A CALL BACK IF NECESSARY.

As you may be aware, legislation requiring hotels and clubs to shutdown their poker machines for 6 hours per day was introduced in NSW in May 2003.

**Q1. Before I mentioned this were you aware that it is a legal requirement in NSW for venues to shutdown their poker machines for 6 hours per day?**

Yes	1
No	2

ASK Q2 IF YES (CODE 1) AT Q1

**Q2. Are you aware that venues may apply for a variation on the 6 hour shutdown period?**

Yes	1
No	2

ASK Q3 IF YES (CODE 1) AT Q2

**Q3. Have you applied for a variation of the 4am to 10am shutdown?**

Yes	1
No	2

ASK Q4 IF YES (CODE 1) AT Q3

**Q4. Was your application successful?**

Yes	1
No	2
Outcome is pending	3
Don't know	4

ASK Q5 IF YES (CODE 1) AT Q2

**Q5. How difficult would you say the process of applying for a variation on the shutdown is? Would you say very difficult, somewhat difficult, not very difficult, or not at all difficult?**

Very difficult	1
Somewhat difficult	2
Not very difficult	3
Not at all difficult	4
Don't know/can't say	9

ASK Q6 IF YES (CODE 1) AT Q2

**Q6. In your opinion, how flexible are the current rules regarding variations to the 6 hour shutdown?**

Very flexible	1
Somewhat flexible	2
Not very flexible	3
Not at all flexible	4
Don't know/can't say	9

### **Impact on Trading**

ASK ALL

**Q7. Which of the following best describes your venue?**

READ

We shutdown the operation of our poker machines from 4am to 10am every day as a result of the legislation 01

We shut them down from 4am to 10am on some days and for different hours on other days, as a result of a special application 02

We shut them down at hours other than 4am to 10am, as a result of a special application 03

or something else SPECIFY \_\_\_\_\_ 98

don't know/can't say DON'T READ. 99



**Q8 Prior to the shutdown did this venue open 24 hours a day, seven days a week?**

Yes	1
No	2
Don't know/can't say	9

**Q9 Did your venue open 24 hours on any day prior to the shutdown?**

Yes	1
No	2
Don't know/can't say	9

ASK Q10 IF Q9=1:

**Q10 Which days?**

Monday	1
Tuesday	2
Wednesday	3
Thursday	4
Friday	5
Saturday	6
Sunday	7
Wasn't consistent	8
Don't know	9

**Q11a Prior to the shutdown did this venue open before 10am, on any day?**

Yes	1
No	2
Don't know/can't say	9

ASK Q11b IF Q11a=1:

**Q11b Which days?**

Monday	1
Tuesday	2
Wednesday	3
Thursday	4
Friday	5
Saturday	6
Sunday	7
Wasn't consistent	8
Don't know	9

**Q12a Prior to the shutdown did this venue stay open later than 4am?**

Yes	1
No	2
Don't know/can't say	9

ASK Q12b IF Q12a=1:

**Q12b Which days?**

Monday	1
Tuesday	2
Wednesday	3
Thursday	4
Friday	5
Saturday	6
Sunday	7
Wasn't consistent	8
Don't know	9

**Q13 And prior to the shutdown, did your poker machines operate whenever your venue was open?**

Yes	1
No	2
Don't know/can't say	9

**Q14 So, prior to the mandatory shutdown (in May 2003) how many hours per week were your poker machines shut down while your venue remained open?**

Specify\_\_\_\_\_

None	97
Don't know/can't say	99

**Q15 Have you changed the opening hours of your venue because of the shutdown?**

Yes	1
No	2
Don't know/can't say	9

**Q16 Do other areas or sections of your venue always stay open during the poker machine shutdown, or do you always close the venue completely, or do you stay open on some days and close on others?**

other areas/sections stay open	1
close completely	2
stay open some days/close others	3
don't know/can't say	9

**Q17 Have you reduced the hours your poker machines operate beyond the six hour requirement per day, because of the shutdown?**

Yes	1
No	2
Don't know/can't say	9

ASK Q18 IF Q17=1. OTHERWISE GO TO Q20

**Q18 By how many hours per week, beyond the six hour requirement?**

Specify\_\_\_\_\_

None	97
Don't know/can't say	99

**Q19 And do these extra hours of shutdown tend to be before or after the legislated shutdown hours?**

before	1
after	2
don't know/can't say	9

**Q20 In total, how many hours per week are your poker machines shutdown while you venue remains open now?**

Specify\_\_\_\_\_

None	97
Don't know/can't say	99

**Impact on the business of your venue**

**Q21** Now some questions on how the shutdown has affected your business. Overall, which of the following best describes the affect the shutdown has had on your total business?

READ

The shutdown has had ...

- |                                   |   |
|-----------------------------------|---|
| a very negative affect            | 1 |
| a quite negative affect           | 2 |
| no affect                         | 3 |
| a quite positive affect           | 4 |
| a very positive affect            | 5 |
| don't know/can't say (DON'T READ) | 9 |

ASK Q22 IF CODES Q21= 4 or 5. OTHERWISE GO TO Q23

**Q22** In what way has it had a positive affect on your total business? PROBE: Anything else?

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ASK Q23 IF CODES Q21= 1 or 2. OTHERWISE GO TO Q24

**Q23** In what way has it had a negative affect on your total business? PROBE: Anything else?

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**Q24** Have there been any cost savings or efficiencies for your venue as a result of the shutdown?

IF YES: What sort of cost savings?

MULTIPLE RESPONSE

- |   |    |
|---|----|
| None  | 97 |
| can do more balancing/counting of money               | 01 |
| helps with staff rosters                              | 02 |
| saved in power/electricity/gas/water/air-conditioning | 03 |
| lower/less staff salaries                             | 04 |
| other SPECIFY _____                                   | 98 |
| don't know/can't say                                  | 99 |

**Q25 And has your venue experienced a .... INSERT \* IMPACT as a result of the poker machine shutdown?**

		Yes	No	Don't know
A	reduction or loss in total revenue	01	02	03
B	reduction or loss in gaming revenue	01	02	03
C	reduction or loss in non-gaming revenue	01	02	03
D	reduction in number of staff or reduced hours for staff	01	02	03
E	reduction or loss of customers	01	02	03
F	reduction in overall costs	01	02	03
G	more efficient staff rostering	01	02	03
H	higher security risk/more risk of robbery	01	02	03
I	less able to donate to charities or the community	01	02	03
J	have to close down other areas during the poker machine shutdown	01	02	03
K	have to close venue completely during poker machine shutdown hours	01	02	03
L	Postpone or cancel building renovations	01	02	03
M	Postpone or cancel implementation of new facilities, programs or entertainment	01	02	03

ASK Q26 IF Q25 ONLY HAS AT LEAST ONE CODE 01. OTHERWISE GO TO Q27.

**Q26 And what, if anything, have you done to respond to this/these impact/s? PROBE: What have you changed in the way you run your business?**

MULTIPLE RESPONSE

changed opening hours	01
closed sections/areas	02
fewer staff	03
re-organised staff roster/hours	04
changed the physical layout/structure of the room/s	05
moved gaming machines around venue	06
more marketing/advertising/promotions	07
offered other/new activities	08
postponed/delayed/cancelled renovations or extensions	09
ordered/bought new gaming machines	10
increased gaming options	11
decreased gaming options	12
improved customer service	13
other SPECIFY _____	98
nothing	97
don't know/can't say	99

ASK Q27 IF Q26 CODE 01-98, OTHERWISE GO TO Q28.

**Q27 Has it been enough to counteract the affect of the shutdown...**

READ

<b>Fully</b>	1
<b>Partially</b>	2
<b>or not at all?</b>	3
don't know/can't say (DON'T READ)	9

ASK IF Q25=01, OTHERWISE GO TO Q29.

**Q28 You mentioned you have had a reduction in revenue because of the shutdown. What percentage has this overall reduction been? SAY IF NECESSARY: an estimate is fine.**

RECORD PERCENT AS WHOLE NUMBER.

IF THEY SAY BETWEEN X AND Y%, RECORD AS MID POINT

Specify \_\_\_\_\_

Don't know/can't say 99

Refused 97

ASK IF Q25=02, OTHERWISE GO TO Q30.

**Q29 You mentioned you have had a reduction in gaming revenue because of the shutdown. What percentage has this overall reduction been? SAY IF NECESSARY: an estimate is fine.**

RECORD PERCENT AS WHOLE NUMBER.

IF THEY SAY BETWEEN X AND Y%, RECORD AS MID POINT

Specify \_\_\_\_\_

Don't know/can't say 99

Refused 97

**Q30 Some people have mentioned there is a shoulder period and that the impact of the shutdown can be felt for some time either side of the shutdown. Does your venue experience this?**

Yes 1

No 2

Don't know/can't say 9

ASK IF Q30=1, OTHERWISE GO TO Q33.

**Q30a Is that a negative impact such as less customers during the shoulder period, or a positive impact such as more customers or revenue during the shoulder period?**

Positive 1

Neutral 2

Negative 3

Don't know/can't say 9

ASK IF Q30=1, OTHERWISE GO TO Q33.

**Q31 Thinking about the number of hours in the shoulder period before the shutdown. On a typical day, how many hours before the shutdown do you feel its impact?**

RECORD HOURS - ALLOW HALF HOURS (.5)

\_\_\_\_\_ hours

Don't know/can't say 99

Refused 97

ASK IF Q30=1, OTHERWISE GO TO Q33.

**Q32 What about the number of hours in the shoulder period after the shutdown. On a typical day, how many hours after the shutdown do you feel its impact?**

RECORD HOURS - ALLOW HALF HOURS (.5),

\_\_\_\_\_ hours

Don't know/can't say 99

Refused 97

### Impact on customers

**Q33 Thinking now about how the shutdown has affected your customers. What type of customers do you think have been affected? PROBE: What others?**

MULTIPLE RESPONSE

shift workers/hospitality workers	01
younger people	02
people out partying late	03
older people	04
problem gamblers	05
tourists/backpackers	06
all different types of people NFI	07
Asians	08
other ethnic groups SPECIFY _____	09
other SPECIFY _____	98
don't know/can't say	99

**Q34 How do you think the shutdown has affected your customers? PROBE: Anything else?**

MULTIPLE RESPONSE

have no where to go now during these hours	01
have to go home	02
can't socialise/meet friends at this time	03
play credits/bet quickly/spend more <u>just before shutdown</u>	04
spend more time/money at venue	05
frustrated/annoyed someone telling them what to do	06
just go elsewhere to gamble/to the Casino/internet gambling etc	07
they go to unsafe/unsecure places	08
safety risk having to leave in early hours	09
gamble less	10
drink less	11
drink more	12
saved money/have more money	13
other SPECIFY _____	98
don't know/can't say	99

**Q35 Do you think the customers who are affected by the shutdown are more likely to be recreational gamblers or problem gamblers?**

more likely to be recreational gamblers	1
more likely to be problem gamblers	2
both equally	3
don't know/can't say.	9

**Q36 Have any of your customers changed the place or places where they play poker machines at all because of the shutdown? IF YES: Have they generally switched from your venue all together, or just started to go to other venues as well as yours, or both, as a result of the shutdown?**

MULTIPLE RESPONSE FOR CODES 2 & 3

No change	1
Yes, have switched from my venue all together because of the shutdown	2
Yes, started to go to other venues as well as mine because of the shutdown	3
Don't know/can't say	9

**Q37 Thinking about the customers who are at your venue just before you shut down the operation of the poker machines do they tend to stay at the hotel or club, or go elsewhere when the machines are shutdown?**

stay at hotel/club	1
go elsewhere	2
some stay/some go elsewhere	3
don't know/can't say	9

ASK IF CODE 2,3 AT Q37.

**Q38 Where do they tend to go?**

READ AND MULTIPLE RESPONSE

to the Casino	01
to another club	02
to another hotel	03
home	04
to work	05
or somewhere else SPECIFY _____	98
don't know/can't say	99

ASK ALL

**Q39 Would you say overall your customers have now adjusted to the shutdown, or not?**

Yes	1
No	2
Don't know/can't say	9

#### Harm Minimisation

**Q40 How effective or ineffective do you feel the shutdown is as a harm minimisation measure for problem gamblers? Is that very or somewhat?**

Very effective	1
Somewhat effective	2
Neither effective nor ineffective	3
Somewhat ineffective	4
Very ineffective	5
Don't know/can't say (DO NOT READ)	9

**Q41 How do you think the effectiveness of the shutdown for problem gamblers could be improved?**

Specify _____	
Don't know/can't say	99

**Q42 In your opinion, what alternatives to the shutdown, if any, would be effective as harm minimisation measures for problem gamblers?**

Specify _____	
Don't know/can't say	99

#### Attitudes towards the shutdown

**Q43 Overall, do you support or oppose the shutdown? Is that strongly support/oppose or just support/oppose the shutdown?**

Strongly support the shutdown	1
Support the shutdown	2
Neither support nor oppose	3
Oppose shutdown	4
Strongly oppose the shutdown	5
Don't know/can't say (DO NOT READ)	9

**Q44 How strongly would you support or oppose an extension to the mandatory shutdown period?**

- Strongly support 1
- Support 2
- Neither support nor oppose 3
- Oppose 4
- Strongly oppose 5
- Don't know/can't say (DO NOT READ) 9

**Q45 How strongly would you support or oppose a reduction in the mandatory shutdown period?**

- Strongly support 1
- Support 2
- Neither support nor oppose 3
- Oppose 4
- Strongly oppose 5
- Don't know/can't say (DO NOT READ) 9

**Q46 How strongly would you support or oppose allowing venues to choose the period each day they shutdown their poker machines for 6 hours?**

- Strongly support 1
- Support 2
- Neither support nor oppose 3
- Oppose 4
- Strongly oppose 5
- Don't know/can't say (DO NOT READ) 9

**Q47 I have some statements other people have made about the shutdown, and I'd like you to tell me whether you strongly agree, slightly agree, neither agree nor disagree, slightly disagree or strongly disagree with each.**

IF NECESSARY SAY: It doesn't matter if you hadn't heard/don't know much about the shutdown, it's just your impressions we are after.

READ OUT AND ROTATE LIST

		Strongly agree	Slightly agree	Neither/nor	Slightly disagree	Strongly disagree	Don't know
A	The shutdown has meant our customers have played poker machines less at our venue	01	02	03	04	05	06
B	The shutdown means people go elsewhere to gamble during those hours	01	02	03	04	05	06
C	The shutdown has influenced some people to stop gambling all together	01	02	03	04	05	06
D	The shutdown has meant our venue can't donate as much to charities or the community	01	02	03	04	05	06
E	The shutdown has helped reduce harm caused by poker machines	01	02	03	04	05	06
F	The shutdown would be more effective if it was at a more popular gambling time	01	02	03	04	05	06
G	The shutdown has influenced some people to reduce the amount of time they gamble	01	02	03	04	05	06
H	The shutdown just means people gamble on something else other than poker machines	01	02	03	04	05	06
I	The shutdown has meant our venue has had to lay off staff	01	02	03	04	05	06
J	The shutdown is designed to assist a small number of problem gamblers, but it penalises a large number of gamblers who don't have a problem	01	02	03	04	05	06



K	The shutdown could create new problems for gamblers	01	02	03	04	05	06
L	The shutdown will only be effective if all gaming venues shutdown and do so at the same time	01	02	03	04	05	06
M	The shutdown has made it difficult for our venue to maintain its services	01	02	03	04	05	06
N	There should be more flexibility in the times venues have to shutdown their machines	01	02	03	04	05	06

**Q48 Do you have an arrangement with a problem gambling support agency?**

Yes	1
No	2
Don't know/can't say	9

ASK IF Q48=1, OTHERWISE GO TO Q50

**Q49 Which one/s? PROBE: Any others?**

Wesley (any type)	01
Clubsafe	02
Betsafe	03
AHA/Australian Hotels Association/Game Change/Hotels program	04
G-line	05
other SPECIFY _____	97
don't know/can't say	99

**Q50 Apart from the shutdown, what else has negatively impacted on your total business since 2003?**

PROBE: **What else?**

MULTIPLE RESPONSE

ban on advertising / signage	01
restrictions on gaming machine promotions	02
restrictions on payment of cash prizes/if more than \$2000 have to pay by cheque	03
other harm minimisation measures	04
renovations / refurbishments	05
competition from other gaming venues	07
local crime rates	08
responsible service of alcohol / breath testing, etc	09
negative publicity/media about gambling/poker machines	10
negative publicity/media about alcohol-related crime/drink spiking	11
Indoor smoking ban	12
other SPECIFY _____	98
nothing	97
don't know/can't say	99

**Demographics**

Finally a few questions about your venue to ensure we have spoken to a good cross section.

CATI COPY POSTCODE FROM SAMPLE \_\_\_\_ \_

IF CLUB (SEE FRONT PAGE), ASK Q51-52. OTHERWISE, GO TO Q53.

**Q51 Which of the following best describes your club?**

READ AND MULTIPLE RESPONSE

Bowling club	01
RSL or services club	02
Golf club	03
Sport-recreation club	04
leagues or football club	05
Community or workers club	06
or some other type of club SPECIFY _____	98
don't know/can't say (DON'T READ)	99

**Q52 And how many gaming machines does your club have? Would you have ...**

READ

under 50	1
50-99	2
100-199	3
200-449	4
450 or more	5
don't know/can't say (DON'T READ)	6
refused (DON'T READ)	7

THEN SKIP TO Q41.

IF HOTEL (SEE FRONT PAGE), ASK Q53-54:

**Q53 Does your hotel ...**

**(a) ... provide accommodation**

Yes	1
No	2

**(b) ... sell take away liquor**

Yes	1
No	2

**Q54 And how many gaming machines does your hotel have?**

RECORD NUMBER \_\_\_\_\_

Don't know

Refused

ASK ALL

**Q55 Are you the venue manager or the gaming manager (or another position)?**

venue manager	01
gaming manager .	02
other SPECIFY _____	98

**Q56 We may be doing some further research in this area at some stage in the future, can we contact you again?**

Yes	1
No	2

**CLOSE:** On behalf of the NSW of Liquor, Gaming & Racing, thank you for your time today.

We really appreciate you taking the time out of your busy day to provide this feedback. Just in case you missed it, my name is.... and I'm calling from EKAS market research. You may receive a short follow-up call from my supervisor to validate that this interview was correctly administered by me. This call is part of our quality control process and will only take a minute or so of your time. Only around 10% of interviews are validated.

RECORD NAME: \_\_\_\_\_

VENUE NAME: \_\_\_\_\_

I declare that the information obtained is true and correct and I have obeyed the ICC/ESOMAR Code of Marketing and Social Research Practice.

INTERVIEWER: \_\_\_\_\_  
Start \_\_\_\_\_ Finish \_\_\_\_\_ Total Minutes \_\_\_\_\_

## APPENDIX E – REFERENCE LIST

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