



Australian Government

**Department of Families, Housing,
Community Services and Indigenous Affairs**

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

Dear Ms Beverley

Thank you for the opportunity to provide a submission to the Parliamentary Joint Select Committee on Gambling Reform's inquiry into interactive and online gambling and gambling advertising.

The Department of Families, Housing, Community Services and Indigenous Affairs ('the Department') has a strong focus on improving the lives of Australians, particularly those most vulnerable in our community.

Problem gambling is a priority concern for this Department as it can have devastating consequences for people, such as financial hardship, relationship breakdowns, job loss and mental health problems.

The trend in the proliferation of online forms of gambling could potentially increase the opportunities for problem gamblers to gamble and exacerbate the negative impacts for individuals, families and communities.

The Department currently helps Australians impacted by problem gambling through the provision of a range of programs and services. Any trend that results in higher numbers of problem gamblers will potentially increase demand for these services.

In particular, FaHCSIA funded Financial Management Support Services (Commonwealth Financial Counselling and Money Management Services) help people to deal with financial difficulties and build money management skills. These services aim to help people effectively allocate their money to provide for priority needs.

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Assistance for problem gamblers and their families may not be limited to financial support services. Problem gamblers experiencing relationship breakdowns may benefit from a range of Family Relationship Services funded by the Department. These FaHCSIA funded community organisations deliver early intervention services to couples and families to help them build stronger family relationships.

Problem gamblers experiencing a mental illness, such as depression, can access community mental health service providers, funded by the Department, to assist them and their families and carers. Personal Helpers and Mentors aim to provide increased opportunities for recovery for people whose lives are severely affected by mental illness.

Gambling reform

As you are aware, the Department is also playing a lead role in the implementation of the Australian Government's commitment to a range of gambling reforms. These reforms aim to reduce the harm caused by problem gambling in relation to poker machines through the implementation of a full pre-commitment scheme, dynamic warning and cost of play displays and a daily \$250 withdrawal limit on automatic teller machines in gaming venues (except casinos).

A Problem Gambling Taskforce ('the Taskforce') has been established within the Department and is working closely with the Department of the Treasury to progress these reforms.

The Taskforce and the Treasury are currently supporting the Government in developing Commonwealth legislation intended to enact these reforms.

Although the primary focus of the reform program is on minimising harm from poker machines, the Department has a strong interest in policy aimed at minimising harm from problem gambling in all its forms. The Department shares the growing community concerns over the potential impacts of interactive and online gambling and gambling advertising, particularly the impact on vulnerable Australians.

The Department is supporting the Council of Australian Governments' Select Council on Gambling Reform as they progress the development of a national response to the Productivity Commission's 2010 report on gambling by the end of 2011. This national response will include consideration of issues related to the regulation of online gambling.

Interactive and online gambling and gambling advertising

The Productivity Commission inquiry into gambling identified strong growth in online gambling over the last ten years. This growth in interactive and online gambling products may be increasing the accessibility and opportunity to gamble for all Australians. There is the potential for online gambling to attract a new market of people who may not have gambled before.

Of particular concern is the potential for children and youth to become exposed to gambling products through the promotion of live odds during sports broadcasts and at sporting grounds and via the internet. The proliferation of interactive gambling through the internet and mobile phones may also be an issue for children and youth and other vulnerable people who may experience increased exposure to online gambling in their home environments. Younger people may also arguably be more likely to adopt and be more susceptible to the harm from new and emerging gambling technologies.

The Department acknowledges the need for further work in these areas.

We are working closely with the Treasury and the Department of Broadband, Communications and the Digital Economy on a review of the *Interactive Gambling Act 2001* and the ability to improve harm minimisation measures for online gambling services.

We will be supporting the Government in working with the sporting and betting industries to reduce and control the promotion of live odds through amendments to their existing industry codes.

For all of these reasons the Department will be closely monitoring the proceedings of this inquiry and would be happy to provide any further information required by the committee.

Yours sincerely

Liza Carroll
Deputy Secretary

30 June 2011