

**Parliamentary Joint Select Committee on Gambling Reform**  
**ANSWERS TO QUESTIONS ON NOTICE**  
**FAMILIES, HOUSING, COMMUNITY SERVICES AND INDIGENOUS AFFAIRS**  
**PORTFOLIO**

**Inquiry into Poker Machines Harm Reduction (\$1 Bets and Other Measures) Bill 2012**

**Date: 22 February 2013**

**Question No: 1**

**Hansard Page: 42**

**Topic: Costings of \$1 bet limits**

**Senator Richard Di Natale and Mr Josh Frydenberg MP**

**Question:**

Can you take on notice whether the department was ever given any directive by the minister to cost the policy according to the criteria you have described? [description page 42 Di Natale]

And who made the determination that it should be costed in the way that it was?

**Answer:**

The Minister did not provide a directive to the Department on how to cost the implementation of \$1 bet limits.

Low intensity machines were investigated by the Department, in conjunction with the receipt of independent technical advice. The costing for \$1 bet limits was done using the same commencement date as mandatory pre-commitment according to the timelines in the former agreement between the Prime Minister and the Member for Denison.

**Parliamentary Joint Select Committee on Gambling Reform**  
**ANSWERS TO QUESTIONS ON NOTICE**  
**FAMILIES, HOUSING, COMMUNITY SERVICES AND INDIGENOUS AFFAIRS**  
**PORTFOLIO**

**Inquiry into Poker Machines Harm Reduction (\$1 Bets and Other Measures) Bill 2012**

**Date: 22 February 2013**

**Question No: 2**

**Hansard Page: 44**

**Topic: Mandatory Pre-commitment**

**Mr Andrew Wilkie MP (Chair)**

**Question:**

When did the department first ease off in its preparation for the implementation of mandatory precommitment nationally? Was it in mid-2011 or was it earlier? The reason I single out mid-2011 as a potential relevant point in time is that we have learned since that time that the department stopped work with a consultant that had been hired, and had been contracted, to do some work relevant to the roll-out of mandatory precommitment nationally, and was it through an FOI or somehow it has been revealed publicly since that time that the consultant was told to stop work mid-2011?

It was to do with the public information campaign, or learning more about public attitudes to inform a public information campaign. It had not received a lot of publicity but it is a significant development, in my mind, that the consultants were told to stop work in mid-2011.

Was that the point at which the department eased off or was it earlier, and at whose direction?

**Answer:**

The Department continued to work towards the implementation of mandatory pre-commitment in line with the former agreement between the Prime Minister and the Member for Denison until the Prime Minister's announcement on 21 January 2012.

In February 2011 the Department commissioned Hall and Partners Open Mind to conduct developmental market research on the information needs of the community around the issue of problem gambling and the introduction of Government action in this area.

The Department developed a communications strategy based on the findings of this market research. However, a decision was taken not to proceed with this strategy. Instead, a central website and information products addressing the proposed national gambling reforms have been published and promoted through non-advertising means.

**Parliamentary Joint Select Committee on Gambling Reform**  
**ANSWERS TO QUESTIONS ON NOTICE**  
**FAMILIES, HOUSING, COMMUNITY SERVICES AND INDIGENOUS AFFAIRS**  
**PORTFOLIO**

**Inquiry into Poker Machines Harm Reduction (\$1 Bets and Other Measures) Bill 2012**

**Date: 22 February 2013**

**Question No: 3**

**Hansard Page: 45**

**Topic: Evidence from Dr Livingstone**

**Senator Nick Xenophon**

**Question:**

Could I invite you on notice to examine what Dr Livingstone said and comment on that and, perhaps if you think appropriate, actually speak to Dr Livingstone and his colleague Dr Woolley. His evidence today directly contradicts the material that has been provided previously. It would make a significant difference if there are perhaps a significant proportion of machines where you can switch, in terms of software, to \$1 machines.

**Answer:**

Independent technical advice received by the Department indicates that the cost of implementing \$1 bets is up to \$6,000 per machine. The Department has not received any advice similar to the evidence provided by Dr Livingstone.

Advice from gaming machine manufacturers and state and territory gaming regulators is that there is a very small percentage of machines (less than 1 per cent) currently existing in the Australian market place capable of allowing \$1 bet games.

**Parliamentary Joint Select Committee on Gambling Reform**  
**ANSWERS TO QUESTIONS ON NOTICE**  
**FAMILIES, HOUSING, COMMUNITY SERVICES AND INDIGENOUS AFFAIRS**  
**PORTFOLIO**

**Inquiry into Poker Machines Harm Reduction (\$1 Bets and Other Measures) Bill 2012**

**Date: 22 February 2013**

**Question No: 4**

**Hansard Page: 46**

**Topic: The Toneguzzo Group contract**

**Senator Nick Xenophon**

**Question:**

The terms of retainer for the Toneguzzo consulting – has that been made public? The parameters of what the consultants were to look at?

**Answer:**

The Department procured the services of The Toneguzzo Group through the terms of a contract and not through a retainer.

The Toneguzzo Group were contracted to provide advice on technical issues associated with the proposed gambling reforms and following the introduction of legislation, advice on the implementation of the *National Gambling Reform Act 2012* and its related matters Acts.

Information on these contracts is available on the AusTender website at:

- <https://www.tenders.gov.au/?event=public.CN.view&CNUUID=81A066B4-F9F1-A8AA-C61E5D0B53C8E50D> (First contract)
- <https://www.tenders.gov.au/?event=public.cn.view&CNUUID=FAF4B227-94B4-59F7-C8C07FD418FB62C2> (Second contract)

**Parliamentary Joint Select Committee on Gambling Reform**  
**ANSWERS TO QUESTIONS ON NOTICE**  
**FAMILIES, HOUSING, COMMUNITY SERVICES AND INDIGENOUS AFFAIRS**  
**PORTFOLIO**  
**Inquiry into Poker Machines Harm Reduction (\$1 Bets and Other Measures) Bill 2012**

**Date: 22 February 2013**

**Question No: 5**

**Hansard Page: 46**

**Topic: Pre-election advice on \$1 bets**

**Senator Nick Xenophon**

**Question:**

Did the department, prior to the election and – as the deputy chair quite rightly points out – prior to going to caretaker mode, give some advice either to the minister’s office or to the Prime Minister’s office about the feasibility of either option [\$1 bet limit and pre-commitment], or was that not really considered at all?

**Answer:**

The Department did not provide advice to the Minister on the feasibility of either option prior to the 2010 Federal election.

The Department does not provide advice to the Prime Minister’s Office. Questions regarding advice provided to the Prime Minister’s Office should be directed to the Department of Prime Minister and Cabinet.