

30 June 2011

The Hon Tom Kenyon MP
Minister for Recreation, Sport and Racing
GPO Box 1838
Adelaide SA 5001

C/- Lyn Beverley
Committee Secretary
Joint Select Committee on Gambling Reform
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Minister

Inquiry into the prevalence of interactive and online gambling in Australia and gambling advertising

In response to the Parliamentary Joint Select Committee on Gambling Reform invitation for submissions on its inquiry into interactive and online gambling and gambling advertising.

The following response is on behalf of the Squash Rackets Association of SA Inc, a not for profit State Sporting Organisation (Squash SA), that owns and operates a licensed Community Club (Racquets SA).

Background – Community Club - licensed and regulated gambling

The profits generated from Racquets SA 40 poker machines underpin the annual operations of Squash SA, the State Sporting Association, with the following broad community benefits:

1. Key financial stakeholder in State and Local Government Sporting Hub facility development projects
2. Distribution of annual funding to member clubs in order to improve local club facility infrastructure.
3. Host International, National and Regional sporting tournaments with substantial economic flow on benefits to tourism in South Australia.
4. Limited dependency on State Government Funding, Office for Sport and Recreation in comparison to other State Sporting Associations.
5. Provision of health and social wellbeing programs for schools and minority groups.

Online Gambling - unregulated

Internet gambling has experienced significant growth in the preceding few years, yet remains virtually un-restricted and unregulated in its operations.

Whilst the poker machine industry, in South Australia particularly, has been and still is regulated heavily, a similar regulation framework that governs other forms of gambling remains non-existent.

Online gambling does not generate employment opportunity and virtually no taxation revenue for the Australian Government. To achieve impartiality, Internet gambling must be subject to the same type of restrictions and regulations that apply to poker machines, with a clear emphasis placed on the following;

1. Advertising
2. Inducements
3. Credit Betting
4. Warnings and Responsible gambling conduct
5. Prohibition of minors

The above listed regulations are applied to the South Australian Gaming Machine industry.

South Australian Community Clubs such as Racquets SA work in conjunction with Clubs SA, Club Safe Program, to provide staff training to assist with the detection of problem gambling by way of: 1) early intervention strategies, 2) referral to counselling services. Online gambling offers no intervention or early detection strategies for problem gambling.

One major concern is that with the increasingly heavy regulation on poker machines, the risk of problem gambling transferring from one form of gambling to another becomes very real.

On line gambling and sports wagering provide many dangers, which is well documented in the Clubs Australia response to 2011 Productivity Commission into Gambling including, but not limited to:

1. Can be home-based, mobile with the assistance of technology, have no time restrictions and easily concealed.
2. Fully reliant on 'Credit Betting' which is prohibited for electronic gaming machines.
3. Little or no identification requirements which may lead to use/abuse by minors.
4. Virtually no protection to prevent fraud, money laundering or unfair gaming practices
5. No revenue from internet gambling is returned to the community in the form of grants or donations
6. Advertising for online gambling is unrestricted, and often offer inducements to gamble.

The Squash Rackets Association of SA is not necessarily against either online gambling or sports wagering, however is firmly of the view that this form of gambling must be regulated. The introduction of regulation (as with that of the South Australian Poker Machine Industry) will ensure that problem gambling remains a focus of concern for all gambling mediums.

Yours sincerely

Phil Sinnott
General Manager
Racquets SA
Squash SA