

**GAMBLING
AND
CRIMINAL BEHAVIOUR**

AN ANALYSIS OF LOCAL AND DISTRICT COURT FILES

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CHAPTER ONE - INTRODUCTION/DEFINITIONS

This Chapter provides a brief but necessary background to the research project. The Chapter demonstrates the reliance by governments on gambling revenue, and the increasing accessibility of gambling products. The definitions relied upon in this research are then detailed.

Scope of present project

Gambling appears to be perceived today as a legitimate and an acceptable form of social entertainment. Despite this, some aspects of the perceived negative social impacts of gambling appear to be provoking widespread social concern (Productivity Commission 1999B; AIGR 1999: 206). Concerns about the gambling industry have shifted from the religious morality debates that dominated Australia's early gambling history to concern about the perceived commercial expansion and promotion of gambling by industry and government and the social impacts on vulnerable groups in the community in the 1990s. The most comprehensive and significant outcome of contemporary public debates was the inquiry conducted by the Productivity Commission into Australia's Gambling Industries. The Productivity Commission exhaustively reviewed national and international research to comprehensively analyse the Australian gambling industry, the impacts of gambling and policy guidelines in its Draft Report (1999A) and Final Report (1999B). The Productivity Commission identified the most significant social cost of rapid industry growth and commercialisation as problem gambling.

The Productivity Commission identified a fundamental tension between the benefits associated with the contemporary growth of gambling industries and the social costs that have emerged. Whilst Australians gamble at levels far greater than those in other nations and are willing to embrace new forms of gambling as they are introduced, they are also deeply concerned about the effects that expanded gambling is having on society and individuals. One of the key findings of the Commission was that many decisions on gambling issues lack access to objective information and independent advice concerning information about the likely social and economic effects (PC 1999). The Victorian Centre for Criminology and Criminal Justice (2000) also noted a dearth of reliable substantive data regarding the association of gambling and crime.

A pilot project examining existing research on a relationship between gambling and crime was instigated in 1996 as a consequence of an increased number of people charged with gambling related crimes requesting legal assistance from the UTS Community Law and Legal Research Centre. The pilot project found an anecdotal relationship between problem gambling and crime, but that there was an absence of research as to the association between gambling and crime and the criminal justice system's response to this. The research resulted in a publication in the *Alternative Law Journal* (Andrew et al 1997).

The current project seeks to contribute to existing research on the relationship between gambling and crime. The scope of the present research was to undertake an assessment of gambling related crime in NSW. Specifically to:

- Expand on preliminary findings of the UTS pilot project and act upon recommendations of the report in relation to further research.
- Determine the nature of the link between gambling and crime and if that link is statistically significant.
- Identify the incidence of gambling related crime recognised as such in the courts
- Consider the social and economic costs of gambling related crime
- Analyse information available in the files about the defendant and his/her gambling activities
- Assess the criminal justice system's response to gambling related crime.

The primary research was undertaken by focusing on information detailed in case files of crimes identified as gambling related. Whilst there are shortcomings associated with relying upon this source of information (discussed in Chapter 2), the project has provided valuable insight into:

- the types of gambling related crimes committed
- the motivations of the offenders
- the types of gambling associated with offending
- an offender's gambling history
- the time at which gamblers may seek professional assistance for problems associated with gambling

- the criminal justice system's response to claims of gambling related crime in terms of sentencing and rehabilitation.

The project also highlights the need for further research and data collection by criminal justice agencies regarding gambling related crime. Centrally, the project contributes to the increasing recognition of the social and economic costs of gambling.

TRENDS IN GAMBLING

This section outlines the trends in gambling in NSW and Australia, highlighting the popularity of recreational gambling, government dependence on gambling revenues and the gambling types available. Gambling is a popular and growing leisure activity for Australians who spent \$13,839 million on gambling in 2000-2001 (ABS 2002: 6). This represented an increase of 26% in total net takings since 1997-1998. Based on the estimated resident adult population at the end of June 2001, net takings from gambling represented an expenditure of \$944 per head of adult population for 2000-2001 (ABS 2002: 7). If overseas bettors are excluded, a more accurate estimate is \$901 per head. NSW residents spend the most on gambling in Australia, with NSW residents spending \$1,154 per adult (ABS 2002: 7).

Gambling is important in Australia as a source of revenue. Generally, gambling taxation provides a significant and growing proportion of revenue collected by state and territory governments. Revenues from gambling taxes provide approximately 12% of state generated tax revenue. In 2001-2002 state and territory governments collected \$4,397 million in gambling taxes (AIGR 1999: 51). Together, NSW and Victoria collect 72% of the total gambling taxation revenue, with electronic gaming machines the largest source of revenue (ABS 2002: 6). In NSW currently, gambling provides the government with 8% of total revenues.

Type of gambling

Some information regarding gambling trends and the revenue associated with particular types of gambling will now be outlined for the purposes of contextualisation.

Casinos

There has been a gradual legalisation of casinos in each Australian territory and state. The spread of casinos has been an important factor in the growth of spending on gambling since the 1980s. Expenditure on casino gaming has increased from less than \$60 million per year prior to 1984-1985, when casinos operated only in the Northern Territory and Tasmania, to more than \$2.232 billion in 1997-1998, when every state and territory had one or more casinos (AIGR 1999: 157). In 1994, the Sydney Star Casino opened in temporary premises, moving to its permanent facility in 1997. In 1997-1998, \$446.200 million was spent on casino gambling products in NSW.

Sydney Star Casino has 1,500 gaming machines with 200 gaming tables. This can be compared with Crown Casino (Victoria), with 2,500 gaming machines and 328 gaming tables. Casino net takings in Australia from EGMs have increased in the six years from \$343.6 million in 1994-1995 to \$1,021 million 2001-2002 (ABS 2002). As a proportion of total casino takings from gambling, EGMs have increased from 24.9% in 1994-1995 to 46% in 2001-2001 (ABS 2002: 6). The development of casinos in the 1990s has led to an increase in government revenues to 12% of total government tax revenue in 1998-1999. An estimated 46% of government revenue from casinos is from gaming machines in those venues (Productivity Commission 1999A: 3.6).

Gaming Machines (EGMs)

Legal poker machines were first allowed in registered clubs in NSW in 1956, although many clubs had already been illegally operating poker machines since the 1880s. In 1984, aggressive lobbying by the hotel sector led to legalisation of machine gaming in hotels. At the moment, NSW has 104,000 gaming machines, compared with 97,500 in 1999. NSW has a large proportion of Australia's EGMs, with 185,512 EGMs in Australia in total (ABS 2002: 7). The large majority of EGMs are located in the premises of hospitality clubs (60%) and pubs, taverns and bars (30%) (ABS 2002: &). In 1998, almost 10% of NSW's adult population played the EGMs weekly, with an average annual expenditure of \$635.98 per person. A total of \$2,989.084 million was spent in NSW on EGMs in 1997/98.

Overall, in 2001/2002, \$8,752 million was spent on EGMs in Australia, which represented 63% of the total net takings of gambling (ABS 2002: 6). Since the 1980s, EGM gambling has replaced wagering and lotteries/lotto as the most popular form of gambling with Australians (AIGR 1999: 191). Technological developments in EGMs have allowed the industry to improve services and increase the entertainment experience. New and faster games, linked jackpots and other innovations have maintained consumer interest. Electronic gaming machines or poker machines come in two main types: machines where the player generally can make no strategic decisions after starting the game; and machines where the player may make strategic decisions (Productivity Commission 1999B: 7).

Problem gambling emerged as a social concern in the 1990s, and the Registered Clubs Association (RCA) was required by *The Liquor and Registered Clubs Legislation Amendment (Community Partnership) Act 1998* (NSW) to develop a responsible gambling policy. This was particularly as research indicated that gaming machines were responsible for a significant incidence of gambling related problems (Dickerson 1998).

Keno

Keno is a game where a player wagers that chosen numbers will match any of the 20 numbers randomly selected from a group of 80 numbers via a computer system or a ball drawing device. Keno is an electronic form of bingo and is typically played in casinos, hotels and clubs (Productivity Commission 1999B: 7). There has been a 43% decrease in casino keno takings since 1997-1998 (ABS 2002: 6).

Racing and betting

In 1997-1998 the gambling expenditure on Australian racing was \$1.683 billion. Of this amount, \$1.473 billion was spent on the TAB; \$83.34 million with on-course bookmakers; \$142.51 million with the on-course tote; \$0.15 million with off-course bookmakers; and \$20.26 million on sports betting (racing) (AIGR 1999: 53). Australian state and territory governments received \$574.84 million in revenue from gambling on racing. In 2001-2002, the net takings of the TAB was \$1,692 million (ABS 2002: 6).

The off-course totalisator was introduced in NSW in 1964 and resulted in increased revenue to both government and the industry. The totalisator system is a sweepstakes method of betting, requiring each bettor to buy a ticket on the horse of their choice with the total investments being pooled. The investment pool is then distributed amongst winning ticket holders after the operator has deducted an agreed percentage.

Lotteries

Lotteries have been associated with revenue raising in Australia. Despite the trend toward privatised gaming, the historical authority of governments over gaming is so firmly established that the states have had the power to extract relatively high rates of taxation from commercial operators of lotto and pools in return for the necessary operating licences (AIGR 1999: 114).

Spending on traditional lotteries fell in the 1980-90s due to competition from casinos and gaming machines. Expenditure in Australia on traditional lottery tickets have declined from \$250 million a year to \$57 million in 1997-1998. However, spending on lotto products has continued to increase over the same period, to the 1997-1998 level of \$923.4 million, maintaining state government's healthy tax take from lotteries products (AIGR 1999: 115). In 2001-2002, this increased further to \$1,342 million (ABS 2002: 6). In NSW, \$363.103 million was spent on lotteries gambling products between 1997-1998.

Definitions

Definitions relevant to the current research will now be detailed.

Definition of Gambling

This project focuses upon cases where the offender or agents of the criminal justice system identify a crime as 'gambling' related. As such, there was no need to define gambling for the purposes of the research. Generally, a broad definition of gambling was adopted, incorporating gaming and betting. Betting is based on wagers made on events such as horse racing, greyhound racing and football matches - which involve subjective calculations of an uncertain result. Betting

thus often involves skill and knowledge. Gaming refers to games of chance and includes lotteries, casino games, electronic gaming machines (EGMs) and other forms including pools, bingo, raffles, scratch tickets.

Gambling Related Offence

A broad definition of ‘gambling related offence’ was adopted by the project. In order to be considered ‘gambling related’ and thus relevant to the project, when examining Local Court and District Court case files researchers were required to answer the following question affirmatively:

Was gambling involved with or related to the offence?

That is, was the offence before the court:

- Committed as a consequence of, or
- Committed in order to support, or
- Committed as a significant result of, or
- Significantly related to :

The defendant’s desire, need or compulsion to gamble?

This definition of an offence as ‘gambling related’ is in accordance with prior research conducted by Blaszczynski and McConaghy as ‘a criminal offence committed by a gambler or partner to fund his or her gambling either directly and/or indirectly to fund a shortfall of living expenses due to gambling’ (1994B: 133). ‘Directly related’ offences referred to those specifically motivated by a desire to obtain money to gamble. ‘Indirectly related’ was defined as those offences motivated by a need to cover shortfalls in meeting living expenses caused by gambling losses.

As shall be detailed below, the project sample included property crimes and family violence. However, no case files on family violence contained any indication of an association of breaches of Apprehended Violence Orders with gambling. As shall be discussed in Chapter 2, this does not mean that gambling is not associated with domestic violence. Rather, the absence of any information means that the offender and agents of the criminal justice system did not consider gambling to be relevant to breaches of AVOs. As a consequence, the project focused upon crimes that were committed by offenders to support their gambling. Crimes such as venue crimes

and organised crimes were not included within the current study. Additionally, with the at times limited information available in the case files, the project distinguished between crimes committed by persons to support their gambling and those offences committed by persons who also gambled excessively. The latter category was excluded from the present study.

Problem gambling

The broad definition of ‘gambling related crime’ adopted by the present study avoids the controversy surrounding the explanatory medical and psychological models of pathological gambling (Blaszczynski, 2000: 1). This project focuses on gambling related crime, rather than whether the subject is identified as a ‘problem gambler’. Although, given that this study focuses on crime committed as a consequence of gambling, this strongly suggests that gambling is a problem or is causing problems for the defendant.

Whilst this project is not based upon any particular model of problem gambling it is still necessary to consider psychological and medical definitions of problem gambling. This is because medical and psychological definitions are referred to in the case files of some of the subjects. Moreover, these different models of problem gambling give insight into the details of the gambling of the subjects in this study. The present study also provides the opportunity to consider whether responses of the criminal justice system to problem gambling are appropriate given existing medical and psychological models of problem gambling.

The term ‘problem gambling’ is broader than either ‘pathological’ or ‘compulsive’ gambling. The American Psychiatric Association set out the features of problem gambling in its Diagnostic Statistical Manual (DSM IV) (American Psychiatric Association 1994). First recognised in the 3rd edition, it describes the essential features of pathological gambling as:

- Persistent and maladaptive gambling behaviour
- That disrupts personal family or vocational pursuits
- [That cannot be] better accounted for by a manic episode (DSM IV 614).

DSM-IV then goes on to define “Persistent and Maladaptive Gambling Behaviour” as indicated by five of the following ten behaviours being present in the subject.

- 1) is preoccupied with gambling (eg., preoccupied with reliving past gambling experiences, handicapping or planning the next venture or thinking of ways to get money with which to gamble)
- 2) needs to gamble with increasing amounts of money in order to achieve the desired excitement
- 3) has repeated unsuccessful attempts to control, cut back or stop gambling
- 4) is restless or irritable when attempting to cut down or stop gambling
- 5) gambles as a way of escaping from problems or of relieving a dysphoric mood (eg feelings of helplessness, guilt, anxiety, or depression)
- 6) after losing money gambling, often returns another day to get even (“chasing” one’s losses)
- 7) lies to family members, therapist or others to conceal the extent of involvement in gambling
- 8) has committed illegal acts such as forgery, fraud, theft or embezzlement to finance gambling
- 9) has jeopardised or lost a significant relationship, job, or educational or career opportunity because of gambling
- 10) relies on others to provide money to relieve a desperate financial situation caused by gambling (DSM IV 618).

Provided the gambling behaviour is not better accounted for by a Manic episode.

The South Oaks Gambling Screen (SOGS) was designed to identify persons who satisfied the diagnostic criteria for the disorder of problem gambling as set out in the DSM IV. The questions asked in SOGS are:

1. When you gamble, how often do you go back another day to win back money you lost? (never; some of the time [less than half the time] I lost; most of the time I lost; every time I lost)
2. Have you ever claimed to be winning money gambling but weren’t really? In fact you lost? (never or never gamble; yes, less than half the time I lost; yes, most of the time)

3. Do you feel you have ever had a problem with gambling? (no; yes, in the past, but not now; yes)
4. Did you ever gamble more than you intended to? (yes, no)
5. Have people criticised your gambling? (yes, no)
6. Have you ever felt guilty about the way you gamble or what happens when you gamble? (yes, no)
7. Have you ever felt like you would like to stop gambling, but didn't think you could? (yes, no)
8. Have you ever hidden betting slips, lottery tickets, gambling money, or other signs of gambling from your spouse, children or other important people in your life? (yes, no)
9. a. Have you ever argued with people you live with about how you handle money? (yes, no)
 9.b. If you answered yes to the previous question: Have money arguments ever centred on your gambling? (yes, no)
10. Have you ever borrowed money from someone and not paid them back as a result of your gambling? (yes, no)
11. Have you ever lost time from work (or school) due to gambling? (yes, no) If you borrowed money to gamble or pay gambling debts, who or where did you borrow from? (Check 'yes' or 'no' for each).
12. From household money? (yes, no)
13. From your spouse? (yes, no)
14. From other relatives or in-laws? (yes, no)
15. From banks, loan companies, or credit unions? (yes, no)
16. From credit cards? (yes, no)
17. From loan sharks? (yes, no)
18. You cashed in stocks, bonds or other securities? (yes, no)
19. You sold personal or family property? (yes, no)
20. You borrowed on your checking account (passed bad checks)? (yes, no)

Scores are as follows. On question 1, score 1 if most of the time or every time I lost. On question 2, score 1 if less than half the time I lost, or yes, most of the time. On question 3 score 1 if yes, in the past, but not now or yes. Ignore question 9a. On all remaining questions score 1 if a

yes. A score of 5 or more suggests a person is 'probable pathological gambler' using the US nomenclature, and a problem gambler in Australia (source: Lesieur and Blume 1987: 1188).

Dickerson et al (1997) conducted research for the Victorian Casino and Gaming Authority into the definition and incidence of problem gambling. That study found:

1. The only definition of problem gambling that has been detailed in the literature, *pathological gambling*, remains the focus of significant academic argument and is couched in language that is not compatible with the Australian attitudes and social perspective on gambling.
2. The measures that have been developed to assess the occurrence of pathological gambling in the community are likely to prove over-inclusive and inaccurate when used in the Australian context.
3. The South Oaks Gambling Screen (SOGS) is the only international measure with acceptable reliability and validity, provided that when it is used in Australia it is interpreted in terms of the proportion of the population at risk of gambling-related problems using much higher cut-off scores than was originally intended.
4. Community surveys of problem gambling in different Australian States show that this at risk group of problem gamblers ranges between 1% and 3%, generally higher than the results found in the USA and Canada where access to all forms of gambling, particularly EGMs, is more restricted.
5. One major concern about the use of SOGS is that it is not sensitive to the unique ways in which different contexts can determine whether a player's gambling has harmful impacts or not. Nor will it accurately address such issues in culturally diverse contexts.
6. The interviews with key stake holders demonstrated that there was significant community and industry concern about the harm that was arising from people's gambling and an awareness of the variety of services and strategies in place in Victoria to address them.

The recommended definition of *problem gambling* to be adopted in Victoria is:

Problem gambling refers to a situation when a person's gambling activity gives rise to harm to the individual player, and/or his or her family and may extend to the community.

The objective is to avoid the pitfalls of academic dispute about the causes of problem gambling and to ensure that problem gambling research of the VCGA prioritises the assessment of the extent of the degree of harm *per se*.

The Productivity Commission Final Report cites with approval the definition of problem gambling as adopted by the Victorian Casino and Gambling Authority (1999B: 6.3). The current study adheres to the focus on the harms associated with problem gambling rather than upon differences of opinion amongst the academic community about the causes of problem gambling.

Definitions of Offences

The definitions of the offences considered in this study are provided in Appendix A.

Conclusion

Gambling is an important and expanding industry in Australia. The government is dependent on gambling as a source of revenue. However, Australians are becoming increasingly concerned about the costs associated with gambling. This project focuses particularly on the costs in terms of gambling related crime. Whilst this study does not adopt a definition of problem gambling, it is clear that for all of the subjects in this study, gambling has caused significant problems for them, especially as a motivator for the commission of crime(s).

The following Chapter details the methodological approach adopted by this project, to ascertain the relationship between gambling and crime.

CHAPTER TWO - METHODOLOGY

This Chapter details the methodology of the research project. The bulk of research in this area uses either samples of problem gamblers seeking professional assistance, prison populations or the general population. The methodological approach adopted by this project is unusual, as the sources of primary data relied upon are Local and District Court files. This Chapter analyses the advantages and disadvantages of the methodology relied upon.

Scope of the Project

The scope of the project was to:

- Expand on preliminary findings of the UTS pilot project and act upon recommendations of the report in relation to further research.
- Determine the nature of the link between gambling and crime and if that link is statistically significant.
- Identify the incidence of gambling related crime recognised as such in the courts
- Consider the social and economic costs of problem gambling
- Analyse information available in the files about the defendant and his/her gambling activities
- Assess the criminal justice system's response to gambling related crime.

Methodology

The project consists of a combination of primary and secondary research. The primary research comprised of the analysis of local and district court gambling related cases. In order to analyse these cases, context was provided by existing secondary research, including proposed pathological gambling models, crime statistics, government policy regarding gambling and general sentencing policy.

There is an increasing number of national and international research focused upon exploring the relationship between criminal activity and problem gamblers. This research is referred to throughout the project as a means of providing insight into the findings of the current research.

The project report, *The Impact of Gaming and Crime Statistics* (2000: 25-52), provides an excellent summary of relevant and current gambling related crime research.

The primary research for this project consists of the compilation of cases heard at the Local and District Court levels that were 'gambling related'. Of the 2,779 Local and/or District Court cases, 105 were 'gambling related' within the terms of this project. Of these, 63 files had sufficient information to form the basis of the current research. These cases have been utilised to analyse in detail the relationship of gambling to crime. The relevant cases are summarised in Appendix B.

Additionally, this primary research was related to existing research on:

- crime statistics in NSW: including the analysis of clearance rates and of perpetrators of particular crimes, to enable a comparison of gambling related crime to general crime statistics. This facilitated analysis as to whether the sample is representative.
- proposed sociological, medical or psychological models of problem gambling. These models were related to the psychologist's reports in the subject's files, giving insight into cases, the utility of these models and the possibility of analysing evidence proffered by experts in the courts.
- governmental policy regarding gambling: this raised questions as to whether government responses to gambling are adequate due to the incidence of gambling related crime.

Ethical clearance

Ethical clearance was granted to this research, subject to maintaining the anonymity of the subjects whose Local Court and District Court files were read. These files contained much more information than would generally be available on the public record, including psychological and/or psychiatric evaluations, long term criminal records and submissions from families and friends. In order to protect the anonymity of the subjects, the files were numbered and all names removed. Additionally, any information that was likely to lead to the identification of the subject was excluded, particularly place names, unusual employment, ethnicity etc.

Initially, when this project was commenced, it was hoped that the ethnicity of offenders who commit gambling related crime could be analysed. However, in the majority of the files, information as to the ethnicity of the subject was not included, removing the possibility of meaningful analysis of the relationship between ethnicity and gambling related crime. Consequently, ethnicity has been excluded from the record of the files, as the inclusion of ethnicity in the few cases where this information was mentioned in the files, could only undermine the anonymity of the subject.

Local and District Court cases

Researchers attended the Downing Centre at 143-147 Liverpool Street Sydney in the latter part of 1999. This complex is the main criminal court centre in New South Wales in terms of number of matters heard. On any day there are around twelve Local and District courts in operation simultaneously, according to demand. The Downing Centre also holds an archive of several thousand matters that pass through its courts and other courts of New South Wales. The researchers examined information provided by archive management in order to conduct searches for 'gambling related crime'.

Reports were obtained that showed the location of files in the archive according to offence and the year the subject first entered the Courts. It was intended to consider 100 matters per offence per year from 1995 - 1999. It was hoped that this would provide a broad cross-section of cases from which to consider the relationship of gambling to crime and the response by the courts to gambling related crime.

The following offences were examined¹:

Offences Examined 1995-1999

Fraud Offences

- Cheque not paid on presentation
- Obtain financial advantage by deception

¹ These offences are defined at Appendix A.

- Make false or misleading statement with intent to obtain financial advantage
- Make false or misleading statement with intent to obtain money

Theft Offences

- Larceny
- Larceny by a clerk
- Larceny by a servant
- Larceny: motor vehicle
- Steal in dwelling house
- Steal from dwelling house
- Steal from the person

Violence Offences

- Robbery
- Robbery being armed
- Assault and robbery
- Assault with intent to rob
- Assault and robbery with striking
- Breach of apprehended violence order

Offences were selected on the basis of providing a cross-section of property offences and violence against the person. The focus was predominantly upon property offences, as it was considered that these offences were the most likely on the criminal calendar to be gambling related. This is in accordance with existing research on the matter. The Federal Government Productivity Commission (1999B: 7.67) found that the offences committed by problem gamblers who commit crime are predominantly non-violent property crimes (eg larceny, embezzlement and misappropriation). Additionally, Blaszczynski and McConaghy's research (1994B) suggests that there is a causal link between problem gambling and the commission of non-violent property crime.

The offence of Breach of Apprehended Violence Orders was considered due to research suggesting a link between domestic violence and gambling (Brown, Johnson, Jackson and Wynn

1999). However, in the 417 breach of AVO files analysed, there was no mention of the breach of the AVO being associated with gambling. The issue of the perceived relevance (or irrelevance) of gambling to crime will be considered below. The crimes examined in this project excluded venue crimes and organised crimes.

In most cases, far less than one hundred matters per offence, per year, were considered. This is because:

1. some offences were more frequent than others
2. the initial police discretion to charge someone with an offence influences how the offence was recorded on the reports that in turn, were considered by the researchers. For instance, a person can be charged with "*steal in dwelling house*" or "*steal from dwelling house*" under Section 156 of the Crimes Act 1900 (NSW). However the reports would differentiate as to which offence code (*in house* or *from house*) was recorded.
3. Even if there were one hundred offences shown on the reports, this number would usually be reduced by other types of offences being included on those same reports. For instance, if a person were charged with armed robbery and larceny of a motor vehicle, the reports would include both types of offences in the report concerning armed robbery. By way of comparison, people that were charged with breach of an apprehended violence order typically only committed this offence and as such nearly one hundred of these matters were examined for each year.

A screening process was then utilised to determine if the crimes committed were relevant to the project, that is, 'gambling related' crimes.

The First Stage

Files were not opened where:

- the accused failed to appear; or
- the charges were substituted or discontinued; or
- the accused was found not guilty.

All other files were retrieved from the compactor shelves. Problems arose here as:

- some files could not be located
- files that were located lacked important documents or were empty.

Complete files included the prosecution brief and everything the Court accepted as evidence.

Typical files would include:

- pre-sentence report
- psychological reports
- police charge sheets / facts
- judgment
- offender's criminal record

The Second Stage

Researchers referred to comments made by the Judge. If the matters were referred to a higher court they were excluded from the project and returned to the archive.

If not the third stage was undertaken.

The Third Stage

Researchers read the remaining files for a mention of gambling or gambling related activity. The pre-sentence report was usually of the most assistance here, as it was in this document that any gambling problem was most likely to be mentioned. Police reports were also useful here, as records of interview were often effective indicators of the reasons for committing the offence. The following key words were looked for: gambl*, casino, TAB, keno, responsible gambling or gaming, Star City, poker machine, pokies, EGMs, electronic gaming machines, betting, lotter*, racing, wager*, gambling addiction, problem gambl*, compulsive gambl*.

If any of the key words listed above were not mentioned in the file and/or it was found that gambling was not significantly related to the crime, the details of the file were recorded on the front page of the questionnaire and the file was then returned to the Downing Centre filing system.

If the matter referred to any of the key words it was more thoroughly scrutinised in order to determine whether or not the crime could be considered ‘gambling related’. In order to be considered ‘gambling related’ and thus relevant to the project, researchers were required to answer the following question affirmatively:

Was gambling involved with or related to the offence?

That is, was the offence before the court:

- Committed as a consequence of, or
- Committed in order to support, or
- Committed as a significant result of, or
- Significantly related to :

The defendant’s desire, need or compulsion to gamble?

This definition of an offence as ‘gambling related’ is in accordance with prior research conducted by Blaszczynski and McConaghy as ‘a criminal offence committed by a gambler or partner to fund his or her gambling either directly and/or indirectly to fund a shortfall of living expenses due to gambling’ (1994B, 133). ‘Directly related’ offences referred to those specifically motivated by a desire to obtain money to gamble. ‘Indirectly related’ was defined as those offences motivated by a need to cover shortfalls in meeting living expenses caused by gambling losses.

In order to be classified as ‘gambling related’ there had to be a causal relationship between gambling and crime. For example, if the defendant had a gambling problem and had stolen alcohol, this file would be excluded as there was no apparent causal relationship between the offence and the defendant’s gambling. Thus, the scope of the project specifically excluded offences committed by criminals who also gamble excessively.

A broad definition of causation was adopted. Gambling did not have to be the sole cause of the crime. Rather, the classification scheme required simply a significant relationship. Thus, where it was unclear whether the defendant’s crime was committed due to a drug or gambling problem, the file would be included.

If a case was classified as ‘gambling related’, it was read more thoroughly in order to answer a questionnaire that sought to draw out salient details. Documents from the file were then photocopied and the originals were returned to the shelves. At best, this would involve making copies of the prosecution brief, pre-sentence reports, psychological reports, the person’s criminal record and any other relevant information that could be used to establish an insight into the person’s gambling, the commission of the offence and the courts response to it. At stage 3, 105 files of 2779 were found to be ‘gambling related’.

Figure 1: Third Stage Review Results

Offence	Number of hits / Number of cases reviewed						
	1995	1996	1997	1998	1999	Totals	%
Larceny by a clerk/servant	7/56	11/46	6/31	9/35	1/14	36/182	19.7
Cheque not paid on presentation	2/9	0/9	2/9	2/3	0/1	6/31	19.4
Obtain financial advantage by deception	8/47	6/41	6/40	1/15	0/11	21/154	13.6
Making false/misleading statement with intent to obtain money	1/16	1/14	2/9	1/4	0/7	4/50	8
Robbery being armed	5/71	4/79	0/71	6/78	0/74	15/373	4
Make false misleading statement with intent to obtain financial advantage	0/16	1/12	NA	0/7	0/4	1/39	2.5
Steal from dwelling house	0/14	1/18	0/15	1/19	0/12	2/78	2.5
Steal in dwelling house	0/23	0/31	1/8	1/15	0/6	2/83	2.5
Larceny: Motor vehicle	3/88	0/81	1/87	1/93	1/52	6/401	1.5
Larceny	2/86	0/82	2/77	0/88	0/85	4/418	0.9
Steal from person	1/40	0/65	1/51	1/59	0/44	3/259	1.1
Robbery	1/59	1/68	3/71	0/75	1/27	6/300	2
Assault and robbery	0/2	0/1	NA	0/1	NA	0	0
Assault and Robbery with striking	0/3	NA	0/2	NA	NA	0	0
Assault with intent to rob	0/28	0/28	0/21	0/8	0/2	0/87	0
Apprehended violence orders	0/90	0/97	0/88	0/94	0/48	0/417	0
Totals	30/560	25/662	22/580	22/594	6/383	105/2779	3.7

The Fourth Stage

When applying the questionnaire to the remaining 105 files, a final screening process was applied.

The main reasons for exclusion of matters at this stage were:

- lack of information in the case file giving insight into the subject;
- lack of specific information pertaining to the subject's gambling or crime;
- an inability to reconcile the test of gambling related crime with the chronology of events.

Consequently, the 63 Local Court and/or District Court cases recorded and analysed by this project were;

- matters decided by Local Courts or District Courts in NSW between 1995-1999;
- where the defendant was found guilty;
- of a crime committed that was gambling related; and
- with sufficient information in the files to provide information about the gambling problem and its relationship with the crime.

These 63 files are summarised in Appendix B.

Analysis of the methodology

There are always shortcomings in any research methodology, as Hagan states, 'the only perfect research, is no research' (Hagan 1993: 8). This section analyses the methodology in terms of its weaknesses and strengths, to provide some guidance as to its reliability and any shortcomings. Awareness of the weaknesses associated with any methodology adopted provides the opportunity to seek to address inadequacies, or to provide guidance for future research. The data collected was a tiny proportion of the number of cases that go through the criminal justice system. Moreover, the cases examined are an even tinier proportion of the crimes committed in NSW. This study focused solely on cases in which a person was charged *and* found guilty of particular offences.

Whilst there are shortcomings associated with using the criminal justice system as a starting point

for considering the relationship between gambling and crime, there are also associated advantages. This section details both the negative and positive aspects of the research methodology adopted.

The sample size of the project was relatively small. The goal to meet 100 cases per matter per year was not met. This was in part due to shortcomings in the filing system at the Downing Centre. Many files could not be located or, if they were, lacked vital information from which to make any findings regarding gambling. Additionally, there was a huge range in the information present in the files. Some files contained a great deal of useful information for the purposes of the research. Others were empty, or contained only the sketchiest details. Thus, it was only possible to rely on the information available in the files. This means that some issues we had initially hoped to pursue, such as the relationship between ethnicity and gambling related crime, could not be analysed as the information simply was not available. Consequently, only 2779 files were read to ascertain any relationship between gambling and crime. Of these, only 63 cases were found to be 'gambling related' *and* to contain sufficient information for research purposes.

This had several consequences in terms of the current research. Only a limited number of offences were accessed for the original sample. Many files simply did not contain any information, which means that they were automatically excluded from the sample. Additionally, the information in the files varied widely from the minimal to the highly informative, containing information from psychologists, psychiatrists, police officers, court transcripts and family notes. The quality of the files and filing system contributes to the argument that this research underestimates the incidence of gambling related crime, as the research required that not only was an offender charged with an offence that was gambling related, but that the relationship of gambling to the crime was recorded.

The lack of information in some files had implications for accurately recording details of the files that did not contain examples of gambling related crime. Some files were excluded due to the absence of any information at all. Others contained more information. It would have been useful to have information about offences that were not gambling related, to compare with the gambling related offences that were included in the sample. Unfortunately, due to the poor state of the

filing system and information in the files, this was impossible to maintain. Even where the information was included in the files, it would have greatly increased the work (and money) required to note details which would have assisted comparison: including sex, age, criminal record of the offender, amounts stolen, psychological evaluations etc. Consequently, this project relies on general criminal justice system statistics and criminological analysis to fill in this lack of information.

The differences in information recorded in the files has also affected the quality of the research. The methodology is totally reliant upon what is recorded in the files. As noted above, some of the files contain a great deal of information, whilst others contain only the barest minimum of information. This means, that in contrast with other methodological approaches such as interviews and surveys, there is inconsistency in terms of the information provided on each subject. For example, some of the files contain copious amounts of information about the nature of the subject's gambling habit, when they started gambling, how much they spent and where. In contrast, other files only noted that the subject had spent all of the money stolen on gambling or gambling-related debts, but no other specifics are provided. This became more difficult when considering issues such as whether or not the subject had substance abuse or psychological problems. Consequently, the sample size in this research becomes smaller when considering specific factors, as in some files no information was provided.

Whilst this does not provide a large sample size for the purposes of statistical analysis, the sample still gives rise to the possibility of some generalisations. The sample examined in this study is an example of probability random sampling. Put simply, the project examined up to 100 files each year for each offence based on availability. This study was sufficiently random, based on availability of the files and the filing system at the Downing Centre. Consequently, it is argued that this sample provides a representative cross-section of the whole (Denscombe 1998: 12). In methodological terms, the 'whole' that is represented by the sample, is denoted as the sampling frame. The sampling frame is an objective list of 'the population' from which a research can make his or her selections (Denscombe 1998: 17). The sampling frame in this research is the record of

case files of specific offences at the Downing Centre. This research thus provides a representative cross-section of case files of specific offences recorded at the Downing Centre.

The selection of the sampling frame has implications for the quality of the research. The majority of research conducted on gambling related crime tends to focus upon identified problem gamblers receiving counselling (CCCJ 2000; Blaszczynski 1994A) or the incidence of pathological gamblers amongst prison populations (Bellringer 1986; Jones 1990; Lesieur and Klein 1985). The present research focuses on crimes committed that the offender or an agent of the criminal justice system identifies as gambling related. This methodological approach has some advantages and disadvantages associated with it.

The advantages of the present research methodology can be detailed by comparing the approach with prior research projects. For example, the Blaszczynski and McConaghy (1992) sample consisted of pathological gamblers receiving counselling and/or medical treatment. In contrast, the present research studies a different population of gamblers. By focusing on crimes identified as gambling related, the present research includes offenders who do not identify as problem gamblers, but nevertheless commit crimes as a consequence of their gambling. For example, subject 30 spent \$200,000 gambling in one year, but did not identify as a problem gambler because he never spends his last dollar. This means that people are incorporated in the study who have not approached counselling bodies, such as Gamblers Anonymous, where the bulk of prior research into gambling related crime has been conducted. Additionally, this methodological approach has had the positive outcome of identifying *when* many problem gamblers will approach organisations like Gamblers Anonymous for assistance. Many of the subjects in the present study appeared to seek professional assistance for their problem gambling only *after* they had been apprehended for criminal offences. This has implications for existing research which starts with gamblers who have sought professional assistance.

Additionally, the sample in this research project includes persons who would not be studied in research focusing on prison populations (eg Jones 1990). Many of the subjects in the present study were convicted of gambling related criminal offences, but were not imprisoned. This

research is therefore working with a different sample of problem gamblers than those analysed in previous studies on pathological gamblers receiving treatment or prison populations.

Moreover, this research avoids many of the shortcomings associated with retrospective, self-reporting of criminal offences. By commencing with findings of criminal guilt, the project has the advantage of working with accepted criminal definitions of offences. Existing research focusing on problem gamblers tends to ask subjects if they have committed certain crimes to support their gambling, without clarifying if their perception of a crime matches legal definitions (Blaszczynski and McConaghy 1992). This project therefore has the advantage of avoiding reliance upon non-legal lay perceptions of offences. Convictions for criminal offences provide tangible evidence that a criminal offence has been committed.

Additionally, Blaszczynski and McConaghy (1992: 79) note that reliance upon retrospective recall of criminal offences was difficult when offenders committed certain types of repeated offences over protracted periods of time. Blaszczynski and McConaghy had to estimate the frequency of offences by averaging the number of offences over the given period. Similar problems arose in estimating the amount of money involved in individual offences. Respondents in that study were asked to estimate the minimum, maximum and average amounts of money involved in their offences. The present research has the advantage of relying upon the amounts stolen by offenders being established by evidence, rather than reliance upon memory. In fact, the cases in the present study demonstrate that problem gamblers' estimations of the amounts they have stolen over time tend to be underestimations.

The project also avoids the controversy surrounding what does and does not constitute 'problem' gambling. The focus of this project is on whether the subject's gambling is significantly related to committing a criminal offence, rather than whether the subject accords with the different psychological and medical models of problem gambling. This means that some of the subjects included in the study may not be characterised as 'problem gamblers' in different studies, but for whom gambling is nevertheless a significant problem.

One of the major difficulties in researching the relationship between gambling and crime is the perceived irrelevance of gambling in the recording of criminal statistics. The Centre for Criminology and Criminal Justice (CCCJ 2000) research on awareness and recording of gambling related crime by criminal justice agencies in Victoria reflects the limited recognition of the relevance of gambling in the criminal justice system. The research found that gambling related crime is not routinely captured and recorded as such (2000: 82). The CCCJ noted that whilst there is anecdotal recognition of gambling related crime, there is no recording in official police statistics unless a gambling specific crime has been committed, such as an excluded person entering a casino (CCCJ 2000: 78). The motivations of offenders are not recorded in official statistics. As a consequence 'the existence and extent of gambling related crime' will remain hidden (CCCJ 2000: 87). To a certain extent, the present study bypasses this problem by relying upon case files to examine gambling related crime. Specifically, the present study goes beyond official statistics to explore the relationship between gambling and crime. Moreover, by relying on case files rather than court transcripts, the study includes cases of gambling related crime that may otherwise never have been recorded as such. This kind of research encourages official recording of the relevance of gambling to crime in official statistics in the future. One of the major recommendations of this project is to instil awareness of the relevance of gambling to crime, and to encourage the recording of gambling as a relevant factor in official statistics, thus easing future research in this area.

Limits of the study

The perceived irrelevance of gambling to the commission of crimes influenced the offences examined in this study. The present study is limited to gambling related *property* crimes. These crimes are most likely to raise a link between gambling and crime, as a person may steal to gamble or to repay gambling debts. These offences are most likely to lead to a recording of gambling as a relevant factor. There was an attempt to expand beyond property offences by including breaches of Apprehended Violence Orders in the study. However, no information was recorded as to motivations for breaches of AVOs. This does not mean that gambling may not have been significantly related to domestic violence. It simply means that the relationship is not perceived as relevant either by the defendant and/or the agent of the criminal justice system. There is some

evidence suggesting that problem gambling can be related to domestic violence, although most of this is anecdotal (Brown, Johnson and Jackson 1999). However, the relationship may be too indirect, or perceived as too irrelevant, to be recorded by the criminal justice system in these cases.

One limitation on this study has been the limited number of offences considered in the sampling frame. Although the project included the offence of larceny by a servant/clerk, the offence of embezzlement was not considered. These two offences are closely related to each other, involving cases where persons steal or embezzle from their employer. It may often be difficult for the prosecution to determine whether an accused should be charged with larceny by a clerk or embezzlement. Section 163 *Crimes Act* (NSW) provides that where the accused is charged with embezzlement he or she may be convicted of larceny. The section does not permit a conviction for embezzlement where the accused is charged with larceny. This means that where there is doubt as to whether an accused has committed larceny by a servant or embezzlement, a prosecutor is well advised to charge the accused with embezzlement (Williams 1999: 72). In terms of covering the field, the project would have benefited greatly from considering embezzlement case files, particularly as there was such a high rate of gambling related larceny by a servant case files. Future research should include both offences in order to adequately consider gambling related crime. However, information from the NSW Bureau of Crime Statistics indicates that the offence of larceny as servant/clerk is numerically more important in NSW (Fitzgerald 2002).

The project has also only focused on offences covered by the New South Wales *Crimes Act* (1900). Other offences that may demonstrate gambling related crime could be social security fraud. These offences are Commonwealth offences and were therefore beyond the framework of this study.

The study only considers crimes that have been committed, apprehended and where the offender is found guilty. Not all persons who admit to gambling related crime are charged by the police (CCCJ 2000: 90). The present study thus excludes:

- the population of people who commit crimes, but are not apprehended
- situations where the crimes are resolved outside the criminal justice system. This could include cases where an offender steals from his/her family, and they do not report the crime. For example, Blaszczynski and McConaghy (1994) found that many respondents in their research stole from family members - decreasing likelihood of reporting. Alternatively, the offender may steal from an employer and the subject, and the thefts may be resolved privately by offering the offender the opportunity to repay any money stolen.
- problem gamblers who do not commit crimes to support their gambling.

Additionally, in the cases where a defendant has been charged and found guilty of a crime, even if a crime was gambling related, this may not be disclosed to police (CCCJ 2000: 90). The NGISC noted that defendants are rarely probed for motive (1999: 7.12). Gambling is not automatically raised as an issue, in contrast with alcohol and drugs. Even if a crime has been identified by the offender or an agent of the criminal justice system as gambling related, there is no guarantee that this will be recorded. Gambling problems tend not to be mentioned by defence or prosecution 'other than when they considered that to be in their best interests' (CCCJ 2000: 89). The lack of automatic reference to gambling by police and in pre-sentence reports is understandable, particularly as judgments suggest that gambling is largely irrelevant to sentencing determinations.

The preceding analysis suggests that the present study underestimates the proportion of crimes committed that are gambling related. However, the Productivity Commission noted that defendants may claim the defence of gambling addiction as a mitigating factor in the hope of securing a more lenient sentence (1999A: H20). Additionally, another reason for claiming a non-existent gambling addiction would be to keep any money stolen. Consequently, there may be subjects in the present study pretending to be problem gamblers for whatever reason. From the information available in the files, I would argue that the number of 'fake' problem gamblers is minimal in the present study for two major reasons. Firstly, at present, there is limited benefit to claiming to be a problem gambler in terms of sentencing. Secondly, many of the files contain information supporting subjects' claims of problem gambling. This may take the form of police noting that the subject has not otherwise benefited from the stolen money, or psychological

evaluations of the subject as a problem gambler, evidence presented by family members, the subject being apprehended whilst gambling, or bank records revealing that the stolen monies were spent at clubs or casinos. Many of the files note that the subjects have large debts despite the money stolen and that they have lost everything as a consequence of gambling.

Whilst I argue that with the information available through the files, there appear to be few ‘fake’ problem gamblers in the present study, ‘fake’ problem gambling is an issue for the courts. If the courts do decide to take gambling into account as a mitigating factor when sentencing, then the issue of distinguishing ‘fake’ and ‘real’ problem gamblers becomes extremely important. That is, courts may be faced with the difficult question of how to deal appropriately with the problem of false identification of problem gamblers.

Conclusion

This analysis highlights some of the advantages and disadvantages associated with the present study. The major disadvantages of the methodology, including the poor filing at Downing Centre, the limited recording in files of motivations for offences, the perceived irrelevance of gambling, the reliance upon defendants to identify gambling as related to the commission of crime and then the recording by an agent of the criminal justice system of this motivation, and finally the starting point of the criminal justice system for the research, all yield one conclusion. All these factors suggest an *underestimation* of the relationship between gambling and crime in the present study. The study only includes cases where:

- the defendant is asked for information about his or her motivation;
- the defendant identifies gambling as significantly related;
- this is perceived as sufficiently relevant as to merit recording by an agent of the criminal justice system; and
- the file contains this information.

Despite these shortcomings, the present research is valuable because it gives insight into the relationship between gambling and crime from an original perspective. Although the information

in the files is variable, the pre-sentence reports, psychological reports, police fact sheets, criminal histories and judgments in the files provide a great deal of information about the:

- association between gambling and crime
- nature of the subject's gambling
- motivations for gambling related crime
- type of crimes committed
- relationship between problem gambling and other addictions
- amounts stolen
- criminal justice system's perception of problem gambling and its relationship with crime
- impact on the subject's life as a consequence of gambling.

Although it is frequently not possible to include statistical analysis due to the small size of the sample, the project does highlight the relevance of gambling to crime and points to where future research is needed.

The data in this project is related to existing research to consider the relevance of the project's findings. Existing research referred to in this study has included gambling related crime research, problem gambling research, and general criminal justice research. It should be noted that there is limited research available in this area, and the current project contributes to existing scholarship in this area. The project includes some people who do not perceive themselves as having a gambling problem and, consequently, may never have come to the attention of researchers analysing problem gambling. The project thus provides a great deal of qualitative information that goes towards providing information about problem gambling and the relationship of gambling and crime.

CHAPTER THREE - RELEVANCE OF GAMBLING

EXISTING RESEARCH

This chapter details some of the existing research on the relevance of gambling to the commission of crime. This presentation of existing research provides the context for analysing the current project's findings and demonstrating the advantages and disadvantages of the research methodology adopted in this research. Existing research highlights some of the difficulties in

analysing the link between gambling and crime. Moreover, it also contributes toward a central argument that this research project underestimates the relationship between gambling and crime. This project contributes towards and supplements existing knowledge regarding the relationship between gambling and crime.

There is a great deal of anecdotal information proposing a link between problem gambling and crime. This chapter will now detail some of the existing research regarding problem related gambling specifically, and research considering the relationship between problem gambling and crime. The research detailed in this Chapter is referred to through out this text, and was selected on the basis of relevance and quality.

Federal Government Productivity Commission

The Federal Government Productivity Commission exhaustively reviewed national and international research to comprehensively analyse the Australian gambling industry, the impacts of gambling and policy guidelines in its Draft Report (1999A) and Final Report (1999B). The Productivity Commission adopted a broad definition of problem gambling. It was observed that problem gambling is significantly greater in Australia than in North America. It has been estimated that between 1% and 3% of the Australian population experience a spectrum of mild to severe gambling problems (Dickerson et al 1996).

The Federal Government Productivity Commission observed that around 130,000 Australians (1% of adult Australian population) are estimated to have *severe* gambling problems and a further 160,000 (2.1% of adult Australian population) are estimated to have *moderate* problems (1999A: 6.1). The Productivity Commission stated that approximately 250,000 adults in Australia are estimated to have experienced significant harmful effects from gambling in the last 12 months. The Productivity Commission noted that this is likely to understate rather than overstate the number of people with severe gambling problems in Australia (1999A: 6.59). To contextualise these statistics among a range of public health concerns, this prevalence rate of problem gambling is lower than the rates for excessive smoking or alcohol consumption, but greater than that for the use of illicit injection drugs (PC 1999B: 19).

Problem gamblers comprise 15% of regular (non-lottery) gamblers and account for over \$3 billion in losses annually, which is one third of the gambling industries' market. They lose on average \$12,000 per year, in comparison with \$625 for other gamblers. The Productivity Commission also accepted that problem gambling varies in accordance with availability of gambling venues, with the highest rate of problem gamblers in NSW (1999B: 22).

The Productivity Commission conducted a National Gambling Survey, of which 10,600 persons completed the interviews. Distribution was roughly in proportion to the Australian population, with coverage in smaller states boosted to increase statistical precision. This gambling survey was the largest ever conducted in Australia and one of the largest carried out in the world. The Productivity Commission therefore considered the survey to be more reliable than earlier studies (1999B: 25).

The findings of the Gambling Survey indicated that one in five problem gamblers admitted 'borrowing' money without paying it back, with one in two problem gamblers going into debt to finance their gambling (1999C: 25). The Productivity Commission provided estimates of the number of gamblers experiencing adverse impacts, detailed in Figure 2.

Figure 2: Estimated number of gamblers experiencing adverse impacts

<i>Adverse impact</i>	<i>Number of people affected</i>
Went bankrupt	300
Adversely affected job performance (sometimes to always)	49 200
Changed jobs due to gambling	5 600
Crime (excluding fraudulently writing cheques)	9 700
Trouble with police	6 300
Appeared in court	700
Prison sentence	300

Breakup of a relationship	39 200
Divorce or separation	3 200
Violence	700
Suffered from depression (often to always)	70 500
Seriously considered suicide	12 900
Attempted suicide	2 900
Completed suicides	35-60

The Productivity Commission also provided estimates of the costs associated with problem gambling based on results from the surveys and other information about impacts. The Commission came up with the cost ranges detailed in Figure 3.

Figure 3: Costs associated with problem gambling

<i>Impact</i>	<i>low (\$m)</i>	<i>high (\$m)</i>
Bankruptcy	1.3	1.3
Productivity loss	28	200
Job change	59	59
Police, court and jail	14	14
Distress of family and parents	756	2 933
Breakup, divorce and separation	417	1 120
Violence	2.8	8.3
Depression and suicide	502	1 230
Gambling counselling services	20	20

The Productivity Commission noted that it was difficult to put dollar values on intangible but emotional impacts. They estimated the cost of problem gambling to range from \$1.8 billion to \$5.6 billion.

The Federal Government Productivity Commission (1999A: 7.67) also examined the relationship between problem gambling and crime. It was found that around one in ten gamblers have committed a crime because of their gambling. Up to two thirds of problem gamblers in counselling have committed a crime to finance their gambling. Most offences committed are non-violent property crimes (larceny, embezzlement, misappropriation). The majority of offences committed do not result in legal action (and many go unreported), with around 40% of offenders are charged and convicted. The Commission noted that not all offences committed by problem gamblers lead to arrest or prosecution because:

- some offences are not serious enough to be detected
- not all crimes committed are reported to the police
- only some of the offences end up in the courts (1999B: H18).

As part of its National Gambling Survey, the Productivity Commission sought information specifically on the prevalence of gambling-related activity. The Productivity Commission found that around 1 in 5 problem gamblers in the 'severe' category (SOGS 10+) reported having committed some form of illegal activity at some stage of their gambling career, and around 8% during the past year. Prevalence rates of illegal activity were somewhat less among problem gamblers more generally, with around 9% of those with a SOGS score of 5+ having committed a criminal offence (PC 1999A: 7.52). The Productivity Commission noted that these rates probably underestimate the rate of crime among problem gamblers. The Productivity Commission estimated that the prevalence rate of crime among problem gamblers in the severe category could be as high as 50%.

Analysis suggests that some problem gamblers commit illegal acts to finance their gambling. The Federal Government Productivity Commission did not arrive at a definitive conclusion regarding the existence of a causal link between gambling and crime. Their findings suggest that most crimes committed by problem gamblers are gambling related and motivated by a need to obtain funds for gambling or a need to cover shortfalls in financial commitments caused by gambling losses (1999: H15).

Blaszczynski Studies: NSW

Blaszczynski and McConaghy (1992, 1994A, 1994B) interviewed 306 problem gamblers in NSW, half of whom were receiving treatment in a hospital programme and the rest were attending Gamblers Anonymous. All subjects in the study met the diagnosis of pathological gambling. This was the first study in Australia describing offending behaviour in pathological gamblers in a non-prison Australian general population sample.

Of the sample, 89% were males and 11% were females, with the average age of the total sample being 38 years. Subjects had gambled over an average of 17 years and during the last 9 of those years the gambling had been at excessive levels. More than 80% of subjects reported gambling on 5 or more days per week losing a median weekly amount of \$200. Less than one fifth of the subjects claimed never to have had a gambling-related debt. The median per capita gambling related debt was \$8,000 with 20% reporting levels in excess of \$40,000. In virtually all cases, salaries and wages formed the primary source of funds with credit cards and borrowing from institutions forming supplementary sources. 29% said illegal acts were one of the main sources. Most subjects had gambled on EGMs and horseracing.

Nearly 60% admitted to committing a gambling related offence (defined above in Chapter One), motivated by the need to obtain funds to maintain their habitual gambling behaviour. Blaszczynski and McConaghy noted these figures should be treated with caution (1994A: 122). Only 23% of these reported gambling related offences were convicted in trial. Arrest and conviction provided evidence of a relative degree of seriousness for that offence as well as providing corroborative evidence that an offence had taken place. Blaszczynski (1994: 135) notes that arrest rates underestimate the true prevalence rates of crime, as they fail to include non-detected cases or those where restitution or other interventions circumvented prosecution. Therefore, the rate of 23% can be taken to represent the most conservative of prevalence rate estimates.

Generally, the more serious offences were more likely to result in conviction. For example, of the 8 respondents reporting armed robbery, 7 had been arrested and charged. Unsurprisingly,

problem gamblers with higher debts (average \$8,000) were more likely to report being involved in criminal offending than those with lower debts (average \$2,000).

If the above figures are accepted, this means that approximately 60% of gambling-related crimes are undetected; the difference between those acknowledging a gambling-related crime and those actually convicted. In contrast, Blaszczynski and McConaghy noted that 60% of those reporting non-gambling related crimes were charged and 15% received custodial sentences.

Blaszczynski and McConaghy (1992) asked subjects what type of gambling related offences they had committed. They did not clarify the relationship between respondents' perception of the offences and the legal definition of the crimes. The authors stated that it was difficult to define and accurately classify the myriad of offences described. They therefore dispensed with rigid legalistic definitions for classification and used more broadly defined categories. The most common gambling related offences committed by subjects in the Blaszczynski and McConaghy study were property related: theft (32%), embezzlement (22%), and misappropriation (7%). There were few reports of crimes such as burglary (5%), shoplifting (4%), armed robbery (3%) and drug trafficking (2%).

A number of subjects reported an extraordinarily high frequency of offences over extended periods. The frequency and amount involved in these offences were calculated by averaging the number of offences over the given time frame. Subjects were asked to estimate the minimum, maximum and average amounts of money involved in each offence (Blaszczynski 1994: 134). The authors acknowledged the unreliability of retrospective self-report measures but noted that such estimates can be considered a useful guideline index to the severity of offences. The value per offence ranged from \$2 to \$250,000. The median value was \$300, compared with the median monetary value of \$130 for non-gambling related offences. A small proportion of offenders accounted for a disproportionate amount of money stolen. 28% reported estimated amounts in excess of \$6,000; 14% amounts of \$13,000 or more.

Blaszczynski and McConaghy (1992) estimated the average value of gambling related offences in their 1992 study of pathological gamblers receiving treatment. According to their study, the range of money obtained by illegal means varied considerably. Some offences involved as little as \$2, whilst others involved \$250,000 or more. The authors noted that a small number of gamblers accounted for a disproportionate amount of money illegally obtained. 14% reported their maximum to be \$13,000 or more, and 14% their average amount to be \$6,000 or more per offence. 14% of gamblers reported that the minimum amount of their offence was \$1,000 or more. One third of the sample stated the average value of each offence to be \$100 or less and two thirds, \$1,000 or less (1992: 125). The authors then found a median figure for the estimated average amount per offence of \$300. They therefore calculated that each commonly offending gambler commits offences to the value of \$3,000 over a mean 10 years participation in pathological gambling. It was noted by the authors that this was in accordance with their clinical experiences and provided a reasonable estimate of the typical monetary value of offences committed by gambling.

Blaszczynski and McConaghy (1992) asserted that if they applied a similar calculation using mean rather than median figures, they would be left with the over-inflated total value of offences exceeding \$40,000 over the same period. They accepted that a minority of less than 10% do carry out criminal acts involving substantially excessive amounts.

A table was provided of descriptive statistics for estimated average amount per offence by type of offence committed by gamblers.

Figure 4: Estimated average amount stolen by problem gamblers in Blaszczynski and McConaghy study (1992)

Offence	N	Mean \$	Standard Deviation \$	Median \$
Armed Robbery	8	2, 200	2,914	1, 250

Break and Enter	16	740	909	350
Drug Dealing	5	34,094	65,360	400
Shop-Lifting	13	119	119	100
Larceny	96	685	1,300	200
Misappropriation	20	1,314	2,519	300
Embezzlement	66	7,444	17,712	900
Others	5	330	380	200

Blaszczynski and McConaghy (1994A: 124) noted that type of crimes reported by subjects in the study varied:

Gambler's forged their spouse's signatures on cheques or in opening new joint accounts, stole petty cash, engaged in shoplifting to subsequently sell the goods at significantly reduced prices and stole from fellow employees at work. One enterprising individual paid a female stranger fifty dollars to impersonate his wife while he signed documents to establish a loan at a financial institution. More serious offences included a repeated theft of vehicle spare parts for illicit sale, distribution and sale of marijuana and the embezzlement of significant amounts on a regular basis from large corporations and banks...

The study also considered the relationship of mental illness with pathological gambling. This research will be detailed in Chapter 6.

As a consequence of their findings, Blaszczynski and McConaghy posited a causal link between problem gambling and the commission of non-violent property crime.

BreakEven Research: Victoria

BreakEven is the major gambling addiction counselling service in Victoria.² The scheme is located at 18 counselling agencies across the state. The program may not have typical problem gamblers as clients, as not all problem gamblers in Victoria contact BreakEven. Of the 1,817 problem gamblers who contacted BreakEven in the 1996/1997 financial year, nearly one in three (30.2%) of those attending the services reported that they had committed crimes to finance their gambling. These were defined as forgery, fraud, theft or embezzlement although it is not possible to determine whether these offence descriptions matched the legal definition of those type of criminal offences. More than three in four (77.4%) reported financial problems. More than two in three (68.7%) admitted lying to family members and therapists to conceal the extent of the problem. About 60% said that they had repeatedly failed in attempts to control their gambling. There was a close relationship between the distribution of new clients and the geographical availability of EGMs (Jackson et al. 1998: 27 cited in CCCJ 2000). The most frequently named forms of gambling were EGMs (80.8%), TAB (15.9%), cards (4.5%) and horse/dog racing (3.9%).

In 1997/1998, 3,149 new clients contacted BreakEven. 20% of problem gamblers reported they had committed illegal acts to finance their gambling. More than half admitted they had financial problems as a consequence of gambling (50.7%). More than 77% reported they had lied to family members and therapists about the extent of the problem, with 78% admitting they had repeatedly failed in attempts to control their gambling.

Conclusion

Existing research recognises a link between problem gambling and crime. The Productivity Commission did not arrive at a definitive conclusion regarding the existence of a causal link between gambling and crime. However, their findings suggest that most crimes committed by problem gamblers are gambling related and motivated by a need to obtain funds for gambling or a need to cover shortfalls in financial commitments caused by gambling losses (1999: H15).

² Reported in Centre for Criminology and Criminal Justice, Monash University, *The Impact of Gaming and Crime Statistics: Project Report*, Victorian Casino and Gaming Authority, Melbourne, 2000, 25-30.

Research focusing specifically on problem gamblers, rather than the general population, points more clearly to a causal relationship between problem gambling and the commission of crime. Additionally, this research highlights that the bulk of gambling related crime is not charged or prosecuted in the criminal justice system. As will be argued in the following chapter, this contributes to the assertion that the present study underestimates the commission of gambling related crime. The following chapter details the findings of the present research of the relationship between gambling and crime.

CHAPTER FOUR - GAMBLING RELATED CRIME

FINDINGS OF RESEARCH PROJECT

This chapter presents the current project's research data on the relationship between gambling and crime, through an analysis of Local Court and District Court files. The research conducted by this project into the relationship of gambling to crime is not sufficient to permit statistical analysis in most of the offences. Nevertheless, some generalisations can be made and the data garnered in this project can be compared with and related to existing research. Moreover, the project suggests direction and focus for future recording and research of gambling related crime.

In accordance with the earlier Blaszczynski and McConaghy study on pathological gamblers (1992), the present research points towards a causal link between problem gambling and the commission of criminal offences. The project yielded 105 gambling related cases out of the 2,779 files examined. Of these 105 files, only 63 contained sufficient information for the purposes of research. If the files of breaches of AVOs are excluded, the project examined 63 cases out of 2,362 property offence files. Overall, this means that 2.667% of case files of property offences examined were gambling related.

This project and existing research on the topic, suggests that this is an underestimation of the incidence of gambling related crime in NSW because:

- a large number of people who commit gambling related crime(s) do not come to the attention of the criminal justice system. This may be because they are never identified as the offender or the victims of the crime may choose not to report the crime to the police.
- the crime may not be sufficiently serious enough to be detected (Federal Government Productivity Commission (1999B: H18).
- less serious criminal offences may be resolved within the firm or family (Productivity Commission 1999A: 7.64)
- the perceived irrelevance of gambling to crime reduces the likelihood that an offender will explicitly link their criminal behaviour to gambling. As noted in Chapter Two, an offender is

not automatically asked about gambling in pre-sentence reports and problem gambling tends not to be raised by lawyers unless it will have some advantage.

- offenders do not receive any advantage by asserting they have a gambling problem. Consequently, there is no direct reason for offenders to manufacture a non-existent gambling problem. As shall be argued, problem gambling appears to have no impact upon sentencing determinations.

Consequently, this research points to a link between problem gambling and crime, with the caveat that this link is likely to be an underestimation of the total commission of gambling related crime.

The link between problem gambling and the commission of crime becomes more significant for particular types of offences. The majority of the offences committed by the subjects in this study were fraud offences (including larceny by a clerk, obtaining by false pretences, cheque not paid on presentation), with 48 of the 63 offenders committing fraud offences. At stage 3 of the research, gambling was particularly relevant to fraud and dishonesty offences committed against employees. Of the 182 larceny by a clerk/servant files examined, 36 were gambling related. This means that almost 1 in 5 (19.7%) of larceny by a clerk offences were gambling related. At stage 4, 27 out of the 182 larceny by a clerk/servant files examined were gambling related and contained sufficient information for the purposes of research. Thus, even on the basis of including only the files considered at Stage 4, 14.8% of larceny by a clerk offences examined in New South Wales were gambling related. Moreover, information from the NSW Bureau of Crime Statistics indicates that this sample of larceny by a servant/clerk offences is nearly exhaustive of all such offences committed in NSW from 1995-1999 (Fitzgerald 2002). Consequently, this project demonstrates that problem gambling provides the motivation for the commission of the crime of larceny by a servant/clerk in at least 14.8% of cases in NSW. This project suggests that problem gambling is a significant motivator for employee crimes, as other fraud offences were also committed against employers.

Relationship of gambling to crime

In the current research project, gambling was related to the commission of crime in several ways. This research is in accordance with Blaszczyński and McConaghy's assertion that criminal

offences can be directly and indirectly related to gambling (1992: 118; 1994B 133). 'Directly related' offences referred to those specifically motivated by a desire to obtain money to gamble. 'Indirectly related' was defined as those offences motivated by a need to cover shortfalls in meeting living expenses caused by gambling losses.

The present research suggests that the dichotomy between direct/indirect gambling related offences may not always be of great assistance. The detail provided in the case files suggests that at times the commission of crimes may be simultaneously both directly and indirectly related to problem gambling.

Lesieur (1984) has outlined the events that may lead some problem gamblers to commit criminal offences. Problem gamblers may initially draw on their savings and then make cash advances on their credit cards, borrow from friends and family, or take out loans from banks or other financial institutions to obtain money for gambling or to pay for gambling debts. Problem gamblers may then borrow from loan sharks, or resort to selling personal or family property to obtain finances for gambling. Faced with mounting financial difficulties and gambling-related debts, when all these legal sources of gambling funds are exhausted, problem gamblers may resort to illegal activities to obtain money.

Directly related to gambling

The large majority of offences studied in the present sample were directly related to gambling. Most of the subjects in the study committed property crimes in order to gamble (subjects 1, 2, 3, 4, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, 16, 17, 19, 21, 22, 23, 24, 25, 26, 27, 28, 32, 33, 36, 37, 38, 39, 40, 42, 43, 44, 45, 46, 47, 48, 50, 52, 53, 54, 58, 59, 60, 61, 62, 63).

At times, the relationship between gambling and crime was immediate and short term. For example, subject 19 committed an armed robbery on an employee at the TAB so that he would be able to place a bet on a trifecta. Subject 54 stole his partner's bank card and spent the money he withdrew at the local RSL club. He was in the process of attempting to place a bet when arrested. Subject 51 stole \$1,000 by passing valueless cheques, stating he did this in order to

finance his gambling habit. Subject 11 played the poker machines where he lost approximately \$110. The subject and a friend then decided to commit a robbery to get more money so that they could continue playing.

A direct relationship between gambling and crime also existed over protracted time periods. Many of the larceny by a servant offences were committed over long periods of time, ranging from a couple of months to many years. The courts noted, at times with bemusement, that all of the (frequently large) amounts of money stolen were spent on gambling products. For example, subject 17, a bank clerk, stole \$96,000 from customer bank accounts and credited his own with the proceeds. All the proceeds from his crimes were spent on poker machines at lunch times. Subject 5, a clerk, stole more than \$450,000 over 10 years from her employers. She spent all the money stolen gambling on poker machines at the local clubs. Her defence lawyer noted that she had caused financial ruin for herself and her husband. Subject 48 stole \$218,000 from the company trust account over a 4 year period. The police fact sheet noted that none of the money could be located and there was evidence that the vast majority of the funds had been squandered by the subject through gambling. Subject 7 stole more than \$80,000 over five months from her employers, almost all of which was spent on playing the pokies.

At times, police were able to establish where stolen money was spent through bank transaction records or where the subject was apprehended. For example, subject 38 stole more than \$135,000 over 3 years through her position of clerk at a bank. The subject spent most of the money in poker machines at local clubs, and this was confirmed by the large number of withdrawals of cash at the clubs. She spent 6 out of 7 nights a week at the local clubs playing on the poker machines. Subject 10 stole his employer's cheque book whilst working as an interior decorator. The subject was arrested at the Sydney Star Casino. Subject 54 fraudulently obtained money from his partner and spent the majority of the money obtained at the local RSL club. The subject was apprehended at the club whilst in the process of placing a bet.

Many case files noted that despite the large amounts of money stolen, the subjects appeared to have few or no assets, as they had spent all the money involved in the offences on gambling. For

example, subject 32 stole \$340,000 and had nothing to show for it. In the case of subject 5, who stole \$425,000 from her employers, her lawyer notes that she did not appear to have benefited from the thefts. When questioned by the judge, the lawyer stated that all the money stolen was spent on gambling. Subject 16 stole \$246,000 over a five year period. The subject started gambling just prior to the commission of the offences. Despite the large amount of money stolen, the subject did not have enough money to feed herself and had no oven or source of water.

Many of the files posited a direct connection between problem gambling and criminality. The pre-sentence report for subject 53 noted the relationship between excessive alcohol abuse and his compulsive gambling habit with his criminal record. Similarly, the pre-sentence report for subject 49 noted that gambling and alcohol dictated his life, and had led to the commission of criminal offences.

chasing losses

Blaszczynski and Silove (1996) cite literature that indicates that problem gamblers are particularly likely to resort to crime when they desperately 'chase' losses from one session of gambling to another. Lesieur provided a detailed account of chasing losses in *The Chase* (1984). As debts increase, the need for a 'big win' becomes paramount, and an escalation of illegal obtained moneys may occur to buy time by covering one's tracks or to have a stake to gamble to win to pay back debts. This can be seen to demonstrate not only a desire to continue gambling, but also the sustained belief in the face of all their experiences to the contrary that they can make money from gambling. Many of the subjects in the present study exhibited a propensity to chase their losses. Subjects would 'borrow' money from their workplace to finance their gambling. Their intention was to repay the money taken from work with a win from gambling. Upon losing, the subject would then 'borrow' more money with the hope of a 'big win' to repay the increasing amounts of money taken.

For example, subject 13 gambled all the money he had gained from car fraud at the casino, with the hope of retrieving money he had stolen for gambling, with gambling. Subject 25, was a bank clerk who stole \$73,000 by removing money from the ATM. He started gambling at lunch at the

local TAB. As his bets increased he began stealing to try to reduce his losses by betting more. He then attempted to cover the thefts by betting more. It was noted in the pre-sentence report that he was in a cycle of theft and debt. Subject 16 gambled to make money to cover debts that she had incurred as consequence of gambling. Subject 57 stole \$14,000 from work to gamble in order to repay friends \$20,000 he had borrowed to gamble at the casino. Subject 60 stole \$44,000 from his employer over a period of two years. The thefts initially started with the accused stealing money to gamble to repay misplaced goods at the office. From that time on, the subject stole money with a view to recoup his gambling losses and also to pay back the employer. The psychologist commented: 'This quickly escalated into a cycle commonly described by chronic gamblers, of taking more and more money to try and recoup losses.' Subject 47 stole more than \$80,000 over a period of three years, spending all the money stolen on gambling. The subject always hoped that he would be able to reimburse his employer with one big win. Subject 62 was convicted of stealing \$360,000. The judge accepted that the subject had been chasing his losses, rather than attempting to obtain a personal benefit. The subject had sold his car to meet his accumulating gambling debts.

combination of indirect/direct gambling related offences

At times, the files were unclear whether or not the relationship between gambling was direct or indirect. For example, subject 14 was playing the pokies in a bowling club. He lost all his money gambling, so he stole a purse belonging to the player next to him. It was unclear from the files whether he stole in order to gamble more or to cover the debts incurred as a consequence of gambling. Either way, there was an immediate temporal link between gambling and the crime committed. Additionally, some subjects in the study spent only part of the money stolen on gambling. Subject 37 claimed that she initially stole money in order to pay for living expenses and gambling, and later this stolen money was used to maintain payments for fraudulent loans. Subject 42 spent the stolen money on bills and gambling. Whilst subject 53 presented valueless cheques to purchase consumer items such as cigarettes, alcohol and food, as well as cashing the cheques.

In many cases it was impossible to characterise whether offences over a period of time were directly or indirectly gambling related. This was particularly the case where offenders were in debt as a consequence of gambling. Money stolen would be utilised to gamble, but also to cover rent and other expenses. For example, subject 37 stole \$107,000 from her Credit Union employer. The subject claimed she utilised the money stolen to gamble on poker machines, repay fraudulent loans and pay for living expenses. However the judge expressed doubt that the subject needed money for living expenses due to the subject and her partner's salaries, stating instead that she 'wasted the moneys in gambling on poker machines'.

Additionally, there were a few subjects in the study with cross-addictions to other substances, such as alcohol and/or illicit drugs, who spent money stolen on gambling *and* other substances. For example, subject 1 committed an armed robbery on a video store in Sydney. He stated that he intended to use the money obtained on alcohol and gambling. Similarly, subject 49 stated he committed the robbery because he was desperate, due to his alcohol and gambling debts.

Consequently, for some of the subjects, their offences were directly *and* indirectly related to gambling.

Indirectly related to problem gambling

At times, the relationship between gambling and the commission of criminal offences was indirect. These subjects stole in order to meet debts and financial shortfalls as a consequence of gambling (subjects 8, 18, 20, 29, 31, 34, 35, 55, 56). For example, subject 8 claimed that he robbed a supermarket because he was being physically assaulted by loan sharks who demanded repayment of a \$5,000 loan immediately. Subject 29 claimed he owed gambling debts, with failure to pay resulting in injury. As a consequence, he stole \$106,000 by writing false cheques.

The case of subject 56 is a particularly good example of an indirect relationship between gambling and the commission of the crime. Subject 56 had a 'rampant gambling habit' five years prior to the current offences for which he was charged. At the time of his earlier gambling habit, the subject had committed fraud offences to pay for his gambling habit. Upon being charged for this

first batch of offences, the subject had joined Gamblers Anonymous and also received treatment with Professor Blaszczynski and stopped gambling. He claimed he no longer felt the temptation to gamble and was quite sure he would not do so. The subject repaid his employers from the first group of fraud offences by mortgaging his home. However, the subject had not repaid the SP Bookie the \$150,000 he had borrowed to gamble 5 years earlier. The subject therefore stole \$115,311 to repay a gambling debt he had incurred from his earlier gambling habit.

Unclear link between gambling and crime

The majority of the offenders in the subject spent all the money stolen on gambling products or stole money to pay off gambling related debts. However, there were one case included in this study where the link between gambling and the commission of the crime was less direct (subject 41). Subject 41 spent part of the money stolen on gambling, with the other half spent on massage parlours, restaurants and clothes. He stated that he had not needed the money, but committed the crime because of opportunism. This subject can be characterised as having an impulse disorder, which will be discussed in Chapter 6. Consequently, for this subject, gambling was *a* motivation for the commission of crime, rather than *the* motivation.

Conclusion

Gambling was directly related to the commission of crime for 49 of the 63 subjects in this study. Some of the subjects in this study committed crimes because they were both directly and indirectly by motivated. That is, they stole money to gamble, but also to pay debts related to gambling. 9 subjects committed crimes solely to pay gambling debts. The link was less clear for 1 subject in this study, but his file indicates a connection between gambling and crime. It can therefore be concluded that gambling was a significant motivation, if not the sole motivation, for the commission of crime for all of the subjects in this study.

The next Chapter details the personal characteristics of the subjects in this study.

CHAPTER FIVE - CHARACTERISTICS OF SUBJECTS

Introduction

This Chapter details the characteristics of the subjects in this study. From the information in this Chapter, it is clear that age and education are not predictors of gambling related crime. This Chapter also details the criminal histories of the subjects, to ascertain whether or not the study consists of people who have a history of committing crimes that are unrelated to gambling.

Level of education

The level of education of subjects in this study ranged from 6th grade to a university degree. The majority of subjects had completed at least Year 10 (44 subjects). The level of education achieved by the subjects in this study is represented in Figure 5.

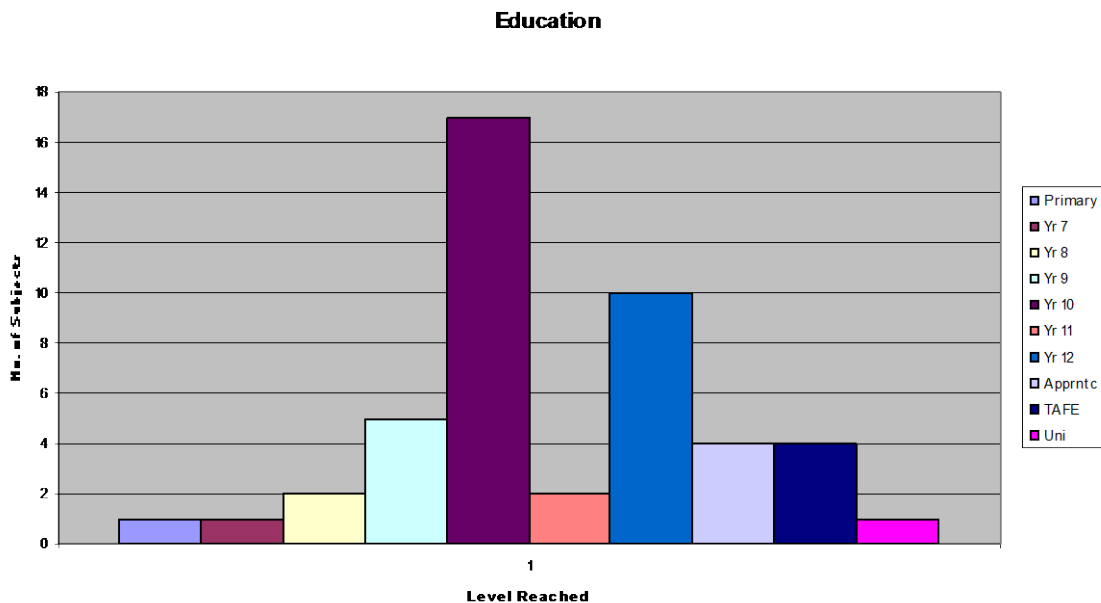


Figure 5: Level of education of subjects in this study

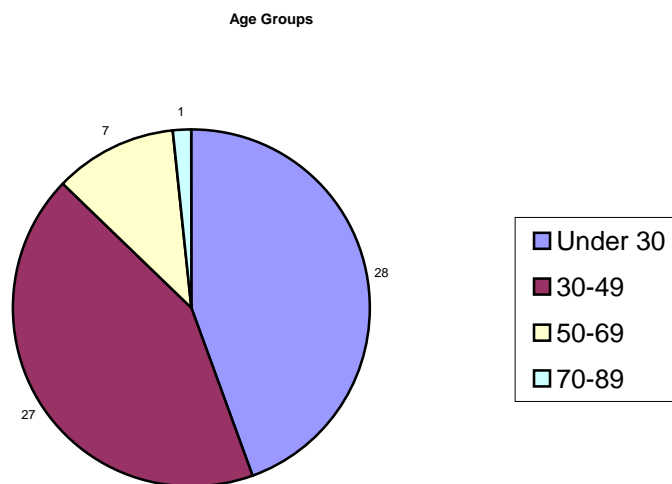
2 subjects studied only to 6th grade (subject 5, 6). 1 subject completed year 8 (subject 36), whilst 7 subjects completed year 9 (8, 19, 26, 31, 47, 48, 51). 24 subjects had completed their School Certificate (1, 9, 10, 11, 12, 13, 14, 16, 18, 21, 23, 30, 33, 34, 35, 37, 38, 39, 40, 42, 50, 53, 58,

63). 6 subjects had completed year 11 (2, 7, 15, 27, 28, 29), with 13 subjects educated until year 12 (4, 17, 24, 25, 32, 39, 41, 45, 46, 57, 59, 60, 61). One subject had gone to school until 4th grade, and then had completed year 9 (subject 22). Only one subject had completed a tertiary degree (subject 44). In addition to schooling, four subjects had completed apprenticeships (13, 53, 60) or TAFE (33). There was no information available in the files of 9 subjects (subjects 3, 20, 43, 49, 52, 54, 55, 56, 62).

Age

The ages of the subjects varied from 17 years to 71 years. One subject was 17 years old (subject 24). The age ranges of subjects in this study is represented in Figure 6.

Figure 6: Age groups of subjects



There were twelve offenders between the ages of 21-25 (subjects 7, 12, 14, 22, 26, 36, 45, 46, 50, 52, 61, 63). There were 18 subjects in the 26-30 age group (subjects 1, 4, 9, 15, 18, 23, 25, 29, 31, 33, 38, 39, 41, 42, 43, 54, 55, 62). Nine subjects were aged between 31 and 35 years at the time of trial (subjects 11, 13, 17, 28, 32, 35, 51, 56, 57). Four subjects were between 36 and 40 years old (subjects 8, 47, 49, 53). Seven subjects were in the 41-45 age bracket (subjects 10, 20, 31, 40, 58, 59, 60). There were six subjects in the 46-50 year old bracket (subjects 2, 3, 19, 37, 6, 48). Five subjects were between 51-54 years of age at the time of trial (subjects 5, 21, 27,

30, 34). One subject was 64 years old (subject 44) and another subject was 71 years old (subject 16).

Sex

The majority of the subjects in this study are male, with females making up only 9 of the 63 subjects.

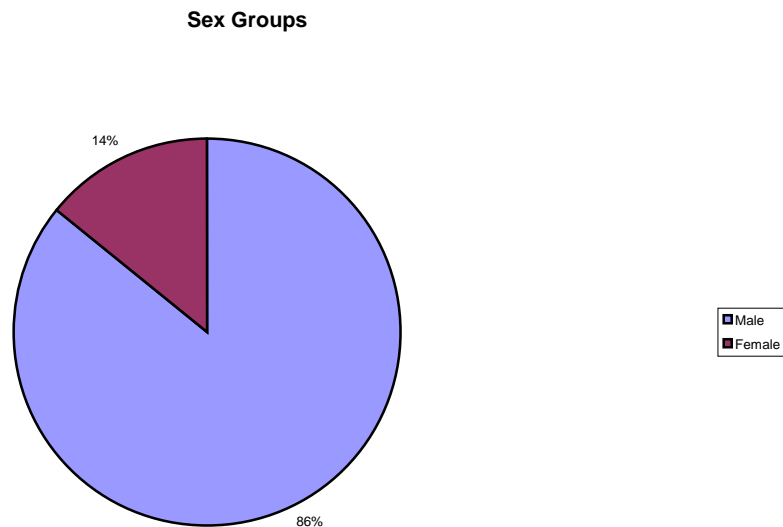


Figure 7: Sex of Subjects

Analysis

The Productivity Commission (1999A 7.5) states that there is little evidence that problem gamblers share common personality traits or histories, which suggests in turn, that anyone can, in the right circumstances, become a problem gambler: ‘the overall message from the analysis of the characteristics of problem gamblers is that there are few clear individual risk factors.’ (PC 1999A: 6.51).

The age spread of problem gambling in this sample is in accordance with general research suggesting that age is not a significant risk factor for problem gambling. The Productivity Commission found that problem gamblers in the general population appear to be younger than the

average gambler, but noted that those in counselling are older than those who have not sought help (PC 1999A: 6.48). The presence of only one subject over the age of 70, is in accordance with Productivity Commission findings that people over 70 years rarely appear to display gambling problems.

The predominance of male subjects in this study is *not* in accordance with problem gambling research. Research in this area indicates that there are almost as many female problem gamblers as male, with the Productivity Commission estimating that 58.6% of problem gamblers are male. However, the limited number of female subjects in this study is in accordance with criminal justice system statistics indicating that females tend to commit less crimes than males (Heidensohn 2002). The relative absence of female subjects in this study will be analysed in more detail in Chapter 11.

The differing levels of education of subjects in this study also reflect research suggesting that there appear to be few differences between problem gamblers and all gamblers on the basis of education (PC 1999A: 6.48).

Criminal record

36 subjects in the study had a criminal record (subjects 2, 3, 6, 8, 9, 10, 11, 13, 14, 17, 18, 19, 20, 21, 25, 26, 27, 28, 29, 30, 31, 34, 36, 40, 41, 44, 49, 51, 52, 53, 54, 56, 57, 58, 62, 63). Of the 36 subjects with criminal records, three subjects had drink driving offences only (subjects 25, 58 and 62). Another four subjects had criminal offences that had been committed many years earlier (subjects 3, 20, 34 and 40). Subject 53 had committed criminal offences many decades earlier and had a drink driving record.

Analysis

One of the major questions in a study of this kind is whether or not the subjects had a history of committing criminal offences that were unrelated to gambling. That is, a central question is whether the study includes subjects who have a tendency to commit criminal offences, with the motivation of gambling being only one of many reasons why they commit crimes. Whilst this

information was not always available in the files, it is possible to analyse many of the subjects' criminal histories.

Gambling related

17 subjects had previously committed offences that were gambling related. For 9 subjects, their problem gambling was identified as the sole motivation for their earlier crimes. Subject 17 had previously been found guilty of larceny by a servant offences that were committed as a result of his problem gambling. Subject 27 had a history of fraud offences resulting in fines and imprisonment. The probation report noted that he had 'again offended as a direct result of his gambling and penchant for dishonesty.' Subject 21 had a history of armed robberies resulting in imprisonment. His file noted a link between his tendency to gamble when depressed, and the need to commit criminal offences to support his habit. Subject 30 had been convicted of dishonesty offences and placing illegal bets that were gambling related. Subject 41 had previously committed credit card fraud to finance his gambling. The offences of subjects 44 and 49 were identified as gambling related.

Subject 56 had previously committed criminal offences to support his gambling. The subject stole \$42,000 from the club at which he worked to repay significant debts as a consequence of his 'rampant gambling habit'. After these offences the subject underwent a course of treatment for problem gambling. This treatment was successful and the subject stopped gambling. Whilst on a good behaviour bond for the earlier criminal offences, the subject reoffended, essentially to repay loan sharks for debts due to his earlier gambling habit. Subject 9 committed the current offences whilst on a local court recognisance for fraudulent misappropriation offences totaling \$25,000. The file notes that his criminal offences were due to his gambling predilection and his gambling had led to bankruptcy and divorce. At the time of the present offences, the subject was attending counselling sessions for alcohol and gambling offences.

For 6 subjects, gambling was identified as one of the motivations for their prior criminal offences. Subject 2 had previously been found guilty of property offences and had been sentenced to a good behaviour bond. It is suggested that this was related to the subject's long history of problems

with alcohol and gambling. Subject 10 had committed drug and theft offences resulting in imprisonment. His file states that this was related to the subject's problems with drugs and gambling. Subject 13 had committed dishonesty offences resulting in imprisonment, which were related to his problems with drugs, alcohol and gambling. Subject 18 had previously been convicted of drug possession offences and stealing (from his girlfriend) resulting in imprisonment. These offences were motivated by his heavy drinking and gambling. Subject 54 had previously been convicted of dishonesty offences that appear to be related to his problems with alcohol and gambling. Subject 26 had a history of fraud and robbery offences that his file related to drug and gambling problems.

For another two subjects, gambling was related to their earlier criminal history, but their gambling was seen as a result of their attempts to deal with sexual abuse trauma. Subjects 6 and 8 had long criminal histories resulting in imprisonment. Both these subjects claimed that they had been sexually abused whilst young. They had relied upon alcohol and gambling to cope with the memories of this abuse. Their psychologists stated that there was a cyclic relation between the subjects reliance upon gambling and alcohol to deal with the memories of abuse, and their patterns of offending.

Unclear motivation for earlier offences

For 4 subjects, the motivation for earlier crimes is not clear, but their files do not exclude the possibility of gambling as a motivation. It is unclear whether subject 28's earlier obtaining financial advantage by deception offences had been committed due to his gambling problems. However, the information in his file suggests that gambling may have been a motivation, as he had been gambling since the age of 15, and prior to committing the offences studied in this research, he had received psychological assistance for five years for gambling. Subject 29 had a history of dishonesty offences and he had also been disqualified as a horse trainer. The file is not clear as to whether his dishonesty offences were related to gambling. Subject 52 had a history of firearm and dishonesty offences.

Commonalities between earlier criminal offences and present criminal behaviour

Two files indicate a relation between the subject's personality and his criminal offending. Subject 19 had a long criminal history resulting in fines, community service orders and imprisonment. The psychiatric report noted that he had an element of impulsive behaviour, as shown in his earlier sexual offences and his compulsive gambling. Subject 57 had committed dishonesty offences five years prior to the offences in the present study. The subject had been working at a bank and transferred sums of money from an internal account to his own account over a period of 4 to 5 months. The subject spent this money on clothes and shouting friends whom he wished to impress. This desire to impress his friends appears to have motivated the subject's offences in the present study. The subject stated that he gambled in the VIP room of the casino in the hope of impressing his friends who were older and wealthier. He borrowed money from his girlfriend and friends and then lost it. He then stole money from work and gambled that in the hope of winning back the money he had lost. The psychologist stated that the subject had a personality disorder characterised by ongoing feelings of inadequacy and inferiority. He attempted to live a lifestyle he could not afford in order to impress his friends.

Unrelated crimes

Seven subjects had previously committed crimes that were totally unrelated to gambling. Subject 14 had previously been found guilty of an assault, which was dismissed under section 556A. In addition to gambling related crimes, subject 26 had also been charged with offensive weapons offences. Subject 31 had previously been convicted of causing malicious damage and drink driving offences. It is clear that subject 36's history of assaults, drink driving and dishonesty offences were not related to gambling problems, as he had started gambling only one year prior to the offences that are the subject of this study. By the age of 21, subject 63 had a significant criminal history ranging from joyriding, to break and enters, stealing, domestic violence and drugs. No link is drawn between his gambling and these earlier criminal offences.

Two of subjects who had a prior criminal history, had committed these crimes due to other addictions. Subject 11 had a history of stealing, drug possession and break and enters. The judge

described these offences as the ‘usual addicts crimes’ and focused on the relation between the subject’s drug addiction and his crimes.

Subject 51 had a history of fraud and theft offences that were due to his drug habit. The subject stopped using drugs as a consequence of his treatment. It appears that the subject then replaced his earlier drug habit with gambling, resulting in the present offences.

Conclusion

Of the 36 subjects who had prior criminal histories, 8 subjects only had a prior record of drink driving and/or offences committed many years prior to the present offences. These subjects can therefore be characterized as otherwise law abiding citizens at the time of the criminal offences included in this study. Of the remaining 28 subjects with criminal histories, 16 had committed criminal offences that were gambling related. The files of an additional 3 subjects suggest that their earlier crimes were gambling related. This means, that 9 of the subjects in this study appear to have a criminal history that was unrelated to gambling.

The findings in this chapter indicate that for the subjects in the study, gambling, rather than an anti-social personality, was a motivation for the commission of crime. Additionally, the long association for some of these subjects with their gambling and the commission of crime, suggests that the rehabilitation of offenders who commit gambling related crimes is vital in preventing offending in the future.

CHAPTER SIX - GAMBLING

This chapter considers the gambling habits of subjects in this study. The information available in the files ranged from merely identifying that the subject had committed a gambling related crime to information regarding the subject's choice of gambling products, where they gambled, amounts spent, the duration of their gambling, and why they gambled. The inconsistency of information available in the files precludes statistical analysis, but proffers the opportunity to provide rich qualitative detail about the nature of the subjects' gambling.

The spending patterns of the subjects will be detailed first. Followed by an outline of the type of gambling product(s) utilised by the subjects. The duration of the subjects' gambling will then be detailed. Finally, the reasons provided by the subjects for their gambling will be analysed.

Spending Patterns

The gambling spending habits of the subjects was not always available in the files. However, it is possible to provide some insight into the spending patterns of the subjects, in terms of the amounts stolen and spent on gambling, and also from information provided in the files about some of the subjects' regular gambling habits.

The amounts stolen in this study give an indication of the gambling spending patterns of the subjects. Subject 5 stole \$425,000 over ten years, indicating that she spent approximately \$42,500 each year gambling on poker machines. Prior to being arrested, the subject was stealing \$1,000 - \$1,500 each week to spend on gambling. Subject 7 stole \$80,000 over a five month period, all of which she spent on gambling. Subject 10 stole \$20,000 in a month, all of which was spent on gambling. Subject 16 stole \$246,000 over a five year period, indicating an average of almost \$50,000 a year spent on gambling. Subject 24 stole \$10,000 over a three month period, spending the money on horse races. Subject 32 stole \$340,000 over two years and spent the money on gambling. Subject 33 stole \$27,000 over two months and spent the money on poker machines. Over a six year period, subject 37 stole \$107,000 and wasted the bulk of the money on poker machines. Subject 46 lost over \$30,000 on the poker machines. Subject 47 stole \$80,000 over a three year period, all of which he spent on gambling. Subject 48 stole \$218,000 over a

four year period, all of which was spent on gambling. Subject 62 stole \$360,000 and gambled all but \$5,000 of the money stolen in five months at the TAB. The amounts stolen by subjects to finance their gambling suggests that the subjects in this study spent significant amounts of money on gambling.

Some of the files also give an indication of how much subjects spent on gambling. Some subjects provided estimates of the amounts spent regularly on gambling products. For example, at the time she was arrested, subject 5 was gambling \$200 a day. Subject 16 stated that she regularly lost \$400 - \$500 on the poker machines. Subject 17 stated he spent \$200 to \$500 almost every day on poker machines. Subject 22 stated that he spent \$200 to \$500 every week at pubs and clubs, gambling on poker machines. Subject 42 was betting an average of \$300 to \$400 a week at the time he was arrested. Subject 45 lost \$100 per week gambling at the time he was arrested. Subject 48 spent up to \$500 per session on 5 cent poker machines. Subject 50 stated that at times he would bet \$5,000 on roulette or black jack games.

Other subjects provided information about how much they had lost on single occasions whilst gambling. Subject 11 had played the poker machines with a friend on the day of the robbery, and they had lost \$110. Subject 2 stated that at times he would win \$4,000 to \$5,000 but would then lose it. Subject 18 stated he had spent \$10,000 in one night gambling. Subject 32 won \$20,000 on one occasion, returned \$15,000 of that money to his employers, but then lost the remainder gambling. Subject 39 admitted to winning and then losing \$109,000 on one occasion. Subject 57 lost \$5,000 in one day playing Black Jack and Baccarat. Subject 59 realised he had a gambling problem 8 years prior to being charged when he lost \$7,000 in one day. Subject 30 stated that he had previously sold his home, and then spent \$200,000 over one year on gambling.

From the information in the files, it appears that the majority of subjects spent large amounts on gambling products. These findings are consistent with available research in the area. The Productivity Commission's *Survey of Clients of Counselling Agencies* suggested that average annual losses per problem gambler are nearly \$19,000, more than double that of problem gamblers found in the population generally (1999: 7.39). Other research suggests very high annual

expenditures by problem gamblers seeking assistance. For example, the median loss on gaming machines on the last day a problem gambler played was \$150, with one person making a single session loss of \$25,000 after 50 hours continuous playing (Jackson et al, 1998: 25).

Modes of gambling

This section details the subjects' choice of gambling product(s). Some subjects focused on only one product, whilst others gambled on several products. The breakdown of the choice of gambling products by subjects in this study is depicted in Figure 8.

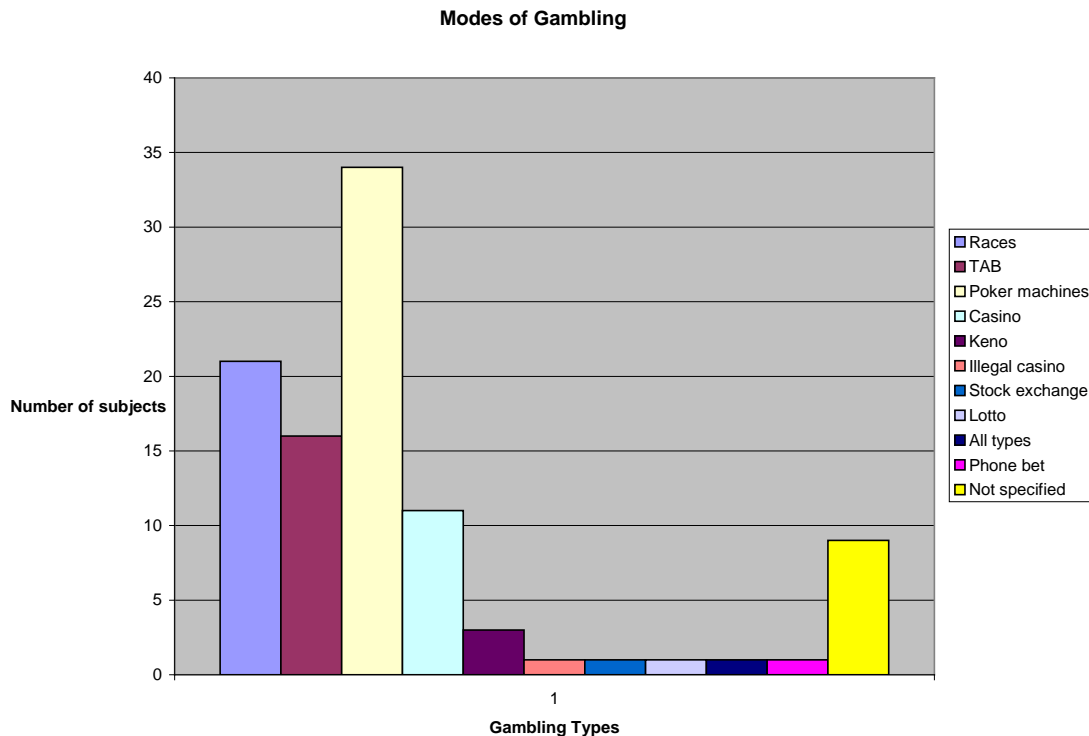


Figure 8: Choice of Gambling Mode

Of the 63 subjects in this study, 32 indicated that they gambled on poker machines (3, 4, 5, 6, 7, 11, 14, 16, 17, 19, 20, 22, 23, 33, 35, 36, 37, 38, 39, 40, 42, 44, 45, 46, 47, 48, 50, 51, 54, 55, 57, 61). 15 subjects gambled at casinos (8, 12, 13, 26, 28, 32, 39, 40, 41, 45, 50, 57, 60, 63). 19 subjects gambled at the races (2, 8, 9, 15, 19, 21, 24, 26, 28, 30, 32, 34, 36, 47, 54, 56, 59, 60, 63), with 17 subjects indicating that they used the TAB (3, 18, 19, 23, 25, 26, 30, 32, 39, 42, 43,

54, 57, 58, 60, 62, 63). Three subjects played keno (40, 47, 54) and one subject stated that he played lotto as well as using other gambling products (subject 19). There was no information as to the type of gambling indicated in 9 files (1, 10, 27, 28, 29, 31, 49, 52, 53).

There was only one file where a subject's use of the stock market was related to his gambling activity. Subject 9's file noted that his gambling activities included greyhounds, horses and the stock market. Subject 9 was involved in the systematic defrauding of customers that gave him their money to invest in secured funds. Instead, he placed the money in high risk funds and the money was lost. Aged 26 at the time of trial, subject 9 had started gambling in his teens. His betting behaviour increased with the size of the odds available. Blaszczynski and McConaghy (1992: 25) note that few individuals seek treatment complaining of urges leading to excessive and high frequency stock market 'play'. However, stock market and future commodities trading may justifiably be considered to fall within the ambit of gambling.

The subjects' choice of gambling mode is reflected in available research. The Federal Government Productivity Commission (1999) found that the incidence of problem gambling varied by mode. Regular users of EGMs were associated with 65-80% of problem gamblers receiving counselling. Regular racing gamblers also had a high rate of problem gambling. In contrast, the incidence of problem gambling was lowest for lotteries. This also relates to findings of BreakEven (Victoria), with the most frequently named forms of recent gambling of the 1,817 problem gamblers who contacted BreakEven in 1996/1997 were EGMs (80.8%), totalisator (TAB) (15.9%), cards (4.5%) and horse/dog racing (3.9%).

The Productivity Commission noted that the incidence of problem gambling is lowest for lotto. This finding is reflected in the present study. Only one research subject mentioned gambling on the lotto as part of his gambling problem. Subject 19 appeared to combine gambling on lotto products with other types of gambling, including poker machines and horse races. His file stated he had an attraction to the gambling lifestyle and became excited when he saw television advertisements for the gambling industry.

The Productivity Commission noted that the profile of casino gamblers is biased towards males between 18 and 24 years old and Asian communities. In the present research, only male subjects mentioned casinos as their gambling place of choice. The age range for the current study did not match the age range noted by the Productivity Commission. A much broader age range of casino gamblers is present in this study, with subjects ranging from 21 years to 42 years old.

In accordance with available research, all of the female offenders preferred to gamble on EGMs. Only one female gambled on the TAB as well as EGMs. Subject 23 had been introduced to gambling by her father when she was 6 years old, and it is suggested that this early familial introduction to gambling may be the reason why she differs from the other female subjects.

Multiple gambling products

Twenty-one subjects used multiple gambling products (2, 3, 8, 9, 17, 19, 23, 26, 28, 32, 36, 39, 40, 42, 45, 47, 50, 54, 57, 60, 63). Of those who used multiple gambling products, 15 identified poker machines as one of the preferred gambling products (3, 17, 19, 23, 28, 32, 36, 39, 40, 42, 45, 47, 50, 54, 57). In relation to the other subjects, it is not clear whether or not EGMs were a gambling product they used, as these subjects tended to have a combination of race gaming and casinos, and usually, subjects did not identify which products they used in casinos. Subject 2 explicitly stated he only used the TAB and bet at clubs on horses, trots and greyhounds, but he had no interest in poker machines.

Conclusion

In accordance with existing research, EGMs were used by the majority of subjects in this study. Poker machines are regarded as particularly addictive. Their accessibility provides people with greater opportunities to gamble. Their repetitive, but random, rewards for further play conditions behaviour in some people who gamble consistently. The other major gambling modes chosen by subjects in this study involved casinos and/or betting on races, either at the races or on the TAB.

Duration of problems

This section details the duration of the subjects' gambling habits, and particularly, the duration of their problem gambling.

Long Term Gambling

Eleven of the subjects in this study started gambling at a young age (subjects 8, 9, 21, 23, 24, 27, 28, 30, 39, 56, 59). The Productivity Commission Survey of Clients of Counselling Agencies found that 28% of gamblers in counselling indicated that they commenced gambling regularly under the age of 18 years.

Three of the subjects who started gambling under the age of 18 had been introduced to gambling by a family member (23, 27, 59). Subject 23 can recall having a fascination with horse racing for as long as she can remember. She placed bets on the trots at 6 years of age with her father. She is the only female offender who gambled on other gambling products apart from poker machines. The subject opened a TAB phone account 4 years prior to her court case. Subject 27 started gambling when he was 10 years old, due to family involvement with trotting. The subject was 54 years old at the time of trial, and admitted to having a gambling problem of 20 years. Subject 59 had a long association with gambling that started when he was 12 years old. He came from a racing dynasty which his grandparents founded. Whilst still young, the subject was given a race horse. He also leased horses in a recreational and investment capacity. The subject realised he had a gambling problem eight years prior to his arrest when he lost \$7,000 in a day. Within a year he started to steal from his employers whilst continuing to bet on credit terms with bookmakers around Australia.

Other subjects indicated they had started gambling when young (8, 9, 21, 28, 30, 39, 56). Subject 8 started gambling when he was a teenager on horse races, and then began to frequent illegal casinos. Subject 9 started gambling when he was a teenager, betting his pocket money on greyhounds when he was 14 years old, and graduating to horses and the stock market when he was older. The subject's gambling became more important to him after an injury precluded him from playing his chosen sport. Subject 28 had an association with horse-racing from eight years of

age. By the time he was 15 years old he was betting substantial amounts of money. Subject 30 started gambling when he was 11 years old, winning a bet placed on a horse race. Subject 39 was first exposed to gambling when he was 6 years old, when he gambled with other kids at primary school with 20 cent bets. Subject 56 started gambling when he was 12 years old. He states that his gambling addiction developed in his late teenage years. Subject 21 first gambled when he was 14 years old with bets on greyhounds and horses. At the time of the offences the subject was 54 years old, and had a long history of problem gambling, and associated financial problems and the commission of criminal offences.

It should also be noted that subject 24 started gambling when he was under the age of 18. However, his gambling is not of a long duration, as the subject started gambling when he was 17 years old, just prior to committing the offences and being charged.

Four subjects indicated that they had been gambling long term, but were not clear about when they started gambling. Subject 34 had a lengthy association with gambling. Some years prior to the offences, the subject had been compelled to sell his family home to cover his debts. Subject 40 and his wife had been heavy recreational gamblers for many years prior to the offences. At 64 years of age, subject 44 had a long term history of gambling that appeared to be under control, but would become severe again in response to stressors. Subject 49 stated that he had suffered from a 'gambling affliction' for most of his life, and that it had led to ongoing financial difficulties.

Medium Term

The majority of subjects in this study had significant gambling habits of at least one year or more. These subjects can be divided into those who started to commit criminal offences almost immediately after commencing gambling, and those who had gambled for some time prior to their offences but their gambling escalated at a later stage and then needed extra (illegal) finance.

For the subjects who started to commit criminal offences almost immediately after starting gambling, the duration of their gambling habit was predominantly determined by how soon they were apprehended for the crimes they committed to finance their gambling. Subject 5 appears to

have started committing criminal offences almost immediately after she started gambling. She then continued to gamble for the 10 years she stole from her employer until she was caught. Similarly, subject 37 gambled for 6 years whilst she stole from her employer. Subject 4 admitted that he had had a gambling problem for the previous 4 years. His gambling was also accompanied by excessive alcohol. Subject 46 started gambling when he was 18 years old in response to various stressors. The subject stated that on the first day he placed a 10 cent bet and won \$10. Over the next few weeks he gambled only small amounts by won over \$300. It appears that the subject's gambling escalated quickly, with the subject ending up losing more than \$30,000 on the poker machines financed by criminal offences. At the time of trial the subject was 24 years old. Subject 63 admitted to having a bad gambling habit eighteen months to two years prior to his arrest. The subject's gambling became 'out of control' soon after he married, and he then started committing criminal offences to support his habit. Subject 7 started gambling eight months prior to the offence. The gambling started with small bets of \$10 to \$20. However, when the subject had a big win, her gambling spiralled out of control. The subject stated that after the big win, she only wanted to go to the club and did not want to go anywhere else. She then started stealing from her employers to finance her habit. Subject 16 stated that her problems with gambling started immediately prior to the offences. She began going to clubs and playing the poker machines almost on a daily basis. She started gambling as a way of paying off some pre-existing debts on credit cards, but then continued playing the poker machines even when she lost. She stole for five years from her employers.

Subject 38 stated that her gambling became a problem at the time she started to commit the criminal offences. She stole \$135,000 over a period of three years, spending the money on poker machines. Similarly, subject 48 appears to have become addicted to gambling very quickly. The subject started gambling in response to work stressors. Over a period of four years the subject stole more than \$218,000, almost all of which was spent on playing poker machines.

Some subjects appear to have gambled for some time prior to committing the present offences, but had then committed criminal offences due to some trigger. Subject 12 started gambling when he was dismissed from his job, and had regarded himself as a professional, full-time gambler for

the 8 years prior to the offences. Subject 25 began gambling as a distraction during his lunch break. He claimed that initially it was under control. However, his bets started to increase, and within a couple of years he started to chase his losses by using his credit card. When he could no longer cover these debts, he began to steal in order to reduce his losses by betting more. Subject 32 stated that his gambling became out of control two years prior to the offences when his brother died. The subject had previously gambled on footy tab, but this had only ever been mild. When his brother died, the subject went 'crazy' and bet on almost all the gambling products available. The subject sustained this habit for two years by stealing from his employer. Subject 41 was 27 years old at the time of his arrest. The subject had a criminal history of credit card fraud during his adult years to sustain his gambling. The subject started gambling when he was 18 years old, but stated that his problem became more pronounced four to five years prior to the offences, when he was introduced to poker machines. Subject 47 started gambling four years prior to the commission of the offences. The subject then stole \$80,000 over a period of three years to support his gambling habit. Subject 61 started gambling on the poker machines approximately a year prior to the offences. However, her gambling became out of control soon after she was promoted to a management position, due to the stress associated with the job.

Subject 54 had been indulging in excessive gambling and alcohol consumption for 7 years prior to the criminal offences. Subject 55 started gambling four years prior to his arrest for the current offences. The subject started gambling as a consequence of his dissatisfaction with his career path. Subject 57 started gambling a few years prior to the criminal offences, when he obtained employment at a club where gambling was available. He became interested in gambling and visited other clubs. His gambling habit began to build up. He stated that his habit took off when the Sydney Casino opened in 1995. He was introduced to the VIP room and lost large amounts of money. Subject 60 had a gambling problem four years prior to his trial, which escalated further two years prior to his court attendance. The subject had been gambling for a long time but had always bet at a level he could afford, until two years prior to his trial. He started stealing shortly after his gambling became out of control. Subject 62 had recognised he was a problem gambler several years prior to the commission of the criminal offences. The subject had made an agreement with a friend not to gamble, but he had been unable to maintain that agreement.

Short Term Gambling

A minority of subjects in this study with had problems with gambling that were short term. Effectively, these subjects appear to have developed significant gambling habits almost immediately after being introduced to gambling products. These subjects then committed criminal offences very soon after to finance their gambling, and were virtually immediately apprehended. Subject 20 started playing the poker machines at a local club very soon after his wife died. He stated that he had essentially gone 'off the rails' and indulged in excessive alcohol consumption and gambling. Subject 22 started gambling 6 months prior to his arrest. The subject started gambling because he was bored and lonely. Within 3 months, the subject realised that he had a gambling problem, gambling every day or second day, and spending \$200 to \$500 per week at pubs and clubs. The subject stated that he tried to give up but could not. Subject 24 developed an interest in gambling just prior to the commission of the criminal offences. At 17 years of age, the subject drove past and stopped at an inner city greyhounds track. The subject felt lonely as his friends were attending bars and he was too young to be permitted entry. Subject 31 started gambling one year prior to his offences being committed. The subject stated that he committed the armed robberies because he was desperate for money due to a drinking and gambling problem. Subject 36 became addicted to gambling one year prior to the criminal offences. Subject 42 started gambling when his father died just prior to the commission of the criminal offences. The subject stole property over one year, in order to finance his gambling. Subject 45 started gambling immediately prior to the offences, when he began to go out more frequently with friends in order to forget about his break-up. The subject began gambling on poker machines at hotels and playing black jack at the casino, to the extent of losing his total pay packet at times. Subject 50 became addicted to gambling within months of first being introduced to casinos due to his youth (he was 21 years old) and peer pressure. The subject began travelling to gamble at interstate casinos. Subject 51 started gambling just prior to the criminal offences. He had been released from prison and had stopped using illicit drugs, and took up gambling.

Conclusion

The evidence points to problem gambling as an enduring problem for those who are affected (PC 1999A: 6.51). The Productivity Commission's National Gambling Survey indicated that those who identified themselves as having a current problem, had had the problem for an average of 8.9 years. 30% had experienced problems for ten years or more.

At least 11 of the subjects in this study started gambling when they were under 18 years of age. Another 4 subjects indicated that they had long term gambling habits. The remainder of subjects in this study had short to medium term gambling habits. For these subjects, the length of their problem gambling history was primarily determined by how soon they were apprehended for the commission of gambling related crimes. Many of these subjects became problem gamblers very soon after being introduced to gambling products, and then committed crimes to finance their gambling. Other subjects had been gambling for longer periods of time, but had been able to control their gambling. These subjects identified a trigger which led to the escalation of their gambling and a consequent need to finance their gambling by illegal means.

Reasons for gambling

This section considers the reasons why subjects stated that they gambled, and why they may have developed problems associated with their gambling. In this study, many different reasons were proposed by subjects as to why they gambled, ranging from an early familial introduction to gambling, to hoping for a big win. Blaszczynski's (2000) analysis of the pathways to pathological gambling was found to be particularly helpful in structuring this section of the research. This is because Blaszczynski describes a multi-factorial causal pathway to the development of pathological gambling and differentiates between different groups of gamblers, rather than assuming that gamblers are a homogenous population. His model integrates biological, personality, developmental, cognitive, learning theory and environmental factors into the one model (Blaszczynski, 2000: 3). He notes that many gamblers seek monetary gain. However, others continue to participate and persist 'because they are inexorably motivated to find relief from boredom, to dissociate and to escape from negative life circumstances, or to modulate

negative mood states.’ (2000:2) Blaszczynski identifies three commonalities amongst all gamblers (2000: 4 - 6):

1. ecological determinants
2. role of classical and operant conditioning
3. development of cognitive schemes

Blaszczynski then proposes three main subgroups: ‘normal’, emotionally vulnerable, and biologically based impulsive pathological gamblers.

This model will be used to structure the information available in the files regarding the reasons why the subjects gambled. It should be noted that this analysis was at times difficult to apply, due to the limited information available, the differing opinions of psychologists working from different models etc. Nevertheless, Blaszczynski’s model provides a valuable framework for organizing the information available in the files.

No information as to why the individual gambled was provided for 16 of the subjects (subject 3, 4, 10, 13, 17, 28, 29, 31, 36, 40, 43, 47, 49, 50, 52, 53, 56, 58, 62).

1. Ecological Determinants

Ecological determinants revolve around public policy issues that promote access and availability to gambling facilities (Blaszczynski 2000: 3). Substantive data indicates that the incidence of pathological gambling is inextricably tied to the number of available gambling outlets (Abbott and Volberg, 1996; Productivity Commission 1999).

The Productivity Commission accepted that there was sufficient evidence from many different sources to confirm a significant connection between greater accessibility – particularly to gaming machines – and the greater prevalence of problem gambling. The Productivity Commission noted that accessibility has a number of dimensions, including conditions of entry, opening hours, number of venues, opportunities to gamble per venue, number of opportunities to gamble, location of venues, social accessibility, ease of use and initial outlay (PC 1999A: 8.4). From the

information in the files, the availability of gambling products was a factor influencing many of the subjects' gambling habits (eg. 5, 7, 14, 17, 22, 23, 25, 42, 43, 46, 48).

Many of the files provided information that subjects tended to utilise gambling facilities that were available in their local area. Subjects 17 and 25 gambled at local clubs in their lunch breaks. Subject 43 preferred to use the TAB, and on the day of the offence, he went to the TAB four times whilst he was at work. Subject 8 started gambling when he was a teenager at local illegal casinos. It was here that he met the loan sharks from whom he borrowed money he could not repay. Subject 30 placed his first bet when he was 11 years old. The psychologist's report stated that he learned about gambling at an early age because of the prevalence of gambling houses in the area.

The opening hours of gambling facilities were also mentioned by subjects. Both subjects 42 and 7 took advantage of local clubs that were open 24 hours in their area. Subject 7 would play in the early hours of the morning, whilst subject 42 would play poker machines for 24 hours at a time at local Hotels. Additionally, the different modes of gambling available on one premises impacted upon gambling habits. For example, subjects 54 and 42 took advantage of all the different gambling products that were available at their local clubs.

For some subjects, their place of work influenced the development of their gambling habits (subjects 56, 57, 60). Subject 56 started gambling at 12 years of age. His gambling on horses was initially 'low key and controlled', and he remembers winning \$100 from his first bet. By the age of 16 the subject was attending horse and dog races regularly. His gambling got out of control when he was employed at a Club where gambling facilities were available. Similarly, subject 57 stated that he started gambling when he obtained employment at a club where gambling was available. He became interested in gambling and began to visit other clubs. His gambling habit began to build up, and 'took off' when the Sydney Casino opened. Subject 60 stated that he started gambling when he obtained employment at a club where gambling was available. He became interested in gambling and started visiting other clubs. His gambling habit began to build up, and 'took off' when the Sydney Casino opened.

This project also highlights that some subjects were able to use gambling products at a young age. Access for some subjects was available due to familial gambling (detailed below), but others gained access through other means. Subject 28 had an association with horse racing since he was 8 years old, and began betting substantial amounts at about the age of 15 years. Subject 39 stated he was first exposed to gambling at the age of 6 years, when he made 20c bets with other kids at school. Subject 56 started gambling when he was 12 years old. By 16 years of age he was regularly attending horse and dog races.

It should be noted that whilst the majority of subjects in this study tended to gamble at places that were convenient and local, some subjects were willing to travel to gamble. In particular, two casino players appeared happy to travel interstate to gamble. For these subjects, the opening of the Sydney Casino proffered the possibility of casino gambling. These subjects quickly became addicted to gambling and would then travel. Subject 51 started gambling on poker machines at local pubs, but quickly progressed to Casino sessions where he started to bet large amounts of money on black jack or roulette games. The subject became addicted to gambling within months of first being introduced to casinos. He travelled interstate to gamble at Jupiter's and Canberra casinos. Subject 63 also visited casinos in the two years he was problem gambling. This suggests that the accessibility of casinos is important in terms of introducing people to casino gambling. However, once introduced, casino gamblers appear willing to travel, particularly if they perceive travelling as part of the casino lifestyle.

2. Role of Classical and Determinant Conditioning

Blaszczynski (2000: 4) cites studies demonstrating that gambling produces a state of subjective excitement, increased heart rate and dissociation. Wins produce a states of excitement that are described as equivalent to a 'drug induced high'. Excitement can be experienced in anticipation, during or in response to exposure to gambling situations or cues. Accordingly, Blaszczynski asserts that this process of conditioning can be used to explain gambling as an addiction produced by the effects of positive and negative conditioning, tolerance and withdrawal.

Feelings described by subjects in this study reflect these findings. For example, subject 45 stated that when he played the card machines he was ‘in a distinct “zone” where outside influences were less apparent and less affective – a type of haven.’ Subject 44 had ‘strong feelings of compulsion centred around gambling in more recent years, in which he could focus all his energies and’ ‘lose himself’. The psychologist’s report for subject 55 stated that ‘[O]ften an ‘escape’ from feeling this way or ‘zone’ is found in playing poker machines to the extent that the behaviour may become compulsive. That is, in the absence of effective, positive means of coping (eg, changing jobs, using available supports etc) this behaviour is seen as a ‘way out’ and not succumbing to the urge to perform this behaviour tends to create anxiety for the individual. The individual will report feeling undisturbed whilst playing these machines and yearn for this ‘peace’.’ Subject 23 stated she did not care if she won, but she was obsessed with the escape and preoccupation of playing the poker machines.

3. Development of Cognitive Schemes

Early and repeated wins result in irrational belief structures that promote gambling as an effective source of income. ‘The reinforcing properties of gambling and the irrational cognitive schemas combine to consolidate and strengthen habitual gambling practices... When gamblers lose they attempt to recoup their losses through further chasing, which results in accumulated financial debts. Despite acknowledging the reality that gambling led them into financial problems, they irrationally believe that gambling will solve their problems.’ (Blaszczynski, 2000: 4). The belief structures shape illusions of control, superstitious thinking, incorrect understandings of probability and erroneous perceptions. This relates to concerns noted by the Productivity Commission (1999A 7.7) that promotional activities of the gambling industry may compound erroneous beliefs that gamblers have about winning.

Many subjects explicitly referred to their belief that they would win. For some subjects, their belief was based on early wins. Subject 46 started gambling when he was 18 years old, stating that at that time he had glandular fever, difficulties with his family relationships and problems at university. The subject stated that the first time he played the pokies, he put 10 cents in a machine and won \$10. Over the next few weeks he gambled only a small amount but won over \$300.

Consequently he kept gambling. He said, 'It seemed so easy - for the first time I was relaxed and escaping all my problems. But as time went by, money began to lose its value. It was like toy money.' Subject 7 started gambling eight months prior to the offences. The gambling appeared to start as simply betting \$10 occasional at the local hotel, this then progressed to \$20 and then seemed to get out of control after a big win. The subject stated that after the big win she only wanted to go the club and did not want to go anywhere else. Within six months of starting gambling, she was spending all of her rent and other survival money on the pokies. She then started stealing money from work to keep up her 'habit'.

Other subjects started gambling in the belief that they might win. Subject 5 had initially expected to have a 'big win' but gradually lost hope and just gambled to avoid reality. Subject 16 considered that gambling was a way to make money in order to cover her considerable debts on store cards and credit cards. The subject felt despondent due to her inability to cover her considerable debts and to look after herself and her pets. She began to gamble and rapidly became a compulsive gambler. The subject did not consider herself as having a gambling problem, despite spending all the stolen money and her survival money on poker machines. Subject 25 believed that he would eventually win. Subject 26 had a pattern of buying extravagant gifts for his partners, with a tendency for erratic behaviour and extended disappearances. He stated that he tried to buy his wife's love. The subject began gambling as a way of making money, but appeared to have been caught up in a cycle, in that he was constantly having to furnish his gambling debts. Subject 13 stated he had attempted gambling as a means of obtaining money so that he could repay the amounts that he had defrauded. Accordingly, this offender saw gambling as a realistic means of creating wealth.

Conclusion

The three factors identified by Blaszczynski (2000) as common to all gamblers were evident in the subjects in this study. For most of the subjects, accessibility to gambling products was instrumental in introducing the subjects to gambling and sustaining their habits. Additionally, many of the subjects reported heightened states of excitement when gambling or relied on gambling to 'zone out'. Many subjects also believed that they could win through gambling. For

subjects charged with criminal offences involving thefts from their employers over long periods of time, this belief was instrumental in their sustained criminality. They would steal to win, so that they could pay back the money they had stolen to gamble.

Subgroup 1: ‘Normal’ problem gamblers

Blaszczynski (2000: 4-5) identifies one group as ‘normal’ problem gamblers. According to Blaszczynski, members of this subgroup may meet formal criteria for pathological gambling at the height of their gambling disorder, but there is an absence of any specific premorbid psychopathology. These gamblers can therefore be seen as occupying the diffuse domain between regular-heavy and excessive gambling. Excessive gambling occurs because of bad judgments and/or poor decision-making structures, which are independent of any intrapsychic disturbance. A preoccupation with gambling, chasing losses, substance dependence and anxiety and depression are all an end response to the financial pressures caused by continual losses. Blaszczynski (2000: 5) emphasises that ‘these symptoms are the consequence not the cause of excessive gambling’.

Blaszczynski (2000: 5) notes that clinically the severity of difficulties in this ‘normal’ gambling subgroup is the lowest of all pathological gamblers. They do not exhibit gross signs of premorbid psychopathology, impulsivity behaviours or substance abuse. They are more motivated to seek treatment, comply with instructions and after treatment are able to achieve controlled levels of gambling. Consequently, counselling and minimal intervention programs are of benefit.

Subject 24 provides an example of a gambler in subgroup 1. He was 17 years old at the time of the offences and he stated that he started gambling because all of his friends had turned 18 and were going to bars, whilst he was not able to. He drove past and stopped at an inner city greyhounds track. The psychologist stated that the subject was not gambling dependent, rather, he found gambling compulsive and exciting. The gambling was probably a situational and transient response to psychosocial stressors. His file noted that he had not gambled since being charged with the offence of larceny by a servant.

Subject 60 could also be categorised as a subgroup 1 gambler. Subject 60 had been gambling for some time prior to the offences, but stated he had previously always contained the gambling to a level he could afford. The subject described two incidents that he considered to be critical points that made him increase his bets and steal. The first event involved some misplaced goods whilst the second event related to money being lost in the office. His employer stated that he would be responsible for any losses. In order to pay back this money, the subject started gambling with his own savings and after he lost that he began to steal from the till with a view to recoup his losses as well as to pay back the employer. ‘This quickly escalated into a cycle commonly described by chronic gamblers, of taking more and more money to try and recoup losses.’ This is an example of the poor decision-making and chasing losses that Blaszczynski (2000) identifies as common to people who could be identified as subgroup 1 ‘normal’ problem gamblers.

Conclusion

There do not appear to be many subjects who could be categorised as subgroup 1 gamblers in this study. It is possible that gamblers in this subgroup are less likely to commit criminal offences to support their habit, because they are more motivated to seek treatment. In other words, they may perceive that they need help, before they commit crimes.

Subgroup 2: Emotionally disturbed gamblers

According to Blaszczynski (2000: 5-6), this subgroup is characterised by the presence of predisposing psychological vulnerability factors where participation in gambling is motivated by a desire to meet specific psychological needs and/or modulate affective states. This subgroup manifests a history of problem gambling in the family, neurotic personality traits, negative developmental experiences and adverse life events. These problems may accumulate to produce an emotionally vulnerable gambler. According to Blaszczynski, this subgroup of gamblers display higher levels of premorbid psychology, particularly, depression, anxiety, substance dependence and deficits in their ability to cope with and manage stress. Gamblers within this group cannot express their emotions directly, and they show a tendency to engage in passive aggressive or avoidance behaviours. These gamblers see gambling as a means of achieving a state of emotional escape through the effect of dissociation on mood alteration.

Blaszczynski (2000: 6) notes that because of their negative developmental history and poor coping skills, these gamblers are too fragile to maintain sufficient control over behaviour to permit controlled gambling.

It appears that many of the subjects in this gambling study could be categorised as subgroup 2 gamblers. I will draw out several aspects identified by Blaszczynski as characteristics of this group, in order to analyse these subjects' reasons for problem gambling.

Problem gambling in the family

All of the subjects who stated that they had a history of gambling in the family, turned to gambling when confronted with negative affective states (12, 15, 18, 23, 27, 30, 48, 59). 7 out of the 8 subjects with a family gambling history appear to be subgroup 2 gamblers (subjects 12, 15, 23, 27, 30, 48, 59). These negative emotions included stress (subjects 12, 18, 30, 48) and depression (subjects 23, 27, 59).

Subject 48's family was heavily involved in the gambling industry. She gambled to avoid the stress of her job, and became addicted. She was diagnosed as suffering from depression. Subject 30 placed his first bet at 11 years of age resulting in a win at the horse race. The pre-sentence report notes there was a prevalence of gambling houses in his area, and by the age of 17 he was a regular at these venues. His mother stated there was a history of gambling in the family. When the subject lost his job he continued to gamble, but could no longer afford to do so. The subject had a history of gambling related offences. Subject 12's mother was characterised as a chronic gambler who lost over \$150,000 in 2 years. However, she stated that she started gambling after the subject. Subject 12 started gambling when he lost his fulltime job of 8 years.

Subject 23 had a fascination with gambling for as long as she could remember. She placed bets on the trots at 6 years of age with her father. The subject's parents divorced when she was 9 years of age. She then lived with her de facto father who had problems with alcohol and gambling and violence, at times stalking the family with a gun. At the time of the offences, he was still

threatening her and her family. After the birth of her son, the subject maintained that she became bored with the isolation of being house bound and so became increasingly attracted to poker machines for an escape mechanism rather than a means to make money. The subject was also depressed trying to cope with her son's poor health. Her bets increased upon the breakup of her relationship with her de facto. She also found a correlation between depression and the size of her bets. The proceeds of her thefts typically went to clubs such as the Penrith RSL. The subject stated that she did not care if she won, but she was obsessed with the escape and preoccupation of playing the poker machines. Subject 27 started gambling when he was 10 years old. He was introduced to gambling through his family's involvement in trotting. At the time of the offences, the subject was 54 years old, and admitted to have had a gambling problem for 20 years. This subject had suffered from depression and had also had a mental breakdown prior to being charged. It appears that the subject gambled to escape this negative affective state. He had a criminal record of fraud offences committed due to gambling.

Existing research highlights that a family history of pathological gambling has been identified as an important predisposing risk factor for children. The Productivity Commission (1999: 7.27) notes that problem gamblers have an elevated risk of having children or other family members associated with them also developing subsequent problems. Accordingly, problem gambling has an intergenerational impact (Lesieur and Klein 1986; Volberg 1994; Volberg and Abbott 1994). The Commission's survey results suggested that problem gamblers are much more likely to report someone else in their family having problems with gambling. For example, the research found that a problem gambler in counselling is 17 times more likely to have a father with a problem, than non-problem gamblers in the population. This is in accordance with other research highlighting the intergenerational impact of problem gambling. Abbott and Volberg (1992: 5) found that of those whose parents had a problem, 17 per cent exhibited some degree of problem gambling themselves. In a study of a South Australian prison population, it was found that 32.4% of problem gamblers had a father with a gambling problem (compared to 2.9% for non-problem gamblers) and 17.6% had a brother or sister with a gambling problem (also compared with 2.9% for non-problem gamblers).

The Productivity Commission suggests that children of problem gamblers would be more familiar with how to gamble. Moreover, they may also learn their parents' cognitive and cultural models for gambling which may pre-dispose them for a higher risk. The Productivity Commission (1999: 7.27) therefore argues that the costs of problem gambling may be greater than expected, 'because it increases the likelihood of future cases'. People whose parents had a problem with gambling are much more likely to develop a problem themselves. Accordingly, this strengthens the argument for a preventative approach to gambling.

For the subjects in this study, gambling in the family appears to influence the subjects' cognitive and cultural models of gambling. Gambling is perceived as an appropriate mechanism for coping with negative emotions. Unfortunately, this coping mechanism can become very expensive, and exacerbate negative emotions, and hence the need to gamble.

Negative developmental experiences and adverse life events

The subgroup of emotionally disturbed gamblers manifests a history of negative developmental experiences and adverse life events. Personal vulnerability has been linked to negative childhood experiences of inadequacies, low self-esteem and rejection (McCormick et al 1987; McCormick, Taber et al 1989).

Trauma, of varying degrees, was frequently identified by subjects as the reason why they gambled. Several subjects identified sexual abuse that they had suffered as a child as an explanation for their gambling habits (6, 8, 9, 39). Their claims were supported by their psychologists and/or psychiatrists, who saw their use of gambling (and other substances) as a way of coping with distressing memories of abuse. This was expressed particularly clearly in the file of subject 39. He suffered from post-traumatic stress disorder as a consequence of sexual abuse and sexual assault. Gambling gave him a boost and the false feeling that he was in control of his life. The psychologist's report noted that 'gambling for [the subject] provided a relief, a means of eradicating negative or unhappy thoughts and feelings, and instead substituting them with the transitory experience of feeling invincible. Gambling also provided him with feelings of euphoria.'

Subject 8 had been sexually assaulted as a child over a seven year period. Perhaps not surprisingly, the offender was diagnosed as having "Post Traumatic Stress Disorder" and "strong Borderline Personality Disorder" together with "phobias and symptoms of panic disorder" and depression. The psychologist's report noted that the subject avoided his problems by imbibing excessive amounts of alcohol and gambling. The psychologist's reports describes alcohol as a form of self-medication for the subject. The offender had also previously attempted suicide by overdosing on Valium. Additionally, subject 9 stated he had suffered sexual abuse as a child, but did not draw on this as an explanation for his behaviour. As stated above, he was diagnosed by one psychologist as having a Dependant Personality Disorder. In essence this condition is characterised by a dependence on attention from others and success. Subject 9 had also been sexually abused as a child, but did not draw on this as an explanation for his behaviour. He started gambling when he was 14 years old, and suffered from depression and had suicidal impulses. The subject drank 10-12 schooners of beer 3-4 nights a week. He gambled because he could no longer play his chosen sport, and used gambling as a replacement.

Subject 6 appears to fit into subgroups 2 and 3. He was diagnosed with post-traumatic stress disorder as a consequence of sexual and physical abuse when he was a boy. The psychologists report noted that the subject had problems with impulse control and addiction, and posited a link between alcohol and offending that was cyclically related to abuse. The subject had a history of committing offences whilst on parole. In relation to the current offence, the parole service report states that initially he had abstained from alcohol and gambling whilst on parole and had attended Alcoholics Anonymous and Gamblers Anonymous during this time. Additionally, he had been receiving counselling, predominantly for the sexual abuse. However, he began to have problems when he started working night shifts. He began to drink again when memories of his past assaults returned, work difficulties emerged and he lost his job. He then stopped attending counselling sessions. It was during this time he reoffended. The pre-sentence report notes that alcohol appears to be associated with the subject's criminal offences since he was 15 years old. The subject appeared to drink alcohol to cope with his memories of abuse. The report notes that he has cyclic alcohol and gambling problems with apparently compulsive offending, and that this appears to be directly related to the abuse he experienced during his childhood. Since being

charged, the subject stated that he realised that he needed intensive psychological and psychiatric treatment for his problems. The psychologist's suggestion of compulsion suggests that the subject gambled due to emotional reasons and due to a compulsive disorder.

Others noted that the subject had started gambling in response to a relationship breakdown or business problems. Subjects 15 and 35 started gambling when their businesses floundered. The subject had a long term interest in gambling due to his family involvement in greyhound racing. Subject 45 stated that he started gambling after he separated from his partner. He began going out more frequently with his friends and gambling on poker machines in order to avoid thinking about the break-up. Subject 51 was informed when he was 14 years old that he was adopted, and there is evidence that he had not recovered from this unexpected finding. He had used amphetamines and cannabis intermittently since his teenage years. The subject stopped using drugs after receiving drug counselling, but then started gambling. Subject 54 stated that his gambling and drinking habits became excessive due to his marriage breakup and business problems. The file also notes that the subject perceived that his drinking and gambling destroyed anything positive in his life.

The death of a loved one was identified by some subjects as a traumatic event acting as a catalyst for their gambling (subjects 20, 21, 32, 33, 42). Subject 20 started gambling soon after his wife died in childbirth. The subject stated that essentially he went 'off the rails' and indulged in excessive alcohol consumption and gambling on the pokies. Subject 21 had apparently stopped gambling, but began again when his mother died. Subject 32 claimed that his gambling became out of control when his brother died. Prior to his brother's death, the subject was a mild gambler betting only on footy tab. Upon his brother's death, the subject went 'crazy' and bet on almost all gambling products. The subject had been very close to his brother, and when he died, he relied upon gambling to occupy his mind fully. Subject 33 had suffered a miscarriage. Subject 42 stated that the death of his father led to changes in his social and recreational life, particularly leading to increases in his drinking and gambling.

Unresolved intrapsychic conflicts of childhood traumas were demonstrated by a number of the subjects in this study. The psychologist's report for subject 14 stated he had addictive behaviour patterns stemming from his childhood experiences of his father dying young and ongoing difficulties establishing relationships with his mother's new partners. The pre-sentence report suggested that the subject was not anti-social, rather, his offences were the by-products of addictive behaviour patterns.

Premorbid psychopathology

Blaszczynski (2000: 5) states that the subgroup of emotionally disturbed gamblers displays higher levels of premorbid psychopathology: 'In particular, they display depression, anxiety, substance dependence, and deficits in their ability to cope with and manage external stress.' They have cannot express their emotions directly and effectively, and tend to engage in avoidance or passive aggressive behaviours. These gamblers see gambling as a means of achieving a state of emotional escape through the effect of dissociation on mood alteration and narrowed attention.

For many subjects, the files suggested that depression pre-dated any problem gambling. For example, subject 1 had suffered from varying degrees of depression, social isolation and alcohol and drug addiction for the majority of his adult life (29 years old at time of trial). The pre-sentence report noted that the subject had been suffering from a depressive illness that was not diagnosed until some nine months prior to the pre-sentence report being completed. It appears that gambling was one of the means adopted to cope with his depression. Subject 43 had a long history of gambling which appeared to be under control, then would become severe in response to stress and depression. The subject stated that he felt a strong compulsion to gamble, as he could focus all his energies and 'lose himself'.

Several files noted a direct relationship between the subject's level of depression and their gambling. For example, subject 21 was convicted of three counts of armed robbery. He had a history of armed robbery offences and had been gambling for decades. His psychiatric report indicated that he suffered from depression. A relationship was noted between his depression, gambling and series of offences, with each set of offences being preceded by a bout of serious

depression. In relation to the recent set of offences, the subject stated he had started to gamble again after his mother's death. Additionally, he had problems with his relations due to unpaid debts and this had caused depression. Subject 23 stated that after the birth of her son she became bored with the isolation of being house bound and so became increasingly attracted to gambling as an escape mechanism. She was also depressed as a consequence of her son's poor health. She found a correlation between depression and the size of her bets. The subject stated she did not care if she won, but she was obsessed with the escape and preoccupation of playing the poker machines. The psychological report noted that her response to stressors and the use of poker machines was maladaptive but not uncommon.

Subject 55 suffered from depression as a consequence of the unsatisfying nature of his career path, his declining social contact and a lack of motivation to improve the situation. His self-esteem suffered causing further withdrawal and negative ideation. The psychologist's report stated that '[O]ften an 'escape' from feeling this way or 'zone' is found in playing poker machines to the extent that the behaviour may become compulsive. That is, in the absence of effective, positive means of coping (eg, changing jobs, using available supports etc) this behaviour is seen as a 'way out' and not succumbing to the urge to perform this behaviour tends to create anxiety for the individual. The individual will report feeling undisturbed whilst playing these machines and yearn for this 'peace'.'

Unfortunately, whilst gambling was adopted as a strategy to cope with depression, the costs associated with gambling soon exacerbated the depression. For example, subject 16 felt despondent at her inability to pay her debts and to look after herself and her pets. She considered gambling as a way to make money in order to cover her considerable debts on store cards and credit cards. She began to gamble and rapidly became a compulsive gambler. During this time she started writing cheques in her own favour to continue gambling, even though she knew this was wrong. She stated she was relieved that she was caught as she was unable to stop the habit. The psychologist's report noted that at the time of trial the subject was suffering from depression. Similarly, subject 21 gambled when he was depressed, but then became even more depressed at the problems associated with his gambling debts. Subject 5 had a history of depression,

particularly post-natal depression. She stated that she gambled to avoid reality and worries including raising three children whilst doing shift-work. The psychologist noted that she gambled to handle unhappy feelings, but that this habit, once established, needed money.

Subject 2 had a personality profile that indicated he was antisocial, passive aggressive and narcissistic with a grandiose and eccentric self image. His narcissistic personality can serve to deny underlying depression and feelings of futility. When he feels 'on top of the world' he keeps his problems at bay, and this is assisted by his constant need for social stimulation, alcohol and gambling. The psychologist states that although his alcohol and gambling habits perhaps increased during the time he committed the offences, they did not form the basis of his offences. Rather, his flaws in his personality, his need to prove himself to others and himself, prompted his offences.

Subject 9 was diagnosed by one psychologist as having a Dependant Personality Disorder. In essence this condition is characterised by a dependence on attention from others and success. The subject had suffered an injury that had precluded success in his chosen sport and the gambling assumed pre-eminent importance in his life. Gambling replaced the excitement of playing sport. His gambling addiction became exacerbated to a level well beyond his means and his resorting to criminality. The offender attempted suicide shortly after his activities were discovered and had suffered depression as a consequence of earlier fraud offences.

As noted above, gamblers in this subgroup show an inability to manage external stress and cannot express their emotions directly and effectively. An example of these characteristics can be provided by subject 63. He gambled as a means to 'obtain more money to impress his wife and compensate for his own shortcomings' but he appears 'to have got caught up in that cycle in that he was constantly having to furnish his gambling debts'. The psychologist found that the subject had a personality disorder possessing predominantly schizoid, depressive and passive aggressive traits. The subject is emotionally inert, undemonstrative and aloof.

Examples of subgroup two

Blaszczynski (2002: 8) asserts that gamblers in this subgroup participate for emotional reasons: to dissociate as a means of escaping painful life stresses, to reduce boredom, or to deal with unresolved intrapsychic conflicts of childhood traumas.

Subject 59 provides an example of a gambler in subgroup 2. The subject had a long association with horse racing which began at 12 years of age. He came from a racing 'dynasty' which his grandparents founded. He was given a present of a race horse as a young person. He also leased horses in a recreational and investment capacity. He had had a traumatic childhood. His father had a nervous breakdown and died at a young age whilst his mother was committed to a mental institution for depression. When he was 18 years old, whilst he was living with his aunt he accidentally shot dead his 6 year old cousin whilst cleaning a rifle. The incident led to a rift in the family and the pre-sentence report recommended that counselling may be of assistance in dealing with unresolved issues arising from this. He completed year 12, had some low skill work and then got a job at the place where he committed these offences. He is married with three daughters. The psychologist report stated he suffered from a form of chronic, low-grade reactive depressive illness. The subject's attorney noted that the subject's gambling went out of control and his first offence took place when his eldest daughter turned 6. In a court interview he noted that his gambling got out of control around this time, especially after a big win. The pre-sentence report suggested he had led two lives – one as a responsible family man with no lifestyle problems, the other as a person who experienced significant trauma in his adolescent years, has a gambling addiction, difficulty communicating his feelings, lacking in insight and responsibility, and who committed the offences to deal with his problems. The Court transcripts indicate that he realised he had a gambling problem in 8 years prior to his arrest when he lost \$7000 in 1 day. Before and after this event the subject bet on credit terms with bookmakers as a matter of course on races throughout Australia.

Subject 37 claimed that she gambled on the poker machines because she was lonely. Her first marriage had ended due to domestic violence. Her second husband worked on fishing boats and

was frequently absent. Consequently, she stated that she played on the poker machines every day after work as entertainment.

Conclusion

A large number of subjects in this study appear to be gamblers that are in subgroup 2. That is, many subjects in this study appear to have gambled as a means of coping with negative affective states. Many of these subjects had long term gambling histories, depression, and appeared to turn to gambling when affected by adverse events or emotions. Unfortunately, the use of gambling to cope with negative emotions is expensive, and this provided the motivation for subjects in this subgroup to commit crimes. In turn, the commission of crime would be further increase any negative affective state, increasing the need to gamble, and hence the need to commit still more crime.

Subgroup 3: Biological correlates of gambling

This subgroup is defined by the presence of neurological or neurochemical dysfunction reflecting impulsivity and attention-deficit disorders (Blaszczynski 2000: 6-7). Blaszczynski details research suggesting that impulsivity precedes gambling, and is a good predictor factor for severity of involvement in at least a subgroup of gamblers. He argues that gamblers manifest differential responses to reward and punishment because of their biologically based impulsivity. These gamblers demonstrate a marked propensity for seeking out rewarding activities, they are unable to delay gratification and have a diminished response to punishment. When the consequences of their actions are painful, they fail to modify their behaviour.

Blaszczynski (2000: 7) states that impulsive gamblers display a broad spectrum of behavioural problems which are independent of gambling, including substance abuse, suicidality, irritability, low tolerance for boredom and criminal behaviours. Characteristics of this group are poor interpersonal relations, excessive alcohol and poly-drug experimentation, non-gambling related criminality and a family history of anti-social behaviour and alcoholism. For this group, gambling commences at an early age and rapidly escalates in intensity and severity, occurs in binge episodes and is associated with early gambling related criminality. These gamblers are less motivated to

seek treatment in the first instance, have poor compliance rates and respond poorly to any form of intervention.

From the information available in the files, it appears that some subjects could fit into the third subgroup of problem gamblers (subjects 7, 18, 19, 41). Psychologists identified that some of the subjects demonstrated problems with impulsivity. Subject 7 was diagnosed with a compulsive disorder that resulted in her excessively cleaning, time keeping and retaining extremely tight schedules in her daily existence. For instance she would allocate herself 30 minutes between the period of getting home and getting her evening meal ready. The subject was prescribed medication for her disorder since being charged. The psychiatric report states that the subject knew that stealing was wrong, but that her gambling habit assumed the level of an obsession with her and was as irresistible in terms of its compulsive power as were the other rituals in which she was engaged. Just as she knew that the rituals she engaged in were illogical and of no purpose and was powerless to resist them, her behaviour in regard to taking of money and gambling fell into a similar category. The psychiatrist noted that the subject's condition is due to a biochemical abnormality, with the obsessive compulsive disorder and pathological gambling compounding each other. The psychiatrist states that she will benefit from long term treatment and medication and that control of her ritualistic and compulsive behaviour would substantially diminish the potential for reoffending.

The psychologist's report on subject 41, suggested that he suffered from an underlying impulse control disorder, manifested primarily as a pathological gambling addiction. This disorder is characterised by:

- Failure to resist impulse
- Increasing sense of tension felt before committing the act
- Pleasure, gratification or sense of release at the time the act is performed.

A second psychologist suggested that his gambling addiction may be due to 'low self-esteem, cultural predisposition to gambling, and a biological vulnerability.' The subject was charged with larceny by a servant when he stole property from his employer. He claimed that he had not

needed the money but stole because the opportunity arose. The subject had a criminal history of fraud offences committed due to his problem gambling.

It appears that at least 4 of the 10 subjects charged with robbery offences could be categorised as subgroup 3 gamblers (11, 18, 19, 49). Subject 18's father was a compulsive gambler and heavy drinker. He left when the subject was 2 years old. Subject 18's mother later married a man who was an alcoholic. The mother raised, trained and raced greyhounds. Subject 18 came from a disturbed and dysfunctional family. The subject stated that he began gambling excessively when he was in his early 20s. The subject claimed that he gambled as a response to stress. He indulged in excessive drinking and cannabis. The psychologist for subject 18 stated that he had poor impulse control, and stated that the present offence was committed due to his gambling addiction and his inability to find another means of resolving what he perceived to be an immediate threat to his family. Subject 18 appears to be an example of a person who fits into both subgroups – gambling to cope with negative affective states but also due to poor impulse control.

Subject 19 had witnessed extreme physical abuse by his father against his mother, leading to the subject being required to live with his aunt. The subject later returned to live with his father. The subject was introduced to gambling by a horse trainer who gave him successful tips on an ongoing basis. This meant that the subject regularly won thousands of dollars. The subject stated that he felt that his life had been going nowhere, and gambling was highly appealing and exciting. The subject started to spend the money he won on the pokies and lotto. He was attracted to the gambling lifestyle and became excited when he saw advertisements for the gambling industry. Unfortunately, the horse trainer went interstate, and the subject regularly made losses. The subject became aware of his addiction when the horse trainer left, and felt angry at the government for their promotion of gambling. The subject committed the robbery to place a bet on a trifecta, believing that his luck would change but he needed a lump sum to bring that about. Subject 19's psychiatric report noted that he had poor impulse control, linking his earlier sexual offences and as an element in his compulsive gambling.

Subject 11 was destabilised at the time of the robbery, due to unemployment and marriage breakdown. The subject had a history of unrelated criminal offences. The nature of his offence suggests that this subject suffers from an impulse disorder. The subject robbed a store after he and a friend lost \$110 gambling on the poker machines. They wanted money so that they could gamble more. Similarly, the circumstances of subject 49's robbery suggest problems with impulse control. The subject robbed a person withdrawing \$300 from an ATM because he was desperate. The subject had problems with heavy drinking and gambling, and had previously been imprisoned.

Conclusion

There are many different reasons provided by the subjects (and their psychologists) for why they gambled. These ranged from trauma and stress, to a belief in a big win or the gambling lifestyle. Blaszczynski's model is an effective means of analysing why subjects may have developed problems associated with gambling.

The availability of gambling impacted upon subjects' habits, whether through being introduced to gambling as a child by family members or through the convenience of local pubs and clubs allowing the subject to gamble at lunch or for 24 hours. Additionally, many of the subjects referred to the conditioning effects of gambling, and their reliance upon gambling to enter into a 'zone'. Subjects also appeared to have developed cognitive schemes associated with a belief that they would eventually win, despite their history of losses.

There were very few subjects in this study who could be characterised as subgroup 1 gamblers, that is, 'normal' problem gamblers. I would suggest that gamblers in this category are less likely to commit crimes that will be prosecuted by the criminal justice system. This is because they perceive that they have hit 'rock bottom' earlier than gamblers in the other subgroups. Consequently, they seek professional assistance prior to committing serious crimes. The majority of subjects in this study appear to be subgroup 2 gamblers. That is, they gamble to escape negative affective states. Unfortunately, gambling then becomes a costly way of coping with negative affective states, and these subjects are then compelled to seek illegal means to support their habits. Several subjects can also be classified as subgroup 3 gamblers, that is, gamblers with

impulsivity or attention deficit disorders. Whilst it is difficult to glean information from the files, several subjects were labelled by psychologists as having impulse control problems. Interestingly, many of the subjects charged with robbery can be characterised as subgroup 3 gamblers. The profile of subgroup 3 gamblers accords with the offence, as robbery is frequently an impulsive offence with small returns and high likelihood of being apprehended.

CHAPTER SEVEN - COSTS

COSTS ASSOCIATED WITH GAMBLING RELATED CRIME

In the 63 case files considered, there are many differences amongst the subjects included in this research. As noted in Chapter 5, there is a broad age and educational range for the subjects in this study. In the previous Chapter, it was noted that these subjects gambled for many different reasons. However, amongst all 63 case files, there are three major commonalities: the commission of crime; gambling related to the commission of crime; and loss. This chapter focuses on the losses or costs associated with gambling and gambling related crime.

The Productivity Commission (1999A 7.8) cautions against either understating or overstating the impacts of problem gambling. Because of the complicated and interconnecting causal pathways to problem gambling, researchers should not overstate the impact of problem gambling by seeing every case where a problem gambler loses his or her job, abuses a partner and child(ren), goes bankrupt, embezzles and employer's money, or suicides as causally linked to gambling. In some cases, at least, these devastating outcomes could be linked to a factor that pre-dated the gambling problem. On the other hand, problem gambling may be kept secret due to the stigma attached to social problems of this kind. Consequently, society's awareness of the impact of problem gambling in the public domain may only be the 'tip of the iceberg'. The Commission referred to two methods of ascertaining the causal relationship between problem gambling and loss.

1. *A quantitative approach.* This approach regresses some adverse outcome, such as divorce, against some risk factors which may lower or increase the likelihood of divorce, such as age, education, duration of marriage, income and problem gambling. The interest in such regressions is on the coefficient of problem gambling. The question being asked is, taking into account all the other possible contributing factors to divorce, how much additional risk is posed by gambling? The Productivity Commission notes that this approach was adopted by the US NORC Study (Gerstein et al 1999).
2. *A self-assessment approach.* This approach is based on asking gamblers whether gambling has contributed to an adverse event or not. If respondents answer honestly, the self-assessment approach can provide a good perspective on causality because it makes use of all of the knowledge of the respondents. The Productivity Commission adopted this approach, and

noted that the results obtained were similar to that obtained by NORC using the quantitative method.

The present research project focused on the latter approach, relying upon a self-assessment by the subject, or assessment by others such as representatives of the criminal justice system or psychologists. Some of the files contained information about the subject's awareness of the costs arising from their gambling. For example, subject 2 felt that he had squandered away his opportunities through alcoholism and gambling. Subject 40 viewed gambling as the cause of the loss of his home, wife and family. Subject 54's pre-sentence report notes that gambling and alcohol abuse over the previous 7 years have 'destroyed anything positive that existed in [his] life'.

It should be reiterated at this stage, that the research methodology adopted means that it is only possible to rely on the information available in the case files. The losses associated with gambling and gambling related crime were not specifically relevant to the trials of the accused. Some files contained a great deal of information regarding the impact of gambling on the subject's life. At times this information was based on the memory or perspective of the accused, at other times, the information was provided by family members or employers. Despite the inconsistency in the detail and type of information included in the files, there is nevertheless a great deal of rich, qualitative information about the costs associated with gambling and gambling related crime.

The results of this research are related to existing research estimating the costs associated with gambling related crime. This provides the opportunity to enrich existing research with qualitative information and, also, the chance to consider the accuracy of the estimates suggested by prior research of the costs associated with gambling related crime.

The categories examined in this chapter are:

- amounts stolen
- job change
- spending money

- debts
- loan sharks
- selling property
- impact on relationships
- depression and/or suicide
- imprisonment

Amounts stolen

A major cost associated with gambling related crime is the money taken to finance gambling or gambling related debts. The total amounts stolen in this project in gambling related crimes are huge. This section details amounts stolen in the present study and compares these to prior estimates of the amounts stolen in gambling related crimes.

The total amount stolen by the 63 subjects in this study was more than \$4,206,572.³ Amounts stolen ranged from \$40 to \$425,000, with average amount \$73,800 per offender. Figure 9 provides a breakdown of the amounts stolen by offence type.

³ Amounts stolen were not specified for several subjects.

Figure 9: Amounts stolen by offence type

Offence	N	Mean \$	Total taken \$	Median \$
Steal from person	1	40	40	40
Larceny Motor Vehicle	3	n/a	n/a	n/a
Fraud	23	87,426	1,661,096	60,000
Larceny by a servant	27	95,935	2,494,309	44,000
Robbery	10	3,113	31,127	1,900

The amounts stolen can be explored further on the basis of offence type. The total amount stolen for the 10 offenders charged and convicted of robbery was \$31,127 with an average of \$3,113 taken by each offender charged with robbery. The median amount robbed was \$1,900. This is much lower than the average of \$73,800 for all offenders included in this study. The amount yielded in each robbery is even lower, with *each* robbery yielding an average of \$1,556. However, it should not be forgotten that by definition, robbery incorporates an element of violence. Hence, the cost of gambling related robberies should also include the impact on victims in terms of the threat of violence or use of physical violence.

When robberies are excluded from the total, more than \$4,175,445 was stolen. This means that for non-violent property offences, the average amount stolen was approximately \$88,839 per offender.

Only one subject was charged with steal from the person. Subject 14 stole \$40 when he stole the wallet of the person next to him. Subject 10 was charged with a variety of offences including

steal from a dwelling house, larceny, making false instruments with intent to induce a person to accept as genuine and firearm offences. Altogether, the subject stole \$20,000.

There were three subjects charged with larceny of a motor vehicle. Subject 30 claimed to have 'found' an abandoned motor vehicle, subject 31 stole a car as a getaway vehicle, and subject 13 stole a car from a yard worth \$5,500. All three subjects convicted of larceny of a motor vehicle were charged with additional offences. Subject 30 was also charged with social security fraud, subject 31 was charged with robbery offences and subject 13 was charged with offences relating to the writing of valueless cheques.

The bulk of the gambling related offences in this study were either charges of fraud or larceny by a servant. Twenty-seven subjects were charged with larceny by a servant offences (3, 4, 5, 6, 7, 15, 16, 17, 23, 24, 25, 41, 42, 43, 44, 45, 46, 46, 48, 55, 56, 57, 58, 59, 60, 61, 62). The total amount stolen by offenders charged with larceny by a servant was more than \$2,494,309. The average amount stolen by those charged with larceny by a servant was \$95,935 with a median of \$44,000. An additional 23 subjects were charged with fraud offences including obtaining by deception, passing valueless cheques, fraudulent misappropriation etc (2, 9, 12, 13, 26, 27, 28, 29, 32, 33, 34, 35, 36, 37, 38, 39, 40, 50, 51, 52, 53, 54, 63). The total amount stolen by offenders charged with fraud offences was \$1,661,096. The average amount stolen by these offenders was \$87,426 with a median of \$60,000.

It is difficult to ascertain the amount stolen per offence by offenders for many of the fraud and dishonesty offences, because many of the subjects stole large amounts over long periods of time. This means that frequently they were charged with the total amount stolen, or with a number of charges amalgamating amounts stolen. Additionally, in some ways it is not appropriate to separate larceny by a servant offences from fraud offences, as some of the subjects charged with fraud, actually stole from their employers. The fraud and larceny by a servant/clerk offences will be explored in more detail in later chapters. At this stage, it can be noted that the amounts stolen were frequently huge.

In comparison, Blaszczynski and McConaghy (1992) estimated that problem gamblers steal on average \$3,000 per year over a mean of 10 years participation in problem gambling (detailed in Chapter 3). These estimates are much lower than those yielded in the present study. There are three possible reasons why:

1. The subjects in this study are an example of severe problem gamblers. This assertion is strengthened by noting that the majority of the subjects started to attend counselling after being arrested, and the Productivity Commission has noted that persons in counselling for problem gambling tend to have severe problems. However, the Blaszczynski and McConaghy (1992) study was drawn from a population of problem gamblers seeking treatment. Therefore, this assertion is incorrect.
2. The Blaszczynski and McConaghy (1992) study had a population of different types of gamblers. As noted in the previous Chapter, this study does not have many example of subgroup 1 type problem gamblers. Gamblers in this group are probably more likely to seek early treatment, either before they commit a criminal offence, or before they commit serious offences. It is also suggested that this group may be more likely to commit offences against employers which may well be dealt with outside the criminal justice system.
3. The Blaszczynski and McConaghy (1992) study relied upon retrospective self-assessment of amounts stolen. Interviewees in their study may have underestimated how much they stole over long periods of time. In the present study it was found that offenders were frequently surprised about the amounts that they had stolen. For example, subject 16 expressed some bemusement that she had stolen \$246,000. Similarly, subject 7 expressed surprise at the \$80,000 she had stolen. She thought that she had stolen around \$10,000. Consequently, the estimates provided to Blaszczynski and McConaghy (1992) would have tended to be much smaller than the amount actually stolen.

It is suggested that the latter two propositions are correct in explaining why there is such a difference between estimated averages stolen in the Blaszczynski and McConaghy study (1992) and in the present study.

Job change

The impact of gambling and gambling related crime upon employment can also be considered as a cost. The Productivity Commission estimated that job change as a consequence of gambling costs Australia approximately \$59 million a year. This section provides some detail to the reasons for job change and associated costs.

A large number of subjects in the study lost their jobs as a consequence of the commission of gambling related crime (subjects 2, 3, 4, 5, 10, 15, 16, 17, 23, 25, 27, 32, 38, 37, 39, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 55, 56, 57, 58, 59, 60, 61, 62). As would be expected, the vast majority of subjects who stole from their employers lost their jobs. Additionally, it can be assumed that subjects who were imprisoned also lost their jobs.

Some subjects in the study lost their careers as a consequence of gambling and/or gambling related crime. For example, subject 3 was charged with larceny by a servant as a consequence of stealing \$70 000 worth of goods from his employer. The subject had been a supervisor for a national concrete manufacturer, but since being charged with the thefts, the subject had been employed as a store person. Subject 32 lost his job of 8 years at a bank by stealing \$340,000 over a period of 2 years. Since being charged the subject had worked as a labourer, but had then been imprisoned. Subject 50 had utilised his job as a travel agent to deposit \$60,000 worth of cheques that were not paid on presentation. Since being charged, the subject had worked in retail but hoped to return to the travel industry. Subject 42 commented that he was foolish to throw away his career as a manager of a supermarket that he had worked towards for 13 years. He had worked his way up through the company starting as a trolley collector after school. Subject 18 had worked in various bars and clubs. He had no difficulty obtaining managerial positions but he did not persevere with career opportunities as they exposed him to gambling. Subject 17 lost his job at a bank as a consequence of stealing \$96,000 from his employers. Prior to the trial he worked as a furniture removalist. Subject 46 had started studying at university, but had left as a consequence of his gambling, presumably affecting his future career prospects.

For some subjects in the study, problem gambling was only one of the reasons for loss of employment. Subject 49 stated he had suffered from a gambling 'affliction' for most of his life. He had committed offences prior to offences in the present study, resulting in the loss of skilled work and imprisonment. Upon release from prison, the subject had worked as a factory hand, but had lost his job as a consequence of heavy drinking. At the time of the offences he was unemployed. The pre-sentence report noted that the subject's problems with alcohol and gambling dictated his life.

Some of the files specified that the subjects had become unemployed as a consequence of their offences and then relied on social security payments to survive (subjects 4, 5, 10, 16, 23). The financial burdens of these problem gamblers have spilled over the boundaries of their households into the public welfare domain. Subject 4 had been employed as a duty manager and utilised his position to generate false refunds to the value of \$15,800. Upon being charged, the subject lost his job of 5 and 1/2 years and has since been unemployed. Subject 10 stole his employer's cheque book and gambled away the proceeds over a period of one month. As a consequence he lost his job, his wife divorced him and he was living on the invalid pension at the time of trial. Similarly, subject 16 lost her job as a consequence of stealing \$240,000 from her employers over a 5 year period. At the time of trial the subject was living on the aged pension. Subject 23 pocketed the proceeds from sales at the wholesale market at which she worked. At the time of trial she had lost her job and was living on the sole parent pension. Subject 44 stole \$5,540 from his employers over a period of 5 months. Aged 64 at the time of the offences, the judge noted that the subject was unlikely to ever be employed again given his criminal history and his age.

The losses associated with gambling related crime can be huge. Subject 5 stole more than \$425,000 over a ten year period from her employers. The subject lost her job as a consequence of her thefts, and since that time, both her husband and herself were on the pension. It was accepted in court that the subject was unlikely to ever obtain employment again due to the publicity surrounding the case. The court also noted that there she felt a great deal of shame and embarrassment as the entire rural community in which she lived was aware of her crimes. Additionally, she liquidated all of her assets in an attempt to pay off some of the money she had

stolen. Subject 37 stole \$107,000 from her employer over a six year period. As a consequence of her thefts, subject 37 lost her job, and her long service benefits and superannuation were assigned to her ex-employer as compensation.

The Productivity Commission (1999: 7.28) notes that problem gambling can have a large impact on work performance. In terms of job loss, the Productivity Commission estimated that about half a per cent of problem gamblers said they had been sacked as a consequence of their gambling (about 1,500 people). Job change and loss were much greater among problem gamblers in counselling, with about one in five stating they had lost or moved jobs due to gambling. In the present study, almost all of the subjects lost their jobs as a consequence of gambling or gambling related crime.

Property

Problem gamblers frequently spend a great deal of their income on gambling expenditure. Amongst non-problem gamblers the mean ratio of net gambling losses to household income (affordability) is low at around 1.2%, while for problem gamblers in the general population the average is 19.1% (PC 1999A: 7.40). Among problem gamblers in counselling, those with the most severe problems, gambling expenditure exceeds 20% of income in three quarters of cases.

The Productivity Commission notes that an inevitable consequence of the high ratio of gambling spending to income is that problem gamblers tend to run down assets or borrow (1999A: 7.41). Despite stealing large amounts of money, many of the subjects in the present research did not have any assets or even sufficient money to survive due to their gambling.

Spending money

The Productivity Commission notes that the majority of problem gamblers in counselling report running out of money to buy essentials or pay urgent bills at least sometimes (1999A: 7.45). These findings are reflected in the present research. Subject 7 stated that she stole money because she had gambled away all her pay and needed to pay bills. Subject 16 stole money and gambled to pay credit card and store card debts. Her pre-sentence report noted that she did not have enough

money to feed herself and had no source of hot water and no oven. Subject 27 claimed that he applied for the loan (fraudulently), because his gambling addiction meant that he could not pay his mortgage and was always in arrears. Subject 37 stated that initially she stole money for gambling and living expenses, but later this money was used to maintain payments for fraudulent loans.

Debts

The Productivity Commission's *Survey of Clients of Counselling Agencies* found an average debt of \$8,073 for problem gamblers in counselling (but about 40% had no debt, so the level of debt for those who did was actually \$12,945) (1999A: 7.41). The files did not focus specifically on debt levels associated with gambling. However, the amounts stolen by the subjects in this study indicate the debt levels associated with gambling. Additionally, some of the files noted the debt levels the subjects claimed to be associated with gambling. For example, subject 34 claimed that he had at one stage accrued gambling debts of \$1 million and had been compelled to sell his family home to repay these debts.

Loan sharks

The Productivity Commission found that nearly 5% of problem gamblers said that they had borrowed from loan sharks (lenders who charge exorbitant interest rates and sometimes harass borrowers for payment) (PC 1999A: 7.42).

Five subjects in the study claimed they had borrowed money from loan sharks. Subject 8 stated that he committed the present criminal offences to repay loan sharks who demanded \$5,000 from him for earlier gambling debts. Subject 18 stated he was owed money to loan sharks for an earlier \$3,000 gambling debt, with an additional \$1,000 interest. Subject 29 claimed that his offences were committed as a consequence of having to pay debts where failure to do so would have resulted in personal injury. Subject 56 also stated his family had been threatened as a consequence of a \$150,000 gambling debt to loan sharks. Subject 35 borrowed money from a loan shark who was also a fellow employee at work.

Superannuation

The Productivity Commission found that around 14% lost their superannuation assets (1999A: 7.45). Subject 42 drew \$4,000 on his superannuation and borrowed \$18,000 from his mother to pay back his employers for the \$26,000 he stole. Subject 48 gave her holiday pay and superannuation to her former employers to repay some of the \$218,000 she had stolen.

Real property

The Productivity Commission found that around one in ten problem gamblers reported selling property to finance their gambling. More than one in three of gamblers in counselling sold property (1999A: 7.42). Those with the severest problems face devastating financial consequences, with about 8% of problem gamblers in counselling losing their house due to their gambling. From the information available in the files, it appears that some of the subjects who owned real property mortgaged or sold the property in order to pay compensation to the people from whom they stole (subjects 5, 17, 21, 34, 40, 48, 56, 59).

Subject 56 stole \$115,311 from the club at which he worked, by falsifying entries when banking. The subject had a long gambling history with fraud offences committed to support his habit. The subject had remortgaged his property to pay off his debts to cover the repayment of monies for the first round of thefts. However, despite this, the subject still owed \$150,000 to loan sharks for gambling at that time. This resulted in the second round of offences, in order to pay the outstanding debts. Subject 17 stole \$96,000 from the bank at which he worked. He lost his job, his marriage broke down and he sold the family house to repay part of the money stolen. Subject 40 realised after he had been charged with stealing \$94,000 through fraudulent loans, that his gambling had led to losing his home, wife and family. Subject 48 mortgaged the family home and gave holiday pay and superannuation to her employers to go towards repaying the \$218,000 she stole. Subject 21 amassed considerable debts due to his problem gambling and was compelled to sell his property to finance the losses he had incurred. Subject 59 had a long term gambling habit of which his family was unaware. As a consequence of stealing \$220,000 from his employers, the subject lost his job of 20 years, was compelled to sell the family home to repay his employers, and was sentenced to 9 months imprisonment. In the case of subject 30, prior to the commission of

the criminal offences, the subject sold his house with the intention of investing the money. However, he spent the \$200,000 proceeds of the sale on gambling over 12 months. Subject 34 sold the family home to pay off gambling debts some years prior to the offences for which he was charged. The subject stated he committed the current fraudulent offences to cover gambling debts. Through gambling on horses he had become indebted to the value of \$400,000. At the time of the commission of the offences, the subject owed one million dollars in gambling debts.

Bankruptcy

There is evidence that some gamblers may become bankrupt as a consequence of their gambling. The Productivity Commission noted that 1.4% of problem gamblers reported ever being bankrupt as a consequence of gambling (and about 9% of problem gamblers in counselling) (1999A: 7.44). Several of the subjects in this study were declared bankrupt as a consequence of gambling and/or gambling related crime. Subject 9 was declared bankrupt as a consequence of the offences. Subject 9 was a financial consultant who fraudulently placed funds in high risk funds instead of secured funds. He gambled on horse and dog races and the stock market, and was charged with fraudulently misappropriating more than \$210,000. As a consequence of the offences, the subject was declared bankrupt, and his wife divorced him due to his lies and gambling. Subject 53 stated prior to the offences he had owned his own business in a rural town. A combination of economic recession and gambling had led to the business being placed in receivership and bankruptcy.

The losses associated with problem gambling are well demonstrated by subject 56. Subject 56 stole \$42,000 from his employers some years prior to the present offences to finance his gambling debts. He was sentenced to a good behaviour bond and re-mortgaged a property to pay back his employers for the money stolen. The present offences, stealing \$115,000 from his employers, were committed in order to pay back the SP Bookies debts he had incurred during the 1980s and 1990s that had led to the first round of offences. Consequently, even though the subject had paid his employers for the first lot of thefts by mortgaging a property, the subject still had to pay the SP Bookies for money borrowed to gamble.

Effect on relationships

The case files also provided detail about the impact of gambling and gambling related crime on relationships. Many of the subjects in the study reported an impact on their de facto or married relationships (1, 2, 9, 10, 17, 21, 27, 30, 33, 34, 40, 48, 49, 53, 60). Problem gamblers use large amounts of money and time on gambling, and these activities tend to impact upon their relationships. The time and money commitments are frequently accompanied by deception about their gambling and the anxiety, mood swings and stress accompanying their gambling, can jeopardise their relationships.

Subject 2 admitted that his problems with gambling and alcohol contributed to the breakdown of his first marriage. The wife of subject 9 divorced him because of his lies and gambling. Similarly, subject 10 had previously been married and divorced, with gambling and drug abuse noted in the divorce. Subject 21 was aged 54 at the time of his conviction for 3 counts of armed robbery. He had a long term problem with gambling, and stated that his marriage had finished decades earlier as a consequence of his gambling habit resulting in financial ruin of their business. Subject 30's marriage had broken down as a consequence of his long term gambling problem. Subject 34 stated that his marriage with his wife had broken down some years earlier as a consequence of his gambling, and the selling of the family home to cover gambling debts. His wife had been unaware of his gambling debts until the family home had to be sold. Subject 40 stole \$94,000 through fraudulent bank loans and spent the money gambling on poker machines and keno. He forged his wife's signature to obtain the loans. As a consequence of the offences, the subject's marriage dissolved and the subject saw gambling as the reason for losing his home, wife and family, and consequently he gave his mother control of his finances. The marriage of subject 53 suffered as a consequence of the commission of gambling related crimes, but at the time of trial the relationship had continued. Subject 60 was advised by his de facto that she will leave him if he ever gambles again. The relationship of subject 33 with her de facto was terminated as a consequence of her stealing \$27,400 from her employer. The relationship of subject 27 with his wife had ended prior to the current offences due to his gambling. Subject 49 stated that he had been married for 10 years prior to the offences, but that this relationship had always been difficult because of his gambling habits.

At times, the files were unclear about the relationship between gambling and the breakdown of relationships. Subject 1 stated that prior relationships with his wife and a de facto had broken down as a consequence of his threatening behaviour due to his alcohol and drug affected state. The wife of subject 8 had left him because she was frightened of him.

Interestingly, subject 63 left his wife after being charged with manufacturing false forms of ID and obtaining loans to the value of \$109,000. The subject stated he was grateful that his wife had informed the police of his offences. After receiving counselling, the subject realised that he gambled as a means to make money to impress his wife. He realised that the relationship had a negative influence on him and he terminated the relationship.

These findings are in accordance with the Productivity Commission's estimate that relationship breakdown affects about one in ten problem gamblers and this typically leads to divorce or separation. One in four problem gamblers in counselling are affected by divorce or separation (PC 1999: 7.20). Other research has found even more extreme results. For example, Dickerson and Baxter et al (1995: 97) found that 44.4% of male and 22% of female clients of a Queensland counselling group experienced relationship breakdown as a result of their gambling problems. Dickerson, Baron et al (1995) found that 45.5% of SOGS 10+ Australian problem gamblers experienced relationship breakdown. The Productivity Commission also notes that problem gamblers can have significant impact on the mental health of their partners (PC 1999: 7.22) and upon their children (PC 1999: 7.23-7.24). There is insufficient information in the files to examine any impacts upon the health of partners and children.

Gambling and gambling related crime also impacted upon the subjects' relationships with their families. As a consequence of stealing \$218,965 from her employer, subject 48 lost her job, and many family members refused to have any further contact with her. Subject 35 was declared a persona non grata by his father as a consequence of fraudulently obtaining social security payments whilst working. Subject 36 was no longer welcome to reside at the family home. The case file notes that he was easily irritated and provoked into fights when not gambling, and this

had led to problems with his family. The case file of subject 41 notes that her gambling addiction was extremely distressing to her family. Subject 21 stated that he had problems with his relatives due to unpaid debts.

Additionally, problem gambling can affect family finances. Some of files noted that family members had economically supported the subjects. For example, the mother of subject 18 said that she had put money in his account at times to help him out, but he had spent it on gambling. The wife of subject 39 wrote to the Court and stated that as a consequence of the subject's gambling, they frequently did not have enough to eat and had been compelled to sell most of their belongings. Subject 42 borrowed \$18,000 from his mother to pay back some of the money he stole from his employer.

Two subjects stated that they had given control over their finances to their parents. Subject 55, aged 25 at the time of trial, reported that after being charged with criminal offences his parents kept his pay packet so that he was unable to continue gambling. Similarly, subject 40, who was 42 years old at the time of the trial, gave his mother control over his finances.

Several subjects also reported threats to their family from debtors. Subject 56 claimed that loan sharks to whom he owed \$150,000 had threatened to harm his family, providing detail suggesting they knew the children's' appearances, place and time of schooling. Similarly, subject 18, claimed that he committed the offences because loan sharks had threatened to burn his family as a consequence of the subject making bets to the value of \$3000 that he could not repay.

Depression and suicide

Problem gambling is related to heightened anxiety, depression and in extreme cases, suicide (PC 1999B 7.9). Many studies find a relationship between problem gambling, and mood disorders, such as anxiety or depression (Blaszczynski and McConaghy 1994B, Brown and Coventry 1997, Lesieur and Bloom 1990). The present research found high levels of depression and suicidal thoughts amongst the subjects in the study. Many of the subjects suffered from depression (1, 2, 5, 6, 8, 9, 11, 16, 21, 23, 26, 27, 33, 35, 37, 39, 44, 46, 48, 50, 51, 55, 56, 59, 61, 63). A

number of subjects also stated that they had either attempted suicide or were suicidal (6, 9, 26, 27, 56). From the files it was not always clear whether the depression predated the problem gambling or the subject developed depression as a consequence of awareness of their problem gambling and/or the consequences of the commission of crime.

These findings are supported by existing research of the high personal costs of problem gambling. The Productivity Commission's *National Gambling Survey* (1999) results suggested high levels of self-assessed depression, guilt and suicidal thoughts due to gambling:

- around half of the people with at least moderate gambling problems say they have suffered depression as a result of gambling, and around 43% say they have been depressed because of gambling in the last year. Nearly all problem gamblers seeking help from counselling agencies record some occasions of depression;
- the overwhelming majority of gamblers experiencing problems say they feel guilty about their gambling and the bulk report control problems;
- about 9% of problem gamblers report that they have seriously thought about suicide because of their gambling, and about 60% of those who seek help for their gambling problems from counselling agencies; and
- about one in ten problem gamblers who seek counselling assistance report an attempted suicide (1999A: 7.10).

The Productivity Commission (1999A: 7.13) noted that persons who sought help for their gambling problems were generally not representative of those with problems among the general population. Rates of self-assessed depression amongst problem gamblers in counselling are:

- about equal to those in the general population with a severe problem (SOGS 10+)⁴,
- about twice as high as problem gamblers in general (SOGS 5+ or level 1 and level 2 problem gamblers combined); and
- 28 times higher than non-problem regular gamblers.

⁴ At 96.4% for the help group compared to 82.9% for people scoring SOGS 10+ in the general population.

The majority of subjects in the present study have approached counselling bodies for problem gambling, usually after they have been charged with the commission of crime (detailed in Chapter 8). The high rates of depression recorded in this study are therefore in accordance with the Productivity Commission's findings that problem gamblers in counselling are more likely than problem gamblers in general to suffer from depression.

Additionally, problem gamblers experience a number of other, potentially distressing feelings, such as guilt, preoccupation with gambling, restlessness and loss of control (PC 1999A 7.12). The majority of files did not detail this information, however several files noted negative feelings associated with gambling. Subject 61 stated that she was depressed as a consequence of stealing money from work and being unable to repay it. She stated that she could not wait until she was caught. Subject 7 developed into a problem gambler very soon after she first played on poker machines. The subject stated she was relieved when she was caught as she did not have to feel guilty or hide anymore. The subject kept the extent of her gambling habit secret from her friend, by sneaking off to play other machines so that her friend did not realise how much she was gambling. The psychologist's report noted that subject 36 'says he gets great excitement and pleasure when he gambles, in having the chance of a win. When he loses he becomes disconsolate and irritable and easily provoked into fights with those around him.'

Criminal justice system: costs

The costs associated with punishing gambling related crime must also be considered.

In the Final Report of *Australia's Gambling Industries* (1999), the Productivity Commission provides ballpark estimates of the benefits and costs of gambling. The only such category associated with the criminal justice system are the costs of 'policing, court and jail'. The Productivity Commission estimates that \$14 million is spent each year in this category. In the present research, it is impossible to estimate the costs of policing and court time. However, it is possible to consider the costs of imprisonment. The cost of imprisonment to the government in NSW is estimated at between \$51,000 and \$66,000 per prisoner per year, depending on security classification (Brown, Farrier et al, 2001: 1468). In this study, 47 of the 63 subjects were

imprisoned, either full-time (41 subjects) or periodically (6). Of the 41 subjects imprisoned full time the total of their minimum terms was approximately 784 months or 65 years. Consequently, in this study, the costs of full time imprisonment for gambling related offences was approximately \$3,998,400 using the minimum cost estimate of \$51,000 per inmate per year.

It should be noted that this estimate does not include periodic detention, home detention or any supervision from parole. Additionally, this estimate does not include the costs of policing or court time. Moreover, this study focused only on a limited number of offences and offenders, and only in NSW. Consequently, it is suggested that the estimated amount of the costs of gambling in terms of policing, court and imprisonment is huge.

Conclusion

The costs and losses associated with gambling related crime are huge for problem gamblers, their family and society. The subjects in this study lost their homes, jobs, property, and reported relationship breakdown and depression. The amounts stolen by the subjects in this study were large. Additionally, problem gamblers affect society in terms of the costs of job loss, counselling for problem gambling and criminal justice system costs.

CHAPTER EIGHT – PROFESSIONAL TREATMENT

SUBJECTS SEEKING ASSISTANCE FOR GAMBLING PROBLEMS

Introduction

The majority of subjects in this study turned to some kind of professional assistance for problems associated with gambling, whether this was individual counselling or organisations such as Gamblers Anonymous. This Chapter details who or what the subjects turned to for assistance with gambling related problems, and also focuses on why some subjects refused assistance. Additionally, information is provided about subjects who received assistance for other issues or problems. Finally, this Chapter outlines the perceived efficacy of assistance for gambling related problems.

Of particular interest, is that the majority of the subjects in this study sought assistance for their problem gambling only *after* they had been charged with gambling related crimes (4, 5, 6, 7, 9, 12, 14, 15, 17, 23, 25, 26, 29, 32, 33, 38, 39, 40, 44, 46, 47, 48, 50, 52, 53, 55, 57, 58, 59, 60, 61, 62, 63). For those who stated that they had had problems with gambling for less than a year, it is perhaps unsurprising that they did not seek professional assistance for their gambling due to the short time frame between the onset of problems and associated criminal charges. However, the majority of subjects in this study had been problem gambling for more than a year, and yet still had not sought professional assistance. As a consequence of being charged, some subjects also received professional assistance for alcohol abuse (4, 14) and/or drug abuse (1, 9, 13, 18, 26, 54). Several subjects also aimed to attend bodies such as Gamblers Anonymous upon release from prison (19, 63).

Only a minority of subjects had received counselling for problem gambling or attended organisations like Gamblers Anonymous prior to being charged with the present offences (6, 15, 27, 28, 39, 44, 56). Other subjects had received counselling for other issues prior to arrest (2, 16, 39, 51). There were also a minority of subjects who failed to attend counselling for gambling

problems (45) or would not attend because they considered that they were not problem gamblers (30, 37, 36).

Some files were unclear about whether or not the subjects had received treatment for problem gambling, despite some of these subjects having long histories of gambling related crime and/or psychologists identifying the subjects as chronic or compulsive gamblers (3, 8, 10, 11, 20, 21, 22, 24, 31, 34, 35, 37, 41, 42, 49).

Treatment for problem gambling after charges for criminal offences

Many subjects sought individual counselling for their problems with gambling *after* being charged with the criminal offences that are the subject of this research. Many received individual counselling (4, 5, 6, 7, 9, 12, 17, 25, 32, 39, 44, 50, 52, 53, 55) and/or attended Gamblers Anonymous (5, 6, 7, 15, 25, 26, 29, 33, 38, 39, 40, 46, 47, 48, 52, 53, 59, 60, 61, 63). Other community organisations with programs focusing on problem gambling also relied upon were the Wesley Gambling service (23, 62) and the Salvation Army (14).

A breakdown in terms of the duration of problem gambling for the subject is revealing. I have distinguished between subjects who had relatively short term problems with gambling of less than a year, and with those who had gambling problems of at least a year. As will be shown, the majority of the subjects who sought assistance for their problem gambling had relatively long term problems.

Problem gambling of short duration: less than one year

Several subjects who sought assistance for their problem gambling after being charged had only experienced problems with their gambling for a relatively short time (7, 33, 50, 57, 58, 61). For these subjects, their gambling quickly escalated out of control, frequently upon being introduced to a different form of gambling or due to some external stressor. Given the short duration of their problem gambling, it is not surprising that these subjects had not sought professional assistance more quickly.

Two subjects' (50, 57) problem gambling developed very quickly when introduced to casinos. Subject 50 became addicted to gambling within months of being introduced to casinos. The subject was 21 years old at the time of trial. He began betting at local pubs on poker machines, and quickly progressed to casino sessions where he would bet \$5,000 on roulette or blackjack games. Upon being charged, the subject sought help from a psychologist prior to his court attendance for his gambling. Similarly, subject 57's gambling problem escalated dramatically when the Sydney Casino opened in 1995. He had started gambling in 1993 when he began working at a club where gambling facilities were available. He became interested in gambling and visited other clubs. His gambling habit 'took off' just prior to the criminal offences when he was introduced to the VIP room at the Casino. The subject lost large sums of money, his own savings, and then borrowed money from friends to try and win back what he had lost. He then stole money from work and gambled it, in the hope of paying back his friends. Upon being charged, the subject sought assistance from a psychologist and also started attending Gamblers Anonymous.

Subject 7 started gambling 8 months prior to the offences. The subject stated that after a big win, she only wanted to go to the club. Within six months of starting gambling, she was spending all her survival money on the poker machines. She then started stealing money from work to keep up her habit. The subject started to attend Gamblers Anonymous upon being charged. Additionally, she started to see a psychiatrist who focused on the relationship between her obsessive compulsive disorder and pathological gambling.

Subject 33 appeared to have had a gambling problem only two months prior to being charged with fraud offences. The subject stole \$27,000 in cheques over two months and cashed them all at the local RSL club where she spent all the money on poker machines. Upon being charged, the subject attended Gamblers Anonymous.

Subject 58 stole \$167,000 worth of goods over a five month period and spent the stolen money gambling. The subject attended the TAB six days a week. The subject only started to attend Gamblers Anonymous after being charged.

Subject 61 stated that her gambling 'addiction' took off after she was promoted to the position of manager. She stole \$42,000 from her employers, spending the money on poker machines. The subject could not wait until she was caught, but honestly believed that she could win back all the money she had taken. The psychologist's report notes that 'once she started gambling she couldn't stop and she was too embarrassed to tell her parents about it.' The subject started attending Gamblers Anonymous upon being charged.

Length of habit unclear

The length of subject 26's gambling habit is not clear from his file. The subject was 21 years old at the time of trial. The subject stated that he started gambling as a way to make money in order to buy presents for his wife. He described himself as having a bad gambling habit, spending thousands at the TAB as well as at the Casino. The subject started attending Gamblers Anonymous as a consequence of the charges. He was also assessed as suitable to participate in the William Booth Institute rehabilitation program for people with addictive behaviour, focusing on his drug addiction and problem gambling.

Problem gambling of longer duration: more than one year

It should be emphasised, that the majority of subjects who sought assistance for problem gambling had been problem gambling for at least a year (4, 5, 6, 9, 12, 14, 15, 17, 23, 25, 29, 32, 38, 39, 40, 44, 46, 47, 48, 52, 53, 55, 59, 60, 62, 63). The files are not always clear as to the specific duration of the subject's gambling. Some files did specify the duration of the subject's gambling. For example, subjects 4, 47, 48 and 60 had been having significant problems with gambling for at least four years prior to being charged. Subject 5 had stolen money for ten years to support her gambling habit. Subject 9 was 26 years old at the time of trial, and had been gambling since he was 14 years old. Subject 23 can remember placing a bet with her father when she was 6 years old. She opened a TAB account four years before her court case. Subject 25 had been gambling for 4 years prior to his trial, and his gambling became out of control within a year of starting to gamble. Subject 63 stated he had a 'bad gambling habit' eighteen months to two years prior being charged. Subject 38 stole for three years to support her gambling. Subject 40 appears to have

been gambling for many years with his wife. Subject 59 stated he had been gambling for years, and appreciated he had a significant gambling problem 8 years prior to being charged. Subject 62 had realised he had significant gambling problem 5 years prior to being charged and had sought help from a friend. Despite this, he had continued gambling.

Several offenders had a history of gambling related crimes. However, their files suggest that the present offences were the catalyst for seeking treatment for their problem gambling. Subject 44 was 64 years old at the time of trial and had a life-long history of gambling, with a pattern of apparently controlled gambling which would become severe in response to depression and stress. The file notes suggest that the subject sought assistance from counselling and Gamblers Anonymous only after being charged with the present offences. Similarly, subject 53 had a criminal history break and enters. The pre-sentence report writer stated that since being charged the subject had 'acknowledged the relationship between his propensity for excessive alcohol abuse, and his compulsive gambling habit with his criminal record'. The subject sought specialist counselling for his problem gambling and also began to attend Gamblers Anonymous meetings after he was charged with the present offences.

Discussion: late resort to assistance for problem gambling

The relatively long duration of problem gambling prior to seeking professional assistance by the subjects in this study is in accordance with existing research. The available literature notes that there is a discrepancy between the number of people estimated to be experiencing problems from gambling and the number of people who seek help for gambling related problems (PC 1999A: 16.26). Volberg (1997) has estimated that only approximately 3 per cent of current pathological gamblers obtain professional treatment in a given year (not including participation in self-help groups like Gamblers Anonymous).

The Productivity Commission notes that it is difficult to ascertain the number of persons seeking assistance for gambling related problems, particularly as NSW does not have an integrated network of problem gambling agencies, and problem gamblers can also approach other organisations for assistance. Despite these difficulties, the Productivity Commission found that in

NSW, 310 problem gamblers were counselled during a one week period in September 1998, and approximately 2377 problem gamblers received counselling during the twelve-month period to September 1998 (1999A: 16.25). Additionally, Walker (1998) reports that attendances at Gamblers Anonymous meetings in NSW are around 550 in any given week. A large majority of the estimated problem gamblers in NSW thus do not seek assistance.

The Productivity Commission suggested that some of the reasons why people experiencing gambling problems might not seek assistance include:

- a limited knowledge of the availability of services;
- poor location of services;
- hours of operation might not be convenient;
- preference for other more informal assistance;
- cultural and/or gender factors; and
- the stigma associated with gambling problems.

The gamblers who *do* seek assistance tend to be at the extreme end of the problem gambling continuum. They are usually motivated by some crisis involving one or more of the following triggers (Eckhardt 1998: 16):

- reaching 'rock bottom' or a crisis point and having nowhere else to turn;
- in a situation of major financial difficulty, job loss, family breakdown and/or criminal charges;
- level of sheer desperation or panic;
- contemplating suicide.

In this study, the majority of the subjects appear to have been motivated to seek assistance as a consequence of being charged with criminal offences. For many subjects, the duration of their problem gambling appears to have depended on how soon they were apprehended for gambling related crimes.

There appear to have been different reasons for not seeking help earlier. One explanation for a failure to seek assistance for problem gambling is that the subject was not aware of the extent of

their problems until they were charged. The files suggest that two subjects did not seek assistance for their problem gambling despite relatively long term and significant gambling habits because they did not appreciate the extent of their problems until they were charged. Subject 38 had been stealing money from her employers to finance her gambling habit for three years. The subject gambled on poker machines six out of seven nights a week at local RSL clubs, using the \$135,000 she stole to finance her gambling. The subject stated that she only realised she had a gambling problem when she stopped. Similarly, the pre-sentence report said that subject 14 recognised the serious implications of his gambling when he was arrested and had since started to attend counselling with the Salvation Army and attended Alcoholics Anonymous.

The majority of subjects who sought assistance for their problem gambling only after they were charged with criminal offences were aware that they had significant problem associated with their gambling. For example, subject 17 stated that his addiction to gambling had become a serious problem in recent years and was the catalyst for his offending behaviour. He stole \$96,000 from customer accounts and spent the money gambling on poker machines. Awareness of the problems associated with his gambling are demonstrated by his secrecy. The subject kept his gambling addiction secret from family and friends, gambling only when alone. The subject sought counselling for his gambling addiction upon being charged. Subject 59 stated that he was aware that he had a gambling problem 8 years prior to his arrest when he lost \$7,000 in a day. Both before and after this event the subject bet on credit terms with bookmakers on races throughout Australia. The subject stole \$220,000 over 7 years from his employers and spent the money on gambling. The subject started attending Gamblers Anonymous only after being charged with criminal offences.

One explanation for a failure to seek assistance earlier for their problem gambling is that for some subjects, gambling was a means by which they coped with other problems in their lives. Whilst gambling, they could forget all their problems. For example, subject 55 stated that he had developed a compulsive gambling habit four years prior to his apprehension for stealing \$2,700. The subject stated that he enjoyed gambling and was in a 'distinct zone' when playing on the poker machines. Upon being charged, the subject started to attend counselling on an ongoing

basis, and also gave his parents his pay packet so that it was more difficult for him to gamble. Similarly, subject 46 was 24 years old at the time of trial and he had started gambling 6 years earlier. The subject stated that he won over the first few weeks of gambling, and he just kept gambling. The subject stated that he forgot all his problems when he was gambling, and money lost all its value. The subject suffered from depression and anxiety as a consequence of his compulsive gambling. Since being arrested the subject had attended Gamblers Anonymous several times. These subjects could forget their problems, including their criminality, whilst gambling.

It can be argued that one of the reasons why these subjects did not seek assistance earlier for their gambling problems is because they were supporting their gambling through crime. The majority of these subjects were caught up in a cycle of debt and gambling, with many believing that with one big win they would be able to pay back the money they had stolen to gamble. Consequently, until they were caught they could continue to gamble with stolen monies. The ability to steal significant amounts of money from their employers meant that these subjects could postpone the realisation of the extent of their gambling problems. It was only when they were charged with criminal offences that the subjects became aware of the cycle of debt and gambling, and then sought assistance.

Subject 5 stole \$425,000 over 10 years in order to play on the poker machines at a local club. The subject initially stole \$20, but then gradually increased the amounts stolen, gambling \$200 a day by the time she was arrested. The subject also tended to drink large amounts of alcohol. She sought assistance for her problem gambling by attending Gamblers Anonymous and individual counselling since being charged. Subject 47 stated that he had been gambling heavily for 7 years prior to being charged with fraud offences. The subject stole \$80,000 from his employer over a period of 3 years to finance his gambling. After being charged the subject started to attend Gamblers Anonymous. Subject 48 started gambling in order to cope with stress from her job. The subject stole \$218,000 over 4 years to finance her gambling. The subject started to attend Gamblers Anonymous only after being charged. Subject 60 stated that he had a gambling problem 4 years prior to his trial for larceny by a servant offences. The subject stated that his

gambling escalated further two years prior to his court attendance due to work stress. The subject stole \$44,000 over a two year period, increasing his bets to pay back the increasing amounts of money stolen. The subject only started to attend GA after he was charged. Subject 63 stated that he had a 'bad gambling habit' eighteen months to two years prior to being arrested. He spent thousands on various gambling products. The subject had a lengthy criminal history for theft and assault. The subject started attending GA after being charged with the present criminal offences. Subject 23 could remember placing bets on the trots with her father at 4 years of age. The subject stated that she opened a TAB phone account 4 years prior to her court case. She became increasingly attracted to playing poker machines as an escape mechanism. She started attending Wesley Gambling Service upon being charged.

Consequently, I would suggest, that by committing criminal offences to support their habit, the subjects postponed financial difficulty or reaching 'rock bottom' because they were able to rely on the illegally obtained monies. Additionally, many of the subjects may have hoped that they would eventually win back the money they had stolen. That is, if they continued to gamble, they at least had the possibility of winning back the money they had stolen. However, if they admitted to responsibility for the crimes, there was no chance they could 'win'.

Treatment for other issues after arrest

For some subjects, arrest was a catalyst for seeking counselling for problem gambling and assistance with other problems. For example, subject 4 was 29 years old at the time of arrest. He admitted to having a gambling problem for the previous four years. His gambling and alcohol consumption seemed to be related, with the subject drinking large amounts of alcohol when gambling. Since being arrested the subject had attended both AA and received individual counselling for his gambling addiction. The subject was sentenced to 6 months home detention, and was required to attend counselling sessions, educational programmes and GA.

For subject 32, charges for gambling related crimes led him to seek assistance for the perceived causes of his problem gambling. Subject 32 relied upon gambling and other substances such as alcohol or drugs to cope with traumatic experiences. Unfortunately, the coping strategies

adopted then became problems in themselves for the subject. Subject 32 stole \$340,000 over two years and spent the money betting on almost all gambling products and associated debts. The subject stated that his problems with gambling started after his brother died, and he never recovered from the loss. Subject 32 started to receive counselling for his problem gambling after being arrested. Additionally, the pre-sentence and psychiatrist's report recommended that the subject be directed to attend treatment that deals with bereavement and grief.

Criminal charges were also the catalyst for subjects seeking treatment for other addictions. Subject 1 committed an armed robbery on a video store in Sydney. He stated that he intended to use the money obtained on alcohol and gambling. The subject had a long association with alcohol and amphetamines. Since being arrested the subject had been admitted to Odyssey House Drug and Alcohol Rehabilitation Programme to detoxify under Supreme Court Bail conditions. The pre-sentence report notes that this was probably the first time that the subject had made a genuine effort to rehabilitate himself. The subject's gambling addiction seemed to be combined with his other addictions. Unfortunately, the subject failed to fulfil the terms of the Griffith remand as he soon left Odyssey House. Consequently, the subject was sentenced to 2 years imprisonment.

Treatment services prior to charges for criminal offences

From the information available in the files, it appears that very few of the subjects had received any counselling prior to being charged with criminal offences. Only a minority of subjects had received counselling for problem gambling or attended organisations like Gamblers Anonymous prior to being charged with the present offences (6, 15, 27, 28, 39, 44, 56). Other subjects had received counselling for other issues prior to arrest (2, 16, 39, 51).

Counselling for problem gambling

Subjects 6 and 39 had previously attended Gamblers Anonymous to provide assistance for the problem gambling. Both subjects had a history of sexual abuse and utilised gambling to cope with distressing memories of the abuse. Both subjects had previously managed to stop problem gambling whilst attending Gamblers Anonymous. However, both subjects stated that their gambling had started again due to memories of the abuse. Subject 6 stated that when he started

working night shifts he stopped attending GA, AA and individual counselling as his memories of the abuse started to return. At this time, subject 6 was upset because the DPP would not prosecute the man who had abused him because he was already in prison. Subject 39 started gambling again when he started a new job that required long working hours. He stated he felt depression and was increasingly distressed by memories of the sexual abuse and sexual assault. At this time, he started to gamble again. In relation to both subjects, there was recognition by their judges and in their pre-sentence reports of the need to focus on their history of abuse as a catalyst for their problem gambling.

Several subjects had previously received counselling for problem gambling, but this appears to have been ineffective. In relation to subjects 27, 44, and 15 it appears that their previous reliance upon counselling to assist with their problem gambling had been ineffective in part because they were not committed to the process. Subjects 27 and 44 had stopped attending counselling fairly quickly. Subject 27 had a gambling problem of 20 years standing. He had previously been required to attend psychotherapy as part of his probation for earlier offences, but had failed to do so. Subject 44 had a long history of gambling and gambling related offences. He had attended GA prior to committing the present offences, but had found GA inappropriate due to his shyness. Subject 15 appears to have attended GA due to pressure from his wife. However, he only attended GA for two months, and then started to gamble again.

There is no explanation provided in the file as to why counselling was ineffective for subject 28. He had an association with horse-racing from the age of 8 years, and by 15 he was betting substantial amounts of money. His parents stated he had received psychological assistance for five years to combat his gambling problem. The subject also claimed to attend GA. The subject had previously been charged with obtaining financial advantage by deception resulting in his imprisonment.

For one subject, counselling for problem gambling prior to the present set of criminal offences had been effective. Subject 56 had committed earlier criminal offences involving thefts of \$42,000 from a regional club where he worked as the Secretary Manager. These thefts were committed to

finance his long-term gambling addiction. Upon being charged, the subject joined GA and underwent a course of treatment with Professor Blaszczyński, an expert in the treatment of impulse disorders. As a consequence, the subject claims he has never felt the temptation to return to gambling and is certain he will not do so. The present batch of offences were committed to pay back SP Bookie debts that had led to the first round of offences.

Counselling for other issues prior to being charged

From the information available in the files, it appears that three subjects had received counselling for other issues prior to being charged with the present criminal offences (2, 16, 51). Subject 2 was charged with several different dishonesty offences. The subject had previously attempted to stop drinking, including attending a Detoxification Unit and Alcoholics Anonymous. He had been unsuccessful in these attempts. The subject had a criminal history of drink driving offences and one property offence. Despite counselling, the pre-sentence report states that the subject is ‘in almost total denial. He minimises the seriousness of his alcohol abuse and his gambling and lived comfortably with his second wife never questioning their finances.’ It appears that subject 16 received counselling for depression prior to being arrested on the present charges, but the information in the file is not sufficiently clear.

Subject 51 provides an interesting example of shifting from one dependency to another. Subject 51 was diagnosed as suffering from an anti-social personality disorder and possibly schizophrenia. Prior to committing the present offences, the subject had suffered hallucinations requiring admittance to a mental institution due to drug induced psychosis. The subject had committed several dishonesty offences in order to pay for drugs. The subject had then received drug counselling for a couple of years, and had stopped using illegal drugs prior to the present criminal offences. Upon release from prison for the earlier dishonesty offences, the subject had started gambling. He claimed to gamble to counter boredom and to ‘fill in time’. It appears that the subject had substituted the dependency of gambling to replace that of his earlier, long term drug dependency.

Refusal to attend

Several subjects refused to assistance for their gambling problems. Subjects 3, 16 and 30 refused to receive treatment for problem gambling as they contended that they did not have a problem. Subject 30 stated that he did not have a gambling addiction because he never bet his last dollar. Additionally, he had not attended GA because he did not consider it effective. Similarly, subject 3 did not attend counselling for his gambling problem as he denied that he had a gambling problem, despite spending all of his stolen takings on the poker machines and TAB. Subject 16 believed that she did not have a gambling problem, although she admitted to spending the \$246,000 she had stolen over a five year period on poker machines. She had received counselling prior to the offences for depression, but the files are unclear as to whether she attended counselling for problem gambling.

Subjects 36 did not receive professional assistance as he believed he was 'cured'. Subject 36 was directed by Parole and Probation to attend GA meetings since being charged with several dishonesty offences. However, he believed that he could overcome the problem without any assistance. The subject was sentenced to a 3 year deferred sentence, and the judge made a condition that the subject sought treatment from a psychiatrist for his gambling.

Subject 44 had been gambling for years and had a criminal history of dishonesty offences as a consequence of his gambling addiction. He stated that he found Gamblers Anonymous inappropriate due to his shyness.

Failure to attend court mandated counselling

Several subjects failed to attend court mandated counselling. Subject 1 left the Odyssey House Drug and Rehabilitation programme, breaching the Griffith Remand. Subject 27 had failed to attend psychotherapy that had been a requirement of his probation for earlier offences. Subject 36 had been directed by Parole and Probation to attend GA meetings since being charged with dishonesty offences. However, the subject believed that he could overcome the problem without the assistance of others.

Subject 45 was initially given a community service order which he breached for his offence of stealing \$2,411 from his employers. The subject was required to attend counselling for his gambling problems but failed to do this. He claimed to have curtailed his gambling, but the pre-sentence report notes that he continues to gamble heavily despite these claims. Upon being re-sentenced, the judge ordered mandatory counselling for his gambling problems and addiction under the direction of the probation service.

Services available in prison

The information available in the files raises questions as to the adequacy of assistance for problem gamblers in prison. Several files noted that the subjects wished to attend Gamblers Anonymous, but could not until they were released from prison, because GA is not available in prison (subjects 19, 63).

Subject 13 attended the Alcohol and Other Drug Services Centre whilst on remand for problems associated with gambling, use of heroin and cocaine. The Centre recommended the subject be granted bail so that he could attend a residential rehabilitation service for gambling and drug use problems. Subject 13 was sentenced to two years imprisonment. Subject 18 had been accepted into the William Booth Institute for gambling rehabilitation. But the psychologist's report notes that the facilities available for treatment of addiction are inadequate in prison. Subject 26 was assessed as suitable for William Booth Institute rehabilitation programme for people with addictive behaviour (drugs and gambling). It was recommended that subject 22 needed treatment for pathological gambling. Subject 22 was imprisoned for 2 years for three counts of armed robbery.

Subjects 9 and 54 had attended addictive behaviour counselling in the Correctional Centre since being charged.

Efficacy of professional assistance for problem gambling

The files also provide some insight into the efficacy of professional assistance for problem gambling. Clients attending counselling agencies for problem gambling most frequently report the

reason for attendance as obtaining help for their gambling behaviour (PC 1999A: 16.31). In the present study, the major focus by the courts was on whether or not the subject had stopped gambling. Not all the files provided information as to the perceived success of professional assistance for problem gambling. Of the files that mentioned the efficacy of assistance, several subjects reported that they had stopped gambling (subjects 29, 33, 38, 47, 56, 59 and 60) or that their desire to gamble had greatly decreased (subject 32). In subject 59's file it was suggested that he had stopped gambling as a consequence of the shock of having to inform his family of the situation and selling the family home to pay off his debts. In relation to subject 29, some scepticism was expressed by the probation service as to whether he had actually stopped gambling. Subject 60 had started receiving counselling for problem gambling after being charged, but had decided he was cured and had stopped attending.

Several psychologists also stated that treatment for problem gambling had a high rate of success. For example, the psychologist's report for subject 50 stated that 'gambling sickness is a socially and psychologically recognised condition that is treatable and with great success and a low risk of return to the habit.' Similarly, the subject 5's psychologist stated that people who commit crimes due to gambling tend not to re-offend again unless they start gambling again. The psychologist stated that she was unlikely to gamble or offend again due to the shame surrounding her criminal offences. Similarly, the psychologist for subject 7 noted that her compulsive disorder and pathological gambling were compounding each other. The psychologist contended that she would benefit from long term treatment and medication to control her ritualistic and compulsive behaviour.

The psychologist's report and pre-sentence report for subject 22 stated that his criminal activities had been undertaken to finance his gambling addiction. The psychologist recommended therapeutic treatment, including systematic desensitisation and psychotherapy, providing detail of the places where this treatment would be available. This recommendation was supported by the pre-sentence report. The sentencing report made a special note of the need for pathological gambling treatment.

A few files suggested that professional assistance would not be appropriate or successful. Subject 6 had spent the last 23 and 1/2 years out of 30 in prison. The subject had been sexually abused when he was a child, and appeared to drink alcohol to cope with his memories of abuse. The report noted that the subject had cyclic alcohol and gambling problems with apparently compulsive offending. The psychologists did not express much hope that the subject could remain sober and gain regular employment. In relation to subject 12, the psychologist stated that gambling 'may have features of an obsessive compulsive disorder which may render it amenable to treatment with certain drugs, specifically reserved for obsessive compulsive disorder.' However, the psychologist explicitly stated that this was extremely unlikely in relation to subject 12. Rather, the psychologist recommended a two-year treatment programme involving twice weekly urine drug screening and an undertaking not to enter any premises where gambling is taking place.

There appears to be awareness in the criminal justice system of treatment options available for problem gambling, particularly amongst psychologists and representative of the Parole service. However, it should be noted that counselling for problem gambling was rarely recommended by judges (discussed in chapter 10).

Conclusion

The majority of subjects in this study sought professional assistance for gambling problems only after being charged with gambling related crimes. This was despite a large number of the subjects having long term problems associated with gambling. These subjects appeared to believe that they could win back the money they had 'borrowed' and/or they relied upon gambling to cope with negative affective states. Reliance upon crime to finance gambling postponed the subject reaching 'rock bottom' and thus prolonged the duration of problem gambling because they had no need to seek counselling. Arrest was a catalyst for these subjects to seek assistance.

The files also suggested some doubts by psychologists as to the adequacy of treatment available for inmates in prison. Given that a majority of the subjects were imprisoned, the adequacy of services available for problem gamblers in prisons needs to be considered.

CHAPTER NINE – CROSS-ADDICTION

This chapter details any cross-addictions or co-dependencies for the subjects in this project. Thirty out of the sixty-three subjects in this study had problems with either alcohol and/or drugs (subjects 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 20, 26, 31, 36, 38, 40, 42, 49, 51, 53, 54, 58, 63).⁵ This is represented in Figure 10.

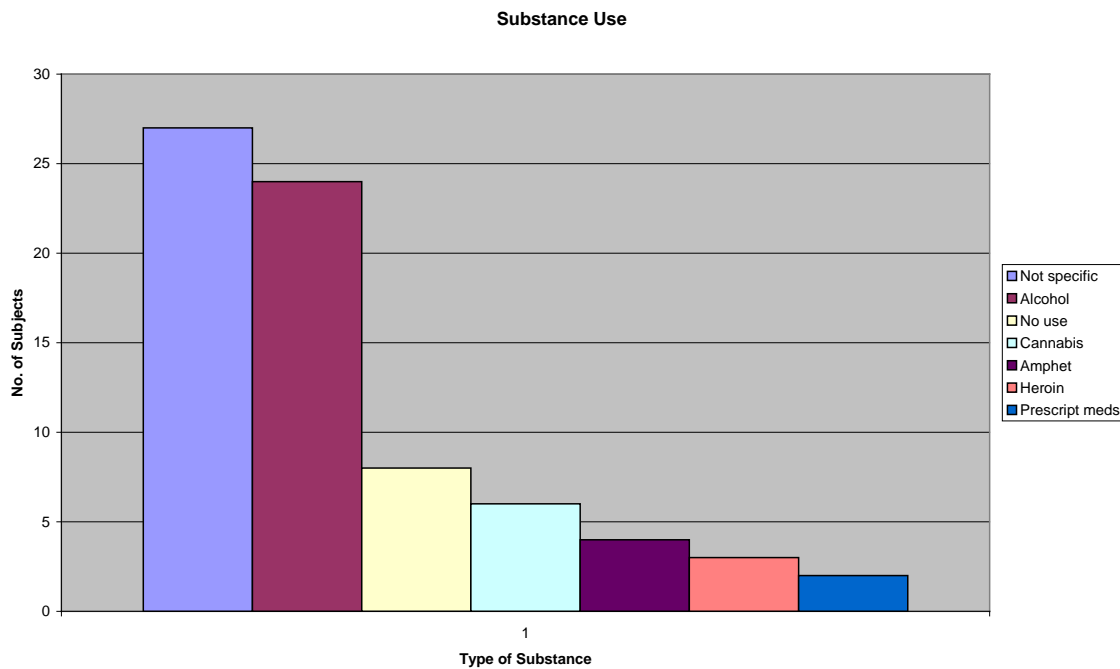


Figure 10: Cross-addiction by subjects in this study

The present study correlates with existing research in the area. Studies in this area suggest a propensity for cross-addiction or co-dependencies. That is, subjects who have an addiction to either alcohol, drugs or gambling, are more likely to experience problems with the other two. Ramirez et al (1984) report that a substantial number of problem gamblers using help services suffer from either alcohol and/or drug abuse. Blaszczynski et al found that about 30% of problem gamblers in their study had a problem with alcohol (Blaszczynski, 1986). Taber et al had similar

⁵ It should be noted that this figure probably underestimates the offenders with cross-addictions. In some cases, no questions may have been asked about other addictions, or the defendant may have not perceived themselves to have alcohol or drug problems or may have chosen not to inform the court of these problems.

findings, with 54% of the problem gamblers in their sample experiencing alcohol problems (Taber 1986). The high rate of cross-addictive behaviours suggests that gambling and other addictive disorders are functionally equivalent forms of behaviour that satisfy similar needs (Blaszczynski and McConaghy 1992: 138). Consequently, some of the adverse consequences attributed to gambling may actually be related to another dependency.

Additionally, the Productivity Commission (1999A: 7.7) also suggests that problem gambling may also be related to such dependencies, for example, where a person consumes a lot of alcohol and loses their inhibitions to gamble. This implies controls on access to alcohol in gambling venues may be effective in reducing problem gambling.

Illicit drugs

At least nine of the subjects in this study used illegal drugs (1, 7, 10, 11, 12, 13, 14, 26, 51). Three subjects smoked pot (7, 14, 51), four subjects used amphetamines (1, 12, 26, 51), one subject used cocaine (13), whilst three subjects used heroin (10, 11, 13). Subject 63 was charged with drug offences, but there was no detail provided as to the form. He could either have been charged with possession or supply offences, so it is not possible to determine whether or not he used illicit drugs.

Usage

Subject 1 had a long history of alcohol and amphetamine use. The psychologist's report notes that the subject has suffered alcohol and drug addiction for the majority of his adult life. At the time of the trial, subject 10 had been addicted to heroin for 12 years. This addiction was formed partially because of a longstanding prescription to morphine due to his kidney disorder. Subject 12 used amphetamines, marijuana and excessively ingested alcohol. The subject had been using amphetamines and marijuana for 14 months prior to the offences. The offender admitted purchasing amphetamines by the pound and also claimed to inject 8-12 grams per day of the same. However, police reports suggested that he only injected 3 - 4 grams a day and that the subject had claimed to inject more to explain the large quantity of drugs founds at his house. Subject 13 had problems with heroin, cocaine, alcohol and gambling. The subject admitted to smoking heroin but

claimed that he was always in control of his drug use. Subject 14 had drunk 6 schooners of beer and smoked cannabis whilst playing the pokies in a bowling club. The psychologist suggested that the subject's pot smoking was peer related rather than a dependency issue. Subject 51 had been using amphetamines and cannabis intermittently since his teenage years.

Addictive behaviour

The contention that gambling and other addictive disorders are functionally equivalent forms of behaviour that satisfy similar needs is demonstrated by 5 subjects in this study (1, 10, 12, 14, 51). Subject 1 had a long history of alcohol and drug addiction. It appears that the subject became addicted to gambling in line with his other addictions. Subject 10 was addicted to heroin. The pre-sentence report notes that the 'offender lacks insight into the full extent of his gambling and drug addiction.' Subject 12 provides a particularly strong example of addictive behaviour. The subject had been using amphetamines and marijuana for 14 months prior to the offences. Whilst on remand the subject drank 10 cans of Coca-Cola per day and smoked a great deal. The psychologist for subject 14 stated that the subject had developed addictive behaviour patterns due to his childhood experiences. His father died when the subject was 7 years old, and he had trouble establishing family bonds with his mother's new partners. The pre-sentence report states that the subject is not anti-social, rather, his offences were by-products of addictive behaviour patterns.

The facts of subject 51 demonstrate the equivalent relationship of gambling with other addictive substances. Subject 51 had been using amphetamines and cannabis intermittently since his teenage years. He had a criminal record dating back over 10 years, involving fraud and theft offences with some imprisonment. The subject had received drug counselling for a couple of years and had stopped using illegal drugs a couple of years prior to the trial. Several of the earlier dishonesty offences had been committed to pay for drugs. Upon release from imprisonment, the subject started gambling. The psychologist's report indicated that the subject had an 'addictive' personality. Accordingly, it seems reasonable to assume that the subject had replaced the addiction to illicit drugs with that of gambling.

Conclusion

For many of the subjects reporting the use of illegal, addictive substances, gambling appears to have been an interrelated behaviour.

Alcohol

Many of the subjects were noted as having issues with the ingestion of alcohol (1, 2, 3, 4, 5, 6, 7, 8, 9, 12, 13, 14, 18, 20, 31, 36, 38, 40, 42, 44, 49, 53, 54). For many subjects, their problems involved alcohol and gambling only, and there was no mention of illicit drugs (2, 3, 4, 5, 6, 8, 9, 20, 31, 36, 38, 40, 42, 49, 53, 54). The association of alcohol with gambling is unsurprising, given that gambling is only available on licensed premises.

Usage

Subject 2 had difficulty describing himself as an alcoholic but supposed that he must be. He binge drinks for two to three days a week, and continued to drink even after being charged. Subject 3 states that he was able to consume a carton of stubbies in a night 'easily'. Subject 5 drank 2-3 casks of wine per week. Subject 9 had indulged in twice weekly binge drinking since he was 18 years old and his serious fraud offences. The subject would consume 10-12 beers on two or three nights a week, and an occasional bout of heavier drinking every two or three months. Subject 42 drank 10 to 15 standard drinks after work, 3 to 4 times a week. Subject 54 drank 10-15 schooners of beer per day.

Relationship of gambling to use of other substances

There may be a complex relationship between alcohol abuse, loss of behavioural control and problem gambling (Blaszczynski and McConaghy 1992: 139). Some subjects noted a direct correlation between gambling and the use of other substances (subjects 2, 4, 12, 13, 38, 53, 54). For example, subject 4 stated that whenever he gambled he would have up to six or seven beers a day. Whilst not gambling he would only have two beers. In subject 12's case, it is unclear whether or not his use of amphetamines would increase or decrease when gambling. He claimed that he only used amphetamines when not gambling but his fiancé claimed that he would use amphetamines to maximise his gambling time. For subject 38, alcohol appeared integral to her

gambling experiences. Whilst playing on the pokies she would often consume up to ten drinks per night. Subject 54 drank 10-15 schooners of beer per day whilst gambling. Subject 2 stated that his drinking was frequently accompanied by gambling on horses. Subject 13 considered gambling to be his biggest problem, but he recognised that his gambling leads eventually to drug use which would then become difficult to control. His drug and gambling addictions tended to compliment each other.

The interrelationship of gambling with other addictive behaviours is demonstrated by subjects who relied upon gambling and other addictive substances to cope with negative affective states. For at least two subjects, sexual abuse was identified as the underlying cause of their problems with gambling and addictive substances (6, 8). Both subjects 6 and 8 had been sexually abused as children. They had a long history of alcohol abuse, gambling and offending behaviour. Both subjects used alcohol in particular, but also gambling, to cope with the memories of abuse.

Subject 9's behaviour is also consistent with the adoption of maladaptive methods to cope with sexual abuse. The subject referred to sexual abuse as a child, but did not draw on this as an explanation for his behaviour. The subject would consume 10-12 beers on two or three nights a week, and an occasional bout of heavier drinking every two or three months. The impact of trauma upon gambling habits is analysed in more detail in Chapter 6.

For subjects 14 and 6, disinhibition caused by alcohol and the costs of gambling were closely associated to the commission of crime. Subjects 14 and 6 appeared to have been foolhardy as a consequence of a combination of alcohol and gambling. Subject 14 had drunk 6 schooners of beer and smoked pot whilst playing the poker machines at a local club. Upon losing his money, he attempted to steal the wallet of the elderly player sitting next to him. He was chased by other patrons and was soon apprehended. On the day of the offence, subject 6 had drunk more than 10 beers and played on the poker machines at the place where he worked. He attended the hotel on his day off, and asked for the office keys on some pretence, and then used the keys to open the safe and remove the contents. The subject knew that he would be caught.

Importance of gambling in relation to other dependencies

Some of the files also give insight into the importance of gambling in relation to the subject's other dependencies. This highlights the relationship of the subject's gambling to the commission of crime. For many subjects, their problems with gambling and other substances were identified as equally important. Subject 1 appears to have had a significant alcohol and gambling problem at the time of being charged. The subject entered Odyssey House to detoxify, but soon left, and spent his social security money on gambling and alcohol. The pre-sentence report for subject 2 noted that the subject minimised the seriousness of his alcohol abuse and gambling. Subject 3 did not believe he had a gambling problem, but his pre-sentence report stated that the parole service would focus on his problems with alcohol and gambling if he was placed under their supervision. After being arrested, subject 4 attended Alcoholics Anonymous and received individual counselling for his gambling addiction. The pre-sentence report for subject 10 focused equally on the subject's problems with drugs and gambling. The parole specifications for subject 26 included therapy especially regarding his gambling and drug addiction. The pre-sentence report for subject 49 noted that the subject's gambling and alcohol dictated his life, leading to loss of employment and the commission of crimes. He needed a great deal of effort to extricate himself from his lifestyle and avoid future offending. Subject 53 acknowledged the relationship between his excessive alcohol abuse and his compulsive gambling habit with his criminal record. The pre-sentence report for subject 54 noted that alcohol and gambling had destroyed anything positive that existed in the subject's life.

Emphasis on gambling

Some of the files placed an emphasis on the subject's gambling habit, despite the subject having issues with addictive substances. Subject 5 had a significant alcohol dependency, but the court and evidence focused on her gambling addiction. Her psychiatrist stated she was a pathological gambler and the pre-sentence report recommended counselling for her gambling compulsion. The psychologist for subject 12 emphasised the subject's problems with gambling over his usage of amphetamines, alcohol and cannabis. The psychologist considered the subject's gambling to be the prime motive for his offences, with drugs being a substantially lesser factor. Subject 13 had problems associated with gambling, heroin and cocaine. The subject considered his gambling to

be the biggest problem, but recognised that his gambling tended to lead to drug use, which then became difficult to control. The pre-sentence report recommended the subject receive treatment for gambling and drug use problems. The file of subject 38 focused predominantly upon her gambling problem, but recognised that alcohol was integral to her gambling experiences. Subject 40 had significant problems with alcohol for some years, but appears to have limited his alcohol intake two years prior to the charges. The subject viewed gambling as the cause of the loss of his home, wife and family. The psychologist for subject 18 focused on the subject's need for treatment for his gambling problems, despite the subject also drinking heavily and using cannabis. Similarly, the psychologist's report for subject 20 focused on his chronic gambling addiction and his need for treatment.

Emphasis on other dependencies

The file of subject 11 focused on the subject's problems with drugs. The subject was a regular user of cannabis and heroin at the time of trial. He had a criminal history of thefts, break and enters and drug possession. The judge described these as the 'usual addict's crimes' and focused on the subject's drug addiction.

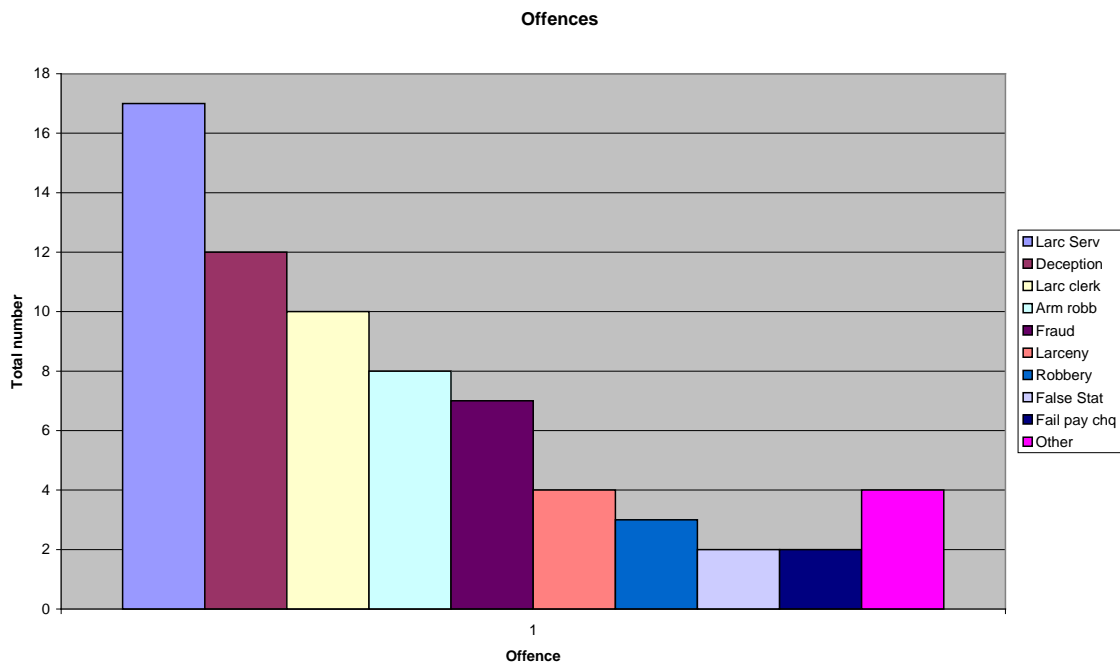
Conclusion

39 out of the 63 subjects in this study had problems with either alcohol or drugs. For many subjects, gambling appeared to be functionally equivalent to their addictive behaviour. The files of many of the subjects also demonstrated an interrelationship in the subject's use of substances whilst gambling. The majority of files accepted that gambling was at least, if not the most, important addictive behaviour in terms of the commission of crime.

CHAPTER TEN - TYPES OF CRIMES

This chapter analyses the crimes committed by subjects in the study to consider whether any generalisations can be made on this basis. The different types of crimes committed by the subjects are shown in Figure 11.

Figure 11: Types of crimes committed



Fraud offences

23 of the subjects in this study committed some kind of fraud or dishonesty offence, ranging from making false instruments to obtaining by false pretences (2, 9, 12, 13, 26, 27, 28, 29, 32, 33, 34, 35, 36, 37, 38, 39, 40, 50, 51, 52, 53, 54, 63). Fraud involves the use of deceitful or dishonest conduct in order to obtain some unjust advantage over someone else. The total amount stolen by subjects charged with fraud offences is \$1,661,096. The average amount stolen by subjects charged with fraud offences was \$87,426 with the median amount of \$60,000. Amounts stolen ranged from \$1,000 to \$340,000.

Fraud is an offence for which the recorded rate of is strongly influenced by variations in police ability to detect incidents and public willingness to report incidents. Consequently, the NSW Bureau of Crime Statistics notes that it is difficult to determine the true rate of fraud incidents (1999).

Many of the subjects were charged with multiple dishonesty offences, so it is difficult to separate the subjects into fraud offence types. For example, subject 2 was charged with making false instruments, forging and will and testament and obtaining financial advantage by deception. Common offence types in this category were obtaining financial advantage/benefit by deception, fraudulent misappropriation, making and using false instruments, making false and misleading statements with intent to obtain money, and various offences associated with cheques.

The nature of the crime

It is possible to categorise the offences in terms of those committed by taking advantage of a position of employment, and other methods of committing offences.

Taking advantage of employment position

Nine of the subjects charged with fraud offences took advantage of their position of employment to commit the offences (2, 9, 32, 33, 34, 37, 38, 39, 50). The total amount stolen by the nine subjects charged with fraud offences relating to their employment was \$1,260,201. The average amount stolen was \$140,022.

Personal characteristics of subjects who committed employee related fraud

Sex

Three of the nine subjects charged with employee related fraud were female (subjects 33, 37, 38).

Age

The age of subjects in this category ranges from 26 years old (subjects 9, 33, 39) to 53 years old (subject 34). Two subjects were in their early-thirties (subjects 32, 38) and two subjects were in their mid-forties (subjects 2, 37). One subject was in his early twenties (subject 50).

Education

All the subjects charged with employee related fraud had completed at least year 10. Seven subjects had completed year 10 (9, 33, 34,37, 38, 39, 50), one had completed year 11 (subject 2) and one subject had completed year 12 (subject 32)

Employment

All of these subjects were employed at the time of the offences.

Criminal record

Three subjects had a criminal record (subjects 2, 9, 34). Subject 9 had previously committed fraud offences that were gambling related. Subject 2 had previously been found guilty of property offences and had been sentenced to a good behaviour bond. From the information available, these appear to have been related to alcohol and gambling problems. Subject 34 had committed criminal offences many years prior to the present offences.

Co-dependencies

Two of the subjects also had alcohol dependencies (subjects 2, 9).

Motivation

All of the subjects were directly motivated by gambling or gambling related debts (subjects 2, 9, 32, 33, 34, 37, 38, 39, 50). Subject 37 also claimed that she needed the money for living expenses, but this was not accepted by the judge due to the subject and her husband's salaries.

Most of the subjects in this group appear to be subgroup 2 gamblers, relying on gambling to deal with negative affective states. Only subject 2 could be characterised as subgroup 3, due to his problems with compulsion.

The Offence

Subject 33 was a secretary responsible for drawing cheques, and over a two month period, she created cheques in her favour and cashed them at the local RSL club. Subject 9 was a financial consultant and he systematically defrauded customers that gave him money to invest in secured funds. Instead, over one year, \$210,000 was placed in high risk funds and the money was lost. The subject then started to chase his losses, taking more money to invest in high risk funds. Subject 50 was convicted of failure to pay cheque on presentation. He used his job as a travel agent to deposit cheques that were not paid on presentation to finance his gambling losses.

Many subjects constructed elaborate arrangements to commit the offences. Subject 32 had been working at a large bank for 8 years. Over a period of 2 years, the subject was able to withdraw funds from a term deposit without the consent of the true owners to the value of \$340,000. Large portions of his money were made into cheques and posted to the subject. In addition, the true account holders were sent falsified documents that indicated their respective balances were unaltered. Subject 2 defrauded his employer by utilising his knowledge of procedures in order to create a fictitious person as a beneficiary of one of the deceased clients. Through complex arrangements involving false bank accounts and colour photocopies of Solicitors' letterheads, the subject was able to defraud the entire estate of the deceased to the value of \$94,000. Subject 34 procured and organised 'shonky' overpriced security contracts for buildings in the Sydney city area, overcharging the victim by \$53,940. Subject 37 was an employee of a credit union and used her position to add zeroes to the accounts of her relatives, and then withdrew the proceeds. Subject 38 worked at a large bank and stole over \$135,000 by creating and changing debit vouchers and crediting her bank account over 3 years. Subject 39 defrauded a large insurance agency of \$232,000 by writing out false claims that he would then pay out in his capacity as an employee of the company.

Banks were the victims of 3 of the offences.

Poor auditing

5 subjects took advantage of poor security at the firms at which they worked to commit their offences (32, 33, 37, 38, 39). The fact that subject 32 was able to commit the offences for 2 years suggests poor internal security. Similarly, subject 38 defrauded the bank at which she worked for 3 years. Subject 33 was able to get signatories to sign blank cheques and was not required to furnish a reason for needing a cheque prior to its being signed. Subject 37 was able to defraud the credit union at which she worked for six years due to inadequate auditing. Subject 39 managed to defraud the company at which he worked of \$232,000.

Sentencing

Of the 9 subjects, 8 were sentenced to some term of imprisonment (2, 9, 24, 27, 37, 38, 32, 39). These sentences were 3 months (subject 33) 12 months (subjects 9, 32, 37) 18 months (subject 34, 39), 30 months (subject 38) and 3 years (subject 2). In the majority of these sentences gambling was not mentioned. For example, subject 37 was sentenced to a minimum term of 1 year imprisonment and a good behaviour bond of 5 years. The judge accepted that the subject had 'wasted the money on poker machines'. In sentencing the subject, the judge took into account her good character, her voluntary confession and early plea of guilt, the nature of the offences, and the unlikelihood that she would offend again, but did not mention gambling. Subject 38 was sentenced to 30 months imprisonment.

For subject 32, the judge dismissed the relevance of gambling to mitigation of sentence. Submissions for sentencing noted the subject's breach of trust, the magnitude of the amount stolen (\$340,000) and motive. The submission also referred to Justice Wood's judgment in *McKechnie* (1987):

'For my part, I would dismiss as untenable the proposition that the criminality was low because it was motivated by compulsive gambling or that the applicant had suffered personally because of this vice. Equally, I would reject the notion that the actions were not deliberately dishonest at the outset or that the applicant had no means and the expectation of being able to make good the misappropriations. The applicant knew from prior bitter experience the full extent of his gambling problem before he embarked upon

these depredations and he knew how it could be kept under control, yet he made no effort to help himself until disclosure and arrest were inevitable.’

Only the sentence for subject 39 mentioned any requirement of counselling. The judge ordered counselling for gambling, sexual assault and general psychological assessment.

Subject 50 was placed on a good behaviour bond for 5 years and was ordered to pay compensation. No counselling was required despite the psychologist’s recommendation that this would be effective.

Conclusion

Problem gambling was not accepted as a mitigating circumstance by members of the judiciary for any of these subjects. Moreover, counselling was not a requirement specified by judges, despite recognition in the majority of these cases that problem gambling was a major motivation for the commission of crime.

Other fraud offences

Fourteen of the subjects found guilty of fraud committed offences that were unrelated to their employment (12, 13, 26, 27, 28, 29, 35, 36, 40, 51, 52, 53, 54, 63). The total amount stolen by these subjects was at least \$400,894,⁶ with an average of \$36,444.

Personal characteristics of subjects who committed frauds unrelated to employment

Sex

All of the subjects charged with fraud offences unrelated to their employment were male.

Age

The age range of these subjects was from 20 years old (subject 36) to 54 years old (subject 27). Five subjects were in their early twenties (12, 53, 52, 26, 62), one subject was 29 years old

⁶ Amounts stolen were not available for subjects 12, 35, 52 and 54.

(subject 54), five subjects were in their early thirties (13, 28, 35, 51, 29) and one subject was 42 years old (subject 40).

Education

The educational level of the subjects ranged from year 8 (subject 36) to a subject who completed an apprenticeship (subject 53). Two subjects had completed year 9 (subjects 26, 51), five subjects had completed year 10 (12, 13, 35, 40, 63) and three subjects had completed year 11 (27, 28, 29). There was no information available for two subjects (subject 52, 54).

Consequently, these subjects are slightly less educated than the offenders who committed fraud offences by virtue of their employment.

Employment

The majority of the subjects were in semi-skilled or low skilled jobs (subjects 13, 26, 27, 28, 36, 40, 52). Three subjects were unemployed (subjects 12, 51, 53), with subject 12 having given up his job to gamble full time. Subject 29 was a finance broker. The file shows that subject 35 was employed at the time of the offences, but there is no detail as to the form. There is no information as to the employment status of subjects 54 and 63.

Co-dependencies

Three of the subjects had amphetamine dependencies (12, 26 and 51), and one subject used heroin (subject 13). Subject 63 was charged with drug offences, but there was no detail as to the form. Four subjects had problems with alcohol abuse (subjects 36, 37, 53 and 54).

Motivation to commit the offence(s)

Gambling and/or gambling related debts were identified as the prime motivation behind the commission of the offences for 12 subjects (12, 13, 27, 29, 35, 36, 37, 51, 52, 53, 54, 63). For example, subject 27 said he applied for the loan because his gambling addiction meant that he could not pay his home loan and was always in arrears. Subject 36 stated that he had a gambling problem and would bet on two flies climbing up the wall.

One file suggests that the subject was motivated solely by gambling, but is not completely clear on this issue. Subject 28 admitted to a gambling problem, but claimed that he was not in debt at the time of the offences. The money he stole was spent on gambling.

Subject 26 spent half the money he had stolen on gambling. He also used amphetamines on a daily basis, so it is assumed that part of this money was spent on drugs.

The offence

Four of the subjects committed frauds against banks (subjects 12, 27, 40, 63). Subject 12 opened false bank accounts with the intention of hiding his real identity. Subject 27 furnished false identification details for a credit card application. This fraud was discovered prior to the card's release, resulting in a sting operation by the police with the bank's approval. Subject 40 requested a loan from a bank under the pretence of home extensions, and received over \$40,000 by allowing an accomplice to forge his wife's signature for a loan application. In the ensuing months he spent this money on gambling. He then returned to the bank for a further loan of \$90,000 but he was apprehended before he could spend it. Subject 63 manufactured false forms of identification and then made phone and counter loan applications to the value of \$109,000.

Only one subject committed an offence against someone he knew. Subject 54 stole from his partner of fifteen months by taking her bank card and withdrawing money to spend at the local RSL club. He was arrested in the process of making a bet. It should also be noted that subject 40 forged his wife's signature to obtain a loan.

Six of the subjects committed offences involving cheques (13, 26, 30, 51, 52, 53). Subject 13 issued cheques without sufficient funds and sold a stolen car. Subject 26 had several identities and used these to receive \$18,000 in cash advances and false instruments with which to write valueless cheques. Subject 30 created false identities and identification and used these to write false cheques to secure cash or consumer items to the value of \$106,000. Subject 51 presented cheques to a service station, newsagency and hotel in exchange for cash and some goods.

Subject 35 applied for the unemployment benefit whilst he was working over several months. Subject 36 entered a private house and located a key card and the relevant PIN. The subject made withdrawals to the value of \$11,000 from autobanks and counter withdrawals with the assistance of a female accomplice.

An innovative approach to crime was demonstrated by subject 28. He impersonated a legal aid solicitor and approached families of prisoners and would solicit bribes from them in return for promises of reduced sentences or charges to the value of \$11,000.

Criminal Record

12 of the 15 subjects had a criminal record (subjects 13, 26, 27, 28, 29, 36, 40, 51, 52, 53, 54, 63). Subject 40 had committed criminal offences many years earlier, and subject 53 had committed criminal offences decades earlier and had a drink driving record.

One subject had committed prior offences that were explicitly related to gambling (subject 27). For two subjects, gambling was identified as a motivation for their prior crimes (subjects 13, 26). From the files it is unclear whether or not the criminal history of subjects 28, 29, 54 and 52 were related to gambling, but their long term gambling histories suggests this may have been the case.

The criminal histories of 3 subjects were unrelated to gambling. Subject 36 had a history of assaults, drink driving and dishonesty offences that were committed prior to his starting gambling. At the age of 21, subject 63 had a long criminal history of joyriding, break and enters, stealing, domestic violence and drugs. Subject 51 had a history of fraud and theft offences that were committed due to his drug habit. He stopped using drugs and replaced this habit with gambling, resulting in the present offences.

Sentencing

The majority of the subjects were sentenced to some kind of imprisonment (12, 13, 26, 27, 28, 29, 37, 51, 52, 53, 54, 63), with many subjects having a criminal history. One subject was sentenced to 12 months periodic detention and a good behaviour bond. The Parole Service was to monitor his attendance at GA (subject 37). Terms of imprisonment ranged from 18 weeks (subject 54) to 5 years (subject 12). The majority of subjects were imprisoned for less than a year (subjects 27, 28, 29, 51, 52, 53), with two subjects imprisoned for 15 months (subjects 26, 63) and one subject imprisoned for two years (subject 13). For the majority of these subjects, treatment for gambling problems was not mentioned in the sentence. Gambling treatment was only referred to in 3 cases. Subject 13 agreed to go into rehabilitation after his sentence for drugs and gambling. Parole specifications for subject 26 included a requirement for psychological examinations and therapy by Probation, especially regarding gambling and drug addiction. Subject 52 was also placed on a good behaviour bond under the supervision of the Parole Services for two years. The Parole Service recommended the subject attend counselling and GA for his gambling addiction.

Two subjects were not incarcerated as a consequence of their offences. Subject 35 was initially sentenced to 6 months periodic detention. On appeal this was overturned and he was sentenced to 400 hours community service. The subject had no criminal history. There was no mention of gambling treatment. Subject 36 was sentenced to a three year deferred sentence, a good behaviour bond and any counselling ordered by the Probation Service. Upon further questioning, the judge noted that the subject's crimes had been committed as a consequence of his gambling,

and therefore made a further condition that the subject continued to seek treatment from a psychiatrist for his gambling.

Larceny by a servant/clerk

Of the 182 larceny by a clerk/servant files examined, 36 were gambling related at stage 3. This means that almost 1 in 5 (19.7%) of larceny by a clerk offences were gambling related. At stage 4, 27 out of the 182 larceny by a clerk/servant files examined were gambling related and contained sufficient information for the purposes of research. Thus, even on the basis of including only the files considered at Stage 4, 14.8% of larceny by a clerk offences examined in New South Wales were gambling related.

Amounts stolen by persons charged with larceny by a servant/clerk are significant. Between them, the 27 offenders stole more than \$2,494,309. Amounts stolen ranged from \$950 to \$425,000. The average amount stolen by each offender from their employers was \$95,935. The median amount stolen was \$44,000.

This research examined 182 larceny by a clerk/servant files. Whilst this appears to be a small sample over the five years of cases examined, this sample is representative of the offence. Figures from the New South Wales Bureau of Crime Statistics highlight that the 182 larceny by a clerk cases probably considered more than half of the larceny by a clerk/servant offences occurring between 1995-1999 (Fitzgerald 2002). The Bureau indicated that there were 3777 larceny by a clerk/servant offences between 1995 to 1999. These figures indicated the charges, and it should be noted that in the present study, the subjects were charged with multiple counts of larceny by a clerk/servant. In the present study, there were at least 1616 charges for larceny by a servant/clerk. The number of charges were not indicated for subjects 5, 7, 25, 41, 47, 48 and 56, all of whom stole large amounts of money for long periods of time.

The small number of charges for larceny by a servant/clerk offences suggests that employee theft is not particularly significant as a form of larceny. However, Challinger notes research in Victoria

which suggests that internal theft by employees of the retail industry makes up 60% of retail loss through criminal activity (Challinger 1982). A 1993 survey by the Australian Institute of Criminology found that nearly 73% of victims of employee theft did not report incidents to the police. Reasons given included 'lack of evidence', 'not serious enough', 'could do nothing' and 'inappropriate' (Walker 1994). Companies also usually have their own internal disciplinary procedures which deal with a wide range of rule violations, including dishonesty. Henry researched company responses to breaches of formal criminal law, and found that the bulk of violations were handled internally (Henry 1983). This research suggests that many thefts by employees are not being appearing in the criminal justice system. For example, subject 48 was almost not charged for stealing from her employer. Prior to disputing the amount stolen, the firm subject 48 worked for was willing for the subject to pay back what she had taken and had not reported her actions to the police.

It should also be noted that there may have been other theft offences committed by people against their employers, but these offenders may not have been charged with larceny by a servant. Police have a great deal of discretion as to whether the offender is charged with larceny by a clerk/servant, larceny, obtaining by false pretences, embezzlement etc. Although this project did not include embezzlement as one of the offences studied, figures from the New South Wales Bureau of Crime Statistics demonstrate that this exclusion does not dramatically affect the reliability of the figures. Between 1995 to 1999, there were 654 embezzlement as clerk or servant.

Characteristics of subjects charged with larceny by a servant/clerk

As has been noted through out this paper, there are no commonalities that can be identified amongst problem gamblers who commit crimes. For subjects charged with larceny by a clerk/servant, perhaps the only difference with the statistics already analysed in Chapter 5, is that all of the subjects were (by definition) employed.

Sex

Five out of the 27 subjects charged with larceny by a clerk/servant were female.

Education

The education of the subjects ranged from the most poorly educated in the study (subjects 5 and 6 were educated until 6th grade) to the most educated in the study (subject 44 had completed a university degree). Two subjects had completed year 9 (47, 48), with 4 subjects being educated until year 10 (16, 23, 42, 58). Two subjects had completed year 11 (7, 15) and ten subjects had completed year 12 (4, 17, 24, 25, 41, 45, 46, 57, 59, 61). One subject had also completed an apprenticeship (subject 60). There was no information available for the remaining five subjects (3, 43, 55, 56, 62).

Criminal record

Ten of the subjects had criminal records (3, 6, 17, 25, 41, 44, 56, 57, 58, 62). Of these, three were for drink driving charges only (25, 58, 62). Subject 3 had committed criminal offences many years prior to the present offences. Four of the remaining six subjects had committed prior offences that were gambling related (17, 41, 44, 56). Subject 6's criminal history and gambling habits were seen by his psychologist to be a reaction to his history of sexual abuse. Subject 57's earlier offences had been committed for similar reasons as the present offences - the desire to impress his friends.

Gambling patterns

In accordance with the figures discussed in Chapter 6, 17 of the 27 subjects nominated electronic gaming machines as either their sole gambling focus, or in association with other gambling options (3, 4, 5, 6, 7, 16, 17, 23, 41, 44, 45, 46, 47, 48, 55, 57, 61). Four subjects nominated casinos (3, 41, 45, 60), and eight stated they bet on races or used the TAB (15, 17, 23, 24, 42, 56, 57, 60). There was no information as to the nature of the subject's gambling habit for four subjects (25, 43, 58, 63).

In terms of amounts spent, the information provided by the files suggests that the subjects spent large amounts of money gambling. Subject 5 stated that she started betting \$20 on the poker

machines. By the time that she was arrested she was gambling \$200 a day. Similarly, subject 42 started betting around \$20 per week playing the poker machines and betting at the TAB. By the time he was charged he was spending \$300 to \$400 a week. Subject 16 estimated that she was regularly losing \$400 to \$500 a day playing on the poker machines. Subject 17 said he would typically spend \$200 to \$500 every day or every few days playing the poker machines at lunch time. Subject 45 lost \$100 per week on poker machines and at the casino at the time he was arrested. Subject 48 stated that she spent up to \$500 per session playing the 5 cent poker machines at her local club.

The duration of the subjects' gambling habits ranged from long term (23, 44, 56, 59) to beginning almost immediately prior to the commission of offences.

Motivation to gamble

Many of the subjects charged with larceny by a servant were subgroup 2 gamblers. That is, these subjects gambled to deal with negative emotional states. This included trauma (subjects 6, 59) or stress due to relationship breakdown (subjects 23, 44, 45, 46). Work related stress also seems to have been a trigger for gambling, and then for stealing from work.

For many subjects, one of the motivations to gamble was provided by stresses associated with work. Subject 5 started gambling to avoid reality and worries including raising three children whilst doing shift work. She had initially hoped for a 'big win' but gradually gave up on that possibility and just gambled to avoid reality. The psychologist stated that the subject relied on gambling to handle unhappy feelings, but once this habit had been established, she needed money. Subject 15 started gambling when his business floundered. Upon requests from his wife he attended GA for a short period and stopped gambling. However, his gambling urges returned when he started a new job, and wished to escape the stress and problems of his domestic life, particularly as his parents were ill. Subject 42 claimed that his gambling increased as a result of his father dying and the stress due to his promotion to the position of manager. The subject stated that he worked 60 hours a week and had 42 staff. Subject 48 stated that she started gambling to escape the stress of her job, as she was frequently on call and required to respond to workplace

demands out of hours. She then became addicted to poker machines and took money from work to recoup her losses. In addition, she also considered that she was making up for being underpaid. Similarly, subject 61 cited work stress as a major contributor to her gambling addiction. She said that when she was promoted to a management position she was required to reach daily and weekly targets and she found this highly stressful.

Subject 60 identified two incidents that he considered critical to increasing his bets and consequently stealing. Both incidents occurred when his employer demanded that the subject and his staff were responsible for losses that the business had suffered. The first event involved some misplaced goods, whilst the second related to money being lost in the office. In order to pay back the money, the subject started gambling with his own savings, and after he lost, he took money from the till with a view to recoup his losses and to pay back his employer.

Only subject 24 could be categorised as a subgroup 1 problem gambler, that is a 'normal' problem gambler. Subject 24 started gambling because he felt lonely, as his friends had turned 18 and were going to bars, whilst he was not able to. He stole \$10,000 over several occasions and spent the stolen money on horse races.

Availability at work

Subject 57 started gambling when he obtained employment at a club where gambling was available. He began to visit other clubs and became interested in gambling. He states that his gambling took off when the Sydney Casino opened. The subject was able to negotiate a repatriation arrangement that allowed for payment of 50 cents in the dollar due to a desire by the Club not to overburden him.

Co-dependencies

Seven subjects were identified as having problems with alcohol consumption (3, 4, 5, 6, 7, 41, 44). Only one subject used illegal substances, and that was subject 7 who smoked cannabis.

The offences

This section will consider the importance factors contributing to the commission of the larceny by a servant/clerk offences. Graycar and Smith identify three important factors as the product of all crimes (2002: 1):

1. Motivation - somebody willing to offend
2. The presence of a prospective victim or target
3. The absence of a capable guardian

Each of these factors will be considered in turn.

1. Motivation to commit offences

All of the subjects charged with larceny by a servant/clerk were motivated to commit crimes due to their gambling. As noted above, of the ten subjects who had criminal histories, only two subjects had committed earlier crimes that were not gambling related.

All of the subjects spent the money stolen on gambling products. Subject 3 denied that he had a gambling problem, but admitted to spending all of his stolen takings on poker machines and at the TAB. Subject 4 spent the money he had stolen on poker machine at nearby clubs and hotels. Subject 7 stated that she stole because she had gambled away her pay and needed to pay bills. She then continued to steal over the five months prior to being apprehended to play on poker machines at local clubs. Subject 25 stole money to cover gambling related debts, and he attempted to reduce his losses by gambling more. The subject was caught up in a spiral of increasing theft and debt, leading to an escalation in his gambling. Subject 58 spent the \$167,000 he stole at the TAB.

Subject 43 stole money from work in order to pay friends back for money borrowed to gamble. On the day of the thefts, the subject went to the TAB four times. Subject 44 lost money on poker machines and then continuously chased his losses by 'borrowing' more money. Subject 47 stated that he took money from his employers to gamble, always hoping that he would be able to reimburse them with one big win. Subject 55 admitted that he had stolen money from work in order to pay gambling debts to unnamed parties. Subject 56 stole money from his employers to

pay debts from his earlier gambling habit. Subject 58 stole money from work to pay back friends to whom he was in debt due to gambling. He then gambled the money in the hope that he could win.

Only subject 41 spent half the money he stole on blackjack at the casino and the other half on clothes and massages. The subject claimed that he had not needed the money, but had committed the offences because of opportunism and due to the influence of his co-accused.

2. Presence of a victim or target

In the larceny by a servant cases, the prospective victim or target was the employer.

Several of the subjects committed the offences against large banks. Subject 17 stole money from customers' bank accounts and credited his own with the proceeds. By crediting some accounts and debiting others to the value of \$400,000 the subject was able to extract \$96,000 for his own use. Subject 25 was responsible for balancing and stocking the ATM of a suburban bank. As the ATM was only required to be balanced once a week, the offender was able to remove money and alter records. He was able to steal \$73,000 before he was eventually interviewed by bank investigators and made full admissions. Similarly, subject 62 was also responsible for stocking the ATM. He stole \$360,000 by simply placing bundles of \$5,000 in a box, taking them out of the premises and altering the ATM balance sheet. Subject 55 stole \$2,700 from the large bank for whom he worked. Upon investigation, the subject readily admitted to the offences.

3. The absence of a capable guardian

In many of the larceny by a servant cases, the absence of a capable guardian was particularly telling. Many of the subjects committed offences over long periods of time, in the absence of effective auditing procedures. It should also be noted that many of these subjects were not in the upper echelons of their companies, but took advantage of the trust that was invested in them in various clerical or low management positions.

The most extreme example was subject 5's theft of more than \$425,000 over ten years from her employers. This was possible because her employers did not use auditing methods and there was some confusion when electronic records replaced a manual financial recording system. In the three years prior to being charged the subject had left clues so that she would be caught.

In one case, it was noted in the file that the auditor was facing civil action for recovery of the money stolen. Subject 16 stole \$246,000 from her employers over a period of 5 years. She was permitted to become a signatory to the business cheque account, and then wrote cheques to fictitious businesses which she deposited in her own account. The auditing procedures used by the business were primitive and as a consequence, the auditor was facing civil action. Over the five years, the accountants did not ever compare the butcher's bank statements with the financial ledgers. Subject 47 stole \$80,000 over a period of three years. He worked for the State Rail Authority and was discovered after an audit of his station's books. Subject 48 stole \$218,000 over a four year period from the large real estate agency's trust account. She was apprehended after it was discovered that part of the records were destroyed. Subject 59 stole \$220,000 over a 7 year period by paying himself overtime and overpaying other employers and then intercepting the money. A significant factor that facilitated the process was that he was able to pay himself his own salary. The subject had minimal supervision. Internal and external audits were completed regularly, but they failed to pick up the discrepancies in payments.

Subject 56 had previously been convicted of larceny by a servant offences for taking \$42,000 from the club at which he had worked as a manager. The subject was on a good behaviour bond at the time of the second offences. With the permission of the Court, the subject was allowed to work in the club industry provided the board of directors did not allow the subject to have independent access to the club's financial affairs. The club was aware of his prior offences. Over time, the subject was able to gain the trust of the board and became responsible for the banking and preparation of banking records. In part, the subject was able to convince the board of his trustworthiness because of his commitment to GA and his continued therapy. The subject then stole \$115,000 by falsifying the entries in different accounts and purchasing rubber stamps that looked like bank stamps. These stamps were then used to create the impression that deposits had

been made in the accounts in question. The subject also created false bank and Government duty charges in the account in order to further the appearance of normality. The fraud was only discovered when the annual auditor telephoned the bank and asked for the balance, and was advised that it was nearly empty.

Subject 4 generated false refunds for equipment and kept the money. Over several months he stole over \$15,000 using this method. Subject 7 stole more than \$80,000 over a period of 5 months. She worked as a cashier and committed her thefts by falsifying refunds for bogus customers. She was caught on video surveillance after one of her refunds was for an amount exceeding the most expensive items in the shop. Subject 23 was also a cashier, and she stole \$145,000 by pocketing the proceeds of commercial sales and paper work that could be linked to the transactions. Subject 15 worked as a teller for a security transport company. He stole \$18,350 by removing sums of \$2 coins in multiples of \$50 from pre-counted bags that contained \$2,000. Subject 24 was a clerk at a large retail chain in Sydney. He intercepted monies sent from the checkout tills when he was tallying the entire shift's takings. Part of his job was to count money from the till, but instead he would simply pocket the money. He was caught on video committing these offences. In his role as an administrator, subject 44 removed amounts of money from regular banking operations and stole \$5,543 over 5 months. Subject 60 sold car parts, pocketed the proceeds and then did not register the sales. He stole \$44,000 by this means. Subject 61 was responsible for the daily banking for a shop. She did not bank all of the proceeds, but instead pocketed the money.

Several of the subjects illegally sold company goods to obtain money for gambling. Subject 3 sold more than 11,000 bags of concrete to third parties over three years and kept the money from the sales. The company estimated the loss to be \$70,000. The thefts were revealed in a stock take, whereupon the subject confessed. Subject 41 stole whitegoods and sold them for \$4,500. Subject 42 was a manager at a supermarket and over a one year period, he arranged for goods to be picked up from the supermarket loading dock and sold to unknown parties. He sold \$26,000 worth of perishable goods this way. He would also pocket cheques paid by companies for goods delivered and then ring up sales of minimal amounts on the till. Subject 46 stole merchandise and

money from the retail chain at which he worked. He was observed by the in house loss prevention officer stealing property from the store. Subject 58 purchased computer equipment on behalf of his employer and then sold it to the public. Over a five month period, the subject stole over \$167,000 worth of goods. He was caught after an internal audit of computer equipment was established. His employers then called an independent auditing firm to confirm their suspicions. Once the second audit was confirmed, the police were called.

Several of the subjects committed impulsive offences against their employers that were highly risky. Subject 6 worked at a hotel asked for the office keys on the pretence of looking for a jacket he had left overnight. He then used the keys to open the safe and took \$9,400. He stated that he knew he would be caught. On the day of the theft, the subject had drunk more than 10 beers and played on poker machines at the hotel. Subject 43 removed money from the till of his workplace and then pretended that he was the victim of a robbery to account for the shortfall of money in the till. Subject 45 stole \$2,411 from the till at the place where he worked as a salesperson. Subject 57 stole \$14,000 in total on two occasions by taking money from the safe of the club for which he worked.

Sentencing

Considering the large amounts of money stolen by the subjects who committed larceny by a servant/clerk, the sentences imposed were not high. 18 subjects had some kind of incarceration imposed (3, 4, 5, 6, 7, 16, 23, 41, 42, 44, 47, 48, 56, 58, 59, 60, 62), 10 of which were imprisoned full-time as a consequence of their crimes (5, 6, 16, 41, 47, 48, 56, 59, 62).

The maximum sentence imposed on a subject who committed larceny by a servant was 3 years imprisonment (subjects 48, 56). Subject 56 had a prior criminal record for larceny by a clerk offences committed to pay for gambling debts. At the time of the present offences, the subject was on a good behaviour bond for the first series of offences. Subject 56 stole \$115,311 in the present offence. Subject 48 stole more than \$218,000. When sentencing the subject, the judge commented that 'her gambling does not, to me, appear to be such that it falls within the definition of a particular illness or disability such that it could be used to lessen the need for general

deterrence.’ Both subjects appealed their sentences unsuccessfully. In neither case did the judge recommend counselling for problem gambling.

Subject 62 was sentenced to 2 years and 3 months imprisonment. Subject 62 stole \$62,000 over a five month period. He had no prior convictions. Justice Bell commented on the impact of gambling upon society, recognising that ‘it can bring the addicted gambler into serious conflict with the law’. Justice Bell also focused on the need for deterrence when sentencing offenders who commit gambling related crime:

‘When the law is broken in such a substantial manner as has occurred here the community which so readily accepts recreational gambling then requires that the breaker of its laws be punished with a sentence that would deter not only the individual before the Court but which is also a salutary reminder and deterrent to gamblers generally that they must not steal to support their addiction.’

Justice Bell took note of Justice Vincent’s judgment in *Novac* (1993), where His Honour stated that gambling addiction can be an important factor to be taken into account by a sentencing judge when assessing the offender’s moral culpability. Justice Bell then stated that the subject had failed to control his desire to gamble.

‘Here we have a 30 year old man who was aware that he had a gambling problem and because of it, regrettably broke the trust of his employers in a substantial fashion.’

Justice Bell then sentenced the subject to a minimum term of 3 years and 3 months, and then recommended to the Probation and Parole Service that the subject engage in extensive rehabilitation in the Bridge Programme administered by the Salvation during the course of the additional term.

Subject 6 was sentenced to two years imprisonment for stealing \$9,402. He had a considerable criminal history and was diagnosed as having a permanent personality dysfunction. The judge recommended that the subject receive alcohol and gambling counselling when released on parole.

Subjects 5 and 47 were sentenced to one year imprisonment. Subject 5 stole \$425,277 over a ten year period and was diagnosed as a pathological gambler. The prosecution pushed for a ten year

sentence. There was some discussion about the nature of the subject's sentence, particularly whether or not full time imprisonment was appropriate. The judge was concerned about the amount stolen, the extended time period and her abuse of a position of trust. In terms of discounting her sentence, her age, immediate cooperation with police, contrition, community disgrace, mental condition and financial ruin were noted. Cases referred to in sentencing focused on appropriate responses to white collar crime. It was noted that the subject was a clerk, rather than in the upper echelons of the firm in a position of trust. When reminded by the defence lawyer, the judge recommended the subject be held at an institution that facilitates psychiatric treatment. There was no information regarding the reasoning behind subject 47's penalty.

Subjects 16 and 59 were sentenced to 9 months imprisonment. Subject 16 stole \$246,000 over a 5 year period. Her nine month imprisonment was based on her age, medical condition, depression, and the need for rehabilitation after her release. Subject 59 stole \$215,000 over 7 years. Subject 41 was sentenced to 3 months imprisonment for stealing \$4,500 worth of goods. The subject was diagnosed as having a pathological gambling addiction. There was no mention of counselling in the sentences of subjects 59 or 41. Subject 57 was sentenced to 4 months imprisonment after his performance of the original 200 hour Community Service Order was unsatisfactory.

Periodic detention was imposed on 7 subjects, with sentences of 30 months (subject 7), 2 years (subjects 3, 58), 18 months (subject 42) and 1 year (23, 44, 60). The psychiatrist for subject 7 noted that the subject was a pathological gambler and recommended long term treatment and medication, but this was not referred to in the subject's sentence. Similarly, there was no mention of treatment for subject 3, 23, 42, 58, 60.

Subject 44 had previously been charged with and convicted of gambling related offences. Justice Karpin noted:

‘It is an indication of his continuing inability to come to terms with his own character defect, if you like, or whatever might lead to a gambling addiction, that he took the job and so little self-knowledge that he believed that he was not going to reoffend. He very

quickly did, and far from then recognising that he was offending and should immediately get of the job he continued offending.

Justice Karpin sentenced the subject to a minimum term of 4 months imprisonment. On appeal, the District Court sentenced the subject to 12 months periodic detention and a five year good behaviour bond with gambling counselling ordered.

Subject 6 was initially sentenced to 6 months imprisonment. On appeal, the absence of prior offences was taken into account and the subject was sentenced to six months home detention. His home detention assessment noted that the subject needed on-going support and counselling for his gambling addiction. Whilst on home detention he would be required to attend counselling sessions, educational programmes and GA.

6 subjects were sentenced to good behaviour bonds (17, 25, 45, 46, 55, 61). Gambling counselling was a requirement imposed by the sentencing judge in 4 of these cases. Subject 17 stole \$96,000 and had previously been convicted of larceny by a servant. The judge imposed an additional condition that the subject continue counselling for his gambling addiction. Subject 25 stole \$73,000 and was diagnosed as a pathological gambler. Under section 558, the judge deferred sentence and order a 3 year good behaviour bond and that the subject maintain rehabilitation and counselling from GA or any Gambling rehabilitation programme. Subject 45 stole \$2,411 and was initially given a community service order which he breached. He was then given a 3 year good behaviour bond with mandatory counselling for his gambling problem and addiction under the direction of the probation service. Subject 61 was sentenced to a 4 year recognisance, a 350 community service order, and a requirement she comply with reasonable directions including attendance at GA. Counselling was not a requirement for subjects 46 or 55.

Subject 24 was initially placed on a good behaviour bond for stealing \$10,000 over a 3 month period. On appeal, the defendant was able to achieve a section 557A *Crimes Act* dismissal without conviction.

Conclusion

Large amounts were stolen by subjects charged with larceny by a servant offences. The majority of these subjects took advantage of poor internal security at their firms to steal large amounts of money for long periods of time. Considering the amounts of money stolen, the sentences imposed on the subjects were in the low range. But this has more to do with criminal justice system responses to white collar crime, rather than because there was any concept of gambling as being a mitigating circumstance. Rehabilitation was mentioned in sentencing in only 9 of the cases, despite recognition that gambling was a major reason for the crime.

Robberies

Ten of the subjects in this study were found guilty of robbery (1, 8, 11, 18, 19, 20, 21, 22, 31, 49). The total amount stolen by the subjects who committed robberies was \$31,127, with the average amount of \$3,112 and a median amount of \$1,900.

The basic offence of robbery is defined as larceny with the threat, or use, of force. Robbery requires proof of force 'intended to overpower the party robbed and prevent his resisting, and not merely to get possession of the property stolen.' (*Gnosil* (1824) 171 ER 1206). Robbery is thus a property offence with an element of violence, or threat of violence. The offence protects person and property.

Research suggests that the majority of offences committed by problem gamblers are non-violent property offences (Federal Government Productivity Commission, 1999, 7.63; Blaszczynski and McConaghy (1994: 121)). In the Blaszczynski and McConaghy research, only 3% of gambling related criminal offences were armed robbery.

Characteristics of subjects charged with robbery

This section will now consider the characteristics of subjects charged with robbery, represented in Figure 10.

Figure 12: Characteristics of subjects guilty of robbery

<i>Subject Number</i>	<i>Age</i>	<i>Amount stolen \$</i>	<i>Criminal Record</i>	<i>Motivation</i>	<i>Other Addictions</i>
1	29	1,100	Yes	Alcohol and amphetamines	Alcohol and amphetamines
8	39	1,900	Armed robberies	Loan sharks	Alcohol
11	31	1,272	Stealing, drug possession, break and enters		
18	29	8,000	Drug possession and stealing	Loan sharks	
19	47	990	Break and enters, stealing, assaults, sexual offences	To bet on a trifecta	
20	42	4,000	Marijuana possession from 20 years earlier	Gambling and alcohol debts	Alcohol
21	54	1,565	Armed robberies	Gambling debts	
22	24	6,000	No	N/A	
31	27	6,000	Malicious damage and drink driving	Gambling debts	Alcohol
49	39	300	Yes	Crime of convenience	Alcohol

Sex

All gambling related robberies in this study were committed by men. This is in accordance with general criminal statistics with robberies predominantly committed by males (Challinger, 1988; AIC 2002).

Age

In the current study, 5 of the 10 offenders are over the age of 30 (subject 8, 19, 20, 21, 49).

The majority of convicted robbers tend to be under the age of 30 (Marsden 1989: 33; Gabor 1989; Gabor 1987). After that age, offenders tend to move on (Gabor, 1987). The Australian Institute of Criminology interviewed 110 offenders convicted of robbery. It was found that the average age of robbers was 29.2 years, with over half of the interviewees aged between 20 and 29 (AIC 2002: 1). This means that the present study has an atypical age sample of robbers.

Level of education

Four of the subjects had completed year 9 (8, 19, 22, 31) and another four subjects had completed year 10 (1, 11, 18, 21). There was no information available as to the educational level attained by two subjects (20, 49).

These findings are in accordance with research in the area, finding that offenders who commit robberies tend to have received at least some secondary education, with the majority studying up to year 10 at most (AIC 2002: 2).

Employment

Four of the subjects found guilty of robbery were unemployed at the time of the offence (11, 8, 19, 49). Three of the subjects had unskilled or semi-skilled jobs (1, 21, 22). Subject 18 was the manager of a motor inn. There is no information regarding subject 31's employment status, but he had completed a TAFE certificate in painting. There is no information regarding subject 20's employment status.

The unemployment rate and low skilled work of the subjects in this study is in accordance with general research. The AIC study found that only 22.7% of the subjects in their study were in paid employment at the time of the robbery. Of those in paid work, the majority were in occupations such as tradesperson or labourer. Nearly three quarters of them were unemployed (AIC 2002: 2).

Mental illness

Subject 1 was diagnosed with a depressive illness some 9 months prior to the pre-sentence report being compiled. Subject 8 was diagnosed as having Post Traumatic Stress Disorder, Strong Borderline Personality Disorder together with symptoms of panic disorder and phobias. He also attempted suicide by overdosing on Valium.

Criminal record

The majority of the offenders found guilty of robbery in the current study had criminal records (subjects 8, 11, 18, 19, 20, 21, 31 and 49). No information on the criminal history of subject 11 was available in the case files. Consequently, only subjects 1 and 22 had no criminal record. From the information available, the oldest robber in the study had a history of committing robberies (subjects 21).

Prior criminal offences committed by the offenders were not necessarily armed robberies. For example, subject 19 had previously been imprisoned for 8 years as a consequence of a sexual offence.

The criminal record of the majority of subjects convicted of robbery is not unusual. Existing research has established that a large majority of persons found guilty of robbery have been involved in other criminal activities. Many have committed prior offences other than robbery, such as use of illicit drugs, breaking and entering, motor vehicle theft and fraud offences (AIC 2002: 8). The AIC therefore suggests that robbery is a crime that people turn to after trying other forms of criminal activity. The outcomes in the present study are in accordance with this suggestion. Many persons found guilty of robbery have served time in prison before (AIC 2002: 9).

Substance abuse

Five of the subjects were identified as having issues with alcohol (1, 8, 20, 31, 49) and two subjects had drug dependencies (1, 11), with a third charged with drug offences (63).

Subject 1 had a long association with alcohol and amphetamines resulting prior to the hearing of the offender admitting himself to Odyssey House (a rehabilitation centre). The pre-sentence report noted that the offender had suffered from ‘varying degrees of depression, social isolation and alcohol and drug addiction for the majority of his adult life.’ Subject 11 had begun living with a group of friends prior to the offences, and had become a regular user of cannabis and heroin. Subject 63 was charged with drug offences, so it is assumed that the subject could have had a drug dependency, although there is not sufficient information in the files.

Subject 20 went ‘off the rails’ as a consequence of his wife’s death, and this involved a combination of excessive gambling on pokies and alcohol consumption. Subject 31 had a gambling and drinking problem. Subject 49 was characterised as a heavy drinker, and he had lost his job due to his heavy drinking.

Subject 8 had a history of sexual abuse, and it was accepted by the psychologist that the subject avoided his problems by imbibing excessive amounts of alcohol and gambling.

Family violence

The incidence of family violence forms a common background for several of the offenders found guilty of robbery in the study (subjects 1, 8, 19). A history of family violence may increase the likelihood that a person will resort to violence. Subject 8 had witnessed his father frequently beat his mother during his childhood. Subject 19 had also witnessed extreme physical abuse by his father against his mother. Subject 1 had a history of violence in relationships, in addition to addiction to alcohol and drugs. Both his marriage and then his de facto relationship ended as a consequence of his threatening behaviour.

Gambling patterns

The subjects who committed robberies could either be classified as subgroup 2 or subgroup 3 gamblers. That is, they either used gambling to cope with negative affective states or they had impulse control problems.

Based on analysis detailed in Chapter 6, subjects 1, 8, 20, 21 could be classified as subgroup 2 gamblers. For example, Subject 8 suffered from Post Traumatic Stress Disorder and depression, and he avoided his problems by imbibing excessive amounts of alcohol and gambling. Subjects 11, 18, 19, 49 could be classified as subgroup 3 gamblers. It is unclear within which category subjects 22 and 31 could best be classified.

The offence

Amounts robbed

In the District Court and Local Court files, amounts robbed tended to be small, ranging from \$300 to \$8,000. The maximum amount taken in a robbery was by subject 18 who managed to rob his place of work of \$8,000 through use of inside knowledge. He was employed as a manager of a motor inn prior to committing the offence. As a consequence of his employment, subject 18 had a detailed understanding of cash storage procedures and staffing arrangements. At around 11:30 PM the offender entered the ladies toilet and remained undetected. The night manager then received a phone call from a friend of the offender requesting him to search the ladies toilet for a bogus lost wedding ring. On entering the toilet, the staff member was ambushed by the subject who was wearing a balaclava and holding a pistol. The offender then bound up the staff member and demanded access to the safe where he stole more than \$8,000.

In the current study, the next highest amount robbed was \$6,000 by subject 22. This amount was taken in the course of three separate armed robberies from the gambling takings of hotels in the area. Similarly, the next largest amount was \$5,000 stolen by subject 31 from two separate robberies against Australia Post Offices. Subject 20 took \$4,000 in the course of 6 armed robberies over two months from restaurants, shops and service stations. Therefore, excluding subject 18's robbery of \$8,000 based on inside knowledge as a consequence of employment, amounts taken in robberies tended to be small, particularly in comparison with larceny by a clerk offences.

Robberies tend to net offenders only small amounts of money due to increased security.

Victims

As stated above, subject 18 robbed his workplace, utilising inside knowledge of cash storage procedures to compel a fellow employee to hand over \$8,000.

In two other cases, the victims of offences were premises where gambling took place (18, 22). Subject 18 committed an armed robbery on an inner city TAB staffed by one person with a sawn off rifle in order to be able to bet on a trifecta. Subject 22 took advantage of takings in the gambling areas of hotels by threatening bar staff until they opened the till. He robbed places he had been to before either drinking and/or gambling.

Six subjects committed robberies against small retail stores (1, 8, 11, 20, 21, 31). Subject 1 committed an armed robbery on a Video Ezy store. Subject 8 robbed a supermarket and subject 11 threatened a small shop and demanded money. Subject 20 robbed restaurants, shops and service stations in his living area, whilst subject 31 robbed two post offices. Subject 21 robbed suburban liquor stores with a replica pistol.

In addition, subject 20 robbed a building society. The AIC study found that people who rob banks are, on average, older than robbery offenders in general (2002: 4). Subject 20 was 42 years old at the time of the robbery, which is in accordance with the AIC findings. The AIC suggested that those who rob banks may progress from other forms of robbery to bank robbery. Or, offenders who get in robbery in later life, are more likely to choose a bank as a target, than those who start before they are 20. Subject 20 in the present study had not been convicted of a criminal offence since a marijuana possession charge in the 1970s. Accordingly, it is suggested that the AIC's latter proposition is correct.

Only subject 49 robbed an individual unassociated with a business when he robbed a person operating a suburban automatic teller machine.

Motivation for the robbery

Gambling debts

Desperation due to gambling debts was a common motivator amongst many of the offenders found guilty of robbery (subjects 8, 18, 20, 21, 22, 31, 49).

Two subjects claimed that they were being threatened by loan sharks (8,18). Subject 8 claimed that he committed an armed robbery upon a supermarket as a consequence of being physically assaulted by loan sharks demanding \$5,000 immediately. He gambled the \$1,000 taken from the supermarket with the view of repaying the loan sharks. Subject 8 stated that he met the loan sharks at the illegal casinos he frequented. Subject 18 also claimed that he committed the armed robbery on the motor inn because he was indebted to loan sharks who had threatened to burn his family. Subject 18 had made bets to the value of \$3,000 on football games that he could not pay. Both subjects 8 and 18 had long term gambling histories and criminal histories.

Three subjects stated that they had lost everything and were motivated by financial desperation (20, 21, 31). For subject 20, the robberies appear to have been motivated by financial desperation as a consequence of his reaction to the trauma of his wife's death. Subject 20 committed 6 armed robberies over a two month period. He claimed that he had 'gone off the rails' and indulged in excessive gambling on the pokies and alcohol consumption as a consequence of his wife dying soon after giving birth to his son. This led to unpaid rent and bills. Subject 21 had amassed considerable debts from his gambling addiction, including the forced sale of his property to finance losses that he had incurred. The pre-sentence report noted a link between his gambling series of criminal offences, with each set of offences preceded by a bout of depression. Subject 31 stated that he had committed the robberies as he was desperate for money due to a drinking and gambling problems.

The psychologist's report for subject 22 accepted that the subject had committed the criminal activities to finance his addiction to gambling. The subject robbed places that he had been to before either drinking or gambling. Subject 49's offence appears to have been an impulsive crime of convenience, he robbed a person using an ATM. When asked why he committed the offence,

subject 49 stated 'because I'm desperate'. The subject had serious gambling and alcohol problems, and this had led to ongoing financial burdens.

desire to gamble

Subject 19 stated that he had robbed the TAB with a sawn off shotgun in order to bet on the trifecta. The file states he had lost a great deal of money gambling. Subject 11 had been playing the poker machines with a friend and they had lost \$110. They decided to commit a robbery to get more money so they could continue playing. Subject 1 robbed the video store to spend money on alcohol and gambling.

Intoxication at the time of the offence

Subject 8 stated that he had stopped drinking, and only imbibed alcohol to give himself confidence for the robberies. Subject 1 was intoxicated at the time of robbery, and could not remember what happened.

The AIC study on robbery considered interviewees' reasons for involvement in crime generally and in robbery specifically. The main reasons provided by the interviewees were wanting money for drugs or alcohol. Several subjects had also stated that they were drunk at the time and had wanted money to continue drinking. Consequently, the intoxication of subjects 1 and 8 at the time of the offence is not atypical. Gambling and living the good life was also 'frequently mentioned' by interviewees (AIC 2002: 6). The AIC found that drug usage appears to be a major 'condition' that leads people to involvement in crime and robbery in particular, especially when usage involves an illicit drug such as heroin. The cost of maintaining an illegal drug habit frequently means a person has to obtain money from illegal sources. Both subjects 1 and 11 had drug addictions, in addition to problems with gambling. Both subjects stated that they committed the robberies so that they could have money for gambling.

Stealing Offences

Four of the subjects were charged with offences other than fraud, larceny by a servant, or robbery (subjects 10, 14, 30, 31).

Steal from the person

Subject 14 was charged with steal from the person, an offence which is punishable with a maximum of 14 years imprisonment. The subject was playing poker machines at a local club and had drunk 6 schooners of beer and smoked cannabis. Upon losing his money on the poker machines, the subject decided to steal the purse of the elderly person beside him. The relationship of gambling to crime is clear in this case, as the subject stated that he stole the purse in order to get some of his lost money back.

This crime was impulsive, and probably influenced by the subject's state of intoxication. He admitted to having problems with alcohol and gambling. The pre-sentence report noted that the subject's smoking of cannabis was probably related more to peer pressure than dependency.

The pre-sentence report suggested that the subject had developed addictive behaviour patterns as a consequence of his father's early death, and later difficulties with his mother's new partners. Since being charged the subject attended counselling for his gambling with the Salvation Army and attended Alcoholics Anonymous.

At first instance, the subject was sentenced to one month's imprisonment with a recommendation of counselling. On appeal, he was sentenced to a \$1,000 good behaviour bond and fined \$500. There was no mention of counselling in the District Court sentence.

Larceny of a Motor Vehicle

Three subjects were charged with larceny of a motor vehicle (13, 30, 31). All three subjects were also convicted of other offences. Subject 13 sold a car for \$5,500 that had been reported stolen. Subject 13 has been considered in the fraud offences category, as in addition to the larceny of a motor vehicle charge, he was charged with a number of offences involving issuing cheques without sufficient funds. Subject 31 stole the car as a getaway vehicle from one of the armed robberies that he committed on post-offices. Subject 31 has been considered in full in the section analysing robberies. Subject 30 was charged with larceny of a motor vehicle in addition to social

security fraud offences. Essentially, subject 30 claimed to have 'found' an abandoned stolen car, and then stolen some registration plates. He was pulled up at a random breath testing unit and upon the car being checked, he was charged with larceny of a motor vehicle.

Subject 30 had a long term gambling habit, and had previously committed dishonesty offences to finance his gambling resulting in fines and good behaviour bonds. The subject had also sold a house and spent the \$200,000 proceeds gambling in the following twelve months. Despite this, the subject did not believe he had a gambling problem, as he never bet his last dollar. The subject's gambling had appeared to be under control whilst he was employed, but he lost regular employment and did not alter his gambling spending patterns, resulting in the need to perpetrate the social security fraud to finance his gambling.

The subject was given a \$1,000 three year good behaviour bond.

Steal from dwelling house, larceny, making false instruments etc

Subject 10 was charged with 20 offences in total, including stealing from a dwelling house, larceny, making false instruments with intent to induce a person to accept as genuine and possession of an unlicensed firearm. Essentially, these offences (excluding the firearms charge) developed from the subject stealing his employer's cheque book. With this instrument, the subject then purchased goods over a one month period, which he then re-sold. The value of the offences was \$20,000, and the subject spent this money gambling. He was arrested at the Sydney Star Casino.

Subject 10 had had a heroin addiction for around 12 years prior to the offences. He seems to have developed this dependency because of a long standing prescription to morphine for a medical disorder. The subject had previously been convicted of drug and theft offences resulting in imprisonment. Both the drugs and gambling were seen as equally important in the subject's perpetration criminal offences and the end of his marriage: the 'offender lacks insight into the full extent of his gambling and drug addiction on his life and family, choosing not to take responsibility for his actions.'

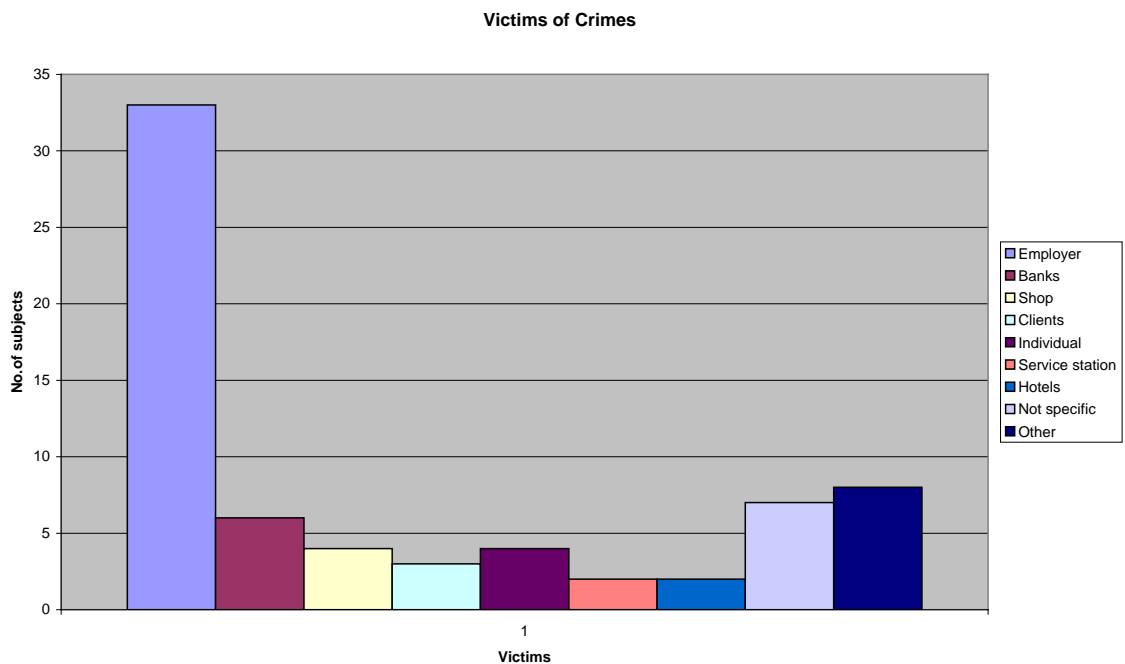
Subject 10 can be seen as another example of the majority of subjects in this study taking advantage of their employment to finance their gambling.

The subject was sentenced to a minimum term of 9 months imprisonment for the various offences.

Victims of Crime

This section presents a breakdown of the victims of crimes committed by subjects in this study, represented in Figure 11.

Figure 13: Victims of crimes committed by the subjects



Employers were the victims of crime in the majority of offences. This study suggests that 15% of larceny by a servant offences committed in NSW are gambling motivated. It should also be noted that the amounts stolen by offenders convicted of employee thefts are frequently huge. Subjects took advantage of poor auditing and internal security to steal from their employers for long period of time.

Banks were frequently victims of offences, either by employees or by through external fraud. Whilst the banks appear to have good security to protect against external fraud, their internal security appears to be inadequate.

Some subjects also appear to have been inspired to take money from premises that proffer gambling, particularly offenders committing robberies.

Sentencing

Each section above detailed the sentences imposed on subjects in this study. It is not appropriate to give an overall analysis of sentencing of subjects, as this tended to be based on offence type, rather than any general commonality. In no case was gambling accepted by a judge as reason for mitigation. Additionally, it was rare for judges to impose counselling or some kind of rehabilitation as a condition in sentencing.

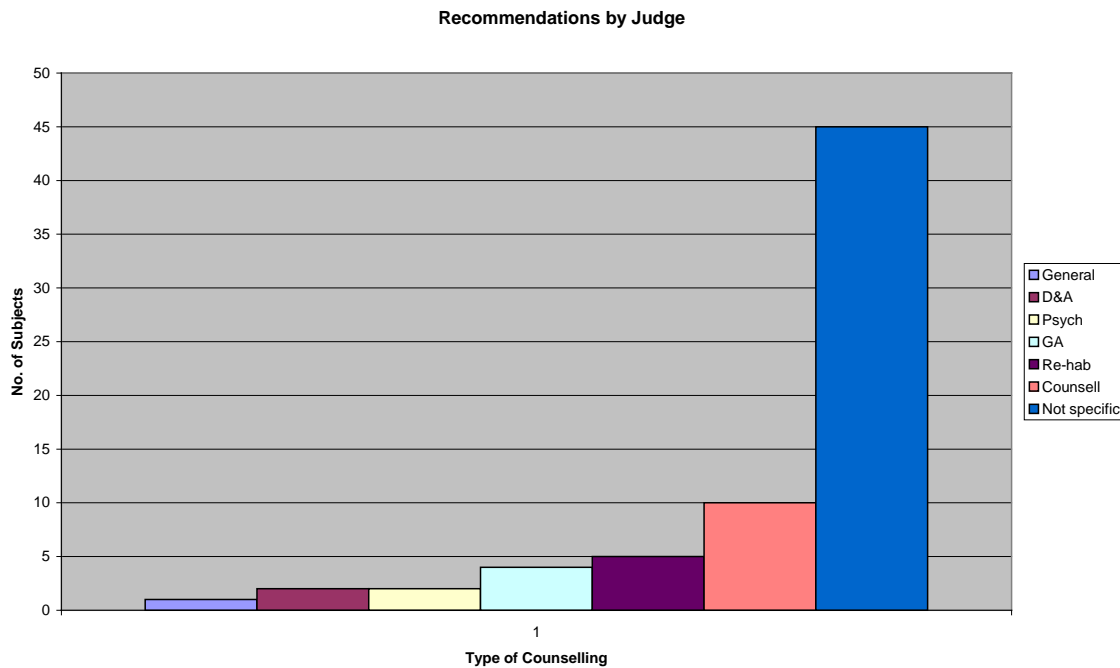


Figure 14: Recommendations by judges when sentencing

CHAPTER ELEVEN - FEMALE SUBJECTS

In the present study, there were 9 female offenders in the Local Court/District Court sample who were found guilty of a gambling related crime (subject numbers: 5, 7, 16, 23, 33, 37, 38, 48 and 61). This Chapter considers the characteristics of the 9 female subjects in detail, as there are many commonalities that are worthy of analysis.

Characteristics of female subjects

In common with existing research, age and education were not relevant risk factors for problem gambling.

Age

The female subjects ranged from 23 years old to 71 years old.

Education

Subjects 5 and 48 had been education until year 9. Subjects 16, 23, 33, 37, 38 had completed year 10. Subject 7 had been educated until year 11. Subject 33 had also completed a TAFE course. There was no information available regarding the educational level of subject 61.

Criminal record

None of the female subjects had a criminal record.

Amounts stolen

The 9 female offenders stole more than \$1.4 million between them. The average amount stolen per offender was \$158,000, compared with \$49,905 for male offenders.

The age of the female offenders did not impact upon the amounts stolen. Three of the oldest offenders stole the most money. Subject 5 was 54 years old at the time of trial and stole more than \$425,000 over a ten year period. Subject 16 was 71 years old at the time of trial and stole \$246,000. Subject 48 stole \$218,000 over four years from her employers. Another elderly

offender, subject 33 who was 58 years old at the time of trial, stole only \$27,400 over 2 months. The younger female offenders in their mid-twenties managed to steal significant amounts of money, with subjects 23 and 38 stealing more than \$130,000 each.

Type of crime

All of the female offenders in the study committed non-violent property offences against their employers or took advantage of their employment. Six were charged with larceny by a servant and three with fraud offences. All of the female offenders stole to support their gambling habit and/or to repay gambling related debts.

Female offenders tended to steal from their employers over long periods of time, taking advantage of their positions of trust and also poor auditing. In subject 16's case, the auditing was so inadequate that the suburban butchery at which she worked was suing the auditor for the \$246,000 subject 16 stole over 5 years. Subject 5 stole more than \$425,000 over a 10 year period from her employer, a doctor's surgery. She started stealing \$50 per week but had increased her thefts to \$1,000 - \$1,500 a week just prior to being caught. She was able to steal such large amounts for a long period of time due to the non-existent auditing procedures. Similarly, subject 33 was able to steal \$27,400 due to a complete lack of internal security. As a secretary, she was issued with signed blank cheques that she then cashed at the local RSL. Subject 33 was not required to furnish reasons to the signatories for the cheques, and she was given up to 10 signed blank cheques at a time. Subject 48 stole \$218,000 over 4 years from the real estate agency at which she worked. Subject 61 stole more than \$42,000 by spending proceeds from the store she managed, rather than banking. Subject 23 worked on a similar basis, pocketing the proceeds of sales at the fruit and vegetable market at which she worked. Subject 37 was able to take advantage of inadequate auditing at the Credit Union she worked at. She added zeros to relative's bank accounts, and then withdrew the money. She evaded detection for over 5 years, stealing \$107,000 due to poor auditing and also her large number of relatives. Subject 37 stole the money to gamble, but also to maintain the repayments on the fraudulent loans. Subject 7 stole more than \$80,000 by falsifying claims for refunds by bogus customers.

Two female offenders stated that they were aware of a high likelihood of being caught, perceiving it as inevitable and to a certain extent, desirable. Subject 61 stated that she could not wait until she was apprehended (stealing \$42,000). Subject 38 said ‘I knew I had to be caught, and the sooner the better’ (stole \$135,000). Subject 5 hoped to be caught, saying that she had left clues for the last 3 of the 10 years she stole from her employers.

Reasons for gambling

The majority of the female subjects appear to be subgroup 2 gamblers (detailed in Chapter 6). They gambled to deal with negative affective states. There was a high rate of depression amongst the female offenders (subjects 5, 16, 23, 33, 37 and 48). Subject 5 had a history of depression, particularly postnatal depression. Subject 16 had witnessed a friend commit suicide and had received treatment for depression. Subject 48 was diagnosed as depressed, but it is unclear from the information in the files whether this was caused by her gambling and thefts or some other event. Subject 23 felt depressed trying to cope with her son’s poor health. Subject 23 noted that the more depressed she was feeling, the more she would bet. She did not care whether she won or lost, but was obsessed with the escape and preoccupation of playing the poker machines. Subject 61 stated that she was depressed as a consequence of stealing the money and being unable to repay it.

Only one female subject could be classified as a subgroup 3 gambler. Subject 7 started gambling 8 months prior to the offences. After a big win, she stated that her gambling became out of control and she did not want to go anywhere else. Within six months of starting to gamble, she was spending all of her rent money and other survival money on poker machines. The psychologist related the subject’s gambling habit to her compulsive disorder, which resulted in excessive cleaning, time keeping and retaining extremely tight schedules in her daily existence. The psychologist stated that the subject knew that stealing was wrong, but that her gambling habit had assumed the level of an obsession with her and was as irresistible in terms of its compulsive power as were the other rituals in which she was engaged. Just as she knew that the rituals in which she was engaged were meaningless and illogical and was powerless to resist them, her behaviour in regard to gambling and stealing money fell into a similar category.

Gambling Patterns

Gambling Type

All of the female offenders played on the poker machines at local clubs, particularly the RSL. This is in accordance with national and international studies which suggest that the majority of female problem gamblers choose electronic gaming machines as their gambling method. Only subject 23 had a TAB account in addition to playing the pokies at the local RSL club.

Nature of their gambling

Most of the female offenders played the poker machines almost every day. For example, subject 16 played daily, playing on even when she had won. Subject 37 spent hours at her local club after work playing the poker machines every day. Subject 38 played 6 or 7 nights a week. Subject 7 played three to four times a week for hours at a time. She played at local clubs that were open 24 hours, and would play at the clubs until the early hours of the morning.

They also spent large amounts of money on the pokies. Subject 5 spent \$1,000 - \$1,500 per week on gambling; subjects 7 and 61 spent all their money on the pokies; and subject 48 spent \$500 per session on the 5 cent machines. Subject 16 regularly lost \$400 to \$500 whilst gambling.

Duration of the problem gambling

The majority of the subjects appear to have developed problems with gambling very soon after starting to gamble. Subject 5 gambled over the ten years she was stealing from her employers. Subject 16 started gambling eight months prior to the criminal offences, and her gambling rapidly became out of control after a big win. Within six months she was spending all her money on gambling. She then continued gambling for the five months that she stole from her employers to support her gambling. Subject 16 started gambling to pay her debts, and rapidly became a compulsive gambler. Her gambling addiction started just prior to the offences, when she went to the clubs to play the poker machines almost daily. She continued to gamble over the five years of the criminal offences. Subject 37 gambled for the six years that she stole money from her employers. Subject 38 was vague about when her gambling started, but stated that it became a

problem at roughly the same time she started stealing the money. Subject 48 started gambling to escape the stress of her job, but then became addicted to gambling. She gambled for the four years she stole from her employers. Subject 61 started gambling one year prior to committing the criminal offences. She stated that her habit took off soon after she had been promoted to a management position.

Subject 23's gambling patterns are the exception amongst the female subjects. She had been gambling since she was a child, and she gambled on races as well as on poker machines. Subject 23 was introduced to gambling when she was 6 years old by her father. She opened a TAB phone account four years prior to her court case. The subject stated that she became increasingly attracted to poker machines as an escape mechanism because of her boredom and despondency at being house bound.

Characterisation as problem gamblers

The case files indicate that all of the female offenders were problem gamblers. Many were diagnosed as problem gamblers in psychological evaluations (5, 16, 23, 61). Under the South Oaks Gambling Scheme a person is diagnosed as a problem gambler if she or he answers positively to 5 out of 10 specific questions. Subject 5 answered positively to 8 out of 10 questions and subject 23 to 7 out of 10 questions. Subject 16 was referred to as a problem gambler and subject 61 was 'addicted' to gambling.

Subjects 7, 33 and 48 were not diagnosed as problem gamblers, but the huge amounts of money gambled suggests problem gambling. For example, subject 48 gambled \$350,000 on the pokies over a 4 year period on 5 cent poker machines. The time spent by subjects 37 and 38 also indicated problem gambling. Subjects 7 and 33 attended Gamblers Anonymous after being charged.

Cross-addiction

Studies in this area suggest a propensity for cross-addiction. That is, subjects who have an addiction to either alcohol, drugs or gambling, are more likely to experience problems with the

other two. Blaszczynski et al found that about 30% of problem gamblers in their study had a problem with alcohol (Blaszczynski, 1986). Taber et al had similar findings, with 54% of the problem gamblers in their sample experiencing alcohol problems (Taber, 1986). In the present study, subjects 5, 7 and 38 reported problems with alcohol and gambling. Subject 5 drank 2 - 3 casks of wine per week and also used Sera pax and Prozac to combat her depression. Subject 7 started smoking at the age of 13 and drinking alcohol at 16 years of age. The psychiatrist's report stated that the subject drank to excess. The subject tended to drink whilst she was gambling. Subject 38 identified a correlation between gambling and alcohol. Whilst gambling she would consume up to ten drinks per night, and considered alcohol integral to her gambling experiences.

Analysis

Small number of female offenders

Female subjects are only a small proportion of the 63 subjects considered in this study. Research regarding the sex of problem gamblers suggests that sex should not be such a significant risk factor. The Productivity Commission found that females are 41.4% of the population of problem gamblers (PC 1999A: 6.50). On this basis, the present study should have included many more female subjects committing gambling related crime. However, whilst the number of female subjects in the study does not reflect problem gambling research, it is consistent with general criminal justice statistics. Trends and patterns in female criminality as compared with male criminality have long been observed. In particular, women commit a small share of all crimes and their crimes are fewer, less serious, more rarely professional, and less likely to be repeated (Heidensohn 2002: 492). On this basis, there are three possible ways to explain the small proportion of female offenders in the present study:

- A. The females who make up more than 40% of the problem gambling population are committing offences, but they are not being charged with gambling related offences.
- B. Female problem gamblers commit crimes that are not included in this study.
- C. Female problem gamblers do not commit as much crime as male problem gamblers.

Each of these propositions will be considered in turn.

A. The females who make up more than 40% of the problem gambling population are committing offences, but they are not being charged gambling related offences.

This contention is supported by earlier research conducted by Lesieur (1987). Lesieur interviewed 50 female pathological gamblers from a population of Gamblers Anonymous attendees. Over two-thirds (68%) used illegal means to obtain monies to support their gambling habit. Twenty per cent of the females had been arrested with seven attending court and subsequently receiving prison sentences. However, only two of the women were charged and jailed for specifically gambling related crimes.

Accordingly, there are several possible explanations for the absence of charges for gambling related crimes.

1. Females who are problem gamblers may commit crimes for reasons other than gambling related problems. That is, female problem gamblers may have other problems that motivate them to commit crimes. The findings of Lesieur (1987) support this proposition, as only 2 of the 7 females were charged and jailed in his study specifically for gambling related crimes. This suggests that there may be a prevalence of anti-social personality disorders in women who indulge in criminal acts (Blaszczynski and McConaghy 1992: 49).
2. Female problem gamblers are committing crimes but are not being charged because the types of gambling related crimes they commit are less likely to be apprehended or charged. Lesieur (1987) found that the most common source of funds were loan frauds, forging cheques, embezzlement, employee theft and larceny. In the present study, all of the female offenders committed some kind of employee theft. As discussed in Chapter Ten, these crimes are less likely to be prosecuted in the criminal justice system as companies tend to prefer to respond to offences of this kind with internal mechanisms. Accordingly, many female problem gamblers may have committed crimes against their employers, but they have not been criminally prosecuted. Additionally, when females offend, they tend to commit less serious offences (Heidensohn 2002). This reduces the likelihood of apprehension and criminal charges. Research suggests that victims of crime tend not to report criminal incidents if they are perceived as 'not serious enough' (Walker 1994; Nelson and Perrone 2000).

3. Female offenders do commit serious gambling related crimes but are not being charged or if charged, they are treated differently by the courts. This is based on a chivalry thesis, that women are treated more leniently by actors in the criminal justice system because of their sex. Studies have suggested a more complex pattern in which courts reinforce and reflect conventional and stereotyped views of gender roles when convicting and sentencing offenders (Heidensohn 2002: 504). Farrington and Morris (1983) found that more lenient sentences for female offenders reflected their lesser criminal records.

B. Female problem gamblers commit crimes that are not included in this study

There are many property offences that have not been included in this study that female problem gamblers may be more prone to commit. In particular, female problem gamblers may commit social security fraud or sex work. For example, Lesieur (1987) found that 10% of women in his study had involved themselves in sex work to finance their gambling. This proposition needs more research.

C. Female problem gamblers do not commit as much crime as male problem gamblers

This proposition is based on general criminal justice system statistics that females commit less crime than males. Eckhardt (1998) suggests that gamblers who seek help are usually motivated by some crisis. The relatively small number of female offenders in this study suggests that female problem gamblers may reach 'rock bottom' earlier than male problem gamblers, seeking assistance *before* they commit serious crimes. That is, for many females, crime may not be perceived as an option, hence they cannot support their gambling habit, and reach a situation of major financial difficulty. Female problem gamblers may therefore be less likely to resort to crime to support their gambling.

Crimes committed by the female problem gamblers in this study

All of the female problem gamblers took advantage of their employment to support their gambling habits. The female problem gamblers in this study were highly successful thieves, stealing more than \$1.4 million between them.

The absence of criminal records for every female subject except subject 38, points to gambling problems as the major motivator for the criminal offences. The direct nature of the link between their problem gambling and the commission of crimes is also highlighted by the relatively short period between developing a gambling and problem and the onset of criminal activity. Additionally, all of the files contain information either diagnosing the female subject as a pathological or compulsive gambler, or indicating a significant problem with gambling. The records also indicate that the majority of the money stolen by the female subjects was spent on poker machines, or to repay gambling related debts. The files indicated that despite the large amounts of money stolen, the subjects had few assets and many spent their survival money on gambling (eg. 16, 33, 38).

Two subjects identified additional motivations to gambling for their crimes. Subject 48 stated that in addition to stealing to finance her gambling habit, she also stole because she considered herself to be underpaid by her employer. Subject 7 stated that she stole the money to pay bills as well as gamble.

The files also indicate the ease with which the female subjects stole from their employers. The majority of the files suggest that their employers had poor auditing or accounting procedures, enabling some of the female offenders to steal for many years. This suggests that the female offenders may have initially taken advantage of the poor security to support their gambling habits. The female offenders were quickly caught in a spiral of gambling, debts and theft. Many stole with the expectation of winning back the money they had stolen through gambling. When they did not win, they continued to steal to support their gambling, in the hope of winning, but also to satisfy their compulsive gambling. Many of the female problem gamblers expressed surprise that they had not been caught earlier.

Gambling habits

All of the female subjects had significant gambling habits, with every female subject reporting large amounts of time and money devoted to playing poker machines. This is in accordance with

available research indicating that females are more likely to play on the poker machines (Productivity Commission 1999).

Only one female problem gambler utilised gambled on the TAB as well as on poker machines. Subject 23 was introduced to gambling at the age of 6 by her father, and states that she can always remember having a fascination with gambling. Both her father and step-father were gamblers. Consequently, subject 23's gambling on the TAB in addition to poker machines can be explained by this family background. However, it should be noted that subject 23 became out of control when she started gambling on poker machines, and most of the stolen money was spent on poker machines.

The large amount of time spent by the female problem gamblers playing poker machines at local clubs is disturbing. The majority of the subjects played every day for hours at a time. The amount of time spent by subject 48, gambling \$500 each day on a 5 cent machine is mind boggling. These female gamblers must have been visible at their local clubs, almost to the point of being fixtures. This raises questions as to the responsibility of local clubs to their members.

The length of time between the subjects' introduction to gambling and the onset of problem gambling was usually very short. Only subject 23 had been gambling long term, but she developed problems with gambling very soon after being introduced to poker machines.

Motivations for gambling

The female gamblers in this study identified boredom, loneliness and stress as their reasons for gambling. This is in accordance with general studies highlighting that female problem gamblers tend to feel more socially isolate than their male counterparts (Lesieur 1987). The majority of female subjects appear to be subgroup 2 gamblers, who use gambling to cope with negative affective states.

APPENDIX A

Definition of Offences

This project has considered the relationship of gambling with a variety of offences, definitions of these offences will now be provided.

Property offences

Larceny

The common law offence of larceny is retained in NSW and is criminalized under section 117 of the *Crimes Act* which provides that larceny is punishable with a maximum five years' imprisonment following conviction on indictment. The offence of larceny is defined at common law as 'a person steals who, without the consent of the owner, fraudulently and without a claim of right made in good faith, takes and carries away anything capable of being stolen with intent, at the time of such taking, permanently to deprive the owner thereof.' (*Ilich* at 123). In laypersons term, larceny can be described as the basis theft or stealing offence. Where the property stolen is valued up to \$5,000 the offence is dealt with summarily unless the prosecution elects to prosecute on indictment (*Criminal Procedure Act* 1986, ss 8, 20, 28 and Sch 1, Table 2). The maximum sentence is 12 months' imprisonment and a fine of 50 penalty units. Where the property exceeds \$5,000, either the accused or the prosecution can opt to have the matter dealt with on indictment. Otherwise the offence will be dealt with summarily, with a maximum penalty of two years' imprisonment and a fine of 100 penalty units (*Criminal Procedure Act* 1986, ss 8, 20, 27 and Sch 1, Table 1). The most common penalty for larceny is a fine. Of the 9462 persons convicted of larceny in NSW Local Courts in 1999, 44% were fined, 24% received a recognisance order, 14% were sentenced to a term of imprisonment and 7% received a community service order (NSW BOCSAR 2000: Table 1.7).

Larceny motor vehicle

Definition as per above: stealing a car.

Steal from the person:

This offence requires that the goods were totally severed from the person of the victim (*Taylor*). An example of this is pick pocketing or bag-snatching. Section 94(1) *Crimes Act* 1900 (NSW) punishable with a maximum of fourteen years' imprisonment.

Steal in a dwelling house

This covers situations where the defendant has not broken into a house, but has stolen whilst in there. Section 148 *Crimes Act* 1900 (NSW) 7 years imprisonment.

Larceny by a clerk/servant

Section 156 *Crimes Act* (NSW) provides.

Whosoever, being a clerk, or servant, steals any property belonging to, or in the possession, or power of, his or her master, or employer, or any property into or for which it has been converted, or exchanged, shall be liable to penal servitude for ten years.

The offence covers situations where a person steals from his or her employer.

Cheque not paid on presentation

Section 178B provides that it is a criminal offence punishable with up to a year's imprisonment, to obtain property by passing a cheque which is not paid on presentation, unless the defendant proves on the balance of probabilities that they had reasonable grounds for believing that the cheque would be met and no intent to defraud.

Obtain financial advantage by deception

Section 178BA makes it an offence to dishonestly obtain money, a valuable thing or any financial advantage of any kind by means of deception, punishable by up to five years' imprisonment.

Making false misleading statements with intent to obtain money

Section 178BB makes it an offence to obtain money or any valuable thing or any financial advantage to make or publish any statement that is known to be false or misleading in a material particular or which is false or misleading in a material particular and is made with reckless

disregard as to whether it is true or false or misleading in a material particular. In other words, the offence is essentially concerned with the attempt to obtain money with a false statement.

Making false misleading statement with intent to obtain financial advantage

This offence is essentially concerned with the attempt to obtain financial advantage with a false statement

Robbery and similar offences

Robbery

Robbery requires unlawful asportation of property from the person of another, and using violence or the threat of violence, with an intent to extort (*Gnosil*). The offence of robbery consists of larceny with violence. Under section 94(1) a person found guilty of robbery is liable to imprisonment for fourteen years.

Robbery being armed

This is an aggravated robbery by virtue of the accused being armed with an offensive weapon or instrument (section 97).

Assault and robbery with striking

An aggravated robbery with assault.

Assault with intent to rob

An aggravated assault committed with intention to rob.

Violence against the person

Breach of Apprehended Violence Orders

The legislation has changed since this study was completed, and now differentiates between domestic violence and other situations where a person may fear violence. At the time this study was done, Apprehended Violence Orders were available where a person had reasonable grounds to fear and in fact fears harassment, intimidation or violence and the court is satisfied of this to the

balance of probabilities or the defendant consents to an order. A breach of an AVO occurred where the defendant breached the terms of the order.

Appendix B

Summary of Research Cases

Subject 1

Subject 1 committed an act of armed robbery on a video store in suburban Sydney. He produced an imitation handgun and demanded money from the store manager who handed over \$1,100. The subject stated he intended to spend the money obtained on gambling and alcohol. The subject was drunk at the time of the offence and has difficulty remembering what happened.

The subject was 29 years old at the time of the offence. According to the pre-sentence report and the police record of interview the subject had a long association with alcohol and amphetamines. Since being arrested, the subject had been admitted into Odyssey House to detoxify and the pre-sentence report stated this was probably the first time he had made a genuine effort to rehabilitate himself. The pre-sentence report noted that: 'From separate discussions with the offender and his mother it appears that the offender has suffered from varying degrees of depression, social isolation and alcohol and drug addiction for the majority of his adult life.' The gambling addiction appeared to be combined with his other addictions. According to the pre-sentence report the subject suffered from a depressive illness that was not diagnosed until some 9 months prior to the pre-sentence report being compiled. The pre-sentence report recommended long term rehabilitation.

The subject has had 2 relationships, the first a marriage that lasted for 'some months' and resulted in 2 children, but was abandoned as a consequence of his 'threatening behaviour' due to his alcohol and drug affected state, whilst his later de facto relationship also ended for the same reasons.

Finally the subject is described as having left school at 16 after obtaining his school certificate. He had gained employment for some 5 or so years in various physical labour capacities. At the time of the offences the subject was receiving the disabilities support pension.

The subject entered the Odyssey House Drug and Alcohol Rehabilitation programme under Supreme Court Bail conditions. He was placed on a Griffith Remand, and attended the Centre. However, he soon left the programme. The subject spent his social security allowance on

gambling and some drinking at the local hotel. Since leaving the programme the subject was charged with additional offences of evade taxi fare and offensive behaviour. The updated pre-sentence report noted that it was hoped when the subject entered Odyssey House he would gain insight into his behaviour and he would be able to survive being back in the community. It was noted that neither of these goals had been met.

He was sentenced to a minimum of 2 years imprisonment.

Subject 2

Subject 2 was charged with several different dishonesty offences, including 5 counts of making false instruments, forging a will and testament and obtaining financial advantage by deception. He defrauded his workplace by utilising his knowledge of procedures in order to create a fictitious person as a beneficiary of one of the deceased clients. Through a complex fraud arrangement involving false bank accounts and colour photocopies of Solicitors letterheads, he was able to get the entire estate of a deceased person to the value of \$94,324. Prior to the cheque being cleared, his employer was tipped off and the subject was confronted. After making admissions he fled to Queensland only to return soon after and surrender to the police making full admissions. His present wife helped him commit the offence by signing the false cheque, resulting in her being charged. She split the money from the fraud with him, because she thought he would 'blow' the money on gambling and alcohol. She had also been charged some years previously for stealing from her employer, resulting in the couple selling their house to pay back the money stolen.

The subject had completed his School Certificate and had a variety of jobs in the public service. His addiction to both alcohol and gambling has been with the offender since his teenage years. The pre-sentence report stated that his relatives describe him as a 'chronic alcoholic' and a gambler. He had lost several jobs because of his alcohol abuse. The pre-sentence report indicated the subject started drinking at age 14 and drank regularly to excess from age 15. He had previously attempted to stop drinking, including entering a detoxification unit and attending Alcoholics Anonymous. The subject had difficulty acknowledging he was an alcoholic, but supposes he must be. He usually binge drinks for 2 to 3 days a week, and had continued to drink even after being charged. The pre-sentence report noted that the offender's mother was also an alcoholic.

The subject had been gambling since he was 16 year old and had sometimes used his whole salary gambling. He admitted he had an alcohol problem and that gambling contributed to the breakdown of his first marriage but minimised both problems. At times he would win \$4,000 to \$5,000 but would then lose it. He gambled as much money as he had available on him, and during the time he was committing the offences was gambling more heavily and making larger bets. He regarded himself as a compulsive gambler. He regularly bet on the TAB and at clubs on horses, trots or greyhounds, but was not interested in poker machines or casinos. The subject had numerous drink driving charges and often his drinking was accompanied by gambling on horses.

The subject admitted he had done the wrong thing, but believed his behaviour was not as bad as the prosecution had presented it. He said he would not steal from people, particularly those in need, but the money would have just gone to the government anyway. The pre-sentence report stated that he was a man 'in almost total denial. He minimised the seriousness of his alcohol abuse and his gambling and lived comfortably with his second wife never questioning their finances.' The pre-sentence report stated that he was ashamed, but more because people were aware of his behaviour in these matters than the actual committal of offences.

The psychologist's report stated that the subject started taking small amounts from trust accounts in order to pay bills and continue his gambling and drinking. The psychologist stated the subject had adopted a hedonistic lifestyle, avoiding responsibilities. This position was exacerbated by chronic alcohol and gambling habits. The subject felt that he had squandered away his opportunities through his alcoholism and gambling. The psychologist concluded that the subject's personality profile indicated he was antisocial, passive aggressive and narcissistic with a grandiose and egocentric self-image. His narcissistic personality could serve to deny underlying depression and feelings of futility. When he felt 'on top of the world' he kept his problems at bay, and this was assisted by his constant need for social stimulation, alcohol and gambling. The psychologist stated that although his alcohol and gambling habits perhaps increased during the time he committed the offences, they did not form the basis of his offences. Rather, his flaws in his personality, his need to prove himself to others and himself, prompted his offences.

As a consequence of the offences, the subject lost his job. The subject had a history of drink driving offences and one stealing offence resulting in a good behaviour bond.

The subject was sentenced to a 3 year sentence, with a minimum of 18 months.

Subject 3

Subject 3 was charged with 3 counts of larceny by a servant. He was a 47 year old supervisor for a national concrete manufacturer. Over a 3 year period, the subject sold more than 11,000 bags of concrete to third parties and kept the money from the sales totalling \$11,000. The company estimated its loss to be in the order of \$70,000. The subject confessed to the thefts after a stock take revealed the shortfall. The subject spent all the money stolen on gambling.

In the pre-sentence report the subject stated that he was able to consume a carton of stubbies in one night 'easily' and that 'in his own way' he had a drinking problem. The subject stated that he drank excessively over the period in which his offences occurred to forget his offences. Since being arrested his drinking had greatly decreased. The subject denied that he had a gambling problem but at the same time asserted that he had spent all of his stolen takings on the pokies and the TAB. He did not understand why he stole the money, and denied that he stole to pay for his gambling. The pre-sentence report stated that the subject probably did have a gambling and alcohol problem and if placed under supervision, the service would focus on any possible problems relating to gambling or alcohol.

The offender had a childhood of mixed fortune, his mother was described as a chronic alcoholic sometimes going on 4 week drinking binges, whilst his father was violent and left the family when the offender was age 7. The subject had completed school to Year 8. At the time of the offences, the subject was living with his wife and 5 children. He was regarded as responsible and loving. His family was unaware of the extent of his gambling. As a consequence of the offences, the subject had lost his job and now worked as a store person.

More than 20 years previously, the subject had committed offences of theft, assaults and carnal knowledge, resulting in good behaviour bonds, detention at 'Boys Town' for a year, and fines. The subject enjoyed staying at Boys Town and remained there for an extra 2 years rather than going home.

He was sentenced to 2 years by way of periodic detention.

Subject 4

Subject 4 was a senior employee of a large electrical retail shop in Sydney charged with 33 counts of larceny by a servant (s156). Holding the position of duty manager the subject was able to generate false refunds for computer equipment and kept the money. Over several months the subject stole over \$15,800 using this method, which he gambled on poker machines at nearby clubs and hotels.

Aged 29 at the time of the offences, the subject lived with his mother in the family home. His mother and work colleagues were not aware of the extent of his gambling problem until he was charged. His family was disappointed in him but continued to be supportive. As a consequence of his offences, the subject lost his job of 5 and 1/2 years and was unemployed.

The subject admitted to having a gambling problem for the previous 4 years. He gambled 4 times a week and spent all the money he stole on his gambling debts and payment of bills. He kept his gambling secret. In terms of addiction, the subject, stated that 'whenever he gambled at the clubs he would have up to 6 or 7 beers a day.' When not gambling he would only have 2 beers. Since being arrested, the subject attended both Alcoholics Anonymous and individual counselling for his gambling addiction. He claimed not to have gambled since being arrested. He wished to change because he felt guilt in disappointing his family and friends.

The home detention assessment noted that the subject needed on going support and counselling for his gambling problems. Whilst on home detention he would be required to attend counselling sessions, educational programs and GA.

At first instance, the subject was sentenced to 6 months imprisonment with an additional term of 18 months. On appeal, the absence of prior offences was taken into account, and the subject was sentenced to 6 months home detention with an additional 12 months of parole supervision.

Subject 5

Subject 5 was convicted of Larceny by a clerk for stealing monies from her employer (a doctor's surgery) to the value of \$425,277 over a 10 year period. This was possible because the medical practice did not utilise auditing methods and there was some confusion when electronic records replaced a manual financial recording system. Her thefts started out as being relatively minor stealing \$50 per week, whilst prior to her arrest, she admitted stealing \$1,000 to \$1,500 per week.

The subject found it hard to believe that she had stolen so much money. In the court transcript it was noted that the subject had left clues for the previous 3 years so that she would be caught.

The subject was age 54 at the time of the offence. The subject had an alcohol dependency in addition to a history of depression, particularly post-natal depression. A psychiatric report indicated that she had used Sera Pax and Prozac in order to combat her mental problems. Her mother was also noted as having an alcohol dependency, whilst her father required extremely serious surgery this required the subject to seek full time employment. As a consequence, she was only educated until 6th class at school, and then completed up to Year 9 by correspondence. Her alcohol dependency resulted in her drinking by her own admission 2-3 casks of wine per week. The subject lost her job as a consequence of the offences and she and her husband were now living on the pension. All their property had been liquidated in an attempt to pay back what she had stolen. The husband stated he would stand by his wife. Her defence lawyer stated 'this lady not only has not benefited personally, she has caused financial ruin for herself and her husband.'

A practicing psychiatrist interviewed the subject. In this report the doctor noted the subject's gambling addiction agreed with a diagnosis of 'Pathological Gambling' as outlined by the [DSM IV] American Psychiatric Association's definition. In order to be considered in this category, a subject must answer positively to 5 out of 10 specific questions, concerned with gambling addiction. The subject exceeded this threshold by answering 8 questions in the affirmative. The psychologist stated that people who commit crimes due to gambling tend not to re-offend unless they start gambling again.

The subject initially stole \$20 to have more money and used it to gamble. She found the club very relaxing and would often go with her mother. She gambled to avoid reality and worries including raising 3 children whilst doing shift work. She had initially expected to have a 'big win' but gradually lost hope and just gambled to avoid reality. All of her gambling occurred at local clubs around her region and all included poker machines. By the time the subject was arrested, she was gambling \$200 a day. The psychologist stated that the subject utilised gambling to handle unhappy feelings, but that this habit, once established, required money.

The pre-sentence report stated that the subject is a devoted wife and parent, responsible employee and respected member of her community: 'That she could deviate to such an extent is not readily explicable. The likelihood of re-offence is diminished not only by the improbability of her

obtaining a similar position but also by her shame at the consequences (as much for her family as herself) and her own feelings of compunction at having behaved as she has.' It was noted that the entire community was aware of her crimes, and there was a significant amount of embarrassment and shame involved. On cross-examination her husband stated it was unlikely she would ever be able to obtain employment in the future due to the publicity surrounding the case.

The subject started to attend GA and counselling after being charged. A 'compulsive gambler' gave evidence for the defence about the subject's attendance at GA and also the nature of his own addiction. The gambler was asked about his perspective about the subject's gambling habit, whilst recognising he was not an expert in this area. He stated she had hit rock bottom and would now start improving and growing stronger. He explained how GA worked and the need to learn a new way of life.

Civil action was commenced in relation to compensation. The pre-sentence report recommended counselling for her gambling compulsion. The subject had no criminal history. There was some discussion about the nature of the subject's sentence, and whether fulltime imprisonment was appropriate or not. The judge stated that his concerns were the amounts stolen over an extended period of time, and her abuse of a position of trust. In terms of discounting her sentence, her age, immediate cooperation with police, contrition, community disgrace, mental condition and her financial ruin were noted. The prosecution pushed for a sentence of 10 years imprisonment. Cases referred to regarding sentencing, focused on the appropriate response to white-collar crime. It was noted that the subject was a clerk, rather than in a higher position of trust.

The subject was sentenced to a minimum of 1 year imprisonment with 2 and a 1/2 years parole. When reminded by the defence lawyer, the judge recommended that the subject be held at an institution that facilitates psychiatric treatment.

Subject 6

Subject 6 was a 50 year-old male charged with larceny by a servant. He stole \$9,402.90 from the hotel where he worked as a bar tender. He attended the hotel where he worked on his day off and asked for the office keys on the pretence of looking for a suit jacket that he said was inadvertently left at the hotel overnight. Whilst alone in the hotel office he used the keys to open the safe and remove the contents. On the night of the offence the subject had drunk more than 10 beers and

played on the poker machines at the hotel. The subject admitted to spending his takings by going on a binge over 3 or 4 weeks: 'just drinking of a day and night, [and] pushing the money through the poker machines.' He stated that he knew he would be caught.

The subject was educated to Year 7 and had worked in a variety of low skilled jobs. The subject had a considerable criminal record and problems with gambling in the past. The subject cited repeated and ongoing sexual, emotional and physical abuse that he had received in boys' correctional centre as a substantial cause of his current situation. At the time of the current offence, the subject was upset that the DPP would not press charges against the man who had abused him, because he was already in prison. The father of the subject died when he was 2 years of age, whilst he appears to have been living in a boarding home since the age of 15 as his mother had been admitted to a psychiatric institution. The subject admitted that he had spent the last twenty-3 and a 1/2 years out of 30 in prison. He was diagnosed as having chronic post-traumatic stress disorder and a permanent personality dysfunction. The subject had attempted suicide on numerous occasions. One psychologist report noted that the subject had problems with impulse control and addiction. The psychologists did not express much hope that the subject could remain sober and gain regular employment. Both psychologists believed there was a link between his alcohol problems and his offending behaviour.

The subject had a history of committing offences whilst on parole. In relation to the current offence, the parole service report stated that initially he had abstained from alcohol and gambling whilst on parole and had attended Alcoholics Anonymous and Gamblers Anonymous during that time. Additionally, he had been receiving counselling, predominantly for the sexual abuse. However, he began to have problems when he started working night shifts. He began to drink again when memories of his past assaults returned, work difficulties emerged and he lost his job. He then stopped attending counselling sessions. It was during this time that he re-offended. The pre-sentence report noted that alcohol appeared to be associated with the subject's criminal offences since he was 15 years old. The subject appeared to drink alcohol to cope with his memories of abuse. The report noted that he had cyclic alcohol and gambling problems with apparently compulsive offending, and that this appeared to be directly related to the abuse he experienced during his childhood.

Since being charged, the subject stated that he realised that he needed intensive psychological and psychiatric treatment for his problems.

He was sentenced to 2 years minimum for this offence. Additionally, the judge drew the Department of Corrective Services' attention to the subject's gambling problems for the purposes of counselling whilst in custody. The judge recommended counselling on release, during the parole period. .

Subject 7

Subject 7 was charged with larceny by a servant, stealing \$80,434.20 over a period of 5 months whilst working at a suburban supermarket as a cashier. Her thefts were committed by falsifying claims for refunds by bogus customers. She was caught on video surveillance after one of her refunds was for an amount exceeding the most expensive items in the shop. The subject was surprised at the large amount she had stolen she thought that she had stolen around \$10,000. The subject stated that she stole the money because she had gambled away her pay and needed to pay bills. She then continued stealing to play on the poker machines at local clubs.

The subject was 23 at the time of trial and had completed Year 11. The subject wrote to the judge and described herself as having started smoking at 13 and drinking at 16. The psychiatric report noted that she drinks to excess. She was diagnosed with a compulsive disorder that resulted in her excessively cleaning, time keeping and retaining extremely tight schedules in her daily existence. For instance she would allocate herself 30 minutes between the period of getting home and getting her evening meal ready. Since being charged, the subject was prescribed medication for her disorder. The psychiatric report stated that the subject knew that stealing was wrong, but that her gambling habit assumed the level of an obsession with her and was as irresistible in terms of its compulsive power as were the other rituals in which she was engaged. Just as she knew that the rituals she engaged in were illogical and of no purpose and was powerless to resist them, her behaviour in regard to taking of money and gambling fell into a similar category.

She also described having a trauma in her life when she discovered at the age of 18 that she mistakenly believed that her stepfather was her biological father.

The subject started gambling 8 months prior to the offences. The gambling appeared to start as simply betting \$10 occasional at the local hotel, this then progressed to \$20 and then seemed to get out of control after a big win. The subject stated that after the big win she only wanted to go to the club and did not want to go anywhere else. Within 6 months of starting gambling, she was spending all of her rent and other survival money on the pokies. She then started stealing money from work to keep up her 'habit'. She would play the poker machines at clubs and pubs with her friend, but would also sneak off to play other machines so that her friend did not realise how much she was gambling. The subject stated that she gambled 3 to 4 times a week for hours at a time. She mentioned clubs that were open 24 hours and she would stay at these until early in the morning. The subject also stated she tended to drink alcohol when she went out.

The subject stated she was relieved when she was caught, as she did not have to feel guilty or hide anymore. She started to attend Gamblers Anonymous and see a psychiatrist. Since the charges, she had also commenced fulfilling employment.

The psychiatric report noted that pathological gambling has been recognised in DSM IV and details statistics regarding problem gamblers and the amounts gambled. The report noted that there is medical support for pathological gambling being due to a biochemical abnormality. The psychiatrist's report stated that the subject's condition was due to a biochemical abnormality, with the obsessive compulsive disorder and pathological gambling compounding each other. The psychiatrist stated that she would benefit from long-term treatment and medication and that control of her ritualistic and compulsive behaviour would substantially diminish the potential for re-offending.

She was sentenced to 2 and 1/2 years periodic detention.

Subject 8

Subject 8 committed a robbery and an armed robbery whilst intoxicated, upon a supermarket gaining around \$1,900. The subject stated that he stole the money because he was being physically assaulted by loan sharks that demanded \$5,000 immediately. He had borrowed money from the loan sharks prior to his earlier incarceration due to gambling debts. The subject recognised that his actions were self-defeating and self-destructive but he could see no other way

of raising money and felt desperate. Since his earlier incarceration, the subject had not really gambled or drunk heavily, and had only imbibed alcohol to give him confidence for the 2 offences. The subject gave the money from the first robbery to the loan sharks, but then committed another robbery so that he could repay the loan sharks and leave Sydney. The offender then stated that he gambled all of his takings at the races. The subject saw gambling as a realistic means to create wealth. Alcohol, crime, violence and gambling have all played an important part in the subject's life. The subject started gambling on horse races in his teenage years and then frequented illegal casinos where he met the loan sharks. The subject had been married and had 2 children, but his wife had left him because she was afraid of him.

Aged 39 at the time of sentence, the subject had a childhood where his father was a violent alcoholic who frequently beat his mother. His mother died whilst he was in gaol, an issue that the offender seems to feel continuing guilt over. He also mentioned that he was sexually assaulted as a child over a 7 year period. The subject was diagnosed as having 'Post Traumatic Stress Disorder' and 'strong Borderline Personality Disorder' together with 'phobias and symptoms of panic disorder' and depression. The psychologist's report noted that the subject avoided his problems by gambling and imbibing excessive amounts of alcohol. The psychologist's report described alcohol as a form of self-medication for the subject. The subject had also previously attempted suicide by overdosing on Valium. The subject was educated to Year 9 and had worked in a series of unskilled jobs but was unemployed at the time of the offences. He had a criminal history including armed robberies resulting in prior imprisonment.

He was sentenced to a minimum term of 6 years imprisonment for the armed robbery.

Subject 9

Subject 9 was charged with 14 counts of fraudulent misappropriation and 3 counts of obtaining financial advantage by deception. The subject was a financial consultant and was involved in the systematic defrauding of customers who gave him their money to invest in secured funds. Instead, over one year, the \$210,185 was placed in high-risk funds and the money was lost. The subject then started chasing his losses, taking more money to invest in high-risk funds.

Aged 26 at the beginning of the offences, the subject had a gambling history that started in his adolescence. The subject began betting his pocket money on greyhounds at the age of 14, but

graduated to horses and the stock exchange in later years. He also started working as a bookmaker's clerk. It seems that his betting behaviour increased with the size of the odds available. The pre-sentence report noted that his gambling predilection featured prominently in his criminal offences. His pre-sentence report described him as an enigma with reference to his sporting and business prowess contrasted with twice-weekly binge drinking that had begun since the age of 18 and his serious fraud offences. He would consume 10 to 12 glasses of beer on 2 or 3 nights a week, with an occasional heavier bout of drinking every 2 or 3 months. A psychologist diagnosed him as having a Dependant Personality Disorder. In essence this condition is characterised by a dependence on attention from others and success. The subject had suffered an injury that had precluded success in his chosen sport and the gambling assumed pre-eminent importance in his life. Gambling replaced the excitement of playing sport. His gambling addiction became exacerbated to a level well beyond his means leading to him resorting to criminality.

The subject attempted suicide shortly after his activities were discovered and had suffered depression as a consequence of his earlier offences. The subject had completed his School Certificate and had completed an apprenticeship.

The subject's wife divorced him as a consequence of his gambling and his tendency to lie. He was declared bankrupt as a consequence of the offences. The subject also stated that he was adopted and had suffered sexual abuse as a child but at the same time did not draw on these events as explaining his behaviour. The current offences were committed whilst the subject was on a local court recognizance for fraudulent misappropriation offences totalling \$25,000 (section 178BA). The counsellor at Long Bay recommended the subject's continued attendance at counselling sessions for alcohol and gambling addiction.

He was sentenced to a minimum term of 12 months imprisonment, with an additional term of 18 months.

Subject 10

Subject 10 stole his employer's cheque book whilst working as an interior decorator. With this instrument the subject purchased goods over a period of one month, which he then re-sold, and gambled the proceeds. The value of the frauds was in the order of \$20,000. The subject was charged with 20 offences in total, including stealing from a dwelling house, larceny, making false

instruments with intent to induce a person to accept as genuine, and possession of an unlicensed firearm. The subject was arrested at the Sydney Star Casino.

The comments about the background to the subject's crime are sparse but it was noted that he had used heroin for around 12 years. Aged 41 at the time of arrest, the subject migrated to Australia during his teenage years. It seems he formed an addiction partially because of a long-standing prescription to morphine as a consequence of a medical condition. The pre-sentence report noted that the 'offender lacks insight into the full extent of his gambling and drug addiction on his life and family, choosing not to take responsibility for his actions.' It is also noted that the subject had been previously convicted for drug and theft offences resulting in imprisonment. The subject had previously been married and divorced, with gambling and drug abuse noted in the divorce. The subject was self-employed as a painter and on an invalid pension.

He was sentenced to a minimum of 9 months imprisonment for the various offences.

Subject 11

Subject 11 with another offender, robbed the owners of a shop and escaped with \$1,272. The subject was also charged with unlawful possession of an offensive weapon. Using an air pistol the subject entered a small retail shop and demanded money. The shopkeeper was able to resist the subject's demands and he was apprehended by a nearby police officer. The police fact sheet noted that both subjects had played the poker machines where they lost about \$110. They then decided to commit the robbery to get more money so they could continue playing.

Aged 31 at the time of the offence, the subject was unemployed. He was personally destabilized at the time of the offences by a fairly long period of unemployment and the breakdown of his marriage. Primarily the gambling was directed towards electronic gaming machines in his local area. He left school with inadequate education and drifted into the drug scene. The pre-sentence report noted that the subject began living with a group of friends at age 23 and during this time he had become a regular user of cannabis and heroin. The subject had a criminal record for the 'usual addict's crimes' (stealing, break and enters and possession of prohibited drugs) and was on a recognizance to be of good behaviour at the time of the offences. In the court transcript, the motivation of gambling was ignored, and the subject's drug addiction was focused on. The judge

stated that he did not consider the subject to be a hardened criminal, and that the robbery was out of the league of the subject.

The subject was sentenced to a minimum term of 2 years and an additional term of 2 years. The Judge noted that the subject needed close supervision to rehabilitate him into a useful citizen. In relation to the second charge of unlawful possession of an offensive weapon, the judge deferred passing sentence for 3 years upon the subject entering a recognizance in the sum of \$1,000 to be of good behaviour for 3 years.

Subject 12

Subject 12 was charged with 17 counts of dishonesty offences, making and using false instruments. The offences were committed by the subject opening false bank accounts with the intention of concealing his real identity. The psychologist's report stated that gambling was the prime motivation behind the commission of the criminal offences. The subject stole so that he could gamble.

At the time of the offences, the subject was 23 years old and on social security. The subject had a fiancé at the time of the offences, and this relationship had been maintained whilst he was on remand.

The subject stated that he started gambling when he was dismissed from his job of 2 years as a cook. He stated that he started using the poker machines and lost a substantial amount of money. He then started to look for money and referred to a gambling career of 8 years during which time he lost a great deal of money. The subject regarded himself as a fulltime gambler. He gambled at the Casino and was known there, and would bet hundreds of dollars on one outcome. The subject stated that he played anything at the Casino.

The psychologist's report stated that the subject gave an account of inappropriate behaviour, including extreme gambling, excessive alcohol ingestion and other substance abuse. The subject had been using amphetamines and marijuana for the 14 months prior to the offences. His drug usage was uncertain in that the pre-sentence report indicated that he used amphetamines only when he was not gambling, whereas his fiancé's statement to the court indicated that he would use amphetamines so that he could maximize his gambling time. The subject claimed that his drug habit was cheaper than gambling. In addition the subject admitted purchasing amphetamines by

the pound and also claimed to inject 8 to 12 grams per day of the same. However, police reports suggested that he only injected 3 to 4 grams a day and that the subject had claimed to inject more to explain the large quantity of drugs found at his house.

Whilst on remand the subject drank 10 cans of Coca-Cola per day and smoked a great deal. His mother was also characterised as a chronic gambler losing over \$150,000 in 2 years. His mother stated that she had a problem with poker machines, and that her gambling commenced after the subject's. She does not believe it has any bearing on his gambling, other than in an addict's supportive sense. The psychologist stated that 'my clinical impression insofar as my involvement with treatment of gamblers is concerned, is that there tends to be a family tradition in such activities.' Since being charged, the subject had sought help for his gambling and other addictions.

The psychologist's report noted that the subject exhibited psychological abnormality as a child. The psychological assessment noted that gambling 'may have features of an obsessive compulsive disorder which may render it amenable to treatment with certain drugs, specifically reserved for obsessive compulsive disorder.' However, the psychologist explicitly excluded this in the subject's case, stating that this was extremely unlikely. The psychologist suggested a 2 year treatment programme involving twice-weekly urine drug screening and an undertaking not to enter any premises where gambling is taking place and that he should not take part in any activities which involved gambling. That is, he should exclude himself from all situations be it direct or indirect that permitted gambling to occur. The psychologist considered the subject to be 'genetically predisposed to inappropriate behaviour who exhibited a tendency to gamble and substance abuse, of the gambling being the prime motive for his committal of the offences... of drugs being a substantially lesser factor.'

He was sentenced to a minimum of 5 years imprisonment with an additional term of 3 years.

Subject 13

Subject 13 committed a number of offences involving issuing cheques without sufficient funds and selling a stolen motor vehicle. He was charged with 3 counts of receiving, 1 count of dishonestly obtain benefit by deception, 1 count of dishonestly obtain property by deception, 3 counts of larceny, obtain financial advantage by deception and 1 count of making false/misleading

statements. In essence the subject sold a motor vehicle for \$5,500 that was reported stolen by a car yard in a rural town. He spent all the money he stole at a casino. In addition he also admitted to writing false cheques for a total value of \$5,250 to cover retail purchases.

According to the police report, the subject was described as a self-confessed gambling addict. His pre-sentence report indicated that he was 32 years of age and single. He came from a traditional family, that he described as putting pressures on him to succeed and follow the family's cultural traditions. The subject was educated until Year 10 and had partially completed an apprenticeship. The subject had worked in various full time jobs for short durations. Prior to arrest he had established his own business that appeared to be somewhat successful.

He admitted to smoking heroin but stated he was always in control of his drug use, but admitted to having problems with alcohol. The subject explained his offences as occurring since he had some money stolen off him by a business partner. It is unclear whether gambling is a cause or effect of the offences. The police report stated that he spent 'all of his money from the car fraud at the casino, whilst the pre-sentence report states that 'He was trying to retrieve the money through gambling, so that he could pay back the money obtained through the offences.'

The subject attended the Alcohol and Other Drug Services Centre whilst on remand for problems associated with gambling and drug use. The subject considered his gambling to be the biggest problem, but recognised that his gambling eventually lead to drug use that then became difficult to control. He realised that his gambling and drug use behaviours reached a stage where, without professional intervention, they could only escalate, causing further harm to himself, his family and others. The remand counselling service requested that the subject be granted bail so that he could attend a residential rehabilitation centre for gambling and drug use problems. The subject saw gambling as a realistic means of creating wealth. The subject had agreed to go into rehabilitation after his sentence.

The subject had many prior convictions for dishonesty offences and driving offences resulting in fines and imprisonment. With many prior offences committed, the subject was jailed for 2 years.

Subject 14

Subject 14 was charged with steal from the person (s 94). The subject had drunk 6 schooners of beer and smoked cannabis whilst playing the pokies in a bowling club of a regional town. Upon

losing his money he decided to steal a purse that belonged to the elderly player sitting next to him. He was chased by some patrons of the bowling club and was apprehended soon after. The subject stated that he stole the wallet to get some of his lost money back. There was \$40 in the purse.

Aged 23 at the time of the offence, he was educated to Year 10 and worked as a foreman. The subject had completed an apprenticeship. According to the subject's pre-sentence report he admitted to having problems 'with alcohol abuse and gambling.' Additionally, the subject smoked marijuana, but the pre-sentence report suggested that this was peer related rather than a dependency issue.

The pre-sentence report stated the subject had 'addictive behaviour patterns that stemmed from his childhood experience'. This included his father dying when he was age 7 and ongoing difficulty establishing family bonds with his mother's new partners. The subject recognised the serious implications of his continued gambling since being arrested and had since attended counselling with the Salvation Army and attended Alcoholics Anonymous. The pre-sentence report stated that the subject was not anti-social; rather his offences were by-products of addictive behaviour patterns.

The subject had a criminal history of assault that was proven but dismissed under section 556A. At first instance, the subject was sentenced to one month's imprisonment with a recommendation of counselling. On appeal, he was sentenced to a \$1,000 good behaviour bond for 2 years and fined \$500. There was no mention of counselling in the District Court's sentence.

Subject 15

Subject 15 worked as a teller for a security transport company in a regional city. He was charged with 39 counts of larceny by a servant to the value of \$18,350. In essence the subject would remove sums of \$2 coins in multiples of \$50 from pre-counted bags that contained \$2,000 bundles. The subject would then spend all the money stolen on a 'gambling addiction' with the result that none of the money stolen was recovered.

The subject aged 29, had no prior records and appeared to lead a stable church going, family life being married with 2 children. Upon arrest, the subject fully co-operated with police and admitted to some offences that the police or his employer did not appear to be aware of.

According to the pre-sentence report, the subject's gambling problem started when his prior self-employment floundered. His wife demanded that the subject go to Gamblers Anonymous in order to receive help for his problem. He went over a 2 month period. However, when he worked for the Security Company his gambling urges returned. His gambling problem developed as an escape from the ever increasing demands and problems in his domestic life, particularly as his mother and father were ill.

His wife had previously threatened to leave him if he continued to gamble.

Whilst the subject does not drink or smoke he has gambled from an early age partially as a consequence of his family's interest in greyhounds. The subject had no criminal history. Originally sentenced to 9 months imprisonment and fined \$16,850 in compensation to be paid to his ex employer, on appeal the subject was able to reduce his sentence to 400 community service hours.

Subject 16

Subject 16 was charged with 964 counts of larceny by a clerk to the value of \$246,064.56 over a 5 year period. The offences were committed whilst the subject worked as a bookkeeper for a suburban butchery. At the subject's request, the proprietor of the butchery enabled her to become a signatory to the business cheque account. The subject was then able to write false cheques to pay fictitious businesses or real businesses to pay her own debts. The subject deposited these cheques in her own bank account where she would draw on the proceeds. It appears that the auditing procedures used by the business were primitive and as a consequence the auditor may face civil action for recovery of the monies. Over the 5 years, the accountants did not ever compare the butcher's bank statements with the financial ledgers. When told of the amount that she had stolen, the subject was bemused. The police noted that she still had debts on a variety of different credit and store cards. At the time of trial the subject was 71 years of age.

The subject was born in 1927 and completed her schooling at the age of 16. The psychologist's report indicated that the subject considered gambling as a way to make money in order cover her considerable debts as she had various store cards and credit cards. She felt despondent because of her inability to pay her debts and look after herself and her pets; she began to gamble and rapidly became a compulsive gambler. Her gambling addiction started just prior to the offences, when

she went to clubs to play the poker machines almost on a daily basis remaining there even after she won in order to continue gambling. She regularly lost \$400 to \$500. The subject began to write the cheques in her own favour to continue gambling, but knew that it was wrong. The psychologist's report stated she was aware of her action but was unable to stop her gambling habit and 'as with many addictions resorted to illegal action to maintain it.' She stated she was relieved when she was caught, as she was unable to stop the habit. The pre-sentence report noted that the subject did not have enough money to feed herself and has no source of hot water or oven.

The subject witnessed her friend commit suicide and has also received treatment for depression. It also appeared that she did not know her natural mother.

The subject stated that she did not have a gambling problem, but admitted to gambling the proceeds of the offences at the local clubs on the poker machines. She stated that she might have had a gambling problem before, but only if she went into the clubs. She said she was not so addicted that she ran into the club every day and put money in the poker machines.

The subject lost her job as a consequence of the offences and was since living on the aged pension. The subject had no criminal history.

She was sentenced to 9 months imprisonment. The minimum term of 9 months was less than a third of the additional term of 2 years and 3 months due to the subject's age, medical condition, depression, and need for rehabilitation after her release on parole.

Subject 17

Subject 17 was charged with 30 counts of larceny by a servant. Aged 33 at the time of his court appearance, the subject stole money from customers' bank accounts and credited his own with the proceeds. By crediting some accounts and debiting others to the value of \$400,000 the offender was able to extract \$96,000 for his own use.

This money would typically be spent on poker machines, often during his lunchtime at local clubs. He spent \$200 to \$500 every day or every few days on the poker machines. He kept the gambling addiction secret from his friends and family, only gambling when alone. He stole the money in part to hide his addiction, as his wife closely monitored his money. The subject had initially started gambling on horses, but had then become addicted mainly to poker and card machines.

The pre-sentence report stated that his addiction to gambling became a serious problem in recent years and had been the catalyst for his offending behaviour.

In the pre-sentence report, the subject is described as coming from a stable family. Educated until Year 12, the subject had worked in the banking sector for all of his working life. His gambling addiction was found to be extreme to the extent that he was unable to value money. The subject sought counselling for his gambling addiction after being charged.

As a consequence of the offences his marriage broke down and he was dismissed from his job at the bank. Prior to trial, the subject worked as a furniture removalist. The subject sold his house in order to repay part of the money that he had stolen.

The subject did not use alcohol or other drugs. He was sentenced to a 3 year good behaviour bond, this being the second time he had been convicted of larceny by a servant. The judge added the additional condition that the subject continue counselling for his gambling addiction.

Subject 18

Subject 18 was employed as a manager of a motor inn in Sydney prior to the committal of the offences. This inside knowledge meant that the subject had a detailed understanding of cash storage procedures and staffing arrangements. At around 11:30 p.m. the subject managed to enter the ladies toilet and remain undetected. The night manager then received a telephone call from the friend of the offender requesting him to have a look in the ladies toilet for a bogus lost wedding ring. On entering the toilet the staff member was ambushed by the subject who was wearing a balaclava and holding a pistol. The subject then bound up the staff member and demanded access to the safe where he stole over \$8,000.

Aged 29 at the time of sentence, the subject was described by the judge as being the eldest of 2 children from a disturbed and dysfunctional family where the father was a compulsive gambler and heavy drinker. His father left the family when the subject was 2 years of age and his mother later remarried a man who was an alcoholic. His mother bred, trained and raced greyhounds. Educated to Year 10, the subject gained employment working in various bars and clubs. The subject stated his gambling became out of control when he worked in the bars and clubs due to the stress. He had spent \$10,000 in one night. The subject was in a long-term de facto relationship that had resulted in 1 child. The pre-sentence report noted that the subject had no

difficulty in obtaining managerial positions but he did not persevere with career opportunities as they exposed him to gambling.

In mitigating the offence, the subject stated that the offence was committed because he was indebted to loan sharks that had threatened to burn his family. This was as a consequence of the subject making bets to the value of \$3,000 over football games that he could not repay. He said his gambling addiction followed him everywhere. The loan sharks charged \$1,000 in interest, so he owed \$4,000.

His mother noted that her son had had episodes of heavy drinking and excessive gambling since his early 20s. He also smoked cannabis regularly. His mother had put money in his account at times to help him out but he spent it on gambling. The subject stated he was relieved when he was arrested and felt a great deal of remorse for his crime.

The subject has been accepted into the William Booth Institute for gambling rehabilitation, but his psychologist noted that the facilities available for treatment of addiction were inadequate in prisons. The psychologist's report noted that the subject had poor impulse control and that the present offence was related to his gambling addiction and his inability to find another means of resolving what he perceived as an immediate threat to his family. The main recommendation of the psychologist was that the subject gain rehabilitation for his gambling addiction.

The subject had a criminal history of drug possession and stealing offences. The subject had earlier stolen thousands of dollars from a previous de facto partner, resulting in imprisonment.

The judge noted that the subject has undertaken rehabilitation in prison and that this constituted special circumstances allowing the judge to reduce the minimum term that would otherwise have been imposed. He was sentenced to a minimum term of 3 years for the armed robbery offences.

Subject 19

Subject 19 was aged 47 at the time of the offence and was found guilty of 1 count of armed robbery. He committed an armed robbery on an inner city TAB staffed by 1 person with a sawn off rifle. Upon leaving with the stolen \$990, the subject was wrestled by a civilian who managed to overpower the subject. The subject stated that he stole the money to gamble.

The subject had an unfortunate life bearing witness to extreme physical abuse by his father to his mother resulting in their separation. The subject then lived with his aunt and later returned to live with his father. The subject had previously been married and had 2 children.

The subject was introduced to gambling by a horse trainer whom he met 6 months prior to the offences and who gave him successful tips on an ongoing basis. Consequently the subject won thousands of dollars regularly. Prior to gambling, the subject stated that he felt his life was going nowhere and the thrill and excitement of gambling was highly appealing. The subject left his job to focus on gambling. He then began gambling on poker machines and lotto products in addition to horses. The subject spent the money that he won at the racetrack on poker machines and lotto products. He was attracted to the gambling lifestyle and became excited when he saw television advertisements for the gambling industry. Unfortunately contact with the horse trainer ceased after the trainer moved to Queensland. This meant that the bets the subject made regularly became loses. The subject committed the offence in order to be able to afford to place a bet on a trifecta. He believed that his luck would change but he needed a lump sum of money to bring that about.

The subject stated that he became aware of his addiction when the trainer left and felt angry with the government for the way it promoted gambling. The subject intended to attend Gamblers Anonymous when released from prison.

The subject had a long criminal history of break and enters, stealing, assaults and sexual offences resulting in fines, community service orders and imprisonment. The psychiatric report noted that he had an element of impulsive behaviour, as shown in his earlier sexual offences and as an element of compulsive gambling.

He was sentenced to a minimum term of 3 years.

Subject 20

Subject 20 committed 6 armed robbery offences in a rural area over a 2 month period. The subject had committed roughly one robbery each week. These offences were committed by the subject entering restaurants, shops and service stations with various weapons and demanding money. The subject obtained more than \$4,000 in total.

Aged 42 at the time of the offence, the subject stated that his wife died 6 years earlier soon after giving birth to their son. The subject was a sole parent/pensioner. The subject started to attend his local club with his new girlfriend and soon became addicted to gambling machines and started going to the club on his own at every opportunity. The subject appears to have essentially 'gone off the rails' and indulged in excessive gambling on the pokies and alcohol consumption. This often resulted in him leaving rent and bills unpaid. The pre-sentence report noted that the subject had a chronic gambling addiction and that he required long term counselling.

The subject had earlier marijuana possession charges resulting in fines and community service orders.

He was sentenced to a 3 year minimum custodial sentence.

Subject 21

Subject 21 was convicted of 3 counts of armed robbery. The offences were committed at 2 suburban liquor shops and one building society branch with a replica pistol, obtaining in \$1,565 total. The subject gambled the proceeds on horse races, and he hoped to raise money to pay off his debts.

Aged 54 at the time of trial, the subject was incapacitated by having to recover from a heart attack. The subject had only been able to work occasionally due to health problems. The subject completed the Intermediate Certificate at age 15 and then worked in the printing industry. He traced his gambling experience back to when he was age 14 with bets on horses and greyhounds. The subject's marriage had finished decades earlier as a consequence of his gambling habit resulting in the financial ruin of their business. More recently, the subject had amassed considerable debts from his addictions including the forced sale of his property to finance the losses incurred. He noted that he started to gamble again after his mother's death. He also had problems with his relations due to unpaid debts, and the subject stated that this caused depression. His psychiatric report indicated that he suffered from depression. The pre-sentence report noted a relationship between his gambling and the series of offences, with each set of offences being preceded by a bout of serious depression. He made full admissions for the offences when police confronted him.

The subject has a history of armed robbery offences resulting in imprisonment. The subject was sentenced to 3 years imprisonment.

Subject 22

Subject 22 was convicted of 3 counts of armed robbery in the western Sydney area. The younger of 2 children born overseas, the subject was educated until Year 4 and then again for a short period during Year 9 in Australia. He gained several unskilled and semi-skilled jobs before working for his father. The subject admitted to having a gambling problem that had developed 6 months prior to his arrest. He started gambling because he was bored and lonely, and within 3 months of frequenting local clubs and playing poker machines he realised he had a gambling problem. At the height of his gambling problem, he gambled every day or second day, gambling \$200 to \$500 per week at pubs and clubs. He stated that he had tried to give up gambling but could not and had continually attempted to win the money that he had lost. The psychologist diagnosed the subject as suffering from a pathological gambling addiction according to the Diagnostic Statistical Manual IV and stated that his criminal activities were undertaken to finance his addiction to gambling. The psychologist recommended therapeutic treatment, including systematic desensitisation and psychotherapy and detailed places where this treatment would be available. This recommendation was also supported in the pre-sentence report. The subject had no history of impulse control and no history of alcohol or substance abuse. There was no family history of alcohol or substance abuse.

His robberies netted around \$2,000 for each offence. The subject seemed to take advantage of the takings in the gambling areas of hotels by threatening bar staff and getting them to open the till. He robbed places that he had been to before either drinking or gambling.

Aged 24 at the time of the trial, he was sentenced to 2 years gaol and \$9,195 compensation. This was possibly for his first offences. The sentencing report noted special circumstances, being the need for pathological gambling treatment.

Subject 23

Subject 23 was charged with 5 counts of larceny by a servant, with another 97 offences noted at court totalling \$145,000. Aged 26 at the time of the offences the subject was a single mother of

one child. Before these events she was a cashier for a wholesale fruit and vegetable market. Her offences were committed by stealing the proceeds of commercial sales and concealing paper work that could be linked to the transactions. The subject's parents divorced when she was age 9. She then lived with a de facto father that was violent, had problems with alcohol and gambling, and stalked the family with a gun. At the time of the offences the de facto father was still threatening her and the family. Completing Year 10 she gained employment in various clerical and low management positions. Since the offences the subject was on a pension for sole parents.

The subject can recall having a fascination with horse racing for as long as she can remember and placing bets on the trots at age 6 with her father. She opened a TAB phone account in 1994 (4 years before her court case). After the birth of her son, the subject maintained that she became bored with the isolation of being house bound, and so became increasingly attracted to poker machines for an escape mechanism rather than a means to make money. The subject was also depressed trying to cope with her son's poor health. Her bets increased upon the break-up of her relationship with her de facto. She also found a correlation between depression and the size of her bets. The proceeds of her thefts typically went to clubs. The subject stated that she did not care if she won, but she was obsessed with the escape and preoccupation of playing the poker machines.

Her psychologist gave her the DSM IV questionnaire in order to establish if she was a pathological gambler. Answering positively to 7 questions out of 10, she passed the required level of 5. The subject spent the money stolen on the poker machines and to a lesser extent on her TAB account. The subject had started attending the Wesley Gambling Service since being charged. The psychological report focused on educating the court about pathological gambling and noted that her response to stressors and the use of poker machines was maladaptive but common.

The subject had no criminal history. She was sentenced to 12 months periodic detention.

Subject 24

Subject 24 was charged with 8 counts of stealing property as clerk/servant. Aged 17 at the time of the offence he stole from his employer, a large retail chain in Sydney. Working as an accounts clerk, the subject stole around \$10,000 over a 3 month period. The subject intercepted the monies

sent from the checkout tills when he was tallying the entire shift's takings. As part of his job he was required to count money taken from the till, he stole \$10,000 over several occasions by simply putting the money in his pocket. He was caught on video committing these offences and made full admissions. The subject stated he spent the stolen money on horse races.

The subject developed an interest in gambling just prior to committing the offences, after driving past and stopping at an inner city greyhound's track. The psychologist report stated that he felt lonely as his friends had turned 18 and as such were going to bars, whilst he was not able to. The psychologist stated that the subject did not satisfy the diagnostic criteria as gambling dependent, but he found gambling compulsive and exciting. The gambling was probably a situational and transient response to significant psychosocial stressors in his life. The subject appeared to have had the advantage of coming from a 'traditional' family. He was educated until Year 12. The subject stated he had not gambled since the charges.

The subject was initially placed on a good behaviour bond of 2 years under s558. On appeal, the subject was able to achieve a s556A Crimes Act dismissal without conviction.

Subject 25

Subject 25 was convicted of larceny by a clerk. Aged 28 and working at a suburban bank the subject was responsible for the balancing and stocking of the ATM. The ATM was only required to be balanced once a week, and the subject was able to remove money and alter records. The subject stated he wanted to be caught because his gambling and stealing were getting out of hand. He was eventually interviewed by bank investigators, made full admissions and was dismissed from work. Upon his offences being discovered he had stolen and gambled over \$73,000.

His gambling began at age 24 as a distraction during his lunch break at the local TAB. He started gambling 3 to 4 days a week, but claimed that it was under control, with about \$20 to \$40 bets in total at any one time. In essence the size of the bets increased mid 1995, and he started to chase his losses by using his credit card. By mid 1997 he had an overdraft that he could not cover and he began stealing in order to try to reduce his losses by betting more. In addition, the subject was attempting to cover the amounts of his thefts through betting more in a spiral of increasing theft and debt. The losses led to an escalation in gambling.

The subject's psychologist gave him the DSM IV test for pathological gambling, which he satisfied by answering positively to 7 out of 10 questions. Of note, the psychologist mentioned that the subject actually believed that he would eventually win. This seems to stand apart from the comment that the subject appears to be a rational and conservative person. The psychologist was treating the subject for pathological gambling at the time of trial.

The subject completed his HSC. The subject had a prior offence for drink driving.

Under section 558 the judge deferred sentence and ordered a 3 year good behaviour bond and that the subject maintain rehabilitation and counselling from Gamblers Anonymous or any gambling rehabilitation program. Compensation to the bank was also ordered.

Subject 26

Subject 26 was convicted of 4 counts of making a false or misleading statement with intent to obtain money. It appears the subject had several identities and was able to use these to receive \$18,000 in cash advances and false instruments with which to write valueless cheques. Aged 21 at the time of trial, the subject was noted as using amphetamines on a daily basis. In addition, the subject also made 2 suicide attempts. He reported a series of family problems that typically involved his mother and her various partners. He was also shocked to discover that his father was not biologically related.

He described himself as having a bad gambling habit where he spent thousands at the TAB betting on horses and dog races as well as the casino. The subject stated that half of the money he had taken had been spent on gambling. The subject had been assessed as suitable to participate in the William Booth Institute rehabilitation program for people with addictive behaviour. The subject started attending Gamblers Anonymous as a consequence of the charges.

The subject was educated to Year 10 and had held a series of semi-skilled jobs. His partners reported a pattern of extravagant gifts and a tendency for erratic behaviour and extended disappearances. The subject stated he tried to buy his wife's love. His wife told the police of the offences that he had committed, and the subject stated he was grateful for this. The subject began gambling as a way of making more money but appeared to have got caught up in a cycle where he constantly had to furnish his gambling debts.

The subject had a criminal record relating to offensive weapons, fraud offences and robberies.

The subject was imprisoned for a minimum term of 15 months with an additional term of 2 years and 3 months. Parole specifications included a requirement for psychological examinations and therapy by Probation especially regarding gambling and drug addiction.

Subject 27

Subject 27 was a 54 year old male at the time of arrest. He was charged with 7 offences of obtain credit by fraud and 1 charge of making a false or misleading statement with intent to obtain money.

The offence was committed when the subject furnished false identification details for a \$7,500 credit card application. This fraud was discovered by the bank prior to the card's release, resulting in a 'sting' operation conducted by the police with the bank's approval. It seems that the bank enticed the subject to come to the bank where he was arrested. The subject stated that at the time he took the money he honestly believed he would pay it back.

His psychological report indicated that he suffered from some depression prior to his offences, a minor mental breakdown requiring admission in a mental hospital and suicidal tendencies on more than one occasion. His mother is noted as having had alcohol problems. The subject started gambling at the age of 10 due to family involvement with trotting. The subject admitted to having a gambling problem for 20 years but there is no detail as to the form. The subject had previously been assessed as a chronic gambler, but had not attended the psychotherapy required as part of his probation for earlier offences. He did however attend Gamblers Anonymous. The subject claimed that he applied for the loan because his gambling addiction meant that he could not pay his mortgage and was always in arrears.

The subject was employed at the time of the offences, with an employment history in retail and sales. His relationship with his wife ended as a consequence of his gambling prior to the offences. The subject was educated to Year 10.

The subject had a history of fraud related offences resulting in fines and imprisonment. The probation report noted: the subject 'has again offended as a direct result of his gambling and penchant for dishonesty.' He was sentenced to 9 months imprisonment.

Subject 28

Subject 28 was convicted of 5 counts of obtain benefit by deception and 3 counts of making a false statement with intent to obtain a financial advantage. The subject was aged 31 at the time of the trial. The subject impersonated a legal aid solicitor and approached the families of prisoners and would solicit bribes off them in return for promises of reduced sentences or charges to the value of over \$11,000. Upon interrogation by the police he made several admissions.

His pre-sentence report indicates that he has had an association with horseracing from age 8. By the age of 15 he was betting 'substantial' amounts of money. His parents admitted that he had received psychological assistance for 5 years in order to combat his gambling problem. The subject also claimed to have attended to Gamblers Anonymous. The subject admitted to having a gambling problem with horseracing and casinos. When interviewed by the police the subject claimed not to have a gambling problem and said that he mainly just used the pokies at the local club. The subject accrued significant gambling debts in the past, but claimed to owe only \$300 at the time of the offences.

The subject had had a variety of short-term jobs since leaving school, including employment as an assistant to a racecourse bookmaker for almost 5 years. The subject denied guilt for the offences. The subject had previously been charged with obtaining financial advantage by deception resulting in imprisonment.

He was sentenced to a minimum of 12 months imprisonment.

Subject 29

Subject 29 was a 30 year old male at the time of the offence and was convicted of 1 count of obtaining financial advantage by deception with another 36 similar charges taken into account. Essentially, the subject created alias names and identification that he then used to write false cheques with in order to secure cash or consumer items to the value of \$106,444.25. The pre-sentence report indicated that the subject admitted having a gambling problem at the time that the offences were committed. The report also noted that the subject had since completed a Gamblers Anonymous program and believed he was cured of his gambling problem. The probation service did not appear convinced of this claim. The subject stated that the offences were committed as a consequence of having to pay debts where failure to do so would have resulted in personal injury. The subject experienced a 'stable' family life. Educated until Year 11, the subject's employment

history included 8 years as a horse trainer. After being disqualified from this position he worked as a finance broker.

The subject had a long history of dishonesty offences. He was sentenced to a minimum term of 10 months gaol.

Subject 30

Subject 30 was aged 52 at the time of the court appearance and charged with larceny of a motor vehicle in addition to some security fraud matters that are not detailed. The motor vehicle offence appears to have been committed by the offender 'finding' an abandoned stolen car and then stealing some registration plates. He was pulled up at a random breath-testing unit and then the car was checked where the police discovered the offence.

According to the psychological report, the subject placed his first bet at age 11 resulting in a win on a horse race. By age 17 or 18 he was a 'regular' at betting shops and spent his earnings on horse and dog races. He also used to own dogs that he raced at country meetings. The psychologist's report stated that he learned about gambling at an early age because of the prevalence of gambling houses in the area. The subject had always gambled on and off, and at one stage had sold his house with the intention of investing the money, but had spent \$200,000 proceeds of the sale gambling over a period of 12 months. The subject had committed earlier dishonesty offences that were related to his gambling habit. He had also been charged with placing illegal bets. The psychologist's report explicitly links the subject's criminal offences with his long gambling history. At the same time the subject had refused to acknowledge he had a gambling addiction. The subject did not consider himself as a gambling addict since he never bet his last dollar. The subject had not attended Gamblers Anonymous because he did not consider it effective. He had not placed any bets 2 weeks prior to psychological evaluation because he did not have any assets to do so.

Educated until Year 10 he worked in a variety of low skill jobs and at the time of the trial was unemployed. His father died when he was age 17. The subject's mother stated that there was a family history of gambling. The subject's marriage had broken down as a consequence of the gambling. The subject's gambling had appeared to be under control when he was fully employed. But with the loss of regular work his gambling addiction had not adjusted to his reduced

circumstances, hence his motivation to continue receiving social security money to which he was not entitled.

The subject had a criminal history of embezzlement, stealing and place betting resulting in fines and good behaviour bonds. He was sentenced to a \$1,000, 3 year good behaviour bond.

Subject 31

Subject 31 was convicted of 2 counts of armed robbery and one count of larceny of a motor vehicle. Male and aged 27 at the time of the offences, the subject robbed 2 Australia Post offices and stole a car as a getaway vehicle. The subject took \$6,000 altogether in the 2 robberies and spent the money on gambling, drinking and bills.

The pre-sentence report indicated that he had a stable upbringing. He left school at age 15 prior to completing Year 10 and completed an apprenticeship. The subject began gambling around 12 months prior to his offences being committed. He stated that he committed the offences because he was desperate for money due to a drinking and gambling problem.

The subject had a criminal record for malicious damage and drink driving offences. He had completed community service work and paid fines for these offences. The subject appears to have walked into a local police station voluntarily with his weapon and disguise and confessed to the offences without any external pressure to do so. Accordingly, the court treated the offences in the low range and sentenced him to a total of 5 years gaol with a 3 year minimum term.

Subject 32

Subject 32 was aged 31 at the time of his court appearance and was charged with 1 count of obtaining financial advantage by deception together with some additional offences. The subject had been working at a large Australian bank for 8 years. Over a period of 2 years the subject was able to withdraw funds from a term deposit account without the consent of the true owners, to the value of around \$340,000. Large portions of this money were made into cheques that were posted to an address where the subject had an interest. In addition, the true account holders were sent falsified documents that indicated their respective balances were unaltered. After lengthy investigations, the subject was arrested and on legal advice declined to be interviewed. The subject fled Australia but his conscience got the better of him and he returned.

The subject had fled a war torn country as a child with his parents, whilst his older siblings remained. In Australia, the subject developed an extraordinarily close relationship with his younger brother. The younger brother died suddenly 2 years prior to the offences and his family also noted that the subject never recovered from this loss. The subject was educated until Year 12.

The subject stated he developed his addiction to gambling to cope with his brother's death as it occupied his mind fully. The psychologist accepted this causal relationship. He would regularly lose his full pay packet on many occasions. The subject admitted that he committed the offences in order to finance his gambling addiction and associated debts. He believed that he would be able to win money gambling to repay the money he had taken. Of note, on one occasion, the subject won \$20,000 and paid back the account \$15,000 and then lost the remainder gambling.

According to a psychological report, the subject was a mild gambler before his brother's death only indulging in the footy tab. However afterwards, he went 'crazy' and appears to have bet on almost on all gambling products. The psychologist stated that the subject was a pathological gambler according to the definition of DSM IV. The subject had started seeing a psychiatrist since being charged with the offences, and his desire to gamble had decreased. Prior to the commission of the offences the subject had good career prospects. Since being charged the subject had worked as a labourer. The pre-sentence and psychologist's reports recommended that the subject be directed to attend treatment that deals with bereavement and gambling.

The subject had no criminal record. Submissions on sentence noted the breach of trust, magnitude of the amount stolen, and motive. The submission referred to *R v McKechnie* (Unreported, NSW CCA, 1 October 1987) per Wood J:

'For my part, I would dismiss as untenable the proposition that the criminality was low because it was motivated by compulsive gambling or that the applicant had suffered personally because of this vice. Equally, I would reject the notion that the actions were not deliberately dishonest at the outset or that the applicant had no means and the expectation of being able to make good the misappropriations. The applicant knew from prior bitter experience the full extent of his gambling problem before he embarked upon these depredations and he knew how it could be kept under control, yet he made no effort to help himself until disclosure and arrest were inevitable.'

The subject was sentenced to a minimum term of 12 months imprisonment, with an additional term of 12 months. There was no requirement of counselling.

Subject 33

Subject 33 was a single woman aged 26 with 1 child at the time of her court appearance. She was convicted of 58 counts of obtaining money by deception totalling \$27,400. Working as a secretary with the responsibility for drawing cheques, she created cheques in her own name or the name of another and cashed them at the local RSL club over a period of 2 months, where she spent the money on the poker machines. She was able to get the signatories to sign blank cheques (up to 10 at a time) and she was not required to furnish a reason for needing a cheque prior to it being signed.

The only explanation that the subject could give for her gambling was that she was bored. Prior to committing the offences she had not had a problem with gambling, playing only a small amount on the pokies with friends. It seems that the courts, the pre-sentence report or the victim did not canvass any gambling addiction. The subject had attended Gamblers Anonymous since being charged and claimed that she had not gambled since. All the money stolen was spent on poker machines, with the subject having no goods of substantial value. The subject was not assessed as being involved with alcohol or drugs; she was educated until Year 10 and completed a TAFE certificate. The subject came from a supportive home environment, however she experienced the trauma of miscarriage for which she is still depressed. Her relationship with her de facto partner was terminated as a consequence of the offences.

The subject was sentenced to 6 months imprisonment with a minimum of 3 months.

Subject 34

Subject 34 was charged with 7 counts of obtaining a financial advantage by deception. Male, aged 53 at the court appearance, the subject was involved with procuring and organising some 'shonky' overpriced security service contracts for buildings in the Sydney City area. The subject overcharged the victim by \$53,940. It seems the subject had a lengthy association with gambling and in 1991 was forced to sell the family home to cover his gambling debts that also ruined his marriage. His wife was unaware of these debts until the house had to be sold. Prior to this the

subject was successful earning over \$200,000 per year as a developer of major building sites. With the connections associated with this amount of money the subject was able to get unlimited credit with 3 Sydney bookmakers. The subject borrowed money from his co-offender, who then suggested that they obtain money through criminal offences. The subject agreed to the commission of the offences in order to pay off his gambling debts. Through gambling on the horses, he soon became indebted to the value of \$400,000. At the time of committing the offences, the subject admitted that his gambling debts totalled \$1,000,000. The pre-sentence report noted that the subject aspired to a lifestyle beyond his means, and became involved in gambling large amounts of money as part of this lifestyle. The subject had a criminal history of offences against the person committed 20 years earlier.

He was sentenced to a minimum term of 18 months gaol.

Subject 35

Subject 35 was 31 years old at the time of his court appearance and was charged with 2 counts of obtaining financial advantage by deception. The offences were committed by the subject applying for the unemployment benefit whilst he was working over several months. Described as coming from a traditional family the subject suffered significant shame for his offences including being deemed *persona non grata* by his father. The pre-sentence report noted that the subject had severe depression.

At the time of the pre-sentence report, the subject was bankrupt, reliant on social security for his living expenses and those of his wife and 5 children. The subject had completed his school certificate and had previously run a successful business. The subject then changed businesses; it went bad, resulting in the loss of possessions, including his house and car. It was at the time that his business went bankrupt that he started to gamble. The psychiatric report stated his excessive gambling was a reaction to the failure of his business. To 'add fuel to the fire' the subject also borrowed money from a loan shark, a fellow employee at his work. The subject gambled on electronic gaming machines. The subject did not have a criminal history, had no history of trauma or abuse and suffered no mental illnesses. The psychiatric report stated that he was a compulsive gambler. The report stated that the gambling was of a desperate nature, associated with anxiety and depression, having the characteristics of an anxiety disorder.

At first instance, the defendant was sentenced to 6 months periodic detention. On appeal to the District Court this was overturned and he was sentenced to 400 hours of community service.

Subject 36

Subject 36 was a 20 year old male on remand for 2 counts of obtaining financial advantage by deception, together with some additional dishonesty offences. In company, the subject entered a private house and stole a key card and was 'fortunate' to also locate the PIN to the card nearby. As a consequence the offender stole over \$11,000 by making withdrawals from auto banks and two over the counter withdrawals with the assistance of a female accomplice. It seems that almost all of these amounts were lost on the pokies and at the TAB on horses and greyhounds. The pre-sentence report noted that the subject did not specialise in any particular area of gambling, spending time at the TAB, the track, the dogs and the trots, and playing poker and card machines. The subject stated he had a gambling problem and stole the money for that purpose, stating he would bet against 2 flies climbing up the wall.

The subject left school in Year 8 and got a job as a foreman, and then began his own business. The subject stated that 'all of the problems in his life at present are due to his compulsive gambling over the past 12 months.' The subject became addicted to gambling and the psychologist report commented: '[the subject] says he gets great excitement and pleasure when he gambles, in having the chance of a win. When he loses he becomes disconsolate and irritable and easily provoked into fights with those around him.' The subject's gambling problem had led to difficulties with his family, to the point where he was no longer welcome to reside at the family home. The subject's father was an alcoholic and a gambler and his mother also bet at times.

Upon arrest, the subject made full admissions and also indicated his gambling addiction as the cause of his offending. The subject had a criminal history of assaults committed due to alcohol consumption. Additionally, he had committed drink driving offences and other dishonesty offences. The subject had been directed by Parole and Probation to attend Gamblers Anonymous meetings since the present offences, but he believed that he could overcome the problem without the assistance of others.

He was sentenced to a 3 year deferred sentence, a good behaviour bond of \$1,000, and any counselling ordered by the Probation Service. The judge noted that the crimes were committed as

a consequence of his gambling, and therefore made a further condition that the subject continued to seek treatment from a psychiatrist for his gambling.

Subject 37

Subject 37 was 45 years old at the time her offence was committed. She was charged with 6 counts of obtaining financial advantage by deception with a further 25 matters taken into account. The subject committed the offences in her capacity as an employee of a credit union. Using the accounts of her relatives she added extra zeroes to their balances and then withdrew the proceeds. Over a 6 year period the subject managed to defraud her employer to the value of \$107,000. It seems that through a combination of inadequate auditing and the subject having access to a group of relatives, she was able to shuffle amounts around without detection for such a long time.

The judge noted that initially the stolen funds were used by her for gambling and living expenses, although the judge expressed doubt that the subject needed the money for living expenses due to the subject and her husband's salaries. The judge stated that she 'wasted moneys in gambling on poker machines'. Later, the subject stole money in order to maintain the repayments for fraudulent loans. When she realised that she could no longer repay the fraudulent loans, she wrote a letter to her employers informing them of the situation. The psychological report indicated that this was a one-off offence, as a consequence of her maladaptive behaviour due to her compulsive gambling. The psychological report accepted that the subject no longer gambled.

The subject had completed her school certificate and was married with 4 children. Her first marriage was abandoned due to domestic violence. Her second marriage involved months of solitude as her partner worked on fishing boats. This loneliness was indicated as a cause of her gambling, where the subject would spend hours at her local club playing the pokies every day after work. The psychological report noted that the subject was suffering from reactive depression.

In sentencing the offender, the judge took into account her good character, her voluntary confession and early plea of guilt, the nature of the offences and that she would be unlikely to re-offend. She was sentenced to a 1 year minimum term of imprisonment and to be of good behaviour for 5 years. The court assigned her long service benefits and superannuation payments to her ex-employer as compensation.

Subject 38

Subject 38 was a 30 year old woman convicted of 24 counts of obtaining financial advantage by deception. Working at a large Australian bank, the subject stole over \$135,352.88 by creating and changing debit vouchers and crediting her bank account over 3 years. In cross-examination, the subject stated that she had not spent the first \$3,500 stolen from the bank. She was vague about when her gambling started, but stated that it became a problem at roughly around the same time she started stealing the money. The pre-sentence report noted that the subject spent large amounts of money on poker machines at clubs and the large number of withdrawals of cash at the clubs confirmed this. Family and friends noted that she was 'living beyond her means'. The subject stated that she thought she had a 'gambling problem' and that it 'just progressed'. She only recognised it was a problem once she stopped. The court transcripts indicated that she was gambling 6 out of 7 nights per week at local RSL clubs. Under cross-examination it was noted that the subject had not purchased any assets with the stolen money. Her pre-sentence report indicates that she had no prior convictions and came from a happy family. She had married just prior to the offences and had recently had a child. Educated until she was 16 the subject had worked for the bank until her arrest for these matters. Alcohol was integral to her gambling experiences, and the pre-sentence report indicates that she would often consume up to 10 drinks per night whilst playing the pokies. In her pre-sentence report she is quoted as saying 'I knew I had to be caught and the sooner the better.' Since being charged with the offences the subject had spoken to Gamblers Anonymous and stopped frequenting clubs and playing poker machines and has ceased all alcohol use.

The subject started making voluntary repayments to the bank after being charged. She was sentenced to 2 years and 6 months with a minimum term of 12 months imprisonment.

Subject 39

Subject 39 was 26 years at the time of his court appearance. He had completed Year 10 and had an unstable employment history, with many jobs in short periods of time. He was charged with obtaining financial advantage by deception by defrauding a large insurance agency to the amount

of \$232,000. These offences were committed by the subject writing out false claims that he would then pay out in his capacity as an employee of the company.

The subject gambled at the TAB, casinos and on the pokies. The subject's first exposure to gambling occurred when he was age 6 at primary school making 20 cent bets. When he worked fulltime he discovered the TAB and started betting on racing. He also enjoyed going to casinos. His bets involved mainly horse races through the TAB whenever he had money. Following a rape experience in 1995 he began to bet more heavily in response to the feelings generated by this experience.

His gambling slowed during 1996 while he saved towards his wedding. He started attending GA and virtually stopped gambling and was able to save \$20,000 towards the wedding. When he moved to his current job, he started gambling once a month. His gambling slowly escalated and during the time he committed the offences he lost thousands of dollars, and tried to chase his losses with increased amounts of money. On one occasion the subject admitted to winning and then losing \$109,000. He stated he knew his life was out of control. The amounts of money he took to cover his betting rose from several thousand dollars initially to \$90,000 on the occasion of his last offence. He stated he was going through a period of depression, working long hours and feeling increasingly distressed by memories of the rape experience. Gambling gave him a boost and the false feeling that he was in control and that nothing else in his life mattered at that time. The psychologist noted:

'Gambling for [the subject] provided a relief, a means of eradicating negative or unhappy thoughts and feelings, and instead substituting them with the transitory experience of feeling invincible. Gambling also provided him with stimulation and feelings of euphoria.'

Another psychologist's report indicated that he fitted the criteria as a pathological gambler, answering 7 out of 10 questions affirmatively from DSM IV.

In terms of trauma, the subject was sexually assaulted as a child and suffered a further rape experience in 1995. He saw a psychologist for 18 months after the rape. The incident reactivated earlier memories of the sexual assault he experienced as a child, with repeated flashbacks of both experiences. A psychologist stated that the subject suffered from post traumatic stress disorder as a consequence of sexual victimisation.

His wife stated that he gambled compulsively after the rape. They had sold most of their belongings because of his gambling and often did not have enough to eat.

He was sentenced to a minimum term of 18 months imprisonment, with a further term of 30 months on parole. The judge also ordered counselling for gambling, sexual assault and general psychological assistance.

Subject 40

Subject 40 was convicted of 2 counts of obtaining financial advantage by deception. He requested a loan from a bank under the pretence of being for home extensions. The subject received over \$40,000 by allowing an accomplice to forge his wife's signature for a loan application. He then spent this money on pokies and keno at clubs over the ensuing months. He returned to the bank a short time later and received a further loan of \$90,000 but he was apprehended before he could spend it.

Aged 42 at the time of the offences, the subject and his wife of 17 years appeared to have been heavy recreational gamblers. More than average sums of money were spent on the poker machines, but they appeared to gamble within their means. The defendant played the poker machines and keno in clubs. After the offence the marriage dissolved. The subject had completed his school certificate and commenced but had not completed an apprenticeship. The subject was employed in physical labour consistently, except for 6 months when he was unemployed due to a back injury. The subject had previously had problems with excessive alcohol consumption, but had limited this in the 2 and 1/2 years prior to the charges.

The pre-sentence report noted: 'The offender views his gambling as the cause of the loss of his home, wife and family and has taken some action to deal with his habit.'

Perhaps not trusting his behaviour, the subject gave his mother control of his finances as well as becoming active in Gamblers Anonymous.

The subject had committed a property offence when a child, and had been charged with smoking marijuana in the 1970s. He was sentenced to 2 years periodic detention and a good behaviour bond. The Probation Service was to monitor the subject's attendance at GA.

Subject 41

Subject 41 was convicted of several charges of larceny by a servant. Aged 27 at the time of his court appearance, the subject worked for a large electrical retail shop as a salesperson. Educated until Year 12 and then completing a 2 year course at TAFE, the subject came from a family that fled after a civil war in a foreign country. Neither of his parents had an alcohol or substance abuse history. Whilst the facts are disputed it appears that he, along with another employee, stole air conditioners and a washing machine netting \$4,500 for the goods. The subject claimed that he had not needed the money, but that he committed the offences because of the opportunism and the influence of his co-accused. Half of the proceeds were spent playing blackjack at the casino, with the remainder spent on massage parlours, restaurants and clothes.

The subject had a criminal history of credit card fraud during his adult years to sustain his gambling. The psychologist suggested these offences were committed because of an underlying impulse control disorder. This was manifested primarily as a pathological gambling addiction.

This disorder is characterised by:

Failure to resist impulse;

Increasing sense of tension felt before committing the act;

Pleasure, gratification or sense of release at the time the act is performed.

The subject had been gambling since age 18, but the problem became more pronounced about 4 to 5 years prior to the current offences when he began playing poker machines. At this time, he began playing poker machines at hotels and would stay up to 24 hours at a time playing. Over the previous 2 years he had tried to stop gambling due to increasing pressure from his wife and family and a desire to change his lifestyle.

A second psychologist suggested his gambling addiction may be due to 'low self esteem, cultural predisposition to gambling, and a biological vulnerability.'

The report noted that this was extremely distressing to his family.

He was sentenced to a minimum term of 3 months gaol.

Subject 42

Subject 42 was employed as a manager of a suburban supermarket and was convicted of 12 counts of larceny by a servant. Over a 1 year period, the subject arranged for goods to be picked up from the supermarket loading dock and sold to unknown parties. At the end of this he had

'sold' \$26,660 worth of perishable goods such as Coca-Cola and margarine. The subject would pocket cheques paid by companies for goods delivered and then ring up sales of minimal amounts on the till. He would spend the money on bills and gambling. Aged 30 at the time of the court appearance, the subject had worked his way up the company starting as a trolley collector after school.

Prior to his gambling addiction taking hold, the subject would bet around \$20 per week. However, towards the end of his offences it had increased to \$300 to \$400 per week, all at the local club on the pokies and betting at the TAB. The subject claimed his drinking was limited to social occasions, but inquiries suggested he drank a great deal. Alcohol was present at this time with the subject drinking after work, often 10 to 15 standard drinks 3 to 4 times a week. The subject was educated to age 16. He mentioned that the death of his father in 1996 led to changes in his social and recreational life particularly increases in his drinking and gambling behaviour. He also said he was not coping with the stress of his position as manager, he worked 60 hours a week and had 42 staff. He sought respite in gambling and drinking at the local licensed club. He has paid back \$4,000 and drew on his superannuation and borrowed from his mother to pay the remaining \$18,000. He stated he was 'foolish' throwing away a career that he had worked towards for the past 13 years.

He was sentenced to 18 months periodic detention.

Subject 43

Subject 43 was convicted of 2 counts of larceny by a servant together with an additional offence. Aged 25 at the time of the offence, the subject removed money from the till where he worked as an attendant and gambled it at the TAB on both occasions. The offences totalled \$1,350.70. The offender stated he used to go to the TAB everyday, and on the day of the thefts he went 4 times. He also gambled at the local sports club. He owed money to friends as a consequence of losing his pay gambling.

The subject also asked friends on 2 separate occasions if they would help him stage a robbery, but they declined. He then pretended that he had been the victim of a robbery to account for the shortfall of money in the till. No other information was present.

He was sentenced to 200 hours community service and a good behaviour bond of 2 years. The order specified gambling counselling.

Subject 44

Subject 44 was convicted of 21 counts of larceny by a servant to the value of \$5,543.60, over 5 months. Male aged 64 at the time of the offences, the subject worked for an inner city charity. In the subject's role as an administrator he was able to remove amounts of money from the regular banking operations. He lost the money on the poker machines and then continually chased his losses by 'borrowing' more money.

The subject was educated on a scholarship in England and also worked in various commonwealth countries, after obtaining tertiary qualifications from various institutions. The subject had a history of gambling that seemed to be under control and had become severe again in response to depression and stress due to relationship breakdowns. All gambling was committed on the poker machines. He also had an alcohol abuse problem. The subject spoke to the psychologist about 'strong feelings of compulsion centred on gambling in more recent years, in which he could focus all his energies' and 'lose himself'. He was diagnosed by the psychologist as having strongly schizoid, avoidant, depressive, and self-defeating characteristics. After each gambling episode the subject reported intense feelings of guilt and self-derogation, thereby building further levels of stress and the need for escape. The subject started to see a counsellor and attended Gamblers Anonymous for his gambling problem, but found GA inappropriate due to his shyness.

The subject had a criminal history of dishonesty offences resulting in community service orders as a consequence of his gambling addiction. At the time of taking the job for the charity he believed that he would not reoffend. The sentencing judge, noted:

'It is an indication of his continuing inability to come to terms with his own character defect, if you like, or whatever might lead to a gambling addiction, that he took the job and had so little self knowledge that he believed he was not going to reoffend. He very quickly did, and far from then recognising that he was offending and should immediately get out of the job he continued offending...'

The judge noted that the subject was unlikely to ever be employed again given his criminal history and his age.

He was sentenced to a minimum term of 4 months imprisonment with an additional term of 8 months. On appeal, the District Court sentenced the subject to 12 months periodic detention and a 5 year, \$5,000 good behaviour bond with gambling counselling ordered. Additionally, the subject had to pay compensation to the victim.

Subject 45

Subject 45 was convicted of 1 count of larceny by a servant. Aged 23 at the time of the offence the subject worked as a sales assistant where he stole \$2,411. The subject admitted he used the money for gambling and social activities.

It appears that he came from a supportive family and that the offences occurred soon after he separated from his partner. He went out more frequently with friends in order not to think about the break-up. In his pre-sentence report he admitted gambling on pokies at hotels and the casino and playing black jack to the degree of losing his total pay at times. The pre-sentence report noted that the subject did not have a problem with alcohol or drugs but did have a problem in relation to gambling. The subject lost about \$100 per week prior to the charges, but claimed to have curtailed his gambling since. The pre-sentence report noted that he continued to gamble heavily despite these claims. He displayed some ambivalence in recognising that his level of gambling demonstrated an addiction. The subject had failed to attend counselling for his gambling problems. The subject had completed his HSC and a pre-apprenticeship course at TAFE.

The subject was initially given a 100-hour community service order that he breached. He was then given a 3 year, \$2,000 good behaviour bond with mandatory counselling for his gambling problems and addiction under the direction of the probation service. No further details were provided.

Subject 46

Subject 46 was 24 years old at the time of the trial, charged with 5 counts of larceny by a clerk. Working as a sales assistant in a large retail chain, the subject stole merchandise and money from the premises. He was observed by the in-house loss prevention officer stealing property from the store and then made full admissions about the theft of money.

The subject began gambling at age 18 after he had glandular fever and whilst he was having difficulties with family relationships and at university. On the day of his first bet he put 10 cents in a machine and won \$10. He further stated that over the next few weeks he gambled only a small amount but won over \$3,000. Consequently, he kept gambling. He said, 'It seemed so easy - for the first time I was relaxed and escaping all my problems. But as time went by money began to lose its value. It was like toy money.' The subject ended up losing over \$30,000 on the poker machines. According to the psychological report, the subject stated that all of his offences were due to his gambling habit. All the stolen money was spent at the local club. The subject experienced a great deal of remorse about his gambling and the need to commit offences due to his gambling.

The subject had completed his HSC and had commenced studying at university but had left as a consequence of his gambling. The subject did not consume alcohol or drugs and had no criminal history. The subject suffered from depression and anxiety associated with his compulsive gambling. Since being arrested the subject had attended Gamblers Anonymous several times.

The subject was ordered to pay compensation and to be of good behaviour for 3 years under section 556A.

Subject 47

Subject 47 was 37 years of age at the time of his court appearance and was convicted of larceny by a servant to the value of \$80,222 over a period of 3 years. Working in the public service, the subject's behaviour was discovered after an audit of his account books. Educated until Year 9, the subject has been an employee in the public service sector continuously since the late 1970s. The subject admitted that he began gambling heavily 4 years prior to the offences being committed. He would gamble on horses, greyhounds, keno or pokies, always hoping to be able to reimburse his employer with one big win. Prior to going to trial he began going to Gamblers Anonymous and stopped gambling. The pre-sentence report noted that the subject's life was unremarkable except for his gambling addiction. He was sentenced to a 1 year minimum term.

Subject 48

Subject 48 was convicted of larceny by a servant. Working as a sales person and property manager for a large real estate agent in a rural town for 23 years, the subject was able to misappropriate \$218,965.22 from the company trust account over a 4 year period. She was apprehended after it was discovered that parts of the records were destroyed. Other records had been forged to avoid detection. The police fact sheet noted that none of the money could be located, and stated there was evidence that through gambling, the subject had squandered the vast majority of the funds.

The subject explained her behaviour as a means to escape the stress from her job as she was frequently on call and required to respond to workplace demands out of hours. She then became addicted to gambling on the poker machines. She started taking money from the business to recoup her losses. In addition, she also considered that she was making up for being underpaid. The psychologist stated that it is possible her gambling may be a maladaptive response to the stress that she had placed herself under in the work situation and her feelings that her employer was exploiting her. She had attended Gamblers Anonymous prior to sentence. The gambling was conducted at the local club where she would play 5 cent machines, spending up to \$500 per session. She was diagnosed as being depressed by her psychologist, however it is not clear whether her charges or some other event causes this diagnosis. The subject's family was heavily involved with the racing industry.

Aged 46 at the time of the trial, the subject was married with 2 adult children. She was educated to the age of 15 years. The subject mortgaged her house and gave her holiday pay and superannuation to the firm to repay the amount stolen. Many members of her family refused to have any further contact with her as a result of the offences.

The judge stated:

'Her gambling does not, to me, appear to be such that it falls within the definition of a particular illness or disability such that it could be used to lessen the need for general deterrence.'

According to the appeal records, the subject was sentenced to a minimum term of 3 years.

Subject 49

Subject 49 was a 39 year old male convicted of robbery upon a person operating a suburban automatic teller machine to the value of \$300. Upon being asked why he had committed the offence, the subject stated 'because I'm desperate'. The report indicated that the subject was married for 10 years prior to the offence, but the relationship was always difficult because of the subject's gambling habits. The subject admitted to having a gambling 'affliction' for most of his life and that this led to ongoing financial burdens. He had sought help from Gamblers Anonymous but showed no further interest in pursuing that avenue unless directed to. The subject also had problems with alcohol and was characterised as a 'heavy drinker'. The subject had been employed in skilled work prior to imprisonment from an earlier offence, but had lost his job as a consequence. Upon release from prison the subject worked as a factory hand, but was in trouble due to his heavy drinking and ended up resigning. At the time the offence was committed the subject had been unemployed. The pre-sentence report noted that the subject tended to minimise the extent to which his gambling and alcohol continues to dictate his life and the effort that will be required to extricate himself from this lifestyle and avoid future offending. He was sentenced to 15 months periodic detention.

Subject 50

Subject 50 was convicted of 2 counts of failure to pay a cheque on presentation. In total the subject wrote cheques to the value of nearly \$60,000. The subject, a male aged 21 at the time of the court appearance, was educated until Year 10 and married with 2 children. The subject established his own business after completing a travel and tourism course. The subject used his job to deposit cheques that were not paid on presentation to pay for his gambling losses. His gambling began with bets at local pubs on the pokies and quickly progressed to casino sessions where he would bet \$5,000 on roulette or black jack games. He also travelled to inter-state casinos to gamble. He became addicted to gambling within months of first being introduced to the casinos due to his young age and peer pressure. The subject sought help from a psychologist prior to his court attendance. This report indicates that the subject was acutely depressed and easily manipulated. The psychologist stated that the subject had a gambling addiction: 'gambling sickness is a socially and psychologically recognised condition that is treatable and with great

success and a low risk return to the habit.’ Since being charged, the subject had worked at a retail shop but hoped to return to his chosen area of employment in the future.

He was placed on a good behaviour bond of \$5,000 for 5 years and was ordered to pay compensation. No counselling was required despite the psychologist’s recommendation that this would be effective.

Subject 51

Subject 51 was charged with 3 counts of passing valueless cheques for not more than \$1,000 in total. The subject presented the cheques to a service station, newsagency and hotel in exchange for cash and some goods. Aged 31 at the time of his court appearance, the subject was diagnosed as suffering from an anti-social personality disorder, was possibly schizophrenic and had suffered hallucinations requiring admittance to a mental institution due to drug induced psychosis. Educated until Year 9, the subject found it difficult to maintain relationships and employment. At the time of the offences the subject was unemployed. The subject was informed he was adopted at age 14 and there is evidence to suggest that he has not recovered from this unexpected finding.

The subject had been using amphetamines and cannabis intermittently since his teenage years. He had a criminal record dating back over 10 years involving mainly fraud and theft offences with some offences resulting in imprisonment. The subject had been receiving drug counselling for a couple of years, and had stopped using illegal drugs a couple of years prior to the trial. Several of the earlier dishonesty offences were committed to pay for drugs. Upon release from prison for the earlier dishonesty offences, the defendant started gambling.

By way of explaining the charges that he was facing, the subject indicated that they were committed in order to finance his gambling ‘addiction’. This behaviour began on poker machines in order for the subject to counter boredom and to ‘fill in time’. The psychologist’s report noted the subject suffered from reactive depression, had an ‘addictive personality’ and that his drug taking was linked to times of crisis in his life.

He was sentenced to 9 months imprisonment, with an additional term of 15 months.

Subject 52

Subject 52 was 23 years old at the time of trial. He was convicted of 2 counts of cheques not paid on presentation together with 9 other offences including dishonesty offences and false registration of firearms. A Leagues Club banked one of the cheques not paid on presentation. Since being charged, the subject has sought counselling for his gambling problem and attended Gamblers Anonymous and acknowledged large debts associated with gambling.

The subject was also attempting restitution by working as a concreter for the money he stole to gamble. There are not any further details relevant to the offences. The subject was married with 2 children and self-employed. The counsellor for the Gambling Recovery Project recommended that the subject attend counselling and GA for his gambling problem. The subject had a criminal history involving firearm and dishonesty offences.

The subject was initially sentenced to 12 months imprisonment for the dishonesty offences. On appeal, he was sentenced to 3 months imprisonment. Additionally, the subject was placed under the supervision of the Probation and Parole Services for 2 years with a \$2,000 good behaviour bond.

Subject 53

Subject 53 was convicted of 17 counts of obtain benefit by deception. These offences were committed by the subject writing cheques not met on presentation. The amounts of money involved were around \$100 per transaction and often involved the purchase of consumer items such as cigarettes, alcohol and food as well as cashing out the cheques. The pre-sentence report indicated that the subject was aged 38, living in a rural town and was supported by unemployment benefits. Educated until Year 10, the subject completed an apprenticeship and then started his own business. It is not clear what happened next but it seems that the economic recession led to a downturn in customers and that the business' financial condition was further traumatised by the subject's gambling. This led to the business being placed into receivership and then bankruptcy. Specific details of the gambling are not provided. However, the subject was attending Gamblers Anonymous meetings and had specialist counselling for his habit. The pre-sentence report writer was impressed that the subject had: 'acknowledged the relationship between his propensity for excessive alcohol abuse, and his compulsive gambling habit with his criminal record.'

The subject was married with 5 children. His marriage suffered some stress as a consequence of his convictions, but the relationship continued.

The subject had a criminal history, with earlier break and enter and drink driving offences. The subject was initially given a 2 year recognizance but his response was unsatisfactory and the order was breached. The subject was sentenced to a minimum term of 6 months and \$1,116 compensation.

Subject 54

Subject 54 was convicted of 3 counts of obtaining money by deception and other dishonesty offences. The main offences in question were committed by the subject taking his partner's (of 15 months) bankcard and withdrawing money from the ATM. The proceeds of which he gambled at a local RSL club on the racing, Keno, pokies and TAB. He was arrested at the club in the process of attempting to place a bet. Aged 29 at the time of his sentence, there is little background information available concerning the offence or the subject. It is noted that the subject had alcohol problems, drinking 10 to 15 schooners of beer per day, and gambling is mentioned in the pre-sentence report. He claimed this was due to his marriage breakup and business problems. The pre-sentence report noted that gambling and alcohol abuse over the previous 7 years had 'destroyed anything positive that existed in the subject's life'. After being charged, the subject attended drug and alcohol counselling in the Correctional Centre.

The subject had a history of dishonesty offences and a drink driving charge. He was sentenced to 18 weeks imprisonment for a total of 13 offences.

Subject 55

Subject 55 was convicted of 2 counts of larceny by a clerk. Working as a teller in a large bank in regional New South Wales, the subject stole a total of \$2,700 from his employer. Upon investigation of these thefts, the subject readily admitted his crimes and explained that they were committed in order to repay gambling debts to unnamed parties. Aged 25 at the time of his court appearance, the subject was described in his psychological report as suffering from a compulsive gambling dependency on the pokies. This behaviour began approximately 4 years prior to his apprehension. In his psychological report the subject described that when he played the card

machines he was ‘in a distinct “zone” where outside influences were less apparent and less affective – a type of haven.’

The psychologist stated that the subject had depression as a consequence of the unsatisfying nature of his career path, his declining social contact and a lack of motivation to improve the situation. His self-esteem suffered causing further withdrawal and negative ideation. ‘Often an “escape” from feeling this way or “zone” is found in playing poker machines to the extent that the behaviour may become compulsive. That is, in the absence of effective, positive means of coping (e.g., changing jobs, using available supports etc) this behaviour is seen as a “way out” and not succumbing to the urge to perform this behaviour tends to create anxiety for the individual. The individual will report feeling undisturbed whilst playing these machines and yearn for this “peace”.’

After he was charged with the offences his parents kept his pay packet so that he was unable to easily continue his gambling addiction. He also began to attend counselling on an ongoing basis. Interestingly, a character referee of the subject and a retired bank manager of the same bank thought that the bank should have been partially responsible for the offences occurring, as they were aware he had a gambling addiction but did nothing to alter the subject’s work routine or recommend counselling. The referee also felt that his parents should have been told so that they could seek some outside help for his addiction.

After making full restitution to the bank, he was sentenced to a \$1,000 good behaviour bond, \$500 fine and under s556A no conviction was recorded.

Subject 56

Subject 56 was charged with larceny by a clerk whilst on a recognizance for some other larceny by a clerk offences. The subject was aged 34 at the time of the court appearance. He was educated to Year 12 and enrolled in a Diploma course at TAFE that he completed. The first offences involved 24 counts totalling the theft of \$42,000 from a regional club where the subject worked as the Manager. These thefts were committed in order for the subject to finance his gambling addiction that had begun in his late teenage years, after first gambling at the age of 12. His gambling on horses was initially ‘low key and controlled’, and he remembers winning \$100 from his first bet. By age 16 the subject was attending horse and dog races regularly. His

gambling got out of control when he was employed at the club where gambling facilities were available. The subject incurred significant debts between 1989 and 1992 as a consequence of his 'rampant gambling habit'. After these offences, the subject joined GA and also underwent a course of treatment with an expert in the treatment of impulse disorders. As a consequence, the subject claimed he had never felt the temptation to return to gambling and is quite sure he would not do so.

As mentioned, the second 'batch' of offences occurred when the subject was on a good behaviour bond for the first lot of offences. With the permission of the Court, the subject was allowed to work in the club industry whilst still completing his good behaviour time period. The club knew of his prior offences. According to the police facts, the subject was granted a temporary club manager's license or equivalent provided the board of directors did not allow the subject to have independent access to the club's financial affairs. However, over time the subject was able to gain the trust of the board and become responsible for the banking and the preparation of banking records. In part, the subject seems to have been able to convince the club of his trustworthiness because of his commitment to Gamblers Anonymous and his continual therapy with a recognised psychologist specialising in compulsive behaviour.

The subject then stole \$115,311.21 from the club. The subject falsified the entries in different accounts and purchased rubber stamps that looked like bank stamps. These stamps were then used to create the impression that deposits had been made in the accounts in question. The subject also created false bank and government duty charges in the account in order to further the appearance of normality. The fraud was only discovered when the annual auditor telephoned the bank and asked for a bank balance.

Upon being questioned by his employer about this matter, the subject fled in a car and attempted suicide by drug overdose. By way of explaining this behaviour, the subject indicated that he was approached by a group of stand-over men in relation to his SP Bookie debts that he incurred during the 1980s and 1990s and had led to his first lot of offences. During these encounters the debt enforcers would repeat the subject's children's appearance, place and time of schooling, with a suggestion that harm would come to the children if money for prior gambling debts to the value of \$150,000 was not forthcoming. He thought of going to the police but was afraid of retribution. The subject claimed that all the money stolen went to repay the old gambling debts.

In addition to this debt repayment, the subject had also re-mortgaged a property in order to cover the repayment of monies for the first amount of thefts. The subject's psychological report indicated that he could be characterised as a pathological gambler from early adolescence, clinically depressed and suicidal. The report noted that he took his earlier offences very seriously, and sought professional help for his gambling addiction, which is now under control. No history of abuse as a child is mentioned in the numerous reports present in the file. No drug or alcohol problems.

He was sentenced to a minimum term of 3 years imprisonment and appealed. No mention of the final penalty imposed was found in the file. The subject was working towards paying the club back the stolen money.

Subject 57

Subject 57 was convicted of 2 counts of larceny by a clerk. Male, born overseas, and aged 32 at the time of his court appearance, the subject worked for a club in suburban Sydney. It appears the subject was responsible for preparing money to be collected by Armaguard trucks on a regular basis. On 2 occasions in the same week, before a pickup, the subject removed \$4,000 and then \$10,000 from the safe, and gambled both amounts at the Sydney Casino. By way of explanation for his behaviour, the subject explained that he was in debt to his friends from gambling to the value of \$20,000 and was attempting to pay this back in the mistaken belief that he could win at the casino. The second theft of \$10,000 was committed in order to pay back the \$4,000 as well as the debts to friends. The subject then turned himself into the police and admitted to the thefts. Prior to the court appearance, the subject attended Gamblers Anonymous as well as a psychologist. He made full admissions to the police and gave himself up voluntarily. The subject was educated until Year 12 and gained entrance to university to which he deferred.

The subject had been charged with similar offences 5 years earlier when working at a bank, transferring sums of money from an internal account to his own account over a period of 4 to 5 months. He spent this money on clothes and shouting his friends whom he wished to impress. He was given community service orders and a 3 year good behaviour bond.

The subject started gambling in 1993, when he obtained employment at a club where gambling was available (TAB, poker machines and card games). He became interested in gambling and

visited other clubs. His gambling habit began to build up. When the Sydney Casino opened in 1995 his habit 'took off'. He was introduced to the VIP room and lost large sums of money, his own savings, and he borrowed from friends and from his girlfriend to try and win back what he had lost. He believes he may have lost \$20,000 in gambling, losing \$5,000 in one day in Black Jack and Baccarat. The subject had no other addictions. The subject wished to impress his friends that were older and wealthier. He then stole the money and gambled it, in the hope of paying back his friends. The psychologist's report noted: 'He began to live a fantasy life in which he tried to convince himself that the monies he had taken would be able to be returned by him and would be able to be recovered by gambling and began to develop the pattern of the habitual gambler engaging in irrational rationalisations for his behaviour.'

The psychologist stated he had a personality disorder – ongoing feelings of inadequacy and inferiority, attempting to live a lifestyle to which he was not entitled by virtue of his lack of income and general success and his inability to admit to himself and his friends that he was living beyond his means. In addition his exposure to gambling, a habit to which he became 'addicted', all constituted a constellation of circumstances that led to his current problems.

The subject was able to negotiate a repatriation arrangement that allowed for payment of 50 cents in the dollar due to a desire by the Club not to 'overburden' him. He was initially given a 200 hour Community Service Order, but his performance was unsatisfactory. He was sentenced to 4 months gaol.

Subject 58

Subject 58 was convicted of 44 counts of embezzlement and 9 counts of larceny by a clerk. Working as a computer systems administrator for a local council, the subject purchased computer equipment on behalf of his employer and sold it to the public, gambling the proceeds. Over a 5 month period, the subject stole over \$167,000 worth of goods. The subject's behaviour was discovered after an internal audit of computer equipment was established. The council then engaged an independent auditing firm to verify their suspicions. Once the second audit was completed, the police were called and the subject was confronted at his home and eventually made partial admissions during later investigations.

Aged 45 at the time of his court appearance, the subject was married with 2 grown children. He attained his School Certificate and since then had completed a number of computer courses. The subject admitted to attending the TAB 6 days per week but that after the offences he attended Gamblers Anonymous on a regular basis. The defendant spent all the money stolen at the TAB. The defendant had paid \$107,000 in restitution to the council, and intended to pay back the full amount. With 3 previous convictions for drink driving on the subject's record, he was sentenced to a minimum of 2 years periodic detention.

Subject 59

Subject 59 was convicted of 13 charges of making a false entry together with 249 counts of larceny by a servant. Male and aged 41 at the time of his court appearance, the offences were committed by the subject working as a paymaster for a large company in regional New South Wales. In essence, the subject began to pay himself overtime and then paid other employees amounts that he intercepted and spent on gambling over a 6 year period.

In total the subject stole \$220,000 over 7 years, of which he repaid \$215,000 by re-mortgaging his home. The subject was able to pay himself his own salary. It seemed the subject had minimal supervision that made it easier for his crimes to continue. Internal and external audits were completed regularly, but they failed to pick up the discrepancies in payments or earnings.

The subject had a traumatic childhood. His father had a nervous breakdown and died at a young age, whilst his mother was committed to a mental institution for depression. When he was 18 years old, whilst he was living with his aunt he accidentally shot dead his 6 year old cousin whilst cleaning a rifle. The incident led to a rift in the family and the pre-sentence report recommended that counselling might be of assistance in dealing with unresolved issues arising from this. He completed Year 12, had some low skill work and then got a job at the company where he committed these offences. He was married with 3 children. The psychologist report stated he suffered from a form of chronic, low-grade reactive depressive illness. The subject's attorney noted that his gambling went out of control and his first offence took place when his eldest daughter turned 6. In a court interview he noted that his gambling got out of control around this time, especially after a big win.

His family was completely unaware of his gambling problem, its impact on the finances and the offences. The pre-sentence report suggested he had led 2 lives. One as a responsible family man with no lifestyle problems, the other as a person who experienced significant trauma in his adolescent years, had a gambling addiction, difficulty communicating his feelings, lacking in insight and responsibility, and who committed the offences to deal with his problems.

The subject had a long association with horse racing which began at 12 years of age. He came from a racing 'dynasty' that his grandparents founded. He was given a present of a racehorse as a young person. He also leased horses in a recreational and investment capacity. The Court transcripts indicate that he realised he had a gambling problem in 8 years prior to his arrest when he lost \$7,000 in 1 day. Before and after this event the subject bet on credit terms with bookmakers as a matter of course on races throughout Australia.

Since being apprehended and discharged from his workplace of over 20 years the subject attended Gamblers Anonymous on a regular basis. As soon as he was charged the subject stopped gambling, it was suggested this was due to the shock of having to inform his family of the situation. He sold the family home in order to pay back his employer. He was sentenced to a minimum 9 months imprisonment for 13 charges of false entry. After the expiry of that, 9 months for the first charges of LAS, with an additional term of 12 months penal servitude

Subject 60

Subject 60 was charged with 80 counts of larceny by a servant to the value of over \$44,000. Male and aged 41 at the time of the court appearance, the subject was able to commission his offences by 'selling' car parts belonging to his employer, pocketing the proceeds and not registering the sales. Educated until age 15, the subject commenced an apprenticeship and moved into spare parts for a major car company.

In the pre-sentence report the subject acknowledged that he had a gambling problem 4 years prior to his court attendance over these matters. He stated that it escalated further 2 years prior to his court attendance. On reflection, his partner found it out of character for him to be spending all weekend and all weekends at the casino, however at the time this behaviour was not questioned. His de facto partner has told him she would leave him if she suspected he was gambling again.

His psychological report noted that he was a regular gambler on horses and dogs either at the track or the TAB. He had been gambling for a long time, but had always contained the gambling to a level he could afford until the 2 years prior to the offence. He described 2 incidents that the subject considered being critical points that made him increase his bets and steal. Both instances occurred when his employer demanded that the subject and his staff were responsible for losses that the business had suffered. The first event involved some misplaced goods whilst the second event related to money being lost in the office. In order to pay back this money, the subject started gambling with his own savings and after he lost that he began to steal from the till with a view to recoup his losses as well as to pay back the employer. 'This quickly escalated into a cycle commonly described by chronic gamblers, of taking more and more money to try and recoup losses.' He was surprised that his thefts were not discovered despite 2 end of year audits.

The pre-sentence report noted that the subject attended GA after the charges, but then decided he was cured as he had stopped gambling and stopped attending. He was sentenced to periodic detention for 12 months, a \$5,000 good behaviour bond, and to pay full compensation.

Subject 61

Subject 61 was charged with 26 counts of larceny by a servant to the value of \$42,317. Female and aged 23 at the time of her court appearance, the subject worked as a store manager for a national clothing franchise. Primarily working alone in a store in Sydney's suburbs the subject was responsible for the daily banking. Put simply, the subject did not bank all of the proceeds and instead spent them on the pokies in a local club. Amounts stolen at any one time ranged from \$400 to \$3,000.

In her letter to the court, the subject cited the stress of working in her job being caused by the requirement to reach daily and weekly sales targets. She stated: 'I'd been gambling a bit on the pokies before this, since about a year before, but my addiction really took off after I'd been doing the managers job for a few months.' She advised police that she had initially lost money on the pokies and had kept playing to recoup her loss. She believed that she could win back all of the money that she had taken. She also stated she couldn't wait until she was apprehended. She stated that she was depressed as a consequence of stealing the money and being unable to repay

it. The probation report noted that ‘once she started gambling she couldn’t stop and was too embarrassed to tell her parents about it.’

She was sentenced to a 4 year recognizance conditioned that she be supervised and comply with reasonable directions including attendance at GA. Additionally a 350 hour Community Service Order.

Subject 62

Subject 62 was convicted of 29 counts of larceny by a clerk, to the value of \$360,000. Aged 30 at the time of his court appearance the subject had no prior convictions except for 1 drink driving matter. For 11 years the subject had worked for a bank in regional New South Wales. As he was responsible for stocking the auto bank, the subject was able to simply place bundles of \$5,000 in a box, take them out of the premises and alter the auto bank balance sheet. Over a 5 month period, the subject gambled all but \$5,000 of the money stolen at the TAB using a telephone account, betting on horses, trots and dogs. In the police interview, the subject indicated that he usually bet \$1,000 per time.

The Wesley Gambling Counselling Services representative stated that the subject had a pathological gambling disorder. The Judge noted that the Wesley report was ‘eminently practical. It does not seek to avoid [the subject’s] criminality, it does recognise the role a weak will in being able to combat gambling addiction and it addresses the question of rehabilitation.’

The judge accepted that the subject was a compulsive gambler and that he was chasing his losses rather than attempting to continually obtain a personal benefit. The judge noted that the subject had sold his car to assist in meeting his accumulating gambling debts. The judge then summarised his perception of gambling:

‘Australians have an entrenched reputation for gambling, for example, the old saying about betting on 2 flies going up the wall. In recent years there has been an enormous enlargement in the number of activities on which officially sanctioned gambling can take place. Whilst such activity may assist the community in its recreational pursuits the fact remains that there is also a dark side to it. Lacking sufficient strength of will some citizens immerse themselves in gambling to such an extent that they, their families and friends and ultimately society in general suffer greatly.

This dark side had not only social consequences – it can bring the addicted gambler into serious conflict with the law. When that happened the behaviour escalated to a far greater level of harm to the individual and those around him or her. When the law is broken in such a substantial manner as has occurred here the community which so readily accepts recreational gambling then requires that the breaker of its laws be punished with a sentence that would deter not only the individual before the Court but which is also a salutary reminder and deterrent to gamblers generally that they must not steal to support their addiction.’

The Judge then noted the judgment of Vincent J of the Victorian Court of Criminal Appeal in *R v Novac* (1993) 69 ACR 145 at 149:

‘... I should add that there is no shortage of evidence that has been accumulating over the years that persons do become addicted to gambling to the extent that their whole lives are affected by it. The commission of crimes of dishonesty in order to secure the necessary funds to satisfy temporarily their compulsion or obsession is a well-recognised phenomenon. It can in my view and in some circumstances constitute an important factor to be taken into account by a sentencing judge when assessing the degree of the offender’s moral culpability and the extent to which the sentence should incorporate an element of general deterrence.’

The judge adopted these remarks when sentencing the subject.

‘The sentencing judge has to keep a balance between the objective seriousness of the crime and the host of subjective factors pertinent to the individual to be sentenced. Included in that array of personal features of [the subject] to which I have made reference I add his failure to control his desire to gamble. He has to live with this weakness in an environment that daily surrounds him with encouragement to engage in numerous forms of gambling enterprises. This does not excuse him from his wrongdoing but it also does not assist him in the development of that strength of will to avoid wrongdoing.

I am mindful in this situation that in 1992 [the subject] did come face to face with the problem of his gambling addiction. In his evidence he has told me about an agreement with a friend not to gamble and that that lasted some months. The situation is not therefore of a young adult who is unable to recognise he has a gambling problem in the early years of his life. Here we have a 30 year old man who was aware that he had a gambling problem and because of it, regrettably broke the trust of his employers in a substantial fashion.’

Total sentence of 42 months due to the seriousness of the crime. The judge extended the period spent on parole under s5(2) of the *Sentencing Act* and accordingly reduced the minimum term so that the defendant could engage in extensive rehabilitation. Thus a minimum term of 2 years and 3 months, then it was recommended to the Probation and Parole Service that the prisoner engage in extensive rehabilitation in the Bridge Program administered by the Salvation Army during the course of the additional term.

Subject 63

Subject 63 was a 21 year old male employed in unskilled work at the time of the court appearance. The subject had been charged with 7 counts of making a false statement with intent to make money. Essentially, he had manufactured false forms of identification and then made telephone and counter loan applications to the value of \$109,000. The subject had a long criminal history considering his age, including joyriding offences, break and enters, stealing and assault (domestic violence). The case file also noted recent drug charges for which the subject had failed to appear.

He described himself as 'having a bad gambling habit' for the eighteen months to 2 years prior to his arrest on these matters. He 'spent thousands' at the TAB on horse and dog races as well as frequently visiting casinos.

Little information concerning the subject's upbringing was present except to note that he experienced some confusion as a child when he discovered that the person he thought was his biological father was actually his step father and that he changed schools 17 times. The subject was educated until Year 10 and worked as a window tinter until these offences occurred. He has since attended Gamblers Anonymous. However the psychologist's report noted that since imprisonment GA is not available to him.

The subject had married just prior to the commencement of his 'bad gambling habit'. The psychologist report suggested that a profound feeling of insecurity about the quality of his relationship with his wife was the primary motivator in committing these offences. He stated that he was suspicious of her fidelity to him and that he wished to be seen as an ample provider and apparently showered his wife with expensive gifts including cars and holidays. He felt that he did not deserve her and there developed a cycle in which the more possessive and controlling he

became the more arguments took place and the more frequent the periods of reconciliation. The psychologist report noted that the subject began gambling as a means to 'obtain more money to impress his wife and compensate for his own shortcomings' but that he appeared 'to have got caught up in that cycle in that he was constantly having to furnish his gambling debts'.

The psychologist found that the subject had a personality disorder possessing predominantly schizoid, depressive and passive aggressive traits. The subject was emotionally inert, undemonstrative and aloof.

The subject's wife informed the police of the subject's fraud offences. She informed the police that most of the stolen money had been spent at different casinos: 'just wasted it on gambling'. She stated 'I walked out because he was spending – wasting too much money'. The subject stated that he was grateful for his wife informing the police as he was 'out of control'. The subject had recently gained insight into the unhealthy aspects of the relationship with his wife and ended it. At police interview the subject made full admissions. He was sentenced to a minimum term of 15 months prison with an additional term of 15 months, with his moderate criminal history taken into account.

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