



A joint submission on the NSW Government ClubGRANTS Scheme Review

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Centre for Health Equity, Training, Research, and Evaluation

Part of the Centre for Primary Health Care and Equity

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BACKGROUND

The Centre for Health Equity Training, Research and Evaluation (CHETRE), University of New South Wales (UNSW), and the NSW/ACT Branch of the Australian Health Promotion Association (AHPA) have collaborated to present this joint submission on the NSW Government ClubGRANTS Scheme Review and provide recommendations to address serious issues with the current Scheme design.

ABOUT AHPA

The Australian Health Promotion Association Ltd (AHPA) is the peak body for health promotion in Australia. AHPA advocates for the development of healthy living, working and recreational environments for all people. Through our work we support the participation of communities and groups in decisions that affect their health.

Australia is one of the healthiest countries in the world. This is largely because of effective public health and its core services – protection, prevention and health promotion which includes action to create and support the social and environmental conditions that enable Australians to enjoy a healthy and happy life. We are now more aware than ever of just how complex the circumstances are by which human health is influenced – policies and actions shaped by the unfair distribution of wealth, power and resources, both locally and internationally. We are also more cognisant of the range of skills and practices required to enhance individual and community capacity and act to address those forces that lead to health inequities - the unfair and avoidable differences in health status seen within and between countries. **Health promotion's role has never been so significant.**

Incorporated in 1990, AHPA is the only professional association specifically for people interested or involved in the practice, policy, research and study of health promotion. Our member-driven national Association represents over 1000 members and subscribers and is governed by a Board at the national level with operational branches representing all states and territories. Membership of AHPA is diverse, and includes designated health promotion practitioners, researchers and students, as well as others involved in promoting physical, mental, social, cultural and environmental health, whose primary profession or area of study may be something different, but whose responsibilities include promoting health. Members represent a broad range of sectors including health, education, welfare, environment, transport, law enforcement, town planning, housing, and politics. They are drawn from government departments and agencies, universities, non-government organisations, community-based organisations and groups, private companies, and students.

Our activities include: national registration of health promotion practitioners for the International Union for Health Promotion and Education (IUHPE) in Australia; national health promotion university learning and teaching network; early career support; national and local conferences and events; a tri-yearly Population Health Congress (with partners: Public Health Association of Australia, Australasian Epidemiological Association and Australasian Faculty of Public Health Medicine); a website providing professional and membership information; a national listserv providing members with sector news, employment, advocacy and events information; stakeholder and member communication across a range of platforms; advocacy action; strong partnership working with a range of organisations; awards; traineeships; mentoring; scholarships and bursaries; and the Health Promotion Journal of Australia.

Our Vision

A healthy, equitable Australia.

Our Purpose

Leadership, advocacy and workforce development for health promotion practice, research, evaluation and policy.

Our Principles

- Ethical practice - Supporting culturally informed, participatory, respectful, and safe practice.
- Health equity - Addressing the sociocultural, economic, political, commercial and ecological determinants of health in order to build health equity.
- Innovative and evidence informed approaches - Promoting and supporting evidence informed research, policy and practice.
- Collaboration - Working in partnership with other organisations to improve health and wellbeing.

ABOUT CHETRE

The Centre for Health Equity Training, Research and Evaluation (CHETRE) provides widely recognised leadership and expertise in health equity training, research and evaluation.

Our mission is to “co-create knowledge for better health equity” in and beyond South Western Sydney. CHETRE is part of:

- Centre for Primary Health Care and Equity, UNSW Sydney
- Division of Population Health, South Western Sydney Local Health District, NSW Health
- Ingham Institute for Applied Medical Research

Our Work

CHETRE was established in 1998 to meet research and development needs in health equity within South Western Sydney as a joint unit between Population Health in the South Western Sydney Local Health District (SWSLHD) and the Faculty of Medicine and Health at UNSW Sydney. We form part of the management structure of both organisations, aligning our work with both organisations’ policy priorities and strategies.

Our Partnerships

Partnerships are central to all our research and service development activities. We develop, support and evaluate projects, programs and policies to reduce inequities in health through collaborations with our SWSLHD and Ingham partners. Our core partnerships include state government agencies, local governments, community organisations and NGOs, and service providers within and outside the South Western Sydney Local Health District.

CHETRE supports and manages several key partnerships with colleagues from the public and social housing sector, urban planning, primary health care, justice, education and social development. These partnerships range in scale from regional, to statewide, national and international.

Our Core Concepts

People

People are the full range of individuals and organisations who influence health and social equity. We work with those at risk of experiencing systemically created disadvantage and who are in positions of influence and power for positive influence. We work in partnership with these people to build skills, knowledge and capacity. People are the mechanisms for change.

Places

Places are spaces or environments that people have attached meaning to in some way. Places concern the conditions for living and working as well as the decisions and choices that allow for better health equity. Places can be physical or virtual locations, and have strong mental and spiritual connections. Places connect people with others and with the wider world.

Processes

Processes are the ways in which people, within places, go about their daily life or work, and generate and disseminate knowledge and ideas. Processes provide opportunities for connection with other people, places and the wider world. Processes are also the mechanisms by which decisions are made about everyday life, work practices, or policies. Processes are the mechanisms by which social systems influence places and people.

Progress

Progress concerns moving towards improved health equity. Our work is based on identifying and influencing points of change for better societies. Progress can be achieved and measured across people, places, processes and within organisations, institutions and systems. Progress means we develop partnerships, knowledge and skills to build capacity to co-create conditions for health equity.

INTRODUCTION

Our organisations are dedicated to advancing health equity and the Ottawa Charter for Health Promotion principles, in particular its actions calling for:

- Building Healthy Public Policy
- Creating Supportive Environments
- Strengthening Community Actions
- Developing Personal Skills
- Reorienting Health Services

We firmly believe that any reforms to the NSW ClubGRANTS Scheme should be aligned with these principles, with a focus on mitigating (or eliminating) the adverse impacts of gambling-related harm on individuals and communities.

SCALE OF THE PROBLEM

Gambling in Australia presents a significant public policy challenge, affecting the health and well-being of individuals and families across the nation. Recent figures indicate that Australians lose approximately \$25 billion annually on legal forms of gambling, constituting the highest per capita losses globally (Letts 2018; QGSO 2022).

The social costs associated with gambling-related harm, including financial strain, emotional distress, and adverse impacts on relationships and productivity, are substantial. In Victoria alone, these costs have been estimated at around \$7 billion (Browne et al. 2017). It is evident that gambling-related harms extend beyond the individuals directly involved, impacting families, peers, and wider communities (Goodwin et al. 2017).

As of 31 August 2023, there were 72,694 gaming machine entitlements and 64,916 gaming machines held in 1,016 club premises in NSW (NSW Liquor and Gaming, 2023). The total net profit of these gaming machines in the gaming machine tax year between 1 September 2022 to 31 August 2023 was \$4.6 billion (NSW Liquor and Gaming, 2023).

DISPROPORTIONATE BURDEN

Western Sydney, in particular, bears a disproportionate burden of electronic gaming machine losses (Adams et al., 2020). Existing research has shown that high levels of socio-economic disadvantage are a significant risk factor for gambling-related harm (Rintoul et al., 2013). Despite accounting for

just 54% of Greater Sydney's population, Western Sydney incurs 62% of its electronic gaming machine losses. Areas such as Blacktown, Canterbury-Bankstown, Cumberland, and Fairfield are especially vulnerable, with a significant concentration of disadvantaged communities (Western Sydney University, 2023; Adams et. al., 2020; Itaoui et al., 2018).

TRANSPARENCY, MISUSE, and DEPENDENCY

In recent years, the inadequacies, lack of transparency, and misuse of the scheme by clubs have become apparent, highlighted by NSW Council of Social Service (NCOSS)'s departure from the scheme in 2021 and revelations through the media regarding the extent to which clubs are legally utilising the scheme, particularly via Category 2 grants, to fund themselves (Cannane and Taylor, 2021).

The rationale for allowing a tax deduction to fund core club activities, rather than treating this as operating expenses, is concerning for CHETRE and the AHPA. Through research and community engagement in this field of work, we have discovered that the social costs of gambling and the losses in tax revenue to the NSW Government are far greater than the marginal benefits ClubGRANTS create for the community. Furthermore, we view the current arrangements as perpetuating and promoting unhealthy dependency between community groups and clubs operating electronic gaming machines, wherein these community groups rely on the clubs despite the harms that their gambling operations cause to their communities.

RECOMMENDATIONS

Our organisations are advocating for fundamental reforms to the NSW ClubGRANTS Scheme to address the underlying issues contributing to gambling-related harm. Our recommendations are as follows:

1. **Reallocate Funding:** Allocate at least 3% of poker machine tax revenue to a centrally managed, locally governed program focused on addressing gambling harm and promoting health equity.
2. **Enhance Governance:** Remove clubs and industry bodies from the grant allocation process to ensure impartiality and accountability in funding decisions.

3. **Prioritise Disadvantaged Communities:** Allocate funding based on independently derived indices of disadvantage and gambling harm, ensuring that resources are directed towards areas most in need.
4. **Minimise Gambling Harm in program design:** Require all grant applications to address the minimisation of gambling harm in their program design, although this need not be the primary purpose of the program.
5. **Spanning Projects:** Retain a proportion of funds to support projects that span more than one Local Government Area (LGA), focusing on criteria addressing social disadvantage and gambling harm, administered by the NSW Office of Responsible Gambling (ORG).
6. **Administrative Support:** Allocate a portion of the public service savings from no longer needing to verify tax deductions to fund administrative support for local committees and their representatives.

We firmly believe that these reforms are necessary to address the root causes of gambling-related harm and promote the health and well-being of all individuals and communities in NSW affected by these.

If required, or the opportunity presents itself, then our organisations are more than happy to provide additional supporting information on the details we have present herein, or present at any hearings, workshops or other engagement that may follow as part of this review.

This submission was prepared on behalf of:

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