

Gambling Inquiry
Victorian Competition and Efficiency Commission
GPO Box 4379
MELBOURNE VIC 3001

Via email: gamblinginquiry@vcec.vic.gov.au

27 November 2012

Re: Response of the Australasian Gaming Council (AGC) to the Draft Report of the Victorian Competition and Efficiency Commission (VCEC) on the Social and Economic Costs of Problem Gambling in Victoria

Dear Commissioners,

Following the release of the VCEC's draft report on the Social and Economic Costs of Problem Gambling in Victoria the AGC is pleased to take this opportunity to provide some brief comments.

As the AGC has previously noted in our initial submission, a number of difficulties exist in any attempt to provide a robust accounting for cost across the scope of impacts that may be associated with problem gambling.

These include, but are not limited to:

- Lack of any agreed methodology for ascertaining and assigning costs – particularly with regard to those impacts that lie within the personal and intangible realm;
- Insufficient up-to-date data, specific to Victoria and of a suitable quality and consistency to provide an adequate basis for cost accounting across the various domains specified by the terms of reference; and
- Other confounding matters – including how significant issues of causality may be appropriately addressed.

Overall, the AGC notes that the VCEC has taken a balanced and open approach in detailing the many obstacles and data gaps encountered in drafting the current report.

Similarly the AGC appreciates the timely call made in the draft report for consultation on measures to address the fragmented and incomplete evidence base upon which a number of draft findings have their foundation.

While it is understood that the terms of reference ask questions to which the current research store is ill-equipped to provide suitably robust answers, the AGC remains particularly concerned with reliance placed on data taken from the Productivity Commission's (PC's) 1999 report and then applied, adjusted and/or updated to inform Victorian results.

As stipulated in the AGC submission, the 1999 PC report produced estimates and conclusions that applied at a national level to the gambling environment that existed over a decade ago – and

specifically cautioned against the application of such findings to smaller and localised environments.

The AGC appreciates the conundrum faced by the VCEC in having recourse to these statistics in the absence of any others.

However, for many cost calculations so much is drawn from out-dated national statistics it should be hoped that commentators take, as seriously as they must, the significant caveats stated in the draft report regarding the inherent imprecision of the estimates achieved and the caution with which they must be treated.

Much has been done in Victoria to foster an environment that promotes responsible gambling and seeks to ameliorate the harms that may be experienced by problem gamblers and their families.

It remains disappointing that despite a multitude of changes aimed at furthering harm reduction over the past decade that the evidence base to create a reliable current account of costs should be so lacking.

The AGC has been glad to provide some contribution to discussion of the priorities outlined in the draft report for future Victorian research imperatives.

It is the AGC's view that future efforts must focus upon development of a suitable framework to address evidentiary gaps and an understanding of where resources may best be placed to ensure that the social and economic impacts of problem gambling continue to be appropriately identified and, more importantly, effectively addressed.

Measures implemented to assist problem gamblers must be backed by evidence of efficacy and evaluation of measures in place should be instituted as a routine undertaking.

The AGC is pleased to note that the Victorian government has responded to the draft report by emphasising an ongoing commitment to gambling research.

The AGC notes a long history of collaboration and consultation between stakeholder groups in Victoria towards progressing responsible gambling.

It remains incumbent upon all stakeholders to take joint responsibility for building upon current knowledge, improving outcomes, reducing problems and by doing so, further increasing the net benefits provided by legal gambling opportunities within the state of Victoria.

Sincerely,



Cheryl Vardon
CEO
Australasian Gaming Council