

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into the Victorian Auditor-General's Reports No. 99: Follow up of Regulating Gambling and Liquor (2019) and No. 213: Reducing the Harm Caused by Gambling (2021)

Melbourne – Monday 24 July 2023

MEMBERS

Sarah Connolly – Chair

Nicholas McGowan – Deputy Chair

Michael Galea

Paul Hamer

Mathew Hilakari

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Danny O'Brien

Ellen Sandell

WITNESS

Professor Samantha Thomas, Determinants of Health Team, Institute for Health Transformation, School of Health and Social Development, Deakin University.

The CHAIR: I declare open this hearing of the Public Accounts and Estimates Committee. I ask that mobile telephones please be turned to silent.

I begin by acknowledging the traditional Aboriginal owners of the land on which we are meeting, and we pay our respects to them, their elders past, present and emerging as well as elders from other communities who may be joining us here today.

On behalf of the Parliament, the committee is conducting this follow-up inquiry into the Victorian Auditor-General's reports on regulation of gambling and liquor and the reduction of gambling harm in Victoria. I advise that all evidence taken by the committee is protected by parliamentary privilege. However, comments repeated outside of this hearing may not be protected by this privilege.

The witness will be provided with a proof version of the transcript to check, and verified transcripts, presentations and handouts will be placed on the committee's website.

I welcome Professor Samantha Thomas with the Determinants of Health Team, Institute for Health Transformation, School of Health and Social Development at Deakin University. I invite you to make an opening statement or presentation, Professor, and it will be followed by questions from the committee.

Samantha THOMAS: Thank you. Thank you to the committee for inviting me to speak with you today. For background, my team at Deakin are public health academics, and we specialise in understanding the impact of harmful industries, particularly on children and young people. We have provided our declarations of interest and note again that Deakin University is one of the few universities that does not permit its researchers to receive funding from the commercial gambling industry for research or related activities.

We support a comprehensive public health approach to gambling harm prevention, and this aims to curb the accessibility, availability and promotion of gambling products. We also support the view that the gambling industry and those funded by the industry should play no part in public policy decision-making in relation to gambling harms. Gambling is now well established in the Australian and international literature as posing a significant threat to public health. The gambling industry have arguably become one of the most innovative technological industries in the world both in terms of their product development, their ability to promote their products through multiple media channels, their rapid alignment with valued cultural agencies such as sporting organisations and their ability to quickly pivot to evade and circumvent regulatory reform.

While there are many different forms of gambling, from lotteries to online gambling products, none of these products are harm free. However, there is what we call an exceptionalism in our approach to gambling. Gambling is not broadly recognised in public policy as a health issue. Unlike government approaches to other products that are known to cause harms to the health of our community, such as tobacco or alcohol, gambling is not part of the remits of our departments of health. Unlike other health issues, there have been very few coordinated prevention or policy efforts which focus on the unnecessary and preventable risk posed by the gambling industry and its products to the community and keep the community safe from preventable harm to the greatest extent possible. Very few policies have considered how gambling may exacerbate health and social inequalities, and this is incredibly important, particularly here in Victoria, given that we know that gambling venues are clustered in our most disadvantaged communities and very few policies have developed robust public health responses to ensure that the Victorian population, including children, are protected from the hazards that the gambling industry poses to health both now and in the future.

While recent announcements about reforms to the provision of electronic gambling machines provide some limited steps forward, it should be noted that the bar was very low and that many of the proposed reforms do not appear to follow public health principles, including protecting policy from vested interests, or be aligned with the best available independent evidence – for example, in relation to the times at which mandatory closures may have the most impact on our communities and harm prevention. The proposals may take many

years to implement and are not enough to prevent the impact of gambling on the health and social inequalities in communities that already experience significant disadvantage.

This also applies to our current policy responses to gambling marketing. The recent federal inquiry into online gambling has put forward strong and much-needed recommendations about the need to tackle gambling advertising and sponsorship, primarily as a mechanism to protect children and young people. We in our research team at Deakin have been global leaders in identifying the impact of this marketing on children, and I would be incredibly happy to speak to you about our findings.

However, it is very important that we understand that marketing is not just advertising. We define marketing as the full range of direct and indirect advertising, promotion, sponsorship, incentives, public relations, lobbying and donations that are strategically used by the gambling industry to promote its products, gain publicity, attract new customers, shape social and cultural attitudes and build corporate and product image and support. When we talk about gambling marketing, we should be focused on not just advertising but the range of promotional strategies that the industry uses, including corporate social responsibility strategies, political donations and lobbying.

The influence of these mechanisms is well recognised in the academic literature, and it is why the development of the World Health Organization Framework Convention on Tobacco Control, which is legally binding in more than 180 countries, including Australia, specifically states that public health policies with respect to tobacco control must be protected from commercial and other vested interests of the tobacco industry. It is time for the same to happen with gambling. Effective measures to prevent gambling harm, including restrictions on products, promotions and practices, will inevitably be opposed by the gambling industry and its allies but are based on a clear weight of evidence and experience over time and across a range of industries in public health. Developing a strong public health approach to the prevention of gambling harm will represent an important step forward in building environments in which our children and young people are protected from a predatory industry and all Victorians can enjoy the highest attainable standard of health. Thank you.

The CHAIR: Thank you, Professor. I am going to throw to Mr O'Brien.

Danny O'BRIEN: Thank you, Chair. Thank you, Professor. Making you king for a day – queen for a day, sorry – what would you do? What are the top three things you would do to reduce gambling harm, assuming you can do whatever but you cannot ban gambling full stop?

Samantha THOMAS: First of all I think we need to recognise that there are many different types of gambling, and we may have slightly different approaches to those. We have heard a lot today about, 'Which is worse, pokies or online gambling, and are we seeing a difference?' The thing that we need to make sure that we do not do is to create kind of an Olympics between these things.

We have certain mechanisms in a comprehensive public health approach that we know will prevent and reduce harm across all of these industries, and they would be things like preventing or reducing the accessibility and availability of products in community settings. Now, for some of us our new communities are online communities, and we need to be thinking about that as well.

Tackling marketing clearly is something that globally now we know in the public health community is a really important policy lever that we can use to actually denormalise products. We know it was incredibly important in tobacco as part of a comprehensive approach.

Then I think the third thing would be to do as much as we can to protect policy from being influenced by vested interests, and those vested interests might come from a range of different sectors, not only from the industry itself but from those who may profit from the industry as well. In our recent federal inquiry into online gambling, we saw the vested interests of the broadcasters and the sporting organisations on display as well, who clearly have a vested interest in maintaining the status quo with things such as gambling advertising.

It is reducing the accessibility and availability, making sure that policy is protected from vested interests, tackling marketing, and then the fourth I would say is really starting to think about the structure of the products, so the harmful nature of the products. The reason why I say that is this point that I made earlier about inequity. We know that the venues are clustered in some of our most disadvantaged and deprived communities, and at the moment some of the policy reforms that have been recommended are good steps forward. But they do not

address that inequity. They do not address that venues are clustered in places like Brimbank and Wyndham and Hume and not in Toorak and Glen Eira and so on. So we need policy mechanisms that level that playing field, that actually start to reduce the number of venues and machines in those communities which already are under so much stress and experience so much disadvantage.

Danny O'BRIEN: When you talk about 'reduce and restrict', is there a figure that you would put it at as to what you would reduce availability to? That is probably particularly talking EGMs, but is there a percentage?

Samantha THOMAS: I think this is what good, proper public health focused research would do, and we have not seen that as much as we should have in this state and more broadly. So that is one of the good things about public health independent research, that it starts to look at that and starts to look at, I guess, what the tipping point would be.

However, at the moment what we hear from the community – and we do a lot of work with local governments and with people in local communities – is that there are too many of these machines in these communities. So really one of the things that we need to be looking at is how we actually reduce those numbers substantially. I heard Associate Professor Livingstone talk about a 25 per cent reduction. We do not know whether that is the correct figure, but we need to be working towards getting these machines out of our communities. We only have to look at Western Australia, which has the lowest per capita losses on gambling in the country. They have no poker machines in the community; they are based in the casino. Is that the best approach that we should be taking? It is a pretty strong one. WA have always been held up as the gold standard around this. But definitely we know that we cannot continue with the concentration and clustering of these venues in some of our communities, including in regional areas as well, and expect the harm not to fall.

Danny O'BRIEN: You mentioned tobacco, and we, I think, probably have been a world leader in tobacco reduction. But short of banning it and taxing it to the nth, we still have, I think, about 18 per cent of adults who are smoking. I might be wrong on that. Is it safe to assume we can never get to zero gambling harm? There will always be something, even if it is illegal, that we will be dealing with, so what sort of level could we get to?

Samantha THOMAS: I mean, obviously in tobacco we are working towards an end game. We know that tobacco is a seriously harmful product for our communities. And we have seen also in tobacco how quickly the industry can morph. We look at the rise of things like vaping and again how Australia has taken such a strong approach to things like vaping in our community as well. So this is where we are talking about the exceptionalism around gambling. We have these incredibly strong public health approaches in Australia to things like tobacco, for example. Gambling is very different; it is treated very, very differently by our public health policy mechanisms.

In terms of 'Can we get to zero harm', well, from a public health perspective we should always be striving for that. We do not want anyone in our communities to be harmed by any form of gambling. It is interesting; I heard you talk earlier about, you know, pineapples and broccoli and the density. We have not heard of anyone losing their house through over-purchasing pineapples, but we do hear about people losing their house –

Danny O'BRIEN: It could happen – fair warning.

Samantha THOMAS: We do hear about people losing their houses through products that are actually very dangerous for our community. We know that people have lost their lives through suicide through these products. We need to be doing as much as we possibly can, using every single policy lever that we can, to reduce that harm and prevent that harm as much as possible. Treatment is really important, but it can only mitigate harm. Education campaigns are important, but they need to be surrounded by the regulation which actually starts to address the dangerous characteristics of these machines and the saturation of them in our communities.

Danny O'BRIEN: Do you have a comparison figure? I think one of the earlier witnesses gave us a figure for extreme or severe problem gambling harm as 0.6 to 0.8 per cent of the population, and I do not know whether there is another one for not just severe but problem gambling. Do you know if there is a figure comparison for Victoria with, say, Western Australia, given the example you gave?

Samantha THOMAS: I do, and if I can take that on notice, I could give that to you.

Danny O'BRIEN: I am happy for you to do so.

Samantha THOMAS: But yes, certainly we know that Western Australia has the lowest per capita losses compared to other parts of the country, so that is the gold standard. Can we get to there? Well, maybe one day we can, and maybe we should be striving for that, but what we can do is we can start to really think about this as an issue associated with inequalities. We do not want a Victoria in which we create policies and some people are still incredibly disadvantaged because of the policies that we create. So I think if we can start to really think about what we do to reduce the inequality that we are seeing particularly around poker machine use and poker machine clustering in those areas, that is a really important step forward.

Danny O'BRIEN: And finally, you said a lot of your focus is on children. Presumably that is on the impacts on children of other people's gambling, but what about children gambling themselves? What is the youngest you have found of that?

Samantha THOMAS: We do a lot of work with young people. We have been world leaders in this area, and we look predominantly at the impact of marketing on children, particularly the sports betting marketing that we see, and we look at the impact that that has on normalising gambling for children. We have also done some work in other parts of the country with children who go to gambling venues – those who go to poker machine venues, for example – who may not be sitting in front of the machine but at what happens when they go into that venue and how that again contributes to the normalisation and social acceptance of those venues.

In terms of problem gambling there have been very few studies that have been done which have looked at the incidence of problem gambling in children. We do know that a recent New South Wales study – I have the statistics for here for you – shows that about 30 per cent of 12 to 17-year-olds had gambled with money in the past year.

Danny O'BRIEN: Thirty per cent, was it?

Samantha THOMAS: Yes, 30 per cent of 12 to 17-year-olds, and 1.5 per cent were classified as having problem gambling behaviours. There are two things that we look at with young people. Perhaps the thing that we have looked at the most is are children's attitudes towards gambling changing, and if they are, what is contributing to that? Certainly we know that exposure to marketing is playing a very, very significant role in changing the way that young people think about gambling. We have been doing this work in our team for a decade now, so we were there right in the old days when the first ads for online gambling came up when people were opening their laptops and the ads were trying to get people out of the TAB and to bet on their laptops. Now we have seen the advertising morph into the new range of strategies we are seeing, which are things on TikTok which are predominantly designed to appeal to women. I heard earlier that this is a young men's issue; it is not, and it is really important that we dispel that myth. The industry is starting to appeal more and more to young women as well. Just like we saw with tobacco, we are seeing the same thing happen with gambling.

We know that marketing does a range of things for kids. First of all it makes gambling seem like something that everyone does. We have seen this with tobacco as well. They have an exaggerated perception that gambling is something that everyone does when they go to the footy. This is from very young – you know, eight, nine, 10 years old. They can recall the jingles, they can tell you the plot lines of the ads. We have done research where children can match the colour of the brand to the brand. So you can see the depth of understanding and awareness that young people have. But also the thing that the marketing does that I think we have been most concerned about is that it reduces the perception of risk associated with gambling. Gambling is a risky activity. We all know that as adults, but when children see things like cashback offers, money-back guarantees and free bets, it creates a perception for them that gambling has no risk attached to it. So this whole suite of marketing things that we see from the gambling industry definitely is starting to massively change the way that children think about gambling. Hopefully that answers your question.

Danny O'BRIEN: That is good. Thank you.

The CHAIR: Thanks, Mr O'Brien. We will go to Mr Hilakari.

Mathew HILAKARI: Certainly. I might just follow up with exactly where we are at, just around the current advertising and marketing landscape, and how you view it and maybe some of the changes that you think could be implemented.

Samantha THOMAS: Yes, sure. Is your question about the diverse things that we are seeing, how that is impacting on people and then what we need to do moving forward?

Mathew HILAKARI: That is right, and I am interested particularly in the targeting that you were talking about of young women, which is opposed to some of our earlier evidence.

Samantha THOMAS: Yes, absolutely. We have definitely seen a change in the marketing over time, and we monitor this quite carefully. We were talking about research and the type of research that is commissioned. This is really important and something that public health can do outside of the regulator to actually start to map and monitor and track what the industry is doing. Remember this industry is very, very innovative. It pivots very quickly, and technology has allowed it to do that not just with its products but with marketing as well. We talk a lot about television-based advertising, and we know that young people still talk to us about that being the main place that they will see ads – during a sporting match, not just football but basketball and other sports as well that they are seeing or that they are engaged in. So they see ads not just in the commercial breaks, but they see and recall the logos, they see the logos on the jersey and they see stuff, you know, in basketball painted on the court, for example.

But young people are also starting to recall other things in the community. So they remember seeing lottery advertising in the street. We have done research where we look at the total exposure that children might be aware of in their community – so signs on buses or public transport, for example. The new forms of marketing that children talk to us about are very much social media based, so they will be watching a funny video on YouTube and an ad will come up. They will be on platforms like TikTok or Instagram and see ads coming up. So although the industry claims that there is good age-gating around those technologies or around those platforms, certainly I think we can all imagine that kids like to put in different ages into these platforms and the stuff that they are seeing does not look out of place when they are viewing other things. So I do not know how many of you view TikTok, but there are funny little videos and so on, and the ads that are coming up look like just another TikTok video. For young people sometimes it is hard for them to distinguish between what they are seeing. If they see an ad for a company that we recognise as a promotion and we know is a promotion but looks like a funny, humorous skit, it is very hard for children to see that as a form of marketing.

The other form of marketing that is particularly influential for children is sponsorship. Kids often talk to us about sponsorship as being something that they think is doing really good for their football team or for a sporting team. Again, they find sponsorship hard to see as a particular form of marketing. So when we talk to kids about sponsorship, they will say, 'I know I see the logos. I know they sponsor my team, but I think that is doing something good for my team. It is allowing us to pay our players,' and so on. So sponsorship becomes trickier for children to actually start to understand.

I would say, however, that children are very critical of gambling advertising. So we should not just see them as being passive recipients of this. They have a lot of knowledge about commercial tactics. You know, they learn a lot in school. They have got good critical engagement skills. We have done a lot of research now with children who tell us that they want government to do more to protect them from this. They understand that kids should not be seeing this and that it potentially can be very influential for children, particularly around things like celebrity endorsement and creating trust in the brand. And research that we have done with children and parents over many, many years now has given us a very clear message that children want governments to do more to protect them. And so that really formed the basis of our testimony to the federal inquiry and to many governments around the world as well, that children want government intervention around an industry that they see as being potentially harmful for them.

Mathew HILAKARI: And just taking that a little bit further, so children recall advertising, they recall the symbols, the colouring, the branding. Just take the committee on the journey from recalling it to actually going and gambling.

Samantha THOMAS: Yes, great question. It is a question that comes up a lot. So obviously gambling is illegal for children under the age of 18, and we actually have some pretty good systems in place in Australia to deal with that. So unlike some other countries where they do not have the good kind of systems, you know, age checking and so on for gambling, we actually are pretty good in Australia around that. So what we talk to children under 18 about are intentions to gamble. So when you are older, do you think you will place a bet? Is this something you think that you probably will do when you are older, and why do you think you will do that.

We see from kids, even those who can be quite critical of gambling, because of the normalisation that we have seen that most or many or some kids, depending on the studies and depending on who we are talking to, but children who definitely are very engaged in sport will tell us that, yes, probably they will have a bet on sport when they are older because they see it as being part of that kind of normal sporting environment now.

There are some kids that we call fence-sitters, so they are not sure either way. When we talk to them and we ask them, 'What do you think you will do? What might convince you to gamble or not?' this is where the marketing kicks in. Some kids, particularly girls, will tell us, 'You know, if I was offered a good deal by a company, then probably I would have a go.' And they are the things that start to become concerning for us – that kids are starting to think about this, 'All right, if they give me something, then probably I would have a go at it.' So definitely in terms of intentions to gamble, not just with boys but girls as well, we are starting to see that trajectory as well. Of course we know that 18- to 24-year-olds are still considered young people by the World Health Organization, and we know the issues that we are starting to see there as well.

Mathew HILAKARI: Yes, great. Thank you for that. Just in terms of a national approach to advertising regulation, do you just want to take us through some of your views on that?

Samantha THOMAS: Yes, for sure. I think we saw in the federal inquiry that has happened recently and the report that has come out that there have been some very strong recommendations for a national approach to online gambling and the regulation of advertising. We would certainly back that. You have talked a lot today about regulation happening in the Northern Territory and we certainly testified, and we have certainly seen in the report that a national regulator is being floated for online gambling. Certainly, the inquiry came out with a very clear recommendation for a complete ban on gambling advertising and sponsorship, and we certainly would agree with that. They did go another step further as well and talked about a public health approach and I think we cannot lose sight of that, particularly with the winding up of the Victorian Responsible Gambling Foundation. We need to do as much as possible to protect that public health approach and actually to strengthen it so we do have the same approach to gambling that we see for our other health issues such as tobacco, alcohol, junk food and so on. National regulation, yes. Comprehensive ban and restrictions on advertising, yes. I would agree with that. Protecting policy from vested interests, absolutely, but also making sure that as we move forward, we strengthen the public health approach.

Mathew HILAKARI: Just in that vein, the VCGLR has been changed of course and is the VGCCC now – you know, lots of acronyms, which is brilliant. But they have put forward a harms-based approach to gambling, and they mentioned in their testimony this morning a zero tolerance of going against the Act. But probably on that harms-based approach, do you have any commentary on that and do you see that as heading in the right direction?

Samantha THOMAS: Absolutely, yes. I have read the harms statement, I have read a number of the statements that have come out from the VGCCC. Absolutely this is heading in the right direction. It is one of the strongest statements we have seen on the harm prevention or minimisation. I am assuming that they are using the language of minimisation because it is in the legislation. We should be using the language of prevention if we are wrapping a public health approach around this. We would like to see stronger overt use of public health language in that statement, but overall I think this is absolutely heading where we want it to go. I would say that that is more exciting in terms of harm prevention than perhaps some of the little reforms that we saw released a couple of weeks ago around EGMs. It is very strong and certainly we would be very supportive of the approach that the VGCCC is taking.

Mathew HILAKARI: Thank you.

The CHAIR: Thank you, Mr Hilakari. Ms Sandell.

Ellen SANDELL: Thank you, Chair. Thanks, Professor Thomas, for being here. Just following up on Mr Hilakari's question about a national approach to gambling advertising or a gambling advertising ban hopefully, in the absence of a national approach do you see a role for state governments at least until there is a national approach?

Samantha THOMAS: Yes, I do. First of all, I think the important thing that came out of the federal online inquiry was that we had people from all political parties really talking unanimously about the same approach and I think that is really important to not to lose sight of, particularly when we are talking about protecting

children. I think one of the things that at a state level we could be doing is to really be pushing up to the federal government to take up the recommendations of the federal online inquiry, particularly around banning gambling advertising, so I think there is some advocacy that could be done at a state level upwards to the federal government because we all benefit from that. If the federal government implements strong restrictions and bans on advertising, everyone across Australia benefits from that, and so I think all state and territory governments should be pushing for that.

At a local level I do think that there are things that we can be doing, mainly in terms of reducing young people's exposure to advertising in community settings, so it is not just television, it is in our stadiums, it is in our community settings. But also I think it is really starting to work with sporting organisations to start to reduce the amount of sponsorship that we are seeing and the amount of certainly logos at grounds that we are seeing not just in our big stadiums but at smaller stadiums as well. So number one is advocacy to push upwards to make sure that all state and territory governments are very clear that we want strong action in terms of banning gambling advertising, in terms of protecting children, but also starting to think proactively about what we could do while that is rolled out.

Ellen SANDELL: We heard earlier today South Australia has a ban on television gambling advertising during sport. We understand that a witness earlier said that might be subject to legal challenge; however, given the public perception of some of these companies in the industry, it is likely that they will not want to have a legal challenge to that. So do you see an opportunity that the states could go it alone on television banning?

Samantha THOMAS: Look, I think there are always opportunities for state governments to look at what they can do locally, and certainly I would be encouraging governments to do as much as they can to protect children locally. If there are policy and legislative levers that we can pull to do that, we should be doing as much as we possibly can to prevent children from being exposed to what essentially is a predatory product. So definitely if there are levers that could be pulled, then we should be doing that.

Ellen SANDELL: You mentioned in your opening statement that you thought the recent changes, or announcement for changes, around spin times and precommitment and all of that did not go far enough in Victoria. What would you like to see?

Samantha THOMAS: Yes, so I can tell you I do not think they go far enough. First of all, I think the issue around mandatory precommitment is important, and so that is a good step forward. I do think these overall are a step forward, but as I said, the bar was pretty low. So I think we need to be thinking about the mandatory closing hours. At the moment they are set at 4 am. Someone asked earlier a question about how many venues are open at certain times of the day, and I have that information. As far as I am aware, there are 485 venues in Victoria – I think you asked the question – 107 of them are open at 4 am and 361 of them are open at 2 am. Now, the most recent evidence that comes out of New South Wales shows that between midnight and 2 am we start to see the harm increase, and then at about 2 am we start to see it increase significantly again. So there does not seem to be a compelling reason for a 4 am close when we know that the harm is starting to amplify much earlier than that. I do not know if anyone has been into a poker machine venue at 1 or 2 o'clock in the morning; they are probably not the happiest places that you have seen. There is a lot of harm occurring at that time of day but at other times of day as well, so certainly from an evidence-based perspective, rolling back from 4 am to 2 am I think is important.

Ellen SANDELL: Is it the time of day or the length? Would you like to see the same 6 hours but just moved forward, say 12 to 6 am, or would you prefer a longer closing period?

Samantha THOMAS: I would prefer it longer, and if you asked, 'Would I take 12 hours?' I would say 12 hours rather than 8 hours. But there is no reason for these venues to be open 18 hours a day in local neighbourhoods, so 2 am is where I would have the cut-off based on evidence. If there is different evidence in Victoria, then we need to know what that is. But certainly I think the closure periods are really important in terms of again addressing some of those health inequality issues that we talked about as well. In terms of spin rates, we have got them going from I think 2.1 seconds to 3 seconds; that is not a dramatic shift. We know, and again I can give this evidence to the committee later, that that still potentially means hundreds of dollars lost an hour. For some of our communities, that is money that cannot be afforded to be lost. I think really thinking about those structural characteristics is important, but so also are bet limits. At the moment we have \$5 maximum bet limits; we should be definitely moving down to \$1 or less in terms of bet limits as well.

Ellen SANDELL: Thank you. You also spoke a lot about how you would prefer gambling to be treated much more like a public health issue and that we do not currently situate it within the health department, for example. We have had a big change recently around the structure of the regulation here in Victoria with the splitting up of the regulator. Have you looked at that, and do you feel like that is an appropriate place to do the regulation? Would you prefer it done differently? Particularly then, I guess in relation to the VRGF and not really knowing its future, where would that best be situated in government?

Samantha THOMAS: In terms of the VRGF I think potentially this provides us with opportunities, and we have heard today some of the weaknesses with the VRGF. There have been some good things that have been done with the VRGF but some things which I think were problematic, and the VAGO report really highlighted those things around are the things they are doing actually working? Certainly in terms of their campaigning we have looked at the campaigns that have been run, and it is very difficult to get evidence from the VRGF about the effectiveness of those campaigns. In other areas of public health – tobacco, road safety and so on – there is very good evidence and the evaluations are made public. With the VRGF it has been very difficult to get that information, to have transparency around whether these campaigns are making a difference or not. I think we need to really protect the public health approach, and some parts of the VRGF may naturally fit into the VGCCC. But there are other parts, such as the development of campaigns, that will need to be looked at very carefully. I do not know if a regulator is the best agency to be running public health campaigns about the dangers associated with gambling products, for example, but the opportunity that it provides us is to now have a proper process in which public health works with government to actually start to think about what are the best things that we can do to prevent and reduce harm. I am not sure that that has happened adequately to now, and this is not just gambling public health experts but our public health experts from tobacco, alcohol and so on, who bring a wealth of knowledge and evidence about how to tackle industry and how to reduce the harms from industry. VicHealth is doing a great job with many industries. We need to start to bring gambling into that tent.

Ellen SANDELL: And do you have a view on the regulator being a standalone regulator, as it is now, or whether that should be situated somewhere else?

Samantha THOMAS: No, I do not, except to say that the signs such as the harm statement from the VGCCC are incredibly encouraging. I would say that those statements are some of the strongest that we have seen across the world from a regulator.

Ellen SANDELL: Thank you. And you mentioned that we need to look at marketing broader than just advertising and breaking the influence that industry has over laws and regulations. What are the most effective things that you think could be done to destroy that influence, to break that influence?

Samantha THOMAS: It is a great question. I think we need to make sure that industry is very separate from research, education and policy development, and at the moment sometimes those lines are a little blurred not just in Victoria but across the world. We need strong mechanisms like we have on tobacco to really protect research, policy, practice and education from the interests of not only the industry but those who are benefiting from the industry as well, so I think we need to develop some really clear mechanisms to create that separation.

Ellen SANDELL: Do you have a kind of hit list of the top three or five things that you think would do that, or is it more a principle that needs to be applied across the board?

Samantha THOMAS: I think it is a broad public health principle. But we have the template from tobacco, so this is where we are very lucky in public health, that we have these other industries where public health experts have worked out the best mechanisms to ensure that our public health approaches are protected. They exist, so really we need to just start to bring them over to apply them to gambling as well. We certainly should not have the industry on ministerial advisory committees, for example. We should not have the industry funding academic research or education programs, like we see in some parts of the world. We need to keep those very independent and very separate and protect them to the greatest extent possible from being influenced by industry.

Ellen SANDELL: Do you think it is a problem in research? You have said it is a problem in policymaking, but I guess I am trying to understand the relative influence of each. Professor Livingstone talked about donations reform and even things like the link between the racing industry and ministers, those kinds of things. Is that the kind of thing you are talking about as well?

Samantha THOMAS: Yes. I think those influences occur in multiple different ways. Sometimes they are quite complex and quite difficult to untangle. Certainly we do see that the industry has funded quite a lot of gambling research over the years, not just in Australia but elsewhere as well. We know that we have got political donations and lobbying that happens as well, so again we need to treat this like tobacco and start to remove all of those and create processes and policies which the industry cannot influence in that way.

Ellen SANDELL: Final question: we have heard a little bit today from other witnesses about what other jurisdictions are doing the best. Previously the Premier has said that the new reforms will make us one of the best in Australia. Do you think that that is the case? Do you think that is where the bar should be set? What kind of comparable countries or jurisdictions should we be aiming for?

Samantha THOMAS: With all respect to the Premier, I do not think that these reforms will make us the best. WA has no pokies in the community outside of the casino at all. That would be our gold standard. There are other jurisdictions, such as Tasmania, which are starting to look at other mechanisms as well. The thing that concerns me, I guess, the most – and I think Associate Professor Livingstone said this as well – is that we have no time line on this. Some of these reforms may take years and years to come into play. But also, as he was concerned, I am concerned that there appears to be a mechanism of consultation with the industry. It is interesting that there is no mechanism of consultation with public health experts around these new measures. So again, these are important steps forward, but sometimes the devil is in the detail a little bit, and we need to do a lot more if we do want to be the world leaders in taking a public health approach to the prevention of gambling harm, not just with pokies but other forms of gambling as well.

Ellen SANDELL: Thank you.

The CHAIR: Thanks, Ms Sandell. Mr Galea, do you have one last question?

Michael GALEA: Yes, thank you, Chair. Thank you very much, Professor Thomas, for that info too. That was particularly good to know about the number of venues open at different times. I have got to say I am astonished that there are more than 100 open at 4 in the morning; it is almost a quarter of them. We heard from previous witnesses as well that another peak period for harmful gambling was actually around school drop-off time. Would you agree with that?

Samantha THOMAS: I think that was someone from the Victorian Responsible Gambling Foundation who told you that –

Michael GALEA: It was, yes.

Samantha THOMAS: and I suspect that he probably has good evidence to base that on. There is nothing to suggest that that would not be an issue, but I can certainly go back to the research evidence and provide that for you. There has been some really good research done in New South Wales about this kind of late-night gambling, so we can definitely have a look and provide that for you. Certainly anything that is driving traffic into venues is a time when we might think about people being vulnerable. Definitely venues opening early and closing late is what we have to think about, not just 8 or 9 in the morning. It is important that we have some protection around then but are also kind of closing them earlier. Sort of that 2 am cut-off point, I think, definitely the research shows is a bit of a danger time.

Michael GALEA: Sure. This might be putting you on the spot. Do you happen to have the number of poker venues open at 9 am?

Samantha THOMAS: At 9 am – no.

Michael GALEA: Or around that time?

Samantha THOMAS: I understand that these figures came from the regulator, and the regulator is collecting this information. So the VGCC would be best to provide that that to you, certainly.

Michael GALEA: Thank you. We heard as well about staggering. I know in my electorate as well, in the south-east, there are a number of venues located quite close to each other. Would you agree it is important that we have a consistent framework across the state so it is not 'I'll just pop across the road'?

Samantha THOMAS: One hundred per cent. And that is why the mandatory closing period is so very important, so that we do not get the staggering. We know that it has certainly happened, so the mandatory closing period is absolutely essential. Maybe the thing that needs some further consideration is actually what those times are in terms of harm prevention – so really starting to drive down some of the harm that we are seeing in the community as well.

Michael GALEA: Yes. How much of a difference do you think the current reform will actually achieve from 4 am to 10 am?

Samantha THOMAS: Look, this is what policy and research will look at, so this is what is really important in terms of really starting to think about kind of how effective policy is. So commissioning good research to actually work out quickly whether that is making a difference will be important. I will just say, though, that there were some things that were said earlier about older people being in the venues, and it is really, really important that we understand that we also have younger people going into venues as well. Some of the recent studies show that 25 per cent of 18- to 24-year-olds gamble on EGMs, so this is not just a problem for older people. This is also something that we know young people are engaging in as well. Sometimes in these venues we have sports bars as well, so you have the co-location of sports betting and pokies and drinking as well. So starting to unpack that and address it comprehensively is something that you will be doing, I am sure, in this committee.

Michael GALEA: Thank you.

The CHAIR: Thank you. Ms Kathage for the last question.

Lauren KATHAGE: Thank you, Chair. Just quickly, in doing the readings I looked up some of the venues which had been said to be problem venues. It was quite interesting being able to see the Google data for how busy venues are at different times during the day. I know we cannot get insights into the harm that is being caused at those times, but have there been any partnerships research-wise with Google analytics or tools of that nature to see where people are going and when?

Samantha THOMAS: Yes, that is a fantastic question. And that is exactly the sort of public health research that we should be commissioning. Using our best available technology to work out where people are and using venue data. I heard Fran Thorn talking today about the different types of data that they are collecting and the research and appetite for that. I think there has always been an appetite to try and get industry data, just like we try and get data from the VRGF about the evidence around the effectiveness of their campaigns. Researchers are very happy to work with data, and so anything that the government can do to facilitate that for us is really, really important.

I did print these out, and I do think it would be kind of useful for the committee to see these figures that are produced by the VRGF around the ranking of venues according to socio-economic disadvantage. I have got a list of some of those here. Again it shows that some of the greatest harm is concentrated in areas that really cannot afford to have this harm happening in their communities. For example, if we look at the ranking of venues by money lost – Brimbank, Casey, Hume, Greater Geelong, Greater Dandenong, Whittlesea and Wyndham – in these communities we actually need to do more to support local governments to advocate for the number of machines in those communities to come down. These are communities that are having social and health inequity exacerbated by venues being concentrated there. Again if you look at disadvantage, it is Central Goldfields, Greater Dandenong, Brimbank, Latrobe and Mildura. We need to be really thinking about this in terms of health and social inequalities that are being driven by these venues. Again, any research that we can do – and this is where that sort of research might sit outside of the regulator and be best suited to the Department of Health or VicHealth – to really start to help us work out what policies we need or how much the machines need to come down in those areas to start to actually reduce that harm is incredibly important.

Lauren KATHAGE: Thank you.

The CHAIR: Okay. Mr Hamer, you had one last question. We are out of time, but do you want to ask the question?

Paul HAMER: Okay. I will try and be brief. I was just referring to the question that Ms Sandell asked, and that was in relation to local communities, so local councils and community groups. We have seen in some of

the AFL clubs, for example, that they have voluntarily removed themselves from gambling, even at some of the lower-level clubs, and that has happened without regulation. What opportunity is there for further self-regulation in that sense for community clubs in response to the harm that they see?

Samantha THOMAS: That is an incredibly important question. We know from research evidence that self-regulation is not an incredibly effective mechanism, particularly with this type of industry. We know symbolically that the AFL clubs getting out of ownership of these venues has been incredibly important. It has created a new community discussion about the level of harm and organisations that we know and trust in our community not wanting to own these venues. However, they have been sold on to other organisations, for example. So one of the things that we need to do if people want to get out of pokie ownership is ask: can they sell those back to the state, for example? Can they be retired from being in the community completely? Ultimately, what we want to do is not shift machines from one venue to another or from one place to another, we want to reduce the number of machines in the community. If there was a schema or mechanism for us to be able to do that, that would be an incredibly important policy lever or regulatory lever, I think, in terms of reducing harm.

Paul HAMER: Thank you.

The CHAIR: Thank you, Mr Hamer. Well, Professor Thomas, thank you so much for spending the afternoon with us and sharing your expertise and knowledge. I feel like we could ask questions of you for hours. The committee and secretariat may actually have some follow-up questions after today's hearing. If this is the case, you will be contacted. The committee will follow up any questions taken on notice in writing, and responses will be required – just so you know – within five working days of the committee's request.

I would like to thank everyone today who has given up their time to come and sit before the committee to give evidence, as well as Hansard, the committee secretariat and parliamentary attendants. I also want to thank the hospitality, security and cleaning staff who have looked after us all here today.

I do want to say that those viewing the hearings both in person and watching via the live stream at home should be aware that this inquiry does explore liquor and gambling. As such, information discussed in these hearings today, some people may find distressing. Help is available at DirectLine, which supports people seeking help for alcohol and other drugs on 1800 888 236, or Gambler's Help, and you can contact them at 1800 858 858.

The committee will resume its consideration of VAGO audits 99 and 213 tomorrow, 25 July, at 9:15 am. I declare this hearing adjourned.

Committee adjourned.