Thanks for the opportunity to provide a submission to your inquiry. I'm just an average Joe, I like a bet and have a small interest in a few racehorses. As a result, I will be directly affected by any decisions this committee makes. To be able to provide a submission on that basis highlights to me one of the great strengths of our system of government.

I have decided it would be best to address each of the terms of reference individually, please see my comments below:-

□ The prevalence of interactive and online gambling in Australia and the adequacy of the Interactive Gambling Act 2001 to effectively deal with its social and economic impacts, with particular reference to:

(a) the recent growth in interactive sports betting and the changes in online wagering due to new technologies;

There have been massive changes in technology since 2001 and who knows what we will see in the years to come. As a result, it is crucial that any legislation / regulation keeps up with changes in technology.

As an example, there are currently restrictions in place on betting in-play on sporting events via the internet, although you can do so via the telephone. This needs to change. Being able to bet in-play has the major advantage for the punter (especially on a betting exchange), of being able to trade out of a market and either lock in a profit or minimise a loss.

Share traders have the ability to do just that - they can take a position and if they reach an acceptable level of profit, trade out and lock in that profit. Vitally, they can do the opposite as well - i.e. if the market moves the wrong way, they can trade out and lock in a smaller loss and save their capital for another investment.

Why shouldn't punters be able to do the same???

I repeat, this needs to change.

(b) the development of new technologies, including mobile phones, smart phones and interactive television, that increase the risk and incidence of problem gambling;

The use of these technologies provide greater access to options to place a bet, if more bets are placed overall it seems logical that more bets will be placed by problem gamblers. However, the advantage of these new technologies are that bets will need to be placed through betting accounts. When bets are placed through an account they can be tracked, statements can be provided and problem gambling can be more easily identified and acted on.

Overall, the new technologies may actually provide problem gamblers with more tools to control their punting than if they were betting with cash.

(c) the relative regulatory frameworks of online and non-online gambling;

This is one area where I believe change is urgently needed - prohibition does not work. This is evidenced by the amount of money Australians currently bet on overseas poker and casino

sites. My preference would be to see the establishment of a national regulatory authority to regulate all gambling / gaming in Australia - both online and non-online.

I would also like to see properly licensed Australian based companies allowed to offer the services that punters currently source overseas. These companies can then be regulated in their approach to their customers - e.g. 100 point identity checks, compulsory access to statements, warnings re problem gambling, self exclusion / personally set limits, etc

Most importantly, Australia can close the door on the revenue we are losing overseas - i.e. we can tax the companies offering the services. In my opinion, this taxation should be used to fund the regulatory body and then distributed to the state / territory in which the client resides with money from overseas clients going to the federal government. A proportion of this revenue could also be used to fund services to assist problem gamblers.

Finally, the current mix of state based / territory legislation in regards to playing live poker is a joke. As an example, ACT legislation currently prohibits the playing of poker but NSW allows it - it's not difficult to cross the border!!! Live poker, when played for a low buy-in, can potentially provide hours of entertainment for a very small outlay and the possibility of a small win. Importantly, poker is a game of skill not purely chance.

Live poker, also provides pubs / clubs with another way of getting customers through their doors.

(d) inducements to bet on sporting events online;

All businesses should be allowed to use incentives to grow / maintain their customer base - it is a competitive market place.

(e) the risk of match-fixing in sports as a result of the types of bets available online, and whether certain types of bets should be prohibited, such as spot-betting in sports which may expose sports to corruption;

Spot-betting clearly provides more opportunity for "fixing" than trying to control the overall result of an event. I believe individual sports should decide what bet types should / should not be allowed on their specific sports.

(f) the impact of betting exchanges, including the ability to bet on losing outcomes;

Every sporting event has winners and losers - betting on Team A to win a match automatically means that you are betting on Team B to lose it. This equation becomes a little more complicated in events with multiple entrants but the principle remains the same. There will only ever be one winner (other than in a dead-heat) and the other participants will lose. If you back all but one entrant to win, you are effectively backing that final entrant to lose. This has been happening for years and long before betting exchanges came into play.

Overall, I see the entry of Betfair, the only betting exchange currently licensed in Australia, into the market as a positive for the following reasons

\* As a punter, better prices on average

- \* Additional revenue streams for sports / racing through distributions, sponsorship and most importantly the introduction of overseas clients to our market i.e. they have grown the pie
- \* Their audit trail and willingness to share information with authorities has enhanced, rather than detracted, from the ability of the regulators / stewards to do their job i.e. they make it easier to detect cheating
- \* Their forum is populated by some very interesting characters and usually provides a few laughs:)
- (g) the implications of betting on political events, particularly election outcomes;

Provided they are run on the same rules as other events, i.e. you can't bet on yourself, I see no issue with betting on elections.

(h) appropriate regulation, including codes of disclosure, for persons betting on events over which they have some participation or special knowledge, including match-fixing of sporting events; and

Should definitely be part of any regulation on the proviso that it doesn't go to far. For example, as a small time racehorse owner, I should not be prohibited from betting on a horse I help pay to have trained even if I know more about its condition, track work etc as a result of being connected in that way.

## (i) any other related matters.

Under terms of reference a, b, d and i the committee has decided to include gambling advertising as a specific area of inquiry. The committee is interested in views on: the level of gambling advertising; the display of betting odds at venues and during match broadcasts; commentators referring to the odds; and the general impact of gambling advertising on sport.

Business should be allowed to advertise its product but I agree limits on broadcasting odds during sporting events should be put in place.

Thanks again for the opportunity to make this submission

Paul Aalto Melbourne