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We're happy to lead the world in gambling

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WE like to rank ourselves against the rest of the world but we could do without our status as the biggest losers.

According to international gaming industry consultants H2 Gambling Capital, Australians last year lost close to \$US1300 on gambling for every resident (not including tourists) aged 17 and over. Singapore, which recently built two mega casinos, was next on about \$US1150. Those famously lucky Irish came in third, but were hardly in the race with less than \$US600, while the Americans and British averaged losses of less than \$US400.

It would be one thing if Australians' willingness to bet on anything was no more than an endearing national characteristic. Instead, we have a problem on a uniquely Australian scale. This was brought home by a report last year from the Productivity Commission.

Pardon the following heavy diet of data but the statistics are staggering. The commission calculated total gambling losses at more than \$19 billion in 2008-09, a tripling over 20 years and an average of \$1500 per gambling adult. Considering the report estimated 70 per cent of Australians participate in some sort of gambling, that is in the same ball park as the H2 figures.

The expansion of gambling in the 1990s saw the share taken by casinos and electronic gaming machines, which we used to call pokies, rise from 40 per cent to 75 per cent in the 20 years to 2006-07. In 2009, there were 198,300 gaming machines in Australia, including 97,065 in NSW (but only 1750 in Western Australia).

In Victoria, average losses per pokie player rose from \$1750 in 1999 to nearly \$3100 in 2008, while in NSW they went from \$2645 to \$3700. The commission said that gaming machines accounted for 75-80 per cent of problem gamblers, who it said numbered about 115,000. Estimates of these gamblers' share of machine losses range from 22 per cent to 60 per cent, with the commission settling on 40 per cent. That goes a long way to explaining the virulent campaign the industry has mounted against reform proposals.

This is a situation that has crept up on Australia while few people were looking. The days of the one-armed bandits have long gone, replaced by ever more clever ways to make people lose money quickly. Players are able to lay bets of up to \$12,000 an hour, which means average losses of \$1200 an hour. The commission found one player who lost more than \$210,000 over six months.

Tasmanian independent MP Andrew Wilkie has made tackling this problem the price of his support for the Gillard government. From the time he started putting the case for poker machine reform, he tells Inquirer, "I became a lightning rod for people who told me their stories. I have heard countless stories now and some of them bring you to tears. I received an email a few weeks ago from a fellow whose brother had committed suicide at [Melbourne's] Crown Casino. Problem gamblers routinely lose everything, including their jobs, family and friends, homes, minds and sometimes even their lives." According to a 2008 survey, gambling was the most common motive for fraud and the average loss was \$1.1 million per incident.

The remarkable growth of gambling also makes it a powerful industry, with clubs, hotels and casinos