



Australian Government
**Department of Broadband,
Communications and the Digital Economy**

Ms Lyn Beverley
Committee Secretary
Joint Select Committee on Gambling Reform
PO Box 6100
Parliament House
CANBERRA ACT 2600

Dear Ms ~~Beverley~~ ^{Lyn}

**Submission to the Joint Select Committee Inquiry into Interactive and Online
Gambling and Gambling Advertising**

Thank you for your letter dated 19 May 2011 inviting Senator the Hon Stephen Conroy, the Minister for Broadband, Communications and the Digital Economy, to provide a submission to this inquiry.

As you are aware, in October 2010 the Department of Broadband, Communications and the Digital Economy (the Department) provided a submission to the Community Affairs References Committee's inquiry into the prevalence of interactive and online gambling in Australia, prior to the referral of the inquiry to the Joint Select Committee on Gambling Reform (the Committee). The Department would like to update the submission in relation to two key policy developments recently announced by the Council of Australian Governments (COAG) Select Council on Gambling Reform (the Select Council).

Review of the IGA

At a Select Council meeting on 27 May 2011, it was announced that the Department would undertake a review of the operation of IGA (see enclosed COAG Communiqué).

In undertaking the review, the Department will consult widely with key stakeholders, states and territories, and the broader community. The review is scheduled to be completed in the first half of 2012.

Live odds promotion

At the Select Council meeting on 27 May 2011, ministers also agreed to take action to reduce and control the promotion of live odds during sports coverage (see enclosed COAG Communiqué).

Governments voiced concerns that this promotion, including commentary by sporting role models, is becoming insidious in live sports coverage, and can significantly influence vulnerable and young people and normalise gambling behaviour.

Ministers agreed that consultation will be undertaken with industry as to the scope of the measures designed to reduce and control the promotion of live odds during sports coverage. Ministers also acknowledged that racing will be exempt due to its long standing integral connection with wagering.

In the first instance, industry will be provided with the opportunity to address this issue through amendments to their existing industry codes. However, if satisfactory amendments are not in place by the end of June 2012, the Commonwealth will consider the need for legislation, noting that the measures would not apply to pre-existing contracts for the promotion of live odds during sports coverage prior to the announcement on 27 May 2011.

Thank you for the opportunity to provide this information to the Committee.

Yours sincerely

Abul Rizvi
Deputy Secretary

29 June 2011

Council of Australian Governments Select Council on Gambling Reform

Communiqué

Canberra

27 May 2011

The Council of Australian Governments (COAG) Select Council on Gambling Reform held its third meeting in Canberra today.

Ministers noted the progress made by all states and territories on a range of harm minimisation measures and committed to continuing to work closely together on reforms aimed at making poker machines safer for all players.

Select Council members have requested that the Council of Australian Governments agree to extend the time period of the Select Council to allow discussions to continue.

Changes in venues with poker machines

Pre-commitment

Ministers agreed that pre-commitment is a useful tool to help people set limits on how much they want to spend on poker machines and stick to them, and discussed the pre-commitment arrangements already being put in place in a number of states and territories.

Ministers agreed to support the required infrastructure for pre-commitment technology in all jurisdictions, to be available to all players in all venues.

Ministers also agreed that small venues may need special consideration.

Ministers also agreed that all new gaming machines will be required to have the pre-commitment functionality from a date to be agreed.

Ministers asked senior officials to do further work on developing the required functionality for pre-commitment and a timetable for implementation and report back to Ministers at their next meeting.

Ministers noted that members do not agree on whether such technology should be used on a voluntary or mandatory basis.

These are practical first steps in making pre-commitment technology available to all poker machine players.

Dynamic warning displays and cost of play displays

Ministers agreed to further consider the implementation of dynamic warning and cost of play displays for poker machines, once results from the trial being led by the Australian Government and facilitated by the Queensland Government, become available in early 2012.

ATM withdrawal limits

Ministers noted the existing arrangements in place for restricting ATMs and cash withdrawals in gaming venues across a number of states and territories.

Ministers agreed to continue to work together on the issue of ATM withdrawals.

Online gambling and advertising of gambling

Live odds promotion

Ministers have agreed to take action to reduce and control the promotion of live odds during sports coverage.

Governments are concerned that promotion, including commentary by sporting role models, is becoming insidious in live sports coverage. We are concerned that this can significantly influence vulnerable and young people and normalise gambling behaviour.

Ministers agreed consultation will be undertaken with industry as to the scope of the measures designed to reduce and control the promotion of live odds during sports coverage.

Ministers acknowledge that racing will be exempt due to its long standing integral connection with wagering.

In the first instance, industry will be provided with the opportunity to address this issue through amendments to their existing industry codes.

However, if satisfactory amendments are not in place by the end of June 2012, the Australian Government will consider the need for legislation, noting that the measures would not apply to pre-existing contracts for the promotion of live odds during sports coverage as of 1am today.

Review of Interactive Gambling Act

The Australian Government, after consultation with the states and territories, has decided that the Department of Broadband, Communications and the Digital Economy will undertake a review of the operation of the *Interactive Gambling Act 2001*.

The review will include examination of the operation of the IGA and the effectiveness of the current provisions. It will also include further consideration of international regulatory approaches to online gambling and their potential applicability to the Australian context. It will also examine the ability to improve harm minimisation measures for online gambling services.

The review will also look at the enforcement of existing prohibitions on certain types of online gambling, the way the Act applies to different technological platforms, and the growing number of Australian consumers gambling online in an unregulated environment.

The Australian Government will consult widely with key stakeholders, states and territories, and the broader community in undertaking the review. Terms of Reference of the review will be announced shortly.