

Thank you for the question 'What action should government take to prevent and respond to crimes committed by those experiencing gambling harm?'

Many types of crime can be committed by people experiencing gambling harm.

These include crimes against property, such as fraud or embezzlement, and those harmed by these crimes may be employers, family, friends, and others. For example, a person in a position of trust may defraud their employer to obtain money to gamble. This is not uncommon, as the Committee will be aware. It is also common for some people to obtain money from family under false pretences, which can then be used for gambling.

Money laundering is of course a criminal activity, and is almost certainly regularly undertaken via gambling activities, as the Crown Casino debacle demonstrates. That this can also occur in hotel and club poker machine venues was demonstrated by the recent report of the NSW Crime Commission investigating this activity in NSW Clubs and Hotels. This may be associated with people 'laundering' funds obtained from criminal activity such as drug dealing or other criminal activity, or it may arise from those addicted to gambling who undertake criminal activity to provide funds for gambling. As the NSW Crime Commission report demonstrates, this seems very common. It may also involve drug dealing, or other criminal activities including systematic fraud, obtaining property by deception, or otherwise.

Some criminal syndicates with loan shark operations will also operate in gambling venues and provide credit at extortionate interest rates. They may resort to violence or extortion when not repaid, often targeting the loved ones of those who have incurred the debt. They may also coerce people to act criminally, whether as 'drug mules' or otherwise, to repay these debts, often resulting in criminal convictions, and other adverse consequences.

Crimes against the person, including intimate partner violence, are also associated with gambling disorder. It is clear that such crimes are more common in areas with higher densities of EGMs, for example. This may occur when one partner acts violently towards a partner who is addicted to gambling. The addicted partner may also act violently towards the other when upbraided about their behaviour.

As with offences committed to fund any addiction, the full range of possible crimes for the purpose of financing a gambling disorder is extensive. Gambling may also lead to a significant loss of judgement and induce uncharacteristic behaviours in some people, such that they undertake 'desperate measures' either to fund gambling, repay debts, or attempt to retrieve looming loss of assets such as a family home.

Whatever the form of criminal activity associated with gambling, it is associated with the heavy rate of financial losses possible under current arrangements, particularly for gambling provided by casinos, EGM venues, and sports wagering operators.

This is obviously a useful way to conceal money laundering. Frequent high levels of expenditure at gambling venues or via online operations can provide an excellent cover for this activity.

It is also likely that those who are addicted to gambling commit property crimes once their losses become regular and heavy, in order to continue to fund them. Further, the loss of judgement and personality transformations that occur with gambling disorder makes it more difficult for people to seek help, admit to their addiction, or confide in loved ones. This is a situation that will frequently lead to disaster and continued consequences.

For these reasons, removing cash from the system, and imposing pre-set limits on gambling expenditure via a precommitment system, will provide a tool for people to better manage gambling activity and remain within non-disastrous limits. Such a system should operate across all forms of gambling, but particularly EGMs, casino gambling, and wagering. Between them, these three gambling forms account for 70% of the gambling problems in Australia. A statutory limit, as announced for Tasmania, of \$100 per day, \$500 per month and \$6,000 per year seems reasonable. Norway has imposed similar limits. People may lower these if they wish or apply to the liquor and gaming commissioner (in Tasmania) for a higher limit, subject to appropriate checks.

Note also that stigma and shame play a significant role in the consequences of gambling disorder, whether associated with criminal activity, reluctance to seek assistance, or suicide and self-harm. The 'responsible gambling' dogma that has characterised gambling disorder for many years seems carefully calibrated to make sure that those who find themselves in the grip of this disorder are unlikely to pursue assistance or seek a lawful way out of their dilemma. Modifying the way we discuss gambling disorder is very important, and the focus should be on providing people with tools to manage their gambling, and by providing less harmful gambling products. The terms 'responsible gambling' 'problem gambler' and 'problem gambling' are distinctly unhelpful, if what is sought is an improved rate of recovery from gambling disorder and lower rates of gambling associated crime and suicide.

As for those who find themselves before the criminal justice system because of gambling related criminal activity, it seems reasonable to develop court directed diversionary programs that will allow those who admit to wrongdoing to be directed towards counselling and rehabilitation. Where such programs are completed to the satisfaction of the court, offenders may receive sentence reductions or other consideration.

The root cause of gambling-related crime is the ubiquity and normalisation of gambling in contemporary society. Coupled with very high intensity and highly accessible gambling forms, it is hardly surprising that many people, particularly those experiencing disadvantage, will take up the opportunity to gamble, and that a proportion of these people will turn to crime to finance the continuation of this activity, or to seek to repay debts and obligations. It is much better to prevent this than to attempt to ameliorate it. Victoria should take the opportunity to argue for a precommitment system that will operate across EGMs, casino gambling, and online wagering. This is certainly technically feasible, and would have a significant positive effect on the rates of harmful gambling and the rate of associated crime.