



Quaker Action on Alcohol and Drugs

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RESPONSE TO THE DEPARTMENT OF CULTURE MEDIA AND SPORT ON DRAFT CATEGORIES OF GAMING MACHINES AND LIMITS ON PRIZE GAMING

Question 1: Do you consider that the Government's revised proposals for adjustments to stake and prize limits on Category C machines, to £1 and £70 respectively, will provide an appropriate level of increase (consistent with the licensing objectives) to seaside arcades, pubs and other venues that are set to benefit, and to machine manufacturers and suppliers? and question 3: Do you believe that the Government's proposals, taken together, could have adverse consequences in terms of problem gambling, criminality and the effect on minors?

We think that the raising of stake and prize limits on Category C machines to £1 and £70 respectively is completely inconsistent with the licensing objective of protecting children and vulnerable people. We will not rehearse the content of our response to the first consultation, but are severely disappointed that the arguments for the precautionary principle appear to have been overridden by pressure from the gambling industry. Within this submission we will concentrate on addressing additional points raised by this consultation, but hope that our earlier arguments will be reconsidered.

In our original submission we cited some of the evidence relating to the association between Electronic Gaming Machines and problem gambling. When the 2005 Act was passed, the relatively low stakes and prizes of Category C machines was the main reason for maintaining their widespread availability, including in non-gambling venues such as pubs. To more than double the prize is not consistent with that rationale, or with the precautionary principle.

Problem gambling is a complex, multi-causal phenomenon. We appreciate that the technical standards the Gambling Commission have developed to reduce speed of play may go some way to redressing the risks posed by increased stakes and prizes. However, the new machines with slower reel speeds may offer multiple lines, or other highly reinforcing features (noises, lights, nudges, etc) that keep players strongly engaged while the result of play is awaited. These characteristics also have a role in problematic gambling, and assumptions cannot be made about how the interplay between new machine designs and stakes/prizes will affect problem rates. It is still more difficult to be certain about how these two factors would interact with the many other risk elements, including increasing availability.

We find the Gambling Commission's view that this measure would not increase risk far too categorical, therefore. The view is not shared, for example, by Dr Emmanuel Moran of the Royal College of Psychiatrists, who has recently gone on record as saying that the proposed increase does carry risks. We strongly contest the consultation document's statement that there are 'no legitimate concerns about problem gambling' both theoretically and practically.

There has already been an increase in the numbers of machines over the past four years. Under the terms of the Gambling Act it is relatively easy for pubs to extend their entitlement to larger numbers of machines, and AGCs and FECs could also do so – indeed, encouraging more purchase and use of these machines is one of the aims of these proposals. However, the effects that the Gambling Act is already having should be fully assessed via the next Prevalence Study and other research before further potential risks are added.

We have particular concerns about the association between alcohol and gambling problems. The link between the two is well-attested in research literature and it also emerged from the 2007 Prevalence Study. Supervision of gambling in alcohol licensed premises does not approximate in any way to the standards of social responsibility required in destination gambling venues. About a quarter of EGMs are in pubs, and the numbers will increase if the proposed measures are adopted and have their intended effect. Once again, a rise in stakes/prizes of the machines available in alcohol licensed venues is not consistent with the licensing objectives, particularly in advance of study data from the new regime.

Regular parental gambling and problem gambling emerged from the Prevalence Study (as it has from other research) as being associated with gambling problems. Machines that are available in premises open to children are of particular concern in terms of the modeling of behaviours. We have major concerns about children being directly exposed to adult gambling at all. If this occurs, it is important that what they do see should be about entertainment rather than gain. Raising the prize to a level where it is a significant sum to most people takes it beyond this point.

This is also of particular relevance to those on lower incomes, for whom the stakes and prizes are proportionally higher. The proposed prize limit is beyond the weekly level of state allowance. Raising prize and stakes as proposed would make it a 'harder' form of gambling for people who are already vulnerable for economic and social reasons, and in locations that are readily accessible.

On a practical level we are not persuaded by the arguments advanced by the industry that it would not be possible to make attractive machines with lower stakes, or using more than one coin. The industry may be underestimating its considerable ingenuity, while the public manages to use multiple coins every day to buy such things as beverages and travel tickets. The principle of rounding up the stake to the nearest pound is a worrying and unwarranted one which should not be adopted, particularly in view of the pending review of B Category machines.

More generally, we are deeply concerned that the third licensing objective is being subordinated to economic arguments from the gambling industry. Their profits should not be generated at the expense of the precautionary principle. When the Gambling Act was passed, the government gave reassurances that the liberalization it allowed

would be carefully monitored for any rise in problem gambling before further changes were made. We would like to see no increase or those proportional to inflation only before the results of the 2010 Prevalence Study are known. In the medium term, we would like to see reviews of increases linked to the research cycle and its results.

Question 2: Do you consider that the Government's proposals for adjustments to stake and prize limits on Category D machines, as revised, will provide an appropriate level of increase (consistent with the licensing objectives) to seaside arcades, pubs and other venues that are set to benefit, and to machine manufacturers and suppliers?

In view of evidence about the association between early gambling and problem gambling and about higher rates amongst minors, we do not believe children should continue to have access to Category D slot machines. However, we welcome the fact that stakes and prizes are not to be raised.

We are strongly opposed to the proposal to raise stakes and the value of prizes awarded through 'crane grabbers.' Traditionally these machines were about fun (winning a cuddly toy, for example), rather than winning something of face value/intrinsic desirability, such as an iPod. The prizes cited would encourage minors to participate in a game for which the stake would be a significant amount of money, and significant sums could be lost by repeated play. The prize would be a desirable item that a minor would be likely to buy if they were actually allowed to gamble for money. Effectively, then, the proposed rise to a £50 prize limit alters the nature of crane grabbers and turns them into gambling for children. This would completely circumvent the purpose of the original distinction between crane grabbers and Category D machines made by the Act. We do not believe this should be adopted: again, an inflation-only increase is appropriate. To increase the gambling industry's profits through children's gambling is completely at variance with the spirit and letter of the Act.

General comments

The root of our concern is that these proposals risk an increase in problem gambling. Category C machines are likely to be lower risk than others at existing levels of stakes and prizes, but they are much more widely available – so the numbers of people affected by problems could already be as large as those using higher category machines. There does not seem to be any UK evidence on this point, but it is urgently needed to inform regulation.

We would like to see the DCMS, the Gambling Commission and RIGT co-operate on a programme of concerted research on EGM problem gambling, including among minors, in a way that would inform policy decisions such as those under consideration here. More generally, we would like to see a co-ordinated research strategy of this nature into the other significant changes made by the Gambling Act, including of emerging risks that academics have identified (in the 'Auckland review' commissioned by RIGT, for example). This needs to be undertaken if any rise in problem gambling is to be effectively tackled by policy-makers and intervention bodies. In the meanwhile, the precautionary principle should be maintained, particularly in relation to minors. As regards Category C machines, rises of this magnitude should not be permitted unless there is an evidence-base to support it.

We appreciate the opportunity to respond to this consultation and to raise our concerns with officials whilst it was pending.