



## The Salvation Army Australia Territory

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Royal Commission into the Casino Operator and Licence  
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### Royal Commission into the Casino Operator and Licences

Dear Commissioner

The Salvation Army thanks the Royal Commission for its letter of 30 March 2021 inviting us to respond to the questions set out in the letter regarding the inquiry into the Casino Operator and Licence relating to Crown Melbourne Limited to hold a casino licence.

The Salvation Army is an international Christian movement with a strong presence in Australia. Our vision is to confront hardship and injustice by living, loving and fighting alongside others to transform Australia one life at a time, with the love of Jesus. We hold the view that gambling is an exploitative practice that should not be a means of income generation.<sup>1</sup> Gambling often impacts the most vulnerable. It is not merely a harmless activity and can become a compulsive dependency.<sup>2</sup>

The Salvation Army's focus around gambling is very much in assisting those who have experienced gambling harm. We do not have expertise in the intricacies of licensing conditions. With this in mind, we have focused our response to the two areas where we feel we can most add value to the work of the Royal Commission:

- The social impact of 'problem gambling'; and
- Reducing 'problem gambling' in casinos, including Crown Casino.

It is important to us that the Royal Commission is aware that The Salvation Army works collaboratively with Crown Casino on a number of measures to address hardship and injustice in Australia. In providing our observations of how gambling harm is managed at Crown Casino we would also like to acknowledge the valuable support Crown Casino has provided to the charitable works of The Salvation Army over the years.

<sup>1</sup> The Salvation Army International Positional Statement (2012), *Gambling*.  
[https://s3.amazonaws.com/cache.salvationarmy.org/e9ce2248-e635-4490-967e-f8b0a821c391\\_English+Gambling+IPS.pdf](https://s3.amazonaws.com/cache.salvationarmy.org/e9ce2248-e635-4490-967e-f8b0a821c391_English+Gambling+IPS.pdf)

<sup>2</sup> The Salvation Army International Positional Statement (2012), *Gambling*.  
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Founders **William & Catherine Booth**  
General **Brian Peddle**

*Wherever there is hardship or injustice, Salvos will live, love and fight  
alongside others to transform Australia one life at a time with the love of Jesus*

**salvationarmy.org.au**

This submission is informed by our experience assisting people who have experienced gambling harm, their family and close friends. We see the impact of gambling across our services including family and domestic violence, homelessness support services and Moneycare, The Salvation Army's financial counselling and financial literacy and capability service. A key source of information for this response is the experience of our Gambler's Help City and Inner North services.

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### **Gambler's Help City and Inner North**

Gambler's Help City and Inner North focuses on prevention and early intervention for those particularly vulnerable to gambling harm. We offer free gambling-specific therapeutic and financial counselling to people who gamble and those affected by someone else's gambling. Further to this, we provide venue support and community engagement to raise awareness of harm from gambling.

- **Therapeutic counselling** is a free specialist counselling service for individuals, couples and families who are affected by gambling. Our gambling counsellors provide an opportunity to talk about issues of concern in a safe, confidential and accepting environment. We provide a holistic service that focuses not only on gambling behaviour, but also on the underlying issues that cause gambling.
- **Financial counselling** aims to minimise the financial harm for clients and their families by stabilising and improving their financial situation in a non-judgmental environment. All information provided is confidential and the service we provide is free. Our assistance and support include the provision of information, options, practical assistance and advocacy, and in some instances financial support.
- **Community education** raises awareness of the risks and harms associated with gambling and promotes help-seeking behaviours through community education and prevention activities. These activities include tailored education sessions for workplaces, schools, sporting clubs and community groups, and attendance at local events and expos. All activities are often delivered in partnership with local stakeholders to reduce gambling-related harm across all levels of the community.
- **Venue support** aims to facilitate and support the ongoing development of responsible gambling practices and environments. Our service also aims to build the capacity of staff within gaming venues to identify customers exhibiting gambling behaviours that may be associated with problem gambling and support relevant staff to respond appropriately to these customers.

### Harm caused by gambling

Available data shows that Australians lost a total of \$24.9 billion on gambling in 2017-18 (an increase of 5 per cent from the previous year).<sup>3</sup> This means that, in 2017-18, \$1,292 was lost on gambling per person, up from \$1,251 in 2016-17.<sup>4</sup>

Gambling harm is any negative consequence caused, or made worse, by gambling.<sup>5</sup> The Salvation Army's experience corroborates the findings of the Victorian Auditor-General's report *Reducing the Harm Caused by Gambling*, that harm from gambling is also experienced by the family and friends of those who gamble and the wider community. Harm from gambling may include: relationship difficulties, health problems, emotional or psychological distress, financial problems, issues with work or study, cultural problems, and criminal activity.<sup>6</sup>

The types of harm outlined above occur across a wide spectrum, from low impact to severe and debilitating harm. Bankruptcy, homelessness, suicidal ideation, family and domestic violence, and relationship breakdown are examples from the most severe end of the spectrum, whereas low-impact harms include trouble with paying for essential household expenditure, managing time or being available for family and friends.<sup>7</sup> Furthermore, harms often accumulate and, at the population level, can be widespread. In severe cases, harm from gambling results in long-term legacy and intergenerational costs, such as ongoing debt, the loss of family assets and major disruption to family networks.<sup>8</sup>



*“We have seen many examples of people experiencing gambling harm applying for personal credit cards without the knowledge of their partner and gambling in secret. This causes a huge burden of secrecy and shame and a healthy relationship is just impossible in those circumstances.”* – Financial Counsellor (The Salvation Army)

Recent research indicates that 40 per cent of people experiencing gambling harm have also been diagnosed with a mental health condition and that approximately 65 per cent of people experiencing gambling harm consume excessive alcohol.<sup>9</sup>

<sup>3</sup> Queensland Government Statistician's Office, Queensland Treasury (2019), *Australian Gambling Statistics, 35th edition*. <https://www.qgso.qld.gov.au/issues/2646/australian-gambling-statistics-35th-edn-1992-93-2017-18.pdf>

<sup>4</sup> Ibid.

<sup>5</sup> Victorian Auditor-General (2021), *Reducing the Harm Caused by Gambling*. <https://www.audit.vic.gov.au/sites/default/files/2021-03/20210318-Gambling-Harm-report.pdf>

<sup>6</sup> Victorian Auditor-General (2021), *Reducing the Harm Caused by Gambling*. <https://www.audit.vic.gov.au/sites/default/files/2021-03/20210318-Gambling-Harm-report.pdf>

<sup>7</sup> Ibid.

<sup>8</sup> Ibid.

<sup>9</sup> Victorian Auditor-General (2021), *Reducing the Harm Caused by Gambling*. <https://www.audit.vic.gov.au/sites/default/files/2021-03/20210318-Gambling-Harm-report.pdf>



Research undertaken to quantify gambling harm in Victoria shows that:

- more than half a million Victorians experience harm from gambling each year
- for every individual who experiences severe gambling harm, up to six other people are affected, including family members and friends
- 85 per cent of the gambling harm in Victoria is experienced by people in the low and moderate-risk groups for 'problem gambling'
- gambling harm is not limited to financial losses. A quarter of all gambling harm involves relationship issues.<sup>10</sup>

In terms of quantifying the social cost of gambling harm in the state, the Victorian Responsible Gambling Foundation has estimated the figure to be at approximately \$7 billion each year.<sup>11</sup> In its research, the Foundation breaks this estimate down as follows:

- family and relationship problems (\$2.2 billion)
- emotional and psychological issues, including distress, depression, suicide and violence (\$1.6 billion)
- financial losses through, for example, excessive spending on gambling, bankruptcy and illegal offshore gambling (\$1.3 billion)
- costs to the Victorian government, such as research, regulation, and professional support services, including mental health and homelessness services (\$1.1 billion)
- lost productivity and other work-related costs (\$600 million)
- costs of crime, including to businesses and the justice system (\$100 million).<sup>12</sup>

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<sup>10</sup> Browne, M, Langham, E, Rawat, V, Greer, N, Li, E, Rose, J, Rockloff, M, Donaldson, P, Thorne, H, Goodwin, B, Bryden, G & Best, T 2016, Assessing gambling-related harm in Victoria: a public health perspective, Victorian Responsible Gambling Foundation, Melbourne

<sup>11</sup> Browne, M, Greer, N, Armstrong, T, Doran, C, Kinchin, I, Langham, E & Rockloff, M (2017), *The social cost of gambling to Victoria*, Victorian Responsible Gambling Foundation, Melbourne <https://responsiblegambling.vic.gov.au/documents/121/research-social-cost-of-gambling.pdf>

<sup>12</sup> Browne, M, Greer, N, Armstrong, T, Doran, C, Kinchin, I, Langham, E & Rockloff, M (2017), *The social cost of gambling to Victoria*, Victorian Responsible Gambling Foundation, Melbourne <https://responsiblegambling.vic.gov.au/documents/121/research-social-cost-of-gambling.pdf>

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### Monica's story\*

Monica is in her early forties and receives the Disability Support Pension. She has two adult children and a 14-year old son, who do not live with her.

Monica previously had a carer experiencing gambling harm, who, without her knowledge, used her identity to finance a poker machine addiction and take out several loans in her name: a credit card, a car loan (for a car that she cannot drive, due to her health condition), consumer leases for household items and a Centrelink debt. This has left Monica with significant debts and a fear of living on her own. She now lives with one of her adult children for part of the week for her own sense of safety.

On her first visit with Moneycare, Monica revealed that as a result of the emotional and financial abuse she had endured, her mental health had deteriorated and she had been diagnosed with post-traumatic stress disorder (PTSD) and anxiety. She also mentioned that she had been experiencing suicidal ideation. Moneycare liaised with her psychologist to document her mental health as she has problems with her memory and concentration.

Moneycare has been able to help Monica secure a debt waiver on her credit card. We are continuing to work with Monica's financier to return the secured car loan based on maladministration and without further legal liability. She has decided to continue with the consumer lease and her Centrelink debt is currently being reviewed.

\* Name has been changed

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### Reducing gambling harm

Gambling addiction is an impulse control disorder.<sup>13</sup> Our experience delivering gambling support services shows that when the impulse to gamble is strong, there needs to be as many protections as possible to reduce the risk of significant financial harm to individuals.

One of our main concerns with gambling harm is the financial impact that gambling has on the community, particularly among the disadvantaged and vulnerable people that we serve. Gambling can enable significant debt to accumulate very quickly. Most of the clients attending our gambling support and financial counselling services report an urge to use all available funds to the full extent. This experience can be overwhelming. We also work with clients who are exposed to cash loans after having gambled with their Centrelink income and can no longer cover basic needs such as food, housing and transportation. In this area, The Salvation Army has longstanding concerns about the impact of short-term credit and predatory lending practices on people who are experiencing financial disadvantage.

Most clients attending our gambling support and financial counselling services present with other mental health concerns as well, which in addition to financial hardship, can potentially lead to attempted suicide as a result of the deep despair they feel. Our staff have also identified that an increase in financial hardship often correlates with an increase in family and domestic violence. With these considerations, we strongly believe that having as many financial protections in place as possible is imperative.



*“Gamblers facing an irresistible urge to gamble are unlikely to think about repaying the debt and rates of interest. In the moment, they are more likely to convince themselves that they will cover any debt with their winnings.”*  
 – Financial Counsellor (The Salvation Army)

For these reasons, our experience is that voluntary measures such as self-exclusion from gaming venues (first introduced in the early 2000s) and restrictions to the use of credit cards for gambling, are a step in the right direction but are not sufficiently effective. Voluntary restrictions rely on a person affected by gambling issues taking a positive action which can be easily frustrated if systems are not supportive of the action. Voluntary restrictions also do not consider family dynamics, nor patterns of family violence and abuse. We do have observations about how these voluntary restrictions work in casinos, including Crown, that cause us considerable concern.

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<sup>13</sup> Mayo Clinic. (2016). *Compulsive gambling*. <https://www.mayoclinic.org/diseases-conditions/compulsive-gambling/symptoms-causes/syc-20355178>

### *Access to Self-exclusion Programs*

Because gambling addiction is an impulse control disorder, the design and implementations of self-exclusion programs is fundamental to their success. To be effective, programs should be designed to be easily accessible, supportive of the person's broader goals and implemented consistently.

The Salvation Army has concerns about the self-exclusion program available at Crown Casino. To activate self-exclusion, a person needs to attend the Responsible Gaming Office located in the heart of the gambling venue at Crown. This office can be accessed either by walking through the gaming venue with all the familiar sounds, lights and action of a gambling venue, or through a carpark which our clients have told us is dimly lit with a difficult to find entrance. The location of the office is both a physical and mental, or emotional, barrier to access. There are multiple other locations within the Crown Casino complex that would not represent a triggering or uncomfortable environment.

Our staff have also observed a sharp increase in the number of our clients seeking to have their self-exclusion program from Crown revoked since the end of lockdown. We do not have the data or insight to speculate the cause of this increase, but it makes appropriate design of the program even more critical.

### *Training of Casino staff*

Staff at casinos and other gambling venues are uniquely placed to identify gambling that could lead to harm and provide supportive intervention, provided they are appropriately trained and empowered. To this end, hotel and club venues that offer gambling need to engage their staff in external training in the Responsible Service of Gambling as part of their gambling licence. This is an externally monitored and managed program that educates gambling venue staff.

Our understanding is that Crown Casino offers this training internally and we are not clear what external oversight or scrutiny this training receives. Given we have no visibility of this training we cannot comment on whether it adequately equips staff to recognize and support vulnerable gamblers. We fully acknowledge our evidence is anecdotal but in preparing this response we were unable to find a single instance of a client of our service being asked to leave Crown Casino because of concerns about gambling harm.

### *Crown Rewards*

Rewards programs generally incentivise high and regular spending. Gamblers receive physical rewards such as free meals and movie passes, and emotional rewards through being made to feel special and valued. We know that higher rates of harm are experienced when gamblers spend more frequently.

The Rewards program offered by Crown are no exception. Some of our clients have told us that they are treated as a 'member of the family' and receive 'royal' treatment because they receive free parking, drinks and other 'gifts'. Accessing the self-exclusion program precludes being a member of the Crown Rewards program and all the perceived status and actual benefits associated with it.

### Conclusion and further engagement

We recognise that the focus of the Royal Commission is necessarily around casino licensing, but we would reiterate that the issue of gambling harm needs a holistic approach. In line with the Productivity Commission's recommendations in its inquiry into gambling, we believe that governments should take a public health approach to addressing gambling harm, while continuing to provide support to individuals.<sup>14</sup> This approach would enable key stakeholders to concentrate on building a well-functioning community (rather than focus only on the individuals who experience harm) and to prevent harms associated with gambling from occurring (rather than focus only on treating individuals experiencing gambling harm when the harm has occurred).

The Salvation Army is grateful for the opportunity to inform the Royal Commission into the Casino Operator and Licence and remains committed to working alongside all stakeholders towards reducing the harm caused by gambling within our nation. If you would like to discuss any aspect of this letter further, please contact me at Confidential [@salvationarmy.org.au](mailto:Confidential@salvationarmy.org.au) or on Confidential

Yours sincerely,

Paul Hateley, Major  
Head of Government Relations  
The Salvation Army Australia

28 May 2021

*The Salvation Army acknowledges the Traditional Owners of the lands and waters throughout Australia. We pay our respect to Elders and acknowledge their continuing relationship to this land and the ongoing living cultures of Aboriginal and Torres Strait Islander peoples across Australia.*

*We also acknowledge future aspirations of all First Nations peoples. Through respectful relationships we will work for the mutual flourishing of Aboriginal and Torres Strait Islander Australians and non-Indigenous Australians.*

*We commit ourselves in prayer and practice to this land of Australia and its people, seeking reconciliation, unity and equity.*

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<sup>14</sup> Productivity Commission (2010). *Gambling* <https://www.pc.gov.au/inquiries/completed/gambling-2010/report/gambling-report-volume1.pdf>