

Category – Liaison to enter

REFORMS TO ADDRESS PROBLEM GAMBLING

THE GOVERNMENT IS COMMITTED TO TACKLING PROBLEM GAMBLING.

- The Productivity Commission estimates that there are between 80,000 and 160,000 problem gamblers. In addition there are between 230,000 and 350,000 people at moderate risk.
- Problem gambling destroys lives - not only the life of the problem gambler but also the lives of their families and friends. The Productivity Commission estimates the social costs of gambling are at least \$4.7 billion per year.

THE GOVERNMENT IS INITIALLY CONCENTRATING ON ELECTRONIC GAMING MACHINES

- The 2010 Productivity Commission Report into Gambling found that a pre-commitment scheme is a strong, practicable and ultimately cost-effective option to minimise harm caused by gambling.
- The use of pre-commitment technology will assist people to exercise personal responsibility by allowing them to make their own choices about spending on poker machines and stick to them.
- This will be supported by ATM withdrawal limits in venues with poker machines (excluding casinos) and poker machine dynamic warning and cost of play displays.

THE GOVERNMENT WILL WORK WITH ALL STAKEHOLDERS

- The Government is committed to working in close partnership with the Member for Denison and Senator Xenophon, and in consultation with state and territory governments, industry and the community sector to effectively tackle problem gambling.
- The Government is establishing a Joint Select Parliamentary Committee on Gambling, a COAG Select Council on Gambling Reform and a Ministerial Expert Advisory Group on Gambling to seek wide input into its proposals and their implementation.

THE GOVERNMENT IS COMMITTED TO A FAIR OUTCOME

- The Government acknowledges the important role played by clubs and the broader gambling industry, which makes an important contribution to jobs and the economy more broadly.
- The reforms the Government will put in place should not be seen as an attack on the gambling industry. The aim of the Government is to target problem gambling, while minimising any adverse effects for recreational gamblers.
- As part of its response to the Henry Review, the Government announced that it would not at any stage implement any changes to the tax system that would harm the not for profit sector, including changing income tax arrangements for clubs.

BACKGROUND FACTS

- The Government released the Productivity Commission Report into Gambling on 23 June 2010.
- Concurrent with the release of the report, the Government released its response, which included its support for the use of pre-commitment technology. The response also announced the establishment of a COAG Select Council of Ministers on Gambling Reform to progress a national response to minimise the harm caused by problem gambling.
- The Prime Minister signed a post-election agreement with Mr Andrew Wilkie on 2 September 2010, which included important commitments on gambling reform:
 - The introduction of a national pre-commitment scheme to commence in 2014 (two years earlier than recommended in the PC report); support for the PC's recommendations on poker machine dynamic warning displays and cost and play displays; and a \$250 per day maximum withdrawal limit from ATMs in venues with poker machines.
 - The establishment of a Select Committee of the Parliament (The Joint Select Parliamentary Committee on Gambling) to act in an advisory role to the Assistant Treasurer, Minister Macklin and the Prime Minister to progress a national response to the PC report.
 - If agreement with the States and Territories cannot be reached by 31 May 2011, the Government would unilaterally seek to legislate to achieve the above reforms, subject to receiving legal advice that it is capable of doing so.
- The Government has also agreed to establish a Ministerial Expert Advisory Group on Gambling to provide specialist and technical advice to the Government and the Joint Select Parliamentary Committee on Gambling on the implementation of the reforms.
 - The Government has invited Professor Peter Shergold AM to chair the Group.
- Representatives from clubs and hotels are currently organising campaigns against mandating smart card technology for poker machines (which would facilitate pre-commitment).
 - Clubs Australia is encouraging its 10 million members to write to their local Members of Parliament asking them to oppose the proposals.